



**CHARLESTON NAVAL COMPLEX REDEVELOPMENT AUTHORITY/
NAVAL BASE MUSEUM AUTHORITY**

Public Meeting Notice

This notice is sent in compliance with Section 30, Chapter 4 of the South Carolina Code of Laws, the South Carolina Freedom of Information Act, specifically Section 30-4-80 "Notice of Meetings of Public Bodies".

The Charleston Naval Complex Redevelopment Authority (RDA) and Naval Base Museum Authority will meet as follows:

DAY: Tuesday
DATE: June 13, 2017
TIME: 12:30 PM
LOCATION: RDA Board Room
1096 Navy Way
North Charleston, SC

Questions concerning this notice should be directed to:

Robert Ryan (843) 747-0010

Notification Date: June 9, 2017



**CHARLESTON NAVAL COMPLEX REDEVELOPMENT AUTHORITY/
NAVAL BASE MUSEUM AUTHORITY**

June 13, 2017
12:30 PM
RDA Board Room
1096 Navy Way
North Charleston, South Carolina

AGENDA

1. Call to Order/Determine Quorum
2. Freedom of Information Act Report
3. Approval of Minutes
December 13, 2016
4. Approval of Agenda
5. Old Business/New Business
 - (1) Financial Status Report
 - (2) Audit Report
 - (3) Potential MOA with City of North Charleston
 - (4) Quitclaim deed to Palmetto Railways
 - (5) Redevelopment Partners
 - (6) 2017-2018 Budget
6. Date, Time and Location of the Next Meeting
September 12, 2017, 12:30 PM, RDA Board Room
7. Adjournment

**Charleston Naval Complex Redevelopment Authority
Naval Base Museum Authority**

June 13, 2017
12:30 PM
RDA Board Room
1096 Navy Way
North Charleston, South Carolina

MINUTES

Present: RADM William Schachte, Jr. (Ret), Chairman
Chris Sullivan, Vice Chairman
Ronnie Givens
Ron Anderson
Ms. Deborah Crosby-Summey
Alan Coker
Gene Hogan
Fred Kemmerlin

Absent: Randy Burbage, Secretary/Treasurer
Thomas Myers

Staff: Robert Ryan Executive Director
Sean McDonell Operations Director
Austin Hilligas Business Manager
Les Lockard Maintenance Director

Advisors: Wilbur Johnson, Esquire Young Clement Rivers, LLP

Others: William W. Peagler, III Berkeley County Supervisor
Lisa Reynolds City of N. Chasn
Alex Pridgen City of N. Chasn
Dick Gregory CMMC
Danny Rowland CMMC
Elias Deeb CMMC
Brent Jonas CRDA
Charles Drayton City of N. Chasn
Mayor Summey City of N. Chasn
T. Ravenel Palmetto Railways
Danny Quirk Wilson and Quirk, LLC

1. Call to Order/Determine Quorum. (Agenda Item 1). The meeting was called to order at 12:30 PM by the Chairman, RADM Schachte, with a Quorum present.

2. Freedom of Information Act Report. (Agenda Item 2). Mr. Hilligas stated for the record that the Authority fully complied with the requirements of the Freedom of Information Act in providing notice of the meeting.
3. Approval of Minutes. (Agenda Item 3) RADM Schachte asked if there were any corrections/additions to the December 13, 2016 Board meeting minutes. There being none Mr. Givens made a motion to approve the minutes which was seconded by Mr. Anderson and approved unanimously.
4. Approval of Agenda. (Agenda Item 4). RADM Schachte asked that Item 3, Potential MOA with City of North Charleston, under Old Business/New Business be moved to Item 1. Mr. Givens made a motion to that request which was seconded by Mr. Anderson and was approved unanimously.
5. Old Business/New Business. (Agenda Item 5)
 - (1) Potential MOA with City of North Charleston. For some time now, the Authority has sought an agreement from the City of North Charleston that would address any proposed redevelopment projects including Quarter's A, the continued use of these premises and acquiring property for a museum. In response to that, the City has forwarded a draft agreement to address these items.

Authority Action Requested: To approve an agreement with the City of North Charleston subject to a review of the Staff Recommendation and further guidance by the Authority, and to authorize the chairman or other appropriate officers to execute all necessary and satisfactory documents and amendments.

Staff Recommendation:

The terms of the MOU from the City are as follows:

1. Authority may occupy Quarter's H&I for at least 10 years and complete renovation and maintenance (acceptable to the City).
2. Authority to renovate Quarter's A and Quarter's J
3. Complete the parking lot for the Chapel and new roadway into area.
4. Authority will make a substantial financial contribution for a parking garage
5. Authority shall provide adequate grounds maintenance
6. City will deed over 2 acres of property for a museum site, but with a reversion clause of 10 years if a museum is not built.

Staff agrees with the occupancy of Quarter's H&I, but the City's document does not include the current premises which includes Quarter's F and the Chapel, which it should. Renovation of H&I to make it ADA compliant on the second floor and to make structural repairs to the second floor is about \$1M.

Staff agrees with the renovation of Quarter's A and to be added to the Premises, but Quarter's J should only be considered if Authority funds are extended past 2021. Renovation cost for Quarter's A is about \$4M. We have no cost estimate for the renovation cost for Quarter's J.

Staff agrees with the roadway and parking for the Chapel as it was part of the original concept for the area and should be added to the Premises. This will cost approximately \$1M for design and construction.

Staff does not agree to a "substantial financial contribution" for a parking garage as this is a blank check. The garage could be given some consideration if funding is extended past 2021. The cost of a garage the size being contemplated by City is approximately \$40M.

Grounds maintenance for the area is a foregone conclusion and is included in the operation expense for the Premises which are about \$150K per year. Over a ten year period Authority operating expenses could approach \$2M.

As for the museum site, staff believes that ownership of the property should be free and clear with no reversion clause, but that the City be granted a right of first refusal to purchase the property if the Authority determines to sell it.

Lastly, and not included in the document from the City is that the Authority should ask for the City to make improvements to Riverfront Park as well as provide more security in order to compliment the work being accomplished and being contemplated by the Authority.

After much discussion with the Mayor and Authority members Mr. Anderson made a motion to include Quarter's H&I, Quarter's A, Parking lot and roadway for the Chapel, get an idea on the use and cost estimate on Quarter's J and to renegotiate size and site for the Hunley Museum. The motion was seconded by Ms. Summey and approved unanimously. Authority will prepare a revised MOA and send to the City.

- (2) Audit Report: Each year the Authority is audited by Wilson and Quirk, LLC. A copy of the 2015-2016 audit report is on file at the RDA Office.
- (3) Financial Status Report. Mr. Ryan presented the budget update for FY16-17. The report covered the period July 1, 2016 to June 8, 2017 and was given for information only.
- (4) Quitclaim deed to Palmetto Railways. This request for property is for land that will accommodate the new Port Access Road and will provide a new alignment of Hobson Avenue to Bainbridge Avenue as well as demolish the Viaduct Bridge. Instead of condemning the property Railways asked for and received letters from the SC Ports Authority and the City of North Charleston

wherein they give up their claim to the property and agree with the transfer of property to Railways. The Authority has previously done such a transaction to Clemson for the Drive Train Test Facility. Mr. Givens made a motion to approve an MOU with Palmetto Railways to transfer certain parcels of land to accommodate the new Port Access Road, and to authorize the chairman or other appropriate officers to execute all necessary and satisfactory documents and amendments. The motion was seconded by Mr. Anderson and approved unanimously.

- (5) Redevelopment Partners. For the last few years, the Authority has given funds to the Regional Development Alliance and to the area Chambers of Commerce. Dorchester Chamber submitted a letter requesting funding in the amount they received in previous years which is \$50K. The Authority in past years has also provided the Chambers with an additional \$50k each, in support of educational school opportunities in the tri-county area if they wished to participate. All of these groups work for the economic vitality and quality of life for our area and certainly came together when the former Base was closed. The Authority has not yet received requests from the Alliance, the Charleston Metro Chamber or the Berkeley Chamber. Mr. Anderson made a motion to approve an investment of \$50K each to each area Chamber of Commerce and to approve an investment of \$100K for the Charleston Regional Development Alliance upon written request by each entity. The motion was seconded by Mr. Givens and approved unanimously. Mr. Anderson made a motion to amend the existing motion to hold the Berkeley Chamber's request in abeyance until their legal matters are resolved. The motion was seconded by Mr. Given and approved unanimously.

- (6) 2017-2018 Budget. Revenues for the 2016-2017 Budget were a little down, but the S.C. Department of Revenue (DOR) still owes the Authority about \$2M that will get picked up in the Audit for this fiscal year. The Authority still owns property that is leased by the SPA with the exception of the southern half of the Viaduct Bridge parcel, which affects leased property operations at 128%. The Chapel is included in that category as well. Also noted in Expenses that Rural Development Share is at 130%, but that is because income is at 93% and is a complete guess in any given year. All other areas of revenue for the 2017-2018 Budget are projected to be fairly consistent with the current budget. Lack of Bank Interest continues to plague the Authority. RDA Office Expenses have been reduced by \$50K as we continue to gather cost information. Raises for employees have not been included in the 2017-2018 Budget, should the Authority choose to give Staff a raise it will not increase the Personnel budget. Under Capital Improvement Projects \$6M has been allocated in consideration of the fact that the Authority might enter into an agreement with the City of North Charleston for certain projects.

Revenues are expected to be about \$7M and for expenditures to be about \$9M. The Authority's current total balance on hand is approximately \$31M. Mr. Anderson made a motion to approve the 2017-2018 Budget and to reconcile expenses to accurately reflect expenditures as of the end of the fiscal year. The motion was seconded by Mr. Givens and approved unanimously.

Mr. Givens made a motion to give employees a 2% raise which was seconded by Mr. Anderson and approved unanimously.

6. Date, Time and Location of the Next Meeting.
September 12, 2017, 12:30 PM, RDA Board Room

7. Adjournment. There being no further business to discuss Mr. Anderson make a motion to adjourn which was seconded by Mr. Givens and approved unanimously. The meeting adjourned at 1:47 PM.

RECORDED BY:

APPROVED:

Tommy Barber

December 19, 2017