

A special session of the Beaufort City Council was held on May 6, 2014 at 5:00 p.m. in the City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Mayor Billy Keyserling and 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.

EXECUTIVE SESSION

Councilwoman Beer made a motion, second by Councilman McFee, to enter into Executive Session for the purpose of receipt of legal advice concerning the marina development memorandum of understanding and contractual negotiations. The motion passed unanimously.

Councilwoman Beer made a motion, second by Councilman O'Kelley to come out of Executive Session and begin the special meeting. The motion passed unanimously.

DISCUSSION AND POSSIBLE ACTION OF MARINA DEVELOPMENT MOU WITH HISTORIC MARINA PARTNERS

Councilwoman Beer read a resolution in regard to the mutual termination of the memorandum of understanding with Historic Marina Partners.

Councilman McFee thanked those who had offered input. Councilman Sutton did as well and invited those who had opposed the Marina parking lot project to attend council meetings more often. He briefly discussed social media. Councilwoman Beer and Councilman O'Kelley also thanked the public for their involvement. Mayor Keyserling said he wishes that as they move forward with the Civic Master Plan, everyone remembers what it is about: helping a city that is shrinking, with a per capita and gross family income that has been dropping, the highest unemployment rate in recent history, and rising property taxes. **Henry C. Chambers** came up with a plan when Beaufort was boarded up, Mayor Keyserling said, and Mayor Keyserling begged the public to keep the city's growth in mind.

Jon Verity said that the last 3.5 years have been "interesting." The county has grown while the City of Beaufort has lost population. Income is down, he said, and unemployment is up. Business revenues have been very flat from 2008-2013. Hospitality and accommodations revenues are up a great deal, but other revenues aren't. Downtown business is seasonal, and many businesses he has spoken with had their worst years ever in 2013. They need more people visiting and more people living within walking distance of downtown. 100 hotel rooms within walking distance would help downtown a good deal, Mr. Verity said. In April and May, there are few rooms available there, but the problem is in weaker times of the year.

"Beaufort needs sustainable prosperity," Mr. Verity said. He said that would look like businesses that didn't have to struggle to break even, no more tax increases and no cuts in services, and more money for the City of Beaufort to do more than just supply basic services.

The Marina parking lot is the largest and best potential site for downtown development. Mr. Verity said the focus of a park should be to bring more people downtown: e.g., have people using canoes, kayaks, etc. from the downtown marina. It needs to be “a park with a purpose”: to bring more people downtown and to be an “additive product.”

Conway Ivy asked about the section of the resolution referring to its termination being “made without prejudice.” He asked if that meant that the issue between the parties could come up again. **Bill Harvey** said the intent of that language was that the parties usually walk away without any rights or obligations such as attorneys’ fees. Both parties in this matter are “laying down and walking away.” The memorandum of understanding is “just terminated.”

Sherwood Morehead, 303 Federal Street, asked if “we need to go into the master plan and change the language as it pertains to the Marina parking lot, and insert language that describes the area as an open space or a park.” Mayor Keyserling said a resolution doesn’t change the Civic Master Plan. They want a public conversation in order to come up with an alternative plan. The Civic Master Plan has language in it that expands Waterfront Park, though it’s not specific. The Civic Master Plan obligates the city to mitigate lost parking. Until there’s a consensus, there’s no point in changing the plan.

Mr. Morehead said he’s learned that the overriding opinion is that when they talk about development downtown, they run up against a brick wall and “we’re all a little tired of banging our head against that brick wall.” He said the city needs to compensate for the absence of a business school. At Case Western Reserve, he said, they had a program to recognize entrepreneurship. He described the specifics of the program, which he said, “was business people talking to other business people.”

Mayor Keyserling described the greater downtown area according to the Civic Master Plan. There are plenty of opportunities for the private sector in the vacant lots. The opportunities are there, but they need to find “the people who are willing to work with us.”

David Taub, who lives in the Historic District, said “the public dynamic in recent weeks has been incredible,” and he’d never witnessed such a thing before. He applauded what council had done. **On the resolution as read, the motion passed unanimously.**

DISCUSSION REGARDING CONTRACTUAL MATTERS

Councilman Sutton said the city had made a first review of a proposed lease of a portion of the city complex from another government agency. Mr. Dadson said he and the city attorney recommend a reading by title only for this meeting in regard to the 1648 square feet of the City Hall complex, and the agency will pay for a retro fit and a 5-year firm term of lease and a second non-firm lease for 5 years. It will be for federal probation services. Staff has reviewed it, and they have sent out RFPs for a variety of services. Councilman O’Kelley said if Mr. Dadson wants council to act, the agenda has to be amended. Otherwise they can only discuss it. Mr. Dadson said they put it on the agenda so that council would discuss it. Nothing on the agenda says they will vote, so they would have to amend the agenda.

Eddie Rodgers said they could vote to add an agenda item. **Councilman O’Kelley made a motion to add to the agenda the item in regard to “the lease of a portion of the police department building to the federal probation and parole folks.” Councilwoman Beer seconded the motion. The motion passed unanimously.**

Mr. Taub asked if they were taking action, and Mayor Keyserling said it’s a first reading by title only.

George Trask said that he’s a lawyer, and normally a special meeting is always restricted to the items on the agenda, so this could only be done at a regular meeting, in order for the public to have notice and speak on the issue. Mr. Harvey then advised Mayor Keyserling to table this issue and have another special meeting. Mr. Taub asked, “if the feds were paying for an upfitting and a lease.” Mayor Keyserling said, “It’s integrating.” Mr. Trask asked the square footage being leased, and Mayor Keyserling said they will have those details at the special meeting per Mr. Trask’s recommendation. **Councilman O’Kelley withdrew his motion and Councilwoman Beer her second.**

ADJOURNMENT

There being no further business to come before city council, **Councilwoman Beer made a motion, second by Councilman O’Kelley to adjourn. The motion passed unanimously,** and the meeting was adjourned at 6:12 p.m.

ATTEST: _____
IVETTE BURGESS, CITY CLERK