

TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
FINANCE COMMITTEE
Monday, February 4, 2019
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane, Mount Pleasant, SC 29464

MINUTES

PRESENT: Tom O'Rourke, Chair; Joe Bustos, Kathy Landing and Gary Santos

STAFF PRESENT: Eric DeMoura, Town Administrator; Marcy Cotov, Chief Financial Officer

Mr. O'Rourke called the meeting to order at 10:22 a.m.

1. Approval of Minutes from the [December 3, 2018](#) meeting – 10:22

Mr. Bustos moved for approval; seconded by Ms. Landing. All present voted in favor.

2. Public Comments

[None]

3. Consideration of [funding request by Housing for All Mount Pleasant](#)

Melissa Moore, Director of Operations, Housing For All, Mount Pleasant, 1000 Johnnie Dodds Boulevard. She was joined by her Co-Director, Wendy Bauerschmidt, Director of Development. Board members Chris Brooks, Sally Jacob, and Benjy Cook were also in attendance. She thanked the Town for allowing them to make their presentation, and for the seed funds that were given to them last year, which gave her this fantastic job. It allows her to work with the most dedicated Board of Directors and in the town where she grew up. She is a graduate of Wando High School, before it had its own zip code, and graduated from College of Charleston. The work has very deep meaning for her. Her family is from Mount Pleasant for generations. She stated she grew up in

Hobcaw in the Old Village. They have hit the ground running. This is her 31st day on the job, and since she began, they have established their 501c3, which will let them raise money. She stated that now they will not have to keep asking the Town for money. They have launched their website and began to educate the public about who they are and what they do. They have already started developing partnerships which they hope will result in the development of attainable housing units as early as next year. She stated their Board retreat is this week and should be able to roll out a strategic plan very soon. They are requesting an additional \$50,000 and any available discretionary funds that the Town may have. These funds will be used to develop detailed plans for workforce housing units, which will be presented to Town Council upon completion. They will also need to launch a public education campaign and connect qualifying homebuyers to workshops on financial literacy. She stated that they are pursuing grants, including the Town of Mount Pleasant Community Investment Grant. Those things take time, and they are not guaranteed to come through. The earliest funding should come the middle of the year, and the money they are requesting will help them continue to operate until those grant funds come through. Their work will benefit the Town in two very significant ways. She stated that one is livability and the other is economic development. Mount Pleasant citizens deserve to live in a town where they are not plagued with traffic congestion and where emergency services can reach them when disasters occur. As it stands, 72% of the workforce of Mount Pleasant lives outside the town. That means that 32,000 people commute in every day; 28,000 commute out for work. That puts a burden on the road infrastructure and costs tax payers. Most of the people, the first responders, the teachers, the people who work in hospitality have to live in places like Summerville and Goose Creek, and that is part of the reason there is so much traffic congestion. The development of attainable housing will not only decrease the number of commuters, it will allow first responders to reach residents faster when natural disasters occur. When things like earthquakes occur, which Charleston is overdue for a big earthquake, our bridges are not going to be passable. If the first

responders are living outside the Town, they are not going to be able to get to people in a timely manner when people need help. A second and a minute can mean the difference between life and death. She continued, that they want to make sure that these people can afford to live in the town, and for Mount Pleasant to thrive, it needs to be a hub for businesses to grow and a place that seniors, first responders, young professionals, and hospitality industry talent can live, learn and earn. They want to position Mount Pleasant for long-term success. They feel the development of attainable housing will do that. She stated they are working on solutions. Their organization looks forward to presenting their plan after they have their board and staff retreat this week. She thanked the Town for its continued support.

Ms. Landing confirmed seeing the article in the paper and read that Ms. Moore began her job in January. She stated that her predecessor was Jack Little. When the Town first awarded the \$50,000 grant, it was done by the Finance Committee as one of the outside the Town requests for money. That money was granted in July. Ms. Landing asked if there are two full-time workers and the rest are volunteers.

Ms. Moore responded in the affirmative.

Ms. Landing stated that she would think they would be further along by now. She stated she is very involved in fund raising. She stated that things like fund raising events and going out to corporations and talking about outright donations should help as seed money. She stated that it seems the Town should be hearing more about that.

Ms. Moore stated that they did not get the 501c3 established until November. Their Director and Co-Director did not begin their jobs until last month, so they could not raise any money until they received the 501c3. They needed to halt operations until they had the letter. She believes they have done well considering they have only been working about a month.

Ms. Landing stated that when the Town had the request in July, they were given the impression that it was forthcoming. Ms. Landing thought

the 501c3 would have been in place earlier. The spin-off from Task Force to create a 501c3 was a year and a half ago. Ms. Landing did not realize it took that long to have the letter in hand, so she thanked Ms. Moore for that information.

Mr. Bustos asked Mr. DeMoura how much money the Town has put toward this effort.

Mr. DeMoura stated that in Fiscal year 2018 the amount of money the Town paid for the consultant along with attorney fees to help set up the 501c3 amounts to just under \$37,000. Fiscal year 2019 they received a Grant through the Town's Community Investment Program of \$50,000. In Fiscal year 2020 they just applied for another installment in the Community Investment Program for \$50,000. The Town has received that application and has the request in front of the Committee today

Mr. Bustos stated that the Community Investment Grant is an additional \$50,000. He stated that totals \$187,000. He stated this is a worthwhile effort and thinks the Town has done what they should do. He would be agreeable to making it \$50,000 as a matching grant. If they raise \$5,000, we will match it for \$5,000. The Town has already put \$187,000 towards this and all that has been raised is \$4,200.

Ms. Moore replied in the affirmative.

Mr. Bustos stated the \$50,000 should provide incentive that the Town should match up to \$50,000 going forward.

Ms. Landing queried where the funds would come from if they were to vote to do this as a Council.

Mr. DeMoura stated that the Town is about to show the mid-year budget adjustments and would include it as part of those. We would have to get it from some sort of contingency or reserve account. Whether it came from where it is currently housed this year in the Town budget, or came from the undesignated fund balance, it would be a pull from reserves.

Ms. Landing stated that it is the corporations that have employees on either side of the bridge that are having to commute that are probably

the most vested. Reaching out to them is a good idea. She stated she likes the idea of the matching funds grant. She stated that they already have a matching funds grant. Ms. Landing asked if Ms. Moore could share that with the Committee.

Ms. Morris stated that they can. Some people donate anonymously but it is difficult to make the pitch to people who are individual donors, so yes, she agreed that corporate fundraising strategy is something they are pursuing. It is not puppies and it is not homelessness, so it is difficult to get individual donations. She stated that this is something other municipalities are working with millions of dollars and they are trying to put together what they can put together, but she agreed.

Ms. Landing stated that she recently had a discussion with the Economic Advisory Board, which has a member, Jennifer Maxwell. Ms. Maxwell is Director of Sales and Marketing for the Raines Hospitality group. She stated that the hotel occupancy rate is only 70%. Ms. Landing suggested that if they took 10% of their stock, in this case, rooms, and could set them aside as part of their recruiting package. She stated that perhaps we can bring a lot of the 32,000 that are commuting over the bridge from Goose Creek and other places and have them live right here in our hotels.

Ms. Morris stated that Ms. Landing's outside of the box thinking is what they are pursuing.

Mr. Santos queried if Housing For All is planning to build through local partnerships like Habitat for Humanity to build the affordable housing.

Benjy Cooke, Chairman, 329 Tidal Point Circle. Mr. Cooke responded in the affirmative. He stated that he wanted to clarify that they have not been given \$187,000. They have requested today \$50,000. To date they have been given \$87,000. When the \$50,000 came last summer, the first batch of it was to hire outside council to set up the 501c3. They had a part-time gentleman, Jack Little, that worked to shepherd their effort along. They went through a process at the end of the year and got over 125 applications and hired two of the most talented people in the field leading the effort. To date, they have been a group of volunteers; some

retired, some not retired. The strides they have made given the time and resources they have are impressive.

Mr. Santos asked if they were going to provide affordable and/or forgivable mortgages.

Mr. Cooke stated that the finance and legal part, based on the dollars you take, comes with their own guidelines and stipulations. It would be irresponsible to state today if they could. He stated to Ms. Landing's point they are going to have to work with things that are outside of the box. If it were easy, their group would not be formed.

Mr. Santos inquired if they plan to set up an affordable housing trust, as a mechanism for helping clients find affordable housing.

Mr. Cooke replied in the affirmative, but what goes inside the box and how the funds are administered and to who they go to, that is where they are headed. The money they are asking for is for operations to have leaders like Ms. Morris push them forward

Mr. Santos asked if they spent \$50,000 on legal expenses.

Mr. Cooke stated that they do not have the luxury of counsel, so had to hire outside counsel. The funds that they are currently using are not depleted but are able to press forward, and with the strides made, they will need money.

Mr. DeMoura stated for Fiscal year 2018 we paid \$30,000 for the consultant. That same year the Town paid for the attorney fees for the 501c3 which was \$6,995.

Mr. O'Rourke stated that the difficulty for him, is that this is not the first time the group has come looking for seed money to move forward. The issue that they are solving is big in the Town. He stated he did not know if there has been a Committee meeting that they have not spoken about how they wish teachers, firefighters, police officers and other people that work in this town can live in this community. He asked if there would be any willingness to allow a Council member to sit on their Board? He stated he would like to stop continuous meetings requesting more

money. If this is a problem with the Town, we should be looking at partnering. It is our goal as well as your goal not to need any of the Town money. Working together as partners, solving problems might work a little better

Mr. Cooke stated they would welcome a partnership. He stated they were formed as an advisory board that turned into a non-profit.

Dr. Sarah Jacob, 1152 Village Creek Lane, stated she was on the Task Force and stated that the Town was in the by-laws, and later they were asked by the Town to take them out of the by-laws.

Mr. Bustos stated that he remembered the effort was to get them funded for their director with seed money and then to hand this effort to the 501c3. They would then be independent of the Town and the fear that was expressed was that if the Town were part of that, it would create a liaison or someone who is vested in Town Council to keep acting on behalf of Housing For All. The understanding was that after it was set up and funded, the Town would be hands off. Now you are back for \$50,000 grant and another \$50,000. The Town has done what they said they were going to do.

Ms. Landing stated that for clarification it was a staff member that was originally going to serve, and that is as different scenario. The benefit of having an elected official on there is that the Town are the hears directly from the public and answers directly to the public. She remembered the discomfort some had with having a staff member who is more in a position where they are going to be following requests from Council. It would be different to have a Council member serve on their board. There is a precedent for it because Ms. Landing has been appointed by the Mayor to serve on two different boards that are relevant to what is done in the Town. Ms. Landing asked if according to the original plan in Fiscal 2019 we will be giving another \$50,000 or that will be coming up as being approved again.

Mr. DeMoura replied in the affirmative.

Ms. Landing stated that would get them to July. Now that they are up and running, corporations and hopefully the public will help. Fundraisers would be good too.

Chris Brooks, 766 Chatter Road. Mr. Brooks stated that he has been in Mount Pleasant for 34 years. He was one of the original Task members along with Mr. Cooke, and Dr. Jacobs. They have over two years in this. They started in early Fall knocking on doors, talking to a lot of the corporate partners in Mount Pleasant. He said some corporations were very large and had great deal of interest on their part. The 501c3 letter came out of the Cincinnati office, and they did not receive it until November. They are making the rounds back to the corporate partners. The idea of matching grants is appealing to a lot of corporate partners. That is a great opportunity for them. It opens the door for outside funding. We are doing the work that City of Charleston, Charleston County, and North Charleston does through their own staff and offices. They are doing that work for the Town, and it does cost money. They envision it costing more money; that is why they are asking for more. As they gear up, that pace is going to pick up. He stated that they will be dealing with clients, dealing with partners with land, dealing with an education program, and dealing with potential buyers for these homes. All of that is going to take a lot of effort. They are looking down the road to make sure when July comes or end of the Fall or end of the year, that they can make it happen for the Town. The corporate partners are there. They will go back to them with something more concrete to say. They appreciate that.

Mr. O'Rourke stated this was an item on the agenda and if anyone would like to make a motion.

Ms. Landing made a motion to send to Council to consider funding Mt. Pleasant Housing For All, in the form of a matching grant program up to \$50,000. The motion was seconded by Mr. Bustos. All present voted in favor.

4. Update from the Charleston Area Convention and Visitors Bureau

Perrin Lawson, 423 King Street, Charleston. Mr. Lawson had with him Dan Blumenstock who is a current board member, as well as a former chairman and one of the owners of Staybridge Suites in Mount Pleasant. He also had Ms. Suzanne Wallace who is their Director of Education and Training. Mr. Lawson wanted to share a few highlights both regionally and in specifics as it relates to Mount Pleasant. Despite the hurricane scares we had in September and October, and a lot of the rain we had in December, they finished the year for the County up 2.3% in room nights sold. That is an important distinguisher over occupancy. Occupancy is only apples-to-apples comparison, if the inventory never changes. They are adding more hotel rooms. For example, they had an additional 392 in Mount Pleasant at the end of the year, and approximately 600 for the county as a whole. Mount Pleasant room nights sold, increased by 7.3% last year. A lot more room nights were sold in Mount Pleasant than were the prior year. The rate did drop a little bit, but that is purely a matter of supply and demand. If you have more supply, more likely the rate is going to drop a little. He stated the bigger thing to keep in mind is that in Mount Pleasant you have another 346 rooms opening this year, which will have to be accounted for and absorbed as part of an almost 1,560 rooms county-wide that will open, and probably another 560 or so next year. These are rooms under construction which does not count things that are in final planning. On one hand it is daunting; on the other hand, it speaks to the strength of this market. Developers nationwide want to come here because they see the vitality of this market. He continued that a lot of that goes back to their effort to grow air service. They have had 500,000 more people this past year in and out of Charleston International Airport. The existing carriers have added new service. Whether they are legacy, low cost, or new cities, and some have increased the size of aircraft. It goes back to March of 2011 when they got Southwest, which was a six-year courtship. That is what opened the gate and changed the market and made it possible for them to do well. Their drive market is their bread and butter, but the reality is that if they want to grow from the standpoint of extended length of stay, and people spending more money, they need to be able to come from other places.

Having non-stop flights from places like New York, DC, Minneapolis, Cleveland, St. Louis, and Denver makes the difference. British Airways will be starting to fly here in April. That is a game changer and is why Charleston County Economic Development, as well as South Carolina Commerce Department, were our partners along with the Aviation Authority in making this happen. The fact that a community the size of Charleston could get an international flight has gained us an incredible amount of press. To capitalize on that, the organization Society of American Travel Writers, have been invited and are hosting the British guild of Travel Writers April 14-18. They have approximately 60 Travel Writers from the UK coming here, and the UK, behind Canada, is the number one in-bound source market for international visitation. Another important thing that has happened in the past several years is the resurgence of travel agents. Ten to fifteen years ago people stopped using travel agents. The market had been winnowed down, and those who still are in the business are the ones that are booking a lot of business and providing a great service and value for their clients. Travel advisors are responsible for \$90 million in bookings over the last year into the Charleston market. They created a Charleston certified program where travel advisors can become certified in selling this area. There is a whole course they go through and an exam they must pass. In exchange, they get the certification. They are listed on their website. Those people are knowledgeable on what goes on throughout this entire area. So far, we have had 40 certified, and 175 eligible, and that program is only five or six months old. Extending on the travel advisors through the global distribution systems, Amadeus and Savor, and the like, have been doing ad campaigns that pop up on their terminals that they use to book. July through December bookings are up 5.6% and revenue is up 6.8%. Travel advisors are a part of the answer. There is a challenge from all the new hotel inventory. They want to avoid the reaction of seeing that the competition is getting tough, so they drop rates. They are working with general managers and the revenue managers, who make the decisions about rates at the hotels. They are starting with a series of meetings with the general managers of the hotels to get to know each other. Several

are new, and do not know each other. It will not work for the better of the community if you do not have that relationship. A week ago, they had their initial meeting with the general managers in the north area. The objective was to communicate working together to elevate the market. Mr. Lawson stated that short term rentals are another challenge as it relates to hotel performance. They have been working with the College of Charleston, the City of Charleston, and the Town of Mount Pleasant on how to address this issue. One of the ways is through a software program called STR Helper for Short Term Rental. They are fortunate that Dr. Brumby McLeod at the College of Charleston discovered this, worked through it, and now can underwrite the cost of the County being able to license that software. It then allows the municipalities to handle short term rentals however they want to handle it. City of Charleston wants to end it, due to impact on neighborhood livability and the affordability and availability of residents. This software is allowing them to do that. They successfully prosecuted about 35 people and have a line of other people waiting to be prosecuted. They have served people as far as California and made them pay for the process server and all other expenses involved with that. Because of that those people are putting their houses on the market, and they go back in for residences. He stated that Folly Beach is different. Eighty percent of the residents there are not inter occupied. Their primary interest was if everyone was properly licensed and remitting all the taxes they are required to do. The software allows them to do the same thing. The Town has a version of that now and is deciding how it wants to approach this. Mr. Perrin referred to the Housing For All discussion about people living close to where they work, which is a fantastic thing that they have been involved with as well. They had a job fair at the Convention Center last week and several months ago had one in Mount Pleasant, which they will have again. The idea being finding jobs for people near where they live so there is a positive impact on traffic congestion. They are hoping to make it so that people can walk or ride a bike to get to work. Those are some of the bigger issues and opportunities they are dealing with right now. Specific to Charleston is that they have launched a series of videos

called Charleston Locals. It is on their website. A lot of people are recognizable. Ben Toy, who is a paddleboard guide on Shem Creek and Corey Alston, who is a basket maker in Charleston, those two videos received more views than any other. That is a nice pat on the back for the Town of Mount Pleasant. The videos were launched in conjunction with the Conde Nast Traveler Readers Choice Award recognition. They also had an editor-in-residence program with Afar Magazine which is one of the premieres and cutting-edge travel magazines. They were able to house editors at both the Hotel Indigo and at The Beach Club. That was great exposure for the Town. Going back to October they hosted through the U.S. State Department a foreign ambassador and spouses' event and something called Experience America. This was another great event. They have also worked with the Town on a feasibility study for a Hotel Conference Center at Patriot's Point as part of their overall regional economic development initiative, knowing that exposing people to the community is the first step towards further business investment in the community. The Mount Pleasant Visitor Center continues to do what they had hoped. It captures visitors on Highway 17, that they may have otherwise missed. In addition to the nearly 800,000 people we see downtown on Meeting Street, we serve another 14,000 people here. Those 800,000 people that go downtown, also learn about everything Mount Pleasant has going on for them as visitors. He stated he would be glad to meet with anyone who would like to see what they are doing to help not just the region but Mount Pleasant specifically.

Ms. Landing recognized Dan Blumenstock. She stated that the north end of Mount Pleasant is devoid of restaurants and especially upscale restaurants. The smaller local businesses, like Bistro Toulouse and Red Drum, said they have trouble recruiting enough staff. Ms. Landing talked about the idea of hotels and hospitality staff to see if there is a way hospitality workers could be provided room and board and at least one meal a day arrangement. She stated that you do not have to worry about the employee commuting because they are living there. It cannot be a five-year arrangement, but maybe it could be a one-year arrangement to get them on their feet as they get started.

Dan Blumenstock stated that they are open to different opportunities. He stated that Mr. Lawson knows that when the Convention and Visitors Bureau (CVB) got involved with their Work Force Development that Mount Pleasant has the hardest time of any of the municipalities throughout the Charleston area because approximately 72% of people come from outside of Mount Pleasant. In the hospitality world, and his hotel specifically, it is probably more like 90-95% are coming from outside of Mount Pleasant to work in our hotels and restaurants. When we talk about Charleston and are standing in Mount Pleasant, that confuses a lot of people at different times. Charleston is the brand. A visitor coming from outside of town does not understand the lines of a municipality. They do not know they are going from Charleston to North Charleston when they go to the airport. They do not know they are going from Charleston to Mount Pleasant when they go to Shem Creek. They do not even realize when they go to Isle of Palms or Folly Beach that they are not in Charleston. From a marketing standpoint that is really what the CVB is. The goal is to bring more people which adds more revenue to the businesses and to the municipalities. Many events that take place in North Charleston have visitors staying in rooms in Mount Pleasant. Ships that are at Detyens Shipyards getting repaired, those crews, stay in Mount Pleasant. They recently realigned themselves so that the Greater Charleston Association and the Charleston Area Hospitality Association have recently merged. It is now called the Low Country Hospitality Association.

5. Update from the Mount Pleasant Chamber of Commerce

Chris Staubes, 176 Patriots Point Road, President Emeritus, Chamber of Commerce. Mr. Staubes introduced Board members, Rebecca Imholz, head of Strategic Partnerships; Brian Sherman, Executive Committee Member; Vickey Boyd, Programs Committee; and Eddie Phipps, Vice President. Mr. Staubes gave an update from the Mount Pleasant Chamber of Commerce with the following Power Point presentation.



Background

- The Mount Pleasant Chamber of Commerce has been around since at least 1992.
- We were the East Cooper Merchants Association from 1992 - 1995.
- In 1996 we became the Mt. Pleasant Business and Professional Association.
- In 2010 we became the Mount Pleasant Business Association.
- In 2017 we became the Mount Pleasant Chamber of Commerce.

The MPCC is a 501(c)(6) organization

- We file with the IRS as a § 501(c)(6) organization, the IRS section governing Chambers of Commerce.
- As such, we direct our efforts at promoting the common economic interests of all of the commercial interests of all of the commercial enterprises in our community.
- Many of our members also belong to other chambers, but our focus is targeted to the businesses serving the East Cooper area.

Our organization is dialed into the community like never before.

- In the last three years our membership has more than tripled.
- We currently have almost 400 corporate members, with many having multiple employees.
- It is fair to say our reach is significant and growing.

We attend several ribbon cuttings for new Mount Pleasant businesses each month.



Monthly Luncheons

- Our speakers continue to draw people to our luncheons, where we regularly fill the Omar Shrine.
- Speakers have included:

Former Governor Nikki Haley



Congressman Mark Sanford



Mayor Will Haynie



JANUARY LUNCHEON
FEATURING GUEST SPEAKER

Will Haynie,
Mount Pleasant Mayor

and many more.

- Rob Fowler, Sheriff Al Cannon, Jim Newsome, State Superintendent of Education Molly Spearman, and many other top names.

Working with the Town, the Chamber communicated updates to area businesses during the 526 bridge closure and during weather emergencies.



Monthly events

Our Before Nine Coffees are well attended.

We hold a Food For Thought business education series.

Our After Hours events are filling restaurants monthly, and we have even hosted events at Town Hall.



Business Week

- All of this leads up to Mount Pleasant Business Week, where we find a way to work with our partners at the TOMP and Moultrie News to profile Mount Pleasant Businesses.
- Business week leads into our premier marketing event, the Mount Pleasant Chamber of Commerce Business and Community Expo.

MPCC Business Expo

- For the last six years the Expo has been a sold out event for vendors.
- Our marketing efforts, plus the publicity provided by our partners the TOMP, the Moultrie News and NewsRadio 94.3 attracts thousands to the area.

For the last six years Expo has been a sold out event for vendors.



News Radio 94.3's Kelly Golden sets up her mobile radio booth at our event.



The Town and the Chamber have a great relationship, and each month we recognize a Mount Pleasant first responder.



Your MPCC gives back.

- In late Spring, we awarded \$10,000 in scholarships to deserving Mount Pleasant seniors.



In past years we have collected donations for Toys For Tots



In December we have our Holiday Luncheon



Tickets are sold out well in advance.

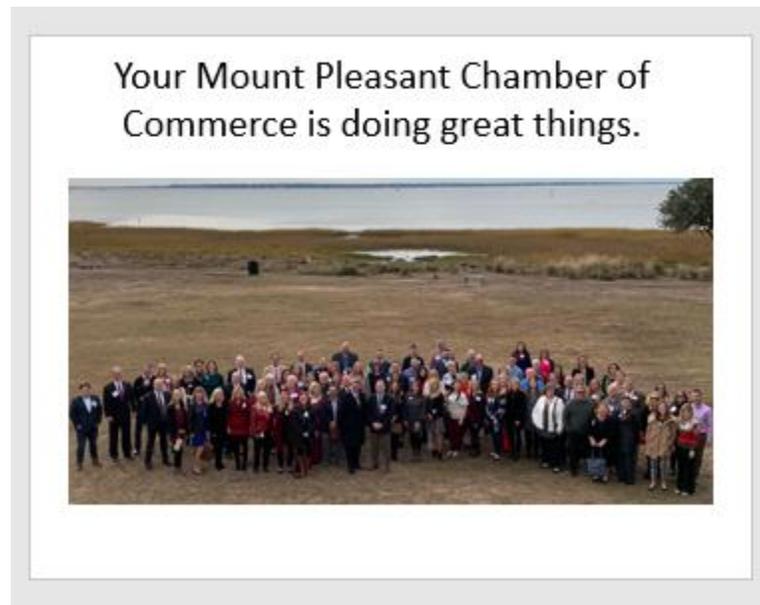


Were we help our local charities



We give thanks that we live in the
greatest Town in the world.





Mr. Santos thanked the Chamber and stated they are doing a fantastic job. The monthly meetings are mostly sold out, and it is fun to meet other business people and answering question that they may have.

Mr. Staubes thanked Mr. Santos and reminded the Committee that they are volunteers other than one part-time person. He stated how impressed he was with everyone who stepped up to volunteer.

Ms. Landing thanked the Chamber for all they do and stated that now that Mr. Staubes is the Emeritus rather than Shane Griffin, who is taking his place as President, she is excited about the future, and their growth has been fantastic.

Mr. Staubes stated they have their Board meetings in the Town Hall on the first Tuesday of the month. He welcomed the Committee to join them any time they would like.

6. Discussion and possible action with regard to operations at the Memorial Waterfront Park

Mr. Santos stated that in talking about budgets and revenue, it looks like the Town will do well for the next five years. He stated that, the Town is going to have to start looking at options for the future. He has been watching Waterfront Park for a long time. The last administration cut the parking fees, and other circumstances resulted in revenues for the Park

going down. He wanted to look at it to see if there are options for the Town to be able to run the Park. When the Town got the park in 1999, he was an advocate for the Town running the Park, and he lost 8-1. He suggested looking for ways to increase revenue for the Town and our citizens and believed this to be a good opportunity to look at this again. He stated the Town could run the Park and bring back parking for non-citizens. If you go to Folly Beach, Isle of Palms, or James Island, you pay to park. Mount Pleasant is the only great place where you can go and park for free. He believes there are revenue opportunities and wanted the Committee to look at some of the options.

Mr. O'Rourke stated that the park is currently being operated by the Town. He asked if Mr. Santos was referring to the pier. He stated that if the Town is looking to take in revenue, taking over the pier is not a way to increase revenue. Options like parking and things like that are open to discuss, as well as how we operate events. It is a wonderful park with a lot of options. If this is something that we investigate, he recommended having the staff come back with thoughts and options for the Committee to consider. It is February now, so that would be a budget issue, which is soon.

Mr. DeMoura stated that the Town has information now. When the Park opened, they did rely on local agencies to help do things where the Town did not have expertise. That would be the pier and the operation of the Visitors Center. On their own, they do a great job running it for us, and he was not sure whether either operation on their own turns a profit for their respective agency. Parking meters is different. It was 2013 when we pulled out the parking meters. That had a net value to us of about \$50,000. We brought in about \$90,000 and the maintenance on the machines and what it takes to collect them was about \$40,000. That is a \$50,000 net. If the Finance Committee would like staff to explore, there is that option, and parking would produce some revenue. The events piece would take more work and exploration to determine how best to go about that.

Ms. Landing stated that perhaps the staff could add to the information

they already have. A brainstorming session including some of the Committee members, even by e-mail would work. It is nice that in Mount Pleasant parking is free, where you do pay everywhere else. We have gotten to a place where you talk about net \$50,000. That was what the request from Housing For All Mount Pleasant. If we can collect a little bit more, we can direct it toward certain projects. Then it might be more appealing. She queried if the Cooper River Room is rented out for events, and is that is part of Mount Pleasant revenue?

Mr. DeMoura stated that Cooper River Room is retained by Mr. Lawson's group, the CVB. However, he thinks they would show numbers that demonstrate that as being their greatest revenue, but it does not cover the cost of operating it. The way the operations work, whether it is CVB or Charleston County PRC (Parks and Recreation Commission), they handle all the staffing, all the maintenance, and the day-to-day functions. The Town is responsible if there is a structural problem on the pier. Otherwise PRC handles the operations, CVB handles the operations for the Cooper River Room. That location for PRC or CVB probably are not money makers on their own. Where you determine to send some of the bigger revenues coming in, say it is through Accommodations tax, which goes to the CVB. That amount of money far exceeds what it costs to operate the Visitors Center.

Ms. Landing queried if someone has an event at the Waterfront Park, can it be rented, and is that something that comes to the Town or to the PRC.

Mr. DeMoura stated that it depends on where it is held. If there is an event on the pier, that is retained by PRC. If there is an event, say a wedding reception at the Cooper River Room or at the Sweetgrass Pavilion, those monies stay with the operating agency, which helps them offset the cost. While those can be significant, for the Town to take over maintenance and operation of both those things, those monies would not cover the cost of operation.

Mr. Santos stated that they get \$500,000 from Accommodations Tax, so you are looking at that on top of whatever they are or are not making. They are making money, but not as much as one would think because of

the losses.

Mr. O'Rourke asked if the staff would look at the area with a lens of revenue generating, with still providing great things for the public, and then get back to the Committee.

Mr. DeMoura replied in the affirmative.

7. Consideration of [mid-year budget adjustments](#)

Ms. Cotov stated that the following amendments are proposed for the FY 2019 Mid-year Budget Adjustments.

FY 2019 Mid-Year Budget Adjustments	
General Fund	
Revenue	
Interest earned	\$ 57,653
Fund Balance – disaster recovery	507,865
Fund Balance – FB Policy	<u>3,731,998</u>
Total	\$ 4,297,516
Expenditures	
Fire – 2 additional Firefighters (remainder of FY)	\$ 42,653
Transportation – Transit & Residential Permit Study	15,000
FEMA – salaries & benefits various departments	458,494
FEMA – equipment & materials various departments	49,371
Transfer Out to Capital Fund	<u>3,731,998</u>
Total	\$ 4,297,516

TOWN OF MOUNT PLEASANT, S.C. 

Ms. Cotov explained in the General Fund for revenue changes, it is recommended to recognize \$57,653 in excess interested income earned. To cover the costs incurred for Hurricane Florence from the fund balance emergency reserve account in the amount of \$507,865. Per the Town's Fund Balance Policy, the true-up of the fund balance, based on the audited June 30, 2018, amount to be transferred to the Capital Fund for infrastructure is an additional \$3,731,998. For General Fund expenditures we have \$42,653 for two additional Firefighters. Added to

the four approved in the adopted budget, it will bring the total to six to provide enough staffing to meet the Fire Strategic Plan (objective 1.4) for a minimum of four personnel on the two existing ladder trucks. There is \$15,000 included to fund an Old Village Historic District Residential permit program feasibility study. There is a total of \$507,865 to replenish accounts impacted with costs attributable to Hurricane Florence and there is the transfer out to the Capital Fund the true-up based on the Fund Balance Policy.

FY 2019 Mid-Year Budget Adjustments	
Capital Fund	
Revenue	
Transfer In from General Fund – FB Policy	<u>\$ 3,731,998</u>
Total	\$ 3,731,998
Expenditures	
Stormwater – Budgeted reserves for projects	\$ 1,865,999
Transportation – SC 41 Design Fees	200,000
Transportation – Budgeted reserves for projects	<u>1,665,999</u>
Total	\$ 3,731,998

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Ms. Cotov continued that in the Capital Fund for revenue changes, is the revenue coming in from the General Fund from the Fund Balance Policy. These funds would be split with half (\$1,865,999) going toward stormwater projects. The half going towards transportation projects would be \$1,665,999 towards future CIP projects and \$200,000 going towards design fees for the interim improvements for Route 41.

Mr. Bustos asked who is holding the money at the County for the change in Highway 41, the entire project.

Mr. DeMoura stated it was Charleston County. They received the proceeds from the sales tax.

Mr. Bustos asked if they have already received and pooled that money.

Mr. DeMoura stated he does not know for sure, but his guess is no, because that money is pay-as-you go, and they probably have not accumulated the amount necessary to satisfy what could be a \$120 million project.

Mr. Bustos stated that he believes the Town should hold that money. The Town should be the masters of its destiny. He believes the Town should approach the County and say that money should come to the Town, because we can do it faster than they can. He stated he would hate to see money for Highway 41 migrate over to the interstate 526 project.

Ms. Landing stated that the design they are talking about is the adding the southbound lane, south of Joe Rouse where it has the beginning of it, but merges in so it does not help too much. She stated that the impact this will have on Highway 41 traffic is huge. The Town has dedicated itself to making sure that happens as fast as possible. She stated that at the retreat recently, Councilman Brimmer who is on Transportation Committee, commented that this could be done in 18 months. It is good to be able to have the public know that we are at least doing one thing that makes a big difference within 18 months, as opposed to 2026.

Mr. O'Rourke asked if the Town needed an approval from the Committee to accept these mid-year items.

Ms. Cotov stated in the affirmative, that the Town needs a recommendation and a public hearing.

Ms. Landing moved to accept the fiscal year 2019 mid-year budget adjustments as written by staff. Seconded by Mr. Santos. All present voted in favor.

8. Adjourn

There being no further business, meeting was adjourned at 11:28 a.m.

Respectfully submitted,
Gina Artrip
February 5, 2019