

COMMITTEE ON REAL ESTATE

September 10, 2019

A meeting of the Committee on Real Estate was held this date beginning at 3:38 p.m. at City Hall, First Floor Conference Room, 80 Broad Street.

Notice of this meeting was sent to all local news media.

PRESENT

Chairman Moody, Councilmember White, Councilwoman Jackson, Councilmember Waring, and Mayor Tecklenburg **Also Present:** Geona Shaw Johnson, Tracy McKee, Susan Herdina, Stirling Halverson, Leigh Bailey, Rick Jerue, Matt Frohlich, Laurie Yarborough, Christopher Morgan, and Bethany Whitaker, Council Secretary

The meeting was opened with an invocation provided by Chairman Moody.

Approval of Minutes

On the motion of Councilmember White, seconded by Councilwoman Jackson, the Committee voted unanimously to approve the minutes of the August 20, 2019 Real Estate Meeting.

Request approval for the Mayor to execute a Memorandum of Agreement between the City of Charleston and Ashley Hall for the City's use of Ashley Hall's athletic fields at 3289 Plow Ground Road, Johns Island, and Ashley Hall's use of the City's athletic fields at Coach Stanley Chisolm Park at 2045 Austin Avenue, Charleston (TMS: 466-00-00-021)

Laurie Yarborough stated that the City had been talking to Ashley Hall in terms of the City being able to use their ball field on Johns Island. The traffic had become difficult for Ashley Hall to get there. They were still using it for some activities, but were going to try to use the City's park. The City had allowed them, through scheduling, to swap ball fields. That gave the City an additional ball field for programming on Johns Island. They thought it was a good swap.

Councilwoman Jackson asked if the Johns Island facility had a bathroom and Ms. Yarborough said it did. The City's facility did not have a restroom. Councilmember Waring asked for an explanation on the term 'Force Majeure'. Ms. Herdina said that was a standard phrase used as a way to terminate an agreement. It usually was in every agreement, but rarely invoked. Councilmember Waring said that was the term he was thinking of in the Public Work's meeting the day before. During the last storm, some of the utility companies had poles that fell down into the marsh. They were able to just drive out and get the poles. He wondered why the City couldn't use that when it came to the outfalls during the period of time before a big rain or a storm. There was a big problem with being able to clean the outfalls because OCRM and DHEC wouldn't give the City permission to clean them without going in there with a shovel.

On the motion of Councilwoman Jackson, seconded by Councilmember Waring, the Committee voted unanimously to approve the above item.

Request the Mayor and City Council approve the repurchase of 36 Cooper Street, a single family house which was sold to a City employee, Benjamin Greene, subject to the City of Charleston Single Family Affordable Housing Restrictive Covenants. Mr. Green is deceased. The City attempted to repurchase this property at the foreclosure auction on two (2) prior occasions but was unsuccessful. At the August 6, 2019 auction, Mr. Greg Cook was the highest bidder. He has assigned his bid to the City after realizing that he could not comply with covenants. The re-acquisition price of the property is \$60,000. The plan is to redevelop for affordable housing. (TMS: 459-06-01-008; 36 Cooper Street)

Councilmember Waring said this was good work. Normally, when a house went up for foreclosure, they lost it because the private sector came in and took it. He said it was good that they had those covenants in place.

On the motion of Councilwoman Jackson, seconded by Councilmember Waring, the Committee voted unanimously to approve the above item.

Ordinance authorizing Mayor to execute Second Amendment of Restrictive Covenants between City of Charleston and American College of the Building Arts.

Second Amendment of Restrictive Covenants between the City of Charleston and American College of the Building Arts.

Ms. Herdina stated they should have gotten the memo and if they had any questions she could answer them. Councilmember White said that he appreciated the memo. This had been out there for a long time and it was good to get everyone on the same page.

On the motion of Councilwoman Jackson, seconded by Councilmember Waring, the Committee voted unanimously to approve the above two items. Chairman Moody recused.

Consider the following annexations:

- *838 Playground Road (TMS #: 418-05-00-045) 0.3 acre, West Ashley (District 7). The property is owned by the City of Charleston.*
- *Playground Road (TMS #: 418-05-00-337) 0.06 acre, West Ashley (District 7). The property is owned by the City of Charleston.*
- *Rushland Landing Road (TMS #: 311-00-00-309) 3.76 acres, Johns Island (District 5). The property is owned by Martin S. Roache, Reico Harris, and Herb Fraser.*

On the motion of Councilmember Waring, seconded by Councilmember White, the Committee voted unanimously to approve the above annexations.

Annexation Toolkit Presentation – Tracy McKee, Chief Innovation Officer

Ms. McKee stated that there had been a lot of questions about the annexations for a while and concern about whether they were annexing responsibly. Many years ago, there used to be a routing sheet where every department could review the annexation and provide comments. She thought with as many

annexations as they were doing, Planning had done a great job at summarizing everything, but she thought departments now were interested in providing their input to Council. The toolkit was a tool for staff and was a reference for staff to provide Council with solid information from every department. It was intended to be a living document, so as they got smarter and learned more, they could change and edit it. They intended for it to be open to the public. Quite a few departments had been engaged already and all departments were at various stages of their piece of the tool kit. Everyone so far had been pretty excited about their involvement. She wanted to get feedback and would give samples of what they were looking at. She wanted to know if the approach was right and hear from the Councilmembers about whether they were hitting the mark on what they needed from staff to make those decisions.

They started with a big group and talked through what this would look like. Now, the conversations had been on an individual department level. They were doing assessments at a service orientated level. They talked a lot about what impacted each department's ability to provide services to citizens. As they did that, they identified data points that were either directly related or could act as proxy for that impact. They had developed these matrixes that each department could use to get them to a final report to Council on the potential impact on departments providing services for each annexation. In addition to the profiling report that they already received, each department would have a rating system of the impacts. They would get summaries of the ratings, and there would also be a place for each department to provide comments if they needed to.

She wanted to use the example that she and the Floodplain Manager had developed because she thought that was of great interest to everyone and it showed how they were using data to get to a final assessment. There were a number of components they would look at with the Floodplain Manager including vacancies, year built, current flood zone, existing condition of the property, base flood elevation, and if it was in an area of known flooding. All of those things were things that could be answered pretty easily. If it was vacant, it was a much lower risk because when it was built on, it would be built to current code. If it wasn't vacant, the risk could be higher based on the flood zone. Then, they took that risk and added it to the year built to determine if it was pre-FIRM or post-FIRM. If they knew it was post-FIRM, they knew it was built to current codes and had a lower risk. Then, they looked at the base flood elevation and if structure was at BFE, above, or below. Then, they could start putting it all together.

The next steps she saw was to get feedback on whether the approach made sense and if it would be useful to Council. They were developing this so that staff could consistently and equitably review every property up for annexation and provide a consistent assessment. They wanted to continue working through this and testing it out. There were a few departments already testing out their parts of the toolkit and making adjustments based on what they were finding. She wanted to get a full draft completed for Council and public review. They wanted things to be as open as possible. Another thing to work out would be what the City internal workflows and policies would be. They wanted to make it easy for staff to contribute their information. There were some future enhancements that had come up in their discussion such as what the rolling impacts of all the annexations were. They hadn't quite worked out what that looked like yet. From the department perspective, there had been discussion on how to tie some financial information to it, so that they could provide Council with what some of the financial implications could be. They also wanted to make sure it was as data driven as possible. Some of the things had a little bit of

judgement, but they wanted it to be data driven, so that it was a tool that anyone could utilize to make an assessment. Lastly, once they had it in place, they asked how they could continually assess themselves, to make sure the information being provided was accurate and consistent.

Councilmember White asked if every department took a role right now when an annexation came in, and if they would moving forward by way of this, and if it would be cumbersome. Ms. McKee said that had been the meat of the discussion. That was how this toolkit had evolved in making sure that every department had a voice. They wanted a voice and so, they were asking how they could make it an easy thing for departments to do and how they could bring people in easily to fill a role if someone went away. Mr. Morgan stated that Planning had been handling the annexations up until now, and a vast majority of the annexations were 'filling the donut holes'. This would be a way of looking deeper into the annexations. Councilmember White said some of the items were objective and could be easily answered, but some things could be more subjective. He asked who would be the ones in the departments to answer the questions. Ms. McKee said the idea was that they had thought through the data points that determined what the impact of the annexation would be for that particular service, so that when it was refined, based on all the things that led to the final summary, it would show the picture of the impact. They wanted to remove some of that subjectivity to get to something that was really data driven. Councilmember White said he didn't notice fire in this. Ms. McKee said this was just a sample. She didn't want to overwhelm them with the full thing. She just wanted to get an idea of whether they thought this would be helpful. Councilmember White said he thought the information would be helpful to assess the risk of the City overall. The only thing that they needed to make sure of was that when this had to go through that many departments, they needed to make sure it wouldn't get stalled somewhere in the process. Ms. McKee said that was part of the discussion too. They didn't want this to slow down the process. They talked about this fitting in Intergov, so it would show in the workflow area.

Councilmember Waring referred to raw land, particularly a large tract of land, and asked how staff would rate that. If it was a low piece of land, the Floodplain Manager might give it a bad rating. He asked how this system would take in the global view of a piece of property. Ms. McKee said they had conversations with every department. For some departments, like stormwater and traffic and transportation, all of those things would be built to code, and they wouldn't have to worry about those things. That was where the financial piece and the rolling element came in, making sure they were keeping track of how much they had so that they were putting enough aside to maintain those roads and drainage systems. Councilmember Waring said in simple terms, he had described Daniel Island. It was low and a large tract of land. It was a large investment by the City, but it was paying its dividends now. He could see how that would have gotten a low rating from some departments. They needed coordination with their zoning, as well. When they looked at West Ashley, some of the blighted areas were in the PSD, and it could or could not make sense to annex those areas depending on what department they talked to. Ms. McKee said that piece would come from Planning. They found that in some situations, every department would have a different rating. They could have a varying mesh of recommendations. This should be a tool to inform the decision making. It wasn't the decision maker though. They would have to add their elements of knowledge, but the idea was to gather information as quickly as possible about a piece of property.

Councilwoman Jackson stated that this could be useful as a tool for decision making, but it wouldn't take away the overall master planning and priority setting. She would like to see the comparison of what they were currently getting in regards to annexations versus what this would provide. She thought they were onto a tool that would be very helpful in allowing the departments to have a chance to inform Council, but it wouldn't take away the weighing of the pro's and con's and bigger picture. Ms. McKee said that she understood the global perspective and that was where staff had been discussing the rolling impacts. If they had any feedback, they should provide that. She wanted to incorporate their ideas. Chairman Moody said this information would be helpful. They would need to test it a little bit before they adopted it. He asked what they should report to the rest of Council and the public. Ms. McKee said it was really a function of getting some feedback from the Committee to see if it would be useful. In the next few months, they would like to present some sort of full draft for review. Councilmember White asked if this would be fully automated. Ms. McKee said it would be. The idea was that they would integrate into Intergov, which was fully digital. Someone from every department would be assigned and it would follow that regular process. Councilmember White asked if there was any cost and Ms. McKee said no. They would build it as an additional planning tool in the system.

Mayor Tecklenburg said that the example given of the Floodplain Manager was apt, and he thought that was where this had really stemmed from with all the flooding that had occurred in the last few years. They were asking if they should accept property into the City that had some sort of liability or repetitive loss. That was one of the driving reasons for putting this together. He thought it would standardize information. He admitted that it didn't really look at the big picture. It was more on an individual basis to look at implications. Everyone could submit the information at the same time, and so if someone didn't respond, it wouldn't hold up the process. Ms. McKee said they didn't intend for it to hold up the process at all. That was a concern that staff had, as well. They all wanted to give input, but not stall progress. He thought it was a good opportunity to standardize the process. Councilmember Waring said that maybe they should have a caveat in it that it wouldn't slow the process, and if all departments hadn't reported, it would still go forward without it.

Miscellaneous Business

Councilmember Waring said that there had been a proposal and he wanted to make sure it was on the next agenda. The people in Ardmore had been trying to get a park there for a while. That was the subdivision that went from the back of Pepboys to Hwy. 61 and it didn't have a playground. They had been talking for a while to try to get a swap in place. There was a parcel of land across from James Chapel. They had some affordable units on it. They didn't want to sell the tract, because they wanted to make sure the affordable housing stayed. Ms. Shaw Johnson had bought a parcel of land that they were trying to get eight townhouses on, but because of the small lot subdivision ordinance hadn't been finalized, right now they could only get six. But, if that ordinance passed, they could get 8-10. It had been about ten months of work on that ordinance. The church had come forward with a proposal, that they would let the property sell. Ms. Shaw Johnson said that the church had sent them a contract, but Legal had not reviewed it yet. They needed to internally look at the contract, and get with the church's attorney. It may not be on the agenda until the first meeting in October.

Councilwoman Jackson asked if they had an update on the appraisal for the Richardson property on Camp Road. Ms. Bailey stated that she had talked with the appraiser that day. He was waiting on some more information from the City's Zoning Department. Hopefully, they would get it back in a few days. He said that some of the zoning on the property wasn't clear. Councilmember Waring asked how long it had been since they requested the appraisal. Ms. Bailey said that it had been awhile. Councilmember Waring said that Mr. Richardson was now being approached by Bishop Gadsden, and there was an opportunity that the City might lose. Chairman Moody said it was his understanding that Bishop Gadsden was trying to help him, not secure the site. Councilwoman Jackson said she thought they would be interested in seeing some sort of public/private arrangement being made to secure the property and make good out of it, but it needed to start with the appraisal.

Having no further business, the Committee adjourned at 4:20 p.m.

Bethany Whitaker

Council Secretary