



**CITY OF BEAUFORT**  
1911 Boundary Street  
Council Chambers  
BEAUFORT, SOUTH CAROLINA 29902  
(843) 525-7070  
**REDEVELOPMENT COMMISSION AGENDA**  
January 5, 2012

PLANNING CONFERENCE ROOM – 1<sup>ST</sup> FLOOR  
**1911 BOUNDARY STREET**

**5:00 P.M.**

**I. CALL TO ORDER**

**II. REVIEW OF MINUTES**

December 1, 2011

**III. REPORTS**

- A. Finance Committee
- B. Commercial Committee
- C. Residential Committee
- D. Bladen and Duke Street Streetscapes
- E. Boundary Street Project Update

**IV. DISCUSSION ITEMS**

- A. 1403 Lafayette Street RFP

**Proposed Mission Statement**

The City of Beaufort Redevelopment Commission has been established to renovate, revitalize, and regenerate distressed areas of Beaufort.

BRC's mission is to lead a coordinated strategy of redevelopment and design strengthening the City of Beaufort as:

- The heart of economic development for Northern Beaufort County
- A prosperous place for business and institutions; and
- An attractive urban environment for residents and visitors

**NOTE: IF YOU HAVE SPECIAL NEEDS DUE TO A PHYSICAL CHALLENGE, PLEASE CALL IVETTE BURGESS 525-7070 FOR ADDITIONAL INFORMATION**

**STATEMENT OF MEDIA NOTIFICATION**

"In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media were duly notified of the time, date, place and agenda of this meeting."

A meeting of the Beaufort Redevelopment Commission was held on December 1, 2011 at 5:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Vice Chairman Mike McNally, Commissioners Ed Barnhart, Martin Goodman, Keith Waldrop, Mike McFee, Pat Kase and Wendy Zara.

Chairman Jon Verity and Henrietta Goode were absent.

In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

### **CALL TO ORDER**

The meeting was called to order at 5:00 p.m. by the vice chairman.

### **MINUTES**

**Commissioner Barnhart made a motion, second by Commissioner Goodman to approve the minutes of the November 3, 2011 meeting. The motion passed unanimously.** Commissioner McNally and Commissioner Waldrop abstained because they were not present at the meeting.

### **REPORTS**

#### **Finance Committee**

Commissioner Zara said the meeting had been postponed because of holidays and would be held on December 13; there will be a representative from Lowcountry Housing Trust (LCHT) in attendance. **Josh Martin** said the Lowcountry Housing Trust would have a series of workshops December 13 at 2:00 p.m. for developers and January 10 at 3:00 p.m. for stakeholders. **Scott Dadson** said that the city's thank you reception for volunteer board members would be on December 13 at 5:00 p.m.

#### **Commercial Committee**

Commissioner Goodman said there had been a meeting about the post office space; BK and Mr. Martin are working on finding contacts to meet with. They had also discussed the Hoogenboom project. Commissioner Barnhart passed on a contact of someone who is interested in creating an artisan bakery downtown. The Von Harten Building looks like it won't be an option for this project. BK told Commissioner Goodman he has other ideas for possible properties. The committee discussed the Lipsitz department store building to see if the owner had any needs they could help with, but there's nothing yet. The Italian market opening on Carteret and Craven is progressing, as is Lowcountry Produce, Commissioner Goodman said.

Commissioner Barnhart said many things have been accomplished this year in terms of economic development, and he thought a press release would be worthwhile. There was general agreement with the idea. Commissioner McNally said he and Chairman Verity had had lunch with John Williams and had discussed something similar; there are smaller projects from owners who are doing rehabilitations, and he feels projects like that should get attention.

## **Residential Committee**

Commissioner McNally said the major project for this committee will be discussed later in the agenda. He thanked **Libby Anderson** and Julie Goode for the booklet of properties they had put together. In January, the committee will be working on this again. Mr. Martin said this is not available on the web site because of reformatting for the site.

## **Bladen Street Project**

Ms. Anderson said the project has been around a couple years. The bidding was opened in November, and they had received six bids; Cleland Site Prep was chosen. Council has indicated its intention to award the bid. The easements' purchases are still being finalized; they need the DOT encroachment permit. They hope to give the contractor notice to proceed in January. Commissioner McNally said the North Street project is being done by DOT and is not part of this project. He said Bladen Street would probably be finished before the North Street project is begun.

## **Boundary Street Project Update**

Mr. Martin said the Boundary Street working group had had a meeting. The Northern Beaufort bypass was discussed as well. They will know if they have been awarded the TIGER 3 grant by the end of this month. He discussed the parameters of the project. If they're funded, the timeline for the grant would be "very tight." The utilities' undergrounding plans are underway. The next big task is to begin the right-of-way plans. The right-of-way for Robert Smalls coming into Boundary Street is one; the more complicated right-of-way is crossing Boundary Street to the Kentucky Fried Chicken and connecting back to Palmetto and Hogarth.

They are still awaiting a DOT permit, Mr. Martin said. The last item they need for that – a proposed curb – was not approved, and they are submitting a new proposal. 35 mph for Highway 170 into the city has been approved, which Mr. Martin said "is a good thing." The McDonalds renovation will be in conjunction with these plans for Boundary Street; the new construction permit had been issued that day, he said. The road will go through Butler Motors and the new McDonalds will be on the corner. On "Boundary Street, Jr.," (the downtown part of Boundary Street), a new bank is being proposed and will be going through the DRB soon.

Commissioner Goodman said on the bank site, he had found some of Craig Lewis's comments not very tactful, e.g., in regard to parking spaces for employees. Mr. Martin said a lot of those comments were internal, and they would develop site plans for discussion. Commissioner Goodman said he hopes the conversation remains civil. Mr. Dadson said they also need to hold to their standards. There was general discussion about the project and the urban vs. suburban elements of design. Mr. Dadson encouraged the Redevelopment Commission to continue to "sell the message."

Mr. Martin said on the form-based code and the civic master plan, the OCI will have created in a draft form the Sector Two and Sector Three drafts for the master plan soon. The final

comments on form-based code will be issued to the county soon as well. The county is conducting workshops on their form-based code next week, and OCI personnel will be in attendance.

## **DISCUSSION ITEMS**

### **1403 Lafayette Street**

This project was outlined in the civic master plan, Commissioner McNally said. The residential committee has decided it's a good pilot project, replete with incentives to show that the master plan can work and provide workforce housing, etc. There have been many meetings about it, Commissioner McNally said.

Mr. Martin presented the update. He said LCHT is involved. Mr. Martin had created a draft document and had received various comments. The most recent document took those comments into account. Adjacent property owners and the Pigeon Point Neighborhood Association meeting also brought in a lively discussion. Some issues are still not fully agreed upon:

- *The home ownership vs. rental clause.* Mr. Martin said the majority of the neighborhood felt that they would like to see home *ownership* promoted, rather than rentals. He said he's received a variety of comments from various parties. Commissioner Zara said developers who make proposals have done market research because they want them to make money, and if they want to do rentals, they should be allowed to do "x" amount. Michelle from LCHT had told Commissioner Zara that the more hands are tied, the harder it is to have a successful project. People will move from lousier rentals into upgraded new ones, and this can improve the community, Michelle told her.

Commissioner McFee said "there's no appetite for rentals in Pigeon Point because they already have a plethora." He doesn't want to reduce the developers' flexibility, but 8/10ths of an acre is already very limiting. Commissioner Zara said she understands why the neighborhood doesn't want a four-plex (or several) on that property. Mr. Dadson said multi-family housing seems to imply some places around town that are less than desirable. He suggested that they should ask adjacent neighbors how to maximize the opportunity to create "a virtuous cycle" and inspire others with the infill so, as Commissioner McNally said, it will spread. Commissioner Waldrop said quality workforce housing is easier to achieve if it's ownership, rather than rental.

JW suggested that for the RFP, if there are questions about rentals, it could be reserved for negotiations. Commissioner McFee said they realistically should let the developers tell them what they want to do. Commissioner Barnhart said they should set down what they want to accomplish and "let (developers) respond to it" since it's a pilot project. If they don't get acceptable bids, they have only lost time. Commissioner Zara said they should optimize the possibility to get good bids.

Commissioner McNally said they are considering recommending that this land be given by the city to the successful developer as incentive to build workforce housing and keep it affordable, which shouldn't be offered to a landlord who's going to rent it out. "Rental works the incentive in the wrong way," he said. Commissioner Barnhart agreed and said they shouldn't start off going in a direction they don't want to go.

Commissioner McNally asked if the RFP can get right to the point for the builder and say, "If you're going to build this unit, what would you build it for?" Mr. Martin said that would be "prejudiced" and they can't do it; they can "only give exhibits for information." Commissioner Zara said the builder can evaluate that framework. Commissioner Waldrop said the respondents need to know what they mean by 'affordable' to see if they can make it work. Mr. Martin said all the combinations in front of them would be helpful to developers. Commissioner Zara said even though the lot's small, they could possibly do more than one combination.

Commissioner Waldrop suggested establishing at least a nominal price instead of giving the land away. Commissioner McNally said he doesn't think it's worth it to do that. Mr. Dadson said they can't do that in the RFP; the thing to do is say nothing but "this is the property; this is the owner." Mr. Martin said he'd remove all rental notations from the RFP. Commissioner McFee said he should eliminate at least the specific paragraph about rentals.

- *The land should not be free and the price of it should be kept negotiable.* Commissioner Zara said developers will respond better "if they have a given," whether there's a price or it's free. Commissioner Goodman said if it's free, that's fine, but they need to know how they're going to determine the price, if it's not free. They shouldn't leave it at "tell me what you're going to give me for it." Commissioner Zara said the biggest problem in development is the high cost of land. Commissioner McNally asked if the Redevelopment Commission can just get permission from council to offer it free before the RFP is put out. The way for the project to succeed, he feels, is to have a "strong, up front incentive." Commissioner Kase said the problem isn't suspicion about the city; the developer needs to plug in numbers to see if it's viable, and if the developer doesn't have a number for the price of the land, that's going to be a problem. Commissioner Zara said without a price (or free) on the land, they will get fewer proposals. Commissioner Barnhart said people don't buy lots like this in this market.

**Commissioner Zara made a motion, second by Commissioner Barnhart, to propose to council that the land be given free by the city to "give certainty to the bid," drive affordability, get it back on the tax rolls and back up the money they have already given to put LCHT to work. The motion passed on a 4-1 vote, with Commissioner Waldrop opposed.**

- *Title search needs to be included to make it clear and free.* Mr. Dadson said the city would do that.
- *That property is parking area for Basil Green Park.* Mr. Martin said they're looking for funding to improve the park; they can put in the RFP that they are looking for that to

“calm that chatter down” because the redesign would provide more than 200 parking places. Commissioner Goodman said his concern about incentives is that, to be effective, they need to be built in. If the property is worth \$50,000, they could say, in lieu of paying for the property, we would like you to pay \$10,000 for improvements to Basil Green Park. So the lot would be \$10,000 in effect. Mr. Dadson said the city is doing all the steps a developer would do normally. In return, the developer should help improve the neighborhood. This “could be a way for council to say ‘We can balance this out now.’”

Mr. Martin said he would like a vote to issue the RFP, subject to resolution of these issues. It was then determined that this would be back before the commission in January.

Commissioner Kase asked the criteria to evaluate the proposals and whether those were weighted in such a way that a developer could include or exclude himself. Mr. Dadson said it would be good to have an open group, “pre-qualification meeting as one of the criteria so issues could be vetted fully.” Commissioner Kase said in regard to the old City Hall, they asked other people to do the city’s due diligence, and they shouldn’t do that again.

Commissioner McNally asked Mr. Dadson to get a number on the price of the additional parking at Basil Green Park. Commissioner Zara said they need to determine their goal with the redevelopment, so it’s not too watered down. Mr. Dadson said council will need to balance the politics and the neighborhood issues. Council will likely agree with workforce housing. Time spent doing appraisals, title searches, etc. are what he thinks are the value which should be the fair exchange PLUS a tax break; the developer can “work that into their system.” Ms. Anderson said in regard to the goals of the project, one in the work book is to show how there can be compatible infill that isn’t just single-family in a neighborhood.

Ms. Anderson said they can’t say how much parking is there now because it’s not really a parking lot. It’s a big issue, unrelated to the zoning. The Planning Commission, she said, failed to get approval on a 2-2 vote because of the parking matter. Mr. Dadson said “that’s why there’s a redesign of the site.” Mr. Martin said the requirement of parking spaces is in the RFP; Commissioner McNally asked if they could include ten more for the ball field. He said they’re putting a net of 14 spaces there now that can’t be ticketed. He feels they shouldn’t tie the park plans into the lot for the developer, though they can for the neighborhood. Commissioner McNally said they can give the land but require the 14 spaces to be built. Mr. Martin said that’s already in the RFP. Commissioner Waldrop said in regard to design, he feels a developer should be able to come in with design considerations, and a budget that makes allowance for the land, and the project could be awarded to the person who best achieves the goals the Redevelopment Commission wants.

Ms. Anderson said the parking issue was the reason the vote was split at the Planning Commission. The issue of low-income housing was what came up at neighborhood meetings, she said.

## **RAIL TRAIL MEMO OF UNDERSTANDING**

Mr. Dadson said he has offered up the Redevelopment Commission to enter into a memo of understanding with Friends of the rail trail or the county to handle procurement and bidding more efficiently. Commissioner Zara said she appreciates the city's willingness to do that. Mr. Dadson said the city is dedicated to the rail trail as an asset. Commissioner Zara said some private donors have extensive experience building rail trails. Mr. Dadson said they have to get past the point of waiting for grants.

There being no further business to come before the commission, the vice chairman adjourned the meeting at 6:33 pm.