

# City Council Regular Meeting Meeting Minutes – City Hall Council Chambers, 2<sup>nd</sup> Floor

# March 14, 2023

### I. CALL TO ORDER

7:09 PM

Mayor, Stephen D. Murray III

Members of Council in attendance - Neil Lipsitz, Mike McFee, Mitch Mitchell, Josh Scallate and Mayor Murray.

#### II. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Pro Tem, Mike McFee

## III. PROCLAMATIONS/COMMENDATIONS/RECOGNITIONS

A. Proclamation proclaiming March 12 - 18, 2023, as Girl Scout Week.

Motion to approve was made by Mayor Pro Tem, McFee and seconded by Councilman Lipsitz.

All were in favor, motion carried.

B. Proclamation proclaiming March 2023 as Development Disabilities Awareness Month.

Motion to approve was made by Mayor Pro Tem, McFee and seconded by Councilman Lipsitz.

All were in favor, motion carried.

#### IV. PUBLIC COMMENT

Jonathan Sullivan and Courtney Worrell, 303 Associates, spoke on the issue of the downtown hotel and parking garage project. A copy of their letter to Council is attached to these minutes.

Joe McDermott, a resident, would like to see the roadway near 1800 Boundary Street inspected. He mentioned that there has been some flooding during recent rains.

Dick Stewart, 2015 Boundary Street, spoke about the proposed Contributing Structures List in the Historic District. A copy of his letter to Council is attached to these minutes.

#### V. MINUTES

Regular Meeting - February 28, 2023.

Motion to approve was made by Councilman Lipsitz and seconded by Mayor Pro Tem, McFee.

#### VI. OLD BUSINESS

A. An ordinance to amend the City of Beaufort FY 2023 Budget - 2nd reading.

Motion to approve was made by Mayor Pro Tem, McFee and seconded by Councilman Mitchell.

The first reading was held on February 28, 2023. No changes were made to the document since first reading.

All were in favor, motion carried.

# VII. NEW BUSINESS

A. Request from Historic Beaufort Foundation to host the annual Lafayette Soiree 2023 on Saturday, May 6, 2023, 6:00 pm - 10:00 pm, with allowance of parking on Spanish Point Road, temporary signage, and waiver of the Loud and Unseemly Noise Ordinance.

Motion to approve was made by Councilman Mitchell and seconded by Mayor Pro Tem, McFee.

Linda Roper, Downtown Operations and Community Services Director, gave an overview of the event.

Mayor Murry questioned whether or not golf carts can be driven on the streets after dark.

Mayor Pro Tem, McFee, wants to make sure the contract with the Police Department is in place, and that whether the golf carts can be driven at night is answered prior to the event.

All were in favor, motion carried.

B. Reappointments of Bonnie Hargrove and Linda Jeffries to the Cultural District Advisory Board.

Motion to reappoint Bonnie Hargrove and Linda Jeffries was made by Mayor Pro Tem, McFee and seconded by Councilman Mitchell.

Their terms will expire June 30, 2025.

All were in favor, motion carried.

C. Resolution in support of the H3014, Clementa C. Pinckney Hate Crimes Act.

Motion to approve was made by Mayor Pro Tem, McFee and seconded by Councilman Lipsitz.

Scott Marshall, City Manager, reported that this Bill has cleared the House and has been sent to the Senate. They have referred it to the Committee on Judiciary.

All were in favor, motion carried.

#### VIII. REPORTS

#### City Manager's Report

Announced that the Dominion Energy Tree Trimming project has concluded. He thanked Neal Pugliese for his leadership in ensuring things went as smoothly as possible.

Reported that streetlights have been installed and are now in operation on the western edge of the Commerce Park.

Mentioned that the City of Beaufort Development Code is now available on Municode Docs. It can be accessed directly through Municode or through the city's website.

Stated that the Police Department's 2022 Calendar Year Annual Report is published and available on the Police Department's Web Page.

Staff enjoyed a productive two-day Strategic Planning Workshop with Council last week. The staff is now synthesizing the results of the workshop and will draft an updated Strategic Plan for the Council's consideration.

Was delighted to attend the Old Commons Neighborhood 20th Anniversary Celebration on Saturday afternoon and learned what a special group of residents they are. The care they have for one another, and for their neighborhood was evident.

This past Saturday, we enjoyed music from the U.S. Marine Corps Band from Parris Island and the 282nd Army Band out of Fort Jackson at our Waterfront Park. It was a beautiful day, and we look forward to our next scheduled event on Sunday, April 30 when the Lowcountry Wind Symphony will be performing at 4:00 pm.

Lastly, we are looking forward to the South Coast Cyber Summit next week, on March 20-21, 2023, at Tabby Place. There is a distinguished list of guest speakers on the schedule and the summit offers participants a chance to be educated on the latest cybersecurity issues and collaborate with others with similar interests. For more information, go to southcoastcybersummit.com.

#### Mayor's Report

Reported that the South Coast Cyber Summit will be held on March 20 - 21, 2023. They will be providing scholarships to all students that wish to attend. He stated there are over 200 registrants.

Starting March 24, 2023, the Beaufort Digital Corridor will be having their Tech Stars Start Up event. This will last through Sunday, March 26, 2023. He mentioned that 20 participants have signed up to date.

There will be a third worksession added each month to start going over the proposed changes to the Beaufort Development Code.

#### Councilman Scallate

Reported that he had attended the Economic Forecast Summit held by the Beaufort Regional Chamber of Commerce on March 2, 2023.

#### Mayor Pro Tem, McFee

Stated that "Dancing with our Stars" will be taking place on Saturday, March 18, 2023.

#### Councilman Mitchell

Urged citizens to reach out to their local legislators in support of the Clementa Pinckney Hate Crimes Act. He mentioned that we are only one of two states that do not have a Hate Crimes Bill in place.

#### Councilman Lipsitz

Said he enjoyed attending the 20<sup>th</sup> Anniversary celebration of the Old Commons Neighborhood Association.

The Council thanked the City Manager, staff, and our facilitators for another successful Council Retreat.

IX. ADJOURN 8:04 PM

Motion to adjourn was made by Councilman Lipsitz and seconded by Mayor Pro Tem, McFee.

All were in favor, motion carried.

Disclaimer: This document is a summary. All City Council Worksessions and Regular Meetings are recorded. Live stream can be found on the City's website at <a href="www.cityofbeaufort.org">www.cityofbeaufort.org</a> (Agenda section). Any questions, please contact the City Clerk, Traci Guldner at 843-525-7024 or by email at <a href="mailto:tguldner@cityofbeaufort.org">tguldner@cityofbeaufort.org</a>.

# 303 ASSOCIATES, LLC

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March 14, 2023

To the Members of Beaufort City Council,

As you know, 303 Associates and the Beaufort Inn have actively and publicly been pursuing our plans for downtown development for numerous years.

Since 2016, the hotel and parking garage projects have been before the Historic Review Board (HRB) at least 13 times. Since 2013, there have been at least 23 articles in the newspaper about these projects. 2 years ago, we informed owners of property in proximity to the hotel, in writing, of our intent to proceed with construction.

These are not new projects. There have been no historic structures demolished for these projects. They have been through the City's required processes and received all required approvals from the HRB.

It's interesting - many of those who now criticize the projects and the process were engaged throughout the approval process. In fact, not only did the Historic Beaufort Foundation (HBF) speak at every single HRB meeting, their appointed representative on the HRB consistently voted in favor of the mass and scale of the projects.

Case in point — during the Preliminary HRB Review for the parking structure, there was much discussion between us, the HRB and HBF. Numerous parking studies have pointed to the need for at least 500 parking spaces in downtown Beaufort. The consensus was that it would be preferable to have one structure that accommodated the need rather than having to immediately plan for a second structure. Where would that go? Would the library have to be torn down? Would it be the Best Western? What other site could provide adequate space and proximity to Downtown's core? Additionally, the HBF Executive Director at that time agreed that the building should be authentic — if it is going to be a parking structure, it should look like a parking structure.

Why the apparent change in heart? There is new leadership at the helm of HBF, and those who have been partners in the process for many years now position themselves as adversaries.

Likewise, a disgruntled downtown property owner, who has known about the projects since 2016 and was supportive of them until he realized we were not interested in being his business partner, has suddenly decided to wear the cloak of preservation.

These same parties are also those who, through revisionist history, seek to cast dispersions on City processes and procedures that have been in place, and worked, for decades. And, despite losing their legal appeal, continue the fight at, not only our expense, but that of the taxpayers.

It's a shame when people who arrived late to the game are now offended that the rest of the world does not agree with their opinion and therefore misrepresent facts in an effort to mislead the public.

We've been investing in downtown and in these projects for over 20 years. We are not out of town developers, like those who live in Switzerland, who do not have to live with the consequences of our actions. Rather, we are local investors who live here and raise our families here, and we are proud of the improvements we have made:

We are proud that the Saltus building is no longer boarded up as it was for 25 years;
We are proud that the Beaufort Inn has grown from 9 rooms to 43 through a series of thoughtful historic renovations and new construction projects, several of which have received awards from HBF.

We are proud of the many other projects we've undertaken, and We will continue to be proud of the projects to come.

We plan to see these projects to conclusion and won't be intimidated by bullies who demonstrate a continued pattern of distributing misinformation.

In regard to the parking structure, the public parks on the garage site now, and it will continue to do so once a garage is constructed. In fact, these additional spaces will help address the burden parking that is now spreading into the surrounding neighborhoods.

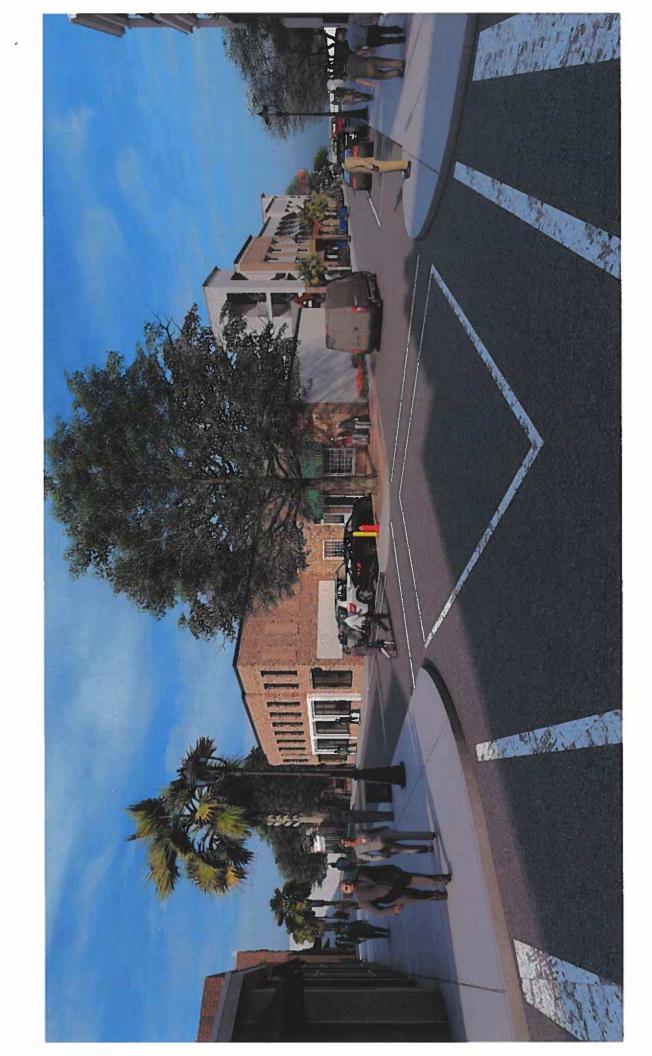
As you well know, we are living in times of the extremes. While those who are prone to hyperbole may garner headlines and fill social media feeds, we prefer to have discussions and answer questions based on facts – as they are, not how we'd like them to be.

We have made information available on our website and social media. We have repeatedly invited folks to contact us with questions. Our construction superintendent has personally visited every neighboring business. We have offered to meet with the Downtown Merchants Association. To insinuate that these activities are being done without public notice or involvement is simply another delay tactic by opponents to stop the progress.

We are happy to answer any questions you may have.

Janto Holling Course Namel







City Council Comments. March 14, 2023

Thank you for your public service.

Contributing Structures list. At a recent HRB meeting a Board Member asked what advantage was included in being listed as a contributing structure. HBF staff from the floor responded by saying "The building can't be torn down.".

A Board member said they were asking how the property owner benefitted. HBF staff responded by saying the property owner would be "eligible" for grants and tax incentives if their property was listed as a contributing structure. I asked how much grant funding had been awarded. There was no response. After the meeting we asked the State Historic Preservation Office (SHPO) for that information. We learned that since 2002 there have been 12 grants in total in the City Historic District. 6 grants to HBF, 5 grants to the City and 1 Grant to David Taub. Not a single grant to any other individual or property in 20 years. HBF's Executive Director, Cynthia Jenkins, is part of the Executive Committee of the SHPO Foundation. She knew or could have easily asked if there were any grants. HBF should not encourage the City to tell people they will be eligible for grants when the evidence says they have no chance of receiving any grant.

Why not Preservation Easements. HBF and other preservation organizations use Preservation Easements to protect buildings. These easements also provide property owners with tax deductions. The Beaufort Gazette reports that City Lofts Hotel, The Griffin Market Restaurant and First Citizens Bank are buildings HBF wants added to the list of contributing structures. HBF can protect these buildings by signing Easements with the property owners and the property owners will get tax deductions. I personally have negotiated and signed several of these with HBF. Of course, that was before the current staff arrived and HBF started multiple legal actions.

City is at financial risk. If the City adds a building to a list of contributing structures the City limits the use of the property. If the owner doesn't agree, then the City action is a taking which may require the City to compensate the property owner. As a taxpayer, I respectfully request that The City request HBF's Board indemnify the City from any costs related to defending the City action including legal fees and payments to property owners. This seems only reasonable.

Pattern of misleading and deceitful statements. In a recent article, Cynthia Jenkins of HBF referred to draft comments about the Historic District. It's obvious that many of the errors in the draft comments are simply misleading statements from HBF. Examples include a photo in the draft showing the Edmund Rhett Law Office being moved by crane. The draft says it was moved by a developer to make room for a larger building. That is not what happened. HBF asked us to donate the building so it could be relocated from its 2<sup>nd</sup> floor position back to street level where it could be available to the public. We agreed to donate the building to HBF so HBF could make it a museum. HBF tried to get space at the Arsenal. HBF tried to get space behind the building that now houses Lowcountry Produce. HBF asked the Aimar family for property at the corner of Scotts and Port Republic Streets. All requests failed so HBF came back to us. We agreed to relocate the building as shown in the picture. But that truth doesn't match the HBF narrative of me being the bad guy. How do you think this negative language was added to the draft report. I think HBF misled the NPS and made up a story to match their narrative. We will see when the final draft is available.

Training: The study states that City staff might need more training in historic preservation. Council Member Scallate, you are a fireman. Has there ever been a time when first responders couldn't benefit from more training? Council Member Mitchell, you were a commercial pilot responsible for many lives. Has there ever been a time when flight and ground crews couldn't benefit from more training? These comments are hogwash. These comments are intended to imply that the City is incompetent. That's part of an ongoing smear campaign against the City by a few elitists who would like to present themselves as experts. We are all hearing a lot of talk about protecting buildings and culture. That's not enough. The time has come for responsible citizens to insist that we preserve, protect, and sustain a culture of honesty, a culture of working together to make our community better, and a culture of conducting oneself with honor. The old saying is that "You can tell a person by the company they keep, and you can tell an organization by the people they keep." We all deserve better.

Thank you

Dick Stewart

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David M. Taub	City of Beaufort Totals	Recipient Historic Beaufort Foundation
William Andersen House, Hurricane Irma damage repairs	City Historic Preservation plan Beaufort Arsenal Stabilization Beaufort Design Guidelines Manual Carnegie Library, Hurricane Irma Repairs Carnegie Library Conditions Assessment	Location McGrath Scheper House Beaufort Vacant Abandoned Bldg Assessment Sons of Beaufort Lodge Stabilization Verdier House Roof Replacement Frogmore Lodge Stabilization Frogmore Lodge Piers Replacement
\$ 9,900.00	\$ 20,000.00 \$ 28,325.00 \$ 30,000.00 \$ 188,500.00 \$ 12,500.00 \$ 279,325.00	\$ amount \$ 30,000.00 \$ 4,200.00 \$ 21,600.00 \$ 28,500.00 \$ 23,175.00 \$ 8,000.00 \$ 115,475.00
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