

MINUTES
City of Dillon Called Meeting
March 6, 2023

The March 6, 2023 Called meeting of the City Council was held at the City-County Complex located at 401 W. Main Street, Dillon, SC. Notices of this Budget Workshop of City Council was provided to the media and individuals requesting a copy of the agenda informing them of the date, location, and time of the meeting.

Councilmembers in attendance:

Mayor Pro-Tem Dr. Phil Wallace
Councilmember Johnny Eller
Councilmember Timothy Cousar

Councilmember Douglas Jackson
Councilmember Jay David

City Attorney Janet Paschal was in attendance.

- I. **Call to Order** - Mayor Pro Tem, Dr. Wallace called the meeting to order at 7:00pm. Everyone stood for the Pledge of Allegiance. Dr. Wallace also gave the invocation.

- II. **Approval of Agenda**
Councilmember Cousar made a motion to approve the agenda. Councilmember Jackson seconded and the motion passed unanimously.

- III. **Tonya Haddocks – Cadance Development, LLC JV Martin School Project**
Tonya haddocks started by giving an update on the JV Martin renovation. She said it has been a long path but we are getting there. We were awarded a grant in 2020 as soon as we applied for the bond the program was shut down. We finally have the approval of bonds with South Carolina and have finalized things with HUD our goal is to close next week. We initially asked for a \$250,000 loan but after speaking with Senator Williams and Representative Hayes a lot of time has lapsed but it doesn't seem that we are able to get those funds. I have sent Mr. Wagner our budget and the cost of things. We welcome anything that you can do to help with the project. Dr Wallace said initially when we were approached it was just that we were a pass through. Councilmember Jackson asked who was going to own the building? Councilmember Eller asked if Dillon Historic School Foundation owns the property and Ms. Haddocks said they are selling the property to us for \$183,000. They are a non-profit and the money goes into rehabilitating that auditorium. Because of the HUD loan we are only allowed to do certain things. We can't help the DHSF with anything to do with the auditorium. In this situation we are paying them and they are going to put the money back into the school. Our contract with the DHSF closes on March 17. Hud is moving very slowly we are very quickly looking to get this started. Councilmember Eller asked does the money come in phases. Ms. Haddocks said yes, it's phased out for 2.5 years. Once we are 100% complete, they want us to have 3 months of operating before they will release the final funds. They will have people coming down doing inspections and we will have monthly meetings. Councilmember Eller said he is confused about the \$250,000. Ms. Haddocks said it could be like a loan to get us through the hump. She said they are putting in \$500,000 of their own funds for this project. Councilmember Eller said if you close next week how long will the

total project take to complete? Ms. Haddocks said 18 months from when they start. We have had a lot of difficulties trying to find subcontractors and part of that is due to delays. Glen said after talking with you over the weeks and months this \$250,000 could actually kill this project so I'm trying to come up with another way to help you. Councilmember Eller said if DHSF would gift the property to them we don't have the \$250,000. Dr Wallace said the city didn't think we'd have to come up with \$250,000. Ms. Haddocks said Representative Hayes has been wonderful trying to help get this project together and we have a commitment letter from the city. Councilmember Jackson said yeah but because we were going to be a through way. Councilmember Eller asked can you start the project and come back later? Ms. Haddocks said we don't have to have it all today it can be phased in. Ms. Haddocks said the licensing fees and permits is about \$70,000 can you all just loan us that? Councilmember David asked was Representative Hayes approached before the session started? Ms. Haddocks said no we had been working with him since December. She went on saying it's going to be a \$21M project and it would be a great asset for Dillon money will come back to you through other means. This is a short-term loan. Dr Wallace said your investors will have about a half million dollars invested and will be the owners of \$21M and the government will be paying their rent so why would they want to put a half million dollars in Dillon. Ms. Haddocks said we build affordable housing for senior citizens. She said we have already spent \$445,000 in preparation cost and I can provide you the receipts we had to get a loan to pay for this engineering, architects. Councilmember Eller asked DHSF would you all be willing to gift the property in order for this project to go forward. Mr. Gerald Berry said he will have to discuss that tomorrow at their meeting. Councilmember Eller asked how quickly can you get an answer back to Glen and council. Dr. Wallace said if DHSF would gift the property and we wave the \$70,000 in fees that would keep the city from breaking our budget. Mr. Berry said he gave a copy of the budget for the equipment it has jumped up \$100,000 and I don't want to ask our donors to increase their donations. I was hoping the extra would come from the fund from the city and the \$180,000 was cash we were getting. Glen said DHSF would need to donate the property. Mr. Berry said the city gave \$1.25m for downtown and what happened with that? Glen said that came from the state. Councilmember Jackson said we can vote to waive the fees now. Dr. Wallace said get your answer tomorrow night and we can put it on the agenda for next week meeting. Councilmember Jackson said he would be willing to waive the \$70,000 in fees and make a motion. Councilmember Eller said 30 days will give you plenty of time to decide what to do. Glen said the quicker you can let me know I can put it on the agenda for next week.

IV. **Adjourn**

With no further business to discuss, Councilmember Cousar made a motion to adjourn. The motion passed 6-0. The meeting adjourned at 7:44pm.

Approved: _____

Dr. Phil Wallace, Mayor Pro-Tem



Tina Scott, Council Clerk

Date Approved: _____

March 13, 2023