

A meeting of the Beaufort Redevelopment Commission was held on November 17, 2015 at 7:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Chairman Verity, commissioners Mike McFee, Phil Cromer, Mike Sutton, George O’Kelley, Frank Lesense, and Steven Green, Bill Prokop, city manager, and Deborah Johnson, city staff.

Commissioner Billy Keyserling and Stephen Murray were absent.

In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all media were duly notified of the time, date, place, and agenda of this meeting.

MINUTES

Chairman Verity called the meeting to order at 7:02 p.m.

Commissioner Sutton made a motion, second by Commissioner McFee, to approve the minutes of the August 18, 2015 Redevelopment Commission meeting. Commissioner O’Kelley abstained from voting because he was not present at the meeting. Commissioner McFee said that the titles for all of the councilmen and the mayor should be changed to “commissioner.” Commissioner Cromer said on page 5, the first sentence is lacking a verb and should say that Commissioner Sutton “said” or “stated” what follows. **The motion to approve the minutes as amended passed unanimously.**

Commissioner McFee made a motion, second by Commissioner Sutton, to approve the minutes of the September 29, 2015 Redevelopment Commission meeting.

Ms. Johnson said, on page 1, the meeting was at 5:00 p.m., not 7:00, and **Bill Harvey** was not present.

The minutes say that Commissioner Keyserling called the meeting to order, but it was Chairman Verity.

Commissioner McFee said there is an “and” after “were absent”; the “and” should be removed.

Ms. Johnson said in the fourth bullet point on page 1 –“it only reports formally to council” – “reads like council reports to council.” The “it” refers to the Redevelopment Commission, the proper noun immediately preceding “it,” which “only reports formally to council . . .”

Ms. Johnson said on page 2, paragraph 1, second line, the meeting time – at 7 p.m. – should be added.

Ms. Johnson said on page 2, in the fifth paragraph, “Chairman Verity read from a list of current initiatives,” should include the type of initiatives: “Chairman Verity read from a list of current economic development initiatives.”

On page 3, in the third full paragraph, the minutes say “the feds are doing loans,” but Ms. Johnson said she was referring not to federal loans but to “SC Housing Authority” loans.

On page 3, in the next paragraph, Ms. Johnson said it should read “about to change,” not “able to change.”

Commissioner Cromer said on page 3, in the sixth paragraph, in the phrase “at the last LoCOG meeting, and they said,” “and they said” should be replaced with “that.” (Striking “and” makes the sentence clear. – steno.) **The motion to approve the minutes as amended passed 6–0.**

Commissioner McFee made a motion, second by Commissioner Cromer, to approve the minutes of the October 20, 2015 Redevelopment Commission meeting. Ms. Johnson said the city manager, whose contributions were noted from page 5 on in the minutes, should be added to the attendees. **The motion to approve the minutes as amended passed unanimously.**

CIVIC MASTER PLAN

Cooter Ramsey said he had rediscovered the Civic Master Plan when giving a presentation, and he is “a big, big fan of it.” He feels like it could get lost in the shuffle as things move forward. He is thankful for the city’s investment. The ideas and concepts in it are solid: the fire station has gone up, and the wayfinding signage is up, too. The Marina parking lot “fiasco” happened, but otherwise, the plan is “awesome.” He thinks it would be nice to distribute the Civic Master Plan to people who could use it; every architect and developer should have this document in their hands, Mr. Ramsey feels.

Commissioner Sutton described how Mr. Ramsey could help, when encountering problems that relate to the plan, by reaching out – and encouraging others to do so, too – to city staff, the Redevelopment Commission, and the full city council. The Boundary Street Plan is part of the Civic Master Plan, Commissioner Sutton said, and as it comes online, if there are shortcomings, they need to be brought to the commissioners’, council’s and staff’s attention. Mr. Ramsey said he feels the city is easy to work with, unlike what he sometimes hears from others. Chairman Verity explained how the RDC had changed – with the focus of the commissioners on the subcommittees – and he asked Mr. Ramsey to “spread the word” that this is “a new commission . . . and we’re very serious about making sure Beaufort works right.”

REDEVELOPMENT PLAN

Chairman Verity said that at the previous meeting they had discussed a proposal that, per “the new city ordinance,” the focus of the commission’s activities “would be the entire city.” For doing projects, they need a redevelopment plan. Ms. Johnson explained the handout about the Redevelopment Plan.

They need a plan like the Boundary Street Plan, Chairman Verity said, for projects “where we’re going to use the Redevelopment Commission’s powers.” It will take some time, but it needn’t be overly complicated, he said. For example, for an infill project in the Northwest Quadrant, Higgonsonville, or Mossy Oaks, if they want to use the powers of the Redevelopment Commission, “we need to do it properly, and we know what that is,” because Mr. Harvey, city attorney, has given them the necessary information. The format has been made more manageable, Chairman Verity said. This will keep the commission in compliance.

Chairman Verity gave out a handout – the Civic Master Plan’s Chapter 11 initiatives for private investment – to remind the commission about work that had been done to identify “areas that we could invest in.” If there are any areas of particular interest or that fit into their committee’s work, he said, this document’s information might be useful. None of the ideas in this part of the plan “are in action” at this time, Chairman Verity said. “Every piece of property that we thought

was developable in the city” was identified and is in this document.

Chairman Verity suggested that the commissioners also look at the Boundary Street Master Plan, which was modified from the 2009 version, with the approval of the new code, to make it “more useable.” It “shows you what a development plan might look like.” It closely resembles the bullet points that Ms. Johnson had modified for the commission, he said.

Ms. Johnson said at some point the commission might want to revisit revising the Boundary Street Plan to include Greenlawn, since council approved the Greenlawn streetscape, and the CDBG grant was delayed for a year, because “if it’s in the redevelopment plan, then it gets points, and it’s all about points,” she said. **Libby Anderson** said staff would like to apply for a CDBG grant, and if Greenlawn streetscapes are specifically called out as a project, that would be very helpful.

Commissioner Sutton said he knows that Polk Village is primarily still in the county as a donut hole, but that would be a next piece to consider. Chairman Verity said he had heard that discussed, but there were a lot of compliance issues; that might change as the Boundary Street project “rolls along,” and it might be seen as “an additional value.” Commissioner Sutton said when the slip road and parallel road connector are built, the commercial side of that neighborhood has the potential to change dramatically. Knowing how to get a private neighborhood to annex into the city is hard now, Commissioner Sutton said, because there are no incentives for investors or private landowners. A study would need to be done on the makeup of Polk Village to determine how they could get the whole neighborhood to agree to move into the city. He asked rhetorically if that would be positive for the city.

Chairman Verity said he thinks 75% of the owners have to agree to annexation. Commissioner Cromer said if the city is already providing services with the county having jurisdiction, what’s the incentive to “jump the fence”? Commissioner Sutton said that’s always been the problem. Mr. Prokop said, if they come into the city, for 3 years, residents would “get 50% of their city taxes paid up front to them as a group, then . . . another 50% on just the city’s portion” for another 3 years.

Mr. Prokop said they didn’t apply for a CDBG for Greenlawn last year because he had talked to **Dick Stewart**, who had said he “was not going to do anything with the property this year.” They should discuss with Mr. Stewart whether it’s going forward or will be delayed for a couple years, Mr. Prokop said. He is meeting with Mr. Stewart about another matter and would discuss that. Chairman Verity said the idea is to get it in the Boundary Street Plan so they would comply at whatever point they apply for a grant.

Commissioner Cromer handed out “the latest demographic overview” from the Lowcountry Council of Governments to inform the commissioners.

Commissioner Lesense asked if they could prioritize these projects. Chairman Verity said he expects the committees “to prioritize their own.” Those with a date or dollar amount were

being worked on by the former Redevelopment Commission. Very few of those projects in that 2-year old list were active, he said, but the commissioners can determine if any fit into what they are doing. Commissioner Lesense said he sees a lot of housing projects listed, and he doesn't know how much housing the city needs, but he feels they should prioritize commercial projects over housing, because "commercial brings the jobs." Chairman Verity said, as the city's downtown core has transitioned, people also moved away, so a more viable downtown needs people living in it. Also, from 2000–2012, Beaufort "may have lost population," so both residential – which is an important part of the tax base – and commercial are essential.

Commissioner Sutton said there's an increase in businesses relocating in the city limits, but they are not the types of businesses that jump out at you: an accountant's office on Boundary Street, a new construction company on Carteret Street, etc. Commissioner Sutton said he's learned that the housing stock must increase to "increase vibrancy and (the) density of people living here" in order to get businesses to focus on coming here, "unless there's another incentive." In his daily life, he said, he's seeing a big increase in infill happening. Two or three currently vacant houses a month are "starting to move." Chairman Verity said Bladen Street is an example; there's "nice density in Midtown," but then "a lot of vacancies" on the other side of the street, especially the southern portion.

Commissioner McFee said the Redevelopment Commission's economic development and infill committees have a lot of overlap. One reason for the format of the groups' presentations are the generation of questions like these: a business owner might like employees to live in the city, close to the business, for example. Commissioner Lesense said he is too new to know the housing stock, but "there is a lot of development going on outside the city with the housing stock. . . . Now we're competing with other areas." However, he said, if they bring businesses in, "those people need to live somewhere," so he understands it's "a chicken or the egg kind of thing," but a residential construction boom outside the city creates competition for customers. Commissioner McFee and Commissioner Sutton agreed with Chairman Verity's statement that "there's not much available." Commissioner Sutton said it's important to determine, "What's keeping someone from doing something with their property? What incentives are there . . . when they finally decide to do it?"

INITIATIVE UPDATES

Infill

Commissioner McFee said the infill committee had met twice since the last Redevelopment Commission meeting. They had a stakeholders meeting and discussed infill issues and got the perspective of property owners and "those that we referred (to) as stakeholders" on roadblocks and issues with engaging communities within the city. They discussed "public and grant investment" (e.g., HOME, CDBG, Village Renaissance) in the Northwest Quadrant – close to \$6 million in 10 years – which does not include "countless additional dollars in private investment." They discussed identifying additional stakeholders to engage to move further into the communities, and roadblocks to investment in those neighborhoods for those who would be interested in investing there.

Commissioner McFee said it was determined that it would be good to introduce codes enforcement staff to representatives of Habitat for Humanity and Beaufort Housing Authority to determine obstacles throughout the city that they have encountered in their jobs. At that meeting, codes enforcement brought a lot of information about absentee owners and the limited resources of some neighborhoods' elderly populations (e.g., lack of education), which creates difficulties with their communication, one-on-one, with codes enforcement staff.

Commissioner McFee said **Angela Childers** from Beaufort Housing Authority had talked to the committee about a project in cooperation with the Town of Bluffton to create affordable workforce housing "directed at teachers." Bluffton has agreed to provide some incentives, including a \$5000 credit toward plan development, for example.

Commissioner McFee said the discussion in council and the Redevelopment Commission about affordable workforce housing has focused on home ownership; the Bluffton project is rental property. Beaufort Housing Authority does that, but has expressed interest in working with the Redevelopment Commission on "home ownership opportunities as funding is available," via its "nonprofit, which is part of the Beaufort Housing Authority." Commissioner McFee said this could be "an opportunity for recurring funds to be (used) for mortgage payments (and) . . . reinvestment in the marketplace."

The committee discussed partnering with Habitat for Humanity with its new director, **Chet Houston**, Commissioner McFee said, particularly about the organization being "a catalyst . . . in areas and neighborhoods that have more blight," to create more opportunities there for home ownership.

Chairman Verity asked if there had been success in bringing stakeholders together. Commissioner Green said "plenty of people are interested, and we've got two different concerns: we see opportunity, and we see problems." They don't want to move too quickly before they reach out to the areas that have a stake in this, he said. Commissioner McFee said it's well known that property owners are concerned about "losing investment in their properties," so the committee wants to present opportunities such as accessory dwellings – "adding income production to properties" – rather than having vacant and abandoned structures.

Commissioner McFee said a goal of establishing stakeholders was to lessen the appearance of the city telling property owners, "This is what you must do." Commissioner Green said there are a lot of opportunities to be had by partnering with Habitat for Humanity and Beaufort Housing Authority. Mr. Houston had told them that Habitat for Humanity has a rehabilitation division, Commissioner McFee said, and they are very willing to partner with the City of Beaufort. He said the focus tends to be on Higgonsonville, the Northwest Quadrant, and the West End, but there are opportunities in Mossy Oaks and Royal Oaks as well, which hold the majority of the city's population.

Mr. Prokop explained that the city "can't help repair and then collect the money. We can (put

a) lien (on) the property, but it only comes back to us if they sell it.” The county, however, has a procedure that allows them to put a lien on it, “and it goes right on the tax bill.” City staff is beginning to look at the possibility of creating an MOU (memorandum of understanding) that would let them use the county’s authority “to enforce the lien for repairs of property.”

Commissioner Sutton said this is an important step because they are “trying to entice people to do something with their property,” but enforcement of the ordinances and policies that are in place “has no teeth.” Fines can’t be levied because there’s no way to collect them.

Commissioner McFee said they also have no authority with the non-resident property owners.

Commissioner Sutton said this MOU idea could bring people to the table who’ve been resistant.

Ms. Johnson said, “In the conversation that we had about the Northwest Quadrant” with the stakeholders at the meeting, “every project we talked about was in the Old Commons, actually,” so she wanted to ensure it was included, since it was left out before. Also, Ms. Johnson said, in regard to all of the repair programs, one of the biggest barriers is that there has to be legal title to the property, and it must have homeowners’ insurance on it that is equal to the value of the house after it’s repaired.

Downtown

Commissioner O’Kelley said city council had met with **Linda Roper** and **Alice Wallace** in a work session, and will be following up on the recommendations of the parking task force by looking at parking fees, enforcement hours, and time limits in various areas downtown, to possibly make ordinance changes. In regard to downtown property, the city is “in the process of selling the old post office” – now Lowcountry Produce – “and that is going to be a big deal.” Other real estate matters are pending, too, but are “still in executive session,” so Commissioner O’Kelley said they wouldn’t be discussed.

Chairman Verity asked if the RFQ for the parking garage was out, and Mr. Prokop said it was.

Ms. Johnson said the end date to receive those is December 18.

Codes and Regulations

Commissioner Cromer said his committee didn’t get a chance to meet. He said Ms. Johnson had suggested prioritizing their initiatives. He would “like to go after some low-hanging fruit,” such as businesses that could be annexed into the city. He feels the break that they would get on their business license fees for the first three years is not widely known and should be promoted. Secondly, Commissioner Cromer said, he feels that incentives should be put in place in the next fiscal year, such as a progressive longevity credit for businesses in the city, and a percentage credit for early business license payment.

He would also like to explore a cap on business license fees “in each category” to see if that’s feasible, using some of the parking money that comes to the Redevelopment Commission for low-interest loans for start-up and expanding businesses, and matches or loans for a façade improvement program for downtown businesses.

Mr. Prokop described the status of the effort to allow business license payments online. Commissioner Cromer said there is an ongoing program with TCL about the building permit process. Ms. Anderson said the core development review team went to Hilton Head to learn about the adjustments Hilton Head had made to their development review process. They also looked at the software Hilton Head uses for plan submittal and permitting. There will be another meeting with TCL's facilitators in early December, Ms. Anderson said, to map out the current process, look at the glitches, and determine improvements that could be made.

Commissioner Cromer said the Beaufort Code (i.e., form-based code) technical review committee would meet next week, and he and Commissioner O'Kelley had been invited to sit in. Commissioner McFee said Commissioner Cromer had been sitting in on the infill committee's meetings to help with streamlining the codes enforcement regulations. Mr. Prokop said the goal for completion of the Beaufort Code is the end of the fiscal year.

CITY PROJECTS IN PROGRESS UPDATE REPORT

Chairman Verity said the commissioners had a list of what's going on in the city.

- Mr. Prokop said there is ongoing discussion about the Bank of America building.
- Hiers Construction is making improvements to the former Von Harten building.
- The renovations on USCB's Center for the Arts have started; Commissioner McFee explained the scheduling of the work.
- Mr. Prokop said Tabby Place, an event venue, is open.
- The West Street project is close to starting, Mr. Prokop said; the developer is hoping for a commitment to buy the penthouse and to lease the lower part, which is commercial space.
- The day dock's permitting and engineering processes are underway, Mr. Prokop said. Also, they will receive bids for improvements to the transient dock and putting in the fire suppression system.
- The city has received a quote to do "phases 2 and 3," i.e., work on the area underneath all of Waterfront Park and the marina. Also, FEMA has offered mitigation for damage discovered as a result of the most recent flood. Mr. Prokop said they are going to try for a grant for phases 2 and 3 as part of that, as well as a grant for work at Pigeon Point that had to be done twice because of damage incurred there.
- All of the stakeholders in the Boundary Street project had met the previous day, Mr. Prokop said. The official project start date will be determined in the next couple of weeks. Construction on the road may not be seen until the first of the year, but prep work and the demolition of purchased buildings will begin. Council approved removal of the noise ordinance for the Boundary Street project to allow "a lot of the work (to) be done at night."
- The Robinson-Grant building renovation is "coming along," Mr. Prokop said.
- There is a question as to what Bridges School is doing: is it renovation and adding on to their present building? Mr. Prokop said he thinks that their high school "may be off the table for now," but he's not sure. Bridges needs both SCDOT approval and another approval at the state level that all new schools must obtain. SCDOT has done a traffic

survey and is looking at “a major issue” for the school, Mr. Prokop said: dealing with the traffic congestion that begins there around 3:00 p.m.

- The Lafayette Street single-family homes project has experienced stormwater issues, so there will be a meeting with the engineers in the next couple weeks, Mr. Prokop said, about what the city has “to do to fix it right,” which may mean it becomes a capital budget item next year.
- Wayback Burgers is under construction next to Starbucks.
- One owner of two restaurants will be moving into the building where the Olive Garden and Red Lobster were.
- Yes, Thai Indeed is moving into Jean Ribaut Square next to Kmart by the end of the month.
- Battery Creek Park is going to county council for approval of the concept, Mr. Prokop said.
- Ashley Pointe apartments are under construction now.
- The Bladen Street Black Chamber of Commerce building is under construction.
- There was a discussion of residential projects using the Bailey Bill for renovations.
- The Allison Road project has been “very frustrating,” Mr. Prokop said, as the city is on its third request to SCDOT, and now the project has been given to an intern. There’s a time limit on the TEA grant, so they will have to get a grant extension when they get SCDOT approval, he said.
- City Walk housing development is underway, and in the last week, they had asked for permission to construct two additional houses.
- The fire station “is just about ready to open,” Mr. Prokop said. They need a water meter installed, and the new fire truck has arrived.
- Bids will go out in the next couple of weeks for putting sidewalks on Southside Boulevard.
- The dog park at Southside Park is under construction, the tree farm is in development, and the walking trail plan has been approved.
- On the Spanish Moss Trail, work on the extension should be close to finishing, Mr. Prokop said. Ms. Anderson said it should be complete by the end of the year.
- Ms. Anderson said the bike shop that was going to go in at the Depot Road trailhead has found a location in a different area.

Commissioner McFee suggested, when they’re complete, instead of removing a project from the list, putting a date it was completed “as a benchmark.”

- Mr. Prokop said Brody’s is open on Lady’s Island, and the Sea Pointe apartments are under construction.
- Airport Circle and Wal-Mart haven’t started construction because dirt was more expensive than they had thought it would be because of the need to use so much fill dirt.

- On Lady's Island, a property will be going before the Metropolitan Planning Commission for rezoning and annexation across from the Wal-Mart at Lost Island and Highway 21; it may be a Taco Bell, Ms. Anderson said.
- The mayor wrote a letter to the county about a multi-county industrial park, Mr. Prokop said, and the city is waiting to see what the county wants to do in regard to Whitehall, but there's no recent activity there.
- Meridian Assisted Living facility received final approval for design review.
- There will be a meeting tomorrow with the Harris Teeter developer about their plans.
- Single-family home permits have been issued for new construction on De La Gaye Drive and Distant Island Drive. Mr. Prokop said the first home is his.
- On Robert Smalls Parkway, the new Taco Bell is open; a Nissan car dealership on Robert Smalls Parkway is a potential project that has had a pre-application conference, and a "Cook-Out" restaurant may apply to build across the street from it.
- Mr. Prokop said Parker's convenience store has environmental testing going on for some possible EPA funding, and to ensure "the property is clean."
- Home2 Suites by Hilton at Parris Island Gateway and County Shed Road is a 100+ room hotel. There was a general discussion about where it is located.
- Mr. Prokop said next week the city would bring forward the lots it would like to sell throughout the city: most have been appraised and some "are very, very small."
- Commissioner O'Kelley asked if the Parker's convenience store at Roseida Road was in the city. Commissioner Cromer told him that it had been annexed.

There being no further business to come before the commission, **Commissioner O'Kelley made a motion, seconded by Commissioner Cromer, to adjourn the meeting. The motion passed unanimously**, and the meeting adjourned at 8:27 p.m.