



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
WEDNESDAY, FEBRUARY 17, 2010
9:00 A.M.
COUNCIL CHAMBERS – 3RD FLOOR
1737 MAIN STREET

The Columbia City Council conducted a Regular Meeting on Wednesday, February 17, 2010 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 9:03 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis, The Honorable Daniel J. Rickenmann, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergel. The Honorable Tameika Isaac Devine arrived at 9:12 a.m. Also present were Mr. Steven A. Gantt, City Manager and Ms. Erika D. Salley, City Clerk.

INVOCATION

The Honorable Belinda F. Gergel offered a moment of silent prayer and reflection.

APPEARANCE OF PUBLIC HAVING BUSINESS RELATED TO THE AGENDA ITEMS

Mr. Bill Manley, Eau Claire Community Resident appeared before the members of Council to express concerns related to **Items 24., 25.** (Tax Increment Financing) and **29.** (Audit Update). While he was sure that the Council would pass **Items 24.** and **25.** today, he asked the Council to take no further actions between now and July 2010, when the new members of Council are sworn in. He asked if the City of Columbia will be liable for \$1 million as it relates to **Item 29.**

MINUTES

1. Minutes of August 12, 2009 – *Approved as presented.*

Upon a motion made by Mr. Cromartie and seconded by Mr. Davis, Council voted unanimously to approve the Minutes of August 12, 2009 as presented.

FUNDING RECOMMENDATIONS

2. January 2010 Community Promotions Funding Recommendations – The Honorable Judge Mildred McDuffie, Chair of the Community Promotions Advisory Committee

The Honorable Judge Mildred McDuffie said that she sent each Councilperson a letter concerning the Community Promotions Fund for 2010/2011 and she has not heard from most of them. She asked if they received the letter.

Upon a motion made by Mr. Cromartie and seconded by Dr. Gergel, Council voted unanimously to approve a request from the OMAN Foundation (Youth Mentor Program) for Community Promotions funding in the amount of \$1,500 as recommended by the Community Promotions Advisory Committee.

- **The Honorable Tameika Isaac Devine joined the meeting at 9:12 a.m.**

3. Request for Funding for the Palmetto Open Source Software Conference - The Honorable Mayor Robert D. Coble

Mr. Todd Lewis, Chairman / Palmetto Open Source Software Conference Planning Committee and Mr. Lonnie Emard, Executive Director / Consortium for Enterprise Systems Management requested \$10,000 from the Hospitality Tax Fund to market the Palmetto Open Source Software Conference scheduled for April 15, 16 and 17, 2010 at the Columbia Metropolitan Convention Center.

4. Request for Funding for the Veterans of the Battle of the Bulge, SC Chapter Military Parade – The Honorable Mayor Robert D. Coble

Ms. Barbara J. Mooneyhan, Secretary / Veterans of the Battle of the Bulge, SC Chapter requested \$12,000 from the Accommodations Tax Fund for the National Veterans of the Battle of the Bulge Conference scheduled for September 1-6, 2010. Funding allocations would pay for the security and traffic control required in order to conduct a parade in the downtown area.

- 4a. **Request for Funding from Allen University – The Honorable E.W. Cromartie, II

Dr. Charles Young, President of Allen University requested \$10,000 from the Hospitality Tax Fund for a conference entitled “The Gathering”, which is scheduled for March 3-5, 2010 at various locations throughout the City of Columbia. Funding is being requested to provide transportation for 12,000 attendees to and from conference sites, hotels and dining in the Vista and Five Points.

A motion made by Mr. Cromartie and seconded by Mayor Coble to approve up to \$10,000 from the Hospitality Tax Fund for Allen University as a sponsor of The Gathering Conference was withdrawn.

After an in-depth discussion of **Items 3., 4. and 4a.**, there was a consensus of Council to give further consideration to funding these requests from the Hospitality Tax Fund on February 24, 2010. The remaining balance of the Hospitality Tax Contingency Fund is \$75,000 through June 30, 2010. Staff was directed to provide a report on Hospitality Tax collections and the balance of previously approved allocations currently due to organizations. The Conventions and Visitors Bureau was asked to provide an explanation as to why organizations were denied direct funding assistance for marketing and transportation. The City Attorney was asked to provide legal advice on the funding of religious events.

PRESENTATIONS

5. Business Commemoration for the 2009 Business Spotlight Program Honorees – Mr. Angelo McBride, Business Administrator / Office of Business Opportunities

Mr. Angelo McBride, Business Administrator / Office of Business Opportunities reintroduced the following 2009 Business Spotlight Program Honorees: Granger Owings, JT Thomas Salon, Finklin Pharmacy and Argand Energy Solutions. They presented the members of Council with framed tokens of appreciation.

Mr. J. Thomas Leaptrott, of JT Thomas Salon and Mr. Mike Switzer, Argand Energy thanked the Council for their support of small businesses in the City of Columbia.

6. Improvements to the Columbia Tennis Center – The Honorable Belinda F. Gergel

Councilor Gergel recalled that a couple of weeks ago the Council voted to receive monies in the Hospitality Bond to update the Columbia Tennis Center as planned many years ago. We have

been meeting with and receiving input from a group that is very active at the tennis.

Mr. S. Allison Baker, Senior Assistant City Manager further recalled that in 2000, City Council allocated \$2.5 million for the redesign and upgrade of the Columbia Tennis Center. At that time, we had 14 courts; the redesign would allow us to have 17 courts; and the tennis community convinced City Council of the need for 30 courts. The Columbia Tennis Center is landlocked and it was not possible to build 30 courts, hence the development of Southeast Park. He said that \$2.1 million of the \$2.5 million allocation was used to purchase the land that is now Southeast Park and the other \$400,000 was used to improve the parking lot at the Columbia Tennis Center. Prior to 2005, Hospitality Bonds were issued for several projects to include the development of Southeast Park, the renovation of the Columbia Tennis Center and upgrades to Finlay Park. The concept was to develop 30 tennis courts at Southeast Park; move the staff from the Columbia Tennis Center to Southeast Park; improve the Columbia Tennis Center, as is; and to no longer consider the Columbia Tennis Center as our tennis center; our tennis center would move to Southeast Park. We planned to build an environmental education center and a pro shop at Southeast Park, but that phase was not completed. Recently, City Council voted to allow us to move ahead with the upgrades at the Columbia Tennis Center and use any remaining funds to continue the improvements at Southeast Park. There has been some misconception that the \$1 million that was set aside out of the Hospitality Bonds for the Columbia Tennis Center was used elsewhere. That is not so; those funds remain in place to be used at the Columbia Tennis Center. Those funds cannot be used for anything other than those projects that the bonds were issued for. He added that Dr. Gergel has had exciting discussions with a group of tennis players, citizens and neighbors. He noted that where they are today is a deviation from the direction that was set by a previous Council. We have discussed upgrading the existing courts at the Columbia Tennis Center and the staff would remain there as opposed to moving to Southeast Park. He suggested that there may not be a need to go beyond the 16 courts at Southeast Park or the 14 to 17 courts at the Columbia Tennis Center.

Mr. Temple Ligon, The Columbia Star provided a historical perspective on the Columbia Tennis Center and tennis centers in other cities.

There was a consensus of Council to endorse the composition of an ad-hoc committee to provide input in the planning process for the upgrades at the Columbia Tennis Center. This group should be diverse to include representatives from Greenview Park. The Council requested a list of the projects included in the bond issuance. Mr. Baker was reminded to address the needs at the Greenview Tennis Courts.

7. Cities Mean Business Month Proclamation – The Honorable Mayor Robert D. Coble

Mayor Robert D. Coble and Councilor Devine presented a proclamation declaring February 2010 as Cities Mean Business Month in support of the Municipal Association of South Carolina.

8. Midlands Housing Alliance Update – Ms. Cathy Novinger, Chair of the Midlands Housing Alliance

Ms. Cathy Novinger, Chair of the Midlands Housing Alliance said that they have made a lot progress on the Midlands Housing Alliance Homeless Transition Center, a 501(c) 3 organization that will be located at the former Salvation Army site at the corner of Elmwood Avenue and Main Street. This is being done in partnership with the Knight Foundation, the faith community, service providers, the business community and many caring individuals. We have raised \$11.3 million for capital expenses for this facility. We will begin with onsite environmental abatement this week; immediately after that we will start demolition; and construction will begin immediately after that. Our goal is to be operational by April 2011.

Mr. Larry Arney, Executive Director of the Midlands Housing Alliance presented a site plan for

the 51,000 sq. ft. facility. He reported that the existing chapel will remain and the remainder of the building will be demolished. It's a commercial building with the scale of a school and a campus design. All of the major entrances into the building and the programs housed inside will be accessed from the Calhoun Street entrance. There is a brick garden wall along the back side of the facility that encloses the parking area. There will be two (2) operable gates and a pedestrian gate so that anyone who enters the site will be inside the brick garden area. The old chapel building will serve as our day center, which provides a safe and appropriate daytime alternative to people who have no where else to go. It will provide basic needs such as food, showers, laundry and computers. It is a program of engagement and commitment. We engage homeless people that are living on the street and if they are willing participants and are willing to meet with the case workers and sign on to an individualized recovery program then they will work through a tiered program and ultimately recover from homelessness. The lower level of the new two story building has short-term emergency housing for 52 men and women. This would also serve as nighttime lodging for people who are on the street. Someone could enter our day center and be referred for emergency housing. There will be people with active addictions or mental illnesses, but they have to meet the behavioral and safety standards of the facility; no drugs or alcohol are allowed within the facility. There is a nurse on duty, but individuals with health crisis will be taken to the emergency room. There are 26 beds in the respite center for individuals that are ready to be released from the hospital, but have no place to be discharged to. They can come here for recuperative care if ongoing medical assistance is not needed. Once an individual has developed a recovery plan with a caseworker they will be housed in the second story of the facility, which is the short-term program housing with 72-units. They will be in ongoing communication with a caseworker and they will be required to attend life skill training at the center. If they are successful, then they will be eligible for a series of housing units in another building. These 16 units house 4 persons a piece. We currently plan to house 136 individuals at night within the various programs. There are 214 night time beds. The day center will serve 100 to 125 people per day. We hope that we will be able to reduce homelessness and its adverse affect it has on the individuals and our city.

There was a consensus of Council to ask the Midlands Housing Alliance to engage the Downtown Coalition of Neighborhoods in discussions and to engage Mr. Mike King, Assistant City Manager for Public Safety in discussions related to the center's security plans.

- **Council recessed at 11:18 a.m.**
 - **Council reconvened at 11:29 a.m.**
9. Update on Health Screenings – Ms. Bonnie Greenwood, St. Jude Medical of South Carolina

Ms. Ray Borders Gray announced that they are actively recruiting and scheduling employees for the next round of health screenings, which begin on Monday. She noted that there are many slots available. She encouraged the members of Council and all employees to participate even if they have their own physicians or if they've already had screenings.

Ms. Bonnie Greenwood, St. Jude Medical of South Carolina reported that they initiated the cardiovascular screening project with City employees in January 2010. The screening included the risk factor assessment, blood pressure, 12-Lead EKG, carotid screening, a cardiac echo and a pulmonary function test. In 3 days we screened 430 employees; 69 needed additional follow-up with cardiologists; and the majority did not list a primary care physician.

10. Efficiency Study Results – Mr. S. Allison Baker, Senior Assistant City Manager

Mr. S. Allison Baker, Senior Assistant City Manager explained that the efficiency study looked at where we are and how we can do business better; how we can be effective and efficient; and

how we can do the right thing well. As the Executive Sponsor of this, I believe that this is a very good first step. He introduced the following Steering Committee Members: Ms. Gladys Brown, Assistant City Manager for Administrative Services; Ms. Missy Caughman, Budget Director; Ms. Missy Gentry, Public Works Director; and Mr. David Knoche, General Services Director. He asked the Council to receive this limited report today and schedule a future meeting date for an executive session discussion solely dedicated to the efficiency study.

Ms. Angela Robinson, Project Manager / Equa Terra outlined the project methodology used to conduct an organization-wide performance assessment in order to identify opportunities for process improvements and efficiency utilizing Activity Based Costing. There were a total of 42 findings identified during the assessment and the City has the potential of saving \$5,320,076.29 in year one of implementation. The next steps are to make the decision to implement; understand the requirements of implementation; understand the resources required for implementation; develop a plan for the implementation of each action; and monitoring those plans.

There was a consensus of Council to schedule a Work Session wherein the details of each finding of the performance assessment will be discussed in executive session.

CONSENT AGENDA

Upon a motion made by Dr. Gergel and seconded by Mr. Cromartie, Council voted unanimously to approve the **Consent Agenda Items 11.** through **23.** as presented.

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

11. Council is asked to approve the One (1) Year Renewal of the Unisys Hardware Maintenance Support for the Business License Division and Municipal Court, as requested by the Information Technology Department. Award to Unisys Corporation of Farmington, NY in the amount of \$13,017.45. *Funding Source: 1011120-638200 - Approved*
12. Council is asked to approve the One (1) Year Renewal of Websense, web filtering software, as requested by the Information Technology Department. Award to Dell of Round Rock, TX in the amount of \$18,523.31. *Funding Source: 1011120-638200 - Approved*
13. Council is asked for approval to Procure Labor and Materials for the Fabrication and Installation of Gates at the Laurel Street and Gadsden Street entrances of the Main Parking Lot at Finlay Park, as requested by the Parks and Recreation Department. Award to the Iron Man's Iron Shop of Gaston, SC in an amount not to exceed \$22,000.00. *Funding Source: PK005601-659300 - Approved*
14. Council is asked to approve Project WM4092; the Purchase of Materials to Replace the Water Main in the Lincolnshire Subdivision, as requested by Engineering Administration. Award to HD Supply Waterworks of West Columbia, SC in the amount of \$30,914.94. *Funding Source: 5529999-WM409201-658670 (Water Improvement Fund) - Please note that City Forces will be responsible for constructing the water main. - Approved*
15. Council is asked to approve the Purchase of Six (6) T3 Vehicles and Accessories, as requested by the Police Department. Award to Interceptor Public Safety Products, Inc. in the amount of \$62,517.96. This vendor is located in Forsyth, Georgia. *Funding Source: 2609999-657500 / RA24110100-657500 JAG Recovery Act E. Byrne Grant - Approved*
16. Council is asked to approve the Purchase of Cabling Services, as requested by Parking

Services and Information Technology. Award to MD Technologies of Columbia, SC in an annual amount not to exceed \$75,000.00. *Funding Source: 1011201-632100 and 5511219-632100 - Approved*

17. Council is asked to approve the Purchase of Vehicles, as requested by the Water Distribution Division. Award to the following vendors in the total amount of \$77,991.00. - *Approved*

<u>Vendor</u>	<u>Location</u>	<u>Type</u>	<u>Department</u>	<u>Amount</u>	<u>Funding Source</u>
Dick Smith Ford	Columbia, SC	Ford F-250 w/ Utility Body	Water Dist. & Maint.	\$22,712.00	5516203-658500
Vic Bailey Ford	Spartanburg, SC	Ford F-350 w/ Utility Body	Water Dist. & Maint.	\$42,011.00	5516203-658500
Vic Bailey Ford	Spartanburg, SC	Ford Ranger	Water Cust. Serv.	\$13,268.00	5516202-658500

18. Council is asked to approve an Agreement for Engineering Services for the Senior Matters Project, as requested by Engineering Operations. Award to Cox and Dinkins of Columbia, SC in the amount of \$94,500.00. *Funding Source: 5529999-WM419502-636600 (Water Improvement Fund) – Please note that approximately 15% of the fee will be subcontracted to Civil Engineering Consulting Services, which is a small female business enterprise located in Columbia, SC. The firm will provide subsurface utility engineering services. - Approved*
19. Council is asked to approve a Mentor Protégé Project #SS7087; 8' Repair along Sunset Drive and Phillips Street, as requested by the Utilities and Engineering Department. Award to Trussell Bothers Construction in the amount of \$384,284.550. This firm is located in Columbia, SC. *Funding Source: SS708701 - Approved*
20. Council is asked to approve the Purchase of Landfill Services, as requested by Solid Waste. Award to Waste Management Pine Hills C & D Landfill of Elgin, SC in the amount of \$850,000.00 from March 5, 2010 to March 5, 2011. *Funding Source: 6208955-631900 - Approved*

ORDINANCES – SECOND READING

21. Ordinance No.: 2009-121 – Granting an encroachment to Mark Lovern for installation and maintenance of landscaping; an irrigation system; decorative metal fence; concrete block and stucco columns; and a knee wall within the right of way of the unopened portion of College Street and adjacent to 830 Laurens Street, Richland County TMS #11405-12-01 – *First reading approval was given on February 3, 2010. – Approved on second reading.*
22. Ordinance No.: 2009-125 – Granting an encroachment to Shelby King for installation and maintenance of a wooden split rail fence within the right of way area adjacent to her property at 3108 Hope Avenue, Richland County TMS #13801-21-21 – *First reading approval was given on February 3, 2010. – Approved on second reading.*
23. Ordinance No.: 2010–026 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article IV, Departments, Sec. 12-151, Departments created; department heads; administrative regulations and procedures, (a) to repeal (20) Homeland Security – *First reading approval was given on February 3, 2010. – Approved on second reading.*

ORDINANCES – SECOND READING

24. Ordinance No.: 2010-031 - (Innovista Redevelopment Plan) - An Ordinance Approving the Innovista Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the

Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto – *First reading approval was given on February 4, 2010. – Approved on second reading.*

A substitute motion made by Dr. Gergel and seconded by Mr. Rickenmann to postpone any further consideration of **Items 24.** and **25.** until after July 1, 2010 when the new Mayor and Council members take their seats, was withdrawn.

Upon a motion made by Ms. Devine and seconded by Mr. Cromartie, Council voted four (4) to three (3) to give second reading approval to Ordinance No: 2010-031 - (Innovista Redevelopment Plan) - An Ordinance Approving the Innovista Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine and Mayor Coble. Voting nay were Mr. Ricknemann, Mr. Finlay and Dr. Gergel.

25. Ordinance No.: 2010-032 - (Columbia Renaissance Redevelopment Plan) - An Ordinance Approving the Columbia Renaissance Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto – *First reading approval was given on February 4, 2010. – Approved on second reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted four (4) to three (3) to give second reading approval to Ordinance No: 2010-032 - (Columbia Renaissance Redevelopment Plan) - An Ordinance Approving the Columbia Renaissance Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine and Mayor Coble. Voting nay were Mr. Ricknemann, Mr. Finlay and Dr. Gergel.

CITY COUNCIL DISCUSSION / ACTION

26. Council is asked for approval to Enter into Contract Negotiations for Medicare Supplemental Insurance for Eligible Post-65 Retirees and Dependents, as requested by the Employee Insurance Committee. Award to UnitedHealthcare at an estimated cost of \$1,474,200.00. This firm is located in Minnetonka, MN. *Funding Source: Health Insurance Fund 6048933 - Please note that the amount may fluctuate depending upon the number of eligible retirees and dependents.*

Upon a motion made by Mr. Davis and seconded by Mr. Finlay, Council voted unanimously to enter into Contract Negotiations for Medicare Supplemental Insurance for Eligible Post-65 Retirees and Dependents, as requested by the Employee Insurance Committee. Award to UnitedHealthcare at an estimated cost of \$1,474,200.00. This firm is located in Minnetonka, MN.

27. Council is asked to approve the Medical and Pharmacy Benefits Administration Contracts, as requested by the Employee Insurance Committee. Medco of Franklin Lanes, NJ will be managing the employee, pre-65 retiree and dependent pharmacy benefits/plan design that went into effect July 1, 2009 at an estimated cost of \$4,626,000.00. Blue Cross Blue Shield of South Carolina will continue to serve as the Third Party Administrator for our health benefits plan at an estimated annual amount of \$16,291,000.00. *Funding Source: Health Insurance Fund 6048933 - Please note that*

the amounts may fluctuate depending upon the number of eligible employees, retirees and dependents. - Approved

Upon a motion made by Mr. Rickenmann and seconded by Mr. Finlay, Council voted unanimously to approve the Medical and Pharmacy Benefits Administration Contracts, as requested by the Employee Insurance Committee. Medco of Franklin Lanes, NJ will be managing the employee, pre-65 retiree and dependent pharmacy benefits/plan design that went into effect July 1, 2009 at an estimated cost of \$4,626,000.00. Blue Cross Blue Shield of South Carolina will continue to serve as the Third Party Administrator for our health benefits plan at an estimated annual amount of \$16,291,000.00.

28. Establishment of a Fact Finding Committee to Address Issues in the City's Hospitality Areas – The Honorable Belinda F. Gergel

Upon a motion made by Dr. Gergel and seconded by Mr. Cromartie, Council voted unanimously to establish a Public Safety Taskforce to review enforcement issues within the City's hospitality areas and relationships with other public safety entities to ensure that our hospitality areas are as safe as they can be. Mr. Mike King, Assistant City Manager for Public Safety was asked to develop recommendations on the committee structure to include representatives from other law enforcement entities, the City's Business License Division, business associations and bars and restaurants within the hospitality corridors.

29. Audit Update – Mr. S. Allison Baker, Senior Assistant City Manager

Mr. S. Allison Baker, Senior Assistant City Manager provided an update on the status of the single audit of the Columbia Empowerment Zone, Inc. In order to finalize the single audit for the Columbia Empowerment Zone, Inc. we are requesting that City Council forgive the Eau Claire Development Corporation of a \$200,000 line of credit and two promissory notes in the amount of \$426,349.02 and \$477,169.46. We are also requesting that the Columbia Empowerment Zone, Inc.'s request to assume the promissory note in the amount of \$477,169.46, effective as of September 25, 2008, be rescinded. As you know the Empowerment Zone (EZ) was a federal initiative that was established in 1999. It provided investment funds to communities who otherwise were not attractive to or for private dollars. The EZ had a ten year lifespan, which ended December 31, 2009 and in order to continue or sustain the programs and activities of the Empowerment Zone, the Columbia Empowerment Zone, Inc. (CEZ, Inc.) was formed in April 2006. The staff, with the recommendation of the HUD Office in DC used the Empowerment Zone, Inc. in Knoxville, Tennessee as a model for the establishment of our CEZ, Inc. In September 2008, the CEZ, Inc. acquired the North Main Plaza in a purchase from the Eau Claire Development Corporation. In June 2009, a Request for Proposals (RFP) was done to secure the services of a book keeping firm for the CEZ, Inc. Derrick, Stubbs & Stith, LLP was selected to provide those services. In November 2009, Webster Rogers, LLP was contracted to do a single audit for CEZ, Inc. On Wednesday, February 3, 2010, I met with Mr. Bud Addison of Webster Rogers, LLP, Chuck Statler, CPA / Partner and Dana Ballew, Senior Small Business Specialist both of Derrick, Stubbs & Stith, LLP, Mr. Bill Ellis, Deputy Finance Director and Mr. Tony Lawton, Director of Community Development and his staff to come away with an agreement that would best resolve the audit issues related to the Columbia Empowerment Zone, Inc., hence the recommendations that I have laid out. There were three issues to be resolved. One was the purchase price of the North Main Plaza; the second was a HUD 108 Loan and grant that went to the Eau Claire Development Corporation; and the third issue was clarity on the sub recipient relationship between the Columbia Empowerment Zone, Inc. and the City of Columbia. He explained that HUD granted the City of Columbia a \$500,000 108 loan that had to be paid back and at the same time a \$400,000 EDI Grant, which did not have to be returned to the federal government. In addition to that in 2000, the City Manager granted to the Eau Claire Development Corporation a \$200,000 loan; \$100,000 from the Water and Sewer Fund in January 2000 and \$100,000 from the General Fund in March 2001 for the acquisition of

land that was ultimately used to build the North Main Plaza. That \$200,000 liability is still carried on the books of the Eau Claire Development Corporation. In January 2006, the City through a promissory note loaned the Eau Claire Development Corporation \$426,349.02 for the construction of phase two of the North Main Plaza. That was an EDI Grant from the federal government. The Executive Director of the Eau Claire Development Corporation signed a promissory note, promising to return that money to the City and that is still being carried as a liability on the books of the Eau Claire Development Corporation. The HUD 108 Loan of \$500,000 was scheduled to be paid back to the federal government. In June 2008, the City of Columbia made that payment to the federal government. During the purchase of the North Main Plaza, that remaining \$477,169.46 was not secured by mortgage and was not made part of the purchase of the North Main Plaza by the Columbia Empowerment Zone, Inc. We are asking that the \$200,000, \$426,349.02 and \$477,169.46 be forgiven. He recalled that the \$426,349.02 could have been granted to the Eau Claire Development Corporation, but the decision was made to loan it to the Eau Claire Development Corporation; it was not money that had to be paid back to the federal government. Also, we ask that the assignment of the \$477,169.46 to the Columbia Empowerment Zone, Inc. be rescinded. The liabilities of the Eau Claire Development Corporation that were attached to the sale of the North Main Plaza were taken either through the sale or by assignment to CEZ, Inc.

Rev. Richard Dozier, Chair of the Eau Claire Development Corporation said that the auditors told them that they are in good shape, except for the fact that they need to deal with these problems that are in some cases 6 years old and were never resolved. I would suggest to you that this corporation is the kind of commercial incubator that changes these corridors. This development corporation can move us from where we are to where we need to go in the future.

Upon a motion made by Mayor Coble and seconded by Mr. Davis, Council voted unanimously to adopt the following audit recommendations:

- Forgive the Eau Claire Development Corporation of a \$200,000 line of credit.
- Forgive the Eau Claire Development Corporation of a \$426,349.02 promissory note.
- Forgive the Eau Claire Development Corporation of a \$477,169.46 promissory note.
- Rescind the request of the Columbia Empowerment Zone, Inc. to assume the promissory note in the amount of \$477,169.46, effective September 25, 2008.

A motion by Mr. Finlay and seconded by Mr. Rickenmann to direct staff to prepare a plan to resolve the outstanding issues related to the Eau Claire Development Corporation so that the dissolution will be an orderly transition if funding is not approved in next year's budget was withdrawn, subject to Council scheduling a Work Session prior to March 3, 2010.

There was a consensus of Council to direct staff to prepare recommendations on the future of the Eau Claire Development Corporation. Such recommendations will be presented to Council on March 3, 2010. The members of Council requested the following information for discussion during a Work Session prior to March 3, 2010.

- Mission of the Eau Claire Development Corporation
- Assets and Liabilities of the Eau Claire Development Corporation
- Appraised value of the North Main Plaza
- Cash flow of the North Main Plaza

ORDINANCES – FIRST READING

30. Ordinance No.:2009–106 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 4, Animals, Article II, Livestock - *A Public Hearing was conducted on November 18, 2009. No action was taken.* - Consideration of this matter was deferred to March 3, 2010.

RESOLUTIONS

Upon a motion made by Mr. Rickenmann and seconded by Mr. Finlay, Council voted unanimously to approve **Items 31.** through **34.** with a single motion.

31. Resolution No.: R-2010-007 – Authorizing the Planning and Development Services Department to submit an Application for Designation of the City of Columbia as a Preserve America Community - *Approved*
32. Resolution No.: R-2010-008 - Supporting Joint Strike Fighter (F-35A) Basing at Shaw Air Force Base and McIntyre Joint National Guard Base, South Carolina - *Approved*
33. Resolution No.: R-2010-011 - Authorizing execution of a First Renewal of the Companion Third Party Administration of the City of Columbia's Tort Liability Self-Insurance Program with Companion Third Party Administrators, LLC - *Approved*
34. Resolution No.: R-2010-012 - Authorizing execution of a First Renewal of the Companion Third Party Administrators, LLC Service Agreement for Administration of a Self-Insured Workers' Compensation Program with Companion Third Party Administrators, LLC - *Approved*

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

Ms. Wanda Kemp appeared before the members of Council to express concerns related to the City's Code of Ordinances that prohibit more than three (3) unrelated individuals from living together. The ordinance has been in effect since 1979. I inherited property that was purchased by my father in 1973 and that property has been used as rental, investment property. You are not being very friendly to investors or the students by allowing this ordinance to be on the books. We have been cited for overcrowding, but there were no more young women in the house than there were bedrooms; this is not overcrowding. She cited the introduction of the ordinance, adding that this property doesn't violate the premise of this ordinance. She said that she has approached Zoning three times about grandfathering and was given bad information. The house is currently vacant and I've lost \$8,000 in revenue. She asked the Council to revisit the ordinance and change it to at least four (4) or go by the square footage like other communities.

EXECUTIVE SESSION

Upon a motion made by Ms. Devine and seconded by Mr. Cromartie, Council voted unanimously to go into Executive Session at 2:27 p.m. for the discussion of **Items 35.** through **37.** as amended.

35. Receipt of legal advice as it relates to matters covered by attorney-client privilege – *This item was discussed n Executive Session. No action was taken.*
 36. Discussion of negotiations incident to proposed contractual arrangements– *This item was discussed n Executive Session. No action was taken.*
 37. Discussion of employment of employee– *This item was discussed n Executive Session. No action was taken.*
- **Mr. Cromartie left the meeting at 3:00 p.m.**
 - **Mr. Finlay left the meeting at 3:17 p.m.**

- **Council adjourned the meeting at 3:35 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk