

A work session of the Beaufort City Council was held on April 12, 2016 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Councilmen Mike McFee, Phil Cromer, George O’Kelley, 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 work session to order at 4:59 p.m.

SANTA ELENA FOUNDATION UPDATE

Andy Beall showed a poster from the Santa Elena Foundation and described what had taken place so far in the organization’s month-long celebration, including a regatta. Upcoming events include a group of 16 scholars coming to USCB on Friday for a daylong gathering at which they will present their work. On April 22, Dr. Beall said, a replica galleon will come from St. Augustine and will dock at Port Royal for 8 days. On April 30, the Santa Elena Foundation History Center will officially open to the public with a ribbon cutting, barbecue, and music.

Dr. Beall described the foundation’s Heritage Library, which allows people to do ancestral research. He said there has been “so much support”; there have been 3000 visitors, even before the center has officially opened.

PARKING GARAGE – PARKING COMMITTEE RECOMMENDATION

Kathy Todd said that on November 9, the City of Beaufort posted an RFQ and received 4 sealed qualifications statements, which were publicly opened December 18. On February 8, the evaluation committee met and discussed the statements. They decided to bring in three of the companies for interviews, she said. One company withdrew from consideration, so on March 9, two companies were interviewed. March 25, the committee met to evaluate the proposals and both of the companies. The committee recommends JE Dunn to develop the parking garage. Ms. Todd described why the committee felt JE Dunn had the best bid.

Councilman O’Kelley asked what kind of parking garage is being proposed or should be considered. Ms. Todd said that the city manager will begin negotiations with the company to outline a contract. The RFQ is about different locations for the garage, not just its design. Mr. Prokop said the goal is 450–500 spaces. Councilman O’Kelley asked, “Are we moving too fast?” Mayor Keyserling said the only way this will ever happen is through the capital sales tax. It’s on the list, so the city is obligated to work on it. This is just “exploratory” and doesn’t commit the city to anything. Mr. Prokop said JE Dunn would need to have discussions with property owners to determine what is available.

Councilman Cromer asked where the estimated need for 400–500 spaces had come from. Mr. Prokop described how the parking task force had come up with that number. Mayor Keyserling said it also allows Phase 2 of the Waterfront Park renovation.

Councilman Cromer said he's curious about how high the parking garage would need to be. Mayor Keyserling said the Historic District Review Board would govern that. Councilman Murray said it was capped at 55' and three stories. Councilman Murray said 300 or fewer spaces in a parking garage would not add any capacity to the city's parking; that would be a break-even number.

BUSINESS LICENSE ORDINANCES

Mayor Keyserling provided background on this issue. In the last two budget processes, the idea of "fees for services" that are provided to nonprofit organizations was raised, but the city "moved away from direct fee-for-service because we'd spend all our time accounting and sending out bills." He said this proposal will give better assessment information and better serve all for-profit businesses and nonprofits in the city.

Mr. Prokop said two ordinances are proposed:

1. Every business and charitable organization has to have a license, whether it is for-profit or non-profit, so the city can have an enforcement method. This is a registration, not necessarily a paid-for business license.
2. All of a charitable organization's income-earning activities outside of its core charitable function would need to be licensed and taxes paid on that income.

Mr. Prokop said this is fairer in terms of competition with for-profit businesses. Ms. Todd said the ordinance supports the same implementation the IRS uses for nonprofit businesses that earn "unrelated business income." Councilman Cromer asked how they would enforce this if a business doesn't register (e.g., an Airbnb). Councilman McFee said that the business license staff already looks for unlicensed businesses this through Internet searches.

Councilman Murray joked that some churches operating daycares will get a new influx of church members. He thinks this is fair as long as unregistered nonprofits don't have to pay to register. Councilman Cromer said the secretary of state makes charities register annually and pay a fee. Councilman O'Kelley said they aren't trying to tax a church; if an organization has to pay the IRS, then it should pay for a business license in the city. Mr. Prokop said they would bring this to council for first reading.

STORMWATER RATE STUDY PRESENTATION

Tony Maglione, with ATM, was contracted by the county to do a study in order to develop a new stormwater rate structure. The county's four municipalities were included in the study, which developed new rate models for the county and each municipality.

They set up a model to plug in different variables that significantly affect rates, Mr. Maglione said. The county will increase its stormwater rates from \$50 to \$87 for a typical residence. For all of the municipalities, the county has added a countywide infrastructure (CWI) fee. Annexations have led to the loss of a county revenue source, he said, so they looked at all of the municipalities, highlighted the infrastructure the county still maintains, and estimated a

per-year cost for maintenance. For the City of Beaufort, the current fee is \$5.15 fee per year/SFU. In FY2016-2017, it will be \$6.07, Mr. Maglione said.

Mr. Maglione said the Stormwater Implementation Committee was asked about their concerns, and they generated six rate structure options to “test everything against”: the current rate structure with and without debt financing, and impervious and gross area charges (with different methods for allocating costs, and with and without debt financing). The impervious coverage measurements were corrected for non-residential properties, he said. As a result of the study, the way the number of SFUs is calculated changed, Mr. Maglione explained.

The stormwater fee will have three parts, Mr. Maglione said:

1. A fixed charge per account (FCPA) – For FY2016–2017, the fee “to manage the accounts” is recommended to be \$5.00 per account.
2. An impervious area charge – For non-residential units, the fee is recommended to be \$75.00. Mr. Maglione explained how the impervious area charge is determined for residential units.
3. A gross area charge – This is new, Mr. Maglione said, and it is related to the impact of developed and undeveloped sites on the stormwater system. The charges are “tiered,” because the larger a property is, the less dependent it is on public infrastructure, he said. The property owner is charged by the number of acres on the plat; the gross area charge for 0–2 acres is \$25.00, which is included in the \$105 proposed fee. Additional prices decrease as the number of acres increases (e.g., 2–10 acres are charged \$12.50/acre and 11–100 acre properties are charged \$10/acre).

Since the rate structure has changed, Mr. Maglione said, they needed to change the method by which people are charged, if, for example, part of their acreage is underwater or is otherwise undevelopable. The county is developing a “credit manual update,” he said, to match the new rate structures. Property owners can apply for a credit, which will be recorded, so they do not need to ask for it every year.

Impervious area is important, Mr. Maglione said, because 80% of the charge is based on it. He explained how the amount of impervious area is calculated. The study determined that a lot of the data in the county’s GIS database was inaccurate, and the county could be liable for that. They re-digitized new aerial photography and adjusted the impervious area on 5,000 non-residential properties countywide.

Mr. Maglione said for the City of Beaufort stormwater fee, the new stormwater rate model was used to develop projected stormwater rates for four years. It incorporates allocations for the city’s capital projects at about \$250,000 a year, and a “modest amount of money” for regulatory compliance with the MS4 standards and the program’s implementation. The Town of Port Royal and City of Beaufort are not yet designated as MS4, Mr. Maglione said, so this allocates funds for when they go through that process.

The city’s rate model also incorporates funds to inventory and map the City of Beaufort’s stormwater system, Mr. Maglione said, to implement new best management practices

programs, and to create a fund surplus for contingency/emergency funding of future stormwater projects and regulatory compliance. The current and future revenues allow growth in the fund balance, he said. If the city were to keep its current rate structure, there would be considerably less in the fund balance. The stormwater fee can be held without an increase for a couple of years, he said, “unless something substantial happens.” The largest variables are capital expenditures and manpower.

Councilman Murray asked what threshold is used for MS4, “to determine if a community should participate.” Mr. Maglione said it’s based on “urban clusters,” which come from census data. When there are a certain number of urban clusters, he said, an area “gets designated for regulatory compliance.” In Bluffton, the town and the county boundaries intermingle, and both have enough urban clusters to be designated as requiring regulatory compliance. “There are 172 regulated stormwater communities in South Carolina,” Mr. Maglione said. He doesn’t think “there’s not a mad rush to designate Beaufort and Port Royal,” but both might have enough urban clusters now (since the last census), and they don’t want to be caught without the necessary revenue when the time comes.

Councilman Murray said the county’s administrative charge will see a little increase. Mr. Maglione said, “Going to a per-account basis from an SFU basis kept that \$3.18 down.” There was an effort made to keep the county’s charges down, in order “to keep as much of that revenue on (the municipalities’) side of the table as possible.” The CWI will be on the tax bill at \$5.15. Mr. Prokop noted that the county is also increasing county residents’ rates from \$55 to \$87.

Councilman O’Kelley said the EPA and federal government are requiring the MS4, and “it’s unfunded . . . we don’t have a choice” about participating. Mr. Maglione said some counties are told to run the program “because they need it,” but they don’t have the funds to pay for it, so they “have to collect the revenue somehow,” or face a substantial fine that ends up being equal to the cost of MS4.

Mayor Keyserling asked about differences in the gross acreage charge in rural areas with ditching systems. Mr. Maglione said everyone says they don’t want to maintain DOT roads, but they “can’t afford not to clean” the pipes, clean out the ditches, etc. DOT doesn’t maintain what it owns, unfortunately, he said.

Mayor Keyserling asked if impervious gravel and pervious surfaces can be determined by aerial photography, and Mr. Maglione said yes, they can be, and they can use infrared photography, too, if there are questions.

Ms. Todd explained how staff had determined the costs of projects, including phasing the funding for some of them, so they could do as many projects in the capital improvement plan as possible.

Deborah Johnson asked if there were any allowances for credits for “green infrastructure.” Mr.

Maglione said yes and explained how that works.

Councilman McFee asked about the auditing process and if the county would determine what is impervious and pervious. Mr. Maglione said that is done locally as part of the \$3.18 fee.

John Dickerson asked about the fees, and if the city would use them to maintain the stormwater system. He also asked if the city couldn't fix a problem in the DOT's system without asking DOT. Councilman Murray said they usually do that, but they ask DOT first. Mr. Dickerson described a "significant problem" with stormwater that "doesn't seem to be getting fixed" at the corner of Charles and Craven Streets. There was general comment that this is already a project.

Mr. Prokop said the Allison Road stormwater project would cost \$800,000. Councilman Murray said the bulk of the money is used for general maintenance, and short of receiving grants or county money, it's hard to put together the money for a large capital project. Mr. Prokop said there's an example on Hamar Street of the city, the county, and the state all working together. He added that new stormwater problems come up every year.

Mr. Dickerson said since the city paved, the stormwater system on Newcastle doesn't work correctly. The amount of water that goes into the system is now doubled, "and it's damaging."

EXECUTIVE SESSION

Pursuant to Title 30, Chapter 4, and Section 70 (a) (2) of the South Carolina Code of Law, **Councilman O'Kelley made a motion, seconded by Councilman Murray, to enter into Executive Session to discuss personnel on city boards and commissions. The motion passed unanimously.**

There being no further business to come before council, the work session was adjourned at 6:15 p.m.

A regular meeting of the Beaufort City Council was held on April 12, 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 7:05 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Pro Tem McFee led the invocation and the Pledge of Allegiance.

Councilman Murray made a motion, seconded by Councilman Murray, to adjourn the Executive Session and enter council’s regular meeting. No action was taken. **The motion passed unanimously.**

PROCLAMATION OF APRIL 2016 AS “CHILD ABUSE PREVENTION MONTH”

Councilman Murray made a motion, second by Councilman McFee, to approve the proclamation. The motion passed unanimously. Councilman McFee read the proclamation, and Mayor Keyserling presented it to **Christina Wilson**, Executive Director of CAPA. She described some statistics concerning child abuse nationally and in Beaufort.

MINUTES

Councilman McFee made a motion, second by Councilman Murray, to approve the minutes of the work session on March 15, 2016. The motion to approve the minutes as presented passed unanimously.

Councilman McFee made a motion, second by Councilman Murray, to approve the minutes of the work session and regular meeting March 22, 2016. Councilman Cromer said on p. 1, in the 5th paragraph, in second sentence, the word “for” should be “from.” Also, he said, Fire Chief **Reece Bertholf** should not be referred to as “Captain” Bertholf. Councilman McFee said on p. 4, during the public hearings on two different properties, **Libby Anderson** had referred to General Commercial zoning as being “medium-intensity” and “fairly intense” zoning. He believes there is a distinction between the two, so both should be “medium-intensity.” **The motion to approve the minutes as amended passed unanimously.**

ORDINANCE REVISING SECTIONS 5.3.D AND 11.2 OF THE UNIFIED DEVELOPMENT ORDINANCE (UDO) TO CLARIFY THE DEFINITION OF SHORT TERM RENTAL

Councilman Murray made a motion, second by Councilman McFee, to approve the ordinance on second reading. Mayor Keyserling described the origin of this ordinance. **The motion passed unanimously.**

ORDINANCE REVISING AND ADOPTING THE BOUNDARY STREET REDEVELOPMENT DISTRICT PLAN (REVISED MARCH 22, 2016)

Councilman McFee made a motion, second by Councilman Murray, to approve the ordinance on second reading. Ms. Anderson said this specifically lists Greenlawn Drive as a possible project in the Boundary Street Redevelopment District. **The motion passed unanimously.**

ORDINANCE ANNEXING PROPERTY LOCATED AT 226 SEA ISLAND PARKWAY

Councilman McFee made a motion, second by Councilman Murray, to approve the ordinance on second reading. Councilman O'Kelley recused himself from the discussion and vote because of a conflict.

Mayor Keyserling said Lost Island and Distant Island had concerns about an area of Highway 21 that is right before Lost Island Road, where two lanes merge to one. Until this traffic problem was resolved, he said, council had agreed not to take action. Since then, he has met with residents and the county attorney. Mayor Keyserling said he is "satisfied that there can be a resolution," so it's back on council's agenda. Councilman Murray said Representative **Shannon Erickson** had coordinated many groups to come up with a solution. Mayor Keyserling said he considers this solution a short-term one.

Chuck Newton said he represents the Sea Island Corridor Coalition, which focuses on a particular area and the lands and water it touches. The group developed out of concerns that include Wal-Mart and this annexation. The group is "pro-good development," he said.

Mr. Newton said the group supports the annexation, but the zoning further compromises traffic. Rezoning will allow "any type of commercial operation," and a fast-food restaurant with a drive-thru will be particularly problematic with traffic, especially in concert with Wal-Mart and other development in the area. Traffic leaving a drive-thru and heading back to Lost Island will "confront what will be a congested" road, Mr. Newton said. Those leaving Lost Island Road will have to make a right turn because a left turn will be impossible. This is "untenable," he feels and requires council to prohibit a drive-thru on this parcel. Zoning it "NC-Residential" would prohibit drive-thrus but allow other commercial development. Mr. Newton said the group urges council to hold off on allowing the zoning that would allow a drive-thru there.

Ms. Anderson said the property is currently zoned S-1 Industrial District in the county. Restaurants with drive-thrus are permitted there as a conditional use. One of the conditions, she said, is that "the restaurant must take access from the development street and cannot have direct access onto an arterial or collector street." She is not sure whether the county would allow this particular conditional use; how the conditions would be applied, "I really can't say for sure," Ms. Anderson said.

John Holden, a Lost Island resident, thanked council for their phone calls, encouragement, and a visit to his home. Through the county, they have identified "one viable option." Concerned citizens had a meeting last week with city and county representatives and DOT officials. He said he expects the property will be annexed and rezoned. They want the developer to succeed, Mr.

Holden said, and “we look forward to being part of the solution (with) whatever is developed at the end of our street.” Someone needs to take responsibility for what will happen there in terms of increased traffic, he said.

Kate Schafer, Coastal Conservation League, said she wanted to offer the organization’s support for the annexation and rezoning. This donut hole and others should be addressed. Looking at the future of Lady’s Island is exciting because it has farms, rural areas, schools, and an airport, and it “could develop an urban core,” Ms. Schafer said. This is the opportunity to “challenge some easy assumptions,” which she described (e.g., wider roads are better). The new code is innovative, she said, and should challenge developers to “think outside the box” and apply this innovation to Lady’s Island.

Peter Somerville, a Lady’s Island resident, said in the past, when property was annexed on Sea Island Parkway, the highway “was not included within the city limits.” The problem is that the county has no incentive to police this area, which is bounded by city property on both sides, so “the county will not enforce the traffic (laws).” Annexing property in this manner, Mr. Somerville said, means “the city has no control of it.”

Gordon Fritz, a Lady’s Island resident, said that all the groups making decisions and dealing with choices about the environment and trees, etc., are “laymen.” Arborists and biologists, he wishes, would help council make choices that “do what you need to do.” They don’t want a repeat of the approach to Beaufort on Highway 21. The approach to the beaches has been saved until now. He’s not opposed to progress and development, but he wants it to be good development and for council to consider “what we have to deal with on Highway 21 now.”

Mayor Keyserling said they get requests for annexation from people who want more services than the county gives, but that comes with responsibility. Mayor Keyserling said there would be problems because there are “more and more and more houses on Lady’s Island and St. Helena.” Commercial developers count rooftops when deciding where to locate, and now there will be more development there, which is why they now have Walmart and Harris Teeter.

Councilman Murray said if the city does not annex this property, it won’t stop development there; he feels it will be developed whether it’s in the city or the county. He said if the property is in the city, it will go through the city’s required design review process, and he hopes these concerned residents will come to meetings to help determine “the form” of restaurant that should be on the property. Since a property owner wants to come into the city, Councilman Murray feels that council has “a responsibility” to allow the annexation.

The motion passed 4-0, Councilman O’Kelley abstaining. Councilman Murray said that Councilman O’Kelley is required to provide a reason for his recusal in writing, which Councilman O’Kelley later submitted.

ORDINANCE ZONING A PARCEL OF PROPERTY LOCATED AT 226 SEA ISLAND PARKWAY
Councilman Murray made a motion, second by Councilman McFee, to approve the ordinance

on second reading. Councilman Cromer said this zoning “adds sprawl,” while the Civic Master Plan encourages infill. He think T-4 Neighborhood District (under the new code) would be more appropriate zoning. If drive-through restaurants are allowed in this area, they will contribute to the traffic congestion. Councilman Murray said McDonald’s, Sonic, Dairy Queen, and two major grocery stores are a half-mile from this parcel. This zoning fits the surrounding uses, he said, adding that he doesn't think “Neighborhood Commercial” zoning is appropriate. He thinks the drive-thru is “an aesthetic issue,” and he is in favor of Highway Commercial zoning for this parcel.

Mayor Keyserling said he also supports this zoning because he supports “what the city would do with this property, given the nature of the corridor.” There will be a new development code soon, he said, and “I think this is about the ‘what,’ and not the ‘who’.” The business developed on this property will have to go through the city’s development process, which means that stormwater run-off, traffic, setbacks, trees, etc. will all be part of that process. Voting for this zoning doesn’t mean he supports a drive-thru there, Mayor Keyserling said, but he thinks the property owner should not be denied the right to have one.

Councilman Murray said, “We have a very talented and qualified staff that deal with these issues,” so arborists, engineers, and planning staff will all work toward “a good outcome.” Mayor Keyserling added that there are four certified arborists on the city’s Park and Tree Committee, most of whom “are probably master gardeners as well.” He asked rhetorically, “Should we engage them more aggressively? Maybe.”

Geoff Grout said developers will “take the path of least resistance,” so he “take(s) exception” with council’s representation of “how the process actually works,” which, he said, is property owners, “so they can make some money . . . trying to find the users quickly.” The “quality of the review process that we have” needs to be watched carefully, Mr. Grout said, and the documents used that have been created for that purpose. Finally, he said, if “the surrounding property dictates use,” and “we kept using that theory I heard earlier,” this area would “truly be a strip shopping center.”

Ann Chatfield, Distant Island Drive said the problems with a Taco Bell here are not “aesthetic” or about trees; the problems are about “traffic.” Mayor Keyserling encouraged Ms. Chatfield to participate in “open meetings,” which “Ms. Anderson, who is part of the development process” has. **The motion passed 3-0, with Councilman Cromer opposed** and Councilman O’Kelley abstaining.

FY 2016 BUDGET AMENDMENT

Councilman Murray made a motion, second by Councilman McFee, to approve the budget amendment on second reading. Ms. Todd the budget amendment releases \$155,000 from committed fund balance and moves it to the Capital Projects Fund for costs of construction of the fire station. **The motion passed unanimously.**

REQUEST FOR RECURRING STREET CLOSURE FOR A COMMUNITY BLOCK PARTY EACH MONTH

IN WHICH A FIFTH SUNDAY OCCURS

Ivette Burgess said the request is to close a portion of Monson Street for a block party for community outreach. The applicant is **Derrick Moon**. Fifth Sundays – and these parties – would happen every two or three months. City staff does not object to this, Ms. Burgess said. The police department has said it would love to help with the first event.

Councilman O’Kelley said approving this request would be giving “carte blanche,” and would “put the onus on the city.” He thinks it would be better to approve the request “whenever it (comes) up,” not “anytime it’s a fifth Sunday.” There might be other events on those Sundays that would conflict, and the police “might not have it in their calendar right.” Councilman Cromer and Councilman Murray agreed with Councilman O’Kelley. **Councilman McFee made a motion, second by Councilman Murray, to approve the block party on May 29, but to require that requests for all subsequent events come to council before the event. The motion passed unanimously.**

Ms. Burgess said there is no charge to make these requests.

STREET CLOSURE REQUEST FROM SANTA ELENA FOUNDATION TO HOST 450-YEAR COMMEMORATION FOR THE SPANISH

Councilman McFee made a motion, second by Councilman Murray, to approve the request for the April 30, 2016 event. Megan Meyer, the development director for the Santa Elena Foundation, thanked council and invited the public to a celebration April 30 from 11:00 a.m.- 3:00 p.m. **The motion passed unanimously.**

ANNUAL EVENT REQUEST FROM BEAUFORT REGIONAL CHAMBER OF COMMERCE TO HOST A TASTE OF BEAUFORT 2016

Councilman McFee made a motion, second by Councilman Cromer, to approve the requests for alcohol sales, street closure for a 5K run, and closure of the Charles Street Extension for the May 6 and 7 event in Waterfront Park. Ms. Burgess said there are no changes from previous Taste of Beaufort events, except that there would not be “a kids’ area per se.” **The motion passed unanimously.**

ANNUAL REQUEST FROM THE MEMORIAL DAY COMMITTEE TO HOST PARADE

Councilman Murray made a motion, second by Councilman McFee, to approve the request for the May 30, 2016 parade. The motion passed unanimously.

ORDINANCE AUTHORIZING THE SALE OF ONE PARCEL OF CITY-OWNED PROPERTY ON BARNWELL STREET EXTENSION

Councilman Murray made a motion, second by Councilman Cromer, to approve the ordinance on first reading. Mayor Keyserling said at the end of Barnwell Street, “there’s a right-of-way where a road was never built that runs into a piece of property on Depot Road.” The city has agreed on a price, and this will also offer greater access to the old Depot Building. **The motion passed unanimously.**

ORDINANCE ANNEXING PROPERTY LOCATED AT 169 SEA ISLAND PARKWAY AND 19 SAMS POINT WAY

Councilman Murray made a motion, second by Councilman McFee, to approve the ordinance on first reading. Ms. Anderson said these two parcels are on Lady's Island at the corner of Sams Point Road and Sams Point Way. The properties are proposed to be incorporated into the Harris Teeter development. The proposed zoning is General Commercial district.

Mayor Keyserling said Harris Teeter's plan is "to preserve most of the trees on Highway 21. Mr. Fritz said he has no objection to either of these properties being annexed. He said he wanted to tell the planning department that he's concerned about the tree cover on both of these parcels that will be in the final Harris Teeter plan. There's "a huge oak on the small parcel," and the larger back parcel "is covered with large centurion oaks . . . many palmetto, (and) mature magnolias." Mr. Fritz said he's "confident" that planning staff "is going to address that."

Mr. Fritz said Harris Teeter has been cooperative, but will "have to try to use . . . the big section on the back." He asked what they would use it for: Parking? Stormwater run-off? He'd heard the property was said not to be good because it's so low, but it's not, Mr. Fritz said; it's 15' below the surface "because the road was built 15' above it." He feels "annexation is not the issue" but "what we do with it and what we permit (on) this piece of property after it's annexed." **The motion passed unanimously.**

ORDINANCE ZONING PROPERTY LOCATED AT 169 SEA ISLAND PARKWAY AND 19 SAMS POINT WAY GENERAL COMMERCIAL DISTRICT

Councilman Murray made a motion, second by Councilman McFee, to approve the ordinance on first reading. Ms. Anderson said this zoning is comparable to the county's; and they are doing this combination to accommodate the development that will go there. This Thursday, Harris Teeter representatives will go before the Design Review Board, which is a public meeting, and the entire application is available on the city's website, so one can see the plans for the trees, etc.

Councilman O'Kelley addressed Mr. Fritz's concern about the trees on the site, telling him, "We have a comprehensive tree ordinance," so on this site, "you won't get a DR Horton thing" – clear-cutting trees – such as has occurred "down the road" in Oyster Bluff.

Ms. Anderson said neither the grocery nor parking will be on the back parcel. The part of the property with the trees that Mr. Fritz had mentioned "will be for stormwater control." **The motion passed unanimously.**

ORDINANCE REZONING PROPERTY LOCATED AT 1402 WASHINGTON STREET FROM GENERAL COMMERCIAL DISTRICT TO GENERAL RESIDENTIAL DISTRICT

Councilman O'Kelley made a motion, second by Councilman McFee, to approve the ordinance on first reading. Ms. Anderson said this is in the Historic District in the Northwest Quadrant. The street is primarily used for residential purposes, and the owner would like to build a single-family residence. The Historic District Review Board has recommended approval. There is

General Commercial zoning on the other three corners, she said. **The motion passed unanimously.**

ORDINANCE REVISING SECTIONS 5.3.D.7 OF THE UNIFIED DEVELOPMENT ORDINANCE (UDO) PERTAINING TO CAR WASHES IN THE GENERAL COMMERCIAL DISTRICT

Councilman McFee made a motion, second by Councilman Cromer, to approve the ordinance on first reading. Ms. Anderson said the applicant is **Martie Murphy**, who would like to develop a Tidal Wave auto wash. A stand-alone car wash is not permitted in a General Commercial zone. Staff couldn't support Highway Commercial zoning where Mr. Murphy wants to locate the car wash, so they suggested this amendment to the ordinance. The Design Review Board recommended approval of a stand-alone car wash on the condition that the opening/bay doors were screened from the street with a liner building. The Metropolitan Planning Commission also recommended approval, and a public hearing was held on this ordinance amendment last month.

There was a general discussion about the location of this business. Mr. Somerville said, "This is not just a one-off zoning change"; it will permit stand-alone car washes "anywhere in the city limits." He said he lives near a car wash, and "those things are very noisy." There is residential near this parcel, and he believes that, like the Harris Teeter site, there are trees on this parcel that should be preserved.

Mayor Keyserling said Mr. Somerville is correct, but this ordinance revision says, "future car washes will have to be screened," and they will "still (have) to be within a General Commercial district." Mr. Somerville said again, "This permits (them) throughout the city." Councilman Murray replied that a single-bay car wash "attached to a gas station" is allowed now in General Commercial zoning.

Councilman Murray asked Ms. Anderson if Mr. Murphy "could go through the ZBOA process." Ms. Anderson said yes, if he wanted to request variance to the liner building, but that's not being proposed. **The motion passed unanimously.**

ORDINANCE REZONING THREE PARCELS OF PROPERTY LOCATED AT 1009 CONGRESS STREET FROM GENERAL RESIDENTIAL DISTRICT TO NEIGHBORHOOD COMMERCIAL DISTRICT

Councilman McFee made a motion, second by Councilman Murray, to approve the ordinance on first reading. Ms. Anderson said this property is currently zoned General Residential district. It's across the street from Bridges Preparatory School, which would like to develop it into a parking lot. Neighborhood Commercial is felt to be the best zoning for this property, as its use may change over time. There will need to be screening of the parking area on street frontages, and tree removal would have to be "specifically approved," she said. "The tree stays" in the current conceptual plan. **The motion passed unanimously.**

ORDINANCE ANNEXING THREE PARCELS OF PROPERTY ON PORT ROYAL ISLAND AND THREE PARCELS OF PROPERTY ON LADY'S ISLAND

Councilman Murray made a motion, second by Councilman Cromer, to approve the ordinance

on first reading. Ms. Anderson said there are six properties involved here. Three parcels are on Boundary Street near Parris Island Gateway, where an auto dealership was once located, but it has been “vacant for quite some time.” The three parcels on Lady’s Island are just beyond the intersection of Sea Island Parkway and Lady’s Island Drive. They’re “adjacent to the existing Publix development.” The surrounding properties are already developed.

The Lady’s Island properties are proposed to be zoned General Commercial district, Ms. Anderson said. The Boundary Street properties are proposed to be zoned Highway Commercial district. **The motion passed unanimously.**

ORDINANCE ZONING THREE PARCELS OF PROPERTY ON PORT ROYAL ISLAND HIGHWAY COMMERCIAL DISTRICT, AND THREE PARCELS OF PROPERTY ON LADY’S ISLAND GENERAL COMMERCIAL DISTRICT

Councilman Murray made a motion, second by Councilman Cromer, to approve the ordinance on first reading. The motion passed unanimously.

CITY MANAGER’S REPORT

Mr. Prokop thanked Ms. Anderson and **Bill Harvey**, city attorney “for the work they did on these annexations,” which fill in so-called donut holes. None of these were “forced annexations,” he said. Mr. Prokop said the city is working closely with the county on the highways; “we want to look at all this development as one problem for the future, not just each development one-by-one.”

Budget preparation is underway, Mr. Prokop said. The state legislature continues “to hold back” from distributing “a local government fund” to municipalities that “was part of (a) formula” that was developed and approved “several years ago.” The shortfall in income from 2009–2016 is estimated to be \$11,736,164 in Beaufort County. For 2016 alone, the amount is estimated to be more than \$2,402,000. “Our share as a city is well over \$100,000 a year,” Mr. Prokop said. This shortfall, “coupled with a lack of transportation funding . . . for road repairs” means that the city can’t do work on state roads “because there doesn’t seem to be funding for it.” Costs are also increasing “for our state retirement funds,” he said, so staff is proposing “new fees,” including a public safety fee, “in order to meet our rising costs.” The fees will be “minimal” and will apply to all property owners, and “hopefully, they will only be needed for a limited time until our revenue from the new development starts to materialize.”

Mr. Prokop said staff had “bypassed a purchase order ordinance” on two purchase orders. They got bids on stormwater vacuuming; \$60,000 was budgeted for this, and “the work is virtually . . . done.” However, staff didn’t put out a formal RFP, as the ordinance requires. They also bypassed the RFP on a request “to do the asphalt stormwater work at the bowling alley.” Five businesses gave quotes, and “we chose the lowest bidder.”

Because “we didn’t follow policy,” Mr. Prokop wanted council to be aware and to ask for council’s approval “to go ahead with the work,” and staff will issue the purchase orders this

week. The purchasing policy for jobs like this is being looked at, he added, as “it may be too complex.”

At the 500 Carteret Street parking lot, 18 employee parking spaces are paid for, and the public lot is “starting to get some . . . use.”

Mr. Prokop said the fire department is giving out and installing free smoke detectors that the Red Cross provides; they gave out more than 100 last weekend.

On Boundary Street, there have been “no major issues,” Mr. Prokop said. Construction, coordination, and the duct bank work are going well. Traffic issues “are being addressed,” he said, and they may install temporary signals so that drivers can make left turns. 20% of the funds are expended, and 20% of the project is completed.

The online business license program was tested and went well, Mr. Prokop said. It should be installed by the middle/end of July.

May 3, there will be a joint meeting with the Port Royal town council. They have invited participants from both local military bases, members of the state delegation, and county council representatives.

At the marina, additional moorings will be installed soon, Mr. Prokop said. The diving and engineering “for the underpinning of all of Waterfront Park and our current day dock” has been ordered. The work is tentatively scheduled for the week of May 9. He described the work to be done and said there will be noise associated with it.

Other projects soon to be underway, Mr. Prokop said, include Hancock Street stormwater and Southside Boulevard sidewalks; contracts should be issued by the end of the week. The status of the Allison Road project, he said, is that after meeting with SCDOT representatives, Ms. Anderson and **Lamar Taylor** will “have to do another analysis and report.” Staff will have to file for a 2-year extension with the grantor, Mr. Prokop said, and the project will cost considerably more than was originally anticipated. This is the sixth or seventh revision they have had to do because of the requirements of SCDOT. Most of the project is grant-funded, he said.

Mayor Keyserling asked if the grants were extendable. Ms. Anderson said they are “quite certain we can get another extension.”

MAYOR’S REPORT

Mayor Keyserling said that there has been a request to create an arts overlay district to allow an array of accessory dwelling units, which “are already permissible,” with designs that the Historic District Review Board would pre-approve. This is proposed as a way to revitalize the neighborhood.

The Northwest Quadrant Neighborhood Association had “the biggest meeting they’ve ever had,” Mayor Keyserling said, and he is revising a proposed resolution that came out of that meeting. He said council will have it for next week’s work session.

Mayor Keyserling reviewed some of the events of Beaufort nonprofit organizations.

REPORTS BY COUNCIL

Councilman Murray said there has been “a lot of development interest,” including telecomm companies and some developers from Columbia; he has been to a lot of meetings he hopes will bear fruit.

Councilman Murray issued “a call to action” for the public to go to www.seedsofchangegrant.com to vote for the City of Beaufort to contend for a \$10,000 or \$20,000 grant to build a community garden in Southside Park.

Councilman McFee said the infill development group of the Redevelopment Commission is working in the Northwest Quadrant, which is “rising to the top” of areas of the city that will be redeveloped.

There being no further business to come before council, **Councilman Cromer made a motion to adjourn the meeting. Councilman O’Kelley seconded. The motion passed unanimously,** and the meeting adjourned at 8:46 p.m.