



February 1, 2018 Council Work Session

Savannah City Government
SUMMARY/FINAL MINUTES
COUNCIL WORK SESSION &
CITY MANAGER'S BRIEFING
February 1, 2018 – 10:00 a.m.

Present: Mayor Eddie DeLoach, Presiding

Aldermen: Carol Bell, Julian Miller, Van Johnson , II (arrived at 10:20 a.m.), Tony Thomas, Bill Durrence, John Hall, Estella Shabazz

Absent: Alderman Brian Foster

Rob Hernandez, City Manager

Brooks Stillwell, City Attorney

William Shearouse, Assistant City Attorney

Jennifer Herman, Deputy City Attorney

Mayor DeLoach called the meeting to order.

Workshop Agenda Items

[1. Local Vendor Preference Ordinance](#)

[Local Preference Ordinance - 020118.pdf](#)

City Manager Hernandez welcomed everyone and stated Molly Huhn, Purchasing Director, would be coming forward shortly to pick up where she left off during the January 4th Work Session as it relates to some tweaks to the Local Vendor Preference Ordinance to allow our Savannah based businesses to be more competitive when attempting to do business with City government. Ms. Huhn and staff have done a considerable amount of research and this will be the wrap up of that conversation.

Molly Huhn presented a Power Point Presentation beginning by briefly reviewing the information previously discussed. She then presented Council with the proposed changes which include:

Local vendors shall be offered the opportunity to match the non-local low bidder's pricing in the following circumstances:

- A local vendor's bid is within 7% of the non-local low bidder's pricing
- A Savannah Business Enterprise (SBE) vendor's bid is within 10% of the non-local low bidder's pricing
- A local Disadvantaged Business Enterprise (DBE) vendor's bid is within 10% of the non-local low bidder's pricing
- In the event that more than one bid meets these criteria, the opportunity to match the non-local low bidder's pricing shall be afforded first to the low bidder who is a SBE, second to the local DBE vendor, and third to the local vendor.

Mayor DeLoach expressed his concerns about the percentage being proposed, stating it creates a big window for lost revenue. He stated he is more in favor of the 5% which was originally proposed.

Ms. Huhn stated this would only apply to commodities.

City Manager Hernandez briefly gave the definition of an SBE and stated this provides an opportunity for our local businesses to match the price but does not say that the City is going to pay a percentage above the low bid.

Alderman Shabazz stated the ordinance has been set the way it currently is for many years and believes the 7 percent is adequate for local residents, business persons and those aspiring to become business owners. She stated it would be an incentive for them to do business with the City and for others to continuing doing business with the City. She concluded stating the 7 percent is like a median from the previous discussion and would be a good place to start.

Alderman Bell expressed her concerns with Alderman Shabazz's statements and stated the 7 percent could pose a hardship on a local business owner.

Alderman Durrence stated the onus is going to be on the small business to decide whether or not they want to do it as they are not required. He stated regardless as to whether it's 5 or 7 percent the decision has to be made by the business owner as to whether or not it's something they can or cannot do. He stated he agrees with Alderman Foster's point from the previous meeting in reference to not wanting to discourage business owners from bidding because they're not getting the jobs. He asked City Manager Hernandez if a local bidder comes in and bids and takes the job but cannot perform what happens then?

City Manager Hernandez replied, we need to make sure when we contract with these firms that they have the capacity to deliver upon service.

Alderman Miller stated we keep putting more and more contingencies on our bids and it's making it less lucrative to do business with the City. He continued, stating the City doesn't get as many bids as they did in the past on some of the bigger projects. He cautioned everyone, stating we aren't getting the bids we used to get. It costs money to put these bids in and requires a great deal of research and when business owners are shot down it's disheartening and eventually the City will stop getting that business and will have to spend more money.

Ms. Huhn stated she agrees 2 percent is low. But if we make the threshold too high we will lose competition whether it's local or nonlocal and we must be responsible stewards of tax payer dollars. If a local bidder doesn't meet specifications to begin they wouldn't be offered the opportunity to match the low bidder's pricing.

Alderman Hall expressed his concerns about responsible bidding.

Alderman Thomas suggested that the City should do some type of outreach to the local businesses about doing business with the City. He stated seminars and informational sessions would give them the information they need and allow them to ask basic questions about things like local participation with bonding, not just for African Americans because all businesses have issues with that. He stated the City needs a new outreach because some questions are very technical and businesses don't know how to answer the questions. He concluded stating, we also need to make sure we don't let politics to inject itself into the weighting of who gets a bid or not.

Ms. Huhn replied stating the City has been holding monthly workshops for the past two years or so that deal with those topics. She believes the new ordinance will encourage business owners to come to the workshops to learn about the changes that are being proposed. She concluded stating her, along with her staff, work in conjunction with the Office of Business Opportunities, to hold the workshops and will work on pushing public relations more as there is one currently in the works.

Ms. Huhn continued with the presentation and reviewed the current definition of local vendors and the proposed changes. Additionally, she reviewed the headquartering issue.

Alderman Shabazz thanked Ms. Huhn for her work on the ordinance and stated she wants to continue to move forward. She then asked Ms. Huhn to briefly define the Hire Savannah ordinance.

Ms. Huhn stated the Hire Savannah program basically seeks to utilize our local workforce. In certain covered service contracts and

construction projects of \$250,000 or more, it asks contractors to agree to abide by our policy which is that they are going to interview any applicants or any available qualified people who are local to do work and fill vacancies by virtue of getting a City contract. It doesn't just engage local businesses it engages local people. The program began January 1st, works with WorkSource Coastal, and the City is very happy to get it underway.

Alderman Hall expressed his concerns with business certificates and the possibility of the individual not actually residing in the City and having no connection to the City versus the everyday tax payer. He stated he doesn't think it's fair and it's something to think about.

Alderman Thomas replied we need to be careful about that because you can own a business in Savannah and start a business in another city. If business owners didn't do this the City wouldn't have any Wal-Mart's or any other business that has connectivity across the nation. He concluded stating CEO's start companies every day.

Alderman Miller stated he believes the problem comes from the definition. He used Staples and Target as examples stating they contribute locally despite not having their headquarters in the City of Savannah but have a huge presence here.

Ms. Huhn stated although business owners may not live here they are still paying taxes and contributing to the City.

[2. Tourism Management Plan](#)

 [TOURISM ECONOMICS STUDY.pdf](#)

 [Council presentation 2.1.2018.pdf](#)

Bridget Lidy, Director of Planning and Urban Design, presented a PowerPoint Presentation on the Tourism Management Plan, Tourism Economics Study, and Revisions to the Tour Service for Hire Ordinance.

Tourism Management Plan

In 2016, the City engaged The EXPERIENCE Institute® to develop a tourism management plan

- To balance resident needs with industry interests, while also maintaining Savannah's prominence as a global visitor destination
- Contributors included:
 - National Trust for Historic Preservation
 - Downtown Neighborhood Association
 - Historic Savannah Foundation
 - Tourism Leadership Council
 - Visit Savannah

Ms. Lidy stated the Community Vision was reaffirmed as follows: Savannah partnership embraces its vibrant future while maintaining its historical integrity and respecting the unique residential and pedestrian quality of life. Our community must be balanced, sensitive and well-managed to assert an enhanced quality of life for residents and high-quality visitor experience.

She then reviewed the Effective Structure to Achieve Goals & Objectives stating a:

- Collaborative Approach: Ensure structure, process, and resources are appropriately designed to support the plan.
- Data-Driven Ethos: Access, collect, and analyze historic and predictive data to prioritize issues and opportunities, and support strategic decision-making.
- Comprehensive Communications: Build and sustain targeted communications outreach to inform and engage all audiences.

Ms. Lidy then reviewed the Key issues and opportunities for consideration, these items are in order of importance:

- Preserving historic district experience for residents and visitors
- Tour management; and
- Balancing visitation/interconnecting districts

Lastly, Ms. Lidy reviewed the Implementation Schedule as follows:

- Listed under Key Issues & Opportunities [Topic, Strategy, City of Savannah lead, Proposed Timeline for Completion]
- Coordinated by City interdepartmental team.

Examples of Topics:

- Restructure Tourism Advisory Committee (TAC) to reflect balanced representation with neighborhood, preservation and tourism industry.
- Develop program to better address afterhours issues.
- Establish motor coach holding area outside of the Historic District.
- Identify and brand emerging districts.

Alderman Durrence suggested reducing the membership of the Tourism Advisory Committee to 7 to 9. He stated it currently has 13 members and believes there should be more institutional representation, rather than individual appointments which encourages long-range views of what needs to be done.

Ms. Lidy stated Council will get a memo in reference to the Tourism Management Plan along with a recommended structure from the TAC for the restructuring of the committee. This will be provided to Council next week along with a copy of the plan.

Alderman Bell thanked Ms. Lidy for being sensitive to the residents which she heard several times throughout the presentation.

Ms. Lidy then moved on to the Tourism Economics Study. She stated the study addresses the need to fully understand the economic impact tourism has on the community along with the direct and indirect costs associated with municipal services. It was conducted by Tourism Economics and was completed in December 2017.

- Social Impacts
 - No evidence that the tourism sector imposes a significant social cost on the City.
 - Residents are mainly supportive of the tourism industry and believe that tourism development should continue in the city, that tourism is a positive economic force for the city, and that the benefits of tourism outweigh the costs.
 - Concerns: Traffic, congestion, noise from afterhours commercial activities and real or perceived imbalance between hotels/STVR and residential housing stock.
- Congestion Impacts
 - \$22.6 million (the cost should not be attributed solely to the tourism sector and should be considered a high-end estimate) of added cost of congestion above what is to be expected in a city of Savannah's size.
- City of Savannah Cost Benefit Analysis:
 - Government revenue: \$98.7 million direct and indirect.
 - City expenses: \$51.3 million (includes all City expenses, including infrastructure, development, systems, etc. regardless of what fund it comes from.)
 - Total net benefit: \$47.5 million.
 - Net benefit per resident: \$323.
 - Benefit to cost ration: \$1.92.
- Resident Cost Benefit Analysis:
 - Income supported by tourism: \$866.4 million.
 - Cost of congestion: \$22.6 million.
 - Total benefit: \$843.7 million.
 - Net benefit per resident: \$5,740.
 - Benefit to cost ration: \$38.36.

Alderman Durrence stated when discussing the incredibly strong tourism economy the City has it is important to understand that it wasn't built by the City or the Tourism Industry. It was built by the residents who own and maintain their homes and business owners that start businesses. He concluded stating what's not included in the Resident Cost Benefit Analysis is what it cost residents to live here and create this benefit.

Mayor DeLoach disagreed with Alderman Durrence's comments stating the City attracts the people here and the residents don't do it alone, it's a combination of everyone and everything.

Alderman Johnson asked Mr. Marinelli why do people come to Savannah? Mr. Marinelli replied for the culture, heritage, and the overall experience of Southern hospitality.

Ms. Lidy then discussed Revisions to Tour Service Vehicles stating they will:

- Allow for 3rd party advertising on the rear of the tour service vehicle
 - Cannot block the bumper or interfere with or impede visibility of any safety equipment;
 - No part of the advertising may obscure the visibility of the vehicle number; and
 - Cannot emit light or noise
- Trolley operators may display images that depict local tour attractions on the sides of their vehicles.

- From time-to-time the TAC may publish suggested local attractions.
- Staff shall review tour service vehicles and trolley markings during the vehicle inspection process for compliance with this section on an annual basis.

Alderman Thomas suggested amending it to include the exclusion of political advertising or any kind of message oriented advertising not centered around sites.

[3. Visit Savannah Update](#)

 [Visit Savannah 2018 Presentation.pdf](#)

Joseph Marinelli, Visit Savannah, presented a PowerPoint Presentation on the Savannah Tourism Update. During the presentation Mr. Marinelli provided information on the following:

2017 Year-end projections

- Hotel/Motel Tax Collections, \$20.87 million for 2017 for the City of Savannah (final numbers are not in yet), increasing over the last 5 years, with steady growth.
- 2017 Hotel Occupancies and Average rates: Savannah had a 72% occupancy rate in 2017. The average daily rate was approximately \$116 in Savannah with a steady increase.
- Showed regional comparisons with Jacksonville, Charlotte, St. Augustine, Hilton Head, and Charleston, in terms of conventions and leisure.

2018 Snapshot

- Mid-February through summer expected to be strong.
 - Heavy visitation expected March/April/May due to pent-up demand.
- June and July have become two of our busiest visitation months.
- August occupancies have grown over 10% in the last six years.
- Quarter 4 2018 no one pace but the economy is expected to stay strong.
- Baby Boomers and Millennials are traveling more, but differently as they are very interested in the Short Term Vacation Rental (STVR) experience.
- Business travel is expected to remain strong.
- International visitation is down about 5% nationally.

Contract negotiations are currently underway for the Rock 'n' Roll Marathon, for 2019-2021. The event continues to perform very well.

Savannah Tourism Product Update:

2017:

- American Prohibition Museum
- There are a lot of new restaurants that have opened (Ghost Coast Distillery, Prohibition, Artillery, East End Provisions, Edgars Proof and Provisions, The 1540 Room and many more.)
- Renovations at Westin, Hyatt, Marriott, and DeSoto.
- Increased air service (non-stops to Toronto, additional stops to Boston, and Dallas.)

2018:

- New restaurants (Husk, El Coyote – former site of the Florence.)
- New hotels and hotel renovations (Perry Lane Hotel, Alida Hotel, Aloft Hotel.)
- Renovations at the Andaz Hotel.
- Rebranded Savannah River Landing restart.
- Increased air service (non-stops: Miami and additional stops to Chicago.)

2019:

- Plant Riverside District/JW Marriott Hotel.
- Broughton Street Streetscape Project.
- Continued increased air service efforts.

2018 Business Plan Highlights:

- Increase “citywide convention bookings” for slower days, months.
- Introduce 4.0 version of www.VisitSavannah.com website.
- Rollout of bold, new print/digital advertising campaign.
- Continued efforts to increase air service to new markets.
- Expand our social media reach to reach international visitors.
- Increased marketing emphasis on neighborhoods and communities.

Mr. Marinelli briefly reviewed the new Visit Savannah website.

4. St. Patrick's Day

 [Final.St Patrick's Analysis.1.19.pdf](#)

Marty Johnston, Chief Operating Officer, presented a PowerPoint Presentation on the St. Patrick's Day Impact Business Perception and Tax Revenue Analysis.

Before beginning the presentation she briefed Council on Bridget Lidy's new role as the Director of Planning and Urban Design stating she will be over zoning. She blends in with the Office of Special Events, Tourism and Film which is directed by Susan Broker. Amanda Hudson was also present and she will be over Tourism. She concluded stating all three of these ladies will be working together to start the implementation of the Tourism Management Plan.

Ms. Johnston stated last year Council asked staff to analyze what St. Patrick's Day was costing the City and if the City was making money. Staff employed the Business and Economics staff of Georgia Southern University to conduct a study. An exact number cannot be tied in because that is not the way the City receives its taxes from the State.

Ms. Johnston introduced Ben McCay, Georgia Southern University, who was responsible for conducting the research for the study.

Mr. McCay reviewed how Savannah ranks nationally in tourism as well as with communities with significant festivals, he used the following examples: Memphis in May, Charleston's Spoleto USA Festival, and Chattanooga's Riverbend Festival.

He also reviewed the results from a Downtown Business Survey conducted regarding the parade, festival, and the non-economic benefits of both. He stated there seemed to be an overall positive impact to both the parade and festival to return to Savannah. Mr. McCay then discussed the perception of security and event organization for the parade and festival. He reported that the impact was generally considered effective and positive for both.

He continued stating the economic and financial impact from businesses was positive, 54% of businesses were reported. The majority of respondents stated they don't benefit in terms of sales and operating costs. There was a discussion on changes in cost related to labor, security, maintenance and repair. The City of Savannah gains between \$148,000 to \$285,000 in revenues and fees from hosting the St. Patrick's Day Festival in a revenue year such as the one between July 2016 and June 2017.

Eddie Grant, Special Events Coordinator came forward to review City expenditures. He stated the amount for 2017 was approximately \$449,688 which does not include Sanitation, Traffic Engineering, etc.

Ben McCay concluded his presentation stating the St. Patrick's Day events is known as a signature event that adds to the branding and tourist infrastructure. The results are mixed for business owners. The City of Savannah is not breaking even on the event but needs hallmark events. He concluded stating he recommends adding a professional manager for the festival.

City Manager Hernandez asked Mr. McCay if he is assuming the City is taking some ownership of the festival itself. Mr. McCay responded yes. City Manager Hernandez stated that is somewhat different from other festivals identified today. He stated to Council that a discussion would need to be held in reference to making it a City of Savannah event by hiring a professional manager.

Alderman Johnson stated the responsibility is on Council to define what St. Patrick's Day is. He continued stating the problem is if Council doesn't then that leaves it open for whoever comes in to possibly change it and he is not particularly in favor of that idea.

Ms. Johnston stated there are examples of festivals that are very well run in this community that has staff hired to run them. The problem is City staff cannot go out and get sponsors because it is a conflict of interest. However, outside hired staff has the ability to do those types of things. Successful festivals that reflect the community figure out a way to hire professional staff that is contracted people that know how to do these types of events. The City of Savannah is simply surviving through the festival.

Alderman Thomas expressed his concerns about there not being enough food downtown during the festival and there is a supply issue that needs to be looked at. He also discussed hotel price gauging, and suggested that staff sit down with the Irish community.

There was a brief discussion about the upcoming Irish Culture Festival that will be held at the Savannah Civic Center.

City Manager Hernandez asked City Council for direction regarding organizing the festival.

He stated staff will come back with a recommendation.

Ms. Johnston stated a Resolution to invoke the festival ordinance will be on the Council agenda at the next meeting. It will outline the sale of wristbands on Friday and Saturday.

Ms. Johnston briefly reviewed wristbands sales from 2017 and how the proceeds were used.

[5. Alcoholic Beverage Ordinance Update](#)

This item was continued to a future meeting.

[6. Confederate Memorial Task Force Final Report](#)

 [Confederate Memorial Task Force Report.pdf](#)

Luciana Spracher, Municipal Archives Director, presented a PowerPoint Presentation on the Confederate Memorial Task Force Final Report. She stated she served as the staff liaison for the Task Force. Other members included preservationists, historians and administrators of local monument/marker programs.

The purpose of the Task Force was to make simple and sensible recommendations that address ways to make the Confederate Memorial more representative of Savannah's community while also preserving Savannah's unique history.

The methodology included:

- A thoughtful and deliberative process.
- Historical research, observational fieldwork, and public survey.
- Explored a range of options from complete removal to leaving memorial as is, weighing pros and cons of each option.
- Considered Savannah's memorial in context of the broader national discussion of monuments, but with an eye towards this monument's specific history and narrative.

Ms. Spracher gave a brief history of the Confederate Memorial which included history on the Bartow and McLaws Monuments.

A public survey was conducted for a 2 week period between October 30 and November 13, 2017, with the following results:

There were 4,901 unique responses via online survey, emails and postal mail.

2,442 respondents identified as Savannah residents, of those:

- 1,564 (64.05%) selected "do not change" [slightly less than 2/3]
- 878 (35.95%) selected either "relocate," "modify," or "add interpretation" (do something) [slightly more than 1/3].

The Confederate Memorial Task Force held several meetings in the following months and concluded to move forward with the following eight recommendations:

1. Rename from "Confederate Monument" to Civil War Memorial."
2. Preserve all historical material on the memorial.
3. Install a new bronze plaque on the blank horizontal panel on the south side of the memorial with this text "This memorial was originally erected in 1875 to the Confederate dead, redesigned in 1879, and rededicated in 2018 to all the dead of the American Civil War."
4. Do not alter the blank vertical panel on the south side of the memorial.
5. Relocate the McLaws and Bartow monuments to Laurel Grove North Cemetery.
6. Do not replace the Bartow and McLaws monuments at the memorial site.
7. Preserve the fence around the memorial in the current elliptical shape.
8. The community expands the story of the Civil War, its causes, and its effects throughout Savannah, other than at the Forsyth Park Confederate Memorial site.

Alderman Durrence thanked and complimented Ms. Spracher and the Task Force for the work done as this is a very emotional topic. He has no issue supporting the recommendations as is.

Alderman Johnson commended the Task Force on the work done as well. He asked if there was anyone on the Task Force identified as a Confederate? Ms. Spracher replied there were no members that identified themselves with a Confederate Heritage Group. However, she did meet with someone that represented the Camp Bartow, Sons of the Confederacy and brought back materials provided to her which were shared with members of the Task Force.

Alderman Johnson stated ultimately this is a community discussion and wanted to be sure everyone's views were reflected.

Alderman Hall asked for copies of the information provided on Francis Bartow. He also asked how the recommendation came up to move the McLaws and Bartow monuments.

Ms. Spracher responded stating a lot of the public comments that came in discussed the busts, which is interesting because some people consider them separate and some people considered them as a part of the site.

Alderman Shabazz asked Ms. Spracher to expound on recommendation number 8. Ms. Spracher stated one of the things discussed at great length was whether or not to consider adding additional interpretation or signage to the site. In the end, the Task Force decided that their purview was what should happen with this particular memorial. However, they did feel that the stories in Savannah needed more interpretation and discussion of African Americans and other groups, not just African Americans, in Savannah. She concluded, stating they wanted to encourage people to take advantage of the avenues that are available through the memorials and markers programs.

Alderman Thomas stated he appreciates all the work that has gone into this, but thinks this is a slippery slope. He stated there is a group in the community that's asking questions about the monument on River Street. He stated we have to be very careful about how we engage in wordings and history itself to sanitize it, as there will be calls for other monuments and things down the road that could pop up. He concluded stating he is unsure which direction he is going to vote in on this at the moment.

There was a brief discussion about proposals for new monuments having to come with its own funding source. Alderman Thomas confirmed that to be true.

Mayor DeLoach commended the Task Force for a job well done and stated he would like Council to consider adopting the recommendations provided by the Task Force.

Alderman Thomas stated he doesn't disagree with the Mayor but cautioned Council to be careful that a door isn't opened for groups to continually come forward asking for changes. He then asked why can't monuments be placed south of DeRenne Avenue? He stated the land was annexed and there are historical areas out there and he can't think of one monument in the area.

Alderman Durrence stated when the World War II Monument was proposed they were looking initially at a different area. Then a suggestion was made for it to be placed in Oglethorpe Square. He believes someone from staff with the Historic Sites and Monuments Commission said the most appropriate place for the WWII Memorial would be the Crescent Square area because that was the expansion right after WWII.

Alderman Johnson stated he is just concerned about the human element and thinks staff should reach out to other groups before a decision is made.

[7. Real Estate, Personnel, Litigation](#)

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

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

[8. City Manager's Briefing / Council Meeting Agenda Items for February 1, 2018](#)

City Manager Rob Hernandez presented the City Manager's Briefing of the agenda items for the Council Meeting of February 1, 2018. 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 Work Session adjourned.

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

(Part 1) <https://savannahgovtv.viebit.com/player.php?hash=sk1TnnjA9f4F>

(Part 2) <https://savannahgovtv.viebit.com/player.php?hash=vE5C4yeVwZJs>

Luciana M. Spracher, Acting Clerk of Council

