

Council Chambers
Special Session
Monday, July 26, 2010

SPECIAL SESSION - 6:00 P.M.

Council met in special session with Mayor Echols, Mayor Pro Tem Hinton, and Councilmembers Black, Pender, Reno, Roddey, and Sutton. Also present were City Manager Carey Smith, Assistant City Manager Gerald E. Schapiro, Customer Service Director Anne P. Bunton as Municipal Clerk, and City Attorney Chaplin Spencer. Herald reporter Shawn Cetrone was also in attendance.

After Mayor Echols called the meeting into session and the entire assembly recited the Pledge of Allegiance.

RECOGNIZED THE CITY'S STRATEGIC PLAN AS THE RECIPIENT OF THE OUTSTANDING ACHIEVEMENT IN LOCAL GOVERNMENT INNOVATION AWARD

Toni Shope, East Regional Director with the Alliance for Innovation, presented to City Council the Outstanding Achievement in Local Government Innovation award for the City's strategic planning and performance management initiative. Mayor Echols accepted the award.

APPROVED MINUTES OF REGULAR SESSION OF JULY 12, 2010

Upon a motion by Councilmember Hinton which was duly seconded and unanimously approved, the City Council approved the minutes of the regular session of July 12, 2010.

APPROVED INVOLUNTARY DEMOLITIONS

Mayor Echols requested that the City Council consider the agenda item related to Involuntary Demolitions. There was no objection. Upon a motion by Councilmember Sutton which was duly seconded and unanimously approved, the following dwellings were approved for involuntary demolition; 1151 Saluda Street, 302 Friedheim Road, 219 Friedheim, 615 Level Street, 1146 Calhoun Street, 328 Allen Street and 534 Bynum Avenue.

Ms. Dawn Byers, Neighborhood Inspections Supervisor, presented the item to the City Council.

ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF ROCK HILL, SOUTH CAROLINA, COMBINED UTILITY SYSTEM REVENUE BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$13,000,000; AUTHORIZING THE MAYOR AND CITY MANAGER TO DETERMINE CERTAIN MATTERS RELATING TO THE BOND ANTICIPATION NOTES; PRESCRIBING THE FORM AND DETAILS OF THE BOND ANTICIPATION NOTES; LIMITING THE PAYMENT OF THE BOND ANTICIPATION NOTES FROM THE REVENUES DERIVED FROM THE OPERATION

**OF THE SYSTEM AND PLEDGING THE REVENUES TO SUCH PAYMENT;
ESTABLISHING CERTAIN FUNDS AND ACCOUNTS; AND OTHER MATTERS
RELATING THERETO**– Adopted

An ordinance entitled AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF ROCK HILL, SOUTH CAROLINA, COMBINED UTILITY SYSTEM REVENUE BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$13,000,000; AUTHORIZING THE MAYOR AND CITY MANAGER TO DETERMINE CERTAIN MATTERS RELATING TO THE BOND ANTICIPATION NOTES; PRESCRIBING THE FORM AND DETAILS OF THE BOND ANTICIPATION NOTES; LIMITING THE PAYMENT OF THE BOND ANTICIPATION NOTES FROM THE REVENUES DERIVED FROM THE OPERATION OF THE SYSTEM AND PLEDGING THE REVENUES TO SUCH PAYMENT; ESTABLISHING CERTAIN FUNDS AND ACCOUNTS; AND OTHER MATTERS RELATING THERETO was given second reading and adopted upon a motion by Councilmember Hinton which was duly seconded and unanimously approved.

**ORDINANCE TO AMEND CHAPTER 28, TREES, OF THE CODE OF
THE CITY OF ROCK HILL** – Adopted

An ordinance entitled AN ORDINANCE TO AMEND CHAPTER 28, TREES, OF THE CODE OF THE CITY OF ROCK HILL was given second reading and adopted upon a motion by Councilmember Pender which was duly seconded and unanimously approved.

**ORDINANCE AUTHORIZING AN AMENDMENT TO FIRST
SUPPLEMENTAL BOND ORDINANCE NO. 2010-24 OF THE CITY OF ROCK
HILL, SOUTH CAROLINA AND OTHER MATTERS RELATING THERETO** –

First Reading

An ordinance entitled AN ORDINANCE AUTHORIZING AN AMENDMENT TO FIRST SUPPLEMENTAL BOND ORDINANCE NO. 2010-24 OF THE CITY OF ROCK HILL, SOUTH CAROLINA AND OTHER MATTERS RELATING THERETO was given first reading upon a motion by Councilmember Reno which was duly seconded and unanimously approved. This ordinance provides for an amendment to the City's First Supplemental Bond Ordinance for the Textile Corridor - and more specifically the Bleachery project. Since there may be an opportunity to issue these bonds as Recovery Zone Bonds - the City's bond attorneys have recommended that the ordinance explicitly provide for the issuance of this type debt. The advantage of recovery zone bonds is that the federal government pays for 45% of the interest costs on the bonds. These bonds are issued as taxable bonds and a determination will have to be made as to the advantage of using this type of debt as compared to using tax-exempt bonds (which normally carry a lower interest rate). The Finance staff will make a determination of the type of debt that will be issued as the City gets closer to actually issuing the bonds and City Council will be informed of this decision at that time.

Ms. Anne P. Bunton, Customer Services Director, presented the item to the City Council.

ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY BY THE CITY OF ROCK HILL, SOUTH CAROLINA OF AN AMENDMENT TO A STANDBY BOND PURCHASE AGREEMENT IN CONNECTION WITH THE CITY'S \$10,000,000 COMBINED UTILITY SYSTEM REVENUE BONDS SERIES 2000B (THE "BONDS"); AUTHORIZING THE APPOINTMENT OF A SUCCESSOR REMARKETING AGENT IN CONNECTION WITH THE BONDS; AND OTHER MATTERS RELATED THERETO – First Reading

An ordinance entitled AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY BY THE CITY OF ROCK HILL, SOUTH CAROLINA OF AN AMENDMENT TO A STANDBY BOND PURCHASE AGREEMENT IN CONNECTION WITH THE CITY'S \$10,000,000 COMBINED UTILITY SYSTEM REVENUE BONDS. SERIES 2000B (THE "BONDS"); AUTHORIZING THE APPOINTMENT OF A SUCCESSOR REMARKETING AGENT IN CONNECTION WITH THE BONDS; AND OTHER MATTERS RELATED THERETO was given first reading upon a motion by Councilmember Hinton which was duly seconded and unanimously approved. The City currently has two series of bonds outstanding that are classified as variable rate bonds. Each bond is currently valued at \$10 Million. These variable rate bonds have historically offered a low interest cost, particularly over the last few years. For example, in 2009-10 the City had an average annual interest cost of .29%. In order to have a variable rate bond the City must also enter into a standby bond purchase agreement with a bank. Under this agreement, the bank would agree to hold the bonds in the event that the bonds could not be placed during the weekly remarketing.

Ms. Anne P. Bunton, Customer Services Director, presented the item to the City Council.

APPROVED A REQUEST FOR WITHDRAWAL OF PETITION M-2010-07 BY BIG VISION LLC TO ANNEX AND REZONE APPROXIMATELY 45 ACRES AT THE GATES OF EASTVIEW OFF EASTVIEW ROAD FROM RURAL DEVELOPMENT DISTRICT -1 (RUD-1) IN YORK COUNTY TO OFFICE AND INSTITUTIONAL (OI). TAX PARCELS 504-01-01-015, 504-01-01-023 THRU -031, 504-01-01-044 THRU - 069, AND 504-01-01-072

The applicant requested withdrawal of the annexation and rezoning applications on July 21. Per the zoning ordinance a motion to approve the request for withdrawal by Councilmember Hinton was duly seconded and approved on a vote of 6-0. Councilmember Reno recused himself due to a potential conflict of interest. An official copy of his statement has previously been made a part of the record.

APPROVED A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES PRIOR TO THE ISSUANCE BY THE CITY OF ITS COMBINED UTILITY SYSTEM REVENUE BOND ANTICIPATION NOTES

A resolution entitled A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH

CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES PRIOR TO THE ISSUANCE BY THE CITY OF ITS COMBINED UTILITY SYSTEM REVENUE BOND ANTICIPATION NOTES was approved upon a motion by Councilmember Pender which was duly seconded and unanimously approved. Upon the completion of second reading of the ordinance providing for the issuance of Utility System Bond Anticipation Notes (BANs) the Finance staff will be able to work with the banks to solicit bids for this one year bank note. Since several of the projects to be funded by the BANs are already underway - the City needs to reimburse itself for the work that has already been completed. Federal tax law requires that the City pass a resolution that authorizes this reimbursement. Funds have already been expended for the new operations center and the South Cherry Road widening project. This resolution will allow for reimbursement to the City's utility system for expenses already incurred.

Ms. Anne P. Bunton, Customer Services Director, presented the item to the City Council.

APPROVED A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH CAROLINA TO ISSUE CERTAIN TAX INCREMENT BONDS AS RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS PURSUANT TO THE AUTHORITY OF SECTIONS 1400U-1 AND 1400U-2 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE SOUTH CAROLINA BUDGET AND CONTROL BOARD OR ITS DESIGNEE FOR THE ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP TO THE CITY; AND OTHER MATTERS RELATING THERETO

A resolution entitled A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH CAROLINA TO ISSUE CERTAIN TAX INCREMENT BONDS AS RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS PURSUANT TO THE AUTHORITY OF SECTIONS 1400U-1 AND 1400U-2 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE SOUTH CAROLINA BUDGET AND CONTROL BOARD OR ITS DESIGNEE FOR THE ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP TO THE CITY; AND OTHER MATTERS RELATING THERETO was approved upon a motion by Councilmember Hinton which was duly seconded and unanimously approved. In order for the City to issue Recovery Zone Economic Development Bonds (RZEDB) the City will have to apply to the Budget and Control Board to provide an allocation for this type debt. This resolution is required in order for the submittal to go to the Budget and Control Board. City staff has checked with financial institutions and gotten favorable feedback that RZEDB financing would be feasible. Our hope is that this will help our case with the Budget and Control Board, since one of their criteria is "likelihood of successful completion of such financing".

Ms. Anne P. Bunton, Customer Services Director, presented the item to the City Council.

APPROVED A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH CAROLINA TO ISSUE CERTAIN BONDS OR OTHER OBLIGATIONS AS RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS PURSUANT TO THE AUTHORITY OF SECTIONS 1400U-1 AND 1400U-2 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE SOUTH CAROLINA BUDGET AND CONTROL BOARD OR ITS DESIGNEE FOR THE ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP TO THE CITY; AND OTHER MATTERS RELATING THERETO

A resolution entitled A RESOLUTION RELATING TO THE DECLARATION OF INTENT BY THE CITY OF ROCK HILL, SOUTH CAROLINA TO ISSUE CERTAIN BONDS OR OTHER OBLIGATIONS AS RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS PURSUANT TO THE AUTHORITY OF SECTIONS 1400U-1 AND 1400U-2 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE SOUTH CAROLINA BUDGET AND CONTROL BOARD OR ITS DESIGNEE FOR THE ALLOCATION OF RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP TO THE CITY; AND OTHER MATTERS RELATING THERETO was approved upon a motion by Councilmember Pender and duly seconded and unanimously approved. In order for the City to issue Recovery Zone Bonds the City will have to apply to the Budget and Control Board to provide an allocation for this type debt. This resolution is required in order for the submittal to go to the Budget and Control Board. Also included in this resolution is reimbursement resolution language that staff believes will help with the application process. This application provides for the attachment of "inducement resolution, reimbursement resolution or other documentation of the preliminary approval of the project by the applicant, in conformity with applicable federal and state law.

Ms. Anne P. Bunton, Customer Services Director, presented the item to the City Council.

RECEIVED UPDATE REGARDING PROGRESS ON THE PRIVATE INVESTMENT AT RIVERWALK

Mr. Dave Williams, developer, made a presentation regarding the progress on the private investment at the Riverwalk Development.

RECEIVED REPORT ON RIVERWALK TRAIL USAGE

Since the opening of the Riverwalk Trail on July 1, 2010, approximately 9,000 people have utilized the trail including kayakers, families with small children riding their tricycles and bikes, couples walking and strolling along the trail, rollerbladers exercising with their children on bikes, people walking their dogs, and joggers.

Mr. John Taylor, Parks Supervisor, presented this item to the City Council.

APPROVED SPONSORSHIP AGREEMENT BETWEEN GITA SPORTING GOODS AND THE CITY OF ROCK HILL FOR THE RIGHT TO NAME THE VELODROME AT RIVERWALK THE "GIORDANA VELODROME"

A SPONSORSHIP AGREEMENT BETWEEN GITA SPORTING GOODS AND THE CITY OF ROCK HILL FOR THE RIGHT TO NAME THE VELODROME AT RIVERWALK THE "GIORDANA VELODROME" was approved upon a motion by Councilmember Hinton which was duly seconded and approved on a vote of 6-1 with Councilmember Sutton dissenting. Gita Sporting Goods requests a sponsorship for the proposed Velodrome at Riverwalk. This agreement shall be effective as of the opening date of the Velodrome and shall continue for a period of ten (10) years with a total value of \$200,000. This agreement is contingent upon the Velodrome being constructed on or before 4 years from the date of the City's execution. The Sponsorship Agreement adheres to the Sponsorship Policy adopted by City Council on May 18, 2004.

Mr. Mark Sexton, Tourism and Administration Supervisor, presented the item to the City Council.

APPROVED MEMORANDUM OF UNDERSTANDING BETWEEN THE GREENS OF ROCK HILL, LLC AND THE CITY OF ROCK HILL, SOUTH CAROLINA

A memorandum of understanding entitled A MEMORANDUM OF UNDERSTANDING BETWEEN THE GREENS OF ROCK HILL, LLC AND THE CITY OF ROCK HILL, SOUTH CAROLINA was approved upon a motion by Councilmember Hinton which was duly seconded and approved on a vote of 6-1 with Councilmember Sutton dissenting.

On September 28, 2009, the City Council approved a Memorandum of Understanding with The Greens of Rock Hill and the Carolina Velodrome Association related to the development of the Cycling and Outdoor Center of the Carolinas at Riverwalk. Among other provisions, this agreement provided for the creation of preliminary plans and cost estimates for a velodrome, preparation of site plans for other recreational and cycling facilities, solicitation of private sponsorships for cycling venues, and the organization of a board to advise the City on matters related to cycling sports. Substantial progress continues to be made in the planning and development of recreational facilities at Riverwalk, including the recent opening of the Riverwalk trail and the canoe/kayak launch. However, several important steps remain before it will be appropriate for the City and the developer to enter into binding agreements for construction of a velodrome. These steps all relate to the completion of a financing plan, consistent with previous information provided to City Council.

The purpose of this new MOU is to provide for continued progress by the City and the Greens of Rock Hill while financing plans are being completed. The new MOU accomplishes the following:

1. Affirms plans and designs presented at the April 1 workshop
2. Affirms the City's intent to construct a velodrome, contingent on satisfaction of financing and other requirements in City Council's sole discretion
3. Provides schedules for key milestones:

- Intention by City and Greens of Rock Hill to complete construction plans for velodrome and adjacent improvements serving the Town Center area by March 31, 2011
 - Intention by Greens of Rock Hill to construct roads, utilities and related infrastructure to serve the velodrome and Town Center by November 20, 2011
 - Intention by Greens of Rock Hill to convey velodrome site to City on or before January 31, 2012
 - Intention by City to complete construction of the velodrome by December 31, 2012 (subject to City Council's approval of financing and sponsorships in its sole discretion)
 - Intention by Greens of Rock Hill to complete landfill closure activities and prepare the landfill site for use by the City for development of public recreational facilities by December 31, 2011
 - Intention by City and Greens of Rock Hill to collaborate on design of additional public recreational facilities
4. Provides for future discussions between the City and Greens of Rock Hill regarding possible roles for The Greens of Rock Hill in construction of a velodrome

Mr. Stephen Turner, Director of Economic and Urban Development, presented the item to the City Council. Councilmember Sutton requested that the minutes reflect that the developer, Dave Williams, was in attendance and agreed that the memorandum of understanding is a non-binding agreement.

APPROVED VOLUNTARY CLEAN UP CONTRACT

City Council ("City") is considering execution of amendments to the Demolition, Abatement and Purchase Agreement previously executed with Action Demolition and RHP&F. The amendments are in furtherance of the City pursuing loan and grant opportunities involving DHEC and federal stimulus sources. These opportunities require that the City complete and conduct environmental clean-up activities to the site pursuant to a VCC between the City and DHEC. There is a public comment period prior to DHEC entering into the VCC. DHEC requires that the City approve the VCC prior to the initiation of the public comment period. Upon a motion by Councilmember Hinton which was duly seconded and unanimously approved, the City Council approved the contract and authorized the City Manager to approve final terms unless they result in major changes.

Mr. Carey F. Smith, City Manager, presented the item to the City Council.

CONSIDERED AMENDMENT (S) TO DEMOLITION AND ABATEMENT AGREEMENT WITH ACTION DEMOLITION

City Council ("City") is considering execution of amendments to the Demolition, Abatement and Purchase Agreement previously executed with Action Demolition and RHP&F. The City has applied for DHEC and federal stimulus monies related to Brownfields loans and grants. In order to utilize these funds, estimated to be \$1,500,000.00, the City and Action Demolition must agree to

comply with numerous additional requirements. Therefore, amendments are necessary to incorporate all the various requirements related to the funding sources for these programs. Under the amendments, RHP&F, LLC is no longer a party to the demolition agreement as the Brownfields loans and grants prohibit RHP&F, LLC from being a party to the agreement. Instead, a separate purchase and sale agreement utilizing the original purchase and sale terms from the original agreement has been created between the City and RHP&F, LLC. In addition, Action will receive \$4,000,000 upon completion of demolition rather than the \$2,500,000 upon completion of demolition plus an additional \$1,500,000 within one year as contemplated under the original agreement. Providing the entire \$4,000,000 to Action upon completion of demolition as well as granting Action an extension until April, 1 2011 for completion of demolition is provided as consideration for Action's agreement to the amendments. The City will take title to the property once Demolition is completed. Upon a motion by Councilmember Reno which was duly seconded and unanimously approved, the City Council approved the contract and authorized the City Manager to approve final terms unless they result in major changes.

Mr. Carey F. Smith, City Manager, presented the item to the City Council.

ANNOUNCED SMART SWITCH WINNER

This month's SmartSwitch winner, chosen at random by computer, is Jon Roueche, Jr. This customer will receive a \$100 credit on their next utility bill.

CITY COUNCIL COMMITTEE REPORTS

There were no City Council committee reports.

MISCELLANEOUS BUSINESS

Councilmember Black expressed his appreciation for the work of staff during the recent storm, but stated that he received complaints of inflexibility in the yard cart policy from citizens. He further requested that staff consider a more flexible policy for yard debris pickup after storms. Councilmember Reno reported that implementation seems to be a bit different than was represented to Council by Bobby Banks and requested staff review.

There being no further business the meeting was adjourned.

Minutes approved and adopted this ____ day of _____ 2010.

David B. Vehaun, Municipal Clerk

