

Aiken City Council MinutesWORK SESSIONNovember 14, 2005

Present: Mayor Cavanaugh, Councilmembers Clyburn, Cunning, Price, Smith, Sprawls, and Vaughters.

Others Present: Roger LeDuc, Gary Smith, Bill Huggins, Larry Morris, Ed Evans, Sara Ridout, and about 16 citizens.

Mayor Cavanaugh called the meeting to order at 6:35 P.M. He stated Council had three items to discuss in the worksession, which are a utility request for water at 853 Osbon Drive, appointment of a Council representative for Aiken Corporation and ARTS, and a request to buy city land.

UTILITY REQUESTOsbon Drive 853WaterPayton, DavidTPN 120-12-05-005TPN 00-154.0-01-082 (portion of)

Mr. LeDuc stated staff was looking for direction from Council. He said typically if property is contiguous to the city limits and can be annexed and the property owner wants city services the request is brought to Council as an annexation request with a petition for annexation.

Mr. LeDuc stated the owner of property at 853 Osbon Drive wants to receive City water for a house he intends to build. The lot is contiguous to the city limits, and our current policy states that the extension of city services requires annexation for contiguous property unless waived by City Council. Staff is requesting that the city treat this as a utility request in lieu of annexation. This is because city vehicles, in order to provide garbage and trash service, would have to travel an additional one-half mile past this house to May Royal Drive and then go to Wire Road to come back into the city. If Council waives the annexation petition with annexation at this time, the request would go through the normal process for a utility request with an annexation agreement and in the future the city may want to annex this property and other properties on Osbon Drive. Staff feels that the extra time and money involved for fuel is not prudent at this time to require an annexation petition for this property. It was pointed out that, with an annexation agreement, the property would not have to be annexed at this time, but annexed when Council desires the property to be annexed.

Council discussed the request and the general consensus of Council was that the request for water service at 853 Osbon Drive be treated as a utility request with an annexation agreement for annexation in the future if Council desires. Even though the property is contiguous, it would not be annexed at this time. Council agreed that staff could make decisions to waive annexation of property for utility requests for contiguous property where it would not be in the city's best interest to annex the property but provide city services at this time and require an annexation agreement for future annexation.

APPOINTMENTSAiken CorporationARTSAugusta Regional Transportation SystemCunning, Pat

Mr. LeDuc stated that on November 28, 2005, Councilmember Pat Cunning will be leaving Council since he did not seek reelection and therefore Council will need to replace him on the Aiken Corporation Board of Directors. Council has two permanent seats on the Board, and Lessie Price is the other city representative. Aiken Corporation

meets at a minimum once a month on the second Wednesday at 10A.M. for approximately one to two hours. He said Council needs to choose someone to replace Councilman Cuning on the Aiken Corporation Board.

Mayor Cavanaugh stated he would like to recommend that Councilman Don Sprawls replace Councilman Cuning on the Aiken Corporation Board. He pointed out that Councilman Sprawls has been representing the city on Aiken Downtown Development Association (ADDA). He said he would propose that Councilman Sprawls move up to the Executive Committee, as he has some experience in working with the Aiken Corporation, and then Council could appoint a new member to the ADDA.

Councilman Smith stated he would like for Council to consider appointment of Councilwoman Jane Vaughters to the Aiken Corporation Board to replace Councilman Cuning. He stated she has a strong interest in the downtown. He stated he would like to see someone new appointed who is not a part of the established committee. He said he feels that sometimes a committee needs a fresh look at things.

Council then discussed whether Council appointed a representative to the ADDA. It was pointed out the by-laws do not require a representative from Council on the ADDA. It was felt it would be a good policy to have a Councilmember on the ADDA.

ARTS

Mr. LeDuc stated the other Commission represented by City Council is the August Regional Transportation System (ARTS). Mayor Cavanaugh and Councilwoman Clyburn both represent the city. Four years ago when Michael Anaclerio left City Council, Beverly Clyburn replaced him on the ARTS Commission. At the time she stated that she would like to represent the city for at least one term, and Councilwoman Clyburn can either continue in this role, or another individual could represent the city if she so chooses not to continue.

Councilwoman Clyburn stated that she would like to continue to serve on the ARTS committee.

CITY PROPERTY

Purchase Property

Gingrey, Bill

Gingrey, William C.

Douglas Drive

Henry Street

Pine Log Road

Water

Well

Mr. LeDuc stated the city has received a letter from Bill Gingrey, who is asking City Council to sell him property off of Douglas Drive. Many years ago, Mr. Gingrey built the homes and installed the infrastructure off of Douglas Drive and Henry Street. About the same time, the City purchased a portion of the land for their water treatment facility off of Pine Log Road and is currently using some of the site for an additional well on Douglas Drive. Mr. Gingrey would like to build several new homes along the unused portion of Douglas Street and is asking the City's permission to purchase some of the city's property. He pointed out there is a drainage easement and a sanitary sewer on the property. He pointed out staff has no strong feelings as to whether to sell the property or just keep it as green space.

He said, however, if Council wants to sell the property, then staff needs some direction. He stated the last time the sale of property came before Council involved the lot on Barnwell Avenue with Mr. Bill McGhee. At that time, there was some discussion on whether or not Council wanted to advertise every property that could be sold or to look at each situation on a case by case basis. Before moving forward with the sale of this property, staff wanted Council to review whether or not to sell this property and if so, how Council would like to proceed with the sale. The City only needs a portion of this

property for the well, and staff feels the portion of the property up to the ditch line could be used for houses or remain as green space.

Mr. Morris, Public Works Director, stated he did not feel the city will need a portion of the property for a future well site. He stated the city cannot locate another deep well within 1,000 feet of an existing well. He said he felt the property next to Douglas Drive would be excess property. He said he would like to keep the property that is behind the current water plant next to Rieter.

Mr. LeDuc pointed out the city has three wells in the area now and could add a fourth well if needed in the future.

Councilman Cunning stated Mr. Gingrey put the street and the infrastructure in the area. He said if the property is excess property for the city, and the city wishes to sell the property, the city should have it appraised. He said he feels the city should get fair market value for the property if they wish to sell the property. He said since Mr. Gingrey put infrastructure in the area and made the property saleable, he felt Mr. Gingrey should have first priority for purchase of the property as long as the city taxpayer gets fair market value for the property. He said the purchaser should pay for the appraisal.

Mayor Cavanaugh stated he felt the city needed a firm policy on how to handle sales of city property. He said he felt the sale of property should be advertised for a period of time and a policy established on how to handle the sale of property.

Councilman Cunning stated he felt the city should be careful about setting a firm policy. He said Council may need flexibility with some sales. He said each sale may have to be handled differently. He said his concern was that the taxpayer get the maximum amount for the property, and if it is appraised by an independent appraiser, the city should be able to get the maximum amount for the property. He said in some cases Council may want flexibility.

Councilman Smith pointed out this particular request is a private enterprise transaction, and he felt advertising the property for sale as proposed by the Mayor would be good. He said this request is different from a previous request from Mr. Bill McGhee. He said there is a difference and Council should be able to distinguish the difference.

Council continued to discuss whether to establish a policy for sale of property. It was pointed out that Council had had three previous sales without a written policy.

Councilwoman Clyburn stated perhaps Council needed to start formulating a policy, but handle this request as in the past. She pointed out Council may have a problem justifying the three previous sales and then doing this differently with an unwritten policy at this point as there is a precedence with other sales.

City Attorney Gary Smith stated he was concerned about what the policy would be, as he felt it would be difficult to formulate a policy dealing with the sale of real estate. He pointed out Council could take the highest bidder. He said, however, there will be different uses for property. He said someone may buy property to use for horses but never do anything with it. Or someone may buy property and build ten houses that boosts the city's tax structure. He said there could be a lot of different scenarios.

Councilman Cunning pointed out the sale of property to Paul Sauerbourn is very similar to this request. He said Mr. Sauerbourn found the property and came to Council. He said the city did not even know they owned the property until Mr. Sauerbourn made the request to purchase the property. He said if Mr. Gingrey had not put the road and infrastructure in the area there would be no road and the property would not be as valuable.

Mr. LeDuc stated in this particular case he felt the city could advertise the property for sale for single family residential units only with a certain size lot. He said once the property is appraised, a sealed bid should be at the appraised value or higher.

Councilwoman Vaughters asked if the city really wanted to sell the property or wanted to keep it for green space. She stated she would like to look at the situation more and see if this is what the city wants to do. She pointed out that sometimes the highest and best use of property is not what the neighborhood wants in their area.

Mr. LeDuc pointed out that there are a lot of utilities on the property. He stated there is a large open ditch on the property, so between the city's well site and the ditch, plus an easement for stormwater piping, and a sanitary sewer easement through the property, it would be difficult to make a park, but it could be kept for green space. He said the front portion of the property could be used to build houses.

Councilman Cunning stated he had looked at the property and did not feel it would be the best area for a park. It is close to Citizens Park and the Weeks Center. He said setting a policy is probably the right thing to do. He said, however, in this case it is very similar to other sales. He stated Mr. Gingrey had come to Council asking to purchase the property. He pointed out again that Mr. Gingrey had put the road and the infrastructure in the area, and this had made the property valuable.

Mr. LeDuc pointed out Shiloh Baptist Church had come to staff a few months ago wanting to buy several acres of property around the church. He pointed out they have a ball field currently on city property. He said staff had advertised the sale of the property and had had several inquiries. He said the city had asked for a sealed bid at the appraised value or higher. He said in essence the city had developed a policy.

After much discussion the general consensus of Council was that the city have a policy on the sale of property, with the sale of property being advertised and with sealed bids being submitted at appraised value or higher.

Mr. Wade Brodie, 422 York Street, stated he felt Council should have the right of refusal of a bid, because someone may want to do something with the property that would not be in the best interest of the neighbors.

Mr. LeDuc stated the staff will get the property appraised, post the property for sale for single family residential and come back to Council with the bids and let Council decide whether they want to sell the property or not. Meanwhile the staff will prepare a proposal for a policy for sale of property.

Aiken City Council MinutesREGULAR MEETINGNovember 14, 2005

Present: Mayor Cavanaugh, Councilmembers Cuning, Price, Clyburn, Smith, Sprawls and Vaughters.

Others Present: Roger LeDuc, Gary Smith, Bill Huggins, Larry Morris, Ed Evans, Anita Lilly, Pete Frommer, Sara Ridout, Betsy Gilliland of the Augusta Chronicle, Tony Baughman of the Aiken Standard, and about 42 citizens.

Mayor Cavanaugh called the meeting to order at 7:13 P.M. Councilwoman Price led in prayer, which was followed by the pledge of allegiance to the flag.

APPROVAL OF AGENDA

Mayor Cavanaugh stated Council needed to approve the agenda. Mr. LeDuc stated he would like to make a report to Council on the meeting with Gem Lakes residents last week regarding annexation and purchase of the sanitary sewer system. Councilman Smith moved, seconded by Councilwoman Clyburn and unanimously approved, that the agenda be approved.

MINUTES

The minutes of the regular meeting of October 24, 2005, were considered for approval. Councilman Cuning moved that the minutes be approved as written. The motion was seconded by Councilwoman Clyburn and unanimously approved.

BOARDS AND COMMISSIONSAppointmentsHolland, JamesPlanning CommissionEidson, Gene W. Dr.Rodgers, MarshaEnvironmental CommitteeMcDuffie, RosamondMerry, PhilipDesign Review BoardShirley, CatherineBeasley, W.A.Park Commission

Mayor Cavanaugh stated Council needed to consider appointments to various boards and commissions.

Mr. LeDuc stated Council has 21 pending appointments to boards and committees of the city and 7 appointments are presented for Council's consideration.

Councilwoman Clyburn has recommended that James Holland be reappointed to the Planning Commission, with the term to expire December 1, 2007.

Councilwoman Vaughters has recommended that Dr. Gene W. Eidson be reappointed to the Environmental Committee with the term to expire December 31, 2007; that Rosamond McDuffie be reappointed to the Design Review Board with the term to expire December 31, 2007; and that Catherine Shirley be reappointed to the Park Commission with the term to expire December 1, 2007.

Councilman Sprawls has recommended that Philip Merry be reappointed to the Design Review Board with the term to expire December 31, 2007; that W. A. Beasley be reappointed to the Park Commission with the term to expire December 1, 2007; and that

Marsha Rodgers be reappointed to the Environmental Committee with the term to expire December 31, 2007.

Councilwoman Clyburn moved, seconded by Councilman Sprawls and unanimously approved, that Council reappoint James Holland to the Park Commission with the term to expire December 1, 2007, Dr. Gene W. Eidson and Marsha Rodgers to the Environmental Committee with the terms to expire December 31, 2007, Rosamond McDuffie and Philip Merry to the Design Review Board with the terms to expire December 31, 2007, and Catherine Shirley and W. A. Beasley to the Park Commission with the terms to expire December 1, 2007.

Councilwoman Price stated that she would like to recommend that T. A. Hammond be reappointed to the Park Commission with the term to expire December 1, 2006, and Laurence Ogletree be reappointed to the Board of Zoning Appeals with the term to expire December 1, 2007. She stated Ronny Bolton has resigned from the General Aviation Commission, and she would like to appoint Frank Boatwright to replace him with the term to expire September 1, 2007. She stated Roscoe Stanley had resigned from the Planning Commission, and she would like to appoint Joe Daniels to replace him with the term to expire December 1, 2007.

Mr. LeDuc stated that Don Wells, the newly elected Councilmember has stated that he would like to recommend some appointments for Council's consideration at the next meeting. He said Robert Haythorn of the General Aviation Commission has resigned and Councilman Wells would like to recommend the appointment of Craig Jarvis with the term to expire September 1, 2007. He would also like to reappoint Henry Krippner to the Board of Zoning Appeals with the term to expire December 1, 2007.

ANIMAL CONTROL – ORDINANCE 11142005

License

Spay/Neuter Program

Pet License

Microchip

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to amend the Animal Control regulations.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AMENDING CHAPTER 8 OF THE CITY CODE OF AIKEN, SOUTH CAROLINA REGARDING ANIMAL LICENSING AND OTHER ISSUES.

Mr. LeDuc stated that at City Council's September 12, 2005, meeting Council discussed in a work session changes to the Animal Control regulations. Over the last five years the city has averaged over 1,500 calls for service and picked up an average of 850 animals yearly. Of this amount, 85% are not picked up by their owners or approximately 730 animals a year. The lack of an ID is the major reason these cats and dogs are euthanized at the SPCA, costing the city about \$55,000 yearly. The current Animal Control regulations have not been updated for over 15 years, and since Council discussed the spay/neuter program at Aiken's Horizons, staff felt it important to update the ordinance and to include provisions which would enhance this program.

He pointed out there are about 6,000 animals euthanized each year in Aiken County. City Council has approved in the budget up to \$30,000 to help with subsidizing the spay/neuter program for those in an income level that cannot afford to have their animals sterilized through a spay/neuter process.

He pointed out that a committee, headed up by Barbara Nelson, was formed and the committee has met on several occasions and worked hard with staff in revising the Animal Control regulations and in setting up a spay/neuter program. He stated that at the October 10, 2005, City Council meeting Council asked staff to review some changes to the proposed ordinance involving kennels and fees for animals that are not sterilized. Two dog organizational leaders, Linda Knox McClain, Joint Master of the Aiken

Hounds, and Ecologist I. Lehr Brisbin, PhD., were added to the committee, and a meeting was held to discuss these revisions. Originally the proposed fee was \$100 each year for an unsterilized animal, but there was a lot of concern about that fee. It was decided at the recent meeting that the proposed fee for fertile animals would be \$100 for cats or dogs as a one time fee for the life of the animal or \$80 if the animal is fitted with an imbedded microchip. If the animal is sterilized the one time fee would be \$15, unless the animal is microchipped, and then the fee is waived in its entirety. For those individuals keeping a large number of unsterilized animals the registration fee will be \$100 for the first animal, with a maximum of \$200 for keeping up to five animals and \$300 beyond that number. Animal owners would be charged a \$100 fee if their pets are found roaming at large and are not registered. That fee would be reduced to \$15 if the owner agrees to have the pet sterilized. It is still recommended that the new licensing fee not take effect until July 1, 2006.

The second item concerned identifying a kennel as having six or more cats or dogs of the same species over one year of age versus the current four. Having a kennel registered allows our Animal Control Officer to check the facility each year to make sure it is sanitary, and that the animals are being taken care of properly. Along with the changes in the ordinance, the city would begin a subsidized spay/neuter program for low income families based on their income level. Those who qualify by income will be able to have their animals registered, spayed or neutered, and a microchip implanted for identification instead of a collar at a recommended \$15 co-pay. Since this is a new program the city will hold monthly animal fairs and clinics at various locations throughout the city. At these clinics rabies shots, and microchipping will be available plus information concerning the subsidized spay/neuter program. Information will be provided through schools, churches, neighborhood meetings, newspaper and our utility billing concerning the subsidized spay/neuter program, licensing and the animal fairs. A lot of hard work has been done through Barbara Nelson and the SPCA Board. We would also like to thank Veterinarian Holly Woltz and Assistant Solicitor Mary Guynn who have put together various portions of this ordinance.

Our major focus is to get animals registered and sterilized so that we no longer have stray animals roaming our streets, and we feel these provisions will meet these goals.

Mayor Cavanaugh asked how low income family eligibility would be determined.

Mr. LeDuc stated there is a formula that HUD uses to determine eligibility for low income, based on family size and income. This formula will be used in determining low income for this program.

The public hearing was held.

Ms. Coleen Reed, 207 Brandon Road, stated she felt the proposed ordinance was a wonderful ordinance and that it should be passed. She said, however, she had one question. She pointed out that on page 6 Section 8.2, item 4 under Vicious animals, it states vicious animal means any animal whose behavior, temperament, or size constitutes a risk of injury to a person or another animal. She said she assumed this meant a large dog would be vicious over a small dog. She stated she felt the words "or size" should be removed. She pointed out one of the most vicious dogs she had ever encountered was a Chihuahua.

Ms. Barbara Nelson, 3870 Wagener Road, Vice President of SPCA, stated she would like to congratulate the Aiken City Council for taking the step in realizing there is a problem with animal over population and asking its citizens, humane societies and law enforcement to work with others to come to a consensus to try to solve the problem. She stated the committee studied the problem, looked at the recommendations made by City Council, looked at some of the criticisms that were offered. She stated the committee very carefully went through the ordinance and tried to come up with a method that would solve the problem in the least forcible way. She said that is why the fee of \$100 per year was taken out, the kennel permit increased from four to six, and some other changes made. She said she felt that the majority of the committee members feel that the proposed ordinance is a good ordinance. She congratulated Council for acting to prevent

the problem of over population of animals. She pointed out there are about 8,000 animal admissions to the two shelters in Aiken County each year and about 6,000 of those animals are euthanized each year. She stated the City of Aiken brings about 850 animals annually to the SPCA. She stated the SPCA takes in about 2,000 animals each year. She said the euthanasia rate is about 40%. The cost to the city for the SPCA to handle the animals picked up is currently about \$55,000, but if the problem of animal over population is not corrected, the cost will grow. She said if Council passes the ordinance, the education process will begin to get the information out to the people that it is healthy to spay/neuter their animals and that there are affordable options. She pointed out the ordinance really emphasizes microchipping in order to identify the owners of animals.

Council then generally discussed the proposed ordinance, the fees recommended, and microchipping.

Mr. LeDuc stated staff will probably be more aggressive in enforcement of the new ordinance and in getting animals registered.

Dr. Holly Woltz, 524 York Street, veterinarian for 18 years in Aiken, reviewed for Council health reasons, quality of life, length of life, and other reasons for having animals spayed/neutered. She pointed out the program is not only an identification program, but also a spay/neuter program. She pointed out the number of animals can be greatly reduced by spaying and neutering. She pointed out that spay/neuter clinics can really make an impact on the number of animals, and with the microchipping the animal owners can be identified and animals returned to their owners.

There being no further comments, Councilman Sprawls move, seconded by Councilwoman Clyburn, that Council pass on second and final reading the proposed ordinance amending the Animal Control Regulations.

Ms. Virginia Dingfelder, contact for the AKC legislation department, read a letter from Sarah Sprouse, Program Administrator, Canine Legislation, American Kennel Club. In the letter Ms. Sprouse stated she was writing on behalf of dog owners of Aiken that had contacted the AKC. She stated the AKC supports the adoption of reasonable, enforceable, non-discriminatory laws to govern the ownership of dogs. However, they felt the licensing fees being considered by the City of Aiken were excessive and the AKC opposes the concept of differential licensing and other breeding restrictions. The letter further stated the AKC feels the answer to animal control issues is strict enforcement of current laws, rather than passage of new burdensome regulations and education of the citizens on ownership of dogs.

Council pointed out the letter was based on earlier information in the proposed ordinance, but since then the committee has worked on the ordinance and changed some of the issues mentioned in the letter.

Dr. I. Lehr Brisbin, 1220 Evans Road, stated he had just retired from the Ecology Lab at SRS where he was a Senior Staff Scientist where his specialty was animal behavior. He said he had been an advisor to the American Kennel Club for 20 years on municipal and other entity dog legislation. He said the American Kennel Club does consider the ordinance with its present form with a \$300 life time cap excessive, as does the American Dog Owners Association (ADOA). He said differential licensing of spayed versus fertile animals, if the differential is more than \$5 or \$10 per animal, is opposed by AKC and ADOA. He then reviewed for Council sections of the ordinance to which he was opposed, including the licensing fees which he felt is excessive for most people. He then expressed concern about the section which states that any pet who spends more than 45 calendar days in the city must have a city license. He felt this would be a loophole to allow people to get around regulations. He pointed out as a part of the committee he had suggested about 15 changes, but only about 2 of the changes were made in the ordinance. He said he also felt the words "or size" should be deleted in describing a vicious dog. He pointed out the kennel description creates a problem. He said as written six hamsters creates a kennel; one green iguana creates a kennel. He was concerned about the definition of running at large and the definition of a hunting dog. He was concerned about the ordinance preventing anyone from having their dog off leash even on private

property unless it was their own property, such as in Hitchcock Woods or the polo fields. He then pointed out other items which he felt should be corrected in the ordinance.

Mayor Cavanaugh pointed out the city's present ordinance requires all dogs to be on a leash outside their owner's property. He said this had been the law for many years.

Ms. Mary Guynn asked that Council not be swayed by the comments of Dr. Brisbin. She pointed out that most of the items he pointed out were in the old ordinance and had not been changed in the proposed ordinance. She pointed out these items were not mentioned by Dr. Brisbin at the committee meeting when the ordinance was discussed. She pointed out the matters are raised now and appear to confuse the issue. She pointed out the mission of the committee was to eliminate the needless euthanizing of animals and return them to their homes.

Council then discussed making two minor changes in the ordinance, one being to change the wording regarding a kennel so as to better describe the other animals. It was suggested that the word "carnivorous" be added after six (6) or more dogs, six (6) or more cats, or six (6) or more **carnivorous** animals of the same species over one (1) year of age are housed. It was also suggested that the words "or size" be deleted under 8.2 (4) under Vicious animal means any animal whose behavior, temperament **or size** constitutes a risk.....

Mr. LeDuc pointed out the item mention by Dr. Brisbin regarding leash had been in the ordinance since 1990 and this had worked for the city. He stated staff would like that to remain in the ordinance.

Councilman Smith stated he felt the Committee had done a great job in reviewing the animal regulations and in making the proposed ordinance for Council's consideration.

Councilwoman Clyburn stated she felt the animal control regulations is an issue that should be taken to the schools and involve the school children to get the information to the citizens.

Mayor Cavanaugh called for a vote on the motion to approve the proposed ordinance.

Councilman Sprawls moved, seconded by Councilwoman Clyburn, and unanimously approved, that Council approve the ordinance amending the animal control regulations on second and final reading with the word "carnivorous" being added in the definition of a kennel and the word "size" being deleted in describing a vicious animal.

RECOGNITION

Boy Scouts Troop 121

Mayor Cavanaugh recognized Boy Scout Troop 121 who was present. The boys were working on their communication badge and citizenship badge. The boys introduced themselves to Council.

CAPITAL PROJECTS SALES TAX – ORDINANCE 11142005ABorrowing of FundsLoanCapital ProjectsTransfer of FundsGeneral FundNorthside Revitalization ProgramPinelawn CemeteryAiken CorporationToole HillStreetscapeSpecial HoldingSales TaxOne Cent Sales Tax1 Cent Sales Tax

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to borrow funds from the General Fund for some Capital Sales Tax Projects.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AUTHORIZING BORROWING FROM THE CITY OF AIKEN'S GENERAL FUND SPECIAL HOLDING ACCOUNT AS OUTLINED IN THIS ORDINANCE FOR THE PURPOSE OF FUNDING THE CONSTRUCTION OF NEW HOMES IN TOOLE HILL; FUNDING THE CONSTRUCTION OF NEW HOMES AND REHABILITATION OF EXISTING HOMES BY THE AIKEN CORPORATION; AND FUNDING IMPROVEMENTS TO PINELAWN CEMETERY.

Mr. LeDuc stated that last fall the voters of Aiken County approved the 1 Cents Capital Projects Sales Tax. Staff is ready to move forward on some of the projects, but the tax funds will not start coming in until some time in 2006. Earlier this year, Council authorized the borrowing from Special Holding Funds for the purchase of the GMT building which would be used for the Parks & Recreation maintenance facilities. A maintenance facility was one of the projects under the 1 Cents Capital Projects Sales Tax. He said \$1,750,000 was set aside in the 1 Cents Capital Projects Sales Tax for renewal and renovation on the northside.

At a previous City Council meeting, Council asked staff to prepare documents to borrow funds from Special Holding funds to move forward with several projects concerning the revitalization of the north side. These included borrowing \$450,000 for the city to upfront money to build about 5 new homes in Toole Hill, \$250,000 to Aiken Corporation, of which \$170,000 would be for new construction in Toole Hill and \$80,000 for remodeling, and \$170,000 to begin work on the historic Pinelawn Cemetery, which would include streetscape, fencing, internal roadways and landscaping.

He stated that at the last meeting he had informed Council that staff had applied for a grant from the State of South Carolina for an additional \$1 million from the Housing Assistance Partnership Program (HAPP) to be used for revitalization of the northside. He said staff had been informed that the City has received that grant, so the City will have additional monies for this project which will help with financing, second mortgages, closing costs, and design features.

Anita Lilly, Director of the Finance Department, recommends that we borrow these funds from the Special Holding account to be paid back at the current interest rate that we receive in the S.C. Local Government Investment Pool plus 1%. The City should begin receiving quarterly approximately \$900,000 next summer from the Capital Projects Sales Tax. Therefore, funding will begin to be available to start paying back some of these loans starting next year.

Council discussed at the last meeting charging interest on the loans to repay the fund from which the loan would be borrowed as the fund currently draws interest. Council

discussed and agreed to discounting the loans to pay the interest, which means the loans for the projects will not be the full amount requested.

The public hearing was held and no one spoke.

Councilman Cunning expressed concern about paying interest on the \$170,000 to the Aiken Corporation to be used for the construction of new homes in the Toole Hill or Edgewood areas. He pointed out with the interest rate at 4.8%, he was concerned that it would cause the cost of the houses to increase. He stated it costs about \$80,000 to \$85,000 to build the houses in Toole Hill. He pointed out Aiken Corporation was in the picture because of the 501 (c) 3. He said Aiken Corporation had used its own funds until the funds were used up. He said he was concerned the houses would cost more than what was budgeted, which would affect the ability to sell the houses. He asked if the interest could be exempt on the \$170,000 for the houses to be built in Toole Hill. He said he was not concerned about the interest on the \$80,000 for renovation of homes, only the new home construction.

Mayor Cavanaugh stated Council needed to keep in mind the overall mission, which is to provide good housing in the Toole Hill area. He also pointed out that the mission was to build houses and to get them sold so the owner starts paying taxes. He said it would not be good to build a house and have it empty for a year. He stated the Toole Hill was an area where the city wanted to build houses to improve the area.

Councilwoman Price stated she felt Councilman Cunning's concern was valid and she felt perhaps Council should exempt the interest on the \$170,000 for the Aiken Corporation to be used for housing in order to keep the cost as low as possible.

Mr. Wade Brodie, Chairman of the Aiken Corporation, also expressed concern about paying interest on the funds for the new home construction in the Toole Hill and Edgewood areas. He pointed out there was no profit margin on these houses and was concerned that charging interest would affect the program. He pointed out all of the money would not be needed at one time and asked if an account could be set up so Aiken Corporation could draw on the money as needed.

Councilman Smith stated the reason he had suggested that interest be charged was because money for the loan would be taken from reserve funds which are currently earning interest. He said if Council wished to revise the ordinance to not charge interest on the \$170,000 loan to the Aiken Corporation for new housing he had no objection.

Mr. LeDuc pointed out that four years ago staff talked to Council about a 10 year plan for revitalization of the northside. At that time Council was willing to put aside several hundred thousand dollars each year for the project. He said over the last couple of years city funds have been used from the General Fund in the amount of \$250,000 for the revitalization. He said some of that will come back through the sale of land, but not all of it. He said Council had looked at the big picture and the forward thinking picture that over a period of time there would be 500 new homes, and there would be tax dollars on the homes and vehicles coming into the city revenue. He pointed out that presently Public Safety has less calls in Toole Hill already because of what is being done in the area. He said the big picture is spending a little money up front which saves a lot of money long term. He said the city has money in holding accounts that the city is using for housing. He said if Council wants to the interest could be paid out of the Special Holding Account like other projects on the northside. He said the ordinance could be modified so that interest would be paid out of the Special Holding Account for Northside Revitalization. He said the interest would probably only amount to about \$5,000 to \$10,000. He said in the overall scheme that is not much. He said if the house sells immediately the interest amount would be less. He said the interest could make a difference in a person getting a loan.

Councilwoman Price moved, seconded by Councilwoman Clyburn and unanimously approved, that Council pass on second and final reading an ordinance to approve borrowing \$870,000 from the Special Holding Fund Account for construction and renovation of new homes on the north side and renovation of the historic Pinelawn

Cemetery, with the provision that the \$170,000 to the Aiken Corporation for new home construction in Toole Hill or Edgewood be exempt from interest, and that the ordinance become effective immediately.

Councilwoman Clyburn stated she would like to recognize those present who worked on Saturday morning in the cleanup of Pinelawn Cemetery.

SEWER PUMP

Gem Lakes
Pump Station
Sewer Station
Purchase

Mayor Cavanaugh stated Council needed to consider approval of a backup pump for the Gem Lakes sewer station.

Mr. LeDuc stated in 1991 the Gem Lakes sewer pump station was constructed. This station operates continuously and pumps over 1 million gallons of sewage per day to the Southwood pumping station. It receives sewage from the Woodside pump station and a pump station located off of Banks Mill Road and Citadel Drive. The station has four pumps and two of them run simultaneously with the third planned to run in the future as the flow increases. This leaves one backup pump in case the others fail.

Since the station was constructed, there have been a couple of instances where power and other failures have occurred. Although the station is equipped with a standby diesel generator, we still had some backups, and we are recommending the purchase of a diesel pump for this location and to budget diesel pumps for the Southwood and Woodside stations, in next year's budget. This would provide added protection for the lake adjacent to the Gem Lakes station with permanent mounting and a separate set of controls for the diesel pump. The cost of the backup pump in a metal enclosure would be approximately \$70,000. Although this is not a budgeted item, we feel, based on a recent backup at the station, that it is extremely important to install it now at this station, with the other two in the near future. It will greatly reduce the risk of overflows and along with other redundant systems exceed South Carolina DHEC requirements.

Council discussed the problem and felt this problem should be addressed.

Mayor Cavanaugh moved, seconded by Councilwoman Clyburn and unanimously approved, that Council approve the purchase of a diesel powered backup pump for the Gem Lakes sewer station for approximately \$70,000.

GRANT – HOUSING

Northside
Toole Hill
Edgewood Subdivision
South Carolina Housing Action Partnership Program
HAPP

Mayor Cavanaugh stated Council needed to consider acceptance of a grant from the South Carolina Housing Authority (HAPP).

Mr. LeDuc stated last month City Council received an update on the city's revitalization plans for Toole Hill and Edgewood Subdivisions. Previously City Council approved \$1,750,000 from the Capital Projects Sales Tax referendum to be used in the revitalization effort. This money would be used to subsidize closing costs, construction projects and financing, grant subsidies for landscaping, fencing and driveways, loan financing and some infrastructure improvements.

Mr. LeDuc stated the city had been notified by the South Carolina Housing Finance and Development Authority that Aiken had received a \$500,000 grant to match the work that we are doing with our funding. This grant will help with housing improvements in the

Toole Hill and Edgewood area to assist with closing grant subsidies, construction and loan financing, totaling \$500,000.

We are pleased that the State recognizes the great program that our staff has put together on the northside. The funding from the State will go a long way towards completing the project in both Toole Hill and Edgewood areas and allow our money to be used for more new houses. He said he would like for Council to formally accept the grant.

Councilwoman Clyburn moved, seconded by Councilman Sprawls and unanimously approved, that Council accept a grant from the South Carolina Housing Authority referred to as HAPP funding in the amount of \$500,000 to be used in the housing improvements on the northside.

AIKEN CORPORATION

Funding

Willow Run

Speculative Building

Request for Funds

Paint

Landscape

Mayor Cavanaugh stated Council had received a request for funds from the Aiken Corporation for the spec building in Willow Run Park.

Mr. LeDuc stated Wade Brodie, Chairman of Aiken Corporation, is requesting City Council to provide a no interest loan for \$20,000 to paint and landscape the Willow Run Speculative Building. This is based on the desire by some nearby property owners and some Councilmembers to make the building more attractive. He pointed out the painting quotation was for \$11,300 and the remaining funds would be used for landscaping.

If Council provides this funding, they would paint the building and put in the necessary shrubbery, trees, and ground cover over the next several months to beautify the building and site. Once the building is sold they would repay the city the \$20,000.

Councilwoman Vaughters expressed her feeling that the building is very unattractive.

Councilman Cunning stated the Aiken Corporation is seeking other grant funds to do other things to the site to enhance the area.

Councilwoman Clyburn moved, seconded by Councilwoman Price, that Council approve the request from Aiken Corporation for \$20,000 for a no interest loan to provide funding for painting and landscaping at the Willow Run speculative building. The motion was approved by a majority vote of 6 in favor and 1 opposed. Councilwoman Vaughters opposed the motion.

TOOLE HILLCDICNorthsideCommunity Development & Improvement CorporationSale of LotsPurchase of LotsHousingTPN 104-16-28-007TPN 104-16-28-008TPN 104-20-05-001TPN 104-20-08-002TPN 104-20-08-009TPN 104-20-08-015TPN 104-20-08-018TPN 104-20-08-021TPN 104-16-31-005TPN 104-20-06-001TPN 104-20-06-013TPN 104-20-06-014TPN 104-20-06-020

Mayor Cavanaugh stated Council needed to consider approval of delaying payment for 10 lots in Toole Hill purchased by CDIC.

Mr. LeDuc stated that at the last meeting Council approved the sale of 13 lots to CDIC for rental detached houses in the Toole Hill area. In a subsequent meeting with Reggie Barner he has requested the city delay up to 36 months the payment for ten of these lots. They had anticipated receiving grant funds to purchase these lots immediately, but to date have not received this funding. They hope in the next few months to get confirmation concerning the grant money. However, if they are not able to receive it they will have the necessary funds amounting to \$100,000 to purchase these lots within 36 months.

They are under a tight deadline with the State Housing Authority to begin work on these 13 units immediately. They already have a contract signed with a local builder and are ready to start once we can settle on a contractual agreement for the sale of the land. Therefore, they are able to pay us \$30,000 for three lots now and want to delay up to 36 months payment for the other ten lots.

Councilman Cunning moved, seconded by Councilwoman Price and unanimously approved, that Council approve delaying up to 36 months our contractual agreement with CDIC on ten lots within the Toole Hill neighborhood.

Mr. LeDuc pointed out that with the approval of funds for housing in Toole Hill, Council had basically authorized CDIC to build 13 houses, the city to build 5 and Aiken Corporation 2 houses. He stated there will be about 20 houses started in Toole Hill within the next 30 to 60 days. He said there would be major construction in the area.

GEM LAKESAnnexationSewer System

Mr. LeDuc stated he had met on November 10, 2005, with about 100 residents of the Gem Lakes area. He pointed out that at the November 28, 2005, meeting Council will hold the second reading for the annexation of Gem Lakes. He said if approved by Council Gem Lakes would be in the city by December 1, 2005. He said this would increase the population of Aiken about 2%. He pointed out that Council will have to make a decision on what to annex in the Gem Lakes area. He said presently the ordinance would annex properties in Gem Lakes by the petition method, not the 75% method. He pointed out Council can change the annexation at the second reading. He pointed out that at the meeting with the Gem Lakes residents, he discussed the city buying the sewer system. He pointed out that Mr. Morris, Public Works Director, had been working with the owners of the Gem Lakes sewer system for the city to purchase

the system. He said the negotiations had been settled at \$800,000 for the city to buy the system. He said staff feels there will be up to \$100,000 needed for repairs to the system. He said until the system is viewed by TV, the staff does not know how much repair will be needed. He said the people in Gem Lakes had been told that the loan for the purchase of the sewer system would be based on \$900,000, on which there would be a variable interest rate, depending on the interest rate the city is getting from the State Local Government Investment Group for 15 years divided by the number of customers. He said the cost will be about \$22.50 to \$23.50 per month per resident. He said the residents of Gem Lakes on the system would be paying for the system. He said the city would be loaning money to the Gem Lakes residents for purchase of the sewer system for the residents to pay back over a period of time. He said if the residents don't pay, the water will be cut off until it is paid. He said the loan would be based on a 15 year loan at the prevailing interest rate. He said at the next Council meeting there will be a resolution authorizing the city to buy the Gem Lakes sewer system, subject to a special election approval in late January or February by the voters in Aiken. After approval of the purchase of the sewer system, there would be second reading of the ordinance annexing a portion of Gem Lakes into the city.

Mr. LeDuc stated there were three individuals that had signed the petition for annexation that now want to be removed from the petition for annexation, including one who is selling their house, one who is just moving into Gem Lakes, and Jerry McCarty who appeared at first reading and asked to be removed from the annexation petition.

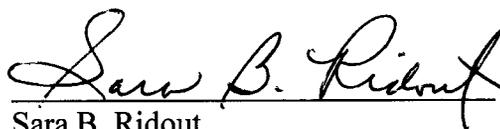
Councilwoman Vaughters stated she had had several calls from residents of Gem Lakes who had stated they felt Council should annex all the properties on the sewer system, as all would get city benefits even if only part of the area is annexed to the city.

Councilman Cunning stated he agreed that all of Gem Lakes on the sewer system should be annexed to the city. He asked strongly that Council consider annexing all of Gem Lakes on the sewer system and not annex portions of the area. He said this was the opportunity to annex all of the area. He said to have donut holes did not make sense from a business side. He said the residents had come to the city asking the city to take care of the sewer problem. He said this is the opportunity to annex the area. He pointed out that 85% of the residents had petitioned Council for annexation. He felt that all of the area on the sewer system should be annexed to the city.

Councilman Smith stated at the previous meeting he had felt that only those who had signed the petition should be annexed. He said, however, he had been thinking about it recently and felt that the donut holes would create a problem. He said this is an opportunity to do the right thing and annex 100% on the sewer system rather than creating donut holes and creating more problems.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:08 P.M.


Sara B. Ridout
City Clerk