

A work session of the Beaufort City Council was held on November 15, 2011 at 5:00 p.m. in the City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Mayor Billy Keyserling, council members Donnie Ann Beer, George O'Kelley, Mike Sutton, and Mike McFee, and City Manager Scott Dadson.

In accordance with the 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.

Mayor Keyserling called the special meeting to order at 5:00 p.m.

RESOLUTION ALLOCATING FUNDS IN ACCORDANCE WITH THE FUND BALANCE POLICY

Kathy Todd said that the GASB 54 policy was adopted, but a component that was part of the old fund balance policy was not adopted. The old policy contained a 3% reservation if revenues were in excess of expenditures to be used for land acquisition and vehicle and equipment replacement and redevelopment. The resolution will incorporate a 4.5 % for land acquisition and vehicle & equipment replacement. She said the first 28% goes into regular unreserved fund balance. In addition to that, 4.5% goes to land acquisition and 4.5% to vehicle and equipment replacement. Mr. Dadson said this is "a catch-all." Much of the CIP is redevelopment, so the surplus is being used for rolling stock and land acquisition. Mayor Keyserling clarified that this makes it consistent with what they have done already, and Ms. Todd said yes. **Councilwoman Beer made a motion, seconded by Councilman O'Kelley, to approve the resolution with typographical corrections. The motion passed unanimously.**

AMENDING FY 2011 BUDGET TO REFLECT FUND BALANCE ALLOCATIONS

Ms. Todd said some increased revenues led to this amendment. The first component of the amendment relates to \$1.6 million that was reserved in prior years for capital projects that were expended during FY 2011. This will move the money from the General Fund to the Capital Projects Fund where the expended amounts are presented. The second component of the amendment is a net zero effect to the general fund budget, but describes the increased revenues and related increase to expenditures demonstrating what the money was used for. The third component will recognize increased revenues realized in TIF 2 that were used for additional TIF 2 projects and then move funds from TIF 2 out to the Capital Projects Fund to comply with GASB 54 reporting. These additional revenues are primarily from property tax in the TIF districts. There was a little over \$300,000 extra in TIF 2. **Councilwoman Beer made a motion, seconded by Councilman McFee to amend the budget on first reading.**

Councilman Sutton asked if this would happen every year. Mr. Dadson said the Burton Fire Department was a settlement issue; there were litigation costs for Airport Junction. There were personnel losses, so they had to have contracted personnel, and then they added an employee to the payroll. Ms. Todd said it was unusual for these to happen near the end of the year. Mr. Dadson said Code Enforcement has no revenue source that covers it.

Mayor Keyserling asked if there is an impact on planning money for the Office of Civic Investment. Mr. Dadson said no. He went on to explain the Codes funding in more detail. He also explained additional costs this year over last, e.g., electricity costs. Core CPI has gone up, he said. The biggest ticket items, Mr. Dadson explained, were as a result of litigation and concentration on projects. Some of those costs were brought back in line this year, he said. They estimate for budget purposes, but they don't know where business license fees will come in, for example. **The motion passed unanimously.**

MOTION TO CONSIDER APPROVAL OF HOLIDAY FREE 2-HOUR PARKING DOWNTOWN

LaNelle Fabian showed the poster and stickers they planned to use. Councilman McFee asked about the stickers on the Marina parking lot with multiple time zones on the meters. Ms. Fabian explained how the plan would work on the various meters as well as for the kiosks. Councilwoman Beer suggested lessening the verbiage. **Councilman O'Kelley made a motion, seconded by Councilwoman Beer, to adopt the holiday parking plan.**

There was general discussion about the re-programming of the meters to accept an additional hour. Councilman Sutton said he would prefer to bag the meters but can't figure out how to do the 8-hour spaces in the Marina lot. He feels there may "still be chaos" as there was with the bagged meters the previous year. Mayor Keyserling said this plan improves consistency between meters and kiosks. Councilman McFee said communication between customers and merchants will improve the chances of this working. Councilman O'Kelley said that they should keep records of how this plan works to ensure that they can improve next year. Mayor Keyserling said he feels the major problems have been addressed, but "giving the extra bit" may be a problem. **The motion passed unanimously.**

Councilwoman Beer, second by Councilman McFee, made a motion to adjourn the special meeting. The motion passed unanimously.

Mayor Keyserling called the work session to order at 5:35 p.m.

DISCUSSION ITEM: SECTOR 1 CIVIC MASTER PLAN

Mr. Dadson said this is an opportunity to answer questions about the comp plan and the amendment to be adopted. Mayor Keyserling said **Libby Anderson** and Josh Martin had "come under fire" the previous night at a neighborhood association meeting in regard to the master plan. People are concerned that the plans and projects will affect where they live. Mr. Dadson said "everything is a process. (The plan) is not automatic." There are checks and balances throughout it. Mayor Keyserling said when the plan is passed, the intention is to do it.

Demetri Baches said this civic master plan is different than plans in other cities. A team may provide a plan, typically, as with Beaufort's comp plan of 2008-2009. It then sits on a shelf or finds a group that moves it forward, but it usually sits on the shelf. There was an effort to avoid this with the approach of the Office of Civic Investment and the Redevelopment Commission.

It's a five-year plan and three of those years "will be spent vetting it." Mayor Keyserling said it doesn't really have the strength of the UDO. Councilman Sutton said it's not changing zoning just because they want to put something there. Mr. Baches said that zoning is one of the steps that will take place. Mayor Keyserling said people calmed down when they were told that it wasn't being forced on them, and they would have a lot of time to work through it. Councilman Sutton said "the beautiful plans will actually be built." Mayor Keyserling said it will all be driven by private investment with some help from the city. Mr. Baches said the city "needs to set the table correctly to bring people to the table."

Mr. Dadson said this directs the CIP for 2013 to be focused on the master plan. It helps other institutions and players plan their facilities best, too. It gives the city direction for applying for grants, developing regulations, etc. In between the development of code, there will be projects. The Redevelopment Commission and staff have "a marching list" with this document.

Mr. Baches said the efforts at Boundary Street and Bladen Street were good, and this will do for the rest of the city what those did. He said there will always be such meetings as there was the previous night. Then, the community will become sufficiently organized and educated to support the plan at some point. The Sector One book is mostly complete, he said. The input of others has been included, and it will be adopted as part of the comprehensive plan. Mayor Keyserling said the council has an obligation to "sell it," which is not staff's job, though they can be a resource. If this is the vision, council needs to be "where the rubber hits the road." Staff without council leaves council out of a conversation they should be in.

Councilman Sutton said he got calls about the meeting from people with concerns about multi-family housing. Councilwoman Beer said she thinks people don't understand that duplexes are multi-family housing, not just apartment houses. Mayor Keyserling said "low-income housing" became "affordable housing," then "work force housing," and now it needs to be "sustainably affordable housing." Mayor Keyserling said "the biggest issue for people's happiness" is to make these properties owner-occupied, not rentals. Councilman Sutton agreed and said that with the calls he'd received, he asked what bothered them, and it seemed to be the fact that the city was doing this and subsidizing the effort.

Mayor Keyserling said the nature of the project will determine the cost of the property. They will use a piece of property that belongs to the city to create models. He felt like the people in attendance the previous night had understood that. There was agreement, too, he said, that the neighborhood in question has a sufficient number of rentals.

Mayor Keyserling said another big issue was the realization that those who thought they lived in Pigeon Point lived in Higginsonville. Councilwoman Beer said Higginsonville was named first. Councilman McFee said most people considered themselves to be in Pigeon Point. Councilman O'Kelley said he wishes a neighborhood that is *called* Dixon Village would be known as The Glebe, which is what it is. Mayor Keyserling told Ms. Anderson that including a map of

neighborhoods might be helpful. Ms. Anderson said there's one in the Sector One plan. Mr. Dadson said the city communicates through the neighborhood associations regularly. The Sector One project was largely developed through the neighborhood associations.

Councilman Sutton brought up the waterfront and said there was nothing planned beyond the seawall. Mayor Keyserling said he feels that since they have a vision for streets, blocks, and neighborhoods, there should be a vision for the waterfront. He feels it should be an active, operating harbor with a harbormaster in charge, moorings, etc. He said he believes that the harbor is a huge asset.

The sea wall is not accessible and appealing, Councilman Sutton said. The Sector One plan decreases water access from downtown, he added. Mayor Keyserling said the landing is drawn in such a way that it doesn't work. He said the boat ramp is the easiest, most convenient one in town. They only provide enough parking for 4-6 boat trailers. Councilman Sutton said those spots are usually taken by buses and buggies. Mayor Keyserling asked, even if it's a good boat ramp, but serves so few, what good it is. Councilman Sutton said kayaks, day trippers, etc. still use it, but it's not friendly, and more would use it if it were. He said he sees the future of that ramp as a different form of access to the water. Mr. Baches said that's how Office of Civic Investment officials saw it, too. The new development of the marina would make use of that ramp for those reasons, which has a greater impact on downtown. The master plan in Sector One "lays the bones for council to determine policy."

Mr. Dadson said he sent the City of Beaufort Waterway Commission reports to Office of Civic Investment staff. Mr. Baches said they received it during the Sector One charette. Mayor Keyserling said he knows this is a vision, and his concern is whether this is a place to look at people on the water or to integrate the land and the water, which is a policy matter. He feels that when looking at the old pictures of the waterfront, it was a place where the water and commerce came together. For locals and tourists both, he feels this is a way to enhance the asset. In regard to a day dock, regardless of where it is, a marina that sells fuel discourages boats from temporary parking. A day dock on the sea wall wouldn't support large boat sport fishermen. The sailboats will typically go to the mooring.

Councilman Sutton said the little maritime history that remains could be salvaged and maintained with a building and the day dock. What they want is do-able, but he doesn't know if it's in the Sector One plan. Mr. Dadson said the marina can be dealt with contractually. They "want something attractive on the other side of the big chunk of concrete." He feels like this conversation is what they should be having now. As to how to make it work, publically and privately, the city controls the marina, the seawall, etc. Mr. Baches said the plan allows them to do almost everything they're discussing. Councilman O'Kelley discussed the need for another ramp and dock owing to the tides, but cautioned that the movement of water at seven-knots is a problem. There was general discussion of what might work.

Councilman McFee said there's always been public resistance to putting the day dock in front of the waterfront. Mr. Baches said the planners knew this and deliberately left it open. Mayor Keyserling said it's important to look at this section and have something. Mr. Baches said it's on the Redevelopment Commission's list of projects to look at. Mayor Keyserling said they're discussing buildings and getting rid of asphalt, and they should add in a look at the role of the water. They can have the comprehensive plan to look at the next time they have a discussion of the day dock.

Councilman Sutton asked about the Boundary Street plan and how it applies to this plan. Mr. Dadson said the Boundary Street master plan was illustrative primarily and was adopted by council, and then the code was adopted. Then they adopted a redevelopment plan that allowed specifics, and then they adopted the CIP. They supported funding streams. That exercise is the same as what is being done for the various sectors. He said that is a good framework for what is being done now.

Councilman Sutton said the illustrations in the Boundary Street plan and the public perception of them were "the biggest push-back." The drawing of the marina, for example, won't all work, and he asked if they were locked in; Mr. Dadson said no. Mayor Keyserling said it's not enforceable as law, but council can say, "This is what Beaufort can become." Mr. Baches said a developer may not build exactly the same thing, but the codes will require certain things like mixed use, pedestrian-friendliness, and "activation of the public realm." How that's achieved can be any number of ways, but they *must* follow those three things.

Ms. Anderson said these plans are meant to be "inspirational." They don't have to be done this way, but they *could* be. Councilman Sutton said the reaction last night was to the idea that things are changing. Councilman O'Kelley agreed with Ms. Anderson that this is a guide as to what *could* be done. Councilman McFee said when an illustration is seen for a PUD, one tends to believe that is how it's going to happen. Mr. Dadson said this is a guidebook to focus. Councilwoman Beer said for many years all that was discussed was outward expansion, not infill. Now "people can't quite grasp such a big change to infill," she feels. Mr. Baches said in his experience, "the loudest complainers are the first to move into the new stuff that gets done." Councilman O'Kelley said the large corporate chains will adjust to the market.

DISCUSSION ITEM: UPDATE FROM STAFF ON BOUNDARY STREET MASTER PLAN

Mr. Baches said the Office of Civic Investment staff all worked on the TIGER 3 grant and it was submitted 10-31-11. The project will cost \$30 million, and they are seeking \$21 million. They don't have to match, because Beaufort is designated rural, but they did a match "to put the icing on the cake." TIGERs 1 and 2 were "disasters," he said, and he feels that they may have created a template for future requests. If they get the grant, it will fund the retrofit of the shopping center, complete improvements to Boundary Street from Neil to Marsh Roads, do the Rail To Trail park, connect the government complex to the Rail To Trail, the parallel street system, and the Neil Rd. improvements. This is basically everything but the last slip road, Mayor

Keyserling said, which is necessary to make the whole thing work. Mr. Baches said if they get funding they will have no other obstacles but this in their way. Mr. Baches said President Obama had told DOTs that they had to select the TIGER 3 grant recipients before the end of the year. They are still awaiting permitting from the SCDOT.

Mr. Baches said, in regard to the Ribaut Road corridor, the county plan for its parking lot in the civic master plan is critical, and county is looking at it. Their property can be redeveloped over time and consolidated. They have said they are looking to do so, "notionally." The Office of Civic Investment has determined that some of the uses that can be moved, like the jail, could be moved out of the central city. Office of Civic Investment staff created a list of important items to occur. The Boundary Street and Ribaut Road perimeter should be developed commercially. The street network at the government complex corner should be connected through to Marsh Road, which would then be connected to North Street. Mr. Baches said the nature walk on Boundary Street south will wrap around the site for a shoreline walk.

The roundabout at Ribaut Road and Boundary Street may be re-evaluated, Mr. Baches said. Mayor Keyserling said it's been decided it's a "T" intersection. Mr. Baches said it needs to be a T. Councilman O'Kelley said initially planners said it should be a roundabout. Mr. Dadson said they have flexibility. Mr. Baches said a roundabout is the opposite of pedestrian-friendly, which this needs to be.

Mr. Dadson said no contracts have been awarded yet by the county. He thinks the county should hear the presentation about this corridor before they make big decisions, so they can match the city's ideas and investment. This has been done with county staff, Mr. Dadson and Mr. Baches said. Mr. Dadson said they can tell the county "This is what you *could* do" to make it "better maximized."

Mayor Keyserling said the concept is great and he wondered how the conversation will happen. Mr. Dadson suggested that there are many means to have this conversation. He and Mayor Keyserling will meet with the county manager. Council members can have conversations with their elected representatives on county council and ask them how best to present it to the whole council. Formally, staff can get a report together and talk to the county's Facilities Committee, county council, etc. Mr. Baches said there's no master plan, but they desire to rehab the courthouse building. Mr. Dadson suggested how the TIFs and the county's participation in that could help them *and* the city.

EXECUTIVE SESSION

On motion of Councilman O'Kelley, seconded by Councilwoman Beer, council voted to move into Executive Session pursuant to Title 30, Chapter 4, Section 70(a) (2) of the South Carolina Code of Laws for discussion of land acquisition. The motion was approved unanimously.

Councilman O’Kelley made a motion to end the Executive Session and resume the work session, seconded by Councilman McFee. The motion was approved unanimously.

ADJOURNMENT

There being no further business to come before city council, **Councilman McFee made a motion to adjourn, seconded by Councilman O’Kelley. The motion was approved unanimously,** and the meeting was adjourned at 7:39 p.m.

ATTEST: _____
IVETTE BURGESS, CITY CLERK