



CITY OF BEAUFORT
1911 Boundary Street
Council Chambers
BEAUFORT, SOUTH CAROLINA 29902
(843) 525-7070
REDEVELOPMENT COMMISSION AGENDA
October 2, 2014

PLANNING CONFERENCE ROOM – 1ST FLOOR
1911 BOUNDARY STREET

5:00 P.M.

I. CALL TO ORDER

II. REVIEW OF MINUTES

August 7, 2014

III. DISCUSSION ITEMS

- A. Boundary Street Plan
- B. Boundary Street Form Based Code
- C. LaFayette Street
- D. Lowcountry Economic Alliance

Proposed Mission Statement

The City of Beaufort Redevelopment Commission has been established to renovate, revitalize, and regenerate distressed areas of Beaufort.

BRC's mission is to lead a coordinated strategy of redevelopment and design strengthening the City of Beaufort as:

- The heart of economic development for Northern Beaufort County
- A prosperous place for business and institutions; and
- An attractive urban environment for residents and visitors

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 7, 2014 at 5:00 p.m. in the Beaufort Municipal Complex, City Hall Planning Conference Room, 1911 Boundary Street. In attendance were Chairman Jon Verity and commissioners Mike McNally, Wendy Zara, Stephen Murray, Mike McFee, and Henrietta Good.

Commissioners Keith Waldrop, Martin Goodman, and Alan Dechovitz 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.

Chairman Verity called the meeting to order at 5:00 p.m.

REVIEW OF MINUTES

Chairman Verity said he had received a letter from **Courtney Worrell** of 303 Associates in regard to making changes to the July 10 minutes. The commission discussed the following changes:

1. On page 1, the stenographer misunderstood a reference to where 303 Associates had “attracted redevelopment investment” and wrote that **Dick Stewart** had said \$13 million is the Ashley Point development. According to Chairman Verity, Ms. Worrell said the \$13 million is going to a new development planned along Greenlawn, and she would like the minutes to reflect that.
2. Also on page 1, Chairman Verity said that the minutes say that the PUD had an investment of \$570,000 and that “allows them to develop as they would like.” Chairman Verity said that Ms. Worrell’s letter stated that they don’t feel that was what Mr. Stewart said. Several Redevelopment Commission members agreed that it should say, “allows them more flexibility.”
3. Chairman Verity said Ms. Worrell wanted it pointed out that the Boundary Street Master Plan was completed in 2010, not 2004. The portion of the minutes in question recounted Mr. Stewart’s discussion of his repeated attempts to make the K-Mart parking lot into green space and subsequent repeated denials by the city because his plans were different than, in Mr. Stewart’s words, “the picture.” The minutes say that Mr. Stewart stated that his organization had applied in 2004-2005 “to take out asphalt” in Jean Ribaut Square “and put in a green space ... [but he was denied because] ‘the picture’ required that development needed to be closer to Boundary Street,” which he was unable to accommodate. The minutes go on to state that Commissioner Murray had asked what “the picture” was that Mr. Stewart had referred to several times, and Mr. Stewart replied that it was the Boundary Street Master Plan. Someone on the commission [upon review of the recorded audio, the stenographer was unable to discern which commissioner spoke] had pointed out that there was no Boundary Street Master Plan in 2004-2005, and it is this that Ms. Worrell disputes from the minutes, believing that there was or could be confusion about the date of Mr. Stewart’s initial efforts (He had not stated that the Boundary Street Master Plan was in effect then but that 2004-2005 was the period during which his organization was frustrated in their first attempt to get city approval for their plans) and the date of the Master Plan (2010, as Mr. Stewart is recorded as referencing two

paragraphs later). Chairman Verity suggested that for the sake of clarity it be reiterated that the Boundary Street Master Plan discussions were in 2010, and that the end result of Mr. Stewart's efforts toward a park in the Jean Ribaut Square location was the gazebo and planters that are there today. **Commissioner McNally made a motion, second by Commissioner Zara, to approve the July 10, 2014 minutes with the changes as discussed. The motion passed unanimously. Commissioner McFee and Chairman Verity abstained from voting because they were not present at the meeting.**

Chairman Verity said the commercial committee would meet at 10 a.m. the following day to talk about next steps on Boundary Street. **Scott Dadson** will brief Commissioner Murray and Chairman Verity, and they will see how the Redevelopment Commission can help. Commissioner McFee said the county is "refining the timelines," so he thought it would be helpful to have a county representative present.

BAPTIST CHURCH OF BEAUFORT

Commissioner McNally said that the Prince Street lot will not be for parking but will be for a children's play area. They have installed a sprinkler system. The corner lot of Charles and Prince next to the old city lot is a rocky space, and they park 10-12 cars there on Sundays. It's not particularly attractive, so he talked to the pastor about talking with **Lauren Kelly** about striping the Prince Street right-of-way from Charles to North Street to double the amount of on-street parking. He doesn't know if the city can do it, but there could be an agreement that if the city did that, the Baptist Church of Beaufort could look for money for more dirt and sod with "nice grass panels with no parking on it." Commissioner McFee said pull-in parking might not be allowed. It's the DOT's right-of-way, he said, so they – not the city – have to approve the encroachment for putting in parking. There was a discussion of what DOT does and doesn't allow in terms of parking. Commissioner McNally asked **Libby Anderson** to speak to Ms. Kelly and look at the parking plan.

One of the houses is under construction; the middle lot's been sold and he thinks the plans are under review. **Maxine Lutz** said the plans "for the lot next to it" have been approved, but she doesn't know about "the third lot." Ms. Lutz said she has heard there might be a contract on the empty lot. The old house has not been sold yet. Commissioner McNally said the house is being stabilized, and when it looks better, it may sell. Commissioner McFee said he knew that **John Trask** "has talked to somebody" about it, but Commissioner McFee didn't know if Mr. Trask has a contract on it yet. Commissioner Murray said the corner lot has come around quickly.

DISCUSSION: LAFAYETTE STREET

Brad Bowden had provided an update, Chairman Verity said, and he read the email. They have contacted BJWSA about an extension of the encroachment permit for the utility connections on Rodgers and Lafayette They are waiting on a response in regard to the meter and tap fees and about paying them as houses are permitted instead of in a lump sum. A new survey will be

needed and will need to be coordinated with the revised gravel drive layout and lot dimensions. The individual site plans may need to be reviewed – after revisions and then platting and recording – to incorporate the new layout. They have contacted SCE&G about the plan to bring power across Lafayette and up the gravel drive to the new homes. Their current plan has to be revised to match the change to the layout to the gravel driveways that was made, and they will have to update their costs for that work as well. Costs for the new service will have to be paid at that point – approximately \$9000 – and easements will need to be put in place. When all of the above is addressed and with DOT permit in hand, they will coordinate with the telecom providers about installing their services. While these are finalized, they will have the civil engineering drawings updated and completed so they can begin bidding out the earthwork and utilities.

The original budget pricing is no longer valid, Mr. Bowden’s letter said, since it was completed over a year ago. While they are rebudgeting, they will be able to update their site development costs and begin confirming the actual construction costs for each cottage, so they can establish a firm sales price. They can update the website and start selling homes during the pre-construction phase. They hope to get a few homes pre-sold to know which homes to permit.

According to Mr. Bowden’s letter, they will need to meet with the city another time to discuss the bond issue and required site improvements: sidewalks, lighting, drainage, etc. and about revising the contract agreement accordingly, so that everyone gets on the same page again in regard to those issues. They have the site development permit from the city, so as soon as those items are handled and subcontracts are written, they can begin the actual work on the site. Then they will submit a permit application to the city for the first homes, and go vertical as soon as it is feasible to do so. They still have hurdles to cross, so it’s difficult to come up with a time frame, he concluded.

Commissioner McNally asked about the bond issue with the city Mr. Bowden had referred to. Chairman Verity said it has to be a legal contract so that they can get a bond for the construction. It’s not a city bond, he said, but a city sign-off. They have had many issues to deal with, perhaps because of “having this many homes going up on a single site.” Ms. Anderson said that stormwater was a big issue; their proximity to the water had triggered some OCRM requirements that you wouldn’t expect except in a much larger subdivision, so no one had anticipated them. They needed more engineering work than the developers had expected. Ms. Anderson said she had heard they got their OCRM permit, which “seemed to be the big hurdle.”

There was a general discussion of the issues that the developers have had to deal with, particularly in regard to OCRM and stormwater. Commissioner Zara asked if their inexperience with OCRM was a factor; Commissioner McFee said they hadn’t known that they would be under the guidelines that they actually came under. Commissioner McNally said there’s a “crater” in Rodgers Street that fills up when it rains and then is gone in a couple hours; there is no direct run-off, but OCRM and SCDOT “were just really having trouble buying that.”

Commissioner Zara said it was about a year ago that they reached an agreement with DOT about the change in the gravel road. She said it seems that they haven't done the things they needed to do to "memorialize" that. Commissioner McFee said they did not go forward with engineering costs associated with it because they found out that they needed the OCRM permit, which they had to have before they could do anything. Commissioner McFee said they might have been able to do some things concurrently, but that might have meant that they would have been risking money if they didn't receive the permit. Commissioner McFee said the have an agreement with the city in regard to "turnover and development." The OCRM permit issue put things on hold but from this point forward, some of the timelines kick in. He thinks the developers should look at it and give the city a more specific timeline because there are specific guidelines in the sale of the property in regard to when they have to have development done.

Chairman Verity said he's glad they are still willing to go forward with it because it's been a long time and has cost them more time and money than they had expected it to. But this is valuable to the city, and it will be interesting to see how the presales go. Commissioner Zara agreed that it's an interesting development. Commissioner McFee said they have to move a tree.

BOUNDARY STREET CODE

Chairman Verity asked Ms. Anderson about what 303 Associates and the city have agreed to in regard to parking spaces on Sycamore for Starbucks. Ms. Anderson said it could be done in conjunction with the sewer relocation project, so there could be cost-sharing. Ms. Anderson said in regard to the trees, she thinks they are moving forward. Chairman Verity said there's still a problem with the second floor and the amount of glass that is proposed.

Commissioner Murray asked about the workshop that had been proposed at the last Redevelopment Commission meeting; Commissioner McNally said Chairman Verity had felt it would be better to meet with "a limited group and staff," rather than have another workshop. At that meeting, they sifted through what did and didn't "have credence." Commissioner Zara said that meeting was helpful to her because she learned that there are reasons why the code asks for 70% glass on the first floor, which Ms. Kelly had explained to them, but it would be hard to understand the reasons for that if you're not a planner, Commissioner Zara said, and she found the reasons to be "very good." Chairman Verity said he'd been misreading it, and now understands that it's 75% of the first floor, while "the second floor is part of the architectural integrity that was initially approved" for Boundary Street. Commissioner Zara said she recalled that Mr. Stewart had said at the meeting that he didn't have a problem with the second floor façade "if he didn't have to build it out." Ms. Anderson said they had decided to agree on mezzanines. Commissioner McNally and Commissioner Zara agreed that Mr. Stewart had said he would build the façade of a second floor but didn't want to build it out internally.

Chairman Verity said the commissioners "felt like we were a third party in this deal," and the Redevelopment Commission is more educated on the master plan now, "but the city planning department calls the shots on this." Commissioner Murray said this is a case of "a developer

who was looking to do what we want to have done,” which is infill development, and then he came to the commission and complained about a project, expecting their help. Commissioner Zara said she’s never seen a developer in 20 years come to talk to city officials or in public meetings who didn’t have a complaint, essentially so they can negotiate from that point. And when there’s an untested code in Beaufort, and Mr. Stewart is the first developer in Beaufort to do it, “You would hate to see it cave in,” Commissioner Zara said, “and the idea is it will lead to more development and be good for the economy, not the opposite.” Commissioner Murray said he’s saying that they are trying to encourage development, and therefore need to be involved in the process.

Commissioner McNally said that the planning department wrote a memo as a result of the meeting and told 303 Associates that that they had met with some of the commissioners, and “here are the things we feel we can modify or compromise on.” They did the same thing with Greenlawn, he said. **Liza Hill** was there, and they told Mr. Stewart that the first thing he needed to do for that development was to submit a tree survey, and “now the ball is in their court on both issues.” Commissioner Zara said the letter staff sent was on things they had already agreed to because when the commissioners heard the reasoning and the things that they had agreed on, “it made sense to us.” Chairman Verity said they felt that if they had a 3-way conversation, “we’re just being used as leverage.” Commissioner Murray said they had told Mr. Stewart that they would have a workshop, but Commissioner Murray hadn’t heard anything, so he “wants to ensure we do what we say we will do.”

Chairman Verity said he felt “a workshop about the Boundary Street code is not a bad idea at some point ... since it’s been a number of years since it was approved.” It would give Ms. Kelly and Ms. Anderson an idea of what “the hot points” are. A firm hired to do the study did it a number of years ago; it was approved in 2007. Commissioner Zara noted that “it’s principles that have worked successfully other places, which doesn’t necessarily mean it’s right for here.” Commissioner McFee said by “getting educated on ‘What’ and ‘Why,’ instead of just cosmetic issues,” they realize that while “council is driven by the vocal minorities,” council is “going by the guidelines, and what has been said, and good planning sense.” It’s important that they have the whole story and staff expertise. There may be issues with how a developer or an architect perceives how the master plan affects them, Commissioner McFee said. If the Redevelopment Commission can do anything, they can “be aware of how to approach things from an education standpoint.”

Commissioner Zara said moving the driveway to the back of the Starbucks was an example of that; some things were “accommodated.” Only one building, Chairman Verity said, is standing that meets the code that was developed 7 years ago. The Starbucks will be the second building, they have an economy that’s improving, and they have developers who have been and will be interested in Boundary Street as it evolves, so he reiterated that a workshop is a good idea. “What these forms are and why we have them” would be a good starting point for that, Chairman Verity said. They could also use the feedback.

Commissioner Zara said to the extent Boundary Street succeeds, "it will be good for business." Chairman Verity said the specifics of this Starbucks project were discussed, and the commissioners felt like they were on the right track, and there was not a stalemate. Ms. Anderson agreed and said the city council had asked for changes to the Boundary Street Master Plan to help make it a little more flexible, and the Metropolitan Planning Commission will therefore review it, hopefully this month. Chairman Verity said that kind of review is needed. Commissioner McNally said it's important to see it from the all of the different plans that went into creating the Boundary Street Master Plan, and everything can be better refined or finessed. There will be a need for some modifications "as we put more function into it," he said, and that's what staff is looking at – to determine what the reality is for today compared to when the plan was developed.

BAILEY BILL

Commissioner Murray said in regard to the Bailey Bill, some people on boards went to the Beaufort County School Board meeting, and he had spoken in favor of the bill as a Chamber representative. Ms. Anderson made "a great presentation," and the School Board voted no. Ms. Lutz also spoke in favor of it. They will try to go to county council and hope they will approve it. Commissioner McNally asked Commissioner Murray what the concerns were that Commissioner Murray thought caused the board to vote against it. Commissioner Murray said the school district has been involved in "a couple different economic development issues over the last couple of months," and he thinks the timing was poor due to "this Bluffton issue." Commissioner McFee said the Buckwalter tract has been "a huge controversy for them and for the county and has left an extremely bad taste in their mouth."

Someone on the board told Commissioner McFee that four members of the board, between the Bluffton and Hilton Head Island reps and "the very skittish north of the Broad reps," wouldn't see the benefit of the Bailey Bill because all they could see was the lack of income and their already strapped budget. Commissioner McFee said it's not taking anything from them, and they need to help them see that. "It will be a great benefit to the areas economically," and the School Board will continue to see the same amount they currently do in taxes. All they *won't* receive is the benefit of what's being used for the incentive. Commissioner Murray said some School Board members are reacting out of retaliation against county council for not fully funding their budget. He said the commissioners need to keep county council members up to speed and help them understand how the bill works and what the benefits could be.

Chairman Verity asked if the bill can move forward with just the county council and the city, and Commissioner Murray said yes, if the city moves forward, there's an 80/20 split on the tax bill: 20% is city taxes, so if the city moves forward, it's a 20% incentive, so they need the county "in order to get the full effect." Ms. Anderson said, "The county is the deciding factor." Chairman Verity said they could get a 75% benefit if the county and the city agreed.

Commissioner Murray said 17 structures have been taken down since 2009, and there are many more on the list that they want to restore, not tear down.

Ms. Lutz asked if there was recent activity or interest in regard to the old jail. Commissioner McNally said there are 3 developers looking at the site, and they are really looking at 2 city blocks there, including the county buildings. He believes they “might be approaching the county with some sort of deal.” Chairman Verity said the developers felt just the jail site wasn’t enough to make it work, and he hoped that the developers would contact Ms. Lutz. Commissioner McNally said they had said they would talk to Ms. Lutz “when the time was right.” None of them was planning to create another Midtown; they would be market rate homes. Chairman Verity said one developer came to Beaufort from North Carolina because at home shows they’d been to, there was “an enormous amount of interest” in Beaufort – “like thousands of people who would like to move to Beaufort” – so they are trying to compile locations where they could build.

Commissioner Zara asked if that included the Harvey tract, and Chairman Verity said yes, that’s the biggest strip available. Chairman Verity said they are very interested in the Historic District and are looking at “all the vacant land in the city,” and as far as he knows, they are still working on it. Commissioner McNally said he had spoken to them a week ago, and they are putting together a proposal. Chairman Verity said it’s “still alive.”

There being no further business to come before the commission, **Commissioner Zara made a motion, second by Commissioner McNally, to adjourn the meeting. The motion passed unanimously,** and the meeting adjourned at 5:43 pm.