



CITY OF SPARTANBURG

SOUTH CAROLINA

CITY COUNCIL AGENDA

**City Council Meeting
City Council Chambers
145 West Broad Street
Spartanburg, SC
Monday, March 31, 2014
5:30 p.m.**

I. Moment of Silence

II. Pledge of Allegiance

III. Approval of the Minutes of the March 17, 2014 City Council Meeting

IV. Approval of Agenda of the March 31, 2014 City Council Meeting

V. Public Comment

*Citizen Appearance forms are available at the door and should be submitted to the City Clerk

VI. Consent Agenda

- A. Authorizing the City of Spartanburg, South Carolina, to Execute and Deliver an Equipment Lease Purchase Agreement, 2014, in an Amount Not Exceeding \$1,600,000 Between the City and the Lessor Thereof to Defray the Cost of Acquiring Certain Equipment; and Other Matters Relating Thereto (Second Reading)
Presenter: Dennis R. Locke, Finance Director**

VII. Other Business

- A. Award for Construction Bid for Repair to T-Hangar J
Presenter: David Cook, Construction Project Manager**

- B. Cammie Claggett Apartments Update
Presenter: Harry Byrd, Executive Director, Spartanburg Housing Authority**

VIII. City Council Updates

IX. Adjournment

**City Council Workshop
City Hall Training Room
145 West Broad Street
Spartanburg, SC
Monday, March 31, 2014
Immediately Following the City Council Meeting**

- I. Call to Order**
- II. FY15 Community Development Block Grant/HOME Budget Discussion**
Presenters: Mitch Kennedy, Community Services Director
Ed Memmott, City Manager
- III. Adjournment**

** City Code Sec. 2-57. Citizen Appearance. Any citizen of the City of Spartanburg may speak at a regular meeting on any matter pertaining to City Services and operations germane to items within the purview and authority of City Council, except personnel matters, by signing a Citizen's Appearance form prior to the meeting stating the subject and purpose for speaking. No item considered by Council within the past twelve (12) months may be added as an agenda item other than by decision of City Council. The forms may be obtained from the Clerk and maintained by the same. Each person who gives notice may speak at the designated time and will be limited to a two (2) minute presentation.*



**City Council Meeting
City Council Chambers
145 West Broad Street
Spartanburg, SC
Monday, March 17, 2014
5:30 p.m.**

**(These minutes are subject to approval at the
March 31, 2014 City Council Meeting.)**

City Council met this date with the following members present: Mayor Junie White, Mayor pro tem Jan Scalisi, Councilmembers Cate Ryba, Erica Brown, Jerome Rice, Robert Reeder, and W. Sterling Anderson were in attendance. 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 the Minutes of the February 24, 2014 City Council Meeting –
*Councilmember Ryba made a motion to approve the minutes as received.
Councilmember Rice seconded the motion, which carried unanimously 7 to 0.***

**IV. Approval of Agenda of the March 17, 2014 City Council Meeting –
*Mayor pro tem Scalisi made a motion to approve the minutes 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. Ordinances

A. A Second Supplemental Ordinance Providing for the Issuance and Sale of City of Spartanburg, South Carolina, Special Obligation Refunding bonds, Series 2014, in the Principal Amount of Not Exceeding \$8,250,000; Delegating the Authority to the Mayor and City Manager to Determine Certain Matters with Respect to the Bonds; Prescribing the Form and Details of Such Bonds; and other Matters Relating Thereto (Second Reading)

Presenter: Dennis R. Locke, Finance Director

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

“There were some minor changes after the 1st reading of the ordinance on February 24th. A few comments from The Bank of New York, as trustee, and minor revisions to allow for defeasance of the outstanding bond through deposit to an escrow agreement (just in case of the unlikely event that was necessary).

We recommend your adoption of this ordinance and welcome any questions you may have.”

Councilmember Reeder made a motion to approve the second reading as requested.

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

B. Authorizing the City of Spartanburg, South Carolina, to Execute and Deliver an Equipment Lease Purchase Agreement, 2014, in an Amount Not Exceeding \$1,600,000 Between the City and the Lessor Thereof to Defray the Cost of Acquiring Certain Equipment; and Other Matters Relating Thereto (First Reading)

Presenter: Dennis R. Locke, Finance Director

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

“As part of our ongoing efforts to equip staff with the resources they need at the lowest possible cost over the long term, the City is committed to maintaining an annual equipment replacement schedule. Funds are appropriated through the annual budget into the equipment replacement fund from which these purchases and then made throughout the year.

Due in part to very low interest rates in recent years, staff has determined that the City could strengthen its financial by bundling and leasing the major purchases within a master lease. This mechanism spreads the cost of these purchases over several years. The proposed action is to authorize this year’s lease program.

Staff is recommending the replacement of 13 Police Vehicles, 1 Vehicle - Fire Department, 3 Vehicles and 4 various pieces of equipment for Grounds Maintenance, 2 Automated Side Loaders – Solid Waste, 1 Vehicle - Inspections, 1 – Freightliner Sweeper – Street Maintenance

It is staff’s recommendation that we use a capital lease to finance these purchases. If approved, we would accept bids from various financial institutions. The source of repayment would be the Equipment Replacement Fund.

BUDGET & FINANCIAL DATA: The estimated total is 1,600,000 including closing costs.”

Councilmember Ryba made a motion to approve the ordinance as presented on first reading. Councilmember Rice seconded the motion, which carried unanimously 7 to 0.

VII. Other Business

A. Hub City Co-op Update

Presenter: Chris Story, Assistant City Manager

Hub City Co-op Boardmembers

Mr. Story introduced representatives from the board of the Hub City Cooperative (the effort to establish a co-op grocery market). They made a presentation on their efforts to date, the plans for the project, its potential positive impact to the community and downtown development, and their request for financial participation from the City.

Following extensive discussion, Council asked the group to provide detailed financial information to them for review.

Council received the presentation as information.

VIII. City Council Updates –

Councilmember Anderson thanked Communications and Marketing Manager Will Rothschild for his assistance with a PowerPoint presented to his service group.

Councilmember Rice shared that he, Mayor pro tem Scalisi and Councilmember Reeder had attended the Congressional Cities Conference in Washington the previous week and had obtained useful information from other cities while networking. He thanked Jeff Tillerson and Sgt. Lee Raines for their assistance on March 5 with Walk to School Day. He also mentioned the kite flying event held the previous Saturday in Stewart Park.

Councilmember Ryba invited everyone to view the newly completed 200 ft. mural at Hub-Bub.

Mayor pro tem Scalisi thanked Mr. Memmott, Mr. Story and staff for their efforts at the March 1 City Council retreat. She mentioned that she enjoyed and learned many things from the speakers at the NLC Congressional Cities Conference.

Councilmember Brown congratulated the Wofford Basketball Team for their advancement to the NCAA Tournament. She reminded everyone that the team would play Michigan on Thursday at 6:00 p.m. She mentioned DanSyngery at the Chapman Cultural Center on Thursday at 7:00 p.m. She reminded everyone of the Spartanburg Soars Kite Festival on March 29, 12:00 to 4:00 at the Chapman Cultural Center.

Councilmember Reeder shared that he had done a “ride along” on the southside with Police Chief Thompson and City Manager Ed Memmott. He mentioned that since he had been elected to the NLC Economic Development Committee he wanted to bring a group to Spartanburg to see all the progress being made in the City. He shared that the committee met with Congress and discussed the lack of taxes being charged on internet sells and how those funds could be returned to cities for economic development and other uses. He also shared that discussion was that CDBG funds would be solid for the next 3 years and that there would be new laws for Brownfields, and new funds to assist transit programs.

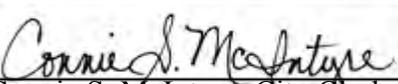
Mayor White thanked everyone for coming and asked that everyone continue to work together to make the City better.

IX. Adjournment

Councilmember Rice made a motion to adjourn the meeting. Councilmember Reeder seconded the motion, which carried unanimously 7 to 0. The meeting adjourned at 6:30 p.m.

City Council convened in the Training Room for a Workshop to receive updates on the Northside Initiative.

Councilmember Rice made a motion to adjourn the workshop. Councilmember Ryba seconded the motion, which carried unanimously 7 to 0. The meeting adjourned at 7:39 p.m.



Connie S. McIntyre, City Clerk



REQUEST FOR CITY COUNCIL ACTION

TO: Ed Memmott, City Manager
FROM: David Cook, Construction Project Manager
SUBJECT: Award for Construction Bid for Repair to T-Hangar J
DATE: March 31, 2014

BACKGROUND:

Staff solicited for proposals for repair of windstorm damage to Hangar J at the Spartanburg Downtown Memorial Airport. This repair work will include repairs to concrete footings, steel structural supports, doors, and sheet metal siding/roofing. Proposals were received from the following firms:

Howard's General Contracting	Rock Hill, S C	\$91,340
Clayton Construction Co.	Spartanburg, S C	\$92,814
Sossamon Construction Co.	Gaffney, S C	\$109,250
ES Walker Construction	Forest City, N C	\$126,714

After reviewing contractor qualifications, the lowest bidder (Howard's) was found to have no steel structure experience. Staff is also concerned about this bidder's contracting capacity which is limited to \$100,000 per its state license and very limited commercial experience. After consultation with the City's Property and Procurement Manager and the City Attorney, staff notified Howard that its bid was rejected. Staff is recommending award to the next low bidder, Clayton Construction Company.

ACTION REQUESTED:

Hangar J is owned by Spartanburg Airport Facilities Corporation and leased by the City under the financing arrangements in place to pay for recent improvements (Terminal and new T Hangar construction) at the airport. Staff is requesting authorization for the City Manager to execute necessary documents to proceed with repair of Hangar J.

BUDGET AND FINANCIAL DATA:

Repair will be paid from casualty insurance in place for Spartanburg Airport Facility assets.



CITY COUNCIL AGENDA – SUMMARY REPORT

TO: Mayor and Members of City Council
FROM: Ed Memmott, City Manager
SUBJECT: Cammie Claggett Apartments
DATE: March 27, 2014

Harry Byrd, Executive Director of the Spartanburg Housing Authority, will provide a briefing to City Council on plans for Cammie Claggett Apartments. Staff is encouraged by SHA's work on this project and believes it would be significant step in the long term redevelopment of the Highland neighborhood.

Over the next few weeks, staff intends to work with SHA staff to develop a Memorandum of Understanding ("MOU") for the Highland area. Once drafted, this document will be brought to Council for consideration. This MOU would define broad redevelopment objectives and mutual understanding regarding the long term redevelopment of Highland.



FY15 CDBG/HOME BUDGET DISCUSSION

CDBG/HOME BUDGET



- ◆ Build on the discussion at Council retreat and March 17 workshop
- ◆ Get direction from Council concerning CDBG Public Service Grant Funding
- ◆ Discuss demolition process, prioritization, and funding
- ◆ Review draft budget recommendations in advance of April 14 meeting

CDBG/HOME BUDGET



- ◆ City receives two formula funded grants annually – CDBG and HOME
- ◆ 70% of CDBG funds must benefit low- and/or moderate-income residents
- ◆ Wide discretion on uses other than low/moderate-income benefit
- ◆ HOME Funds must develop housing which is affordable for low/moderate-income residents

CDBG Public Service Grants



CDBG regulations allow grant funds for a wide range of public services activities, including, but not limited to:

- Employment services (e.g., job training)
- Child care
- Substance abuse services (counseling and treatment)
- Education programs
- Services for senior citizens
- Welfare services (excluding income payments);
- Recreational services
- Crime Prevention/Public Safety
- Health Services
- Fair Housing Counseling
- Services for homeless persons

CDGB Public Service Grants



- ◆ Up to a maximum of 15% of grant funds
- ◆ No requirement to fund external public services
- ◆ Does Council want to continue to fund external public service agency activities?
- ◆ Up to \$220,000 for FY15 could be awarded due to the “one-time” program income
- ◆ Staff recommends a maximum of \$70,000 as a sustainable/recurring annual appropriation for FY15-19

DEMOLITION PROGRAM



- ◆ CDBG funds (average of \$100,000) have been allocated toward this activity in previous years
- ◆ This level of funding has allowed for the removal 8-10 structures per year
- ◆ 4-6 structures will warrant demolition due to fire damage, storm damage, or other unexpected factors
- ◆ Priority given to:
 - Structural deficiencies
 - Recurring nuisance properties (ex: vagrants, criminal activities)
- ◆ Time boarded up has not been a factor



**Typical condition of structure
selected for demolition**

01.06.2014 09:20

The image shows the interior of a structure undergoing demolition. The walls are made of red brick, with large sections of light-colored plaster or drywall missing, exposing the brickwork. The floor is in a state of complete disrepair, with wooden planks and debris scattered across a surface of concrete and rubble. A window with a white frame is visible on the right side, looking out onto green foliage. The overall scene is one of significant structural decay and destruction.

**Typical interior condition of structure
selected for demolition**

07.20.2011 10:35







Fire Damage 11.12.2012 10:20



Boarded-Up/No Violations



Boarded-Up/No Violations

03.26.2014 10:53

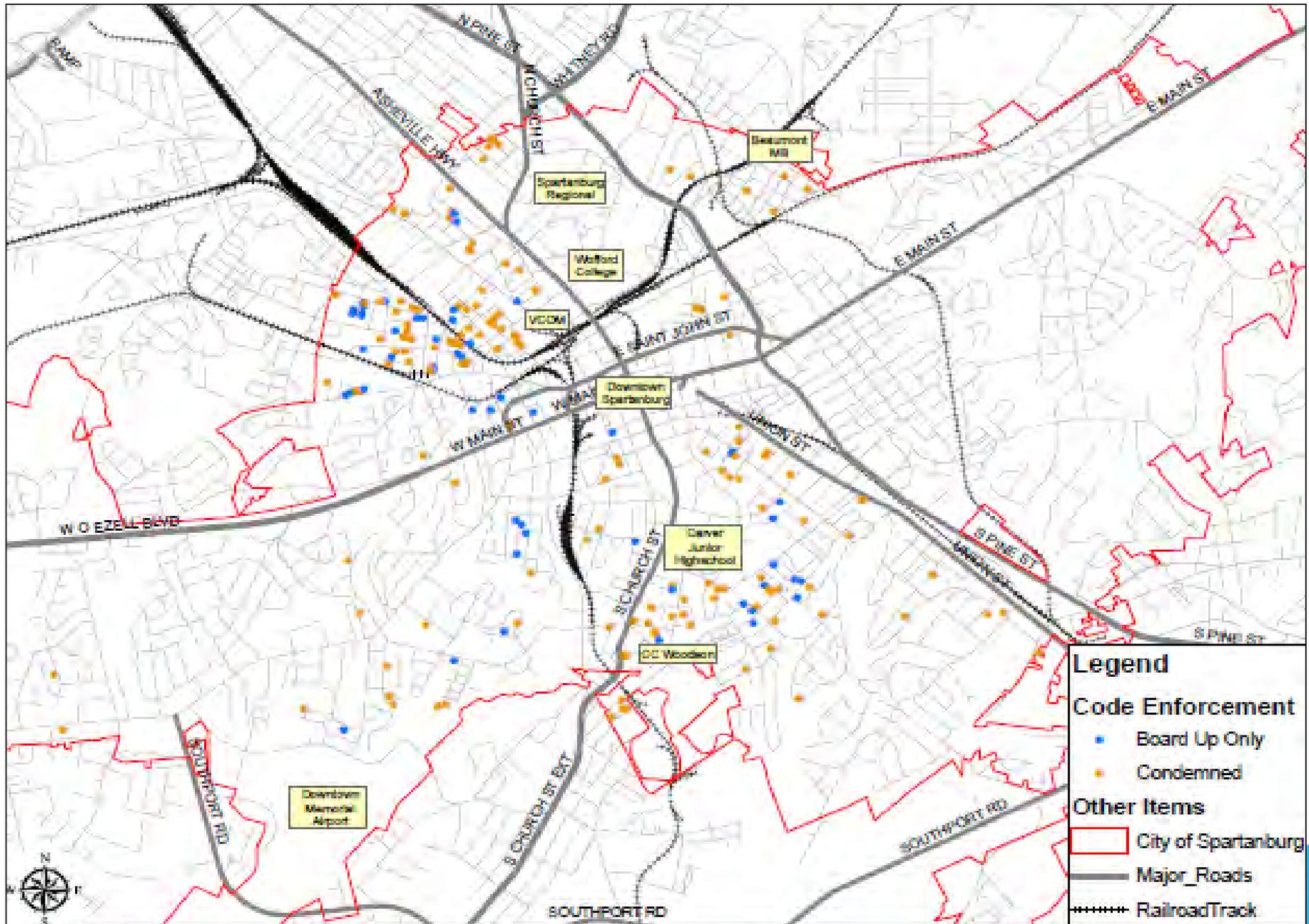
DEMOLITION PROGRAM

Current Conditions:



- Staff has identified 57 boarded-up (initiated by owner) houses with no significant property maintenance violations
- Additional 166 condemned/boarded-up houses with violations
- “Condemned” status only prevents legal occupancy of the structure
- Of 166 condemned structures, at least 28 are deemed to have significant exterior code violations
- 16 of those warrant immediate demolition
- The demolition “watch list” is dynamic: fire/storm damage, unknown conditions can move a structure to higher priority status

DEMOLITION PROGRAM



DEMOLITION PROGRAM



- Staff is recommending \$241,000 for citywide demolition through June 30, 2015 (current level is about \$100,000 annually)
- Staff anticipates \$150,000 annually for FY16-19
- These funding levels represent a significant increase and would allow more activity to remove the most problematic structures while maintaining focus on high-priority redevelopment activities in the Northside, Forest Park, Beaumont, and South Converse neighborhoods.

FY14-15 CDBG/HOME REVENUES

Source	Amount
CDBG Prior Year Program Income	331,000
CDBG Current Year Program Income	847,000
CDBG FY15 Allocation	620,564
HOME FY15 Allocation	151,914
Estimated Total Revenues	\$1,950,478

FY14-15 CDBG/HOME PROPOSED EXPENDITURES

Expenditure	Amount
Rehab/Code Enforcement Admin	50,000
Neighborhood Services Admin (CDBG)	154,808
Neighborhood Services Admin (HOME)	15,191
Professional Services (Reprogram)	10,000
Professional Services (FY14-15)	10,000
Public Services Agencies Grants	70,000
Neighborhood Pride Grants	25,000
Economic Development/Section 3 Activities	50,000
Fair Housing Activities	15,000
Acquisition of Blighted Structures-Citywide	65,192
Demolition of Blighted Structures-Citywide	241,000
Emergency Repairs-Citywide	50,000
Stewart Park Activity Center	250,000

FY14-15 CDBG/HOME PROPOSED EXPENDITURES

Expenditure	Amount
First-Time Homebuyers Training-Northside Initiative	10,000
Demolition of Blighted Structures-Northside Initiative	100,000
CNI Grant Match-Northside Initiative	100,000
Demolition of Sunshine Inn-Northside Initiative	200,000
Owner-Occupied Rehab-Northside Initiative	116,723
Financial Literacy-Northside Initiative	20,000
Redevelopment of Beaumont/South Converse	217,564
CHDO Set Aside-Forest Park	20,000
Infrastructure Forest Park	100,000
Contingency	50,000
Total Proposed Expenditures	\$1,950,478



Questions/Discussions