

MINUTES

URBAN RENEWAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING

5:00 P. M., NOVEMBER 12, 2020

*VIA ZOOM

Brent Burton, Chair, called the meeting of the Charleston City Council Committee on Urban Renewal and Economic Development to order at 5:00 p.m., November 12, 2020, in the Audio/Visual Room in City Hall.

Committee Members Present:

Brent Burton, Chair

Tiffany Wesley-Plear, Vice Chair

Ben Adams (left before the vote for Bill No. 7887)

Adam Knauff

Chuck Overstreet

Jennifer Pharr

1. Approval of Previous Minutes – Councilmember Adams moved to approve the minutes of the previous meeting on 9-23-2020. There was no objection and the minutes were approved.

2. Bill No. 7887 - A BILL to amend and reenact Sections of the Municipal Code of the City of Charleston all relating to updating the regulation of street vendors and itinerant vendors; and creating certain business and occupation tax relief for street vendors and itinerant vendors.

Councilmember Burton summarized that a version of the bill was discussed by the Committee in September of 2019 and has since been changed to address concerns that were raised by the Committee.

City Attorney, Kevin Baker, added that the updates to the bill were delayed because of the pandemic this year, but they took that time to reexamine it with updates that will help to clarify and improve what is in City Code. Changes include:

- Itinerant vendors (trade shows, etc.) are clarified as to the different aspects of what defines an itinerant vendor, removes some exemptions about City sponsored events and will allow the Collector's Office to promulgate rules to more clearly explain the rules to these vendors. It also sets up the ability for those vendors to appeal if denied a license, and requires them to enter into a hold harmless agreement with the City.
- Street vendors are now open to all non-residential areas, and prohibits the use of generators within 50 feet of an outdoor dining area. The bill also removes exemptions about City sponsored events, and requires them to enter into a hold harmless agreement with the City. Brick and mortar businesses will need to get a street vendor permit. Vendors cannot leave their unit unattended, must be legally parked, cannot sell items within 200 feet of a City event if not permitted for that event, cannot make excessive noise, cannot have additional items in the right-of-way or blocking the right-of-way (other than a trash can), cannot operate between the hours of 4 am- 6am and cannot use power unless given approval by the City Manager's Office.
- There is a \$5,000 B&O income exemption for all street and itinerant vendors. The bill also removes confusing language concerning itinerant vendors not having to pay B&O taxes when no itinerant vendor license is required. It also allows B&O taxes to be assessed for non-profits for business activity that is taxable by the IRS.

Councilmember Burton confirmed with Baker that the bill presently before the Committee is not the bill previously put before the Committee. That bill was never formally introduced, so Bill No. 7887 is not considered to be amended or a committee substitute as presented.

Councilmember Pharr stated that she had questions submitted to her via Councilmember Bays. Councilmember Bays asked if line 806 should be clarified that it is "yearly." Baker agreed. Concerning generators, line 526 does not specify decibel levels or who will judge the appropriate loudness. Baker replied that there had been a lot of discussion concerning that. Since law enforcement does not have decibel readers, it would not be practical to put a number in the Code. The noise ordinance states it would be a level that would be offensive to a general person in that setting. He did not

anticipate law enforcement handing out a lot of tickets concerning this, but rather making judgement calls and encouraging vendors to make changes. Councilmember Pharr (via Councilmember Bays) asked if the pedestrian travel mentioned on line 555 should say “ADA compliant.” Baker replied that clarification could be added.

Councilmember Wesley-Plear asked how this bill would apply to ice cream trucks and similar vendors as it applies to residential areas. Baker replied that the bill is written to apply to vendors being stopped in a public right-of-way, so a short-stop vendor such as ice cream trucks should not have a problem in terms of enforcement.

Councilmember Knauff said he had questions from the FestivAll representative, Maria Belcher. Belcher said that the questions they had were more detailed questions about what information to pass along to their vendors rather than questions about the bill’s language specifically. Baker thanked Belcher for her request to have the bill written.

Councilmember Knauff asked what is “hawkers and peddlers” as referenced in line 80 and if a license is needed. Baker replied that the bill doesn’t change that language as it currently appears in City Code, and is defined in another part of the Code as “a person who shall carry goods, wares or merchandise place to place either in person or by agent or employee and sell for delivery of the same time any such goods, wares or merchandise to any purchaser at wholesale or retail, and any person who shall solicit for the purpose of rendering any service shall be deemed a hawker or peddler...” He added that the proposed bill states that itinerant vendors are not hawkers and peddlers.

Baker suggested that the definition of an outdoor dining area on lines 245-247 be changed to included the phrase “public right-of-way” instead of “public sidewalk” to compensate for the occasional closing of Capitol Street (or any other street) for outdoor dining.

Councilmember Knauff expressed concern as to how close a street vendor could be to a brick and mortar business as well as who would assign spots if required. Baker replied that the only restriction mentioned is the distance from outdoor dining areas for noise considerations. As to who can pick where vendors can go is first come first serve, and the bill would mean that vendors cannot reserve spots in advance. Baker added that it doesn’t prohibit or impact food trucks from being on private property. Councilmember Knauff asked why restrictions on vendors parking near similar businesses was not included. Councilmember Adams replied that it was because of the legalities of determining what would be similar. Baker agreed it would be complicated to work out those details.

Councilmember Overstreet confirmed that the vendors would have the same COVID-19 restrictions and approvals from the Health Department as brick and mortar businesses where it applies.

Councilmember Wesley-Plear asked if there would be any additional restrictions to groups such as churches that have booths during Multi-Fest. Baker replied that it

shouldn't be a huge change, and that the organizers of those events will help them through the process, adding that B&O taxes would only be for for-profit organizations. Councilmembers Knauff and Wesley-Plear added that they would rather the bill return to the Committee as a Committee Substitute.

Councilmember Adams motioned moved to approve the bill with the changes to lines 806, 555 and 245-247 as discussed.

A roll call was taken:

Yeas: Burton, Pharr, Overstreet

Nays: Knauff, Wesley-Plear

With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Bill No. 7887 approved as a Committee Substitute.

3. Discussion – Charleston Convention Center & Visitors Bureau “Support Small CWV Campaign

Burton stated that Mayor Goodwin and the City of Charleston, CVB, CAA and Charleston Main Streets recently announced the Support Small Business Holiday Campaign. He introduced Tim Brady, CVB CEO, to address the Committee. Brady stated that for the first time since he has been with the organization (8 years), all the groups mentioned are working cooperatively on one campaign, the goal of which is to support small business in Charleston for the 4th quarter of 2020, with the idea that it will become an overarching campaign. He added that the CVB's primary function is to promote tourism in the City. During the pandemic, they have shifted their focus to support the local tourism infrastructure. Brady added that they have taken the concept of Small Business Saturday and spread it throughout the City, focusing on each neighborhood for a designated Saturday, crediting the genesis of that idea to Councilmember Bays. CAA has taken their Downtown Window Decorating Contest and expanded it throughout the City for the first time ever. They are creating a Small Business Holiday Gift Guide to encourage online shopping with local businesses. The CVB is creating a storytelling campaign called Charleston Needs, highlighting local businesses that do good work in the Community.

Councilmember Knauff stated that as a member of Council, a sitting member of the Committee and a former Vice-Chair of the Committee he hoped that he will be allotted the time to state his questions completely and to have his questions answered completely. He stated:

There is an impression that the City Economic Development money has gone to three different entities that may have formed an exclusive alliance to exclude other agencies. If so, that would be bad for the City as a whole. I hope that is not the case here, but these questions will have to be answered to disprove that.

Councilmember Knauf asked how did these three agencies come together to form the campaign. Brady replied that Steve Rubin emailed him and said they were all going to promote shopping small this holiday season and they should all work together, and he thought it was a great idea. Mayor Goodwin confirmed that was similar to her experience.

Councilmember Knauff asked why other agencies were excluded. When Brady asked what agencies were excluded, Councilmember Knauff replied that the Bigley Avenue Economic Development Foundation as well as new Downtown business group and possibly others were excluded. Brady replied that he couldn't say that anyone was excluded intentionally. They have been in contact with the Downtown Merchants Association, and Charleston Main Streets could serve to encompass the Bigley Avenue area.

Councilmember Knauff asked why other groups were excluded from the press conference. Brady replied that there was no attempt to exclude anyone. Councilmember Knauff asked if the CAA, CVB and Main Streets paid into the campaign. Brady replied that there were no fees involved, they just got together to try to do a good thing.

Councilmember Knauff asked why the East End was separated from Downtown. Brady replied that to his knowledge the East End and West Side are designated neighborhoods, and that he represents the entire City of Charleston and Kanawha Valley. Councilmember Knauf asked if there was any evidence or data that the East End deserves its own week as compare to the West Side, Kanawha City, South Hills or Downtown. Brady replied that what they looked at in the meetings are the neighborhoods represented by Charleston Main Streets (East End and West Side). Councilmember Knauff added that, as a member of the URED Committee, he would like to see the East End produce some numbers specifically about how many people work in that business district as it relates to business revenue. He added that he asked Charleston Main Streets for this information months ago with no response. He stated that the West Side could easily be two to three times as big. Mayor Goodwin said she can follow up with Ric Cavender as Brady doesn't represent any specific neighborhood.

Councilmember Knauff asked why the CVB or CAA was tagging Main Streets in Kanawha City social media campaign posts when they don't have a presence there. Mayor Goodwin replied that it was probably because they wanted to promote other areas of the City. Councilmember Knauff replied that was exclusionary, and that he has grave concerns about how the campaign was formed and its operation. Brady replied that he will make sure the Councilmember is included going forward as the goal is for this to be a long-term campaign and he is representing the CVB and is just trying to promote small business throughout the City of Charleston.

Councilmember Knauff thanked Brady for answering his questions. Brady added that the CVB is funded by hotel/motel taxes, and what little money they are spending on this is campaign is part of their allocated budget, and does not receive a line item from the City of Charleston.

Councilmember Wesley-Plear asked if they are taking nominations of businesses to include in the publication that they are putting together to promote small businesses. Brady replied that they are, and he can be contacted directly. Additionally, businesses can self-submit. Councilmember Wesley-Plear confirmed that North Charleston and the West Side were on the same day (December 12).

Councilmember Pharr confirmed with Brady that the CVB meetings are open to the public.

4. Administrative Updates –

Mayor Goodwin stated that the Administration had recently announced their Slack Plaza report, and they are working on developments for Downtown housing.

Councilmember Knauff added that he specifically asked to go to the press conference on behalf of the Bigley Avenue Economic Development Foundation and was told no by someone.

Councilmember Pharr said she had been contacted by business owners seeing fewer and fewer people come through their doors and are starting to become concerned. She asked if they could make a concerted effort to spread the word about the Small Business Campaign and to buy locally. Councilmember Burton agreed. Mayor Goodwin added that the first round of small business grants will be going out soon.

Councilmember Knauff motioned to adjourn the meeting.

Meeting adjourned.