



## GREENVILLE COUNTY COUNCIL

Minutes

### Committee of the Whole

June 19, 2018

4:50 p.m.

County Square – Council Chambers

#### **Council Members**

Mr. Butch Kirven, Chairman  
Mr. Willis Meadows, Vice Chairman  
Mrs. Xanthene Norris, Chairman Pro Tem  
Mr. Joe Dill *arrived at 5:14 p.m.*  
Mr. Mike Barnes  
Mr. Sid Cates  
Mr. Rick Roberts  
Mr. Bob Taylor *arrived at 4:55 p.m.*  
Mrs. Liz Seman  
Mr. Ennis Fant, Sr.  
Mr. Lynn Ballard  
Mr. Fred Payne

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Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted on the bulletin board at the County Square and made available to the newspapers, radio stations, television stations and concerned Citizens.

#### **Council Members Absent**

None

#### **Staff Present**

Joe Kernell, County Administrator  
Mark Tollison, County Attorney  
Dean Campbell, Deputy County Attorney  
Jeffrey Wile, Assistant County Attorney  
Kimberly Wunder, Assistant County Attorney  
John Hansley, Deputy County Administrator  
Jessica Stone, Deputy Clerk to Council  
Paula Gucker, Assistant County Administrator, Public Works  
Sarah Holt, Planning Director  
Bob Mihalic, Governmental Relations Officer  
Shannon Herman, Assistant County Administrator

#### **Others Present**

None

#### **Call to Order**

Chairman Kirven

#### **Invocation**

Councilor Mike Barnes

**Item (3) Approval of Minutes**

**ACTION:** Councilor Seman moved to approve the minutes of the June 5, 2018, Committee of the Whole Meeting.

Motion carried unanimously by Council Members present.  
(Councilor Dill and Councilor Taylor were not yet in attendance.)

**Item (4) Affordable Housing Plan / Presentation**

Presented by: Doug Dent, Interim Director  
Greenville County Redevelopment Authority (GCRA)

Mr. Dent stated GCRA had enjoyed working with staff and the Affordable Housing Ad Hoc Committee in developing the study on affordable housing. The study took about 1½ years to complete, and, with the participation of all those involved, he felt a good document had been produced.

Mr. Dent stated there were some misconceptions about what affordable housing actually was; affordable housing meant housing that was affordable to individuals and families that were in the 0 - 50% area of average median income. That number included those who earned up to \$35,000 - \$40,000 per year. He added that a first year teacher in Greenville County earned \$33,000 per year and could afford rent of \$850 per month; apartments in both the City and the County started out at about \$1,200 per month. Mr. Dent stated there were people in the service industry who were working but not making enough money to afford decent rental housing or decent home ownership opportunities.

GCRA was formed in 1974 for the direct purpose to administer the County's HUD funds in an effort to deal with the issue of affordable housing. Over the years, GCRA had done very well at keeping up with the demand for affordable housing. But with the County's "population explosion" and the changing nature of Greenville County, GCRA was falling behind. This was one of the reasons GCRA had participated in the study with the County and Hollingsworth Funds.

Mr. Dent stated GCRA was able to create over 100 affordable housing units per year, whether in the form of rehabbing existing housing, building new homes or working with the private sector and non-profits partners to develop housing. He added GCRA had been able to keep up the demand and had actually gone beyond what was necessary. Charles Buki, the study consultant, had recommended 100 units per year. However, there was now a deficit due to population growth.

Mr. Dent stated the issue of affordable housing had not been faced by the community for a long time as it was not "hitting us in the face." However, resources must be dedicated to ensure the people of Greenville County could live in safe, sound and decent housing which meant a commitment on the part of Greenville County.

The study only cited three recommendations: improve the existing housing stock, create new affordable home ownership opportunities and build new rental units. The first two recommendations could be obtained using Community Development Funds, home loans and Emergency Solutions Grants administered by GCRA for the County. In 1974, the money received from the Federal Government was \$3.5 million and that figure had remained constant over the years. Mr. Dent stated that in some situations, GCRA chose to loan money rather than give it away, even on 0% interest loans, and now had program income. GCRA's program income was almost equal to the federal grants it received and had close to \$6.5 million in available funds.

Mr. Dent stated the process of moving forward on the study would take additional effort and coordination between GCRA and the County.

He reviewed the following recommendations:

1. Develop a revolving fund initially capitalized at \$1,000,000. The fund could be capitalized using properties or money.
2. The completion of a comprehensive land use study.
3. Development of flexible zoning as well as land development and subdivision regulations that would allow for density, mixed-use and unique methods of dealing with stormwaters.
4. Re-examine the fee structure associated with affordable housing projects. Certain fees could be waived or streamlined, according to law, such as impact fees for affordable housing.
5. Adjustment of building codes to allow for ideas such as container housing.
6. Ensure County offices that dealt with regulatory functions work more closely together. Mr. Dent stated currently it appeared as if the departments were not communicating with each other.
7. Work with State Legislation by lobbying for additional property tax relief options. Mr. Dent stated the Bailey Law currently allowed for some tax relief but there were very few other options available.
8. Encourage private investment in blighted communities.
9. Support the use of property taxes and the other options discussed as tools to recruit businesses and developers to look at properties in areas where affordable housing was sorely needed. At this time, most developers and businesses were centered on the downtown area.

Mr. Dent stated the Affordable Housing Study was the first step to get on the road to safe, sound and decent housing for a whole segment of the County's population that currently did not have it available to them. The study showed 75,000 households that were deprived of affordable housing. He added the need was not just with the very poor and the elderly, but, also with teachers, service workers and first responders.

Mr. Dent stated there was not a lot the County or GCRA could do to raise wages; the private sector had most of the control over wages. But, the County and GCRA could ensure citizens had access to safe, sound and decent housing. Mr. Dent asked County Council to support the study, adopt it as a goal for the County and allow GCRA to move forward in conjunction with the County utilizing Federal funds, State funds, Local funds and other available resources in order to attack the problem of affordable housing.

Councilor Seman stated GCRA was such a valuable resource to the County and the lack of affordable housing was clearly an issue that was not confined to just one district. Mrs. Seman stated it was very important for the County to show leadership on the issue. For all the great things the County was doing, they would all be for naught if housing could not be provided for those who needed it. She added the affordable housing issue could not be just a governmental solution; it must be a public/private solution as well. The philanthropic community was a huge asset. Ms. Seman stated when a committee had taken the time to study a situation and present possible solutions, it was important to heed the recommendations. She added it was her hope that Council would adopt the study and show leadership on the issue.

Councilor Norris inquired if there was adequate staff at GCRA. She asked Mr. Dent to share with Council information regarding the current GCRA staff. Ms. Norris stated that in working with some of her constituents, it appeared the number of staff members at GCRA was problematic.

Mr. Dent stated at one time, GCRA had a total staff of 26 people. Because of changes that had taken place in funding and in other areas, staff had decreased over the years. He stated that in 2017, staff numbers hit an all-time low of 12 people. Mr. Dent stated they were in the process of increasing that number in order to bolster efforts. The reduction in staffing had given GCRA opportunities to bring in new staff with new and younger ideas. Mr. Dent stated it would not be long before GCRA was fully staffed again.

Councilor Cates stated early in the presentation, it was indicated that a \$1 million "nest egg" was needed in order to get things started in regards to affordable housing and part of the amount needed could be in the form of land, such as vacant lots, that the County owned. He asked Mr. Dent to speculate on other ways the money could be raised.

Mr. Dent stated a number of years ago when Federal funding was threatened again, GCRA set up a mortgage loan fund and became "lenders of last resort" for people wanting to purchase a house from GCRA but were unable to obtain funding from a bank. The mortgage loan fund was capitalized with funds from Community Development Block Grant (CDBG) funds as well as program income and properties that GCRA owned. Mr. Dent stated that one issue that GCRA faced in purchasing properties was that the Federal Government required a structure be built within a limited period of time. He cited an example with the Brutontown Community; GCRA had to obtain a special status from HUD in order to develop the community over a longer period of time. A multi-family project could take a couple of years just to get infrastructure in place as well as all the permits that were required. Mr. Dent stated if the County would work with GCRA in acquiring properties and then sell them back to GCRA when development started, the money could go back into the fund. The properties could also be sold to private developers.

Councilor Cates asked if the term "container homes" referred to containers like the ones at Inland Port Greer.

Mr. Dent confirmed that containers, such as the ones at Inland Port Greer, were becoming more and more popular for commercial and residential use. The container frames were also being used. Mr. Dent stated there was no question about durability since containers were made of steel.

Councilor Cates asked if container buildings were allowed in Greenville County.

Paula Gucker confirmed container housing was allowed in the County.

Chairman Kirven asked if GCRA worked with private non-profits such as Home of Hope and Habitat for Humanity.

Mr. Dent confirmed that GCRA worked with non-profits and was required by law to provide a certain percentage of its funds to non-profits for various programs. He stated GCRA was also required to give a specific amount of its grant funds to Habitat for Humanity, which was its CHDA (Community Housing Development Organization), in order to develop houses and subdivisions. Mr. Dent stated many of the non-profits had access to funds that GCRA did not, such as discretionary funds from HUD. Combining the funding from different sources helped create better affordable housing.

Councilor Barnes asked what was GCRA's foreclosure rate.

Mr. Dent stated it was approximately 3%, which was considerably lower than most banks.

Councilor Payne stated in 2012, GCRA renovated a total of 102 rental units. The number had dropped off considerably since that time and Mr. Payne asked for clarification of the trend.

Mr. Dent stated there had been a shift in Washington. For a long time, money was being used for rentals and now the emphasis was on homeownership. He added some rental property owners were not willing to work with GCRA to improve their units. GCRA was in the process of setting up a marketing plan to notify investor owners that money was available to rehab rental properties. GCRA was also acquiring more rental units and hoped to have close to 100 rental units by the end of 2018.

Councilor Payne stated he liked the fact that GCRA was acquiring rental properties. Mr. Payne stated most people were aware that he wanted to improve transportation in Greenville County but his ultimate goal was to improve the quality of life for all the residents of the County. He added that homeownership was very important. In the past, the local "mill villages" were self-contained; everything the residents needed was centralized in the village. Mr. Payne stated he was a proponent of what he termed "green villages" which were simply economic development centers.

Mr. Dent stated that GCRA was in exactly the same place with Mr. Payne and had set up a non-profit "sister organization", the Greenville Revitalization Corporation, a 501(c)(3). The organization would bring in private dollars and was building a textile heritage park in Monaghan, across from the mill. GCRA purchased the old Woodside Mill office building and it was being used by Goodwill as a job training center. Goodwill planned to purchase the building from GCRA and expand the center. Mr. Dent stated the area between Legacy and City View used to be a viable commercial strip; GCRA was currently working with property owners to provide assistance to help revitalize the area. The purpose of the revitalization was to provide services to the area's residents. A grocery store was needed as well as medical facilities; GCRA was in process of convincing GHS to establish something such as a MD360.

Councilor Fant stated Greenville County had the 4<sup>th</sup> highest disparity between rent and mortgages in the country. He asked Mr. Dent to explain how homeownership for families earning \$35,000 to \$50,000 per year would make rentals more affordable.

Mr. Dent stated GCRA could provide a new Energy Star home in Brutontown, 3 bedrooms and 2 baths, for monthly payments less than rental payments. GCRA had built approximately 60 houses in Brutontown and would like to build at least 20 more. Affordable houses like those built in Brutontown supported rental houses because they provided stability for the area. Mr. Dent stated if the County's zoning requirements allowed for higher density or mixed-use housing in some areas, it would be a benefit to the citizens as well as the County. He went on to say safe, sound and decent housing stabilized a community; crime went down, children's grades went up and families became more employable. Mr. Dent stated the homes GCRA built cost about \$120,000 each; houses costing \$100,000 to \$150,000 were in high demand. GCRA also provided a down payment program as well as assistance with closing costs.

Chairman Kirven stated he was very excited about the proposed plan but did not feel it was complete. He stated it should be referred to staff for review and staff could then submit implementation tools to adopt as many of the measures as possible, if not all of them.

**ACTION:** Councilor Cates moved to submit the Affordable Housing Plan to County staff for further review and recommendations.

Councilor Fant stated he wanted to make sure the Affordable Housing Permit Fee Waiver Program was not being considered in conjunction with the Affordable Housing Plan.

Chairman Kirven stated the fee waiver program was on the Council agenda and could be included in Councilor Cates' motion as it was included in the Affordable Housing Plan.

Councilor Cates stated he intended for the fee waiver program to be included in his motion.

Councilor Fant asked how that would affect voting for the evening.

Chairman Kirven stated that was up to Council to decide.

Councilor Taylor stated the fee waiver program was on the Council agenda under Committee Reports.

Councilor Fant inquired if Council would be entitled to a vote on the fee waiver program this evening.

Chairman Kirven stated Council was entitled to a vote on any item in which there was a motion. He stated the Affordable Housing Plan was so important but it was good not to get the "cart before the horse." He added it was necessary to get a workable plan in place that would actually move the County forward across the spectrum of the issue.

Councilor Fant stated he agreed with Chairman Kirven on the importance of the Affordable Housing Plan and added the fee waiver program was just a small, initial step to show that Council was now committed to address the issue of affordable housing. Mr. Fant stated there had been discussions about voting on the Affordable Housing Plan as a comprehensive package in the future; however, he was concerned it would not pass.

Chairman Kirven stated he agreed on the need to move forward but added the fee waiver program had been brought to Council fairly fast as opposed to the way things were normally handled. Mr. Kirven stated the item came out of committee with a divided vote and there were a lot of questions regarding how the program would be implemented, monitored and enforced.

Councilor Fant stated he would have no problem with passing the fee waiver program but also including it in the total package to be sent to staff for review and recommendations. Mr. Fant stated he was fearful of trying to lump everything together in a comprehensive package without making one positive forward step with regards to affordable housing that evening.

Councilor Ballard stated he understood Chairman Kirven recommended the Affordable Housing Plan be referred to staff for recommendations.

Chairman Kirven stated he would not tell staff how to do its job but there needed to be some "fleshing out" of the "skeleton" that had been presented to Council. He stated there were some great recommendations and a great future for affordable housing in the County but additional vetting was in order.

Councilor Ballard stated staff had already recommended reduction of fees for affordable housing.

Chairman Kirven stated the recommendation to reduce fees was originated by Councilor Fant in a memorandum that was presented to the committee.

Councilor Seman stated memorandums were written to the committee for consideration.

Councilor Ballard stated staff made the recommendation to reduce fees and the item was on the Council agenda. He added this was in line with Chairman Kirven's recommendation that the Affordable Housing Plan would be looked at "piecemeal."

Chairman Kirven stated staff did not make the recommendation.

Councilor Dill asked what percentage of GCRA's money could be spent outside of city limits.

Mr. Dent stated all of it had to be spent in the unincorporated areas of the County or in the five (5) small municipalities; by law, GCRA could not work in the City of Greenville. By a cooperative agreement that Council approved periodically, there was an arrangement with the five (5) municipalities whereby the Federal funds they receive were administered by GCRA. The rest of GCRA's money could be spent on areas such as Slater-Marietta.

**ACTION:** Councilor Dill called for the question.

Without objection, motion to call the question carried.

Councilor Seman asked if there was a time frame associated with Councilor Cates' motion.

Councilor Cates stated he had not put a time frame on the motion but he assumed staff could have it ready within a year.

Councilor Seman stated that a year was not acceptable.

Councilor Cates stated perhaps in six (6) months, three (3) months or six (6) weeks.

Joe Kernell stated within six (6) months.

Councilor Roberts asked why the County had an Affordable Housing Ad Hoc Committee at all. He added it appeared that it was now up to staff to make all the decisions.

Chairman Kirven stated the Affordable Housing Plan affected the entire County.

Mr. Roberts stated the fee reduction program was as simple as it could get.

Councilor Taylor asked if Councilor Cates' motion included the Affordable Housing Permit Fee Waiver Program.

Chairman Kirven confirmed the motion included the fee waiver program.

Motion as presented carried by a roll call vote of nine (Dill, Barnes, Meadows, Cates, Roberts, Taylor, Norris, Kirven and Payne) in favor and three (Seman, Fant and Ballard) in opposition.

**Item (5)**      **Adjournment**

**ACTION:** Councilor Cates moved to adjourn the meeting.

Motion carried unanimously and the meeting was adjourned at 5:43 p.m.

Respectfully submitted:

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Regina G. McCaskill, Clerk to Council