



**CITY OF BEAUFORT**  
1911 Boundary Street  
Council Chambers  
BEAUFORT, SOUTH CAROLINA 29902  
(843) 525-7070  
**REDEVELOPMENT COMMISSION AGENDA**  
December 4, 2014

**PLANNING CONFERENCE ROOM – 1<sup>ST</sup> FLOOR**  
**1911 BOUNDARY STREET**

**5:00 P.M.**

**I. CALL TO ORDER**

**II. REVIEW OF MINUTES**

October 2, 2014

**III. DISCUSSION ITEMS**

- A. Update on Boundary Street
- B. Updates on Lafayette Street

**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 October 2, 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 Martin Goodman, Keith Waldrop, Wendy Zara, Mike McFee, and Henrietta Good.

Commissioners Mike McNally, Stephen Murray, 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.

#### **DISCUSSION: BOUNDARY STREET PLAN**

Chairman Verity said everyone – the utilities, the state, SCDOT, etc. – is on the same page. The drawings will be done in 30 days and will then put out for bid. Construction is expected to begin by the end of the first quarter. Proposals are done, and final offers have been made on land deals. The city has an extension on its federal grant money, Chairman Verity said. The Redevelopment Commission has been asked to visit with the property owner along Boundary Street, and Chairman Verity and Commissioners Goodman and Murray have been working on that. The question of the form-based code – which was approved in 2006 – came up, because “303 Associates and Starbucks became a test of that,” he said. The change in the economy and other things gave the sense that improvements – loosening of the code – needed to be made. On October 20, the Metropolitan Planning Commission will vote on it, and a work session with council will be on October 21, with a first reading to follow at the next meeting.

#### **DISCUSSION: BOUNDARY STREET FORM BASED CODE**

**Libby Anderson** said council asked staff to review the Boundary Street Code and to provide more clarity and flexibility where they could. They have proposed a number of changes – about 11 minor and 11 major. Metropolitan Planning Commission had a workshop last night and a public hearing was held September 23 with council, and they wanted a work session, which will be on October 21.

The goals of the Master Plan are connectivity, creating traffic capacity, safety, and character; a feasible, phaseable plan for a walkable street; mixed uses and housing types; a green network and a memorable entry into the city. \$28 million is to be invested in Boundary Street, and they want private investment as well. The Master Plan was adopted in 2006. The Boundary Street Code was adopted in February 2007. McDonald’s and the TIGER grant happened the same year. The Starbucks project and a multi-family project is in the building permit stage. **Dick Stewart** came to the Redevelopment Commission and expressed concerns about how the code was affecting the Starbucks project in July, so staff convened a focus group with local architects – **Cooter Ramsey, Bill Harris, Joel Newman** – and Chairman Verity, Mr. Stewart and planning staff.

Ms. Anderson described the ideas and concerns from “the development community” in regard to the code: the two-story building requirement and the unclear glazing requirement were among the top concerns. The architects in the focus group agreed that the two-story buildings are not as important as “getting the buildings right,” and expectations should be adjusted to meet the economic reality. The building needs to be in the right place, with the right massing and frontage details.

Staff looked at what others are doing to compare: There is a minimum two-story building in the Town of Port Royal and a minimum frontage requirement. Ms. Anderson explained what the frontage requirement is. These are common in form-based codes, she said. The Town of Port Royal permits drive-throughs. The Beaufort County code requires a two-story building in their most urban districts, has a frontage requirement, and allows drive-throughs as special exceptions. Mt. Pleasant’s investment in Coleman Boulevard is somewhat similar to the Boundary Street plan. They require the building to fill the entire frontage of the lot. They looked at W. Ashley, outside Charleston, and there’s a mix of one- and two-story buildings. They have “a nicer streetscape” developing on Highway 17, and there the buildings are one-story and close to the street.

Staff discussed with the focus group eliminating the two-story requirement except at Highway 170 and Boundary Street and at Ribaut Road and Boundary Street, Ms. Anderson said. They decided that one-story buildings should be a minimum of 12-14’, so that the buildings would be “more substantial.” They discussed authentic architectural elements and the percentage of glazing that should be required for various building types as well as a minimum frontage requirement. They discussed whether drive-throughs conflicted with the desired walkability. The architects were surprised that drive-throughs would be allowed, she said, and the wondered about the appropriateness of one-story buildings in these urban design areas. They also discussed the necessity of a parking maximum requirement, which is 140% of the minimum that is required.

Ms. Anderson reviewed the current ordinance requirements in regard to building height, drive-throughs, frontage build-out, and other matters. She said that 7 major changes are proposed:

1. They are changing the appeal process, so it goes to the Design Review Board, not to the Metropolitan Planning Commission. If something isn’t approved, or a developer wants less glass, more parking, etc., there needs to be an appeal process. Ms. Anderson said the Metropolitan Planning Commission agreed with this change.
2. Conflict with the requirements for buildings with balconies, colonnades, awnings, etc. They can’t be done if they go DOT’s right-of-way, so they are incorporating a change that will give staff more flexibility with the build-to lines in the DOT right-of-way, i.e., this allows staff to move the build-to line back, so the building can have elements like a balcony, for example, but not encroach on DOT’s right-of-way.
3. Two-story building heights: One-story buildings are acceptable in the majority of the district, except in the two-story overlay zones at the major intersections. The Metropolitan Planning Commission advocated a minimum height of 24 – 28’, Ms.

Anderson said, and let the developer decide how to use the space. This requirement is already place in the Marsh Gardens PUD and is working, she added.

4. Frontage goals on Boundary Street are 60% and on side streets are 40%, which is low compared to other jurisdictions. Ms. Anderson said it's a "should," not a "shall" but it's an important goal to meet. The Metropolitan Planning Commission agreed with this.
5. Glazing requirements – Ms. Anderson said that the Planning Commission agreed with the direction that staff is headed, which is 40% glazing for commercial buildings.
6. Maximum parking requirement – The Planning Commission agreed with this, Ms. Anderson said, but wanted it clarified that an infill development that is built *new* will not be required to remove any parking that it already had.
7. Drive-throughs – Ms. Anderson said that staff had updated and clarified some standards.

Non-conforming uses came up at the meeting with the Planning Commission, she said. The Planning Commission wanted to clarify what "improvements" are. The ordinance says that improvements are structural or cosmetic changes to over 50% of the value of the building, such as additions, roof changes, etc. What does not count as improvement is any repair or replacement in-kind. Staff will add language to this effect with a definition of "infill," Ms. Anderson said.

Chairman Verity said part of the reason this is coming up is because there is some development on Boundary Street. 303 Associates is looking at a major development on Greenlawn – 137 residences in apartments on Greenlawn and across from the Hilton Garden Inn.

Chairman Verity said he feels the changes she presented are positive, because they make Boundary Street more buildable. The city wants to encourage development and make it fit in with the ideas of walkability and urban scale.

**Mayor Keyserling** said when council had the presentation on proposed changes, they said they wanted to wait on a work session to look at it, but he doesn't think "anyone wants to abandon two-story buildings, but ... the market is going to drive it," and people will eventually see the value of using the density. If the land across the street from the Atlantic Inn and Taylor Motors is opened up for a water view, the value of the land will be driven so high that they will want to build 2- or 3-stories but they don't want to strangle opportunities. The streetscape for Greenlawn was done with money from the TIF with the idea that 46 tax credit units next to Marsh Gardens are also going in in addition to 303 Associate's project on Greenlawn. The project for apartments at Scott Street and Port Republic is also an ongoing design discussion.

#### **DISCUSSION: LAFAYETTE STREET**

Chairman Verity said he had asked **Eric Brown** for an update, and Chairman Verity read from it. After they received their OCRM permit, their DOT encroachment permit expired, and they just received the extension and all the approvals are in hand. Some dates are dependent on when utility work is completed. They have to re-price the construction work and made a rough timeline, which Chairman Verity also read. When the site's horizontal development is done,

they will have to re-price houses for presale, and they think they can do it by November. Chairman Verity said they should look at this in November to see if this has happened. They have had OCRM and DOT issues, but this is an important project, he said. The OCRM issue was about run-off heading to a reservoir that was overflowing the area being designed for the run-off, and it wasn't satisfactory, but it's been worked out after 3-4 months.

Mayor Keyserling asked if there were a contingency for construction on presales. Commissioner McFee said there was a requirement that they have a certain amount permitted by a date, not presold, and a home under construction to a certain degree before moving on to the next. They are in breach and have been talking to them in good faith. Chairman Verity said they want them to be successful, but they can only go so far. Commissioner Zara asked if they should send a letter saying the Redevelopment Commission agrees to these timelines and acknowledges that they have set them and will discuss the timelines in November seriously. Ms. Anderson agreed that they have the city permits for the infrastructure, but not for houses yet. Chairman Verity said he'd write a letter.

### **LOWCOUNTRY ECONOMIC ALLIANCE**

Chairman Verity is on the board of LEA, he said. He said he sat in on the Beaufort County economic development meeting. There has never been such successful economic development, especially in the commercial area, and it's a county that is new to economic development – less than 50 years. There hasn't been a formula for success, Chairman Verity said, and now there's no commercial land on Hilton Head and Bluffton is getting built out, so the primary opportunity for more development is in Northern Beaufort County. Economically, it has not had much success in this area, but there's been a dramatic increase in aerospace activity and suppliers for those industries will be attracted here as the area grows; the only finished product that's available in county is in Beaufort.

The county was divided between Northern Beaufort County, which wants economic development, and Southern Beaufort County representatives, who want no more development, Chairman Verity said. The Lowcountry Economic Alliance has been through so many iterations. **Kim Statler** has a good working relationship with the Department of Commerce in the state, which is the center of referrals in the area. Whether it moves forward, reorganizes or what remains to be seen, Chairman Verity said. The money wasn't approved because of the divided county council. Commissioner Zara said this is costing Southern Beaufort County tax money, which will keep going up, and she doesn't understand the division. Chairman Verity said they were there 3 hours, and they do not understand the point Commissioner Zara made. To maintain services going forward, there will have to be a tax increase, Chairman Verity said, but they do not understand. Commissioner Zara said the LEA is consistently underfunded. Commissioner McFee said the internal squabbles have also affected matters. Chairman Verity said the LEA hasn't been productive, and "this takes time." Also there's no infrastructure to support it.

Commissioner Zara said there's no agreement on what economic development is. In Hilton Head Island it's housing. She said the LEA definition of it is a good one: above average wages,

401Ks, etc. Mayor Keyserling said he went to see the county committed to a \$4 million spec building in Bluffton for SCANA, and he was amazed at their definition of economic development, which is retirement living and retail – the hundreds of millions of dollars in development in Bluffton – that Northern Beaufort County has been paying for. The lines are drawn: 6 to 5 representatives, and **Jerry Stewart**, who is very invested in economic development, is the swing vote, but “a 6-5 vote is not a great vote of confidence.” Mayor Keyserling shared an anecdote about a boat testing company that would have been on the Colleton River. The next silver bullet, Mayor Keyserling said, was a multi-county industrial park at Early Branch, but that didn’t work, and there’s one building there. So then they created a network; the county had an economic development office with 1.5 employees. The network bought the commerce park from the private sector and spent all their money on sewer, gas, electric; the economic tanked, and they ran out of money. The county wouldn't buy it, and the City of Beaufort stepped in.

Then they decided to enter an alliance with Jasper County, Mayor Keyserling said. The Jasper County council chair wanted in but then bolted. While they were with them, they did “the avalanche study” for \$100,000 in regard to industry types and what was appropriate, but then Jasper County voted to join “other counties that are very different.” Jasper County believes that a casino is economic development, Mayor Keyserling said. The shopping center will “cannibalize” what’s in Bluffton. Now Beaufort County has a study, a plan, and a consultant in Germany. They have money budgeted by the county, 3 new members of county council from south of the Broad, and 2 “discontents,” so Northern Beaufort County is “stuck.” Hilton Head committed hundreds of thousands of dollars and set up its own group, as has Bluffton. \$3 million was to be put into an economic development site associated with Care Corp. Mayor Keyserling said they have to figure out “how Beaufort can stand up something,” since they have the obligation of the industrial park, which Chairman Verity called the only viable land in Beaufort County for industrial development.

Mayor Keyserling said he had called “some private developer types” about the park, to ask them to work with the city. They specialize in site selection, he said, and they said the park is too small. Part of the capital sales tax bill was that, based on the studies of real needs, there are 400 acres around it that are overpriced and can’t be used for anything else, so when the park gets going, they can go to the Trask family and say that the family can own the land, but it will be marketed as part of a 600 acre park. It’s in the AICUZ and can only be industrial.

Chairman Verity said with the growth of Boeing and Gulfstream, they will inevitably want to be in this area. Mayor Keyserling said if there’s no LEA, there’s no money from the state and KS got also money for TWEAC, “but that won’t last forever.” Commissioner Zara said, “There’s not the political will.” Mayor Keyserling said the lines have hardened, and on the last vote, “a lot of confidences were broken.” Chairman Verity said too many people are unemployed, and there are not growth potential jobs. They need to figure out how to get more employment so as not to lose people, and they need to be not just hourly and temp jobs. Commissioner Zara said Hilton Head has the same problem – they have many minimum wage and seasonal jobs, “but

they look at it differently.” Chairman Verity said Northern Beaufort County is paying the taxes and has an enormous amount more to gain than the Southern Beaufort County people do.

Mayor Keyserling said Northern Beaufort County hasn’t made the right case – the average contribution to the tax base is .25% in Beaufort and 14% in the county as a whole. Chairman Verity said county council south of the Broad is “not buying the argument that they will end up paying for it in property taxes.” Mayor Keyserling said they couldn’t “think outside the little window in which they live.” Chairman Verity said they have to think broader than that and have jobs and income for young people to provide an outlet. Commissioner Zara said that the technical college has done training, and Mayor Keyserling said they are trained but then there are no jobs for them here.

Ms. Anderson mentioned that the city had won an award for its Comprehensive Plan.

Mayor Keyserling said he got an email from **Edie Rodgers**, who’d said she’s not opposed to a parking deck.

There being no further business to come before the commission, **Commissioner Zara made a motion, second by Commissioner McFee, to adjourn. The motion passed unanimously**, and the meeting was adjourned at 6:07 p.m.