

A work session of the Beaufort City Council was held on August 23, 2016 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Councilmen Mike McFee, George O'Kelley, Stephen Murray, and Phil Cromer, and Bill Prokop, city manager.

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**

Mayor Keyserling called the work session to order at 5:00 p.m.

### **NEW EMPLOYEE RECOGNITION**

Fire Chief **Reece Bertholf** introduced **Ken Meola**, who will work with the codes enforcement division of the fire department.

### **TOURISM DEVELOPMENT ADVISORY COMMITTEE (TDAC)**

Mayor Keyserling said that council has discussed making TDAC “more transparent” and “more aggressive.” The relationship with the Chamber of Commerce, the city’s designated marketing organization (DMO) has been made more transparent as well, he said, and the DMO now helps other organizations to promote themselves through group regional ads, for example.

Applicants for the open positions on TDAC are **Kate McClintic**, **Mintha Williams**, and **Jonathan Sullivan**.

**Susan Sauer** and **Vimal Desai** are current TDAC members. Mr. Desai said that there need to be “better checks and balances” in the process, so applicants are prepared before appearing before the committee, for example. He suggested that applicants should know what the procedures are for their invoices for reimbursement, and TDAC members should know how money that was awarded was used in the previous year’s grant cycle. **Kathy Todd** said there is a checklist for ATAX applicants so they’ll know what to include in their applications. Incomplete applications could be the responsibility of staff, Mayor Keyserling said, who could ensure that applications are completed fully.

There was a discussion of the committee’s process the previous year, and about deadlines and scheduling for this year. The current TDAC members and those “cycling off” were also discussed.

Mayor Keyserling said last year there was “a misunderstanding about the city . . . choosing to use – within the statute – some ATAX dollars for some of the expenses associated with visitors.” The amount of ATAX funds the city has budgeted is in this year’s city budget, and the city will again be applying to TDAC, “as does any other applicant,” he said. The city had not budgeted ATAX funds before 2015 but “chose to . . . (because of) the growing need for law enforcement and security and the addition of the Spanish Moss Trail,” Mayor Keyserling said. Applicants for positions on TDAC and TDAC members “should look at our budget, so there are no surprises,”

he said, which “doesn’t mean you will agree to it, because you don’t have to agree, but you are advisory.”

Councilman Murray said that when TDAC “vet(s) projects” that receive ATAX funding, council “would like you to look for things that align with the vision and the goals of the DMO.”

Councilman McFee said he would like to see the ATAX money being “leveraged” with projects that involve both the public and private sectors (e.g., creating a marketing package with events in “different van tours that happen . . . in Beaufort”). This maximizes the ATAX money spent on paid advertisements, he said. TDAC members should also be aware of “duplication of services,” Councilman Murray said.

Councilman O’Kelley suggested looking at the ATAX “process from a year or two back” for the applicants to TDAC this year to see how much money an organization requested, for example, what they wanted to do with it, and what they did with what they were awarded, if anything.

Ms. Sauer said she would like TDAC to meet before the day when applicants appear before TDAC. This would give everyone on the committee the opportunity to be more prepared than she felt she was able to be last year, when she received the applications the night before the 10-12 hours of presentations and deliberations. The first experience she and Mr. Desai had on TDAC was on the day of presentations, and no one on the committee “was sure how much money (in) total we were looking at” to distribute to applicants, for example.

Councilman O’Kelley said **Ivette Burgess** could provide the committee members with materials from past applications. Mr. Prokop said **Michael Ahern** and Ms. Todd are the staff representatives to TDAC now, and they will meet with the committee and present its members with a spreadsheet of information and “background of what’s expected of you.”

Ms. Todd reiterated that TDAC’s staff contacts are “in the finance department,” and the committee will be presented with a copy of the state law as it relates to ATAX funding and guidelines, a Q&A sheet from the state about “the allowability of various types of activities for those (ATAX) funds,” a history of applications, awards, and reimbursement to organizations, the state ATAX fund budget, and other materials before the presentations by applicants.

Mr. Prokop said the Visitors’ Center had received ATAX money for a new elevator a few years ago, and the city has told the Chamber of Commerce that new windows it needs at the Visitors’ Center “should be a request for ATAX funding” this year.

Councilman Cromer asked, “How do we follow up to make sure that the money (organizations) receive” in TDAC awards “was spent in the most effective way” by the recipients? Ms. Todd said the organizations present receipts for reimbursement. Councilman Cromer said, “A lot of these people are getting advertising money and spending it ‘wherever,’ so what’s the bang for our buck?” Ms. Todd said the groups have to provide some proof of the success of the event for which they applied in the previous year on the report they submit with their reimbursement request, or in their application for the current year. Ms. Ahern explained the information the

applicants who'd received funds the previous year must give (e.g., how many people attended an event for which they were granted ATAX funds) when they apply again; this information is also required on the final reimbursement requests, she said.

**Maxine Lutz**, Historic Beaufort Foundation (HBF), said that she hopes "council makes it very clear what kinds of things are eligible" for ATAX funding, because she said she was told one year that she couldn't apply for ATAX money for an exhibit, while another group did and received funds for it from TDAC. If window repair at the visitor's center is eligible for ATAX funds, she asked, would that be "a legitimate expense" for another organization, too? Councilman McFee said if it was for windows for another city-owned building it would be. Mayor Keyserling said he thought TDAC had given money to HBF for roof repair at the Verdier House.

Councilman McFee said, "The statute is very clear." The organizations that have been awarded ATAX funds have to show that they did what they intended to do with those funds, and TDAC can consider past performance and awards when determining this year's funding.

Ms. Sauer asked if the applicants who are applying to TDAC for funding "get a workshop." Mayor Keyserling said they do not. Councilman McFee said he thought that **Chip Dinkins** had lead such a workshop in the past. Councilman Murray said that a workshop for applicants was a good idea.

The applicants to serve on TDAC told a little about themselves. Ms. Burgess said all of these applicants "meet the criteria for membership" on the committee.

Mayor Keyserling said "a tourism summit" was held a few years ago by the city for "everyone who was marketing Beaufort." That so few of the people working toward the same goal knew one another was "telling," he said, and this is "what now drives the collaboration now," such as the DMO placing regional ads for several groups who are all having events in a given quarter.

Mr. Prokop said the four municipalities in Beaufort County are all working on "historic tourism programs," and that group's minutes or a talk from someone in that group might be good for TDAC members, so the committee could "be aware that information" from this new program. Ms. Sauer said she'd heard about this program and agreed with Mayor Keyserling, based on her professional experience, about the importance of "us all working together and packaging."

### **FOOD TRUCK REGULATIONS**

There are many different regulations and requirements for food trucks, **Amber Bryson** stated. Since she and **Pete Izzillo** began their food truck business in March, they have had fun, but they have also encountered "lots" of "roadblocks." The Town of Port Royal is "by far . . . the most open-armed" to food trucks, Mr. Izzillo said, while other municipalities in Beaufort County say they allow food trucks, but then have different regulations, zonings, requirements, and sometimes multiple permitting processes that make operating a food truck business in the municipalities difficult. For example, on Hilton Head, applying for the necessary permits to operate a food truck costs \$300, Mr. Izzillo said. Those fees are non-refundable, and once

they've been paid, then applicants must wait for up to a month to learn if they are approved or not to operate. Approval is not guaranteed, he said. Their food truck is considered ineligible to operate on Hilton Head, for example, because of its "drive-thru window."

Permission to vend may only be granted "per piece of land per day," Mr. Izzillo continued. The couple has 11 business licenses, pays all required taxes, and rents space from a commissary because DHEC requires that food prep be done in one, not in the truck. The commissary is in Bluffton, where the owner was allowed to open a food truck commissary, but food trucks "can't vend in Bluffton," he said.

**Charles Francis**, Crave Cupcakes, said he and his wife, **Tameka**, have only participated in one event in the four years they have had a food truck. They would like to do more, and have gone to Bluffton, which is also "trying to do something." Most food trucks "don't want to be in the same place every day," Mr. Francis said, and prefer not to compete with brick and mortar businesses.

**Eugene Goddard** said when he and his wife, **Pat**, retired in Beaufort, they brought their food truck business from Tennessee. It is "not accepted here like it is most other places," he said. The Goddards pay for the required licenses and pay the taxes to operate at festivals, but then "they don't give you any place to set up." The process of getting a DHEC license is more stringent than it is for brick and mortar restaurants, Mr. Goddard said. Food trucks offer diverse products, and they are "finally getting accepted on the beaches at Hilton Head" and in Bluffton, he said. They hope that city council will let them operate in Beaufort, too. Mr. Goddard thinks food trucks are a benefit to tourists, and he and Mrs. Goddard "just want a place to work."

**Tony Herndon**, of Joe Loves Lobster Rolls, said, by state law, food trucks don't have to be permitted in Beaufort County if "you do an event (of less than) 3 days." He has 2 food trucks and 3 restaurants, he said. While Mr. Herndon doesn't believe there is any room for food trucks in downtown Beaufort, he would like to have a space to go, and feels "the red tape should be simpler." Food trucks need to have a commissary or restaurant in which to prep their food and store it. Those regulations are important, Mr. Herndon feels, and if food trucks follow those regulations, they should have a space to operate their businesses.

Ms. Bryson said the people who want to serve food from their trucks on weekdays – not just at events – have to have a commissary, and they must return their truck to that commissary every night to store their food. She said she and Mr. Izzillo spent \$75,000 starting their business.

**Libby Anderson** said the City of Beaufort has regulations for "concession stands/mobile vending carts," which include food trucks, and those regulations "are fairly restrictive." The ordinance was put in place before food trucks became popular. They are only allowed on properties that have 4 or more businesses, "not in vacant lots," she said, but "in activity nodes." The new code revamps the food truck ordinance, Ms. Anderson said, "to make it much easier." Under the new code, food trucks could operate on any lot that is zoned commercial, with the property owner's permission. The city would like to look at the site plan and will ask for information about water,

trashcan location, etc., she said.

Councilman O’Kelley said in Washington, DC, food trucks are allowed to operate on public streets. Ms. Anderson said Beaufort’s food truck regulations only allow them to operate on private property, not on publically owned rights-of-way. She said they could put their food trucks at shopping centers (e.g., Jean Ribaut Square) now, as long as they have permission from the property owner, but conducting business in the public right-of-way has not been discussed.

Councilman Murray made a presentation about food trucks, which he said are “a point of personal interest.” He showed the origins of the industry, the costs of starting a food truck business, and current and proposed ordinances for food trucks. The county’s ordinance is confusing, Councilman Murray said, and would be discouraging to someone who wanted to operate a food truck.

No food trucks are allowed anywhere in Bluffton, even on private property, the town manager, **Marc Orlando**, and its mayor, **Lisa Sulka**, told Councilman Murray. Mr. Herndon said, “There are certain spots” where food trucks are allowed, and he was “the first to be permitted 4 years ago.” He pays a \$50 fee to operate for 3 months within a restricted area. Councilman Murray said “a more formal proposal” is being worked on and should go to Bluffton’s town council next month.

Hilton Head allows food trucks, according to its town manager, **Steve Riley**, but the approval process is confusing, Councilman Murray said, so Hilton Head is also working on revisions to its ordinance to allow food trucks on public property, “more as a tool to move folks to different parts of the island for traffic mitigation.”

The Town of Port Royal “has the most liberal policy . . . in the county” for food trucks, Councilman Murray said, which are allowed with payment of a flat-fee “peddlers’ license.” The two designated areas for food trucks are at Sands Beach and the Town Green.

Councilman Murray shared the results of a Facebook survey he’d conducted. Among the reasons for having food trucks, he said, are that they help to “keep younger folks in the city,” offer food diversity, and can bring business to areas like the Bladen Street corridor, where the city wants more business.

Mayor Keyserling said he sees food trucks as a “great way . . . to open up our city” and expand the perception of downtown’s parameters beyond just Bay Street. Councilman Cromer said Rock Hill and Spartanburg have “food truck rodeos.” He noted that the proposed ordinance says, “for public parks, streets, and civic spaces, the administrator may provide (the) authority” to allow food trucks, so they might be able to operate on Beaufort’s streets.

There was a general discussion of next steps. Ms. Anderson said they could change the ordinance for food trucks, instead of waiting for the new code to be approved. Councilman Murray said a lot of cities look at the proximity of food truck locations to brick and mortar

restaurants, some of which do not support having food trucks near their restaurants, but the proposed ordinance doesn't take that into account. He would like to see staff grant food trucks access to some public spaces, such as city-owned property on Bladen Street. Councilman Murray suggested that a committee, perhaps through the Redevelopment Commission, could make proposals for a revised ordinance, which he said he would like to see done "sooner rather than later" (i.e., waiting for the form-based code).

Mr. Prokop said they should look at what Bluffton is doing and attempt to shape Beaufort's ordinance to have as much in common with that municipality's as possible. Mr. Izzillo said that South Carolina's rule about the proximity of the commissary is different than Bluffton's.

Councilman Murray said this matter seems to fall under the purview of the Redevelopment Commission's economic development committee, which he heads up.

### **HOLIDAY ICE SKATING RINK**

**Jason Ruhf**, business development manager at Beaufort Regional Chamber of Commerce, said Amazing Event Rentals is interested in being a partner with Main Street Beaufort on a holiday ice-skating rink in Waterfront Park, under the pavilion. This would be an activity for families to do, Mr. Ruhf said. The rink would be open from Thanksgiving to January 1, and it would bring more business downtown and "add vibrancy to the community."

Councilman Cromer said he thinks it's "an attractive idea," but he has "a lot of concerns." City co-sponsorship would mean that Amazing Event Rentals would get to use the Waterfront Park pavilion for free, and there are liability issues for the city, "even if the vendor has a certificate of insurance, hold-harmless indemnity agreements, and all that." Councilman Cromer would like to know that the South Carolina Insurance Reserve Fund would be okay with the city co-sponsoring this activity in a city park. For the vendor, and maybe for the city, because a fee is being charged to skate, "there's a higher level of care that you have to have," he said, and the "recreational use statute" would not apply, so "one of (the city's) defenses goes away."

Councilman Cromer said this would tie up the pavilion, so other groups that might want to use it would not be able to. He asked if other groups have used the pavilion over the holidays in the past. Ms. Burgess said that's only happened on Founder's Night. Councilman McFee said ice skating wouldn't preclude Founder's Night. Councilman Cromer said Amazing Event Rentals is a for-profit business, so the city would want to make sure it doesn't set any precedents.

There will be a cost to having utilities on while the rink is open, Councilman Cromer said. He asked if a generator would be used. Councilman McFee said the rink does not use real ice; it is made with "a treatment to keep it high-glide," so no electricity is involved. Mayor Keyserling said lights would need to be on while the rink is operating. Councilman Cromer said they would have to have security at the rink "24-7" because he can envision "a few drunks coming out of our entertainment district," and getting hurt on the rink because they are drawn to "this 'attractive nuisance'." Also, skaters would be required to sign waivers, he said, but those aren't "worth the paper they're written on."

Councilman O’Kelley said he agreed with Councilman Cromer that having ice skating in the pavilion would preclude its use by anyone else, so he doesn't like the idea of it being in Waterfront Park. He feels the rink would “make it a Coney Island type of place.” A vendor had once approached council about operating an “exclusive” hot dog cart in Waterfront Park, Councilman O’Kelley said, and council turned him down, as well as rejecting a for-profit merry-go-round in the park. Councilman O’Kelley feels insurance and security are other reasons to oppose this idea: a plaintiff’s attorney would find the city “wide open” to lawsuits because it had provided the space for the rink. The way to get out of that is to lease it,” Councilman Cromer said. Councilman O’Kelley replied, “The way to get out of any liability is not to allow it.”

Councilman McFee said he’s intrigued by the idea of the skating rink, and while they would have to work through liability issues, “effective usage” of Waterfront Park is very low at that time of year. It *is* a civic space, though, so he has some concern about preventing public access to the pavilion for that length of time. Councilman McFee said he’s also uncertain about “being able to guarantee” continued use “over a period of years to support Amazing Event Rentals’ acquisition of the equipment.”

Councilman Murray agreed with the other councilmen’s expressions of concern about security at night; Councilman McFee said if the treatment isn’t applied, “it’s not slippery.” Councilman Murray said he doesn’t know if there would be enough market interest in a skating rink to justify running it for 5-6 weeks. He asked Mr. Ruhf if, instead of committing to “a multi-year contract,” Amazing Event Rentals could rent the equipment, and the city could “do a trial run this year” and “expand it if it’s successful.” If there’s not enough interest, Amazing Event Rentals would not be “on the hook” for a large, multi-year expense.

Councilman Murray said he also is concerned about the proposed sales of drinks and t-shirts, if the goal of the partnership with Amazing Event Rentals is to attract people downtown to patronize businesses there. Other towns offer this, he said, so they can figure out a way to mitigate the liability.

Since there will be a charge to skate, Councilman Murray asked if there is a way to structure the collaboration so that “if it’s very profitable,” a portion of the admission fee comes back to the city for park maintenance or the “Pride of Place” program. Apart from those concerns, he thinks the idea is “really cool,” and he feels that it meets two of council’s goals: attracting people downtown and offering activities for young families. It is also “just what the Chamber and Main Street should be doing,” Councilman Murray said.

Mayor Keyserling said he would echo what had been said by the other councilmen. While he wants to bring traffic downtown, he thinks “we need to protect our authenticity.” Ice skating “doesn’t fit” at Waterfront Park, he feels, though council does want to support more family activities. The original Night on the Town, he said, was more “hometown-y” than it was a street party, which is what he feels it has become. Mayor Keyserling suggested that activities like those Night on the Town has could be “spread out over the holiday period” to bring families

downtown, which would be “more the kind of Beaufort that we want to be.” He said “economic development is what’s going to allow us to be authentic, because that’s the only way people are going to be able to afford to live in Beaufort.” The city needs to “find more enriching kinds of events” than ice skating in Waterfront Park, Mayor Keyserling said, like having church choirs at the pavilion, or other activities that are “real community builders.” This kind of event is not “the Beaufort that I think most people want Beaufort to be,” he said.

Councilman Murray feels council should have a conversation with Main Street Beaufort about bringing “more diverse activities” that will bring families downtown. He disagrees that a skating rink is “not authentic to our hometown.” It would encourage the use of the “underutilized pavilion” and encourage exercise, Councilman Murray said, which the city should support, plus it offers “a unique experience” and a family activity, though some details would need to be worked out about the length of the commitment, liability, security, etc.

Mr. Ruhf said that Amazing Event Rentals would like “to finance the asset over a period of 5 years,” to make it more affordable, so he doesn’t know if they could do it for just one year to see how it goes. Mr. Prokop asked if the rink could be moved around to different city parks in different years, so the city could offer different neighborhoods the opportunity to have it. Mr. Ruhf said that might be a possibility, but he’s “looking at it through the Main Street lens,” with the idea of the rink drawing more business into the downtown area.

Councilman Cromer said he’d be willing to try it this holiday season, but he doesn't like the idea of the city partnering with a for-profit company.

Mayor Keyserling asked **Nan Sutton** if she thought having a skating rink would benefit downtown merchants. Ms. Sutton said **LaNelle Fabian** had brought an artificial snow machine downtown in years past for the Festival of Trees. Ms. Sutton loves “the idea of any downtown event,” though she understands the issue of liability. She would like to see it tried for one holiday season. Mayor Keyserling asked Mr. Ruhf whether Amazing Event Rentals could lease the equipment, and Mr. Ruhf said he’d ask.

Councilman O’Kelley said he could not support this public-private collaboration and doesn’t want ice skating in Waterfront Park. Councilman Murray said this is an “expanded” version of the kinds of public-private partnerships that the city has with its contractors on a regular basis, for example, and a co-sponsorship, which council also does frequently. Councilman O’Kelley said this is not like the city contracting for a service; “this is giving (Amazing Event Rentals) a free city venue.”

Ms. Burgess asked the rink’s capacity because of the relatively small size of the pavilion. Mr. Ruhf said they expect the most people they will have on the ice at one time is 40, but it will probably be more like 32, “for the comfort level.”

Ms. Burgess said she had called Rock Hill and Greenville, which have skating rinks, though theirs are made of ice, not synthetic. The cities lease private property from property owners, and

their revenues from the ice rinks go back into their General Funds. Councilman McFee noted that the rinks in those cities are in their downtown areas.

Chief Bertholf said he goes to Savannah every winter to ice skate, and the rink there “is always packed.”

**Erin Moody** asked how much the skating rink would weigh, and if that would be a problem for the park, given its seawall damage, tendency to develop sinkholes, etc. Councilman McFee said he’s seen “the panel, which has a hard surface,” and he described its weight, which is “not very heavy.”

Ms. Lutz said HBF has photos of people ice skating in the Northwest Quadrant on a pond that existed there before the earthquake of 1886 drained it.

There being no further business to come before council, the work session was adjourned at 6:55 p.m.

A regular meeting of the Beaufort City Council was held on August 23, 2016 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Councilmen Mike McFee, George O’Kelley, Phil Cromer, and Stephen Murray, and Bill Prokop, city manager.

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**

Mayor Keyserling called the regular meeting to order at 7:02 p.m.

**INVOCATION AND PLEDGE OF ALLEGIANCE**

Councilman McFee led the invocation and the Pledge of Allegiance.

**RESOLUTION ADOPTING BEAUFORT COUNTY HAZARD MITIGATION PLAN 2015 UPDATE**

**Councilman McFee made a motion, second by Councilman Murray, to approve the resolution. The motion passed unanimously.**

**REQUEST FROM MAIN STREET BEAUFORT TO SELL/SERVE ALCOHOL IN WATERFRONT PARK AND REQUEST STREET CLOSURE FOR 5K RUN, SHRIMP FESTIVAL 2016**

**Councilman McFee made a motion, second by Councilman Murray, to approve the request for the September 30 and October 1, 2016 event. The motion passed unanimously.**

**REQUEST FOR ALCOHOL OPEN CONTAINER WAIVER FOR FALL ART WALK**

**Councilman McFee made a motion, second by Councilman Murray, to approve the request for the October 29, 2016 event. The motion passed unanimously.**

**STREET CLOSURE REQUEST FROM MAIN STREET BEAUFORT FOR ANNUAL TRICK OR TREAT EVENT DOWNTOWN**

**Councilman McFee made a motion, second by Councilman Cromer, to approve the request for the October 27, 2016 event.** Councilman O’Kelley asked the times the event would run. Ms. Fabian said 4:30 p.m. – 6:00 p.m. Councilman McFee asked if the county puts “this event on the road notification,” because people will pay attention to the flashing lights and divert themselves. **The motion passed unanimously.**

**REQUEST FOR STREET CLOSURE FROM VETERANS RESOURCE CENTER FOR 5K RUN**

**Councilman McFee made a motion, second by Councilman Murray, to approve the request for the October 15, 2016 event.** Police Chief **Matt Clancy** has an issue with the street closure as proposed, which would close down the Cottage Farm subdivision and access to Ribaut Island. This route causes a public safety concern, he said, because when a road is closed for a run, there has to be either foot traffic or vehicular traffic. They would need to ensure that the Cottage Farm residents don’t leave their driveways, and traffic will back up on Allison Road, as people try to get to the neighborhood or to Ribaut Island. The police department’s main concern is ensuring safety: people who don’t know about the race may want to drive out of

their driveways while the race is on, Chief Clancy said, “and then you have a vehicle on a route with runners.”

The police department is proposing an alternate route for the run, Chief Clancy said, which organizers want to start and finish at TCL. The alternate route would start at TCL, then go down to the Spanish Moss Trail and stay on it until “just before Broome Lane,” where runners would turn around and come back. This route is the distance of a 5K, Chief Clancy said, and runners would only need to cross two streets, so it would only require 2 police officers.

Ms. Burgess said Chief Clancy’s proposal hasn’t been made to race organizers yet, and no representative from the Veterans’ Resource Center (VRC) was present at the council meeting.

Councilman McFee said this matter had come up at a Cottage Farm homeowners’ association meeting, and the members didn’t object to the originally proposed route; they “felt like the neighborhood could handle this,” he said.

Mayor Keyserling recommended tabling this request so that it could be discussed further with various parties involved. Chief Clancy said the minimum contract for a police officer is 4 hours, and the original route would require 8 police officers for 4 hours each. Councilman Murray asked how many police officers work the Shrimp Festival 5K run, and Chief Clancy said that requires about 4. The police department’s perspective is that they should have the fewest possible access points where a vehicle could come onto the race course. The alternate route he is proposing is on the trail, which is “made for foot traffic,” and it will be safer and “much lower profile.”

Councilman McFee asked how many runners are expected. Councilman Murray said organizers may not know since it’s the event’s first year, and he would like to support TCL and the VRC. **Councilman Murray made a motion to table the matter, seconded by Councilman McFee. The motion passed unanimously.**

#### **MOTION TO ALLOW THE CITY MANAGER TO COMPLETE THE NATIONAL ENDOWMENT FOR THE ARTS’ “OUR TOWN” GRANT APPLICATION**

**Councilman Murray made a motion, second by Councilman McFee, to allow the completion of the grant application. Deborah Johnson** said a couple months ago, the City of Beaufort “was sanctioned with a cultural district by the South Carolina Arts Commission,” and the advisory board has been established. The group has looked at grants for funds to “promote the cultural district,” and the “Our Town” grant is one that could do that, she said. It’s a “creative place-making” grant, which integrates arts and culture with community development for “community revitalization.” The categories that the advisory board thought were “most appropriate were transportation and economic development,” Ms. Johnson said.

The grant is due September 12, and if it’s funded, the start date would be August 2017, so they should apply now, or they will have to wait another year. Ms. Johnson said projects can range from \$20,000 – \$200,000 with a 50-50 city match.

The recommended project's range is \$50,000 – \$75,000 for “public seating and bike racks” at/or between the anchor sites of the cultural district, Ms. Johnson said. This would create “branding and identity for the cultural district . . . (and) create opportunities for artists,” who would design the seating and bike racks.

A government entity and an arts organization have to be partners on this grant, Ms. Johnson said, so they are looking at the city and the USCB Center for the Arts as key partners, and the other organizations that are part of the cultural district would also be involved. Seating would meet a need in the community as well as in the cultural district, she said. This would require a funding match in the next fiscal year, which is why she is bringing it to city council.

This grant has a 25% return rate (the likelihood of being funded), Ms. Johnson said. Another community had obtained an NEA grant for a seating project, which “was beautifully done.” Councilman Cromer asked if there would “be design guidelines for the seating,” and Ms. Johnson said yes, the cultural district’s advisory board would come up with those, and the South Carolina Arts Commission would be a partner to help ensure “really high-quality artistic excellence” as well as creativity.

Councilman O’Kelley said, “We turned everything down” of the public art that artists proposed for Waterfront Park after its renovation, and he wants to ensure that “we have that capability this time, also.” Ms. Johnson replied, “We can write any kind of guidelines we think are appropriate” for the seating and bike racks. The work would have to be screened by a panel comprised of “whoever you want to include in it to make sure (the work) meets the rigors of our aesthetic” and is “appropriate for our town.” Councilman O’Kelley said, “The historic folks and the downtown folks really raised a furor because some of that stuff (i.e., the proposed public art) quite honestly was ugly and out of place. It was artistic, but it was not Beaufort and not downtown.” Ms. Johnson said HBF is a partner, and the benches she’d mentioned in Boston are “absolutely gorgeous,” so she’s sure “we can foster the same sort of aesthetic here.” **Sue Derrenbacher** expressed “support for what Mr. O’Kelley said.” **The motion passed unanimously.**

#### **RESOLUTION TO RELEASE COMMITTED FUND BALANCE FOR REDEVELOPMENT**

**Councilman Murray made a motion, second by Councilman Cromer, to approve the resolution.** Ms. Todd said on July 11, 2016, council authorized the city manager to enter into an agreement with the Charleston Digital Corridor for the development and management of the Beaufort Digital Corridor. The agreement required a \$150,000 contribution from the city, she said, and this resolution releases committed fund balance for redevelopment, up to a maximum of \$120,000, to be used to meet that obligation. **The motion passed unanimously.**

#### **FY 2017 BUDGET AMENDMENT #1**

**Councilman Murray made a motion, second by Councilman McFee, to approve the amendment on first reading. The motion passed unanimously.**

**REQUEST FOR WAIVER OF NOISE ORDINANCE AND BUSINESS LICENSE FEES FROM  
DRAGONBOAT BEAUFORT**

**Councilman Murray made a motion, second by Councilman McFee, to approve the request for the September 2 and 3, 2016 event. Greg Rawls** said there will be a free concert the night before the dragonboat race. The City of Beaufort is co-sponsoring the event. Event organizers would like the noise ordinance waived before 8 a.m. on Saturday for sound checks, he said, and they would like to sell t-shirts and “other Dragonboat trinkets,” so they are asking to have the \$200 business license fee waived.

**Jodie Miller** said this city umbrella business license fee is for “vendors that don’t have an active City of Beaufort business license to do business in Waterfront Park.” Organizers have submitted 11 vendors, she said, of which 6 hold Beaufort business licenses, and 5 “are from out-of-state or are small enough not to have business licenses.” If council agrees to waive the fee, the money will go back to Dragonboat Beaufort, Ms. Miller said.

Councilman Murray said the umbrella fee is in place because it is necessary for *any* for-profit entity to have a business license. While he supports Dragonboat Beaufort, he said he is “hesitant to set this precedent for \$200.” He is in favor of waiving the noise ordinance, but not of waiving the business license fee. Councilman McFee said he agreed. Councilman Cromer also agreed that waiving the business license fee would set a precedent. Councilman Murray said city businesses are expected to have business licenses, and this waiver would make the playing field uneven. **Councilman McFee made a motion to amend the group’s request to delete the waiving of business license fees; Councilman Murray seconded the motion. The motion to amend the request passed unanimously, and the amended motion passed unanimously.**

**ORDINANCE ESTABLISHING AN INCENTIVE REIMBURSEMENT GRANT PROGRAM**

**Councilman McFee made a motion, second by Councilman Murray, to approve the ordinance on first reading.** Mr. Prokop said this was discussed in a work session, and he wants to alleviate concerns that have been expressed by Lady’s Island residents. The incentive program is “basically aimed at commercial” properties that are on Sea Island Parkway – “from one bridge to the other bridge” – and on Highway 802 from the McTeer Bridge to Miller Drive. Mr. Prokop explained briefly how the grant program works and that it “is *only* addressing Lady’s Island” properties “along the commercial corridors”; “we are not trying to expand into the residential areas.”

There was a discussion about a presentation Mr. Prokop and Mayor Keyserling had made the previous day to the county council’s Finance Committee. Mr. Prokop said they’d made it clear to the county that the city’s interest is in annexing commercial developments into the city that are “along the major commercial route.” Mr. Prokop said the committee had been under the impression that if the city annexed a commercial property that had been in the county, “the county (would lose) everything” it had collected in taxes before the annexation. In fact, Councilman McFee said, “the county receives the very same amount in taxes,” whether a property remains in the county or is annexed into the city.

“There was a lot of misinformation among our county council colleagues” before the presentation, Councilman Murray said, “about how much of the property had actually been annexed from bridge to bridge,” the city’s annexation plans, what impact fees can be used for, etc. After the presentation, “everybody on both sides understands the issue better,” Councilman Murray said, and the Finance Committee unanimously approved the use of county impact fees from the Walmart development for a traffic study on Lady’s Island.

Mayor Keyserling asked, for council’s second reading of the ordinance, that language be included in a “Whereas” about the Northern Regional Plan as it relates to properties that are adjacent and are not adjacent to the city. He told Councilman Murray the Northern Regional Plan was passed in 2008 or 2009.

Councilman Murray said he has not read the plan. Ms. Anderson said it’s available on the city’s website. Mayor Keyserling said the Sea Island Coalition had suggested that the city should “move our growth boundary back in,” so he’d explained that the process also involved the county, the Town of Port Royal, and “the citizens,” so the decision wasn’t his to make.

Councilman Murray said the city had “worked diligently” to clear up misinformation that “development along the commercial corridor” of Lady’s Island “was happening because of city annexations.” He said city council knows that “residential growth . . . drives commercial” growth, and “the overall issue” is the county’s to deal with; it must “get a handle on planning” because there will be “several thousand more residential units . . . built in the near-term” on Lady’s Island.

Councilman Murray said the city and council should be careful about “saying we only want commercial growth . . . because in the regional plan, in our growth boundary, (there are) areas for regional growth, for residential growth.” He thinks the city should accept residential applicants for annexation because “it plays into our efficient service delivery.” Mr. Prokop said the ordinance states “residential or commercial *in that corridor* is what we’re after.” Councilman Murray said he feels the city needs to be clear with residential property owners that if a residential annexation closes a donut hole, “we would certainly accept them.”

Councilman Murray said when staff made the presentation to city council on annexation incentives, council had discussed possibly offering incentives to “a few other (county) areas in the city, especially Broome Lane and Greenlawn” Drive. Though he understands commercial properties are a higher priority because of their potential for greater revenue growth, he asked if there was a reason “other areas we’d looked at” had been excluded. Mr. Prokop said they wanted to get this area on Lady’s Island “going,” but they will use “this grant as a basic template,” and “will keep what we have in other areas,” though they may also expand it.

Mr. Prokop said they will use the city’s current ordinance for other parts of the city; it is “more enriching . . . to the individuals . . . than this one,” but they want to look at updating it. **The motion passed unanimously.** Mr. Prokop told Mayor Keyserling that staff would include the reference he’d requested to the Northern Regional Plan for council’s second reading of the

ordinance.

#### **APPOINTMENT TO CITY BOARDS AND/OR COMMISSIONS**

**Councilman McFee made a motion, second by Councilman Murray, to nominate Bonnie Hargrove, Robb Wells, Delene Miller, Megan Meyer, and Jaque Wedler for appointment to the advisory board of the Cultural Arts District. The motion passed unanimously.**

**Councilman McFee made a motion, second by Councilman Murray, to nominate Barbara Laurie, Chuck Symes, and Quinn Peitz for reappointment to the Historic District Review Board.** Ms. Derrenbacher asked if the people appointed to the Cultural Arts District advisory board are “all artists,” and Councilman McFee explained what some of the advisory board members do professionally and which organizations they represent. **The motion passed unanimously.**

#### **CITY MANAGER’S REPORT**

Mr. Prokop said county council’s Finance Committee had approved a 90%/10% cost-sharing with the city of the price of a traffic study on Lady’s Island. \$78,860 of the cost will come from impact fees the county received from the Walmart development on Lady’s Island. \$8,780 will be the cost to the city, Mr. Prokop said, which will amount to “roughly \$6,000” after the city applies *its* impact fee from Wal-Mart: \$2,800. Staff hopes to have the final traffic study report by the end of 2016.

Mr. Prokop said, “We were told” that “since this is not a budgeted item,” the Finance Committee “could just approve the use” without it going to county council, but the *Beaufort-Gazette* had reported that the matter *will* go back to the full council, so he’s “not really clear on that.” Mayor Keyserling said he thinks it does have to go back to the full council for its approval.

The police department was interviewed via Skype by representatives from the federal Department of Justice about the department’s hiring diversity, Mr. Prokop said. The interviews were expected to be brief but ended up lasting 4½ hours. The City of Beaufort will receive a report at some point from the Department of Justice.

Mr. Prokop said staff appreciates that council did not waive the business license fee for Dragonboat Beaufort because the city has already spent money improving the ramp down to the dinghy dock for the races. The city will also be making temporary improvements (expected to last a few years) to the dinghy dock and the “H” dock in the next few weeks, he said. The new transient dock and fire suppression system will be installed in November. The new day dock will not be installed until next year, Mr. Prokop said, because of delays brought about by required federal agency approvals, which aren’t expected until next March or April. In the meantime, the city is “preparing a long-term marina improvement plan,” he said. They will work with the harbormaster to gather data, and will also ask tour operators about the improvements they would like to see.

As of this morning, Mr. Prokop said, 35 commercial development projects are “permitted, under review, or under consideration,” including 5 possible new hotels, Mr. Prokop said.

Mayor Keyserling told Mr. Prokop he would be interested in having a work session about improving communication with the Marine Corps Air Station. Also, Mayor Keyserling said, he would like a “marina task force” to be considered at some point.

### **MAYOR’S REPORT**

The event honoring Vietnam veterans at Waterfront Park was nice, Mayor Keyserling said, but it didn’t get much publicity, so he would like council to do what it can to ensure that the 9/11 event is better attended.

Mayor Keyserling said “during the ‘snowbird’ season,” he understands there’s a 2-hour window in the morning when the bridges won’t open, except for commercial traffic, and when they do open, it happens on the hour. Mr. Prokop said that is correct. Councilman O’Kelley said it’s the same in the afternoons: except for commercial traffic, there’s a window of time – basically rush hour – during which the bridges do not open.

### **REPORTS BY COUNCIL**

Councilman Murray said the conversion of the 500 Carteret Street building for Beaufort Digital Corridor’s BASECamp is “making progress,” and they are seeing prospect interest, too.

Councilman Murray said the presentation to the county council’s Finance Committee yesterday was educational, and he wondered if city council should discuss in a work session “where we are currently with the (Lady’s Island) corridor.” They could see the charts that Mr. Prokop and Mayor Keyserling had shown to the Finance Committee at that time. Such a discussion could also be of value to the Redevelopment Commission, Councilman Murray said, and council would be covered as well, since the councilmen all serve on the commission.

There being no further business to come before council, **Councilman O’Kelley made a motion to adjourn the meeting. Councilman Cromer seconded. The motion passed unanimously,** and the meeting adjourned at 8:10 p.m.