

A meeting of the Beaufort Redevelopment Commission was held on August 18, 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, councilmen/commissioners Mike McFee and Phil Cromer, commissioners Steven Green, Mike Sutton, and Jon Verity, city attorney Bill Harvey, and city manager Bill Prokop.

Frank Lesense, George O’Kelley, 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.

Mayor Keyserling called the meeting to order at 7:13 p.m.

REDEVELOPMENT COMMISSION ORGANIZATION

Mayor Keyserling said council has realized it needs to be more hands-on and more aggressive regarding the work to be done on the Redevelopment Commission. He described some of the problems that had happened in the past. Council is “not prepared to let go . . . and to be more involved with the other four members.”

The idea is to have four general areas of focus (though these could change, Mayor Keyserling said):

- (1) Infill and redevelopment in the greater downtown area – a major focus of the Civic Master Plan
- (2) Boundary Street – looking for opportunities and “hand holding,” enabling business owners there
- (3) Economic development to bring better jobs – The City of Beaufort can’t rely on the county for marketing or meeting with prospects.
- (4) Form-based code and improving processes – making “everything more predictable and easier to navigate through”

A councilman and a commissioner would go out and recruit volunteers, building a committee from among those who have shown interest in working with the city, Mayor Keyserling said. The monthly redevelopment meetings, then, would be people on these committees bringing projects and issues to the table, and “cross-fertilizing them” with those “who are looking at the bigger picture.”

Commissioner Verity said that in the past, the RDC had learned from the marina site project that “when you’re making major changes,” the Redevelopment Commission and council “need to be in lock step” in order to provide answers to the community. He thinks this new structure will provide that and also give the RDC the ability to do some things that council alone can’t do. They now need to get organized and find the people who can help them.

Commissioner Sutton said he didn’t want to serve on the commission “unless there was full

disclosure” from the beginning of the process. He said he felt the marina project caused damage to the city and to the RDC because the elected officials and the commission were not following the same plan. There should not have been surprises, but there were, as a result of communication problems, especially about the marina project. Commissioner Sutton feels that now they need not to propose anything unless “we are very committed to that process.” They will set plans and stick with them, Commissioner Sutton said, “until there’s a reason not to. And if it’s politics, that’s the wrong answer.” Given the 2-year election cycle, membership change “shouldn’t have that much impact” on “a very deeply debated project.”

Mayor Keyserling addressed Mr. Prokop, saying that another difference in the commission this time is that there is a budget for the Redevelopment Commission to be staffed. Mr. Prokop said he and Commissioner Murray have talked, and they have a question: right now, there are a half-dozen “companies that are interested in moving people here, etc.,” and the county is saying it’s going to start an economic development group. So, should “we go out and hire a director now that can come in and will have to go through the whole learning process, or do we hire an administrative person, who could come in and follow up with all the little different things that we have?”

Mr. Prokop said there are “a lot of leads coming in” from councilmen. He knows they need staffing, but might they want to use the director’s salary for marketing and other things that need to be done for economic development? Right now, Mr. Prokop feels they may just need administrative help. Mayor Keyserling said Commissioner Murray is focused on jobs and the commerce park. There needs to be someone to be the “hands” for that group, with a background in real estate. He gave an example of something he can see a staff person doing, in which they would wear 2 hats. Commissioner Murray has someone interested in real estate downtown, for example. Mayor Keyserling feels that there should be a central go-to person who knows what each of the committees is doing and can give support. On infill and redevelopment, they need “a seasoned dealmaker, real estate guy with some construction experience.”

Commissioner Verity asked about **Libby Anderson’s** role. Mayor Keyserling said that, having gone through the budget, he feels that there were 3 or 4 people who had served on the old RDC “who were calling staff all the time,” but that slows Ms. Anderson and **Lauren Kelly** down “from doing what they need to be doing.”

Mr. Prokop said he agreed about that and noted that the job description that had been drafted “did not have the real estate requirement in it” that Mayor Keyserling had mentioned. Commissioner McFee said, “I think you have that on the (RDC).”

Commissioner Cromer said he doesn't think they'll “find anybody good for (a \$75,000) salary” to serve as a development director. Commissioner Verity said this person could bring people to the table who can give prospects what they need: drawings, research, or code, for example.

Mr. Prokop said he'll be involved, but he has no one on the staff to go to for the administrative

needs the commissioners and their committees will have, such as researching properties. If they had a really good administrative person who knows the community, Mr. Prokop said, maybe they could do that for a year, and then maybe the Redevelopment Commission could look for “more of an economic development director.”

As to the county’s economic development effort, Mayor Keyserling said there was a resolution passed, but “it’s pretty much non-binding.” He feels “nobody is going to stop doing what they’re doing, expecting that the county is going to do it.”

Mayor Keyserling said TWEAC was founded “to transition military people,” and it has gotten funding by the state, “but because there are not jobs here, it’s kind of hard to transition them.” He and **Kim Statler** are meeting with the mayors of Charleston, North Charleston, Columbia and Sumter to ask them to join with the City of Beaufort “in making TWEAC a statewide organization.” This will enable them to “have the strength to get corporate partners . . . If you have someone on . . . the principle military bases in the state, who is out there recruiting, that would certainly be a benefit to these corporations that can’t find workers.” The other piece, Mayor Keyserling said, is the technology.

Commissioner Verity said the biggest need, as he sees it, is people who will come to town looking to develop or rehabilitate properties, or there may be locals who want to do that, so there should be “a person at the city who coordinates those activities, instead of taking up Libby’s and Lauren’s time.” This person could tell an interested party about 5–6 lots on Duke Street, for example, Commissioner Verity said, or if there were a serious offer on the area around the DHEC building and the old jail, they could work on how to get that property “moved over into a development space.” Commissioner Verity said they have an opportunity to put together a team to welcome people who want to invest in the city, and a staff person should be able to answer questions about water, police and fire, codes, etc. They would be in an administrative role, but they need to know the city, to be “plugged in,” and to “know what we can and cannot do.”

Mayor Keyserling said there are 23 builders who want to do work in the city, but they need someone to put them together. Commissioner Sutton knows what’s under every house, and Commissioner McFee has a real estate background. The staff person doesn’t have to be a realtor or a broker, the mayor said, but it should be someone who knows about it.

Commissioner Sutton said people call him weekly about dead houses, and they don’t know anything about the Bailey Bill, how to contact the houses’ owners, etc. The person they hire should be someone he could call to have them follow-through with a lead, and whom Commissioner Sutton could call and ask to do some basic real estate research: What are the taxes on this property? What does the county assessor think it’s worth? Is it contributing or not? Is there sewer/ water? Are there other issues with it? etc.

Commissioner Sutton said if he had a sheet of “all the truly available lots” downtown, “it would be the hottest ticket in town.” There are two houses next door to each other, 2 blocks off Bay

Street, he said, that have been dead for 15 years, and they are both under contract now. If they make it to closing, he said, “this would be remarkable.” Commissioner Sutton said they also need a person to do mapping at the ground level, block-by-block, and “to make meetings happen.” Commissioner Sutton added, “A lot of the families are transitioning,” and they may want to sell or may want to move back into the city.

Mr. Harvey said he has been involved with the Redevelopment Commission since city council reconstituted it – when city council *was* the Redevelopment Commission. When functions overlapped, they reconstituted it to that last iteration, which was comprised of one council member, and the rest of the commission was appointed. This configuration is different now, and he thinks it’s a great opportunity, but the state law gives the Redevelopment Commission powers and opportunities that city council does not have. There needs to be a clear line dividing the Redevelopment Commission from council, and they need to *keep* that line clear.

Commissioner Cromer said he was initially opposed to council involvement on the Redevelopment Commission for the reasons that Mr. Harvey had pointed out. Mr. Harvey said logistically it might be a concern, as it was when council *was* the Redevelopment Commission. Commissioner McFee said, about procedure, the Redevelopment Commission has its own makeup and action. Mr. Harvey said the Redevelopment Commission has the ability to contract and to borrow money, and has “all sorts of powers and opportunities” that council doesn’t have “unless council goes through various procedures.”

Commissioner Sutton said that was the problem: council had too much control over the Redevelopment Commission’s actions. He sees “a cut and dried difference” between the RDC and council. Council can stop a project by cutting off funding, and now he can see that more clearly. The commission is a different entity than council is. If council doesn’t want to give power to the Redevelopment Commission, then they shouldn’t have a Redevelopment Commission. Mayor Keyserling said all council members will still remember their council responsibilities, but for three years, they have said that they spent a huge amount of money on a plan, and they are ready for it to go.

Commissioner Green asked for information on the commission’s statutes and responsibilities vs. council’s. Mr. Harvey said the Redevelopment Commission has the ability to contract directly with people, banks, and contractors. Council can’t do those things directly – they have to do RFPs and RFQs – but Redevelopment Commission can bypass that. State law allows “council to be reconstituted as the RDC, if they so choose.”

Mayor Keyserling said, “Separate meeting, separate leadership, separate agenda is the line.” Council has said that the city needs to grow, and they “handed over to the public a comprehensive plan with a Civic Master Plan, which is more specific.” There’s “more flexibility” as the Redevelopment Commission than as a city council. Mr. Harvey said a section of the code spells out what the Redevelopment Commission is and does. It’s “much more progressive than (what) a council has because you can move quicker” than council can.

Commissioner Sutton in the last 12–15 years, the city has learned “a lot about the city that prior councils didn’t know”; management, leadership, and state laws have changed. He feels it’s important to seize the moment and to try to get people back into the city core, to get the groceries to come back to town, etc. “We are about 500 houses short in the city,” Commissioner Sutton said. He explained some of the issues with transient owners and vacant houses and the effects of that on neighborhoods.

Commissioner Verity said things are improving slowly: There will be 48 new single-family residences at City Walk, and apartments are being built behind Bi-Lo. Mayor Keyserling said behind Barbara Jean’s, more apartments are being built. There also might be a development at Whitehall, if they can work out the deal.

Commissioner Green spoke about what Commissioner Sutton had said about the ownership of vacant and abandoned properties, whose owners (or heirs) “had left and not come back.” He would like to see people reinvesting in the city and coming back to Beaufort to live. He asked what the problems with this have been. Commissioner McFee said that they have had heirs’ issues in the core, and they have identified “most of the areas that have true heirs’ issues,” but a lot of the vacant and abandoned properties do not have heirs, and “there’s a lot of raw land.” Commissioner Sutton explained that the owners are in their 80s and may not live here. An owner may pass on, and someone inherits it, then they get a tax bill and a notice from the city to take care of weeds, and they come down to Beaufort to find there’s no roof on the place. And these people – the heirs – are in their 60s.

Commissioner McFee said there’s a strong sense culturally among heirs’ property owners of not wanting to let go of their properties because they fear gentrification, so there’s a delicate balance between infill development and “building and retaining the cultural reality of the city.” These two philosophies can coexist, Commissioner McFee said. Those families Commissioner Sutton was talking about, if they want to be here, can reinvest. Commissioner Sutton said a lot of families aren’t able to afford to rebuild their grandma’s house. The low-income loan programs to borrow money to fix a place up so it can be rented at least puts someone in the house. They want people to keep their houses livable. Many of these houses can no longer be lived in, so in those cases, they want to clear the lots.

This issue “hasn’t gotten the attention (of the public) because it’s complicated,” Mayor Keyserling said. Each property has its own story. He suggested that “someone like **Scott Gibbs**, who grew up in the neighborhood,” could try to track down families and “work with them directly” to determine who knows the property and to convince them to deal with it. The only solution, Mayor Keyserling feels, is to have one person “working 2 or 3 families at a time . . . to break through some of these problems.”

Commissioner Verity said they know who all the owners are. Mayor Keyserling said he’d like to get 1 or 2 people who grew up in the Northwest Quadrant to help in this effort. The black middle class all lives on Lady’s Island now, he said, and he has tried to convince the commission “to go back to those roots.” Some of those Lady’s Island residents have lots in Beaufort, for

example, but they don't live on them.

Mayor Keyserling said this all "takes a lot of handholding," and he can see Commissioner Green in that role. Commissioner Green said he grew up in Burton and spent his summers here; he'd like to help with this process, but he's concerned that sitting on the board might hurt his ability to help. "Heirs' property is going to be a problem," he feels. Mayor Keyserling said he understands that, but if they can create 2 or 3 success stories, those people "become the advocates for doing this." Commissioner Sutton said that's been his experience, too: "It's doable . . . Some people just don't want to go the distance," and deal with all the many complex issues. "It's not as bad as it sounds," however, he said. There are also people who have the ability to better their situation, but "they speculated" on their property and are waiting to make more money from it.

Commissioner Cromer said they hadn't yet discussed that the RDC is looking to write the code but also to assess city processes to "make Beaufort more business-friendly," such as by streamlining the building permit and business license processes.

Mayor Keyserling suggested that the commissioners present elect a chairman and come to the next meeting after thinking about what they would like to do with reference to "this administrative assistant." Mayor Keyserling said they should also pick a meeting day that works for everyone on the commission. He said prefers to have the meeting on a night council has a work session. Commissioner McFee said that would be the 3rd Tuesday of the month at 7 pm. Commissioner Sutton said some of council's business might be handled when the Redevelopment Commission is working.

Mayor Keyserling nominated Commissioner Verity to serve as chairman, and Commissioner McFee seconded the motion. Commissioner Verity asked the chair's role "in this new environment." Commissioner McFee said council wants "the chair to control council in this meeting"; they need direction to be successful. Mayor Keyserling said the chair would need to remind council members that they had said they wanted to invest time in this and to hold them accountable. Commissioner McFee said, as a liaison, he had worked in many areas of the Redevelopment Commission, such as economic and infill development, and had worked with many groups of people. The commission allows crossover, he said, but if you are working on infill development, when there's a meeting, those members and the subcommittee need to report on what has happened with their issue. **The motion passed unanimously.**

Commissioner Green asked those present to identify who is on city council and who isn't. There was a general conversation about who was serving on the commission and what the commission might do. Commissioner McFee explained what the city and the commission had done in terms of getting grants and using them to build infrastructure for neighborhoods. Commissioner Sutton said they spent "multiple millions on one neighborhood" – a necessity to turn around the blighted Northwest Quadrant, which was a "long-ignored neighborhood." It had the highest density of blight in the county, while also being "ground zero in the Historic District."

Mr. Prokop said, right now, there are at least six different companies who are looking for a building, etc., and they seem to have attracted lot of interest. This seems to fit into the vision of the city that they all have.

Commissioner Verity said he's flattered to be nominated, but he will be gone on third Tuesdays because he didn't know when the RDC meetings would be. He said he'd like to meet for an organizational meeting, but they could meet without him. He is anxious to serve, he said, and he feels that he's "learned a lot and can get out the whip when necessary."

Mr. Prokop offered a different date for the next meeting: September 29 at 5 p.m. Commissioner Verity said he and Commissioner Green would meet next week, and Commissioner Verity will show him all of the information he has about the commission.

Commissioner McFee said he's been asked to serve on the Municipal Association to develop a grant program. He will be helping to set the guidelines for what that could be used for.

There being no further business to come before the commission, **Commissioner Cromer made a motion, second by Mayor Keyserling, to adjourn the meeting. The motion passed unanimously**, and the meeting adjourned at 8:31 p.m.