

**MINUTES OF THE
FOREST ACRES SPECIAL CITY COUNCIL MEETING
JANUARY 25, 2012**

All members of City Council (Mayor Frank Brunson, Council members Ginger Dukes, Charles Fetner, Curt Rye, Jr. and Shell Suber, Jr.) were present, as were City Administrator Mark Williams, Assistant City Administrator Jake Broome, Finance Director Bob Massa, Chief Gene Sealy, and City Attorney Lee Holloway.

Mayor Brunson called the Special Meeting of City Council to Order at 5:10 p.m.

The invocation was given by Mr. Fetner who then led the Pledge of Allegiance.

CONSIDERATION OF HOSPITALITY TAX APPLICATIONS

1. Discussion of Hospitality Tax and applications received January 1-15, 2012

Mayor Brunson stated that the special meeting was to discuss policies in the use of Hospitality Tax funds and consideration of applications for funding to qualified applicants. Ms. Dukes recommended that Council recap for the audience who had been funded during the last application cycle and who has asked for funding in the current round.

On a report prepared by Finance Director Bob Massa all but four applicants had been approved in July 2011. Administrator Williams clarified that the Hospitality Tax budget is established on the city's fiscal year and that allocations approved in July 2011 were based on projected fiscal year revenue of \$750,000. At six months into the fiscal year the projected revenue appears to have been accurate. In July 2011 Council approved funding for the Cultural Council of Richland/Lexington counties, the Columbia Children's Theatre, Historic Columbia Foundation, FARMA—Rooftop Rhythms, and Columbia City Ballet. A promotion budget for a Parade of Homes in Forest Acres was discussed and Council reserved a \$90,000, subject to a second look in the current round of consideration.

Mayor Brunson noted that due to such a large pool of applicants and a limited amount of funds in July 2011, several applicants were funded at half the amount of their requests and these applicants were encouraged to reapply during the January 2012 application cycle. Mr. Williams confirmed Mayor Brunson's statement and gave the example of Columbia City Ballet who had applied for \$30,000 last July but was approved at \$15,000.

Ms. Dukes reminded Council of \$150,000 that had been contributed to a project of the South Carolina State museum and asked about the status of the project and the city's funding. She said that as far as she knew the museum has not begun the project and wanted to know what had become of the city's award. Mr. Williams explained that the start of the project had been delayed but that the funds are still being held by the museum for that purpose. Ms. Dukes asked that Council be provided with updated information on the status of this project. Mr. Williams said he would contact the museum.

Mr. Rye expressed concern that of the projected \$750,000 in Hospitality Tax revenue that Council has already pledged \$539,620 and if there is a shortfall in revenue for any reason during the balance of the fiscal year the city would not be able to meet prior commitments without drawing upon reserves.

Administrator Williams said that if the applications are for activities that Council finds have merit then the question is how far into reserves does Council want to go to fund some or all of the large scale projects.

Ms. Dukes stated that there needs to be a motion on record that the city will not fund any new applications because there has been a moratorium in effect for the last two years on accepting such for consideration. Mr. Rye made a motion not to accept or consider any new applications until further notice in order to protect the current moratorium.

Ms. Dukes further stated that she any of the applications on hand should be considered until another meeting next month after Mr. Massa prepares another spreadsheet showing the full amount in the Hospitality Tax fund and all amounts previously obligated. Ms. Dukes seconded Mr. Rye's motion. The motion was unanimously passed. Mr. Williams reminded Council that any monies spent over the projected amount of \$750,000 would have to come out of reserves.

Ms. Dukes said that those in attendance present to support their applications should be given an opportunity to address the Council, even if no decisions would be made on funding. Mayor Brunson asked representatives present to identify themselves. Earl McLeod, Executive Director of the Greater Columbia Homebuilders Association and members of the Columbia City Ballet identified themselves.

Columbia City Ballet members recognized the dancers who actually reside in Forest Acres. They stated that previously granted HTAX funds had been used primarily for marketing. Columbia City Ballet representative thanked Forest Acres for their time and money and they do recognize Forest Acres throughout their season during performances and appearances as a supporter of their program.

Earl McLeod then addressed Council saying he was pleased to announce that a GCHBA sponsored Parade of Homes is coming to Olde Park Subdivision in Forest Acres from November 3-18, 2012 and is projected to bring in 25-30,000 visitors to Forest Acres. Event promotional materials will list Forest Acres restaurants, some of whom may also participate in the event. McLeod said that three homes are already committed to the project and with one more about to commit, although they are hoping to have no less than five or six homes in the Parade. The commitment of the HTAX funds for promotion would increase the likelihood that other builders will commit to the Parade.

Mayor Brunson said that the city has already pledged funds to the Parade of Homes. Mr. Rye called for a motion to confirm the previously committed \$90k to the project based on their being a minimum of four homes and GCHBA participation. Ms. Dukes seconded the motion and the motion carried with "no" votes of Mr. Fetner and Mr. Suber.

Council postponed any further action on applications of The Columbia City Ballet, EdVenture Children's Museum, and Anderson Racing, anticipating additional discussion at the next City Council meeting. Ms. Dukes made a motion to defer the three applications to the next meeting. Mr. Rye suggested a special meeting to be scheduled.

Most of the audience departed the meeting at this point.

Mr. Massa said that for the next meeting he will

add to the report the grants approved from August 2011 which are in the current fiscal year budget, the amounts of the three deferred projects, the reserve balance, and how the balances will be effected.

Ms. Dukes asked that a letter be sent to the previously approved grants requesting a report of how the grant money they were given was spent. Council anticipated discussing more about Hospitality Tax policies and grant making when it will meets for a Council retreat following the February meeting.

2. Approval of First Citizens lease/purchase proposal:

Administrator Williams said that Council had consented at a previous meeting to a lease/purchase for capital equipment and he asked to review with Council specific proposals from South Carolina Bank and Trust, BB&T, and First Citizens. SCBT's rate for the four years of financing is 2.20%; BB&T's rate is 1.69% ; and First Citizen's quoted a rate of 1.25%. Mr. Fetner made a motion to go proceed with the lease/ purchase through First Citizen's Bank. Mr. Rye seconded the motion. Council unanimously approved the proposal.

3. First Reading, AN ORDINANCE FOR THE CITY OF FOREST ACRES, STATE OF SOUTH CAROLINA, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF FOREST ACRES, BE AMENDED BY REVISING SECTION 21.4.2 (ZONING MAP) OF SAID CODE; PROVIDING AN AMENDMENT TO THE CITY ZONING MAP AND (2) PROVIDING FOR A CHANGE IN THE DISTRICT ZONING BOUNDARIES FOR RICHLAND MALL.

Administrator Williams stated that the advantage of giving this ordinance a first reading would allow the city to begin relying upon its policies under the "pending ordinance doctrine" for zoning regulations. Doing so Williams said would allow the management of Richland Mall to begin relying on the ordinance without having to wait up to an additional 120 days on completion of its formal enactment. The Planning Commission will have to approve the ordinance and recommend it back to Council for a final reading. Mr. Fetner made a motion to approve the first reading; seconded by Mr. Rye. The motion passed unanimously.

4. Mayor's Issue(s):

Mayor Brunson asked Chief Sealy if after the purchase of the approved new police cruisers a couple of the older police cruisers that are in decent working condition could be used as decoys within the city to maintain a presence of law. Mr. Rye agreed with Mayor Brunson.

5. Adjourn

Mayor Brunson called for a motion to meet approximately 30 minutes early in February to vote on the current applications for HTAX applications. The motion was seconded by Mr. Rye. The motion was passed unanimously. Mayor Brunson called for a motion to adjourn. Mr. Rye seconded the motion and the Special Council meeting adjourned at 6:45 p.m.

Respectfully Submitted,

Maria Queen
Administrative Assistant
City of Forest Acres