

**City Council of the City of Greenville
Work Session**

**Monday, April 27, 2020
3:00 p.m.**

Greenville City Hall is currently closed to the public.

Virtual Meeting Viewing
<https://www.greenvillesc.gov/meeting>

**Telephone: 1-415-655-0002
WebEx Event Number: 718 032 803**

**Remote Viewing Location:
Greenville Convention Center, 1 Exposition Drive – Room 102**

MINUTES

CITY COUNCIL: Councilmember John M. DeWorken, Councilmember Lillian B. Flemming, Councilmember Kenneth C. Gibson, Councilmember Wil Brasington; Councilmember Russell H. Stall; and Councilmember Dorothy H. Dowe

Absent: Mayor Knox White

CITY STAFF: City Manager John F. McDonough; City Attorney Michael S. Pitts;
City Clerk Camilla G. Pitman

Mayor Pro Tem Flemming called the meeting to order for the purpose of discussing the following matters.

Budget and CIP Workshop #2

City Manager John McDonough introduced the agenda item and presentation as located in Council's Agenda packet. Office of Management and Budget Deputy Director Matt Efirm provided information addressing the fund balance, operating assumptions, capital improvement project (CIP) assumptions, general fund, tourism funds, enterprise funds, and TIF funds.

Mr. Efirm commented on the City's fund balance and the anticipated need for using excess funds from the fund balance during the coming year due to COVID-19. Mr. Efirm stated the projected FY2021 available fund balance after the 20% percent required is \$4,508,626. Mr. Efirm presented a list of unfunded CIP projects for review in planning for future funding. Mr. Efirm stated the FY21 proposed budget for revenue is anticipated to be \$93,833,850 and expenditure is anticipated to be \$99,488,081, which includes an increase in personnel costs and decrease in CIPs which are being withheld to evaluate later in the year.

Regarding the operating assumptions, Councilmember Brasington recognized some of the items as new and some of the items as optional and asked for comments regarding their value. Mr. Efirm explained the items below the IT technology line item are service enhancements and are new in nature. Mr. Efirm advised that capital equipment – general replacement is at approximately 60% percent of its regular annual funding.

Councilmember Flemming asked about the line item for extra duty police officers for special events. Mr. Efirm responded there is an adjustment regarding the pay rate for supervisors and the inclusion of funding for officers who participate in police activities above and beyond their normal responsibilities, such as the honor guard. Councilmember Flemming stated the volume of special events will be reduced this year, reducing the amount of funding for the extra duty.

Regarding CIP assumptions, Mr. Efirm stated the CIP has been reduced due to COVID-19. Councilmember Dowe asked for an explanation of the \$250,000 for the customer center and \$750,000 for the one-stop permitting center. Mr. Efirm responded it is two separate initiatives and the customer center contract is an investment in the call center infrastructure. Councilmember Flemming asked if there will be a reduction in staff for Greenville Cares or adjustments in staff. Mr. McDonough responded he does not anticipate a reduction in staffing, however, the call center will give the City an enhanced customer service experience. Councilmember Brasington requested an understanding in the one stop permitting center and what \$750,000 covers. Mr. McDonough responded they are working on a white paper and hope to have that available to Council before the May 18 meeting.

Mr. McDonough commented on affordable housing and stated the City is waiting on the plan from the Greenville Housing Fund and may be providing some funding for affordable housing. Interim Community and Economic Development Director Ginny Stroud commented on the development of the plan and on a strategy regarding housing in connection with the County Square development. Outside of the County Square commitment, Councilmember Stall encouraged Council to honor the commitment of \$500,000 for affordable housing this year and \$1 million for next year.

Regarding tourism funds, Mr. Efirm referred to the COVID-19 impact on the hospitality tax and stated there is not much flexibility for the year. Mr. Efirm stated the balance could increase with the reduction of the general fund transfer which is currently being evaluated. Mr. Efirm also stated if the Convention Center and Greenville Zoo continues to be below normal, those two items will have to be reconsidered.

Councilmember DeWorken requested a purposeful conversation regarding the future of the Convention Center and the Greenville Zoo. Councilmember Stall asked if it would be helpful to create subcommittees to exclusively study the centers and the zoo. Councilmember Dowe recommended a separate meeting to discuss and review plans for both items moving forward.

Regarding state accommodations tax, Mr. Efirm stated the revenues are lower than projected and it is formula driven by state law. Mr. Efirm advised the state A-Tax Committee will have their recommendations to the City before the May 18 meeting. Councilmember Stall questioned where the majority of the funding went last year. Mr. Efirm responded that 80% percent of the funding went to VisitGreenvilleSC and Metropolitan Arts Council.

Regarding local accommodations tax, Mr. Efirm stated the revenues are down significantly and this fund is solvent at the end of the year with not much flexibility. Councilmember Dowe asked when the Greenville Arena District debt will be paid off, and Mr. Efirm responded he will obtain the date and provide it to Council.

Regarding the enterprise fund, Mr. Efirm stated the budget has been built assuming no rate increases for the year for stormwater, wastewater, and parking. Mr. Efirm added the budget is

covering operations, capital equipment and CIPs fully, but will be reviewing the larger items over time. Mr. Efirm advised the enterprise funds will have limited flexibility.

Regarding the parking fund, Mr. Efirm stated parking has been affected by the COVID-19 due to hourly parking and that it will limit investment in economic development projects. Mr. Efirm advised that the City will have parking debt falling off in about two years that will increase the funds' flexibility.

Council raised questions about the loss of business on parking space rentals due to COVID-19. Councilmember Dowe asked if there will be priority given to businesses returning. Public Works Director Mike Murphy stated the City has had 676 cancelations as of April 15, which is close to 10% percent of parking contracts. Mr. Murphy also stated the parking contracts will be first come first serve, however, he does not see any problem with getting everyone back into spaces. Councilmember Dowe recommended individuals having to cancel due to COVID-19 be given priority when re-applying. Councilmember Stall disagreed stating the customer should not be given preferential treatment and that it should be an incentive to maintain the contract. Mr. Murphy responded there is also a legal issue with moving individuals to the top of a list that can also affect the bonds. Councilmember Dowe suggested some additional discussion regarding the matter.

Regarding the zoo fund, Mr. Efirm stated the Zoo has been severely impacted due to COVID-19. Mr. Efirm also stated staff is recommending an increase from hospitality tax and believe when the Zoo reopens it will be operating at 85% percent of normal capacity, which is optimistic.

Councilmember DeWorken asked if staff has looked at numbers that are not as optimistic. Mr. Efirm responded it will depend upon social distancing measures of visitors attending. Councilmember Brasington asked if any funds from the Greenville Zoo Foundation is available to compliment the figures. Mr. Efirm responded the report does not include any significant funding from the Zoo Foundation. Parks and Recreation Director Marlie Creasey-Smith advised she has been in touch with the Zoo recently for a potential donation for capital improvement projects. Referring to the Foundation, Councilmember Brasington recommended consideration of how any other funds might be available through fundraising efforts to assist the Zoo.

Regarding the solid waste fund, Mr. Efirm stated there is an increase of approximately 10% percent in revenue over the year and there may be the potential of a rate increase during the year. Mr. Efirm also stated the issue of recycling is currently in discussions as to how to move forward. Mr. Efirm advised funding is included to support a fleet of spare automated side loader vehicles.

Regarding tax increment finance (TIF) funds, Mr. Efirm stated the projected available fund balance for FY2021 is \$13,000,602. Mr. Efirm also stated the CIP includes increased support for economic development initiatives with no other public-private partnerships funded.

Mr. McDonough summarized the information stating there is some flexibility and the goal is to focus on primary services with some built in capacity for capital improvement projects. Mr. McDonough recommended proceeding with the proposed CIP and then holding on it until possibly the third or fourth quarter to evaluate the revenue streams at the first of the year.

Councilmember Stall asked about the GTA maintenance facility, and Councilmember Dowe responded it was deferred to May 5, but all is well. Mr. McDonough responded he anticipates the

project to take two to two and one-half years. Councilmember Dowe commended County Council, the GTA counterparts and Transportation Director James Keel for their efforts.

Councilmember Stall asked about the status and the process of obtaining the City's portion of the \$91 million the County is receiving from the federal government. Mr. McDonough responded it is his understanding they are working through what the funding can be spent on and taking input from the business recovery task force which is underway now. Mr. McDonough added the recommendations will be presented to County Council for final approval.

Moratorium on Permits for Short Term Rentals

Mr. McDonough introduced the item stating it was discussed during Council's retreat and Mayor White is interested in getting the item back before Council. City Attorney Mike Pitts referred to the proposed Ordinance and stated it will provide for a six month pause on permits while staff has the ability to review the matter and implement regulations. Mr. McDonough stated the item is on the agenda for this evening for first reading.

Councilmember Brasington asked for responses from the public regarding the matter. Mr. Pitts responded he has received no feedback or opinions. Mr. McDonough stated he has heard from the hospitality and tourism industry leadership and from what he has heard they are fine with taking a break to review the matter.

Councilmember Dowe asked about the ability to convert and do they have the right to perform conversions without notification to the City. Mr. McDonough responded it is a policy issue related to Council's support for multi-family converting to short term rentals and the second issue is if they are converted, what are the requirements under the international code. Mr. McDonough stated he believes conversions are already occurring and under the current status those conversions can probably occur. Mr. McDonough stated staff will be drilling down on the loophole during the moratorium. Mr. Pitts advised the individual will have to have a business license at a minimum to pursue short term rental.

Councilmember Stall questioned the change of the duration from 90 days to six months. Mr. Pitts responded the six months is considered a reasonable period of time legally and that is where the amount came from. Mr. Pitts stated the duration can be amended. Councilmember Stall stated at the retreat he was not supportive of it and while he is fine with passing it, he does not imagine many people submitting permits for short term rentals in today's environment. Councilmember Flemming stated she disagreed because of a lot of people coming from out of state into West Greenville requesting short term rentals. Councilmember Brasington recommended 90 days. Councilmember Gibson stated given where we are with COVID-19, it is prudent to pursue six months and if the policy is developed sooner, then Council can move forward with passing it.

Single Infill Ordinance Task Force Update

Assistant City Manager Shannon Lavrin provided a presentation on the agenda item, as located in Council's Agenda packet. Ms. Lavrin provided a summary of the Task Force established in 2013 and referred to the current 2016 ordinance located in the Code of Ordinances. Ms. Lavrin stated their schedule is to provide an updated proposed ordinance by the end of the year for adoption. Ms. Lavrin provided a proposed makeup of the Task Force, including neighborhood representatives and industry chairmen, and reviewed the next steps in meeting the adoption goal.

Small Cell Wireless Update

Mr. McDonough introduced this agenda item stating he has heard from other municipalities that small cell is coming and doing so in a huge way. Mr. McDonough referred to proposed state legislation that would allow less local review of the small cell devices and to litigation already filed involving the FCC over the devices.

Sustainability Coordinator/Assistant to City Manager Michael Frixen provided a presentation on the agenda item, as located in Council's Agenda packet. Mr. Frixen provided the basics of how a cell is set up in the community and how the technology and towers have changed as the 3G has moved into 5G. Mr. Frixen commented on the local review process and criteria, public information and neighborhood notifications, and developing a unity notification policy as a proposed ordinance.

Mr. Pitts stated his staff has prepared a proposed ordinance for the purpose of notifying residents and businesses with 72 hours advanced notice of work being performed in the right-of-way near their location, among other recommendations.

Councilmember Stall asked what examples were used in developing the proposed Ordinance, and Mr. Pitts responded they used the Sandy Springs ordinance and that Mr. McDonough seemed to be well versed in the matter. Mr. McDonough explained the experience in Sandy Springs and the purpose of its development and recommended Council review the proposed Ordinance.

Councilmember Dowe recommended if approved, the information should be provided to the neighborhood leadership to forward to the residents. Councilmember Flemming asked if we have franchises with all of the participating companies. Mr. Pitts responded under current state law, we can require a franchise to access the right of way and the City has some franchises, but not all. Mr. Pitts stated under the proposed state law, it will eliminate the franchise requirement, however, the companies will have to obtain a permit and will be covered under the South Carolina Telecom Act as to business licenses. Mr. Pitts advised the Ordinance will cover any and all activity except for emergency situations.

Councilmember DeWorken referred to the organized opposition to the matter and asked for assistance from staff and the City Attorney with developing messaging in protecting the neighborhoods and providing a quality of life. Mr. McDonough responded once the ordinance was implemented in Sandy Springs, there was very little push back by utility companies and they understood the importance of it. Mr. McDonough stated it provides transparency as to who is conducting the work.

Environmental Sustainability Update

Mr. Frixen provided a presentation on the agenda item, as located in Council's Agenda packet. Mr. Frixen referred to the history of sustainability with the City and stated he will be the sustainability coordinator in the Manager's Office moving forward. Mr. Frixen provided upcoming sustainability efforts and strategy moving forward as provided in the presentation. Councilmember Stall stated the Green Ribbon Advisory Committee was established to develop a Climate Action Plan and encouraged Mr. Frixen to provide a plan soon. Councilmember DeWorken shared his interest in the new tree ordinance.

Motion - Executive Session

During the open Work Session, Mayor Pro Tem Flemming asked for a motion to go into Executive Session. City Attorney Mike Pitts recommended going into executive session under S.C. Code §30-4-70 (a)(1) to discuss appointments to the City's boards and commissions and evaluations for unclassified personnel.

Councilmember Brasington moved, seconded by Councilmember Stall, to go into Executive Session. The motion carried unanimously.

(Executive Session)

There being no further discussions, Councilmember Stall moved, seconded by Councilmember Brasington, to go out of Executive Session. The motion carried unanimously. No action was taken.

With no further discussions, the meeting adjourned at 5:25 p.m.

Camilla G. Pitman, MMC, Certified PLS
City Clerk

Meeting notice posted on April 24, 2020