

A work session of the Beaufort City Council was held on September 20, 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.

**NEW BUSINESS: ORDINANCE TO SET THE TAX LEVY FOR THE FY 2012 OPERATING BUDGET**

**Councilwoman Beer made a motion, seconded by Councilman McFee, to approve the ordinance on second reading.** Mayor Keyserling explained the matter to those present, and there was no discussion. **The motion passed unanimously.**

**NEW BUSINESS: ACCEPTANCE OF AGREEMENT WITH LISHFD**

**Councilwoman Beer made a motion, seconded by Councilman McFee, to accept the agreement with the Lady's Island / St. Helena Fire Department.** Mayor Keyserling explained the matter to those present. Mayor Keyserling asked if "they were happy with what's coming." Mr. Dadson said as far as he knew, yes. **The motion passed unanimously.**

**Councilwoman Beer made a motion, seconded by Councilman O'Kelley, to adjourn the special meeting and go into council work session. The motion passed unanimously.**

**TMAC REPORT AND ORDINANCE**

**Heather Winch** reviewed those items that are not part of the ordinance that were raised for discussion after the first presentation of the revised ordinance. She reviewed the comments and concerns raised as and described the changes made as a result. The committee:

- Changed the ordinance to allow for a bid system for the four mid-sized vehicle slots.
- Changed the hours of operation for Thursday evenings to accommodate Parris Island families.
- Changed wording to apply the three-block rule to *all* touring vehicles.
- Changed the point system to make a "no contest" plea equal to one point.
- Added a section for the Tour Vehicle Coordinator to deliver citations for complaints made in regard to malicious behavior which would lead to a forfeiture of touring rights at the request of the Tour Vehicle Coordinator.

Councilman O'Kelley asked Ms. Winch about whether the convictions applied to the whole company or just the cited driver. Ms. Winch said if the driver is caught putting manure on the street, for example, the driver would lose his/her tour guide certification *and* the tour company (s)he works for would forfeit its ability to conduct tours. Councilman O'Kelley asked if that forfeiture was forever or if there was a time limit. Ms. Winch said nothing was specified.

Councilman O'Kelley said he thinks it should be consistent with the old point system which would make the forfeiture last for one year.

Councilman O'Kelley showed a picture from the *Beaufort Gazette* of two carriages and said a violation of the sort depicted in the picture might be inadvertent and should be treated differently than an act that was deliberate and malicious. Ms. Winch said that with a malicious violation, "it's one strike and you're out," and that could be for a year. The violation Councilman O'Kelley showed, Ms. Winch said, could result in a guilty plea and one point; each tour company has a year to accumulate three points before they're "out."

Mayor Keyserling asked if the malicious acts described were real scenarios that had occurred in the past; **Officer Hope Able** said she has documentation of a few of those items listed as having occurred, and has heard allegations about the others, but she has no means presently to enforce citations against those violations. Within the last month, some of these violations have happened, she said. Mayor Keyserling asked what percentage of complaints comes from the public vs. from tour operators about other tour operators. Officer Able said the number of public complaints is "minimal."

Councilman O'Kelley said if someone is dumping something on the street, there's an ordinance that applies to that; if someone tampers with city property, there's a law against that. While some things can't be ticketed, a willful infraction on someone else's property would be grounds for writing a ticket. Ms. Winch explained a circumstance in which there was no ordinance to cover an infraction and said that's why this change was requested by Officer Able. She went on to provide data that 2/3 of complaints made are by tour operators against one another, and 1/3 are from citizens.

Councilman McFee asked if Ms. Winch could discuss the bid process for the four mid-size vehicle slots. Ms. Winch said the original recommendation was to keep it the way it has been: a license with a fee for up to four vehicles. The bid process was "raised as a way to make everything alike." Mayor Keyserling asked if the bid process lasts for five years; Ms. Winch said that was correct. Mayor Keyserling asked what happens if they lose the right to operate after a year. Ms. Winch said the revocation leads to opening a bid for the remaining time in their slot. If the space is available when the year is up, the company that received the revocation can bid for a new slot. A single company can use *all* the slots until the other slots are purchased, Ms. Winch said, as the ordinance is written now.

Councilman O'Kelley clarified that if there are two companies and four slots, they can share the slots. Ms. Winch said that's right. Ms. Winch explained that this "opens up touring alternatives in the least invasive way to the neighborhoods affected." The walking tours have the least impact. Councilwoman Beer said there have been no problems with the bus tours, and until they do have problems, she has no problem with having four slots without bidding. Ms. Winch said it's in city council's hands; TMAC is fine with any modifications.

Mayor Keyserling asked Ms. Winch about how much time was put in “for the public good” by TMAC as opposed to that put in to solve tour operators’ arguments; Ms. Winch said about 20% has been in consideration of tourists and locals.

Mayor Keyserling asked if there has been a resolution reached on third-party clean-up for carriage spills; Ms. Winch said it was cost-prohibitive, and TMAC recommended against a third party doing it. TMAC did change the standard operating process for clean-up to twice a day and power washing at the end of the day.

Councilman Sutton said the tour operators are closer to the process, and that’s why they have made more complaints than the public has. Councilman Sutton said if they sell the slots, and one operator gets all of them for one day, and the companies operate on alternate days, that would solve the problem. Mayor Keyserling said he recalls that when that was done, there was a problem with the companies all having relationships with outside tour companies which they can’t control. Councilman Sutton said this solution “would solve more problems than it creates.” Ms. Winch said that idea was discussed by TMAC as a solution, but after research into wait times, it would end up creating potential problems for existing tour operators who might want to bid on it. There were numerous complaints “even trying to frame it,” so TMAC gave it up. Councilman McFee said each company would need to have at least four operational carriages to meet demand at peak times and to allow for horse-resting time. Ms. Winch agreed they would have to have more time in order to allow the horses to rest sufficiently. It would not serve the interests, either, of tourists who wanted to take tours. There are weeks, she said, “when there is not a single seat available on the buggies.”

Councilman Sutton said in regard to buses, he’s fine with the bid process matching the buggies’, but five years for the contract may be a problem. He thinks “the same process but not the same fees might be worth discussion.” He asked if this opens the opportunity for carriage tour operators to bid on a bus license. Ms. Winch said anyone can have more than one type of tour.

Mayor Keyserling said he feels this is about the behavior of a small number of people, and “the point system is the only way to address that.” There’s no point in restricting who calls in complaints; the tour operators could get someone else to call in a complaint *for* them. Councilman O’Kelley said the complaints in Charleston are about getting carriages off the streets when it’s too hot, not carriages complaining about each other. Ms. Winch said TMAC looked at how Charleston tours operate; they have 5-6 companies, and they operate on a token system. The city has full-time employees who are monitoring their token system. They have a fee per departure and per passenger as well as a business license. The clean-up there is outsourced and split among the companies. TMAC recommended no fees for Beaufort carriages.

Councilwoman Beer asked what would happen if each company had to take a week of clean-up, “no matter whose carriage made the mess.” Ms. Winch said they have done this, and it’s made no difference.

**John Dickerson** asked, in regard to the point system, what would happen if a disgruntled employee wanted to put a company out of business by their behavior. Councilman O’Kelley speculated that if that came to court, it would be apparent there that the maliciousness was not the company’s fault. Councilman McFee said if an employee did an act with malicious intention, the court would rule against both the company and the employee, as he read the recommendation. Councilman O’Kelley said he thinks “it would wash out pretty quickly in court.”

**Peter White** said, in regard to the picture from the newspaper, that one carriage was going to the Secession House and the other was going to the water trough. **Rose White** said they have “one way in and one way out.” That’s the only place they are allowed to cross out. One driver is going off a tour and the other is coming on.

Mr. White commented that there are a lot of negative comments about the carriages, and it’s “actually an enjoyable business if people follow the rules.” Their company would not do the things that Officer Able wants to be able to give tickets for, he said. The bus business is totally different than the horse carriage business, so that’s why there are no complaints in that business. He discussed the history and problems with the idea of alternate days for alternating companies. He asked city council if they planned to postpone the second reading – scheduled for the following week – until they hear from the state attorney about the possibility of having one carriage company. “Someone on TMAC” had expressed to Mr. White that he doesn’t feel the ordinance changes will make a difference, Mr. White said. With a new Tour Vehicle Coordinator, nothing has changed, he said. He added that there was an incident the previous weekend, about which nothing could be done because it was one operator’s word against another. “There’s no proof,” he said, “so there can be no convictions.” Even with pictures of spills shown, there was no way to prove what had happened, so no convictions result. Ms. Winch said there were convictions in the last 6 months “relative to running stop signs.” Mr. White said that was from evidence gleaned from a person with a video camera. Ms. Winch said citizen complaints will eventually result in convictions as opposed to tour operator complaints against each other, which rarely, if ever, do.

Mayor Keyserling said he’s “increasingly convinced it’s impossible to make this work.” **Cheryl Neeson** said the tour operators “lack integrity and are out to put each other out of business.” If they worked together and stopped reporting each other, she feels, they’d make more money and Officer Able wouldn’t have to work “monitoring the garbage.” Ms. Neeson described an incident she had witnessed of a carriage driver “blowing through stop signs,” and Officer Able had spoken with that driver. Such incidents are daily occurrences, Ms. Neeson said. She has seen “chalk down with no urine stains.” She has seen dried manure dropped in The Point. She

recommended that the tour operators “give each other a leg up,” and stop fighting. Mayor Keyserling said everyone agrees about this “until they get out on the street.” He feels like “one tour operator will win in this street fight.”

Mr. White said in the past two weeks system hadn’t worked; all violations hadn’t received written citations. Officer Able said in a situation Mr. White had cited earlier, there were 10 seconds between slot times. She asked if she should write a citation and was told no. Come October 1, “after the point system is in play,” she will not ask. The citation *will* be written, and violators *will* be summoned to court.

Councilman Sutton said the people throwing chalk and animal waste could be a Beaufort citizen who finds it amusing and therefore it’s not the tour operators’ fault. It’s been happening since both tour operators have been back, though, Ms. Winch said. Ms. Winch added that the bid system will happen October 1, and it remains to be seen how many companies will be bidding. People from Charleston have expressed interest, as have people in the community, so it’s unknown who will be operating tours. The city has to establish the minimum bid amount.

Councilwoman Beer said she’s tired of the situation, and too much time and money has been wasted on the conflict. Councilman Sutton advocated having only one carriage company. Councilman O’Kelley said they shouldn’t wait on the attorney general, who may take a long time to make a decision. Mayor Keyserling said, though, if they award two spots, they can’t change to having just one company until five years of the current contracts have elapsed. Ms. Winch said they could make the bids only last one year, but there would be complaints about that, too. Mr. White said they need at least five years “for investment reasons and for long-term contracts to proceed.” Ms. Winch said the ordinance was modified to allow two companies to be enforceable.

Mayor Keyserling said in the application process, they provide information like criminal record, etc. He asked if it would be unfair to review previous records of performance. If someone has 400 complaints, he wondered if that would give the city a right to deny a license. Ms. Winch said if the complaints were unproven, there’s no way to do that without being subjective. The bid process is executed by the city, Ms. Winch added.

Mr. White said having just one company puts someone out of business, but so does the bid process, so there’s no difference. He concluded that for the city, whether his company wins the bid or not, the tour operators “are despised,” which won’t change, and “the complaints will not change even with a point system.” He said having just one company would solve a lot of problems.

**Evelene Stevenson** said, in regard to the carriage companies in Charleston, that they don’t limit the carriage licenses, and they can pick up at multiple locations, not just one spot. They “can do private sales like the bus companies can,” she added. Councilman O’Kelley asked how the

spacing works, if one carriage is in the stable and another is in the Marketplace. Ms. Stevenson said they have different routes, which keeps them away from each other.

Buses and vans are different than carriages in Beaufort, Ms. Stevenson said. There are slot rotations, but she can embark and disembark from numerous locations. She rarely picks up at the Visitors' Center. Limiting the carriages to two companies and the times they can go out has intensified the stress on the carriages. She said she doesn't want to see a bidding process which limits anyone to 5 years. She's out of business if she doesn't "pick the right number of the bid" and then her investment is useless. Councilman Sutton asked how anyone competes with her for her slot in the future. Ms. Stevenson said the out of town buses compete with her already and with Walter Gay because those companies pay a 50 cent per person fee and "can tour anywhere." She feels the two slots she and Mr. Gay have and then the two out of town licenses is not "limiting licenses." She said she is the carriages' competition now because she is "a different way of touring." The bidding process "is part of the reason there are problems," Ms. Stevenson said.

Councilman Sutton asked if it would solve problems if they had a flat fee, no bidding, and the city manager could revoke licenses for broken rules. Ms. Stevenson disagreed that one carriage company would stop problems. Councilwoman Beer said that's not historically what happened when there was only one carriage company. Ms. Stevenson said she took 2.5 people per day for a total of 980 customers in her van all year. For the first two years, she is down \$18,000. She made \$30,000 in walking tours then went down to \$15,000 and now it's even lower because there's a third company. Ms. Stevenson said in regard to competition, she agrees with 4-6 companies by principle, "but this town will never be the size of Charleston or Savannah."

Ms. Stevenson requested that this be tabled until the city attorney could speak to the ramifications of the TMAC ordinance changes. Councilman O'Kelley said he understands the issue is emotional, but he was "troubled by the math" Ms. Stevenson presented. Ms. Stevenson said she is able to stay in business by doing other kinds of tours, including in Savannah. Councilman O'Kelley said those sources are not listed because the figures presented are only for tours in downtown Beaufort. Ms. Stevenson said her van payments will be done in 3 years. Mayor Keyserling said those figures before council are the costs for Ms. Stevenson to operate her bus downtown, only that part of her business. Councilman O'Kelley reiterated that these figures are not an accurate reflection of Ms. Stevenson's whole business.

Mayor Keyserling said city council "begged Ms. Winch and TMAC to do this ordinance review" and make changes in it. Save the question of whether bus slots are sold or allocated, Mayor Keyserling is comfortable moving ahead with the ordinance and modifications in the next week. He doesn't feel the continuing discussion is productive. Councilman O'Kelley said he needs time to digest the material he received from Ms. Stevenson. Mayor Keyserling asked Councilman McFee if he is ready to move on, and Councilman McFee said yes, as did Councilwoman Beer and Councilman Sutton.

## **FUND BALANCE POLICY AND FY 2011 BUDGET AMENDMENTS**

Mr. Dadson said council received a draft of the policy on fund balance. **Kathy Todd**, the city's new Finance Director, said GASB sets standards; GASB 54 is a new fund balance policy. It changes the categorization of the fund balance. It will make more sense to the public and to city council. She explained some of those changes and the definitions of categories of various types of funds. Committed funds involve council, which commits resources so they can't be spent again. They can collect resources for a specific purpose, but it's in city council's purview to commit those resources. It redefines the definitions of several funds which changes how the TIF funds are presented; they're no longer allowed to be debt service funds, Ms. Todd said. It fits a "special revenue fund" definition better now, she said. There are technical issues as to where GASB sits with debt.

Mr. Dadson said this "sets the tone for different categorizations and makes a different basis for accounting for things." This "defines what pots are what" and helps him and Ms. Todd understand cash flow and when they spend via capitalization, special projects, etc. It allows better flow as to when things are designated. If it's clearly restricted, they're "not operating in that world right now." Unrestricted funds are guided by budgets as well, he said, and this guides operations. Councilman Sutton said the terms are easier to understand. The purchase commitments may open some eyes, i.e., computer equipment, and they can ask questions they may not have known to ask before.

A discussion ensued about "committed" and "uncommitted" funds. When city council decides to move money to a different fund, it can be clearly understood why it's moving from one fund to another, Mr. Dadson said. There was general agreement that this will make the next budget easier to read and understand.

Mr. Dadson said city council can now look at the budget for better understanding. Councilman Sutton said there are policies in place that changed when the city manager came on board. Mr. Dadson said they have been assigned now. Councilman Sutton said he wants to ensure that the policies currently in place are briefed to them; they're not in this policy. Mr. Dadson said they would have used different words for what's here than they have been doing, so they're obliged to be clear about where things stand now in this fund balance policy. Councilman Sutton said he has had concerns about funds not being utilized for what they were meant for. Mr. Dadson provided him with some examples of actions city council had taken in the past fiscal year where city council made a policy decision and said they wanted to engage funds; this GASB gives them the ability to understand what's assigned and unassigned and obligates the city manager and finance director to make it clear to city council.

Councilman O'Kelley said the drug control and prevention flow was unreserved in the past and now it's mostly assigned. Ms. Todd said under the new GASB, the federal and state shared assets are held and restricted for police law enforcement purposes. The "assigned" is because

the only fund that can be unrestricted is the General Fund. The restricted amount is what's left over of the confiscated money, and the remainder is the police discretionary fund. Ms. Todd said this clarifies what can and can't be spent, which is clearer than in the old GASB.

### **COMMERCIAL/UTILITY PARKING PROGRAM PROPOSAL**

Mr. Dadson said the question was raised about commercial companies who did business downtown in the form of services to the properties downtown, making purchases, etc. They pay for parking, which will still be the same, but a utility doing work downtown would pay to park and have to get reimbursed. The city asked Park Beaufort to come up with a policy for that type of commercial parking. There is no parking on Bay Street, Mr. Dadson said, but they can park in any 8 hour space. There is a two-vehicle limit per utility company. Vehicles must clearly be marked as a utility truck and not the personal vehicles of employees. Violations could result in the termination of the agreement. Mayor Keyserling explained how this proposal came to be.

Councilman O'Kelley clarified who this proposal applied to. Mr. Dadson said it applies to companies that are frequently parking downtown; it allows them to send out one of their fleet vehicles, and gives them accountability for their parking downtown. Councilman McFee said this seemed like a mutually beneficial idea. Mr. Dadson asked about the prohibition against parking on Bay Street, and **Lundy Baker**, Park Beaufort manager, said these vehicles "haven't been on Bay Street in two years." The companies make an effort to park elsewhere because they don't want an orange parking ticket on a marked utility truck.

Councilman Sutton asked how the service providers who frequently service downtown could ask to be a part of this. Contractors know to lease the number of spaces they need to plan for. Mr. Dadson said that city council should clarify what they want "commercial" to mean, so it could include plumbers, HVAC, etc. Mr. Baker said the idea came from the Atlanta area, for example. Most commercial businesses in Beaufort are small enough to not worry about the "in and out." For a business with a lot of trucks, it might be worth it to them to do this. Mr. Dadson said the companies will make that call.

Mayor Keyserling said he feels the providers would want to get as close to where they're doing business as possible. Councilman Sutton said he wonders if there needs to be any restriction on where the parking goes. **Frankie Denmark**, Hargray, said they usually park for an hour to an hour and fifteen minutes. In regard to parking on Bay Street, "it would be nice to have some consideration," he said. In regard to the eight-hour spaces, city council should discuss that. Mr. Denmark would also like clarity on the two-vehicle limit. Mr. Dadson said if the space isn't managed, other laws apply; this is only for the managed parking areas. Mayor Keyserling said the idea of this is to keep things simple.

### **MOORING REPORT**

**Libby Anderson** said the packet for city council included the memo of understanding. They have applied for grants for buoys. The grant is for up to \$100,000 to pay for 16 mooring buoys and to

upgrade the electrical service on the transient docks. Councilman Sutton asked how much will be spent on the 16 buoys; **Isaiah Smalls** said they're \$4000 apiece, and 50% of the grant would be spent on that. The total project cost is \$133,000.

Mr. Dadson said the application process may mean more total buoys, but this 16 is just to be paid for with the grant. Mayor Keyserling said the permitting is for as many as they can get. Councilman Sutton said "the reach needs to be an added mooring field to capacity." He doesn't want the money to be gone with no additional buoys. Mr. Dadson said the process allows putting the buoys out there, and then there can be a charge for the mooring. Mayor Keyserling said the revenue stream is not addressed in this agreement.

Councilman O'Kelley said he's seen fewer buoys in that area, and he wondered how many it would accommodate. Mr. Dadson said that's part of the study. Councilman Sutton said if they're not proactive, they'll shrink the mooring field. Councilman O'Kelley said they have to know how many they can put in that area. Mr. Griffin said that when the engineering's done, they'll know how many they can put there. Mayor Keyserling said this will pick up people currently mooring at the gas dock. Councilman Sutton said in the design and operation, they should make the closest moorings in the day dock; the management plan to attract day and weekend trippers should be in the buoys closest to the day dock. Mr. Griffin said that would be a part of the plan. Mr. Dadson said this allows a revenue stream for a management plan that works. Councilman Sutton said they don't want to move the existing problem further down the river.

Councilman O'Kelley asked if this would allow control over who throws anchor there. Mr. Griffin said this field is designated as an anchorage; out in the channel, people can anchor "forever." Councilman Sutton said this is an effort to control how "our front door" looks. Councilman Sutton asked how long this would take. Mr. Griffin said 6-8 months for the permit process to be complete; the studies can begin in the interim. If the grant isn't gotten, but the permits are obtained, they can look then for another funding source. Councilman Sutton asked about the public hearing process. Mayor Keyserling said that's a Corps of Engineers hearing, not a city council hearing.

Mayor Keyserling asked Mr. Griffin about the city council meeting with the Redevelopment Commission and "the assumptions in the Project Book" pertaining to the marina. He wanted to ensure that Mr. Griffin would be a part of the process. He gave the examples from the plans of the turning of the boat ramp, three full pier heads, and no plan for a day dock. In the review of the contract with Mr. Griffin, he felt it was important for the Office of Civic Investment to be in sync with Mr. Griffin.

In the contract, Mayor Keyserling said, the city was aggressive about requiring certain marketing. Council has been looking at DMO's and TDAC funding, and the mayor said he'd wondered what an integrated marketing plan would be that markets Beaufort. He asked Mr.

Griffin if there's a marketing plan for the marina. If there's a visitors' guide, a group could get a "credit" for space in it, Mayor Keyserling said. Mr. Griffin said the marina is not doing anything integrated with Main Street Beaufort or the Chamber of Commerce. The marina marketing is to bring business into the marina itself, but they're not necessarily working with these other organizations. Mayor Keyserling said he feels someone (other than city council) should be "trying to shepherd dollars toward some definable things other than what's being done currently." Drawing in tourists and locals – as opposed to boaters in the store – represents a change in the marina's marketing focus, Mr. Griffin said. The marina is in boating publications to try to draw in business there.

Councilman Sutton said nothing was listed about the number of moorings in the memo of understanding. Mr. Dadson said city council will have the opportunity to be part of this process. He recommended "letting the management plan work itself out."

### **ANNEXATION PETITION – BENNETT MCNEAL**

Mr. Dadson said the guiding principles are no PUDs and no development agreements; Mayor Keyserling added "and the comp plan." They need to have the discussion and decide what they want to do with it, Mr. Dadson said. Ms. Anderson said the applicant wants to know if it's worth going through this process for the petition so he's asked how city council feels about it. Ms. Anderson said there are six parcels on Lady's Island between Sunset Blvd. and Sam's Point, near Celadon. **Bennett McNeal** has worked with the Office of Civic Investment on how the plan would work. He would like to go back to densities he had under the PUD. His needs and the city's vision can be accommodated under current zoning, Ms. Anderson said. The plan shows a street network that can be developed for certain uses under the current ordinance. She said "this is all very do-able."

"It's a little drive" to deliver public services, Ms. Anderson said, but there is property being serviced all over Lady's Island. In terms of the comp plan, this area is G2, an urban neighborhood, Ms. Anderson said. Mr. McNeal developed Battery Point, she said, which is a traditional neighborhood development. The county is having charettes, and one will apply to Lady's Island; nothing the city does would lock in the zoning. Form-based code and this rezoning will change all this, potentially. Mr. Dadson said the staff recommendation is not to have a development agreement.

Councilman Sutton asked if this drawing presented was of the transect if form-based code were to proceed. **Josh Martin** said they took the existing PUD and redefined it. The stormwater was "suburban fashion" and the Office of Civic Investment showed the developer how the stormwater collection could be a feature, etc. Councilman Sutton asked, since there's not yet form-based code in the city or county, if the zoning and density were in place, what transect this would fall into if there *were* form-based code. Mr. Martin said "place types" show where centers and edges are located. This development "falls on a center and edge," so they showed how that would most likely be developed using a series of transect zones. Mr. Dadson said they

were “using what they know may be out there.” Mr. Martin said this would also create a “town center.”

Mayor Keyserling said before the property is planned, he wants to know if this is the appropriate time to explore bringing a residential annexation into the city. He feels until traffic is resolved, they should hold off, so it doesn't put more people on the island who complain of traffic jams. Mayor Keyserling said until they have a handle on the Northern Regional Implementation Committee knowing what services cost, he's inclined to feel that talking about annexation with these unresolved issues doesn't make sense. Councilman Sutton said he hears what Mayor Keyserling is saying, and he feels the county “won't tell the owner to keep it like it is on preservation land.” The density is still intense, Councilman Sutton said, though not as intense as what the developer had before. Councilman Sutton said he prefers to be leading in the form-based code discussion. Mayor Keyserling said he agrees, but that should be a part of the charette, not a discussion about one piece of property.

Mayor Keyserling asked Ms. Anderson what happens in growth boundary areas where the city is focused on its footprint and the county is focused on unincorporated. Ms. Anderson said this will be fleshed out during the charettes. Mr. Martin said the county will have a period during which the conversion options will be given. They “will not administratively rezone properties.” There will be an old and a new zoning map. The hypothetical code will be tested, but form-based code will not be applied to the whole county at the same time. It will be “a parallel code situation.” They will adhere to “the place type map” as well, Mr. Martin said. The Northern Beaufort County Implementation Committee's map overlays with the comp plan, Mayor Keyserling said. Mr. Martin said the drawing is not the proposed plan for the property; the drawing is “critiques” that he solicited from the Office of Civic Investment. Mr. Dadson said they're “not proposing a pre-made plan.” Mr. McNeal had asked, given the zoning, what he could do.

Ms. Anderson said if city council entertains the idea in the first place, Mr. McNeal will go through the normal zoning process, “and the charette will become public policy.” This is what he could do on the drawing, Mr. Dadson said, but it's not a guarantee of any kind. The difference is whether Mr. McNeal is in the city or not. Mayor Keyserling said Mr. McNeal “didn't get what he wanted from the county, and he's looking to see what the city will give him.” Mr. Martin said Mr. McNeal was told that city council would have to consider the petition to annex and that would begin the process. Mr. Dadson said they could workshop this, rather than hear it in regular session. Councilman O'Kelley said, “Then this is premature.” Councilman McFee said Mr. McNeal is motivated by wanting to know what he can do with the property; the way the last 20 year PUD went, city council “doesn't have a great motivation.”

Mayor Keyserling said the city can't turn its back on the growth boundaries. In terms of specific zoning, he wouldn't want to consider an annexation request now with so many other things going on. Councilman Sutton said they have to answer the question when someone comes in

with such a request as Mr. McNeal's, and there need to be criteria for saying "no." New developments will have greater fees, Mayor Keyserling said, and he has an issue with that; he said "we don't know the costs anymore." Councilman Sutton said "there's only one chance to set the growth boundaries." If it's a logical piece of property to go next, city council has to make that decision.

There was some discussion as to what makes this property contiguous. Mr. Dadson said they can view it as: "if it develops and it's not in the city, it will cost the city." Also, if they say Mr. McNeal can come in, but he's not going to be promised the rights as to how to develop the property, the cost won't be much at all initially, but it will be as it's built out. There will also be revenues at that time. Councilman Sutton said it's clear the city's not doing PUDs, the county's having a charette upcoming, the city is a partner with the county, and there are processes to follow. If Mr. McNeal wants to petition, there's a process, and the county can upzone, but, Ms. Anderson said, the county "just downzoned it." Councilman O'Kelley said it should be taken to Mr. McNeal, and he should be told "You want to come in, but the county's a partner, and there are no guarantees." Councilman Sutton said Mr. McNeal needs to go through the whole process. If it works and he still wants to be in the city, then the city should give him that. If the county gives Mr. McNeal what he wants, there's benefit to him, though not to the city.

Councilman McFee said Mr. McNeal has been to Metro Planning with the PUD, and the county said no. If he's going to change the presentation, other than his PUD, "it's a moot point." It's not Mr. McNeal's PUD if he changes it. Mr. Dadson said "this is just a zoning now." There's a public process as to how to do it, and Mr. McNeal should be told that that will be followed. Mayor Keyserling said in the past, Mr. McNeal has annexed with a development agreement with a PUD, so it can be assumed that's the language he understands, so if he knows that and is still interested, he can "roll the dice."

#### **EXECUTIVE SESSION**

**On motion of Councilwoman Beer, seconded by Councilman McFee, 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 purchase, sale, and disposition of property. **The motion was approved unanimously.**

**Councilwoman Beer, seconded by Councilman O'Kelley, made a motion to come out of executive session and resume the council work session. The motion was approved unanimously.**

#### **ADJOURNMENT**

There being no further business to come before city council, **Councilwoman Beer made a motion to adjourn, seconded by Councilman McFee. The motion was approved unanimously,** and the meeting was adjourned at 9:10 p.m.

ATTEST: \_\_\_\_\_  
IVETTE BURGESS, CITY CLERK