

A meeting of the Beaufort Redevelopment Commission was held on January 5, 2012 at 5:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Chairman Jon Verity, Commissioners Mike McNally, Martin Goodman, Keith Waldrop, Mike McFee, Pat Kase and Wendy Zara.

Ed Barnhart 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 Chairman Verity.

MINUTES

Commissioner Zara pointed out that on page 6 of the minutes, it should state that it is both the rail trail group “and” the county, not “or.” **Commissioner McNally made a motion, second by Commissioner Goodman, to approve the minutes of the December 1, 2011 meeting as amended. The motion passed unanimously.**

REPORTS

Finance Committee

Commissioner Zara said the committee had had an informational meeting with Patrick King of the Lowcountry Housing Trust in which they discussed covenants and how the group does business, particularly relative to the RFP.

Commercial Committee

Commissioner Goodman said they are continuing to work on the Von Harten building deal. He had reported at the previous meeting that the owner, Mrs. Hoogenboom, wasn't interested in selling, but appears now to be ready to sell the property. A meeting with a prospective buyer went well; the client got keys, a contractor has assessed what needs to be done to the building, an appraisal is being done, and the client has had an architect look at the building in order to determine an offer to take back to the owner. If there's agreement on the price, Commissioner Goodman said, the deal will happen and will create a good fit for what's being done on Carteret Street. The buyer is out of the country, but work is ongoing. The business would be a commercial and retail bakery.

Commissioner Goodman said he did a walk-through of the Old City Hall, now known as City Market. The original floors are restored and are stone on one floor and hardwood on the other, and the interior of the building has been opened up. The owners received a loan facilitated through Lowcountry Housing Trust from the USDA for “food deserts.” Some equipment is still on backorder which is what is holding up the opening.

Residential Committee

Commissioner McNally said Mr. Martin would offer a review of the project they're working on at 1403 Lafayette Street. For their next project, he said, the committee would like to go back in to the Historic District. There will be a meeting on January 11 at 5:15 p.m. to discuss the list created by Libby Anderson and the Historic Beaufort Foundation of 17 buildings in the Northwest Quadrant. The buildings are classified as being in "fairly good condition," "fair condition," "fair to poor condition" (which need stabilizing), or "poor to very bad condition," where demolition would be considered. In most cases, Commissioner McNally said, the owners are not doing anything, but a few owners have applied of stabilizing permits.

Commissioner Zara asked if they had looked into receivership. Commissioner McNally said he'd called someone in Columbia and had learned that there's a group working with Tom Davis to propose legislation to try to get it passed. They are trying to model it on a program in Texas. He said that the problem in Beaufort is that many of the properties are heirs' properties that have negative value.

Commissioner Goodman and Commissioner Zara gave the dates and times of their committee meetings.

Bladen and Duke Street Streetscapes

Chairman Verity asked **Libby Anderson** about the status of the streetscape project. Ms. Anderson said the "intent to award" letter for Bladen was sent to Cleland Site Prep. There's still an outstanding easement to purchase. Also, the SCDOT encroachment permit needs to be obtained. The Department of Commerce has to give the okay to execute the contract with Cleland. Ms. Anderson said a group is coming in to purchase the mortgage from Regents Bank.

Commissioner McNally suggested that the easement could be condemned. Commissioner Zara said that's not politically popular. Ms. Anderson said they'd just be condemning a 3' easement. There was general discussion about the complications involved in these issues. Commissioner McNally said they could start the project and award the contract without the 3' of sidewalk. Ms. Anderson agreed but said SCDOT still needs to sign off on it. Chairman Verity asked if DOT could be "pushed along"; Ms. Anderson said it's not moving at a reasonable pace.

In regard to Duke Street, Ms. Anderson said, the encroachment permit was submitted in November, but no DOT comments have been received; the bid specifications have been made. They hope that by the end of January, they will hear from DOT. They would like to start work in May and complete it by September.

The project on North Street is through a DOT grant, Ms. Anderson said. The original plan was to close the block between Bladen and Adventure Streets to traffic and expand the park. They needed the property owners' approval, and not all of them would agree. Now the plan is to change that from a one-way street to a two-way section headed west. The budget for the current proposal is being revised.

Boundary Street Project Update

Chairman Verity asked Mr. Martin about how much would need to be spent on the Boundary Street project. Mr. Martin said the city had received a Boundary Street TIGER grant of \$12.6 million. Typically, Mr. Martin said, these types of projects are in the DOT master plan, i.e., I-73 expansion or six-laning Highway 278. Boundary Street was not in that plan; therefore people are not very familiar with it. Scott Dadson has been working with the Federal Highway Commission's "stimulus czars," Mr. Martin said. They'll come to Beaufort, be briefed on the project, and lay out the steps. Permits from DOT will be required to enable the project.

Mr. Martin said they're \$9 million short and therefore delineated possible ways projects could be prioritized, i.e., not doing the slipway, to account for that deficit in funding. He described aspects of the project that would be done, i.e., Neil Road was part of the grant application. Chairman Verity confirmed that there will be money to put in trees and bury wires, and Mr. Martin said that's correct. Mr. Martin said the plan has always been to do 100% of the undergrounding on Boundary Street and go as far as possible. This could also influence voters to approve another half-cent sales tax for future work.

Mr. Martin said, without the slip lane, they can probably get all the way to Marsh. The trail that connects from the Rail to Trail to the marsh side is another component that was applied for. Chairman Verity said the Rail to Trail is a separate project and asked the start date. Mr. Martin said he didn't know and there might be other contributions coming into that grant; a discussion would follow about how to accept them. The county match is on a fairly aggressive timeline, Mr. Martin said. Commissioner Zara said nothing has been done yet, in terms of design or anything else. There is no project manager, only staff working on it. The strategy is for the friends of the Spanish Moss Rail Trail to create a 501c3, Commissioner Zara said; the county has the easement for the purposes of the Rail Trail, she said.

Mr. Martin said McDonalds is underway and will be the *new* corner of Boundary / Robert Smalls. Commissioner Goodman said Caffino's might be a good property to try to get now. Mr. Martin said they are looking to continue the parallel street movement to create the secondary route. Connecting the City Hall to Marsh Drive in "a more true connection" is a current priority.

Mr. Martin said there will be workshops with Lowcountry Housing Trust on January 10 at 1 pm (developers) and 3 pm (stakeholders). He said the response has been very good.

DISCUSSION: 1403 LAFAYETTE STREET RFP

Mr. Martin proposed that they walk through two versions of the document with comments by Mr. Martin and Commissioner Waldrop. He would like to have a vote on the RFP, which is conditional on the rezoning of the property. Commissioner Waldrop asked if the change in zoning was to permit proposers to come up with design-related proposals that wouldn't be currently permissible, i.e., duplex or triplex.

Mr. Martin reviewed comments in the first section. Commissioner Waldrop said his comments were meant to eliminate inconsistencies in the criteria. He attempted to choose where the

Redevelopment Commission was coming from. In regard to market rate vs. work-force housing, he felt the preference was for work-force housing. Commissioner Zara suggested it could be “and / or.” Commissioner Waldrop asked if a 20-year deed restriction is appropriate with market rate. Commissioner Zara said they wouldn’t get financing through the Lowcountry Housing Trust.

The review continued with elimination of redundancies and a discussion of affordable vs. work-force housing. Chairman Verity said he feels they should focus on work-force housing. Commissioner McFee said the area’s residents have a problem with rentals, not with work-force housing. Commissioner Zara said in reviews, weight will be given to innovation and affordability. Mr. Martin said they should use the term affordable / work-force housing in the RFP.

Commissioner Zara asked about on-street parking. Mr. Martin said there will be parallel on-street parking as part of the project. It can be either/or for on-site parking as well.

Mr. Martin suggested deleting all the paragraphs in reference to home-ownership units. He feels they’re not necessary. Commissioner Waldrop said he’s not sure where that came from; he feels the range is \$80,000 - \$120,000, not \$60,000 - \$120,000. Mr. Martin suggested they should take out affordability restrictions, keep in the paragraph about Lowcountry Housing Trust, and leave the next paragraph in, but take out the next 3 paragraphs beginning with “By virtue...” They would then go into Exhibit E. Commissioner Zara said questions will come out at the pre-bid meeting. Commissioner Waldrop said he had found the text elsewhere in the document and put it there; Mr. Martin said he feels it should be taken out altogether. Commissioner Zara and Chairman Verity agreed. Commissioner Waldrop explained his rationalization for it, and Mr. Martin moved the deed restriction paragraph to a different place in the document.

Mr. Martin said at one point, 50% of the units were to be work-force housing. Commissioner Waldrop had suggested striking that. Commissioner Goodman said there needs to be wordsmithing in the paragraph after Exhibit E. Commissioner Waldrop said he understood that they wanted a mix, not to dictate 50%. Commissioner Goodman said he mistook some of the strike-throughs for current language. Commissioner Waldrop asked if they wanted to put in the RFP the number of units that will be work-force housing. The percentage has been taken out, Commissioner McFee said.

In regard to cost estimates, Mr. Martin said he had added some language for Commissioner Waldrop to review. It was suggested that builder overhead and profit could be removed. Commissioner Waldrop said it’s not unprecedented to have that in such a document. Commissioner Zara said she could see putting overhead in there but not profit. Commissioner McFee explained that having it in the document pertains to the purchase price and whether the city is giving it away if the builder is making money on it. Commissioner McNally suggested that it say “builder overhead and profit.”

Mr. Martin said among the criteria in the selection process will be the price paid to the city for the subject property. He said the criteria are purposely not weighted. Commissioner Zara said

they should add a section in case no bidder is found to be selected. Council has the sole discretion to determine the winning bid.

Commissioner McNally confirmed that some suggestions he had made for the document were made, and Mr. Martin said they were.

Commissioner Zara made a motion, seconded by Commissioner McNally that the RFP as amended be accepted, subject to the zoning approval. Mr. Martin said the RFP can be immediately issued after the zoning is determined. **The motion passed unanimously.**

Mr. Martin said he would send a final version to the commission members.

There being no further business to come before the commission, **Commissioner Zara made a motion, seconded by Commissioner Goodman, to adjourn the meeting. The motion passed unanimously** and the meeting was adjourned at 6:07 pm.