

GREENVILLE COUNTY COUNCIL

COMMITTEE ON FINANCE

JANUARY 25, 2021

4:03 P.M.

Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted on the bulletin board at the entrance of the Council Office and made available to the newspapers, radio stations and television stations and concerned citizens.

The Finance Committee met on-site and remotely to handle requests submitted to the committee for consideration.

Committee Members Present:

Dan Tripp, Chairman
Liz Seman
Joe Dill
Butch Kirven
Willis Meadows

Council Members Absent:

None

Staff Present:

John Hansley, *Deputy County Administrator*
Mark Tollison, *County Attorney*
Kim Wunder, *Assistant County Attorney*
Regina McCaskill, *Clerk to Council*
Jessica Stone, *Deputy Clerk to Council*
Ruth Parris, *Budget Manager*
Rick Blackwell, *E-911 Director*

Others Present:

Lynn Ballard, *County Council District 26*
Chris Rogers, *Attorney*
Bo Campbell, *Attorney*
Drew Schaumber, *Douglas Development*
Ben Pochardt
Peter Byford, *Chairman, Greenville Housing Authority Board*
Shawn Williams, *Chief Executive Officer, Greenville Housing Authority*

Call to Order:

Chairman Tripp

Invocation:

Councilor Kirven

Item (3) Approval of Minutes

Action: Councilor Seman moved to approve the minutes of the November 23, 2020, Committee on Finance meeting.

Motion carried unanimously.

Item (4) Announcement of Finance Committee Vice-Chairman

Chairman Dan Tripp announced the appointment of Councilor Seman as the Finance Committee Vice-Chairman. He stated Ms. Seman had done a great job as Vice-Chairman the past couple of years and he looked forward to her capable leadership.

Councilor Seman thanked Mr. Tripp for the opportunity to serve as Vice-Chairman; she was looking forward to working with all the members of the Finance Committee. There was a great deal of work to be done; she hoped to use the collective wisdom of the committee members to move things forward.

Item (5) Grant Applications

a. SC-DHEC – EMS Grant-in-Aid 2020-2021:

Ms. Parris stated Greenville County was awarded funds from SC-DHEC for the EMS Grant-in-Aid for Fiscal Year 2020-2021. The total amount of the grant was \$33,855.52; the state portion was \$31,993.47 and the County's match was \$1,862.05. The match would come from the Matching Grants Account in the General Fund Budget for FY2021. The grant would allow the Emergency Medical Services Division to provide training and acquire advanced life-support equipment as well as some communication equipment.

Vice-Chairman Seman inquired about the balance of the Matching Grants Fund, assuming approval of the grant items by the Finance Committee.

Ms. Parris stated there would be approximately \$128,000 remaining of the \$200,000 initially budgeted.

b. Maddie's Fund Grant – Pet Resource Fairs

Ms. Parris stated Animal Care Services was awarded the grant from Maddie's Fund, a national animal welfare organization. The money would be used to initiate a roaming pet resource fair pilot project for one year. Funds would provide vulnerable populations of pet owners with access to veterinary care, pet food pantry, pet supplies, and pet identification. The total amount awarded was \$50,000: the grant did not require a County match.

c. SC Parks and Recreation – Recreational Trails Program Grant

Ms. Parris stated Parks, Recreation and Tourism applied for a grant in the amount of \$125,000.00 from the SC Parks and Recreation Department in order to introduce a paved walking path at the Pavilion Recreation Complex. The Recreational Trails Program would provide \$100,000.00. A County match of \$25,000.00 was required; those funds would come from monies already budgeted in a Parks, Recreation and Tourism capital account.

Action: Councilor Meadows moved to approve all three grant requests.

Motion carried unanimously.

Item (6) Abandoned Building Site Certification – 33 Stevens Street

A resolution to certify property at 33 Stevens Street as an abandoned building site (Tax Map Number 0109.00-07-001.02) pursuant to the South Carolina Abandoned Buildings Revitalization Act of 2013.

Chris Rogers stated he represented Pace Burt and Rick Goddard, who were in the process of developing the property into residential apartments. The developers were utilizing historic and abandoned building tax credits to help develop the property. Mr. Rogers stated the building was a portion of the former Dunean Mill; it was his understanding it was the office building of the mill. Typically, investors were brought in to invest equity into a project in conjunction with the tax credits. For the property at 33 Stevens Street, verification was needed to confirm that the site was actually eligible for the credit. The statute allowed the local governing body to certify, by resolution, that the site qualified.

Ms. Wunder stated requests were received periodically from different developers across the state to verify that the elements of the statute were satisfied in regards to specific properties. The building appeared to have been abandoned; there was no evidence that it had recently been occupied. The statutory definition required 66% of the space to have been closed continuously to business or otherwise non-operational for income producing purposes for a period of at least five years. Ms. Wunder stated the building in question met the statutory definition.

Action: Councilor Kirven moved to approve the resolution to certify 33 Stevens Street as an abandoned building site.

Motion carried unanimously.

Item (7) Jurisdiction to Issue Affordable Housing Revenue Bonds in the Unincorporated Area of Greenville County – Greenville Housing Authority

A resolution to approve and authorize the Housing Authority for the City of Greenville, SC to issue multi-family revenue bonds within the unincorporated areas of Greenville County.

Mr. Tollison stated Greenville County was approached by Bo Campbell on behalf of the City of Greenville Housing Authority. They were seeking the assistance of County Council in terms of revenue bond sources as well as the authority to move forward with projects located in the unincorporated area of the County.

Mr. Campbell stated under South Carolina law, the Greenville Housing Authority had the ability to issue bonds in the City of Greenville; the law allowed for an extension of that jurisdiction into the unincorporated and other areas of the County, depending on certain approvals. Historically, the County and the City of Greenville had extended the Housing Authority's jurisdiction to build public housing and Section 8 programs in the County. The Housing Authority was requesting both County Council and City Council to authorize the Housing Authority to extend their bond jurisdiction into the unincorporated areas of the County. The specific project at issue would be subject to a TEFRA hearing, as required by IRS regulations, in order to allow public comment. The State Housing Department traditionally issued the bonds; however, due to staff shortages, bond issuances had been severely limited. Developers were informed to reach out to local housing authorities to issue the bonds. Although there had been general extension of jurisdiction in the past, it was felt to be prudent to approach both County Council and City Council for approval to issue multi-family revenue bonds.

Councilor Kirven inquired how the bonds would be paid and if there would be any impact on the County's bonding capacity.

Mr. Campbell stated there would be no impact on the County's bonding authority. The bonding authority in question was granted to the Greenville Housing Authority by the State Fiscal Accountability Authority. The bonds were fully backed by a mortgage loan and a trustee was appointed. As the bond money was used to finance construction, there was an equal amount of money coming in from a construction loan; therefore, there was always an even balance.

Councilor Kirven stated the private affordable housing developer would be responsible for providing the revenue to pay off the bonds.

Mr. Campbell confirmed Councilor Kirven's statement and added it was accomplished through the construction financing and guarantees provided by the developer.

Councilor Kirven stated the scope of the issue was broad; it went beyond the particular project in question. He requested additional information regarding how the Greenville Housing Authority generated partnerships with other affordable housing developers.

Mr. Campbell stated if the State Housing Department continued to take its current stance of shifting projects to the local housing authorities, it was anticipated that developers would be forced to seek alternative bond revenue. A developer could use the 4% Tax Credit, the State Tax Credit and bond money to finance projects and forego using the competitive 9% Tax Credit. Other public housing and Section 8 projects in the County were anticipated to use this method.

Councilor Kirven asked for the particulars concerning the project in question.

Mr. Campbell stated the project would be 180 units of new construction located on Sulphur Springs Road, just outside the city limits. The project would be 100% affordable with no market rate component.

Councilor Kirven asked if they were working closely with the Greenville County Redevelopment Authority in a complimentary way so as not to “cross purpose” anywhere.

Mr. Campbell stated GCRA had requested the Greenville Housing Authority send projects to them.

Councilor Meadows asked if there was a grant from the Federal Government that was funneled to the State and subsequently to the counties.

Mr. Campbell stated the bond cap was allocated to the State by the Federal Government and was based on population. The State Fiscal Accountability Authority then allocated the monies into “buckets”; the “local pool” was used by the Housing Authority. The State Housing Department had an unlimited bond cap and were able to roll unused money forward. The “local pool” was generally exhausted each year; local housing authorities would have to continue to draw money from the “local pool”, unless there was some political change that moved some of the federal dollars from the “state pool” to the “local pool.”

Councilor Meadows asked if there were other companies bidding for the same project.

Mr. Campbell stated there would be multiple applications at the state level; the State Housing Department would decide which projects to support with specific bond allocations.

Councilor Meadows asked if there were certain criteria that had to be met as well as a point system to determine which projects received allocations.

Mr. Campbell stated he was not certain if a formal scoring process was used.

Mr. Schaumber stated the process was currently in flux with the State Housing Department; only a handful of applications were being processed. At the state level, they were setting up a priority of the bonds to be allocated. A 4% Tax Credit application was approved by the State for the project; it was not competitive and depended on whether funds were available or not. Mr. Schaumber stated there were certain threshold items that had to be met in terms of design and targeting of residents. Once those items were met, it was determined who could issue the bonds, either the State Housing Department or the local housing authority.

Councilor Meadows asked how the project sites were chosen and who had accountability for those choices; what role would the County play in approving them.

Mr. Campbell stated there could be a situation where the County encouraged a developer to choose a certain parcel. Douglas Development had identified the parcel in question as an attractive spot for a fairly large multi-family development. Greenville County had no obligation to the project; the developer and the project would have an obligation to the residents of Greenville County to ensure it remained affordable. There would be restrictions recorded with respect to affordability; they would have to remain in place for certain statutory periods of time in order for the tax credits to issue, the bonds to be valid and other specifics.

Councilor Meadows asked if the residents of the area had any input regarding the project.

Mr. Campbell stated there would be a TEFRA Hearing to give the public an opportunity to voice concerns regarding the project; it would be a published public hearing. It was preferred for the hearing to take place during a County Council meeting. Following the hearing, Council would sign off on the issuance of the bonds.

Councilor Meadows stated Greenville County had been authorizing revenue bonds within the unincorporated areas of Greenville County for the Greenville Housing Authority since 1971. In 1974, County Council approved a resolution regarding the issue and another around 1980. Mr. Meadows inquired how those resolutions affected the Sulphur Springs development.

Mr. Campbell stated the development in question was not a Housing Authority project; it would not own any part of the development and would merely serve as a conduit for the bonds in order to finance the affordable housing project.

Councilor Meadows inquired where and when the City of Greenville had developed similar projects outside the city limits.

Mr. Campbell stated the project in question was not a Greenville Housing Authority project; it would simply be financed using the Housing Authority's bond authority. This was a new venture for the Housing Authority; it was his understanding they had never been asked to issue bonds. Affordable housing developers had always approached the State Housing Department for bonds. The Housing Authority was administering its Section 8 program in the County and there were public housing units located in the County. The Housing Authority was moving from public housing to the Section 8 voucher program. Mr. Campbell stated an inventory of housing in the unincorporated areas of the County would be obtained and submitted to Council for review. The project in question would not be included on the list as it was a private development.

Councilor Meadows asked if there were other projects in the City that had been handled the same way.

Mr. Campbell stated this would be the first bond issuance the Housing Authority issued for a project located in the County.

Councilor Meadows asked if this was the first incidence of a local housing authority building a project located in the unincorporated area of a county.

Mr. Schaumber stated the project would not be a Section 8 development; it was an affordable community built by a private developer. He would provide a list of other developments located in the County that were financed differently. In terms on the site and how it was chosen, it was zoned in Greenville County as RM-20. Twenty acres were being picked up, but only 180 units would be built. There would be quite a bit of green space; density would not be maximized. It was hoped that income averaging could be used to determine eligibility for the units, with a low of 30% AMI and a high of 80% AMI. Using 80% AMI, residents who qualified would be teachers and firefighters; they were just above the affordability cap but could not afford market rent or mortgage. A number of similar developments were located throughout the County; however, the project in question was the first using the proposed financing method.

Councilor Meadows stated he was under the impression that 60% AMI was the cap, based on the information he had received from Douglas Development.

Mr. Schaumber stated the average would still be at 60% AMI; income averaging would allow 80% AMI. There would also be some units that were lower tiered for those residents with less than 60% AMI. When the application was initially submitted to the state, 60% AMI was the threshold. Since that time, the state had opened it up to income averaging. Federal requirements mandated 60% AMI or less in order to proceed with the project.

Action: Councilor Meadows moved to hold the item in order to obtain additional information regarding the project.

Councilor Meadows stated the proposed project would be located in his district. He would be glad to work with the developers and the other parties involved in order to obtain the information necessary to make an informed decision.

Vice-Chairman Seman stated affordable housing was an issue in both the City of Greenville and Greenville County. She appreciated the creativity with which the potential project was being approached. Ms. Seman stated she wanted to make sure that holding the item would not put the project at a disadvantage. She inquired about a quick turnaround time to gather additional information and get the item back on the agenda in order to move forward.

Chairman Tripp stated there were previous resolutions in 1971, 1976 and 1981 that addressed the issue. In the 1971 resolution, it was very clear that any project had to be within one mile of the corporate limits on the City of Greenville. In the 1976 and 1981 resolutions, the term "within the unincorporated areas of Greenville County" was used; however, they also indicated "all the unincorporated areas of Greenville County." Mr. Tripp stated he was trying to determine if they were attempting to move "the goalpost" of where the projects could be built or if they could be built in the whole of unincorporated Greenville County.

Mr. Campbell stated the 1971 resolution expanded the area to within one mile of the city limits. His understanding was that the Housing Authority could build what they wanted within those parameters. If the proposed project was within one mile of the city limits, there would be no need for the proposed resolution. The 1976 resolution was to expand Section 8 projects only and the 1981 resolution was expansion of public housing; neither dealt with bonds.

Chairman Tripp asked if the proposed resolution changed any of the boundaries set forth by the previous resolutions.

Mr. Campbell stated the boundaries could be changed but they would be subject to a TEFRA hearing related to a specific project.

My. Byford stated the resolution in question was for a specific expansion for affordable housing bond financing anywhere in Greenville County. It was a limited activity in an unlimited area.

Councilor Kirven stated all the projects would still have to comply with the County's building codes, zoning, etc. The discussion had been very useful; he agreed that there may be a need for additional information. Mr. Kirven asked about a target date for the needed information.

Councilor Meadows stated he was only interested in getting the information needed; he suggesting having it by the next Finance Committee meeting. However, he was not in favor of imposing a time limit.

Councilor Kirven requested Mr. Meadows submit a list of the information he felt was needed.

Councilor Meadows stated he would be willing to submit a list of needed information; however, additional information may create more questions.

Action: Vice-Chairman Seman called for the question.

Without objection, the motion to call for the question carried.

Motion to hold carried with Vice-Chairman Seman voting in opposition.

Item (8) Supplemental Appropriation – E911 Special Revenue Fund

An ordinance authorizing a supplemental appropriation in the amount of \$1,051,142 to cover the cost of unanticipated upgrades and maintenance to the 911 call reporting software and computer aided dispatch system. Mr. Hansley stated that a VESTA 9-1-1 Systems hardware refresh in the amount of \$572,337 and CAD maintenance in the amount of \$478,805 were not anticipated when E911 submitted its budget early in 2019.

Vice-Chairman Seman inquired about funds to cover the additional expenses and the projected balance if the supplemental appropriation was approved.

Mr. Hansley stated there were sufficient funds in the E911 Special Revenue Account Fund Balance; the current balance was \$5,855,000.00

Action: Vice-Chairman Seman moved to approve the ordinance to authorize a supplemental appropriation in the amount of \$1,051.142 to cover the cost of unanticipated upgrades and maintenance to the 911 call reporting software and computer aided dispatch system.

Motion carried unanimously.

Item (9) Community Project Applications

a. Lloyd Street Lighting

A Community Project Application to allow for the installation of three new decorative lights on Lloyd Street to match surrounding streets in the amount of \$7,259.31. The City of Greenville would pay for monthly electrical billing. (Councilor Xanthene Norris)

b. Gantt District Fire Department

A Community Project Application to assist with the purchase of two mobile 800 MHz radios which would complete the acquisition of radios for the department allowing interoperability with all public safety agencies in the amount of \$5000.00. (Councilor Lynn Ballard)

Vice-Chairman Seman inquired about Gantt District Fire Department's involvement in a current lawsuit against the County and if the lawsuit would have any bearing on the request.

Mr. Tollison confirmed Gantt District Fire Department was involved in a current lawsuit against the County challenging the sewer unification plan adopted by Council in December of 2020. He added that the pending litigation did not restrict the County from extending projects such as the proposed in the furtherance of the fire district's needs.

Councilor Ballard stated the request was submitted prior to the lawsuit; he had no problem with the committee choosing to wait until the lawsuit was settled.

Vice-Chairman Seman stated she had inquired about the situation to see if there would be any problems moving forward with the request.

Councilor Dill asked why the radios were not included in those that Greenville County had purchased; he asked if they were in addition to the ones purchased by the County. Mr. Dill added that taxpayers were paying \$14.95 per year for radios.

Councilor Ballard stated that \$14.95 was for the use of the radios on the PAL 800 System. When the grant was originally applied for by the fire districts; the amount of money granted only covered about half the number of radios actually needed. As the fire districts grew and new vehicles were purchased, additional radios were needed. He had helped facilitate the purchase of several radios for different fire districts over the past few years.

c. Mauldin Cultural Center Renovations

A Community Project Application to assist with the renovation of the Mauldin Cultural Center lobby in the amount of \$25000.00. (Councilor Tripp \$15,000.00 and Councilor Seman \$10,000.00)

Action: Councilor Kirven moved to amend the application to add \$5000.00 from the District 27 Community Projects account for a total of \$30,000.00.

Motion to amend carried unanimously.

Action: Vice-Chairman Seman moved to approve the Community Project Applications.

Motion carried unanimously.

Item (10) Adjournment

Action: Councilor Kirven moved to adjourn.

Without objection, the motion to adjourn carried unanimously. The meeting adjourned at 4:51 p.m.

Respectfully submitted:

Jessica M. Stone
Deputy Clerk to Council