

**COMMITTEE ON WAYS AND MEANS**

April 13, 2021

A meeting of the Committee on Ways and Means was held this date beginning at 4:05p.m.

**PRESENT (13)**

The Honorable John J. Tecklenburg, Mayor

Councilmember Delcioppo	District 1	Councilmember Waring	District 7
Councilmember Shealy	District 2	Councilmember Seekings	District 8
Councilmember Sakran	District 3	Councilmember Shahid	District 9
Councilmember Mitchell	District 4	Councilmember Griffin	District 10
Councilmember Brady	District 5	Councilmember Appel	District 11
Councilmember Gregorie	District 6	Councilmember Jackson	District 12

**1. INVOCATION:**

The meeting was opened with an invocation provided by Councilwoman Delcioppo.

**2. APPROVAL OF MINUTES:**

On a motion of Councilmember Mitchell, seconded by Councilmember Shealy, the Committee on Ways and Means voted unanimously to approve the minutes of the March 23, 2021 Committee on Ways and Means meeting.

**3. BIDS AND PURCHASES:**

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

**a. POLICE DEPARTMENT:      ACCOUNT: 200000-52023      AMOUNT: \$200,000**

Approval to establish a contract for vehicle Upfit for the Police Department from Dana Safety Supply, not to exceed \$200,000, 4601 Broad River Road, Columbia, SC 29210. Solicitation #20-P040R. Approval of this also approves a budget transfer of \$142,962 from 200000-58015 to 20000-52023.

**b. POLICE DEPARTMENT:      ACCOUNT: 051448-58005      AMOUNT: \$50,044.50**

Approval to purchase Bullet Recovery System for Forensics from Team Fabrication, Inc. in the amount of \$50,044.50, 1055 Davis Road, West Falls, NY 14170. Solicitation #21-P005R.

**c. POLICE DEPARTMENT:      ACCOUNT: 200000-52023      AMOUNT: \$87,687.99**

Approval to purchase lighting, flashers and speaker kits to outfit 2021 Ford Explorers from Campbell-Brown, Inc. in the amount of \$87,687.99, 1131 White Horse Rd., Greenville, SC 29604. SC Contract #4400025321.

**d. POLICE DEPARTMENT: ACCOUNT: 241010-58010 AMOUNT: \$48,500**

Approval to purchase two (2) 2021 Ford Ranger R1E 4x2 vehicles from Vic Bailey Ford in the amount of \$48,500, 501 E. Daniel Morgan Ave., Spartanburg, SC 29302. SC Contract #4400022488.

**e. PUBLIC SERVICE/STORMWATER: ACCOUNT: 062021-58010 AMOUNT: \$274,500**

Approval to purchase a 2021 Freightliner 114SD 6x4 Chassis with new Vac-Con Titan Sewer Truck from Southern Vac in the amount of \$274,500, 1520 Pineview Rd., Columbia, SC 29209. Sourcewell Contract #122017. Funding from 2021 Lease Purchase funds.

**f. INFORMATION TECHNOLOGY: ACCOUNT: 161000-52206 AMOUNT: \$47,948.83**

Approval to renew annual maintenance and support for the Tyler-Energov "Assist" support service in the amount of \$47,948.83. Sole Source. This purchase renews annual maintenance and support for the Energov Assist support service for the City's Government Management System (GMS) that includes Business Licensing, Permitting, Inspections, Asset Management, Work Order Management, Customer Request Management, Code Enforcement, Digital Plan Submittal, Mobile Field Operations and Mobile Citizen Interfacing.

**g. INFORMATION TECHNOLOGY: ACCOUNT: 161000-52206 AMOUNT: \$690,468.82**

Approval to renew Microsoft Enterprise Agreement for City Computers and servers through Shi in the amount of \$690,468.82. This licensing renewal is required to maintain licensing for all Microsoft computer and server operating systems as well as applications software (Windows Desktop Operating System, Office Applications, Network Active Directory, Database software, Exchange/Email, Windows Server OS, Mobile Device Management, and related cyber security) for current licensing and future upgrade requirements.

**4. PARKS DEPARTMENT: APPROVAL OF THE KEEP SOUTH CAROLINA BEAUTIFUL 2021 PALMETTO PRIDE GRANT AWARD IN THE AMOUNT OF \$8,625. GRANT FUNDS WILL BE USED TOWARD LITTER CLEANUP AND BEAUTIFICATION INITIATIVES WITHIN THE CITY OF CHARLESTON, AS WELL AS GENERAL PROGRAM COSTS. THERE IS NO CITY MATCH REQUIRED.**

On a motion of Councilmember Shahid, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve the Keep South Carolina 2021 Palmetto Pride Grant Award in the amount of \$8,625.

**5. PARKS DEPARTMENT: APPROVAL TO SUBMIT THE 2021 AARP COMMUNITY CHALLENGE GRANT FOR THE AMOUNT OF \$12,000, TO BE USED IN LANDSCAPING, IRRIGATION, AND WI-FI HOTSPOT INSTALLATIONS AT HAMPSTEAD MALL PARK. THERE IS NO CITY MATCH REQUIRED.**

On a motion of Councilmember Mitchell, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve the submittal of the 2021 AARP Community Challenge Grant in the amount of \$12,000.

**6. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO APPLY FOR \$6,000 FROM SOUTH CAROLINA PRT'S TOURISM ADVERTISING GRANT PROGRAM, TO SUPPORT THE 2021 MOJA ARTS FESTIVAL. A 2:1 CITY MATCH IS REQUIRED. MATCHING FUNDS WILL COME FROM CORPORATE SPONSORSHIP AND PRIVATE DONATIONS.**

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve an application of \$6,000 from South Carolina PRT's Tourism Advertising Grant Program to support the 2021 MOJA Arts Festival.

**7. POLICE DEPARTMENT: APPROVAL OF A CONTRACT BETWEEN THE CITY AND TURNING LEAF PROJECT. TURNING LEAF PROVIDES A POST RELEASE RE-ENTRY PROGRAM FOR RECENTLY RELEASED INMATES. THE AMOUNT TO BE PAID BY THE CITY IS \$50,000.**

Councilmember Shahid amended the amount to increase from \$50,000 to \$85,000.

Ms. Wharton said there was confusion because the Turning Leaf Program was reduced, but the contract was eligible for the full amount of \$85,000. Councilmember Shahid said he reached out to Amy Barch, Director of Turning Leaf, and asked her to provide a quick update about the program. 100 percent of the graduates retained their job for 30 days. 82 percent of graduates retained their jobs for more than 180 days and cut down recidivism rates by two-thirds. Ms. Barch planned to expand to Columbia and into the Upstate areas of South Carolina. In 2015, Charleston was the incubator for the program and success continued for the past six years. Councilmember Shahid wanted Council to be aware of the success of the Turning Leaf Program. Chief Reynolds was supportive and said the goal was to decrease the number of men who returned back to prison. It would be a huge benefit to the community and even greater for the criminal justice system.

On a motion of Councilmember Shahid, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve a contract between the City and Turning Leaf Project as amended from \$50,000 to \$85,000 as amended.

**8. BUDGET FINANCE REVENUE COLLECTIONS: AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING \$19,000,000 SPECIAL OBLIGATION REDEVELOPMENT BOND (HORIZON REDEVELOPMENT PROJECT AREA), SERIES 2021, OF THE CITY OF CHARLESTON, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.**

Councilwoman Jackson asked what the expected uses for the Special Obligation Redevelopment Bond were for record.

Ms. Wharton said the ordinance would allow the issuance and sale of a not exceeding \$19,000,000 Special Obligation Redevelopment Bond to pay both MUSC and the City of Charleston some of the infrastructure contributions given in the past. The remaining funds would go towards Phase II of the project.

Councilwoman Jackson suggested before the projects moved too far into Phase II an update be reported at the appropriate Committee meeting.

Ms. Wharton said MUSC and the City of Charleston contributed 50 percent each. There were three notes receivable from WestEdge and both parties would receive \$5.6 million.

On a motion of Councilmember Shahid, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance providing for the issuance and sale of a not exceeding \$19,000,000 Special Obligation Redevelopment Bond (Horizon Redevelopment Project Area), Series 2021, of the City of Charleston, South Carolina, and other matters relating thereto.*

**9. BUDGET FINANCE REVENUE COLLECTIONS: AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING \$20,000,000 GENERAL OBLIGATION BONDS OF 2021 OF THE CITY OF CHARLESTON, SOUTH CAROLINA, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS OF THE BONDS SHALL BE EXPENDED, TO PROVIDE FOR THE PAYMENT THEREOF, AND OTHER MATTERS RELATING THERETO.**

Councilwoman Jackson said it was important to note the purpose of the General Obligation Bond for record. It was for affordable housing the City obligated in 2021. The voters had a majority on a referendum and the funds would now be put to work.

Ms. Wharton said the ordinance to provide for the issuance and sale of not exceeding \$20,000,000 General Obligation Bond was to pay back the bond received June 2020 for Affordable Housing. The remaining funds would go to the projects discussed with the Community Development Committee.

Mayor Tecklenburg reiterated that the citizen voters approved the funds and the City waited until the money was planned and needed. Coincidentally, the benefit of an attractive interest rate worked out well for taxpayers and total costs of issuing the bonds. The deal was not done until the City bought and sold, but there was a range.

Ms. Wharton said the approximate interest rate was 2-2.5 percent. The indicative interest rate for the Horizon Bond was at 1.97 percent. Councilmember Gregorie said it was great to get cheap money.

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance to provide for the issuance and sale of not exceeding \$20,000,000 General Obligation Bonds of 2021 of the City of Charleston, South Carolina, to prescribe the purposes for which the proceeds of the bonds shall be expended, to provide for the payment thereof, and other matters relating thereto.*

**10. PUBLIC SERVICE DEPARTMENT: APPROVAL OF THE BERESFORD CREEK PROFESSIONAL SERVICES CONTRACT WITH JOHNSON, MIRMIRAN & THOMPSON, INC., IN THE AMOUNT OF \$439,455.13 FOR SURVEYS, DETAILED TRAFFIC ANALYSIS, SUBSURFACE UTILITY ENGINEERING AND COORDINATION, GEOTECHNICAL INVESTIGATION, ENVIRONMENTAL PERMITTING, ROADWAY DESIGN, BRIDGE HYDRAULIC ANALYSIS AND STRUCTURAL DESIGN, PLAN DEVELOPMENT AND CONSTRUCTION PHASE SUPPORT ENGINEERING FOR THE REPLACEMENT OF THE ROAD BRIDGE OVER BERESFORD CREEK ON DANIEL ISLAND DRIVE. APPROVAL OF THE PROFESSIONAL SERVICES CONTRACT WILL OBLIGATE \$439,455.13 OF THE \$1,700,000 PROJECT BUDGET.**

**THE FUNDING SOURCE FOR THIS PROJECT IS 2018 GENERAL FUND RESERVES (\$1,700,000).**

On a motion of Councilwoman Delcioppo, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve the Beresford Creek Professional Services Contract with Johnson, Mirmiran and Thompson, Inc., in the amount of \$439,455.13.

**11. HOUSING AND COMMUNITY DEVELOPMENT: APPROVAL OF AN AMENDMENT TO THE AWARD OF \$2,000,000 TO \$2,600,000 TO CLASSIC DEVELOPMENT COMPANY AND FLAT IRON PARTNERS FOR THE DEVELOPMENT OF FIFTY-SEVEN (57) RENTAL APARTMENTS IN THE WEST ASHLEY COMMUNITY FOR PERSONS EARNING SIXTY (60%) PERCENT AND BELOW THE AREA MEDIAN INCOME (AMI). THE FUNDS WERE AWARDED FROM THE GENERAL OBLIGATION BOND APPROVED IN NOVEMBER 2017; COMMITTED IN 2019. THE DEVELOPER HAS EXPERIENCED INCREASED COSTS DUE TO LUMBER PRICES, STRUCTURAL BUILDING ELEMENTS AND WATER MITIGATION MEASURES. THE TOTAL BUDGET INCREASED BY \$1,889,050. THIS DEVELOPMENT HELPS TO MEET THE CRITICAL NEED FOR AFFORDABLY PRICED RENTAL HOUSING IN THE WEST ASHLEY COMMUNITY.**

Councilmember Shealy said one of the biggest issues in the West Ashley area of the City was traffic gridlock on Ashley River Road and the surrounding area. He said if one didn't live in the area, they would not understand how bad the traffic gets. There were a number of City employees that lived in the area in similar situations twice a day, almost daily. Instead of attempting to correct a traffic problem, the added rental apartments would add to the traffic issues for the area and the roads that could not handle the traffic. Increased traffic led to increased accidents and the area became more dangerous. He said Classic Development Properties was a reputable company that did outstanding work. The City initially awarded the company \$2,000,000, costs increased, and the company requested an additional \$600,000, a 30 percent increase. Councilmember Shealy said that was a significant amount of money to give when it negatively affected the quality of life to the residents of District 2. It was not fair, and the funds could be spent elsewhere.

Councilmember Gregorie asked if a traffic study of Ashley River Road was completed.

Councilmember Shealy said he was not sure.

Councilmember Gregorie said he remembered an early discussion of the project and discovered that there was an additional egress from the site that might have had a positive effect on traffic flow.

Councilmember Shealy said that was a different affordable housing unit. The proposed development was located just a couple of blocks away and was planned for the worst location on Ashley River Road.

Councilwoman Jackson said if for some reason City Council turned down the vote to award an additional \$600,000, the City would have still obligated \$2,000,000 to Classic Development, restricting the developers from finishing a project.

Mrs. Shaw-Johnson said the developer initially requested \$2,900,000 but based on the request and the number of developments to be supported, the City awarded \$2,000,000. She said in addition to traffic challenges, there were also housing challenges and reminded Council of the need for housing in the West Ashley community. The area required the largest number of housing based from the data of the Comprehensive Plan developed by the Planning Department. If City Council

did not approve the item, the developers would have to find the funds otherwise. Councilwoman Jackson said the item had her support.

Councilmember Griffin said he voted with Councilmember Shealy to oppose Affordable Housing development on Ashley River Road. He said it was the first time he voted against Affordable Housing and wanted other Councilmembers to know that although there was a need, placing affordable housing units in the right areas was just as important. Excited for the potential of the Epic Center, it could create more affordable housing units than any other project in the City. Highway 61 was already an oversaturated area, and with traffic concerns, the residents would not be happy about additional units in an already high density with little to no infrastructure improvements since the 1950s. Residents wouldn't understand the effort to help affordable housing. He said he loved the affordable housing units in Ashleyville and Maryville areas and would vote yes because the City had already appropriated the funds. Councilmember Gregorie said land affordability was an issue also.

Councilmember Shahid asked Mrs. Shaw-Johnson if there was an inventory of homes in West Ashley. She did not have the exact number, but Chloe from the Planning Department worked with members from the Housing and Community Development team, established a number that represented what was available in the West Ashley community. She would share that data with Council at a later date. Mrs. Shaw-Johnson reminded Council that the developers of the site looked at the area two years in advance. The City's Planning Department and Housing and Community Department measured best locations to develop. Councilmember Shahid said an inventory of the number of units broken down into City and non-City driven affordable housing would be beneficial because the West Ashley Revitalization Committee addressed the issue several times. There was a huge explosion of residents that moved into the West Ashley area and it was critical to maintain balance of affordable housing. Access to affordable transportation was also an effect to this issue. While the comments about transportation were important to keep in mind, the availability to shopping areas, grocery stores, and social life were also concerns to keep in mind. He said traffic was not the only issue, but people took for granted accessibility to other things. It was with hopes the Epic Center would be kicked into high gear as it could address a good number of the units for workforce housing and affordable housing. There was a lot of potential in the West Ashley area. Councilmember Gregorie said a number of the concerns Councilmember Shahid mentioned were a part of Citing Neighborhood Standards to determine the suitability of sites.

Mayor Tecklenburg recalled from the housing analysis done from the Comprehensive Plan, the developers not only ascertained the total number of affordable units per area of the City, but it also projected the number of affordable units needed Citywide by 2030 to eliminate a 'termed affordability gap'. West Ashley had the highest need. A projection of over 6,000 units were needed by the year 2030 to meet current and future demand. The study identified West Ashley as the place of greatest need for more affordability. Councilmember Gregorie said the term was called 'expected to reside'. The City had to ask how many people were anticipated to move into particular areas, then draw conclusions accordingly.

Councilmember Shealy said he did not disagree with the other Councilmembers regarding the number of people that moved into the area nor was he against affordable housing. He knew the importance of providing affordable housing to the community. The more people that moved along Ashley River Road, the traffic problems would get worse. He said the City should do a better job of looking at traffic and what could be done before more traffic accumulates. He supported affordable housing but did not agree that Ashley River Road was the best location.

Councilmember Waring said for the Councilmembers that lived in the area, he understood the traffic complaint and asked what the coordination from the City and County was to improve turning lanes and road construction because that was the necessary action step. There were solutions planned for Glenn McConnell that proceeded forward. He said on Highway 61, if there were turning lanes in some areas, it could help the flow of traffic. There was no visual effort the City made in coordination with the County and State. Councilmember Gregorie said the Department of Transportation did a transportation plan but he was not sure of the issues that were addressed.

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted to approve an amendment to the award of \$2,000,000 to \$2,600,000 to Classic Development Company and Flat Iron Partners for the redevelopment of 57 rental apartments in the West Ashley community for persons earning 60 percent and below the area median income.

The vote was not unanimous. Councilmember Shealy opposed.

**12. THE COMMITTEE ON REAL ESTATE (MEETING WAS HELD ON MONDAY, APRIL 12, 2021 AT 2:00 P.M., CONFERENCE CALL: 1-929-205-6099; ACCESS CODE: 835 678 884)**

- a. An ordinance authorizing the Mayor to execute on behalf of the City a First Amendment to the Development Agreement with HPH Properties, LP, dated August 1, 2015, pertaining to lands located in the West Ashley area of the City comprising approximately 299 acres and bearing Charleston County TMS Nos 301-00-00-033, 301-00-00-042, 301-00-00-043, 301-00-00-054, 301-00-00-057, and 301-00-00-114.
- b. Request authorization for the Mayor to execute a Second Addendum to the Memorandum of Agreement (the "MOA") dated October 9, 2018, between the City of Charleston and the Lowcountry Lowline, also known as the Friends of the Lowcountry Lowline (the "FLL") governing the use by the FLL of \$250,000 toward surveys, environmental reports, construction budgeting, and other design and engineering expenses for the first phase of the improvement and construction of the Lowline Park.
- c. Consider the following annexation:
  - (i) 3919 Savannah Highway (1.83 acres) (TMS# 285-00-00-205), West Ashley, (District 5). The property is owned by Lillie and Carl Smalls.
- d. Executive Session in accordance with 30-4-70(a)(2) of the South Carolina Code, to receive legal advice regarding the Charleston School of Law transaction. (*Deferred for discussion at City Council*)

Councilmember Shahid, Chair of The Committee on Real Estate, said item 'a' was the amendment to the property known as the Village Green, what was part of the Long Savannah Project. The highlights of the projects were the current agreement expired and the new agreement was extended to March 1, 2025. One of the major issues addressed was the reduction of property allocated for the City to exercise an Option to Purchase dropped from 25 acres to 15 acres in order to help the developer design a 17.5-acre stormwater retention pond on the property. The City had three years to exercise the Option to Purchase. Ms. Halversen clarified the agreement extension

was from August 1, 2020 to August 1, 2025. The property subject to the development agreement included 229 gross acres of land in West Ashley owned by the Hipp family as part of the Church Creek TIF established years prior. The original development agreement was executed in 2015 and was only for five years. The City negotiated in good faith for more than a year to reach terms both parties could agree upon in addition to the five-year extension. The First Amendment clarified the development of the property would be subject to the City's current stormwater regulation in effect at the time of and submission of a complete construction activity application. It would apply to each phase of development if the development was done in phases. Additionally, the developer agreed to construct a 17.5-acre stormwater retention pond to serve the property as the first phase of development. This was an advantage for the City because the pond would hold excess water from the area and provide short-term retention solutions in the Church Creek Basin. The design and location of the pond would be subject to the City's Design and Review Board's approval and the developer would convey recreational easements to the City in and around the pond so the public would be able to use the public spaces.

Another change related to the park's agreement was the consideration for the benefits that the 17.5-acre pond had in the Church Creek Basin area. The City agreed to contribute 10 of the original 25 reserved acres to contribute toward pond acreage. The City also agreed to reduce the park reserved acreage from 25 acres to 15 acres, but in addition to the contribution, the owner agreed to give the City a price reduction for the park acreage. Instead of paying the fair market value, the City paid a discounted price for the park use appraised value. Another change was the language in the First Amendment was ensured that the 15 acres would be developable as athletic fields because that was needed in the area. The area was the only in the neighborhood field park space area, so the City hoped to create recreational facilities on the 15 acres, similar to the Bees Landing Recreational Complex , 5-10 acres, the Jack Adams Tennis Center, 1 acre, or perhaps Moultrie Playground, 4-5 acres. Ms. Halversen said active park space could be squeezed out of the 15 acres reserved for the City to purchase. The agreement was an Option to Purchase and was not an obligation. Other minor changes were a three-year time frame to purchase within the recording date of the final subdivision plot. All of the terms and conditions of the original development agreement would remain in place and unchanged. Councilmember Gregorie asked what the City's dollar obligation to the project was. Councilmember Shahid said the value was dependent on park use. The original agreement required the City to purchase at fair market value. The change made was an Option to Purchase. An appraisal would be done based on the park use of the appraised value and would be the purchase price. The appraised value was unknown, but the City was sure it would be discounted from the fair market value. The area was in need of recreational facilities.

Councilmember Griffin said the project was in his district and it would change the footprint of the area and was some of the most important land in all of West Ashley. He referred to the Real Estate meeting and agreed with the asked questions. He suggested to defer the item so the members of Council could meet with the developer once more before voting on the item at a public hearing.

Councilmember Shahid said for record his wife represented the developer of the project on an unrelated matter that did not involve the City. He consulted with an expert to advise his recusal on the item and it was suggested no recusal was necessary.

Councilmember Shealy said it was more than recreation the West Ashley area lacked. It was athletic facilities, athletic fields. The children traveled to other municipalities to play games.

Councilmember Gregorie agreed that the ongoing study should surface a number of areas where there was substantial need.

On a motion of Councilmember Griffin, seconded by Mayor Tecklenburg, the Committee on Ways and Means voted to defer the following bill:

*An ordinance authorizing the Mayor to execute on behalf of the City a First Amendment to the Development Agreement with HPH Properties, LP, dated August 1, 2015, pertaining to lands located in the West Ashley area of the City comprising approximately 299 acres and bearing Charleston County TMS Nos 301-00-00-033, 301-00-00-042, 301-00-00-043, 301-00-00-054, 301-00-00-057, and 301-00-00-114.*

Councilmember Shahid said item "b" was allocating \$250,000 to the Friends of the Lowline to support surveys, environmental reports, construction budgeting, and other engineering expenses. There were concerns of accounting and transparency with the project. Councilmember Shahid said the funds would stay essentially within the City and go through a vetting process by Amy Wharton, Chief Financial Officer, and the Legal Counsel.

Mr. McQueeney clarified the money was not a \$250,000 check. City Council approved the concept Master Plan in December, which set forth the Phase I improvements. The funds were for the final design, engineering, and construction budgeting of up to \$200,000 and \$250,000 that complied with the Conceptual Master Plan portions. The allocation was the Second Addendum to the 2018 agreement that included language about insurance, environments, and more. A document would be created to inform decisions and incorporate City procurement policies for big dollar items in the future. The Friends of the Lowline would also fundraise monies from private funds to keep the project moving without getting the large dollar items the final construction, which required changes to the existing agreement. The Friends of the Lowline could get up to \$250,000 if it satisfied the requirements. If they needed more money, it would have to be approved by City Council.

Under the purchase agreement there was a Memorandum of Agreement passed was after the closing. The parties would use commercially reasonable efforts to facilitate the development of the Lowline property into a linear park with the development phase. Councilmember Gregorie said the Lowline had his support, but he was also supportive of the capacity placed on the Capital Projects and Stormwater staff. Councilmember Shahid said the City needed a Master Plan with a checkoff list of certain benchmarks to move the project and the City to be in control. He encouraged the developers to present to the Committee on Real Estate how the property would be developed.

Councilmember Gregorie said the project could well exceed over \$60 million dollars over time. Mr. McQueeney said City Council greenlighted the funds, but the developers were approved for no more than \$250,000. \$98,000 was expended, and environmental costs estimated around \$100,000, but there was no multi-million dollar obligation. City Council would be notified. Allen Davis collaborated with the Friends of the Lowline and was able to answer any questions.

Councilmember Mitchell said he supported the Lowline and wanted to be transparent about the City using taxpayer dollars if the Friends of the Lowline requested more money. He said there were a number of experts within the City to call on. The Friends of the Lowline was tasked to raise a lot of the funds on their own to get the project going. Mr. McQueeney said the City had access to financial documents from the developer if needed related to the project. When an entity solicits

charitable contributions in South Carolina, paperwork must be filed with the Secretary of State ten years prior. The Friends of the Lowline was not an exempt organization and kept all of their paperwork updated that showed costs of projects, operating expenses incurred. The organization filed yearly and was subject to transparency requirements.

Mayor Tecklenburg said when the City reached a point in projects, they almost always hire a design firm to get specific designs accomplished similar to what was done with the Carl Richardson Park or any other park created from scratch. The Friends of the Lowline put more money of their own into the project than the City did. If credit was counted for, the property sold for the COG. The Partnership started with the First Memorandum that led to the Concept Plan unanimously approved in December. There was a set of design guidelines and the Concept Plan to help guide the design process going forward. The effort moved the City to apply for grants and federal funding available.

Councilmember Waring supported the Lowline development. He said there was no municipality in South Carolina that had more experience doing linear parks adjacent to waterways than the City of Charleston. There was no Capital-Projects Department municipal in South Carolina that had more experience than the City of Charleston. In particular, Spring/Fishburne, Septima Clark were lead examples. The Low Battery Wall was at or below budget and was in Phase II of construction. He was concerned about transparency. At the Community Development meeting, it was reported the developers needed \$500,000 for the process. Five Councilmembers countered. Later on, the requested amount was \$300,000, and currently, the requested amount was \$250,000. The spending of taxpayers' dollars should not fluctuate, and there should be more definitive numbers. When it came to inflatable private partnerships, the City acted successfully. There was no secret how much money it took to fund the Gaillard. The building cost \$71 million, and it was set aside as well as the foundation. The International African American Museum was a \$100 million project. There was no transparency on the donor's behalf or where Municipal, State, County, and Government money came from. The Lowline provided many benefits, but the City should watch the alternative transportation money for the Lowline and all of the transportation projects. It was the first time any major infrastructure bill came forward since the Eisenhower Administration. Councilmember Waring advocated for all projects to have transparency going forward.

Councilmember Appel said transparency mechanisms could be put in place, and nothing prevented the City from doing so. He suggested letting the project move forward. After he spoke with Jason Kronsberg, he learned the Capital-Projects Department was completely maxed out. There were enormous amounts of items on their plate. The City was presented with an incredible vision that could improve, transform, and enhance its part of the peninsula. Millions of dollars were funded from private sources, and there was a number of support behind the project to take the load from the City's resources. This was what infrastructure should look like in the 21st Century. The Stormwater Department and other departments would be involved in reviewing the plans and lending their expertise, but it was great to leverage opportunities and efficiencies through private sectors. Councilmember Appel encouraged excitement about the Lowline project because the \$250,000 was a drop in the bucket that signaled to the community, to the market, to investors along the Lowline the City was serious. The Lowline was the engine for the TIF. The sooner development began, the more capital invested into the TIF, the more assessed value property increases, the more money there was to fund stormwater and affordable housing. Transparency issues could be solved. The legal team would not let a private entity have its way with the City regarding the use of money and expenditures. It was hard to get benches on the bikeway and

playgrounds. Private sectors did not support the Greenway and the Bikeway. The more weight shifted from the Capital-Projects Department, the more resources and capacity would be available in West Ashley. Councilmember Appel said the project was positive, and cities around the country would die to have a project of such magnitude.

Councilmember Gregorie said the City had capacity problems. He agreed that public-private partnerships were a good route, but the City needed to provide the Capital-Projects Department with more staff. It would be more cost-effective to increase staff assistance as opposed to subbing everything out to allow permanent capacity. Everyone on City Council was not extremely excited about the Lowline. Councilmember Gregorie said he's seen projects start with low costs and suddenly become millions of dollars. For example, the Septima Clark Parkway, the City had to fund \$42 million. There was a reason for the sensitivity to transparency because the last thing the City wanted to do was be involved in a project, the City had to fund \$30 million dollars more for the project's completion in the future. He said building capacity was the bigger picture in making sure the City had the capacity to carry out all the projects.

Councilmember Waring said the Lowline mentioned the Capital-Projects Department was overworked. That was the City's problem to solve. The Councilmembers were voting to approve the \$250,000 to be spent, and there was no documentation or reports that detail how and what the money would be spent on. When a project came forward for the community to be excited about, it was announced. When the International African American Museum and the Gaillard donors came up with funds, it was announced to the public, and the community was aware. A wonderful family put up \$40 million to fund a Tennis Center in secret. When the issues of transparency were raised, they transferred the funds to the LLC. Councilmember Waring said the City got six free uses of the Gaillard and could fundraise the Lowline to involve the community at the Gaillard. There were a number of things to use, but to use the Capital Projects Department's workload as a reason to get the private sector was no rationale. There would soon be projects completed within the next year to relieve Mr. Kronberg's department, such as the International African American Museum and the Fire Station. If there was more assistance needed, City Council would discuss funding to include in the budget so the department could operate efficiently.

On a motion of Councilmember Shahid, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to recommend the approval of item 'b' of the Committee on Real Estate Report as presented.

*Request authorization for the Mayor to execute a Second Addendum to the Memorandum of Agreement (the "MOA") dated October 9, 2018, between the City of Charleston and the Lowcountry Lowline, also known as the Friends of the Lowcountry Lowline (the "FLL") governing the use by the FLL of \$250,000 toward surveys, environmental reports, construction budgeting, and other design and engineering expenses for the first phase of the improvement and construction of the Lowline Park.*

The final item was the annexation of 3919 Savannah Highway.

On a motion of Councilmember Shahid, seconded by Councilmember Mitchell, The Committee on Ways and Means voted unanimously to recommend the approval of the following bill of the Committee on Real Estate Report:

*An ordinance to provide for the annexation of property known as 3919 Savannah Highway (1.83 acres) (TMS# 285-00-00-205), West Ashley, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 5. The property is owned by Lillie and Carl Smalls.*

Item 'd' was an Executive Session item regarding the Charleston School of Law transaction that was deferred for discussion at the City Council meeting.

There being no further business presented, the Committee on Ways and Means adjourned at 5:20 p.m.

Velvett Simmons  
Deputy Clerk of Council