

Aiken Municipal Development Commission Minutes

Lessie B. Price Senior & Youth Center

May 26, 2020

Present: Tim Dangerfield, Chris Verenes, Tom Williams, Keith Wood, Lessie Price, and Ed Woltz.

Absent: Stuart MacVean and Ed Girardeau

Others Present: Stuart Bedenbaugh, Tim O'Briant, Sabina Craig, and Sara Ridout.

Mr. Bedenbaugh called the meeting to order at 1 p.m. He stated this was the first meeting of the Aiken Municipal Development Commission. He noted there was one more appointment to be made to the Commission which will be made at the next Council meeting by Councilwoman Gregory appointing Tom Williams to the Commission. He pointed out according to the ordinance passed by City Council the composition of the Commission was to be six members appointed by Council, three Councilmembers and the City Manager would serve as an ex-officio member.

Mr. Bedenbaugh stated the reason behind the formation of the Commission was to help the Aiken business community move forward which could be done in many ways. It could be looking at the way business is conducted in Aiken from a bureaucratic standpoint, to make Aiken more business friendly, or identifying opportunities for the community to grow economically. He noted that when the Commission was formed in August, 2019, the horizons were a lot different than they are now with the coronavirus pandemic. He said the pandemic had slowed the schedule, but hopefully we can get back on track. He pointed out that Tim O'Briant, Economic Development Director, would be the primary staff liaison for the group, and Sabina Craig, of the Economic Development Department. He pointed out that Mr. O'Briant had been involved in a lot of economic development.

Councilwoman Price thanked the members for agreeing to serve on the Commission. She noted that Council wanted some individuals who could bring some great ideas and concepts, and assist Council. She pointed out that the members appointed have a wide range of expertise and contacts. She said Council recognizes the role of those appointed and is conscious of their time. She said they do not want them to get bogged down with hearing the same thing and doing nothing. She said Council expects some great planning and wants to hear their honest input of what we are doing now and how we can grow our city short term and long term. She said Council was excited about the members serving on this Commission.

Councilman Woltz stated when he first mentioned this idea, he recognized that the city had not been growing like it should. He felt we need to find new ways to grow and to bring new people to our town. He felt the city needs to get back on a growth pattern and the Commission could help us do that and come up with a plan to get the city moving again. We need to have a 3% to

4% growth in order to keep the city moving forward, and we have not been there for some time. Our economic development has been steady, but it is not where it needs to be. He said he had initially looked at the group for growing the city, and the pandemic has given more need for the development group. He felt we are not going to feel the real effect of the pandemic until the third or fourth quarter, and then we will see what it is going to do not only in Aiken but in the country. He noted that we have been known as a horse community, but that business has changed as the down turn in the economy has certainly affected that group. He felt the challenge will come close to the end of this year as to where we need to go, how we need to go forward, how we need to restructure, and where we are going to get the money to do it. He said he hoped the members would have some ideas and what we can do to attract people to Aiken.

Mr. O'Briant, Economic Development Director, stated he will be working closely with the group. He said the group will be about helping to guide us as we reopen our economy and try to turn to some kind of new sense of normal and deal with the impact of what we have had. It has been a year of discussions and politicking to get the Commission established. Once we had a quorum of members appointed we wanted to have a meeting and start getting input from the members as to how they would like to proceed and then start the flow of information and discussions.

Mr. O'Briant stated to bring the members up to date on where we are and what we are, he had provided a group of memos that were distributed to City Council over the last year regarding the formation of the Commission, the state statute for the Community Redevelopment Law that governs how the Commission will operate, Aiken's ordinance and some comparative studies how other cities have handled economic development over the years. He asked the members to review that information as it was a good background of what suggestions have come up over the last year. The Commission is a public body in the state of South Carolina, sponsored by the City of Aiken. It is governed by the Freedom of Information Act so notices will be posted for the meetings and an agenda published for the formal meeting. There will be opportunities for executive sessions under limited circumstances as outlined in the statute. Also, the Commission can break into committees to do work behind the scenes and then report to the entire group. The Commission is an advisory group, but it also has some power within the statute. He stated presently City Council is the front man for each and every project, the incentive package, and for every economic project that comes through the City of Aiken. The Commission can act independently to carry some of that weight as long as Council prefers that the Commission do it and supports the Commission's actions. Some of the matters coming to City Council meetings for more mundane decisions relating to development could actually take place within the Commission and then move forward to City Council with a recommendation.

Mr. O'Briant stated the next time the Commission meets we will be publishing an agenda, and we will work on establishing some items. He noted one thing he wants to know is the availability of the members to meet, such as how often, what day, time and where.

Mr. O'Briant stated the statute that controls the powers, duties, and responsibilities of the Commission requires that anything the Commission does be based on and governed by a redevelopment plan. As defined in the statute, a redevelopment plan can be one block for one project or it can be extended to the entire limits of the City of Aiken. In our case we are working

on both of those so we can give the Commission some capability and room to work. AECOM has been engaged, and we have been working with them for several months. If it had not been for the pandemic, we would be very close to finalizing their overall redevelopment plan for the entire city. They were at the point of doing research on best practices in other communities when the pandemic came along in March and offices were closed. They intend to start again in late June, and we anticipate having a final report from them sometime around the Chamber of Commerce's State of the Community event in September, 2020.

Mr. O'Briant stated the next thing we have done was based on the slowdown related to our economic shock from the pandemic. We have engaged a firm out of Greenville, SC, called Arnett Muldrow & Associates to do a very small redevelopment plan, essentially surrounding the Regions Bank Building which is now being retrofitted as the new City Hall. It includes the corner of Laurens and Richland. If this group has any thoughts about Hotel Aiken, it would be appropriate to have those discussions. Whether we come up with anything or not, we can't really get into it if we don't have a plan that encompasses that area. He noted that the former Regions Bank building is currently being redeveloped as the new City Hall. He said we would like to get input from the Commission on this as well. There have been discussions on the hotel and the need to spark development there, whether parking is an issue, and should there be a parking structure or not.

Mr. O'Briant stated another thing done was reacting to the economic conditions that we have seen with the pandemic by providing loans to small businesses. With the help of some partners, including Security Federal Bank, the Chamber of Commerce, and the Aiken Corporation about 50 loans were made to small businesses after extensive counseling sessions with more than 350 businesses. Not all spoken to wanted to take on debt. Some needed advice with the SBA program, and some needed advice on how to handle unemployment. We worked through a lot of those things. There was a lot of gratitude within the business community. He noted that the small and medium businesses have not always felt good about the City of Aiken. He noted that we were there for the community, and we worked hand in hand. He thought there was a lot of appreciation for the help and advice. He felt this is something that we want to continue and capitalize on.

Mr. O'Briant pointed out also that a lot of time and effort and some funds, which we expect to be reimbursed through some federal dollars, was in working with the restaurants which were suffering desperately. When the Governor did allow outdoor dining, we took a business that was all but shuttered, All Star Rents which was suffering from the Masters being cancelled, equestrian events cancelled, etc., and we made tables, chairs, and sanitation equipment, and dividers available to lots of restaurants that were not set up for doing much outdoor dining. They were able to expand that area. We also made areas available to the general public downtown so people who chose to get food from restaurants which chose to continue with curbside service could find a place to sit down in the downtown with their family and eat. He noted that had been very successful. Several of the southside businesses which were down 40% to 50% of their business have come back to 100% of what they were doing in the prior year thanks to the addition of tables and chairs and tents for persons to dine outdoors. He noted that the Governor has now allowed 50% indoor dining. With the drive thru, curb service, outdoor dining, delivery,

carry out, and limited indoor dining some of the restaurants are in pretty good shape if they can find people to come to work.

Mr. O'Briant stated that some other cities are modeling some of the things that Aiken has done in response to the pandemic. We are proud of that and happy that we were there for the community. We continue to look for things we can do to speed the recovery as quickly as we can. Mr. O'Briant stated since 2009 – 2010, we have been in a recovery that has seen great benefit to the country and to our region. He said what we have seen in Aiken can be characterized and backed up by the AECOM study-- that our region has done very well. There are opportunities that have come into town and continue to come and the future is bright. However, we have seen near zero growth. The trend has been that everybody who comes for the new quality jobs are choosing other communities to live in. We don't have the housing product that is being concentrated on in Columbia County, etc. A Commission like this might be set up if there are no jobs or opportunities to determine what they can do to get those jobs and opportunities. What we are looking at is there are a lot of economic opportunities regionally, and we need people to choose to come inside the city limits of Aiken to have an impact on our city budget and tax base. A number of ways have been explored, and we may talk about some of the research and what we have found on the analysis for different aspects of the community.

Mr. Bedenbaugh stated the amount of funding the City can put forth is limited, but we do have resources. For example, Council has made it clear that they would like us to try to seek funding from the State and Federal government for road improvements so we are applying for grants for the Whiskey Road Transportation Alternative for the western side of Whiskey Road, essentially from the Walmart detention pond to the Aiken Mall. We have applied for a grant with the State Transportation and Infrastructure Bank for the Powderhouse Connector which runs from the Cracker Barrel through 400 acres to eventually terminate at Pine Log and Powderhouse. We are also working on extending Centennial Drive. We are also purchasing and acquiring rights of way within the footprint of the Powderhouse Connector. Council approved the purchase of 3 acres behind the two tire businesses on Whiskey Road. We are working with the Centennial Business park owner to donate the detention pond to the city as we need that to get Centennial Drive extended. With these road improvements there will be hundreds of acres for potential development that will come into the city. He said these are some things being discussed that we would like the Commission to target how to best use our funds. Council made a financial commitment for the city to upgrade the sewer lift station in that area which will make sewer service available to the area for development. We are running sewer lines north of I-20 and Highway 1 because we believe there will be development there. We will be approaching the County about expanding our water and sewer district boundary north of I-20. Presently our water and sewer boundaries terminate at Shiloh Church Road. The Commission could help us target how best to focus on what the next phase is in terms of where we want to grow our infrastructure whether in the city or within our service area outside the city. He felt that ultimately the area will develop and be annexed to the city. He felt the Commission could help how best to target the funds we have and help point the direction where other funds might be available.

Mr. O'Briant stated another area of water and sewer availability expansion is along East Pine Log Road and the Steeplechase Tract. He pointed out that there are ways to grow a community.

We would be creating new development, and also annexing at the same time. A slower way is to take existing developed property outside the city and convert it through annexation. There are multiple strategies that can be used to grow the population base of the city. A very exciting one is the Whiskey Road corridor with the Centennial connector and Powderhouse.

The Commission members then discussed various items, their concerns, and excitement about helping Aiken grow. Concerns were expressed about surrounding areas growing in population, but Aiken not growing population wise. It was pointed out that the school systems in other areas were better than Aiken, but that should be changing now with the improvements being made in the school facilities. It was also pointed out that rental facilities were not available in Aiken to meet the needs.

There was a question as to whether the goal for the Commission was to help find the need or to help figure out how to rewrite some laws or rewording to make development more accessible.

Mr. Bedenbaugh responded that because of the nature of how government and bureaucracy work, the Commission would be more flexible and could do some things the city cannot do. He noted that to buy a piece of property the matter has to go to Council, be advertised, and Council vote. Whereas, the Commission could act more like a business and negotiate buying of property and execute it in a manner in theory that is much more efficient and timely than the City could do it.

Mr. Williams stated having recently gone through working with a project to bring a business to Aiken, he felt the process could have gone smoother, and that there were some hurdles that could be done better. He said the business did not come to Aiken, but it did not back out because of the City of Aiken. He said he was excited for the opportunity to work on this Commission. He said personally he felt the city does a good job, but some of the process could be done better.

Councilwoman Price stated the other piece that we are looking for includes economic development. She pointed out that the members of the Commission have a lot of contacts and could be helpful in recruiting businesses. She noted that Columbia County and Richmond County had gained many businesses in the past year. She wondered what we could do to gain businesses in Aiken.

Mr. O'Briant noted that communities that are experiencing residential growth have no issue recruiting retail. He pointed out that small business and even large businesses, factories, etc. have changed to where those jobs follow people. The companies are looking for communities that have good qualified people to build their facilities. He noted that in his study of economic development over the years, and especially the current trend, we have to answer the people question and build the employees instead of necessarily building the businesses. He said if we have well qualified employees and get more here, then we are not recruiting the businesses, the businesses will come because the numbers and traffic are there. He pointed out that as long as Aiken is at less than 1% growth, we don't get the attention of the corporate offices for expansion of their businesses.

Mr. Keith Wood stated there are a lot of things that need to be done in Aiken. He noted how many years Aiken has had zero to less than 1% growth. He pointed out that many businesses and restaurants have closed and he pointed out the Aiken Mall and its deterioration. He also pointed out downtown and the vacant and deteriorating buildings. He pointed out there are a lot of eyesores in Aiken. He felt that we have a lot to do. He said for the Commission to support City Council there are some things that need to be done. One is some baseline information. The plan that AECOM is doing is one, a marketing plan, and the strategic goals of City Council, administrative staff, and economic development are all baseline information that the Commission needs to be able to come back and list the items we want to tackle. He also pointed out the work going on at the Savannah River Site that needs to be addressed now. He said this will set the course for SRS for the next decade. He noted that we can talk about residential and needs, but if we don't have the jobs we don't need all of that. He felt that the large government installations like SRS and Fort Gordon need attention.

Mr. Chris Verenes stated he agrees with Mr. Wood. He said he had lived here all of his life in the city limits of Aiken. He mentioned several items of concern to him such as the issue over raising the hotel height, not widening the bypass to four lanes to make it easier to get from the south side to the north side, and people wanting Aiken to remain what it was when they retired here and not wanting changes to be made. He was concerned as to whether the infrastructure was in place to make bold decisions.

Mr. Williams also stated that he was concerned about the ability of Aiken to make bold decisions. He felt that should be the key phrase. He asked do we have the strength and the support to make these bold decisions. He noted that whenever you make changes, there will be resistance. He said he hoped we are bold enough to look at the naysayers and say we hear you and understand, but either we move forward or backwards, and we want to move forward. He said he hoped we can do that because if we don't we will be sitting idle for many more years.

Mr. Tim Dangerfield stated that he, Mr. Verenes and Mr. Wood had probably met once a month three years ago trying to do something like this, but they could not get any support or anything to happen. He said they saw this coming. He said he had been involved in other items and the reports went on the bookshelf. He was concerned that the Commission's work may go on the bookshelf. He said some tough decisions have to be made. He noted it was not just the City of Aiken, but also Aiken County where tough decisions have to be made. He did point out that if a big company wanted to come to Aiken, we don't have the labor force. He said the trained labor force is not here. He said we have some problems.

Councilman Woltz noted that when he first suggested the Development Commission, he received a lot of emails opposed to starting another group. However, we are here now. He felt the feeling now is more oriented for development than it has been. He noted that a lot of people are nervous about what is going on. We know we have to do something. We know we can't attract bricks and mortar. We can attract people. He felt there are many things that we need in Aiken, and we need to come up with reasons for people to want to come to Aiken. He said we need to attract young people. He felt we need to move forward. It is great to have the retirement community, but we also need to have things for families and attract young people to our community.

Councilwoman Price stated people sometimes don't like changes but you need courage and boldness and think about what is best for the town. She noted it has nothing to do with the staff as we have a great staff who will do whatever Council votes to do. She noted one reason the bypass was not widened to four lanes, was that we lacked about \$7 million dollars to be able to complete the bypass. We did not want to take the risk because we did not have the money. You can't move forward quickly if you think like that. You have to take risks.

Mr. Williams stated someone has to take the lead, and City Council may have to take some risks to encourage people to come to Aiken. When bold decisions are made businesses and people will see that this is a progressive place and willing to move forward.

Mr. O'Briant stated infrastructure had been mentioned to move things forward. He said this is an attempt to build some of the infrastructure. When Council faces a daunting decision and challenge, he felt they are looking for the Commission which has researched the issues to say "City Council should do this because here is the data." He said he felt the "trips and falls" of the past ironically present us an opportunity. We have been conservative and held back. We have failed to do things we probably should have done. We have been looking for a better day. Possibly recovering from the pandemic and with the federal opportunities that are coming up, it is time to happen. The City does not owe money. We have zero GO debt. Right now we are in a good position where we are not in a crises of this sort, so let's make some decisions and move on.

Councilman Woltz pointed out that the city has not had a master plan in the past to say this is where we want to go. He stated with AECOM we are getting that point of what we want to look like and where we need to head. He said we don't seem to have a plan of where we want to go. Hopefully, the plan from AECOM will help us get there.

Mr. O'Briant stated the AECOM report is not a study, not a plan or research project, but is an action plan of steps that we will take over the next three to five years to accomplish the goals of our city.

Mr. Williams stated he felt the Commission, if it is to be productive, should probably meet twice a month. He felt 24 meetings should be set up, and if the people on the Commission are committed they will make the meetings. He felt meeting monthly, if you miss a meeting, it takes too much time getting caught up. He felt if the members can commit to 24 meetings over the next year, that the Commission can be more effective. He said they have to make some bold decisions to make a commitment to this project.

The Commission members discussed a meeting time and date. It was decided to meet on the first and third Tuesdays at 3:30 p.m. at the Lessie B. Price Senior & Youth Center.

Mr. O'Briant stated at the next meeting the group needs to select a Chair.

Mr. Bedenbaugh stated that at a future meeting we will have a presentation from AECOM giving a briefing on the status of the Economic Development Action Plan.

Mr. O'Briant stated he hoped to have a report at the June 16 meeting from Arnett Muldrow & Associates for the Commission members. It was also noted that in the future they will be looking for a marketing firm. The present marketing firm the city has is essentially for tourism. We will probably need to look at a different level of marketing for economic development.

It was pointed out that the Commission needs to start with the master plan, understand what is in the master plan, and then get a marketing plan. It is hoped that the marketing plan scope will be more than just tourism. It was also noted that it is felt that we need to work on getting young people to come to Aiken. However, it was noted that we already have a momentum for retirees, and that we should continue to build and focus on our retirement community as well as encourage young people to come to Aiken. It was pointed out that they need to find a balance and make bold decisions.

ADJOURNMENT

Mr. O'Briant stated staff would get an agenda out for the June 2, 2020, meeting to be held at the Lessie B. Price Senior & Youth Center at 3:30 P.M.

The meeting adjourned at 2:20 P.M.

Sara B. Ridout
City Clerk