



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES

CITY MANAGER
REBECCA V. RHODES

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

City of Cayce Special Council Meeting August 21, 2013

A Special Council Meeting was held this afternoon at 5 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Eva Corley, Tim James and James Jenkins. City Manager Rebecca Rhodes, Assistant City Manager Shaun Greenwood, Municipal Clerk Mendy Corder, Chief Charley McNair, Municipal Treasurer Garry Huddle and City Attorney Danny Crowe 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. Corder confirmed they were notified.

Call to Order

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

Other

- A. Approval of an Ordinance Amending Article 2 and Article 8 of the Zoning Ordinance in Relation to Wall Signage – Second Reading

Council Member James asked Mr. Greenwood if any changes had been made to the Ordinance since First Reading. Mr. Greenwood stated no changes had been made. Council Member Jenkins made a motion to approve the ordinance on second reading. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

- B. Approval of an Ordinance Amending Article 7 ("Conditional Use Regulations") of the Zoning Ordinance to add Special Exception Criteria – Second Reading

Council Member Almond made a motion to approve the ordinance on second reading. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

- C. Discussion of Potential Hospitality Tax

Mayor Partin thanked staff for doing a phenomenal job with the task Council gave them of informing businesses and residents about the proposed hospitality tax. She

stated Council genuinely wanted to know everyone's thoughts on the issue and she proposed that Council not move forward with the hospitality tax at this time.

Ms. Rhodes stated staff's goal is to attract more people to the City to eat in the local restaurants, shop and potentially live in the City and one way that can be done is with the revenue from the hospitality tax. She stated staff does not want to push anything on the citizen's if they are not ready for it. She explained that Council and the citizens have expectations of projects to be accomplished but if it is decided to not move forward with the hospitality tax then these expectations will need to be adjusted. Ms. Rhodes explained that originally staff was tasked to hold public forums and get the public's input and place the proposed hospitality tax on the September agenda for vote but if Council does not want to move forward then staff will not put this item on the September agenda.

Council Member Almond asked if the Mayor was proposing postponing the issue. Mayor Partin explained she can see both the pros and cons of the hospitality tax. She stated this tax makes some sense to her because the City's residents can benefit without having to fund the majority of the tax. Council Member Almond stated that she crunched some numbers to get an idea of the increase in cost and if someone spent \$25 in a local restaurant every day for 365 days the proposed tax would cost them an additional \$182.50. She questioned how many people would not want to beautify Cayce if it cost less than \$182.50. She stated that is such a low amount compared to having to raise taxes or raise something else which the City is going to have to do eventually to survive.

Council Member Almond stated she was not sure why the restaurant owners are against the tax since it is not coming out of their profits. Council Member Corley explained that the restaurant owners are concerned that the people against the tax will not go out to eat in Cayce which will affect the restaurant owner's profits. Ms. Rhodes advised that she had given Council a white paper on the feedback from both public forums. She explained there was a lot of misinformation and she thinks the meetings did a good job of getting the correct information to the public.

Mayor Partin stated that she hopes the City's residents see that Council is very frugal and very thoughtful and they genuinely asked for input from the public. Council Member Almond stated that many of the people she spoke to felt the City of Columbia spent their hospitality tax funds on frivolous projects and so they were hesitant to have the same tax in the City.

Council Member Almond asked for a time frame for the discussion of a hospitality tax to be brought up again. She voiced concern over dropping it and then having to begin the educational discussions again. She stated the public needs to know that it is still one of the City's only viable options of raising funds for beautification projects. Ms. Rhodes stated the City could wait and see how the capital penny sales tax program goes and what projects the City is actually able to get in the program. She reminded Council that rarely does a proposed penny sales tax pass on the first attempt so it will

be 2018 before the County can try again. Council Member Jenkins stated the public needs to know this information so they will understand how long it could take for those funds to become available.

Ms. Rhodes stated that if Council decides to not move forward with the hospitality tax at this time then they need to become involved with the penny sales tax issue so the City's projects get on the list. Council Member Almond stated that as staff and Council continue educating the public on the hospitality tax they need to remind them that it is a consumption tax, if you consume you pay.

Council Member James stated that Council and staff wanted to over communicate and be transparent with the hospitality tax issue and make sure the public was informed. He explained that Council did not have a predetermined idea of what they wanted to do with the issue and waited to decide until they held public forums and heard from the residents. He stated the majority of the people that contacted him regarding the hospitality tax did not say no to it but said the timing was not good. Council Member James explained that he agreed that now was not the time for the proposed hospitality tax. He stated there are so many good opportunities to spend the hospitality tax funds on so he agrees with the City Manager that the City is going to have to be tighter and leaner on the budget to be able to make sure that the City can spend funds on these projects.

Council Member James stated he understands what Council Member Almond meant with her example of how much the hospitality tax would cost a resident but stated that new cost is on top of the increases in fees and water and sewer rates that Council has put in place over the last few years. He told Ms. Rhodes that he feels like the City is moving in the right direction and pointed to the development on Knox Abbott Drive as an example. He stated the City needs to build a strong infrastructure to keep people eating and staying in the City. He stated Mr. Greenwood is doing a good job on strengthening the infrastructure.

Ms. Rhodes reiterated that everyone will need to adjust their expectations until another revenue source is found. She reminded Council that the 2013-2014 budget was very tight and next year's is going to be even worse. She stated everyone needs to be very cognizant of their expectations and the expectations of residents so when residents ask why beautification projects have not been done they can explain that until another revenue source is found the City can only afford to provide core services. Ms. Rhodes stated that staff has plenty of other great projects to accomplish and stated she hopes Council feels comfortable with moving forward with a new City Hall.

Executive Session

Council Member James made a motion to move into Executive Session to discuss the matters below. Councilmember Jenkins seconded the motion which was unanimously approved by roll call vote.

- A. Receipt of legal advice relating to claims and potential claims by the City and other matters covered by the attorney-client privilege
- B. Discussion of negotiations incident to purchase of property for new City Hall

Possible Actions by Council in follow up to Executive Session

Council Member James made a motion to move out of Executive Session and reconvene the regular meeting. Council Member Almond 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.

There being no further business, Council Member Jenkins made a motion to adjourn the meeting. Council Member James seconded the motion which was unanimously approved. The meeting adjourned at 5:40 p.m.

Elise Partin, Mayor

ATTEST:

Mendy C. Corder, Municipal Clerk