

**CITY OF COLUMBIA
ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE
MEETING REPORT
DECEMBER 18, 2012 – 9:00 A.M.
LINCOLN STREET GARAGE
CONFERENCE ROOM - 820 WASHINGTON STREET**



The Columbia City Council conducted an Economic and Community Development Committee Meeting on Tuesday, December 18, 2012 at 9:00 a.m. at the Lincoln Street Parking Garage, 820 Washington Street, Columbia, South Carolina. The Committee members are: The Honorable Sam Davis (Chair) called the meeting to order at 9:16 a.m. The Honorable Leona Plough and The Honorable Moe Baddourah were all present. Committee recommendations to Columbia City Council, if any, will be made only by committee members. There will be no official City Council action or votes taken at the Committee meeting.

COMMITTEE DISCUSSION

1. Revisions to Business Loan Committee Guidelines – Ms. Tina Herbert, Executive Director of Business Opportunities
 - Commercial Revolving Loan Fund proposed Code Amendments

Chairman Sam Davis said the purpose of this meeting is to finalize revisions to the policies and procedures of the Commercial Revolving Loan Fund. He said a preliminary presentation was made to City Council and as a result the Committee agreed to come back to do some tweaking.

Mrs. Plough said at the last meeting the Committee inquired about the following:

1. Requested a copy of the EDA regulations
 - A copy of the EDA regulations was provided
2. What is the status of EDA funds that are currently frozen?
 - Ms. Herbert said she requested an update (orally) regarding the frozen EDA funds and have not received a response. Mrs. Plough suggested that a request be submitted in writing. She said we could be utilizing these dollars and competing for more funds.
3. What are the CRLF Committee's thoughts about the revisions?
 - Mr. Rich Schedler a member of the CRLF Committee was present
4. The Committee asked to be provided copies of the loan reports

- A copy of the most recent report was provided

There was a lengthy discussion regarding the report. The Committee had questions about some of the loans that had a 0% interest rate and those that are past due and in default status.

The question was raised as to whether the City's Legal Department or outside council should handle the collection of the past due and default loans. Ms. Teresa Wilson said the OBO staff always has legal questions and sometime there is a gap in the time for a response from the City's Legal Department.

Below are comments and suggestions from Economic and Community Development Committee:

- Asked staff to develop a way to clean up past due and default loans. Chairman Davis commended the staff and said they have come a long way with cleaning up the long list of past due accounts.
- Requested that staff conduct research on the hiring of outside council to assist with legal questions and to handle collections services on past due and default loans and report back to the Committee at some point.
- Staff continue to make recommendations to the CRLF Committee on loans and have a discussion with the Committee if a loan does not meet underwriting criteria.
- Ensure that they are complying with federal regulations when making loans
- Be careful regarding target areas
- Take a look at the ordinance regarding tax relief for a business relocating/expanding to the city to see if this is a good or bad investment.
- Get personal financial statements (3 years) when putting together a loan package.
- Look at equity partners to ensure the success of a business. It was recommended by the Mr. Rich Schedler that all applicants should seek private financing before seeking federal financing.
- Replace two CRLF Committee member positions that are currently vacant. Decide on the number of members that should serve on the committee and if a bankruptcy attorney should be included.

The committee will schedule a meeting to finalize the revisions to the policies and procedures of the Commercial Revolving Loan Fund Guidelines.

- Chairman Davis left the meeting at 11:30 a.m.

- Mr. Moe Baddourah adjourned the meeting at 12:07 p.m.

Respectfully Submitted,

Brenda Jones, Office Manager
Office of Economic Development