



CITY OF SPARTANBURG

SOUTH CAROLINA

CITY COUNCIL AGENDA

City Council Meeting
City Council Chambers
145 West Broad Street
Spartanburg, SC 29306
Monday, September 9, 2019

- I. **Moment of Silence**
- II. **Pledge of Allegiance**
- III. **Approval of the Minutes of the August 12, 2019 and the August 26, 2019 City Council Meetings**
- IV. **Approval of the Agenda of the September 9, 2019 City Council Meeting**
- V. **Public Comment**
*Citizen Appearance forms are available at the door and should be submitted to the City Clerk
- VI. **2020 Census Update**
Presenter: Mitch Kennedy, Assistant City Manager
- VII. **City Comprehensive/Master Plan Element Overview: Housing**
Presentation: Hannah Jarrett, Director of Financial Stability and Strategy, United Way of the Piedmont
- VIII. **Ordinance**
 - A. **Authorizing the Transfer of Certain Parcels of Real Property and Improvements Thereon Owned by the City of Spartanburg, South Carolina to the Spartanburg Recreational Facilities Corporation; the Acceptance of Grant Funds from the Northside Development Corporation, and the Granting of certain City Funds to the City of Spartanburg Development Corporation, to Facilitate the Financing of the Construction of the TK Gregg Recreational Center; the Assignment of Engineering, Design and Construction Contracts Entered into by the City to the Spartanburg Recreational Facilities Corporation Facilities Corporation; the Execution of Certain Documents by the City in Connection with New Markets Tax Credits Financing Obtained by Spartanburg Recreational Facilities Corporation in Connection with the TK Gregg Recreational Center; the Amendment of the By Laws of Spartanburg Recreational Facilities Corporation; and Other Matters Relating Thereto (First Reading)**
Presenter: Chris Story, City Manager

IX. Resolutions

- A. Certifying a Textile Mill Site Pursuant to the South Carolina Textiles Communities Revitalization Act, Title 12, Chapter 65, Section 12-65-60 et seq., of the South Carolina Code of Laws (1976), as Amended, Regarding the Property Located at 170 Arch Street, Spartanburg, SC, Being Spartanburg County TMS#7-11-08-158.00
Presenter: Robert P. Coler, City Attorney**
- B. To Determine the Eligibility of 170 Arch Street for Special Property Tax Assessment for Rehabilitated Historic Properties as Adopted by Ordinance of the City Council, on September 9, 2013
Presenter: Robert P. Coler, City Attorney**
- C. Approving the Recombination of Two Parcels of City Property (215 E. Daniel Morgan Avenue)
Presenter: Robert P. Coler, City Attorney**

X. Other Business

- A. Boards and Commissions – Spartanburg Housing Authority
Presenter: Mitch Kennedy, Assistant City Manager**

XI. City Council Updates

XII. Executive Sessions

- A. Executive Session Pursuant to Section 30-4-70 (a) (5) of the South Carolina Code to Discuss Matters Relating to Real Estate**
- B. Executive Session Pursuant to Section 30-4-70 (a) (5) of the South Carolina Code to Discuss Matters Relating to Real Estate**
- C. Executive Session Pursuant to Section 30-40-70 (a) (2) of the South Carolina Code to Discuss Matters Relating to the Proposed Location, Expansion, or the Provision of Services Encouraging Location or Expansion of Industries or Other Businesses in the Area Served by the City of Spartanburg**

Council may take action on matters discussed in Executive Session after exiting Executive Session.

XIII. Adjournment

** Non-Agenda Items*

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.

**Agenda Items*

City Code Sec. 2-56. Addressing Council, Comments or Remarks to Council on Agenda Items Not Requiring Public Hearing. On agenda items not requiring a Public Hearing, please provide to the City Clerk prior to the opening of the meeting, your desire to speak on an agenda item. Remarks shall be limited to five (5) minutes and total remarks on any agenda item shall not exceed twenty (20) minutes.



**City Council Meeting
City Council Chambers
145 West Broad Street
Spartanburg, SC 29306
Monday, August 12, 2019**

**(These minutes are subject to approval at
the September 9, 2019 City Council meeting.)**

City Council met this date with the following Councilmembers present: Mayor White, Mayor pro tem Alan Jenkins, Councilmembers Erica Brown, Jerome Rice, Ruth Littlejohn, Sterling Anderson and Jamie Fulmer. City Manager Chris Story and City Attorney Robert Coler 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 July 22, 2019 City Council Meeting –**
*Councilmember Littlejohn made a motion to approve the minutes as received.
Councilmember Brown seconded the motion, which carried unanimously 7 to 0.*
- IV. Approval of the Agenda of the August 12, 2019 City Council Meeting –**
*Mayor pro tem Jenkins made a motion to approve the agenda as received.
Councilmember Rice seconded the motion, which carried unanimously 7 to 0.*
- V. Public Comment**
*Citizen Appearance forms are available at the door and should be submitted to the City Clerk
 1. Joanna Rose Pigate, 339 Crestview Dr. Spartanburg, SC, spoke regarding her concerns about the 5G ordinance.
 2. Emily Brock, 520 Hemlock Drive, Boiling Springs, SC, spoke regarding her concerns about the 5G ordinance.
- VI. Recognition of Retiree MPO/Police Patrol James Gardiner, Jr.**
Presentation: Mayor White
Mayor White presented the retirement plaque to MPO/Police Patrol James Gardiner, Jr. and thanked him for his many years of service to the City of Spartanburg.

VII. Resolutions

A. **Relating to the Declaration of Intent by the City of Spartanburg, South Carolina, to Reimburse Certain Expenditures Made Prior to the Issuance of Federal Tax-Exempt Bonds**

Presenter: Dennis Locke, Finance Director

Mr. Locke presented the item to Council as follows:

“Recently Council approved the purchase of property for a future Fire Department Facility. We anticipate the City will seek tax exempt financing to cover the cost of the purchase and improvements to this property. IRS regulations require we have a reimbursement resolution in place to reimburse the City’s reserve funds for the cost of eligible expenses incurred prior to the permanent financing.

ACTION REQUESTED: Approve Resolution allowing City to reimburse itself from bond proceeds for the purchase of property and other expenses related to the new facility.

BUDGET AND FINANCIAL DATA: City advanced \$4,300,000 from reserves to acquire property at 450 Wofford St.”

Mayor pro tem Jenkins made a motion to approve the resolution as presented.

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

B. **Approving Donation of Property at 353 Forest Avenue (Tax Map Parcel Number 7-17-05-104.00) by Duke Energy of the Carolinas, LLC to the City of Spartanburg**

Presenter: Mitch Kennedy, Assistant City Manager

Mr. Kennedy presented the item to Council as follows:

“Duke Energy of The Carolinas, LLC (Duke), is the owner of the property located at 353 Forest Avenue and is interested in donating this property to the City of Spartanburg for the benefit of a play area adjacent to the Mary Black Foundation Rail Trail. The City has worked closely with Partners for Active Living to redevelopment the site. Duke has approved all redevelopment activities to this point. The City will cover the cost of title searches and closing cost.

ACTION REQUESTED: Approval of the Resolution accepting the donation of the property from Duke Energy of The Carolinas, LLC to the City of Spartanburg for a play area adjacent to the Mary Black Foundation Rail Trail.”

Councilmember Anderson made a motion to approve the resolution as presented.

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

VIII. Ordinance

A. **Providing for the Issuance and Sale of City of Spartanburg, South Carolina Special Obligation Bonds (Hospitality Fee Pledge), in the Principal Amount of Not Exceeding \$15,000,000; Authorizing the City Manager to Determine Certain Matters with Respect to the Bonds; Prescribing the Form and Details of Such Bonds; and Other Matters Relating Thereto (First Reading)**

Presenter: Dennis Locke, Finance Director

Mr. Locke presented the item to Council as follows:

“On September 10, 2018 council approved an ordinance authorizing the issuance of the City’s \$12,500,000 Special Obligation Bond (Hospitality Fee Pledge – Junior Lien), Taxable Series 2018 (the “Series 2018 Junior Bond”) for the purpose of providing interim construction financing for the Dr. TK Gregg Community Center (the “Project”). Since it was intended to serve as interim financing, the Series 2018 Junior Bond was issued on October 4, 2018 as a short term obligation, maturing on October 4, 2019.

Staff is now requesting that Council authorize the issuance and sale of the City’s Special Obligation Bonds (Hospitality Fee Pledge), Series 2019, in the principal amount of not exceeding \$15,000,000 (the “Series 2019 Bond”), for the purposes of refunding the Series 2018 Junior Bond, defraying a portion of the costs of the Project, and paying costs of issuance of the Series 2019 Bond. Staff is still in the process of finalizing all the costs associated with the Project which will be defrayed with a portion of the proceeds of the Series 2019 Bond in order to determine the final principal amount of the Series 2019 Bond. The Series 2019 Bond will be payable solely from, and secured by a pledge of, the City’s hospitality tax collections.

The Series 2019 Bond will be issued as part of an overall plan of finance for the Project, which includes the utilization of New Markets Tax Credits to ultimately offset a portion of the cost of the Project.

ACTION REQUESTED: Approval of the Fourth Supplemental Ordinance authorizing the issuance of the Series 2019 Bond.”

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

**IX. City Comprehensive /Master Plan Process Overview, Barry Nocks, Ph.D., FAICP
Presenter: Natalia Rosario, Planner III**

Ms. Rosario presented the item to Council as follows:

“As staff looks forward to the beginning of the City of Spartanburg’s first Comprehensive Planning Process since 1999, this fall (2019), that will govern our path for the next 20 years, we endeavor to provide as much information to City Council regarding the comprehensive planning process as possible. This includes, but is not limited to, the formulation of comprehensive plans, the importance of public participation, what a good comprehensive plan can do, and what it cannot do, as well as short reviews of the various topics as related to the future of the City that will be a part of the plan. These include racial equity, housing, economics, health and wellness, parks and recreation, public facilities, infrastructure, traffic, and other matters that will determine the livability of Spartanburg into the next 20 years.

The first of this series is an overview of Comprehensive Planning; what well thought out, thoroughly vetted, primarily influenced by data, public participation, and best planning practices can do for a community. Presenting will be Barry Nocks, Ph.D. and Fellow of the American Institute of Certified Planners, Professor Emeritus of the Clemson University Master of City and Regional Planning program.

BIO

Barry Nocks has 40 years of experience as a practicing planner, educator, administrator, consultant and citizen planner. He is professor emeritus in the Graduate Program in City & Regional Planning at Clemson University, having previously served as professor, Director of the MCRP program, Associate Dean for Research & Outreach of the College of Architecture, Arts and Humanities and director of the Center for Community Growth and Change during his 35 years at Clemson.

He also serves as a Fellow of the College of the American Institute of Certified Planners, member of the American Institute of Certified Planners certification exam committee, member of the Planning Accreditation Board site visitor pool, process consultant for the City of Greenville's Comprehensive Plan, and Founding Board Member of Ten at the Top. Previously, he served as Chair of the Planning Accreditation Board, the organization that accredits professional planning programs in the US as well as the Board of the Association of Collegiate Schools of Planning.

In Greenville, he has served on the City Planning Commission (2001-9), is currently chair of the Urban Panel of the City's Design Review Board and has been active in regional efforts in the Upstate since 2006, currently serving on the TATT Board of Directors. He directed the master plan for the Reedy River Corridor, which was adopted in 2002. He has also been engaged as a consultant and volunteer with a variety of public and private organizations in the Carolinas and throughout the country including: the National Rural Development Partnership, SC APA, SC Planning Continuing Education Advisory Committee, SC Planning Academy and the SC ULI Leaders Institute.

Dr. Nocks has served as a planning consultant for a variety of public and private organizations in the Carolinas and throughout the country including: the National Rural Development Partnership, SC APA, SC Planning Academy and the SC ULI Leaders Institute. He has developed facility need studies, completed strategic plans, assisted in local planning process, and conducted a number of professional training sessions. In addition, he has presented papers a numerous national and regional conferences regarding health planning, planning process, public participation and strategic planning.”

Council received Dr. Nocks report as information.

X. Boards and Commissions Interview Recommendations

Presenter: Councilmember Brown, Chair of Committee

Councilmember Brown presented the recommendations of the Boards and Commissions Interview Committee as follows:

Accommodations Tax Advisory Committee:

Reappoint Landon Cohen, Larry Mullins and Crystal Pace.

Mayor pro tem Jenkins made a motion to approve the recommendations.

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

Board of Architectural Design and Historic Review (HARB):

Reappointment of Brad Steinecke and appointment of Dr. Rhiannon A. Leebrick.

Councilmember Littlejohn made a motion to approve the recommendations.

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

Design Review Board:

Appointment of Carolyn Schoepf.

Councilmember Rice made a motion to approve the recommendation. Councilmember

Littlejohn seconded the motion, which carried unanimously 7 to 0.

Hospitality Tax Committee:

Reappointment of MarcheLe Garrett and Meghan Smith. *Councilmember Anderson made a motion to approve the recommendation. Councilmember Rice seconded the motion, which carried 6 to 0. Councilmember Littlejohn recused herself from the vote as Ms. Garrett is her niece.*

Housing Board of Adjustment and Appeals:

Appointment of Stephanie Dorman, Jeffrey Parks and Kathy W. Ronson.

Mayor pro tem Jenkins made a motion to approve the recommendation. Councilmember Rice seconded the motion, which carried unanimously 7 to 0.

Spartanburg Memorial Auditorium Commission:

Appointment of Loreta Dylgheri.

Mayor pro tem Jenkins made a motion to approve the recommendation. Mayor White seconded the motion, which carried unanimously 7 to 0.

Zoning Board of Adjustments and Appeals:

Reappointment of Jim Badger and Ryan Gaylord

Mayor pro tem Jenkins made a motion to approve the recommendation. Councilmember Rice seconded the motion, which carried unanimously 7 to 0.

XI. City Council Updates - Each Councilmember gave updates on their activities since the previous council meeting.

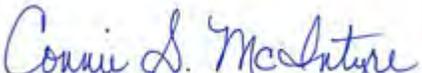
XII. Executive Session – *Councilmember Littlejohn made a motion to adjourn to Executive Session. Councilmember Rice seconded the motion, which carried unanimously 7 to 0. Council adjourned to Executive Session at 7:16 p.m.*

A. Executive Session Pursuant to Section 30-4-70 (a) (5) of the South Carolina Code to Discuss Matters Relating to Real Estate

Council may take action on matters discussed in Executive Session after exiting Executive Session.

Council reconvened to regular session at 7:50 p.m. Mayor White stated that discussion was held with no decisions made.

XIII. Adjournment – *Mayor pro tem Jenkins made a motion to adjourn the meeting. Councilmember Rice seconded the motion, which carried unanimously 7 to 0. The meeting adjourned at 7:51 p.m.*



Connie S. McIntyre, City Clerk



**City Council Meeting
City Council Chambers
145 West Broad Street
Spartanburg, SC 29306
Monday, August 26, 2019**

**(These minutes are subject to approval at
the September 9, 2019 City Council meeting.)**

City Council met this date with the following Councilmembers present: Mayor White, Mayor pro tem Alan Jenkins, Councilmembers Erica Brown, Jerome Rice, Ruth Littlejohn, Sterling Anderson and Jamie Fulmer. City Manager Chris Story and City Attorney Robert Coler 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 Agenda of the August 26, 2019 City Council Meeting –
Councilmember Rice made a motion to approve the agenda as received.
Councilmember Littlejohn seconded the motion which, carried unanimously 7 to 0.

IV. Public Comment -

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

1. Michael Fowler, 410 Lucerne Drive, presented Mayor White with an award from the American Legion, Post 28.
2. April Swart, 121 Remington Lane, Chesnee, SC, spoke regarding her concerns with a 5G ordinance.
3. Emily Brock, 520 Hemlock Drive, Boiling Springs, SC, spoke regarding her concerns with 5G.

V. Presentation of Proclamation Declaring “Women’s Right to Vote Day”

Presentation: Mayor White

Councilmember Brown presented the proclamation to representatives from the local League of Women Voters.

VI. OneSpartanburg Halfway Point Update

Presenter: Allen Smith, President and CEO, Spartanburg Chamber of Commerce

Mr. Smith, along with his team from the Chamber, presented Council an update on the OneSpartanburg effort.

Council received the report as information.

VII. Update Presentation from Municipal Association of South Carolina

Presenter: Chris Story, City Manager

Scott Slatton, Legislative and Public Policy Advocate for the South Carolina Municipal Association, updated Council on recent activities and advocacy efforts of MASC.

Council received the report as information.

VIII. Ordinance – Second Reading

A. Providing for the Issuance and Sale of City of Spartanburg, South Carolina Special Obligation Bonds (Hospitality Fee Pledge), in the Principal Amount of Not Exceeding \$15,000,000; Authorizing the 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 Locke, Finance Director

Mr. Locke presented the item to Council as follows:

The upcoming Council agenda includes the second and final reading of the attached ordinance enabling the issuance of \$13,250,000 of Hospitality Tax bonds to fund the city's net cost of construction of the new Dr. T.K. Gregg Recreation Center.

The Fourth Supplemental Ordinance has been revised from first reading to add a provision that amends the City's General Bond Ordinance (which was previously enacted in 2010, and which provides the framework and security structure for all bonds issued by the City from time to time which are secured by Hospitality Fees). In the amendment, the City agrees that, while any bonds secured by Hospitality Fees are outstanding, it will not reduce the Hospitality Fee charge (currently at 2%) to a level insufficient for the City to pay amounts due with respect to the bonds (such as payment of debt service and replenishment of any debt service reserve amounts). The new provision will enhance the security for the bonds, and is viewed favorably by the credit rating agencies.

ACTION REQUESTED: Second and final reading of the ordinance as amended.

BUDGET AND FINANCIAL DATA: Bonds will provide \$13,250,000 in proceeds to the project at an estimated cost of funds of approximately 3.5%. Debt service is currently estimated at \$498,000 in the first year and approximately \$970,000 annually for 19 years thereafter. Final pricing is scheduled for September 10th."

Mayor pro tem Jenkins made a motion to approve the ordinance as presented on second reading. **Mayor White** seconded the motion, which carried unanimously 7 to 0.

IX. Resolutions

**A. Approving Donation of Property at 474 Stewart Street
(Tax Map Parcel Number 7-16-07-272.00)**

Presenter: Martin Livingston, Neighborhood Services Director

Mr. Livingston presented the item to Council as follows:

“Bruce Boiter, the owner of property located at 474 Stewart Street is interested in donating a vacant lot in the South Converse neighborhood to the City of Spartanburg. The City will cover the cost of title searches, recording fees, and closing cost. City staff will work with developers and other non-profits to build housing on the site. Donation of the property is contingent on clear title.

ACTION REQUESTED:

Approval of Resolution accepting the donation of the property from: Bruce Boiter, the owner of property located at 474 Stewart Street – South Converse Neighborhood.

BUDGET & FINANCIAL DATA:

Recording Fees: \$10.00

Estimated annual maintenance: \$300.00”

Councilmember Littlejohn made a motion to approve the resolution as presented. Councilmember Brown seconded the motion, which carried unanimously 7 to 0.

**B. Accepting the Donation of the Property Located at 400 Highland Avenue
(Tax Map #7-16-01-247.00) by The Spartanburg Housing Authority**

Presenter: Mitch Kennedy, Assistant City Manager

Mr. Kennedy presented the item to Council as follows:

“Property located on 400 Highland Avenue (Tax Map Parcel 7-16-01-247.00) consisting of 1.04 ± acres, is owned by The Spartanburg Housing Authority that wishes to donate the property to the City. The property is located at the corner of Bunker Street and Highland Avenue as shown on the attached Parcel Map from the Spartanburg County Assessor’s Office website.

Staff recommends accepting the donation of the parcel.

ACTION REQUESTED:

Approval of Resolution accepting the donation of the property from The Spartanburg Housing Authority identified as Tax Map Parcel # 7-16-01-247.00.

BUDGET & FINANCIAL DATA:

The City will be responsible for the insurance coverage on the property which is approximately \$730.00 per year. This amount is based off the current policy the City has on the Steward Park building which is comparable to this property.

All title searches, deed preparation and deed recording will be handled by the City Attorney’s Office. (Approximately 1 to 2 hours).”

Councilmember Rice made a motion to approve the resolution as presented.

Mayor pro tem Jenkins seconded the motion, which carried unanimously 7 to 0.

X. Other Business

A. City Comprehensive Plan Preparation Element Overview: Land Use and Zoning

Presenter: Natalia Rosario, Planner III

Ms. Rosario presented the item to Council as follows:

“At the meeting tonight, we will present the second in our series of presentations designed to help us all prepare for the upcoming comprehensive planning process. We will share an overview of one of the major elements of a comprehensive plan and development regulations: Land Use and Zoning. These determine what types of businesses, homes, office, recreational, and other uses can be located within the city, and where within our footprint it is most advantageous to the community for them to be directed. Presenting will be Sherry Barrett, Land Planning and Policy Manager for Upstate Forever, one of our non-profit partners that works to educate and engage the public on the best practices and planning principles for sensible growth and preservation in the Upstate.”

Council received the report as information.

XI. City Council Updates - Each Councilmember gave updates on their activities since the previous council meeting.

XII. Executive Sessions – Councilmember Littlejohn made a motion to adjourn to Executive Session. Mayor pro tem Jenkins seconded the motion, which carried unanimously 7 to 0. Council adjourned to Executive Session at 7:16 p.m.

A. Executive Session Pursuant to Section 30-4-70 (a) (5) of the South Carolina Code to Discuss Matters Relating to Real Estate

B. Executive Session Pursuant to Section 30-4-70 (a) (1) for Discussion of Employment Matter

C. Executive Session Pursuant to Section 30-40-70 (a) (2) of the South Carolina Code to Discuss Matters Relating to the Proposed Location, Expansion, or the Provision of Services Encouraging Location or Expansion of Industries or Other Businesses in the Area Served by the City of Spartanburg

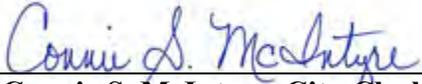
Council may take action on matters discussed in Executive Session after exiting Executive Session.

Council reconvened at 7:44 p.m. Mayor White stated that discussion was held with no decisions made.

Mayor pro tem Jenkins made a motion to delegate Council’s authority to allow Judge Erika McJimpsey to hire a substitute/assistant judge for Municipal Court.

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

XIII. Adjournment – Mayor pro tem Jenkins made a motion to adjourn the meeting. Councilmember Littlejohn seconded the motion, which carried unanimously 7 to 0. The meeting adjourned at 7:47 p.m.



Connie S. McIntyre, City Clerk



REQUEST FOR CITY COUNCIL ACTION

TO: Chris Story, City Manager
FROM: Mitch Kennedy, Assistant City Manager
SUBJECT: 2020 Census Update
DATE: September 5, 2019

BACKGROUND:

Our community partners have formed a 2020 Census Committee. The Committee is led by the Spartanburg County Public Library System.

The committee would like to provide City Council with a 2020 Census Update.

ACTION REQUESTED: NA

BUDGET AND FINANCIAL DATA: NA



REQUEST FOR COUNCIL ACTION

TO: Chris Story, City Manager

FROM: Natalia Rosario, Planner III.

SUBJECT: City Comprehensive/Master Plan Element Overview: Housing
Hannah Jarrett, United Way of the Piedmont

DATE: September 9th, 2019

SUMMARY:

The agenda for the upcoming City Council meeting will include the third in our series of presentations designed to help us all prepare for the upcoming comprehensive planning process. We will share an overview of one of the major elements of a comprehensive plan and development regulations: Housing. This includes affordable, workforce, market rate, and various types of housing densities and design, and where within our footprint it is most advantageous to the community for them to be directed. Presenting will be Hannah Jarrett, Director of Financial Stability and Strategy, United Way of the Piedmont; one of our non-profit partners that works to identify and implement strategies to create long term financial stability and family health in the Upstate.

BUDGET AND FINANCE DATA: N/A



REQUEST FOR COUNCIL ACTION

TO: Spartanburg City Council

FROM: Chris Story, City Manager

SUBJECT: Ordinance Authorizing Various Actions Necessary to Accomplish New Markets Tax Credits Financing for the new Dr. TK Gregg Recreation Center

DATE: September 5, 2019

We have been working for many months to be able to utilize New Markets Tax Credits to lower the City's net cost of developing the new Dr. T.K. Gregg Recreation Center. We have been successful in securing allocation of those credits and their utilization will save us approximately \$3 million.

In order to achieve this significant financial benefit, the transaction must be structured and implemented in a more complex manner utilizing several entities affiliated with the City. These differences will not affect the physical construction or operation of the facility nor have any impact on the experience of folks visiting and using the facility.

The attached ordinance authorizes the City Manager to execute the necessary actions. Aspects of the arrangement authorized by this ordinance include:

- During the seven year tax credit period, the facility will be owned by the Spartanburg Recreational Facilities Corporation and leased to the City. At the end of that period, the facility will be owned by the City directly.
- The City's funding of the construction of the facility will go into the project via the City of Spartanburg Development Corporation.
- The Northside Development Corporation is donating \$1 million to support the project costs which will be implemented by an authorized grant agreement.

This complex arrangement is very similar to the process successfully utilized to lower the net cost of developing the C.C. Woodson Center which went smoothly and achieved the intended savings.

Please let me know if you have any questions.

ORDINANCE NO. ____

AUTHORIZING THE TRANSFER OF CERTAIN PARCELS OF REAL PROPERTY AND IMPROVEMENTS THEREON OWNED BY THE CITY OF SPARTANBURG, SOUTH CAROLINA TO THE SPARTANBURG RECREATIONAL FACILITIES CORPORATION; THE ACCEPTANCE OF GRANT FUNDS FROM THE NORTHSIDE DEVELOPMENT CORPORATION, AND THE GRANTING OF CERTAIN CITY FUNDS TO THE CITY OF SPARTANBURG DEVELOPMENT CORPORATION, TO FACILITATE THE FINANCING OF THE CONSTRUCTION OF THE TK GREGG RECREATIONAL CENTER; THE ASSIGNMENT OF ENGINEERING, DESIGN AND CONSTRUCTION CONTRACTS ENTERED INTO BY THE CITY TO THE SPARTANBURG RECREATIONAL FACILITIES CORPORATION; THE LEASE OF CERTAIN REAL PROPERTY AND IMPROVEMENTS BY THE CITY FROM THE SPARTANBURG RECREATIONAL FACILITIES CORPORATION; THE EXECUTION OF CERTAIN DOCUMENTS BY THE CITY IN CONNECTION WITH NEW MARKETS TAX CREDITS FINANCING OBTAINED BY SPARTANBURG RECREATIONAL FACILITIES CORPORATION IN CONNECTION WITH THE TK GREGG RECREATIONAL CENTER; THE AMENDMENT OF THE BYLAWS OF SPARTANBURG RECREATIONAL FACILITIES CORPORATION; AND OTHER MATTERS RELATING THERETO.

Enacted: September 23, 2019

WHEREAS, the City of Spartanburg, South Carolina (the “City”) has determined that construction of the TK Gregg Recreational Center (the “Facility”) in the Northside Community in the City should be undertaken as part of a comprehensive effort to revitalize the Northside, improve services to its residents, enhance the economic development of the City, and provide facilities that will host athletic and recreational events and programming that will attract visitors from outside of the City; and

WHEREAS, in order to provide for an efficient use of its resources and gain access to other funding sources that would not otherwise be available to pay the costs associated with the construction of the Facility (the “Project”), the City has sought financial support from other organizations including, without limitation, the Northside Development Corporation; and

WHEREAS, in order to utilize funding from these organizations, the City has developed a financing plan (the “Financing Plan”) which includes, among other things, the utilization of new market tax credits (the “New Market Tax Credits”) provided for under Section 45(D) of the Internal Revenue Code of 1986, as amended, in the approximate amount of \$15,000,000; and

WHEREAS, in order to implement the Financing Plan, it will be necessary for the City to enter into certain agreements and take certain actions as set forth in this Ordinance; and

WHEREAS, pursuant to S.C. Code Ann. § 5-7-40, the City may, upon such terms and conditions as the Council of the City deems advisable, sell, alien, convey, lease or otherwise dispose of real and personal property; and

WHEREAS, the City recognizes that the expenditure of public funds for economic development must be for a public purpose in accordance with the applicable provisions of the South Carolina Constitution and decisions of the South Carolina Supreme Court. As previously set forth by the City in Ordinance No. 12-604.4-8.26.19 enacted on August 26, 2019, the Council has determined that the financing and development of the Project will serve a valid public purpose of the City. The findings and determinations in Ordinance No. 12-604.4-8.26.19 are incorporated herein by reference; and

WHEREAS, in order to promote and enhance the economic development within the City, and in consideration of the direct and indirect benefits, some of which are set forth in this Ordinance, afforded to the City by the Project, it is necessary and in the best interests of the City to authorize the sale or donation of the Facility, the granting or transfer of certain funds in the manner described herein, and the other actions to be undertaken by the City as set forth in this Ordinance, in order to implement the Financing Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND MEMBERS OF COUNCIL OF THE CITY OF SPARTANBURG, SOUTH CAROLINA, IN COUNCIL ASSEMBLED:

Section 1. Sale or Conveyance of Property. The sale, grant, donation or other conveyance of the land on which the Facility is being and is to be constructed, such land being generally located at 310 Oakland Avenue, Spartanburg, South Carolina and having Spartanburg County Tax Map Number 7-12-05-001.00 (the “Land”), and all improvements existing or being constructed thereon (the “Improvements”, and the Land and Improvements, collectively, the “Property”), to Spartanburg Recreational Facilities Corporation (“SRFC”) in connection with the Financing is hereby authorized and approved on such terms and conditions as the Mayor or City Manager shall deem necessary or appropriate. The Mayor or City Manager are hereby authorized to execute and deliver any deed(s), purchase agreements, grant agreements or other documents or instruments necessary or desirable to accomplish the above described conveyance of the Property in such form as they may approve, such approval to be deemed conclusively given upon such execution by the Mayor or City Manager.

Section 2. Acceptance and Grant of Funds. The acceptance of grant funds or contributions from Northside Development Corporation (“NDC”) and any other entity in connection with the Project or the Financing is hereby approved and ratified. The Mayor or the City Manager are hereby authorized to execute any grant agreements or other documents or instruments necessary or desirable to document the terms and conditions, if any, on which such grant funds or contributions are made or received in such form as they may approve, such approval to be deemed conclusively given upon such execution by the Mayor or City Manager.

The grant by the City to City of Spartanburg Development Corporation (“SDC”) of funds in the aggregate amount of not exceeding \$13,000,000 (the “City Grant”) is hereby approved. Funds for the City Grant may be derived from any or all of the following sources: (i) purchase proceeds derived from the sale of the property or reimbursement of costs incurred in construction of the Improvements received by the City upon conveyance of the Property to SRFC; (ii) bond proceeds derived from the sale of the City’s \$12,500,000 original principal amount Special Obligation Bond (Hospitality Fee Pledge – Junior Lien), Taxable Series 2018, dated October 4, 2018, or the City’s to be issued not exceeding \$15,000,000 Special Obligation Bond (Hospitality Fee Pledge), Taxable Series 2019; and (iii) and other lawfully available funds of the City. With respect to any City Grant funds derived from the source identified in (i) above, the Mayor or City Manager may direct (in one or more agreements or otherwise in writing) that the payment of such

funds by SRFC be made directly to SDC on the City's behalf as part of the City Grant. The Mayor or the City Manager are authorized to execute and deliver any and all grant agreements or other documents or instruments necessary or desirable to document the terms and conditions, if any, on which such City Grant is made in such form as they may approve, such approval to be deemed conclusively given upon such execution.

Section 3. Assignment of Contracts. The assignment of any and all contracts executed and entered into by the City in connection with the Project, including, without limitation, engineering, design and construction of the Facility, to SRFC is hereby approved. The Mayor or the City Manager are authorized to execute and deliver such assignments and other documents as may be necessary to accomplish the foregoing in such form as they may approve, such approval to be deemed conclusively given upon such execution.

Section 4. Lease of Facility. The lease of the Facility (the "Lease") by the City from SRFC on such terms and conditions as may be deemed appropriate by the Mayor or City Manager is hereby authorized and approved. The Mayor or the City Manager are authorized to execute and deliver a lease agreement, memorandum of lease, and subordination, nondisturbance and attornment agreement documenting or in connection with the Lease in such form as they may approve, such approval to be deemed conclusively given upon such execution.

Section 5. Execution of Financing Documents. There is hereby authorized, approved and ratified the execution and delivery by the Mayor, the City Manager, the Assistant City Manager, and the Finance Director of any and all documents (other than promissory notes, guaranties or other debt instruments) related to the Project, the Financing, the Lease, or the operation or management of the Property upon completion of the Project, which such City officials or officers shall deem necessary or desirable to accomplish the Project or the Financing in such form as such City officials or officers shall approve, such approval to be deemed conclusively given upon such execution.

Section 6. Amendment of Bylaws. The board of directors of SRFC is hereby authorized to approve an amendment to the Bylaws of SRFC which replaces Section 5.02(d) thereof with the following:

(d) One member of the Board of Directors of the Corporation shall be the Neighborhood Services Director of the City (or, if there is no City official holding such title, the City official holding the equivalent or most similar title) unless compelling reasons justify an alternate appointment methodology. Such member so appointed shall serve for the duration of his or her respective term of incumbency as Neighborhood Services Director of the City and until a successor is appointed.

Section 7. Other Actions. The Mayor, City Manager, Assistant City Manager, Finance Director and City Attorney are hereby fully empowered and authorized on behalf of the City to take such further action and to execute and deliver such additional agreements, certificates and documents that do not conflict with in the general intent or specific authorizations set forth in this Ordinance, as may be necessary to implement the Financing and complete and thereafter lease and operate the Project, and the actions of such City officials and officers in executing and delivering any necessary documents, in such form as they shall approve, is hereby fully authorized. All actions heretofore undertaken by such City officials and officers in order to construct the Project and implement the Financing are hereby ratified and approved.

Section 8. Effective Date and Repeal. This Ordinance shall be effective upon its enactment. All prior ordinances and resolutions of the City inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

[signature page follows]

Enacted by the City Council of the City of Spartanburg, South Carolina, this 23rd day of September, 2019.

CAROLINA
(SEAL)

CITY OF SPARTANBURG, SOUTH

Mayor

ATTEST:

Clerk

First Reading: September 9, 2019

Second Reading: September 23, 2019

This Ordinance has been reviewed by me and is hereby approved as to form and legality.

City Attorney, City of Spartanburg, South Carolina



REQUEST FOR CITY COUNCIL ACTION

TO: Chris Story, Manager
FROM: Robert Coler, Attorney
SUBJECT: Resolution for Textile Mill Site
DATE: September 4, 2019

BACKGROUND: BF Star Mill LLC, approached city staff with their desire to redevelop the abandoned textile manufacturing facility located at 170 Arch Street. This location was formerly known as Old Star Mill. The developer is anticipating to qualify for state income tax credits pursuant to the South Carolina Textiles Communities Revitalization Act. The developer is requesting certification for the building as an abandoned textile mill site pursuant to Section 12-65-60 of the Revitalization Act from the City.

ACTION REQUESTED: City Council to approve this property as a certified abandoned textile mill site.

BUDGET AND FINANCIAL DATA: N/A

Resolution

Certifying a Textile Mill Site pursuant to the South Carolina Textiles Communities Revitalization Act, Title 12, Chapter 65, Section 12-65-60 et seq., of the South Carolina Code of Laws (1976), as amended, regarding the property located at 170 Arch Street, Spartanburg, SC, being Spartanburg County TMS # 7-11-08-158.00.

WHEREAS, BF Star Mill, LLC (“Developer”), desires to redevelop the abandoned textile manufacturing facility located in the City of Spartanburg, County of Spartanburg, State of South Carolina, formerly known as the Old Star Mill and more particularly listed as tax parcel 7-11-08-158.00 (the “Property”); and

WHEREAS, as part of the redevelopment by Developer, the Property is anticipated to qualify for state income tax credits pursuant to the South Carolina Textiles Communities Revitalization Act (Chapter 65 of Title 12 of the South Carolina Code) (the “Textile Mill Statute”); and

WHEREAS, the Textile Mill Statute contains a detailed definition of the specific property that will qualify as a “textile mill site” (as defined in the Textile Mill Statute); and

WHEREAS, Developer has requested a certification of the Property from the Spartanburg City Council pursuant to Section 12-65-60 of the Textile Mill Statute; and

WHEREAS, the Spartanburg City Council has, after careful investigation and due deliberation, determined that the redevelopment of the Property will be beneficial to the City of Spartanburg, and the City agrees to provide a resolution in compliance with Section 12-65-60 of the Textile Mill Statute.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPARTANBURG, SOUTH CAROLINA, this 9th day of September, 2019, as follows:

Section 1. That all recitals hereof are true and correct and a part of this Resolution.

Section 2. Developer intends to acquire the Property from the City on or about October 11, 2019, pursuant to that certain Agreement of Purchase and Sale dated October 19, 2018.

Section 3. That the Property was a facility that was initially used for textile manufacturing, dying or finishing operations and for ancillary uses to those operations (i.e. a “textile mill”) as more particularly defined in Section 12-65-20(3) of the Textile Mill Statute.

Section 4. That the Property has been “abandoned” for at least one year prior to the date hereof as defined in Section 12-65-20(1) of the Textile Mill Statute.

Section 5. That the geographic area of the “textile mill site” shall include the textile mill together with the land and other improvements on it which were used directly for textile

manufacturing operations or ancillary uses as set forth in Section 12-65-20(4) of the Textile Mill Statute. The “textile mill site” is limited to the land located within the boundaries where the textile manufacturing, dying, or finishing facility structure is located on the Property.

Section 6. That this Resolution is binding and is intended to comply with the certification requirements set forth in Section 12-65-60 of the Textile Mill Statute.

DONE AND RATIFIED this 9th day of September, 2019.

Requested By:

Mayor

Approved By:

City Manager

Approved as to Form:

City Attorney

City Clerk



REQUEST FOR CITY COUNCIL ACTION

TO: Chris Story, Manager
FROM: Robert Coler, Attorney
SUBJECT: Resolution for Special Property Tax Assessment
DATE: September 4, 2019

BACKGROUND: City Council adopted an Ordinance on September 9, 2013 providing for special property tax assessment for rehabilitated historic properties and established the processes and standards for eligibility. 170 Arch Street, formerly known as the Old Star Mill, is a contributing property in a local historic district and is at least 50 years old. It is an individual landmark in that it individually embodies the distinguishing characteristics of a period type of architecture of textile mills and was a significant element of the neighborhood employing local people and helped strengthen the areas adjacent to the mill.

ACTION REQUESTED: City Council to approve this property as a historic property that will be rehabilitated for future growth for the City of Spartanburg.

BUDGET AND FINANCIAL DATA: N/A

RESOLUTION

TO DETERMINE THE ELIGIBILITY OF 170 ARCH STREET FOR SPECIAL PROPERTY TAX ASSESSMENT FOR REHABILITATED HISTORIC PROPERTIES AS ADOPTED BY ORDINANCE OF THE CITY COUNCIL ON SEPTEMBER 9, 2013.

WHEREAS, City Council of the City of Spartanburg, South Carolina (the “City”) adopted an Ordinance on September 9, 2013, providing for special property tax assessment for rehabilitated historic properties and establishing the processes and standards for eligibility; and

WHEREAS, the Ordinance requires City Council to determine by resolution the eligibility of individual properties for the special assessment prior to preliminary approval by the Historic Architectural Review Board (HARB); and

WHEREAS, for eligible property to enjoy such special assessment, they also require approval by resolution of the Spartanburg County Council; and

WHEREAS, 170 Arch Street is a contributing property in a local historic district and is at least 50 years old and is an individual landmark in that it individually embodies the distinguishing characteristics of a period type of architecture of textile mills and was a significant element of the neighborhood employing local people and helped strengthen the areas adjacent to the mill.

NOW, THEREFORE, BE IT RESOLVED By the Mayor and Members of Council of the City of Spartanburg, in Council assembled:

Section 1. City Council has determined that 170 Arch Street is eligible to receive the special tax assessment in accordance with Chapter 18, Article III of the Code of the City of Spartanburg.

Section 2. The granting of these special assessments is for a term of ten (10) years.

Section 3. This Resolution is effective immediately upon its enactment.

DONE AND RATIFIED this 9th day of September, 2019.

Junie L. White, Mayor.

ATTEST:

Connie S. McIntyre, City Clerk.

APPROVED AS TO FORM:

Robert Coler, City Attorney.



REQUEST FOR CITY COUNCIL ACTION

TO: Chris Story, Manager
FROM: Robert Coler, Attorney
SUBJECT: Resolution for Recombination of Two Parcels of City Property
DATE: September 5, 2019

BACKGROUND: The City is the current owner of property located at 215 E. Daniel Morgan Avenue, tax map # 7-12-06-084.00 and also the land immediately abutting to the northeast. The City is currently partnering with Forge Capital Partners, LLC to develop this property and it is the desire of Forge Capital and the City to combine these two properties into one single parcel.

ACTION REQUESTED: City Council to approve the property be recombined as one single parcel of land.

BUDGET AND FINANCIAL DATA: Survey and plat services paid for by Forge Capital Partners LLC. Recording of recombination plat to be completed by the City Attorney's Office. Filing Fee is \$25.00 for the recorded plat.

A RESOLUTION
APPROVING THE RECOMBINATION OF TWO PARCELS
OF CITY PROPERTY

WHEREAS, the City of Spartanburg (the “City”) is the owner of that certain parcel of land at 215 E. Daniel Morgan Avenue, more particularly described as Tax Map Parcel ID 7-12-06-084.00; and

WHEREAS, the City is the owner of that parcel of land immediately abutting 215 E. Daniel Morgan Avenue to the northeast, said parcel being the northern portion of the former Old N. Converse Street; and

WHEREAS, the City is partnering with Forge Capital Partners, LLC (herein after “Forge”) to develop 215 E. Daniel Morgan Avenue; and

WHEREAS, in anticipation of the conveyance of both of the above noted parcels, it is the desire of City and Forge to combine those plats into one single plat.

NOW, THEREFORE, BE IT RESOLVED By the Mayor and Members of City Council of the City of Spartanburg, South Carolina, in Council assembled:

SECTION 1: The City Manager shall have the authority to execute the necessary documents to recombine the above noted plats in a form acceptable to the Spartanburg County Register of Deeds.

SECTION 2: This Resolution shall become effective upon the date of enactment.

DONE AND RATIFIED this 9th day of September, 2019.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney



REQUEST FOR CITY COUNCIL ACTION

TO: Chris Story, City Manager
FROM: Mitch Kennedy, Assistant City Manager
SUBJECT: Spartanburg Housing Authority Board - Reappointments
DATE: September 5, 2019,

BACKGROUND:

The Spartanburg Housing Authority (SHA) currently has two board members (Matthew Myers and Ralph Settle) eligible and willing to serve another term on the board. City Staff and SHA Staff recommend the two reappointments as they begin their new fiscal year, and to align with the recent appointment of the new Chief Executive Officer, Shaunte Evans. Staff thinks it will be beneficial to the incoming CEO to have continuity on the board during the transition. Mr. Myers and Mr. Settle bring valuable real estate development and finance knowledge to the effort, and both are committed to the important mission of SHA.

Two additional seats must be filled, but will be addressed at a later date. One of the seats must be filled by a Housing Authority Resident, and the SHA Staff must await a nomination from their Residents Council. A candidate for the second seat must be identified.

ACTION REQUESTED: Reappointments of Matthew Myers and Ralph Settle to the Spartanburg Housing Authority Board

BUDGET AND FINANCIAL DATA: NA