

A meeting of the Beaufort Redevelopment Commission was held on February 7, 2008 at 4:00 p.m. in the City Hall Conference Room, 302 Carteret Street. In attendance were, Commissioners Mike Sutton, Bob Pinkerton, Martin Goodman, George H. O'Kelley, Donnie Ann Beer, Bill Rauch, and City Manager Scott Dadson. Commissioners Gary Fordham, Eugene A. Rugala, and James Bellew were absent. 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 meeting was called to order at 4:00 p.m. by Chairman Bob Pinkerton.

EXECUTIVE SESSION

On motion by Commissioner Goodman, seconded by Commissioner O'Kelley, the Commission moved into executive session to discuss a proposed contractual matter and a land acquisition.

REVIEW OF THE MINUTES

Upon returning to open session, Commissioner Goodman moved to approve the minutes of the January 10, 2008 meeting. Commissioner Beer seconded the motion. The minutes were approved unanimously as presented.

INFRASTRUCTURE TAX CREDIT

The City Manager reviewed the Infrastructure Tax Credit stating there are two projects. The first is a multi-county park which is a designation over properties. This Commission was charged with one of the specific projects within the park. That is an infrastructure tax credit (improvements) and presented as the Green Lawn Project. The status of the ITC takes both the City and the County to work it out. It is a tax converted to a fee which pays back the infrastructure (water, sewer, stormwater, roads, sidewalks, trees, lights) invested. City Council approved, on first reading, the ordinance creating a multi-county park on November 13 and notified the County. The request for the tax credit was initiated by a developer. He is willing to upfront the infrastructure cost for those properties along Greenlawn and the City would pay that back through the change of the taxes to fees. This was presented to the County's Economic Development Committee. They were concerned about the School Board not receiving its portion. Kim Statler of Lowcountry Economic Network, the developer, and the City made a presentation explaining the intentions and the outcome expected. The ED Committee directed the County Administrator to meet with the School Board to begin discussions in which the City agreed to participate. The next week, one of the County Council committees met with the School Board and they talked about the issue. There was no decision but the County Council instructed the Administrator as well as the School Board instructed Ms. Truesdale's office to work together with Ms. Statler.

He clarified one position of the Infrastructure Tax Credit. One of the ways to lower the cost of the \$1.7 million of improvements was to use a portion of cash out of TIF II towards a cash offset in this Infrastructure Tax Credit. The City Manager stated he committed \$750,000. The ordinance was drafted at \$900,000 which he did not oppose. After meeting with the County, he told the developer he is lowering his cash position to \$400,000 to \$500,000 because in working with the County they are getting closer to the analysis. The idea is to offset the cost and encourage the developer to build.

The City Manager stated that once an agreement is received from the School Board and the County

that is acceptable by the City, the Redevelopment Commission will have to make a recommendation to City Council.

RESOLUTION

A resolution setting the time and dates for the Redevelopment Commission to hold their meetings was presented for consideration.

On motion by Commissioner Beer, second by Commissioner Goodman, Commissioners Goodman, Beer, Rauch, Pinkerton, and Sutton voted to adopt the resolution setting the first Thursday of each month at 4:00 p.m. as the time and date of their meetings. Commissioner O'Kelley voted nay. The motion passed 5 to 1.

DISCUSSION OF BUSINESS PLAN

There was nothing to discuss at this meeting.

MUNICIPAL COMPLEX FINANCING

The City Manager said the plan is go to the Bond Market in June, 2008 to borrow on the money for the Municipal Complex. Also, rating agencies will be entertained in the City during May. The funds in TIF II will be utilized first. A cash flow chart was displayed showing the draws were low in the beginning of the project and are increasing. Shirley Hughes, Finance Director, noted that the budget is on track.

The City Manager added that the Commission also needs to consider discussing the disposition of the City Hall building and the Carnegie Building. Commissioner Goodman said it would be appropriate for Main Street Beaufort, USA to have some dialogue in those discussions since they would be aware of businesses wishing to locate in the downtown. Mr. O'Kelley pointed out these are historic structures and the exterior cannot be modified and potential buyers need to be aware of that. The City Manager said the sale could be conditioned or based upon specified criteria. However, that can narrow the market. Commissioner Rauch suggested approaching the adjacent land owners as they may have an interest. The idea of obtaining an appraisal was brought up. Since the buildings are still occupied, it was mentioned perhaps waiting. However, marketing of the buildings should proceed in order for it to be sold for the best use.

ADJOURN

There being no other business, Commissioner Rauch moved to adjourn. Commissioner Beer gave second. The vote was unanimous.

ADJOURNMENT

There being no further business to come before the Commission, the meeting was adjourned at 6:10 p.m.

BOB PINKERTON, CHAIRMAN

COMMISSIONER MARTIN GOODMAN

COMMISSIONER DONNIE ANN BEER

COMMISSIONER GARY B. FORDHAM

COMMISSIONER GEORGE H. O'KELLEY, JR.

COMMISSIONER MIKE SUTTON

COMMISSIONER JAMES BELLEW

COMMISSIONER EUGENE A. RUGULA

COMMISSIONER BILL RAUCH

ATTEST:

BEVERLY W. GAY, CITY CLERK