



Mayor
Elise Partin

Mayor Pro-Tem
Tim James

Council Members
Phil Carter
Hunter Sox
Byron Thomas

City Manager
Tracy Hegler

Deputy City Manager
Jim Crosland
Assistant City Manager
Michael Conley

**City of Cayce
Regular Council Meeting
Wednesday, January 17, 2024**

The January 17, 2024, Regular Council Meeting was held this evening at 5:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Mayor Pro Tem Tim James and Council Members Phil Carter, Hunter Sox and Byron Thomas. City Manager Tracy Hegler, Deputy City Manager Jim Crosland, Assistant City Manager Michael Conley, Police Chief Chris Cowan, Fire Chief Steven Bullard, Finance Director Kelly McMullen, Human Resources Director Lynn Dooley, Utility Director Betsy Catchings and Administrative Coordinator Amanda Rowan were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Rowan confirmed they were notified.

Call to Order

Mayor Partin called the meeting to order and Council Member Sox gave the invocation. Mayor Partin led the assembly in the Pledge of Allegiance.

Approval of Minutes

Mayor Pro Tem James made a motion to approve the December 5, 2023 Regular Council Meeting minutes as written. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

Public Comment Regarding Items on the Agenda

Mr. Mike Pazery - Items IV. A. and IV. B. Mr. Pazery stated that he lived in District 2 and was glad to have Council Member Thomas represent him and his district. He stated that there was some confusion in the community regarding the presentation by the Housing Authority Executive Director and then following that discussion on 800 Lexington Avenue. He stated that he had a neighbor tell him the City was getting ready to put public housing in that area. He stated that a lot of people really got worried until someone contacted Council Member Sox who clarified what the actual issues being discussed were.

Presentations

- A. Presentation by Columbia Housing Authority Executive Director Ms. Yvonda Bean

Ms. Bean stated that it was an absolute pleasure to stand before Council. She stated that Ms. Cindy Herrera, a member of the development team at Columbia Housing

Authority, would be speaking as well. She stated that recently the Cayce Housing Authority updated their by-laws since that had not been done in over 40 years and they were quite outdated. Ms. Bean stated that the Cayce Housing Authority formed a by-laws subcommittee to review the bylaws, along with Council, to ensure that they aligned with State statute. She stated that there were some very minor updates made to the by-laws to ensure that they aligned with City regulations as well in terms of attendance, etc.

Ms. Bean stated that there was some transition occurring with the Columbia Housing Authority housing in Cayce. She stated that they were making some changes in the space of public housing and those changes were occurring across the country and were not exclusive to the Cayce or Columbia Housing Authorities. She stated that Housing Authorities were not funded at levels that they were funded at 20-30 years ago and so they were forced to be more creative as it related to how they addressed the deferred maintenance needs that existed. Ms. Bean stated that there was over a \$70 billion backlog that existed across the country for public housing properties. She stated that the inventory was aged and the resources just were not there to be able to renovate and address those maintenance concerns as quickly and as often as they would like to. She stated that HUD had created some tools that allowed Housing Authorities to do things a little bit differently to position themselves to provide quality, affordable housing for individuals that needed it. She stated that she was going to turn the presentation over to Ms. Herrera who led the development department within their organization.

Ms. Herrera stated that as Ms. Bean mentioned, HUD had created an inventory of tools for housing authorities to convert what was the traditional public housing to another form of subsidy that would enable them to have additional revenue and be able to address the backlog of maintenance needs. She stated that fortunately, in Cayce, they had done a great job of stewarding the federal resources and just completed a \$1.1 million renovation. She stated that even with the \$1.1 million they were only able to reach 70% of the units therefore 30% of the original 41 units that needed renovations had not received any. She stated that in order to do that they would be using one of HUD's tools that was basically for small housing authorities which was any housing authority that has less than 50 public housing units. Ms. Herrera stated that HUD allowed them to come in and basically do what was called a disposition which was disposing of those units out of the public housing program and convert them to project based rental assistance. She stated that what that did was significantly increase the housing authority's revenue to operate those 41 units. She stated that for 2024 that amount was \$382,000. She stated that by converting these units, they would be able to receive the fair market rent for the units and their annual revenue would increase to over \$700,000, which was an increase of 86%.

Ms. Hererra stated that by converting these units out of the traditional public housing program to project based vouchers increased their revenue and would allow them in the future, if needed, to be able to take on debt to address capital needs. She stated that it would not have any impact on the properties converted and they would

continue to have a 30-year recorded restriction on them for affordability and the tenants would continue to pay 30% of their income towards the rent and the Housing Authority received a subsidy for the balance from the Federal government. She stated that all they were really doing was changing the type of subsidy that those housing units currently received and to be able to renovate the additional units that were unable to be renovated with the recent renovation that they completed. Ms. Herarra stated that in doing that, the units transferred to a nonprofit affiliate that was created for the Housing Authority. She stated that they were going to use Cayce Redevelopment Authority as the nonprofit affiliate and it would serve strictly as an ownership structure for those units. She stated that the Cayce Housing Authority would continue to exist in its same form but would basically be the property management agent and continue to operate the subsidy. She stated that HUD requirements stated that one could not own the property and also administer the subsidy, so the Housing Authority was required to transfer the ownership to an affiliate. Ms. Herarra stated that the Housing Authority would not dissolve or dispose and would remain in existence. She stated that the 41 units that they currently had would remain the same but their revenue would increase by 86%. She stated that was really the driving force behind this movement.

Council Member Thomas asked how much rent a tenant currently had to pay. Ms. Herrera stated that the tenant paid 30% of their monthly income so if their income was \$900, they would pay \$300. Council Member Thomas asked what the length of a lease was. Ms. Herrera stated that the lease was for one (1) year but it was perpetual and automatically renewed unless the tenant violated the lease. Council Member Thomas asked if the tenants were required to pay two (2) months in advance. Ms. Herrera stated they were not required to pay in advance and only had to pay a \$250 security deposit. Mayor Pro Tem James asked who established the fair market rent. Ms. Herrera stated that the Federal government established the fair market rent and it was published annually on October 1 of each year by county within each state. She stated that fair market rent was what they would receive for these units moving forward. She stated that the Public Housing Program used a very antiquated formula that did not have anything to do with fair market rent.

Mayor Partin stated that she would like to ask Council if they would amend the agenda to move items IV. B. and VI. A. be discussed under Item IX. Mayor Pro Tem James made a motion to move these agenda items to be discussed under Item IX. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

Items for Discussion and Possible Approval

A. Discussion of 800 Lexington Avenue

Ms. Hegler stated that several members of Council had requested that she bring background information to Council on the history of any proposed development at 800

Lexington Avenue. She stated that in the agenda packet there was a lengthy memo that shared with Council any actions that had been brought to them or anything that had been publicly noticed dating back to 2016. She stated that it was important to understand the City's involvement in this property did date back to 2016. She stated that the City applied for a Community Development Block Grant and requested \$200,000 to fund the demolition of a portion of the school that was on that property at that time. She stated that the City was not awarded that grant. She stated that she believed the City got involved because there was a property there that had burned and become derelict and it was a blight issue. She stated that the City heard a lot about this from neighbors and residents in the area so the City wanted to get involved to deal with the blight. She stated that the City also arranged a public-private partnership with a potential developer that staff would work with moving forward.

Ms. Hegler stated that the City applying for that grant established the framework for why the City was involved. She stated that in 2017 the City continued to pursue that item and allocated TIF funding. She stated that the City designated that even though it was an area outside of the City's designated TIF, the City used tax increment financing to purchase that area which was acted on by Council to do so. She stated that in 2017 the City purchased the property for \$152,000 and involved in that was also the requirement that the seller was the owner but sold to the City a tiny portion on the southeast corner of Third Avenue and 800 Lexington Avenue that would be demolished as well. Ms. Hegler stated that included in the price to purchase the property was for the City to own it as well as the demolition of the property. She stated that since that time, new owners took over and the public private partnership left. She stated that staff had discussed several opportunities for development with those owners since that time. She stated those discussions were included in the agenda packet as information that was brought before Council. She stated there had been possible rezonings and several discussions in Executive Session about possible projects that could be done there. Ms. Hegler stated they were discussed in Executive Session since there was the potential for contractual arrangements because the City owned the corner property and might or might not have been involved in whatever happened there. She stated that discussions of that nature ended in 2022. She stated that anything that was publicly acted upon in the way of Council Meeting minutes was noted in the agenda packet. She stated that there were a few times Council and staff spoke in Executive Session about potential projects that might have involved the City contractually if the City were to help with its portion of the parcel or not.

Council Member Thomas asked if there were any plans for the City to do anything with the portion of the property that was City-owned or was it just being used as a bargaining chip with whomever was going to develop that area. Ms. Hegler stated that she really could not answer that and only knew what she saw on the application for the CDBG, which was that the City would be a part of the public part of the public-private partnership that was to develop that property for a multitude of purposes. She stated that she thought there was a plan to reuse the school on the property in some

commercial and residential aspects, possibly potential park space, and there would be a bit of mixed-use there through a public-private partnership and the City was the public part of that and that was why the City used the TIF funding at the time. She stated that arrangement changed but she did not know the reason for that.

Mayor Pro Tem James asked Ms. Hegler what the current zoning of that property allowed to be built there and what staff was hoping to be able to attract with the current zoning. Ms. Hegler stated that it was currently zoned residential, RS-3, which was a single family detached residential district that would have smaller lots than some of the larger zoning districts in the area. She stated that she could only speak to what she thought the original intention was, which was to do something of a mixed use which would have required a rezoning, or a development agreement or a planned development district that would have had a different vision for that. She stated that was not why the City got involved in it and the current Council certainly had not been involved other than some of their Executive Session discussions where a visioning conversation about what it could be took place. Ms. Hegler stated that she would hazard a guess that the original TIF thought process in the CDBG grant application was the City would be giving back to the community in a way that got rid of blight and provided something for the community as well as honored the reason for using TIF funding for it.

Ordinances

A. Discussion and Approval of Ordinance 2024-01 Amending City Code Section 2-66 Concerning Regular Meetings of Council – Second Reading

Mayor Pro Tem James made a motion to table Second Reading of this item. Council Member Thomas seconded the motion which was unanimously approved by roll call vote.

B. Discussion and Approval of Ordinance 2024-02 Granting Lumos Fiber of South Carolina, LLC a Nonexclusive Franchise for the Use of Public Streets and Public Rights-of-Way for Facilities for Telecommunications Services – Second Reading

Ms. Hegler stated that City staff was still communicating with Lumos on potential park locations and other items. She stated that staff might come to agreement with them and they were in great communication with the City but they just had not quite closed that gap. She asked that Council defer Second Reading to the next meeting.

Mayor Pro Tem James made a motion to defer Second Reading. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

City Manager's Report

Ms. Hegler stated that she did not have anything to report.

Council Comments

Council Member Thomas thanked Ms. Hegler for being proactive the prior week, allowing staff to go home to be with their families before a storm hit. He stated that he thought it was very important that the City do the best it could to take care of staff. He stated that he knew it was not an easy decision to allow City staff to go home during bad weather and thanked Ms. Hegler for making the tough call. He also thanked Officer Strum who was standing outside in the cold weather while everyone was all inside warm. He stated that lastly, he wanted to read a quote, "everybody can be great, because everybody can serve". He stated that was a quote from Dr. Martin Luther King, Jr. He stated that on Monday, everyone got to celebrate the life and legacy of a great man that without him he definitely would not be sitting there today with the rest of Council. He stated that day was about service and he did not know what other cities did but he know he was representing the City of Cayce. He stated that on next year's Martin Luther King Jr., day, he would definitely love to work towards Cayce having some service opportunity events. He stated that it did not have to be all day but there were places in Cayce, that could be served to better the community. He stated that when there were service opportunities in the City it brought residents and people outside of the City to help one another. He stated that the City had an Events Committee and other organizations that he would like for the City to partner and work together with so next year, people would know that the City did not see Dr. Martin Luther King's weekend as a free, four-day weekend but a way to work together to honor and respect that man. He stated that he really hoped the City could get that done next year.

Council Member Carter stated that recently he was discussing the challenges restaurants were having currently with their liquor license and insurance and someone suggested he eat at a restaurant in Cayce called Lucky's. He stated that he was embarrassed that he had never been there but it had the best hamburger. Mayor Pro Tem James stated they had one of the best hamburgers in town. Council Member Carter stated that it might have been the best hamburger he had ever had. He stated that he actually knew the owners and they praised the City's Police and Fire Department's for the support they got from them. He said the owners bought the restaurant two (2) weeks before COVID and had to shut down for a while, but the City's Police and Fire Departments ate there often and helped out with law enforcement in that whole area

Mayor Pro Tem James stated that someone signed up that night for public comment regarding agenda topics and on behalf of the Mayor and the rest of Council he wanted to thank him for coming to speak on something that concerned him and the community. He stated especially if one sees something that they misunderstand or even understand and just want to get clarity to it. He thanked Ms. Pazery for being there and speaking. He stated that Mr. Brent Brazil was in the assembly and worked

with Lumos and had worked with other communication industries throughout the community and served the community extremely well. He thanked him for being there.

Executive Session

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
 - a. Update on Lexington County's Cancellation of Road Maintenance Agreement
 - b. Claim for Improvements to Spencer Place Road
- B. Discussion of negotiations incident to proposed contractual arrangements for acquisition of property

Council Member Sox made a motion to move into Executive Session. Council Member Thomas seconded the motion which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, Council Member Sox made a motion to reconvene the Regular meeting. Council Member Thomas seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible actions in follow up to Executive Session

- IV. B. Discussion and Approval of Letter of Support for the Disposition of Public Housing for the Cayce Housing Authority

Council Member Sox made a motion to defer consideration of the letter of support for the Cayce Housing Authority until the February 6, 2024 Council Meeting. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

VI. Committee Matters

- A. Appointments and Reappointments
 - Accommodations Tax Committee – Two (2) Positions
 - Board of Zoning Appeals – One (1) Position
 - Events Committee – One (1) Position
 - Municipal Election Commission – One (1) Position
 - Public Safety Foundation – One (1) Position

Standard Technical Codes Board of Appeal – One (1) Position

Council Member Carter made a motion to reappoint Mr. Mark Burt to the Accommodation Tax Committee and to appoint Ms. Sullange Solomon to the Accommodations Tax Committee. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

Council Member Sox made a motion to appoint Mr. Tyler Helms to the Board of Zoning Appeals. Mayor Pro Tem James seconded the motion. Council Members Carter and Thomas voted yes. Mayor Partin voted no.

Mayor Pro Tem James made a motion to appoint Ms. Tiffany Aull to the Events Committee. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

Mayor Pro Tem James made a motion to appoint Ms. Mary Safko to the Municipal Election Commission. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

Mayor Partin stated that Mr. James Stewart's term would expire in February and he would like to serve again. Council Member Sox made a motion to approve Mr. Stewart's reappointment to the Museum Commission. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

Council Member Carter made a motion to appoint Mr. Taylor Gilliam to the Public Safety Foundation. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

Mayor Pro Tem James made a motion to appoint Mr. Des Latham to the Standard Technical Codes Board of Appeals. Council Member Sox seconded the motion which was unanimously approved by roll call vote.

A. Discussion of negotiations incident to proposed contractual arrangements for acquisition of property

Council Member Sox made a motion to authorize the City Manager to proceed as discussed on a possible gift of property near the Cayce Riverwalk. Mayor Pro Tem James seconded the motion which was unanimously approved by roll call vote.

Mayor Partin stated that the prior week Council attended the Riley-Wilkins dinner together to recognize Senator Nikki Setzler, who was the number one Senator in the state. She stated that it was a huge honor for him and they were so thankful for all that he had done to represent the City of Cayce for 48 years. She stated that the Riley-Wilkins dinner was about celebrating bipartisanship, which was something that really

needed celebration. She stated that on the City's Council party did not enter into it at all, and Council was elected to work together. Mayor Partin stated that she trusted that was what Council would work on and they would communicate with each other and would look out for the City's citizens first and foremost. She stated she hoped Council would consider the spirit of the Riley-Wilkins dinner in keeping that task at hand that their citizens, taxpayers and businesses were their first priority. She thanked council for continuing to work on that.

Adjourn

Mayor Pro Tem James made a motion to adjourn the meeting. Council Member Sox seconded the motion which was unanimously approved by roll call vote. There being no further business, the meeting adjourned at 7:19pm.

Elise Partin, Mayor

ATTEST:

Mendy Corder, CMC, Municipal Clerk

