

Minutes
City Council Meeting
August 19, 2019
7:00 p.m.

Members present were Mayor Dennis Raines, Council members Carol King, Taft Matney, Terry Merritt, Larry Goodson and Scott Crosby. Council member Dale Black was out of town on vacation. City Administrator Brandon Madden and City Attorney John Duggan were also present.

1. Call to order- Mayor Raines
 - a. Invocation- Councilman Crosby
 - b. Pledge of Allegiance- Councilman Crosby
 - c. Welcome- Mayor Raines

Mayor Raines welcomed former Council members Randy Kuzniar and Michael Reynolds and former Mayor L.S. Green.

2. Proclamations and Presentations- Emily Mitchell presentation on McDaniel Cemetery

Pat Pomeroy reported on Chamber events. There is a car show on Saturday morning as well as a ribbon cutting at Dungeon Fitness and Enrichment Center. They will offer fitness classes as well as teaching children life skills.

Certificates were presented to our administrative interns.

A certificate was presented to Global Lending, LLC , which is the fourth fastest growing company in South Carolina and is ranked by INC 5000 as one of the fastest growing companies in the country. They are located in Brookfield Office Park in Mauldin.

Emily Mitchell presented information on McDaniel Cemetery, which is the oldest cemetery in Mauldin and has several members of the Griffith family in it. The Griffiths were the first settlers in Mauldin. The Cultural Center is being submitted as



a historical building due to the construction by the WPA and its importance in the community.

3. Reading and approval of minutes

- a. City Council Meeting – July 15, 2019- Councilman Goodson was not present at the meeting so did not vote on the minutes. Councilwoman King made a motion to approve the minutes with Councilman Matney seconding. The vote was unanimous (6-0).
- b. Special Called City Council Meeting Minutes – August 5, 2019- Councilman Matney made a motion to approve the minutes with Councilman Crosby seconding. Councilman Merritt asked that 116 North Main be changed to 116 North Main, LLC for continuity. With that change, the minutes were approved unanimously (6-0).

4. Public Comment

- a. Allen Jones: 31 Oak Glen Road. My address is Greenville but I live in Mauldin. Are you still working on changing the zip code? When was the last time you contacted them?

Has anyone made up their mind on the short term rentals? Anyone know how they are going to vote? Last time I was here I had a notebook with over 300 pieces of paper. I would like to talk to you about what I think is your responsibility to the community, and that is, you form a town and you have neighborhoods. Neighborhoods are usually protected by covenants where you can't have a fence in your front yard or a clothesline. If a structure's primary purpose is to rent beds by the hours or day, I don't think we need hotels in neighborhoods.

Within 300 feet of my house, there is a house that is rented by the day. As the crow flies it is 1500 feet, one is about 3000 feet. I have four hotels in my subdivision. Folks, the people that live there, it shouldn't be there. If these people want to go into the hotel business, they are doing a building, get it inspected, have rules and regulations for renters. I don't think you would want these in your neighborhood, certainly not four. You shouldn't allow the rentals without the owner being there.



In Charleston, they changed the rules. They used to let people have a house with no one there, but they changed that because there were problems. The problem is you have investors from out of town that buy these short term rentals because they have a proven track record of making money. Charleston has now, if you have a short term rental, the owner has to be in the house. New York City got rid of it and the owners have to be there because there was no control over who was coming in and out of the house. Los Angeles stopped it, Santa Monica, Las Vegas, and San Francisco. Gentrification of the neighborhoods, when houses sell in neighborhoods, there is an enterprise of what the houses are going to sell for, but when you have four buildings in the neighborhoods not for a family, but for making money, and God Bless them, I am all for making money, but in a commercial area. If there is a short term rental, that house makes all the home prices go up for everyone. That may be good for a little while, but it gets to a point where you are pricing the constituents out of a reasonable house. It continues to escalate. People can't afford to own the houses. I would like to you to think about this. I don't think you are under any obligation to allow short term rentals.

If you want to have these rentals, do what the other cities are doing. They can rent out part of the house, but the owner must be present. The reason they are doing that is, you hope they have smoke detectors, fire detectors, and make sure the house does not have someone in front of them chasing them with a hammer, which happened across the street from me. But, that is it. If they want to do that, fine. I don't want four hotels in my neighborhood, and that is what they are. If it is a house, it is a building. If people live in it, it is a house. If people rent it every 24 hours, it is a hotel. You are under no obligation to keep these people in business. If they want to rent out a room, a den, whatever, make some rules for them to do that.

Gentrification is an economic term. Harvard Business school did a study and they found the more short term rentals in a zip code, the ability for people to purchase or rent long term was affected and upset the fabric of the neighborhood. That is what I am asking. I appreciate your time.

I want to give a shout-out to the Sanitation Department. God, they do a good job. Especially the guy with the truck that picks up the trees. He even gets out and sweeps. God bless him. He does a good job.



- b. Jeff Swartwood: I am at 15 Clearfield Road in Mauldin. I own the rental homes in Pine Forest subdivision. Mayor Raines and Council, thank you for the opportunity to address Council concerning the proposed ordinance changes. Mauldin projects itself in the paper and on social media as being pro-business, pro-growth and in the process of modernizing itself to be a premier community in South Carolina. Your recent proposals to tax short term rentals harken back to a discriminatory period in the State's history. My wife and I have put financial resources, time, and effort into rehabilitating homes in this community. This has led surrounding properties to upgrade their homes as well and neighborhoods are turning into places where people are proud to live instead of being resigned to live in. Unlike the majority of investment homes in places like Chicago, New York, and California, we are local owners who care about this community and have a vested interest in its success.

We maintain our houses to a five star standard because that is what is required of us to have continued success in the short term rental market. Across the street from many of our rentals are homes with criminal activity, gutters falling, paint peeling, yards not maintained, and they are not kept up to any standards. City Codes Enforcement has been completely ineffective even after numerous calls to the police department.

With the proposed changes, the city's message is clear- attractive homes associated with short term rentals are not welcome in Mauldin. With your proposed taxes and fees- your message is clear, progress is not welcome in Mauldin. With your discriminatory practice of singling out one group of renters in Mauldin, your message is clear- discrimination is alive and well in the City. If these ordinances are enacted, I will convert my homes to traditional rentals and these neighborhoods will return to the tawdry state in which I found them- full of crime and decay. I will become the slumlord this City is asking for or I could sell the homes to outside investors at a nice premium and you will never see the owners from the northeast or the west coast. When you have problems in the neighborhood, Chief Turner will never be able to get the owners to account for the problems in homes they have never seen.

We are not a hotel. We are a very small business. Our books look nothing like the balance sheet of a hotel. Apply hospitality taxes to a hotel and they won't



blink. You apply hospitality taxes to a bed and breakfast and they go out of business. How can you claim to be pro small business when you attack small business like this. The Mauldin Police Department is already over burdened. How are you going to enforce these ordinances when there hundreds of short term rentals all over the City. The police cannot currently respond to all the crime that currently exists. At least in short term rentals you have owners who are actively involved with their homes on a daily basis and thwart crime simply with their presence.

My request is simple. Apply taxes and fees to all rentals equally and use the money to fund codes enforcement in the police department or dispel these ordinances completely because there are already constructs in place to ensure short term rentals remain a neighborhood friendly business. If you have any questions, I will take them at this time.

- c. Leo Swartwood: 306 Mapleton Drive in Mauldin. Thank you. I get called Mr. Smartwood all the time. It's no problem. We appreciate your listening once again to our requests. It has been a long journey and we appreciate your hanging in with us and listening to the interests of all parties involved. My main question and concern is this- if the council's main purpose is to allow short-term rentals to be legal under the 30 day restriction in the code, why can't the City simply strike the language in the ordinance that restricts residences from being rented for less than 30 days and leave it at that? If Council insists on an ordinance with the main reason for the ordinance being to deal with complaints and large gatherings, why don't we pass an ordinance that addresses those particular issues rather than including licensing and other burdensome regulations that other businesses will not be subject to? That is an unfair disadvantage to those of us who want to work within the confines of council.

Also, if my memory serves, I think I heard the Mayor say in the beginning that you had no desire to add another line item in the budget to accommodate short term rentals. Please correct me if I am wrong on that. I could be because it has been a long time. Thank you ever so much for your patience and for working with us. My family and I really appreciate it. If there are any questions I am glad to talk with you.

Councilman Crosby: Are your short term rentals incorporated under an LLC?



Leo Swartwood: No, sir. My wife handles all that, but I don't believe so.

5. Report from City Administrator- None
6. Reports from Standing Committees- Reports are on file.
 - a. Economic Planning and Development (Chairman Matney)
 - b. Building Codes (Chairman Black)
 - c. Recreation (Chairman Raines)
 - d. Finance and Policy (Chairwoman King)
 - e. Public Safety (Chairman Crosby)
 - f. Public Works (Chairman Goodson)
7. Unfinished Business- None
8. New Business
 - a. Consideration and action on annexation and zoning assignment for property along Miller Road (1127-1133 Miller Road)- (Building Codes)- The City of Mauldin has received signed petitions requesting the annexation of a tract of land consisting of eight parcels pursuant to South Carolina Code of Laws Section 5-3-150. These petitions include approximately 16 acres owned by various individuals and is located along Miller Road beginning at 1127 Miller Road and ending at 1133 Miller Road.

The applicant has requested that this entire tract be zoned R-M1, Mixed Residential, upon annexation into the City of Mauldin. The applicant plans for attached single-family homes to be developed on this tract.

Councilman Goodson made a motion to accept the annexation on first reading 1133 Miller Road with a zoning of RM1. Councilwoman King seconded the motion and the vote was unanimous (6-0).

Councilman Goodson made a motion to accept the annexation on first reading of 27 Legacy Lane with a zoning of RM1. Councilman Crosby seconded the motion and the vote was unanimous (6-0).

Councilman Goodson made a motion to accept the annexation on first reading off Miller Road with a zoning of RM1. Councilwoman King seconded the motion and the vote was unanimous (6-0).



Councilman Goodson made a motion to accept the annexation on first reading of 10 Legacy Lane with a zoning of RM1. Councilman Matney seconded the motion and the vote was unanimous (6-0).

Councilman Goodson made a motion to accept the annexation on first reading of 1129 Miller Road with a zoning of RM1. Councilman Crosby seconded the motion and the vote was unanimous (6-0).

Councilman Goodson made a motion to accept the annexation on first reading of 1127 Miller Road with a zoning of RM1. Councilwoman King seconded the motion and the vote was unanimous (6-0).

Councilman Goodson made a motion to accept the annexation on first reading of Legacy Lane with a zoning of RM1. Councilman Matney seconded the motion and the vote was unanimous (6-0).

Councilman Crosby asked about Legacy Lane. What is the status of the road? David answered that the road would go away.

- b. Consideration and action on Short Term Rentals Ordinance (Building Codes)- At its June 3, 2019, meeting, the Building Codes Committee began to review some prospective regulations for short-term rentals. Following that meeting, staff compiled these regulations into an ordinance that would regulate short-term rentals in the City of Mauldin. This ordinance was provided to the city attorney and city department heads on June 18. At its August 5 meeting, the Building Codes Committee affirmatively voted to forward the ordinance to City Council for review. Chairwoman King made a motion to approve this ordinance on first reading. Councilman Goodson seconded the motion.

Councilman Goodson said the properties in Pine Forest are immaculate. The committee wanted to allow the short term rentals, but regulate them. The fee structure is part of the ordinance. If an owner of a property receives three code violations in a year, they will lose their rental rights in the City for a year. He thinks that will be an eye opener. Councilman Merritt said he has used short term rentals in other places and understands the need for cleanliness. Councilman Merritt said he has listened to both sides. The Swartwoods have given good presentations and given ideas for modifications, which were done. The short



term rental owners are operating against the law and the City has worked with them. Councilman Merritt has talked to residents who said they don't want the rentals in their neighborhood. They don't mind the concept, but don't want the rentals near them. Councilman Merritt asked David if you have to get a short term rental permit per property. David answered the ordinance does not specify whether it is per property or per owner. He will treat it as a business license and issue a permit per owner.

David said staff has heard comments regarding the taxes and fees. There are some fees such as the accommodations tax which are state mandated and beyond the City's control. The ordinance had an application fee. That fee could either be waived or applied to the business license payment. If the fee were eliminated, it might alleviate some of the burden and also incentivize people to come in and get a business license.

Councilman Merritt said we need to remember this is a business to make money. The other thing is this will go to the Planning Commission next week. He would like to hear their comments before voting. He doesn't want the Planning Commission to feel pressured by Council knowing they have already taken first reading on the ordinance.

Councilwoman King said she doesn't think committee realized that the planning commission would meet on this topic after the council meeting. David said committee voted to move this item to council and it was not discussed that the planning commission would be looking at it. Councilman Goodson said this is how we do annexations as well. The planning commission always gets the item after council has had their first reading. He would like for a decision on first reading to be made tonight.

Councilman Crosby agreed with Councilman Merritt and would like to hear the planning commission's comments before first reading. John Duggan said Daniel Hughes worked on this ordinance. He asked David about ADA and fire code compliance. David said he talked to RCI and other communities who have short term rental ordinances. The response from all is that the occupancy of a regular home is not changed, so does not trigger any different requirements.



Chief Stewart said smoke detectors would be required as well as fire extinguishers. John asked if those requirements are in this ordinance. David said they are not repeated in this ordinance because they are in the state fire code. Councilman Merritt asked if the smoke detector and fire extinguisher regulations are for new construction only. Houses that are older may not have them. Chief Stewart said both have been required for many years and there is no distinction- all should have detectors and extinguishers.

Councilman Merritt called for a roll call vote. Councilman Matney- Aye, Councilwoman King- Aye, Councilman Merritt- No, Mayor Raines- Aye, Councilman Crosby- No, Councilman Goodson- Aye. The vote was 4-2 with Councilman Merritt and Councilman Crosby opposing.

- c. Consideration and action on Outdoor Pickleball court (Rec)- The Seniors at our Center have requested more Pickleball courts. Friday is the busiest day for play. Staff recommends to set up play on Friday from 10:30-4pm on our current basketball court outside at the Senior Center. Striping will be needed and signage, netting and equipment will have to be purchased. The cost would be \$2700 and can be funded through Senior Center monies. There will be two pickleball courts striped on the existing basketball court. Councilman Matney thanked Joe for listening to committee's concerns regarding access to the basketball courts. Chairman Raines made a motion to accept this item and to make the \$2700 expenditure for the outside basketball court to be marked and equipment purchased. Councilman Matney seconded the motion. Councilman Merritt asked if the signage would have the hours of use. Joe answered yes. The vote was unanimous (6-0).
- d. Consideration and action on Acumen IT contract (Finance)- Council approved a proposal to award a contract to Acumen IT for the City's IT support and this is now the actual contract. Chairwoman King made a motion to approve the contract as well as the lease for the computer equipment needed. Funds are allocated in the FY 2020 budget to accommodate the expense. Councilman Merritt seconded the motion. Mayor Raines asked what the current fees to VC3 are. Brandon said he wasn't sure on the actual number, but we will be saving a little money with Acumen over VC3. Attached as an exhibit is a fee schedule if we exceed the number of hours allotted based on the time of day the service will be performed. Councilman Merritt said the plan we have is inclusive of calls, hours, and travel time. Mayor Raines asked if there is a not to exceed in the contract. Brandon said there is a budget number council approved and this



is a professional contract with hourly or monthly rates. It is difficult to do a not to exceed. Mayor Raines said he is nervous about the adding up of hourly rates. He asked if there was the possibility of a not to exceed. Brandon said we could request that of Acumen. John Duggan said the company could notify the City when we get close to our budgeted amount.

Councilman Merritt said the City could help manage the costs by calling and getting service during regular business hours, not on weekends or after hours. Between the IT service, the cloud storage, the City server, and lease of equipment, the total will be \$10876.23 per month for at least 36 months. The lease for the equipment lasts 60 months. That is the price, there is no not to exceed. Brandon said there are internal controls to make sure we don't exceed our budget. If we need to get tighter on the budget in the future, we can do that. Chairwoman King said this is a very professional group and she is confident that we will be fine and within budget. The vote was unanimous (6-0).

- e. Consideration and action on personnel policy (Finance)- Chairwoman King made a motion to pass the personnel policy update. She called everyone's attention to the document that enumerates the major changes. The proposed change to sick time is a maximum accrual of 720 hours. Sick leave sharing has been removed. Under dress code, there is a provision saying no tattoos visible while on duty. Educational reimbursement has been increased to six classes per year if the budget allows. Councilman Merritt seconded the motion.

Councilman Matney said we have employees who are tattooed. How do we address this? Chairwoman King said it was an image change for the City. The employees can wear skin colored sleeves, wear makeup, or they could be covered by band aids. She said we are not the first City to require this. Councilman Matney said if there are tattoos on the hands or down the arms, it is impractical to ask that long sleeves or gloves be worn in the middle of the summer. He would hate to lose personnel over an unenforceable policy. Councilman Crosby said he does not like tattoos, but agrees with Councilman Matney. The younger generation has tattoos and he does not want to lose any employees over this issue.

Councilman Merritt said this came about through a discussion that was had about professionalism. Residents do not see professionalism in people who have full sleeve tattoos. As for the concern about the heat, there are garments from Under Armour and other companies that can be worn that breathe better than



skin. He said there was a discussion that there may be exceptions such as undercover police officers. The biggest issue was professionalism. SC Highway Patrol wears long sleeves even in the summer. The City of Mauldin is at the top of all lists, and needs to portray professionalism. Shaved heads and facial hair was also a discussion during the workshop. Councilman Merritt said this aspect of tattoos was unanimous. Mayor Raines asked what we do with officers who are tattooed. Brandon said on page 172 there is a narrative that provides for exceptions. The department head will determine if an exception should be made. Mayor Raines said there is an SRO at the high school that is very popular and tattooed.

Chief Turner said people from all backgrounds have been hired as police officers. The SRO comes from a situation where he has tattoos. It is part of his ministry. This issue does impact the police department. If Council decides that tattoos need to be covered, the department will comply. The police department may lose candidates where people may choose not to work here because of this policy. Fire and Public Works would also be included in the policy and there would be some work-ins moving forward. Chief said he understands professionalism and teaches classes on that and does not know if the two are related.

Mayor Raines asked Mark Putnam if an application is received by someone with a facial tattoo, would it be accepted. Mark said he would accept the application but the candidate would be told up front in the interview process about the tattoo policy. Councilman Crosby asked Chief Turner if he mentions tattoos when he teaches the professionalism class. Chief Turner answered no. He does not bring it up. Councilman Crosby asked if he had ever had an interview with someone and he told the candidate he or she had too many tattoos. Chief Turner said when he interviewed the officer who is currently the SRO, he came in with a white long sleeved shirt on but you could still see the ink under the shirt. Chief Turner looked through that and to the person and his qualifications. It does not come up in the interviews. Chief Turner said there is a policy in the police department that any offensive tattoos must be covered.

Councilman Crosby asked John Duggan if we would be opening ourselves up to a lawsuit on this issue. John said that is a question for our labor attorney. Chairwoman King said the labor attorney reviewed the policy. Mark said the attorney did not say anything about the judgment of the department head.



Mark said we need to stay away from that. The policy either needs to be tattoos covered up or not. Councilman Crosby asked if this policy would apply to prison labor. Brandon said they are not city employees.

Councilman Matney made a motion for an amendment to delete the phrase “no tattoos are to be exposed on duty.” Councilman Crosby seconded the motion. Chairwoman King said it was never committee’s intent to parallel professionalism and tattoos. This issue came up while talking about neighboring cities and the SC Highway Patrol as well as the image of the police department. Mayor Raines asked if this was not taken out of the personnel policy once before. Staff answered that they believe the policy addresses tattoos that are offensive. Mayor Raines said we are trying to correlate professionalism and tattoos but we have an SRO that is tattooed and is very professional. He is not sure you can have exceptions. He would be good with adding the word offensive so that no offensive tattoos would be displayed on duty.

Councilman Matney withdrew his amendment and made another amended motion to insert the word offensive between no and tattoos. Councilman Crosby seconded. Councilman Goodson asked how do you determine what is offensive? Who will set the standard? Councilman Merritt said the points brought to him were about perspective. There was a resident who commented to him that she saw blue lights in her rear view mirror and a man with fatigue pants and combat boots got out of a police car and approached her. It was a different feeling from being stopped by a Highway Patrolman with long sleeves, polished shoes, and a hat. It is a perception of the professionalism that she is about to encounter. Councilman Merritt said there are plenty of articles of clothing that can be worn that don’t add heat or weight to a uniform. Councilman Merritt said the SRO’s tattoos tell a story and he has a lot of respect for him, but having long sleeves and long pants is an image he would appreciate.

The vote on the amendment regarding offensive tattoos was 4-2 with Councilman Merritt and Councilwoman King dissenting. The vote on the motion to pass the personnel policy as amended was unanimous (6-0).

- f. Consideration and action on Municipal match resurfacing request (PW)- The City’s street paving program focuses on the resurfacing, rehabilitation and



maintenance of City-owned roads. The program is funded through the City's Capital Improvement Program and the Greenville Legislative Delegation Transportation Committee's (GLDTC) Municipal Match Resurfacing Program (MMRP). Streets funded through the MMRP are managed by the GLDTC's program manager, CoTransCo. For FY2020, Council appropriated \$150,000 for participating in the MMRP, and GLDTC was informed of the City's participation level. The funding source for the \$150,000 is the Capital Projects Fund. The GLDTC considered the MMRP during their July 25, 2019 meeting and made a final determination for funding for the match program. The City available match level as determined by GLDTC was \$191,954.41. This amount is \$41,954.41 more than \$150,000 Council appropriated for this program for the current fiscal year, FY2020. Council is being asked if it would like to increase its contribution to the MMRP by \$41,954.41 for a total of \$191,954.41. Chairman Goodson said if anyone has ridden down Hyde Circle, the money spent to fix the road was worth it. Councilman Merritt reminded everyone that if we contribute \$191,954.41 to the match, the City will receive \$382,000 in paving.

Chairman Goodson made a motion to increase the funding to the Municipal Match Resurfacing Fund by \$41,954.41 for a total of \$191,954.41. Councilman Crosby seconded the motion and the vote was unanimous (6-0).

- g. Consideration and action on Associate Municipal Judge appointment (Public Safety)- Chairman Crosby made a motion to appoint Christopher Jackson as Assistant Municipal Judge. Councilman Goodson seconded the motion and the vote was unanimous (6-0).
- h. Consideration and action on Clemson University contract (Public Safety)- Chairman Crosby made a motion to accept the contract with Clemson for 2019. The City Attorney has reviewed the contract. Councilman Goodson seconded the motion. Councilman Matney said council's job is to set policy and staff administers the policy. This is an annual contract and does not believe Council needs to look at it every year. He would like to empower staff to take care of this on their own. This contract as well as the SRO contract is budgeted every year. John Duggan said there is nothing in this contract that could be a liability, but that could change and should be looked at every year. Councilman Matney said if something changes, but if it stays status quo, Council shouldn't have to take this item up every time. John said staff cannot sign contracts without council approval.



Councilman Merritt said the officers are in city uniforms and have city equipment, so there is an expense there. The vote to accept the contract was unanimous (6-0).

- i. Consideration and action on SRO contract (Public Safety)- For the past twenty years, the Mauldin Police Department has provided MPD staff to serve as SROs for Public Schools within the City of Mauldin. As in years past, the current proposed contracts provide certified police officer coverage to public schools within the City of Mauldin. Mauldin High School has 2 SROs, Mauldin Middle School has 1 SRO, and there is one rover position for Mauldin Career Center, Mauldin Elementary, and Bethel Elementary. Chairman Crosby made a motion to accept this contract. Councilman Matney seconded the motion. Councilman Merritt asked John Duggan about an indemnification in the contract and if it would be a problem. John said no, because it is an indemnification for the schools in case of the City's negligence. That is different from indemnifying a third party which we have no control over.

Mayor Raines said he discussed with Dr. Royster last year about having an SRO in each of the elementary schools. Dr. Royster said he didn't want to do that, because all elementary schools cannot afford an SRO. Councilman Crosby said some of the students come from countries where the police are corrupt, and this program makes inroads to help change people's attitudes about the police.

The vote to accept this contract was unanimous (6-0).

- j. Precious metals (Public Safety) – Information only
Councilman Matney recused himself due to a conflict of interest. Changes with the South Carolina Code of Laws (Chapter 54) requires dealers in precious metals to make a yearly application to the local law enforcement agency. Mauldin Police Department will be handling this. No action was needed from Council.
- k. Consideration and action on two resolutions for Census 2020 (Committee of the Whole)- Councilman Merritt made a motion to consider these resolutions informally. Councilman Crosby seconded the motion.

These two resolutions help publicize the importance of the Census.



The first resolution pledges the City's support and willingness to help publicize the Census. The second resolution will create a Complete Count Committee, which will go into segments of the community to stress the importance of the Census.

Mayor Raines made a motion to pass the first resolution regarding the Census with Councilman Merritt seconding. The vote was unanimous (6-0).

Mayor Raines made a motion to pass the Complete Count Committee resolution regarding the Census with Councilwoman King seconding. Councilman Merritt asked who will make up the committee. Mayor Raines said he would like for any council member to make recommendations on who they think should be on the committee. The vote was unanimous (6-0).

9. Public Comment

Leo Swartwood: Thank you once again. You have worked hard and I appreciate it. This whole discussion on the ordinance for short term rentals reminds me a lot of Uber. When Uber first came in, a lot of people were against it and criticized it. Now, people love it and we can't do without it. We call Uber a lot. I don't know if that is your experience, but even as an older generation person in talking to a younger generation person. That is the consensus I am hearing.

Air BnB is kind of new, but has been going on for eight years. When we started doing this it was a rule that you shouldn't do it, but was never in my mind people would have objections to it. There are rental houses in our neighborhood. We rented our house for two years. The renters moved and we looked at our property and it was pretty well disheveled. We had to spend a lot of money to get it back. We looked at each other and said that didn't go so well, and it is not that we had bad renters, we had what we call good renters because they paid their rent every month. My wife and I discussed it and said why don't we try Air BnB, short term rentals. We tried it and liked it better because we can come in after each guest leaves and make sure the house looks really good.

In this business you live or die on two things. Ratings and your charges. And it is true, ladies and gentlemen, that the power to tax is the power to destroy. If I have a regret, it is one thing. If everybody that has an Air BnB in Greenville or the state of South Carolina was taxed the same, it would be a level playing field. It



would be fair. But it won't be that way. We will be taxed and others won't be. We will put the charges on there and it won't be unfair competition. People look at our ratings and that is why they come back to us because we have an all five star rating, we have never gotten four star or less, but the disadvantage we will have is we will have an extra tax that we put on there and that will make them choose other places that are not taxed. Could you at least look at this...

John Duggan: Sir, you are a business. We have to tax you. We cannot give you an exception.

Leo Swartwood: Are you saying, Mr. Duggan, that all Air BnBs in the state of South Carolina are taxed?

John Duggan: I am not saying that. I am telling you that they should be if they aren't. Because, sir, it is a business for profit and we can't treat you differently from everybody else. Taxes have to be applied equally. We can't waive these taxes. Legally I would have to tell this Council they are violating state law. If other cities or counties don't have it, they are violating tax law. Because tax law requires you to tax everyone the same at the same rate based on gross and net income. We can't do it. We are under an obligation to tax any business and this is a profit-making business.

Leo Swartwood: Why aren't the other cities...

John Duggan: You should talk to them because they need to comply with the law. I am telling you tax law requires this body to tax you along with every other business. That is mandated by state law and the state constitution. I understand you want to be treated differently, but Council can't do that. Then everyone would come and want to be treated differently. They can't do that. I wanted to answer you because legally they are obligated and it is the law.

Jeff Swartwood: You are not taxing long term rentals that way. We aren't just talking about taxes, we are talking about fees as well. Taxes and fees aren't the same thing.

John Duggan: They are.

Jeff Swartwood: They are not.



John Duggan: They are. In this state they are defined a means to tax.

Jeff Swartwood: I can tell you that long term rentals are not being taxed the same as short term rentals. I guarantee it.

John Duggan: Not all businesses in all categories are treated the same. They are based on a national index which treats doctor's offices different from car dealers...

Jeff Swartwood: Rental is rental. The time period is arbitrary...

John Duggan: No. It is not arbitrary. It is based on a federal government national study of every different type of business that exists and the taxes are dependent on the track record of those businesses. I look at this stuff all the time and have for 39 years.

Jeff Swartwood: We are talking about fees.

Councilman Matney: This is public comment not a period of engagement. If Mr. Swartwood wants to talk to the attorney, I would suggest we do that separate and apart from the meeting.

Jeff Swartwood: Fair enough.

John Duggan: I am happy to talk to you.

Jeff Swartwood: I would also like to include in that discussion, uh, uh,

Councilman Matney: David?

Jeff Swartwood: I am sorry. We haven't met yet.

John Duggan: This is a legal matter, not a matter for staff.

Jeff Swartwood: It is a policy matter, not just a legal matter.

John Duggan: It is a legal matter.



Jeff Swartwood: It is a policy matter. Understood.

10. Council requests- Councilman Merritt asked to see how much the street paving is costing especially for Hyde Circle. He asked this be put on committee. Mayor Raines said Terry Bragg might be able to get that.

Councilman Merritt then said since Mr. Duggan represents the City, if he engages in a discussion that establishes the city's position that is ok, but he is not to provide legal advice. John said he would just explain what the law requires, not give legal advice.

11. Adjournment- Mayor Raines adjourned the meeting.

Respectfully Submitted,

Cindy Miller
Municipal Clerk

