

CITY COUNCIL

READ FILE COVER SHEET

Subject: **Ordinance 1215 concerning Approving Budget Amendment
2026-05 to Authorize Spending of Main Street Improvement
Program Grant (Public Hearing & 2nd Reading)**

Date: **1/6/2026**

Notice: Any comments made after 5:00 p.m. on the Thursday before the Council Meeting will not be seen in the agenda packet.

Purpose:

<input type="checkbox"/>	FYI
<input checked="" type="checkbox"/>	Read and Comment as Needed
<input checked="" type="checkbox"/>	Action Required by January 20, 2026
<input type="checkbox"/>	In Confidential File Drawer

Approve:

Johnny Boker	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Casi Boyer	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Matthew Ellis	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Vicki Jones	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Jim Ringsaker	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Tammy Lynn Schneegas	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Comment
Comment: _____			

Note: N/A

CITY COUNCIL
OF
HAVRE DE GRACE, MARYLAND

ORDINANCE NO. 1215

BUDGET AMENDMENT 2026-05

Introduced by _____ Council Member Ellis _____

AN ORDINANCE BY THE MAYOR AND CITY COUNCIL OF HAVRE DE GRACE BY THE AUTHORITY OF ARTICLE XI-E OF THE MARYLAND CONSTITUTION, THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND SECTION 37 OF THE HAVRE DE GRACE CITY CHARTER FOR THE PURPOSE OF AMENDING THE CITY BUDGET FOR FISCAL YEAR 2026

On: January 5, 2026

at: 7:00 p.m.

Ordinance introduced, read first time, ordered posted and public hearing scheduled.

PUBLIC HEARING

A Public Hearing is scheduled for January 20, 2026 at 7:00 p.m.

EXPLANATION

Underlining indicates matter added to existing law.

[Bold Brackets] indicate matter deleted from existing law.

Amendments proposed prior to final adoption will be noted on a separate page with line references or by handwritten changes on the draft legislation.

WHEREAS, the Mayor and City Council of Havre de Grace, a Maryland municipal corporation, is required to establish an annual projection of anticipated revenues and proposed expenses, known as the budget, for the City of Havre de Grace for the fiscal year beginning July 1, 2025 through June 30, 2026, said period known as fiscal year 2026; and

WHEREAS, the Mayor and City Council of Havre de Grace passed the Budget Ordinance 1194, establishing the budget for Fiscal Year on June 16, 2025, pursuant to the Havre de Grace Charter Section 37 and by the authority of the Local Government Article of the Annotated Code of Maryland; and

WHEREAS, Budget Ordinance 1194 projected revenue, expenses and capital project completion on best estimates and timetables when proposed; and

WHEREAS, Section 37 of the Charter states " No officer or employee of the City shall expend money that is not appropriated", and this budget amendment is for the uninterrupted oversight of new development within the City;

NOW THEREFORE, it is determined, decided, and ordained by the City Council that Budget Amendment 2026-05 be included as part of the Fiscal Year 2026 Budget.

ATTEST:

MAYOR AND CITY COUNCIL
OF HAVRE DE GRACE

Christopher Ricci
Director of Administration

William T. Martin
Mayor

Introduced/First Reading: 1/5/2026
Public Hearing:
Second Reading/Adopted:
Effective Date:

Exhibit A



INTER-CITY MEMORANDUM

To: City Council President James E. Ringsaker, Jr.
 From: Mayor William T. Martin
 Date: 12/29/2025
 RE: Proposed Budget Amendment 2026-05

FY26 DHCD MIP Grant - \$25,000:

The City was awarded a \$25,000 Main Street Improvement Program Grant (MIP) from the State of Maryland Department of Housing and Community Development (DHCD) to promote the development and revitalization of the City's business district. Per the agreement, \$20,000 is to be used for salary expense and \$5,000 for events, promotions, and marketing.

The grant agreement requires no matching City contribution.

The City has hired a part-time Tourism/Mainstreet Coordinator in the Department of Economic Development & Tourism on November 12th, 2025.

To account for this award and ensure proper budgeting for the planned activities, I am requesting budget increases for the below payroll expenditures accounts:

<u>GL Account #</u>	<u>Account Descriptions</u>	<u>Amount</u>
01-1071-5001	Salaries - Regular Time	\$18,200
01-1071-5013	Salaries – Sick Leave	400
01-1071-5022	FICA Expense	1,400
		<u>\$20,000</u>

Additionally, I am requesting a \$5,000 budget increase for events, promotions, and marking under GL Account # 01-1071-6288 "Advertising".

Correspondingly, to fund these activities, I am requesting that GL Account # 01-0001-48-34 "State Grants" be increased by \$25,000.

Please contact Abdul Abdi or Bridgette Johnson if you have any questions or require additional information regarding this budget amendment request.

OPERATING ASSISTANCE GRANT PROGRAM GRANT AGREEMENT

This Grant Agreement (this "Agreement"), by and between the DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, a principal department of the State of Maryland ("DHCD"), and CITY OF HAVRE DE GRACE (the "Grantee"), is entered into as of September 1, 2025 (the "Effective Date").

RECITALS

WHEREAS, Grantee has applied to DHCD for a grant under the Operating Assistance Grant Program (the "Program"). The Program includes: Main Street Improvement Program Grants ("MIP Grants"), pursuant to §6-102 of the Housing and Community Development Article of the Annotated Code of Maryland, COMAR 5.13.02, and DHCD's general authority to administer and implement programs, pursuant to §2-102 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended. The provisions of the Annotated Code of Maryland and the related regulations are referred to herein collectively as the "Act."

WHEREAS, the purpose of the MIP Grants is to promote the development and revitalization of business districts in local jurisdictions through a grant to a local government designated as a Main Street Maryland community, a Baltimore Main Street, or a nonprofit Main Street organization, with the support of the local government.

WHEREAS, in reliance upon the representations and certifications contained in the Grantee's application for grant assistance dated May 16, 2025 (the "Application"), DHCD has approved an award of MIP Grant funds to the Grantee, to be expended by the Grantee in accordance with the requirements and provisions of this Agreement, the Program, DHCD's Program Policy Guide, as amended from time to time (the "Guide"), and the Act.

IN CONSIDERATION of the mutual promises and covenants contained in this Agreement, DHCD and Grantee agree as follows:

1. Specific Purpose.

The purpose of this Agreement is to provide the Grantee with financial assistance to pay for the activities (the "Project Activities") set forth in Exhibit A attached hereto (the "Project"). Upon request by the Grantee, the Department, in its sole discretion, may modify the Project Activities and/or the Project by providing prior written notice to Grantee of such modification.

2. Grant Amount.

(a) DHCD agrees to provide Grantee with a grant from the Program in a total amount not to exceed Twenty-Five Thousand and 00/100 Dollars (\$25,000) (the "Grant").

(b) The Grant shall be disbursed in accordance with Section 6 of this Agreement and as set forth in the budget (the "Budget") set forth and attached as Exhibit B of this Agreement.

3. Grantee Contribution.

The Secretary of DHCD has made a determination to waive the Grantee contribution pursuant to COMAR 5.11.01.11(D) and COMAR 5.13.02.12.

4. Grant Period.

The Grant shall be disbursed over a one year term (the "Grant Period"). The Grant Period is deemed to commence on the Effective Date. The Department, in its sole discretion, may extend the Grant Period by providing prior written notice to the Grantee of such extension. Grantee shall be reimbursed for eligible costs incurred during the Grant Period; provided, however, that DHCD may, in its sole discretion, determine if Grantee shall be reimbursed for costs incurred before the Effective Date. Any costs incurred by Grantee before the Effective Date and before approval by DHCD of the release of Grant funds are incurred voluntarily, at Grantee's risk and upon its own credit and expense, and Grantee's authority to be reimbursed from the Grant funds shall be governed by the provisions of this Agreement. DHCD, in its sole discretion, may extend the Termination Date by written notice to Grantee.

5. Expenditure of the Grant.

Grantee agrees to use the Grant funds only for the approved Project and in accordance with the Budget. All expenses to be paid with the Grant shall be paid in a manner satisfactory to DHCD, prior to the expiration of the Grant Period. The Grantee shall expend the Grant only for the categories of activities set forth in the Budget. Grantee shall use the Grant in accordance with the provisions of the Act, the Guide, and this Agreement.

6. Disbursement of the Grant.

(a) Requests for disbursement of the Grant shall be made in writing upon forms provided by DHCD. During the term of this Agreement, each request for disbursement from the Grantee shall be accompanied by a progress or final report and contain the information required by DHCD, including but not limited to the status of the Project, goals achieved, expenditures made against the Budget and expected Project activity to be completed prior to submitting the next disbursement request.

(b) Requests for disbursement of Grant funds must be accompanied by a statement that the representations, certifications, and other matters contained in the Application and this Agreement are, and remain, true and complete in all material respects. Disbursement requests may seek funds to pay for certain projected costs anticipated to be incurred, as well as reimbursement for costs incurred, on or after the date of the Application. DHCD shall have the right at any time to request that the Grantee provide additional supporting documentation with any request for disbursement.

(c) All disbursements of the Grant must total \$3,000 minimally and are subject to the availability of funds from the Program during the Grant Period.

(d) Disbursements of the Grant may be made at any time after the Effective Date, subject however, to the satisfaction of any special conditions set forth in Exhibit C.

(e) DHCD reserves the right to make disbursements contingent upon completion by Grantee of the Project Activities, in a manner acceptable to DHCD. Grantee shall indicate on each disbursement request all costs for which payment is requested.

(f) DHCD reserves the right not to disburse all or any portion of the Grant if, in the sole determination of DHCD: (i) Grantee has failed to supply any material fact in a disbursement request; (ii)

EXHIBIT A
OPERATING ASSISTANCE GRANT PROGRAM
PROJECT ACTIVITIES

As more fully described in Grantee's application for funds
dated May 16, 2025

GRANTEE: CITY OF HAVRE DE GRACE

PROJECT ADDRESS: 711 Pennington Ave, Havre de Grace, MD 21078

GRANT AMOUNT: \$25,000

USE OF FUNDS: Funds will be used for Main Street salaries and events/promotion/marketing.

OTHER CONTRIBUTION(S)

Source of Funds	Amount	Value Derivation
City of Havre de Grace	\$50,000	Cash

EXHIBIT B
OPERATING ASSISTANCE GRANT PROGRAM
PROJECT BUDGET

USES OF FUNDS	DHCD	Grantee	Other	Name of Other Sources	TOTALS
Salary	\$20,000	\$39,500			\$59,500
Events/Promotion/Marketing	\$5,000	\$10,500			\$15,500
TOTALS	\$25,000	\$50,000	\$		\$75,000

Public Hearing

BUDGET AMENDMENT

December 29, 2025

Amendment# 2026-05

SOURCE OF FUNDS

Account Number	Account Title	Amount
	General Fund 1	
01-0001-48-34	State Grants (DHCD - MIP Grant)	\$25,000
	Total Sources	\$25,000

USE OF FUNDS

Account Number	Account Title	Amount
	General Fund 1	
01-1071-5001	Salaries - Regular Time	\$18,200
01-1071-5013	Salaries – Sick Leave	400
01-1071-5022	FICA Expense	1,400
01-1071-6288	Advertising	5,000
	Total Uses	\$25,000

REASON FOR ADJUSTMENT

To authorize spending of DHCD MIP Grant

AUTHORITY

APPROVAL

MAYOR	_____	Date: _____
ADMINISTRATION	_____	Date: _____
FINANCE	_____	Date: _____