

Council retreat 2-23-15

REDEVELOPMENT COMMISSION

Right People
Right Goals
Right Support

- Authority
- **Staff support**

Think Tank — Work Groups

* Give the list of city-owned property to members of council

Growing the city will require investment – Mayor Keyserling

Community and Economic Development

STAFF POSITION

- Commerce Park
- Economic Development
- Redevelopment
 - Redevelopment Commission
- Regional Partnerships

* Performance Measures

Beaufort Code
Civic Master Plan
Redevelopment Commission involvement in housing

Parking?

?? Revenue ??

OR

Year 1 – Tighten Redevelopment Commission
Long-term Goal – Staff hire

TDAC

1. Guidelines for funding
2. Guidelines for creating cultural designation (from council)
3. Council spells out its expectations

Kim Statler

When Lowcountry Economic Alliance (LEA) ended, the strategy in regard to economic development via recruitment was focused on the European and German markets. The alliance had 4 consultants working there on the ground for 9 months. There was “pretty good interest,” she said. In regard to the Beaufort commerce park, Thomas and Hutton have looked at it to determine how it could be made competitive with other cities that are also recruiting. It would require a \$14 million infrastructure request to expand the entrance to Parker Dr., create 2 ways in and out, and open up 450 acres across the street to allow growth potential.

The exiting military pool is definable and a tremendous asset to sell, Ms. Statler said. More than 1000 military a year transition out. What other opportunities can they be given to grow in Northern Beaufort County? Many exiting military have started their own businesses, and they can be shown another level of business creation.

Beaufort’s greatest asset is people, she said, and it’s up to the city to decide how it wants to position that. There’s significant infrastructure deficiency, and there must be *infrastructure investment* – as it is in Southern Beaufort County– if Northern Beaufort County is to grow. To change that formula will require “significant millions.”

Ms. Statler said she feels that the city is at a crossroads and needs to commit to one of two strategies:

1. Biggest bang for the buck strategy: Massive infrastructure investment to go the traditional route - How do you want to invest? How do you define success? Requires the resources to compete with other communities that are also recruiting.

OR

2. Small recruitment strategy: Different requirements than strategy #1. Beaufort could go the “homegrown cottage route,” Ms. Statler said, but it requires investment that the city has thus far not been willing to make.

- How can you grow current assets to get them into the park? This route doesn’t take 3 lanes and massive investment, but it comes with its own issues.

Ms. Statler said the state would always be willing to help. Mayor Keyserling said until Beaufort “has a brand that has demonstrated that it has some legs to it,” he sees “no point in investing in dirt.”

Thomas and Hutton looked at what could work in Beaufort to make it competitive – LEA was told to pursue a strategy of “With limited property, how much can you get us?” 160 acres goes a long way with smaller businesses. Ms. Statler feels there was not an honest conversation with the county about “what are we willing to invest to get what we say we want.” Is a 10-person employer “a success”? Or does it need to be 50?

The imbalance in the economic structure here will have an impact on the tax structure, Ms. Statler said. There’s no avoiding that, and it’s very difficult to communicate that to the community. Bluffton is growing because it’s next to Savannah, has tremendous infrastructure, and their population is getting bumped up again. The population is going there because development is happening because of infrastructure investment. Northern Beaufort County’s biggest investment is in the infrastructure of the MCAS, but other infrastructure improvements haven’t changed at the same rate for Northern Beaufort County.

Mayor Keyserling said he believes the opportunities lie in recruiting locally and helping them grow – get 10 little companies in the next 3 years and then rethink the model if it’s going well. Without financial support and leadership from the county, the touchdown pass is not going to be possible, he feels.

Ms. Statler said there are not state tools available for the little business. When that formula is growing, you have to think locally how to be as aggressive / committed / hell-bent as possible. Ms. Statler’s experience working with Bluffton is that “relentlessness is the way to have economic development,” such as Care Corp: “Everybody invested in that.” There was a commitment from the company; the data from the entire region got them to redo the model for funding and they had to lobby in Washington. As a community, if it fights and does not deviate, it will get the businesses.

Councilman Murray said money has been dumped into the park, and he asked what the deficiencies are. Ms. Statler said fiber is a deficiency. Internet access can be improved. The biggest hurdles are things like tapping fees, there’s not a gas outlet at every location, they would have to clear trees, etc. Putting up a building in a cottage industry scenario would be much better because “small guys want to lease,” and so do “the big guys,” mostly.

In regard to recertification, Ms. Statler said LEA opted out because it was very expensive. Certification is used for site selectors, which the park wasn’t hitting because they are small. The site selectors were for 200+ acres.

Ms. Statler said retention is overlooked a lot. LEA took all the business licenses from Beaufort County (no retail or commercial) and dumped them in a database. When that’s done countywide, there are fewer than 100, so they visited every business

that came out of that. The market, aside from retail and commercial, is small. Ms. Statler said this should be done “from a relationship standpoint.”

Ms. Statler said a part of LEA’s unfinished business is that there are a lot of healthcare providers, but there’s “no synergy” about who’s using what vendors. There could be a recruitment strategy in there. There’s an economic conversation that needs to happen, Ms. Statler said, about that supply chain.

She concluded that it might be better to retain what you have, rather than take a risk on something you don't.

DRIVING THE ECONOMIC ENGINE

What's the topic heading of this (Five words?)

- Sector diversification
- Realistic target market: size, scale, type
- Sustainable
- Business retention/expansion
- Entrepreneurial
- Homegrown
- Accelerators
- Recruitment strategy
- Incentives for 2020
- Job creation – primary and secondary
- Collaboration/partnerships: utilities, tourism
- Grant opportunities
- Workforce driven
- Find businesses that will keep military-trained civilians in the area

WHAT HASN'T BEEN DONE YET

- Conversations with Hargray, electric, gas – what might they do to help attract business?
- Aggressive targeting of recruitment prospects
- Conversations to inform and educate
 - Lending institutions
 - Realtors (Civic Master Plan – Libby and Planning department)
 - Educators
 - The public
- Workforce commuter patterns

MESSAGING

Council
Redevelopment Commission
Planning department

Who answers the phone?

Plan
Communication
Accountability

Become known for transitioning military to civilian workforce

The county is made up of 4 distinct areas that have different opportunities and don't conflict:
Beaufort

Hilton Head Island
Bluffton
Town of Port Royal

EXPAND TAX BASE AND CREATE (BETTER PRIMARY) JOBS

Tourism: HOW TO COURT THE CAPABLE TOURIST (who can bring jobs here)

Get partners (utilities, Chamber, etc.) to the table: What do you think? (Determine if they give buy-in to city plans)

Title for this section? Takeaways?

- Fiscal health and wellness model
- Economic Development
- QUARTERLY follow-up on retreat issues
 - How and what gets measured?
 - Cost centers
- Impact of state decisions
- Capital projects
- Intergovernmental relations – meet with delegates on issues
- Get in FRONT of issues – with social media
- Have to grow revenue
- Budget/services reduction work session

Council retreat 2-24-15

REDEVELOPMENT COMMISSION: Civic Master Plan is RDC's charge and will be Council role?

Find documents

Need non-profit funding

1. Remove housing? – BK said he's not sure this will happen – **April 23**
2. Task Force – Jon Verity
 - a. Infill – Mike Sutton?
 - b. Industrial: Commerce Park / Economic Development – Stephen Murray?
 - c. Boundary Street / Allison Road / Major projects – Phil Cromer?
 - d. Tourism: Innovation – maybe should be a charge for TDAC or new group
3. Member composition – Needs to be examined and shuffled - 5 council members and 6 citizen members
4. Hire Director of Community Development
 - a. Reallocate Main Street Beaufort money
5. Task force has resource partners
6. Task force identifies scope

Steps to implement – New Redevelopment Commission meets April 2

- Review ordinance
- Work session – **March 3**
 - Ordinance
 - Level of council involvement
 - Membership
- Eliminate Main Street Beaufort funding

HOUSING

- ➔ Streamline processes for businesses
- ➔ Historic Beaufort
 - ✓ 4 documents

COUNCIL REVIEW OF ALL BOARDS AND COMMISSIONS

- Charge
- Membership
- 12-month work plan

In Work Sessions

- City property for sale with revenue to open space
 - Fee in lieu
 - Meeting with utilities
 - Meeting with partners in economic development
 - Work session with local jurisdictions for economic development
 - Housing Authority
 - Marina parking lot
 - TMAC and TDAC / Public Arts Council – review ordinances, charge, repopulating the committees
 - Document Integration – Historic Beaufort Foundation
 - Parking and Parking Garage - Following recommendation of the committee after June 30
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Policy

Operational



Detail

DEPARTMENT HEADS

***** QUALITY OF LIFE *****