

Aiken Municipal Development Commission Agenda

City of Aiken Municipal Building

Room 204

214 Park Avenue SW

Aiken, SC 29801

November 23, 2021

3:30 P.M.

CALL TO ORDER

1. Approval of Agenda for November 23, 2021
2. Approval of Prior Meeting Minutes, As Needed
3. Comments by Commission Members
4. Information and Updates from Staff
5. Consideration of Authorization of Purchase and Sale Agreement in Connection with Project Pascalis
6. Executive Session (an executive session may be held in connection with any agenda item after which action may be taken on such item; action will not be taken following any executive session unrelated to any item on the agenda)

ADJOURNMENT

Aiken Municipal Development Commission Minutes

Municipal Conference Center – 214 Park Avenue SW
November 9, 2021

Present: Keith Wood, Catina Broadwater, Marty Gillam, David Jameson, Chad Matthews, Philip Merry, Doug Slaughter, and Chris Verenes.

Absent: Stuart MacVean

Others Present: Tim O'Briant, Stuart Bedenbaugh, Sabina Craig, Sara Ridout, Diana Floyd, Tom Hallman, Marya Moultrie, Mary Tilton, Mark Chostner, about 35 citizens, and Colin Demarest of the Aiken Standard.

Mr. Wood, Chair, called the meeting of November 9, 2021, to order at 2:05 p.m.

GUIDELINES

Mr. Wood reviewed the guidelines for conducting and speaking at the meeting.

AGENDA

Mr. Wood stated the first item of business is approval of the agenda for November 9, 2021.

Mr. Jameson moved, second by Ms. Broadwater, that the agenda be approved as presented. The motion was unanimously approved.

MINUTES

Mr. Wood asked the members to consider approval of the minutes for the October 12, 2021, meeting. Mr. Slaughter moved, seconded by Ms. Broadwater, that the minutes for the October 12, 2021 meeting be approved. The motion was unanimously approved.

URBAN 3

Joseph Minicozzi

Return on Investment

Downtown Redevelopment

Mr. Wood stated there would be two presentations, both will be very informative and connected to our downtown development.

Mr. Joseph Minicozzi, of Urban 3, spoke regarding the return on investment related to downtown redevelopment and his firm's findings relative to the merits of Project Pascalis.

Mr. Minicozzi stated he would review some economic data and the benefits of redevelopment of the downtown. He showed some before and after pictures of revitalization projects in Asheville,

North Carolina, and other areas and reviewed the increase in value of the projects, increase in taxes for the city, and the effect on the economy for the area.

Mr. Wood asked if there were any questions for Mr. Minicozzi.

Mr. O'Briant noted that Mr. Minicozzi made a very good presentation. He pointed out the slide with the parking revenue. He noted that there would not be charges for public parking. The parking revenues are related to fees that would be paid by any hotel guests or residents of apartments, not for public parking.

AECOM

Chris Brewer
Conference Center
Downtown Hotel

Mr. Wood stated the next speaker is Chris Brewer, of AECOM. He pointed out that about the same time that the AMDC was being established by City Council, they also made a decision to fund a master plan. The master plan was completed by AECOM. He pointed out that a lot of the decisions being made today are not being made in a vacuum. The information that will be presented discusses the feasibility information of a downtown hotel and conference center.

Mr. Chris Brewer, of AECOM, spoke regarding the firm's findings and analysis of the feasibility of a downtown hotel and conference center development in downtown Aiken. As part of the effort, he said they evaluated real estate trends across downtown Aiken in context with benchmarks. They also provided an overview as to banquet/conference center facilities and hotel inventories in competitive downtowns. He discussed items to consider are the role of the City and the role of the private developer for such a project. He pointed out relative to peers, Aiken has fewer hotel rooms compared to cities with less than 40,000 residents, and the comparison of average daily rate for hotel rooms shows Aiken at the bottom of the list. Aiken lacks new construction hotels not only in the downtown, but within a two-mile radius of the downtown. He also pointed out that developable land in the Downtown Aiken is scarce. He noted that a 150 room hotel compared to 100 rooms is more viable for private development.

Mr. Brewer also discussed a proposed Conference Center with an operator who could run the day to day business with a focus on banquets and local events. He discussed parking and noted that a parking garage would be expensive. He pointed out that the general feeling is that hotel guests would pay for overnight parking to help offset operational expenses. He said how to handle downtown parking is ultimately a policy question. However, there are reasons the city usually provides public parking.

Mr. Wood thanked Mr. Minicozzi and Mr. Brewer for their informative presentations.

RESOLUTION 11092021

Grant Agreement
Aiken Municipal Development Commission
City of Aiken
Project Pascalis

Mr. Wood stated the MDC would be considering three resolutions and would be voting on the resolutions. He said he would read the title of the resolutions, ask for a motion and a second, and have an overview from staff to explain the resolution in detail. He would then ask for public comment, commission member comment, and then a vote on the resolutions.

Mr. Verenes stated he has a potential conflict of interest so he would excuse himself from participating in the discussion and voting on the resolutions, including items 5, 6 and 7 on the agenda. Mr. Verenes left the room.

Mr. Wood read the title of the resolution.

A RESOLUTION OF THE AIKEN MUNICIPAL DEVELOPMENT COMMISSION
AUTHORIZING THE EXECUTION AND DELIVERY OF A GRANT AGREEMENT
BETWEEN THE COMMISSION AND THE CITY OF AIKEN IN CONNECTION WITH
PROJECT PASCALIS AND OTHER MATTERS RELATED THERETO.

Mr. Slaughter moved, seconded by Mr. Merry, that the MDC approve the resolution authorizing a grant agreement between the Commission and the City of Aiken regarding Project Pascalis.

Mr. O'Briant stated about 60 days ago the Aiken City Council approved a General Obligation Bond issuance not to exceed \$10 million (approved \$9.6 million issue). In the authorization for the bond, Council also included a budget amendment which directed the funds be provided to the Aiken Municipal Development Commission for its use in aggregating and purchasing the property within the Parkway District. The legal framework and agreement are essentially the Commission agreeing to use the funds borrowed by the city in the form and fashion that the City Council desires. The resolution formalizes the arrangement that the MDC was provided funds and that it will be spent for what they have been directed to spend it for.

Mr. Wood ask for any comments from the public and the Commission members. There were no comments.

Mr. Wood called for a vote on the motion by Mr. Slaughter, seconded by Mr. Merry, that the MDC approve the resolution authorizing a grant agreement between the Commission and the City of Aiken regarding Project Pascalis. The motion was approved, with Mr. Verenes abstaining from discussion and voting.

RESOLUTION 11092021A

Purchase of Property
Chamber of Commerce
Pascalis Project

Mr. Jameson stated that he has a potential conflict of interest in the next resolution. He said that he would recuse himself from participating in the discussion and voting on the resolution. Mr. Jameson left the room.

Mr. Wood read the title of the resolution.

A RESOLUTION OF THE AIKEN MUNICIPAL DEVELOPMENT COMMISSION
AUTHORIZING THE ACCEPTANCE OF AN ASSIGNMENT OF CERTAIN OPTIONS TO
PURCHASE REAL PROPERTY FROM THE GREATER AIKEN CHAMBER OF
COMMERCE IN CONNECTION WITH PROJECT PASCALIS AND OTHER MATTERS
RELATED THERETO.

Mr. Gillam moved, seconded by Mr. Merry, that the Commission approve the resolution to accept assignment of options to purchase real property from the Greater Aiken Chamber of Commerce in connection with Project Pascalis.

Mr. O'Briant stated that as we moved through the early process of negotiating with an initial developer who held contracts for the purchase of real estate that we considering the purchase of, negotiations with that group broke down. We had a cost sharing agreement where we were doing pre-development explorations. In exchange for that agreement the developer had granted the Commission the right to maintain those options and contracts on the project to keep the project alive. The developer pulled out so late that it was impossible for the MDC or Council to act in time to save the contracts by the deadline. The Greater Aiken Chamber of Commerce and their Executive Committee stepped in and agreed to hold those options and make available the sum of \$135,000 to pay the earnest money on the contract. Today this resolution will repay the Chamber of Commerce for their advance for the options to purchase the property.

Mr. Wood asked for comments from the public and the Commission members. There were no comments.

Mr. Wood called for a vote on the motion by Mr. Gillam, seconded by Mr. Merry, that the Commission approve the resolution to accept assignment of options to purchase real property from the Greater Aiken Chamber of Commerce in connection with Project Pascalis. The motion was approved by the Commission, with Mr. Verenes and Mr. Jameson abstaining from participating in the discussion and voting on the resolution.

Mr. Jameson returned to the meeting.

Mr. Wood thanked the Greater Aiken Chamber of Commerce for stepping up and helping with the options.

RESOLUTION 11092021B

Purchase of Property
Pascalis Project

Mr. Wood read the title of the resolution.

A RESOLUTION OF THE AIKEN MUNICIPAL DEVELOPMENT COMMISSION
AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY IN CONNECTION
WITH PROJECT PASCALIS AND OTHER MATTERS RELATED THERETO.

Mr. Slaughter moved, seconded by Mr. Merry, that the Commission approve the resolution authorizing the Municipal Development Commission to purchase property in connection with Project Pascalis.

Mr. Wood asked for comments from the public and from the Commission or staff.

Mr. O'Briant stated the other resolutions approved have prepared the way for approval of this resolution. The action of City Council to approve the bonds earlier this year paved the way for this action. He said the resolution is the mechanism that will approve the purchase of the seven parcels of property that have been identified as the site of Project Pascalis in downtown Aiken. This will allow the Commission to undertake what we believe is very important for redevelopment of the properties.

Mr. Wood called for a vote on the motion by Mr. Slaughter, seconded by Mr. Merry, that the Commission approve the resolution authorizing the Municipal Development Commission to purchase property in connection with Project Pascalis. The motion was approved by the Commission, with Mr. Verenes abstaining from participating in the discussion and voting on the resolution.

Mr. Wood thanked Mr. O'Briant, Mr. Bedenbaugh, and staff for all the hard work they did to get us to this point. He thanked Mr. Jameson from the Chamber of Commerce for what they did. He also thanked Council for stepping up and taking a leadership role and issuing bonds to get us to this point.

Mr. Verenes returned to the meeting.

COMMENTS BY COMMISSION MEMBERS

Mr. Wood asked for any comments from the Commission members. He noted that this is a big day for Aiken.

Mr. Jameson stated he felt this is an important moment in Aiken's history. How it is going to turn out is yet to be seen, but we are heading down a methodical, but a growth path. He said he felt the MDC, City Council, and other groups in Aiken want to ban together to build Aiken's future and that is what we are doing starting today.

Mr. Verenes stated he wanted to applaud the Mayor and City Council, and staff members for what has been done so far for the betterment of our community. He said he felt the community will pull together to build on the betterment and growth of our community.

Mr. Slaughter stated in thinking about Citizens Field, Hopelands Gardens, and other public-private partnerships, these are what have made Aiken attractive through the years. He said working with the ADDA for the streetscaping that has already been done, this is another project that will improve the city a lot more. He said he was excited to be a part of this.

Ms. Broadwater echoed the comments of others and said this is a great day to be in Aiken.

Mr. Merry stated in the past we have been accused of failing to plan. He pointed out this project is what planning is about. This is the process. This is planning not just for tomorrow, but for the future.

Mr. Gillam thanked Council and staff for investing in the growth of Aiken and betterment of Aiken. He pointed out this is the time to take action. He noted that if no action is taken soon, the deterioration of the downtown will expand. He said he was excited about the project.

Mr. Matthews stated he was new to the group. He felt the presentations were good. He thanked the city for its initiative to put in dollars and cents. He said he felt this project would help so many people. He said he was excited about the project. He noted the cost that was mentioned for parking space. He pointed out that no business could do that on its own. He noted that it takes a partnership to make sure that we can still thrive as a business in the future.

Mr. Wood thanked everyone. He pointed out the actions today were steps in the process. There are still hurdles ahead working with developers to ensure that we develop the downtown property working with the City, Council, and others to do it in an efficient and safe way. He said there is more work to be done which will be done in a transparent way to ensure the public is aware of every step being taken in the process. He noted this is a big day, but there is more to be done.

EXECUTIVE SESSION

Mr. Wood noted that the agenda item number 8 mentions an Executive Session. He said he did not feel there was a need for the Commission to meet in Executive Session at this time.

COMMENTS FROM STAFF

Mr. O'Briant stated he felt this is an historic day. It will be a big headline, but it won't be the last one. He said we will be moving forward with a lot of deliberate work, trying not only to get this done very well, but also as quickly as we can as the community has waited for some time for this issue to be addressed. He said we are trying to do it with speed. He noted that regarding transparency, as promised last week, now that official action has been taken, the website devoted to the activities of the Municipal Development Commission will go live this evening. Eventually when we do develop actual designs and plans, that will be on the website. The URL is: aikenmdc.org.

Mr. Wood noted the Municipal Development Commission meeting was different from their usual meeting. He pointed out that at the December meeting, the Commission will get back to their regular meeting agenda. He said the Committees will be back hard at work and Dr. Hallman will give a briefing as to his work and efforts.

ADJOURNMENT

There being no further business, Mr. Slaughter moved, seconded by Ms. Broadwater that the meeting adjourn. The meeting adjourned at 3:25 p.m.

Sara B. Ridout
City Clerk