

Joint Committee Meeting: Committee on Real Estate and Recreation Committee

June 21, 2022

A joint meeting of the Committee on Real Estate and Recreation Committee was held this date at 2:01 p.m. via Zoom Webinar.

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

PRESENT

Committee members: Councilmember Appel, Chair, Mayor Tecklenburg, Councilmember Gregg, Councilmember Shahid, Councilmember Waring, Councilmember Shealy, Councilmember Sakran, Councilmember Gregorie, Councilmember Parker, and Councilmember Bowden.

City Staff: Leigh Bailey, Philip Clapper, Julia Copeland, Magalie Creech, Melissa Cruthirds, Andrea Derungs, Rick Jerue, Mollie Jones, Jason Kronsberg, Christopher Morgan, Mallary Scheer, Robert Summerfield, Brittany Pinckney, Laurie Yarborough, Jennifer Cook, Jeremy Collins, Matt Fountain, Matt Frohlich, and Eric Pohlman.

Chair Appel called the meeting to order.

The meeting was opened with an invocation provided by Chair Gregg.

Approval of Minutes

- May 23, 2022

On a motion of Councilmember Shahid, seconded by Councilmember Gregorie, the Committee voted unanimously to approve the minutes of the May 23, 2022 meeting.

a. Discussion of Pool Waiver for rental of pool space for private swimming lessons at the WL Stephens Aquatic Center.

Ms. Yarborough said a few citizens had asked if they could rent pool space and let individual private lessons be taught. She had identified an hour or so in the daily schedule where they could open up a couple lanes for rental. The waiver was crafted by the Legal Department to allow parents to sign up for that and have some pool time this summer for private swim lessons.

Mayor Tecklenburg asked Ms. Yarbrough what they were charging for the use of the lane.

Ms. Yarbrough said they were using the same fee structure they set up for any other group that privately rented out pool space. It would be \$20 per hour for the use of a lane, and that was the standard rate.

Mayor Tecklenburg asked if it was assumed one child could take a lesson in a lane at a time, or if the thought was that there would be more than one.

Ms. Yarbrough said depending on the pool, there were deep end issues in some of the pools. On those lanes, that probably would not make a child's swim lesson very conducive to those conditions but they would have two to three lanes available at the pool during that hour. They definitely would be able to have more than one swim lesson, and a lot of times a swim lesson was only 30 minutes.

Councilmember Gregorie asked about the folks that couldn't afford the \$20. Did they have any help or programs for disadvantaged folks to give them lessons?

Ms. Yarbrough said they were private swim lessons so a parent would hire their own swimming instructor and pay them separately. They were still working with the summer camps and the neighborhood groups at noon at the pools doing free community swim sessions with the kids. Then they would go back into fall and have swim lessons available at the MLK pool, and any of the kids who were City residents could at that point apply for any kind of financial assistance.

Councilmember Shahid said he wanted to build on what Councilmember Gregorie brought up. Since those parents were able to find private instructors for their child to take those lessons, he presumed that

those folks would be available to be hired out for other instructions by the City, as well. He asked if they were missing something.

Ms. Yarbrough said the only part that was missing was that they were probably working for a higher hourly rate than what the City of Charleston paid. In order for them to come and teach in the program, it was only going to be a \$14.91 an hour position as a Water Safety Instructor, and she suspected that some of the private folks were making north of \$25 an hour teaching lessons. This was really an economical thing. She had open positions right now for Water Safety Instructors and she couldn't find applicants.

Councilmember Shahid said that was because of the pay. They knew the folks were out there. This was not a question of shortage of instructors, but a question of shortage of instructors for pay.

Ms. Yarbrough said she was sure that City Council and the HR Committee would be looking at those kinds of issues over the next coming months. There were folks out there that could lifeguard and instruct, but it depended on how much money they could make.

Councilmember Gregorie asked if they could pay the \$14 an hour and charge for the difference, which would only be a couple of dollars.

Ms. Yarbrough said those were private individuals out there making their own money, and she knew they had different pools they taught at for different clients. It was not something they had a lot of in the City, but a number of private pools and neighborhood pools would allow instructors to rent out space for profit. It was just a different model than what they had setup with the City. The model had always been on teaching group swim lessons, but the way the labor shortage had affected them this year, it was not working, so she thought it would be something they would be looking at in the future. They were trying to pivot this summer to make something happen for families.

Councilmember Gregorie said he understood that, but he was also trying to talk about a different model. If the base pay was \$14 an hour, and it was \$20 for the hour, they could do a group of kids at 50 cents a kid and that would get them to where they needed to be. He asked if that type of structure was possible.

Ms. Yarbrough said she thought it was possible, but that most of the instructors that were out there doing it had found out they could make more money doing private lessons for families that had the means to pay. The other job at the City of Charleston was when you're not teaching a swim lesson and you're a Water Safety Instructor, you're in the Lifeguard chair, since you are certified to lifeguard. They required their staff to be able to do a number of things for them, and not everyone wanted that job.

Councilmember Gregorie said he wanted to try it before they determined it was not possible, because they were talking about saving lives.

Ms. Yarbrough said she wanted to be teaching lessons more than anything. She was looking to the fall when they could get back into the business of teaching classes in a different way. She asked if they could see if any of the folks wanted to come and work with them that way and offset costs. She was happy to try and explore that. She just knew a couple of folks quit from them this year because they wanted to make more money running their own business model teaching private lessons.

Councilmember Gregorie said it was understandable, as they may only have had to deal with one kid as opposed to a group.

Councilmember Sakran said to Ms. Yarbrough that this was what they did in the afterschool program. They contracted with private vendors for them to come into the afterschool programs and they took a cut of what they were doing. They were private vendors that were making a substantial profit on the use of their facilities. What he was hearing was that they were not charging private vendors to come use the pools. He asked if that was correct.

Ms. Yarbrough said it was not. There would be a rental cost of \$20 to rent the space to do it. According to the waiver, they would not be taking a cut of anything they charged the family. It was something they had to put into place rather quickly, as the summer had started. She didn't know what each family would be paying each of their instructors.

Councilmember Sakran said they should rethink the relationship with the vendors if they were allowing them to use the facility at a reduced rate, whether it was \$20 or otherwise. What they did was try to leverage that relationship with them and then ask them to offer free or even further reduced child care services, swimming, coding or robotics, at another title one school because they were working with them. He asked if that was something they could entertain in the future. He was not talking about this summer, but maybe the following year.

Ms. Yarbrough said she thought it was absolutely one of the models they could use. They did that currently with independent instructors for other things. A karate or yoga instructor might make an 80/20 split, but they agreed to teach a free youth program at one of the Community Centers downtown. In this particular relationship, the City was not going to have the relationship with the private instructor for the summer, they were going to have a relationship with the parent. The parents were going to be the one to reserve and pay for the lane.

Councilmember Bowden said one way to get at what he thought everyone wanted to get out of the arrangement was waiving the rental fee if the parent was low income

Ms. Yarbrough said if they were a City resident and could show financial need, she thought they could look at reducing that cost, but they were still going to be paying the teacher. If you looked at if they had the ability to pay for that teacher for a private lesson for their child, then the City space would be made available to them. She had a few folks reach out. Councilmember Appel had a constituent copy him on an email upset because they weren't able to do swim lessons and they wanted to have some space in the pool. The Mayor had them working on trying to find some time in the public pools that had enough space available.

Councilmember Gregorie said the person making all the money was the instructor, while the parent was renting the facility for \$20, then in addition to that they had to pay the hourly rate for the instructor. To him, it looked like the only person "making out dollar-wise" was the instructor. They were using a state of the art facility. But for that facility, they wouldn't have had any work.

Ms. Yarbrough said she absolutely agreed with him on that. She thought there was a way in the future to do this completely differently. This was a way that they were trying to take advantage of any part of the schedule where they had a few hours that were less busy than others to allow this to occur. The City didn't get into checking certifications of the instructors. That was between the families and the instructor.

Councilmember Gregorie asked if they assumed the liability if something happened.

Ms. Yarbrough said no. That was what this was. She meant if something was done negligently, then yes, they would assume it. This was what the waiver was in place for. They would still have lifeguards.

She was not sure where legal was. They were the ones that crafted the waiver for them.

Councilmember Gregorie said he would hate to see that liability tested.

Councilmember Shahid said to Ms. Yarbrough that he thought what she was hearing was that there were a bunch of Councilmembers who were engaged in the question and in the issue of safety for their citizens. He thought she had created a little bit of an opportunity, and he just wanted to encourage her to do it if she could. He knew time was short, but the summer just got started, and he didn't want to wait until next year if there was a way for them to figure out any type of plan. They were not talking about a whole lot of money to subsidize using the private instructors. They had an opportunity to provide the pool, and if they could provide two lanes, as opposed to one or half the pool. He was just asking her because he knew how passionate she was about this and she was one of the strongest advocates for the youth in their community. Even if they only provided 50% of what they normally did that would be 50% more than where they were at. He was sure they could find the money to subsidize. It was just too important. They were talking about young children drowning.

Ms. Yarbrough said she appreciated that nod of encouragement. She thanked Councilmember Sakran, and said she would try and put some other options in place.

Councilmember Waring said he agreed with all the Councilmembers. He thought what they needed to do was give her some money, so she could say they had the money to go out and pay somebody \$25-\$30 an hour. When they talked about the number of hours in a 10-week summer, they were not talking about

a whole lot of money. He said Councilmember Shahid was right about working within the budget they had. He understood how she came up with the alternatives. He thought she needed help from them and the Mayor. It was a money question; the private teacher couldn't teach if they didn't have a pool to teach in. That was their leverage. He said they needed to get some more money so they could pay the instructors more. But, if they were going to use the pool, they had to be able to feather in some of those kids whose parents couldn't pay. He thought that with their help, she could come up with something during the summer. Before he went to the Council meeting, he would have a name of an instructor. He knew the person that wrote a grant for the school system, and one of the aspects of that was to help low income children learn how to swim, and they had a swim instructor. He thought he needed to match them up with her, and maybe they could get a pool instructor. He asked how many hours an average class lasted.

Ms. Yarbrough said normally they were 2 week sessions and 4 times a week. That was the schedule the City always used. She guessed it just depended on the private instructor portion, but 2 weeks was a lot of time for one child to learn with one on one lessons. They would last 30 minutes or an hour depending on the child.

Councilmember Waring said they could do quick math with a hypothetical \$30/hr. They wouldn't have to tilt the budget to get that done. He said he would get that name for her.

Councilmember Gregorie asked Ms. Yarbrough to suppose that someone would want to buy five hours, and he would want to donate \$100 for five hours for the pool. He asked if there would be any way they could leverage that kind of commitment.

Ms. Yarbrough said she absolutely thought they could. They had built a wonderful sponsorship program for the youth sports that allowed the kids that lived in public housing and some other kids that go to title one schools to play for free. They had a number of adult swimmers in the community that were doctors, lawyers and all kinds of things like that, that would have loved to help a child learn to swim. She thought they could build a program like that where one could adopt a child for the summer or help a child swim for the summer. Then turn those donations into pool hours and a sponsorship opportunity.

Councilmember Gregorie said they could count him in.

Chair Appel said they had to get together more and talk about how to make those kind of interesting things happen. He thought this was the model and the future of those types of collaborations, because he just thought it was going to be hard long term for the government to keep up with the private sector, when it came to paying folks. That went beyond just the Recreation Department, as they all knew. He thought that clever public-private partnerships were the model moving forward. As Councilmember Waring mentioned, they had the facilities, it was just a question of how they could leverage that with private donations, non-profits, and things of that nature to provide services.

He thought the government providing all the services was maybe an ideal approach. Perhaps it had worked in the past, but moving forward, they would have to get more creative and diverse when it came to those issues. He said they needed to make sure whoever was a private instructor teaching in a City pool actually provided proof of insurance with the City of Charleston named as an additional name insured, because if something happened, the City of Charleston would be the second defendant, or maybe the first defendant, in that lawsuit. He asked if anybody else had any other discussion on the item.

Councilmember Parker said she would donate a \$100 to help purchase pool time. She thanked staff and Ms. Yarbrough for spending the time on the project. She knew it took a lot of extra effort. When she brought it up at the last Council meeting, she didn't expect anything to really happen that summer, but she was just glad they may have been able to pull something together for some of the kids in the City of Charleston.

- b. Consider Rental Agreement to rent portions of the Daniel Island Recreation Center in the amount of \$33,000.00 a year to Point Hope Presbyterian Church for Sunday services and other special events. (160 Fairbanks Drive, Daniel Island, SC 29492) (Berkeley County TMS# 271-00-00-006)**

Ms. Yarbrough said they were approached by the folks at Point Hope Presbyterian. They came into Charleston prior to COVID and were represented by Reverend Rob Hamby. He had reached out and spoken with Councilmember Gregg, as this was in his district.

They were looking to start renting the multi-purpose space inside the Daniel Island Recreation Center from 8:30-12:30 on Sundays for a service. During that time, they would cover all the costs of the building rental and the staff that would be needed to open it, as well as leaving a damage deposit and some replacement fees to help them replace chairs and tables. They also agreed to let people come in and use the gymnasium while church was going on. It would allow for them to be open on Daniel Island four additional hours a week that they would have not been paid to be open for. In July, that would allow folks on Daniel Island to come in and use the recreation center during the time that they were using it for church.

On a motion of Councilmember Shahid, seconded by Councilmember Shealy, the Committee voted unanimously to approve Item B.

Councilmember Gregorie asked what the fee was.

Ms. Yarbrough said it was a rental fee for \$33,000.00 for the entire year, with a damage deposit of \$5,000.00 and they had agreed to give up to \$2,000.00 for tables and chairs that would be used for their services in the multi-purpose room over the course of a year.

Councilmember Gregorie asked if that was a set period of time.

Ms. Yarbrough said it was a one-year rental agreement, and it was no more time than that, to make sure that the situation was working for both entities. They had never rented to a church like this, so it was a little different for them. They did own property out in Cainhoy Peninsula with every intention to build their own brick and mortar facility. This would be a shorter term; they were currently using space provided by the Catholic Church on Sunday afternoon.

Councilmember Gregg said he would just like to note he did meet with Pastor Rob Hamby with the church last week. He was excited to have this congregation out on Daniel Island, and it was a great addition to the community. He was really glad they were going to be able to start worshipping out there on Daniel Island.

Mayor Tecklenburg said the revenue from the rental was new income, and they were paying all expenses. He asked if that was correct.

Ms. Yarbrough said it was.

Mayor Tecklenburg asked if she could come up with the budget that they needed to get them back in swim lesson business. They used the revenue from the rental, which they did not budget, and they could use the money for that.

Ms. Yarbrough said she would talk with Finance to see how that worked. However, it certainly seemed like some new additional funds were coming in.

- c. **An ordinance to authorize the Mayor to execute a deed and any other necessary documents, approved as to form by the Office of Corporation Counsel, Quit-claiming to Children's Museum of Charleston the City of Charleston's right, title, interest, if any, to that certain portion of property bearing Tax Map Number: 460-16-02-010, and subject to certain exceptions and other matters to be approved by the Office of Corporation Counsel.**

Ms. Copeland said she believed this was in front of the Committee in February or January. The members of the Board for the Children's Museum approached the City about the potential for the City quitclaiming the Museum property in an effort to use that building as collateral to take out a loan to improve the museum. During that Committee meeting, she believed there was some specific instruction to the board members, to meet with them, and come back with some additional information regarding the instructions from their bank in regard to lending requirements. Mr. Murphy and Mr. Rawl were both on the call to address those concerns.

Mr. Murphy said he thought they were in front of them two short months ago, and had left that meeting after some discussion with some action items for the Children's Museum Board. Those action items were

to get a breakdown of what they were calling gate traffic, which was what demographics the museum was really supporting. The second item was supporting justifications on the banks position on lending to ensure that if the deed was given to the museum, that they could finance a construction loan. The third piece was a plat subdivision proposal survey that they could submit to Ms. Copeland and her team. Mr. Rawl and he both met with several Councilmembers and reached out to others providing some of the data. They had provided that data to Ms. Copeland and he believed she provided it to Council. He asked Mr. Rawl if he had anything to add.

Mr. Rawl said he did not.

Councilmember Gregg said all he had seen in the packet this week was just the quitclaim deed. He hadn't seen any of the information that the folks from the Children's Museum were discussing. It would be hard for him to make a decision on this, given that they didn't have the supporting documentation. He asked if there was a presentation that they were going to be giving them, or if it was just the quitclaim deed.

Ms. Copeland told Councilmember Gregg she had sent it to his City email the previous day.

Councilmember Shahid said he met with them and they answered a lot of questions he had concerning the Item. One of his concerns was what they had brought up, which was who they were servicing. The second question was if they quitclaim the deed and they took out a loan, was the City identified in the event that the loan was defaulted on.

Ms. Copeland said they could certainly address that in a separate agreement with the museum. What they had discussed so far was if there was a quitclaim, there would be a right of reverter. If they took out a loan and then moved the museum off the peninsula, then it would automatically revert to the City with the mortgage attached to it, and it would be the City's responsibility.

Councilmember Shahid asked how they could protect themselves from picking up the tab.

Ms. Copeland said they could address it in a separate agreement with the Children's Museum. They would have to memorialize it in some form of writing.

Councilmember Shahid asked if they needed to do that before any type of transfer.

Ms. Copeland said that right now, how they had it drafted authorized the Mayor to execute in a form approved by Legal. They hadn't drafted any documents to date, so they could package that all together.

Councilmember Waring asked if anyone could give him the value of the building, and if anyone had had it appraised.

Ms. Copeland said not recently. They could certainly see how much they had it insured for.

Councilmember Waring said he meant the market value of the property and the building. He said they were going to give something away, and they hadn't figured out what it was worth. He said he would reserve his comments for the City Council meeting, but there were a number of non-profits that leased City property for \$1 a year. The issue was not of the City charging too much rent on this building. They leased it to the Museum for \$1 a year. The issue was of an ability to raise money for children. For swim lessons, they jumped to the floor and he believed the City had a responsibility to help fix that building up. He certainly would vote to find money to go towards that renovation or addition. He asked how much money the Children's Museum raised from when it initially came up on the agenda until that.

Mr. Murphy said he could not answer that with confidence. It was certainly a number that was easily attainable through the Development Committee and Development Staff.

Councilmember Waring asked what amount of money was needed.

Mr. Murphy said the operating estimate they were working with to complete phase one and phase two of the project, which was exterior renovations, the movement of the entrance from the promenade area, and improvements that were approved by the BAR, was \$4,000,000.

Councilmember Waring asked how much money they had raised towards that.

Mr. Murphy said approximately \$1.5 million. Some of that was shifted into operating expenses to get them through the pandemic.

Councilmember Waring asked if they needed \$2.5 million.

Marc Murphy said if they were dealing with round numbers, that got them into the area where they could support the project. The organization was healthy in their admissions and had always operated profitably. He thought the \$2.5 to \$3 million range, given their current positioning coming out of pandemic, would go a long way towards that project.

Councilmember Waring said the real issue was a fundraising problem. The City needed to come in with some money because it was the City's building, and the Board and stakeholders of the museum needed to go out and raise money. It had been done all over the City. The IAAM was probably a quintessential example to raise money for America's original sin, slavery. Over a hundred million dollars had been raised, and the City of Charleston owned that building. He raised the example of the public-private partnership between the Gaillard. There was no proposal to give the IAAM to the non-profit that ran it. There was no proposal to give the Gaillard Performing Arts Center and its salons to the non-profit that ran it, the Gaillard Management Corporation. That was an asset of the City. The City helped fund both of those entities, and it ought to help fund the Children's Museum. When the CVB wanted to move into the Visitors Reception Center, they came up with some money and the City came up with some money. They had to get a loan. They didn't own the building.

When Dee Norton, down on King Street right by the John Dart Library, gutted the building the City leased them for \$1 a year, and he thought they needed \$3,000,000 to do what they done. That was pre-COVID prices. They went to Wells Fargo and got the money, now they had a long 30-year lease at a \$1 a year. They would be responsible for the debt that they really didn't have specifics on. They had broad conversations last meeting and this meeting. He asked if as a City Councilmember, he needed to step up and help raise money for the Children's Museum. He was willing to do that, and he'd done that for other entities.

The ability to appropriate City dollars was there to do that. They could not appropriate \$4,000,000. He didn't know the numbers; he didn't know what they gave to the CVB, but again, they were reinvesting into a City asset. It was owned by the taxpayers, they took taxpayers dollars and invested in a taxpayer property asset. If, in ten years from now, if somehow the Children's Museum Board were to get upset and wanted to sell the property and move to Mt. Pleasant, that would look like a bad deal for anybody that represented the interests of others. And that was what they did, they represented the interests of other people, the taxpayers. He was really surprised that in less than 60 days, they had a quitclaim deed back in front of them, that they saw 60 days ago. He didn't know if there was any effort in front of the City to say they could appropriate a million dollars towards their needs. Leaving the balance to be raised by stakeholders of the museum with help, with the power of the City trying to raise those dollars. He heard their proposal, but he asked if they could imagine if the Wine and Food Festival had a building that the City had given them, the way they left them and went up to North Charleston after a decade of support. People come and go, attitudes changed but the City, the equity that was in City taxpayers owned property, and that shouldn't be given away. And that was what was being requested. He thanked Mr. Murphy.

Chair Appel thanked Councilmember Waring.

Councilmember Shahid thanked Councilmember Waring for his insight. They had talked about the Item before, and he appreciated his inside circle view on it.

He asked if they should defer it, to give the board members an opportunity to come back to them with a proposal as to whether or not it was feasible. If they matched what they raised, for instance \$1.5 million, and they could raise \$1.5 million, that was the whole idea behind it. This was a great program. The Children's Museum served so many of their citizens, not just within the City of Charleston, but outside the City of Charleston as well. The idea was just to make it successful, and he didn't want to get in the way of them being successful. He wanted to help them if they could, and if that was the way to make it work. He didn't know if they were willing to do that or not. He asked Mr. Murphy and Mr. Rawl if that was something they would consider.

Mr. Murphy said he appreciated the comments and feedback. He said they never sought out to be owners of the building. They got to this place as a path to try to be successful and really create more capacity in a better environment for their constituents, the children of the City. He asked Councilmember Waring if the

question was if they could come back with a tangible proposal for some mix of hard dollars and City support, similar to the IAAM, to help them get to a fundraising goal, a tangible fundraising goal. Mr. Rawl and he thought probably for the Board, that would be a yes. He thought their objective was getting the project done and getting it done over approximately 12 to 18 months, to service the growing community. He thought they would explore any path to get it done. If he was getting the question right, he thought the answer was yes.

Councilmember Shahid said they wanted them all to be successful, and if there was a way to help fund it that avoided them having to pay to obtain a mortgage and service a mortgage. With it, everybody walked away feeling that they'd contributed equally to the project. If all were willing to do that, he would move to defer this and let them come back and work together on it. He said they should expand their board to put a couple of Councilmember's on it. They had some, very energetic, young parents on Council. Councilmember Appel, Councilmember Parker, Councilmember Bowden, and Councilmember Gregg. He didn't want to leave anybody out, but they had some Councilmembers who had had a vested interest in it. Their children would be served, or had been served by it, and he thought they would show an interest in wanting to serve on their board, as well. He thanked Mr. Murphy.

Mayor Tecklenburg thanked Mr. Murphy for his comments and willingness. He thought that would be a wise path to pursue.

He said Councilmember Waring was right. Most of the deals that the City had done with non-profits and museums had been along the lines of as he described, where the City continued to own the property for a marginal lease, and helped to improve the building. He thought maybe where this was different was when the lease was first generated back in the 90s. He was involved as a staff member of the Children's Museum, they assumed full responsibility for the building and the City just offered the property. He understood that was 25 years ago and things had changed, and the building needed more than a little "TLC." It needed some major renovations to serve the children of the community. He had seen that chart where the kids were coming from. It was all over the City, and then some visitors, as well. It was really a community-wide asset for the City, and deserved their support. This was before he became Mayor.

He stated if they didn't want to keep the property, they could just let it go into foreclosure, he supposed, but they wouldn't want to do that with the property long-term. He thought the wise thing for them to do, was to work this out, make a commitment from the City to assist them with the building costs, and come up with a number that they all could work with. Give them as long as they want, practically forever on the lease but still maintain the model that Councilmember Waring mentioned. He thought that long-term for both of them, it would make the best sense.

On a motion of Councilmember Shahid, seconded by Councilmember Waring, the Committee voted unanimously to defer Item C.

Councilmember Waring said he did have some discussion. He said Mr. Murphy and Mr. Rawl were "in the hot seat" and he knew it wasn't their fault. He believed they all came to them, if he remembered a couple months prior, because the bankers put them in that position. The bankers wanted a title for the property, even though they had a long-term lease.

He knew the CVB was able to get a loan, obviously CVB had a much larger budget, but Dee Norton was able to get a loan with a 30-year, \$1 a year lease. He thought that was the question of the bankers. He thought they need to find the bankers. He happened to be on Wells Fargo's Board when they approved the loan for the Dee Norton Center, so he knew bankers were out there that would do it. He didn't know whether the bank that they were talking about was willing to do it, but that was one good thing about competition in America. With the City's involvement, which reduced the request of the loan, it made it more feasible to get a deal that was bankable. A combination between city fundraising and if fundraising, was successful maybe they wouldn't even need a loan. If they did need a loan, it would be much smaller than whatever was anticipated coming into the meeting.

Chair Appel thanked Mr. Murphy and Mr. Rawl for meeting with him in his office and explaining more about the museum and what their goals were. He thought there was a way to get there. He encouraged them all to get together and talk through some of the issues there. If they could do a \$100,000,000 for the IAAM, they knew that was very achievable.

Councilmember Waring said he wanted them to know he was willing to meet with them. He would come to the museum to meet with the committee. He knew he was not alone in that.

Mr. Murphy said they would take him up on that.

Chair Appel proposed taking Items D and E together.

On a motion of Councilmember Shahid, seconded by Mayor Tecklenburg, the Committee voted unanimously to approve the motion to take Items D and E together.

- d. **Consider approval of Joint Use Agreement between the City and CCSD for the southeastern quadrant of Hampstead Square to be used as community park during non-school hours, with City to quitclaim its interest in same to CCSD in exchange for CCSD to quitclaim to the City its interests in the southwestern and northwestern quadrants of Hampstead Square. (TMS# 459-09-02-151, TMS #459-05-04-026, TMS# 459-09-02-125)**
- e. **Consider ordinance to devise and accept property rights, by quitclaim deed from the City to CCSD in the southeastern quadrant of Hampstead Square and by quitclaim deed from CCSD to the City in the northwestern and southwestern quadrants of Hampstead Square. (TMS# 459-09-02-151, TMS #459-05-04-026, TMS# 459-09-02-125) [Ordinance]**

On a motion of Councilmember Shahid, seconded by Councilmember Waring, the Committee voted unanimously to approve Items D and E.

- f. **An ordinance authorizing the Mayor to execute on behalf of the City an Amended and Restated Lease between the City of Charleston and Charleston Water System regarding the use of the recreational greenway.**

Ms. Copeland said they already had a lease with CWS for the Greenway. The use was as a park space and recreational space. The Item was an amendment to the lease, and two of the big perks that she wanted to point out were that they got through their negotiations with CWS a 6,000 square foot community garden space, which would be located in the Byrnes Downs section of the Greenway, as well as a provision in it that allowed any future improvements to be negotiated with CWS, which she thought was a good win for them, because before that, everything was cemented and in stone.

On a motion of Councilmember Waring, seconded by Councilmember Shahid, the Committee voted unanimously to approve Item F.

Councilmember Waring said he wanted to thank Chair Appel for his involvement with pushing the lease through. He thanked the Mayor, the team at CWS, and their legal people. He wanted to thank the Post & Courier for the editorial that they had on the Greenway, and their comments.

Chair Appel asked if there was any other discussion before he maybe gave a few brief remarks on the Item.

No one asked to speak.

He thanked CWS, especially Councilmember Waring, and the Mayor, who was their liaison with the City. They knew the Greenway was the main sewer infrastructure serving West Ashley and Johns Island. He didn't know about the Johns Island piece until recently, and he knew it was a very important job that the Greenway served. There was a little bit of a conflict between the utility function of the Greenway and the park function of the Greenway, but by working together and collaborating between the City and CWS, they could strike the right balance over time.

The lease did not approve any specific projects in any specific locations. It was just the framework for them to begin the process of coming up with ideas and greenlighting them, and working with neighborhoods, and getting the support and feedback from the stakeholders, all following the 2019 Greenway Master Plan, which was the roadmap there. It was going to be all more important for the Greenway to be providing a level of service that they wanted for the communities, not just for West Ashley, but for folks downtown that were going to be crisscrossing back and forth. And, of course, folks over in communities that were crossing about the bikeway. Everything was going to be connected

eventually, and that was why it was so important to have the lease in place as framework as they began to move forward in the coming years.

Mayor Tecklenburg thanked Chair Appel. He said he would also like to thank their colleagues over at CWS. He did not want to be contrary with Chair Appel, but there was one specific thing in the lease amendment that was specific to location, and that was a community garden. He forgot exactly where it was, but it was specified in the amendment. It was the framework, as he mentioned, but it also did specify the community garden location.

Chair Appel said that was correct, and they would certainly go to the neighborhoods they knew in that area and talk through those proposals and see if it was something that the neighborhood wanted. And they would begin those discussions at the appropriate time, but he just wanted to let it be known that it was not like they were approving any specific projects with the vote. They were simply putting the framework in place through the lease amendment.

g. Update on Sumar Street MOU.

Mr. Pohlman gave a presentation on the Sumar Street Redevelopment Progress.

The first slide he showed was the Sumar Street Parcel that was being discussed.

The second slide he showed was an MOU update with an updated list of items accomplished since June 17th, which included: that they received conceptual approval at the Design Review Board. They also received comments from the Internal City Review. He met with the Design Team to review those comments and made modifications to comply. A Geotechnical survey was completed, and Liollo made additional progress on the exterior per comments.

The next slide was the MOU next steps for the next few months, which included: Subsurface parking that Liollo and Landmark would continue to study for underground parking as part of the redevelopment. They submitted for their Technical Review Committee review on August 4, 2022. City Staff, Corporation Counsel, and Landmark with their legal team would continue to draft developments and draft ground lease. And they would continue to complete the outstanding MOU element and finalize a Guaranteed Max Price to finish the development agreement. To complete that they need the TRC preliminary objections, subsurface parking efficiencies, and a solution on the entry feature at Sam Rittenberg and Old Towne Road.

Councilmember Shahid said he had been in contact with the Mayor's Office, Mr. Pohlman and with the City's partners to get those updates on what was going on, so they were moving in the right direction. They were making wonderful progress. He appreciated the work that they had completed, so far as Mr. Pohlman mentioned, they had the DRB conceptual approval last month, and they were heading down that path. He thanked Mr. Pohlman and their partners, Landmark.

h. Please consider the following annexation:

- (i) 820 East Estates Blvd. (0.26 acres) (TMS# 310-02-00-152), West Ashley, (District 7).
The property is owned by Leroy E. Waring, Sr. and Shelia W. Waring.**

On a motion of Councilmember Shahid, seconded by Councilmember Gregg, the Committee voted unanimously to approve Item H.

Ms. Jones said it was a single family residential. It was going to be contiguous by the East Estates Boulevard itself, as well as the house behind it on Trent Street.

- i. Executive Session in accordance with S.C. Code Section 30-4-7(a)(2) to discuss proposed purchase of property associated with the Barberry Woods Project.**

On a motion of Councilmember Shahid, seconded by Councilmember Gregg, the Committee voted unanimously to move into Executive Session at 3:11 PM.

On a motion of Councilmember Shahid, seconded by Mayor Tecklenburg, the Committee voted unanimously to move out of Executive Session at 3:26 PM.

On a motion of Councilmember Waring, seconded by Councilmember Shahid, the Committee voted unanimously to move forward with Item I.

There being no further business to discuss, the meeting was adjourned at 3:27 p.m.

Brittany Pinckney
Assistant Clerk of Council