

Aiken City Council Minutes

January 8, 2001

Present: Mayor Cavanaugh, Councilmembers Anaclerio, Clyburn, Cuning, Price, Radford, and Sprawls.

Others Present: Roger LeDuc, Bill Huggins, Gary Smith, Larry Morris, Pete Frommer, Terry Rhinehart, Anita Lilly, Stanley Quarles, Sandra Korbek, Richard Pearce, Sara Ridout, Adam Burton of the Aiken Standard, and about 35 citizens.

Mayor Cavanaugh called the meeting to order at 7:35 P.M. Councilwoman Price led in prayer which was followed by the pledge of allegiance to the flag. The minutes of the regular meeting of December 11, 2000, were considered for approval. Councilwoman Clyburn moved that the minutes be approved as written. The motion was seconded by Councilman Sprawls and unanimously approved.

ACCOMMODATIONS TAX

Public Hearing

Local Accommodations Tax

Mayor Cavanaugh stated a public hearing had been scheduled for consideration of continuation of the local Accommodations Tax.

Mr. LeDuc stated Council was holding a public hearing concerning consideration of continuation of the local Accommodations Tax. In March 1999 Council looked at two taxes, one being the 3% Accommodations Tax which is charged at all hotels, motels and bed and breakfasts. The other tax was the 2% Hospitality Tax on all prepared food or alcohol which is charged primarily in the restaurants. Those funds were used for specific projects which supported recreation facilities, the playhouse in the downtown area, Public Safety Station, tennis courts and other improvements at Virginia Acres. In November, 2000 a county-wide 1% sales tax was approved by the voters and this money will be used for those projects which were approved in March, 1999. In March, 1999, when Council approved the two taxes, Council had said when the projects were funded the taxes would be discontinued. However, last June when the issue came up about the 1% sales tax Council said the Hospitality Tax would be eliminated if the 1% sales tax was approved by the voters, but Council would like to reexamine the Accommodations Tax. It was pointed out the Accommodations Tax is derived from funds from people who are visiting the city and not residents of the city. Council felt possibly the Accommodations Tax funds should be kept to pay for improvements that support tourism within the city as it would bring in revenue from those who do not live in the city, but visitors coming to the city. Council wanted to discuss this further and get public input. Letters were sent to all the motels, hotels, and bed and breakfasts, plus other concerned citizens in Aiken concerning this public hearing. Mr. LeDuc stated he had received comments from four of the motel owners who would like to advise Council on recommending what the Accommodations Tax money is used for. Mr. LeDuc stated four individuals had signed up to speak on the matter.

The public hearing was held.

Ms. Susan Victor, representing the Aiken Center for the Arts, stated she was present to express support for maintaining the Accommodations Tax. She said they felt the Accommodations Tax was a great way to support special projects which they felt increased tourism and the tax base as well as provide services for the citizens and improve their quality of life and the community as a whole. She said the Accommodations Tax did not directly impact the citizens of Aiken County as the users are primarily outsiders, but the projects such as the Aiken Center for the Arts that would utilize the money would in turn improve the citizens lives. She said the Aiken Center for the Arts was strongly in support of continuing the Accommodations Tax.

Mr. John Lindsey, representing the Aiken Chamber of Commerce Board of Directors, stated it was the position of the Board of Directors that the Accommodations Tax should be continued, and they support Council in the continuation. He said the Board feels that the proceeds of the Accommodations Tax represent the most effective means of raising Aiken's tourism development program to the next level. He said the 3% tax would be no more than Columbia and less than Augusta. He said the Visitors Center at the Chamber offices, the Community Playhouse, the Newberry Festival area, and the Aiken Center for the Arts should not remain a secret. He said the Chamber urged Council to consider allocating a portion of the Accommodations tax proceeds to an enhanced tourism marketing effort. He said the challenge is to generate tourism on weekends and holidays. A strong tourism development program will add value for all and if done correctly will produce a remarkable return on investment of the Accommodations tax. He said the Aiken Chamber urges Council to continue the Accommodations Tax and to commence consideration of allocating resources from the Accommodations Tax proceeds to hire a tourism/marketing director for the Chamber.

Mr. Henry Patel from Days Inn Downtown on Richland Avenue asked why Council would want to eliminate the 2% Hospitality Tax and continue the 3% Accommodations Tax. He pointed out the 1% county-wide sales tax increases the tax on the room to 11%. He said he supported the Accommodations Tax as it had been used to sponsor events, which had brought in more business, but he questioned the additional 1% tax.

Mayor Cavanaugh pointed out that the Hospitality tax affects more of the citizens of Aiken since it is a tax charged by the restaurants whereas the Accommodations Tax affects more visitors to the city since the tax is on hotel and motel rooms. He pointed out the tax brings in more money for the city to help on tourism events and things which will bring more people in to stay in the motels. He stated the 1% sales tax would be on everything now not just the restaurants.

Mr. Neel Shah, Holiday Inn Express on Whiskey Road, stated he supported continuing the 3% Accommodations Tax, but the motel owners would like to be included in how the money will be spent, and they would like to see what they can do to help bring more people to Aiken.

Ms. Donna Kirby, of the Hampton Inn, stated people needed to be educated about the hotel business. She stated they were not busy during the holidays and December and January are very slow months. She stated they are busy Monday through Thursday, but the weekends are slow unless there are special events. She suggested a compromise in the tax. She stated currently the accommodations tax is 10% which will go to 11% with the 1% county-wide sales tax. She pointed out the restaurants charge 7% now and with the elimination of the 2% Hospitality tax and the addition of the 1% sales tax, the restaurants will charge 6%. She asked if there was some way that the hotels could still charge 10%. She suggested that the hotels could give their guests surveys to find out why the guests are in Aiken if that would help the city in planning events.

Mr. Raj Champaneri, of the Comfort Inn & Suites and Ramada on Richland Avenue, stated he felt the hotels were in favor of the Accommodations Tax as it worked for them as well as the city.

Mayor Cavanaugh stated the comments would be received as information and Council would have first reading of an ordinance for continuation of the 3% Accommodations Tax on the January 22, 2001, agenda. A public hearing would be held on the continuation of the Accommodations Tax at the February 12 Council meeting.

BOARDS AND COMMISSIONS

Appointments
Environmental Committee
Smiley, Gail
Planning Commission
Biermann, Kay

Mayor Cavanaugh stated Council needed to make some appointments to the various boards and commissions of the city.

Mr. LeDuc stated Councilman Sprawls has recommended appointment of Gail Smiley, 706 Laurel Drive, to the Environmental Committee. If appointed Ms. Smiley would fill the unexpired term of Keith Sheeley who has resigned. The term for this appointment would expire December 31, 2001.

Councilman Sprawls has also recommended appointment of Kay Biermann, 48 Cherry Hills Drive, to the Planning Commission. If appointed, Ms. Biermann would fill the position to which Ed Girardeau was appointed. The term for this appointment would expire December 1, 2002.

Councilman Sprawls moved, seconded by Councilwoman Clyburn and unanimously approved, that Council appoint Gail Smiley to the Environmental Committee with the term to expire December 31, 2001, and appoint Kay Biermann to the Planning Commission with the term to expire December 1, 2002.

RYE PATCH – ORDINANCE 01082001

Harvey Hubbell
Hubbell

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to rent Rye Patch to Harvey Hubbell.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE APPROVING THE LEASE OF PROPERTY OWNED BY THE CITY OF AIKEN AND LOCATED AT 100 BERRIE ROAD ALSO KNOWN AS RYE PATCH TO HUBBELL, INC.

Mr. LeDuc stated for several years now, Harvey Hubbell has rented the downstairs portion of Rye Patch during the entire week of Masters. They would now like to enter into a formal agreement with the City of Aiken to rent the living area on the first floor and the four bedrooms on the second floor, which are currently being renovated, for the week. They would pay the City of Aiken \$10,000 per year for a three year period and then each party would have the option to continue this lease for an additional two years. Currently, the company uses the downstairs for breakfast and dinner, and as stated in the proposed agreement, they would have the ability to use the upstairs bedrooms should they desire for overnight stays. The staff recommends that based on our past relationship with Harvey Hubbell, we approve this agreement. He said the proposed fee would pay for the improvements proposed to be made to the upstairs bedrooms.

The public hearing was held and no one spoke.

Councilman Anaclerio moved, seconded by Councilman Cuning and unanimously approved, that Council approve on second and final reading an ordinance to enter into a lease agreement for the rental of Rye Patch for a three-year period with Harvey Hubbell and that the ordinance become effective immediately.

AVIATION BUSINESS PARK – ORDINANCE 01082001AR. L. EnterprisesLeaseBush Field Aircraft CompanyAirportAir 1st Aviation CompanyRobbins, RoyalLaver, MikeLyle, JamesFixed Base OperatorFBO

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to reassign lease agreement for property at Aviation Business Park.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE AN ASSIGNMENT OF LEASE AGREEMENT FOR REAL ESTATE PRESENTLY LEASED TO R.L. ENTERPRISES.

Mr. LeDuc stated in 1993 City Council approved a land lease agreement with R. L. Enterprises, our current FBO at the Aiken Airport, for a parcel of land on which they constructed an office building for their business. This lease agreement allowed them to construct a building on property owned by the City adjoining the taxiway off of Aviation Boulevard.

Mr. LeDuc stated Royal Robbins and Mike Laver are currently leasing property from the City of Aiken at the end of Aviation Drive. The leasee would now like to reassign this property to James Lyle. The company will abide by all of the agreements under the current lease agreement. The current lease has 13 more years with two 10-year options for the land. The proposal is to reassign the lease that was signed in 1993 by R. L. Enterprises so another company could use it.

Item 12 of the lease agreement gives City Council the right to give approval for any reassignment of the lease to another company. It is the intention of the FBO to purchase or lease other property from the City and to relocate their offices to this new location. It is anticipated that this new building would be in the vicinity of the terminal now being constructed.

The public hearing was held and no one spoke.

Councilman Radford moved, seconded by Councilman Sprawls and unanimously approved, that Council pass on second and final reading an ordinance approving the transfer of the lease agreement for approximately 1.5 acres located at the Aiken Municipal Airport from R. L. Enterprise to James Lyle and that the ordinance become effective immediately.

ZONING ORDINANCE – ORDINANCEAmendmentWritten Decisions.DecisionsPlanning CommissionBoard of Zoning AppealsNotification

Mayor Cavanaugh stated an ordinance had been prepared for consideration for first reading to amend the Zoning Ordinance regarding written decisions.

Mr. LeDuc read the title of the ordinance.

**AN ORDINANCE AMENDING SECTION 6 OF THE ZONING ORDINANCE
REGARDING WRITTEN DECISIONS OF THE PLANNING COMMISSION AND
THE BOARD OF ZONING APPEALS.**

Mr. LeDuc stated at the September Board of Zoning Appeals meeting, the members asked that the number of days for a decision to be mailed to an applicant be increased from the current fifteen days to thirty days for both BZA and the Planning Commission. The Planning staff discussed this further, and recommends that twenty-five days is an adequate time for the final decision to be mailed. They also stated that the notices should be sent by certified mail since the State law has language which requires this type of notification.

At the December 12, 2000 Planning Commission meeting, the Commission unanimously approved revising the two sections within the Zoning Ordinance to reflect that when an approval or one with modifications or conditions is granted the decision shall be communicated in writing by certified mail within twenty-five days.

Councilwoman Price moved, seconded by Councilman Radford and unanimously approved, that Council approve on first reading an ordinance regarding the time period and mailing of decisions of the Board of Zoning Appeals and that second reading and public hearing be scheduled for the next regularly scheduled meeting of Council.

AIRPORT – ORDINANCE

Lease
Fixed Base Operator
Robbins, Royal
Laver, Mike
FBO
Land Swap
Hangars
T-Hangars

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to modify the Fixed Base Operator Lease at the Airport.

Mr. LeDuc read the title of the ordinance.

**AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A FIRST
AMENDMENT TO LEASE AGREEMENT AND FIXED BASE OPERATOR
AGREEMENT FOR THE AIKEN MUNICIPAL AIRPORT.**

Mr. LeDuc stated at the last work session on December 11, 2000, our FBO operators, Royal Robbins and Mike Laver, asked that the city consider modifying the existing Fixed Base Operator lease.

On February 8, 1999, City Council passed on second reading a new lease agreement with our FBO. This allowed the city to gain revenue from fuel fees and for the FBO to improve the airport property as the market dictates. They are now prepared to build new barn hangars and a new T-hangar costing approximately \$600,000. In order to do this they would like to swap some of the property that is currently controlled by the FBO with the property that the city controls. This mutually agreeable land swap would allow them future flexibility to build additional hangars and the city to market more land closer to US 1. The new land to be leased by the FBO is shown in Exhibit A.

In addition they would like to add a 10 year option to the lease which would be mutually agreeable by both parties to give them the ability to obtain financing and the time to recover their investment. With these changes they would then be able to move forward with these improvements. Since approval of the agreement in 1999, the City has received additional revenue from the airport and the FBO has confidence that with the improvements that have been made and are currently being completed there is a need for these hangars.

Councilman Anaclerio moved, seconded by Councilman Cuning and unanimously approved, that Council pass on first reading an ordinance to modify the existing FBO lease to add a 10 year option to the lease and to swap some of the property with the City and that second reading and public hearing be set for the next regularly scheduled meeting.

JURY BOX 2001

Municipal Court

Mayor Cavanaugh stated Council needed to adopt a Jury Box for 2001.

Mr. LeDuc stated Sara Ridout, City Clerk for the City of Aiken, prepares a jury box, and submits this Jury Box for City Council approval.

Under our form of government, the members of City Council are the jury commissioners for the Municipal Court for the city. Each year City Council must approve the preparation of a Jury Box during the first 30 days. The Jury Box contains two compartments designated as Compartment "A" and Compartment "B." The names of all registered voters in the city are placed in Compartment "A" and during the year jurors are randomly selected from Compartment "A." After selection for a particular term of court, the names are then placed in Compartment "B" so that the names are not selected again during that calendar year. We have a total of 15,886 registered voters in the city, and the names have been placed in the Jury Box for 2001.

Councilman Radford moved, seconded by Councilman Cuning and unanimously approved, that Council approve the preparation of the Jury Box for 2001.

AIKEN ELECTRIC COOPERATIVE

Grant

Rural Development Act

Ventures Industrial Park

Economic Development

Mayor Cavanaugh stated Council needed to consider acceptance of a grant from the Aiken Electric Cooperative.

Mr. LeDuc stated the Aiken Electric Cooperative through the Rural Development Act of 1996 awards grants to communities for economic development for investment in infrastructure and other qualifying projects to help encourage development within their area.

Last year the Aiken Electric Cooperative gave the City of Aiken \$300,000 to help with the development of the new Ventures Park. Over the past few months we have been discussing with them the city's need for additional funding for the infrastructure improvements at Ventures Park including water, sewer and roads.

The Aiken Electric Cooperative would like to help the city with the further development of this infrastructure within the park and have committed \$79,812.50 for this work. They would also like to give the City \$5,000 for technical assistance to help in bringing new firms to a potential hi-tech business park on the southside. If for some reason the infrastructure is not installed or the \$5,000 is not used for technical assistance to develop the new park, then the city would need to refund this money to the State and to the Cooperative.

Mr. LeDuc stated the Aiken Electric Cooperative was under a very short timetable in developing this grant and determining the actual funding amounts. Therefore, it was not know until the last week in December what this amount would be, and the staff has already accepted the \$79,812.50 check subject to final approval by City Council.

Councilman Sprawls moved, seconded by Councilman Cuning and unanimously approved that Council accept two grants from Aiken Electric Cooperative, one in the amount of \$79,812.50 for infrastructure improvements at Ventures Park and a second for \$5,000 for technical assistance to master plan a new business park.

CAMELLIA TRAILER PARK

Trailer Park
Camellia Street
Hampton Avenue
Williamsburg Street
Timmerman, Ben
Resolution

Mayor Cavanaugh stated Council needed to consider a resolution approving the purchase of Camellia Trailer Park.

Mr. LeDuc stated for several years the city has been working on the renewal and rehabilitation of various properties on the north side. Over the last 12 months we have been in discussions with the owners of the Camellia Trailer Park, and we have negotiated an agreement to purchase this property for \$235,000. This includes the seven plus acres which contains the existing trailer park and outparcels along Camellia Street. Upon Council's approval a title search and closing will be scheduled for later in February.

If Council approves the purchase the City will then begin the process of cleaning up the park and determining the future disposition of the remaining trailers after the closing. The City will then begin planning for the future development of this property hopefully as a single family homeownership subdivision.

Councilwoman Clyburn moved, seconded by Councilman Sprawls and unanimously approved, that Council approve the resolution authorizing the purchase of the property on Camellia Street and Hampton Avenue at Williamsburg Street known as Camellia Trailer Park for \$235,000 from the Estate of Ben Timmerman, Jr.

UTILITY REQUEST

Water Service
Wildwood Lake Phase II
Bradley Mill Road
Atlantic Coast Properties, Inc.
Johnson Mill Drive
Wildwood Road
Wildwood Subdivision

Mayor Cavanaugh stated a request had been received for water service to Wildwood Lake Phase II.

Mr. LeDuc stated a few months ago City Council approved city water for Wildwood Subdivision Phase I on the north side of Bradley Mill Road. The developer Atlantic Coast Properties, Inc. is requesting city water for an additional 19.88 acres for the second phase of Wildwood Subdivision containing 14 lots. These lots will range in size from .67 acres to 3.12 acres as well as a new road called Johnson Mill Drive. The first phase contained 25 single-family lots on 26.5 acres along a new road called Wildwood Road.

The Planning Commission at their December 12, 2000, meeting unanimously approved this request with the following conditions:

1. That they comply with the City Engineer's requirements for design and installation of the water system.
2. A waiver of the provision of the Land Development Regulations requiring a landscaped median at the entrance.
3. That on the final plat Lot 37 will not have access onto Bradley Mill Road.

4. That any manufactured housing placed on this property comply with the city Manufactured Home Subdivision Standards found in Section 4.2.6 of the Zoning Ordinance and that this statement be included on the final plat.
5. That the Engineering Department be furnished an as built plat of the utilities.

Councilman Price moved, seconded by Councilman Anaclerio and unanimously approved, that Council approve the request for water service to 19.88 acres known as Wildwood Subdivision Phase II with the provision that they meet the conditions recommended by the Planning Commission.

EXECUTIVE SESSION

Legal Matter

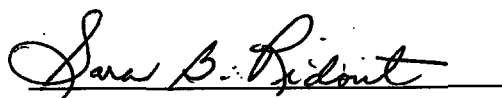
Mayor Cavanaugh stated Council needed to go into executive session to discuss a legal matter.

Councilman Anaclerio moved, seconded by Councilwoman Clyburn and unanimously approved, that Council go into executive session to discuss a legal matter.

Council went into executive session at 8:45 P.M. After discussion Councilman Anaclerio moved, seconded by Councilwoman Price and unanimously approved, that the executive session end. The executive session ended at 9:05 P.M.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:05 P.M.


Sara B. Ridout
City Clerk