

CITY COUNCIL

6:00 p.m., Tuesday, May 23, 2017

The regular meeting of City Council was held at 6:00 p.m., Tuesday, May 23, 2017 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Carroll, Ferencz, Kinghorn, Rice and Ward, Mayor Cronin, Mayor ProTem Harrington, Administrator Tucker, Attorney Halversen, Assistant Administrator Fragoso and City Clerk Copeland; a quorum was present to conduct business.

1. Mayor Cronin called the meeting to order and acknowledged that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act. Following a brief invocation and the Pledge of Allegiance, Clerk Copeland called the roll.

2. Reading of the Journals of Previous Meeting

Mayor Cronin stated that "the Director" mentioned in the last paragraph on page 12 of the minutes refers to Director Pitts.

Additionally, Councilmember Rice pointed out that on page 3, the speaker should be Mary Stone, not Mary Spann.

MOTION: Mayor Cronin moved to approve the minutes of the regular meeting of April 25, 2017 as corrected; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. Citizens Comments

Consideration of a request for City-sponsored event status for Contra Agency to film Visit Charleston, an episode of VisitTheUSA.com at The Windjammer from 7:00 a.m. – 11:00 a.m. on Friday, May 26th

Doug Warner from the Charleston Visitors Bureau (CVB) represented the Contra Agency; he explained that the British Broadcast Company (BBC) will be doing a series from September through December 2017 focusing on music in the United States. One (1) of the featured artists will be Charleston's Darius Rucker, and, since he got his start at The Windjammer, they want to film there and on the beach. They want to film on Friday, May 26th at The Windjammer beginning at 7:00 a.m., to film on the public beach area from 8:30 a.m. to 9:30 a.m., which would also include a small camera drone to get aerial shots of the beach, and to wind up around 11:00 a.m. The show will be aired on all BBC worldwide news channels from September through December.

Mayor Cronin asked if the company was aware of the City's requirements, particularly referring to liability insurance.

Administrator Tucker voiced her concern that, since the activities would be the Friday of a holiday weekend, the island, as a whole, would be very crowded and that the drone operator would need to be extremely careful despite the early hour of the work.

According to Mr. Warner, the crew would be made up of the producer and assistant, camera man, sound man, Mr. Warner and Mr. Rucker.

MOTION: Mayor ProTem Harrington moved to approve the filming at The Windjammer and on the beach for an episode of VisitTheUSA.com as a City-sponsored event; Councilmember Bettelli seconded.

Due to the short notice, Councilmember Carroll asked when the CVB was notified of the filming, and Mr. Warner responded that an employee of Coastal South Carolina was in London about three (3) weeks ago and met with the BBC. The BBC indicated their interest in filming in Charleston, but the CVB did not actually get the details and dates until the end of last week.

VOTE: The motion PASSED UNANIMOUSLY.

Don Thompson, a resident of Goat Island, stated that access to the island was becoming more and more restrictive, and he was hoping that City Council could assist the residents in solving the problem. He said it was not a problem that the residents anticipated many years ago when they moved to Goat Island; full-time residential homes total between sixteen and twenty (16-20) and house approximately forty (40) residents. According to Mr. Thompson, residents of Goat Island have different arrangements for their cars; many park at the marina, others park at Breach Inlet, but all have arrangements for their cars that have been in place for a long time. Some things they could do to alleviate the parking problem include arranging elective trips at times when parking on the Isle of Palms was not restricted, carpooling, Uber-ing/walking, biking when possible, planning parties and gatherings when parking was not restricted, arranging for guests to be picked up from a remote parking area, limiting the number of trips made, etc. The people who manage short-term rentals could inform their renters about the parking problems and then pursue any of the measures that have been mentioned for residents. In his opinion, Goat Island would never have more than thirty-three (33) residential, full-time residences. Mr. Thompson asked for Council to consider a way to accommodate parking for the sixteen to twenty (16-20) cars linked to its full-time residents.

Mayor Cronin asked Mr. Thompson to provide his name, address and phone number to the Clerk for future communications.

Andy Hunt, 3305 Cameron Boulevard, reported that he telephoned all Councilmembers the prior evening and that they had all listened to his situation and his plea for a solution. He offered his reasoning for a change to the short-term rental license and asked, if Council could not effect a change in the ordinance, that he be granted the ability to honor the obligations he has for this summer to his clients. The outline for Mr. Hunt's comments are attached to the historical record of the meeting.

Elizabeth Campsen, 32 Intracoastal Court, stated that she had listened to the audio recording of the May Real Property Committee where the members, the Administrator and Kirby Marshall of ATM engaged in a lengthy discussion about the marina redevelopment project; in addition, she had studied the marina tenant leases. In her comments she expressed opposition to leaving TidalWave Watersports in its current location, listed some of the issues generated by the current tenant mix at the marina, and opined on the amount of control the City has over the management of the marina. The full text of her comments is attached to the historical record of the meeting.

Phillip Smith, 8 Intracoastal Court, appealed to City Council to relocate TidalWave Watersports away from his property line that is contiguous with that business. He stated that, when the Planning Commission presented its plan for the marina redevelopment, he thought the City was moving in the right direction by relocating the watersports business to the Morgan Creek side of the marina and for their existing dock to become a passive dock. In the last couple of months, he has learned that, in an effort to reduce the costs, the Real Property Committee decided to leave the business where it is today. He said that TidalWave Watersports operates fourteen (14) jet skis within fifty feet (50 ft.) of his house, two (2) ski boats and one or two (1-2) parasail boats on the weekends from 7:00 a.m. to 7:00 p.m.; he stated that the noise created on Saturdays and Sundays has severely impacted his enjoyment of his home, dock and yard. He reported that, last year, he and his wife had decided to sell their home and to move off the island, but, ended up taking it off the market because no one was interested in having this property next to the watersports business. He decided to approach Council once again to move TidalWave away from his property before composing the language for the referendum question. He voiced his opinion that he has done everything open to him as a citizen to persuade Council that this action should be taken because it was "the right thing to do." He questioned that the twenty-two thousand dollars (\$22,000) the City receives in rent from TidalWave truly impacted the City's annual budget. Mr. Smith stated that the City had allowed the problem and that the City had allowed TidalWave to grow. He commented that his "back was against the wall," but he had to do something, and "the last thing [he] wanted to do was to take legal action against the City."

4. Reports from Standing Committees

A. Ways and Means Committee

Mayor Cronin stated that the meeting had started with a review of the changes made to the marina redevelopment plan and the revised cost estimates. The plan has two (2) elements, an upland side and a marine side; the cost of improvements to the upland side are one million nine hundred thousand dollars (\$1,900,000), and the costs to improvements to the marina side are two million one hundred thousand dollars (\$2,100,000). The upland improvements will include parking, the flow of boat traffic, greenspace, etc. while the marine side includes replacing the docks that have probably outlived their useful life and enhancements for kayaks and paddleboards. With the added costs of a ten percent (10%) contingency and ten percent (10%) for soft costs and engineering, the marina redevelopment project has a projected cost of approximately four million eight hundred thirty-eight thousand dollars (\$4,838,000). The Mayor noted that there have been no structural changes to the marina since the City acquired it in 1999. The City has used the lease payments from the tenants to pay the debt, and tourism funds have paid for maintenance type items; the point being that no taxpayer money has been spent in paying for the marina and its upkeep. The original marina debt will be paid off in another eighteen months (18 mos.); therefore, the City will have the lease income from the tenants to pay for any debt associated with the enhancement project. The City is moving toward a referendum in November for which the language and structure must be approved in August. The City submitted a four hundred fifty thousand dollar (\$450,000) application for a Boating Infrastructure Grant (BIG); unfortunately the awards for this year are being held up by the Secretary of the Interior; at this time, the City is proceeding as if it will not get this grant. In the meantime, the City plans to appeal to legislators in Washington in hopes of, at least, learning if the City is included in the number of applications that have been recommended for funding. The Ways and Means Committee did unanimously

approve the marina redevelopment plan as it was presented, noting that the plan was still subject to change and that the language for the referendum would be approved in time for the November ballot.

Councilmember Ferencz asked that the minutes reflect that the inclusion of “the plans being subject to change” was based on discussions on the location of TidalWave Watersports.

The Mayor commented that any change would come as a recommendation from the Real Property Committee. He added that Council would hold public meetings on the marina project after the summer season.

In reviewing the financial statement through ten (10) months of the fiscal year, General Fund expenditures were at seventy-eight percent (78%) of budget and General Fund revenues were one hundred three percent (103%) budget for the same period in FY16. Property Tax Revenue was up three percent (3%) from FY16, and the Treasurer believes that the FY17 budget will be met. The City received sixty-nine thousand dollars (\$69,000) as reimbursement from FEMA for Hurricane Matthew that is reflected in the April financial statements; in addition, in May, the City received one hundred seventeen thousand dollars (\$117,000) for expenses incurred as a result of Hurricane Matthew for the engineered berm on the beach. Based on the decision by the state, the City will receive all or a piece of the twenty-five percent (25%) local match from the state. Cash balance in the General Fund was approximately two hundred thousand dollars (\$200,000) greater than the same time a year ago, and total cash was approximately two million dollars (\$2,000,000) ahead of last year, excluding the five million dollar (\$5,000,000) of stakeholders' money the City is holding. The increases can be attributed to tourism funds and the increase to Capital Projects fund from the reserves the City has been building over several year to use for the replacement of capital assets.

1. Consideration of participation in the Clean Energy Collective/SCE&G Community Solar

Mayor Cronin stated that, in this program, the City would pay an annual fee of approximately two thousand dollars (\$2,000) and receive approximately thirteen thousand dollars (\$13,000) in total credits for the City's annual electricity usage. The program is open only to schools, churches and municipalities at this time; the program will be available to individual households in the future.

MOTION: Councilmember Ward moved for the City to participate in the Clean Energy Collective; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

2. Consideration of FY18 Charleston Transportation Committee (CTC) requests

MOTION: Mayor Cronin moved to request intersection improvements at the foot of the Connector at Palm Boulevard as Priority One and the completion of regulation bike paths from 21st to 57th Avenues as Priority Two; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. **Approval of \$3,000 overage and award of a contract in the amount of \$30,998, state contract pricing, to Benson Ford for 1 Ford 4x4 extended cab truck for Public Works** (FY17 Budget, pg. 25, Hospitality Tax Fund/Capital Purchases, line 191 - \$28,000)

MOTION: Mayor Cronin moved to award a contract to Benson Ford as detailed above; Councilmember Bettelli seconded and the motion **PASSED UNANIMOUSLY**.

4. **Award of a contract to The Greenery for \$72,000 for City-wide landscaping and gardening services**

MOTION: Councilmember Bettelli moved to award a contract in the amount of \$72,000 to The Greenery for City-wide landscaping and gardening; Councilmember Rice seconded and the motion **PASSED UNANIMOUSLY**.

5. **Approval of a sponsorship in the amount of \$7,500 from ATAX funds for the 2017 Turtle Trek to be held at dusk on Saturday, September 23rd**

Mayor Cronin stated that 2017 would be the second year for the event and that he has been told that the inaugural event was a big success.

MOTION: Mayor ProTem Harrington moved to award ATAX funds in the amount of \$7,500 for a sponsorship for the 2017 Turtle Trek; Councilmember Bergwerf seconded and the motion **PASSED UNANIMOUSLY**.

6. **Report in accordance with Chapter 120, Purchasing, §1-10-3(c)**

- a. **Recommendation for approval for Motorola as a sole source for radios, chargers, parts and service with a cumulative expense greater than \$10,000 in a year**

MOTION: Mayor Cronin moved to approve Motorola as a sole source for Motorola radios, chargers, parts and service; Councilmember Bettelli seconded and the motion **PASSED UNANIMOUSLY**.

- b. **Recommendation for sole source for Safe Industries for fire turnout gear with cumulative expense greater than \$10,000 a year**

MOTION: Mayor Cronin moved to approve Safe Industries as a sole source for fire turnout gear; Councilmember Bettelli seconded and the motion **PASSED UNANIMOUSLY**.

The Mayor reported that the last item to be discussed by the Ways and Means Committee was a recommendation from the ATAX Committee for a two-year (2 yr.) commitment totaling fifty-five thousand dollars (\$55,000) for the publication of an IOP magazine. The Committee took no action but chose to ask the CVB to support the magazine with some of the money the City sends to them each year.

The next Ways and Means Committee meeting will be at 5:00 p.m., Tuesday, June 20th.

Mayor Cronin held up the cover sheet of the financial data compiled by the Treasurer for the Ways and Means Committee meeting; he commented that it was an excellent tool in that it provided a thumbnail sketch of the City's financial health each month. He stated that he would like to see some type of graph or schedule for other departments in the City that would be statistically driven.

B. Public Safety Committee

Reporting from the meeting of May 8th, Councilmember Bettelli noted that Jennie and Scott Pearce of 4-9th Avenue addressed the Committee about the parking issues on their street, specifically the haphazard parking on 9th Avenue that has made the street dangerous for pedestrians and vehicles. The issues they brought forward will be included in Council's after-action review of the parking plan for 2017. On the subject of encroachments in the right-of-way, Chief Buckhannon reported that officers continue to work with the owners on the north end of the island as well as a couple on the south end. Since the tourist season appears to have already started, some residents will be working with Director Kerr while patrol officers work to manage parking and to monitor other situations of the island. The City is in various stages of progress as they work to get overgrown lots cleared. The City's policy today is to put the portable crosswalk signs out early in the morning and to remove them in the evening during the busy season. The City has received some citizens' advocacy to leave the signs out year-round; that request was accompanied with the request to have more crossings on Palm Boulevard. Having reached out to SCDOT, Chief Buckhannon reported that the City has gotten permits to have five (5) of the portable signs and is allowed to utilize them on weekends and holidays. Depending on the day of the week on which a holiday falls, the crosswalk signs might be out for a week, for example, the week of July 4th. SCDOT would deny the City's permanently attaching the pedestrian crosswalks to the roadway because they would damage the road surface. The Administrator commented that several local governments in the area use a service called CodeRED to notify their residents of important messages or emergency announcements. Chief Graham added that, if this service was automatic, she thought it would be a good thing, but, if someone had to sign up for the service, the same could be accomplished with Charleston County's Everbridge program that disseminates news to the public that enrolls. A link to the Everbridge site is on the City's website. Since Sullivan's Island uses the CodeRED service, Councilmember Carroll asked that City staff investigate how they use it and if they thought it was worthwhile. The Committee discussed CTC requests and selected the projects voted on earlier. Also discussed was the installation of kiosks at Breach Inlet; Chief Buckhannon reported talking with a senior engineer with SCDOT who said that as long as the property was under SCDOT control, it would remain a public parking lot and they would not allow parking kiosks to be installed. The Chief was also told that, if the City wanted to assume control of the lot with the accompanying maintenance and upkeep, it could do whatever it wanted with the space. From the monthly report, Battalion Chief Smith reported that fire personnel responded to a lightning strike on Back Bay Drive on April 3, and no active fire was found. On April 13th, personnel rescued a dog trapped on a small island in the Intracoastal Waterway near the Connector, and, on April 24th, a crew rescued three (3) individuals stranded on Capers Island in a deflated raft. Fire personnel responded to a total of one hundred four (104) calls; of that number, forty-four (44) were EMS calls. The fire inspector inspected twelve (12) public occupancy structures and found twenty-eight (28) code violations. Vehicle maintenance was high for the month; the radiator replacement on Engine 1001 cost nearly ninety-two hundred

dollars (\$9,200) and the water pipe rebuild and leak testing were approximately twenty-one hundred dollars (\$2,100).

In the Police Department report, Chief Buckhannon stated that, on Saturday, April 8th, officers were called to a residence on 31st Avenue for a noise violation, but, when they arrived, they found a large group of individuals who were underage and drinking alcoholic beverages. Officers arrested nineteen (19) individuals for underage possession, one (1) subject was charged with hindering and resisting arrest and one (1) subject was charged with transfer of beer to a minor and violation of the noise ordinance. The Chief recognized Administrative Assistant Tracy Waldron for her hard work and dedication to ensure a successful audit for the National Crime Information Center (NCIC)/Criminal Justice Information System (CJIS) with South Carolina Law Enforcement Division (SLED) and the Federal Bureau of Investigation (FBI). Communication specialists answered a total of three thousand nine hundred eighty-four calls (3,984); of the total, two thousand eight hundred seven (2,807) were for the IOP Police Department. Officers made a total of one hundred sixty-seven (167) traffic stops and issued thirty-three (33) tickets in the process. Officers made fifty-eight (58) arrests, and the majority of them were for underage possession of alcohol. The Police Department received nineteen (19) noise complaints and four (4) citations were issued.

The next meeting of the Public Safety Committee will be at 2:00 p.m., Monday, June 5th.

C. Public Works Committee

From the meeting of May 3rd, Councilmember Ferencz reported that Ann Mahon of Wills Way thanked the Committee for assistance in getting the overgrown lots at 30th and Wills Way cleared. From Director Pitts report, debris collections were up, and, although the Department was down two (2) drivers, the Director has been able to avoid Saturday work. Vehicle maintenance was up as expected due to the purchase of tires for the IT14G, but the Director was confident that the Department would end the year at or below budget. Director Pitts reported that the highlights for the month were that Eadie's had completed the cleaning of the scheduled ditches/drop inlets in accordance with the maintenance plan and that the City's annual Hazardous Waste/Shred Day was successfully held on April 22nd. Administrator Tucker reported that the NPDES project was underway, but Hitt Construction was behind schedule. The City anticipates getting a Change Order in the amount of approximately ten thousand dollars (\$10,000) because the contractor found that they cannot re-use some of the existing materials as they had planned. Twice a week garbage and weekly recycling will begin on Monday, June 5th. Since the Personnel Committee did not meet in May, the Committee wanted to learn the status of filling the two (2) vacancies in the Public Works Department. Assistant Fragozo stated that she had recently attended a seminar where CDL drivers were discussed; an insurance study from across the state indicated that PW Departments may well face a hiring crisis in five (5) years. CDL drivers are in high demand, but none want to drive garbage trucks; seminar attendees were told that municipalities may be required to turn to hiring incentives in the future. The resurfacing of Palm Boulevard still needs some painting around raised islands and striping in order to be complete; the painting will be done after hours. On the subject of the multi-use path on Waterway Boulevard, Director Pitts indicated that, if possible, Public Works personnel would address the vegetative encroachments at the end of the week and that the area of concern was between 25th and 33rd Avenue. The Committee discussed project requests for FY18 CTC funds and arrived at the same conclusion as the Public

Safety Committee; the final decision was made earlier in the meeting. Administrator Tucker reported that the island's recycle collections go to the Horry County Landfill where there is a recycling plant; Charleston County will not have its facility up and running for another year.

Councilmember Ferencz stated that, once the multi-use path on Waterway has been cleared, she would like to see resident involvement in maintaining it, possibly an adopt-a-block program.

Councilmember Bettelli thought that such a program was a good idea and asked that it be expanded to include the islands on Hartnett and Forest Trail.

The next Public Safety Committee meeting will be at 11:00 a.m., Wednesday, June 7th.

D. Recreation Committee

The Recreation Committee did not meet in May, but Councilmember Rice announced that the Piccolo Spoleto Sand Sculpting Contest would be held at 9:00 a.m., Saturday, June 3rd and the IOP Beach Run will be on Saturday, July 15th.

E. Personnel Committee

The Personnel Committee also did not meet in May. Mayor ProTem Harrington stated that employee positions open in the Police Department were for five (5) Beach Services Officers, one (1) part-time Animal Control Officer and one (1) Communications Specialist; the Building Department needed to fill one (1) Business License Clerk position now and was expecting to need a second in August. Safety Sweepstakes winner for April were Aaron Sweet from the Recreation Department, Chris Puckhaber from the Fire Department, Sgt. Matt Storen from the Police Department and Willie Powell from the Public Works Department.

F. Real Property Committee

At the May 8th meeting, Councilmember Bergwerf stated that, she, as Chair, reported that Committee members were in possession of a letter from Councilmember Kinghorn asking that the Committee consider boondocking in the municipal parking lot in the off-season as a source of additional revenue for the City. Carla Pope, Operations Manager for Morgan Creek Grill (MCG), reported that, on the advice of Council, a new lease amendment proposal would be presented at the June meeting. She also reported that the storm drain to eliminate standing water under the restaurant has been completed and that they plan to have shuttle service operational by the Memorial Day weekend to transport their employees from off-site parking to and from the restaurant. A lengthy discussion of the marina redevelopment plan took place with Kirby Marshall of ATM in attendance; the results of that discussion were presented earlier in the meeting. The Committee was tasked with reducing the costs of the project as proposed, and the cost went from six point four million dollars (\$6,400,000) to under five million dollars (\$5,000,000). At the June meeting the Committee will consider Mr. Smith's request. Administrator Tucker noted that the language used in the referendum should note borrowing in the amount of five million five hundred fifty thousand dollars (\$5,550,000) that would include the dredging project; she said the language might be about borrowing but an amount greater than the cost of the marina redevelopment project itself would be requested. Administrator Tucker pointed out that the original marina debt

has not only been paid off by tenant rents but also tourism funds and the City would be looking to do that again. Administrator Tucker reiterated that, in order for the referendum to be on the November ballot, the language of the referendum question must be submitted to the Charleston County Board of Elections in August. The Committee continues to work on new beach access signs; they decided that they preferred to work with a local vendor and, since the tourist season appears to have already begun, to delay the purchase and installation of the signs until the season ends assuming the vendor will hold the quoted price that long. Councilmember Bergwerf reported that the public restrooms were back in service and that the inside has a fresh coat of paint and a new floor coating, as well as new fixtures and mirrors; the balance of work to provide for better ventilation and new stall doors will take place after the season. In conclusion, the Committee discussed suggestions by which to generate revenue for the City in the off-season; the Committee generally agreed that boat storage in the municipal lot in the off-season might be a viable alternative, and more research would be done before the June meeting. The suggestion to extend the time that the parking kiosks would be operational will be discussed at the next meeting.

The next Real Property Committee meeting has been scheduled for 9:30 a.m., Monday, June 12th in the Conference Room.

Commenting on boat storage versus boondocking in the municipal parking lot in the off-season, Councilmember Kinghorn explained that the primary purpose of his suggestion was to generate revenue and an opportunity for the island's businesses; boat storage would not accomplish that. If the City were to have people coming through, the opportunity for them to visit the island's shops and eat in local restaurants would be available; and the opportunity would also exist, that, once they have visited the island, they might come back to rent a condo or house or even buy a home. He asked that the Committee look at smart utilization; utilization that would add value as opposed to something that was dormant.

When so many residents had attended the Council meeting to voice their opposition to boondocking, Councilmember Carroll thought the subject was dead.

Councilmember Kinghorn countered that Council did not have an opportunity to address the residents' issues at that meeting and that, the prior week at the Ways and Means Committee meeting, the idea of a test case for one (1) season was embraced by a majority of Council to determine the viability of it. In his opinion, a test case would resolve the bulk of the issues raised by residents.

Councilmember Ferencz asked for an answer to a procedural inquiry – if a motion was made at Council or a motion was made that received no second, could any member of Council then send a letter to a Committee asking that the item be placed on their agenda for further discussion.

Administrator Tucker explained that, on the subject in question, a motion was made that was not seconded at Ways and Means, and the subject of the letter was not placed on the Committee's agenda for discussion.

Attorney Halversen stated that the subject of any motion can come back up to Council at any time.

Assistant Administrator Fragoso stated that the item on the agenda for the Real Property Committee was “Consideration of suggestions for use of City property to generate revenue in the off-season.”

Referencing the cost reductions for the marina redevelopment, Councilmember Ferencz noted that the marine elements started at three million dollars (\$3,000,000) and showed reductions or deferrals of eight hundred thousand dollars (\$800,000); she wanted Councilmembers and the residents to know that six hundred fifty thousand dollars (\$650,000) of the reductions were for dredging – which the City must do regardless of the marina redevelopment project.

The Mayor pointed out that the dredging should not be considered a part of the enhancement of the marina.

When Councilmember Ferencz pointed out that the docks were also going to be replaced as part of the redevelopment project and that replacement, like dredging, would also take place with or without the project, the Mayor explained that the docks were not only going to be replaced but were to be reconfigured to improve the functionality of the marina.

Since the City’s prospects for getting the BIG grant for the project appear to have dimmed, Councilmember Ferencz noted that the dock space dedicated to transient boaters could be re-allocated for use by residents.

5. Reports from City Officers, Boards and Commissions

- A. Accommodations Tax Advisory Committee** – minutes attached
- B. Board of Zoning Appeals** – no meeting in May
- C. Planning Commission** – minutes attached

Councilmember Ward stated that the Board of Zoning Appeals (BOZA) played a quasi-judicial role for the City, which also means they are completely “hands-off” for Councilmembers. On the other hand, he understood that Council could discuss the matters that go before the Planning Commission. The Councilmember then asked what the Planning Commission’s recommendation had been on Mr. Hunt’s situation.

Mayor Cronin responded that the Planning Commission had unanimously decided not to recommend any modifications to the zoning ordinances to accommodate Mr. Hunt.

MOTION: Councilmember Ward then moved to give Mr. Hunt a one (1) year variance to operate under his short-term rental license.

When Mayor Cronin informed Councilmember Ward that Council could not do what he was asking, the Councilmember asked for Council to refer the situation to the Board of Zoning Appeals, and he was told that only the applicant, Mr. Hunt, could appeal to BOZA.

Mayor Cronin explained that the short-term rental license issued by the City was for the address, not the owner and was not for a portion of the house at that address; the problem for Mr. Hunt is the zoning of his property.

Councilmember Ward then stated that Council needed to look at the zoning ordinance.

The Mayor commented that Mr. Hunt's issue is an AirBnB problem all over the country that remains unsolved.

Referencing the ATAX FY18 budget, Councilmember Ferencz stated that expenditures are eighty percent (80%) higher than in FY17; she indicated she has reviewed the state ATAX regulations and thought that they clearly stated that ATAX funds could not be used to pay off existing debt. The City has used and continues to use ATAX funds to pay off the marina debt.

The Administrator stated that the City had gotten permission from the state to use its ATAX funds in that way.

The Councilmember continued that the only way she thought the City would be allowed to use its funds like that would be if the marina was considered a tourist attraction and that, since the City purchased the marina for the residents, it should not be thought of in that manner. She voiced concern that the City was putting itself in jeopardy in any review of the City's ATAX Fund uses since the City plans to spend nearly two million dollars of ATAX funds in FY18.

Councilmember Ferencz indicated that she understood that the City was spending money in FY18 that it has accumulated over multiple years to make purchases of capital assets, but, the City also was informed of the need for a maintenance budget for existing City properties that was not anticipated. Although funds were found to fund the maintenance issues, in her opinion, nothing was done to reduce the budget to cover the one point six million dollars (\$1,600,000) the building maintenance demanded. She recalled saying in March that Council should adopt the budget as presented at that time because it would not change, but it did change in that it increased by a million dollars (\$1,000,000) with Council taking no action to absorb it with reductions elsewhere. She indicated that she wanted to know that the City was closely adhering to the ATAX regulations because she does not interpret the City's use of ATAX funds to pay off the marina debt as "putting heads in beds."

Councilmember Rice pointed out that a local government can only hold its ATAX collections for two years (2 yrs.); the Mayor added that the Isle of Palms is one (1) of the few municipalities that does not spend all of the ATAX funds it receives every year.

Administrator Tucker stated that her appointment by the Governor to the Tourism Expenditure Review Committee does not give the City any pass on how it spends ATAX funds; the City's expenditures are scrutinized annually by that Committee whether she serves on it or not. The individual expenditure reports are divided up between the members of the Committee, and someone else does the review of the City's expenditures.

- 6. Reports from Special or Joint Conferences – None**
- 7. Petitions Received, Referred or Disposed of – None**
- 8. Bills Already in Possession of Council**

Second Reading of Ordinance 2017-04 – An ordinance to Raise Revenue and Adopt a Budget for the City of Isle of Palms, South Carolina, for the Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018

MOTION: Mayor Cronin moved to waive the reading and to adopt Ordinance 2017-04; Councilmember Bettelli seconded.

As Vice Chair of the Ways and Means Committee, Councilmember Kinghorn stated that he would oppose the FY18 budget. After praising staff for their “dedicated” work in the budget preparation, he stated that he was disappointed that Council did not include more innovative elements and policies in the budget. He noted Council’s lack of meaningful reform to help streamline and make the City’s government more efficient. He noted that the budget did not include much needed alternative non-property tax revenue; he observed that, without creating alternative revenue, Council was essentially deferring a future property tax increase that most residents would not want to contemplate. In conclusion, he strongly encouraged Councilmembers to seriously consider and support greater innovations, reform and alternative revenue resources in next year’s budget process.

VOTE: The motion PASSED on as vote of 5 to 4 with Councilmembers Carroll, Ferencz, Kinghorn and Ward casting dissenting votes.

9. Introduction of New Bills, Resolutions and Proclamations

Workplace Safety Resolution

MOTION: Mayor Cronin moved to suspend the reading and to approve the resolution; Councilmember Bettelli seconded.

Councilmember Ferencz cited the resolution as stating the following:

“Each department head director will be responsible for the safety and health of the employees in their department, as well as the required maintenance of facilities and equipment in their area of responsibility.”

Councilmember Bettelli stated that he interpreted the statement to pertain to employees’ safety.

VOTE: The motion PASSED UNANIMOUSLY.

10. Miscellaneous Business

Next Meeting Date: 6:00 p.m., Tuesday, June 20, 2017

11. Adjournment

MOTION: Councilmember Kinghorn moved to adjourn the meeting at 7:45 p.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted: Marie Copeland, City Clerk