

City of West Columbia, SC

Special Council Meeting

January 24, 2014 at 4 p.m.

Members Present:

Joe Owens, Mayor
Casey Jordan Hallman, Mayor Pro-Tem
Eric L. Fowler
L. Dale Harley
Boyd Jones
Temus C. "Tem" Miles, Jr.

Members Absent:

Tommy G. Parler, out of town

B.J. Unthank
Teddy Wingard

Others Present:

Jenny Cunningham, City Administrator
Myron Corley, Deputy City Administrator

Mardi Valentino, City Clerk/PIO
Jake Moore, Esq., City Attorney

Members of the Press and Public

Agenda Item I – Call to Order

Mayor Owens called the meeting to order at 4 p.m. and noted a quorum was present. *The State, Free Times, Lexington County Chronicle, Cayce-West Columbia News, The Columbia Star, COLADaily.com* and radio and television stations were notified of the meeting by e-mail on January 22, 2014.

Agenda Item II – Invocation and Pledge of Allegiance

Mayor Joe Owens gave the invocation followed by the Pledge of Allegiance.

Agenda Item III – Adjourn to Executive Session for a Contractual Matter

Mayor Owens entertained a motion to adjourn to executive session to discuss a contractual matter. Council Member Unthank so moved and Council Member Fowler seconded. The motion passed unanimously. Council Adjourned to executive session at 4:01 p.m.

Agenda Item IV – Reconvene to Regular Session

Mayor Owens entertained a motion to adjourn executive session and reconvene to regular session. Council Member Miles so moved and Council Member Fowler seconded. The motion passed unanimously. Council reconvened to regular session at 5:15 p.m. Mayor Owens stated that no action was taken in executive session.

Mayor Owens recognized Jake Moore, Esq. who represents the city in the potential sale of the property at 351 Meeting Street to Ms. Karen Hoover. Mr. Moore stated the council has discussed issues about granting an easement around the retaining wall that stands along the property line on two sides. He said there is a two-inch encroachment of the wall onto the contiguous city property. Ms. Hoover's attorneys have asked the city what it could do about the encroachment because the encroachment creates a title impediment for both the city and Ms. Hoover.

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Agenda Item IV – Reconvene to Regular Session (continued)

Mr. Moore recommended that the city agree by resolution to extend the closing date for a period of 30 days from today's date and to end the encroachment onto contiguous city property. In addition to the property the city previously agreed to sell for the price, the two-inch encroachment would be added to the property so that the existing present wall would become the property line. Mr. Moore stated if council is so inclined the city should have a motion to extend the time for closing for 30 days and to authorize council to work with Ms. Hoover's closing attorney to correct the property description by adding the two-inch encroachment to adjust the property boundary to the wall. Council Member Miles made a motion for council to adopt Mr. Moore's recommendation. Mayor Pro-Tem Hallman seconded the motion. Mayor Owens, Mayor Pro-Tem Hallman, and Council Members Fowler, Jones, Miles and Wingard voted in favor of the motion. Council Members Harley and Unthank voted in opposition. The motion passed six votes to two votes.

Mayor Owens asked Mr. Moore if it would be appropriate for Ms. Hoover to say anything to council. Mr. Moore stated that Ms. Hoover is represented by counsel, but he had spoken with her attorney who represents her as a closing attorney. Mr. Moore said he thought Ms. Hoover had the funds to close and the question about the property line had been resolved so that the city was not at an adverse position. He felt Ms. Hoover should be free to speak to council.

Ms. Hoover said she did not know if she could close in 30 days and felt it probably would take more like 45 days. She said it takes at least three weeks for the SBA (Small Business Administration) to approve a loan and probably two weeks after that to get the closing together. She thought that 30 days would not be enough and she would rather have 45 days. She said she incurred unwarranted expenses because she had to withdraw funds from her IRA. She asked to be reimbursed for that amount.

Mayor Pro-Tem Hallman asked Ms. Hoover if she could put her money back in her IRA within 30 days. Ms. Hoover stated that she could return the money back into the IRA, but she still would incur expenses. She said that she would have 60 days to return the money and hopefully be able to reinstate her SBA loan. She said the SBA takes at least three weeks to approve the loan and then probably two weeks for the attorneys to set a closing date for a total of five weeks. Mayor Owens asked if her SBA loan was approved initially. Ms. Hoover responded that initially the loan was approved by the Business Development Corporation, which writes 99 percent of the SBA loans. Mayor Pro-Tem Hallman asked if Ms. Hoover had any concerns about the loan being approved again. Ms. Hoover answered no.

Mayor Owens entertained a motion to allow Ms. Hoover to have 45 days to close on the property. Mayor Pro-Tem Hallman so moved and Council Member Miles seconded. Mayor Owens, Mayor Pro-Tem Hallman and Council Members Fowler, Jones and Wingard voted in favor of the motion. Council Members Harley, Miles and Unthank voted in opposition. The motion passed five votes to three votes.

Mayor Pro-Tem Hallman asked Ms. Hoover if she still planned to move forward on the property. Ms. Hoover responded absolutely that she planned to move forward. Council Member Unthank asked Ms. Hoover if the SBA loan would cover the renovations to the property. Ms. Hoover answered yes. Council Member Unthank asked what the amount of the SBA loan was. Mayor Owens stated that could be private information that the city did not need. Council Member Miles said he thought that SBA funds are a public matter. Council Member Unthank agreed. Ms. Hoover stated she could not answer that question. Council Member Miles said he would take that under memory and any future requests he would weigh that in.

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Agenda Item IV – Reconvene to Regular Session (continued)

Mr. Moore stated Ms. Hoover is a very fine lady and a long-standing member of the West Columbia community. Mr. Moore said when it became apparent to Ms. Hoover that she couldn't close in time with the SBA that the city tried to give her an extension of time. Unfortunately Ms. Hoover and the city wound up with some miscommunications and misunderstandings. He said now the situation is that the issues should be resolved and that the city is trying to help Ms. Hoover. He noted Council has legitimate concerns because this piece of property is critical in the redevelopment of the Vista Area and critically important to the redevelopment, beautification and revitalization of the whole West Columbia corridor. Mr. Moore said he did not think Ms. Hoover would have any difficulty telling Council what she intends to do with the property. He said that if he was a property owner and someone asked him what he intended to spend he would tell that person "I'm not sure I want my business in the street." He said if Council had questions about what Ms. Hoover planned to do with the property and how it would look, then he felt Ms. Hoover would be delighted to tell Council what she plans to do. Mayor Owens stated that Ms. Hoover presented Council with rendered drawings from an architect. Mr. Moore asked Ms. Hoover if she planned to go forward immediately. Ms. Hoover responded, "Absolutely."

Mr. Moore explained that there was nothing in the contract to make Ms. Hoover move forward with her plans, but Council wanted to know how soon the improvements she intended to do to the property would be seen. He asked if the sale of the property closed in 45 days then how soon would she begin the renovations. Ms. Hoover stated she was ready and more than excited to move forward with the project. She said as soon as she can close on her loan she wants to start the renovations. Mr. Moore explained he has dealt with the SBA many times and has seen his clients experience major disappointment in securing SBA loans when they were promised there would not be any problems. Mr. Moore asked Ms. Hoover what she would do if the SBA did not approve her loan. Ms. Hoover said she would still purchase the property and do the renovations. She said there should not be a concern she would purchase the property to let it sit there for several years and then sell it. She said that was not her goal. She stated her goal was to open her store and make it a beautiful example of West Columbia as a place to shop and when people come across the bridge they would say, "Wow!"

Mayor Owens stated that Ms. Hoover is a member of the West Columbia Beautification Foundation Board, which he felt gives her some credibility. He said for Council to ask her how much money she is borrowing is not Council's business.

Agenda Item V – Adjourn

Mayor Owens recognized Council Member Fowler who made a motion to adjourn and Council member Unthank seconded. The motion passed unanimously. Council adjourned at 5:25 p.m.

Respectfully submitted,

Marta M. Valentino, CMC
City Clerk/Public Information Officer