

**COMMITTEE ON WAYS AND MEANS**

February 13, 2018

A meeting of the Committee on Ways and Means was held this date at 4:39 p.m.

**PRESENT (13)**

The Honorable John J. Tecklenburg, Mayor

Councilmember White	District 1	Councilmember Waring	District 7
Councilmember Shealy	District 2	Councilmember Seekings	District 8
Councilmember Lewis	District 3	Councilmember Shahid	District 9
Councilmember Mitchell	District 4	Councilmember Griffin	District 10
Councilmember Wagner	District 5	Councilmember Moody	District 11
Councilmember Gregorie	District 6	Councilmember Jackson	District 12

**1. INVOCATION:**

The meeting was opened with an invocation provided by Councilmember Shealy.

**2. APPROVAL OF MINUTES:**

On a motion of Councilmember Mitchell, seconded by Councilmember Moody, the Committee on Ways and Means voted unanimously to approve the minutes of the January 23, 2018 Committee on Ways and Means meeting.

**3. BIDS AND PURCHASES:**

On a motion of Councilmember Moody, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve the bids and purchases as follows:

**BFRC: ACCOUNT:120000-52206 APPROPRIATION: \$60,000**

Approval to establish a contract for State Lobbying Services with McNair Law Firm, P.A., 1221 Main St., Suite 1800, Columbia SC 29201; Solicitation #17-P038C

**BFRC: ACCOUNT:120000-52206 APPROPRIATION: \$96,000**

Approval to establish a contract for Federal Lobbying Services with TCH Group, 601 13<sup>th</sup> St., NW, Washington, DC 20005; Solicitation #17-P038C

**4. MAYOR'S OFFICE FOR CHILDREN YOUTH AND FAMILIES: APPROVAL TO ACCEPT THE \$20,000 AWARD AMOUNT FROM YOUTH VOLUNTEER CORPS HEADQUARTERS TO CONTINUE SUCCESS AND SUSTAINABILITY THROUGH INCREASED YOUTH VOLUNTEERS, SERVICE PROJECTS AND VOLUNTEER HOURS. NO CITY MATCH IS REQUIRED.**

On a motion of Councilmember Mitchell, seconded by Mayor Tecklenburg, the Committee on Ways and Means voted unanimously to accept the \$20,000 award amount from Youth Volunteer Corps Headquarters to continue success and sustainability through increased youth volunteers, service projects and volunteer hours.

**5. PARKS DEPARTMENT: APPROVAL TO SUBMIT THE KEEP AMERICA BEAUTIFUL 2018 CIGARETTE LITTER PREVENTION PROGRAM GRANT FOR THE AMOUNT OF \$10,000 FOR USE IN CIGARETTE LITTER ABATEMENT EFFORTS, EDUCATION PROGRAMMING, AND LITTER AWARENESS CAMPAIGNS IN THE CITY OF CHARLESTON. NO CITY MATCH IS REQUIRED.**

On a motion of Councilmember Mitchell, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to submit the Keep America Beautiful 2018 Cigarette Litter Prevention Program Grant for the amount of \$10,000 for use in cigarette litter abatement efforts, education programming, and litter awareness campaigns in the City of Charleston.

**6. PARKS-CONSTRUCTION: APPROVAL OF A GRANT APPLICATION FOR 2018 PARKS AND RECREATION DEVELOPMENT (PAR) FUNDING. THIS FUNDING WOULD BE USED TO CONSTRUCT A NEW PLAYGROUND AT MALL PLAYGROUND AT HAMPSTEAD SQUARE. THE SCOPE OF WORK INCLUDES THE REMOVAL OF EXISTING PLAY EQUIPMENT AND SITE PREPARATION, PURCHASE AND INSTALLATION OF NEW PLAYGROUND EQUIPMENT, PURCHASE AND INSTALLATION OF SAFETY SURFACING, AND RELATED SITE IMPROVEMENTS. THIS GRANT PROVIDES 80% OF THE COST OF A PROJECT, WITH THE REMAINING 20% TO BE PROVIDED AS MATCHING FUNDS. THE GRANT FUNDING AVAILABLE IS \$26,187.15 (PER CAPITA DISTRIBUTION ADMINISTERED BY CHARLESTON COUNTY PARK & RECREATION COMMISSION), REQUIRING A \$5,237.43 MATCH. TOTAL PROJECT FUNDING IS \$31,424.58. FUNDING WILL BE AVAILABLE BY JUNE, 2018. APPLICANTS WERE NOTIFIED ON JANUARY 2, 2018 THAT THE APPLICATIONS WERE DUE TO CCPRC BY JANUARY 11, 2018 IN ORDER TO MEET THE LEGISLATIVE DELEGATION AGENDA DEADLINE. THIS IS AN AFTER-THE-FACT REQUEST. THERE IS NO FISCAL IMPACT FOR THIS ACTION. AN APPROVAL OF THE GRANT APPLICATION WILL ONLY ALLOW THE PARKS DEPARTMENT TO SUBMIT THE DOCUMENT TO SCPR. HOWEVER, THE FISCAL IMPACT WILL OCCUR IF THE GRANT APPLICATION IS APPROVED FOR AWARD. ANTICIPATED FUNDING SOURCE FOR MATCH IS THE 2018 PLAYGROUND EQUIPMENT MAINTENANCE FUNDS IN THE CONSTRUCTION DIVISION (523000-52435.)**

On a motion of Councilmember Moody, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve a grant application for 2018 Parks and Recreation Development (PARD) funding.

**7. PARKS-CAPITAL PROJECTS: APPROVAL OF A PROFESSIONAL SERVICES CONTRACT WITH JOHNSON, MIRMIRAN AND THOMPSON IN THE AMOUNT OF \$49,500 FOR ENGINEERING AND PREPARATION OF CONSTRUCTION DOCUMENTS FOR PHASE I OF THE ASHLEY RIVER WALK PROJECT. PHASE I OF THIS PROJECT CONSISTS OF A PEDESTRIAN WALKWAY CONNECTING BRITTLEBANK PARK TO LOCKWOOD DRIVE UTILIZING THE EXISTING FIXED PIER AT BRITTLEBANK PARK AND THE EXISTING FLOATING DOCK AND THE BRISTOL MARINA. THE PROFESSIONAL SERVICES CONTRACT WILL OBLIGATE \$49,500 OF THE \$300,000 PROJECT BUDGET. THE FUNDING SOURCES FOR THIS PROJECT IS 2018 HOSPITALITY FUNDS (\$300,000.)**

Councilmember Waring said he did not disagree with the amount of money, but he disagreed with the funding source. He said this was an example of a property that was in a TIF District and was subject to TIF financing. They were taking money out of Hospitality monies, and the City would not be able to pay for the revitalization of West Ashley if they kept the funding formula this way. There were five TIF Districts in the City of Charleston, and four of them were on the Peninsula. This project needed to wait until the money was in the TIF Fund to be able to pay for the expense.

Councilmember Moody said he agreed whole-heartedly with Councilmember Waring because it was a matter of timing. He knew there was not any money in the TIF right now. To do this, they needed the infrastructure built. He asked if there was a way to loan these funds if it was important to get this project completed now, so that when the money became available in the TIF, the loan could be paid back.

Amy Wharton, Chief Financial Officer, asked if Councilmember Moody was suggesting loaning the funds from Hospitality monies, and Councilmember Moody confirmed and asked if the City could do this. Ms. Wharton said she did not know, but they could look into it. Councilmember Moody said there were some other items on the agenda that were exactly the same way. If the City was going to revitalize West Ashley and do the things they needed to do in West Ashley, James Island, Johns Island, and Daniel Island, they needed to change the way the City looked at funding a lot of different things. All of the TIF money had to basically stay downtown, and all of the Hospitality funds seemed to stay downtown. He thought that was what Councilmember Waring was saying, and they needed to start questioning this.

Mayor Tecklenburg requested that the Committee move forward with this item. He understood the point that when they had a significant expenditure, and it was available for reimbursement by a Tax Increment Financing District, that was preferable over paying for something out of the General Fund. In this case, it was the West Edge Increment Financing District, and the City had to make a sizeable infrastructure investment from the General Fund to the TIF. The City had, just for the first

time, got back a repayment last year of a little less than \$1.5 million. More infrastructure had already been expended, and more was being planned to be expended. He believed this TIF District was going to pay back in spades over the lifetime of the TIF. Over the next few years, they would still be trying to pay back the infrastructure costs in which the City had already invested. There were other projects in this district, in addition to this one, that would be coming to Council in the next 30 or 60 days. One of these projects was the renovation of Stoney Field. He said if every expenditure in this district was held hostage to it being repaid by the TIF, it would apply to a lot more than this one project, and it would take years before the City began paying it back. The City had certain requirements on Hospitality Funds, and he was trying to work with the State Legislature to loosen up the requirements, so that the City could spend Hospitality, as well as Accommodations Funds, on drainage improvements anywhere in the City. This was not a bad use of Hospitality Funds, and the fact that this happened to be in this TIF District did not mean that they should hold the funding and keep it from moving forward.

Councilmember Griffin said he understood where Mayor Tecklenburg was coming from, and he did not necessarily think they were trying to hold downtown hostage, but they did have TIF Districts downtown, and they did not have them in West Ashley. Over the years, they had seen West Ashley neglected with funding. He thought they had to exhaust every effort they could to find new ways to get money back to West Ashley and be unique in the ways they could find this funding, not necessarily throw things in Hospitality Funds. Mayor Tecklenburg said the City had one TIF District in West Ashley that was formed last year, and he thought they were over asking the County for more funds, but he would be coming back to the Committee with another request soon.

Councilmember Waring said that West Ashley had waited 20 years. The monies that came from the General Fund prior to Mayor Tecklenburg's tenure went to the TIF District, and West Ashley waited. He felt like the funds that went to West Edge could have come towards West Ashley to begin revitalization years ago.

Councilmember Wagner was excused at 4:50 p.m.

Councilmember Waring continued, stating they were at the point where the TIFs started producing money, and the City did not take the \$300,000 out of the \$3 million TIF. They were taking it out of Hospitality Funds which could have been used for West Ashley. The TIF had produced money that could have paid for this item, and the City chose not to do it. They chose to take all of this money and put it back for West Edge purposes, and they were double-dipping. He asked that City staff prepare a report that simply showed the history of the monies collected under the Hospitality Funding sources and the Accommodations Tax source to include each fiscal year, how much was collected, how much was spent downtown, and how much was spent West Ashley, because everyone paid Accommodations and Hospitality Taxes. He stated that for almost 20 years, 100 percent of these dollars were spent on the Peninsula for valid reasons, but 66 percent of the City of Charleston's population was in West Ashley, and it was appropriate that this meeting was being held in West Ashley. He said the Capital Projects Department was spending this money downtown, and he felt like there was a systemic problem among some staff, that when they

saw these dollars, they thought these dollars were for the Peninsula.

Councilmember Wagner returned to the Chamber at 4:52 p.m.

Councilmember Waring said this had to change and asked what the important things were in West Ashley that were being let go. They had a \$500,000 plan for West Ashley that they were going to vote on, and this was all of their responsibility and all of their faults. Out of a \$200,000,000 budget, \$0 monies were appropriated for West Ashley Revitalization. He said every time these items came through, he would be a thorn in the side, and he would not be the only one. If one added up the Hospitality Funds since they were created and the Accommodations Sales Tax Funds, both Municipal and State, one would see close to \$150,000,000 over its lifetime. If one asked how much was spent on West Ashley, he thought it would be a joke.

Mayor Tecklenburg said the assignment of funds for this project was not some systemic fault. He said this was a wonderful project that allowed waterfront access on the Ashley River, admittedly on the Peninsula side, that would run from Brittlebank Park underneath the two Ashley River Bridges and would connect with the marina to the south of the bridges. It would be trying to connect all of the City's sidewalks, the greenway, and provide waterfront access. It had already been permitted by the Corps of Engineers, which was a huge step. At this point, they were just trying to take it to the next step to get it engineered. He added that he had worked for the City back in the nineties for Mayor Riley and had helped with the Downtown Revitalization. The West Ashley Revitalization was remodeled on this effort. He said there was not a line item in the City budget at that time for Downtown Revitalization. It was done project by project and effort by effort, and each item was funded individually through various departments. If they were buying or fixing a park, it went through the Parks Department, and if they were conducting a drainage project, it went through the Public Service Department. There wasn't a catch-all line item for Downtown Revitalization, and the City did not intend to use that method for its West Ashley Revitalization efforts. He thought it should be a more holistic City effort on which they should all collaborate. They weren't trying to create tension or competition between the two parts of the City, even though he recognized the history that Councilmember Waring was bringing to their attention. He stated that, as examples, the City was finishing Carolina Bay Fire Station #14, which had a \$4.3 million budget. They were beginning Fire Station #11 on Savannah Highway, which was a \$9.5 million budget. The City also revamped the Community Center at Deming Park and resurfaced the tennis courts at Charleston Tennis Center for \$20,000. Another \$20,000 was spent on Forest Park court resurfacing. The City would also be spending a total of \$5.2 million on the Louis Waring Senior Center, which would be completed this year. There would also be a forensics center off of Bees Ferry Road, which would have a total budget of \$12.3 million and an Ashley Hall Fire Station renovation of \$430,000. He said he could go on with other park improvements, playground improvements, drainage improvements, and studies that had been budgeted totaling millions of dollars, which was spent in West Ashley. These weren't in a line item for "West Ashley Revitalization."

Councilwoman Jackson called for the question.

Councilmember Moody said he wanted to respond to Mayor Tecklenburg's comments. He said what the Mayor had not said was how much was spent on the Peninsula and other parts of the City. The only numbers that were given were for West Ashley. The other numbers were huge. He said the point Councilmember Waring was making and that he wanted to reiterate, was that the City had a Gateway TIF downtown on Huger Street, and some people downtown wanted to pay \$2.5 million for the Lowline. A half a block from the Lowline was probably one of the worst intersections because of drainage, which was Huger and King Streets. Councilmember Moody said he had asked the City if they had all of this money in the TIF, why couldn't they use it for drainage? Nowhere in the document for the Lowline was there the word "drainage." If the drainage money had to come from the City, why weren't TIF dollars used for drainage, and why was the Lowline chosen as being more important? Then, other parts of the City did not get the money they needed because the money was used to support drainage downtown when the TIF money could have been used for that. He thought this was the point that Councilmember Waring was making, that they needed to look at all of this. When City Council was working on the 2018 Budget, he asked for \$500,00 to be used in West Ashley for undergrounding wires. He said he had gotten beat up for this and was told that money had already been allocated for the Low Battery. The City already had about \$6 million in Hospitality Tax Funds for the Low Battery, and this had been extra money the City received during 2017. He explained that when a Councilmember asked for something like this, they were beat up for doing so, and this was what they needed to stop. He said the last thing he wanted to do was pit West Ashley against Downtown, but that was the mentality, and they needed to change this way of thinking.

Councilmember Waring said the Mayor crossed fiscal years with the appropriations he mentioned. The Louis Waring Senior Center was appropriated with monies from three years ago, and the fire station was several years ago. Some of the items were for maintenance, and the fire station and police forensics lab were for the whole City of Charleston. He said he was speaking about funding sources for the 2018 Budget, the Municipal and State Accommodations Sales Tax and Hospitality Sales Tax, which came to about \$26 million. He said the Mayor had not spoken about how much of the \$26 million came towards West Ashley, and he had spoken of projects that had been approved over several fiscal years. If one was going to go across fiscal years, then they should go across fiscal years and show how much the City had spent on the Peninsula. The City would not be able to revitalize West Ashley out of General Funds. General Funds went to pay for Police, Fire, Sanitation, and the responsibilities the citizens expected them to do. Councilmember Waring said it was not all of Mayor Tecklenburg's responsibility, but the people in West Ashley did not know how effective Accommodations Sales Tax dollars and Hospitality Sales Tax dollars could be towards the City's revitalization. It was the City's responsibility to provide this information and provide it to the public, so that when they asked for things to be done and there was no money, they could see where it went. He said if one were to add what the City of Charleston generated over the last 20 years, it would be over \$150 million, and if one asked how much went towards West Ashley, he did not know if it would be five percent. This was the system they needed to change.

Councilmember Gregorie said it was unfortunate because they did not want an “us against them” mentality, but it was slowly becoming like this. He said the project in question was a very important one to the City because, at some point, it would increase Accommodations and Hospitality Taxes. He would hate to see a project as important as West Edge be caught in the middle of the crossfire, and as a result, the planned total revitalization and redevelopment of this area be effected. There had to be a way, especially when they talked about a revitalization plan for West Ashley. He thought, as they discussed the 2018 Budget, that was the appropriate time to start filling in the blanks to make sure resources were there. He said he did not disagree with his colleagues, as it did appear there had been an imbalance over the years, but this project, which was in his district, was very important to the economic growth and strength of the City, and it should move forward.

Councilmember Seekings said in terms of long term planning and connectivity, this project extended south underneath the bridges and went down towards the marina. It also would connect in with the separate bridge across the Ashley River, which would connect West Ashley to Downtown. He said that with regards to the bigger picture, they were talking about Capital Projects. For the first time, the City had a Budget Committee, and he suggested that the Councilmembers serving on this Committee meet sooner rather than later, identify and prioritize Capital Projects, identify funding sources, and mesh those together in advance. For instance, the City had two types of Accommodations Taxes. State Accommodations tax was saddled with a lot of rules, and the City couldn't just spend the money the way they wanted to spend it. The City also had the Municipal Accommodations Tax and the Hospitality Tax, and they could see where it was collected. He thought that through the Budget Committee, they needed to match Capital Projects priorities with funding sources, so that they could move these projects through in a way that was balanced across the City and where they were needed. He said he would be voting for this item.

Chairman White said he completely agreed with his colleagues about the inequitable split that had occurred over the years, and he was glad they pointed out that the current administration was really not responsible for that, which was important to note. He also agreed with Councilmember Seekings that, moving forward, the engagement of Council in the process of budgeting, would be more expansive and in-depth than it really had ever been in the time he had been on Council. He did think this would be where they could have a meaningful impact to make sure there was a much more equitable split between the City's funding sources.

Councilmember Waring thanked the Chairman and his colleagues and said this was exactly what he wanted, a more equitable split, and he would be supporting this item.

On a motion of Councilwoman Jackson, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve a Professional Services Contract with Johnson, Mirmiran and Thompson in the amount of \$49,500 for engineering and preparation of construction documents for Phase I of the Ashley River Walk project.

**8. PARKS-FACILITIES MAINTENANCE: APPROVAL OF A CONSTRUCTION CONTRACT WITH WOLFF & SON ELECTRIC, INC. IN THE AMOUNT OF \$50,268 FOR THE REPLACEMENT OF 14 WOOD POLES AT VARIOUS RECREATION LOCATIONS AROUND THE CITY DUE TO POLE TOP DECAY, BIRD HOLE OR GROUND LINE DECAY. THE CONSTRUCTION CONTRACT WILL OBLIGATE \$50,268 OF THE \$85,000 ALLOTTED FOR THE WORK FROM THE SPECIALIZED DEPARTMENT SUPPLIES LINE ITEM IN THE ELECTRICAL DIVISION AND ALLOW FOR THE APPROVAL OF PR176750.**

On a motion of Councilmember Mitchell, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve a Construction Contract with Wolff & Son Electric, Inc. in the amount of \$50,268 for the replacement of 14 wood poles at various recreation locations around the City due to pole top decay, bird hole or ground line decay.

**9. PUBLIC SERVICE: APPROVAL OF SPRING/FISHBURNE US17 DRAINAGE & TRANSPORTATION IMPROVEMENTS: DIVISION III FEDERAL MATCH (PHASE 2) CHANGE ORDER #9 IN THE AMOUNT OF \$42,146 FROM CROWDER CONSTRUCTION CO. ON SUBJECT PROJECT FOR REVISIONS TO VORTEX BOX C, REPAIRING SCDOT ROADWAY LIGHTING, REMOVAL OF CONCRETE AND WOOD OBSTRUCTIONS IN THE PROJECT SITE, REMOVAL/REPLACEMENT OF EXISTING ROADWAY TREES. FUNDING FOR THIS CHANGE ORDER WILL BE COVERED BY THE PROJECT CONTINGENCY.**

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve of Spring/Fishburne US17 Drainage & Transportation Improvements: Division III Federal Match (Phase 2) Change Order #9 in the amount of \$42,146 from Crowder Construction Co. on subject project for revisions to Vortex Box C, repairing SCDOT roadway lighting, removal of concrete and wood obstructions in the project site, removal/replacement of existing roadway trees.

**10. PUBLIC SERVICE: APPROVAL OF SPRING/FISHBURNE US17 DRAINAGE & TRANSPORTATION IMPROVEMENTS: DIVISION III FEDERAL MATCH (PHASE 2) CHANGE ORDER #10 IN THE AMOUNT OF \$20,272 FROM CROWDER CONSTRUCTION CO. ON SUBJECT PROJECT FOR CONSTRUCTION OF CONCRETE CURB ALONG LOCKWOOD DRIVE OVERPASSES TO PREVENT EROSION ON NEWLY-LANDSCAPED AREAS. FUNDING FOR THIS CHANGE ORDER WILL BE COVERED BY THE PROJECT CONTINGENCY.**

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve Spring/Fishburne US17 Drainage & Transportation Improvements: Division III Federal Match (Phase 2) Change Order #10 in the amount of \$20,272 from Crowder Construction Co. on subject project for construction of concrete curb along Lockwood Drive overpasses to prevent erosion on newly-landscaped areas.

**11. PUBLIC SERVICE: APPROVAL OF SPRING/FISHBURNE US17 DRAINAGE &**

**TRANSPORTATION IMPROVEMENTS: DIVISION III FEDERAL MATCH (PHASE 2) CHANGE ORDER #11 IN THE AMOUNT OF \$12,650 FROM CROWDER CONSTRUCTION CO. ON SUBJECT PROJECT FOR RELOCATION/REPLACEMENT OF TREES IN CLOSE PROXIMITY TO ROADWAY. FUNDING FOR THIS CHANGE ORDER WILL BE COVERED BY THE PROJECT CONTINGENCY.**

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve Spring/Fishburne US17 Drainage & Transportation Improvements: Division III Federal Match (Phase 2) Change Order #11 in the amount of \$12,650 from Crowder Construction Co. on subject project for relocation/replacement of trees in close proximity to roadway.

**12. PUBLIC SERVICE: APPROVAL OF SPRING/FISHBURNE US17 DRAINAGE & TRANSPORTATION IMPROVEMENTS: DIVISION III FEDERAL MATCH (PHASE 2) CHANGE ORDER #12 IN THE AMOUNT OF \$11,995.17 FROM CROWDER CONSTRUCTION CO. ON SUBJECT PROJECT FOR FABRICATION AND INSTALLATION OF SIGNAGE AND APPLICATION OF THERMOPLASTIC MARKINGS NOT IN ORIGINAL CONTRACT. THE PROJECT BUDGET WILL INCREASE BY \$7,071.05. THE APPROVAL OF CO#12 WILL RESULT IN AN INCREASE OF \$7,071.05 TO THE PROJECT BUDGET FROM \$25,518,511.36 TO \$25,525,582.41. ADDITIONAL FUNDS WILL COME FROM THE KING STREET TIF.**

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve Spring/Fishburne US17 Drainage & Transportation Improvements: Division III Federal Match (Phase 2) Change Order #12 in the amount of \$11,995.17 from Crowder Construction Co. on subject project for fabrication and installation of signage and application of thermoplastic markings not in original contract.

**13. PUBLIC SERVICE: APPROVAL FOR THOMAS & HUTTON TO CONDUCT A PRELIMINARY DRAINAGE STUDY OF THE ASHLEY HALL MANOR DRAINAGE BASIN IN THE AMOUNT OF \$10,500.**

On a motion of Councilmember Waring, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve for Thomas & Hutton to conduct a preliminary drainage study of the Ashley Hall Manor drainage basin in the amount of \$10,500.

**14. PUBLIC SERVICE: APPROVAL FOR PALMETTO GUNITE TO MAKE MISCELLANEOUS REPAIRS IN THE AMOUNT OF \$57,528 OF THE POSTS AND SEA WALL DUE TO DAMAGE FROM HURRICANE IRMA.**

Councilmember Moody asked where the funding was coming from for this item and if there would be a request for a reimbursement from FEMA. Chairman White said he thought that was correct. Amy Wharton, CFO, said that General Fund monies would be used, and then the City would look for a reimbursement from FEMA. Councilmember Moody said the City had been setting

aside money for the Low Battery, and they had over \$20,000,000 in a pot. They also had almost \$7,000,000 budgeted out of the Accommodations Tax and Hospitality Tax for the Low Battery. He asked why this money did not come out of the Accommodations Tax as this was money that could be available for the rest of the City. He said that was exactly what Councilmember Waring was talking about. Councilmember Moody said that the City had General Fund money, which was for the whole City, and the City had set aside more than \$30,000,000 for this project. He wanted to know why the money was spent this way. If the City did not get reimbursed, this money would go right out of the General Fund, it would be lost, and the City would still have a lot of money for drainage and fixing The Battery.

Ms. Wharton said that the City had an Emergency Fund Division Code for all of the City's expenses for Hurricane Irma, and this was why the item was coded right now to the General Fund/Emergency Fund Division Code. Once the City heard back from FEMA, they could use other funding sources to pay back the General Fund. Councilmember Moody said that was his point because, if they did not designate it now, it would get lost. He asked if the City had ever taken money out of Hospitality or Accommodations Funds and reimbursed the Emergency Fund in the past. Ms. Wharton said the City had not done that, but they could track this and bring it to Council for approval because Council had already passed all of the tourism fund budgets. Councilmember Moody asked why the reserves couldn't be used instead of the emergency funds. Ms. Wharton said they could be, but it would still need to be brought to Council for approval because Council had already passed all of the budgets and expenditures. Council had approved the 2018 Accommodations Tax, 2018 Municipal Accommodations Tax, and 2018 Hospitality Tax budgets. Any changes would have to be an amendment to these budgets. Councilmember Moody asked if the City had set aside monies for the Low Battery, and Ms. Wharton said yes. Councilmember Moody said he thought this was where this money should come from. Chairman White said he thought the question was could the City allocate those proceeds from that pool of funds, as opposed to using General Funds. Ms. Wharton said they could do this, but she needed the funds in the Emergency Fund.

Councilwoman Jackson asked for clarification regarding repairs to the Low Battery. She understood that they needed millions of more dollars to replace and repair the Low Battery, and she appreciated that this item was only \$60,000, but it seemed like if they started to spend that money, they would not have what they needed when it came to putting the new Battery Wall in place. Councilmember Moody said they would not be able to revitalize West Ashley either.

On a motion of Councilwoman Jackson, seconded by Councilmember Seekings, the Committee on Ways and Means voted unanimously to approve for Palmetto Gunite to make miscellaneous repairs in the amount of \$57,528 of the posts and sea wall due to damage from Hurricane Irma.

**15. PLANNING PRESERVATION AND SUSTAINABILITY: APPROVAL OF A STRATEGIC ALLIANCE MEMORANDUM BETWEEN THE CITY OF CHARLESTON AND THE UNITED STATES SMALL BUSINESS ADMINISTRATION ("SBA") TO WORK TOGETHER TO HELP**

**START, MAINTAIN, AND EXPAND SMALL BUSINESSES IN THE CITY OF CHARLESTON. THE PARTIES AGREE TO DEVELOP AND FOSTER A MUTUAL UNDERSTANDING AND A WORKING RELATIONSHIP TO STRENGTHEN AND EXPAND SMALL BUSINESS DEVELOPMENT IN THE CITY. THE CITY AND SBA WILL NEGOTIATE AND SIGN A SEPARATE AGREEMENT THAT DEFINES THE TRAINING AND OUTREACH ACTIVITIES CONTEMPLATED BY THIS MEMORANDUM.**

Councilmember Moody asked when Clay Middleton was leaving the City due to National Guard Service, and the Clerk responded that he was already deployed. Councilmember Moody said he understood that this agreement was really for him, and he was not sure why the City needed the agreement right now and wanted to know who would be driving the program. Meg Thompson, Program Coordinator for Businesses and Neighborhood Services, said their division had been working on this MOU. The MOU stated that the City would be working with the Small Business Administration program. Councilmember Moody asked if this item had any funding with it, and Ms. Thompson replied that there was no funding.

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve a Strategic Alliance Memorandum between the City of Charleston and the United States Small Business Administration ("SBA") to work together to help start, maintain, and expand small businesses in the City of Charleston.

**16. BUDGET, FINANCE AND REVENUE COLLECTIONS: AN ORDINANCE PROVIDING FOR THE ISSUANCE OF \$7,500,000 ACCOMMODATIONS TAX REVENUE BONDS OF THE CITY OF CHARLESTON, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.**

Councilmember Waring asked if this was for the IAAM Museum, and Chairman White confirmed.

Councilmember Moody said that this was \$7.5 million, out of \$12.5 million, that the City had committed to the IAAM. He asked if the City had already authorized the other \$5 million. Ms. Wharton stated the City had already borrowed \$5 million, and this was the remaining money. Councilmember Moody said he thought the City was not supposed to start construction until the City had all of the money. Ms. Wharton stated that the City's \$12.5 million was specifically for design.

On a motion of Mayor Tecklenburg, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance providing for the issuance of \$7,500,000 Accommodations Tax Revenue Bonds of the City of Charleston, South Carolina, and other matters relating thereto.*

**17. BUDGET, FINANCE AND REVENUE COLLECTIONS: APPROVAL FOR SANDERS BROTHERS CONSTRUCTION TO ASSIST THE CITY IN THE PREPARATION, RESPONSE AND RECOVERY FROM HURRICANE IRMA BY PROVIDING LABOR AND EQUIPMENT INCLUDING: PUMPS AND STREET CLEANING EQUIPMENT IN THE AMOUNT OF \$73,985. THE WORK IS**

**COMPLETE. ALL WORK WAS DONE PRIOR TO, DURING, AND IMMEDIATELY AFTER HURRICANE IRMA.**

On a motion of Councilwoman Jackson, seconded by Councilmember Seekings, the Committee on Ways and Means voted unanimously to approve for Sanders Brothers Construction to assist the City in the preparation, response and recovery from Hurricane Irma by providing labor and equipment including: pumps and street cleaning equipment in the amount of \$73,985.

**18. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD FEBRUARY 12, 2018 AT 3:00 P.M. AT CITY HALL, 80 BROAD STREET, FIRST FLOOR CONFERENCE ROOM)**

- a. An ordinance authorizing the Mayor to execute on behalf of the City a Quit-Claim Deed to Timothy D. Weber and Tara-Lehua Weber pertaining to 56 South Street so as to release any reversionary interest of the City in 56 South Street.
- b. An ordinance authorizing the Mayor to execute on behalf of the City a Quit-Claim Deed to the Gathering at Morris square, individually and as assignee of Smith-Morris Company, LLC, or its assigns (the "Grantee"), pertaining to City owned properties on Cannon Street bearing Charleston County Tax Map Nos. 460-11-04-150 and 460-11-04-151 (the "property") with the delivery of the deed being conditioned on Grantee simultaneously granting the City a Temporary Construction Easement and an Exclusive Permanent Easement on, over and under the property as set forth in Exhibit A.
- c. Consider the following annexation:

1430 Agatha Street (TMS# 351-07-00-071) 0.13 acre, West Ashley (District 7). The property is owned by Victoria Johnson Life Estate.
- d. Executive Session: Discussion regarding potential contractual arrangements pertaining to properties located in the Cooper River Bridge Redevelopment District. Action may or may not be taken.
- e. Consider a Purchase and Sale Agreement for 101 Broad Street

Councilmember Moody, Chair of the Committee on Real Estate, stated that the Committee discussed Items 'a' through 'c,' and they were approved unanimously by the Committee.

The Committee went into Executive Session to discuss affordable housing in the Cooper River Bridge Redevelopment District. They had received a contract to do development in this area, and the Committee had a number of questions as to how this would work. The Committee did not take action on this item and asked for more information and further consideration.

The Committee also went into Executive Session to discuss the Purchase and Sale Agreement for 101 Broad Street. Councilmember Moody stated that there was a lot of discussion about this

and why it was needed. The price that was offered was not sufficient in their opinion, and they asked staff to go back to the purchaser and further negotiate this item, so no action was taken.

Councilmember Moody made a motion to accept Items 'a' through 'c,' and stated that the other items were for information. Councilmember Shealy seconded the motion.

On a motion of Councilmember Moody, seconded by Councilmember Shealy, the Committee on Ways and Means voted unanimously to approve Items 'a' through 'c' of the Committee on Real Estate Report.

The Committee on Ways and Means recommended giving first reading to the following bills:

*An ordinance authorizing the Mayor to execute on behalf of the City a Quit-Claim Deed to Timothy D. Weber and Tara-Lehua Weber pertaining to 56 South Street so as to release any reversionary interest of the City in 56 South Street.*

*An ordinance authorizing the Mayor to execute on behalf of the City a Quit-Claim Deed to the Gathering at Morris Square, individually and as assignee of Smith-Morris Company, LLC, or its assigns (the "Grantee"), pertaining to City owned properties on Cannon Street bearing Charleston County Tax Map Nos. 460-11-04-150 and 460-11-04-151 (the "Property"), with the delivery of the Deed being conditioned on Grantee simultaneously granting the City a Temporary Construction Easement and an Exclusive Permanent Easement on, over and under the property.*

*An ordinance to provide for the annexation of property known as 1430 Agatha Street (0.13 acre) (TMS# 351-07-00-071), West Ashley, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 7. The property is owned by Victoria Johnson Life Estate.*

Chairman White recognized former Councilmember Aubry Alexander who was in the audience, and he thanked him for attending.

There being no further business presented, the Committee on Ways and Means adjourned at 5:20 p.m.

Jennifer Cook  
Assistant Clerk of Council