

A work session of the Beaufort City Council was held on June 28, 2011 at 5:00 p.m. in Council Chambers, City Hall, 1911 Boundary Street. In attendance were Mayor Keyserling and council members Donnie Ann Beer, Mike Sutton, 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 meeting to order at 5:00 p.m.

DISCUSSION WITH RDC AND METRO PLANNING COMMISSION CHAIRS

Martin Goodman came to the workshop to represent Redevelopment Commission chairman Jon Verity. He reported that Mike McNally is working on Bladen Street housing issues such as getting agreement on the easements. Mr. Goodman's committee has been working diligently on the Old City Hall and council is to see a proposal tonight. He said their many meetings will allow council to consider the lease structure. It will be a nice business for downtown to create growth and be a catalyst for other activity once it is up and running. The Commercial committee has been the most involved, but he said all members of the Redevelopment Commission have been involved in the process which was good for them to learn how things are structured and how they can move projects forward in the future.

Mayor Keyserling asked about the Lowcountry Housing Trust and whether the Redevelopment Commission was going to make a recommendation. Mr. Goodman said he didn't know but knew that there have been meetings and all indications are positive, but there's been no proposal made or vote taken yet. It would be in the city's interests to team up with Port Royal and spread the costs around. The Town of Port Royal has been affirmative in their interest, Councilman McFee said. Mr. Dadson said the Lowcountry Housing Trust can be brought as a recommendation, or the Redevelopment Commission can enter into it without council. It's in the budget, Mr. Dadson said, and if council has an issue or feels the need to enter into the agreement, they can do that. Mr. Dadson said they'd received all the information from Lowcountry Housing Trust and have shared it with Van Willis. Staff is "prepping the materials now." They'll be ready by August. Mr. Goodman said there's a Redevelopment Commission meeting next week, and he believes the Lowcountry Housing Trust will be discussed at that meeting. Mayor Keyserling explained to **Alan Dechovitz**, representing the Joint Municipal Planning Commission, what was under discussion.

Mr. Goodman went on to give a specific example of interest they have had thus far and the way the options would work. There are also developers looking at different options as well as interest in specific projects. The focus is on affordable and workforce housing with houses in the \$100,000 range. Mr. Dechovitz said governments tend to have a lot of projects available, and they have plans but not measurable objectives, which causes them to lose opportunities in other areas, so he counseled that if council enters into this agreement, there should be a ballpark estimate made and a process created to see if the objective has been achieved and needs more investment or to be moved elsewhere.

Councilman Sutton said they “haven’t breached affordable and workforce housing.” If it’s funded, he wants a clear direction and a plan for the investments to be made from the Redevelopment Commission. The formula has been missing, Councilman Sutton said; some people own dirt, but they can’t develop it, so it won’t sell. Habitat For Humanity could potentially be challenged to build two houses for \$100,000 each and “do all the hard work,” including screening the families, etc. He knows two families that, if they could get a loan, would “go vertical,” he feels. Affordable housing doesn’t have to only be the burden of the city. The alternative financing piece is what makes this work, he said. Mayor Keyserling said they know there’s not one solution or one set of tools. Midtown is not workforce housing. The city wanted that property to develop, so they leveraged it in with Bladen. There should be a sit-down with the Housing Authority and Habitat For Humanity. If a family owns dirt, and Habitat For Humanity will build a house with their financing mechanism, that might work.

Mayor Keyserling said though the house to be rehabbed on Duke Street didn’t work out, it was a good learning experience, and Mr. Goodman agreed and commended Mike McNally’s hard work.

Mr. Goodman said he’d met with “the ladies from the museum,” to explore options for getting their own space for the Beaufort Museum. “They’d love to be in a historic structure somewhere,” Mr. Goodman said.

Mr. Dechovitz said the Joint Municipal Planning Commission “did the best we could” on short-term rentals. The special exception process is a burden on the person who wants to invest in a short-term rental, but they need not own the property prior to requesting a special exception. They have sent recommendations about their concerns about management of short-term rentals. The proposed ordinance will allow short-term rentals to proceed. This will bring those who were operating against the law into compliance. These businesses rarely have problems with their neighbors.

There was no Joint Municipal Planning Commission meeting this month, Mr. Dechovitz said. Last month when he was before council at their work session, he’d asked about the form-based code proposal; he said council had gotten a copy of one that wasn’t the one that passed. The general consensus on the Planning Commission was that form-based code is a redevelopment code, not a historic preservation code. He said he understands that council changed what the Planning Commission sent in a way that they were in favor of; Mayor Keyserling said that was changed on the appeal. Historic Beaufort Foundation and Historic District Review Board are working on that, Mayor Keyserling said, because what they’re doing is in a designated historic district. They can be helpful in calibrating the code so it fits in a historic neighborhood. There will be different expectations in different neighborhoods. The Historic District is important, it’s agreed. It can be a redevelopment tool, but if it’s in the Historic District, “it has to be calibrated as such.” Mr. Dechovitz said “it’s in the conservation district, not the landmark district.”

Mr. Dechovitz said this is important to the city and business interests feel it’s important to get it right. Mayor Keyserling asked **Demetri Baches** if there were a way to integrate the Joint

Municipal Planning Commission into the process on the front end. As the Office of Civic Investment works on Sector One, he wonders how the form-based code is calibrated for the Joint Municipal Planning Commission so that they are involved in creating it, not watching something happen. Mr. Baches said the form-based code is a tool for historic preservation because it's grounded in the way buildings are already built and sitting on the lots in historic Beaufort. "There should be no discrepancies between what Milner says and what people think it says," he said. It's a redevelopment tool grounded in the area it sits in. The 2 documents can be tied together, and it can be consistent, he said.

Mr. Dechovitz said the bigger government problem is, in looking at whether a property can be developed, the business community needs a sense of certainty about the process to ensure that it "won't be halted by someone's idea about what Milner said in the 70s." As long as that uncertainty is there, there will be problems. Mr. Dechovitz went on to ask how to preserve valuable history; "redeveloping into a livable house is a low probability objective." Now the Redevelopment Commission has learned a lot and can go find a way to preserve history. A place doesn't have to be turned into a home or boarded up indefinitely until better economic times. He's eager to participate in finding solutions that are good for Beaufort.

John Dickerson said clear goals and clear timelines on projects makes sense. Lowcountry Housing Trust has a 4-1 guaranteed match, and that "needs to all be combined into a very precise direction." He supports the timeline-objective-measurement idea. Mayor Keyserling said by fall, there will be a final Sector One proposal with priorities and opportunities. There's a tool, but the Office of Civic Investment is to help the Redevelopment Commission get where they want to go. Mr. Baches said there's a project booklet before the Redevelopment Commission now with short-, medium-, and long-term goals. The Duke Street home "was in the book and fell out" when it was no longer feasible. This project book will be a road map for the next 30-40 years, he feels.

DISCUSSION ITEMS

Refinancing of Waterfront Park Debt Structure

Paul Trouche is bond counsel for the city, Mr. Dadson said. The Waterfront Park debt structure "was a wrestle to get our head around under State law at the time." It's a lease-back with a series of cash-back guarantees. The arrangement was done under the laws at the time. Staff still believes this financial arrangement is one thing, but because of the way it's paid for, an extension of TIF1 is wise. The city "has yet to prevail" with the county and the school board on the TIFs. He asked Mr. Trouche to explore and put together a financial structure in which they can tie the life of the loan to the life of the asset and save money at the same time. This payment comes out of the General Fund through hospitality and A-Tax.

Mr. Trouche said the current balance in the aggregate is \$3.66 million, roughly. They have 3.74% quoted over 15 years from BB&T. There is some savings on the interest rate and some through stretching it out. The simple structure is a bond ordinance secured by pledge of accommodations and hospitality fees. The general bond ordinance provides for eventualities for multiple series of hospitality-backed bonds. They'll free up \$150,000 every year from a cash

flow perspective in hospitality tax currently paid every year. It seems prudent to stretch it out, he said. He explained the terms of the series ordinance. BB&T is the lender for several reasons.

Mayor Keyserling tried to represent the matter in laymen's terms. In 2003, when they realized the Waterfront Park was more expensive than they'd planned, and the funds could be paid for – Mr. Dadson took over to say that, under the current TIF arrangements, TIF3 was crafted to say that there was a ceiling amount of capital; they could be borrowed for in a series of ways. TIF1 doesn't allow for that.

Mr. Trouche said the TIF “was a negotiation with other taxing entities.” Mayor Keyserling said on the street, he would explain that, given the circumstances at the time, the way the city borrowed was through these two loans which were short-term financed on a long term project. They're dragging a lot of money out of the General Fund to pay for the capital expense. By going to the bonds, they pay with the same source of revenue but less of it, and save money and save themselves from the burden on the General Fund. Mr. Trouche said the rates have also gone down. Mayor Keyserling said it's being reorganized at a better rate for a longer period against the life of the asset. Mr. Dadson said the maintenance on the Waterfront Park will be covered at about 70%. They want the cash follows to continue to maintain the asset.

Mr. Trouche said Hospitality Tax revenues can be applied to this, and then they could apply other General Fund revenues for other purposes. Councilman Sutton said the public will understand it because so many people have had to do this sort of personal refinancing. The debt service needs to be refinanced for longer so the cash can be used for other things. Waterfront Park isn't going anywhere, and the infrastructure needs to stay in place for the long-term. To allow the TIF to perform and keep the district running, they need to do this. Mr. Dadson said the city was above water and borrowing for the short-term on long-term assets. This puts debt in perspective against the life of the asset. At the end of the term, the city will probably have to extend terms to support a cantilevered park over the water. There needs to be O&M and also debt service.

Councilwoman Beer said this is the best deal that can be gotten now, and it frees up General Fund money, and if assets aren't maintained, “we're stupid.” The public's interest is to keep it. Councilman McFee said it's the most prudent approach. Mayor Keyserling asked Mr. Dadson –if there's a TIF where there's an argument for the school board and the county to participate, this is it. He asked if this abandons the opportunity for them to be involved. He feels they haven't exhausted that yet. Mr. Trouche said if they can extend the TIF, they can still apply it to this obligation and free up Hospitality Tax revenues for something else. Mr. Dadson said Sector One planning showed that the area is more than those 4 blocks, but they're a real stressor. The city needs to find a revenue source at some point to do that.

The short-run issues are cash flow and balancing debt service and O&M, Mr. Dadson said. Mayor Keyserling said his non-debatable point is that Waterfront Park is a county asset. He agrees to this as long as they can still pursue TIF1 with the county in it. Councilman McFee said it's more prudent management of money. When TIF1 goes away, there's a cash flow crunch, no

matter what, Mr. Dadson said. Councilman Sutton said the picture would be clearer with the park and maintenance separated out. If the TIF is extended, they can ask for participation to *maintain* that asset, not expand it. Mr. Dadson said maintenance is a tricky word; a lot of it is small amounts of money relative to the size of the borrowing; it's never a \$1000 fix; they're \$5-\$10,000 fixes, and this is the best way to use dollars, maintain the asset, and save some money.

Mayor Keyserling said between debt service and maintenance, they spend \$1 million on the park each year. Mr. Dadson agreed Waterfront Park is a pricey, \$1 million a year asset. They didn't have the law at the time to make this make the most sense, but they do now.

Ron Petit said he had read that the county is taking applications for Accommodations Tax money to deal with many broad issues, including tourism, roads, park maintenance, etc. He asked if that's available to the city. Councilman McFee said that's the county's Accommodations Tax. Mr. Dadson said it's a defined pot of money that's separate from this. Mayor Keyserling said the county hasn't been spending its Accommodations Tax money, but the city has been spending its Accommodations Tax funds. Mayor Keyserling said the Accommodations Tax money is written by the State legislature and "is so contorted"; he went on to explain where various parts of it go for the city and said the county has its own system. Mr. Petit said from the county's web site, it appears anyone could apply within a wide scope, though it seemed only a municipality would pursue such things. Mr. Dadson said the city has applied on others' behalf in the past. Councilman McFee said DMOs have a designated amount automatically. There are specific criteria and guidelines that must be followed.

Mayor Keyserling asked if there were a window by which this needs to be done. Mr. Trouche said 45 days, but it can be extended if they need more time. Mr. Dadson said this is on for first reading later in the regular session so that Mr. Trouche could explain it. Mayor Keyserling said that "violates the council's working policy." Councilman McFee said it's a guideline council established "to ensure the public that things won't be rushed through." Mayor Keyserling felt they should let it ride, if they can still be within the window. Councilman McFee agreed that extending it would be according to council's self-imposed guideline. Mr. Dadson said they could do first reading July and second reading on a special meeting on July 19. Or they could do it on July 26. Mr. Dadson and Mr. Trouche want to ensure they can hold the rate.

Proposed Changes To Flood Hazard Ordinance

Libby Anderson said staff wanted council guidance on two changes to the flood mitigation ordinance. The first change is to additions to properties in the Flood Hazard Zone. In September 2004, they adopted an ordinance based on a state model. It contained the definition of the word "addition" to existing structures. They had to meet requirements for base construction and had to be elevated to the base flood elevation. Until 2004, they allowed additions below the base flood elevation if they were "non-substantial." This was particularly true in The Point. These are not permitted now; ALL additions must be built to the base flood elevation.

Ms. Anderson said if a house was built at a 10' elevation, an addition would have to be built in which you would have to walk *up* into any enclosed space. Councilman McFee clarified this

doesn't include non-habitable spaces like porches and garages. Between 2004 and today, Ms. Anderson said, people would go to the Zoning Board of Appeals for an addition. The building code changed and the variances are no longer allowed. Now no additions of any size or value are allowed to any property built below the base flood elevation.

Ms. Anderson said "addition" isn't defined, and Beaufort County allows the non-substantial additions as does Hilton Head Island. She proposes allowing a little flexibility for smaller, non-substantial additions. If council is interested in proceeding, she'd like to develop changes to the ordinance. All of The Point is in the flood zone, as is Hundred Pines and Mossy Oaks. Staff recommends "a little flexibility." She feels certain it won't affect insurance ratings. They will still be more stringent than federal regulations, but property owners in the flood zone will have some flexibility for non-substantial additions.

Councilman Sutton said 50% of value is vague as far as market prices for houses. If nothing's done, he asked, what's the result? Ms. Anderson said there will be no additions to structures below the base flood elevation. The building official said it's not allowed, period. Councilman Sutton said the Historic District can't be brought up to code on additions. To meet IBC code, a cottage was razed. 13' is the flood elevation, and new construction is built to that. Councilman Sutton doesn't want to go down that path; if they're adding bureaucracy, they need to take something off the plate, too. They can't comply with IBC 2006 code if they don't change the wording for what an addition is.

Ms. Anderson said there's a section in the IBC that determines what a substantial addition is, and it's the 50% standard. They allow the most favorable valuation for the property owner, generally. Councilman Sutton said The Point and parts of Mossy Oaks are well-below 13'. Ms. Anderson said currently you would have to elevate an addition there. Councilman Sutton said he wants to avoid making things tougher on structures and particularly historic structures. The cottages aren't built like houses today and they're small, Councilman Sutton said, and Mossy Oaks homes need to have larger bathrooms, etc. Ms. Anderson said you couldn't do *any* additions under the current ordinance, and that is why she feels they should make it more flexible.

Erica Dickerson asked about taking out the cost value. Ms. Anderson said the 50% value is an insurance issue. Flood insurance ratings hinge on that for substantial additions, but the non-substantial additions are a policy issue for the municipality. The ordinance's implications weren't clear in 2004, so she thinks it should be brought back in line to allow flexibility. Ms. Anderson said there's merit to keeping the additions conservative for insurance rating purposes. Minor additions should be allowed, possibly 30% of the existing floor area. Commonly it is adding a walk-in closet or expanding a bathroom.

Councilman Sutton said he likes making it a right, not a variance from the Zoning Board of Appeals. Mayor Keyserling said in Mossy Oaks, a lot of garages have been enclosed. Ms. Anderson said they can be, but for storage only. They're used for bedrooms and family rooms, Mr. Dadson said. Ms. Anderson said they wouldn't be under this.

Ms. Anderson said the second matter is “more serious” and has costs to new construction. - Adding additional height is called “free boarding.” A higher elevation protects from more extreme flooding events. Adding this requirement of 1’ will add to the rating and lead to better rates. They’re currently at 10% on the community rating system, and they can make that higher. This will cost new construction more because instead of being 13’, it will be 14’. Councilman Sutton asked if classing it at 14’ class-adjusts it. Ms. Anderson said there’s a point system, and they will rate higher and have additional protection. They have to go through a whole evaluation; this doesn’t automatically mean they would get a better rating. Councilman Sutton and Councilman McFee discussed this from a construction perspective. Councilman Sutton said any ordinance going a foot higher for new construction doesn’t equate with better insurance premiums. Living on an island, in a flood plain, has inherent risks to it.

Mayor Keyserling gave an example of someone in the Historic District who would have to climb steps if they were to add an addition. **Julie Goode**, Historic Beaufort Foundation, said they have to stick to Milner and what’s appropriate for a historic structure according to those guidelines. She agreed that the first one was good. Councilman McFee said it’s confusing which flood elevation a house is at, and they have to grandfather back to when the house was built. Then adding another foot free board there adds another level of confusion.

Mayor Keyserling said he hears agreement that they should proceed with the first element of the proposal. Ms. Anderson said she’d provide more details on doing the second part if they would be interested. Councilman McFee asked for additional information she could provide in reference to base flood elevation. Councilman Sutton said he feels no one checks flood elevations; Councilman McFee said he’d be curious to see what the flood elevations were. He’d like to see “what’s functionally being done.” Councilman Sutton said he’s “not happy that they can do a revision to policy based on possibly getting a good insurance grade at some point.” Ms. Anderson said there’s no guarantee that free boarding will increase the insurance rating. Bluffton’s freeboard requirement is 1’, Ms. Anderson said in response to Councilman McFee’s question.

There being no further business, the meeting was adjourned at 6:42 p.m.

A regular meeting of the Beaufort City Council was held on June 28, 2011 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Donnie Ann Beer, Mike Sutton, 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.

CALL TO ORDER

The Mayor called the meeting to order at 7:04 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was led by Councilwoman Beer, and the Pledge of Allegiance was led by the mayor.

Councilman McFee made a motion, seconded by Councilwoman Beer, to drop items B and C under "New Business" from the agenda. **The motion passed unanimously.** Mayor Keyserling explained to the public the reason for doing this pertained to council's policy, and that the items will be on the agenda for the council's next meeting. Councilman Sutton made a motion to move item F under "New Business" up to the item A slot, Councilman McFee seconded the motion. **The motion passed unanimously.**

PUBLIC COMMENT

Kevin Cuppia spoke on behalf of the Beaufort 300. He brought with him a proposed monument design. He said Larry Roland has agreed to write the monument's text.

PUBLIC HEARING: FY 2012 MUNICIPAL BUDGET

Mayor Keyserling opened this hearing. He said that appropriate notice had been made, and there have been 3 work sessions on the budget. Mr. Dadson said in the first reading budget, there were expenditures of \$15,503,050. In the second reading, the total is \$15,377,122. That's 1.3 % increase over last year's budget, but there is no increase in taxes or fees. There being no public comment, Mayor Keyserling closed this public hearing.

PUBLIC HEARING: CONSIDERATION OF A DEVELOPMENT AGREEMENT FOR APPROXIMATELY 412 ACRES OF LAND ON LADY'S ISLAND, SOUTH CAROLINA (CANE ISLAND RETREAT, AIRPORT JUNCTION, AND UPPER CANE ISLAND), AND 140 ACRES OF LAND ON PORT ROYAL ISLAND, SOUTH CAROLINA (HANOVER PARK, CAROLINE FIELDS, AND BURTON PROPERTIES). THE PARCELS INCLUDED IN THE DEVELOPMENT AGREEMENT ARE AS FOLLOWS: DISTRICT 123, TAX MAP 18, PARCELS 54, 54D, 76 AND 215; DISTRICT 123, TAX MAP 20, PARCELS 1 AND 19; DISTRICT 123, TAX MAP 21, PARCELS 1 AND 4; DISTRICT 122, TAX MAP 29, PARCELS 103, 103F, 104D, 233, 241, 242, 243, 244, 255 AND 490; AND DISTRICT 120, TAX MAP 29, PARCELS 108 AND 215

Mr. Dadson said he would give an overview. He showed maps of the properties under discussion in the development agreement and the PUD. He showed Airport Junction, Upper Cane Island, Cane Island Retreat, Hanover Park PUDs, Burton Properties, and Caroline Field. The

development agreement up for first reading was the subject of a lawsuit in which the landowners prevailed. A city appeal at the Court Of Appeals is pending. The most significant dispute was regarding Big Box stores. The city wanted to limit the size and placement of them particularly at Airport Junction and Hanover Park. The terms were negotiated as part of the settlement of the pending lawsuit.

Council had the development agreement in front of them. Mr. Dadson said the highlights of the agreement included the siting of large buildings (300' from the highway, screened from view by smaller buildings or landscaping with the front facing Airport Circle) and significant changes requiring a PUD ordinance amendment. The term of the agreement is ten years. Mr. Dadson enumerated the densities in this agreement. The square feet of commercial were reduced at Airport Junction, and residential and commercial at Upper Cane Island and Cane Island Retreat. At Burton Properties and Caroline Field, there were substantial reductions according to current zoning in commercial and residential feet and units.

Property on Cane Island is being dedicated to a fire station. All stormwater treatment and drainage will use the city's system. There's a per unit traffic impact fee of \$800. Mr. Dadson then enumerated the "additional properties" in this agreement. He went on to review the timeline of notable dates as they apply to this.

Danny Crowe, the city's counsel, said he believes the document is a good one for both the city and the property owners as a resolution to the case. It clarifies the interpretation and intent of the parties, particularly as it applies to the buildings at Airport Junction. The ordinance up for first reading is a two-page document that includes the development agreement. The development agreement is almost 100 pages of "turgid prose." The changes agreed to give teeth to the city's interests in limiting size and location of commercial buildings in the Airport Junction tract. It limits the property owners' ability to depart from specified standards for maximum building size and the setbacks required. The document provides that deviation would require a new ordinance. The issues of interpretation and intent that led to the litigation with the property owners have been addressed, Mr. Crowe feels. He reviewed some of these details regarding size, orientation and set-back. There being no public comment, Mayor Keyserling closed this public hearing.

MINUTES

Councilwoman Beer made a motion, second by Councilman Sutton, to accept the minutes of the June 7, 2011 work session. Councilman McFee said that on page 12 of the minutes, the reference should be to the Redevelopment Commission working on *leasing* the Old City Hall, not selling it. The motion to accept the minutes as amended passed unanimously.

Councilwoman Beer made a motion, second by Councilman McFee, to accept the minutes of the council work session and regular meeting on June 14, 2011. The motion to accept the minutes as submitted passed unanimously.

ADOPTION OF FY 2012 BUDGET

Councilwoman Beer moved and Councilman Sutton seconded adoption of the budget on second reading. The motion passed unanimously.

ORDINANCE REZONING A PARCEL OF PROPERTY LOCATED AT 606 BLADEN STREET FROM GENERAL COMMERCIAL DISTRICT TO BLADEN STREET REDEVELOPMENT DISTRICT

Councilwoman Beer moved and Councilman McFee seconded approval of the ordinance on second reading. **The motion passed unanimously.**

ORDINANCE ANNEXING FOUR PARCELS OF PROPERTY AT 88 ROBERT SMALLS PARKWAY

Councilwoman Beer moved and Councilman McFee seconded approval of the ordinance on second reading. **The motion passed unanimously.**

ORDINANCE REZONING FOUR PARCELS OF PROPERTY LOCATED AT 88 ROBERT SMALLS PARKWAY HIGHWAY COMMERCIAL DISTRICT

Councilwoman Beer moved and Councilman McFee seconded approval of the ordinance on second reading. **The motion passed unanimously.**

ORDINANCE REZONING TWO PARCELS OF PROPERTY LOCATED AT 88 ROBERT SMALLS PARKWAY, FROM LIMITED INDUSTRIAL DISTRICT AND GENERAL COMMERCIAL DISTRICT, TO HIGHWAY COMMERCIAL DISTRICT

Councilwoman Beer moved and Councilman Sutton seconded approval of the ordinance on second reading. **The motion passed unanimously.**

CONSIDERATION OF REQUESTS FROM WATER FESTIVAL COMMITTEE REGARDING WATER FESTIVAL 2011

Festival Commodore **Bob Bible** reviewed contacts he had made and said he'd requested that council members be the parade's grand marshals. He had submitted a letter and made himself available for questions. **Ivette Burgess** said staff had met with him and Water Festival staff. The request letter is straightforward and unchanged, and staff recommends approval. Ms. Burgess added that the use of Cannon Park on July 23 for a coffee for dignitaries from 7-9:30 a.m. is new, and staff recommends that, as well. Councilwoman Beer made a motion, second by Councilman McFee, to approve the request. **The motion passed unanimously.**

RESOLUTION DECLARING THE CITY'S INTENT TO REIMBURSE

Mr. Dadson said that every year council declares its intent to reimburse cash flow if it enters into debt; it allows an 18-month roll back until financing is secured for reimbursement. He reminded council they have "pay-as-you go" with regard to rolling stock and a bond issue for refinancing Waterfront Park, the latter being a separate matter. When rolling stock is a larger expense, it can be rolled into one financing as one option. This policy gives the ability to reimburse cash flow for those purposes.

Bond counsel recommends the addition to include rolling stock and other non-fixed assets for public safety and public service purposes, Mr. Dadson said. Mr. Crowe reviewed the rest of the resolution which council had a copy of before them. Councilwoman Beer made a motion,

second by Councilman McFee, to accept the resolution with the modification. **The motion passed unanimously.**

ORDINANCE APPROVING AN AMENDMENT AND CONSOLIDATION OF DEVELOPMENT AGREEMENT BETWEEN THE CITY OF BEAUFORT AND CANE ISLAND RETREAT L.L.C., AIRPORT JUNCTION L.L.C., HANOVER PARK L.L.C, GLEASON PLACE L.P., SEA ISLAND HOMEPLACE L.P., CANE ISLAND PROPERTIES L.L.L.P, FIRST CAROLINA CORPORATION OF SC AND BURTON PROPERTIES L.P.

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the ordinance on first reading. Councilman Sutton said the owners had long-standing agreements and the PUDs' physical makeup hasn't been changed for many years. Some were up for PUD renewal. This is an opportunity to combine these and get all the property owners on one page. He feels this is "good work." It's taken the ambiguity out of the paperwork, he said. Councilman Sutton thanked staff and the attorneys for their work over "a long three years." He hopes it sets a benchmark for future cooperation. Mayor Keyserling said the lawsuit came a week after his swearing-in, and he was on council when the property was annexed into the city. He says they've accomplished a framework where they won't have such things in the future and will have a framework for future PUDs. **The motion passed unanimously.**

RESOLUTION IN SUPPORT OF THE LOWCOUNTRY ECONOMIC ALLIANCE

Councilwoman Beer made a motion, second by Councilman McFee, to accept the resolution. Mayor Keyserling said with the demise of the Lowcountry Economic Network, the purpose of this is to allow council to move city resources invested for marketing from Lowcountry Economic Network to the Lowcountry Economic Alliance. **The motion passed unanimously.**

MAYOR'S REPORT

Mayor Keyserling said the property USCB was considering purchasing for student residential housing has "raised ire," so he will sit down with neighbors and Redevelopment Commission representatives to try to work through issues.

REPORTS BY COUNCIL MEMBERS

Councilwoman Beer said she believes they need cameras downtown owing to recent robberies. Councilman Sutton said there might be alternatives that didn't entail city funding. There might be a way that doesn't invade privacy. Some areas could be monitored with private assistance to police. He would like council to discuss it. Mayor Keyserling has heard of wireless vendor security cameras. There could be community access to it online, Councilman Sutton said.

EXECUTIVE SESSION

On motion of Councilwoman Beer, seconded by Councilman McFee, council voted to go back 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.

____, seconded by ____, made a motion to come out of Executive Session and resume the regular session. The motion was approved unanimously.

ADJOURNMENT

There being no further business to come before city council, ____ made a motion to adjourn, seconded by ____ . **The motion was approved unanimously**, and the meeting was adjourned at ____ p.m.

ATTEST: _____
IVETTE BURGESS, CITY CLERK