



January 31, 2019 - City Council Workshop

Savannah City Government

SUMMARY/FINAL MINUTES

COUNCIL WORK SESSION & CITY MANAGER'S BRIEFING

January 31, 2018 – 10:00 a.m.

PRESENT: Mayor Eddie DeLoach, Presiding

Aldermen: Carol Bell, Julian Miller, Brian Foster, Bill Durrence, John Hall, Tony Thomas (arrived at 10:25 a.m.), Estella Shabazz (arrived at 10:35 a.m.), Van Johnson, II (arrived 11:30 a.m.)

Rob Hernandez, City Manager

Jen Herman, Interim City Attorney

William Shearouse, Assistant City Attorney

City Manager Hernandez welcomed everyone to the meeting and briefly reviewed the agenda.

Workshop Agenda Items

[1. 2019 St. Patrick's Day Update \(Chippewa Square\)](#)

[St. Patrick's Day Presentation.pdf](#)

Susan Broker, Office of Special Events, Film & Tourism Director, stated staff is continuously trying to find ways to improve the overall festival, making it safer and cleaner. She stated the message she wants to go out is "Green and Clean." She stated the City Manager asked her to talk specifically about Chippewa Square. She stated she will be providing an overview of St. Patrick's Day and focus on Chippewa. Ms. Broker thanked the City partners that help to make the event a success, especially the dedicated staff that work on St. Patrick's Day. She briefly introduced Lawrence "Bubba" Edgerly, the 2019 St. Patrick's Day Chairman, stating she has worked hard this year to develop a relationship with the Parade Committee. She stated Mr. Edgerly attends all of the unified command team meetings, and has stated how much of a partner the Parade Committee is with our City leaders.

Ms. Broker discussed Chippewa Square stating Council knows that it's a difficult situation with a lot of unwanted behaviors in this square. She stated in addition staff recognizes that we also have families that come to this square and have for many years and the City wants to make sure they have the opportunity to continue to enjoy the parade there. Last year Chippewa Square was shut down due to underage drinking and the massive amount of litter and as a result the Greenscapes Division had to redo a lot of the landscaping.

Ms. Broker provided Council with a list of items staff is trying to solve which include:

- Underage drinking
- Littering
- Damage to landscaping
- Public drunkenness
- Urination in public

Ms. Broker provided Council with a list of suggestions on ways to solve the above issues which include:

- Work with our partners - 2019 St. Patrick's Day Parade Committee
- Make sure families are able to access the square
- Make the space less desirable for unwanted behavior
- Greater police and code compliance presence
- Prohibit Styrofoam coolers, tents and tables – items usually left behind
- Stronger enforced law enforcement corridor
- Issuing tickets – following up with Recorder's Court
- Closing the square at a reasonable time

Ms. Broker stated the Adjutants for the Parade Committee will be traveling the parade route giving out official trash bags for all of the squares and stressing the importance of keeping the squares clean.

Captain Carey Hill and Sgt. Jason Pagliaro provided Council with a brief overview on the Chippewa Square barricade plan. Sgt. Pagliaro, referring to the presentation, stated the area in blue will be completely cordoned off with barricades since the parade will not be watched from that location. In addition the center blue area will also be cordoned off with French barricades to protect the statue. The center sidewalk will allow traffic to pass through the square, and the yellow zone will be the public safety corridor to allow police, fire, sanitation and emergency personnel space to work and pull trash out. Sgt. Pagliaro continued stating they are going to try to have Recorder's Court and the command bus will be located on site along the side of square. The area along the parade route will be available to citizens, leaving about 2/3 of the square from being trampled. He continued stating they will be placing two scissor lifts which will allow an aerial view of the square and street for police.

Alderman Foster asked what is going to stop people from leaving this area and going to another square. Ms. Broker replied staff knows that is an issue and hopes disbursement will help. She stated they hope people will go home and make another tradition. She stated she hopes the people will disburse in smaller groups. She reminded Council that Code Compliance and the Savannah Police Department will have a greater presence in other areas. Ms. Broker stated the messaging is important, staff is putting the information out that they want changed this year, specifically about litter and underage drinking. She stated the message to include expectations will be stronger, frequent and earlier than before. She added that there are individuals in motor coaches that come in from Atlanta and Hilton Head and just drop them off and we want to reach out to them earlier about those issues as well.

Sgt. Pagliaro added the other squares seem to be more family-oriented and as such he thinks when people try to go to those squares the families that are there will not tolerate that behavior because they take a lot of pride in those squares and they clean them up.

Alderman Miller stated just as there are families that have been going to those squares for a number of years Chippewa Square is almost a rite of passage for a lot of people growing up in Savannah and some of the parents condone this. He stated he is concerned about the communications. The City needs to step up beyond anything ever done. He asked if the City is setting up somewhere for busses, and if so, we need to communicate that.

Lawrence Edgerly, Chairman Parade Committee, stated they have already been reaching out to their members. A letter was drafted and will go in the packets that will be sent out that talks about the Parade Committee's relationship with the City, and Chippewa Square as it relates to the underage drinking and litter. He stated they are pushing that issue and is asking their members to get the word out to their families and friends. He continued stating whatever he can do to help the City, he's here to help. He stated they have been meeting since May, and believes this is the first time they have ever met with the City. He concluded stating they try to keep the crowd out of the parade route and get the parade over as quickly as possible.

Alderwoman Bell asked Ms. Broker when media blitz will begin to the general public.

Ms. Broker replied after today. Staff has set up a Question & Answer for general media and they have five press conferences set with the Office of Public Communication with specifics that will be discussed during each one. She stated it will be directed messaging. She stated they will be heavily utilizing the Parade Committee's social media and the City of Savannah's social media. She added they will also be meeting with local high schools. She added individuals can come to the square but wants them to understand there will be expectations upon arrival.

Alderman Foster asked if the parade is on Sunday. Ms. Broker replied the parade is on Saturday, March 16th.

Mayor DeLoach asked what the fines are. Ms. Broker replied the judge imposes them. Captain Hill added they will push the local ordinances. Mayor DeLoach asked with the kids, can it be community service instead of a fine. Jen Herman, Interim City Attorney, suggested discussing that recommendation with the judges, but it is in their discretion. City Manager Hernandez suggested perhaps a litter pickup.

Alderman Hall stated in any other situation underage drinking is underage drinking.

Mayor DeLoach stated he's only suggesting a fine and making them clean up instead of an infraction on their record.

City Manager Hernandez asked how the City is going to address underage drinking.

Captain Hill replied in this case we will have several officers around and the way this is set up in the square is the best way the City can use enforcement. Whereas before they would make some arrests but would not be able to get to the heart of it.

City Manager Hernandez asked for a little more detail on what will be done with an individual caught drinking underage.

Sgt. Pagliaro stated the City's ABC units and State Revenue will be in the area. Anyone arrested will go immediately to Recorder's Court, and the judge will decide. The City can't just let an underage person loose, juveniles will be held until a parent comes to get them, if the individual is 18 and over it would be the same as on River Street on a normal night.

Ms. Broker added in the past an officer would make an arrest and be with that person for hours on end which would take that officer off the street. This method will have a holding area and release that officer to get back to work. She concluded stating staff is still working out the details of everything.

Attorney Herman responded she thinks the City Attorney's Office and Recorder's Court need to be brought in to be a part of the discussions to address some of the issues being raised.

Alderman Bell stated if we are making these changes and it's becoming apparent and the public is being made aware that the City is cracking down on illegal activity for underage people, we need to be careful we aren't setting up special rules for St. Patrick's Day that don't apply across the board.

Alderman Foster added it got out of hand last year and we have established the reputation that you can go to Savannah St. Patrick's Day and walk around and get drunk and the City won't do anything about it. He continued stating we are not going to have that, and we need to send a message that there are laws here and we are going to enforce them.

Alderman Miller asked if the Recorder's Court will be held in a trailer. Sgt. Pagliaro stated it will be in our command post. Alderman Miller stated that's during the parade, and asked will it be moved to another area once the parade is over? Ms. Broker replied we have been having internal meetings since January, but still need to work out the specifics. She concluded stating they can do another briefing on the Recorder's Court details before the event.

[2. Utility Services Update](#)

[Utility Services Update.pdf](#)

Ashley Simpson, Revenue Director, gave a brief overview of the department's functions and introduced Saja Aures, Public Information Coordinator, and Nicole Brantley, Utility Services Administrator.

Ms. Simpson stated staff was present to provide a status update on the KPMG recommendations presented in October 2017 after a thorough review of the City's utility systems, and to provide Council with a brief billing and collections update.

Ms. Simpson stated KPMG was asked to do the following:

- Provide a comprehensive assessment of the City's Utility Billing and Collections process; and
- Provide recommendations for improvements based on industry best practices

She stated the report came back with 24 recommendations in 5 key areas which include:

- Administration
- Account setup & customer service
- Meter reading
- Billing
- Collections

Ms. Simpson stated the report was taken very seriously and staff began working immediately to implement the recommendations using them to set the department's work plan.

During 2018, a total of 14 recommendations were implemented or partially implemented. Additionally, many of the initial recommendations are viewed as ongoing.

Highlights include:

- A formalized training program for new hires
 - Including cross training
- Enhanced internal training and communications
 - Written performance measures reviewed monthly with staff
 - Enhanced internal training and communications between two different departments – Water Distribution and Revenue
 - Initiate formal monthly meetings between two departments
- High water bill customer communication protocol in place
 - Put in a guide for customer service reps, inspections, audits, etc.
- Two new meter reader positions created and filled
- Communications position for outreach & education created and filled
- Webpages reorganized and updated

Saja Aures, Public Information Coordinator, stated the purpose of her position is to improve two-way communication between our customers and our services. She stated the report specifically noted the website lacked: Frequently Asked Questions, Utility News, and Online Customer Feedback Portal. She briefly reviewed the old webpage and showed Council the changes stating it is a reorg, not a redesign, that looked at content organization.

Ms. Aures then discussed the webpage updates which include:

- New site structure: reorganized and grouped related pages to simplify navigation
 - Looked at other utility pages for best practices and looked at how people were using the City's page and included graphic links to help customers accomplish a specific task
- Added homepage buttons to most popular/important pages or services
 - Added a side bar for prominent contact information and an online contact form for questions about accounts and an email sign up list for an email newsletter which can be used for breaking or emergency news
- Developed FAQs - compiled by staff
- Created electronic mailing list & online Customer Service contact form

Ms. Aures stated staff looks at this as incremental improvement and will continually review it and look for ways to improve communication and the website.

Alderman Miller asked if the City is now accepting online payments. Ms. Aures replied yes.

Ms. Simpson stated KPMG referred to 2017 as the year of stabilization and she looks at 2018 as the year of normalization and believes that year has put the department in a good position. She continued stating moving in to 2019 they are looking at improvements of the processes they have been able to normalize and get in place.

Ms. Simpson stated she used the KPMG study to look at 6 key recommendations for 2019 to be implemented which include:

- Develop and launch an improved online customer portal (launch 2020)
- Citizens can currently pay their bill online, staff is working on a pay by phone option
- Enhanced portal launch in 2020 with history of usage and past bills
- Contract outside collections agency
- Focus first on closed accounts (RFP goes out February 5th will close on March 5th)
- Create formal debt tracking system
- Undertake thorough software environment review with IT
- Review all of our software with IT
- Desk audit of Utility Billing functions
- Legal review of opportunities for rental properties
- We want to see what our legal options are to recoup debt when a renter moves out and doesn't pay a bill

Alderman Foster asked how much money has been left on the table. Ms. Simpson stated there is a slide related to that.

Mayor DeLoach asked what is the formal debt tracking system, and when will collections begin?

Ms. Simpson replied the outside collections agency will focus on the closed accounts from the past three years. She continued stating as it relates to the internal process for tracking bills they are in the normal billing cycles and normal collections efforts, which includes everything in the Revenue Ordinance. She added that there are now deterrents such as penalties and cutoff which are ongoing. Ms. Simpson briefly reviewed the penalty schedule which is available on the website and has previously been provided to customers.

Mayor DeLoach stated the electric and gas companies usually request one month deposit and asked if that was the route she was thinking of going. Ms. Simpson replied they want to look at what other cities are doing before making a final decision.

Mayor DeLoach asked if she was going to provide water service to the owner rather than the renter. Ms. Simpson replied the KPMG study thought that may be an opportunity for the City.

Alderman Miller cautioned that the City should be careful with that because the owner isn't the party responsible for opening the account, the tenant is. He stated he believes there will be some issues with that.

City Manager Hernandez asked how much the City currently collects for a security deposit for utility service. Ms. Simpson replied we collect a \$100 deposit on tenant properties.

Ms. Simpson stated there were three recommendations that were looked at as long-term objectives (completion by 2020) which include:

- Utility Billing & IT should consider online application submission, with functionality to attach documentation and down payments when applicable - **Target implementation 2020**
- Utility Billing should consider charging an application fee for new account set-up, service transfer, & service reconnection - **Research underway, determination to be made in 2020**
- System to monitor & manage calls, interface with existing software, & identify root causes and trends - **Determination to be made in 2020**

Ms. Simpson stated there was one recommendation made that was placed on the "require further review" list:

- Utility Services should consider operating with a single leader over Utility Billing and Water Distribution

She concluded by summarizing the information provided to Council stating there were 24 recommendations; 14 have been completed; 6 are on the list for 2019; and 4 are outstanding for 2020 and beyond. She stated by the end of 2019 the department should be 83% completed.

Ms. Simpson then briefly discussed the Utility Billing Cycle process. She provided Council with the total amounts billed and collected in 2016, 2017 and 2018. In addition she showed the collection rates for the same time period.

Alderman Thomas asked about 2013, 2014 and 2015. Ms. Simpson stated she will get that information for Council. Alderman Thomas stated the uncollected totals is \$25 million and asked if the City is going to collect those amounts. Ms. Simpson stated she thinks we will see great improvements in the collection rates in the first quarter of this year and will provide those updates to Council. Alderman Thomas asked what the City is doing to collect the money from people that had bills in 2016, for example. Ms. Simpson replied those will be the people the collection agency will be focusing on. Alderman Thomas asked about people who have declared bankruptcy. Ms. Simpson replied when someone files for bankruptcy that debt has to be written off and included as a claim.

David Maxwell, Chief Finance Officer, stated 2016-2018 are the years we have billed in the new system, and the information was easier to gather making it easier to compare. Alderman Thomas stated he would like to see the 2013-2015 data.

Ms. Simpson stated she plans to regularly update Council with the information and she will be back in the 3rd quarter with an update.

Alderman Miller commended Ms. Simpson, stating she has done a great job in digging the City out of a hole. He stated the problem he keeps running into is that the constituents that call him tell him the people they talk don't know all they need to know. Ms. Simpson stated there was a rigid policy in place due to some complications with heir's properties which had to be bent to help with that particular situation.

Alderman Miller continued stating he thinks what has been done with the website is amazing but suggested staff go back and look at what is there. He used the response under FAQ #4 as an example stating the answer needs to be reworded so that it is giving the message we want. Ms. Simpson stated she would review it. She also passed the congratulations on to Nicole Brantley who works day to day to implement these recommendations.

Alderman Durrence asked about not having to get a paper bill. Ms. Simpson stated that is part of phase 2 with our vendor, which requires a secure connection with our IT Department.

Alderman Thomas stated people are still calling about their bill not being right. He stated he still questions how we are reading meters, and if we are truly out there reading meters. He added the deposit for residential is \$100, and the deposit for electric service for a commercial property is three months of the average for the last time it was in operation. He stated he isn't suggesting that the City needs to go that route but if they have more skin in the game that might be encouraging to them. He also congratulated Ms. Simpson stating when he reports an issue staff jumps right on it. He stated the call in system is where he gets a lot of complaints, as it relates to the professionalism of how the call is handled, he stated the recording of the calls would be a great training tool. He concluded stating he's still wondering how meters are being read.

City Manager Hernandez stated we have multiple types of meters throughout the system and not all meters require someone to go out and physically read the meter. Some require someone to be in the area and the meter communicates with a computer that is in the meter reader's car. He continued stating we are moving to the type of meter that communicates with the meter and the back office. So, when you have a constituent call you and say the meter is under sod that doesn't mean it isn't being read. City Manager Hernandez asked that constituents be informed if they have questions about the type of meter they have to please call and staff will be happy to tell them. He continued stating the old types of meters have opportunities for data entry errors since they require a person to record the data in the field and then another to enter that into the billing system. He concluded stating if we make a mistake we want to investigate it and fix it.

Alderwoman Shabazz stated she is concerned about our elderly citizens, and has been receiving calls in reference to water bills that are 6,000-9,000 dollars. She stated she doesn't know what kind of help we are giving to the elderly. She asked what the City has in place that can assist people on fixed incomes.

City Manager Hernandez replied if a constituent calls about a \$6,000+ bill something is clearly wrong and he asked that Council let staff know right away so they can figure out what is happening. He stated it's usually contributed to a leak, and if there is a documented leak, the City will give them a reduction on their bill which is usually a total over a longer period of time.

Ms. Simpson stated last December the City increased the discount program for our low income senior and low income disabled residents with Council's approval. For seniors they get qualified through Senior Citizens, Inc. and for low income they go through Life to qualify, which brings down their bill. She stated the program is called Help to Our Community (H2OC) and the information to apply is online. She added that Ms. Aures will be taking the program on the road in February. She concluded stating if a customer has a high bill a payment arrangement can be set up to protect their service.

Alderman Hall congratulated Ms. Simpson and her team stating they bend over backwards to help our constituents.

Alderwoman Bell also congratulated Ms. Simpson, Ms. Brantley, and the team and stated she is happy about the low income program.

3. Overview of Eminent Domain Process in Relation to Blight Eradication

Eminent Domain Overview for Blight Slides.pdf

Denise Cooper, Assistant City Attorney, provided a general overview of the step by step process of eminent domain. She stated this process takes a full City partnership across several departments.

Ms. Cooper broke down the process into nine steps:

1. Identify properties of interest
 - Abandoned lots—often overgrown and encouraging illegal dumping, trespassing, rodents, snakes and mosquitoes
 - Abandoned, dilapidated, houses and structures
 - Properties that...
 - Have a history of property maintenance ordinance violations
 - Have a history of the City paying to correct code violations
 - Contribute to crime and criminal behavior
 - Negatively impact nearby residents, the street, a block or the neighborhood
 - Negatively impact property values
 - Have cloudy title
2. Meet statutory definition of blight
 - Properties must have 3 or more of the following conditions
 - Include an uninhabitable, unsafe or abandoned structure
 - Include repeated illegal activity on a property which the owner knew about or should have known about
 - Be maintained below state, county or municipal property maintenance codes for at least one year
 - Be conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.
3. Order title search and report
 - Research and prepare a title report that reveals
 - Parties with ownership or other interests in the property
 - Property title history and condition—clear or cloudy
 - Clear
 - No excuse for property being in violation of codes
 - Property tax sale acquisition
 - No excuse for property being in violation of codes 12 months after tax sale (2 months if In Rem tax sale)
 - Cloudy
 - Difficult for parties, including heirs, to maintain property because cloudy title prevents borrowing funds or selling property
4. Notify ownership parties of City's interest in acquiring property
 - Notify parties of the City's:
 - Interest and intent to acquire the property to remedy blight using, if necessary, eminent domain
 - Willingness to meet with the property owners and a private, licensed, appraiser on site
 - Purchase price offer based upon air market appraised value and clear title
 - Notifications take place by mail and certified mail
 - Additional forms of notification include in-person meeting, telephone and email
5. Special City Council meeting to request permission to proceed to Superior Court
 - If the use of eminent domain becomes necessary the City must hold a special City Council meeting at 6:00 p.m. or later
 - All known parties with ownership interests in the property are notified about the special meeting in accordance with state law including:
 - For at least four (4) consecutive weeks in advance of the special meeting the City advertises the meeting in a local newspaper
 - At least 25 days before the special meeting, the City posts notice signs in front of the property in the public right-of-way
 - City Council will be asked to adopt a Resolution authorizing the City Attorney to schedule a Superior Court hearing
 - The City cannot begin using eminent domain to acquire a property following passage of the Resolution
 - The Superior Court must determine whether or not the City is authorized to use eminent domain to acquire a property
6. Superior Court hearing #1 determines if the property is blighted
 - Following adoption of the City Council Resolution, the City Attorney request an eminent domain hearing in Superior Court
 - The purpose of the hearing is for the Judge to hear evidence and determine if the property meets the statutory definition of blight
 - All known parties with an ownership or other interest in the property are notified of the hearing by subpoena and given the opportunity to be present and testify
 - The Probate Court is also provided a subpoena so it can represent those with an ownership interest who have not been located and served with a subpoena

- The Probate Court has appointed a Guardian Ad Litem to perform this function
 - If the Superior Court determines that the property is blighted and can be acquired using eminent domain, a second Superior Court hearing is scheduled to determine the value of the property and to whom funds will be distributed
7. Superior Court hearing #2 determines property value and disbursement
- The City Attorney requests a second Superior Court hearing so the Judge can determine property value and distribution of funds
 - All known parties with ownership or other interests in the property are notified of the hearing by subpoena and given the opportunity to be present and testify
 - The Probate Court is also provided a subpoena so it can represent those with an ownership interest who have not been located and served with a subpoena
 - The Probate Court has appointed a Guardian Ad Litem to perform this function
 - The Judge will consider appraisals submitted by the City and others to determine property value
 - The Judge will also consider claims for unpaid property taxes, special assessments and other liens
 - After hearing evidence, the Judge will issue a final order that specifies:
 - The value of the property
 - How much the City will pay into the Court to acquire the property
 - To whom and in what amounts acquisition funds will be distributed to parties with ownership and other interests
 - Restrictions that prevent the property from being used for a different land use for five years

Martin Fretty, Housing Services Director, briefly discussed what occurs once the property has been acquired (post eminent domain). He stated if it's a building staff will evaluate it to determine that it cannot be renovated and then move to demolish it, which removes the blight. If there are, for example, three 30 foot properties in a row that have dilapidated houses or are vacant and the houses have been demolished we may recombine the lots or subdivide the lots for new housing. Mr. Fretty continued stating they may also work with neighborhood property owners. Once the property has been acquired through this process either the City can sell the property or transfer the title to the Landbank Authority and let them handle the property. There are benefits to transferring properties to the Landbank as it has more flexibility in development. He added when the City sells the property we look at recouping purchase, demolition, recombination, and legal costs.

8. Post eminent domain blight removal, sale and development options
- Once the City has title, it will begin to implement blight removal and redevelopment strategies including:
 - Demolishing blighted houses not planned for renovation
 - Combination and re-subdivision of narrow adjoining lots into wider lots, more buildable lots, for new homes
 - Converting three 30' wide lots into two 45' wide lots
 - Converting four 30' wide lots into three 40' wide lots
 - Converting five 30' wide lots into three 50' wide lots
 - Sale and conversion of unbuildable lots into side yard space for adjoining properties
 - Sale of property may occur by the City or by the Chatham County / City of Savannah Land Bank Authority
 - Transferring title to and utilizing the Land Bank Authority (LBA) has benefits as the Authority can:
 - Hold and maintain property until critical mass makes re-development possible
 - Combine or package City acquired property with LBA acquired property to enhance development opportunities
 - Participate in acquisition and development financing
 - Offer more flexibility in selling the property—including making it possible for “heirs” to be given priority providing they have resources to purchase and develop the property in accordance with City plans for the property
 - The sale price of a property will include, when feasible, investments made to purchase, demolish, maintain, subdivide, and clear blighted property title

Mr. Fretty briefly discussed a development and funding scenario

9. Develop a permanent funding scenario
- Housing & Neighborhood Services Department (HNSD), Savannah Affordable Housing Solutions Fund, Land Bank Authority, Bank and Developers can contribute to financing the redevelopment of formerly blighted property

Attorney Cooper highlighted departments involved in the process which include:

- Housing & Neighborhood Services
- Code Compliance
- Police Department
- Legal Department

- Real Estate Services
- Land Bank Authority
- City Clerk
- Public Communications

Ms. Cooper stated she hopes Council and citizens feel more comfortable about this process which is to clear blight, and not to take properties, and put wonderful homes back into the hands of citizens.

Mayor DeLoach stated he would like to point out that we have ten to do this year but we need to get that up to about 50 to 100 a year for builders to develop these properties and keep costs down to start developing neighborhoods. He also discussed the hourly wage rate for an individual to afford this type of house. He concluded stating there are a lot of individuals looking for this type of housing and the City needs to do whatever necessary to make it available and make this happen.

Alderman Miller asked are we staffed to do fifty houses. Mayor DeLoach replied we aren't staffed but we need to commit to that.

Mr. Fretty stated staff has started looking at areas in three different neighborhoods that have potential for acquisition of redevelopment due to the blight. There are some neighborhoods that are really upside down, some that are on the cusp of turning and others that are in the middle. He stated they are looking staff wise to come up with a strategy, eminent domain being one of the pieces that would be used. He stated it comes down to if you don't own it, you can't control it, and you can't build on it. He continued stating what they hear from developers is if the City owned large enough pieces of land for them to work with, the heavy lifting is to clear the blight. He added that he views it as an investment. Staff will need money to go out and buy properties if the City is really going to tackle this blight issue. He concluded stating blighted properties are a loss of tax value and lost revenue in taxes, and the cost of all of us having to deal with blight year after to year which the taxpayers are paying for.

Alderman Johnson stated general funds used to pay contractors to remedy these issues, at least in this case the City is able to get its money back.

Mr. Fretty provided Council with a Land Bank Authority property example, stating it's opportunities to have a mixture of different incomes coming in from the sale of properties.

Mayor DeLoach asked how many people in the City of Savannah need affordable housing right now. Mr. Fretty replied when a study was conducted recently families that are cost-burdened is close to half the population.

Alderwoman Bell asked Kevin Milton, Code Compliance Director, if he is in touch with Revenue in making sure that when the private developers are closing on properties if there are outstanding code violations they are paid. Kevin Milton replied yes we are a routine part of that process now.

Alderman Miller requested the entire presentation because what was sent wasn't what was presented.

[4. SPLOST VII Preview](#)

[SPLOST VII Preview.pdf](#)

City Manager Hernandez stated this is a preliminary conversation that we are about to engage in. He stated we are going to present two possible approaches to SPLOST VII based on the feedback staff has received over the past few months. It is not a final proposal, and no vote will be taken today. He stated he wanted to make sure everyone understands that this is not a final list, it is just a starter so conversations can begin. He concluded stating there is more time before we have to finalize the list with our municipal partners and the County.

Daphanie Williams, Special Projects Coordinator with the City Manager's Office, stated as Special Projects Coordinator she's had the pleasure of working on a number of different projects but anything dealing with SPLOST is most exciting to her and she enjoys working on it. She stated there are over 300 projects, and more than \$520 million projects dedicated to City projects. She stated the goal today is to get feedback from Council on potential projects for the upcoming referendum.

Ms. Williams gave a brief overview of what will be discussed today which include:

- What is SPLOST
- Why SPLOST
- Preparing for SPLOST VII

- City Manager recommendations

Ms. Williams stated SPLOST is a one penny tax used to fund capital projects. It can't be used for operating expenses or general maintenance.

Mayor DeLoach stated the biggest point that needs to be made is that 60% of SPLOST funds is paid for by people from out of town. Ms. Williams replied nearly about 40% is paid for by visitors. Since 1985 over \$1.5 billion has been allocated to projects in Chatham County and nearly \$525 million for City of Savannah projects.

Alderman Thomas asked what the anticipated collection in SPLOST VI is. City Manager Hernandez replied \$190 million. Alderman Thomas asked of the \$190 million collected in SPLOST VI, is the City projecting \$791 million in projects now?

Ms. Williams replied this is a master list, a total of all projects considered. Staff took the feedback received from the District Town Hall meetings and submitted recommendations which totaled \$791 million, so there is a lot of work to do.

She stated as the City Manager stated there are two scenarios that are being recommended.

Option 1 – selecting projects based on strategic priority, with an emphasis on infrastructure related projects.

Ms. Williams reviewed each category.

- Infrastructure
 - Lower Springfield Canal Drainage project - \$45 million
 - Street paving and pavement rehabilitation - \$20.7 million
 - Fiber optic cable replacement – \$3 million
 - Riverwalk Extension - \$2 million
 - City Hall restoration and renovation - \$7.5 million
 - Forsyth Park Restrooms - \$0.4 million
 - Sidewalk replacement and installation – \$6 million
 - Downtown Streetscape GO bonds - \$6.7 million
- Public Safety
 - Police Records Management System (RMS) replacement - \$3.2 million
 - Public Safety technology improvements - \$2.5 million
 - Public Safety radio tower relocation - \$5 million
- Neighborhood Revitalization
 - City-Wide blighted property acquisition and elimination - \$6 million
- Economic Strength & Poverty Reduction
 - Southside Savannah Community Center – \$12 million

Alderman Durrence asked on the City-Wide blighted property acquisition, would the City recoup and then reuse as a revolving fund. City Manager Hernandez replied yes.

Ms. Williams moved on to Option 2 – which focuses on the location of the projects. She stated the main takeaway is that half of the \$120 million is recommended for city-wide projects and the remaining is divided up equally between the six districts.

Alderwoman Bell asked are the needs equal. City Manager Hernandez replied the reason we chose this approach, is that each district has their own unique needs, we tried to tailor this approach specific to each district.

Alderman Johnson stated part of the issue historically with SPLOST is also people feeling and believing whether reality or perception if they are getting a fair share of that. He continued stating sometimes it goes down to actual dollars per area, and you almost have to do it this way, because they want to know how it will affect them.

Alderman Durrence added he doesn't disagree, but in some cases they just need to be reeducated, and a good example is the Springfield Canal improvement. He stated although it looks like it's going to be done in Districts 1 and 5, it will do a lot to help the stormwater management in District 2. He concluded stating many times these things may not be obvious in the districts they will benefit and believes it's one of the things Council and staff should work on educating people about.

Alderman Johnson stated you can't wait until it's time for SPLOST to start educating people. He also added that the City has an aging infrastructure and asked the City Manager if he feels this does enough to fit the City's needs.

City Manager Hernandez replied you mentioned the word sewer, and asked if he meant stormwater. Alderman Johnson stated he means sewer and all the stuff underneath the ground. City Manager Hernandez replied the sewers are taken care of by the Water & Sewer fund and we project out 20 years and we ensure we have funds for capital needs. Stormwater is a different issue. The City has invested a lot of money both in previous SPLOSTs and future SPLOSTs to try to address stormwater related issues. He continued stating staff is doing an adequate job, but we have to do more. The reality is we have been targeting those high conveyance systems, like Bilbo Canal and Springfield Canal.

Alderman Thomas stated Alderman Durrence brought up a good point, you may do something in one district that improves the quality of life in other districts. Once things underground get covered up the people don't see anything to remember that and that contribution which is why education is very important about what SPLOST has done to alleviate these chronic problems. He continued stating we have to do a better job of selling the purpose and we have to also remember the original purpose for SPLOST was for drainage and roads improvements. He concluded stating when neighborhood projects got sprinkled in there it was to get neighborhoods to turn out to vote, so we need to have a mixture of both.

Alderwoman Shabazz asked where the line item for the Springfield Canal is in the City. City Manager Hernandez replied from the River, south to 516. Ms. Williams replied Ogeechee Road to Savannah River.

Alderwoman Shabazz asked will it go to Bowles Ford Park. City Manager Hernandez replied yes.

City Manager Hernandez stated these are suggested projects, based on discussions with you and staff, it's just a start.

Alderman Miller stated he understands staff has to start somewhere and make some adjustments but he has some concerns, because he has never heard of some of these projects in his district. He stated those are not things he would be focusing on and none of his constituents asked for a new pool in Daffin Park, they've asked for people to staff the pool currently there so it can be opened. He continued stating he's concerned after three years and one month, and trying to do something about recreation the City still isn't addressing recreation. We are doing nothing for recreational facilities and places for teams to practice and play to do athletic and recreational things. He stated we have talked about the Fairgrounds and Guy Minnick Park, we could put a lot more facilities there. He concluded stating we worry about the crime and so much of the crime today is committed by kids, and the reason is because we don't offer them an alternative, and the teams that we have we can't give them facilities to practice on and there is nothing in there for that.

Alderman Johnson asked Alderman Miller if he is referring to his district. He replied he's referring to all districts. Alderman Johnson stated in his district Hudson Hill is a park and the Grant Center is a gym, Kennedy and Cloverdale parks are also recreational activities. Alderman Miller replied those are all small projects that serve that neighborhood and there is nothing that serves the whole community.

Alderman Miller continued stating there is also nothing listed about the Casey Canal. City Manager Hernandez replied we have been saving up for the Casey Canal since SPLOST III, everything up to Phase 2A has been saved up. He stated he would get Council the exact accounting for that.

Alderman Miller stated the point is it's going to cost a lot more and it's not on the list. He stated he would like to have more input than this. He stated more communication about your penny at work is needed. He concluded stating he could go with either of these plans, but they both need major adjustments.

City Manager Hernandez stated Ms. Williams handed out the documentation about every project that gives the background information related to each project. He stated \$120 million dollars seems like a lot of money but when you start allocating it, it doesn't go very far. All of the projects in the book are worthy of being funded at some point or another. We have time to continue to refine this list. He added they are not proposing a new pool, we need to rehabilitate the existing pool.

Alderwoman Shabazz asked if the \$120 million is an average of what we have been collecting from past SPLOSTs. City Manager Hernandez replied that is the target for our planning purposes that we have decided to go with. We received more in SPLOST VI because there was a recognition that the arena was going to be a regional project so more dollars were provided to the City to move the arena forward. This is a county-wide tax, placed on the ballot by the County and the County usually decides if there are County wide projects that comes off the top and then whatever funding is left over gets divided out amongst all the municipalities. He concluded stating we started at \$120 million, it could be more, it could be less.

Alderwoman Shabazz stated we need to not consider the Fairgrounds as a district undertaking, it needs to be moved under the category of City-wide. Even regional wise if the County folk will list, it needs to be put on the top of everyone's list as improving our recreation on a large scale for our region.

City Manager Hernandez replied there isn't an issue with that, it can be moved to City-wide but that means something else has to come off the list. He stated on the staff level he knows the County would like SPLOST to be recreation intensive, he isn't certain what the County Commissioners will do.

Alderman Hall stated we all want more money for projects than what we are going to get and he can see where his constituents will say \$9 million for a police precinct and \$1 million for sidewalks... well what else.

City Manager Hernandez stated in your booklet you have additional projects to consider, but we put those projects in there because we are in leased spaced that was not designed for a police precinct. This community will ultimately have to write the check whether it's in SPLOST or something else.

Alderman Foster stated you have to negotiate with the County and other municipalities and what the dollar amount will be to the City as it will determine the project. We know the biggest number of funds is generated in the City of Savannah. He stated we need to represent the citizens of this City for that money. He concluded stating infrastructure and public safety were number one on my list.

Mayor DeLoach stated it's not a question of whether or not we want the County involved or not. Alderman Foster replied no, they lead.

Alderman Johnson added which means the City is negotiating from a weak end position.

Alderman Thomas asked if the City has an option to put a municipal option sales tax. City Manager Hernandez replied staff has been talking to the Georgia Municipal Association (GMA) but the answer is currently the City doesn't have the option to do a municipal option sales tax. GMA is looking at that, to be able to work with the legislature, the City of Savannah is interested in it and other municipalities are interested in it as well.

Alderman Foster stated as a Council we need to support the City Manager in that effort.

Alderman Thomas stated he was here during the last negotiation, the west side with their expansion is going for every dime they can get. He stated it's not going to be a pleasure walk for you so we will have to support you. He stated he has a concern for the growing stress on the Landmark District and the infrastructure is showing the wear and you are seeing the strain now that needs to be addressed. He continued stating we have to find some kind of funding mechanism that addresses the Historic District in order to support the ramps, sidewalks, missing bricks, and things that are getting worse with the growing number of people. He concluded stating the Drayton Ramp can tear the front end off of your car, and we have to do something to address that and it can't come just from the general fund.

City Manager Hernandez replied point well taken but he thinks the issue extends beyond the Historic District.

Alderman Durrence stated as it relates to the Downtown Streetscape General Obligation bonds in District 2, his colleagues often remind him that Downtown doesn't just belong to District 2 but all of the City.

City Manager Hernandez stated there is more detail in the presentation and Council has been provided with a hardcopy. He asked them to provide staff with any other feedback they have.

Alderwoman Shabazz asked when this will be placed on the ballot. City Manager Hernandez replied it will be on the ballot in November and there is a series of actions that need to happen leading up to that. The timeline is that we have a completed list of projects by April.

Alderman Foster commended staff and Ms. Williams on the work done.

Mayor DeLoach asked if the amount of trees that the City is purchasing and replacing is adequate to take the place of the ones that are dying, and if it is adequate so that we have a canopy here.

Heath Lloyd, Chief Infrastructure and Development Officer, stated he will check on that.

Alderman Thomas asked how many trees did the Tree Fund plant.

City Manager Hernandez stated that will be scheduled for an upcoming work session. He answered the previous question of Alderman Miller about the Casey Canal, stating the amount is close to \$15.1 million currently budgeted in the various SPLOST accounts (still collecting on SPLOST VI). Alderman Miller asked if he thinks the project will be done for \$15 million. Chief Lloyd replied no.

5. Executive Session: Real Estate, Personnel, and Litigation

Upon motion of Alderman Durrence, seconded by Alderwoman Shabazz, and unanimously carried Council went into Executive Session for the purpose of discussing Real Estate, Litigation and Personnel.

Upon completion of this session, a motion was made to come out of Executive Session by Alderwoman Bell, seconded by Alderman Durrence, and unanimously carried.

6. City Manager's Briefing / Council Meeting Agenda Items for January 31, 2019

City Manager Rob Hernandez presented the City Manager's Briefing of the agenda items for the Council Meeting of January 31, 2019. The agenda can be found online and will be made a part of the permanent record

There being no further business, Mayor DeLoach declared this meeting of Council adjourned.

The video recording of the Work Session can be found by copying and pasting the below link in your url:

<https://savannahgovtv.viebit.com/player.php?hash=JcDoN8xDMsFS>



**Luciana M. Spracher,
Acting Clerk of Council**