



The Town of Hilton Head Island Regular Town Council Meeting

Tuesday, October 4, 2011

4:00 P.M.

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pages During
the Town Council Meeting

- 1) **Call to Order**
- 2) **Pledge to the Flag**
- 3) **Invocation**
- 4) **FOIA Compliance** – Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 5) **Proclamations and Commendations**
- 6) **Approval of Minutes**
 - a. Town Council Meeting – September 20, 2011
- 7) **Report of the Town Manager**
 - a. Semi-Annual Report of the Parks and Recreation Commission, Marc Stuckart, Chairman
 - b. Update of the LMO Rewrite Committee, Tom Crews, Chairman
 - c. Town Manager's Items of Interest
 - d. Proposed 2012 Town Council meeting dates
 - e. Community Vision of Hilton Head
- 8) **Reports from Members of Council**
 - a. General Reports from Council
 - b. Report of the Intergovernmental Relations Committee – George Williams, Chairman
 - c. Report of the Personnel Committee – Lee Edwards, Chairman
 - d. Report of the Planning & Development Standards Committee – Bill Ferguson, Chairman
 - e. Report of the Public Facilities Committee – Kim Likins, Chairman
 - f. Report of the Public Safety Committee – Bill Harkins, Chairman
 - g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member

9) Appearance by Citizens

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2011-25

Second Reading of Proposed Ordinance 2011-25 authorizing the execution of an amendment to lease with the Museum-Chamber Partnership for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2006), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

b. Second Reading of Proposed Ordinance 2011-27

Second Reading of Proposed Ordinance 2011-27 authorizing the Execution and delivery of easements encumbering Town owned real property, pursuant to the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2010), and Section 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983, As Amended); and providing for severability and an effective date.

11) New Business

a. Consideration of a Recommendation for the LMO Rewrite Committee to obtain Consultant Services and approval of an Expanded Scope of Work

12) Executive Session

a. Land Acquisition

13) Adjournment

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, September 20, 2011

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Ken Heitzke, *Mayor-Pro Tem*; Bill Ferguson; George Williams, Bill Harkins, Kim Likins, Lee Edwards, *Council Members*.

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Brian Hulbert, *Staff Attorney*; Lavarn Lucas, *Fire Chief*; Charles Cousins, *Director of Community Development*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Jill Foster, *Deputy Director of Community Development*; Brian Hulbert, *Staff Attorney*; Marcy Benson, *Senior Grants Administrator*; Heather Colin, *Development Review Administrator*; Shawn Colin, *Comprehensive Planning Manager*; Victoria Shanahan, *Accounting Manager*; Natalie Majorkiewicz, *Systems and Reporting Administrator*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Tom Barton, *Island Packet*

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 4:00 p.m.

2) PLEDGE TO THE FLAG

3) INVOCATION

4) FOIA COMPLIANCE – Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

5) Proclamations and Commendations

6) Approval of Minutes

a. Town Council Special Meeting/Land Acquisition Workshop – August 31, 2011

Mr. Heitzke moved to approve. Mr. Harkins seconded. The motion was approved by a vote of 7-0.

b. Town Council Meeting – September 6, 2011

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mr. Edwards said he wanted to clarify the outcome of an agenda item from the September 6 meeting. He said the Island Packet reported that Town Council voted to award Community Vision of Hilton Head the \$75,000 that was requested. He said that is not what took place and Town Council only voted to request the Town Manager to review the budget and see if the funds were available. Mayor Laughlin confirmed that the money was not awarded and stated Mr. Edwards' recollection of the agenda item was correct.

7) **Report of the Town Manager**

a. Audubon International Green Community Award

JoEllen Lampman of Audubon International presented the award to Mayor Laughlin.

b. Semi-Annual Report of the Planning Commission, Al Vadnais, Past Chairman

Mr. Vadnais provided Town Council with an update on the Planning Commission activities for the first half of 2011.

c. Update on LMO Permitting Process, Teri Lewis/Bob Gentzler

Jill Foster reviewed the new process for Commercial Construction Permitting. She explained that staff, with the assistance of Mr. Terry Ennis and Mr. Bob Gentzler developed a procedure to make the process as understandable and as time-efficient as possible. She stated there will be a Staff Project Manager assigned to each project. She said that person will be the applicant's "advocate" in moving the project through review, approval and construction as seamlessly as possible. She thanked everyone involved and noted there were more than 60 stakeholders that participated during the review. Ms. Foster said they are also reviewing software updates for the permitting process and will be coming forward with cost estimates for the change.

Mr. Gentzler commented that this was a successful process due to support from Charles Cousins. He stated the four staff members that he and Mr. Ennis worked with were very competent and they worked along with stakeholders in finding the best procedures. He complimented staff on their willingness to review and improve the process. Mr. Gentzler stated his "hot button" in the process was customer service which was kept at the forefront of adopting changes. He noted that as the change is implemented the focus needs to remain on the "user".

Jill Foster distributed public information brochures and the procedure for Commercial Construction Permitting.

Mr. Williams suggested that the cost estimates and RFQ's for the software upgrades be worked on before the budget process begins. Ms. Foster said that staff is already doing this by going to different communities, conferences and reviewing software packages that would meet the Town's needs. She said she would like to include it in her budget request for FY2013.

Mayor Laughlin expressed his thanks to the staff, Mr. Gentzler and Mr. Ennis.

d. Town Manager's Items of Interest

Mr. Riley reported on some Items of Interest.

e. August, 2011 Policy Agenda, Management Targets and CIP Updates

Mr. Riley referred to the Policy Agenda update for August included in the Agenda packet. He said he was available to answer any questions.

8) **Reports from Members of Council**

a. General Reports from Council

Mr. Williams said he had attended a meeting of LCOG on Monday, September 19, 2011. He said they are working on projects for the region consisting of Jasper, Hampton,

Beaufort and Colleton Counties. He reported there are fourteen projects being reviewed and seven of them are in Beaufort County. He reviewed the key projects affecting Hilton Head Island.

b. Report of the Intergovernmental Relations Committee – George Williams, Chairman

Mr. Williams commented that Mr. Riley informed all of the September 28 Special Intergovernmental Relations Committee meeting concerning redistricting earlier and he had nothing else to report.

c. Report of the Personnel Committee – Lee Edwards, Chairman

Mr. Edwards reported the Personnel Committee met earlier in the day to review applications for a vacant position on the Design Review Board. He stated the Committee will be conducting interviews in the near future.

d. Report of the Planning & Development Standards Committee –Bill Ferguson, Chairman

Mr. Ferguson said there were two meetings scheduled for next week. He announced there is a special meeting scheduled for Monday, September 26, 2011 at 2:00 p.m. and a regular meeting scheduled for Wednesday, September 28, 2011 at 4:00 p.m.

e. Report of the Public Facilities Committee – Kim Likins, Chairman

No report.

f. Report of the Public Safety Committee – Bill Harkins, Chairman

Mr. Harkins reported the Committee had recommended Town staff draft an ordinance dealing with towing.

g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member

Mrs. Likins reported the Committee had reviewed the first version of the RFQ. She said there would be a presentation by Todd Ballantine next week and a final review of the RFQ. She announced the Committee would be coming forward to Town Council in the near future to request additional funding.

Mayor Laughlin recognized the passing of Don Ryan, Chairman of the Board and CEO of CareCore, noting Mr. Ryan was an avid promoter of economic development in Beaufort County who will be sorely missed.

9) Appearance by Citizens

Mary Amonitti appeared before Town Council and spoke concerning recycling on the beach.

10) Unfinished Business

a. Revised Second Reading of Proposed Ordinance 2011-18

Second Reading of Proposed Ordinance 2011-18 providing for the issuance and sale of Town of Hilton Head Island, South Carolina, Special Obligation Bonds (Hospitality Fee Pledge), in one or more series, in the principal amount of not exceeding \$26,250,000; delegating the authority to the Town Manager to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; other matters relating thereto; and providing for severability and an effective date.

Mr. Heitzke moved to approve. Mr. Harkins seconded. Mr. Williams commented that he was hesitant to vote in favor of this but he felt Council has to approve it due to past costs and what is budgeted for the future. The motion was approved by a vote of 7-0.

b. Revised Second Reading of Proposed Ordinance 2011-20

Second Reading of Proposed Ordinance 2011-20 providing for the issuance and sale of Town of Hilton Head Island, South Carolina, Special Obligation Bonds (Beach Preservation Fee Pledge), in one or more series, in the principal amount of not exceeding \$11,000,000; delegating the authority to the Town Manager to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; other matters relating thereto; and providing for severability and an effective date.

Mr. Heitzke moved to approve. Mr. Williams seconded. Mr. Williams motioned to pass a resolution to limit the amount of money bonded to \$8 million. Mr. Edwards seconded. Mr. Williams expressed concerns of borrowing the entire \$11 million and stated he felt Council needed to be conservative. He said if more money is needed the Town could issue additional bonds in a few years.

Mrs. Likins asked for examples of what types of projects would be funded with the Beach preservation Fees. Mr. Riley stated a few of the projects which would be eligible would be the Coligny Beach Redevelopment, beach parking, Collier Beach, and portions of Chaplin Linear Park. He added that down the road enhancement and renovations of existing beach parks could also be included.

Mr. Riley stated that this ordinance was written for \$11 million when it was expected that the bids would come in higher for the Port Royal Beach Renourishment. He explained the Town would have up to five years to spend the money borrowed and could consider using the additional funds available for other qualifying projects.

Mayor Laughlin said he did not feel the Town is headed on a path of drawing down the reserves. He stated he felt the bulk of the cost of this bond issue will be incurred regardless of whether the Town borrows \$11 million or \$8 million. He added that with interest rates being favorable and discussion of major projects coming up in the next five years he feels it is more efficient to issue the bonds for the \$11 million.

Mr. Riley asked Susan Simmons to address Council concerning the interest rates. Ms. Simmons explained that on the \$11 million the annual payment would be close to \$1.4 million and on \$8 million it would be about \$1 million. She explained with either the \$11 million bond or the \$8 million bond, the Town would maintain the reserves.

Mr. Edwards asked what the costs would be if the Town just borrowed the \$8 million now and in a couple years would need \$3 million. Ms. Simmons explained she could not predict the interest rates but there would be rating expense of over \$50,000 and additional variable costs due to the issuance of bonds, along with the current interest rate at the time of issuance.

Brent Robertson explained that with this the Town has a seven year payback plan on principle. He informed Council that for every \$1 million borrowed there is \$18,000 in interest charged annually and for every \$1 million not borrowed, in order to fund the current project or any projects Council would have to take \$875,000 out of the reserves.

Mr. Harkins said there is a need for extra capital for upcoming projects and noted that interest will probably not go much lower but it can go higher.

Mr. Edwards said in philosophy he agrees with Mr. Williams but he thinks the likelihood of needing the money relatively soon makes him lean towards approving the entire \$11 million. The motion for a resolution amending the amount to \$8 million failed by a vote of 1-6. Mr. Williams was in favor. The original motion was approved by a vote of 6-1. Mr. Williams was opposed.

c. Second Reading of Proposed Ordinance 2011-22

Second Reading of Proposed Ordinance 2011-22 of the Town of Hilton Head, South Carolina, authorizing the execution of that certain Drainage Easement Agreement with Palmetto Electric Cooperative, Inc. over property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of the S. C. Code Ann. Sec. 5-7-40 (Supp. 2010), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mr. Heitzke moved to approve. Mrs. Likins seconded. The motion was approved by a vote of 7-0.

11) New Business

a. Consideration of a Recommendation for approval of Jenkins Island Tower Conceptual Location

Consideration of a Recommendation that the Town Council of the Town of Hilton Head Island, South Carolina, approve in concept the location of a telecommunications tower on the Town's Jenkins Island property.

Mr. Heitzke moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.

b. First Reading of Proposed Ordinance 2011-25

First Reading of Proposed Ordinance 2011-25 authorizing the execution of an amendment to lease with the Museum-Chamber Partnership for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2006), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mr. Heitzke moved to approve. Mrs. Likins seconded. Bill Miles approached the dais and said the project is 60% completed with plans to be permitted. He stated the intent is to move forward. Mr. Miles explained the Chamber Board has reviewed the plans and will have future conversations about the plans and funding. He said this one year extension will give them time and opportunity to raise capital to build the new Welcome Center.

Mr. Williams reminded Mr. Miles that when the Town purchased the property the intent was to have something new and improved at the location. He stated living up to that intent is very important. Mr. Williams wished the Chamber luck in completing this project.

Mr. Edwards asked if the funds to design the project were in place. Mr. Miles said the design money is not a problem. He explained they want to ensure they get the money to build before spending any more dollars. The motion was approved by a vote of 7-0.

12) Executive Session

Mr. Riley stated he needed an executive session for legal matters pertaining to ongoing litigation involving the Town and SCDOT regarding Parcel E; contractual matters pertaining to a proposed cell tower lease on the Fire Station 7 site; contractual matters pertaining to a proposed three party agreement between the Town, Greenwood Development Company and the Palmetto Dunes POA regarding the Station 6 relocation project; and legal matters pertaining to ongoing litigation with DHEC-OCRM regarding setback lines.

At 5:58 p.m. Mr. Heitzke moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Ferguson seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 6:32 p.m. and asked if there was any business to take up as a result of executive session.

Mrs. Likins moved that the Town Council authorize the Mayor and Town Manager to execute and deliver the agreement by and between the Town of Hilton Head Island, South Carolina, Greenwood Communities and Resorts, Inc., and the Palmetto Dunes Property Owner’s Association, Inc., and to take such other and further actions as may be necessary to complete the transaction described in the agreement. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mrs. Likins moved that Town Council give approval on First Reading to an ordinance authorizing the Town to execute and deliver easements encumbering Town owned real property to Greenwood Communities and Resorts, Inc., and the Palmetto Dunes Property Owner’s Association, Inc., and that the Mayor and Town Manager be authorized to execute and deliver the easements, and to take such other and further actions as may be necessary to complete the conveyance of the easements. Mr. Heitzke seconded. The motion was approved by a vote of 7-0.

13) Adjournment

Mr. Williams moved to adjourn. Mr. Heitzke seconded. The meeting was adjourned at 6:34 p.m.

Vicki Pfannenschmidt, Secretary

Approved:

Drew A. Laughlin, Mayor



Items of Interest

October 4, 2011

1. Town News

A representative from the SC Municipal Insurance Trust (SCMIT) recently conducted the Town's annual Minimum Guidelines Assessment. This assessment measures the Town's safety program compliance with up to 29 criteria, serving as an indicator of the Town's effectiveness in implementing sound risk management policies and procedures. This year we achieved a compliance score of 100%, making the Town eligible for a Workers' Compensation contribution credit for the 2012 policy year.

(Contact: Nancy Gasen, Human Resources Director – phone 341-4621)

2. Noteworthy Events

a) Some of the upcoming meetings at Town Hall:

- Planning Commission – October 5, 9:00 a.m.
- LMO Rewrite Committee – October 6, 1:00 p.m.
- Comprehensive Plan Committee – October 11, 9:00 a.m.
- Design Review Board – October 11, 1:15 p.m.
- LMO Rewrite Committee – October 13, 1:00 p.m.
- Parks and Recreation Commission – October 13, 3:30 p.m.
- Accommodations Tax Advisory Committee – October 18, 9:00 a.m.
- Town Council – October 18, 4:00 p.m.

(Meetings subject to change and/or cancellation. Please visit the Town of Hilton Head Island website at www.hiltonheadislandsc.gov for meeting agendas)

2011 Hilton Head Island Events

Fridays, thru Dec. 9, 2011 8:30am-1:00pm	Farmers Market	Honey Horn
Daily Thru December 31, 2011 During Coastal Discovery Museum Hours	Public Art Exhibition	Honey Horn
Saturday, October 8, 2011 10:00am – 11:30am	Heel to Toe for Polio Beach Walk	Coligny Beach
Saturday, October 8, 2011 12:00pm-4:00pm	Kiwanis Chili Cook-off	Honey Horn
Saturday, October 15, 2011 11:00am-5:00pm	The Cajun Festival	Shelter Cove Community Park



TOWN OF HILTON HEAD ISLAND
2012 TOWN COUNCIL MEETING DATES

January 3	July 3
January 17	July 17 - cancelled
February 7	August 7
February 21	August 21 - cancelled
March 6	September 4
March 20	September 18 *
April 3	October 2
April 17	October 16
May 1	November 7**
May 15	November 20
June 5	December 4
June 19	December 18

Meetings are generally held the 1st and 3rd Tuesday of the month at 4:00 PM, subject to change with notice.

***September 18th meeting will start at 4:30 p.m. because of the Constitution Day Celebration preceding the Town Council meeting.**

**** Because November 6 is Election Day, meeting has been moved to Wednesday, November 7**

MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, Town Manager

DATE: Community Vision of Hilton Head Request for Funding

RE: **September 28, 2011**

At our September 6th regular meeting, Council heard a presentation and request for funding from Community Vision Hilton Head (CVHH). They are seeking a \$75,000 contribution from the Town to continue their feasibility analysis for a performance hall and related programming. Town Council requested that Staff review the budget and report back on where the money might come from and how that would impact other programs.

Staff first contacted representatives for CVHH to determine how much flexibility there might be regarding when the money would be available to them. Specifically, we asked whether they could manage with half the money this fiscal year and the remaining half paid at the start of the next fiscal year. The fiscal year starts July 1. While not preferred, they indicated they could get by under such a funding scenario.

Staff also suggested that CVHH consider making an application for ATAX funding prior to the deadline for this year's funding cycle. However, they expressed concerns that an ATAX application may be premature. Upon review, Staff concurs and would not recommend funding this with State ATAX, local ATAX or Hospitality taxes. Design, construction and operation of an arts-related facility such as this would be a clearly eligible activity for these funding sources, but this project is still in the feasibility study mode and it is far less clear that this is an eligible expenditure.

If Council is interested and willing to commit \$75,000 spread over two fiscal years, Staff can likely find \$37,500 within this fiscal year's General Fund budget and program the remainder for payment early next fiscal year.

Conclusion

Finding this level of funding from across several departments will not really be the issue. The bigger issue is our other unmet funding needs and wants and determining where this request fits within those priorities.

We are already hearing rumblings that we will need perhaps considerably more than the \$200,000 allocated for consultants to assist the LMO Rewrite Committee. We have not identified the funding sources for our RBC Heritage advertising commitment. We recently reported on a need for a large capital expenditure to upgrade our development permitting software. We continue to move forward with numerous capital improvement projects that will require long-term operational cost commitments. The CVHH project, if it moves forward, will also require an annual operational commitment from the Town.

Council should consider this commitment in light of these competing demands.

MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, CM, Town Manager

RE: Proposed Ordinance Number 2011-25/Execution of a Lease Amendment with the Museum-Chamber Partnership

DATE: September 20, 2011

CC: Gregory D. DeLoach, Esq., Assistant Town Manager for Administration
Brian E. Hulbert, Esq., Staff Attorney

No changes were made to Proposed Ordinance #2011-25 as a result of First Reading on September 20, 2011.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2011-25

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF AN AMENDMENT TO LEASE WITH THE MUSEUM-CHAMBER PARTNERSHIP FOR PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. SEC. 5-7-40 (SUPP. 2010), AND SEC. 2-7-20, CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town of Hilton Head Island, South Carolina, owns a parcel of real property which is located at 100 William Hilton Parkway, Hilton Head Island, South Carolina; and

WHEREAS, the Museum-Chamber Partnership desires to continue to use and occupy Town Property located at 100 William Hilton Parkway, Hilton Head Island, South Carolina; and

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina has determined that it is in the best interests of the Town to extend the Lease Agreement with the Museum-Chamber Partnership for its continued use and occupation of Town Property located at 100 William Hilton Parkway, Hilton Head Island, South Carolina.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND ITS IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL:

Section 1 Execution of Lease.

- (a) The Mayor and Town Manager are hereby authorized to execute and deliver the Lease Amendment, which is attached hereto as Exhibit "A", to the "Lease" which is attached hereto as Exhibit "B"; and
- (b) The Mayor and Town Manager are hereby authorized to take such other and further actions as may be necessary to complete the execution of the Lease Amendment as authorized hereby.

Section 2 Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall no affect the validity of the remaining portions thereof.

Section 3 Effective Date. This Ordinance shall be effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2011**

**By: _____
Drew A. Laughlin, Mayor**

ATTEST:

**By: _____
Cori Brock, Town Clerk**

**First Reading: _____
Second Reading: _____**

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



Memorandum

TO: Town Council
FROM: Steve Riley, Town Manager
DATE: September 21, 2011
RE: **Second Reading of Proposed Ordinance No. 2011-27**

There were no changes made to Proposed Ordinance #2011-27 during the first reading on September 20, 2011.

AN ORDINANCE OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AUTHORIZING THE EXECUTION AND DELIVERY OF EASEMENTS ENCUMBERING TOWN OWNED REAL PROPERTY, PURSUANT TO THE AUTHORITY OF S. C. CODE ANN. § 5-7-40 (SUPP. 2010), AND § 2-7-20, CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983, As Amended); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, The Town of Hilton Head Island, South Carolina owns real property located off of Queen’s Folly Road which is more particularly known and described as:

All that certain piece, parcel or tract of land, lying and being on Hilton Head Island, South Carolina, being designated as “16.87 Acres” on a Plat entitled “Plat of 16.87 Acres, a Portion of Palmetto Dunes Resort, Hilton Head Island, Beaufort County, South Carolina, for Greenwood Development Corporation”, said plat being dated December 21, 2000, and Revised February 13, 2001; said plat prepared by Hussey, Gay, Bell & DeYoung, Consulting Engineers, James M. Mims, S. C. Reg. L. S. 13169, said Plat having been recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Plat Book 78 at Page 91 (hereinafter the “Town Property”).

WHEREAS, by a separate agreement, dated April 21, 2010, The Town of Hilton Head Island, South Carolina, has contracted to sell the existing location of a public facility known as “Fire Station 6” to the Palmetto Dunes Property Owner’s Association, Inc.;

WHEREAS, The Town of Hilton Head Island, South Carolina, has plans to establish a new location for the public facility known as “Fire Station 6” on the Town Property; and,

WHEREAS, in order to utilize the Town Property as the location for “Fire Station 6” as is currently planned, The Town of Hilton Head Island, South Carolina, will need to

acquire certain easements and other rights from Greenwood Communities and Resorts, Inc., and the Palmetto Dunes Property Owner's Association, Inc.; and,

WHEREAS, Greenwood Communities and Resorts, Inc., and the Palmetto Dunes Property Owner's Association, Inc., have requested that The Town of Hilton Head Island, South Carolina, grant certain easements and a Lease related to the Town Property in exchange for the easements and rights needed by The Town of Hilton Head Island, South Carolina; and,

WHEREAS, the terms of the Easements and the Lease that have been negotiated by and between The Town of Hilton Head Island, South Carolina, Greenwood Communities and Resorts, Inc., and the Palmetto Dunes Property Owner's Association, Inc., are described in the documents that are attached hereto as Exhibits "A", "B", "C" and "D"; and,

WHEREAS, The Town Council of the Town of Hilton Head Island, South Carolina has determined that it is in the best interests of the Town of Hilton Head Island, South Carolina, to authorize the execution and delivery of the Easements and the Lease; and.

WHEREAS, under the authority of S.C. Code Ann. § 5-7-40 (Supp. 2010), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983, As Amended), the conveyance of the Easements and the Lease creating interests in real property owned by the Town of Hilton Head Island must be authorized by the adoption of an Ordinance by the Town Council for the Town of Hilton Head Island, South Carolina.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Execution of Contract for the Sale of Town Owned Property and Completion of the Transaction Described in the Contract:

(a) The Mayor and Town Manager are hereby authorized to execute and deliver the Easements and the Lease encumbering or relating to Town owned land, copies of which are attached hereto as Exhibits “A”, “B”, “C” and “D”; and,

(b) The Mayor and Town Manager are hereby authorized to take all other and further actions as may be necessary to complete the conveyance of the Easements and the Lease.

Section 2. Severability:

If any section, phrase, sentence or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, then such section, phrase, sentence or portion shall be deemed a separate, distinct and independent provision and shall not affect the remaining portion thereof.

Section 3. Effective Date:

This Ordinance shall become effective upon its adoption by the Town Council for the Town of Hilton Head Island, South Carolina.

(Signatures Appear on Following Page)

**PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR
THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS ____
DAY OF SEPTEMBER, 2011.**

THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

By: _____
Drew A. Laughlin, Mayor

ATTEST: _____
Cori Brock
Town Clerk

First Reading: _____

Second Reading: _____

Approved as to form: _____
Gregory M. Alford, Town Attorney

Introduced by Council Member: _____

EXHIBIT "A" TO ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, REGARDING THE EXECUTION AND DELIVERY OF EASEMENTS AND A LEASE ENCUMBERING REAL PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, IN FAVOR OF GREENWOOD COMMUNITIES AND RESORTS, INC., AND THE PALMETTO DUNES PROPERTY OWNER'S ASSOCIATION, INC.

STATE OF SOUTH CAROLINA)
) ACCESS EASEMENT
COUNTY OF BEAUFORT)

This Access Easement Agreement is made this _____ day of _____, 2011, by and between The Town of Hilton Head Island, South Carolina (hereinafter, “the Town”), and Greenwood Communities and Resorts, Inc. (hereinafter referred to as “GCR”).

W I T N E S S E T H

WHEREAS, The Town of Hilton Head Island, South Carolina, owns real property which is known and described as follows:

All that certain piece, parcel or tract of land, lying and being on Hilton Head Island, South Carolina, being designated as “16.87 Acres” on a Plat entitled “Plat of 16.87 Acres, a Portion of Palmetto Dunes Resort, Hilton Head Island, Beaufort County, South Carolina, for Greenwood Development Corporation”, said plat being dated December 21, 2000, and Revised February 13, 2001; said plat prepared by Hussey, Gay, Bell & DeYoung, Consulting Engineers, James M. Mims, S. C. Reg. L. S. 13169, said Plat having been recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Plat Book 78 at Page 91 (hereinafter the “Town Property”).

WHEREAS, by separate agreement of even date, The Town of Hilton Head Island, South Carolina, has agreed to grant an easement over a portion of the Town Property to GCR for the use thereof as a landscape debris storage and reduction yard (hereinafter the “GCR Landscape Debris Storage Yard”), all as is set forth in that agreement; and,

WHEREAS, the Town has agreed to convey to GCR a permanent easement for access over the Town Property for the purpose of providing ingress and egress to and from the GCR Landscape Debris Storage Yard and the Fazio Golf Course, subject to the terms and conditions set forth herein;

NOW, THEREFORE, know all men by these presents, the Town, for and in consideration of the sum of Ten (\$10.00) Dollars, the receipt and sufficiency whereof is

acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to GCR, its successors and assigns, perpetual, non-exclusive Easement on, over and across that portion of the Town Property extending from the _____ Golf Course to the GCR Landscape Debris Storage Yard and the Fazio Golf Course, which is described as follows:

All that certain piece, parcel or lots of land, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, shown and designated as "_____" on a Plat entitled "_____" dated _____, 20____, prepared by _____, certified by _____, S.C.R.L.S. _____, and which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book _____ at Page _____ (hereinafter the "Easement Property").

This Access and Maintenance Easement is granted and accepted subject to the following terms:

1. This Easement is conveyed subject to all other easements, licenses, and conveyances of record and is subject to the rights herein reserved by the Town, its successors and assigns, to utilize the Town's property at any time, in any manner, and for any purpose, provided, however, that such use by the Town shall not be inconsistent with nor prevent the full utilization by GCR of the rights and privileges granted herein.
2. This Access and Maintenance Easement is for the purpose of providing non-exclusive access to and from the GCR Landscape Debris Storage Yard and the Fazio Golf Course, and for the purpose of allowing GCR to perpetually maintain an un-paved, pervious travel way within the Easement Property, and the rights granted hereunder are for such purposes only. Any other use of the Easement Property is a violation of the terms of this Access Easement and is prohibited.

3. The Easement Property is re-locatable at the discretion of the Town. In the event that the Town chooses to re-locate the Easement Property, the Town shall do so at its expense, and shall provide an un-paved, pervious travel way within the re-located easement property equal to what existed in the Easement Property prior to the re-location.

In Witness whereof, the parties hereto have caused the within Access Easement to be executed by their duly authorized officers on this _____ day of _____, 2011.

(Signatures Begin on Following Page)

WITNESSES:

**THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA**

By: _____

Its: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT
S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that Drew A. Laughlin, Mayor, and Stephen G. Riley, Town Manager, personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of The Town of Hilton Head Island, South Carolina.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

WITNESSES:

GREENWOOD COMMUNITIES AND RESORTS, INC.

By: _____

Its: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT
S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that the duly authorized officers of Greenwood Communities and Resorts, Inc., personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of Greenwood Communities and Resorts, Inc.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT "B" TO ORDINANCE OF THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA, REGARDING THE EXECUTION AND
DELIVERY OF EASEMENTS AND A LEASE ENCUMBERING REAL
PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA, IN FAVOR OF GREENWOOD COMMUNITIES AND
RESORTS, INC., AND THE PALMETTO DUNES PROPERTY OWNER'S
ASSOCIATION, INC.

STATE OF SOUTH CAROLINA)
) LANDSCAPE DEBRIS STORAGE YARD
COUNTY OF BEAUFORT) EASEMENT

This Landscape Debris Storage Yard Easement is made this _____ day of _____, 2011, by and between The Town of Hilton Head Island, South Carolina (hereinafter referred to as “the Town”), and the Greenwood Communities and Resorts, Inc. (hereinafter referred to as “GCR”).

WITNESSETH

WHEREAS, The Town owns real property which is known and described as follows:

All that certain piece, parcel or tract of land, lying and being on Hilton Head Island, South Carolina, being designated as “16.87 Acres” on a Plat entitled “Plat of 16.87 Acres, a Portion of Palmetto Dunes Resort, Hilton Head Island, Beaufort County, South Carolina, for Greenwood Development Corporation”, said plat being dated December 21, 2000, and Revised February 13, 2001; said plat prepared by Hussey, Gay, Bell & DeYoung, Consulting Engineers, James M. Mims, S. C. Reg. L. S. 13169, said Plat having been recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Plat Book 78 at Page 91 (hereinafter the “Town Property”).

WHEREAS, The Town has agreed to grant an easement over a portion of the Town Property to GCR for the use thereof as a landscape debris storage and reduction yard, all as is set forth in this Landscape Debris Storage Yard Easement.

NOW, THEREFORE, know all men by these presents, the Town, for and in consideration of the sum of Ten (\$10.00) Dollars, the receipt and sufficiency whereof is acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to GCR, its successors and assigns, perpetual, non-exclusive Easement on, over and across that portion of the Town Property described as follows:

All that certain piece, parcel or lot of land, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, shown and designated as “_____” on a Plat entitled “_____” dated

_____, 20___, prepared by _____, certified by _____, S.C.R.L.S. _____, and which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book _____ at Page _____ (hereinafter the "GCR Landscape Debris Storage Yard").

This Landscape Debris Storage Yard Easement is granted and accepted subject to the following terms:

1. This Landscape Debris Storage Yard Easement is conveyed subject to all other easements, licenses, and conveyances of record and is subject to the rights herein reserved by the Town, its successors and assigns, to utilize the Town's property at any time, in any manner, and for any purpose, provided, however, that such use by Town shall not be inconsistent with nor prevent the full utilization by GCR of the rights and privileges granted herein.
2. This Landscape Debris Storage Yard Easement is for the purpose of providing property for GCR to store and reduce plant materials and plant debris, arising from landscaping, landscaping maintenance, storm cleanup and other like activities conducted by GCR on its property, and to store equipment used or useful for any of the forgoing activities, and the rights granted hereunder are for such purposes only. Any other use of the GCR Landscape Debris Storage Yard is a violation of the terms of this Landscape Debris Storage Yard Easement and is prohibited.
3. GCR may not place or store any hazardous material or pollutant of any description on or within the GCR Landscape Debris Storage Yard.
4. GCR shall not make any use of the GCR Landscape Debris Storage Yard or conduct its operations so as to be a nuisance to adjoining property owners.
5. GCR shall comply with all applicable laws, codes, ordinances and regulations

applicable to its use of the GCR Landscape Debris Storage Yard.

6. GCR shall indemnify and hold the Town harmless from any claim or obligation, including attorney's fees, arising from GCR's use of the GCR Landscape Debris Storage Yard, and shall solely responsible for any environmental clean up or remediation related to GCR's use of the GCR Landscape Debris Storage Yard which is required by any party, entity or government agency.

In Witness whereof, the parties hereto have caused the within Landscape Debris Storage Yard Easement Agreement to be executed by their duly authorized officers on this _____ day of _____, 2011.

(Signatures Begin on Following Page)

WITNESSES:

**THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA**

By: _____

Its: _____

STATE OF SOUTH CAROLINA)	UNIFORM ACKNOWLEDGMENT
)	
COUNTY OF BEAUFORT)	S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that Drew A. Laughlin, Mayor, and Stephen G. Riley, Town Manager, personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of The Town of Hilton Head Island, South Carolina.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

WITNESSES:

**GREENWOOD COMMUNITIES AND
RESORTS, INC.**

By: _____

Its: _____

STATE OF SOUTH CAROLINA)	UNIFORM ACKNOWLEDGMENT
)	
COUNTY OF BEAUFORT)	S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that the duly authorized officers of the Greenwood Communities and Resorts, Inc., personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of the Greenwood Communities and Resorts, Inc.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT "C" TO ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, REGARDING THE EXECUTION AND DELIVERY OF EASEMENTS AND A LEASE ENCUMBERING REAL PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, IN FAVOR OF GREENWOOD COMMUNITIES AND RESORTS, INC., AND THE PALMETTO DUNES PROPERTY OWNER'S ASSOCIATION, INC.

STATE OF SOUTH CAROLINA)
) LANDSCAPE DEBRIS STORAGE YARD
COUNTY OF BEAUFORT) EASEMENT

This Landscape Debris Storage Yard Easement is made this _____ day of _____, 2011, by and between The Town of Hilton Head Island, South Carolina (hereinafter referred to as “the Town”), and the Palmetto Dunes Property Owners’ Association, Inc. (hereinafter referred to as “PDPOA”).

WITNESSETH

WHEREAS, The Town owns real property which is known and described as follows:

All that certain piece, parcel or tract of land, lying and being on Hilton Head Island, South Carolina, being designated as “16.87 Acres” on a Plat entitled “Plat of 16.87 Acres, a Portion of Palmetto Dunes Resort, Hilton Head Island, Beaufort County, South Carolina, for Greenwood Development Corporation”, said plat being dated December 21, 2000, and Revised February 13, 2001; said plat prepared by Hussey, Gay, Bell & DeYoung, Consulting Engineers, James M. Mims, S. C. Reg. L. S. 13169, said Plat having been recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Plat Book 78 at Page 91 (hereinafter the “Town Property”).

WHEREAS, The Town has agreed to grant an easement over a portion of the Town Property to PDPOA for the use thereof as a landscape debris storage and reduction yard, and for ingress and egress to and from the debris storage and reduction yard, all as is set forth in this Landscape Debris Storage Yard Easement.

NOW, THEREFORE, know all men by these presents, the Town, for and in consideration of the sum of Ten (\$10.00) Dollars, the receipt and sufficiency whereof is acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to PDPOA, its successors and assigns, a perpetual, non-exclusive Easement on, over and across that portion of the Town Property described as follows:

All that certain piece, parcel or lot of land, situate, lying and being on Hilton

Head Island, Beaufort County, South Carolina, shown and designated as " _____ " on a Plat entitled " _____ " dated _____, 20____, prepared by _____, certified by _____, S.C.R.L.S. _____, and which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book _____ at Page _____ (hereinafter the "PDPOA Landscape Debris Storage Yard").

This Landscape Debris Storage Yard Easement is granted and accepted subject to the following terms:

1. This Landscape Debris Storage Yard Easement is conveyed subject to all other easements, licenses, and conveyances of record and is subject to the rights herein reserved by the Town, its successors and assigns, to utilize the Town's property at any time, in any manner, and for any purpose, provided, however, that such use by Town shall not be inconsistent with nor prevent the full utilization by PDPOA of the rights and privileges granted herein.
2. This Landscape Debris Storage Yard Easement includes an easement to PDPOA for ingress and egress to and from the Landscape Debris Storage Yard over the paved roads and drives located on the Town Property.
3. This Landscape Debris Storage Yard Easement is for the purpose of providing property for PDPOA to store and reduce plant materials and plant debris, arising from landscaping, landscaping maintenance, storm cleanup and other like activities conducted by PDPOA on its property, and the rights granted hereunder are for such purposes only. Any other use of the PDPOA Landscape Debris Storage Yard is a violation of the terms of this Landscape Debris Storage Yard Easement and is prohibited.
4. PDPOA may not place or store any hazardous material or pollutant of any description on or within the PDPOA Landscape Debris Storage Yard.

5. PDPOA shall not make any use of the PDPOA Landscape Debris Storage Yard or conduct its operations so as to be a nuisance to adjoining property owners.
6. PDPOA shall comply with all applicable laws, codes, ordinances and regulations applicable to its use of the PDPOA Landscape Debris Storage Yard.
7. PDPOA shall indemnify and hold the Town harmless from any claim or obligation, including attorney's fees, arising from PDPOA's use of the PDPOA Landscape Debris Storage Yard, and shall solely responsible for any environmental clean up or remediation related to PDPOA's use of the PDPOA Landscape Debris Storage Yard which is required by any party, entity or government agency.

In Witness whereof, the parties hereto have caused the within Landscape Debris Storage Yard Easement Agreement to be executed by their duly authorized officers on this _____ day of _____, 2011.

(Signatures Begin on Following Page)

WITNESSES:

**THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA**

By: _____

Its: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT

S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that Drew A. Laughlin, Mayor, and Stephen G. Riley, Town Manager, personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of The Town of Hilton Head Island, South Carolina.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

WITNESSES:

PALMETTO DUNES PROPERTY OWNERS' ASSOCIATION, INC.

By: _____

Its: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT
S. C. CODE ANN. § 30-5-30 (SUPP. 2010)

I, the undersigned Notary Public do hereby certify that the duly authorized officers of the Palmetto Dunes Property Owners' Association, Inc., personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of the Palmetto Dunes Property Owners' Association, Inc.

Sworn to and Subscribed before me
on this _____ Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT "D" TO ORDINANCE OF THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA, REGARDING THE EXECUTION AND
DELIVERY OF EASEMENTS AND A LEASE ENCUMBERING REAL
PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA, IN FAVOR OF GREENWOOD COMMUNITIES AND
RESORTS, INC., AND THE PALMETTO DUNES PROPERTY OWNER'S
ASSOCIATION, INC.

DEBRIS STORAGE YARD GROUND LEASE

By and Between

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

and

GREENWOOD COMMUNITIES AND RESORTS, INC.

DATED: _____, 2011

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South Carolina (1983, as amended).

NOW, THEREFORE, for and in consideration of the sum of One Dollar, and the full and faithful performance of the obligations, conditions and covenants contained in this Construction and Debris Yard Ground Lease (hereinafter, the "Lease"), the receipt and sufficiency of which are acknowledged by the Parties hereto, The Town of Hilton Head Island, South Carolina (hereinafter, the "Town"), and Greenwood Communities and Resorts, Inc. (hereinafter, "GCR"), agree as follows:

ARTICLE 1

1.01 *Town Property:* The Town is the owner of a parcel of real property located within the limits of the Town, and as follows:

All that certain piece, parcel or tract of land, lying and being on Hilton Head Island, South Carolina, being designated as "16.87 Acres" on a Plat entitled "Plat of 16.87 Acres, a Portion of Palmetto Dunes Resort, Hilton Head Island, Beaufort County, South Carolina, for Greenwood Development Corporation", said plat being dated December 21, 2000, and Revised February 13, 2001; said plat prepared by Hussey, Gay, Bell & DeYoung, Consulting Engineers, James M. Mims, S. C. Reg. L. S. 13169, said Plat having been recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Plat Book 78 at Page 91.

1.02 *The GCR Construction and Debris Yard Property:* The real property leased by GCR pursuant to this Lease is a portion of the Town Property, and which is known and described as follows:

All that certain piece, parcel or lot of land, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, shown and designated as "_____" on a Plat entitled "_____" dated _____, 20____, prepared by _____, certified by _____, S.C.R.L.S. _____, and which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book _____ at Page _____.

1.03 *GCR Accepts the Property "As Is":* GCR represents and warrants that it has

examined the GCR Construction and Debris Yard Property, title to the GCR Construction and Debris Yard Property, and the existing use restrictions on the GCR Debris Yard Property, and accepts the GCR Construction and Debris Yard Property “as is”, and without recourse to or against the Town as to the title thereto, availability of water, sewer, electricity or telecommunication services, the nature, condition or usability thereof, or the uses to which the GCR Construction and Debris Yard Property may be put. In no event shall the Town have any liability to GCR for any defect in the GCR Construction and Debris Yard Property, or the title to the GCR Construction and Debris Yard Property, or conditions existing in, on, under, over or about the GCR Construction and Yard Property or any limitation on the uses which may be made of the GCR Construction and Debris Yard Property. GCR accepts this limitation on the Town’s liability and acknowledges that this limitation of the Town’s liability is a material term of this Lease without which the Town would not have entered into this Lease.

1.04 *Limited Obligation of Town:* The Town shall not be required to furnish, and has no obligation to furnish, to GCR or the GCR Construction and Debris Yard any facilities or services of any kind, including, but not limited to, water, sewage disposal, sewage capacity, solid waste collection and disposal, recycling collection, electricity, light and power.

1.05 *Utilities and Other Services:* GCR shall at its sole cost and expense arrange for the provision of any utilities needed by it or other services to the GCR Construction and Yard Property. Any fees for reservation or use of utilities, or any other arrangements that must be made with the provider of any utility or any other service to the GCR Construction and Debris Yard, shall be the sole responsibility of GCR.

ARTICLE 2

2.01 *Use Restrictions:* GCR shall use the GCR Construction and Debris Yard for the following purposes, and no other:

- (a) *Staging Area for Construction by GCR:* A construction staging area to be utilized by GCR in the event that it re-develops any of its properties within the Palmetto Dunes master planned area.
- (b) *Disaster Recovery:* A staging and debris reduction area for debris in the Palmetto Dunes master planned area in the event of any natural occurrence or disaster.

2.02 *Permits:* It shall be the sole responsibility of GCR to procure and pay for any required municipal, state or federal or other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction over the GCR Construction and Debris Yard Property with respect to GCR's use thereof as permitted under Article 2.01 above. The Town will provide "owner's authorizations" indicating the Town's consent to any permit being sought by GCR where such "owner's consent" is required under any applicable permitting regulations. The delivery of such "owner's consent" by the Town shall not be deemed a waiver of any term of this Lease, or applicable development standard or zoning or any other requirement.

2.03 *Mechanic's or Other Liens Prohibited:* GCR shall not suffer or permit any mechanic's lien or any other lien to be placed against the GCR Construction and Debris Yard Property arising out of GCR's use of the GCR Construction and Yard Property as permitted under Article 2.01, or the use or occupancy of the GCR Construction and Yard Property by GCR. In the event any such lien is filed, GCR shall promptly cause the same to be discharged and removed of record, and shall further indemnify and hold the Town harmless from any costs or expenses, damages, suits or attorney's fees arising from the

filing or enforcement of any mechanic's lien or any other lien affecting the GCR Construction and Debris Yard Property.

2.04 *Use of GCR Construction and Debris Yard Property:* GCR shall be solely responsible for its operations within the GCR Construction and Debris Yard Property as permitted in Article 2.01 above. In connection with GCR's operations within the GCR Construction and Debris Yard Property:

(a) *Notification to Town:* GCR shall notify the Town in writing no less than Ninety (90) days prior to the commencement of any activity permitted under Article 2.01 above.

(b) *Schedule of Work:* The notification required under Article 2.04(a) shall include a schedule of the work to be performed.

2.05 *Application of Laws and Other Matters:* This Lease is made by the Town and accepted by GCR subject to all existing ordinances, regulations, statutes, zoning ordinances and any restrictive covenants affecting the GCR Construction and Debris Yard Property which are now in force or which may be enacted in the future.

2.06 *Lease Subordinate to Interests in the GCR Construction and Debris Yard Property:* GCR acknowledges that portions of the GCR Construction and Debris Yard Property may be subject to easements in favor of third parties, including Broad Creek Public Service District. GCR shall exercise its rights under this Lease so as to not impair or impede the rights of any other party having any interest in the GCR Construction and Debris Yard Property, and so as to not cause any damage to any property of any other party having any interest in the GCR Construction and Debris Yard Property.

2.07 *No Other Interest In Real Property Created:* Other than the leasehold interest as is expressly set forth herein, GCR shall have no other interest in the GCR Construction and

Debris Yard Property, nor any interest in any other part of the Town Property.

2.08 *Maintenance of Property And Compliance With Laws:* During any Active Term of this Lease, GCR shall, at its sole cost and expense, provide for the maintenance or upkeep of the GCR Construction and Debris Yard, and shall at all times comply with any and all applicable fire, building, health and sanitation codes as the same may from time to time be in effect.

2.10 *Rules, Regulations and Restrictions:* GCR shall at all times during the any Active Term of this Lease, comply with the following:

- (a) *Maintenance of Leased Property and Improvements:* In keeping with the uses permitted on the GCR Construction and Debris Yard, GCR shall maintain the GCR Construction and Debris Yard, in a safe, sanitary and orderly condition, it being understood that no use shall be made or permitted of the GCR Construction and Debris Yard or any part thereof, nor any acts done, which will violate any statute, ordinance or regulation, or violate or make inoperative or otherwise impair any insurance policy at any time held by or in any way for the benefit of the Town pursuant to any provision of this Lease;
- (b) *Storage of Hazardous Substances Prohibited:* GCR shall not sell, or suffer or permit to be stored, kept, used or sold in, upon or about the GCR Construction and Debris Yard, any gasoline (other than gasoline kept in the fuel tank of any equipment used by GCR in its operations in the GCR Construction and Debris Yard), distillate, any substance defined as a "Hazardous Substance" under any Federal, State or Local law, ordinance or regulation, or any other substance or material of an explosive, inflammable or radiological nature which may contaminate or endanger any part of the GCR Construction and Debris Yard, or any person on or about the GCR Construction and Debris Yard, or present any unusual fire, explosion or other damaging or dangerous hazard; and, GCR shall, at its sole cost and expense, cause the removal and clean up of any hazardous substance allowed to contaminate the GCR Construction and Debris Yard by GCR;
- (c) *Compliance with Laws:* GCR shall comply with all governmental rules, regulations, ordinances, statutes and laws now or hereafter in effect pertaining to the GCR Construction and Debris Yard or GCR's use thereof;

- (d) *Waste and Nuisances:* GCR shall refrain from committing or suffering to commit any waste upon, or making any unlawful, improper or offensive use of, the GCR Construction and Debris Yard or the Improvements, or creating any public or private nuisance or act or thing in or upon the GCR Construction and Debris Yard;
- (e) *Compliance with Restrictive Covenants:* GCR shall maintain the GCR Construction and Debris Yard so as to achieve compliance with and remain in compliance with any restrictive covenants encumbering the GCR Construction and Debris Yard and all local ordinances promulgated by the Town of Hilton Head Island, South Carolina, or any other applicable law, rule, regulation or agreement concerning the GCR Construction and Debris Yard.

2.11 *Additional Rules:* In addition to the foregoing, GCR shall at all times during any Term hereof comply with all other reasonable rules and regulations which the Town may at any time or from time to time establish concerning the use of the GCR Construction and Debris Yard; provided however, that any such rule or regulation so made shall not be inconsistent with any part of this Lease, and shall not unreasonably interfere with GCR's use and enjoyment of the GCR Construction and Debris Yard.

ARTICLE 3

3.01 *Term:* This Lease shall commence on _____, 2011, and shall continue thereafter from year to year unless terminated as provided herein.

3.02 *Inactive Term:* GCR and the Town acknowledge that GCR will not exercise the rights to utilize the GCR Construction and Debris Yard at all times. Any time that GCR is not actively exercising the rights to utilize the GCR Construction and Debris Yard shall be an Inactive Term of this Lease.

3.02 *Active Term:* Any time that GCR is actively exercising the rights to utilize the GCR Construction and Debris Yard shall be an Active Term of this Lease. During any Active Term of this Lease, GCR shall make full use of the GCR Construction and Debris Yard as

described herein, without any interference or hindrance from the Town.

3.03 *Notification to the Town:* GCR shall notify the Town as set forth below prior to exercising any of the rights set forth in Article 2.01 above.

(a) *Commencement of Construction Staging:* GCR shall provide the Town with a minimum of Ninety (90) Days written notice of its intent to commence use of the GCR Construction and Debris Yard for construction staging purposes.

(b) *Commencement of Disaster Debris Staging and Reduction:* Except in cases of natural disaster or other emergency, GCR shall provide the Town with Ninety (90) Days written notice of its intent to commence use of the GCR Construction and Debris Yard for disaster recovery staging and debris reduction purposes. In cases of natural disaster or other emergency, GCR shall provide the written notice within Thirty (30) days of GCR's commencement of disaster recovery staging and debris reduction operations on the GCR Construction and Debris Yard.

(c) *Schedule of Work:* The notification required under Article 3.03(a) and (b) shall include a schedule of the work to be performed.

3.04 *Restoration of GCR Construction and Debris Yard:* At the conclusion of any Active Term of this Lease, GCR shall, within ninety (90) days of the conclusion of operations, remove all of its property from the GCR Construction and Debris Yard, clear any remaining debris of any kind, and shall restore the GCR Construction and Debris Yard to its pre-existing condition, which is vacant, level, clear, undeveloped property.

ARTICLE 4

4.01 *Rent:* GCR shall pay Rent to the Town during the Inactive Term or any Active Term of this Lease as follows:

a. *Inactive Term:* For each year or partial year of any Inactive Term of this Lease, GCR shall pay the Town Rent in the amount of One (\$1.00) Dollar per year. The Rent shall be paid to the Town annually, in advance, no later than January 15 of each year of any Inactive Term of this Lease.

- (i) At its option, GCR may pre-pay up to Twenty (20) years rent for Inactive Terms of this Lease in advance. Any such pre-payment of rent for Inactive Terms of this Lease by GCR shall not in any way affect GCR's obligation to pay Rent for Active Terms of this Lease as set forth in Article 4.01(b), below, or GCR's obligation to pay any other expenses as set for in Article 4.02, below.

b. *Active Term:* For each month or partial month of any Active Term of this Lease, GCR shall pay the Town Rent equal to the fair market rent for a ground lease. The fair market Rent shall be determined as follows:

- (i) At the time that GCR provides the written notice required under Article 3.01(a) or 3.01(b) above, GCR shall also provide a written report from an independent, disinterested, licensed, qualified real estate or appraisal professional, stating the current fair market ground rent rate for a comparable parcel of real property.
- (ii) The Town shall have Thirty (30) days to accept the rent rate stated in the report provided by GCR, or to deliver to GCR a separate written report from an independent, disinterested, licensed, qualified real estate or appraisal professional, stating the current fair market ground rent rate for a comparable parcel of real property.
- (iii) If the two written reports state a values less than Ten (10%) percent apart (with the 10% being calculated using the lower of the two values), the rent shall be the higher of the two rental values stated in the two reports.
- (iv) If the If the two written reports state a values more than Ten (10%) percent apart (with the 10% being calculated using the lower of the two values), the rent shall be the average of the two rental values stated in the two reports.
- (v) If there is any delay in the computation of the fair market rent pursuant to this Article 4.01 (b), such delay shall not cause a delay in possession and use of the GCR Construction and Debris Yard by GCR. Further, no delay in the computation of the fair market rent pursuant to this Article 4.01(b) shall reduce GCR's obligation to pay the fair market Rent from the commencement through the end of any Active Term of this Lease.

4.02 *Other Expenses:* GCR shall fully and promptly pay any and all fees, charges and costs and expenses of any nature related to GCR's use of the GCR Construction and Debris Yard.

ARTICLE 5

5.01 *Quiet Enjoyment:* The Town hereby covenants that GCR shall have, during any Active Term of this Lease, peaceable and quiet possession of the GCR Construction and Debris Yard, and shall have, hold and enjoy the GCR Construction and Debris Yard without suit, trouble or hindrance from the Town, except as expressly required or permitted by this Lease. The Town shall not interfere with the quiet use and enjoyment of the GCR Construction and Debris Yard by GCR during any Active Term of this Lease, so long as any Active Term shall be in effect and all obligations of GCR hereunder have been fulfilled.

ARTICLE 6

6.01 *Required Liability Insurance:* During any Active Term, GCR shall maintain in full force a comprehensive general public liability insurance with minimum bodily injury, death and property damage limits, per occurrence, of TWO MILLION (\$2,000,000.00) DOLLARS insuring against any and all liability of GCR with respect to its occupancy and use of the GCR Construction and Debris Yard, or arising out of the maintenance, use or occupancy thereof by GCR. In addition to all other coverages, and if available, such insurance policy or policies shall specifically insure the performance by GCR of the hold harmless and indemnity provisions set forth in Article 6.05 of this Lease.

6.03 *Policy Form:* All policies of insurance provided for herein shall be issued by insurance companies with a general policyholders' rating not less than A, and a financial

rating of AAA as rated in the most current available “Best’s Insurance Reports”, if reasonably available, and qualified to do business in the State of South Carolina. The Town shall be named as an additional insured in any such policy. Such policies shall be for the mutual and joint benefit and protection of GCR and the Town, and executed copies of such policies of insurance or certificates thereof shall be delivered to the Town within ten (10) days after commencement of any Active Term of this Lease. All public liability policies shall contain a provision that the Town, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees or its property by reason of the negligence of GCR. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by GCR in like manner and to like extent. All policies of insurance delivered to the Town must contain a provision that the company writing said policy will give the Town twenty (20) days’ notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage and other casualty shall be written as primary policies, not contributing with and not in excess of coverage which the Town may carry.

6.04 *Failure of GCR to Obtain Insurance:* In the event that GCR fails to procure and/or maintain any insurance required by this Article 6, or fails to carry insurance required by law or governmental regulations, the Town may terminate any Active Term of this Lease until such time as GCR has complied with the requirements of Article 6.

6.05 *Indemnification and Hold Harmless:* GCR shall indemnify and hold the Town harmless from any claims for loss, damage or liability, including attorney’s fees and costs

incurred by the Town in responding to or defending any claim, arising out of or on account of any injury, death or damage to any person, or to the property of any person, arising from or in any manner relating to the use of the GCR Construction and Debris Yard by GCR, or arising from any act or omission of GCR with respect to the exercise of any of GCR's rights hereunder.

ARTICLE 7

7.01 *Town's Rights During Inactive Term:* During any Inactive Term of this Lease, the Town may utilize the utilize the GCR Construction and Debris Yard for any purpose deemed appropriate or convenient by the Town, in its sole discretion, without the same being deemed to be a breach of any term of the this Lease, or a violation of any rights or privileges of GCR described in this Lease.

7.02 *GCR Right of First Refusal:* In the event that the Town enters into a contract for the purchase and sale of any part of the GCR Construction and Debris Yard, then GCR shall have a Right of First Refusal to purchase the GCR Construction and Debris Yard at the same per-acre price and on the same conditions as are set forth in any such contract.

7.03 *Other Encumbrances Prohibited:* GCR shall not grant any easements, licenses or rights-of-way or enter into any agreement which would in any way affect or encumber the title to the GCR Construction and Debris Yard.

7.04 *Termination of This Lease:* Either party hereto may terminate this Lease by giving the other party no less than Twenty (20) years' written notice of the intent to terminate.

ARTICLE 8

8.01 *Notices:* All notices, certificates or other communications required hereunder shall be deemed Delivered when delivered in person, or mailed by regular first class mail, postage prepaid, addressed as follows, or to such other addresses as may be designated, in writing, by the Parties:

To the Town: TOWN OF HILTON HEAD ISLAND
Town Manager
One Town Center Court
Hilton Head Island, SC 29928

To GCR: GREENWOOD COMMUNITIES AND RESORTS, INC.
General Manager
Post Office Box 5628
Hilton Head Island, SC 29938

ARTICLE 9

9.01 *Events of Default Defined:* The following shall be Events of Default under this Lease:

- (a) *Failure to Observe Requirements:* The failure of GCR to observe or perform any covenant, requirement, term, condition, obligation or agreement contained in this Lease, required to be observed or performed on its part for a period of thirty (30) days after delivery of written notice from the Town specifying such failure and demand that it be remedied.
- (b) *Use Inconsistent with Lease:* Any use of all or any part of the Leased Property or the Improvements thereon by GCR, other than in compliance with this Lease.
- (c) *Failure to Pay Amounts Due:* The failure to pay any sum due to the Town from GCR under any term of this Lease for a period of ten (10) days after delivery of written notice from the Town specifying such failure and demand that it be remedied.

9.02 *Remedies on Default:* Whenever any Event of Default described in Article 9.01 of this Lease, shall have occurred, the Town shall have the right to terminate this Lease and shall give notice to GCR to vacate the Leased Property. The Town may thereafter evict GCR

from the Leased Property and take possession thereof and also exercise all the rights and remedies provided herein.

9.03 *No Remedy Exclusive:* No remedy conferred upon or reserved to the Town herein is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right and power and such right and power may be exercised from time to time and as often as may be deemed expedient in the sole discretion of the Town.

9.04 *Waivers:* In the event that any agreement contained herein should be breached by either Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other, further or subsequent breach hereunder.

9.05 *Discontinuance of Proceedings:* In case either Party hereto shall have proceeded to enforce any right under this Lease, and such proceedings shall have been discontinued or abandoned for any reason, then and in every such case the Town and GCR shall be restored respectively to their several positions and rights hereunder and all rights, obligations, remedies and powers of the Town and GCR shall continue as though no such proceeding had been taken.

9.06 *Agreement to Pay Attorney's Fees and Expenses:* In the event that either Party hereto shall default under any of the provisions hereof, and the non-defaulting Party shall employ attorneys, or incur other expenses for the enforcement of the performance or observance of any obligation or agreement on the part of the defaulting Party hereto

contained, the defaulting Party agrees that it shall pay, on demand, the fees of such attorneys and such other expenses so incurred by the non-defaulting party in the enforcement of its rights hereunder.

ARTICLE 10

10.01 *Interest on Past Due Obligations:* Whenever under any provision of this Lease GCR shall be obligated to make any payment or expenditure to the Town, and GCR fails, refuses or neglects to perform as herein required, the amount due from GCR to the Town under this Lease which is not paid when due shall bear interest at the lower of the rate of eighteen (18%) percent per annum or the highest rate then allowed under any applicable usury laws of the State of South Carolina from the date due until paid, unless otherwise specifically provided herein, but the payment of such interest shall not excuse or cure any default by GCR under this Lease.

ARTICLE 11

11.01 *Binding Effect:* This Lease shall inure to the benefit of and shall be binding upon GCR and the Town.

11.02 *Amendment, Changes and Modifications:* Except as otherwise provided herein, this Lease may not be effectively amended, changed, modified or altered without written consent of both Parties hereto.

11.03 *Severability:* In the event that any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

11.04 *Execution in Counterparts:* This Lease may be simultaneously executed in several

counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11.05 *Applicable Law:* This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

11.06 *Captions:* The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

11.07 *Recording:* The Parties hereto may record this lease, or a short form Memorandum thereof, in the Office of the Register of Deeds for Beaufort County, South Carolina.

11.08 *No Agency:* The Parties hereto intend only to provide for a lease of real property as provided herein, and affirmatively state that no master/servant, principal/agent or employer/employee relationship is created by this Lease. Nothing herein created any relationship between the Town and GCR other than that which is expressly stated herein. No employee, volunteer or agent of GCR shall be considered an employee or agent of the Town for any purpose whatsoever and none shall have any status, right or benefit of employment with Town.

11.09 *Plural/Singular:* Where appropriate, the use of the singular herein shall include and be deemed to be the plural, and the use of the plural herein shall be deemed to include the singular.

11.10 *No Third Party Beneficiaries:* The Town and GCR affirmatively represent that this Lease is made solely for the benefit of the Parties hereto and not for the benefit of any third party who is not a signature party hereto. No party other than the signature parties hereto shall have any enforceable rights hereunder, or have any right to the enforcement

hereof, or any claim for damages as a result of any alleged breach hereof.

11.12 *Assignment by GCR:* GCR may assign its interest in this Lease to any successor in interest to GCR. Upon any such assignment, GCR shall provide the Town with notice thereof, and contact information for the assignee.

In Witness whereof, the Parties hereto, by and through their duly authorized officers, have set their hands and seals as of this ____ Day of _____, 2011.

(Signatures on Following Page)

WITNESSES:

**THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA**

By: _____
Drew A. Laughlin, Mayor

Attest: _____
Stephen G. Riley, Town Manager

WITNESSES:

**GREENWOOD COMMUNITIES AND
RESORTS, INC.**

By: _____

Attest: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) UNIFORM ACKNOWLEDGMENT
) S.C. CODE ANN. § 30-5-30 (Supp. 2010)

I, the undersigned Notary Public, do hereby certify that Drew A. Laughlin and Stephen G. Riley, personally appeared before me on this day and duly acknowledged the execution of the foregoing Debris Yard Ground Lease on behalf of The Town of Hilton Head Island, South Carolina.

Sworn to Before Me on this ____
Day of _____, 2011.

Notary Public for South Carolina
My Commission Expires: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____) UNIFORM ACKNOWLEDGMENT
) S.C. CODE ANN. § 30-5-30 (Supp. 2010)

I, the undersigned Notary Public, do hereby certify that _____ a n d _____, personally appeared before me on this day and duly acknowledged the execution of the foregoing Debris Yard Ground Lease on behalf of Greenwood Communities and Resorts, Inc.

Sworn to Before Me on this ____
Day of _____, 2011.

Notary Public for Georgia
My Commission Expires: _____



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, CM, *Town Manager*
VIA: Charles Cousins, AICP, *Director of Community Development*
FROM: Teri Lewis, AICP, *LMO Official*
DATE: September 28, 2011
SUBJECT: LMO Rewrite Committee – Request for Consultant Services and Expanded Scope of Work

The Resolution establishing the LMO Rewrite Committee requires the Chairman to make periodic presentations to Town Council. As such, Tom Crews, Chairman of the LMO Rewrite Committee, will give an update of the Committee's work to date at the October 4, 2011 Town Council meeting. As part of this update he will ask Town Council (1) to allow the Committee to engage the services of a consultant team to rewrite the LMO and (2) to allow the Committee to expand their scope to include Ward One issues. Both of these requests require Town Council approval per the resolution that established the LMO Rewrite Committee.

The strategic vision developed by the Committee to guide the consultant is attached as is the LMO Report, which documents the work that they have accomplished over the past six months.

LMO REWRITE COMMITTEE – STRATEGIC VISION

a. LMO Structure and Procedures

- Review the improvements to the commercial permitting process that were recently developed by staff to ensure that all necessary changes have been appropriately captured and that there will be no conflicts between these process improvements and changes to the LMO.
- Rewrite the LMO in a format that is user friendly and easy to understand and apply.

b. Zoning Districts:

- Reduce number of zoning districts and broaden the number of land uses allowed within districts, minimize non-conforming uses and number of uses permitted by special exception.
- Develop a process to allow the creation of future reinvestment areas through a simplified approach (i.e. rezoning not required).

c. Design Standards:

- Create different design standards for specific focus areas.

d. Natural Resources:

- Determine how to shift the focus of tree preservation to allow some flexibility while still preserving the value and function of the trees.
- Provide a variety of techniques that can be used to protect water quality. These may include but are not limited to the use of different buffer standards depending on the type of water body and land use.
- Determine how to protect the dunes while at the same time encouraging the redevelopment of beachfront properties.

e. Non-conformities:

- Consider using flexible regulations and identify incentives to reduce the number of nonconformities and encourage redevelopment of nonconforming sites/structures/features.

f. Ward One:

- Explore development of reduced residential road, setback and buffer requirements for family subdivisions and heirs property and consider ways to alleviate installation cost being borne by the first property owner to build.

g. PD-1s

- Review the restrictions on density in PUDs and determine if those restrictions should be modified or deleted keeping in mind the Town's goals related to flexibility and redevelopment.
- Consider having consistent broader regulations among all PUDs and develop standardized nomenclature and expanded use designations within master plans.

h. Reinvestment Areas & Revitalization Areas:

- Create more flexibility and an easier process for redevelopment projects instead of using the redevelopment floating zone.
- Explore options to incent redevelopment and determine what barriers to redevelopment exist.
- Develop regulations that create reinvestment or redevelopment priority zones.

i. Administrative Waivers

- Ensure the administrative waiver process developed by staff does not conflict with the process improvements and changes to the LMO.
- Explore opportunities for additional waivers.

LMO Rewrite Committee

The LMO Rewrite Committee was created by the Hilton Head Town Council on March 1, 2010 with the following charge:

- To simplify the Town's land development regulations and reorganize it into a format that is more user friendly , easier to understand and apply
- Encourage reinvestment to revitalize existing development and encourage investment in new development consistent with the Town's core values

The Council further identified the following directives to the committee:

- Address development application review and permitting processes
 - Eliminate unnecessary processes and procedures
 - Eliminate unnecessary submittal requirements
 - Conform notice requirements to State Code
 - Review criteria for special exceptions/variances/ rezoning and make them flexible and easy to understand
- Address Zoning Districts
 - Review recent rezoning requests
 - Evaluate current and future market trends
 - Evaluate and identify appropriate land uses and densities with attention to market trends and past rezoning requests
- Address Design standards
 - Develop specific design standards for selected zoning districts.
 - Review non-district specific design standards and natural resource standards.
 - Eliminate outdated requirements, create flexibility where appropriate
- Address administrative waivers
 - Develop process to allow more waivers at staff level
- Address nonconformities
 - Evaluate policy on nonconformities
 - Develop framework to facilitate improvement of existing nonconforming sites
- Address PD-1's
 - Evaluate the use of master plans for zoning purposes
 - Consider more broad designations of allowed uses and densities
 - Develop a framework to establish consistent development regulations for all PUDs
 - Evaluate the current 'use it or lose it' clause and determine appropriate applications
- Identify and prioritize revitalization and investment zones
 - The Coligny area and Shelter Cove Mall are already identified by Town Council, Comprehensive Plan and Mayor's Task Force as top priority investment areas.
 - Existing TIF district has prioritized areas.
 - Other suitable areas should be identified and prioritized

The LMO Rewrite Committee further defined the following additional objective:

- Advance Hilton Head as a leader in comparison to other municipalities

Committee Process.

The Rewrite Committee has followed a structured process to understand the issues and define objectives for the new LMO. As of this date the steps have included:

- Education Phase – staff presentations Complete
 - Review and analyze current LMO
 - Process reengineering workflow project
 - – Terry Ennis and Town Staff

- Issue identification phase Complete
 - Community input
 - Gated communities
 - Ward 1
 - Developers
 - Natural resource specialists

- High level solution requirement phase Complete

- Expert Input
 - Sustainable Development Theresa Wade Aug 18
 - Form based development Stefan Pellegrini Aug 18
 - Water Quality and wetlands Todd Ballantine Sept 22

- Engage Consultant TBD
 - Input on best practices
 - Assistance in drafting new LMO
 - Research, analysis and evaluation

LMO Rewrite Committee

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Committee's Issue Statements & Objectives from LMO Review

1. **LMO structure and procedures:** *The current organizational structure of the LMO is not easy to follow, and procedures are not clear and often too complicated, causing increased costs and delays in approvals. The requirement to seek approval from multiple boards also increases costs to the applicant and extends approval times.*

Committee's LMO Revision Objectives

- Rewrite code with customer in mind.
- Make it easier to access, understand and navigate.
- Develop a user's manual or executive summary.
- Integrate a web based option.
- Establish a transparent tracking system.
- Reduce duplicate information, multiple submissions, subjectivity in review and notice requirements that exceed State Code.
- Increase Staff flexibility and latitude to balance interests.
- Delineate between State, Federal and local requirements.

Consultant Tasks

- Review the improvements to the commercial permitting process that were recently developed by staff to ensure that all necessary changes have been appropriately captured and that there will be no conflicts between these process improvements and changes to the LMO.
- Rewrite the LMO in a format that is user friendly and easy to understand and apply.

Staff List

- Simplify the permitting process
 - Reduce number of submissions and forms
 - Eliminate useless submissions and forms
 - Eliminate unnecessary reviews
 - Reduce number of special exceptions
 - Reduce number of zones
 - Reduce the jurisdiction of Design Review Board by allowing staff to review and approve minor exterior changes.
- Implement revised workflow as defined by "Workflow Project" and automate for electronic submission/tracking
- Executive Summary: Have a customer friendly explanation of how to use LMO & Building Codes
 - *Move authorizing of Comprehensive Plan out of Ch 1*
 - *Move all of Ch 2 to back*
- Consider a bond for an expedited process
- Cite section name when we reference where something is required 'as per
- Put in an appendix the table showing the transition of zone names. Put in appendix anything that explains things that 'used to be'
- Allow building permit to be submitted before site plan notice of action is issued
- Add procedure and project status to web and make interactive – link to the various parts of the LMO that are referenced

09/27/2011

- Provide a bonus incentive to provide bike parking for other uses
- Encourage shared parking – maybe through incentives
- Reduce the list of what is required for a variance to mirror state code
- The LMO needs to allow for flexibility yet not get too subjective.
- The LMO should have criteria to follow that meets the intent of the code to allow for flexibility yet give good direction
- Need to prioritize staff decisions to balance all issues (i.e. trees v fire access roads). Strong project manager will alleviate this.

COMMENT: The process re-engineering work (workflow Project) completed to date is excellent and has been well received by those in the community who have seen it, and/or used the new processes, as well as positive press in a front page article in the Island Packet

2. Zoning Districts:

- A. *There are too many zoning districts, each with specific uses. These specific uses are, in some cases, too narrow, restricting development of new property and redevelopment of existing non-conforming properties, and do not allow for adjustment to a variety of mixed uses (retail, office and industrial), thereby deterring use and creating vacant space.*
- B. *Density regulations appear to be limiting the ability to attract a variety of businesses.*
- C. *Affordability of multi-family units are decreasing because the Town has no control over the conversion of long term rentals (apartments) to short term rentals (condos).*
- D. *Central gathering spaces should be identified and encouraged in zoning districts.*

Committee's LMO Revision Objectives

- Reduce the number of Zoning Districts (take a more generalized approach).
- Allow for integration and mixes of uses while protecting the edge conditions.
- Reduce use restrictions to allow for market influence.
- Guide uses to logical places.
- Prescribe appropriate density allocation for Zoning Districts.
- Identify Town Center areas and craft zoning text to reflect desired outcome. Codify and implement.
 - Define zoning requirements for specific focused redevelopment areas
 - Bridge to Beach, including Coligny Walking District through to Marriott Grand Ocean
 - Shelter Cove including Shelter Cove Mall
- Be sensitive to impacts of a proposed rezoning approach – minimize resulting non-conformities.

Consultant Tasks

- Reduce number of zoning districts and broaden the number of land uses allowed within districts, minimize non-conforming uses and number of uses permitted by special exception.
- Develop a process to allow the creation of future reinvestment areas through a simplified approach (i.e. rezoning not required).

Staff Tasks

- Consider whether the Design Review Board jurisdictional boundaries should be changed.
- Consider whether outdoor recreation should be allowed by condition instead of by special exception.
- Some Planned Unit Development (PUD) areas are outside the gates. Should they be treated the same way the areas within the gates are treated?
- Evaluate & identify appropriate PUD land uses & densities with attention to market trends & past rezoning requests

3. Design Standards:

- A. *LMO was written primarily for new development instead of redevelopment and on a parcel-by-parcel basis as opposed to the entire street or area approach. The LMO has the same standards for developing both a 'greenfield' (undeveloped land) and a 'brownfield'(previously developed site) when it should probably consider different standards.*
- B. *Design standards (buffers, heights, parking, setbacks, streets, storm water, signage, lighting) can also limit the useable space available on the parcel.*
- C. *Design standards tend to be 'one size fits all' which limits creativity and flexibility.*
- D. *Goals and design standards of built environment are too restrictive. There is no flexibility to accommodate areas that are urban (pedestrian-related) as well as others that are less urban (more automobile-related), or which should have specific design goals (e.g., street definition, signs, etc. in an area like Coligny).*
- E. *Design standards minimize and impact the pedestrian scale & movement. The impact of the automobile on design of parcels or street has directed the development.*

Committee's LMO Revision Objectives

- Craft and implement specific design standards for priority redevelopment areas.
- LMO should be written in a way that encourages sustainable, innovative and smart growth development.
- Define a balance for competing interests using a logical, common sense approach.
- Develop standards that would apply to the edge conditions.
- Provide greater public access to the waterways where appropriate and provide enhanced view corridors to the water from roadways while still improving water quality.
- Consider allowing storm water capture in the buffers. (Does this meet intent of a buffer?)
-

Consultant Tasks

- Create different design standards for specific focus areas.

Staff Tasks

- Review the hierarchy of roads list to make sure that they are all in the correct category & analyze if this hierarchy is appropriate in regard to buffers & setbacks.
- Review lighting standards and recommend how to bring properties up to the level of existing standards (perhaps by requiring removal of non-conforming lighting)

•
4. Natural Resources:

- A. *Wetlands regulations have grown more difficult to meet due to the Army Corps Of Engineers identifying all HHI wetlands and water bodies to be areas which then require compliance with the same LMO buffer requirements (e.g., golf course ponds, different ‘function’ of the wetlands, etc.). LMO does not allow creativity or flexibility in addressing water quality (only approach appears to be by using buffers).*
- B. *Wetland buffer standards are too strict & should allow some uses in the buffer other than vegetation.*
- C. *Maintaining or re-establishing view of water is in conflict with tree, setback and dune requirements.*
- D. *Dunes protection requirements (of Town, State and Federal governments) are at times confusing.*
- E. *LMO currently has a ‘one size fits all’ approach. Goal of tree protection is clear (to protect every tree over 6 inches). Tree preservation regulations emphasize the number of trees, but do not allow for context, purpose, location, tree types, and sizes of tracts (larger tracts vs small lots). In some cases, overgrowth, waste, and possible fire hazards have resulted.*
- F. *Regulations or interpretations beyond the statements in the LMO by Town Staff create complex and costly impediments to redevelopment.*

Committee’s LMO Revision Objectives

- Improve water quality using creative and flexible regulations.
- Define wetland buffer strategy that protects critical wetlands while allowing flexibility around certain water bodies like golf course ponds
- Shift focus from individual tree protection to overall forest management.
- Provide public access to creeks and beaches while still protecting the natural resources.
- Retain native vegetation – creates the sub-tropical character of the island.
 - Maintain natural resource quality
- Identify forest preservation areas using experts qualified in the field
- Encourage redevelopment of beach front properties while balancing protection of dunes

- ConsultantTasks
Determine how to shift the focus of tree preservation to allow some flexibility while still preserving the value and function of the trees.
- Provide a variety of techniques that can be used to protect water quality. These may include but are not limited to the use of different buffer standards depending on the type of water body and land use.
- Determine how to protect the dunes while at the same time encouraging the redevelopment of beachfront properties.

Staff Tasks

- Consider constraining the areas designated for dune walkovers and walkways via sand fencing or other means.
- Need to accommodate for views to water bodies through vegetation.
- Which trees get taken down can greatly affect a site design—should have a broader perspective and look at it as part of landscape, aesthetics, ongoing construction vs each tree?

- **Legal Discussion:**
 - Consider turning over regulation of trees in common areas of PUDs to PUDs. Determine if this is appropriate for all PUDs through the development of a qualification and monitoring process (see PD-1 section below).

5. **Non-conformities:** *Requirements on three types of non-conformities (use, density, site features) are confusing. These regulations limit the ability for redevelopment in that they require conformance to the extent possible.*
- A. *The number of zone types, specific uses and development history create many non-conformities.*
 - B. *Non-conforming uses do not qualify for the existing waiver process, requiring exceptions to use the floating redevelopment zone process which is complex.*
 - C. *Commercial owners need the assurance that in the event of a single building disaster (fire, explosion, tornado etc.) they will be allowed to rebuild the “as is” building in the same manner they would if the building were destroyed in a major declared disaster.*
 - D. *The 12 month abandonment rule appears to be too short.*
 - E. *Design criteria in certain areas were established for a more sub-urban feel and make the sites non-conforming, when they probably should be drafted for a more urban setting.*

Committee’s LMO Revision Objectives

- Create an environment that enables improvement of existing non-conforming properties.
- Minimize nonconforming uses through a more comprehensive integrated zoning approach that reduces specificity of uses and has fewer districts and employs a mix of uses.
- Improve communication on what property owners can do to improve nonconforming site features.
- Implement incentives to reduce or eliminate nonconforming site features.
- Provide education and brochure to improve communication with property owners.

Consultant Tasks

- Consider using flexible regulations and identify incentives to reduce the number of nonconformities and encourage redevelopment of nonconforming sites/structures/features.

Staff Tasks

- Research whether to allow the Board of Zoning Appeals (BZA) to grant use variances. State allows for use variances; but not considered a good practice.
- Consider allowing non-conformities through some sort of vesting or waiver process (allow uses to be ‘waived’ vs going through a rezoning).
- Do we have the ability to produce a letter guaranteeing a grandfathering of non-conformities (site, building, use)? How is this affected if the code changes?

6. **Ward One issues:** *Some individual issues identified in the R/UDAT study and the Native Island Committee Response to the R/UDAT may be beyond scope of LMO Rewrite Committee, but others addressed by the LMO are:*
- A. *Subdivision of property into 5 lots or fewer and related infrastructure issue creates problems with who puts in the infrastructure (title issues & other legislative issues relating to heirs property). In some cases the need to subdivide is driven by estate settlement versus any desire to actually build on property at the current time. What infrastructure is actually needed during subdivision to avoid creating problems later when some lots want to develop?*
 - B. *Existing road standards are viewed as too rigorous for family-based development.*
 - C. *Setback requirements in Stoney and Chaplin limit the ability to develop on the small, narrow lots located there.*
 - D. *Need for public education & understanding as to why and what residents of Ward One have to do to develop their property.*
 - E. *Need flexibility to remove trees from the interior of active cemeteries.*
 - a. *Lack of sewers & other infrastructure (this might be outside scope of LMO & solved through other methods).*

Committee's LMO Revision Objectives

- Explore development of reduced residential road, setback and buffer requirements for family subdivisions and heirs property and consider ways to alleviate installation cost being borne by the first property owner to build.

Consultant Tasks

- Explore development of reduced residential road requirements for family subdivision and heirs property.
- Explore applicability of "family compound" regulations to ease setback and buffer requirements.
- Consider use of restrictive covenants regarding long term acceptance of minimal road standards to alleviate installation cost being borne by first property owner to build.
- Investigate if there are State and Federal regulations impacting heirs property

7. Council Directive -Address PD-1's:

- A. Lack of consistency in Master Plans in allowed uses and densities makes it difficult to understand the zoning and master plans.*
- B. Property Owners Associations desire the ability to manage Natural Resources in common areas as they do in their larger communities.*
- C. The “use it or lose it clause” is applied to individual lots within PUD’s in addition to the large tracts of land it was intended to address. The result is an equity issue between lots in a PUD and a lot outside which does not lose its density when developed.*
- D. Current LMO limits redevelopment of property to originally-built density even if the Master Plan defined larger density.*

Committee LMO Revision Objectives

- Standardize nomenclature and explore increased flexibility in use designations within Master Plans
- Create incentive for redevelopment in Planned Unit Developments including review of “use it or lose it” clause and other restrictions

Consultant Tasks - These items are not related to the LMO, but could be researched by a consultant.

- Review the restrictions on density in PUDs and determine if those restrictions should be modified or deleted keeping in mind the Town’s goals related to flexibility and redevelopment.
- Consider having consistent broader regulations among all PUDs and develop standardized nomenclature and expanded use designations within master plans.

Staff Tasks

• ***Legal Discussion:***

- Consider if PUDs can handle internal land use issues without going through the master plan amendment (rezoning) process.
- Consider whether some PUDs should be allowed to manage their own open space and some other internal projects with very limited Town review-- specifically design standards & natural resources regulations (ex. Design of South Gate in Palmetto Dunes & forest management).

8. Council Directive - Identify and prioritize revitalization and investment zones:

- A. *Ensure that the LMO enables specific development uses in key areas (including density, parking, etc).*
- B. *Develop area-specific plans (Design Standards or Neighborhood Master Plan) to address specific redevelopment zones.*

Committee LMO Revision Objectives

- Ensure that the LMO enables specific development uses in key areas (including density, parking, etc).
- Propose the following key re-development/revitalization areas based on their potential to leverage additional redevelopment and overall impact to the community.
 - Bridge to Beach and Coligny area (existing Tax Incremental Financing district)
 - Shelter Cove and Shelter Cove Mall area including Chaplin (existing Tax Incremental Financing district)
 - Propose Mitchelville historical area as a priority investment zone
 - Mathews/Highway 278 intersection including Pineland Mall and Northridge areas
 - Island entrance including Stoney

Consultant Tasks

- Create more flexibility and an easier process for redevelopment projects instead of using the redevelopment floating zone.
- Explore options to incent redevelopment and determine what barriers to redevelopment exist.
- Modify regulations to create reinvestment or redevelopment priority zones.

Staff Tasks

- *Non-LMO Issues:*
 - Attract 1500 seat stand alone convention center
 - Encourage a center for performing arts for kids to learn (similar to golf & tennis facilities we have), 5 star hotels (probably within the PUDs). Need to find the ‘customer’ to build it.
 - Address certain impediments associated with the revitalization of the Mall at Shelter Cove and Coligny Plaza (currently being researched).
 - Additional community space may be needed to develop a true sense of community.
 - Advance Hilton Head Island as a leader in comparison to other municipalities.
 - Need to figure out a way to assist older buildings with redevelopment within confines of the FEMA floodplain requirements.
- *Research:*
 - Research & develop financial incentives.
 - Identify areas that can & cannot support density.
 - Focus redevelopment on a small number of areas with attainable results in moderate timeframe (1-5 years ???)
 - Emphasize and encourage cultural, corporations, historical aspects to enhance economic development
 - Encourage private investment of new businesses with public infrastructure

9. . **Council Directive -Address administrative waivers:**

Non-conforming uses do not qualify for the existing waiver process, requiring exceptions to use the floating redevelopment zone process which is complex and time-consuming.

Committee LMO Revision Objectives

- Review the administrative waiver process developed by staff to ensure that there will be no conflicts between these process improvements and changes to the LMO.
- Evaluate opportunities for additional waivers.

Staff Tasks

- Should we also have an administrative waiver for new construction that does not become an arbitrary process? Could any of these replace the variance procedure?
- Make the intent of waivers and when they apply very clear in the revised LMO.
- Need better public education on when people can use the waiver process.
- ***Legal Discussion:***
 - Provide a pro and con discussion on allowing use variances to be granted by the BZA

Summary of Consultant Tasks for RFP

These are the main tasks that are proposed to be assigned to a consultant. These will give direction for drafting the Request for Proposals (RFP).

LMO Structure and Process

- Review the work done by staff and Terry Ennis to ensure that all necessary changes have been appropriately captured.

Zoning Districts

- Reduce number of zoning districts & minimize non-conforming uses.
 - New zones should adequately reflect the existing land use and densities
- Broaden number of land uses within zones to provide flexibility. Reduce number of uses permitted by special exception.
- Allow the creation of additional redevelopment areas through a simplified approach (i.e. rezoning not required)
- Consider the best way to regulate interval occupancy uses by examining other cities and their methods.
- Consider how any changes in land use will affect existing non-conformities or create new non-conformities.
- Define some zoning districts with their own design & performance standards; consider the Town's design guideline.

Design Standards

- Create different design standards for certain areas that are more urban in nature -- like Coligny & other priority investment areas. Evaluate applicability of Form Based Code.
- Evaluate the use of different buffer standards depending on the type of water body and land use. Look at the purpose of the water body in making this decision (why was it created or why does it exist). Determine what needs to be filtered based on the type of receiving water body.

Natural Resources

- Determine how to shift the focus of tree preservation in favor of requirements geared toward urban forest management. Consider moving from individual tree preservation/protection to a forest management approach.

- Allow for periodic removal of underbrush to keep unwanted vegetation out to avoid contributing to fires.
- Evaluate the use of different buffer standards depending on the type of water body and land use. Look at the purpose of the water body in making this decision (why was it created or why does it exist). Determine what needs to be filtered based on the type of receiving water body. (this line item also listed in Design Standards)
- Consider having different tree regulations on larger tracts vs smaller tracts

Non Conformities

- Consider what methods can be used to continue to allow non-conformities or to make the non-conformities conforming without making changes to the site/structure.
- Identify possible incentive approaches to encourage non-conforming sites/structures/ features
- Review ordinance as it relates to non-conformities in an effort to encourage redevelopment:
 - Allow for flexibility in buffers (thinner here, wider there)
 - Allow for flexibility in parking design standards
- Identify ways to reduce the number of nonconformities.
- Determine if Priority Investment Areas should have different non-conforming provisions to enhance redevelopment and private investment.

Ward One Issues

- Explore development of reduced residential road requirements for family subdivision and heirs property.
- Explore applicability of “family compound” regulations to ease setback and buffer requirements.
- Consider use of restrictive covenants regarding long term acceptance of minimal road standards to alleviate installation cost being borne by first property owner to build.
- Investigate if there are State and Federal regulations impacting heirs property

Council Directive - Address PD 1's

These items are not related to the LMO, but could be researched by a consultant.

- Determine if existence of “use it or lose it” clause is a negative to redevelopment on HHI
- Consider how much density existing PUDs should have in terms of the ‘use it or lose it ‘clause.
- Use it or lose it’ issue deals with small lots within PUDs that ‘lost’ its unused density. Intent of ‘use it or lose it’ clause was to catch very large tracts and their unused density. There is an equity issue since this clause applies only to PUDs and not non-PUD areas.
- Does it make sense to eliminate the clause at least in terms of commercial development – fairness issue between the PUDs and areas outside of PUDs
- Explore options to incent redevelopment of major hotels (all are located in PUD’s), including increased density
- Consider having consistent broader regulations among all PUDs.
- Develop standardized nomenclature and expanded use designations within master plans.
- Explore how to have a successful TDR program in PUDs despite the use it or lose it clause

Council Directive – Identify and prioritize revitalization and investment areas

- Create more flexibility for redevelopment projects instead of using the redevelopment floating zone to create an easy process.
- Identify incentives for redevelopment in key areas:
 - More density
 - Shift the focus of zoning use restrictions
 - Design standard flexibility
 - Shift the focus of regulations on redevelopment
 - Identify other tools
 - brownfield development before greenfield development
 - for hotel/tourism development/redevelopment.
- Define language to create ‘economic development’ priority zone.
- Consider using TDRs (Transfer of Development Rights) as a tool to encourage redevelopment. Need to think about how far densities can be bumped up or down without negatively affecting property rights. Need to identify those areas where we want to transfer from and transfer to.
- Ensure that any proposed zoning changes help not hinder redevelopment efforts in the five identified areas.

Staff List for LMO Rewrite Committee

LMO Structure and Process

- Simplify the permitting process
 - Reduce number of submissions
 - Eliminate useless submissions
 - Eliminate unnecessary reviews
 - Reduce number of special exceptions
 - Reduce number of zones
 - Reduce the jurisdiction of Design Review Board by allowing staff to review and approve minor exterior changes.
- Implement revised workflow as defined by “Workflow Project” and automate for electronic submission/tracking
- Executive Summary: Have a customer friendly explanation of how to use LMO & Building Codes
 - *Move authorizing of Comprehensive Plan out of Ch 1*
 - *Move all of Ch 2 to back*
- Consider a bond for an expedited process
- Cite section name when we reference where something is required ‘as per
- Put in an appendix the table showing the transition of zone names. Put in appendix anything that explains things that ‘used to be’
- Allow building permit to be submitted before site plan notice of action is issued
- Add procedure and project status to web and make interactive – link to the various parts of the LMO that are referenced
- Provide a bonus incentive to provide bike parking for other uses
- Encourage shared parking – maybe through incentives

- Reduce the list of what is required for a variance to mirror state code
- The LMO needs to allow for flexibility yet not get too subjective.
- The LMO should have criteria to follow that meets the intent of the code to allow for flexibility yet give good direction
- Need to prioritize staff decisions to balance all issues (ie trees v fire access roads). Strong project manager will alleviate this.

Zoning Districts

- Consider whether the Design Review Board jurisdictional boundaries should be changed.
- Consider whether outdoor recreation should be allowed by condition instead of by special exception.
- Some Planned Unit Development (PUD) areas are outside the gates. Should they be treated the same way the areas within the gates are treated?
- Evaluate & identify appropriate PUD land uses & densities with attention to market trends & past rezoning requests

Design Standards

- Review the hierarchy of roads list to make sure that they are all in the correct category & analyze if this hierarchy is appropriate in regard to buffers & setbacks.
- Review lighting standards and recommend how to bring properties up to the level of existing standards (perhaps by requiring removal of non-conforming lighting)

Natural Resources

- Consider constraining the areas designated for dune walkovers and walkways via sand fencing or other means.
- Need to accommodate for views to water bodies through vegetation.
- Which trees get taken down can greatly affect a site design—should have a broader perspective and look at it as part of landscape, aesthetics, ongoing construction vs each tree?
- **Legal Discussion:**
 - Consider turning over regulation of trees in common areas of PUDs to PUDs. Determine if this is appropriate for all PUDs through the development of a qualification and monitoring process (see PD-1 section below).

Non Conformities

- Research whether to allow the Board of Zoning Appeals (BZA) to grant use variances. State allows for use variances; but not considered a good practice.
- Consider allowing non-conformities through some sort of vesting or waiver process (allow uses to be 'waived' vs going through a rezoning).
- Do we have the ability to produce a letter guaranteeing a grandfathering of non-conformities (site, building, use)? How is this affected if the code changes?

Council Directive - Address PD 1's

- ***Legal Discussion:***
 - Consider if PUDs can handle internal land use issues without going through the master plan amendment (rezoning) process.
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Directions to Consultant during Coordination with Staff

These items were placed in this category because they were either requests for changes to specific LMO sections, or general direction or statements to consider when completing their specified tasks in the RFQ. These can be discussed with the consultant.

Design Standards:

- Coordinate with Telecommunications Committee to seek their input on major roads where visitors spend time to ensure zoning districts allow cell towers.
- Make sure the LMO doesn't make it hard for cell towers to get approved.
- Theme of island should be natural vegetation—but in some cases, protecting slivers of vegetation, when it comes to allowing density, it isn't worth it. Should be a width or minimum size so that it doesn't become useless.
- Privacy fences in addition to required buffers are excessive.
- Eliminate the average buffer – it is hard to calculate.
- Complete streets-public and private realm—should work together.
- Edge conditions along roads should be important.
- Look at the state & federal agencies' regulations to see how they 'connect to or impact' the LMO and if we need to change anything in the LMO because of the way those agencies 'do business.'
- Need buffers to hide/protect the mish-mash of architecture that already exists on the island.
- Consider lessening wetland buffer restrictions on water bodies that were not originally regulated by the Town (manmade & storm water mgt system).
- Consider height restriction modifications to encourage new hotel construction.
- Consider having setbacks only and no buffers in certain priority investment areas.
- Consider having separate buffer requirements for single family properties outside of the overlay districts.

Zoning:

- Apply philosophy of redevelopment zone island-wide without a ZMA process and provide flexibility.
- Should keep in mind need to allow hotels in certain zones to keep tourism.
- Maybe different parts of the island should be recognized in different ways like redevelopment areas.
- New zones should adequately reflect the existing land uses & densities.

Natural Resources:

- Eliminate requirement to report downed/dead trees.
- Consider fire prevention in new regulations.

Non-conformities:

- Draft language to emphasize what is allowed more than what is not allowed. Non-conformities represent an opportunity for the Town.
- Extend the grandfathering of a non-conforming use beyond the current 12 months (via waiver process?) or eliminating the rule.
- Have a broader interpretation of nonconforming uses.
- Make it clear that you can bring one non-conformity up to standards without bringing them all up to standards.

- Substantial compliance of a non-conformity seems like it could be a deal killer – may need to reword this.
- Some non-conformities may be more important than others, maybe more flexibility should be given to these in terms of redevelopment.

Revitalization & Priority Investment Areas:

- Density & uses affect reinvestment & need flexibility in zoning districts.
- Encourage sustainable community concepts.
- Encourage certain things as opposed to restricting things.
- Encourage revitalization, redevelopment & reinvestment for the Island as a whole.
- Commercial (for new job creation & economic generators) should take higher priority than recreational.
- Find a combination of tools to allow for redevelopment.