

PUBLIC NOTICE

Aiken Municipal Development Commission Meeting

The Aiken Municipal Development Commission will meet **in-person** on Tuesday, March 16, 2021, at 3:30 P.M. at the Lessie B. Price Senior & Youth Center at 841 Edgefield Avenue NW.

EXECUTIVE SESSION NOTICE

After the regular meeting, the Aiken Municipal Development Commission will meet in Executive Session pursuant to Section 30-4-70(2) of the South Carolina Code to discuss matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body.

Specifically, the Aiken Municipal Development Commission will discuss matters regarding property in the downtown area.

Aiken Municipal Development Commission

Agenda

Lessie B. Price Senior & Youth Center
841 Edgefield Avenue NW

March 16, 2021

3:30 P.M.

CALL TO ORDER

1. Approval of Agenda for March 16, 2021.
2. Approval of Minutes for February 16, 2021.
3. City Council Work Session Update – Executive Committee.
4. Goals/ Objectives Path Forward – Keith Wood/Tom Hallman
5. Comments by Commission Members.
6. Information and Updates from Staff.
7. Executive Session.

ADJOURNMENT

Aiken Municipal Development Commission Minutes

Via Zoom
February 16, 2021

Present: Keith Wood, David Jameson, Philip Merry, and Chris Verenes.

Absent: Marty Gillam, Stuart MacVean, Doug Slaughter, and Tom Williams.

Others Present: Tim O'Briant, Sabina Craig, Sara Ridout, Councilwoman Price and Tom Hallman.

Mr. Wood, Chair, called the meeting to order at 3:31 p.m. He noted at the time a quorum of the members was not present to approve the agenda and the minutes. He pointed out the Commission would hear the presentation from Dr. Sandra Jordan, USC Aiken Chancellor, regarding the status and potential of the Advance Manufacturing Center and the National Guard Dreamport on the USC Aiken Campus.

ADVANCE MANUFACTURING COLLABORATIVE INITIATIVE

USC Aiken Campus

Dr. Sandra Jordan

Status Report

Mr. Wood pointed out that the MDC has been and is very supportive of USC Aiken and the two initiatives about which Dr. Jordan will talk to the Commission. He noted that the Commission had sent a letter to the Governor, the State Legislatures, and the Mayor and City Council, to make sure they understood the MDC's support and requesting some of the settlement funds that may be distributed later this year for these two projects. He pointed out that the MDC will also be speaking to City Council within the next two weeks to lay out MDC's strategic plan initiatives and requests for funding. Some of those funds requested will be tied to these two initiatives as well.

Dr. Jordan pointed out that it is believed that these two projects could have a significant impact on the community. She first reviewed the Advance Manufacturing Collaborative which has been in the making for six years. The project is called the AMC. She pointed out the project in effect is moving many of the research items from the Savannah River National Laboratory from the site and behind fencing onto the USC Aiken campus into a state of the art facility. This allows for them to share their research to leverage it outward. The work that they are doing under their mission for SRS has many things in it that can help businesses, industry, etc. They want to have a space where they can bring in young scientists, engineers, and chemists which will be located on College Station Drive in a \$50 million facility funded by the federal government with no resources being requested from the city with the exception of \$10 million for them to branch into a new aspect of research. She said she had requested that the \$10 million come out of the Plutonium settlement funds or state funds.

Dr. Jordan reviewed what the AMC would be doing, including robotics, smart manufacturing, cyber security, additive manufacturing, process intensification, virtual reality, computational chemistry, and new bio-manufacturing for which additional funding was requested. The new endeavor is not currently included in the cost of the building and the setup of the laboratories at the AMC. She said there had been a lot of talk about bio-manufacturing lately.

Dr. Jordan stated by locating the AMC, the wing of the National Lab, at USC Aiken some of the things they were excited about is that they get to access the campus environment and help recruit new young scientists and engineers. They would also be next door to the College of Business, the School of Communications, Engineering Programs, Technical Lighting and Graphics Design Program so when they bring clients in to help solve problems, they have the other substructures at the University to help serve a total solution for their client. She said they had been adding new programs over the last several years on campus that are along the line with the mission of the AMC so there is an opportunity for the students to have real world problems to work on, but also opportunities for the AMC to expand what they can deliver to their clients. They also have an educational mission, and they are very committed to workforce development so it also gives them access to USC Aiken's K-12 students who come into the Ruth Patrick Science Education Center. She noted that in a typical year 50,000 students from K-12 who come through the Center for workshops will now also have an opportunity to go to the AMC and see science at work. It would give them access to our Honors High School on campus.

Dr. Jordan stated there are two things under the AMC that people might not know much about. One is virtual reality which is where industry and business are going with training, modeling, etc. USC Aiken has a virtual reality program, and AMC has expertise, and they will be able to offer that as a way of helping business and industry. The other is applied gaming which is also a modeling program. It allows teams to work with data structures, algorithmic designs, information security designs, etc. to game out solutions to problems that can be applied to real world situations. It gives a broad range of opportunities to game out solutions without having to do it in the real world or on real people first.

Dr. Jordan said that if we just dream a moment, we can see how AMC could have a huge impact on attracting new industry and businesses into our area. By having AMC nearby where people can go into the facility and talk to experts about problems on a robotic line, a chemical problem, cyber issue, etc., this is the kind of solutions and long term problem solving that will be at the disposal of this new industry for everyone. Bio-manufacturing is the new segment and that is why \$10 million has been requested to set up laboratories and bio-manufacturing at AMC.

Dr. Jordan noted that this had been a six-year project, and a lot of people had been involved with this project and had a part in making this happen. She pointed out that \$50 million had been allocated by the federal government for the construction of the building. A land lease is in place between the University of South Carolina Aiken signed by the Department of Energy and the Aiken County Commission. The partnership has been announced in a formal manner. The placement of the building had been agreed upon. All the land analysis has been done in order for the federal government to be satisfied, and all of that has been approved. Presently they are working on the building design. Some value engineering will have to be done because the money that could be received six years ago will not go as far today. It is hoped to break ground

in the fall of 2021. They have 24 months to complete the building before they have to start paying rent.

Mr. Wood asked how the MDC could help the University on this mission, and how can we ensure that this will be a benefit to the city as well as the University.

Dr. Jordan noted that the MDC had already started with the assistance. She pointed out that many letters had been written by individuals and companies. Requesting funding for the extra \$10 million for bio-manufacturing had been done which is very important to them. The other thing that can be done is to continue to talk it up and even before it begins we need to be talking about businesses that might want to relocate here in order to take advantage of the presence of a National Lab that is not high security. This would place all of the benefits of a National Lab in the middle of our town. The next thing would be to recruit businesses and industry to locate here. She pointed out that has been done with DreamPort.

DREAMPORT

National Guard Dreamport

Dr. Jordan stated that they had been working on the National Guard DreamPort project for about four years. She said the funny name of DreamPort is not a sleep center. She pointed out the DreamPort will be located next door to the AMC. It is a \$30 million facility. \$15,000 million has already been appropriated in federal funds which needs to be matched by the state. One of the great advocates for this project is the Adjunct General Vance Carter. He is committed to the project being located on the USC Aiken campus. She showed an artist rendering of what the facility could look like.

Dr. Jordan stated the DreamPort project would have two parts. One part will be secluded in high security. It will be the home of the 125th Cyber Battalion. We are one of only a very few states in America that have their own National Guard Cyber Battalion stationed here. They are in temporary space now, but they want to build this DreamPort in order to have a place from which their cyber battalion members can work. They have committed to providing cyber security for the state and nation, and they have an important mission. Part of this facility will also be open to the public. This will create an ecosystem for cyber industry work and for them to partner with. She felt this would be a wonderful opportunity for them. She pointed out that the biggest money coming out of the federal government is to support cyber and terrorist battles for the military. The cyber DreamPort belonging to the National Guard means that they have the latest and greatest material and tools. This would give them the ability to work with a state of the art facility, with state of the art equipment, and then open up the non-restricted areas to business, industry, small government, education, hospitals, etc. She pointed out that a single cyber-attack on an average company costs them \$8.64 million. It is a huge impact on the revenue of a company or industry. Globally cyber-attacks are costing world industries \$5.2 trillion each year. Companies are investing tons of money to try to protect themselves from constant cyber-attacks. She pointed out that particularly small businesses cannot afford these costs. The DreamPort would be a place that they could go for workshops, training, and the opportunity to learn more about what they need now. She pointed out that USC Aiken has a new cyber program, and will

be working with the DreamPort with real world projects. There is a benefit on both the educational side, as well as for businesses, industry and small business, and governments.

Dr. Jordan stated the DreamPort wants to locate next to the AMC because the AMC is doing research and cyber work. Both the AMC and the National Guard already have contracts with Fort Gordon and the cyber command there. Having them in Aiken also helps us as a community to connect back to Fort Gordon.

Dr. Jordan stated the DreamPort like AMC has a non-security area that allows individuals and businesses and industry to come in. They will hold conferences, workshops, and will work one-on-one solutions. They will have educational partners, and they will host cyber security conferences.

Dr. Jordan reviewed the progress of the project. Federal permission for the project has been granted from the DOE. \$15 million federal dollars have been approved. The National Guard partner has been set up and approved. The MOU with the partner has been signed. They are seeking the state matching dollars now. It is in the Governor's executive budget. The legislative process is underway. It is hoped that funding will be in the 2022 budget. The project is scheduled for 2024, assuming we get the funding. Funding has been asked for through the Plutonium Settlement or through appropriation. She pointed out that the AMC had helped attract the DreamPort. Both of the initiatives would take advantage of the University and the intellectual capital they have to leverage. The impact on education, the work force, Fort Gordon, business, industry, the medical profession, federal and state entities would be enormous. This could be an anchor for all sorts of new opportunities for our area.

Mr. Wood noted that the MDC would be going through their strategic planning process, and would be making a presentation to City Council in a couple of weeks. He said once they complete that portion of the process, they would like to come over and visit Dr. Jordan and staff and discuss ways that the MDC could support and help them.

Mr. Wood stated Mr. Merry would be joining the meeting in a few minutes. In the meantime, the Commission will move forward and come back later with a quorum present and approve the amended agenda and the minutes.

Mr. Wood stated regarding the presentation from Dr. Jordan, the Commission will need to follow up with her and her staff as well as the Department of Energy, the new contractor running the Lab, and the State. He felt the City should help and should be engaged and involved, including city staff and the MDC.

WILLIAMSBURG STREET

Redevelopment Project

Mr. Wood stated the next item was an update and status report regarding the Williamsburg Street Redevelopment Project by Tim O'Briant.

Mr. O'Briant stated the Williamsburg Street Redevelopment project is something that has been talked about for a little while. He said he wanted to update the Commission on the project. He said the project involves the Jackson property on Williamsburg Street just off of Richland Avenue across from the Farmers' Market. He pointed out that the City and the EPA through a Brownsville Grant have put significant effort into cleaning up the site which was a former petroleum distributorship and a number of other things throughout its history. The property is just over 2 acres. He pointed out that the City entered a contract to purchase the site to facilitate its redevelopment about six weeks ago. We were expecting to close a few weeks ago, but there was a death in the family of the current ownership so the closing was delayed. The closing is to be on February 25, 2021. The City has entered into a voluntary cleanup contract with the Department of Health and Environmental Control in South Carolina. This essentially establishes that the City has a good idea of what the environmental implications are for this property and the City is the non-responsible party. The State has agreed that there has been a good deal of due diligence in pursuing any kind of environmental concerns on the property so they will hold the City harmless as a responsible party for things unknown that may come up later.

Mr. O'Briant stated the original idea behind the purchase of the property was that we have the Farmers' Market in the area which we all know is an important asset to the community. He noted that the whole eastern portion of the city is a key element of the downtown grid, but it could use some assistance. Looking at this, we know that with the Jackson Petroleum site which the City is going to purchase, we will be working with developers. He pointed out a concept plan which shows a 24-unit multi-family affordable housing complex with a significant amount of parking that would serve the site. We have also had some engineering done to make sure that the stormwater and other issues would be taken care of. We know that we will be closing on the property, and then we will begin trying to get proposals from various developers and review them. Then the MDC will get involved once the City owns this property with trying to spearhead the property's continued cleanup and then redevelopment. As we work on this project, the City has engaged, a landscape architect and Cranston Engineering in team work to review a basic conceptual plan for what the entire block between Richland and Park could look like. There is some existing housing in the area that is dilapidated. We are trying to envision what we could do with the dilapidated housing. He pointed out the present plan envisions coming in with a rear alley access to the homes on Williamsburg Street, building some carports and doing a rehabilitation of some of the housing. He pointed out the vision is a wish list, and we are exploring what the costs would be, and what the opportunities are. It seems there is some potential there so we may move forward in that direction.

Mr. O'Briant stated that he and Sabina Craig, on his staff, have been working on an application to the Department of Housing and Urban Development through our Community Development Block Grant Program to examine whether we could borrow ahead some of our CDBG allocation to do a streetscape improvement in the Farmers' Market area and along Richland Avenue. If we were able to do that the City has about \$1 million in borrow ahead capacity that would then be paid back over 20 years by a reduction in our annual entitlement from the federal government. If this can be done, there would be no direct Aiken, South Carolina, taxpayer expense for that if we find it is possible to borrow ahead CDBG funding. Staff is in the process of trying to complete the application. It would be targeted toward reducing blight which is a national objective of the Community Block Grant program. We had a conference call with about six federal officials last

week. We reviewed with the federal officials, the initial concept plans, discussed the low to moderate income neighborhood that we would be targeting, and there was some enthusiasm. We think that we may be able to step in that direction, and maybe extend our investment in the Jackson Petroleum property to really lift up an area of the city that we want to see start the ripple effect neighborhood by neighborhood.

Mr. O'Briant stated things are moving forward, and we will be closing on the Jackson property in a few weeks. He said he would keep the MDC up to date as we see opportunities to extend the effort and possibly try to realize the whole plan if it is agreed that it is a good goal.

The Commission members then discussed the proposed project for the Williamsburg Street SE area and how this project and other projects can happen and move forward. It was noted that some developers could be of help in developing some ideas of what would work for the area and what would look good. Mr. O'Briant stated that there had already been a great deal of excitement. He said he had spent a lot of time talking to the development community. He said he was trying to engage the excitement of people who might invest in the future. He felt there is a good deal of excitement. He felt people see it as a doable project. The overall budget we are looking at if we were to do the entire block would be less than \$10 million. He said when we get an answer from HUD as far as whether the City will have the funds or the Commission would be the partner of spending those funds to redo the streetscape, the stormwater, the parking, and the public infrastructure, then that will incentivize private developers to see that the City has invested in this block and now they want to come in and invest as well. He said he did not have an answer to the question as to when the 2 acres would be ready for development.

It was noted by the Commission members that one thing to think about is doing this project on Williamsburg Street and then moving to another part of town. It was felt that the ideal would be to take the success of Williamsburg Street once it is far enough along, and then the Commission could figure out how to leverage that success in the same part of town.

Mr. O'Briant stated he was passionate about all of the projects. He felt the Williamsburg Street project presents an opportunity to very clearly adhere to the Strategic Plan that the Commission has worked on the last several months. It keys on development of housing, and identifying and acquiring key properties that could make a difference. He felt this is a project that demonstrates our capabilities.

It was noted that the Commission approved a redevelopment zone for several blocks in the downtown. There was a question if the Commission needed to approve another redevelopment zone that includes the Williamsburg area.

Mr. O'Briant pointed out that at a previous meeting the Commission approved the AECOM Redevelopment Plan for the City of Aiken so all of Aiken would be incorporated in the redevelopment zone. That was intentional so the Commission does not have to go through the time and expense of very specific redevelopment plans. We do expect to use the experts to fully plan out any project that we do. The plan is the device that we need to empower the MDC. The MDC redevelopment plan is anything within the boundaries of the City of Aiken as governed by the AECOM plan.

Mr. Wood thanked Mr. O'Briant for his presentation. He noted that the Williamsburg Street project has a lot of possibilities for the City.

AGENDA

Mr. Wood stated because a quorum was not present at the beginning of the meeting, the Commission moved forward with other items on the agenda. He noted that Items 3 and 4 were moved up on the agenda. He asked the Commission to approve the amended agenda. Mr. Jameson moved, seconded by Mr. Merry, that the Commission approve the amended agenda. The motion was unanimously approved.

MINUTES

Mr. Wood asked the members to consider approval of the minutes for the February 2, 2021, meeting. Mr. Verenes moved, seconded by Mr. Jameson, that the minutes for the February 2, 2021, meeting be approved. The motion was unanimously approved.

COMMENTS BY COMMISSION MEMBERS

Mr. Wood asked if there were any comments by the Commission members.

Mr. Verenes asked if anyone would know how many people the AMC will house in their building and how many people DreamPort would have in their building.

Mr. Jameson stated he felt that is a working number. He noted that six years ago when we were in the early stages of this project, they were talking about potentially 100 scientists and engineers being in town at the facility. He said he did not know if that was still a working number or not. He said the DreamPort will have fewer people because of the secure room. He said the key point is how many people will float in and out of AMC with the ease of badging, more conferences, clinics or workshops taking place in the community. He said he had no specific number and felt everything is subject to change with the contract changing for the Lab to an independent contractor.

Mr. Verenes noted that another 100 people on the campus will provide a lot of retail opportunities.

Mr. Jameson stated he felt it would create opportunities for food and beverage, hotel and motel, and possibly other amenities, and that would create business demand outside of the buildings of the AMC and DreamPort. He felt that is what we want to leverage.

Mr. Wood stated that \$50 million was the number for the building. He felt their challenge is how do we expand beyond the Department of Energy and Savannah River Site number, not necessarily inside the building, but within a collaborative approach for additional research and additional advanced manufacturing that may not be directly related to the AMC mission. He felt

that was some of the follow up discussion that the Commission needs to have with Dr. Jordan, Battelle Labs and the Department of Energy to see how the Commission can help.

Mr. O'Briant noted that the Commission needs to remember as we work through our goals and objectives that these facilities will be just outside the boundaries of the city. There is a lot of land there that is outside the boundaries of the city, but contiguous through some frontage. It might be well for the Commission to have that conversation with Dr. Jordan and look at where these areas might be and make sure those are in the city and we are identifying that available land.

Mr. Jameson pointed out that the two projects are at least \$90 million if fully funded.

Mr. Wood pointed out that Dr. Jordan has spoken to the Commission today. He felt the Commission needs to have Battelle Labs come speak to the group also.

Mr. Wood stated that the Strategic Planning documents had been submitted to the City. He pointed out that the Mayor and Mr. Bedenbaugh had acknowledged receipt of the documents. He said he did not have a date when the City's strategic planning session is going to take place. He thought it would be over the next two to three weeks in several sessions. He pointed out that he and Dr. Hallman would need to be available to make the Commission presentation to City Council when a date is set.

Mr. Wood stated there would be some feedback at the next Commission meeting from the City Council presentation. He said he would also like to have Vic Mills meet with the group to give an update on the Aiken Mall. He also pointed out that Battelle Labs needs to be invited to make a presentation to the Commission at a future meeting. There also needs to be an update on the Aiken Hotel on Laurens and Richland.

Mr. Jameson stated there also needs to be an update on the Old Aiken Hospital property on Richland Avenue. Also, if we are not clear about how the settlement fund negotiations are moving forward, possibly there needs to be an update on the Plutonium Settlement funds in April or May.

Mr. O'Briant stated at some point the Commission needs to have an update on the Hahn Village project on Laurens Street and the Housing Authority's plans. It was pointed out that the Hahn Village property is very important as that is 19.5 acres on Laurens Street at the entrance to the city.

Councilwoman Price noted we need to look at the property at the corner of Hampton Avenue and Laurens Street as this is another key location to the city.

Mr. Wood pointed out that he had circulated to the Commission members the name of a potential ninth member of the Commission. That name has been provided to the Mayor and to City Council for consideration.

ADJOURNMENT

There being no further business, Mr. Merry moved, seconded by Mr. Verenes, that the meeting adjourn. The meeting adjourned at 4:45 P.M.

Sara B. Ridout
City Clerk