



City Council Worksession Meeting Minutes – Electronic Meeting Via Zoom

May 26, 2020

I. CALL TO ORDER

5:06PM

Mayor, Billy Keyserling.

All members of Council in attendance.

II. DISCUSSION ITEMS

A. Designated Marketing Organization (DMO) Update - Robb Wells, President, Greater Beaufort-Port Royal Convention and Visitors Bureau

Robb Wells presented the *ReStart & ReNew Post COVID-19 Recovery Plan*. The timeline for recovery will be in phases. Phase one will be the first three months after “Lift”, basically now. Phase two will be the following 4-6 months. Phase three has the potential to be the new normal and the estimated recovery time could be 9-12 months or longer. Trends seem to indicate that it may be between the 12-18-month vicinity. The current trends are also telling us that 1 in 3 Americans are wanting to travel in the first 3 months. Travelers are willing to travel by car. We are starting to see the trip distances change due to lifting restrictions due to COVID-19. The three-phase approach is something for us to navigate through expectations and experiences from our visitors. The themes and markets are primarily outdoors and small families, which these themes and markets have been Beaufort’s for some time, so we do not have to recreate something. The first 3 months the marketing will be the heaviest and working with our PR teams will be crucial. We will have to work with our business owners to ensure that they are setting the proper expectations ahead of time. One of those is for businesses to take the SAFE Commitment pledge. The SAFE Commitment pledge was established to help businesses maintain and commit to a safe and healthy work environment for their staff and patrons. COVID has been very impactful on our small businesses.

Councilman Murray asked about what the economic impact losses would be if no Military graduations and travel in motor coaches continues to be cancelled.

Robb Wells said it would depend on the party size for graduations and family travel. We have not projected the economic impact, but the loss of motor coach travel will be a big hit on our economy.

Councilman Murray asked if his organization had some savings from the last 3-4 months that could be used now for Phase one and what are you looking for in a marketing budget that allows us to go after those markets that we do have some control over.

Robb Wells stated that the CVB was able to initiate a spend of \$120,000 for the next two months. This is money left over from contracts, pulled advertising, and savings. What the plan was for our recovery effort was to spend \$314,000 on Phase one. We have a shortfall of almost \$200,000. Mr. Wells continued by saying the DMO has an obligation to do marketing and set the stage for a funnel for our small businesses that are in our area.

Mayor Pro Tem, Mike McFee asked what the best way is to get information regarding the SAFE Commitment.

Robb Wells said to visit the website, www.bftsafe.org. Folks can look at the recommendations and then take the SAFE Commitment.

Bill Prokop, City Manager, said that the SAFE Commitment information can also be found on the City's website. The City of Beaufort is a sponsor for the program.

B. Update on activities for Commerce Park - John O'Toole, Director, Beaufort County Economic Development Corporation

John O'Toole began by stating that that out of the 174 leads the BCEDC has 60% of them have a foot in Beaufort by way of hospitality or through tourism. The BCEDC works closely with the CVB.

To date, as we come up on our full complete fiscal year, the BCEDC is over \$1 million dollars in investments in our community. We think that there is going to be a movement towards safe communities and movement towards a non-urban area, which is good for Beaufort.

It does seem that we have settled into a recession as of March, however all the work that we have done is paying off. The BCEDC has over \$69 million dollars in projects right now that are pressing forward. Magnus is working with David Prichard and Charlie Stone regarding lot 10 in Commerce Park. Also, Charlie has secured a grant for lot 15 and preparing a site for another development.

Charlie Stone gave a presentation regarding lot 15 (3 acres), Project Garden. The company is a manufacture of glass components for electronics as well as the automotive industry. They will be building a new industrial building in Commerce Park that will be 15,000 square feet. In addition, the company is also asking for an option of a future purchase of 3 additional acres, which would be a good portion of lot 13 so they can eventually expand to 30,000 square feet.

Councilman Murray commended John and Charlie for keeping the lead going. They have been working on this for over a year. It is exciting to finally start seeing some activity.

C. Follow up on City Manager's Proposed FY 21 Budget and Accommodations Tax Grant (ATAX)

Bill Prokop, City Manager, began by stating that some things have come up in the last week that have allowed changes to be made to the proposed FY 2021 Budget. We were able to make two adjustments. The first one, we have eliminated the proposed increase to the Stormwater fee of \$10.00. The second adjustment, we reduced the proposed vehicle fee of \$25.00 to \$20.00.

Kathy Todd, Finance Director, began by discussing some of the adjustments that have been made to make up for revenue. The Beaufort County Veterans Affairs Office, which is housed at City Hall, has agreed to pay an additional \$1,000 for rent for a rent total of \$1,300 a month. Also, the Beaufort Digital Corridor has agreed to resume their rent/lease agreement of \$1,050 a month. A new military estimated revenue went from \$400,000 to \$425,000 since they are holding strong. Several expenditure reductions have been done as well to include some personnel retirements.

A revised summary on the consolidated FY 2021 recommended budget was shared. Taking into consideration some of the concerns that were expressed last week, some modifications were made to the State Accommodations budget. The increase for the DMO of \$166,000 is now in the budget for assisting in marketing and we added another \$50,000 to grants.

Additional budget details were discussed regarding specific line items expenditures.

III. ADJOURN

7:05PM

Disclaimer: This document is a summary. All City Council Worksession and Regular Meeting minutes are recorded. Live stream can be found on the City's website at www.cityofbeaufort.org (Agenda section). Audio recordings are available upon request by contacting the City Clerk, Ivette Burgess at 843-525-7018 or by email at iburgess@cityofbeaufort.org.