



CITY OF BEAUFORT
1911 BOUNDARY STREET
BEAUFORT MUNICIPAL COMPLEX
BEAUFORT, SOUTH CAROLINA 29902
(843) 525-7070
CITY COUNCIL REGULAR MEETING AGENDA
July 16, 2019

**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."

REGULAR MEETING - Council Chambers, 2nd Floor - 7:00 PM

I. CALL TO ORDER

- A. Billy Keyserling, Mayor

II. INVOCATION AND PLEDGE OF ALLEGIANCE

- A. Mike McFee, Mayor Pro Tem

III. PROCLAMATIONS/COMMENDATIONS/RECOGNITIONS

- A. Resolution commending Rick Griffin for years of service of operating the City's Marina
B. Resolution commending Quinn Peitz for service on the City's Historic Review Board
C. Resolution commending Chuck Symes for service on the City's Historic Review Board

IV. PUBLIC COMMENT

V. MINUTES

- A. Special Worksession and Regular Meeting May 7, 2019
B. Worksession and Regular Meeting June 11, 2019

VI. NEW BUSINESS

- A. Authorization to allow the City Manager to enter into a Memorandum of Understanding (MOU) with Holy Trinity School for use of Southside Park
B. Ordinance authorizing the dissolution of the Gateway Corridor Redevelopment District - 1st Reading
C. Re-Appointments and Appointment to City Board and Commission - Cultural District Advisory Board (CDAB)

VII. REPORTS

- City Manager's Report
- Mayor Report

- Reports by Council Members

VIII.ADJOURN



R E S O L U T I O N

COMMENDING QUINN PEITZ FOR SERVING ON THE CITY'S HISTORIC DISTRICT REVIEW BOARD

WHEREAS, Quinn Peitz served on the City of Beaufort Historic District Review Board from April 2014 until June 2019; and

WHEREAS, Mr. Peitz served in the position of Design Professional; and

WHEREAS, Mr. Peitz devoted his efforts and energy in service on this important Board; and

WHEREAS, the significant contributions Quinn Peitz made as a member of the Historic District Review Board has helped to support sustainable development practices, and protect and enhance the design, character, and economic value of the Historic District and the City as a whole, thereby promoting the quality of life in our community;

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Beaufort, South Carolina, duly assembled, expresses their gratitude and commends Quinn Peitz for his outstanding service to the City during the past four years.

IN WITNESS THEREOF, I hereunto set my hand and caused the Seal of the City of Beaufort to be affixed this 16th day of July 2019.

BILLY KEYSERLING, MAYOR

ATTEST:

IVETTE BURGESS, CITY CLERK



R E S O L U T I O N

COMMENDING CHUCK SYMES FOR SERVING ON THE CITY'S HISTORIC DISTRICT REVIEW BOARD

WHEREAS, Chuck Symes served on the City of Beaufort Historic District Review Board from April 2014 until June 2019; and

WHEREAS, Mr. Symes served in the position of resident, Historic Beaufort Foundation member on the Board and Chairman; and

WHEREAS, Mr. Symes devoted his efforts and energy in service on this important Board; and

WHEREAS, the significant contributions Chuck Symes made as a member of the Historic District Review Board has helped to support sustainable development practices, and protect and enhance the design, character, and economic value of the Historic District and the City as a whole, thereby promoting the quality of life in our community;

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Beaufort, South Carolina, duly assembled, expresses their gratitude and commends Chuck Symes for his outstanding service to the City during the past four years.

IN WITNESS THEREOF, I hereunto set my hand and caused the Seal of the City of Beaufort to be affixed this 16th day of July 2019.

BILLY KEYSERLING, MAYOR


ATTEST:

IVETTE BURGESS, CITY CLERK

A work session of Beaufort City Council was held on May 7, 2019 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Councilwoman Nan Sutton, Councilmen Mike McFee, Stephen Murray, and Phil Cromer, and Bill Prokop, city manager.

In accordance with the 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

Mayor Keyserling called the work session to order at 5:00 p.m. 

BUDGET FY 2020 DEPARTMENT PRESENTATIONS – FIRE DEPARTMENT

Fire Chief **Reece Bertholf** read the fire department's mission statement and shared recent performance accomplishments, including the opening and operation of Fire Station 4; 3,595 calls for service in calendar year (CY) 2018, with 3,665 projected for CY 2019; 675 more smoke detectors installed "on our second go-round" with documented evidence that the detectors "made a difference," and 283 public education events, up from 187 in 2017.

Chief Bertholf said performance measures to track recent accomplishments include zero civilian fire fatalities, and 8,755 individual contacts in 2018, which is 6.75 individual contacts per man hour at public education events, meaning the department is moving closer to one-on-one contacts.

Recent goals that the department was unable to achieve due to budget or staffing constraints, Chief Bertholf said, are similar to last year: fleet replacement via leasing, and the squad response staffing concept.

Chief Bertholf said for current performance initiatives, the fire department is "always working on these 3 items":

- Reserve firefighter sustainability – There are 2 recruiting drives a year, and it's important to sustain diversity here.
- Part-time firefighter sustainability
- Medical service delivery efficiencies

Key performance indicators, Chief Bertholf said, are call volume, which is estimated to be 3,740 in CY 2020; public education contacts, which he hopes will be 10,500 in CY 2020, and emergency (4 minutes, 49 seconds) and non-emergency (6 minutes, 13 sections) start times for all types of calls to all 4 fire stations.

Councilman Cromer asked if there is a standard of some kind for response times. Chief Bertholf said the "golden standard" is 4 minutes, which is "a very rare situation" that occurs when there's a "fire station every mile, mile-and-a-half throughout your

community.” The Beaufort/Port Royal Fire Department is “very, very fortunate to have the structure that we have, that delineates that response time,” which is “not commonly replicated,” he said.

Key goals and new initiatives for FY 2020, Chief Bertholf said, are to finalize the fire service impact fee; standardize emergency services on Port Royal Island, and analyze emergency medical service delivery.

Chief Bertholf said the two increases under budget requests needed to help achieve FY 2020 goals and initiatives would allow the fire department to maintain funding levels in all other aspects of the department. First is a Lady’s Island Fire District payment increase of \$100,498, and a \$42,002 increase for the full fiscal year lease, tax, and insurance on Fire Station 4. In FY 2019, the department “budgeted for three-quarters of the year,” he said. This increase represents “the total package for Station 4.”

The capital request is up \$7,000 this year, Chief Bertholf said, from \$82,000 to \$89,000, with the capital requests going toward a new breathing air compressor (\$38,000); a self-contained breathing apparatus (SCBA) cylinder replacement for “about 80 cylinders” (i.e., for half of the SCBAs that have not been replaced yet via grant funds) (\$27,000); replacement of mattresses and bed frames in the headquarters bunkroom, which “is the end of about a 7-year battle with bedbugs” (\$15,000); taking the program for EMT service from “EMT basic” to “EMT advanced,” which currently has 12 people in the program, and this is for “the minimum amount of equipment we need to put on our apparatus . . . in order to become licensed . . . as an EMT advanced provider” (\$9,000).

Chief Bertholf reviewed fire department expenditures. The total budget number the Beaufort/Port Royal Fire Department is asking city council to approve for FY 2020 is \$5,265,813. He described the breakdown for personnel, benefits, etc. Historically, for 2017, 2018, and 2019, the fire department has “always rolled that operating budget up, inclusive of the service-for-contract payments that we have with the neighboring fire districts,” Chief Bertholf said. There is a request for \$83,617 for “the final debt payment on our ladder truck,” he said, which is down from FY 2019, and reflects the difference in “our operating lease for the administration vehicles,” which the department moved to leasing.

Chief Bertholf pointed out notes at the bottom of the expenditures page. Council had no questions about them.

On page 12 of the presentation, Chief Bertholf reviewed “who pays, and for what” in the City of Beaufort/Town of Port Royal Fire Department. Only Beaufort City Council approves the total budget, he said, but it has to be adjusted for 3 reasons, to “make the appropriate split between the City of Beaufort and the Town of Port Royal”:

1. The old Town of Port Royal intergovernmental agreement separated the capital between the City of Beaufort and the Town of Port Royal.

2. The city-approved budget included city payments to Burton Fire District and Lady's Island/St. Helena Fire District but not the Port Royal payments.
3. The city-approved budget at one time included the city-only Code Enforcement full-time employee.

Then there were additions to the adjusted budget, Chief Bertholf said, per the intergovernmental agreement for fire service: for the depreciation expense and the management fee for Finance and Human Resources service attributed to the fire department.

Chief Bertholf said the result is a split in the cost between the city and the Town of Port Royal for fire service that is based on an audited count of all the rooftops in the two municipalities, minus Lady's Island, MCAS, and Parris Island. That is currently "somewhere north of 8,000 rooftops," he said.

Chief Bertholf said the Town of Port Royal budget historically includes debt for the vehicles they purchased, payments to Burton Fire District, and capital needs for Fire Station 3 on Paris Avenue. The 2017 intergovernmental agreement "merges all of that together going into the future, except any payments to Burton that may need to be made in the future," he said, but there is still some old debt for purchases made prior to that intergovernmental agreement.

Chief Bertholf showed a chart of the adjusted budget number and how the amount of the monthly payments for Port Royal through the fiscal year is determined. He walked council through the adjustments to the FY 2020 request to get to "the adjusted budget number."

In 2017, with the amended intergovernmental agreement, Chief Bertholf said, "we decided to open Station 4," which required taking "the entirety of the municipalities, less what I already discounted earlier, and added up all the rooftops" and parcels of land, including those west of Neil Road and west of the Russell Bell Bridge, not just in the core district of the city and town. This created "a shift" away from just being "on the peninsula, basically," he said.

The FY 2017 split was 76% City of Beaufort and 24% Town of Port Royal; in FY 2020, the split is 67% City of Beaufort and 33% Town of Port Royal, Chief Bertholf said. This was described in the intergovernmental agreement, he said, and it "has happened each year . . . as it was supposed to." Next year, the rooftops will be audited, and it may change again, based on development in Port Royal or Beaufort.

Councilman Cromer asked how apartments are counted, and Chief Bertholf said they are considered "a rooftop."

The adjusted cost for the City of Beaufort, after deducting Port Royal's cost and making

an adjustment for the SAFER grant reimbursement (expected to be \$324,280 for FY 2020), is \$3,281,934, Chief Bertholf said.

Councilman Murray said, as the SAFER grant amount diminishes, for staffing numbers to remain the same, that grant would have to be replaced by “budgeted General Fund money” from both the Town of Port Royal and the City of Beaufort, or they would have to “release personnel.” Chief Bertholf said that’s correct and indicated the number (\$3,606,214 for FY 2020) “if that SAFER grant went away.” For FY 2020, that grant reduced the amount for the City of Beaufort by \$324,280 and for the Town of Port Royal by \$159,720, he said.

Councilman Murray asked an approximate portion by which the grant diminished from last fiscal year to this fiscal year. Chief Bertholf replied, “The first half of this fiscal year will be paid at 75%, and the second half of this fiscal year will be paid at 35%.”

Chief Bertholf showed another table to indicate the City of Beaufort’s net cost for the fire department, including 4 fire stations, full-time employees, the fire chief, fire trucks, etc., all of which “we have the ability to control and manage.” In FY 2017, this was \$3,079,549; it was \$3,437,820 in FY 2018, \$3,523,245 in FY 2019, and for FY 2020, it’s down to \$3,346,214, he said. Two factors caused the “spike in the cost to the City of Beaufort,” Chief Bertholf said – overlapping the opening of Fire Station 4 with the final payment to the Burton Fire District, and not having “the benefit of the large increase for [the] shift in rooftop count between the City of Beaufort and the Town of Port Royal until 2020” – and those same factors have now changed to allow an overall decrease in costs to the City of Beaufort for its fire department.

Chief Bertholf said the decision was made to open the new fire station, based on “dollars and forecasts in 2015 and 2016,” and he would show “what could have happened to those forecasts and what we would’ve been paying on the other side if we’d made a different decision and went a different route.”

The city’s “all-in costs” for the fire department are “not dramatic,” but they are decreasing, Chief Bertholf said. In the future, he expects “all this to normalize out” with an “expected 2% to 3% cost of doing business year-over-year,” because of the significant decisions and changes made to the fire department that have “calmed that . . . cost.”

The dollar amount for payments for fire service from the Lady’s Island/St. Helena Fire District has gone up significantly, Chief Bertholf said, because of new development, reassessment, and an increase in commercial value on Lady’s Island over the last two years.

Chief Bertholf reviewed the breakdown to determine the cost of the Beaufort-Port Royal Fire Department to the individual City of Beaufort taxpayer; with a \$200,000 home, the taxpayer’s cost would be \$91.36. It is \$68.52 per \$100,000 in value on a 6%

commercial or residential property, and \$6.85 per \$10,000 in value on a 6% vehicle or personal property, he said.

Chief Bertholf said, "It takes municipal densities to provide municipal services." 33% of the dollars that fund the fire department come from ad valorem taxes, he said, and 67% "does not"; those dollars "come from other revenue sources for the municipalities."

The "number 1 increase" in the fire department budget for FY 2020, which Chief Bertholf said he has "no control over," is the \$100,498 increase in the amount of the payment to the Lady's Island/St. Helena Fire District, so he took the council members through the agreement. The \$260,000 for this year "represents the forecast of what would be 80% of the current Lady's Island/St. Helena Fire District millage as applied to the current taxable value of a parcel that's in the city on Lady's Island in today's dollars," he said. When redevelopment occurs on a parcel, Chief Bertholf said, "payments climb far beyond what the district received when the parcel was part of the district." The opposite occurs when an annexed parcel on Lady's Island is devalued, he said, but currently, parcel values are "going up."

The current Lady's Island/St. Helena Fire District agreement was signed in January 2017 and will be in effect until January 9, 2022, Chief Bertholf said, after which it automatically goes month-to-month, with a 1-year notice of termination clause. According to the agreement, "the chiefs have been charged with finding a 'forever solution' for fire service in . . . municipal areas on Lady's Island," he said. Their recommendations for that solution are due to city council by October 1, 2019.

Chief Bertholf said customer service initiatives in FY 2020 include looking at the medical service delivery model and at standardization of emergency service on Port Royal Island and beyond.

Councilman Murray asked what Chief Bertholf hopes to accomplish with the analysis of the medical service delivery model. Chief Bertholf said they went from a "non-licensed, loosely affiliated first responder service through Beaufort County EMS to a DHEC-licensed" service that is responsible of its own people, training, service, equipment, and response models, and they want to determine if that is the right thing to do, if it's "something that should be expanded on," or if it's "something we shouldn't be doing," so they're going to spend a year analyzing that.

Councilman Cromer said the "vast majority" of the fire department's service calls "are medical, anyway." Chief Bertholf said 54% of the calls are medical. The national average for medical calls is "usually higher," he said; the Beaufort-Port Royal Fire Department responds to "calls [that] are not medical in nature" on a daily basis, such as calls for rescue, fire alarms, car accidents, and various types fires. They get about 10 calls a day, he said, so 5 or 6 will be medical, while the others will be for car accidents, alarms, etc. Structural fires are relatively rare, Chief Bertholf said.

Councilman Murray said when medical calls are dispatched, the Beaufort-Port Royal Fire Department rolls and so does the Beaufort County EMS, so “there are 2 units responding, regardless of the severity.” Chief Bertholf said there are a small number of medical calls that only Beaufort County EMS goes to, but those are not the norm. Councilman Murray clarified that Beaufort/Port Royal receives no compensation from Beaufort County for “augmenting their medical service.” Chief Bertholf said that is correct.

Councilman McFee asked if a car accident that has “medical associated with it counts as two calls.” Chief Bertholf said that would be one call. He feels confident that for “a large majority of those 3,600 [service] calls” that the fire department goes out on each year, “there’s a reason for us to be there,” and they’re not “duplicating effort.”

Chief Bertholf gave the council members a handout of “the budget presentations from county council Finance Committee last week.” He pointed out the totals for each fire department in Beaufort County and asked council to keep in mind “value and efficiency in your fire department.”

BUDGET FY 2020 DEPARTMENT PRESENTATIONS – MUNICIPAL COURT

Sarah Farrow read the municipal court mission statement and described the court employees’ responsibilities.

Recent performance accomplishments in the municipal court department include the appointment of indigent defense representation to 171 cases; this is the first full year there has been an indigent defense attorney, Ms. Farrow said, and municipal court staff has worked closely with Town of Bluffton staff “to develop and implement unified procedures and apply them.” They are currently negotiating with the Public Defender’s Office to contract with them to provide indigent defense representation “in both our courts, effective July 1,” she said.

Municipal court also held five week-long jury terms this year, Ms. Farrow said, which she defined, and said they disposed of 73 cases this way.

Ms. Farrow said performance measures to track recent accomplishments include participation in the Municipal Association of South Carolina (MASC) set-off debt system to collect \$6,822.91 of the \$339,459.71 in “allowable outstanding fines.” By state law, the court cannot collect fines through a third-party collector, she said.

The estimated number of cases processed and disposed of in municipal court this year will be 5,273, Ms. Farrow said, and the estimated number processed and transferred in bond court will be 2,852. She explained how bond court cases differ from municipal court cases, and told Mr. Prokop that bond court meets twice a day – in the morning and afternoon – every day of the year, including on holidays, in inclement weather, etc.

A recent goal that the municipal court was unable to achieve because of budget or staffing constraints was establishing a performance measure for the “Happy or Not” kiosk data, Ms. Farrow said, though “the municipal court team does use the data to promote and hype each other up to see who can have better customer service with the court participants.”

Councilman Murray asked if there is “much of a backlog” of cases, and Ms. Farrow said they have maintained their historic efficiencies in getting cases through.

Ms. Farrow said current performance initiatives in the municipal court are continuing to perfect the new court procedures set forth by the Chief Justice for all summary courts in South Carolina in 2017, and continuing to explore ways to enhance and maximize participants’ experience with the municipal court department “as motivated employees who engage their community.” She reviewed the department’s customer service goals and its philosophy about the service each employee gives to each person participating in municipal court.

Key performance indicators, Ms. Farrow said, are the number of municipal court cases – which was 6,671 in FY 2018 and is estimated to be 5,272 in FY 2019 and 5,972 in FY 2020 – and the number of bond court cases, which was 3,509 in FY 2018 and is estimated to be 2,860 in FY 2019 and 3,185 in FY 2020. “Municipal court cases are strictly City of Beaufort cases,” Ms. Farrow said, while “bond court cases are made from the other towns, to include the City of Beaufort, Port Royal, Bluffton, and Yemassee.”

Councilman McFee asked if the actual numbers in FY 2018 “were inclusive of Hilton Head.” Ms. Farrow said yes. She believes the FY 2019 estimate is based on numbers through the end of December 2018, when Hilton Head withdrew, “so that’s why it dropped off.”

Ms. Farrow said key goals and new initiatives for FY 2020 are to continue exploring additional funding sources through partnerships and grants for “the work we do in municipal court,” but finding such grants is “difficult,” and to transition as smoothly as possible from a private indigent defense attorney to the Public Defender’s Office.

Councilman Cromer asked Mr. Prokop if “we’re having to pay to go to the Public Defender’s Office.” Mr. Prokop said, “Yes, we’re going to be paying extra, but it’s [only] slightly more than what we’re paying” the private indigent defense attorney. He said he and Mayor Keyserling have raised a question with the county “because we’re paying for public defender services that we don’t get,” so they are wondering if the cost “to city residents is as fair as it should be.”

Councilman Murray suggested that there should be a conversation with the county and municipalities to determine what service delivery and funding models are “appropriate” and inappropriate. He said he and **Kathy Todd** had a conversation, and a rough estimate

is that “municipal residents contribute over 50% of ad valorem property taxes to the county,” yet there’s a question as to whether they receive “an equitable share of services and funding back” from the county for that contribution. The county argues that it maintains “some county roads [that are] within municipal boundaries,” Councilman Murray said, which the county feels is “a bit inappropriate,” so there needs to be a conversation about such matters.

Ms. Farrow said the budget request needed to achieve FY 2020 goals and initiatives is \$13,000 for upgraded audio recording software to replace the outdated software they currently have because these recordings can be useful in appeals and other processes, and it is more cost-effective than hiring a court reporter.

Ms. Farrow reviewed the FY 2020 recommended budget, which “went down from last year” to \$447,895 with the \$41,500 bond court services offset. Councilman McFee asked if the personnel costs went down because of staff efficiency or because of a reduction in intergovernmental services. Ms. Farrow said it was the latter: “We’re doing more with less, but . . .” Councilman McFee said, “There’s less of a workload without Hilton Head [being] involved in it.” Ms. Todd added that **Linda Roper’s** “allocation went down to courts, too.”

Councilman McFee asked if “operating” expenditures includes “the audio-visual as well as the cost for the indigent care.” Mr. Prokop said yes.

Ms. Farrow explained how the bond court offset works. Councilman McFee asked if he could assume that the approximately \$32,000 difference in the offset total between FY 2019 and FY 2020 “came from Hilton Head.” Mr. Prokop said Hilton Head’s contribution had been \$60,000, but “now we have picked up Yemassee”; though its contribution is “nowhere near what Hilton Head’s was,” there is good cooperation with Bluffton, Yemassee, and Port Royal for bond court.

Ms. Farrow explained that the bond court services offset number for FY 2018 was for “everybody except Yemassee,” FY 2019 “included Yemassee and half of what Hilton Head was paying,” and FY 2020 is “*without* Hilton Head and *with* Yemassee.”

Councilman Murray asked when Hilton Head stopped “using us for bond court.” In December 2018, Ms. Farrow told him. The reason for major increases in the FY 2020 budget, she said, are because the Town of Hilton Head exited the bond services agreement, which meant a shortfall in this fiscal year of about \$33,000 and “almost \$62,000” in the next fiscal year. To offset the loss, she said, they “permanently are not filling a Court Clerk II position.”

Councilman Cromer asked Mr. Prokop if the county would be adding another public defender. Mr. Prokop said the county was advertising for one for two months at a starting salary that brought in no applications, so they have recently upped the salary.

He said Ms. Roper and Ms. Farrow had told them that “bond court is 7 days a week,” when the county proposed it be 5 days a week, but now they are going back to look at all of their costs. The Public Defender’s Office also has to provide investigators and administrative staff, etc., Mr. Prokop said, in order to provide all of the services that the indigent defense attorney needs, which adds to costs, so the costs are now up 15% to 20% over what the county originally thought they would be, though they are still “close” to the cost of the private indigent defense attorney.

Councilman Cromer asked if “we’re the only one’s having to pay” for the indigent defense attorney. Mr. Prokop said Port Royal and Bluffton are paying as well.

EXECUTIVE SESSION

Pursuant to Title 30, Chapter 4, and Section 70 (a) (2) of the South Carolina Code of Law, **Councilman Murray made a motion, seconded by Councilman Cromer, to enter into Executive Session for a discussion of pending litigation. The motion passed unanimously.**

There being no further business to come before council, the work session was adjourned at approximately 6:12 p.m.

A special regular session of Beaufort City Council was held on May 7, 2019 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Councilwoman Nan Sutton, Councilmen Mike McFee, Stephen Murray, and Phil Cromer, and Bill Prokop, city manager.

In accordance with the 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.

Councilman Murray made a motion, second by Councilman Cromer, to adjourn the Executive Session. The motion passed unanimously. Mayor Keyserling said there was “nothing to report” from the session.

CALL TO ORDER

Mayor Keyserling called the special regular council meeting to order at 7:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Councilman McFee led the invocation and the Pledge of Allegiance.

TIF II BUDGET ORDINANCE

Councilman Murray made a motion, second by Councilman McFee, to approve the ordinance on second reading. There was no public comment. **The motion passed unanimously.**

ORDINANCE AMENDING PART 5 CHAPTER 2 ARTICLE C SECTION 5-2028 PERTAINING TO ANNEXATION INCENTIVES

Councilman McFee made a motion, second by Councilman Murray, to approve the ordinance on second reading. There was no public comment. **The motion passed unanimously.**

REQUEST FROM THE YMCA FOR USE OF THE DOWNTOWN MARINA BOAT RAMP & GRASSY AREA BY THE MARINA STORE FOR BEAUFORT RIVER SWIM EVENT

Councilman McFee made a motion, second by Councilman Cromer, to approve the request for the May 18, 2019 ^L_{SEP} event. Ms. Roper said the YMCA has held a river swim for approximately 13 years. They are requesting use of the boat ramp and the grassy area near it, and asking for the assistance of Public Works to distribute some sand on the boat ramp for the participants’ feet after they swim.

Pete Palmer said the YMCA gave out 1,500 swimming scholarships last year, and he feels sure that because of that, “we saved at least one life.” Swimmers came in from 12 states last year, he said, and many who’ve already registered this year are from out of town.

Mr. Palmer said Ms. Roper forgot to tell council about their request that the restrooms

be opened at 6 a.m. for the swimmers to use. **The motion passed unanimously.**

APPROVAL ALLOWING THE CITY MANAGER TO ENTER INTO LEASE AGREEMENT WITH SAFE HARBOR MARINAS (SHM BEAUFORT DOWNTOWN MARINA, LLC)

Councilman McFee made a motion, second by Councilman Cromer, to approve the city manager entering the agreement. [SEP] Mr. Prokop said they are trying to look at what will be important in 10 or 15 years. SHM managed 78 marinas last time they were before city council, he said, and they might manage 80 by now.

SHM is committed to making “a \$1 million investment in the first ten-year phase of this lease,” Mr. Prokop said, and “then [to] a minimum of \$100,000 per year as renewals come up.” The “financial burden” of the marina will be taken “off of the city,” he said, as the company will be responsible for all maintenance. The city will work with SHM on “grants and permitting,” Mr. Prokop said, “but a lot of the cost shifts to them.” He added that the company has “a great reputation for service.”

Councilman Cromer noted a spelling error on 21 (B) in the fourth line, where he said the word “should have been ‘occurring’.” **Councilman Cromer made a motion to amend to correct the error. Councilman Murray seconded the motion. The motion passed unanimously.**

Councilman Cromer asked if “shall contribute” in section G could be changed to “will willingly contribute.” Mr. Prokop agreed. **Councilman Cromer made a motion to amend to change the language. Councilman McFee seconded the motion. The motion passed unanimously.**

Lolita Huckaby Watson asked, as a taxpayer and citizen, when the public is “going to be able to see the contract.” Mr. Prokop said, “As soon as it’s signed,” which would probably be within the next 30 days.

Councilman Murray described the lease agreement, saying the initial term of the contract is 3 years. At the end of that term, “it converts to a 7-year lease,” he said, with a requirement that in that 7-year period, SHM would put in \$1 million in “waterside infrastructure,” which would trigger a second ten-year term, with “a total of up to 40 years” in 10-year increments. SHM is required to invest money in marina infrastructure in each of these 10-year periods, he said, with an additional \$100,000 investment required “in the third term.”

“What the city gets back” is “very similar to the structure that we have now,” Councilman Murray said: 15% of gross proceeds for all slip rentals, 7.5% of all retail store proceeds, and 20-cents of every gallon of fuel sold. The City of Beaufort is required by the lease “to handle maintenance on the shore side, like we do now,” he said, but “the lessee would be responsible for up to \$1,000 while repair happens.”

Ms. Watson asked if the lease applies to the marina parking lot, too. Councilman Murray said it's just for "the marina itself"; the city would maintain the parking lot, but, similar to the lease agreement with the former operator, it allows 1 parking space per slip, and the pass system that is in place would remain. The new operator would work with the city on parking during festivals and events, he said.

There is a customer service clause, Councilman Murray said, and if there were complaints about customer service, the city would "meet with the operator and give them the opportunity to cure," but after utilizing "that and a number of other options," if the problem isn't solved, "we can terminate the contract."

Ms. Watson asked if the boat fees would stay the same. Mr. Prokop said, "We don't set the fees." Councilman Murray told Ms. Watson that SHM would also manage the mooring field, the dinghy dock, and the boat ramp and existing ramps, while the city would manage the day dock until the grant conditions expire, after which SHM would be required to manage it, too.

Councilman Murray said he understands that there was a conversation about potentially expanding the marina through expansion of the docks or the mooring field at some point. "That's where it's important to remember that the lessee would be responsible for all waterside improvements," he said, and SHM has committed to "at least \$1 million worth of improvements over the next 10 years." There are many critical infrastructure needs around the city, Councilman Murray said, and "very little revenue" with which to make those infrastructure improvements, so this "will help us improve the marina, improve the experience for boaters coming in," which the past operator wasn't able to do, and "hopefully generate more money long-term from that facility."

Councilwoman Sutton said she has heard from a boater who travels up and down the coast that Safe Harbor Marinas are the best-run marinas and the ones where he chooses to stay. Ms. Watson said she's heard that, too, but she is curious "about the financial picture," such as whether the rates would be the same as at SHM's other marinas. Mr. Prokop said the city never set the rates when **Rick Griffin** was the operator. Ms. Watson asked if Mr. Griffin didn't come to the city when he wanted to make changes. Councilman McFee said, "Not for rates." Mr. Prokop said things like prices for fuel or items sold in the marina store are up to the operator: "We only lease the facility."

Ms. Watson asked if the lease agreement wouldn't be made public until both parties have signed it. Councilman Murray said if council approves the agreement tonight, "it would be made available." Mr. Prokop said it wouldn't be "official" until both parties have signed it. Councilman Murray said it wouldn't be official, but it could be released to "the public this evening." Mr. Prokop said, "Sure."

There being no further public comment, **the amended motion was approved**

unanimously.

CITY MANAGER'S REPORT

Mr. Prokop said the Washington Street Park restrooms are open. He thanked **Deborah Johnson**, who worked on the PARD (Parks and Recreation Development) grant, and the state legislative delegation, who helped the city to be able to reallocate part of the grant funds that were meant for benches at the Duck Pond to the restrooms; the Duck Pond element is being put off until after the Mossy Oaks stormwater work is complete, when city funds will be used for the benches.

Mr. Prokop said construction started today on the roof of The Arsenal, but as soon as the roof was opened up, rain (a.k.a. "liquid sunshine") poured in, "and a few things got a little wet," but **Robb Wells** and the CVB staff "took it well."

Permits have been issued for some stormwater maintenance in Mossy Oaks, "particularly on the Jane Way canal," Mr. Prokop said. City staff and members of the Coastal Conservation League have been going door-to-door to "get property owners' easements" in order to go into their backyards so their ditches can be cleaned out, he said.

Mr. Prokop said construction will get underway this week or next on the Greenlawn Drive project, and the goal is to have it completed by the end of the year.

This week is National Travel and Tourism Week, Mr. Prokop said, and he thanked everyone who was "involved in coming for our picture-taking and little celebration," especially Mr. Wells for "his leadership in the tourism that we have here in Beaufort."

Mr. Prokop said Taste of Beaufort was "great," and restaurants competed for the "prestigious Golden Fork award." There was more liquid sunshine during Taste of Beaufort, but they got a good start on establishing the Piccolo Spoleto performances here, thanks to the mayor, his family, and the Cultural District. He thanked the Downtown Operations staff, staff in all city departments, the members of BAHA (Beaufort Area Hospitality Association), and all of the volunteers who helped make Taste of Beaufort a success.

This coming Friday at 6:30 p.m., Mr. Prokop said, TCL's graduation will take place in Waterfront Park.

The Cultural District is hosting a reception to unveil 6 benches in its bench project on Friday from 6:00 to 8:00 p.m. at the USCB Center for the Arts, Mr. Prokop said. Local artists painted each bench with a different design, and they will be placed at six different shuttle stops in "a first for Beaufort."

Mr. Prokop said the Gullah Festival is coming up at the end of May in Waterfront Park.

MAYOR'S REPORT

Mayor Keyserling thanked those who stayed through the rain at Taste of Beaufort and all of the volunteers who worked at it. He said he was also thankful for the opportunity to showcase the Piccolo Spoleto musicians, and he feels the support is there “to continue with it, one way or another.”

COUNCIL REPORTS

Councilman Cromer said admission to the Beaufort History Museum would be free on Thursday from 10:00 a.m. to 4:00 p.m. in honor of National Travel and Tourism Week.

Councilman Murray also thanked staff for “a job well done” on Taste of Beaufort, particularly Ms. Roper, **Rhonda Carey**, and Ms. Todd, as well as **Donna Smith**, and **Lisa Sundrla** of BAHA.

Beaufort County Economic Development Corp. (EDC) had an executive committee meeting today, Councilman Murray said, and received an update from its executive director. There’s been just over \$42 million in “committed capital investment this year, county-wide,” he said, plus “just over 300 committed jobs, [and] just over \$4 million from the state Department of Commerce to Beaufort industries in the last ten months.” The EDC is setting its goals for the upcoming fiscal year, and he will bring those to council.

Councilman Murray shared two Beaufort Digital Corridor (BDC) events: This Friday from 12:00 to 2:00 p.m., they’re hosting “Find Us Friday,” in which a number of BDC members will be available to answer questions about all things tech. Also, this summer, BDC will offer two sessions of Game On! because of the high demand for the video game design camp for middle- and high school students, he said. Sessions will be June 10 through 14 and July 15 through 19. Some scholarships are available.

Councilman McFee also thanked “everyone who worked so hard on” Taste of Beaufort, and the mayor and his family for their contribution that brought the “Little Taste of Piccolo” to Beaufort. There will also be three other Piccolo Spoleto events held in town in May and June, Councilman McFee said.

Mayor Keyserling said at the end of this month, they’re working with congressional offices “to do a formal celebration” – probably in the Town of Port Royal – of the Reconstruction Era National Park. The kids’ program has started, he said, and he’s recruiting middle schoolers who want to be trained by a team from Apple, and middle- and high school students interested in being in the Reconstruction choir, as well as teachers who would like training in Reconstruction curriculum.

The Heritage Tourism Development Corp. met, Mayor Keyserling said, because there has been discussion with the county about “vacating heritage cultural museum kind of

activities from the former [federal] courthouse and making” it into administrative offices for the county. The Heritage Tourism Development Corp.’s position is that the building should be maintained as a building accessible to the public and “perhaps as a center for history” for small organizations that don't need museum space but do need places to hold meetings or to put on seminars, he said.

There being no further business to come before council, Councilman Cromer made a motion, second by Councilman Murray, to adjourn the regular council meeting. The motion passed unanimously, and the meeting was adjourned at approximately 7:30 p.m.

DRAFT



CITY OF BEAUFORT

DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 7/2/2019
FROM: Bill Prokop, City Manager
AGENDA ITEM Authorization to allow the City Manager to enter into a Memorandum of Understanding
TITLE: (MOU) with Holy Trinity School for use of Southside Park
MEETING
DATE: 7/16/2019
DEPARTMENT: City Clerk

BACKGROUND INFORMATION:

Discussed in Worksession on June 25, 2019

PLACED ON AGENDA FOR: Action

REMARKS:



CITY OF BEAUFORT

DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 7/3/2019
FROM: Kathy Todd, Finance Director
AGENDA ITEM TITLE: Ordinance authorizing the dissolution of the Gateway Corridor Redevelopment District - 1st Reading
MEETING DATE: 7/16/2019
DEPARTMENT: Finance

BACKGROUND INFORMATION:

PLACED ON AGENDA FOR: Action

REMARKS:

ATTACHMENTS:

Description	Type	Upload Date
Ordinance on Dissolution	Cover Memo	7/3/2019

**AN ORDINANCE,
PURSUANT TO SECTION 31-6-70 OF THE TAX INCREMENT FINANCING LAW,
PROVIDING WITH RESPECT TO THE GATEWAY CORRIDOR REDEVELOPMENT
PROJECT AREA FOR THE DISSOLUTION OF THE TAX ALLOCATION FUND AND THE
TERMINATION OF THE DESIGNATION OF SUCH REDEVELOPMENT PROJECT AREA
AND OTHER MATTERS RELATING THERETO**

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF
BEAUFORT, IN COUNCIL ASSEMBLED:

In connection with the adoption of this Ordinance, the City Council ("City Council") of the City of Beaufort (the "City") finds as follows:

WHEREAS, in 1984, the South Carolina General Assembly enacted the "Tax Increment Financing Law." In adopting this legislation, the General Assembly found that the State Constitution approved by the voters at the 1976 General Election authorized "indebtedness for the purpose of redevelopment within an incorporated municipality." The General Assembly adopted the legislation contained at Section 31-6-10 through 31-6-120, Code of Laws of South Carolina, 1976, as amended (the "Act") "to implement the authorizations granted in Article X, Section 14 of the Constitution of the State; and

WHEREAS, by Ordinance No. 0-41-99 enacted June 22, 1999 (the "Ordinance"), City Council (i) determined that rehabilitation, conservation or redevelopment of the area designated by it as the Gateway Corridor Redevelopment Project Area (the "Redevelopment Project Area") was necessary and in the best interest of the public health, safety, morals and welfare of the residents and citizens of the City; and (ii) established a plan (the "Redevelopment Plan") for a redevelopment of the Redevelopment Project Area; and

WHEREAS, by ordinances enacted June 11, 2002 and December 21, 2004, City Council authorized, pursuant to the Act and the Redevelopment Plan, obligations (collectively, the "Obligations") in the principal amounts of \$4,000,000 and \$2,000,000, respectively, the proceeds of which Obligations were expended for the costs of redevelopment projects within the Redevelopment Project Area; and

WHEREAS, the City has retired all Obligations issued under the Act for the Redevelopment Project Area, has paid or incurred all redevelopment project costs as defined in the Ordinance, and has no surplus monies remaining; and

WHEREAS, Section 31-6-70 of the Act provides that "Upon the payment of all redevelopment project costs, retirement of all obligations of a municipality issued under this chapter, and the distribution of any surplus monies pursuant to this section, the municipality shall adopt an ordinance dissolving the tax allocation fund for the project redevelopment area and terminating the designation of the redevelopment project area as a redevelopment project area for purposes of this chapter. Thereafter, the rates of the taxing districts must be extended and taxes levied, collected, and distributed in the manner applicable in the absence of the adoption of a redevelopment plan and the issuance of obligations under this chapter."

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Beaufort, South Carolina:

Pursuant to Section 31-6-70 of the Code of Laws of South Carolina, 1976, as amended, the tax allocation fund for the Gateway Corridor Redevelopment Project Area is hereby dissolved and the designation of the Redevelopment Project Area as a redevelopment project area is terminated. As a result, the rates of the taxing districts shall be extended and taxes shall be levied, collected and distributed in the manner applicable in the absence of the adoption of a redevelopment plan and the issuance of obligations under Section 31-6-70 of the Act.

DONE IN MEETING DULY ASSEMBLED, this ____ day of _____, 2019.

Mayor, City of Beaufort, South Carolina

Clerk of City Council

First Reading: _____, 2019
Second Reading: _____, 2019



CITY OF BEAUFORT

DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 7/11/2019
FROM: Linda Roper, Downtown Operations and Community Services Director
AGENDA ITEM Re-Appointments and Appointment to City Board and Commission - Cultural District
TITLE: Advisory Board (CDAB)
MEETING 7/16/2019
DATE:
DEPARTMENT: City Clerk

BACKGROUND INFORMATION:

The following are seeking Re-appointments to the Cultural District Advisory Board:

Bonnie Hargrove - represents USCB - Center for Arts
Megan Myer - represents Santa Elena Foundation
Jacque Welder - represents Historic Beaufort Foundation
Carol Lauvray - represent Beaufort History Museum

Lynda Dyer will be representing the Greater Beaufort-Port Royal Convention & Visitors Bureau

PLACED ON AGENDA FOR:

REMARKS: