

A meeting of the Beaufort Redevelopment Commission was held on September 29, 2015 at 7:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Mayor Bill Keyserling, Chairman Jon Verity, commissioners Mike McFee, Phil Cromer, Frank Lesense, Mike Sutton, and Stephen Murray, city attorney Bill Harvey, and CFO Kathy Todd.

Steven Green and George O'Kelley and 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.

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

Commissioner Keyserling nominated Commissioner Sutton to be the Redevelopment Commission Vice Chairman, second by Commissioner McFee. The motion passed unanimously.

Chairman Verity thanked the former commissioners who had served: **Mike McNally, Keith Waldrop, Alan Dehovitz, Wendy Zara, Martin Goodman, Henrietta Goode.**

REDEVELOPMENT COMMISSION ENABLING LEGISLATION

Chairman Verity reviewed the legislation in regard to blighted and conservation areas. He had given the commissioners excerpts and directed them to a section of notes on community development law. He read an excerpt from state law and said that what the city has approved for the Redevelopment Commission, and what is in these notes, creates "a bit of a disconnect."

- Chairman Verity recommended changes to revise the Redevelopment Commission's oversight to "the entire city of Beaufort."
- The composition of the commission would change to include council and at-large members, and 2-year terms would begin July 1.
- Council may remove *appointed* members, but presumably would not want to remove the elected members.
- Since council sits on the Redevelopment Commission, it only reports formally to council once a year, rather than every 3 months.

Chairman Verity said, if the commission approves these revisions, they would recommend them to the council at their next meeting. **Commissioner Sutton made a motion, second by Commissioner Lesense, to approve these changes.**

VISION, GOALS AND PURPOSE

Chairman Verity passed out and read from a handout, which he said he had "amended a bit."

OPERATIONS AND ASSIGNMENTS

Chairman Verity read the various committees and who would serve on them from the handout. The agreed to meeting time was the third Tuesday of each month after the council's work session.

Chairman Verity explained how the committee/initiative structure would work, and who would serve on which committee. Commissioner Keyserling said Commissioner Green is part of a group that wants to buy and restore homes in the Northwest Quadrant.

Under the auspices of the RDC, commission members or the commission itself could involve members of the community in their initiative. Chairman Verity explained why the committees were being called initiatives. Commissioner Murray said he liked the idea of a "task force" getting things done, rather than just coming to meetings every month.

Commissioner McFee spoke about potential infill development, and said he wants to be careful not to be too specific, so he suggested calling it "infill development," not just Northwest Quadrant.

Commissioner Keyserling said Port Royal, Bluffton, and Hilton Head have their own initiatives apart from the county's, but the mayors all want to be a part of something with the county. **Stu Rodman** has gotten the county to create an entity that will include each of the municipalities and two members of county council with the authority to hire a director and set a program. Commissioner Keyserling has been sitting in on the planning among the mayors, but as it's developed, he would like Commissioner Murray to be involved on the economic development side, and Commissioner Keyserling would be, too. Commissioner Murray said the county has given the Chamber of Commerce and **Blakely Williams**, specifically, as the new point of contact for commerce in all of Beaufort County. Chairman Verity suggested that, to be inclusive, anyone who might be interested in these topics should be invited to these meetings, as long as sufficient public notice is made when that's called for.

Deborah Johnson is working on grants for the city until the end of the year, and Chairman Verity introduced her.

Commissioner Keyserling said he plans to walk Boundary Street and look for properties that, as a realtor, he knows have value; he'll also "look for developers to work with." The commission can encourage collaboration with staff, but the law prohibits council member from doing that as council. They can set up meetings, but they need to be careful, Commissioner Keyserling said, because as the Redevelopment Commission, they are talking about money, government, competition, etc.

In regard to finishing the Beaufort Code and reviewing the regulatory processes, Commissioner Keyserling said these are important jobs because, in the last weeks, there have been cases where it was clear that, for people who came to the city, it's not as user-friendly as they would like it to be, and while that is under the city manager's purview, the Redevelopment Commission should also be advocates for projects that they want to advocate. Chairman Verity

said if they hear in the community that someone has had a bad experience, or something wasn't followed up on, the commission should follow up on it. Commissioner Keyserling said that Chairman Verity could follow up with the city manager, whereas council can't.

Commissioner Murray said he hopes if codes, incentives, and regulations are successful, and staff is educated about them, then council won't have to quarterback to the extent that they have had to in the past. The process should be easy enough that no one needs to be shepherded through it.

Commissioner Cromer said he's attending a meeting tomorrow from 2-5 p.m. at TCL about streamlining the building process. He thinks being a facilitator – changing the culture of that – is key. Chairman Verity said **Bill Prokop** is very responsive, and he thinks they can get things done “without a lot of conflict.” Commissioner Sutton asked if the TCL meeting was open. **Kathy Todd** said it's “business license folks,” Commissioner Cromer, herself, and planning staff. Commissioner Sutton said that he had received a call from them; Ms. Todd said she believes some commercial businesses are being involved. TCL is “facilitating the process”; Commissioner Cromer said that the city had contracted with TCL.

Commissioner Sutton said Beaufort's landmark district was the #1 blighted area in the county at one point and federal grants helped with some of that, but to have blight in the core of downtown is why this commission is important. The city needs to focus on redevelopment, Commissioner Sutton feels. By ordinance, the Northwest Quadrant, he thinks, is still a conservation district. If other areas are designated that way, there's potential for using federal grants for those areas, too. Ms. Johnson said the feds are doing loans now, not grants. Ms. Todd said, “They are forgivable loans,” if the work is done and people stay in the house. There were CDBG grants obtained for streetscape work, and LoCOG facilitates the grants and gets a “statement of needs from council every year.” The mission statement extends citywide now.

Ms. Johnson said fair housing rules are able to change dramatically and will affect municipalities more than anyone else. The idea is to not create low-income districts. Chairman Verity said there was interest in the last incarnation of the Redevelopment Commission in doing low-income housing loans.

Commissioner Cromer said at the last LoCOG meeting, and they said 8 or 9 of the last round of 20 CDBG grants statewide went to the Lowcountry. Surrounding counties are “loading up.” Ms. Todd said the city manager had decided to hold on the CDBG this year because of Boundary Street development, but it is in the pipeline for next year for Greenlawn.

Commissioner Lesense said he knows little about the residential end, but on the commercial side, the incentives are not very well publicized, but very important. He has applied for historic tax credits for the renovations at the Anchorage and for abandoned building credits. He discussed historic tax credits for historic renovations, state tax credits, and “the abandoned buildings incentive.” In his own project, Commissioner Lesense said, he had spent money on some things that he didn't notify the state about that won't qualify, so it would be good, when

someone is considering developing in Beaufort, to tell them about these incentives, and “shepherd this process.”

Maxine Lutz said the review board and **Lauren Kelly** work with people, and every Bailey Bill request goes to the review board. Commissioner Lesense said Ms. Kelly and the city website were big helps. He did all his own research, and now a group in Greenville is helping him with the tax credits. He said it should be part of the marketing of Beaufort to pull people in: show abandoned properties and tell them that they can get back their investment. Commissioner Lesense said there are a lot of financial incentives there to “get someone to pull the trigger.”

Commissioner Sutton said there is a small building stock; two started work this week. There needs to be a shift in attention, he feels, to the part of the Historic District that isn't being focused on. He doesn't know if there are other commercial corridors that will be absorbed into that district outside of some on Boundary Street.

Commissioner Lesense said **Martin Goodman** is a great resource, too.

Commissioner McFee said he feels they are targeting the areas that they said were their highest goals. Chairman Verity said they need to always be making progress on these initiatives, and the role of the RDC meetings is to ensure that they stay on task and don't let the work slip through the cracks. Regular meetings will mean they need to be ready to report on their work every month.

INITIATIVES IN PROGRESS IN THE CITY

Chairman Verity read from a list of current initiatives and commented, as did other members of the commission, who added initiatives that weren't on the list.

- Chairman Verity discussed Boundary Street East and said there are questions about what is going to happen to the Bridges School on Boundary Street. They have a local board in place, interesting co-chairs, and it's becoming more active.
- The Lafayette Street project has 3 houses completed, and one's sold, but they have had water issues, and they will discuss that with the city.
- Wayback Burgers is going in next door to Starbucks.
- Ashley Pointe apartments
- Greenlawn – The streetscape and 137 units are still in the planning stages.
- There was no Old Commons report
- The City Walk development off Oaklawn is progressing.
- Commissioner McFee said there's a ribbon cutting for 711 Charles Street in the Old Commons.
- Southside Boulevard includes the drainage improvement on a mile-long stretch in that neighborhood. Commissioner Keyserling said the Allison Road work should also be included.
- Commissioner McFee said the new fire department building should be included, too.

- Ms. Lutz asked if there was any movement on the Olive Garden/Red Lobster building. Chairman Verity said **Dick Stewart** owns that building now, and he has said there are “no nibbles yet.”
- Commissioner Cromer said Joe Love’s Lobster Rolls is going into where Burlap was.
- It was suggested that the Spanish Moss Trail rezoning to enable the bike shop should be added to the list.
- On Lady’s Island, the Sea Pointe apartments are being built behind Publix/Barbara Jean’s, which is now going to be a sports bar.
- Wal-Mart and the surrounding shops
- There was a question about building along Meridian Road.
- Meridian Assisted Living facility on Factory Creek in the Hamilton Village Shoppes
- Harris Teeter may be moving into the old Publix location, which seems “exciting,” Chairman Verity said.
- The Taco Bell on Highway 170
- Nissan car dealership – Commissioner Keyserling said it might go in front of Lowes. They came to council to change the zoning to allow a dealership, but there’s been a covenant that wouldn’t allow it between Lowes and the highway. Ms. Johnson said it’s still in the pre-conference stage.
- Parker’s convenience store – Commissioner McFee asked about the brownfield issues on the site. There was no response.
- There was discussion of the initiative to have unused or unneeded city property appraised.
- Solar farm – Ms. Johnson said the RFP went out from the county, and they will have bids from people for a feasibility study. This is a collaborative effort with the city and county. Commissioner Murray said there has been interest in partnerships.

Chairman Verity said a lot of the activity is as a result of the Civic Master Plan. Commissioner Murray asked Chairman Verity if they will get such a sheet on a monthly basis, and if it would be used to track projects. These are primarily commercial and larger residential projects, he said, but there is also single-family residential going on, and they might want a cumulative number on that monthly.

Ms. Johnson said she is an independent contractor for grant writing half of her time and the other half is to do what the RDC needs her to do. This list was a start on that. She will do research for the initiative groups, if they see an abandoned building, and she will track people who might want to come to the city and offer potential sites.

Chairman Verity said he’d like to see residential construction tracked. Commissioner Sutton said they can do it, but they need to be careful about how they do that. About the codes enforcement report, he said if the fire marshal is monitoring blighted buildings, he’d like to know where they are, and they might be able to talk to the owners and “see what it would take.” The economy is getting stronger, and people are willing to reinvest, so they need to take advantage of that.

Ms. Todd said she knows planning has a list of properties pulled together. Commissioner McFee said that **Libby Anderson** also has a list that has been updated fairly recently. Ms. Lutz said building codes, the fire department, and planning are having a meeting to review those properties that have been identified. Commissioner Sutton said it would be good to measure the change. He would like to see maps up, so they can see the changes that are happening. They can use those to show people the changes being made; he sees it as a sort of “war room.” Commissioner Keyserling said he’d like a scale model of downtown. He’s heard that a drone company can take a photo, turn it in to a CAD, and then use a 3-D printer to build a model.

Ms. Lutz said she thinks Ms. Kelly has kept lists updated. Ms. Johnson said it is updated, and she has a copy. They can put maps upstairs in the old offices. Commissioner Sutton said he would like the war room to be in the planning conference room, instead. Commissioner McFee said it’s got good public access. Commissioner Keyserling said it’s the most used room.

Commissioner Murray asked if they need to approve the goals and purposes, and Chairman Verity suggested they take it home and study it.

Commissioner Keyserling said that at the next meeting, they should have an executive session – council and new members should be brought up to date on projects and problems that can’t be talked about in public “because they’re people’s projects.” Also, he feels they need to all leave this meeting with an assignment. Chairman Verity said those listed as committee chairs need to “put some meat around the bones” of the assignments that are on the list. Ms. Johnson said she would ensure that she knows that follow-up is being done.

Commissioner Cromer said there are “developers around here” who have contributed to his and others’ campaigns, so councilmembers will need to recuse themselves when those developers’ projects come up. There was a general discussion, and Commissioner Keyserling said they could disclose, and then they wouldn’t need to recuse: If you disclose your involvement, and the rest of the council agrees you can act impartially, you do not need to recuse yourself. Commissioner Cromer said he will disclose, and if he has to recuse, he will. Commissioner Keyserling explained that recusal is for when you could have a financial gain were something to go through. Commissioner Murray said **Bill Harvey** had given a good definition of “arm’s length and where the grey areas are.” He suggested it be added to the next agenda.

Commissioner Sutton said executive sessions should only be to protect a private citizen’s negotiating right. All the Redevelopment Commission does is facilitate and open doors. The conflict is only when contracts are being negotiated. Commissioner Keyserling said executive sessions would be updates on upcoming projects. Commissioner McFee said they are for discussions of contractual and proprietary matters. Commissioner Murray said economic development might involve confidential information. Chairman Verity said the commission will report on projects that have been reported to the public, and those others might be developed and made public later on, too, hopefully.

There being no further business to come before the commission, **Commissioner Murray made a motion, second by Commissioner Lesense, to adjourn the meeting. The motion passed unanimously**, and the meeting adjourned at 6:15 p.m.