

A meeting of the Beaufort Redevelopment Commission was held on August 5, 2010 at 4:00 p.m. in the City Hall Conference Room at 302 Carteret Street. In attendance were Chairman Bob Pinkerton, Commissioners Martin Goodman Mike McNally, Wendy Zara, and Jon Verity, City Manager Scott Dadson, Shirley Hughes, and Mack Cook. Ed Barnhart, James Bellew, Gene Rugala, and Denise Bolin 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 4:00 p.m. by Chairman Pinkerton.

MINUTES

The minutes of the July 1, 2010 meeting of the commission were presented for review. On motion by Commissioner Zara, seconded by Commissioner Goodman, the commission voted unanimously to approve the minutes as written.

PARKING UPDATE & DISCUSSION OF THE POINT NEIGHBORHOOD PARKING PLAN

Mr. Cook said the city has been working with Mr. Michau's group (the neighborhood association for The Point) to come up with a residential parking plan; the numerous problems there pre-date a parking plan. The Point group, led by Mr. Michau, had received complaints from neighbors about downtown employees parking in front of their residences all day. The fire chief had received complaints about fire trucks getting around in The Point because of parking along the streets. In the end of March, the group met with the city about downtown parking and its impact on overflow into the neighborhoods. They formed an executive committee and appointed an ad hoc committee; they want the residents of The Point to come to the city and suggest a parking plan for the neighborhoods. He listed the members of the committee.

Mr. Michau said they want to curtail an influx of parking by non-Point residents, not visitors or guests, on neighborhood streets, which causes further congestion. This would be increased by an increase in parking fees and fewer spaces downtown. Employees are allowed to park there now and can't be blamed for doing so. He said some members of the neighborhood association had met with the city and came back to the executive committee. They proposed that there would be a residential parking plan similar to other cities' plans, i.e., decals, parking for residents only from 8 am- 5 pm, 5 days a week with provisions for deliveries, etc. They don't want to be a gated community or project the wrong image, and are aware that this is a sensitive subject.

They sent the proposal and a questionnaire to all residents and asked for feedback. They got a 58% response. 42% of the responses were opposed to doing anything, basically. 39% were in favor, 19% were undecided and felt like there needed to be more debate. Majorities on Port Republic and New Street wanted something done on their streets.

They then notified residents that a small majority was not in favor of the proposal, but the Port Republic and New Street residents wanted some action to be taken. The committee decided to help them put something together to take to the city. Mr. Cook shared the proposal with various entities, including the DOT and Chief of Police. They're now moving toward a more formal request. The Port Republic proposal is still being refined somewhat, owing to input from the fire chief.

Chairman Pinkerton asked if Craven Street is being done. Mr. Michau said they were going to talk further to the people on Craven, but feedback was that they didn't think they needed it. The city is proposing that there be a fire lane on one side with no parking on that side. It's the major point of entry to The Point for emergency vehicles.

Mr. Cook said July was the first month for the auto-pay stations with the fee increase. It was a down month because for 12 of the days, the pay stations in the parking lot were up and down because of the Water Festival. There is still not complete data for a month. Gross revenue was \$40,000+ which is more than double last year's. 3% was from hang tags. Various types of citations revenue was 12% of the total gross. The balance - \$34,000 - was from meters and pay stations. There were 13,980 transactions made.

Mr. Cook said there is about a 90% usage rate. 1—15% vacancy is what's needed in the core to prevent "cruising" for parking spots. The ability to find a spot converts a motorist into a consumer. They're also seeing doubling of the number of cars parked in the Port Republic lot; "the employees have moved on it."

In regard to signs, Mr. Cook said originally they were "minimalist" and may have been too much so. All the numbering on the curbs should be finished this afternoon. He showed examples of all the signs and explained the changes to information on the meters as well.

Re: a letter to the editor in the Gazette from a Florida visitor, Mr. Cook responded that during the Water Festival, 4,298 people used the kiosks. 20% of the transactions were with credit cards. 30% of the tickets issued were for meter violations. He went on to describe the lessons learned from the Water Festival. They had to ticket to clear room for emergency lanes, but one potential fatality was averted: "This is a side of parking that fills the need to maintain a safe environment," Mr. Cook said. This plan was in action to let a large mass of cars through and maintain lanes to let EMS in to do what they needed to do.

They have given out more than 5000 instructional pamphlets and met with merchants to explain them. There are two ambassadors on the streets at all times. Commissioner Goodman said the number of tickets issued was under the average during the Water Festival. The library and the furthest east meter in the Marina lot are the two busiest. August will be a more "natural" month. Mr. Dadson said it will be a slower month, and then the fall months will pick up.

BLADEN STREET UPDATE

Commissioner McNally said that he and Chairman Pinkerton have met with all the property owners from Duke Street to Bay and the meetings have been very positive. They have listened to concerns and what they would like to see in the zoning. People seemed pleased that they can do more with their property under new zoning after granting the easement. Since those meetings, Cooter Ramsey has prepared a form-based code, which is what the street will look like, architecture, amenities, etc. The package has been prepared as have proposed easement grants and surveys. The city is looking for appraisers to appraise the value of the easements. They're scheduling meetings for the second round with each owner to present the packages and discuss details. Mr. Dadson said there will be a September Planning Commission process. Commissioner McNally said they're on schedule and positive. Chairman Pinkerton said the package Mr. Ramsey put together is "a masterpiece of how to design a city."

DISCUSSION OF HISTORICALLY SIGNIFICANT BUILDINGS

Commissioner McNally said he had been a liaison with Libby Anderson, Donna Alley, Christina Wilson, Henrietta Goode, Maxine Lutz, Rob Montgomery, and Pete Palmer. They have had several meetings to sort through this subject. There are about 17 properties in the Northwest Quadrant that are significant and unfit for human habitation. The Redevelopment Commission's job is to redevelop.

Currently, the city has ordinances that relate to vacant and abandoned structures; some are commercial, but most are residential. All but 5 are architecturally or historically significant. Those 5 can be demolished, and the process has started. Ms. Anderson said grant money can be given to donors who have the desire but not the money to demolish these buildings.

The procedure begins with a complaint about a building. The building department does an inspection. Then there is an order to the owner to repair or demolish. The owner may not be a resident. Ms. Anderson has tracked down owners, heirs, feuding family members, etc. They have a right to a public hearing. The city can remove, repair, or stabilize the building. The city can place a lien on the property to cover the costs of whatever they do.

Commissioner McNally made a presentation on the preservation of architecturally or historically significant structures. Demolition by neglect is the deterioration of structure such as unsafe electrical / mechanical, or any defect threatening the structure. If it's significant, the city can't tear it down, even if it wants to. The owner will be notified to restore or stabilize; there's a hearing and the city is allowed to place a lien but this doesn't work.

Chairman Pinkerton asked if some owners could have walked away. Commissioner McNally said if they've been ordered to fix or stabilize, the owners can't sell it unless they fully disclose that they have been served a notice, which the buyer must accept. Chairman Pinkerton said they can't get away from the property, and it's "a millstone around their neck." Commissioner Goodman asked if taxes were being paid on the buildings. Commissioner McNally said he didn't know, but he didn't think taxes were a disincentive. Ms. Anderson said one on the list has been posted for the tax sale. A discussion ensued about the way tax sales work.

Commissioner McNally said the present ordinances don't work for a variety of reasons. Ms. Hughes said the liens are only good for 10 years. Commissioner McNally said they should change the rules of the game. They need to rewrite ordinances to provide other options. The Redevelopment Commission and the Historic Beaufort Foundation need to become active participants; this means getting money from somewhere. Proper stabilization must take place, even if the only option is to make it attractive and effective, which it's not right now.

Rehabilitation must begin with Restoration Agreements with willing owners and creation of Special Historic District Tax Assessments (SHDTA) via ordinances against unwilling owners. Commissioner McNally said each structure should be investigated. If the owner is a willing participant, he can do the work himself or enter into a Restoration Agreement. If the owner is unwilling, he will have an SHDTA.

Restoration Agreements are for willing owners with no money who deed the property to the Redevelopment Commission, Historic Beaufort Foundation, or both as partners with the owner. Redevelopment Commission / Historic Beaufort Foundation would fund and contract the restoration. When the property is sold, restoration costs would be repaid first. Any additional money is paid to the owner. The property could be sold as low- or moderate-income housing, but not sold to speculators.

Mr. Dadson said they want that neighborhood to act in the market. There should be targets. Commissioner McNally said they are not going to give it away, but restore it and sell within a year, not let it sit there. ML said the purchaser could be required to live there, to eliminate speculators. Commissioner Zara said HUD does this, requiring someone to live there for a period, and if they leave, they have to pay back what was subsidized. Commissioner McNally said most of the owners Ms. Anderson has been spoken to would like to demolish the building and would be willing just to sell the land, since they were willing to knock down the house.

Mr. Dadson said there are investment funds out there that deal with this, i.e., if you deed it to us, you can lease it for X number of years. Commissioner Zara said revolving funds could be used. Commissioner McNally said they haven't found many unwilling owners yet. If they do, they recommend an SHDTA for property owners unwilling or unable to participate in the Restoration Agreements. They can introduce a city ordinance to allow the creation of SHDTA with a tax sale default proviso. As opposed to a lien, it would be a tax sale. They would assess the full cost of restoration, establish the payment schedule for assessment, and then the assessment default would trigger the tax sale. The tax buyer would be required to restore the property.

Mr. Dadson said there are state laws that deal with this. He thinks there's latitude for a conversation with legal representatives. Commissioner McNally said the current ordinance "doesn't have teeth," and they need to have that. Ms. Hughes said the buildings will eventually fall down and never be restored. If the owner doesn't have the ability to stabilize or restore, the building continues to decay and will fall down. Building stabilization has been ineffective. The ordinance needs to address the mothballing as to specifications and aesthetics. The lien

provision needs to be changed to a stabilization tax assessment with the default provision of a tax sale.

For the pilot project, they must choose a willing owner of a historically significant house. The Redevelopment Commission is best suited to sponsor and fund the project and will work with a local architect, builder and bank. Based on costs, they will sell the restored property to repay restoration costs, and the balance of proceeds will revert to the owner.

Commissioner McNally said this needs to start now, as waiting leads to further deterioration of buildings. They start with a residential building and do the easy ones first. Then rewrite the ordinances and enforce others through new options: restoration agreements or SHDTA. Similar options should be explored for commercial buildings. A completed project will provide momentum and incentives.

The pilot program will shake out the problems. Commissioner Zara said the pilot program can't be an heir's property house or an unwilling owner. Commissioner McNally said Ms. Anderson can determine what falls into a workable program. Commissioner Zara said meanwhile they should investigate South Carolina law regarding the special assessment ideas. Commissioner McNally said he didn't expect many resistant owners; Ms. Anderson said there is only one for certain.

Commissioner McNally said 6-8 months is a realistic timeline goal for completion. Commissioner McNally polled the Redevelopment Commission members on the pilot project idea. There was general enthusiastic support. Commissioner McNally made a motion that the Redevelopment Commission appoint a subcommittee to study the feasibility of a pilot project. The study would include identifying a property worthy of restoration and with an owner willing to enter into a Restoration Agreement, by working with Libby Anderson, the city planner, Donna Alley, the city preservationist, the neighborhood association and the Historic Beaufort Foundation. Further, the study would include investigating architects' experience in such restorations and the cost of architectural services, as well as estimates for the costs of restoration, estimates of probable restored sales price, and compiling a list of interested local builders. This motion also includes a request to the city staff for assistance in developing a financial plan to finance and recuperate the restoration costs and expenses, through their relationships with local financial institutions, or through current city funds or other means. Commissioner Zara seconded the motion.

Commissioner Goodman said this fits in with the current committee structure of the Redevelopment Commission. Mr. Dadson suggested the Redevelopment Commission have two subgroups work on this and have reports for the next meeting. Mr. Dadson said it's essential to include the Northwest Quadrant Neighborhood Association involved in the process. The motion passed unanimously.

OTHER BUSINESS

Council will discuss new Redevelopment Commission members at their meeting on August 17. They have interviewed candidates, and Commissioner Goodman said it would be good to have them involved in this project.

The next meeting of the Redevelopment Commission is September 7. Chairman Pinkerton asked if that was a problem because of the holiday, and there was general assent among the Redevelopment Commission members that it was fine.

There was general discussion of dates for committee meetings.

EXECUTIVE SESSION

On motion by Commissioner Zara, seconded by Commissioner McNally, council voted to move into Executive Session pursuant to Title 30, Chapter 4, Section 70(a) of the South Carolina Code of Laws for discussion regarding land acquisition. The motion was approved unanimously.

Commissioner Zara, seconded by Commissioner Goodman, made a motion to come out of Executive Session and resume the regular Redevelopment Commission meeting. The motion was approved unanimously.

ADJOURNMENT

There being no further business to come before the Commission, Commissioner Zara made a motion to adjourn, seconded by Commissioner McNally. The motion passed unanimously, and the meeting was adjourned at 6:15 pm.

ATTEST: _____
IVETTE BURGESS, CITY CLERK