



CITY OF BEAUFORT
1911 Boundary Street
Council Chambers
BEAUFORT, SOUTH CAROLINA 29902
(843) 525-7070

REDEVELOPMENT COMMISSION AGENDA

September 20, 2016

PLANNING CONFERENCE ROOM – 1ST FLOOR
1911 BOUNDARY STREET

7:00 P.M.

I. CALL TO ORDER

II. REVIEW OF MINUTES

August 16, 2016

III. NEW BUSINESS

Lady's Island Traffic Study Update

Don Ryan Center for Innovation Partnership Proposal

IV. INITIATIVE UPDATES

Economic Development – Stephen Murray

Infill – Mike McFee

Downtown —George O'Kelley

Boundary Street—Billy Keyserling

Codes & Regulations—Phil Cromer

VI. PRIVATE AND PUBLIC PROJECTS IN PROGRESS

July 1, 2016 - Present

VII. ADJOURMENT

NOTE: IF YOU HAVE SPECIAL NEEDS DUE TO A PHYSICAL CHALLENGE, PLEASE CALL IVETTE BURGESS 525-7070 FOR ADDITIONAL INFORMATION

STATEMENT OF MEDIA NOTIFICATION

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

A meeting of the Beaufort Redevelopment Commission was held on August 16, 2016 at 7:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Chairman Jon Verity, Commissioners Mike Sutton, Billy Keyserling, Mike McFee, Phil Cromer, Stephen Murray, Steven Green, and George O'Kelley, and Bill Prokop, city manager. Commissioner Frank Lesesne was 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.

Chairman Verity called the Redevelopment Commission meeting to order at 7:00 p.m.

MINUTES

Commissioner Murray made a motion, second by Commissioner McFee, to approve the minutes of the June 21, 2016 RDC meeting. Commissioner Cromer said on page 11, "Levin" is the correct spelling (not "Levine"). Commissioner O'Kelley and Commissioner Green were not present at the June 21 meeting, so they abstained from voting. **The motion to approve the minutes as amended passed 6-0.**

REDEVELOPMENT COMMISSION ANNUAL REPORT JULY 1, 2015 – JUNE 30, 2016 REVIEW

Deborah Johnson said she'd given commissioners handouts about the annual report, which she is working on. She asked the RDC – and specifically those commissioners who also serve on city council, to whom the report will be delivered – what kind of report they would like. Commissioner Keyserling said it should be written to be posted for the record. Commissioner Sutton suggested a bulleted document that is easy to access and read.

Ms. Johnson asked if they would like the report to contain pictures, or if they preferred it to be a straightforward narrative. Chairman Verity said Ms. Johnson should do "anything that made it straightforward and easy to understand," so that would include pictures, which would also keep it from being boring. Commissioner McFee suggested she make it more interesting for a reader than just reading about projects. Chairman Verity said she could ask for short reports from customers, such as the City Walk development and Beaufort Digital Corridor.

Commissioner Keyserling suggested adding "grants" to the key accomplishments. Ms. Johnson said grants would fall under the city/city council, rather than the Redevelopment Commission, but if there are RDC grants in the future, they would be included in future annual reports. Mr. Prokop said he thinks a good way to organize this is by subcommittee.

Ms. Johnson asked the commissioners to send her their suggestions; she will create a draft and send it to the commissioners to review, then it will be presented to council.

REVIEW BOARD INTERACTION

Chairman Verity asked the commissioners to consider the "role . . . they play" when they attend a meeting that isn't the RDC. How do they represent themselves? he asked. It is okay for them to attend a meeting or to comment during a meeting "as individuals," but if they are using "the

name 'Redevelopment Commission'," Chairman Verity said, there should be a protocol. Commissioner Keyserling said he agreed: When he goes to board and commission meetings, he listens and does not speak.

Commissioner Sutton said through the years, the city's leadership "has been marching down one road, while some of the commissions have been going down a different path," and he feels "they're not lined up." It can be difficult, he said – when he was on council and now as an RDC member – to watch a board "if they're going off on a different tangent of ideals" than the city. When he was on city council, Commissioner Sutton said he would tell applicants to the boards not to apply for those positions "if you don't believe in what we're doing," or in the master plan of the city. Even without going to board and commission meetings, he said he hears about "conflict constantly" now that he's not on council, so he feels "there are times when the boards aren't doing what the leadership thinks they're doing."

Commissioner O'Kelley said Commissioner Keyserling had said he goes to board meetings and doesn't speak, but board and commission members know who the mayor is, and who the councilmen are, so this question is for the RDC members who are not councilmen. He feels they could say who they are and who they are representing.

Commissioner Murray said **Alan Dechovitz** had helped to shepherd the day dock through the redevelopment process as an RDC member; he had no conflict. Chairman Verity said that's a logical step, but should that be policy, or should it be on a case-by-case basis?

Commissioner McFee said in most cases, Chairman Verity is the Redevelopment Commission's spokesman because he is the chairman; Commissioner McFee thinks that's "most appropriate." It might be appropriate for the chair of an RDC subcommittee to attend a meeting in addition to Chairman Verity, in some instances.

Mr. Prokop said he had gone to a Zoning Board of Appeals (ZBOA) meeting to speak on behalf of the city about the Harris Teeter project; at that meeting, he said that the City of Beaufort felt that Harris Teeter had done all that the city had asked them to do, so he hoped that the ZBOA would support them. The city and its board and commission members need to show applicants that they're "on the same page," and really "know what we're doing," so applicants feel assured "that we're on a parallel program," Mr. Prokop said.

Commissioner Sutton said, "Council can't get in (the) weeds" of a board or commission's work, because that would be "illogical and improper." But applicants need to be assured that they are doing everything they are supposed to do, he said, because they will be upset if a board does not approve their project because of a "roadblock." If that roadblock is regulatory, then recommendations need to be made to council "to fix it," Commissioner Sutton said. If it's not regulatory, the person presenting the block should be spoken to about that, so the "train doesn't run off the tracks" because of that person's "interpretation."

Chairman Verity said there might need to be a joint meeting with the boards and commissions

and the RDC at least once a year “to go over our priorities” and ensure they are aligned. Commissioner McFee said board and commission representatives already meet with city council for this purpose. Commissioner O’Kelley said he hears what Chairman Verity is saying, but they don’t want the boards and commissions to feel that the RDC is “trying to manipulate” what they do. The ZBOA and the HRB, especially, “need to be independent,” he feels, because the appeals process does not go to city council, but to the courts. Commissioner Keyserling said he agreed with Commissioner O’Kelley.

Commissioner Murray said that it’s not “strong-arming” the boards and commissions to have them come to the RDC for a joint meeting at which the RDC “shares its vision,” because they already come to city council annually. He said it’s council’s responsibility to clearly articulate what its expectations are to the RDC, and to the other boards and commissions. “Council sets the overall tone and vision for the city,” Commissioner Murray said. If city council is communicating that clearly, then there should be “no need for the boards and commissions to come to the RDC,” too, “to find out what we’re doing.”

Mr. Prokop said he feels the city is not training “some of the people that are on some of these committees” well enough “as to what their responsibilities are.” They need to orient these volunteers, so they’ll know the city’s goals and “the legal aspects” of their positions. They need “some kind of basic training program” for board and commission members, he feels. Commissioner Murray agreed and said when new appointments are made, council and city staff need to make sure that “their goals align with ours.”

Commissioner Cromer said ZBOA members are required to have a certain number of hours of training, but he’d gone to a meeting where “clearly this board outstepped its boundary.” He said the city staff representative “should have said, ‘You’re going in a direction you’re not supposed to go,’ and bring them back to what they’re supposed to focus on,” to avoid “legal hot water.”

Commissioner Murray said it is appropriate for staff “to step in,” but that’s a different conversation. The staff liaison of each board and commission needs to know what the city wants, Commissioner Sutton said, and needs to ensure that its members are kept “on track, to keep us out of trouble.” If board members are unwilling to do that, he said, they can be removed from their positions.

Each of the boards and commissions is completely different from the others, Commissioner Sutton said, “with different legal ramifications (when there are) issues.” The ZBOA has to be treated differently because they have a somewhat different path, but “they still have to understand,” for example, what “pending ordinance doctrine” means, and “which direction the city is going in.” The ZBOA’s decisions can end up in lawsuits if applicants appeal them.

Jay Weidner said he has served on the city’s Park and Tree Commission, the HRB, and the ZBOA, and in each case, the South Carolina Municipal Association gave members training “by law.” Commissioner Keyserling asked Mr. Weidner if he was on those boards “to represent the

city's vision." Mr. Weidner said he "was there to make sure that everything we did was prescribed by law." He was trained that board members could tell applicants that "changes were coming to the zoning code," for example, so the applicants could hold off on their application, but the board members "could not deviate from the law."

Commissioner Sutton said a staffer could say in his/her report "that something was coming," though it might be "against these regulations now." The ZBOA has the right not to follow the current UDO. "That's why they're there," he said, "to make adjustments." Commissioner McFee said the code is changing now, and ordinance changes occur "constantly," so changes have been made to the UDO in the hope of keeping applicants from having to "just continually (get) variances."

Ms. Johnson said, first, "Staff has a role" in every project that goes to a board or commission. Second, when the RDC has "adopted something . . . as a project," and "there's money involved," it "might be appropriate for someone from the RDC to go to a board," indicate the commission's involvement, "and maybe help shepherd it through." Third, Ms. Johnson said, sometimes projects "clearly match up" with RDC initiatives, "but it's a private project" and has not been heard or adopted by the RDC. This category, she said, "gets a little dicey." Maybe a subcommittee or a commissioner has heard about a project, and it matches what the RDC wants to do, but, she asked, is it appropriate – or overstepping – for a commissioner "to speak at a review board meeting" about the project?

Chairman Verity said the 707 Church Street project is one that "looks like the things we want to do, and we have a plan for Duke Street that has been pretty well articulated," but they don't want to get the RDC involved in architecture, design, or zoning. Ms. Johnson said the HRB is aware of what the RDC is doing on Duke Street, and they thought the 707 Church Street project "complemented" the Duke Street project, so they asked for an RDC member to come to an HRB meeting and "match (the projects) up." This topic is on the RDC's agenda, Ms. Johnson said, because the commissioners need to discuss if this is "the RDC's role: to . . . speak about a project that could complement . . . what we're doing."

Chairman Verity said it's "certainly not our role to go to the HRB and suggest what they should do," but "we're promoting infill, and looking at that particular intersection as . . . the starting point for us." He described some of the activities that are "already underway" on the Duke Street project.

Commissioner Sutton asked which component of the 707 Church Street project is going to the HRB. Commissioner McFee said, "Lot size and a new structure on a property that already has an older, but noncontributing, structure on it."

Maxine Lutz told Commissioner Sutton that the 707 Church Street project involves "subdividing a lot that would result in two lots that are 38% smaller than . . . the minimum required" by the city. The position of Historic Beaufort Foundation (HBF) is that this subdivision would make lots that are too small, she said. There was general discussion about this application.

Ms. Johnson said the project at 707 Church Street could be used to illustrate the question that's being raised: 707 Church Street is "in the project area" of Duke Street. It has not been before the RDC or its infill subcommittee, but it might complement the Duke Street infill project, "which has been endorsed and adopted by the RDC," she said. So would it be "appropriate or inappropriate for someone from the RDC to go to the HRB and say something about this project?" Ms. Johnson asked.

Commissioner Keyserling said he feels the 707 Church Street project "is separate from" the Duke Street project and would not complement it. Commissioner Murray said he feels RDC involvement in 707 Church Street would be "inappropriate because we haven't specifically supported it." As a group, the RDC needs "to be unified in what we" do or don't support. It's not part of the Duke Street project, and is not related to anything the RDC has passed, so Commissioner Murray feels "it's outside of the purview of an individual (RDC) member to go and lobby."

In addition, Commissioner Murray said, board and commission members are appointed by city council, so it's a conflict of interest for a councilman to "lobby" them. He might be okay with Commissioner Green or Commissioner Sutton "having that conversation with a board or commission," because they are not councilmen or the mayor. Commissioner Sutton responded that he couldn't do it unless "it was totally supported by the group." Commissioner Murray said it's "part of the overall vision of the city that we want to see this kind of development happen, but this is where staff comes in" and communicates council's desires to the boards and commissions. Commissioner McFee said the reason the city has boards and commissions is for them to "be the clearinghouse for guidelines and statutes the city has set forth in policy."

Commissioner Sutton asked if the 707 Church Street project relates to the Civic Master Plan at all. Commissioner McFee said, "Sure it does." There are non-conforming issues related to it, and the ZBOA and HRB "have to make that determination." There are similar non-conforming lots in the same district; "they have allowed it in the past. Should it not be allowed now?"

Ms. Lutz said it's not that it was "allowed in the past"; it happened before the city had zoning, and property owners would split large lots among their families. Commissioner McFee said there has been redevelopment in the area on lots that are smaller, which "were approved in context at a time when we had zoning."

Ms. Johnson said the question that was posed was what the RDC's role might be in this project, and the answer seems to be, "We're hands-off." Commissioner Sutton said he doesn't see a role for the RDC "at this level," but there might be a role "at the staff level." When projects like this come in, **Libby Anderson** or **Lauren Kelly** are the applicant's first stop, and one of them may tell the applicant that they have to go to the ZBOA if the lot is non-conforming.

Chairman Verity asked what should be done "if a commission chair asked the RDC for clarification" about something. Commissioner McFee said that has happened in the case of 707

Church Street: the HRB said it wanted “the ZBOA’s read on this . . . There is interaction between the boards where appropriate,” he said. Ms. Johnson said the infill subcommittee invites staff to come to their meetings for an exchange of briefings on relevant city issues.

Commissioner Murray said the larger issue is that the Civic Master Plan “is where we’re going,” but the conversations that lead to passing it “were all conceptual.” The city’s “vision” is based in the Civic Master Plan, he said, but “we have no legal way to hold folks to those requirements.” Guidelines “are set down by ordinance,” Commissioner McFee said, and the boards and commissions interpret the ordinance and the Civic Master Plan. “The intention was not to make the Civic Master Plan an ordinance,” Chairman Verity said. As “different things . . . come up,” the Civic Master Plan has to be flexible, because it wasn’t intended to be “the only way to do things.”

Mr. Weidner said he wanted the RDC to know more about the project at 707 Church Street. He thinks subdividing the lot is “inappropriate,” but he’s an advocate of “a lot of the fine infill that’s been done” in Beaufort, and “there are two empty lots immediately adjacent to the lot at 707 Church Street, both ripe for . . . infill.”

The neighbors of 707 Church Street that Mr. Weidner has spoken to also do not think it is a good idea to subdivide this lot, he said. The new lot would have a 3-bedroom house on it, and have no room for parking “or anything outside,” because the house “would go right to the setback.” There’s a small front yard at the existing house now; that house is on the Sanborn maps because it’s circa 1880 – 1900, Mr. Weidner said, and it has had some additions made to it. Modifications to that house would need to be historic (e.g., historic 6/6 windows). There was discussion about moving the entrance to the house, he said, but the Preservation Committee at HBF didn’t realize that there was not sufficient space for that.

Commissioner Murray said it’s clear that the RDC doesn’t feel it should be involved in the project at 707 Church Street, but they might feel differently about another project. RDC members can always speak as private citizens about something they are interested in, he said.

Commissioner Keyserling said when a developer wanted to put up a parking garage on West Street in the old Western Auto lot, the HRB said no, while city council supported the garage, so there was “a real clash.” Council was unhappy the garage wasn’t happening, Commissioner Keyserling said. Commissioner O’Kelley said the merchants and city council wanted it to happen, but the HRB did not.

Chairman Verity said it seems to be the RDC’s conclusion that review board interaction should be considered on a project-by-project basis. There seems to be no general rule except that commissioners should not speak *for* the RDC, unless the RDC chair asks a commissioner to do so.

Commissioner Sutton asked if a citizen could come to the RDC for review of a project. Commissioner O’Kelley said he thinks that’s inappropriate. The commissioners shouldn’t be put

in that position. Chairman Verity said the RDC would only speak publically on what they have decided as a commission.

INITIATIVE UPDATES

Economic Development

Commissioner Murray said the Beaufort Digital Corridor website is up. Demolition of the space at 500 Carteret Street started 3 weeks ago. The former bank's drive-thru has come down, and the floors have been ground down. Work is on-budget and on schedule, he said. They are still accepting applications for a manager at BeaufortDigital.com. There has been "good prospect interest." Commissioner Sutton asked who was talking to prospects about that position, and Commissioner Murray said **Ernest Andrade** at Charleston Digital Corridor.

The rates for renting space may change, Commissioner Murray said, from what they are now; they are down to having ten offices to rent because of issues with a conference room wall. A utility tax credit application has been submitted to Hargray, and they are working on other funding partnerships.

The economic development subcommittee is still in negotiations with the Don Ryan Center, Commissioner Murray said. He hopes "to have something finalized to bring to" the RDC next month.

Commissioner Murray said he had spoken that afternoon to **Geoff Grout** about the mariculture project/shrimp farm. They took "a little bit of a hiatus," but they are meeting this week "to formalize their management structure and do a little more due diligence and market analysis." Mr. Grout will be back in touch with Mr. Prokop in "the next couple of months," Commissioner Murray said.

Mr. Prokop said he had heard a story on NPR about a shrimp farm in New York or New Jersey that is in a converted mattress factory, which is getting \$25 a pound for its shrimp.

The Beaufort Commerce Park has attained a Palmetto Site designation, Commissioner Murray said, which is not a full certification, but the park was certified in 2004, and "not a whole lot has changed as far as utilities and capacities" in the park since that time. The 2004 certification lets them "know exactly what's out there," the "capacity for site selectors and commerce project managers who might be looking at the park," and the park's deficiencies, as well as things that could be done "to make the park more attractive."

Infill

Commissioner McFee said the Duke Street initiative is taking up most of the subcommittee's time. There are many incentives for building new structures and for rehabbing old ones. They have a commitment from BJWSA for up to \$75,000 for sewer laterals. They are sending a letter to all the property owners about the available incentives, Commissioner McFee said. In the subcommittee meetings, they have brought in Public Works, codes, planning, and other city staff to discuss the model street program.

There was a kick-off of the first site in the Duke Street project, at an area that was formerly parking for the Beaufort Housing Authority residents before the original streetscape project that created on-street parking, Commissioner McFee said. With local master gardeners and other partners, at the end of August, they will grade the property and “set the park in place,” he said. Over about 3 months, there will be benches, grass, trees and other plants put in, to be cared for by the residents, who will also be responsible for the park’s irrigation, he said. In addition to doing the planting and design, the master gardeners are using their contacts to obtain plants from local nurseries and are also designing and planting 2 other Beaufort Housing Authority lots at Duke and Church Streets. The groundbreaking for the park will be August 31.

Commissioner McFee said that turnout and enthusiasm for the Duke Street project “has been great so far.” There’s potential for murals on the Beaufort Housing Authority houses on Duke Street, which will get other “facelifts.” The 11 buildings will be painted different, subtle colors in different areas of the complex.

Downtown

Commissioner O’Kelley said this subcommittee hasn’t met recently, but 303 Associates has a parking garage initiative, with a possible hotel to be built, as well. The Bank of America drive-thru has come down now. Because of renovations at the former Von Harten building, it is now “really something inside,” he said.

Commissioner Keyserling said he had noticed that “a clapboard house that is wrapped in brick” on Carteret Street is “under contract.”

Boundary Street

Commissioner Keyserling said **Bill Ladson** had called him about the intersection of Boundary Street and Highway 170. Mr. Ladson was “thrilled about it,” and said he can’t wait for the project to be finished. Things are “quiet” on Boundary Street, and some businesses that had access to Boundary Street until now will lose it, so while “it’s a hardship on some,” Commissioner Keyserling is “totally convinced that everybody’s going to win.”

Mr. Prokop said 31% of the budgeted expenditures and 29% of the designated time for Boundary Street have been spent. They are ahead on the intersection changes by two weeks. He described future work that is planned. There have only been 6 change orders, Mr. Prokop said, totaling \$46,000, and the contingency is \$5 million.

Commissioner O’Kelley said “the old, ugly chain link fence” at 16 Gates Cemetery on Boundary Street has been taken down. He said **Gary Fordham** had “tried to get that (fence) changed years ago.” Mr. Fordham “wanted the city to pay for” a “rail fence,” but that “fizzled.” He asked what is planned for the replacement. Mr. Prokop said that the city is putting up a new fence. It will look like wrought iron, Commissioner McFee said.

Mr. Prokop said the Battery Saxton park on Boundary Street has been seeded, and grass is

already growing in.

Commissioner Murray said the original intent of the Boundary Street subcommittee was to work with private property owners “to help them spur development.” He asked how the commissioners could “actively communicate with these property owners to see if there’s something” the RDC “could do, or . . . communicate the plan for what (Boundary Street) is supposed to look like.” The hope was that these property owners “would start their own development projects” while the Boundary Street project was ongoing, Commissioner Murray said, so that by the time the Boundary Street work was finishing up, they might be finishing, too. Commissioner Keyserling said, “Work is progressing” at Craig Reeves’ place and Springhill Suites.

Mr. Prokop said they are going through a condemnation with a retailer who won’t give them an easement unless the city pays “for all his business losses . . . because Boundary Street ruined his business, as far as he’s concerned.” Springhill Suites is waiting for the EconoLodge to be torn down, he said. The communication with property owners hasn’t been about developing but about how they are fixing their “short-term problems” of getting in and out on Boundary Street, Mr. Prokop said.

Commissioner Keyserling said the Trask family has hired a new company that is working on a new master plan for the Beaufort Plaza shopping center, and they have “retained a site selector who is out looking for retail matches.”

Mr. Prokop said the city is “getting pressure about . . . (starting) the Pickpocket connector.” It’s not part of the Boundary Street project and was to be done with funds they hope are left when the project is complete. “Our answer is yes, it’s on our radar,” but there is “no funding for that right now,” Mr. Prokop said. A verbal commitment was made if there were funds at the end of the project; it is not something that is in the city’s budget, or for which they have a grant, he said.

Ms. Johnson said the Boundary Street subcommittee only had two people on it, as it was set up originally. She asked the commissioners if they want to keep it that way. Chairman Verity said the subcommittee has concentrated on the south side of Boundary Street. Commissioner Keyserling told Mr. Prokop that **David Coleman** had email addresses for Boundary Street businesses, and Commissioner Keyserling and Chairman Verity could write to the businesses and then visit them. Mr. Prokop said they have that list and have contacted those businesses. The weekly contractors’ meetings in City Hall and the open houses for businesses have not been done because they were not well attended, he said.

Codes and Regulations

Commissioner Cromer said staff and representatives of council and city boards and commissions have been meeting with a “development group” to “scrub” the Beaufort Code – eliminating redundancies and streamlining it. They have one more meeting and have been through nine chapters of the code, he said. Next, staff will go to contractors with a draft of the

code, and then to the neighborhoods to see if there are any other issues to be addressed.

Ms. Lutz said she would like for HBF's position to be discussed concerning the "overall code," so she would like to meet with this group that Commissioner Cromer said is looking at the code. Commissioner Cromer said these meetings originated because some developers wanted to meet with staff about the code and had hired attorneys. He thinks the process has been "very, very beneficial." Mr. Prokop told Ms. Lutz that this group is not necessarily who she should meet with, but staff has her memo, and she will be asked to come in at a later point and "address the whole thing." He agreed with Commissioner Cromer that the developers attorneys have been helpful at finding things from the old code that don't need to be in the new code. It's progressing very slowly, Mr. Prokop said, and the developers' group "will . . . feel that (this) is being looked at properly." He does not expect the code "will be done before the end of the year."

Chairman Verity and Mr. Prokop explained the next steps for the code.

PUBLIC AND PRIVATE PROJECTS IN PROGRESS

Ms. Johnson said she is working on this report, which is "very long," and it will be emailed to the commissioners soon.

Mr. Prokop enumerated various projects that will be beginning construction soon.

Commissioner Murray made a motion, second by Commissioner Cromer, to adjourn the meeting. The motion passed unanimously. The meeting ended at 8:25 p.m.