

**COMMITTEE ON WAYS AND MEANS**

May 28, 2019

A meeting of the Committee on Ways and Means was held this date beginning at 5:03 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 Gregorie.

**2. APPROVAL OF MINUTES:**

The minutes of the April 23, 2019 and May 14, 2019 Committee on Ways and Means meetings were deferred.

**3. BIDS AND PURCHASES**

Councilmember Shealy asked if payment for the Bigbelly trash bins would not be until 2020. Amy Wharton, CFO, said some would be paid this year, and some would be paid in 2020. She said they had enough money in the budget for what they needed to pay this year because it would be crossing over years. The rest would be budgeted for in 2020.

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

**BFRC:**

Approval to establish a contract for Banking Services with Wells Fargo, 16 Broad Street, Charleston, SC 29401; Solicitation #18-P040R

**BFRC: ACCOUNT:531000-52206 APPROPRIATION: \$49,260.52**

Approval to have the seats of the Dock Street Theatre reupholstered by American Office Services, Inc., 30257 Clemens Road, Ste. C., Westlake, OH 44145; Solicitation #18-B042S. Funding in the amount of \$44,261 for this project is coming from the Professional and Contracted Services line item in the Dock Street Theater. The Friends of the Dock Street Theater have committed to

donating the remaining balance of \$5,000 to the City of Charleston for the upholstering of the theater chairs (letter attached).

**STORMWATER: ACCOUNT:050345-52425 APPROPRIATION: \$150,000**

Approval purchase for Emergency Stormwater Repair; Manhole Installation/Brick Arch Lining – S. Adgers Wharf performed by Palmetto Gunitite Construction Company, Inc. Funding is from the Drainage Fund.

**STORMWATER: ACCOUNT:193010-52425 APPROPRIATION: \$54,750**

Approval for Emergency Stormwater Road Failure on Logan Street to be done by B&C Land Development, Inc., 3785 Old Charleston Hwy., Johns Island, SC 29455. Funding is in the Stormwater Fund Budget.

**INFORMATION TECHNOLOGY: ACCOUNT:235000-52206 APPROPRIATION: \$47,872.80**

Approval of Annual Maintenance and Support for Police Mobile Data Terminal (MDT) Service from Charleston County, Sole Source Vendor, for consolidated dispatch mobile CAD operations.

**INFORMATION TECHNOLOGY: ACCOUNT:235000-52206 APPROPRIATION: \$58,860**

Approval of purchase with Superior for new mobile field reporting licenses for new police mobile data terminals; sole source purchase; provides new Mobile Field Reporting (MFR) licenses and support for thirty (30) new Mobile Data Terminals (MDT's/laptops) purchased for the Police Department to expand mobile Computer Aided Dispatch (CAD) and Record Management System (RMS) resources for Police vehicles.

**INFORMATION TECHNOLOGY: ACCOUNT:062019-58020 APPROPRIATION: \$190,000**

Approval to establish contract for In-Car Camera/MDT Systems from TechVentures, LLC DBA WH Platts Co., 6543-A Fain Street, North Charleston, SC 29406; Solicitation #19-B018R; 2019 Lease Purchase.

**PUBLIC SERVICE: ACCOUNT:324000-52206 APPROPRIATION: \$207,000**

Approval to establish a contract for Solar Powered Trash Bins with Big Belly, 150 A St., Ste. 103, Needham, MA 02494; Solicitation #19-P001S; Total \$207,000 1<sup>st</sup> year contract amount will not be needed in FY2019, remaining will be budgeted in 2020.

**POLICE DEPARTMENT: ACCOUNT:200000-52206 APPROPRIATION: \$95,000**

Approval to establish a contract for Removal of Radio Equipment of Safety & Security Camera System with Sierras Construction, 190 Bellerive Ln, Summerville, SC 29483; Solicitation #19-B014R

**4. TRAFFIC AND TRANSPORTATION: APPROVAL FOR CONSULTING SERVICES IN THE AMOUNT OF \$23,500 WITH COMPLETING THE TIGER/BUILD GRANT APPLICATION WITH RAM CONSULTING SERVICES, 2002 SAN MARCO BLVD., SUITE 202, JACKSONVILLE, FL 32207; SOLE SOURCE**

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve consulting services in the amount of \$23,500

with completing the TIGER/BUILD Grant Application with RAM Consulting Services, 2002 San Marco Blvd., Suite 202, Jacksonville, FL 32207; Sole Source

**5. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO APPLY FOR \$3,000 FROM SC HUMANITIES (FAST TASK LITERARY GRANT) TO SUPPORT PROGRAMS OF THE 2019 FREE VERSE FESTIVAL. A 1:1 CITY MATCH IS REQUIRED. MATCHING FUNDS WILL COME FROM PAID ADMISSIONS AND DONATIONS.**

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to apply for \$3,000 from SC Humanities (Fast Task Literary Grant) to support programs of the 2019 Free Verse Festival.

**6. RECREATION: APPROVAL TO APPLY FOR THE SUMMER FEEDING PROGRAM IN THE AMOUNT OF \$125,000 FROM S.C. DEPARTMENT OF EDUCATION. THIS WILL ALLOW THE CITY TO OFFER THE USDA SUMMER FEEDING SERVICE PROGRAM. THE EFFECTIVE DATE IS JUNE 10<sup>TH</sup> THROUGH AUGUST 9<sup>TH</sup> 2019. NO CITY MATCH IS REQUIRED.**

On a motion of Councilmember Lewis, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to apply for the Summer Feeding Program in the amount of \$125,000 from S.C. Department of Education.

**7. POLICE DEPARTMENT: APPROVAL OF AN AGREEMENT WHICH PROVIDES CPD AND COLLEGE OF CHARLESTON ACCESS TO EACH OTHER'S EXTERNAL STREET CAMERAS FOR PUBLIC SAFETY PURPOSES.**

On a motion of Councilmember Lewis, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve an agreement which provides CPD and College of Charleston access to each other's external street cameras for public safety purposes.

**8. PARKS-CAPITAL PROJECTS: APPROVAL OF DEMETRE PARK FLOATING DOCK CHANGE ORDER #5 TO THE CONSTRUCTION CONTRACT WITH SALMONS DREDGING CORPORATION IN THE AMOUNT OF \$284,997 FOR ADDITIONAL RIP-RAP REINSTATEMENT TO MITIGATE FUTURE DAMAGE TO THE DEMETRE PARK DOCK AND PIER. APPROVAL OF CHANGE ORDER #5 WILL RESULT IN A \$284,997 INCREASE TO THE CONSTRUCTION CONTRACT WITH SALMONS DREDGING CORPORATION (FROM \$550,576.32 TO \$835,573.32). FUNDING WILL COME FROM FEMA REIMBURSEMENTS.**

On a motion of Councilwoman Jackson, seconded by Councilmember Moody, the Committee on Ways and Means voted unanimously to approve Demetre Park Floating Dock Change Order #5 to the construction contract with Salmons Dredging Corporation in the amount of \$284,997 for additional rip-rap reinstatement to mitigate future damage to the Demetre Park dock and pier.

**9. STORMWATER MANAGEMENT: APPROVAL TO APPLY FOR THE HMGP GRANT APPLICATION THAT REQUIRES A 75/25 MATCH OF \$142,515. IF AWARDED, THIS GRANT WOULD COVER \$427,544 OF THE COSTS TO ACQUIRE AND DEMOLISH TWO RESIDENTIAL HOUSES DUE TO HISTORY OF FLOOD-RELATED DAMAGES. THE APPLICATION IS DUE ON FRIDAY, MAY 31, 2019. THE CITY MATCH OF \$142,515 IS AVAILABLE THROUGH THE DRAINAGE FUND.**

On a motion of Councilmember Mitchell, seconded by Councilmember Griffin the Committee on Ways and Means voted unanimously to approve to apply for the HMGP grant application that requires a 75/25 match of \$142,515.

**10. STORMWATER MANAGEMENT: APPROVAL TO APPLY FOR THE HMGP GRANT APPLICATION THAT REQUIRES A 75/25 MATCH OF \$1,470,185. IF AWARDED, THIS GRANT WOULD COVER \$4,410,556 OF THE COSTS OF THE HUGER STREET DRAINAGE IMPROVEMENT PROJECT, EXCLUDING MAINTENANCE-RELATED COSTS. THE APPLICATION IS DUE ON FRIDAY, MAY 31, 2019. THE CITY MATCH OF \$1,470,185 IS AVAILABLE THROUGH THE COOPER RIVER BRIDGE TIF IN THE AMOUNT OF \$964,886. THE REMAINING \$505,299 IS AVAILABLE THROUGH THE DRAINAGE FUND.**

Councilmember Lewis said he knew the City was working on a grant to ask for more money for the Huger Street drainage improvement, but he would like to see the project get off of the ground as the storm season would be approaching. He said Huger and King Streets and Huger and Line Streets were death traps. He did not know where they were in getting the project together, but they really needed to start working on it. He said that when people came up the Septima Clark Expressway going up Ashley Avenue, they came down Sumter Street because the water was so deep. When they came down Sumter Street to King Street, going north on Huger and King Streets, they couldn't get through. They would make a U-turn to try and go around and go south to Line Street, and they could not get through. They needed to do something to solve the problem.

Chairman White asked Matt Fountain to address where the City was on the project outside of the grant application. Mr. Fountain stated JMT had been selected by the selection committee, and they were currently in negotiations for the scope of the design work on the project. Councilmember Lewis asked for a timeframe on when work would begin. Mr. Fountain said they were in the design scope for the preliminary engineering, and they would likely have a scope at the next meeting or the one after, which would be approval for the design fee. At that point, they would move to design and permitting. It would likely be a year of design and permitting before they could begin construction work. Councilmember Lewis said he hoped they could do something to work on the corner with the drainage. A year ago they started working on the drainage. They brought a company in to help, but they never worked on that end of the street. They needed to get some relief and work on some of the pipes to clean them out before the storm season. Mr. Fountain said the area was on their list of high priority inspection areas before every storm, and they hoped to mobilize pumps in that location.

Councilmember Mitchell said he concurred because he had lived there for 35 years, and it had been flooding since he was there. There was a Catholic school there, and they had problems with the flooding. It was a safety problem because of the cars that had been lost due to the flooding. People lived behind him on Benson Street that lost their cars because they didn't get a chance to move them before the water rose. He said this had been going on since the 70's. They needed to work on that quickly. He thought it would help a lot of areas on Meeting Street.

Mayor Tecklenburg said that every dollar that they garnered from a grant saved money in their stormwater fee, so the City could do more projects that they needed to do. Just yesterday, they were approved for a \$500,000 grant for the Huger Street project by the South Carolina Rural Grant fund. If the City was successful for an additional expense from the HMGP grant, not only would they get the project done quicker, but they would also be able to save money for other projects, as well.

Councilmember Lewis said he understood what the Mayor was saying, but the project was approved, and the money was supposed to come out of the TIF and was in the stormwater budget. He hoped he could get the grant as they needed all the money they could get, but the project was a public safety matter, and they needed to do something to get some relief.

On a motion of Councilmember Griffin, seconded by Councilwoman Jackson the Committee on Ways and Means voted unanimously to approve to apply for the HMGP grant application that requires a 75/25 match of \$1,470,185.

**11. STORMWATER MANAGEMENT: APPROVAL OF GUERIN CREEK MITIGATION PROJECT CHANGE ORDER #1 WITH GIBBS CONSTRUCTION GROUP, LLC IN THE AMOUNT OF \$155,009.50 FOR THE REMOVAL OF ADDITIONAL MATERIAL INCLUDING REMOBILIZATION COSTS, EXTENSION OF THE CONSTRUCTION DRIVE, ON-SITE SHUTTLING OF MATERIAL, DISPOSAL OF THE MATERIAL, AND DEMOBILIZATION COSTS. THIS CHANGE ORDER ALSO INCLUDES AN ADDITIONAL 90 DAYS UNTIL SUBSTANTIAL COMPLETION. APPROVAL OF CHANGE ORDER #1 WILL INCREASE THE CONSTRUCTION CONTRACT BY \$155,009.50 (FROM \$194,000 TO \$349,009.50). THIS CONSTRUCTION CONTRACT IS A PART OF THE SPRING/FISHBURNE IMPROVEMENT PROJECT-PHASE 3. THE FUNDING SOURCE FOR THIS WORK IS THE STATE INFRASTRUCTURE BANK.**

Councilmember Griffin asked if they could get an update from Mr. Kirk and if they should expect other change orders. He also asked how it affected the timeline of the project. Mr. Fountain said this was the saltwater mitigation aspect, which was the work of Phase IV, but was being performed in Phase III in preparation of the Phase IV work. This project worked with the National Forest Service to return the property to a natural salt marsh. They were doing the work on the property, and there was an issue where they could not burn material onsite because of Forest Service requirements. Then, there was additional material within the furrows on the pine tree plantations which resulted in more material than they expected. They actually piled all of the material up, quantified the material on site, and this was just the cost to remove the material from the site, so it would flood property and create salt marsh. That should be on the only change order for this mitigation project.

On a motion of Councilwoman Jackson, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve of Guerin Creek Mitigation Project Change Order #1 with Gibbs Construction Group, LLC in the amount of \$155,009.50 for the removal of additional material including remobilization costs, extension of the construction drive, on-site shuttling of material, disposal of the material, and demobilization costs.

**12. PUBLIC SERVICE: APPROVAL OF A CONTRACT WITH JLA IN THE AMOUNT OF \$40,000 TO ACT AS THE CITY'S REPRESENTATIVE DURING THE DESIGN AND CONSTRUCTION OF THE MAGNOLIA PUD. THE SCOPE OF THE SERVICES IS TO ACT AS AN APPROVED REVIEWING CONSULTANT FOR THE CITY OF CHARLESTON. AS THE REVIEWING CONSULTANT JLA WILL ASSIST WITH THE REVIEW OF CONSTRUCTION DOCUMENTS, SHOP DRAWINGS AND INTERIM PAY REQUESTS. THEY WILL ALSO ASSIST WITH THE OBSERVATION OF CONSTRUCTION TO VERIFY THAT IT IS SATISFACTORY WITH PROJECT REQUIREMENTS. IT IS NOTED ALL FINAL APPROVALS WILL BE MADE BY THE CITY. JLA WILL ALSO ATTEND CONSTRUCTION SITE**

**MEETINGS AND WILL PROVIDE DOCUMENTATION OF THE VISITS. FEES WILL BE PAID OUT OF THE CHARLESTON NECK TIF.**

On a motion of Councilwoman Jackson, seconded by Councilmember Lewis the Committee on Ways and Means voted unanimously to approve a contract with JLA in the amount of \$40,000 to act as the City's representative during the design and construction of the Magnolia PUD.

**13. STORMWATER MANAGEMENT: APPROVAL OF WORK AUTHORIZATION #1 WITH AECOM IN THE AMOUNT OF \$231,250 FOR THE PRELIMINARY ENGINEERING WORK ON THE TWO PRIMARY DRAINAGE SYSTEMS WITHIN THE CENTRAL PARK/WAMBAW DRAINAGE BASIN. THIS WORK INCLUDES PHASED DATA COLLECTION, MODEL DEVELOPMENT, AND SYSTEM IMPROVEMENT ANALYSIS AND RECOMMENDATIONS. APPROVAL OF WORK AUTHORIZATION #1 WILL ALLOCATE \$231,250 OF BUDGETED FUNDS TO THIS PROJECT. FUNDS ARE AVAILABLE IN THE CURRENTLY ALLOCATED PROFESSIONAL SERVICES LINE ITEM FOR PROGRAM MANAGEMENT.**

On a motion of Councilwoman Jackson, seconded by Councilmember Lewis the Committee on Ways and Means voted unanimously to approve Work Authorization #1 with AECOM in the amount of \$231,250 for the preliminary engineering work on the two primary drainage systems within the Central Park/Wambaw Drainage Basin.

**14. STORMWATER MANAGEMENT: APPROVAL OF WORK AUTHORIZATION #2 WITH AECOM IN THE AMOUNT OF \$233,688 FOR THE DEVELOPMENT OF A PRIORITIZATION SYSTEM INCLUDING A WORKGROUP TO SELECT CATEGORIES FOR SCORING AND A RIGOROUS TRIAL RUN WITH TOOL ADJUSTMENTS FOR ACTUAL POTENTIAL PROJECTS. APPROVAL OF WORK AUTHORIZATION #2 WILL ALLOCATE \$233,688 OF BUDGETED FUNDS TO THIS PROJECT. FUNDS ARE AVAILABLE IN THE CURRENTLY ALLOCATED PROFESSIONAL SERVICES LINE ITEM FOR PROGRAM MANAGEMENT.**

On a motion of Councilmember Gregorie, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve Work Authorization #2 with AECOM in the amount of \$233,688 for the development of a prioritization system including a workgroup to select categories for scoring and a rigorous trial run with tool adjustments for actual potential projects.

**15. HOUSING AND COMMUNITY DEVELOPMENT: MAYOR AND CITY COUNCIL ARE ASKED TO APPROVE THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S SUBMITTAL OF A CHOICE NEIGHBORHOOD INITIATIVE PLANNING AND ACTION GRANT APPLICATION IN THE AMOUNT OF \$1,900,000 TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD). THE \$1.9 MILLION REPRESENTS TOTAL GRANT FUNDING OF \$1.3 MILLION AND ANTICIPATED MATCH OF \$600,000; BOTH IN-KIND AND CASH. FIVE PERCENT (5%) IS THE MINIMUM MATCH REQUIREMENT FOR THE GRANT. THE MATCH REQUIREMENT WILL BE MET THROUGH THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), GENERAL FUNDS ALLOCATED TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) AND OTHER LOCAL PARTNERS AND FUNDING SOURCES. THE GRANT IS IMPLEMENTED IN TWO PHASES; DEVELOPING A TRANSFORMATION PLAN AND THEN IMPLEMENTING THE STRATEGIES OUTLINED IN THE TRANSFORMATION PLAN. THE APPLICATION IS BEING SUBMITTED IN COLLABORATION WITH ATLANTIC HOUSING**

**FOUNDATION (AHF) ORLEANS GARDENS, LLC, WHICH IS THE ORGANIZATION THAT OWNS AND IS REHABILITATING THE ORLEANS GARDEN APARTMENTS; A 100 UNIT RENTAL DEVELOPMENT IN THE ORLEANS WOODS COMMUNITY. ATTACHED IN THE DRAFT FORMS IS THE EXECUTIVE SUMMARY, BUDGET, DESCRIPTION OF PROPOSED USES AND MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CHARLESTON AND AHF ORLEANS GARDENS, LLC. THE FINAL APPLICATION TO INCLUDE LETTERS OF SUPPORT SHALL BE PROVIDED TO CHARLESTON CITY COUNCIL AFTER COMPLETION. THERE IS A \$65,000 MINIMUM MATCH REQUIREMENT. THE FULL GRANT APPLICATION IS DUE JUNE 10, 2019.**

On a motion of Councilmember Mitchell, seconded by Councilmember Shealy, the Committee on Ways and Means voted unanimously to approve the Department of Housing and Community Development's submittal of a Choice Neighborhood Initiative Planning and Action grant application in the amount of \$1,900,000 to the Department of Housing and Urban Development (HUD).

**16. HOUSING AND COMMUNITY DEVELOPMENT: MAYOR AND CITY COUNCIL APPROVAL IS REQUESTED FOR THE SUBMISSION OF THE APPLICATION FOR FEDERAL ASSISTANCE (SF 424 FORMS) AND THE CORRESPONDING DOCUMENTS TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE 2019-2020 PROGRAM YEARS. ATTACHED ARE THE 424 FORMS, HUD CERTIFICATION FORMS AND THE BUDGET [COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) - \$844,413, HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) - \$519,104, AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) - \$725,261]. THIS REQUEST HAS BEEN COORDINATED WITH THE COMMUNITY DEVELOPMENT ADVISORY COMMITTEE AND THE COMMUNITY DEVELOPMENT (CD) COMMITTEE OF CITY COUNCIL. THE CD COMMITTEE GAVE FINAL APPROVAL TO THE HOPWA, HOME AND CDBG BUDGETS THURSDAY, MAY 23, 2019. APPROVAL IS ALSO REQUESTED FOR THE EXECUTION OF CONTRACTS FOR EACH ORGANIZATION BASED ON THE APPROVED BUDGETS/AWARDS. THE CONTRACTS WILL BE REVIEWED AND VETTED BY CITY OF CHARLESTON CORPORATION COUNSEL PRIOR TO THE DISSEMINATION OF THE CONTRACTS TO THE NONPROFIT AGENCIES. THE ANNUAL ACTION PLAN WITH THE COMPONENTS DETAILED ABOVE ARE DUE TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT BY JUNE 12, 2019.**

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve the submission of the Application for Federal Assistance (SF 424 Forms) and the corresponding documents to the Department of Housing and Urban Development (HUD) for the 2019-2020 program years.

**17. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD ON MAY 28, 2019 AT 2:45 P.M., CITY HALL, 80 BROAD STREET, FIRST FLOOR CONFERENCE ROOM)**

- a. Approval of a facility usage agreement at no cost with Calvary Lutheran Church for Piccolo Spoleto (1400 Manor Blvd.). The property is owned by Calvary Lutheran Church.
- b. Request authorization for the Mayor to execute an Amended and Restated Memorandum of Understanding between the City and East Line Partners, LLC ("East Line"), to amend and restate the existing Memorandum of Understanding between them, dated May 23, 2017, by

(1) requiring East Line to convey an easement, instead of fee simple title, to the City over East Line's property designated as Charleston County TMS No. 459-05-03-138, for a linear park connection following completion of East Line's development; and (2) requiring East Line or its affiliates to grant an easement to the City over certain adjoining and nearby property upon acquisition of the property by East Line or its affiliates to facilitate a similar connection. (TMS: No. 459-05-03-138; The Lowline Linear Park)

- c. Request authorization for the Mayor to execute an easement agreement with CRP/SSCP Woolfe Street Owner, LLC, (the "Grantor"), under which the Grantor will grant to the City a perpetual easement across a portion of property owned by the Grantor, located at 28 Woolfe Street (Charleston County TMS No. 459-09-01-052), for the City to construct and maintain a pedestrian and bike path and non-motorized vehicular path connecting the existing southern terminus of the City's property, known as the "Lowline," to Woolfe Street. (28 Woolfe Street)
- d. Approval of the Management and Operating Agreement between the City of Charleston and Charleston Area Convention and Visitors Bureau ***(To be sent under separate cover by the Legal Department)***
- e. Authorization for the Mayor to execute the Plan for Dissolution of Bridge-Pointe Homeowners Association, Inc. related to the FEMA Hazard Mitigation Grant Program (HMGP) Buy-Out Program.
- f. Request approval of Intergovernmental Agreement between the County of Charleston and the City of Charleston to establish the Suzie Jackson Freedom Memorial Garden (68 Calhoun Street; TMS: 459-13-03-041). Costs will be paid for through private funds raised by the family (ies).
- g. Request authorization to execute the License Agreement between the South Carolina State Ports Authority, the City, and the Citadel authorizing the use of space at the Port's North Charleston Terminal to unload and store oysters pending their replanting.
- h. Approval of Amendment of Lease between City of Charleston and Charleston Tennis, LLC
- i. Approval of Second Amendment to the Master Lease (requested by Charleston Digital Corridor Foundation) (Ordinance)
- j. Approval of Sublease from Charleston Digital Corridor Foundation to City pertaining to the rental of 850 square feet in the Pad 1 Building.
- k. Approval of Development Agreement between the City and the Charleston Digital Corridor Foundation to govern the construction of a parking garage at 999 Morrison Drive.
- l. Approval of a partial assignment of the Master Lease as it pertains to constructing the parking garage from the Charleston Digital Corridor Foundation to CTC Holdings Garage, LLC, the entity that will construct the parking garage.



- m. Approval of an assignment of the Development Agreement from the Charleston Digital Corridor Foundation to CTC Holdings Garage, LLC, the entity that will construct the parking garage as set out in the Master Lease.
- n. Approval of a partial assignment of the Master Lease as it pertains to constructing the Pad 1 Building from the Charleston Digital Corridor to CTC Holdings Office, LLC, the entity that will construct the Pad 1 Building.
- o. Request authorization for the Mayor to execute a Declaration of Cross Access and Utility Easements for Lot 473A, Lot 473B, and Lot 473C, Ashleyville (Charleston County TMS Nos. 418-07-00-118, 418-07-00-173, 418-07-00-174).
- p. An ordinance authorizing the Mayor to execute on behalf of the City of Charleston ("City") an Agreement of Purchase and Sale, in which the City agrees to sell to Kiuarna Shamone Brown Summers the property located at 933 Fifth Avenue (Charleston County TMS No. 418-07-00-174) (West Ashley) (Maryville/Ashleyville) for \$199,237.00, subject to the City of Charleston single-family affordable housing restrictive covenants, with an affordability period of ninety (90) years **(AS AMENDED TO INCORPORATE CHANGES TO THE EXHIBIT TO EMPHASIZE THAT THE CONVEYANCE WILL BE SUBJECT TO A DECLARATION OF EASEMENTS)**. *(See also City Council Agenda Item #L-10)*
- q. Consider the following annexations:
  - (i) 404 Woodland Shores Road (TMS# 343-11-00-104) 0.50 acre, James Island (District 11). The property is owned by Nathaniel West.
- r. Discussion regarding the Richardson property on Camp Road

Councilmember Moody, Chair of the Real Estate Committee, reported they had a very rigorous meeting, and all items were approved unanimously by the Committee.

Item 'a' was the rental of Calvary Church for Spoleto. Items 'b' and 'c' dealt with granting easements in connection with the Lowline property. Item 'c' consisted of an easement given to a building that was never recorded, and that would be corrected. Item 'd' was an Operating Agreement and the development of the Visitors' Center to the CVB. The City would be turning the Visitors' Center over. They had already set aside \$2.6 million in the Hospitality Fund, and there would be another \$2.9 million in 2020. The CVB would take over the Convention and Visitors' Bureau and renovate it. There would be a ten year lease.

Item 'e' dissolved the Bridge Pointe Homeowners' Association and was approved. Item 'f' was the Intergovernmental Agreement between the County of Charleston and the City of Charleston for the Suzie Jackson Freedom Memorial Garden. Councilmember Gregorie thanked the Committee on behalf of the family. He also thanked Councilmember Mitchell, the Garden District, Vangie Rainsford as the President, the City's Legal Department, Ashley Anderson in the City's Real Estate Department, and the County. He also said some time ago the Mayor had put forward signage for 'Suzie Jackson Way' underneath the street sign. He said the family was thankful to him for putting that forward so they could be done at the same time.

Councilmember Moody said Item 'g' was a License Agreement between the Ports Authority and the Citadel regarding oyster shells, and it was approved. Item 'h' was a lease

amendment between the City and Charleston Tennis, LLC. He said they asked Legal to add a few modifications to the agreement, and representatives present at the meeting were agreeable to the modifications. Items 'i' through 'n' dealt with 999 Morrison Drive, the Charleston Digital Corridor building. The first item was to give second reading to the second amendment. They would pay \$100,000 a year for ten years, and they would receive 150 square feet of office space. The City would get up to 350 parking spaces. The developer would be allowed to use an agreement for their bonding rather than have to put up bonds. Item 'j' was the sublease, and for items 'k,' 'l,' and 'm,' they had an agreement with Charleston Digital Corridor for the garage and building, and the City was agreeing for them to assign that to the developer. Item 'o' was some easement access, and those were approved.

Item 'p' was an agreement for a house to be sold in Marvville/Ashleyville. He said those were spectacular homes, and he believed this was the fifth house the City had deeded. They would see a few more as the total was seven. There was also one annexation on Woodland Shores Road which was approved. Item 'r' was a discussion on the Richardson property on Camp Road. They asked their Real Estate staff to secure an appraisal of the property. They were looking at the property for possible affordable housing.

Councilmember Griffin asked about Item 'd,' and said he knew they had started reassigning some of the displaced City employees. He asked what the City's plan was to continue those efforts because he knew several City employees that worked at the Visitors' Center. Some were long-tenured employees, and he wanted to make sure that all of them would be reassigned and that no one would lose their job. Councilmember Moody said that was discussed, and his understanding was that most, if not all, of the employees were part-time employees with less than 30 hours and no benefits. He was told by Helen Hill that there was plenty of room in the hospitality industry to get someone a job that needed it. Councilmember Griffin said he thought they had some full-time City employees. Amy Wharton, CFO, said a lot of them were full-time. There were eleven, and three employees were placed somewhere else. There were five to six that were pending placement, and one employee would be retiring. Of the other two employees, one was looking for a job on her own and had not asked for help, and they were still working with the other employee. She said most of the employees were progressing in other areas of the City, finding other jobs, or deciding to retire. Councilmember Griffin asked if the City was working with the individuals to find other jobs within the City as best they could, and Ms. Wharton confirmed.

Councilmember Griffin asked about the 850 square feet of office space and if the City had any sort of intention for the usage. Councilmember Moody said the City did have an employee that was going to go there, but the employee was no longer with the City. He said they would contribute \$100,000 for ten years, which was the second \$100,000. He said the Charleston Digital Corridor had been responsible for their tech industry in the community. Were it not for that group, the City's technology would not be where it was today, and they wanted to support that if the City had a need for that space. They would love to let someone else have it as an incubator or start-up, but the City wanted the opportunity to have a presence in that building where it showed the City supporting the tech industry.

Mayor Tecklenburg said they had the longest Real Estate Agenda they had had since he became Mayor, and they had a number of important items to cover. He said the staff work was remarkable to make it happen, and he thanked the BFRC, Legal, and Real Estate Departments. He said that Colleen Carducci, who had retired, helped over the phone from Minnesota, and Frances Cantwell had worked on it, as well. He also thanked Justin Ferira for the Real Estate

Agreements for the extension of the Lowline as they were really important connections. The agreement with the CVB was like a recommitment to the City's Visitors' Center. It would include the renovation of the building that would make it more useable by the public. He thanked Helen Hill and the CVB. The agreement with the Charleston Tennis Center was a \$10 million investment in the property by the people who ran the facility. He said it would be an amazing long-term improvement to a City facility for the citizens. He said the Digital Corridor agreement would bring to reality a dream of the City to continue its technology and economic development.

Councilmember Seekings said he was interested in the terms of the deal between the Tennis Center and the City and asked for an outline. Susan Herdina, Corporation Counsel, said that the City entered into an agreement in September 2014. The initial term was for 15 years or until 2029. It was a Management Agreement under which the Tennis Center had the right to manage the Center exclusively, operate the Volvo Tennis event, and conduct other events at the facility. They paid up to \$10,000 a year for reasonably necessary structural maintenance, and in exchange the City paid an annual management fee, which in 2014 was \$225,000. Each year, it had a three percent escalator. Currently, the amount was about \$260,000. Under the First Amendment, the \$10,000 annual maintenance fee continued, however, there was a new provision which said if the \$10,000 had not been spent in one year, it would roll over to the next year. The Tennis Center agreed to spend up to \$1,000,000 during the term of the agreement for structural maintenance, which were items that were not included as Exhibit B to the agreement the Councilmembers had received in their agenda packets. Additionally, within three years, the Tennis Center agreed to spend at least \$9,000,000 in capital improvements, and at the end of those three years or when the improvements were made, whichever was sooner, the City had a right to impose a \$1.00 per head or per ticket fee for every event. That \$1.00 would go to a special fund for maintenance at the Tennis Center. Also, at that point, the management fee that was currently in the agreement would be replaced, and it would be the then current management fee, which three years from today would be roughly \$285,000, plus \$160,000, and each year there would be a three percent escalator added to those two numbers for the term of the agreement. The Tennis Center had to receive City approval of any capital improvements over \$200,000. The term would extend for 42 years to 2061, however, the City did have an option of terminating it after 33 years, however at that point, the City would be required to buy out the remainder of the management lease, and the cost of that would be \$3.65 million. Councilmember Moody said the other point was to approve the seating capacity of up to about 9,000 people.

Councilmember Seekings said this was a long-term lease of 42 years with a 33 year buy-out period that was an option of the City, but not the lessee. He asked if there was a provision conditioned on certain benchmarks where the City would actually turn and sell the property to the lessee, rather than have a long term 42 year lease that was extremely complicated on a property that the City was turning over to a management company which was going to run all of the events. He thought at some point it would be a better deal for the City to sell it and be done with it. He asked if that was part of what they were doing. Ms. Herdina said there was currently no provision in the lease that provided for the Tennis Center to buy the property from the City, however, there was a general provision that talked about selling the property. There were some requirements that said the Tennis Center had to consent under circumstances to doing that. If the City was selling it to them, that would not be an issue, but there was nothing specifically in the agreement about selling it to the Charleston Tennis Center. Councilmember Seekings said he was going to vote in favor of it because he thought it was good for the City to turn it over to a professional management company that had experience. He thought it was an example of an entrepreneurial

team that was ready to run the City's center as a business, and he was not sure what the advantage was to the City long term of hanging onto ownership in name only rather than turning it over when they had a lot of other things they needed to be looking at and thinking about. He said he was going to vote in favor of it, but he thought at some point they should think about this property, as well as others, when they had someone who had the capacity to purchase outright a facility that was a great public benefit, but the City had turned it over to a private company to run it. He thought a sell would have been the better way to go and was something they should still think about long term.

Councilmember Shahid said he wanted to get clarification on the payments over a three year period of time. He asked Ms. Herdina to e-mail her presentation to Council, so they would have that information for their records. Chairman White said he wanted to address Councilmember Seekings' comments with regards to selling the facility. He said the facility was not just the main stage. It was actually the largest concentration of tennis courts, including clay courts, owned by the City in the City of Charleston, much of which City residents received discounted rates for being able to use the courts. If the City were to sell the facility, they would lose that right, as well as the courts as far as being able to provide recreational programming to citizens. Even though the City's Recreation Department was not managing the process, residents did have access to them. They would lose that opportunity if it became a private organization. He said there were plenty of private organizations, but he thought they would be remiss if they entertained selling the facility and getting rid of the opportunity to have that many courts available to the citizens at a discounted rate. There was more to the facility than concerts and an annual tournament. Councilmember Seekings said that was a fair point, but it was also a plot of land that could be carved. He just thought it was something to look at. The biggest part of the facility was used for big, public events.

Councilmember Griffin said he thought they both made great points, and he agreed that at some point they were going to have to look at selling the facility because the City was not going to be able to afford the maintenance at some point. He said they were constantly looking for funding sources everywhere, and they had to put a lot of emphasis on flooding. They could not afford big, expensive projects like this one. Eventually, he couldn't see how they would be able to keep up with the maintenance. He knew the company currently running it was a great organization, and they had a love for tennis. He had a hard time believing they would not ever work with the City to allow them to use the facilities, but he did not see how they would be able to keep up with it long term, and they would have to make a tough decision at some point as a group as to whether they could keep maintaining it. Chairman White said he specifically requested that the \$1 per ticket be added into the agreement for that reason. Ultimately, they had to create revenue streams from a fiscal standpoint because they currently did not have a fiscal policy that mandated maintenance of the City's facilities. This facility currently had \$8 million in deferred maintenance. He requested the \$1 per ticket which would create over \$4.5 million over the term of the contract.

Councilmember Wagner said he knew there were a number of large deferred maintenance items. He asked what the annual maintenance fee was for the facility, and he asked how bad it was. If they had an asset, and the City was not taking care of it, maybe they should not have that asset at all. It would fall down if they did not take care of it. Chairman White said if that theory held true, they would need to sell every parking garage they owned because the amount of deferred maintenance in the facilities that the City owned was staggering. Today, they did not

have a fiscal policy in place that dictated the City maintain its assets to the degree they needed to. He said that was a global issue that needed to be addressed. He said that when the Ad Hoc Committee started going through line by line the items that needed to be addressed, and what they were able to actually fund, they got down to what the life safety events were, and those were the things they had to prioritize. Life safety was a priority, and that was a problem. It was a problem that was sitting in front of them, and Council was going to have to address it at some point in the near future.

Councilmember Waring asked if they should sell the Battery. He said it sounded ridiculous because it was a wonderful public space for all to enjoy, not just Charlestonians. One thing that made Charleston unique was the abundance of public spaces the City had. Daniel Island was not a private island. It was Charleston for all to enjoy. As far as maintenance, if the City built it, they certainly could maintain it. They haven't, and he asked if they could use the proposal of receiving \$1 per ticket at other venues. He said they could easily get rid of it, but could not get it back. He understood privatization, but when it came to public access for various venues in and around the Charleston area that they knew they could not replace, the moment it was privatized, the price would go up, and it would be a mistake. That was an economic impact situation for the State of South Carolina. When the Family Circle Cup decided to pull out of Hilton Head, the Governor, SC Secretary of State, the Mayor, and CVB jumped quickly because they wanted the economic impact to remain in the State. He said the quick actions of Mayor Riley, his team, and the CVB were able to place it on Daniel Island. Government invested there first. He said the easy thing to do would be to jettison it, but it would be a loss of the public realm not only to Charlestonians, but everyone they shared it with around the world. He said people came from around the world to visit the stadium. If they could build it, they had the ability to maintain it. They just needed to put together a funding formula.

Chairman White said it was not necessarily the ability, but it was the responsibility. They could not just build things and let them fall apart. They had to build them, they had to maintain them, and they had to be held up to a standard that they all would be proud of. No one wanted to walk into a facility owned by the City of Charleston and be embarrassed that the City's name was on top of the building. They had to be focused on that, and it went well beyond the Tennis Center.

On a motion of Councilmember , seconded by Councilmember, the Committee on Ways and Means voted unanimously to approve the Committee on Real Estate Report as presented and recommended giving first reading to the following bill:

*An ordinance to provide for the annexation of property known as 404 Woodland Shores Road (0.50 acre) (TMS# 343-11-00-104), James Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 11. The property is owned by Nathaniel West.*

There being no further business presented, the Committee on Ways and Means adjourned at 5:46 p.m.

Jennifer Cook  
Assistant Clerk of Council