



Richland County Council

OFFICE OF SMALL BUSINESS OPPORTUNITY AD HOC COMMITTEE

April 25, 2017 – 4:00 PM
4th Floor Conference Room

Bill Malinowski	Yvonne McBride	Norman Jackson, Chair	Paul Livingston	Jim Manning
District One	District Three	District Eleven	District Four	District Eight

OTHERS PRESENT: Beverly Harris, Jamelle Ellis, Kimberly Williams-Roberts, and Michelle Onley

CALL TO ORDER – Mr. Manning called the meeting to order at approximately 4:01 p.m.

ELECTION OF CHAIR

Mr. Malinowski moved, seconded by Mr. N. Jackson, to elect Mr. Manning as Chair of the Office of Small Business Opportunity Ad Hoc Committee. Mr. Manning declined the nomination.

Mr. Manning moved, seconded by Mr. Malinowski, to elect Mr. N. Jackson as Chair. The vote in favor was unanimous.

APPROVAL OF MINUTES

November 1, 2016 – Mr. Malinowski moved, seconded by Mr. Manning, to approve the minutes as distributed. The vote in favor was unanimous.

ADOPTION OF AGENDA

Mr. Manning moved, seconded by Mr. Malinowski, to adopt the agenda as published. The vote in favor was unanimous.

ITEMS FOR DISCUSSION

A. Update

Mr. Manning stated he had requested the scheduling of this meeting prior to Council Memorandum 4-4 coming out. He suggested Mr. N. Jackson may wish to reference the memorandum with regard to an update.

Mr. N. Jackson inquired as to what Council Memorandum 4-4 was.

Mr. Manning stated Council Memorandum 4-4 is a 20-page document that was in the Administrator's Report to Council. The memo's subject matter is the OSBO Program Development.

The memo details the background, the current demographics of the SLBE Certification Program and overarching goals establishing the OSBO Program. It then makes reference to the fact the Administrator selected the appropriate staff to search for the ideal candidate for the OSBO Manager position. Also included was Appendix F, which is a first set of sample interview questions; Appendix G – Candidate Evaluation Form; a list of people by positions that would be searching for the ideal candidate; and a timeline.

Mr. N. Jackson stated initially the Small Local Business Enterprise was a part of the referendum, the Penny Tax Program. He made a motion to create an OSBO Office.

Mr. Malinowski stated the SLBE Program was not a part of the referendum.

Mr. N. Jackson stated the problem was that a lot of the small local businesses could not get certifications or bonding. The businesses did not have access to capital, so a motion was made to create an Office of Business Opportunity to assist those businesses. The office was to be structured similar to the one at the City of Columbia. It was a good idea to have the SLBE with the Penny Tax Program, but when other businesses not related to the Penny Tax started coming there was a concern the money was being mixed and serving penny and non-penny projects.

Mr. Malinowski stated it was decided any funds used strictly for the Penny Tax would be reimbursed.

Mr. Livingston stated most of Council Memorandum 4-4 dealt with the hiring of the OSBO Manager, which is an administrative function.

Mr. N. Jackson stated there was a search for an Assistant Director, which was filled. He is unclear why they are conducting another search, with similar criteria, when there is already an Assistant Director. He recalls Mr. Seals saying with the restructuring that he would like the person more under Economic Development in an effort to recruit businesses.

Mr. Livingston stated he thinks the question is there is not a manager or director of the OSBO Office now.

Mr. N. Jackson stated there is.

Dr. Ellis stated she is an assistant.

Mr. N. Jackson stated when the position was advertised initially it was really for the Director, but because the office was under Procurement it was entitled Assistant Director.

Ms. McBride requested additional background.

Mr. Livingston stated when the OSBO program was started Ms. Jones was moved to Procurement and named as the Director of the program.

Mr. Manning stated to give a little more history there was a group of 39 people in 2006 that met to discuss the needs for transportation-related projects, which ultimately went to a ballot initiative that was defeated. Then in 2012, the ballot initiative was approved. As a part of that ballot initiative, Council wanted to ensure the small and local businesses would have every opportunity to get the most of the penny.

Ms. McBride stated for clarification that this program was included in the Penny Tax Program.

Mr. Malinowski stated Council wanted to have a Small Local Business Enterprise (SLBE) program so small, local businesses would benefit from the Penny Tax. In creating the SLBE, the OSBO Office was also created. Since it was a brand new program, Council needed someone to look at it and make sure it was being done how the Council wanted it and to set the rules.

Mr. N. Jackson stated the rules came from the study done by Franklin Lee.

Mr. Manning stated Franklin Lee was the attorney from Baltimore that assisted the City of Columbia in creating their office.

Mr. Malinowski stated the SLBE and the OSBO Offices have been created; therefore, he inquired if there is a need for an ad hoc committee anymore.

Ms. McBride inquired if the OSBO and SLBE are different entities.

Mr. Livingston stated the SLBE is within the OSBO Office.

Mr. N. Jackson stated the SLBE monitors the small businesses to ensure they meet the goals. The OSBO Office was created to assist the small businesses that need certification, training and bonding. Ms. Jones was the Research Manager and she was transferred to oversee the OSBO Program. When the program was placed under the Procurement Department, Ms. Jones title was changed to Assistant Director. After Ms. Jones departure, there was a search for an Assistant Director, which is technically the Director. A young lady from SCDOT that worked in the OSBO Office was offered, and accepted, the position of Assistant Director. Now he understands they are conducting a search for a director. He expressed concern about the difference between what this new director will be doing and what the Assistant Director is doing now.

Mr. Livingston stated Council placed this office under the purview of the Administrator and it is not Council's decision as to who the Director of the office will be.

Mr. N. Jackson stated the office was modeled and set up based on the study by Franklin Lee. If any changes are made to the ordinance or structure of the office that is a Council decision.

Mr. Livingston stated the structure that Council approved recently called for a Manager of the OSBO Office.

Mr. N. Jackson inquired if Council had approved the restructuring ordinance.

Mr. Malinowski stated the ordinance was approved and will be brought back to Council in 3 or 4 months for a rewrite, if needed.

Mr. Livingston stated the assumption he made in relation to Council Memorandum 4-4 and the ad hoc committee meeting was that the committee would get an update on what is going on and why.

Dr. Ellis stated the first talk she gave was to a small and minority advisory Council meeting with the Chamber of Commerce in January and then attended an Open House. Mr. Seals had already spoken to her about taking a look at the OSBO Program in an effort to jump start it. There have been a lot of questions from the small businesses at the various meetings she has spoken at. She has been compiling a list of concerns and questions about the process. Some of the questions are reflected in the survey for small businesses. The County is trying to understand where we are being most and effective and where we can improve.

Based on the questions from small businesses and internal conversations we started a process of interviewing to fill the position. The interviews are scheduled throughout the month of May.

Mr. N. Jackson stated his main concern is the problems in the past with the Penny Tax and the County money mixing as it relates to the lawsuit. He is not sure what the County has decided to do about it.

Mr. Livingston stated his understanding is the last discussion was to do a cost allocation to ensure no one could say the County was using Penny Tax funding to fund other projects.

Mr. Manning stated originally the program was totally funded by the Penny and then the question came up. Then Council decided that whatever portion of the OSBO is supporting small businesses that does not have anything to do with the Penny should be pulled out.

Mr. N. Jackson stated he had a discussion with Mr. Seals and he had no problem putting the OSBO under Economic Development. The Penny Tax Program is a 22-year temporary program and the Transportation Director and the SLBE come under the Penny.

Mr. Manning stated the OSBO Ad Hoc Committee was established several years ago and then it went to defunct. Then several small minority businesses raised issues about 4 things and were appalled they were not being addressed by the County. He stated he took the lead on regenerating the committee. A meeting was held

and the 4 issues were put on the table. Three of the 4 matters were dealt with immediately. The 4th was left hanging and another meeting was held, but the issue was not resolved, as reflected in the minutes.

Mr. Manning stated he was approached recently about what was going on with the OSBO Office, which he was unsure of at the time. He decided as the most recent Chair of the committee to call a meeting to find out what was going on. Then on Friday afternoon, in the midst of the Administrator's Report was 20 pages that addressed the questions he had about what is going on. Therefore, he is also questioned if there is a role for this committee at this point.

Mr. N. Jackson stated the lingering question had to do with the NAICS Codes and if Council was going to address the matter.

Mr. Manning stated to be perfectly honest there was only one company that expressed an interest in that and he never heard back from the company, so he did not pursue the matter.

Ms. McBride stated as a lay person she was under the impression that Economic Development and the Office of Small Business were separate office based on the Penny Tax. She then inquired about the reporting structure of the 2 offices.

Mr. Livingston stated the Economic Development Department reports to the County Administrator.

Mr. Manning stated as far as the Office of Small Business Opportunity that it has been moved around several times. When Mr. Seals came in he said it was such a mess that he requested it report directly to Administration so he could get a handle on it. His intention was that once he got a handle on it that it would go under Economic Development.

Mr. Malinowski stated the Council Memorandum 4-4 gives the committee most everything they need for the update. He questioned when you look on p. 4 of the memo it states: "The Administrator has selected the following professionals to search for the ideal candidate to fill the position" there are 5 people from Richland County and 6 others. The selection committee will start with 11 candidates, narrow it to 4 candidates and then select from the 4 candidates. Therefore, the OSBO Manager is at the wishes of 6 outside people and would have the final say and control of who is selected. He believes it is a County position and the County would have the extra vote on this matter.

Mr. Livingston stated they may have a say in the selection, but the final selection will be done by the Administrator.

Mr. Malinowski stated he feels the County needs to have a majority.

Dr. Ellis stated there is not a majority now, but Mr. Seals will be involved in the 2nd Round of interviews.

B. Next Steps

Mr. Livingston stated the committee needs to have Mr. Seals to come in and give an overview of what they are doing. At that point, we can decide if the committee needs to continue.

Mr. Manning also stated the Council Chair should be invited since she appoints the committee.

Mr. N. Jackson stated he also needs additional information about the role of the OSBO and SLBE offices.

ADJOURNMENT – The meeting adjourned at approximately 4:47 p.m.