

A regular meeting of the Beaufort City Council was held on August 22, 2006 at 6:00 p.m. in County Council Chambers, 100 Ribaut Road. In attendance were Mayor Bill Rauch, Mayor Pro Tem Frank Glover, Council members Donnie Ann Beer, Gary B. Fordham, George H. O'Kelley, Jr., City Manager Scott Dadson. In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media were duly notified of the time, date, place and agenda of this meeting.

### **CALL TO ORDER**

The Mayor called the meeting to order at 6:00 p.m.

### **INVOCATION/PLEDGE OF ALLEGIANCE**

The meeting was opened with an invocation by Rev. Steve Keeler, Pastor of Sea Island Presbyterian Church. The Pledge of Allegiance was led by the Mayor.

### **RESOLUTION – MAXINE LUTZ**

On motion by Councilman Glover, second by Councilwoman Beer, Council unanimously adopted the resolution commending Maxine Lutz for serving on the Zoning Board of Appeals from November 28, 2000 to July 11, 2006. (Copy of resolution at end of these minutes)

### **PUBLIC COMMENT**

**Tommy Logan**, member of the First Presbyterian Church, announced that their church is planning a "Kirking of the Tartans" ceremony on October 29, 2006 and they would like permission to have a parade around the block at about 11:15 a.m. The Mayor replied this request will be handled by staff.

**Edie Rodgers** expressed her concerns with the vote to use rollcart garbage service. She asked if Council would reconsider their decision.

### **PUBLIC HEARINGS**

A public hearing was held to receive comment on the proposed **zoning of a parcel of property located at 32 Meridian Road, Lady's Island, Identified as District 201, Tax Map 14, Parcel 4** to R-3 Medium-High Density Single-Family Residential District. A Notice of Public Hearing was duly published in the Beaufort Gazette on August 7, 2006. The City of Beaufort-Town of Port Royal Joint Municipal Planning Commission recommended approval.

Libby Anderson, City Planner, added that the parcel is a little more than two acres with frontage on the Beaufort River. There had been a single family dwelling on the property but it has been removed. Meridian Road is usually developed for single family residential use; however, at the intersection of US 21, it is more a mixed use district but primarily single family as you move down the road. The current zoning under the County's zoning is Community Preservation which is primarily a residential district with two dwellings permitted per acre and multi family dwellings are allowed at 4 units per acre if the property is located within  $\frac{3}{4}$  mile of the Lady's Island Village Center District (U.S. Highway 21). The proposed zoning allows single family dwellings based on the minimum lot area of 6,000 sq. ft with a minimum lot width of 60 ft. which will limit the density of development on any piece of property. One or two additional

units may be developed under the City's zoning as compared to the County's standards.

**Nina McClain**, 215 Anchorage Drive, noted that the City is working on the Northern Regional Plan which is to determine the urban service boundary. She said it seems until the Plan is in place, the boundaries should not be changed. She suggested a moratorium be placed on rezoning and annexation until the Plan is completed.

There being no other comments, the public hearing was closed at 6:15 p.m.

A public hearing was held to receive comment on the **revision of Section 9.2. "Nonconforming Structures,"** to clarify the requirements for improving and/or renovating nonconforming structures and repairing structures damaged by disaster. A Notice of Public Hearing was duly published in the Beaufort Gazette on August 7, 2006. The City of Beaufort-Town of Port Royal Joint Municipal Planning Commission recommended approval of the revision.

Libby Anderson, City Planner, noted two Sections are being proposed to be amended for clarification. The first Section, Subsection B pertains to repairs, alterations and maintenance and a sentence is being added that this subsection shall not apply to any single family dwelling used for residential purposes. Subsection C refers to restoration of damaged structures and this amendment is to clarify any conflict in wording.

**Edie Rodgers** questioned the removal of the words referencing neglect from subsection C. Using Charleston as an example, she stated the City will restore the structure and place a lien against the property if it isn't paid for by the owner. Ms. Anderson explained this proposed change is to clarify that the structure can be repaired. One section refers to repairs due to neglect and one to storm damage.

**Henrietta Goode** asked if repairs have to conform to Subsection B. Ms. Anderson replied that this amendment clarifies that it does not apply to single family dwellings. The intent was for commercial and multifamily but the wording was not clear.

There being no other comments, the public hearing was closed at 6:23 p.m.

A public hearing was held to receive comment on the **revision of Section 8.2 "Subdivision Design Standards," of the UDO to establish Street Standards for Streets** shown on the Burton Hill Area Street Plan and to establish requirements for traffic control and street name signs. A Notice of Public Hearing was duly published in the Beaufort Gazette on August 7, 2006. The City of Beaufort-Town of Port Royal Joint Municipal Planning Commission recommended approval of the proposed revision.

Libby Anderson, City Planner, stated the Burton Hill Area Street Plan was adopted in May of 2003. Staff is proposing five alternative street design standards for the new streets proposed in the Plan which Ms. Anderson described. This construction may be done by private developers as part of the subdivision or site development, by a public entity, or through a public-private partnership, she said. The second change addresses traffic control and street name signs which shall be installed at all street intersections and approved by the Technical Review Committee.

**Margaret Simmons** said Highway 170 is known as Robert Smalls Parkway.

There being no other comments, the public hearing was closed at 6:33 p.m.

A public hearing was held to receive comment on the **amendment to the City's Comprehensive Plan Update 2004 by adopting the Boundary Street Master Plan dated June 2006** as part of the Comprehensive Plan. A Notice of Public Hearing was duly published in the Beaufort Gazette on August 7, 2006. The City of Beaufort-Town of Port Royal Joint Municipal Planning Commission recommended approval.

Libby Anderson, City Planner, noted the area of Boundary Street that is being considered is between Ribaut Road and the intersection of Highway 170 and is the entrance into the City. Via a power point presentation, Ms. Anderson showed how that area could be revitalized with street and building improvements which would improve traffic flow and safety. The City wanted to identify redevelopment opportunities along Boundary Street and in 2004, a planning firm was selected, after an intensive process, to prepare a plan. The design process began in September 2005 with Dover, Kohl & Partners conducting an 8-day planning workshop. Over 100 people attended each of the design sessions, viewed the designs and offered input. In March of 2006, a draft master plan was presented to the public at a special Council meeting and additional comments were taken. The final plan is presented tonight. The next step would be to adopt this plan into the Comprehensive Plan, she said. The zoning ordinance/form based code would be next. A request for qualifications would also have to be sent out to begin the preliminary engineering for the Boundary Street improvements.

**Betty Commanday** liked the plan but is concerned with evacuation and asked Council to consider all the traffic from the islands before adopting this plan with traffic circles.

**Henrietta Goode** asked if the Master Plan was prepared for the long-time residents or for the tourists and new developments. Making the area prettier is for the tourists and the people who live in the Northwest Quadrant and Higgonsville don't care about the tourists, she said.

**Margaret Simmons** asked where the money is coming from to develop this plan. The Mayor replied there is about \$6 million in traffic impact fees which will fund some of the road design. Most of the money will be provided by businesses. Ms. Simmons expressed concern that the citizens would be taxed to fund the improvements. The Mayor said property taxes will not be increased.

**Charles Henderson**, Charles Street, said he was concerned about the impact the plan would have on Sixteen Gate Cemetery. Councilman Fordham who has been working with the Cemetery Committee said it should have none.

**Henrietta Goode** said if there is no money allocated for the plan, whose dream is this. The City Planner, Ms. Anderson, at the Mayor's request, reiterated what was said earlier about the design workshop and the process used to notify the public of the dates. Ms. Goode said the notice did not reach the core people and they were not asked what they wanted.

**Donald Goodwine** stated the plan is beautiful; but the Northwest Quadrant isn't. He asked about funding a plan to beautify that area. The Mayor replied the City is working on programs for neighborhoods including the Northwest Quadrant. However, the traffic impact fee to which he referred to earlier has been designated for specific projects.

**Christina Wilson** said she is concerned that the plan is modernizing Beaufort for the tourists instead of preserving the historical section. The Mayor explained that redevelopment of Boundary Street will relieve the tax burden on the citizens. Ms. Wilson said she understands that is to help the working people but it does not alleviate their burden of increased property tax, building material, and the demands of the Codes Department who dictate what can and cannot be done to their homes. She said whoever sets the rules should pay for it.

**Kenneth Sumpter** stated the Center for Civic and Community Design was created a few years ago but there is a gap in the planning process. The models are created by the City's planners but not the residents. The purpose of the Design Center is to communicate the resident's ideas into the planning process to eliminate this miscommunication. He said they are creating programs and working with community groups to address the concerns of the residents.

**Ed Allen** said he raised questions with staff about the functions of the Master Plan. The planted medians at the intersection of Ribaut Road and Boundary Street eliminated the emergency lane and blocks emergency vehicles trying to respond when traffic is backed up. The walkway on the Woods Memorial Bridge also created problems by narrowing the bridge. Referring to Sixteen Gate Cemetery, he said originally a boardwalk around the perimeter was discussed and has now been changed because it would encourage vandalism. Also, the Cemetery Association discussed with Councilman Fordham incorporating a more attractive fence into the Boundary Street improvements. In his opinion, local businesses are being forced out of the area and a sense of community is being lost. In response to Councilman Fordham's request for comments on roundabouts, Mr. Allen said roundabouts are suppose to have more capacity and be safer than traffic circles but there is still confusion with older drivers knowing where to get on and off. He prefers a standard intersection because of the visual contact with all three sides of the intersection as well as the drivers seeing you.

**Gerry Stocks**, 808 King Street, asked that the secondary road referred to in the Plan be pointed out. Ms. Anderson displayed a map outlining the road proposed through the Higgonville area, Sycamore Street, Marsh Gardens, crosses Greenlawn, Jean Ribaut Square, and through Polk Village. She added that even though the Plan shows and recommends a roundabout, a standard intersection is also proposed.

**Laura Von Harten** said the Plan is beautiful but it seems the resentment is because the Northwest Quadrant has not gotten its share over the years. She supports the plan because it will bring back the pedestrian friendly atmosphere and calm traffic.

**Stacey Hawkins** said she does not see roundabouts being beneficial when it comes to evacuation and asked if the Emergency Management Service was consulted. The Mayor stated the EMS has been involved and will continue to be. Also, the holdup created in previous evacuations

occurred at the Interstate, he said. Ms. Hawkins disagreed.

**Margaret Simmons** commented that she was stuck in traffic during the evacuation of Hurricane Floyd. The Mayor explained the traffic was bottlenecked from Garden's Corner.

There being no other comments, the public hearing was closed at 7:23 p.m.

#### **MOTION TO SUSPEND ORDER OF AGENDA**

On motion by Councilwoman Beer, second by Councilman Glover, Council suspended the order of the agenda.

#### **BEAUFORT BLACK COMMUNITY COUNCIL – FAIRNESS PETITION**

George Singleton, President of The Beaufort Black Community Council, read the letter presented to Council regarding the Community's Fairness Petition and the UDAG grant reallocation. He said 1,822 supporters have signed the petition calling for approximately \$1.2 million held by the City to be spent to repair and improve homes and properties owned by low and moderate income residents in Beaufort. Their request was for Council to vote the petition up or down, copies of documents on the use of the \$2 million UDAG grant and to view the files. The funds comprise interest and capital resulting from a \$2 million grant from the U.S. Department of Housing and Urban Development in 1983. They said the City plans to use the grant for drainage problems instead of concentrating on the low and moderate income housing problems.

**Joannie Diamond** was concerned that the grant the City received from the Federal Government in 1983 was used for water and sewer on Dataw Island. In her opinion, it would be fair for the City to use the \$2 million plus interest for 23 years and renovate homes in the Northwest Quadrant.

**Leroy Gaillard** said he supports this proposal. About two years ago, he worked with Councilwoman Beer when the City stated they would use \$100,000 for repairing homes in the Northwest Quadrant; then it was taken back and his agency bore the cost of assessing the homes. If the repairs had been done at that time, some of the homes wouldn't be in such bad repair. Also, he said the homes in the Quadrant should not be considered historical and the City should grant variances to the regulations for these home owners so they can make repairs. These people are on a fixed income which should be considered in order to solve this problem, he added.

**Margaret Simmons** said the UDAG money was given to the people in the Northwest Quadrant to fix their homes. The grant stated the developers were to be minority and none of this was done.

**Charles Singleton** said in 1975, homes in the community received national recognition and were added to the National Registry of Historic Homes in Beaufort. This made the homes in the Quadrant come under the Historic Review Board and made the cost of repairs and requirements a major concern. In 1995, the Historic Beaufort Foundation completed a study of the Quadrant to determine the age and historic significance of the homes in that area. Because of this study, Council participated in a HOME grant in 1996 which allowed funding for the repair of 13 homes. Only 3 of those received repairs. In 1999, the Historic Review Board put requirements in place to preserve this area. Today, the UDAG grant is still not being utilized for which it was intended, he said.

**Alice Wright**, member of the Black Community Council and former City Council member, asked Council to do what is right for the citizens of this community. She said she supports the request presented. They want to ensure that everyone in the community has the privilege to be comfortable and believe they are receiving the representation they desire.

**Herbert Glaze** said he is confused that there is no money for the Master Plan even though it will be developed; but the UDAG money is available for the repairs to homes in the Northwest Quadrant. He said Council's responsibility is to do for people what they can't do for themselves.

**man** \_\_\_\_\_ quoting scripture told Council to do what is right and fair.

**Jabari Moketsi** said if a law was broken regarding the UDAG grant then either fix it or let the citizens call Washington, D.C. and let them fix it.

**Joseph McKnight, Jr.**, Pastor of the Israelite Baptist Church, said he, too, looked at the Master Plan and he sees another Hilton Head. He said he has seen many changes along with the prejudices in Beaufort. Seeing the Black Council having to beg City Council for money that is theirs doesn't surprise him. He further said he tells people that not long ago black people had to deal with the public and do what they said or were beaten. He said people get tired of things and if Beaufort County doesn't meet the need of the people, they will take action. If enough heat is put under Council, it will be fixed and that is what needs to be done. He told Council, if the money was allocated for repairs then repair them and there won't be any problem. If the churches in the African community get together, they could shut the town down because they spend more money and pay more taxes. Referring to the Master Plan again, he said it will be paid for out of the taxpayer's pocket and he could care less about beautification if it doesn't benefit the people that live there. Decisions are not being made in their behalf. Council needs to get busy or they'll get it done.

**George Singleton** commented about the petition and the UDAG grant. He said the Black Council is sure that the City found a technical way to cart off \$400,000 to develop Dataw Island. They know that was not the intent of the grant and they resent it. He said they want Council to concede to the petition based on the validity of what was heard tonight. He added that one of the goals of their group is "to seek fair, equal, and legal protection from harm and loss through elected officials sworn into office to do so for all of the citizens and residents." The use of the UDAG money is one example of the reason for that goal. Every time they appear before Council it is because Council has either done something, doing something, or getting ready to do something that will harm them. They expect better representation from Council but they don't have confidence in them. This is an opportunity for Council to step up and show that these tax dollars were returned to the city for the purposes for which were stated in the petition. He said they are not begging but hoping that Council will do what is right.

**Henry C. Chambers**, former Mayor, having served on Council for 21 years stated he went to Washington, worked with HUD, the Action Grant Program, and Senator Thurmond to obtain this UDAG grant. Because the audience was misinformed, he explained in detail the entire process, the purpose, and what it did for the City. First he addressed the Master Plan because of the criticism received. He stated it is one of the best plans ever devised for the city and will bring growth and jobs at no cost to the tax payers. He also noted that the Waterfront Park was only a dream at first

until TIF funds were set aside and used for matching funds. Referring back to the facts of the UDAG grant, he stated that in 1983, the Department of Health and Environmental Control placed a moratorium on all construction in the County with the exception of the city and the Town of Port Royal because with the increase of the military the water capacity had been reached. ALCOA had just purchased Dataw Island (original spelling – Datha) and they, too, were caught by the moratorium. There were no water lines on St. Helena Island in 1983. The Water Authority asked County Council for help and were denied, he said. The UDAG grant, a partnership joining government and private industry to accomplish what is needed in the community, provided the funding for the water lines. Of the \$2 Million grant, one million was loaned to ALCOA South Carolina. ALCOA loaned \$900,000 to the Water Authority which triggered a loan from the Farmer's Home Administration. That funding allowed the water plant to be increased to 16 million gallons which lifted the moratorium and allowed the tax base to increase. ALCOA repaid the City and Section 2, page 4 of the grant states how the money was to be used when paid back which he read pointing out it was not a "pocket of poverty" grant; but for economic development activities eligible for assistance under Title 1 of the Act. He further added that \$500,000 was placed in a (BSBAC) business loan fund. He referred to documents in the file which included a commitment from ALCOA to provide \$24 million of construction and 300 on site jobs. He also pointed out that in 1977, \$24 million was used to upgrade the Northwest Quadrant with sidewalks, drainage, and 128 houses were repaired with grant monies. He read the following narrative he wrote for the grant in 1982 for the record.

*"The Beaufort Economy has historically relied upon agriculture and the timber industry. This persisted from the turn of the century until the late 1940's. At that time two sections of Beaufort's economy, the industrial and fishing, changed to military employment and resort/tourist activities. This transition was brought about by a combination of factors. The Beaufort County agricultural community experienced the effects of increased mechanization and the resultant decreases in employment. Beaufort's relative isolation from major highway facilities has inhibited it's ability to recruit traditional manufacturing industries. However, this same geographical location has lead to the exceptional growth of the resort/tourist industries. The popularity of such areas as Hilton Head Island, Fripp Island, Hunting Island State Park, and the City of Beaufort has placed the tourist/resort/retirement industry in first place among the County's various economic factors. As Table 2 shows, the military operations in Beaufort County accounted for the largest percentage of total employment in 1970. However, 1981 employment percentages show that the government sector has been replaced by the wholesale & retail sector as the area's top employer. It is followed closely by the service sector. These increases are due to the increased development of the resort/tourist industries. With ALCOA building 1600 housing units, this would support 3400 year round residents. Standard data supports the assumption that this project would generate approximately 1200 new jobs. A minimal account of these jobs would be for direct support to Island residents, the majority of these jobs would be indirect, service related. Since the Island will not be able to accommodate service establishments on-site, these facilities will locate in the City of Beaufort. In addition to the increased employment, the Datha Island development is expected to generate approximately \$150 million in added tax revenues. Two million dollars of UDAG funds would be utilized to expand the Beaufort Water Authority's Treatment Plant capacity to 16 million gallons. Without this expansion, the South Carolina Department of Health and Environmental Control will not approve any additional development requests. Therefore, the treatment plan expansion is crucial to the future of the Datha development. The distribution of UDAG funds is outlined on the Scenario Sheet. The proposed development is vital to the economy of Beaufort. The development will support jobs in the*

*service, retail/wholesale, and construction sectors which are central to Beaufort's economy. Currently these three sectors account for 58% of the total county employment of 20,660. The realization of the proposed projects would create 1200 new jobs, and increase the employment total 6.1% to 21,860. It would increase the important resort/tourist related sectors of construction, whole/retail and service by an estimate 7.3%. This employment distribution is even more significant when viewed in relation to South Carolina state-wide data. The Beaufort County wholesale/retail sector accounts for 24.8% of the total employment. The same sector accounts for 19.3% of the state-wide employment. The service sector accounts for 24.2% of the employment and the construction sector accounts for 9.2% but for only 5.9% of the State's employment. The Beaufort-Jasper County Water Authority has operated a water treatment plant since 1964. The plant has a 8 million gallons per day treatment capacity. Because of the rapid expansion of the service area, increased dependence on sub-surface water, and population growth, the Authority is now experiencing a demand which exceeds the treatment capacity for the plant. Alcoa has acquired property 4 miles east of Beaufort which will be developed into a major residential community. Said development cannot be developed, however, unless public water services can be provided. Alcoa has requested the City's assistance via the City's eligibility for UDAG and its water system and related urban services delivery system. The City of Beaufort desires an Urban Development Action Grant to enable the development of The Datha Island Project. The cost for the treatment plant expansion is \$4 million, \$2 million of which will be funded by a Farmers Home Administration loan, and a \$2 million UDAG. The expansion of the treatment capacity will also remove the development moratorium on other development projects which are not directly involved with this proposal. Historically, the Beaufort area has supported an average of 360 new housing units per year. The expanded water treatment capacity will allow new developments to support the creation of approximately 150 new jobs annually. This would total 1500 new jobs over the next ten years."*

Referring to a copy of the UDAG Scenario for the Datha Island Project, he stated the City contributed \$2 million of UDAG funds and Datha invested \$30 million. The City loaned Alcoa \$1.2 million and bought the retail water rights to Datha Island from B-JWSA for \$700,000. Alcoa guaranteed the City \$564,000 annually in revenue from the water. They deeded on-site water lines to the City upon completion and granted B-JWSA \$900,000 an aid-to-construction fee and purchased water capacity from the plant. The remainder of the loan was used for construction of on-site water lines.

**George Singleton** said he appreciates that there was a water problem and that cagey politicians made smooth moves to obtain money to solve the problem. He said he will accept this until he receives the facts as they requested. He read the following portion of the Eligibility of Cities and Urban Counties Criteria and Standard Regulations: "Providing housing for low and moderate income persons and providing equal opportunity in housing and employment for low and moderate income persons and members of minority groups." Also, he said the City should not have borrowed from the UDAG grant when other sources were available.

**Henrietta Goode** asked former Mayor Henry Chambers what he meant when he said "the City met the eligibility requirements for the grant." Mr. Chambers replied the requirements were for private industry to match four dollars of capital investment to every dollar the City obtained. Additionally, he said the City was not eligible for "Pockets of Poverty" in 1983.

Mayor Rauch pointed out the question has been raised that the money was diverted. This needs to

be addressed and hopefully the information available will show that this grant was a legitimate economic development project. He added that the 1983 grant has nothing to do with today's needs in the community. Whether the City is bound by the rules of the UDAG for those needs or not is the question. The discussion should be about how to move forward together.

**Joannie Diamond** said two million dollars plus interest for 23 years has to be returned to the community. Then repairs can be discussed.

**George Singleton** said when black and white people get together, one group makes assumptions about the other and insults them. This has gone on tonight. He said they have requested the facts and expect to get them. He said they would like Council to act on the petition they presented and either vote for or against it.

#### **BREAK**

A short break was taken.

#### **MINUTES: REGULAR MEETING**

On motion by Councilman Fordham, second by Councilman O'Kelley, Council members Beer, O'Kelley, and Fordham voted to adopt the minutes of the regular City Council meeting of July 11, 2006 as presented. Councilmen Glover and Rauch abstained as they were absent.

#### **MINUTES: SPECIAL MEETING**

The minutes of the July 18, 2006 special meeting of City Council were reviewed and on page 2, Councilman Fordham's name was inadvertently left out for giving second to the motion.

On motion by Councilman Fordham, second by Councilwoman Beer, Council voted to adopt the minutes of the special City Council meeting of July 18, 2006 as amended.

#### **MINUTES: SPECIAL MEETING**

Council reviewed the minutes of the special meeting of July 20, 2006 and at the top of the first page, "due to his work schedule" is to be added after "Glover was absent."

On motion by Councilwoman Beer, second by Councilman Fordham, Council members Beer, Fordham, Rauch, and O'Kelley voted to adopt the minutes of the special City Council meeting of July 20, 2006 as amended. Councilman Glover abstained since he was absent.

#### **CONSENT AGENDA**

On motion by Councilman Glover, second by Councilwoman Beer, Council approved the following eight (8) items presented on the Consent Agenda portion of the agenda.

##### **REQUEST TO HOLD LIBRARY BOOK SALE AT THE WATERFRONT PARK**

A request by the Friends of the Beaufort County Library to hold their annual book sale at the Waterfront Park and for a Boy Scout troop to camp out around the book sale on September 22 and 23, 2006 to provide security.

**REQUEST TO CLOSE STREET FOR EPISCOPAL CHURCH FALL BAZAAR**

A request by St. Helena's Episcopal Church to close one block of New Castle Street between King and North Streets from 9 a.m. Friday, November 3 until 4:00 p.m. on Saturday, November 4<sup>th</sup> for their Bazaar.

**RESOLUTION AUTHORIZING FINANCE DIRECTOR TO CO-SIGN CITY CHECKS**

A resolution authorizing Shirley D. Hughes, Finance Director for the City, to co-sign checks on all accounts of the City. (Copy of resolution at end of these minutes)

**RESOLUTION AUTHORIZING CITY MANAGER TO CO-SIGN CITY CHECKS**

A resolution authorizing Scott F. Dadson, City Manager for the City, to co-sign checks on all accounts of the City. (Copy of resolution at end of these minutes)

**REQUEST TO CLOSE STREET FOR VETERAN'S DAY PARADE**

A request by the Department of Veteran's Affairs to conduct their parade beginning on Rodgers Street at 9:30 a.m. on November 11, 2006.

**NAMING OF PARK**

The recommendation by the Tree Board to name the park in the Point after a former city manager Charlie Knott Park.

**RESOLUTION OF INTENT TO REIMBURSE**

The resolution declaring the City's intent to reimburse costs associated with the borrowing and purchase of rolling stock approved in the FY 2007 budget. (Copy of resolution at end of these minutes)

**REQUEST TO HOLD SHRIMP FESTIVAL**

A request from the Chamber of Commerce to hold the annual Shrimp Festival on October 13 and 14, 2006 in the Waterfront Park, to sell alcohol, and close several streets for a 5k run.

**MOTION TO ADD AN ITEM**

On motion by Councilman Fordham, second by Councilman Glover, Council moved to approve the appointment of the finance director, Shirley D. Hughes.

**CARRIAGE ROTATION FEE DISCUSSION**

Peter and Rose White, Southurn Rose Carriage Tours, appeared before Council during the Public Comment section of the July 11, 2006 regular Council meeting regarding the second payment of their slot rotation fee being waived because of the loss of business due to the construction at the Waterfront Park. The Finance Director was asked to review the business license file to determine if revenues were down or up and research showed a decrease in revenues for both companies.

Peter White said their company was subject to the construction at the Waterfront for a year even though they were told they would be assigned an alternate area for loading/unloading the carriages. According to the definition in the ordinance pertaining to embarkation/rotation slot, when the \$10,000 fee is paid, the holder is entitled to one place in the queue. They were denied that place

twenty-five times and more than 50 times they had to relocate due to the construction trucks in the passenger loading/unloading area. He said the carriage companies pay a \$10,000 fee for the privilege of operating their carriage within the City and during construction of the Park they were not able to do that. This situation is unique to the carriage companies he added. They are asking for consideration because they were not given an alternative location from which to work and for reimbursement of half the fee to alleviate the financial problem caused by the loss of business due to the interruptions caused by the trucks and the difficulties trying to contact the tourism coordinator for help.

Councilman Glover questioned whether the number of interruptions mentioned were trips or days. Mr. White explained there were 25 days their business had to cease because of the unsafe conditions and over 50 days were interrupted to the point of rescheduling trips.

Councilman Fordham stating carriage companies are different from other businesses and operate under different circumstances, moved to reimburse both carriage companies \$5,000 each. Councilman Glover seconded the motion.

Councilman Glover agreed that other businesses were impacted by the construction but only two businesses pay a fee in addition to a business license fee. The Hospitality Fee was mentioned by the Mayor as a fee in addition to the business license fee.

Councilwoman Beer explained the rotation fee was placed on the carriages because of the cost to hire a Tourism Vehicle Coordinator to help monitor the problems with the carriage companies. Rose White stated the buses pay a \$2,500 fee; however, they leave from the Chamber of Commerce on Boundary Street.

In reply to the City Manager's question of the number of days they normally operate per year, Ms. White answered every day except Thanksgiving and Christmas, weather permitting. They are also shut down on extremely hot days, and they don't operate on rainy days or in the middle of winter. They agreed the number of days they usually operate is approximately 250 days a year. Referring to the amount of days of operation, the City Manager said it appears approximately 12% of their work schedule was interrupted.

Using the figures given, Councilman O'Kelley proposed a reimbursement of \$1,500. Councilman Glover stated the figures indicated Southern Rose had a reduction in revenues of approximately 15% and Carolina Buggy Tours loss was about 29% with an average of 25% in lost revenue.

Councilman Glover moved to amend the motion by changing the reimbursement to 25%. Councilman Fordham gave second.

The Mayor suggested the request be presented to the Tourism Management Advisory Commission for a recommendation to avoid repeating mistakes that occurred in the past. Ms. White mentioned that when the tourism ordinance was amended, the authority to make assessments and set the slot rotation fees was transferred from TMAC to Council.

Councilmen Fordham and Glover voted in favor of the amended motion. Council members Beer,

Rauch, and O'Kelley voted nay. The motion failed 3 to 2.

Councilman O'Kelley moved to refund \$1,500 to Southurn Rose Buggy Tours based on the loss of 25 working days and 50 days of interruptions and explained his calculations. Councilman Fordham gave second.

The question arose as to why the motion was to refund one company and not both. Mr. O'Kelly explained that only Southurn Rose has made the request.

Councilman Glover moved to amend the amount of reimbursement to 20% or \$2,000. The motion failed for lack of a second.

Councilman O'Kelley called for the question.

Councilmen Fordham, Glover, and O'Kelley voted in favor of the amended motion. Council members Beer and Rauch voted nay. The motion passed 3 to 2 to refund \$1,500 to Southurn Rose Buggy Tours.

#### **CAPITAL SALES TAX REFERENDUM PROJECT LIST**

Council was asked for an endorsement of the 1% Capital Sales Tax Referendum Project List presented at the July 20, 2006 Council meeting for discussion. During that meeting, Council concurred with the proposed list of ten items to be placed on the ballot in November.

On motion by Councilwoman Beer, second by Councilman Glover, Council unanimously approved the list as presented.

#### **ORDINANCE REVISING UDO-OUTDOOR DISPLAY OF MERCHANDISE**

Councilman Glover moved to table the ordinance amending Sections 6.4 and 6.6 of the UDO pertaining to outdoor display of merchandise presented for second reading. Councilman O'Kelley seconded the motion. The vote was unanimous.

#### **LIBRARY IMPACT FEES**

Library impact fees were addressed by the Assistant City Manager, Matt Horn, who explained the City and the Town of Port Royal currently do not charge development impact fees for libraries nor do they own or operate a library system. One would have to be established or determine how to get the money to the County. Staff recommends an alternate solution of petitioning the County Council to extend impact fees to development within the City limits. This would require the County to amend their ordinance. City Council would need to adopt an Intergovernmental Agreement with the County to allow the City to collect the fees. Council would then identify the projects they would like, a cost estimate would be needed, and growth projections performed in the City to determine how many dwelling units would be built over the term of the agreement.

Councilwoman Beer moved to approve the library impact fees. Councilman O'Kelley gave second. Council members Beer, Rauch, Fordham, and O'Kelley voted in favor of the fees. Councilman Glover voted nay. The motion passed 4 to 1.

### **WATERFRONT PARK RULES**

On motion by Councilman Glover, seconded by Councilman O’Kelley, the discussion pertaining to the Waterfront Park Fees was tabled.

### **ORDINANCE REVISING UDO – NONCONFORMING STRUCTURES**

An ordinance amending Section 9.2 of the UDO pertaining to nonconforming structures making a clarification between making improvements to nonconforming structures and for rebuilding structures damaged due to disaster was presented to Council for first reading.

Councilman O’Kelley made a motion to approve the ordinance on first reading. Councilwoman Beer gave second. Council unanimously approved the ordinance on first reading. (Copy of ordinance at end of these minutes)

### **ORDINANCE REVISING UDO – PERTAINING TO STREET STANDARDS**

Councilman Glover moved to table the ordinance presented for first reading amending Section 8.2 of the UDO pertaining to street standards for streets proposed in the Burton Hill Area Street Plan, reducing the pavement width for new streets to 18’ and setting out requirements for traffic control and street name signs in new subdivisions. Councilman O’Kelley gave second. The vote was unanimous.

### **ORDINANCE ADOPTING THE BOUNDARY STREET MASTER PLAN**

An ordinance adopting the Boundary Street Master Plan into the Comprehensive Plan was presented to Council for first reading.

Councilwoman Beer made a motion to approve the ordinance on first reading. Councilman O’Kelley gave second.

Councilman Glover stated he likes some of the components but there are things he can’t support. He also thinks it is a mistake to narrow lanes and develop roundabouts. The comments he heard tonight were against it. Councilman O’Kelley said he believes Council should vote on the concept now and then Council may choose to change parts of the document.

Council members Rauch, Beer, and O’Kelley voted to approve the ordinance on first reading. Councilmen Glover and Fordham voted nay. The motion passed 3 to 2. (Copy of ordinance at end of these minutes)

### **ORDINANCE ANNEXING LADY’S ISLAND PARCEL**

An ordinance annexing a 2-acre parcel of property located at 32 Meridian Road on Lady’s Island, identified as District 201, Tax Map 14, Parcel 4 was presented to Council for first reading.

Councilwoman Beer made a motion, seconded by Councilman Glover, to approve the ordinance on first reading.

Councilman Glover said he would be more comfortable if he knew how many dwellings would be built on the property and he believes the adjacent residents would be too. Councilman O’Kelley pointed out that without a PUD in place, the zoning regulates what is built. He added that without

sewer to the property, the development will be limited because of the proximity to the marsh. Mr. Glover said he is referring to all rezoning and when the public asks how many structures will be built, he can't give an answer.

Libby Anderson, City Planner, stated the property is currently zoned Community Preservation and allows two dwelling units per acre. The property is a little over two acres. The property appears to be 200 feet in width and the City requires 60 ft. lot width and it may not be possible to place as many units under the City's zoning as under the County's zoning. A plan has not been submitted on how they plan to subdivide it but the lots have to have direct access to the street; therefore, it appears only four lots with one being a flag lot can be developed.

Council voted unanimously to approve the ordinance on first reading. (Copy of ordinance at end of these minutes)

#### **ORDINANCE ZONING LADY'S ISLAND PARCEL**

An ordinance zoning a 2-acre parcel of property located at 32 Meridian Road on Lady's Island, identified as District 201, Tax Map 14, Parcel 4 to R-3 Medium-High Density Single-Family Residential District was presented to Council for first reading.

On motion by Councilman Glover, second by Councilwoman Beer, Council approved the ordinance on first reading. (Copy of ordinance at end of these minutes)

#### **PROJECT REPAIR**

Councilwoman Beer made a recommendation on the Project Repair Program. The Guidelines state Council will involve direct interest free loans up to \$7,500 per dwelling unit for low to moderate income areas including the Northwest Quadrant. It is hard to find someone willing to make repairs for that amount and labor and materials are expensive. She recommended changing the program to complete repairs for those individuals that have been deemed eligible under the City of Beaufort's Project Repair Program total yearly expenditure not to exceed \$75,000. The program would involve interest free loans with the amount to be determined per dwelling unit. These loans are forgivable after three years if the homeowner remains in the residence for that period of time. Grants/loans are payable upon completion of approved work and must be completed within nine months of the award of the grant. Councilman Fordham asked if a mortgage would be held by the City. Ms. Beer said a lien can be placed on the property until the criteria is met. Mr. Fordham said he is concerned the City is going into the banking business. He suggested involving the churches and the applicant obtain a portion to the funding from the churches. The City could match up to \$7,500 of the amount instead of a grant. Ms. Beer said the program is in place and only 16 houses have been repaired since 2001 because of the difficulty in obtaining a contractor for that small amount of money. She added that she spoke with Ms. Anderson about establishing a committee to review the applications and make a recommendation to Council for the repairs. Ms. Anderson said one issue is that if the amount of money is changed, the administrative requirements regarding title research and remaining in the dwelling for a 3-year period should be reviewed.

The Mayor suggested bringing back a recommendation to Council.

#### **CITY MANAGER'S REPORT**

The City Manager's Report was presented to Council.

**1. Status of Stormwater Drainage Projects**

Lamar Taylor, Operations Officer for the City, presented an update on two of the stormwater drainage projects. The **Depot Road Project**: Mr. Taylor informed Council the City did receive a grant from LCOG in the amount of \$500,000 in CDBG monies. Construction actually begun in May, 2006 and the first phase was to clear the outfall ditch area. Also, during that phase, permission had to be received from the Ports Authority to remove the tracks. Phase two is more involved. A major force main will be placed in the center of Depot Road during September. This is scheduled to be completed by the end of October.

**MOTION TO EXTEND THE MEETING**

On motion by Councilman Glover, second by Councilman O'Kelley, Council extended the meeting beyond 10:00 p.m. to complete the agenda. The vote was unanimous.

Mr. Taylor continuing with his presentation stated the **Point Pond Project** is completed. The old structure was removed and a new flow gate and bubbler were installed to control four feet of water even during low tide. During the past two months, they have been monitoring the high tides and making adjustments in order to handle a seven foot water level if the residents so desire, he said. The total cost for the project was \$176,362.44 which is within budget. **Duncan/Langhorn Project**: will begin in January, 2007 depending on the County's schedule as they are doing the work, according to Mr. Taylor.

**2. Tax Analysis of Storm Water Fees and Personnel Property.** The City Manager said he has asked the Town of Port Royal and the Town of Bluffton to consider joining in a mutual contract for a tax analysis of the revenue losses. The City is down 15% in stormwater fees and personnel property revenues were down \$90,000. Additionally, the actuals are not going up sufficient to the amount of houses being built, the assessed values, etc. The Town of Hilton Head has hired someone to review the books. He would like this to be annual review to ensure the receipts are correct.

**3. Highway 21/Sunset Boulevard Traffic Study.** Two meetings were held on the issue of traffic between Woods Memorial Bridge and Highway 802, specifically the Sunset Boulevard area. Todd Salvagen has been hired to exam the traffic. The County asked to participate in the transportation planning. A meeting of the property owners was held today to address their concerns and there will be another meeting in two weeks.

**ADJOURNMENT**

There being no further business to come before Council, the meeting was adjourned at 10:07 p.m.

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BILL RAUCH, MAYOR

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COUNCILWOMAN DONNIE ANN BEER

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COUNCILMAN FRANK GLOVER

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COUNCILMAN GARY B. FORDHAM

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COUNCILMAN GEORGE H. O'KELLEY, JR.

ATTEST:

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BEVERLY W. GAY, CITY CLERK