

**TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
ECONOMIC DEVELOPMENT COMMITTEE
Tuesday, September 4, 2018
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane, Mount Pleasant, SC 29464**

MINUTES

Members Present: Bob Brimmer, Chairman, Joe Bustos, Kathy Landing and Rick Crosby (MPW)

Staff Present: Eric DeMoura, Town Administrator

Mr. Brimmer called the meeting to order at 11:08 a.m.

1. Approval of Minutes from the [July 2, 2018](#) meeting

Mr. Bustos moved for approval; seconded by Mr. Crosby. All present voted in favor.

2. Public Comments

Will Haynie, 316 Mallard Court, stated that he would like to comment on the next agenda item. He stated that the Town has had a really good staff in this department and he is sorry to see them depart from the Town. He said that this is a time for the Town to reconsider what we need to do and where we need to go. He stated that he has the Mayor's panel, Economic and Business Development and have people that have branded this "boutiques to Boeing" on this committee. He said we will have everything from one owner local shops all the way to aerospace industry. He said we want to look at what the Town does for economic development and business development in general. He said some of the feedback he received from staff is regarding the Town taking the role in all the ribbon cuttings. He said as important and wonderful as ribbon cuttings are, they should be led by the Chamber of Commerce. He said this is more of a Chamber function, where we are guests and a Town

function where the Chamber are guests, because it is symbolic. He stated that if we can get on the substance instead of symbolism we will be doing a really good job for the Town of Mount Pleasant as our economy changes and we grow our economy for Mount Pleasant in the future.

3. Discussion regarding Business Development and Tourism Manager position

Mr. Brimmer stated that this was a position that Ms. Amy Livingston held until recently and her vacancy provides an opportunity for the Town. He said that Committee members received communications from the Town Administrator posing questions about moving forward attempting to discern a direction for this position for an economic development strategy going forward.

Mr. DeMoura stated that Amy Livingston has departed and did a good job while in this position. He said that this vacancy presents the Town with an opportunity to examine the position and decide whether or not to continue along the same lines with the strategy or perhaps to go in a different direction. He said from the economic development side of things, this is more of an external function where the Town has been relying on regional partners to promote economic development. He said internally on the business development side, the Town's approach has been on developing and strengthening the relationships with business owners in Town; providing them with support to thrive and work their way through the governmental processes. He said Committee members have certainly noticed and knew already that it is also mentioned in the economic development/business development strategy the emphasis on quality of life in Mount Pleasant. How this is connected is the attraction of human capital is as important as anything else from an economic development perspective. He said it is the first time in history that people are moving to the location where they want to live and then starting their business or growing it. In previous times, people would go where their jobs were first, but now they are going where they want to live first and then branching out and starting their businesses. He said there is a component in our plan of attracting the human capital, which goes into

what makes Mount Pleasant so special – the quality of life. He said it is his responsibility to fill the position and asked Committee if this is still the direction that they would like to pursue or is there a different direction. He said based on Committee's comments and feedback, he could adjust the position description and attempt to recruit the best individual.

Mr. Bustos stated that tourism is here and there are a number of people involved in the tourism industry. He is not so sure the Town needs to manage tourism as much. However, economic development of businesses and true economic development, he has suggested previously to purchase property and have the Town control this land and recruit a business or an industry. He said ultimately, the business would build a building, but at least the Town would have the basis for recruiting an industry. He said the Town will reach buildout and we do not want the only income stream for the Town to be property taxes on homes. He said tourists are going to come to Mount Pleasant even if we do not spend any funding in Accommodations Tax to entice people to come to Mount Pleasant and the Charleston area. He said that the Town may need someone help with this but believes that ramping up the economic development more than we have is the thing to do.

Ms. Landing stated that after she was elected, one of the things she did was meet with Ms. Livingston who was extremely instrumental in the following: When Amazon was looking for a new second or third location not too long ago, it was said on the Business News Channel that one of the #1 things is that nowadays, where the CEO or founder of a company wants to live is probably one of the biggest determining factors. She brings this up because after identifying three different industries that appeared to be great business industries to diversify our economy here. She said we already know tourism is here and is going to stay and we already know that there is a great deal of need and demand for healthcare with the senior population and population in general, but we need something that diversifies from this. She said as a member of the Metro Chamber of Commerce, she was involved in some of the meetings where major areas were identified that could be attractive to the

Charleston area, and one of those was technology. She had asked Ms. Livingston about a contact and scheduled a meeting with Noah Leask, the founder of ISHPI, one of the fastest growing cyber security companies in the country. What this led to was why he is here in Mount Pleasant and what is it that he loves about Mount Pleasant that made him stay. She asked what could be synergistic with his business. She said they discussed the possibility of something in the future and said he had an idea. She met with him at the Charleston Digital Corridor campus, which is the Pacific Box and Crate location, which is in NoMo. She suggested that Council members visit this location as it is very high energy, full of millennials and the place most millennial parents would love to have their children come back to and work in. She said it is a great-paying exciting job. She said the campus is overflowing with three anchor businesses with many smaller businesses, along with the Harbor Entrepreneur Center. She asked Committee if we can find such a thing and reproduce this in Mount Pleasant and she believes we can. She shared the idea with the Mayor and Chairman Brimmer and discussed the possibilities. She said they are working on this idea. She said there may be land at a great location, as well as an interested party. She said she brings this up, because it fits well in what to do about our business development manager. She said she believes the Town's business development manager, such as Ms. Livingston, needs to be someone who is really focused on Mount Pleasant and sees the excitement. She said we have the best schools in the entire area and something for our citizens to be proud of which is one of the big draws to the Town. She believes we need to focus very much on a development manager who will help the Town have a more proactive hands-on approach to economic development.

Mr. Crosby asked how many true economic development opportunities does the Town really have? If we talk about the opportunity for economic development, how large is it in Mount Pleasant given the current environment.

Mr. DeMoura stated that the way he interprets the question, is how many businesses are currently in the community that meet that definition and could almost operate anywhere but choose the Town.

Mr. Crosby stated that we talk about business development and true economic development and does not think they are synonymous. He said if we are going to discuss business development, which he believes is a really good idea, he is wondering where the fit is for true economic development. When interviewing candidates previously, the prevailing perception from outside of the area was that there is no economic development here. The reality is, after being on this Committee for 13 years, there has been one success which is GenPhar and perhaps others that he is not aware of. He believes this is an opportunity for the Town to redefine what they want to do and perhaps break what they have been doing. He said the worst thing the Town could do would be to go out and immediately hire an economic development coordinator when we are not sure that we have true economic development opportunities here. He asked if Committee members were familiar with WeWork which provides a wonderful opportunity for business development but does not believe it is true economic development. He said we must be very honest about the affect of the current impact fee structure.

Mr. DeMoura stated that impact fees are a policy of Council and the reasons have been well documented for impact fees and whether this has a direct correlation with the Town ability to attract business, is a question best left to business owners.

Mr. Crosby stated that these are some real questions that need answers. He spoke to two developers recently and they said there is no economic development in Mount Pleasant. He said the Town needs to look very candidly at what our true situation is and what the true end result is that the Town would like to accomplish and figure out a different way to get there. He believes Mr. Bustos' suggestion of purchasing property is a good point and there have been discussions in the past about the possibility of an economic development corporation or commission that could accept public and private funding and go out and acquire those

properties and find a business to move there, which he believes is an excellent opportunity. He said there are limited parcels, but there are opportunities to do this.

Ms. Landing stated that she recently had an extensive conference call with Merle Johnson, Deputy Director of Economic Development in Charleston County and Lauren Sims, the Town's Community and Government Affairs Chief. She said that when a business puts capital into Mount Pleasant and builds something that may then attract jobs, that combination is extremely powerful. It allows them to qualify for various types of tax incentives and that package can be a very attractive way to bring something in. She does not believe that Mount Pleasant Digital Corridor Campus is simply business development. She said one company would be business development; however, if there is a whole campus with multiple companies and the equivalent to a Harbor Entrepreneur as a startup, and when you bring technology as a serious commitment on the part of the Town attracting that group, what will happen is that it will create different satellites. She provided Boeing as an example of bringing the Aeronautics industry to Charleston, because they brought all the other businesses pre and post production of what Boeing does, wanted to be near them. She agrees with Mr. Crosby that the Town should take time prior to hiring an individual. She said sometimes you can have a vicious cycle and other times you can have a virtuous cycle and right now the Town has a little bit of a vicious cycle. She stated that because of the high impact fees that recently went to the maximum level, many people say that Mount Pleasant is closed for business. She does not believe this is true and that the messaging has not been as clear, and the Town can actually begin a virtuous cycle. She said if we can get a couple of companies to come in, in places where impact fees may or may not apply, we can come back with the numbers and demonstrate that you can receive a great deal of long term money to pay for maintenance, drainage, roads and expand what needs expanding in infrastructure and to even build schools. She said we can have this if we bring in great industries.

Mr. Bustos said the real crux of this is to define what economic development really is. He said if we are able to attract companies to come to the Town and bring money into the Town from outside, this is economic development. If money is simply being moved around within the Town, it is not economic development. He said impact fees are necessary for infrastructure improvements. He believes the only way is to control a piece of property, perhaps an industrial site, and have someone who can go out and entice a company who will bring the money from outside into the Town.

Mr. Brimmer stated that he would like to discuss the question at hand, which is the position. He stated that economic development has had an uneven history in the Town over the years and has never found its footing, in his opinion. He agrees with Mr. Crosby in terms of how many real opportunities do we have at this point and even with opportunities, the window is fairly narrow. He said unlike Berkeley County that has tracts and tracts of land, we do not and economic development that we do here in the Town, we are competing against other municipalities in the region who are better set up for economic development in terms of land, cost and infrastructure. He said what can be done here in the Town is fairly limited, although there are some opportunities. He said for the position, he believes that this type of economic development for the Town may be better performed by our regional partners and allow this position to focus more on Mount Pleasant businesses and smart opportunities and being that liaison with the County, who has experts in economic development. He said it would be nice to have a liaison in this position to work directly with the County so there is a smooth transition of effort from the County to the municipal level. He said he does not believe there has been much success with an economic development position and not sure if we are in a better position today than ten years ago. He would suggest to re-write this job description to be more focused on Town efforts and business development with that piece to liaison with County and Regional economic development people to carry out some of what has been mentioned today.

Mr. Crosby agreed with Mr. Brimmer's comments regarding incorporating to a better extent our regional partners. He said with respect to Mr. Bustos' comments regarding impact fees, it is totally understandable from a business perspective and appreciates what the Town has done, because he understands the need for diversity relative to income. He said this is the reality of where we are today with impact fees and others who are able to assist from a regional standpoint, as well as business development opportunities. He said before anyone is hired, we should come up with a new strategic plan based upon where we are today and where we want to go given the current environment. He said the current environment is not the same that it has been for the past ten to twelve years. He said we continue to discuss the need to diversify income and would like it to come from economic development, but the reality is that it has not. He said if we understand what has happened in the past and try and learn from it and take advantage of the existing opportunities and the existing environment today, he believes we can formulate a new plan and a better plan that would more aptly accommodate our needs today.

Mr. Brimmer stated that the only area he diverges from Mr. Crosby's comment is that he believes it is beneficial to hire someone to help us create that plan and to establish it, as opposed to waiting until the plan is done.

Mr. Crosby stated that he does not disagree. He said he does not believe the Town should advertise and promote that position as an economic development coordinator.

Ms. Landing stated that she agrees that Ms. Livingston's role as a business development manager played an important role and did a great job and we are seeing that the Town may want to be proactive in utilizing the ideas, excitement and enthusiasm she had. She said the role itself as a business liaison individual is a great role. She said it does not mean we cannot have economic development from the larger view. She said a lot of talk has been said today and other times, and we need to remember that government does not create business activity. Business owners who

take risks with their own capital are the ones who create businesses and do the economic development. She said she believes the role of Council and a Town is to facilitate entrepreneurs who want to be here and whole industries that want to be here. She said there is another industry that she has already mentioned in the past that has most recently, as well as ten years ago, made the decision to be right here in Mount Pleasant. She said we are overlooking things that are right under our noses as big opportunities for true economic development, bringing money and jobs from outside our community. She said she would love to see the position do business development as the main role.

Mr. Bustos stated that we have had Sam Skardon from One Region and Steve Dykes from Charleston County and there probably are bigger picture economic development people and organizations that the Town is able to use to leverage our efforts, so he does not believe this should be duplicated. He does not believe we need to have an economic development individual.

Mr. Brimmer advised Mr. DeMoura that it appears that the Committee is fairly in agreement on their thoughts about the position. He asked if it provides direction to move forward.

Mr. DeMoura responded in the affirmative.

4. Adjourn

There being no further business, the meeting adjourned at 11:38 a.m.

Respectfully submitted,
Barbara Ashe
August 4, 2018