



CITY OF COLUMBIA  
WORK SESSION MINUTES  
TUESDAY, MAY 19, 2015  
CITY HALL – 1737 MAIN STREET  
2<sup>nd</sup> FLOOR CONFERENCE ROOM

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The Columbia City Council conducted a Work Session on Tuesday, May 19, 2015 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 1:21 p.m. and the following members of City Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Leona K. Plaugh, The Honorable Brian DeQuincey Newman, and The Honorable Moe Baddourah. The Honorable Cameron A. Runyan was absent. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

### **FINANCIAL REPORT**

1. [March 2015 Financial Report](#) – Ms. Jan Alonso, Finance Director

Ms. Jan Alonso, Finance Director explained that the negative balance in general fund revenue is because the franchise fee and insurance tax won't be paid until June. She noted that everything else is on target. She continued to report that hospitality tax collections are as expected. She explained that fines and forfeitures in the parking fund were down, because we were not able to process payments during the system upgrade. She noted that there is a \$10 million surplus in the water and sewer fund. She said that CIP information for sewer, water, storm water and the general fund will be provided on a quarterly basis.

**\*\*Ms. Teresa Wilson**, City Manager acknowledged the Budget in Brief that was created for fiscal year 2015/2016. She noted that we have been discussing the budget with City Council since November and have kept to the schedule that was presented. She announced that the budget public hearing will be treated as an open house.

### **CITY COUNCIL DISCUSSION/ACTION**

2. [Lower Richland High School and Logan Elementary School STEM Programs](#) – Ms. Meghan Hickman, Executive Director of EngenuitySC

Ms. Meghan Hickman, Executive Director of EngenuitySC announced that in June 2013, EngenuitySC partnered with Lower Richland High School to focus on creative alternatives to educating students, teachers and parents on the importance of STEM education. The five part STEM program at LR includes Student Discovery Days, Teacher Discover Days and Immersion Programs; Parent University Sessions; Soft Skills and Entrepreneurship Training; and a Life Cycle Innovation Project. In 2014, Lower Richland High School was the first school in Richland School District One and in the country to be awarded the AdvancED STEM certification. The graduation rate at Lower Richland High School increased by 13%.

Mr. Kevin Wilson, Vice Principal of Lower Richland High School said a lot of transformation is taking place at Lower Richland High School; scholarship totals have dramatically increased along with the graduation rate, PASS test scores and SAT/ACT scores. He noted that the suspension rate has decreased.

Dr. Greg Witherspoon, Superintendent of Richland School District One said the goal is for STEM to be integrated into what we do on a daily basis. He said that students are actively engaged and it's a great time to be a part of Richland One.

Master Quest Morris, Lower Richland High School sophomore said he has been in the STEM program for two years and it is amazing. He described how they dehydrate old cafeteria food scraps and use that material to feed the worms. He said he has learned a lot and the STEM Academy has taught him to go about life with optimism.

Ms. Meghan Hickman, Executive Director of EngenuitySC announced that two new STEM programs are being launched at Hopkins Middle and Southeast Middle Schools. She said the first elementary single gender STEM pilot program was launched at Logan Elementary School through a partnership with the City of Columbia. She described how the students were able to conceptualize and pitch six different business concepts. She said some students won seed money to start their businesses this summer. She said the program will formally launch next year and they can't wait to expand these programs across the Midlands.

3. Columbia Classical Ballet Update – Ms. Lee Lumpkin, Chair of the Executive Board for the Columbia Classical Ballet

Ms. Lee Lumpkin, Chair of the Executive Board for the Columbia Classical Ballet announced that Brooklyn Mack and Misty Copeland performed Swan Lake at the John F. Kennedy Center on April 9, 2015. She recalled that as a youth, Brooklyn Mack came from Elgin Elementary School to his first ballet at the Koger Center. She reported that the Columbia Classical Ballet brought 11,000 young people to the ballet for free last year. She added that the grand tier seats are \$5.00 in the evening. She said that Radenko Pavlovich the Artistic Director for the Columbia Classical Ballet has increased revenue through his relationship with the ballet in Charleston, West Virginia. She asked Council to make the Columbia Classical Ballet a \$200,000 line item in the City's budget. She said we are your international ballet company and we are a different kind of wonderful.

4. [Columbia Urban League's Funding Request for the 2015 Summer Work Experience Leadership Program](#) – Mr. S. Allison Baker, Senior Assistant City Manager

Mr. S. Allison Baker, Senior Assistant City Manager said we have been working with the Columbia Urban League to develop individual and corporate sponsorships along with job sites within the City of Columbia for the Summer Work Experience Leadership Program (SWELP). He asked Mr. McLawhorn to present the specifics of the funding request.

Mayor Benjamin said we need to step up and fund the Columbia Urban League. He said we offered 250 summer jobs historically, but and the Urban League was asked to provide 1,000 jobs this year. He noted that Richland County provides \$50,000 for jobs in the unincorporated areas and we will ask them to increase that along with the School District and others. He acknowledged that rate payers are contributing, but we need to decide how we want to support this effort.

Mr. J.T. McLawhorn, Executive Director of the Columbia Urban League said this partnership started over thirty years ago with twenty young people doing odd jobs. He said this partnership with the City of Columbia is a model for the country and he is excited about the City's vision to raise the bar to 1,000. He contended that poverty is not only devastating and inhumane, but it is a national security crisis. He said work has disappeared from communities and work isn't an option for some youth. He announced that the first class will start on June 15, 2015 and the second class will begin on June 29, 2015 for two weeks each; however, youth will be placed with the City of Columbia for four weeks.

Mayor Benjamin noted that the City contributed \$71,000 last year and he has specific recommendations for consideration prior to the next meeting along with reaching out to Richland School Districts One and Two, Richland County, the Chamber of Commerce and other partners to help us meet this goal. He suggested that contingency funding and funding spent on the detention center as possible funding sources.

Councilor Devine expressed concerns about not having funding for 1,000 jobs. She asked if the City will have to pay the bill if funding isn't raised.

Mr. S. Allison Baker, Senior Assistant City Manager introduced Ms. Christina Galloway as the Family & Youth Services Coordinator for the Parks and Recreation Department, Ms. Lee Allison Thompson as the Assistant Superintendent for Recreation for the Parks and Recreation Department and Mr. Cary Rich as the Assistant Superintendent of Youth and Family Services for the Parks and Recreation Department. These individuals are working with the Columbia Urban League and the Columbia Police Department to develop job descriptions for the program and to meet other needs of our youth.

Mayor Benjamin requested that a letter be sent to our partners requesting a financial commitment; that we continue to stimulate the awareness of Youth Works; and that City Council determine its commitment before June 2, 2015. He reiterated the suggestion of using contingency funding along with funding allocated for the detention center.

5. [Proposed Revisions to the City of Columbia Business License Ordinance](#) – The Honorable Moe Baddourah

Councilor Baddourah recalled that he presented the idea of developing a fair business license system for non-profit businesses that compete with for-profit businesses. He requested feedback on the ordinance drafted by Danny Crowe, Esq. He said staff is prepared to update Council on revenue that would be generated. He explained that businesses, i.e., cafeterias, gift shops, physicians, flower shops, and laundry services that operate under a non-profit hospital are in direct competition with businesses that are trying to make a dollar while paying a business license fee and property taxes. He asked Council for their ideas on the proposed ordinance.

Councilor Davis said he is trying to understand how exempt entities would be impacted and how we will separate religious groups. He noted that colleges and universities will continue to be exempt.

Councilor Baddourah said USC's food suppliers are paying business license fees and other fees as a regular business; they pay more than a business under the umbrella of a hospital.

Mayor Benjamin asked about the proposed revenue that would be produced.

Councilor Baddourah estimated that it will be four to six million dollars based on the research he has done. He said staff needs to continue looking at that.

Councilor Plough asked staff to determine how much revenue has been lost by the number of physician practices that have been bought by hospitals and no longer pay a business license fee.

Mr. Roger Myers, Business License Administrator said it is difficult to determine, because the companies names are usually changed. He said the ballpark figure from 2012 was \$19,000 for several businesses that became exempt.

Mayor Benjamin said we must ensure that we have policy driven by good data. He said there is a huge delta between \$19,000 and several million dollars. He asked if business licenses fees have dropped over the last several years.

Mr. Roger Myers, Business License Administrator said no.

There was unanimous consent to waive attorney-client privilege communications with Danny Crowe, Esq. during this discussion.

Mr. Roger Myers, Business License Administrator continued to explain that there may be a few businesses that were lost each year, but the highest figure we had for one year was \$28,000.

Councilor Plough said she is struggling with the ordinance, because she never envisioned that we were trying to reach the daycares that are run by churches.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said this is an effort to level the playing field between businesses and charitable organizations that engage in and gather revenue from business activities. He explained that the ordinance requires charitable organizations to pay a business license fee to the extent that they were already paying federal income taxes on their for-profit activities or unrelated business income. He further explained that the ordinance would address those brick and mortars that are competing with businesses that were in the sales of goods or services. He said the ordinance excludes donations for which there was no consideration. He said the ordinance is aimed at the true competition to for-profit businesses so that the charitable organization doesn't have an unfair advantage. He explained that religious organization daycare services were carved out as not being considered a sale of goods or services. He said Council has latitude for exemptions as long as there is a logical reason for doing so. He said the Greenwood ordinance was used as the model, but it wasn't adopted on second reading because they reached an agreement with the local hospitals by which the hospitals donated \$1 million over a five year period for a fee in lieu of a business license tax.

- **Mr. Newman arrived at 2:51 p.m.**

Councilor Devine thanked Mr. Baddourah for bringing this forward. She said she is willing to look at this, but part of this discussion was centered on a solution to the proposed budget and we don't have enough information to make a decision. She said people wouldn't disagree with the private practices that are owned by the hospital. She said you get into gray areas with the other ones and she has questions regarding those. She asked if a church's day care is exempt even if it serves non-members.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said not under the current language, but Council can adjust that language.

Councilor Devine said Heyward Career Center has a store that sells items created by students. She asked if that would be included. She asked about the Salvation Army and Goodwill stores.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said if it's part of the school system, it is a governmental entity and we can't tax it and the Salvation Army and Goodwill stores would be subject to this ordinance.

Councilor Devine said we need to fully understand who is affected by this; there is merit to pursuing this, but we need real data. She said citizens believe this is a revenue source that will keep us from raising the franchise fee.

Mayor Benjamin asked how this impacts Palmetto Richland Hospital.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said if they have a governmental or quasi-governmental status, then they are probably not covered by the City's business license tax. He said there are a lot of hospitals that are not governmental; they are charitable and privately owned.

Councilor Baddourah said the revenue for the hospital is \$1.3 billion and half of that comes from regular businesses that compete with full businesses. He said the business license tax is tremendous and he would like to know how much of the \$1.3 billion is taxable. He said the Lexington Medical Center and Providence Hospital have businesses. He insisted that this is a way to close up the loophole and make things right.

Councilor Davis said this won't impact where we are with the budget. He said as we look at this we need to include how the suggested changes would keep us on legal ground and level the playing field. He said the hospitals and universities are significant entities that won't be participating. He suggested that they include them all. He said we have to show that we have a right to do this and that a business classification puts them in a status where they must participate.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said the hospitals and universities are protected if they have a governmental status. He said for example governmental utilities aren't taxed, but private utilities would be; you have situations where the government may be in a particular field and have private competition; the private competition would pay a business license tax.

Mayor Benjamin recalled that Mr. Baddourah indicated Lexington Medical Center's support of this ordinance last week. He asked if Providence supports it, as well.

Councilor Baddourah said Providence Hospital's response was that "I am from Ohio and they have the same or similar fee in Ohio. I don't understand why we don't have that here. I will look at my budget and get back with you." He said there is revenue on the table and this Council can get it if it chooses to. He said Lexington Medical Center supports this for the medical offices located in the City of Columbia city limits.

Mayor Benjamin said he is hard pressed to find a hospital that would support this. He serves on the board of Providence Hospital and he would be surprised if there were any support for this effort.

Councilor Baddourah said he spoke with the Chief Operating Officer and he understands that he can't make that decision until he goes to the board. He said he met with them so they wouldn't be in the dark.

Mayor Benjamin reported that from 2012 to 2014, hospitals provided \$1 billion of medical care to the homeless across the State of South Carolina. He said our hospitals are experiencing cuts under the Affordable Care Act without any extension in South Carolina Medicaid programs to mitigate those losses. He asked if we looked at the operating margins of the hospitals. He noted that hospitals are required to provide emergency

treatment regardless of an individual's ability to pay. He said this won't impact this year's budget discussion and he is interested in seeing the data or research. He sought clarity on the level of support from other healthcare institutions in this region. He said the proposal was to have an ad-hoc committee look at this and the Chamber asked that we not take this up in a piecemeal manner.

▪ **Councilor Runyan arrived at 3:08 p.m.**

Councilor Devine suggested that she, Mr. Davis, Mr. Baddourah, work as an adhoc committee to meet with the Chamber of Commerce and the Chief Executive Officers of the hospitals and that staff work to provide data for their review. She said it is unfair to only target one profession; we have to decide as a policy if we want to collect business licenses from churches with daycares.

Ms. Teresa Wilson, City Manager sought clarification on the directive to staff.

Councilor Devine said staff needs to compile the data on income.

Mayor Benjamin urged his colleagues to give staff specific directions. He asked if nursing homes are included.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said nursing homes would be subject to the business license tax.

Councilor Davis said he was trying to determine who is exempt. He said any exemptions should be defined and listed. He asked that they look at what is currently in the ordinance and make sure we've covered all bases before we start discussions. He asked if there are other entities in South Carolina that reached a compromise.

Mr. Danny Crowe, Esq., Crowe LaFave, LLC said Spartanburg compromised with hospitals and charitable organizations.

Councilor Devine suggested that the ad-hoc committee review other entities that have compromised on a fee in lieu of taxes. She asked if Palmetto Richland is owned by a governmental entity.

Upon a motion made by Ms. Devine and seconded by Mr. Baddourah, Council voted six (6) to one (1) to appoint an ad hoc committee consisting of Mr. Davis and Ms. Devine and chaired by Mr. Baddourah to further explore the proposed revisions to the business license ordinance. Voting aye were Mr. Davis, Ms. Devine, Ms. Plough, Mr. Newman, Mr. Runyan and Mr. Baddourah. Mayor Benjamin voted nay.

6. [Update on City of Columbia Annexations](#) – Ms. Krista Hampton, Director of Planning and Development Services

Mr. David Eisenbraun, ASLA, APA, Community Planner for the Planning and Development Services Department said the annexation policy was adopted by City Council in 1990, amended in 1992 and reaffirmed in 2009. The policy includes four categories: donut holes, primary areas, secondary areas and long range areas. There are three primary target areas: Farrow Road, which is composed of donut holes and primary areas; Clemson Road, which has larger parcels; and the Rosewood neighborhood, which has a large gap in city services. In 2014, there were 21 annexations comprising of 83 acres and 11 annexations to date in 2015 comprising of 23 acres. He displayed a comparison of the city's boundary in 2000 and 2015. He noted that the City has annexed 87,000 acres in 15 years. He said they have been researching best practices around the state on how to acquire more property, broaden the tax base, improve the quality of life and help future potential citizens of Columbia. He said they primarily reviewed the 75% annexation method.

Ms. Teresa Wilson, City Manager said now is the time for Council to give strategic direction on other target areas in which they want to use the 75% annexation method as a formal grassroots campaign with Mr. Corley's assistance.

Ms. Krista Hampton, Director of Planning and Development Services explained that an analysis will be completed on each new area to determine the viability of using the 75% method. She said a public hearing must be held with the 75% method and we must be able to demonstrate that we can provide services. She said when Mr. Corley identifies those areas we can prepare a report for City Council.

Councilor Davis asked why Broad River Road from Interstate 20 to Chestnut Hills isn't listed as a target area; there are subdivisions and donut holes that aren't in the City.

Mayor Benjamin said our policy should focus on closing donut holes and dipping dots. He said everything inside Interstates 77, 26 and 20 and the river should naturally be in the City. There are properties and neighborhoods on the other side that should naturally be a part of the City of Columbia. He said we have lacked a deliberate grassroots approach to complement the great work that is already being done. He said the focus needs to be in all four corners of the City with a balanced approach to growing this City.

Councilor Baddourah asked what's being done to establish the 75% rule and why is someone needed from outside the city to do that; if you're not a City employee knocking on someone's door it is going to generate a lot of calls to the Police Department.

Ms. Teresa Wilson, City Manager said that is not the approach they are taking. She said this wasn't generated by staff; they have not been going out on a grassroots effort, because Council has never indicated to Administration that this is the approach they wanted.

There was a consensus of Council to schedule a discussion on the City's Annexation Policy during an upcoming Work Session.

7. [Proposed Columbia Police Department Citizens Review Panel](#) – Mr. William “Skip” Holbrook, Police Chief

Mr. William “Skip” Holbrook, Police Chief said the Public Safety Committee directed the Columbia Police Department to review various forms of citizen review for the Police Department. He outlined four variations as recommended by the Community Oriented Policing Services (COPS) in 2009: Citizen Review Board, which handles every aspect of the citizen complaint continuum; Police Review/Citizen Oversight or Advisory Council wherein the Police Department handles every aspect of the complaint continuum, but citizens review the actions; Police/Citizen Police Appeal Board wherein the Police Department handles every aspect of the complaint continuum, but the complainant may appeal the outcome to the board, which is comprised of officers and citizens; and an Independent Citizen Auditor wherein the Police Department handles every aspect of the complaint continuum, but the citizen serves as an auditor to review the process for effectiveness and accuracy. He recommended option two, which establishes a seven to ten person civilian advisory board chosen with input from the Chief of Police, the City Manager and members of City Council. The board members would be City residents representing diverse demographics and occupations. Once selected the individuals would be required to attend the Police Department's Citizen Police Academy and/or curriculum for the purposes of becoming familiar with Police Department operations and policies and also receive internal affairs investigations training. Members would be willing to meet quarterly, at a minimum and serve at least a one-year term. All members would be expected to meet background requirements, be in good standing in the community and not be party to any legal litigation with the City or the Columbia Police Department. He said perception is reality and anything we can do to strengthen confidence in the Police Department is important. He noted that the Police Department has taken remarkable steps to demonstrate accountability.

Mayor Benjamin expressed his support for option two. He asked if certain occupations would be helpful. He suggested that Council appoint the seven members and the other three be recommended by the Police Chief or the City Manager.

Councilor Runyan recalled that he and the Police Chief along with the Director of the Department of Public Safety, the Sheriff and the Director of SLED attended a meeting in January where this item was discussed with a large group of predominantly African American ministers. These ministers believe that if there were institutionalized communication networks between the police force and the broader community, much of what happened in Ferguson could have been abated. He stated that the Christian Coalition expressed an interest in being represented by having a seat on the commission.

Mayor Benjamin said no, but he agreed that leadership is needed from the faith community and other professional affiliations.

Councilor Plough suggested that each councilperson appoint one individual and then have staff come up with the other three.

Mayor Benjamin reiterated his concerns about individually appointing members as opposed to everyone being consensus choices; every member of this panel needs to be supported broadly, not by individual recommendations.

Councilor Devine said we need to be clear on our expectations of the committee. She said we can always approve upon what we are doing, but I don't want anyone to think that this is fixing an existing problem.

Mr. William "Skip" Holbrook, Police Chief said advisory is a key term and we want to be able to review actions and critical instances in a public forum and that's where this advisory council can be very helpful.

Councilor Baddourah asked why they are only looking at four meetings per year.

Mr. William "Skip" Holbrook, Police Chief said they may meet more often; we'll always have matters to discuss to include the cases we've adjudicated and personnel matters. We will have to remain fluid as a committee. He said the recommendation is to meet quarterly at a minimum.

Councilor Baddourah asked if an advisory board is necessary; can't issues be discussed in executive session. He asked if a council member can serve as an advisory board.

Mayor Benjamin clarified that City Council's role won't change; this wouldn't supplant anything we do as a Council.

Mr. Bob Wynn, Past-President of the Arsenal Hill Neighborhood Association said he attended the Public Safety Committee meeting and this proactive decision is the way to go. He said any selection of a committee member should be held to the standard of understanding that this is not a panel empowered to put this police department at a level of problems. He said they are performing well, the City is doing well, the community relations are at the best they can be and this will only move it forward and higher.

Upon a motion made by Mr. Davis and seconded by Mayor Benjamin, Council voted unanimously to authorize the composition of the Police Review/Citizen Oversight or Advisory Council and to direct staff to bring back recommendations on the disciplines needed on the council. The vacancies will be advertised and appointments will be made on June 16, 2015.

8. [Local Preference Policy Recommendations](#) – Ms. Tina Herbert, Executive Director of the Office of Business Opportunities – *Consideration of this item was deferred.*

9. Proposed Local Hiring Policy – Ms. Melissa Gentry, P.E., Assistant City Manager for Operations – *Consideration of this item was deferred.*
10. [Student Housing Incentive Report](#) – Mr. Ryan Coleman, Director of Economic Development

Mr. Ryan Coleman, Director of Economic Development presented a listing of privately owned student housing projects in the City of Columbia. He said questions were raised about the market and whether or not we can sustain the incentive. He said the University of South Carolina is the driver. He noted that the University has had a banner year for enrollment and it's up to 33,000.

Mayor Benjamin said this policy that both the City and County supported has been a huge success as we seek to have that perfect city with the right amount of tax revenues. He said prior to enacting this policy and other ordinance changes, almost every student housing project went south of the stadium into the county, but we've seen a dramatic shift in that regard. He recommended sun-setting it in the fourth quarter and any projects in the pipeline wouldn't be supported. He asked staff to look at how Aspyre is taxed prospectively. He noted that the project at the corner of Harden and Gervais won't only be USC students; you will see students from Allen University and Benedict College. He said real projects in the pipeline should be given consideration, but I don't think we should modify the parameters at all.

Councilor Davis suggested that we offer other incentives as well.

Mayor Benjamin agreed that the Economic and Community Development Committee should continue those discussions.

Councilor Devine asked if they should determine the sunset date now.

Mayor Benjamin suggested that City Manager Wilson dialog with County Administrator McDonald and he offered to dialog with County Council Chairman Rush to make sure we are on the same page.

Councilor Plaugh asked how you deal with smaller apartment complexes around the city that are underwater due to fees.

Mayor Benjamin said if they are student housing, they need to be considered as well and we need to continue discussions on efficiencies. This was a way to use private sector capital to meet public sector needs and we should be more aggressive. He said it is prudent to sunset it, but let's dialog with the county first.

Councilor Plaugh said she has heard from residents that the growing demand on student housing is affecting the balance of homeownership and rentals in some inner-city neighborhoods.

## **EXECUTIVE SESSION**

Upon a motion made by Mr. Davis and seconded by Ms. Devine, Council voted unanimously to enter into Executive Session at 4:43 p.m. for the discussion of **Items 11** through **14** as outlined. Mr. Baddourah was not present for the vote.

11. Discussion of the employment of an employee – *This item was discussed in Executive Session. No action was taken.*
12. Discussion of negotiations incident to the proposed purchase of property – *This item was discussed in Executive Session. No action was taken.*
13. Discussion of negotiations incident to proposed contractual arrangements – *This item was discussed in Executive Session. No action was taken.*
14. Receipt of legal advice relating to matters covered by attorney-client privilege – *This item was discussed in Executive Session. No action was taken.*

Respectfully submitted by:

Erika D. Moore  
City Clerk