

A work session of Beaufort City Council was held on October 15, 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 5:06 p.m. [1] [SEP]

### **BEAUFORT 2030 UPDATE**

**Matt St. Clair** gave an overview of Beaufort 2030 to-date and plans for the future. Using the analysis from the workshops, the Beaufort 2030 plan has been tied into the city's strategic plans, he said. Six important issues came out of the Beaufort 2030 analysis; the top three are education, environment issues, and affordable housing, Mr. St. Clair said. The aging population, leadership development, and technology were the other three.

### **Adequate education**

The city stood up a higher education task force led by **Jon Verity**, Mr. St. Clair said, and the city is soliciting members to serve on it. The task force will look at USCB, which is a "willing and able partner," he said, and Dr. **Bob LeFavi** is interested in expanding the university's 4-year curriculum and its honors program offerings. Additional infrastructure will be required if the student population at USCB expands, Mr. St. Clair said. The city might lease or buy the old Boys & Girls Club building for USCB's use, for example.

TCL is another potential partner; its nursing program could tie into both USCB and Beaufort Memorial Hospital, Mr. St. Clair said.

Mayor Keyserling asked if "the core group" would do the interviewing for task force positions. Councilman Murray said the group would review the applications, but council would have the final word and would help select the appointees for the task force.

### **Environmental issues**

The issues in this category are specifically rising sea levels and flooding from stormwater, Mr. St. Clair said. As analysis is done, the group is finding more things that "make them scratch their head," so they have asked for two extensions, which he has given.

Mr. St. Clair described the current state of the Mossy Oaks stormwater project. Initial comments from DOT (Department of Transportation) and the Army Corps of Engineers are "very positive," and it doesn't appear there are any bumps in the road. Mr. Prokop

said the team that is working with Beaufort is also working with Charleston and Beaufort County. Their report will be able to be used for future grant opportunities, he said.

Mayor Keyserling said “this whole thing started with a group of citizens” who worked to create partnerships and brought the issue to council, and then the task force was formed.

### **Affordable housing**

Councilman Cromer will lead the task force that is being stood up, Mr. St. Clair said. Potential applicants will be reviewed in a similar process to the higher education task force. The county is looking at the requirements to establish a housing trust, he said. Councilman Murray said the city is willing to explore creating a housing trust fund and has agreed to help fund getting a consultant for that purpose.

Mr. St. Clair said **David Prichard**, the DRB, Councilman Cromer, and local architects and builders looked at the Beaufort Code to see if there are any things in it “that adversely affect the construction of affordable residential housing.”

**Rebecca Ryan** joined the meeting by phone. She said the City of Beaufort is “doing what it said it would do.” The quality of the city’s education system is something the city should be proud of, and the city takes an active role in it because it understands what matters to its residents, she said.

An insight she found so compelling on the second day of the Beaufort 2030 workshop was that so many of the trends they identified “call on multiple stakeholders.” Relationships take a long time to build, she said, but when the trust is there, “the rate of change” and “the speed of decision-making” pick up.

Ms. Ryan suggested thinking longer-term. She has written three plans for Asheville and Buncombe County. Asheville is a little bit ahead of Beaufort, she said, by five to seven years, and that city is experiencing a “tourism backlash.” Buncombe County gives out \$40 million in grants through its TDA (Tourism Development Authority), she said. The city and county are now throwing up their hands because the money is supposed to go to things for tourists, but there are many pressing issues for locals (e.g., the roads are being degraded); therefore, the TDA stopped giving out grants for a year so it can regroup, Ms. Ryan said.

Ms. Ryan said someone on the TDA said they’ve realized that they have to make investments that residents can enjoy, or they are “actually going to kill tourism.” Where they invest their dollars will make their residents happy and will actually help tourism, too, she said. Making investments that residents also enjoy is something that Beaufort should look at, too.

Ms. Ryan said it’s also important to continually repeat communications to residents that

the city needs to “play the long game” and make long-term investments. The professionals that the city hires for communications are essential to delivering that message, she said.

Referring to the Asheville case study, Mayor Keyserling said Beaufort is beginning to see the importance of balancing what is spent to bring people here while making sure that what is drawing them here “is here.” The city has “begun the conversation” in the last two TDAC cycles, he said.

Mayor Keyserling said Beaufort doesn’t want to bury itself in tourism like Charleston has, at the expense of the quality of life of its residents.

Councilwoman Sutton said she has a store on King Street in Charleston and has learned that “no locals come downtown,” and there’s nowhere to park, which are things that people complain about in Beaufort. Business owners want business, but there has to be a point at which they “stop” and change their way of doing things, she said.

Mayor Keyserling said council had a conversation about this in terms of the Beaufort History Museum, and the city’s obligation to make it “a good museum, not just a museum.”

Councilman Murray said he’s encouraged that the plan is being worked and not just sitting on the shelf. The process was “a bit of affirmation” because they learned that resources had been going to places that needed them. 100+ workforce units are being built in the city today, he said, and they are moving forward on other aspects of the planning, too, without have task forces stood up yet. The committees’ jobs are to help continue the momentum in these three key areas, “not to slow it down,” Councilman Murray said.

Ms. Ryan said it’s wonderful to see tangible action toward the goals. She discussed the way the task forces are structured. She said to look for national and international best practices. “Every single community is dealing with affordable housing,” so there are a lot of resources, and she suggested the committees should “have a charge around best practices.” She added, “Actually doing things together . . . is what helps to build that trust.”

Councilman Murray said in the Beaufort 2030 report, Ms. Ryan discusses the trends that should be tracked. He asked if there are communities that have done a good job setting up “online dashboards.” Ms. Ryan said she would find out if she could share the design of some data tracking. Councilman Murray said he thinks it’s important to collect data early and report “as we go” to prevent “misperceptions.”

Ms. Ryan asked about the city’s hiring of a communications specialist. Mr. Prokop said the committee has been formed and would be interviewing candidates in the next

couple of weeks. The goal is to have a communications person on staff before the end of the year, he said. They have received 10 to 12 applications, of which four or five people are from out of state.

Ms. Ryan asked about the new school board superintendent and the new county supervisor. Several council members said they feel positive about the leaders in those positions.

Mayor Keyserling gave Ms. Ryan a summary of what is happening with planning around these three categories.

Mr. Prokop asked Ms. Ryan about establish a meeting between a few people from City of Beaufort and people in Asheville. Also, he said, one thing the city doesn't do well is data collection, so he asked her for the top 10 trends to monitor going forward.

Mr. Prokop said Mr. Prichard is updating the Civic Master Plan, and it would be good to see a private or public entity that has good data collection that could guide the city. Ms. Ryan said she could set the city up with a visit to Asheville, and she'd recommend meeting with the head of the Chamber and the assistant city manager. She told Mr. Prokop that she would think about his data collection question. They should keep an eye on the most important trends, Ms. Ryan said, but also the leading indicators that could help them to "shape the trends."

Mayor Keyserling said he doesn't know who has applied to serve on the task forces, but he asked how to keep those who might not step forward to volunteer engaged. Mr. Prokop said some of the task force volunteers are new to volunteering with the city, but they have "tremendous backgrounds" for the task force or possibly to serve somewhere else. Mayor Keyserling said the communications person might put out a newsletter to keep people who can't/don't volunteer engaged.

Councilman Murray said he is surprised, as many others probably are, about how long the permitting process on the city's Mossy Oaks stormwater project is taking. Mr. St. Clair said it should be another 60 to 90 days. The DOT comments are "pretty easy" to respond to, he said. Mr. Prokop said the Army Corps of Engineers posts the feedback from the city for 30 days, per federal regulations. Mr. St. Clair said they anticipate going to RFP in January 2020.

**Conway Ivy** said an important metric to look at would be measuring traffic and traffic intensity over time, which affects the quality of life everywhere. This would also support "actions dealing with traffic," he said.

Councilman Murray asked if the city is looking at other stormwater hotspot areas in the city. Mr. St. Clair said all nine areas that have been identified are actively in some phase of design or analysis. **Neal Pugliese** will have another Mossy Oaks Stormwater Task

Force report soon. Mr. Prokop discussed the agreement worked out for the stormwater improvements on Twin Lakes Road.

SEP

### **GREATER BEAUFORT-PORT ROYAL CONVENTION & VISITORS BUREAU (CVB) UPDATE**

**Robb Wells** said he would make an end-of-the-fiscal-year report as the city's DMO (designated marketing organization).

79% of website traffic is from paid and organic search, Mr. Wells said. A goal was to provide people searching with the content they needed about what to do; he said they focused on referring to the website and would "capture" searchers when they did. They are able to capture people who clicked on paid online advertising. There were more than 43,000 conversions on the website, and 99% of the conversions are distributed to the CVB's partners, he said.

- 9,500+ booking referrals come from the BeaufortSC.org booking engine and go to the hotels, Mr. Wells said.
- Average length of stay through the booking engine is 3.1 nights. There is a mix of properties on the booking engine, Mr. Wells said. Mayor Keyserling asked if they know how many are Parris Island graduation related. Mr. Wells said most tracked on the booking engine fall in the Thursday – Saturday range, but military families are typically on Wednesday and Thursdays.
- Nearly 15,000 search inquiries were made on the booking engine.
- \$2 million in publicity value (over 200 million media impressions) – Councilman Murray asked how this tracks from year to year. It's been \$2 million to \$2.5 million over the last few years, Mr. Wells said. When *Southern Living* runs a 3-page spread on Beaufort, it matters in value. Having a *New York Times* story, then *Vogue* and *Conde Nast Traveller* stories made a big bang one year, he said.
- Occupancy this year was "flat," Mr. Wells said, with 2% ADR (average daily rate) and flat RevPAR (revenue per available room). Some rooms have been added, he said, and "we're trying to make up the pace from last January and February." There was a general discussion about the effects of hurricanes and storms. Occupancy was up after Hurricane Matthew because of workers' crews for cleanup, though they stayed at discounted rates, Mr. Wells said, but for Hurricane Dorian, the mandatory evacuation was called, but then there were no out-of-town crews after the storm, plus visitors didn't come. He told a council member that July 1 to June 30 is the CVB's fiscal year.
- Councilman Murray said ADR is up 2%, while RevPAR and occupancy are flat, and he asked why the ADR didn't increase RevPAR. Mr. Wells said, "Some of it was rooms." Councilman Murray asked who "this capture[s]." Mr. Wells said it's the STAR report, and it covers traditional lodging in Beaufort and Port Royal.
- Mr. Wells said they have just started tracking short-term rentals. Listings and bookings have increased year over year, he said, but in the same timeframe, occupancy is flat, as is RevPAR. He said they removed Fripp Island and other

resorts from the report because “it’s a multi-generational traveller, and their visits are not traditional.” The number of bookings increased for short-term rentals, he said, but the numbers are flat because occupancy and RevPAR are “outpacing each other.”

- Spring and summer were “great” and “really good,” and October is looking good, as is the first week of December, Mr. Wells said. The CVB’s job is to remind people that Beaufort is a great place to visit and is “still open for business,” he said. If they can capture the November/December visitors, it will help the numbers for the year. The City of Beaufort doesn’t have a “diversified visitors audience,” he said. This isn’t new just to our market, Mr. Wells said. There’s a tapering off of leisure travel in other coastal towns, too; those keep their numbers up with group business, for example. AirDNA is he uses to capture short-term rental data, he told Councilman Murray.
- Mr. Wells said the City of Beaufort provides 45% of the DMO’s budget and Beaufort County provides 41%. There are 3 fulltime staff and 8 part-time.
- 70% of the CVB’s budget is spent on marketing and promotion; 5% is for visitor services, 6% for sales, and 19% for operations, Mr. Wells said.
- Mr. Wells said Beaufort is a “historic Southern coastal destination.” Solo travel is on the rise. Pinterest searches for “small-town travel” are up 276% in 2019; “surprise destination” is up 192%. Leisure travel continues to rise among millennials; nearly 70% of millennial travelers will extend business travel to leisure travel.
- Mr. Wells said 2020 “planning parameters” are “travel intenders whose interests align with Beaufort as a destination.” He reviewed what the CVB’s media tactics would be for 2020.
- 75% of ads will be digital, 11% print, and 14% out of home. Print is hard to track, Mr. Wells said. Billboards, radio, etc. are considered “out of home” advertising, he said.
- Mr. Wells showed which outlets “hit last year.” The CVB is hitting “all” the “current trade shows.” He listed some of the trade media coverage that is being used.
- Small meetings are for 150 or fewer people, Mr. Wells said. Councilwoman Sutton said Beaufort lacks meeting space. Mr. Wells said it does, but the CVB has been able to have conversations with groups and associations, and if they understand “how the destination is working,” they are “more open to the idea” of having meetings in Beaufort.
- Mr. Wells said the “Beaufort Area Sports Council” was created last year, and it has secured some events to come to Beaufort next year and in 2021. Sporting events are often said to be “recession-proof.” He said the CVB has to work with the county and with partners to develop these relationships and bring these events in. The “diversity” in visitors their seeking includes leisure travel, business and corporate travel, group tours, and sporting events, Mr. Wells said.
- Destination services works to put together information that visitors need, Mr.

Wells said.

- The top 10 designated market areas remain largely unchanged, he said.
- Visitor expectations: 95% of visitors said their visit met or exceeded their expectations, 86% said they would return, and 95% said they would recommend Beaufort to their friends, Mr. Wells said.
- On the pre- and post-visit surveys, people are looking for these top five “significant” things: beaches, sightseeing (tours), restaurants, historic landmarks, and shopping. “Historic landmarks” is a new category, Mr. Wells said. He told Councilwoman Sutton that of the 5% who say they wouldn’t return to Beaufort, some put their reasons and others don’t, so he doesn’t want to speculate. Councilwoman Sutton said she asks people in her store if there are things that didn’t meet their expectations, but she hasn’t been able to pinpoint anything yet.

Councilman Murray said as the CVB collects more data, it would be interesting to see it, particularly in terms of what Ms. Ryan was saying about things that are good for both residents and visitors. Mr. Wells said they would know more as they collect more data.

Mr. Verity asked if Mr. Wells knows how many people come here when they are visiting Hilton Head. He’s surprised there’s not a push to advertise in the Midwest, which is where most of Hilton Head’s visitors come from. Councilman Murray said around 30% of his business’s tourists are day-trippers from Hilton Head and Savannah. Mr. Wells said 28% of people staying on Hilton Head “daytrip out of there,” and 30% to 33% of people in the Visitors Center list their place of origin as Hilton Head. Beaufort ranks very high in awareness in South Carolina, but in other core markets, “we still have work to do,” Mr. Wells said; the Midwest and other markets would be “a bigger reach for us.” Mr. Verity said the expansion of Beaufort’s historic landmarks – the Reconstruction Era National Park and others – offer a good opportunity to bring in visitors because people staying on Hilton Head “get bored.” Mr. Wells said he would like to have the additional marketing funds to do what Mr. Verity suggested in the Midwest.

Mr. Ivy asked if the CVB tracks overnight visitors to the marina. Mr. Wells said no. Mr. Ivy said he sees marina visitors walking around The Point. Mr. Wells agreed that would be a good opportunity.

- Mr. Wells said “other opportunities” for the CVB include
  - Continuing to diversify the visitor audience
  - Expanding cooperative marketing and sales options
  - Shoulder season festivals and events
  - Destination master plan
    - Feasibility study: meeting space/sports facilities
    - Destination NEXT – focus on development/market research

Mr. Wells told Mr. Prokop laying out the master plan is his #1 goal for next year. He

thinks they need to continue to work on economic development and to work on “diversifying the visitor base,” so Beaufort is not so dependent on leisure travel when there is a downturn.

Councilman Murray asked Mr. Wells about the master plan process. Mr. Wells said they have to engage city and county partners, stakeholders, Parks and Recreation, people involved in sports, association and trade planners. He said it would be a 14-week process.

Mr. Wells discussed some ideas to bring in sporting events and whether they could bring in tournaments of certain sizes.

\$3.42 is the “cost per lead,” Mr. Wells told Councilman Murray.

### **REVIEW AND UPDATE OF COUNCIL-APPOINTED COMMITTEES PER THE BEAUFORT DEVELOPMENT CODE** <sup>L</sup><sub>SEP</sub>

Mr. Prichard said staff had looked at all of the committees and city council, and felt nothing in the code needed to be changed for council. He asked the council members if they felt anything in the ordinance needed to be changed; no one did.

Metropolitan Planning Commission (MPC) – Mr. Prichard said staff feels “it’s important to have an MPC,” but staff also feels that there’s a Northern Regional Planning Implementation Committee (NRPIC) that is designed to look at regional issues, which planning commissions don’t often deal with. The MPC members are supposed to be familiar with the Comprehensive Plan and ordinances, he said.

If there isn’t “a good reason to still have a metro planning commission,” Mr. Prichard said, the city could just have a planning commission that is focused on the City of Beaufort. In 2000, the planning commission was comprised of representatives for the city and Port Royal, and then in 2009, it added two county representatives, Councilman Murray clarified.

Councilman McFee asked if the premise of the consolidation wasn’t that the commissioners would be familiar with their own jurisdictions’ comprehensive plans. Mr. Prichard said, “All six members vote on the issues” that come before the MPC, so four people vote on “a recommendation for a body that they don’t represent.” Mr. Prichard said if it’s a city issue, city staff provides the report, etc. and makes sure “the entire MPC understands the issues” and sees how the project “aligns with the city’s goals.” In recent decisions by the MPC, the rationales were not focused on the city’s goals, Mr. Prichard said. Mr. Prokop said an example is that a commissioner said the city should do something that is in the county ordinance.

Mayor Keyserling said he doesn’t go to the MPC meetings, but anecdotally, he has the impression that “the focus is much more on . . . monitoring and controlling what Port

Royal and Beaufort do,” rather than on “sustaining the relationship that was created through the Northern Regional Plan,” which is where the MPC originated. He described the county’s initial resistance to having an MPC.

Mayor Keyserling said, “Anecdotally, it doesn’t seem that much that happens in the county, within the growth boundaries, comes before” the MPC. The county bought into this, he said, but anything within the growth boundaries that’s not in one of the municipalities should be going through the MPC, just like something would that’s in the center of the City of Beaufort or the Town of Port Royal.

Mr. Prichard said, since he has been here, the county has brought projects to the MPC that were within the growth boundary. Mayor Keyserling said, for example, on Lady’s Island, the county is “on one side of the street,” and the city’s on the other, and he doesn’t know that the county brings projects taking place on its side of the street to the MPC. If it’s not doing so, it is missing out on “the collaborative opportunity” that the MPC was meant to be, he said.

Mayor Keyserling said the “short-term future of growth” isn’t getting its “fair share” if the chair of the MPC is also on the Northern Regional Planning Implementation Committee. He feels the county representatives on the MPC “don’t know what is going on” in the City of Beaufort. If commissioners are making recommendations without knowing the Comprehensive Plan or the Civic Master Plan, that’s a problem, he said. The MPC only makes recommendations, not regulatory decisions, Mayor Keyserling said. He “pushed this very hard” in the Northern Regional Planning Implementation Committee, but he feels “something’s gone wrong,” and the MPC isn’t facilitating “collaboration and coordinated growth” as it’s supposed to. Instead it is weighing “heavily on one body or another” or “infringing upon the authority” of the city. Mr. Prichard said he agrees.

Councilwoman Sutton read a comment on Facebook Live from **Mike Sutton** about the MPC, in which he agreed with Mayor Keyserling.

Mayor Keyserling thinks the MPC should be restructured, and it should be made clear that it’s “meant to be advisory.” Commissioners “not in the area being planned” should be “ex officio.” He doesn’t think the MPC should be taken apart but should be made to work as it was intended to. Beaufort and Port Royal operate so differently from Beaufort County, Mayor Keyserling said, and the challenges and opportunities are “much more narrow” with the plans that they are following. He said there have been comments made by an “outspoken” commissioner who didn’t know the city’s Comprehensive Plan. “It’s not doing what it’s supposed to do,” Mayor Keyserling said of the MPC. “The autonomy of every body was never meant to be given up.”

Mr. Prichard said he feels the Northern Regional Planning Implementation Committee works on the issues that “are truly regional.” There are advantages to diverse opinions on the MPC, he said, but they also need to think about the goals of the city. The

commissioners get into the nuts and bolts of planning and city ordinances to make recommendations, he said, but four of them are not city representatives.

Councilman McFee said there is both “disconnect” and benefit in having an MPC. In the NRPIC, there is “a spread-out knowledge base,” but sometimes it is “subject to who has the louder voice.”

Mr. Prichard said he thinks the MPC could work if the members looked at each project from the perspective of the jurisdiction from which the project originated. Councilman McFee said all the commissioners should understand the interests of the subject jurisdictions.

Mr. Prokop said the city needs to do a better job training the commissioners. He thinks they need to look at the commissioners’ function and give them new training. They need to clarify what they expect from the MPC, he said.

Councilman Murray said he agrees with a lot of what has been said; it bugs him that city council has “appointment authority” for only 2 members of a 6-member commission, so there are “four members” of the MPC “we have no control over,” yet those commissioners “are given regulatory control over projects in the city.” A majority of commissioners could easily “hold up a project in the city,” he said. He sees the benefit of “a regional planning body,” which gives representatives of the 3 entities an opportunity to discuss projects. Councilman Murray feels the NRPIC “does that, [and] should do more of that.” He also sees “the advantage within the growth boundaries of having a review,” which gives the public and applicants the opportunity to have “debate and . . . dialogue.”

Councilman Murray said his problem with this is “the regulatory issue.” He feels matters should go from the MPC to council, staff, or “to a different board within the city for final approval.” He thinks the city should be doing a better job training and communicating its vision for how it hopes to grow to all of the members of its boards and commissions.

Regardless of how council changes the MPC, Councilman Murray said, he doesn’t think the city trains any of the members of its boards well enough. There is an idea that the county and the jurisdictions within it will all grow the same way, he said, but there are differences in the rural and urban transects. He thinks they should consider going back to the model of the 2000 joint planning commission with the Town of Port Royal and ask the county to extract itself from the MPC, as it has its own planning commission. Other matters could go to the NRPIC, Councilman Murray said.

Oyster Bluff is an example of where the MPC “failed completely,” Mayor Keyserling said. He’d like the Town of Port Royal and the City of Beaufort “to have some autonomy.” Councilman Murray said they could ask the county to expand the MPC’s purview in Northern Beaufort County by bringing projects that are inside *and* outside the growth

boundaries.

Mr. Prichard said the adjustments he'd make are in understanding the role of the MPC; it could stay the same way "if people understood how the mechanics of it work." "The state allows planning commissions . . . or designated staff . . . to review development plans," he said. "I think there's an expectation on [the part of] a lot of the members of the planning commission that . . . they have the role of reviewing development plans. They don't have that role." They review zoning, he said, and "a lot of times, we're talking about zoning, and they want to look at what the development plan is," but "development plans are done by the Technical Review Committee" (TRC). Mr. Prichard said the commissioners "get the two things conflated and mixed up." He is concerned that commissioners are "trying to control growth," but this is "the wrong venue to be doing that"; he said if it's a "regional issue – like where should the growth be – then that should be worked out in a regional body."

Mr. Prichard said the MPC "could work if people understand what the role of the planning commission is." There is "a risk" in having four commissioners who don't have the City of Beaufort's perspective on growth control in the city, Mr. Prichard said. Councilwoman Sutton said she thinks that should be changed. Mr. Prichard said it would be "cleaner" if "city-focused planning commissioners" were making decisions about the city.

Mr. Prokop asked if this matter should go to the joint Town of Port Royal-City of Beaufort council meeting. Councilman Murray suggested first bringing it to the NRPIC meeting in October or November and asking the committee what it thinks. There is an opportunity to work with the county now because a county representative has resigned all of his planning seats, he said.

Mr. Prichard said another staff recommendation for an ordinance change is to the MPC's duties concerning trees, land, and land structures; they'd add "'that are outside of public rights-of-way, designated open space, or public parks,' because that's a duty that we've assigned by ordinance to PTAC." There was no objection to this change.

"There was some confusion about subdivision plats," Mr. Prichard said. Only conceptual sketch plans of a subdivision go to the MPC for approval, but he thinks this confuses people. Subdivision plans are a development plan, he said, but generally, subdivision of land is considered "by most courts" to be "a ministerial decision," so he asked if it should be a staff decision, like preliminary and final plan approvals are. Councilwoman Sutton said yes. Councilman McFee said if it's all given to staff to decide, there is not an opportunity for public input, and that would make the city less transparent in terms of development.

Councilman Murray asked, if someone brings a sketch plan for a subdivision to the MPC, and it follows the letter of the law, but the MPC doesn't "like it," if it is "done." Mr.

Prichard said he believes “conceptual has to come back to the MPC.” People have the right to subdivide their property, he said, and if they follow the ordinance, it’s by right, so they couldn’t be denied. Councilman Murray asked if it’s “ever gray.” Mr. Prichard said staff looks at the minimum lot size, the roads being put in, etc., and they “don’t get . . . into whether you should allow them to subdivide or not.” As with zoning decisions, with subdivisions, the commissioners are looking at “whether they like what you plan on doing with your property.” If they are “capricious and arbitrary” about their recommendations, Mr. Prichard said, and “deny something” but “down the road, approve a similar one,” it could be a problem.

Zoning Board of Appeals (ZBOA) – Staff had no issues with this board in the ordinance, Mr. Prichard said, but they’d like to change the language from “staffing the pre-application conference to staffing the pre-design conference.”

Historic District Review Board (HDRB) – There is “a mandated requirement” that one board member of the HDRB is an HBF board member, Mr. Prichard said. He said staff feels “the problem with mandating it” is that “you limit . . . your pool of candidates” for the board, and “it’s slightly less democratic,” because it gives “an advocacy group guaranteed influence on the board.”

Mayor Keyserling said this goes back to about 2003. He feels “the bigger ethical question” is “whether or not a body that is an advocate would appoint a member of a regulatory board that regulates what they’re advocating.” The first time he brought this up, HBF “took exception to that,” he said, and “council deferred.” The question, Mayor Keyserling feels, is whether “an interest group that essentially pays a lobbyist and has grassroots support, that comes and lobbies the city, [should] be appointing 20% of the body that regulates it.”

Since the Landmark District was first created, Mayor Keyserling said, HBF has “always been an important player” in “the whole process of preservation,” but “in this day and age,” he feels this practice is “outdated” and looks “wrong.” Council could continue to appoint someone from HBF to the HDRB, he feels, but for council “to give up its responsibility to appoint” to a group that it is supposed to be regulating makes him “ethically . . . very uncomfortable.”

Councilwoman Sutton read the relevant passage and said she feels HBF’s recommendation of a member of its board to the HDRB has “turned into an appointment,” and it should not have. Council should make the decision about who to appoint to the HDRB based on HBF’s recommendation, she said, not have that appointment be mandated.

Mayor Keyserling said, “This isn’t about HBF,” but about “how a regulatory commission’s membership should be appointed.” As it stands now, “20% of the job of protecting the historic fabric” of the city “is being handed over to a member of this

group,” he said.

Mayor Keyserling said **Maxine Lutz** had written to say that she could not attend this meeting, but she’s aware of this matter. HBF is a partner, he said, and they will have input before any decision is made.

Mr. Prokop said there are four or five applicants for the HDRB who don’t meet all of the specific requirements, but the board needs more members. He asked if council could appoint some of those applicants so the HDRB could be fully staffed.

Councilman Murray said he’d appreciate a suggestion from HBF about whom they should appoint to HDRB. What’s important to him is the composition of the board. The ordinance says members should have “an interest, competence, or knowledge” of historic preservation, and three should have a relevant professional background.

Mr. Prichard said, “To the extent that such is available in the community” is an important point of the ordinance: If they feel they have good candidates, but someone is not “necessarily a design professional in the field of historic preservation,” he asked if council could “appoint them, anyway.”

Councilman Cromer said term limits could be a problem as well, because good people might want to continue to serve but can’t because their terms expire.

Mr. Prichard told Councilman Murray that HBF is aware that there are currently vacancies on the HDRB. Mr. Prokop said they have good candidates, but they don’t meet “this exact requirement,” e.g., they might not live in the Historic District or might not be a design professional.

Councilman Murray said he understands the reasoning for requiring the majority of the board members to have a vested interest in the Historic District, but he thinks that makes filling the board a “real challenge.” Mayor Keyserling said he doesn’t know that board members should have to live in the district; planning in other areas of the city doesn’t require the board members to live in that area. Preservation should be important to the whole city, he said. There are two or three people restoring cottages that people thought would never be saved, Mayor Keyserling said, and they might be good candidates for the HDRB, or a good candidate might be someone who is a professional builder, for example, but is not an architect. Some people might be “more in sync” with what is required from the HDRB than someone who meets the requirements of the ordinance, he said.

There was discussion about how this could be changed. Mr. Prichard said the city has put out an RFP to hire an “architectural preservation professional” who would not be on staff, but who would be available to answer questions. The HDRB was set up to stand alone, he said, with staff providing assistance from time to time, but staff historically has

done a lot of the work for the board. He thinks they need fewer “technical people” on the HDRB than would be needed if staff didn't provide “a professional opinion in the staff report.”

Mayor Keyserling said all of the boards need to have better training because they are “stepping outside the bounds” of their roles. Mr. Prichard said he’d like to have formal training and also monthly meetings to look at how the ordinance fits in with the Comprehensive Plan. Councilman Murray said he likes that idea, which would be like a work session for the boards. Mayor Keyserling agreed and said he thinks that the boards and commissions would benefit from that, as council has since it started having work sessions.

Councilman Murray asked if “we recommend [that] projects within the Historic District go to the Preservation Committee at HBF.” Mr. Prichard said he doesn’t do that and doesn’t “think it’s appropriate for staff to do that.” Mayor Keyserling said he has told people with a project to start with HBF and get their help. Councilman McFee said if he has a client with questions, he tells them to go to HBF.

Councilman Murray said he has heard “frustration” from “the development community” that what they hear from the HBF’s Preservation Committee changes between the meeting with the committee and the HDRB meeting.

Mr. Prichard said if two HDRB members also were on the board and HBF, and HBF discussed a project, “that could be used as *ex parte* communication” because not all members of HDRB or the applicant would have been “privy to” it, which is “another risk” from which “the members need to protect themselves.”

Mr. Ivy said he’s no longer on the HBF board, but he’s a supporter and “active on the committee.” He said the Preservation Committee is full of very knowledgeable people, and there’s no requirement that anyone come to the committee, which is guided by the Milner guidelines. Every project is different, he said; they advocate that the HDRB follow the Milner guidelines. When a project doesn’t meet those guidelines, applicants are told different things they could try to get the project to meet them, Mr. Ivy said. The Preservation Committee has input, but it’s up to the applicants and their architects if the project is compatible. They then go to the HDRB, and sometimes other points are brought up before “the larger committee.”

Mr. Ivy said the idea is that a number of people with expertise look at applications, and their interest is in seeing the Milner guidelines followed. HBF invests in knowing the details, he said, and “the historic fabric” could be lost even through “slight details.” The Historic District is “one of the key magnets” for people coming to Beaufort, Mr. Ivy said, so he thinks it’s important not to lose that sense through “small changes.” He has seen this happen in Savannah and Charleston. In his travels throughout the US, he has seen that “Beaufort is really unique,” and he feels it’s important that the city continues to

have HBF's input about historic preservation.

Councilman Murray said it's common to hear nervousness about preservation of the Historic District, but he lives in The Point, and the infill he's seen has been appropriate. This is true in The Old Commons neighborhood and the Northwest Quadrant, too, he feels. All of the neighborhoods in the Historic District are in better shape now than they have been in a long time, Councilman Murray said, and he'd like to see data on that. He'd like to see "tracking on a street-by-street level."

Mr. Ivy said, in the Northwest Quadrant, structures are falling down, and most of them that are still there are heirs' property, or they have two or three owners who don't want to do anything with the property, but they don't want to sell, either, so there are legal difficulties.

Mayor Keyserling said people have come here and taken on four structures from the Reconstruction Era: Two are finished, and one of them – on Duke Street – is "absolutely fabulous." Another structure from the period is on Greene Street, and it's being worked on, too. Mayor Keyserling said two of the four he's been photographing were "stabilized" by HBF before they were sold.

Design Review Board (DRB) – Mr. Prichard read from the Beaufort Code about the board's "powers and duties" and said staff feels it's "unclear whether the DRB is expected to provide technical approvals or guidance of design." He said if it's technical approvals, "city council can assign this responsibility to the planning commission or designated staff." By state statute, development plans can be approved by the MPC or staff, he said, and currently staff does it via the TRC, whose composition he listed. There are certain instances, though, where applicants "have to go to the Design Review Board." The ordinance is unclear about whether the board is to provide "technical approval" or "guidance on design," Mr. Prichard said. If the board is giving development approval, it's unclear to staff if that could be "delegated to another board," such as "one we create to do that." If the DRB is to "provide guidance on design," he said, "does this make them an architectural review board?" If the DRB is an architectural review board "can their purview be the entire city, save the Historic District?" Mr. Prichard said when the city had a UDO, it had "design districts," and "things that were in the design districts went to the DRB." Under the new code, he said, "it's everything that's not [in] the Historic District."

Mr. Prichard said his first question is whether or not council wants the DRB "to approve major development plans." If not, and it's an architectural review board, he asked if the DRB could "have architectural review over everything in the city, even though the state statute says architectural review boards kind of have certain areas." If there's a "redevelopment district that we want to develop a certain way," he said, an architectural review board would ensure that established design parameters are being followed. Councilman Murray said the state statute on this "is pretty dang broad."

Mayor Keyserling said he wouldn't expand the DRB's jurisdiction. In a work session, council realized the HDRB has "an easier job" than the DRB does because the HDRB has the Milner guidelines, but there aren't similar standards for the DRB. Councilman Murray said the form-based code has narrowed this. Mr. Prichard said, "Staff can say, yes, you have a stoop or porch," but there is no guideline for "how your stoop and porch looks." Councilman Murray said he is fine with the DRB operating as an architectural review board.

Councilman Murray said he doesn't think the scope of projects that go to the DRB should be opened up; their purview should remain as commercial projects and major subdivisions. Mr. Prichard said in his time here, he's seen that "the DRB has kind of struggled with what they're supposed to do." Before he came here, staff was trying to "expedite" applications, so projects would "go to the DRB," and if the board wanted changes "you could do that before you submitted your final construction document that gets reviewed by the TRC."

Mr. Prichard said "subjective parameters" – such as "the Beaufort style" – come up, and this should also be discussed. Also, there are "strictly aesthetic concerns" that make it more expensive for developers of residential buildings, he said, which can affect their ability to offer affordable housing.

Councilman Murray said he understands that it's "tricky," but there *is* a Beaufort style. Mayor Keyserling asked if "the form-based code need[s] a little more definition." He thinks "there's always been a little bit of confusion" in the DRB about what it's "supposed to do," so the board is "reduced to saying, 'I like this better than I like that.'"

Mr. Prichard said having a Beaufort style means "you're going to control what the city looks like," and "you lose affordability, because it's going to make buildings more expensive to build." In addition, "you're going to lose innovation," he said, and "interesting designs because everyone's following somebody's pre-set designs." It will make design "more difficult and more subjective," he said, there's an issue with "property rights." If someone owns property, "usually the rules that cities have" about it are meant to protect the public welfare, Mr. Prichard said. "When we think about affordability, and we think about investment," some people might not be able to afford "to build that type of building," even if everyone agrees it's "a prettier building," so he thinks the city also risks losing investment.

Councilman Murray disagreed that "you lose innovation" by having a Beaufort style. He pointed out buildings that were considered innovative designs when they were built that are not designs "we would do over again" if given the chance.

Mr. Prichard said they "could find a bad building that followed the Beaufort style." Councilman McFee said 700 Bay Street is an example. Councilman Murray said he likes that building. Beaufort makes even dollar stores "put up something that fits in" and is

attractive, he said, not the chain stores' standard style buildings. Mr. Prichard said, "When you're guarding against that, you also prevent the other thing."

Councilwoman Sutton said she feels some architecture that is innovative should be allowed. Mayor Keyserling said he thinks the biggest shortcoming of the Historic District is "cheap models of grand houses and important houses."

Councilwoman Sutton said Mr. Prichard is saying that having the Beaufort look means "you lose innovation and interesting architecture." Councilman Murray said giving the DRB a wider berth about what they approve could help with that.

Mr. Prichard said at one of the first design review meetings he went to, an applicant was dissuaded from using Bermuda shutters and was convinced to do something more Lowcountry instead, but Mr. Prichard said he sees Bermuda shutters all over Beaufort. Architectural styles change, he said.

Appropriate candidates on boards and commissions and appropriate training for them is the answer, Councilman Murray said. Mr. Prichard said he thinks the DRB should weigh in on how a building looks, "not approve a development plan."

Mr. Ivy said for the HDRB and the DRB, the two most important elements to consider are mass and scale relative to the surrounding community and the setbacks. Architecture is always evolving, he said, and the Historic District has "200 years of evolution there."

Mr. Prichard said people get "mad" when they could do something by right, but "you're really trying to almost coerce them into doing it the way you want them to do it." He said they need to be aware of "things we can protect," like the scale of buildings, which is something that can be controlled without putting "an undue burden on a developer."

Mr. Prichard said he would like the DRB "to look at how [a project] looks, and don't worry about all the other stuff." The ordinance says "all the construction documents go to the DRB," he said, "but I don't know why we would do that," so he thinks that should be cleaned up. He also feels that the DRB needs "guidance" about what council expects it to do (e.g., give it "boundaries of this style that we want to make sure something's in"). This is hard, but without it, "you're leaving it to the whims of the people that serve on" the board, Mr. Prichard said.

Councilman Murray said "there's no doubt" that building materials and design "drive up the cost" of buildings, but in his conversations with people in the development community, they "rarely . . . complain about material costs"; they complain about the cost of land, impact fees, and "regulatory fees within the respective government bodies."

Mr. Prichard said council either needs to give the DRB guidance or not, but if they don't, they need to know the results will be "a box of chocolates." Councilman Murray said it's important that they have people with professional backgrounds on the DRB. He doesn't think "the technical stuff needs to go to DRB," but "what [a building] looks like" should be the DRB's purview because they are experts.

Mr. Prichard said he thinks about "what is equitable" and wants "to make sure we're being fair." He thinks there might be "certain places that we do have architectural standards and other places we don't." Councilman Murray said no architectural standards are needed in the Commerce Park, for example. Mr. Prichard said council "talks about encouraging businesses . . . and affordable housing," but those things and design standards might be "mutually exclusive."

Mayor Keyserling said the market "drives a lot of these decisions," and Mr. Prichard agreed. Councilman Murray said they want to promote "a certain aesthetic," with "quality buildings and quality design," and "some innovation." No one wants "a free-for-all along any of our corridors" except in Commerce Park, he said, where no one cares what a building looks like as long as it's safe. They want buildings that have "lasting value," he said, even if some of the standards they enforce "drive up the cost a bit." The city can help by looking at lowering impact and other regulatory fees, he said, which he hears are more of a problem than the materials needed to build to the city's standards. Mr. Prichard thinks people don't complain about the cost of materials to Councilman Murray and council because "it wouldn't do any good." They complain about that to the building supply vendors, Mayor Keyserling said.

Mr. Ivy said it's not been mentioned yet, but there are a lot of the complaints about "the time it takes to get your plans approved." He suggested maintaining the city's standards but speeding "up the review process." Mr. Prichard said applicants return to the boards for the various stages of approval (from conceptual to final) and respond to the comments they receive because they are "trying to bring the shiny rock that you're going to approve." He thinks the DRB should "make the decisions at . . . one meeting," and if the board wants the applicant to do something, they would "approve it under these conditions."

### **EXECUTIVE SESSION**

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

**Councilman Murray made a motion, second by Councilman Cromer, to adjourn the Executive Session and resume the work session. The motion passed unanimously.**

Councilman McFee said there was nothing to report from the session.

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There being no further business to come before council, the work session adjourned at 9:50 p.m.