



**City Council Meeting
County Council Chambers
366 South Church Street
Spartanburg, SC
Monday, October 22, 2012**

**(These minutes were approved at the
November 26, 2012 City Council meeting.)**

City Council met this date with the following members present: Mayor Junie White, Mayor pro tem Cate Ryba, Councilmembers Linda Dogan, Jerome Rice, Robert Reeder, Sterling Anderson, and Jan Scalisi. City Manager Ed Memmott and City Attorney Cathy McCabe were also in attendance. Notice of the meeting was posted with the Media 24 hours in advance according to the Freedom of Information Act. All City Council meetings are recorded for a complete transcript.

I. Moment of Silence - observed

II. Pledge of Allegiance - recited

III. Approval of Minutes of the October 22, 2012 City Council Meeting
*Mayor pro tem Ryba made a motion to approve the minutes as received.
Councilmember Dogan seconded the motion, which carried unanimously 7 to 0.*

IV. Approval of Agenda of the November 12, 2012 City Council Meeting
*Councilmember Dogan made a motion to approve the agenda as received.
Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.*

V. Public Comment - none
*Citizen Appearance forms are available at the door and should be submitted to the City Clerk

VI. Bicycle and Pedestrian Committee Update
Gary Purinton updated City Council on the activities and progress of the Bike/Ped Committee.
Presenter: Laura Ringo, Executive Director
Gary Purinton, Committee Member

VII. Ordinance

**A. To Amend the Business License Provisions for Insurance Companies
(First Reading)**

Presenter: Dennis Locke, Finance Director

Mr. Locke presented the item to City Council as follows:

“As a result of legislation passed in the 2012 session of the South Carolina General Assembly, all cities must immediately amend their business license ordinance for insurance companies and non-admitted insurance brokers. Cities must also renew their

agreement with the Municipal Association of South Carolina to collect these taxes on their behalf.

The state legislation was necessary and supported by cities and towns because of a recent change in federal law known as the “Dodd-Frank” Act. Within the Act is a provision, The Non-admitted and Reinsurance Reform Act of 2012, which states that the “placement of non-admitted insurance is subject to the statutory and regulatory requirements solely of the insured’s home state. “It goes further to state only the “home state” may require the payment of premium tax for non-admitted insurance. In response to this change in federal law, on June 29, 2012, Governor Nikki Haley signed into law legislation that designates a single tax rate of 6 percent for the broker’s premium tax in South Carolina. The new state law fully complies with the new federal regulations while preserving the designation and collection of a 4 percent state tax and a 2 percent municipal broker’s premium tax. The law further states that a municipality may not impose any additional license fee or tax based upon a percentage of premium.

In order to comply with state law, MASC has provided us an amendment to our Business License Ordinance that must be approved as it is currently written.

BUDGET & FINANCIAL DATA: According to MASC there is the potential to lose a small amount of revenue due to those changes.”

Councilmember Dogan made a motion to approve the ordinance as requested on first reading. Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.

VIII. Resolution

A. Authorizing Certain Amendments to the Articles of Incorporation and the Bylaws of Spartanburg Public Facilities Corporation; Providing for the Appointment of the Members of the Board of Directors of Spartanburg Public Facilities Corporation; and other Matters Relating Thereto **Presenter: Ed Memmott, City Manager**

Mr. Memmott presented the item to City Council as follows:

“In January 2011, City Council approved a Development Agreement between the City and Spartanburg Community College (“SCC”) for the Evans Building project. SCC has purchased the former Evans High School Building from Spartanburg County and is renovating the building for its use. Staff believes the Evans Building project is another momentum builder for our downtown. The SCC facility will bring two year associate degree and four year college transfer students to the City. In addition to its regular course offerings, numerous non-credit and certificate courses will be offered from this location. Most importantly, the SCC project will provide convenient access to City residents who want to take advantage of the educational and job training opportunities. Mr. Samuel Hook, Director of the SCC Foundation, will attend the November 12 Council meeting and update Council in more detail on the status of this project.

SCC is pursuing a financing structure for this project that is similar to the financing structure the City utilized for the CC Woodson Community Center, Saint John Street Garage, and the Downtown Airport terminal to take advantage of the federal New Markets Tax Credit (“NMTC”) program. While use of the NMTC program offers significant financial advantages, the legal and financing structure required to comply with various program requirements can get very complicated. In this instance, the financing structure would benefit from the participation of an independent nonprofit organization which is not affiliated with other entities involved in the project.

The Spartanburg Public Facilities Corporation (“SPFC”) is a nonprofit corporation that was established by the City to solely assist with financing of the conference center at the Marriott Hotel. After review, the City’s bond counsel (McNair Firm) determined that the SPFC could participate and facilitate SCC’s financing provided that certain amendments of the SPFC’s Articles of Incorporation and Bylaws were approved. If approved by Council, the Resolution would:

1. Allow the Articles of Incorporation to be amended to make clear that the corporation can undertake broader activities than just assisting with the financing of the conference center at Renaissance Park;
2. Allow the bylaws to be updated to permit the same, as well as reflect that the office of Deputy City Manager doesn’t exist anymore (and accordingly isn’t an ex-officio member of the Board of Directors); and
3. Authorize the City Manager to undertake any other actions on behalf of the City, as sole member of the corporation, to advance the purposes of the Resolution.

The SPFC’s participation in the SCC project financing would not extend any financial risk to either the City or the SPFC.

Staff is requesting Council approval of the Resolution to make amendments to the SPFC Articles of Incorporation and Bylaws.”

Sam Hook, Executive Director of SCC Foundation and Joe Lauer, Project Manager for the renovation, were in attendance representing SCC.

Councilmember Dogan made a motion to approve the resolution as requested.

Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.

IX. Consent Agenda

- A. Ordinance Accepting the Property Owned by Achilles W. & Constantin W. Vaseliades, and being located at 212 Winfield Drive, and that portion of Winfield Drive abutting said property, as a part and parcel of the City of Spartanburg and Declaring said Property Annexed to and a part and Parcel of the City of Spartanburg, said parcel to be Zoned R-15, Single Family Residential upon Annexation (Second Reading)**

Presenter: Joshua T. Henderson, Planning Coordinator

- B. To Amend Chapter 8, Garbage and Trash, to Reflect Current Language by Replacing the Word “Sanitation” with the Words “Solid Waste,” by Replacing the Words “Self-Loading Equipment,” and “Garbage Containers” with the Words “Bulk Containers,; and to Make Other Changes to Reflect Current Practices (Second Reading)**

Presenter: Ed Memmott, City Manager

Councilmember Dogan made a motion to approve the Consent Agenda on Second Reading. Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.

X. Ordinances – Second Reading

- A. Ordinance to Amend the Code of the City of Spartanburg 1988, Chapter 6, “Elections,” Article II, “Districts,” Section 6-21 so as to Provide for Amendments to the District Lines by Reason of the 2010 Census (Second Reading)**

Presenter: Ed Memmott, City Manager

Councilmember Rice made a motion to approve the ordinance as read on second reading. Councilmember Reeder seconded the motion. The vote was 4 to 3 with Mayor White, Councilmember Dogan, Councilmember Rice, and Councilmember

Reeder voting in favor of the motion. Mayor pro tem Ryba, Councilmember Anderson, and Councilmember Scalisi voted against the motion.

- B. Ordinance to Amend the City of Spartanburg, South Carolina Zoning Ordinance, by Amending Section 206, Changes to District Boundaries, Specifically Parcel 7-13-01-032.00, Located on 1585 East Main Street, which is Currently Zoned LOD, Limited Office District to Zone B-1, Neighborhood Shopping District; and Providing for Severability and an Effective Date. Bill Akkary and His Agent, Craig Jacobs of Spencer Hines Properties, on Behalf of National Bank of SC, Owner. The Purpose for the Zone Change Application is to allow the Property to be Sold for Use as a Restaurant (Second Reading)**

Presenter: Joshua Henderson, Planning Coordinator

Councilmember Dogan made a motion to approve the ordinance as read on second reading. Councilmember Reeder seconded the motion. The vote was 6 to 1 with Councilmember Scalisi voting against the motion.

XI. Other Business

- A. MWBE Annual Summary Report**

Presenter: Jackie Wood, MWBE Coordinator

Ms. Wood updated Council on the successes of the MWBE program during the past year. After the presentation, Finance Director Dennis Locke recognized Ms. Wood for her service to the City since she will be relocating to Yongsan, South Korea with her husband, who is in the military.

- B. Discussion of the Swim Center**

Presenter: Ed Memmott, City Manager

Mr. Memmott introduced the item to City Council as follows:

“At the November 12 City Council Meeting, staff will make a report on the Swim Center. This report will review facility use, operating costs, and estimated repair costs. Staff will also review cost savings options and alternatives to fund capital repairs.

If the Swim Center is to remain open, Council should expect that it will be necessary to spend approximately \$2.0 million for major system (roof, HVAC, building envelope, filtration) replacement over the next several years. Adding the capital costs to existing annual operating expenses, Council should expect that the City will spend approximately \$650,000 annually on the Swim Center for at least the next 10 years. Spending \$650,000 annually on one recreational facility is a significant financial commitment in the context of the City’s budget. There are many worthy new programs, projects, and/or service enhancements that could be funded if the Swim Center was closed. Staff will be asking Council to confirm that the Swim Center is highest priority for the expenditure of those funds prior to undertaking a multiyear commitment to repair the facility.”

Mr. Memmott also presented results of information gathered regarding use, maintenance, funding, and future options. He answered questions from Council regarding all issues.

After lengthy discussion, it was the consensus of Council to continue the matter at another meeting for additional discussion.

XII. City Council Updates

Councilmember Scalisi made everyone aware that Councilmember Anderson had been promoted to the rank of Major.

Councilmember Anderson thanked Ms. Scalisi for mentioning his recent promotion. He thanked all who serve our country. He also thanked SCC for their commitment to Downtown with the renovation of the Evans Building for a new campus. He also commended staff for their work on the West Main Streetscape improvements.

Councilmember Rice mentioned the Carolina Panthers sponsored Little League Football game that was showing on the City Channel. He also thanked SCC for their commitment to Downtown. He commended the City Fire Department's professional handling of a dumpster fire at Mary Wright Elementary and thanked them for showing the fire engine and equipment to the children.

Councilmember Reeder also thanked SCC for their commitment to Downtown with the new campus. He mentioned that the new Ice Rink grand opening would take place on Friday, November 16 at 5:30 p.m. on Morgan Square.

Councilmember Dogan shared that she and Councilmember Rice had participated in the Veteran's Day Parade on the previous Sunday. She thanked everyone involved in the Soup Kitchen's Soup Bowl event held the previous Saturday at the Chapman Cultural Center. She encouraged everyone to do their part to volunteer or contribute to the Soup Kitchen. She mentioned the Hub City Coop and encouraged everyone to become members. She also wished everyone a Happy Thanksgiving.

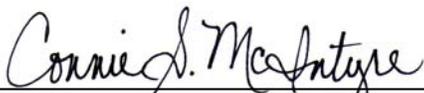
Mayor pro tem Ryba thanked the Bike/Ped Committee for their hard work in the community. She mentioned that three Spartanburg projects were highlighted at the Bike Summit. She thanked Will Rothschild for his work with the City's new website design.

XIII. Executive Session to Receive Legal Advice Regarding a Contractual Matter -

Councilmember Dogan made a motion to adjourn to Executive Session for the reason stated. Councilmember Reeder seconded the motion, which carried unanimously 7 to 0. Council adjourned to Executive Session at 7:10 p.m.

Council reconvened to regular session at 7:55 p.m. Mayor White stated that Councilmember Dogan had left the Executive Session due to a family emergency. He stated that discussion was held with no decisions made.

XIV. Adjournment – Councilmember Reeder made a motion to adjourn the meeting. Councilmember Anderson seconded the motion, which carried unanimously 6 to 0 and the meeting adjourned at 7:58 p.m.



Connie S. McIntyre, City Clerk