

Real Property Committee
9:00 a.m., Wednesday, March 6, 2019

The Real Property Committee held its regular meeting at 9:00 a.m., Wednesday, March 6, 2019 in the City Hal Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmember Ward, Chair Bell, Interim Administrator Fragoso and City Clerk Copeland; a quorum of the Committee was present to conduct business. Councilmember Ferencz was absent.

1. Chair Bell called the meeting to order and acknowledged that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.

2. Approval of Previous Meeting's Minutes

MOTION: Councilmember Ward moved to approve the minutes of the regular meeting of February 6, 2019; Chair Bell seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Jim Raih, 3904 Cameron Boulevard, said that he read the proposal for the real estate consultant and opined that the City might not receive any proposals because finding someone who could meet all of the criteria was going to be difficult. He stated that he has been in commercial real estate most of his life and was able to meet most of the specifications, but not all. On the subject of a list of certified arborists, he cautioned the City about limiting the number of arborists who can do work on the island; he opined that, if an arborist was certified and registered with the State, he should be allowed to work here.

4. Comments from Marina Tenants

Michael Fiem, Tidal Wave Watersports, stated that their dock permit needs to be updated; he noted that it has not been permitted since 1995. He said that he was unaware of the problem until November. He told the Committee that they have everything ready with the exception of the survey, and he was asking permission to hire ATM to do it thereby maintaining all marina related information in one (1) location. He went on to say that, when their dock fell in during the last dredging project, the electrical was torn apart and redone, but the company did a sub-par job. Since they were running out of wire, they started putting junction boxes underneath that were not waterproof; every time there is a really high tide, they lose power and an electrician must be called to dry them out and flip the breaker. With the start of another season, they have decided to go out for bids to redo the electrical on their dock at their expense. They are planning to do a stand-alone location for a shuttle/concierge service to the marina from the Front Beach area, and this service will be in addition to the public transit service for food and beverage employees. Mr. Fiem announced that Tidal Wave will hold another Residents' Day on April 14th with donations going to the Exchange Club.

Brian Berrigan, Marina Manager, appreciated the timeline sent to him on the marina restaurant RFP, but he thought that it allocated a short window for prospective respondents to do their due diligence to submit a complete and comprehensive proposal. He asked that bidders be given ninety (90) days to respond.

Chair Bell commented that he and the Interim Administrator have discussed this issue; he agreed that forty-five (45) days was not enough time, and he thanked Mr. Berrigan for his input.

5. Old Business

A. Discussion of marina restaurant lease bid process/timeline

- 1. Status of building assessment**
- 2. Status of engaging the services of a commercial real estate consultant to guide and advise the City on the bidding process**

Interim Administrator Fragoso reported that the building assessment report will be presented to the City on Wednesday, March 13th; as part of the report, Hill voiced concerns about the subfloor under the walk-in freezer and expressed concerns for public safety. She met with the restaurant operator on-site and asked that he engage the services of a structural engineer to draw up a repair action plan for the City.

The deadline for submitting proposals for a real estate consultant was March 8th.

B. Update on removal and replacement of the underground storage tanks at the IOP Marina

The contractor has indicated that the bulk of the work will be completed next week, and the dockside dispensers will be installed this week in order to pour the concrete on the fuel island next week.

Interim Administrator Fragoso reported that the City has not yet received the analysis of the soil sample that was submitted.

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C. Update on marina dock rehabilitation project

According to the Interim Administrator, ATM was continuing its work on the permits and was scheduling informal meetings with the permitting agencies.

D. Status of list of certified arborists

Referring to Mr. Raih's comments, Chair Bell said that the intention of the list of arborists was not to identify the arborists who would be allowed to work on the island, but would identify arborists that the City considered reliable.

Interim Administrator Fragoso reported that she had not had a lot of time to work on this, but she did have concerns that she wanted to discuss with the City Attorney before going forward, such as, whether it would require a change to the City Code. If a code change was necessary, the City would need to issue a Request for Qualifications.

Director Kerr said he received only a handful of requests in a year to cut down a tree that appeared to be healthy on a site visit and that a possible middle ground would be to add to the budget for Professional Services to allow him to hire an arborist to confirm the health of the tree. He noted that, if an arborist was found to be doing something egregious and inaccurate, a state process existed to "weed" him out. It would not put the City in a position of recommending from a limited list of arborists.

When Chair Bell asked if it would be better to recommend “XYZ company” rather than mandate the “XYZ Company,” Director Kerr stated that he has been cautioned about recommending anyone, but he has given out the names of companies the City has used.

Chair Bell remarked that the Committee would wait for the attorney’s advice.

7. New Business

A. Discussion of moratorium on future lot subdivisions as it relates to stormwater management

Residents have voiced concerns over the current permit application for the subdivision of lots on Forest Trail based on the stormwater flooding they are experiencing currently, and they asked what was needed for the City to declare a moratorium on lot subdivisions. Interim Administrator Fragoso stated that imposing a moratorium was an extreme land use action for the City to take since it completely suspends the rights of property owners to use their property as they choose. She said if the real issues were drainage or development, and, if that was the case, the City has other avenues it could pursue.

Chair Bell said that the Real Property Committee was asked to look into a possible moratorium after the question was posed to the Mayor. In the manner that the Chair addresses issues, he asked what the problem was that needed to be solved. The problem on Forest Trail was not one that the City could do much about under the current zoning regulations. If the core problem was drainage, the island’s drainage issues will not be fully addressed for many years; the drainage problems manifest themselves in two (2) ways, stormwater and king tides. With this knowledge, the next steps would be to address issues the City would have control over, such as lot coverage, the removal of trees, the size of houses and issues around permeability.

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The Interim Administrator reiterated that the City has alternatives it could pursue in the way of Code changes to consider as well before calling for a moratorium.

Director Kerr stated that the Planning Commission was looking at all of these issues and would come forward with valuable recommendations.

B. Discussion of City’s Tree Ordinance

Chair Bell commented that he has seen “thirteen (13) palms be eradicated on Waterway that left many in shock;” such instances have caused him to think that the City needed to revisit the tree ordinance based on the level of development on the island. He stated that he did not like that palm trees and pine trees could be removed regardless of their size and have no protections from the City. One (1) woman who has spoken out about the Forest Trail subdivision would be more impacted by the removal of the pine forest in front on her home than the subdivision of the lots. These tall pines have a significant root base but were brittle nearer the top and snapped off in storms so it could be assumed that they have likely been there since before Hugo and will likely be standing after the next major storm. The Chair opined that the developer on Forest Trail would not be able to build in this subdivided area to the scale of the development planned without the ability to remove the pine trees with no questions asked.

Having been a member of City Council after Hugo, Councilmember Ward stated that many homes were damaged by pine trees, and residents became scared of them.

Director Kerr agreed that pine trees lost their protection after Hugo, and probably on four (4) occasions, the Planning Commission has tried to re-gain their protection. He has found that pine trees have become a very emotional issue among property owners; they fear the pine trees and the potential for damage associated with them.

Referring to the palm trees, the Director stated that they were technically not trees; they do not have an eco-system and have little environmental effect; they are, basically, ornamental. He did state that palm trees were protected and require a permit to remove them.

Director Kerr related that the Sea Cabins that had approximately fifty (50) palm trees in various stages of growth in front of their units, and they wanted to remove some of them; they would replant some on the property and pay the fine for the balance. He was confident that this was the last change to the tree ordinance since they won their challenge from the City; a resident now has the flexibility of removing an older palm tree and to replace it with a new one or to remove a palm and pay to have new palm planted elsewhere on the island. The Director said that he did not see a problem if this Council wanted to revisit that decision.

D. Discussion of City's allocation of Greenbelt Funds and allowable projects

According to the Chair, this subject came up when a request was made to the City for the Exchange Club to use the City's current Greenbelt Funds that total approximately one hundred three thousand dollars (\$103,000). At the Council meeting, the question was asked if this request was a legitimate use of Greenbelt Funds. Based on his knowledge of Greenbelt Funds, the Chair thought they should be used for a project that was fully open to the public. Council charged staff to develop a list of projects that would be eligible uses of Greenbelt Funds from which Council could choose.

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The Interim Administrator understood the charge to staff was to select a project on the island that would meet the criteria for Greenbelt Funds; she stated that eligible uses of Greenbelt Funds were boardwalks, footpaths, unpaved roadways and unpaved small parking areas, wetlands protection, parkland acquisition, etc. She said that she would work with the department managers to develop a list of projects.

Councilmember Ward opined that many uses could be found for these funds, but he "strongly" felt that to donate them to a private club that required membership should be at the bottom of any list.

D. Discussion of marina leases as they relate to overall vision of the marina property

Although the referendum was soundly defeated, the City owns responsibility for care and maintenance of the real assets at the marina and owns responsibilities to weigh things in consideration of the value delivered to residents of the island and use of the property. Referring to the leases that are due to expire in 2020, Chair Bell stated that his intention for the marina was to adhere to the lease terms, to adhere to a proper process to get through this and to move it as fast as possible so that the businesses there and potentially there in the future have the best information available.

Interim Administrator Fragoso said that, similar to the process Council had in discussing the future of the marina restaurant lease and the advocacy for putting the lease out to bid before granting a lease extension, she would encourage Council to have the same conversation with Tidal Wave

Watersports about their lease since it expires on September 30, 2020. If Council's inclination was to issue an RFP relative to their lease, the time to do so was now based on the amount of time the process takes. She recalled that the idea of using that dock as a public dock has garnered a good deal of interest in the community, and, if Council decided that it wanted to consider or evaluate further, those discussions need to occur in the near future.

Chair Bell stated that he wanted to give the men from Tidal Wave the opportunity to speak to Council.

Councilmember Ward commented that residents whom he has spoken to like having Tidal Wave on the island; although they take advantage of the activities infrequently, family and friends enjoy Tidal Wave when they are visiting.

8. Miscellaneous Business

All tenants were current with the rent payments.

Next Meeting Date: 9:00 a.m., Wednesday, April 3, 2019 in the Conference Room

9. Executive Session – not needed

10. Adjournment

MOTION: Councilmember Bell moved to adjourn the meeting at 9:53 a.m.; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk