



The Town of Hilton Head Island

Regular Town Council Meeting

April 1, 2014

4:00 P.M.

AGENDA

**As a Courtesy to Others Please Turn Off/Silence All Mobile Devices 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**
 - a. National Public Safety Telecommunications Week Proclamation
 - b. Donate Life Appreciation Month Proclamation
 - c. Lois Richardson Commendation
- 6) **Approval of Minutes**
 - a. Town Council Meeting – March 18, 2014
 - b. Town Council Budget Workshop – March 18, 2014
- 7) **Report of the Town Manager**
 - a. Solicitor's Award Presentation, Duffie Stone
 - b. Town Manager's Items of Interest
- 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 – John McCann, Chairman
 - e. Report of the Public Facilities Committee – Kim Likins, Chairman
 - f. Report of the Public Safety Committee – Marc Grant, Chairman
 - g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member
- 9) **Appearance by Citizens**

10) Unfinished Business

None.

11) New Business

a. First Reading of Proposed Ordinance 2014-05

First Reading of Proposed Ordinance 2014-05 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-4-102, the Official Zoning Map with respect to that certain parcel identified as Parcel 347A on Beaufort County Tax Map 12, to apply the RFZ (Redevelopment Floating Zone Overlay District) to the existing PD-1 (Planned Development) Zoning District; and providing for severability and an effective date.

b. First Reading of Proposed Ordinance 2014-07

First Reading of Proposed Ordinance 2014-07 to amend the budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2014; to provide for the expenditures of certain funds; and to allocate the sources of revenue for the said funds.

c. Consideration of a Resolution – Amended TIF Plan

Consideration of a Resolution of the Town of Hilton Head Island Town Council authorizing the distribution of an Amended Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area.

d. Consideration of a Resolution – Fair Housing Month

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, SC to proclaim April, 2014 as Fair Housing Month.

e. First Reading of Proposed Ordinance 2014-08

First Reading of Proposed Ordinance 2014-08 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a contract for purchase and sale and the execution of a deed for the sale of 10 acres of real property near William Hilton Parkway and Mathews Drive to Pineland Associates II, LLC pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

f. Consideration of a Recommendation for a nomination to the Beaufort - Jasper Water and Sewer Authority

12) Executive Session

a. Land Acquisition

(1) Consideration of Sale of Property to Pineland Associates II, LLC

b. Legal Matters

c. Contractual Matters

d. Personnel Matters

(1) Nomination to the Beaufort - Jasper Water and Sewer Authority

13) Adjournment

Proclamation

BY

THE TOWN OF HILTON HEAD ISLAND

WHEREAS, the Telecommunicators in the 9-1-1 Communications Center on Hilton Head Island serve the citizens of Hilton Head Island by answering their telephone calls for Fire, Rescue and Emergency Medical Services by dispatching the appropriate assistance as quickly as possible and offering comfort and aid to those in need until help arrives; and

WHEREAS, the critical functions performed by professional Telecommunicators also include those related to forestry and highway safety and maintenance activities and many other operations performed by Federal, State and Local Government Agencies; and

WHEREAS, the Association of Public-Safety Communications Officials International, an organization of more than 20,000 people engaged in the design, installation and operation of emergency response communications systems, has set aside a week in April to recognize Telecommunicators and their crucial role in the protection of life and property.

WHEREAS, the President and Congress have designated the second full week in April as National Public Safety Telecommunications Week.

NOW THEREFORE, I, Drew A. Laughlin, Mayor of the Town of Hilton Head Island, hereby proclaim that the week of April 13 through April 19, 2014 shall be known as

National Public Safety Telecommunications Week

in Hilton Head Island, South Carolina and encourage all citizens to participate in an appropriate manner to recognize and express their appreciation for the vital contributions made daily by the Town of Hilton Head Island's Communications Dispatchers.

*IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this **first** day of **April**, in the year of our Lord, **two thousand and fourteen**.*

Drew A. Laughlin, Mayor

Attest:

Victoria L. Pfannenschmidt, Town Clerk

Proclamation

BY
THE TOWN OF HILTON HEAD ISLAND

WHEREAS, one of the most meaningful gifts that a human being can bestow upon another is the gift of life; and

WHEREAS, the need for organ, eye and tissue donation grows daily as a new patient is added to the national waiting list for an organ transplant every 10 minutes; and

WHEREAS, the critical donor shortage remains a public health crisis as an average of 19 people die daily due to the lack of available organs; and

WHEREAS, organ, eye and tissue donations can provide families the comfort of knowing their gift endows another person with hope for a healthy life; and

WHEREAS, donating life through organ donation is the ultimate act of generosity and kindness we citizens can perform; and

WHEREAS, Donate Life South Carolina is a state non-profit organization dedicated to promoting awareness about the need for organ and tissue donation.

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina do hereby proclaim the month of April, 2014 as

DONATE LIFE APPRECIATION MONTH

in the Town of Hilton Head Island, South Carolina, and encourage everyone to consider being an organ donor, to request organ donation be designated on your driver's license, and to let family and friends know of your decision.

*IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this **First day of April, in the Year of our Lord, Two Thousand and Fourteen.***

Drew A. Laughlin, Mayor

Attest:

Victoria L. Pfannenschmidt, Town Clerk

COMMENDATION

*A Commendation of the Town of Hilton Head Island
Honoring
Lois Richardson*

WHEREAS, *shortly after arriving on Hilton Head Island in 1955 on the ferry from the mainland, Lois Richardson and her husband, Norris, began making their mark on the Island; and*

WHEREAS, *to meet the needs of the growing population of Hilton Head Island, in 1956 Lois and Norris opened the first grocery store on the Island, the Forest Beach Market, and continued to add buildings and find tenants for the shopping and entertainment area now known as Coligny, which the Richardson family continues to own and operate; and*

WHEREAS, *a small sign in their grocery store window inviting people to Sunday school in the Richardsons' home, with worship services held on the concrete slab area underneath, was the early beginnings of the First Baptist Church of Hilton Head Island over 50 years ago; and*

WHEREAS, *Lois and Norris exhibited their strong sense of community responsibility in providing valuable assistance to Charles Fraser during the early development of Sea Pines Plantation and Hilton Head Island; and*

WHEREAS, *Lois gave the ultimate gift of love to her son, Collins, by donating one of her kidneys to him nearly 46 years ago, and she serves as an example to all of us of how safe and rewarding a living organ donation can be.*

NOW, THEREFORE, *I, Drew A. Laughlin, Mayor of the Town of Hilton Head Island, on behalf of Town Council and its residents, do hereby commend and honor Lois Richardson for her many contributions to her family and to the residents and visitors of Hilton Head Island as she continues to live a full and blessed life as she nears the age of 95.*

IN TESTIMONY WHEREOF, *I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed **1st day of April**, in the year of our Lord **Two Thousand and Fourteen**.*

Drew A. Laughlin, Mayor

THE TOWN OF HILTON HEAD ISLAND

REGULAR TOWN COUNCIL MEETING

Date: Tuesday, March 18, 2014

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Brad Tadlock, *Deputy Fire Chief of Operations*; Julian Walls, *Facilities Manager*; Brian Hulbert, *Staff Attorney*; Joheida Fister, *Fire Marshal*; Bret Martin, *Deputy Director of Finance*; Victoria Shanahan, *Accounting Manager*; Natalie Majorkiewicz, *Systems and Reporting Administrator*; Jill Foster, *Deputy Director of Community Development*; Shawn Colin, *Deputy Director of Community Development*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Dan Burley, *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

a. Parkinson's Awareness Month

Mr. Tom Kurtz and Mr. Rusty Capers accepted the Proclamation. Mr. Kurtz is a member of the Board of Directors of the Beaufort County Coalition of Parkinson's Disease Support Groups, and both he and Rusty Capers are members of the Hilton Head Island Parkinson's Disease Support Group.

6) Approval of Minutes

a. Town Council Meeting – March 4, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the March 4, 2014 Town Council meeting were approved by a vote of 7-0.

7) Report of the Town Manager

a. Hilton Head Island Airport Update – Jon Rembold, Airports Director

Mr. Rembold updated Council on upcoming projects at the Airport and showed a video.

b. Town Manager's Items of Interest

Mr. Riley reported on some items of interest. Mr. Edwards referenced Council authorizing increasing the speed limit on the Cross Island Parkway with the condition of safety improvements being installed stating they had not been completed. Mr. Liggett stated the SCDOT is handling the matter and he would reach out to them concerning the timeline. Mr. Edwards strongly encouraged completion of the project.

c. February, 2014 Policy Agenda, Management Targets and CIP Updates

Mr. Riley stated he would be happy to answer any questions.

8) Reports from Members of Council

a. General Reports from Council

Mayor Laughlin stated he attended funeral services for Mr. Joe Fraser noting that he was one of the true giants responsible for much of what is here on Hilton Head Island. He commented that Mr. Fraser was a fine gentleman and a truly nice man. Mayor Laughlin said Mr. Fraser will be missed and he hoped the Town would find an appropriate way to acknowledge his contributions.

Mayor Laughlin said he had the opportunity to attend the finals of the Hilton Head Symphony Piano Competition. He encouraged all to attend next year stating it is a truly remarkable event which hosts competitors from all over the world. He added that as we strive to refine and implement concepts of economic development, that we would remember to take the assets we already have into consideration and nurture them as they do contribute to economic development and quality of life.

Mr. Williams reported he attended the Chamber of Commerce Government Affairs Committee meeting on March 7. He stated that Mr. Jim Collett updated the Committee on the Telecommunications Task Force status. He said Mr. Steve Wilson with the Beaufort County Southern Corridor Beautification Board made a presentation and said they are working with Belfair, Berkley Hall and Colleton Plantations in getting assistance for median landscaping along with working with the County on budgeting funds to maintain the corridor out to SR170. Mr. Williams added that the Board has been charged with the landscaping for the Flyover and Hilton Head Island has a seat on the board which needs to be filled and encouraged moving forward with the nomination.

Mr. Williams referenced a letter from SCDOT to the County Administrator regarding the changes necessary at Windmill Harbor intersection to meet the SCDOT rules and regulations and it greatly increases the cost of the project. He said he spoke with Chris Bickley of LCOG and it appears that the SCDOT is in the process of changing the methodology of allocating funds and there is concern about LCOG's ability to fund projects when the changes are implemented.

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

Mr. Williams stated the Committee met on Monday, March 17. He reported Stu Rodman and Jerry Stewart of the Beaufort County Council spoke concerning the proposed Local Option Sales Tax (LOST) and the proposed Capital Improvements Tax referendum.

Mr. Williams added Lynn McGee of USCB was present to discuss parity funding for USCB. He presented a draft letter in support of USCB's efforts and asked for Council's approval that the letter be send under the Mayor's signature. It was the consensus of Council to send the letter.

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

Mr. Edwards commented he has put the word out with several landscaping architectural firms concerning the open seat on the Beaufort County Southern Corridor Beautification Board and noted it is a very important position to fill.

Mr. McCann suggested the current or past chairman of a committee/commission should be involved in the selection process of candidates. Mayor Laughlin stated when he was chair of the Personnel Committee recommendations were solicited from chairs of committees/commissions. Mr. McCann suggested the chairs also review all candidates the Personnel Committee is considering.

d. Report of the Planning & Development Standards Committee – John McCann, Chairman

Mr. McCann stated that at the last meeting the Committee unanimously agreed to recommend to Council the approval of rezoning land in Palmetto Dunes which is on today's agenda.

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

No report.

f. Report of the Public Safety Committee – Marc Grant, Chairman

No report.

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

Mrs. Likins stated the Committee is on target for completions of review of the draft chapters and they are meeting again on Friday, March 21 at 8:30 a.m.

9) Appearance by Citizens

None.

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2014-04

Second Reading of Proposed Ordinance 2014-04 to repeal Chapter 7 of Title 9 of the Municipal Code of the Town of Hilton Head Island, South Carolina and to enact a new Chapter 7 of Title 9, Outdoor Burning; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. Mr. Grant said that in reference to the open burn ban or removal of such, this ordinance was considered a compromise to ensure everyone had the means to maintain their property. He encouraged moving forward with a committee outside of Town Council to work on solutions and compromises throughout the entire Island to solve the issue. The motion was approved by a vote of 6-0 (Mr. Edwards was opposed.)

b. Second Reading of Proposed Ordinance 2014-06

Second Reading of Proposed Ordinance 2014-06 authorizing the execution of an Easement Agreement granting and easement by the Town of Hilton Head Island to Synovus Bank for the construction, repair, maintenance, and use of a boardwalk located in the Singleton Beach Area on Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2011), 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. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

11) New Business

a. Consideration of a Recommendation – Sale of Property

Consideration of a Recommendation that Town Council authorize the Town Manager to work with Beaufort County to negotiate a contract for the sale of approximately 0.075 acres of jointly held property to neighboring property owner, Mr. Andre White, to rectify encroachment issues that were not identified during the County's title research of the property prior to the County and Town closing on the sale.

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

12) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters pertaining to land acquisition and personnel matters pertaining to an appointment to the Capital Projects Sales Tax Commission.

At 4:45 p.m. Mr. Harkins moved to go into Executive Session for the reasons given by the Town Manager. Mrs. Likins seconded. The motion was unanimously approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 5:48 p.m. and referenced the Town Council meeting of March 4 noting that upon Council's return from Executive Session he recused himself concerning Items 11.f. and 11.g. He stated for the record that he also recused himself from the discussions concerning the items and exited the room during the Executive Session on March 4.

He stated that as a result of today's Executive Session, Council would address the item below:

b. Consideration of a Recommendation – Capital Project Sales Tax Commission

Consideration of a Recommendation of an appointment to the Beaufort County Capital Project Sales Tax Commission.

Mr. Edwards moved to appoint Scott Richardson to the Beaufort County Capital Project Sales Tax Commission. Mrs. Likins seconded. The motion was unanimously approved by a vote of 7-0.

13) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0. The meeting was adjourned at 5:49 p.m.

Approved:

Vicki Pfannenschmidt,
Executive Assistant/Town Clerk

Drew A. Laughlin, Mayor

DRAFT

THE TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL BUDGET WORKSHOP

Date: Tuesday, March 18, 2014

Time: 5:50 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Brad Tadlock, *Deputy Fire Chief of Operations*; Julian Walls, *Facilities Manager*; Brian Hulbert, *Staff Attorney*; Joheida Fister, *Fire Marshal*; Bret Martin, *Deputy Director of Finance*; Victoria Shanahan, *Accounting Manager*; Natalie Majorkiewicz, *Systems and Reporting Administrator*; Jill Foster, *Deputy Director of Community Development*; Shawn Colin, *Deputy Director of Community Development*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Dan Burley, *Island Packet*

1. Call to Order

Mayor Laughlin called the workshop to order at 5:50 p.m.

2. 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.

3. Big Picture Issues/Budget Planning

Mr. Riley said the workshop was intended to get a conversation going and not to make any decisions. He said there are an amazing amount of requests for funds, resources and time. He explained there are issues with revenue sources over time and the demands that are before Council adding that outside agencies have requested over one million dollars in new funding. Mr. Riley pointed out concerns about staff's ability to deliver capital projects in the timeliness Council would like to see them accomplished. He asked Susan Simmons to approach the dais and conduct her power point.

Ms. Simmons reviewed, in detail, the Reassessment/Appeals & Act 388 issues, Beach Renourishment Sustainability, the proposed TIF Extension details and timeline, Operating Budget Impacts, Capital Projects Impacts, Unknown Impacts and Future Revenue Sources with Council and answered questions. Discussions ensued on each subject. Ms. Simmons reviewed the timeline for the budget workshops.

4. Adjournment

Mr. Edwards moved to adjourn. Mr. McCann seconded. The workshop was adjourned at 7:45 p.m.

Vicki Pfannenschmidt, Executive Assistant/Town Clerk

Approved:

Drew A. Laughlin, Mayor



Items of Interest

April 1, 2014

1. Town News

At this year's F&R awards ceremony held on March 14, 2014, the following individuals received awards:

Employee of the year	Randy Marrero
Officer of the year	Jason Walters
Letter of Commendation	Chris Kennedy
Letter of Commendation	Lili Rigas
Dispatcher of the year	Tammye Brown
FF of the year	Steve Kenyon
Leadership Award	Cathy Jones-Gooding
Chief's Award	Laura Nold
Civic Award	Kevin Osterstock – Knights of Columbus
Civic Award	Scott Mason - Cub Master of the Year, Boy Scouts of America
Civic Award	Jeffrey Hartberger – ESGR Patriot Award
Citizen's Service Medal	Tomika Busby, HH Plantation Security
Citizen's Service Medal	Steve Brown
Unit Citation	Jason Walters, John Amarino, Bryan Sharver, Ken Robinson, and Dominc Socie
Star of Life	Tom Bouthillet

(Contact: Lavarn Lucas, Fire Chief at lavarnl@hiltonheadislandsc.gov or 682-5153)

Noteworthy Events

a) Some of the upcoming meetings at Town Hall:

- Planning Commission – Public Workshop/Coligny Area Improvements – April 2, 2014, 4:00 p.m.
- Accommodations Tax Advisory Committee – April 3, 2014, 9:00 a.m.
- Planning & Development Standards Committee – April 3, 2014, 3:00 p.m.
- Public Safety Committee – April 7, 2014, 10:00 a.m.
- Design Review Board – April 8, 2014, 1:15 p.m.
- Parks and Recreation Commission – April 10, 2014, 3:30 p.m.
- Planning Commission – April 16, 2014, 3:00 p.m.
- Intergovernmental Relations Committee – April 21, 2014, 10:00 a.m.
- LMO Rewrite Committee – March 21, 2014, 8:30 a.m.
- Planning & Development Standards Committee Special Meeting – April 22, 2014, 9:00 a.m.
- Design Review Board, April 22, 2014, 1:15 p.m.
- Town Council – April 22, 2014, 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.

2014 Hilton Head Island Events

<p>April 4, 2014 5:00 p.m. – 8:00 p.m. April 5, 2014 11:00 a.m. – 5:00 p.m.</p>	<p>Hilton Head Island Seafood Festival Island Recreation Association</p>	<p>Shelter Cove Community Park</p>
<p>April 14-20, 2014 7:00 a.m.-7:00 p.m.</p>	<p>RBC Heritage PGA Golf Tournament presented by Boeing</p>	<p>Harbour Town Golf Links</p>



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, *Town Manager*
VIA: Teri Lewis, AICP, *LMO Official*
FROM: Nicole Dixon, CFM, *Senior Planner*
CC: Charles Cousins, AICP, *Director of Community Development*
DATE: March 6, 2014
SUBJECT: Proposed Ordinance No. 2014-05
ZMA130009 – Palmetto Dunes POA Office

Recommendation: The Planning and Development Standards Committee met on March 6, 2014 to review the attached application for Zoning Map Amendment (ZMA130009) and voted 3-0 to recommend that Town Council approve the proposed application for rezoning.

The Planning Commission met on February 5, 2014 to review ZMA130009, and after a public hearing voted 7-0 to recommend that Town Council approve the proposed application for rezoning.

Staff recommends Town Council approve the attached application, finding that the application is consistent with the Comprehensive Plan and serves to carry out the purposes of the Land Management Ordinance.

Summary: The purpose of this application is to apply the RFZ (Redevelopment Floating Zone Overlay District) to the existing PD-1 (Planned Development) Zoning District for the property located at 16 Queens Folly Road. The site contains the old Fire Station 6, which is a nonconforming structure, and also has several nonconforming site features. The Palmetto Dunes Property Owners Association (POA) has a contract to purchase the property from the Town when the new fire station building is complete on Dalmatian Lane. The POA will redevelop the property as their administration, security and guest pass office. In order to redevelop the property, the applicant has applied for the RFZ to allow flexibility in certain design standards that constrain the redevelopment.

Background: The Town received this request from Witmer Jones Keefer, on behalf of Palmetto Dunes POA. Staff met with the applicant several times to review their options, and it was determined that the RFZ is the only option that would allow the redevelopment of the site, while still retaining some nonconformities.

The property is currently considered nonconforming for several reasons. The existing building, built around 1983, is located within the minimum adjacent street setback and buffer. In addition, the density permitted for this property according to the Palmetto Dunes master plan is 4,500 square feet. LMO Section 16-4-1604 states that maximum site specific densities shall not exceed the density limits established in approved master plans. The existing building is 7,840 square feet, 3340 square feet over the permitted density. The property contains several other nonconforming site features: lack of vegetated buffers, inadequately sized parking spaces, lack of and inadequately sized medians and drive aisles, and too much impervious coverage.

Approval of the RFZ will reduce the required adjacent street setback and buffer along Queens Folly Road by 50%. The applicant will also be able to rebuild to a density that is greater than what is permitted according to the Palmetto Dunes master plan. This will help facilitate the redevelopment of the property.

The purpose of the RFZ is to allow property to redevelop in a manner that is more flexible than design standards in the Land Management Ordinance (LMO) require of new development. Staff reviewed this request and determined that the application is consistent with the Comprehensive Plan and the RFZ criteria in the LMO.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO. 2014-

PROPOSED ORDINANCE NO. 2014-05

AN ORDINANCE TO AMEND TITLE 16, "THE LAND MANAGEMENT ORDINANCE," OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, BY AMENDING SECTION 16-4-102, THE OFFICIAL ZONING MAP WITH RESPECT TO THAT CERTAIN PARCEL IDENTIFIED AS PARCEL 347A ON BEAUFORT COUNTY TAX MAP 12, TO APPLY THE RFZ (REDEVELOPMENT FLOATING ZONE OVERLAY DISTRICT) TO THE EXISTING PD-1 (PLANNED DEVELOPMENT) ZONING DISTRICT; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on July 21, 1998, the Town Council did amend Title 16 of the Municipal Code of the Town of Hilton Head Island by enacting a revised Land Management Ordinance ("LMO"); and

WHEREAS, on March 6, 2007, the Town Council did amend Title 16 of the Municipal Code of the Town of Hilton Head Island by adopting amendments to the Land Management Ordinance creating the Redevelopment Floating Zone Overlay District; and

WHEREAS, the purpose of the Redevelopment Floating Zone is to encourage nonconforming properties to redevelop without requiring full compliance with the design and performance standards of the Land Management Ordinance; and

WHEREAS, the Planning Commission held a public hearing on said zoning map amendment application on February 5, 2014, at which time a presentation was made by staff and an opportunity was given for the public to comment on the rezoning request; and

WHEREAS, the Planning Commission, after consideration of the staff report, public comments, and the criteria set forth in Section 16-3-1607 of the LMO, voted 7-0 to find the application consistent with the Comprehensive Plan and serves to carry out the purposes of the LMO; and

WHEREAS, the Planning and Development Standards Committee held a public meeting on March 6, 2014 to review said zoning map amendment application, at which time a presentation was made by staff and an opportunity was given for the public to comment on the rezoning request; and

WHEREAS, the Planning and Development Standards Committee, after consideration of the staff report, public comments, and the criteria set forth in Section 16-3-1607 of the LMO, voted to recommend that Town Council approve the proposed zoning map amendment application; and

WHEREAS, after due consideration of said zoning map amendment application and the recommendations of the Planning Commission and the Planning and Development Standards Committee, the Town Council, upon further review, finds it is in the public interest to approve the proposed application.

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

Section 1. Amendment. That the Official Zoning Map of the Town of Hilton Head Island, as referred to in Section 16-4-102 of the LMO, be hereby amended to modify the zoning designation of that certain parcel identified as parcel 347A on Beaufort County Tax Map 12, to apply the RFZ Overlay District to that specific parcel within the existing PD-1 Zoning District, specifically the Palmetto Dunes master plan. The attached Vicinity Map shows the location of the subject property.

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 not affect the validity of the remaining portions thereof.

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

PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2014.

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

Public Hearing: February 5, 2014

First Reading:

Second Reading:

Approved as to form:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



**TOWN OF HILTON HEAD ISLAND
COMMUNITY DEVELOPMENT DEPARTMENT**

One Town Center Court | Hilton Head Island, SC 29928 | 843-341-4757 | FAX 843-842-8908

**STAFF REPORT
ZONING MAP AMENDMENT**

Case #:	Name of Project:	Public Hearing Date:
ZMA130009	Palmetto Dunes POA Office	February 5, 2014

Parcel Data:	Property Owners	Applicant/Agent
<u>Existing Zoning District:</u> PD-1 (Planned Development) <u>Proposed Zoning District:</u> Same as Above <u>Applicable Overlay District:</u> Corridor Overlay <u>Proposed Overlay District:</u> Redevelopment Floating Zone (RFZ) <u>Parcels Affected:</u> Beaufort County Tax Map 12, Parcel 347A <u>Parcel Acreage:</u> 1.09 Acres	Town of Hilton Head Island One Town Center Court Hilton Head Island, SC 29928	Witmer Jones Keefer 14A Palmetto Way Bluffton, SC 29910

Application Summary:
 Witmer Jones Keefer, on behalf of Palmetto Dunes Property Owners Association, is proposing to apply the RFZ (Redevelopment Floating Zone Overlay District) to the existing PD-1 (Planned Development) Zoning District for the property located at 16 Queens Folly Road. The site contains a nonconforming structure and several nonconforming site features. In order to redevelop the property, the applicant has applied for the RFZ to allow flexibility in certain design standards that constrain the redevelopment.

Staff Recommendation:
 Staff recommends that the Planning Commission find this application to be

consistent with the Town's Comprehensive Plan and does serve to carry out the purposes of the LMO, based on those Findings of Facts and Conclusions of Law as determined by the LMO Official and enclosed herein.

Background:

The property is currently home to the Town's Fire Station 6. The Palmetto Dunes Property Owners Association (POA) has a contract to purchase the property from the Town when the new fire station building is complete on Dalmatian Lane. The POA will redevelop the property as their administration, security and guest pass office.

The subject property is surrounded by property owned by the Greenwood Development Corporation for office, maintenance and storage yard uses for Palmetto Dunes, a water tower site, and has frontage on Dalmatian Lane and Queens Folly Road.

The property is currently considered nonconforming for several reasons. The existing building, built around 1983, is located within the minimum adjacent street setback and buffer. In addition, the density permitted for this property according to the Palmetto Dunes master plan is 4,500 square feet. LMO Section 16-4-1604 states that maximum site specific densities shall not exceed the density limits established in approved master plans. The existing building is 7,840 square feet, 3340 square feet over the permitted density. The property contains several other nonconforming site features: lack of vegetated buffers, inadequately sized parking spaces, lack of and inadequately sized medians and drive aisles, and too much impervious coverage.

The LMO states that a nonconforming structure shall not be expanded, enlarged, relocated or redeveloped, in whole or in part, unless the result is to bring the structure into conformance with the provisions of the LMO. The LMO provides the Redevelopment Floating Zone (RFZ) as a tool to redevelop nonconforming structures and sites.

Staff met with the applicant several times to review their options, and it was determined that the RFZ is the only option that would allow the redevelopment of the site, while still retaining some nonconformities. Approval of the RFZ will reduce the required adjacent street setback and buffer along Queens Folly Road by 50%. The applicant will also be able to rebuild to a density that is greater than what is permitted according to the Palmetto Dunes master plan. This will help facilitate the redevelopment of the property.

Applicant's Grounds for ZMA:

The applicant states in the narrative that Palmetto Dunes POA has a contract to purchase the property from the Town in the fall of 2014. The POA will redevelop the property as their administration, security and community pass office. The applicant states that after studying proposed renovations to the existing fire station building, the POA concluded that it isn't feasible to renovate the existing structure due to the current structural condition. The applicant decided that the redevelopment floating zone was the process they would pursue in order to redevelop the site so that it functions efficiently for their needs. The applicant states in the narrative that the redevelopment will lessen the nonconformities on site, improve site conditions while maintaining island character, and will be compatible with surrounding land

uses.

Summary of Facts and Conclusions of Law:

Findings of Facts:

- Notice of the Application was published in the Island Packet on January 5, 2014 as set forth in LMO (Land Management Ordinance) Sections 16-3-110 and 16-3-111.
- Notice of the Application was posted and mailed as set forth in LMO Sections 16-3-110 and 16-3-111.
- Pursuant to LMO Section 16-3-1603, the RFZ process requires the Design Review Board (DRB) to review and approve a conceptual landscape plan prior to the Planning Commission public hearing. On December 10, 2013, the DRB approved a conceptual landscape plan for this project.
- A public hearing will be held on February 5, 2014 as set forth in LMO 16-3-1606A.
- The Commission has authority to render their decision reached here in LMO Section 16-3-1606.

Conclusions of Law:

- The application, notice requirements, and public hearing comply with the legal requirements as set forth in LMO 16-3-110, 16-3-111 and 16-3-1606.
- The applicant submitted an affidavit stating they met the mailed notice requirements as set forth in LMO Section 16-3-111.

As set forth in Section 16-3-1607, Redevelopment Floating Zone Review Criteria, Planning Staff has based its recommendation on analysis of the following criteria:

Summary of Facts and Conclusions of Law:

Criteria 1: The site plan, design standards, and other design criteria are consistent with the purpose of the Redevelopment Floating Zone as stated in Section 16-4-1101 (LMO Section 16-3-1607A):

Finding of Fact:

- Pursuant to LMO Section 16-4-1101, the purpose of the Redevelopment Floating Zone is “to allow a property to redevelop in a manner that is more flexible than the design standards and other design criteria required of new development. The Redevelopment Floating Zone is designed to promote redevelopment to improve sites while still maintaining island character and encourage owners of nonconforming properties on the Island to redevelop without requiring complete conformance with the current provisions of this Title. The needs and goals of the Comprehensive Plan support the creation of this zone to encourage redevelopment.”

Conclusions of Law:

- Staff concludes that the site plan, design standards and other design criteria are consistent with the purpose of the Redevelopment Floating Zone as stated in LMO

Section 16-4-1101.

- The design of the proposed redevelopment incorporates a reduction in density, flexibility in the setback and buffer standards, but also includes the preservation of existing trees within the remaining buffer area as well as the installation of new landscaping and an increase of open space and pervious area on the site.

Summary of Facts and Conclusions of Law:

Criteria 2: The site plan, design standards, and other design criteria meet the definition of redevelopment in Chapter 10 of this Title (LMO Section 16-3-1607B):

Findings of Fact:

- Chapter 10 of the LMO defines redevelopment as: “The renovation of a previously developed site to the density allowed under Section 16-4-1601, or the existing density, whichever is greater.”
- The applicant is proposing to demolish the existing 7,840 square foot building and construct a new building that is 7,500 square feet; therefore reducing the density.

Conclusions of Law:

- Staff concludes that the site plan, design standards and other design criteria meet the definition of redevelopment in Chapter 10.
- The applicant is proposing a building that is slightly smaller in size than the existing density, which meets the definition of redevelopment.

Summary of Facts and Conclusions of Law:

Criteria 3: The area surrounding the proposed redevelopment can be planned and developed or redeveloped in substantial compatibility with the standards and criterion of the proposed redevelopment (LMO Section 16-3-1607C):

Findings of Fact:

- The property subject to the application is surrounded by property owned by the Greenwood Development Corporation for office, maintenance and storage yard uses for Palmetto Dunes, a water tower site, and has frontage on Dalmatian Lane and Queens Folly Road. These properties have all functioned together for years with shared parking and drive aisles.
- LMO Section 16-4-1102 states that “The Redevelopment Floating Zone may be applied for by qualifying parcels island-wide to redevelop with flexibility in design standards and other design criteria....The following parcels qualify: (1) Parcels that contain a nonconforming structure or site feature, or (2) A conforming parcel that redevelops in conjunction with a parcel that contains a nonconforming structure or site feature.”
- The proposed redevelopment includes the following overall site improvements: reduction in number of parking spaces, increase in landscaping and vegetation,

increase in pervious surface coverage, increase in open space, decreases density from 7,840 to 7,500 square feet, provides a bike rack, and improves parking space, median and vehicular circulation.

Conclusions of Law:

- Staff concludes that the area surrounding the proposed redevelopment can be planned and developed or redeveloped in substantial compatibility with the standards and criterion of the proposed redevelopment.
- If the adjacent properties are currently nonconforming, there would be the same opportunity provided for them to redevelop through this RFZ process where similar flexibility could be granted.
- The redevelopment will be an overall benefit to the surrounding area because of the proposed improvements to the site and the way it functions together with the adjacent properties.

Summary of Facts and Conclusions of Law:

Criteria 4: The proposed redevelopment is consistent with the Comprehensive Plan (LMO Section 16-3-1607D):

Findings of Facts:

The Comprehensive Plan addresses this application in the following areas:

Economic Development Element:

Section 7.6 – Potential Strategies with Implication for Comprehensive Plan

Identify and prioritize areas in need of redevelopment, including any obsolete or run down commercial buildings. Incentivize the development of flexibility of streamlining in regulation of density caps, setbacks (and other controls) that enable a qualitative, principle based, asset revitalization that enhances the Island’s positive legacies.

Land Use Element:

An Implication for Zoning Changes

Future land use decisions and requests for zoning changes will be determined using the background information contained in this plan as well as the future land use map, currently represented by the Town’s Official Zoning Map.

An Implication for Building Permit Trends

Redevelopment of our existing built environment and infill development should be a focus for the future development of our community, while the Town has entered a more mature level of development.

An Implication for Nonconforming Parcels by Use

Current zoning classifications should be reviewed along with the associated regulations for each use. Areas that have high instances of nonconforming uses should be reviewed

closely and revisions should be made where necessary. Creative alternatives to traditional zoning classifications should be considered, such as form based and smart codes to reflect current building and development trends that are indicative of our Island character.

Goal 8.8 – Nonconforming Parcels by Use

B. The goal is to evaluate the locations of non-conforming uses to determine areas to consider for Zoning Map Amendments.

Goal 8.9 – Age of Structures

B. The goal is to encourage redevelopment of properties with aging structures or that no longer meet current market demands.

Implementation Strategy 8.8 Nonconforming Parcels by Use

A. Evaluate the zoning districts or regulations of the districts when high concentrations of non-conforming properties by use exist to determine if amendments are appropriate.

Conclusions of Law:

- Staff concludes that this application is consistent with the Comprehensive Plan, as set forth in LMO Section 16-3-1607D.
- The proposed rezoning will provide the flexibility needed to redevelop a site with nonconformities in compliance with the RFZ standards in the LMO.
- This rezoning will increase the potential for the redevelopment of an aging structure on the Island.

Summary of Facts and Conclusions of Law:

Criteria 5: The proposed redevelopment is not detrimental to the public health, safety and welfare (LMO Section 16-3-1607E):

Finding of Fact:

- The proposed redevelopment includes the following overall site improvements: reduction in number of parking spaces, increase in landscaping and vegetation, increase in pervious surface coverage, increase in open space, decreases density from 7,840 to 7,500 square feet, provides a bike rack, and improves parking space, median and vehicular circulation.

Conclusions of Law:

- Staff concludes that the proposed redevelopment is not detrimental to the public health, safety and welfare.
- The proposed redevelopment will be an overall benefit to the surrounding area and the public health because of the proposed improvements to the site and the way it

functions together with the adjacent properties.

Summary of Facts and Conclusions of Law:

Criteria 6: The proposed redevelopment will produce an overall result that is equal to, or will lessen the current nonconforming nature of the site (LMO Section 16-3-1607F):

Findings of Fact:

- LMO Section 16-4-1604 limits the density to what is established in an approved master plan, or where no density is established in a master plan it is limited to 10,000 square feet per net acre. The Palmetto Dunes master plan has 4,500 square feet of office assigned to the subject parcel. The existing fire station building is 7,840 square feet. The applicant is proposing a 7,500 square foot building, which will be a reduction in the nonconforming density.
- LMO Section 16-5-704B requires a 20 foot adjacent street setback from Queens Folly Road.
- LMO Section 16-5-806B requires a 20 foot adjacent street buffer from Queens Folly Road.
- The site plan submitted by the applicant for the proposed redevelopment illustrates the adjacent street setback and buffer along Queens Folly Road reduced by 50 percent of the required width, which is allowed with the RFZ overlay.
- LMO Section 16-5-1209 requires 1 parking space for every 350 square feet of gross floor area. The proposed building is 7,500 square feet, requiring 21 parking spaces on site. There are currently 46 parking spaces on site. The applicant is proposing to reduce the number of parking spaces to 37 and change 16 of them from impervious to pervious materials, which will reduce that nonconforming site feature.
- LMO Section 16-5-1207 requires 15 foot landscaped medians at the ends of parking bays and 12 foot medians within parking bays separating parking spaces of 10 in a row. The site currently lacks adequate landscaped medians. The proposed redevelopment includes the addition of landscaped medians.
- LMO Section 16-5-1207 requires drive aisles behind parking spaces to be at least 24 feet in width and drive aisles that are not behind parking to be at least 20 feet in width. The proposed redevelopment includes improvements to the drive aisles and vehicular circulation.
- LMO Section 16-4-1607 requires a maximum impervious surface coverage of 65%. The site currently has an impervious surface coverage of 71%. The applicant has worked with staff and revised the proposed site plan to reduce the impervious coverage to 64%, which will eliminate that nonconforming site feature.
- LMO Section 16-4-1606 requires a minimum open space coverage of 25%. The site currently has 36% of open space, so it is conforming. The applicant is proposing to increase the open space to 39%, which is another improvement to the site.

Conclusions of Law:

- Staff concludes that the proposed redevelopment will produce an overall result that will lessen the current nonconforming nature of the site.

- The nonconforming density will be reduced.
- Through the redevelopment of the property, even though the adjacent use and adjacent street buffer along Queens Folly Road will be decreased in width, it will contain increased vegetation and therefore will still function as a buffer.
- Some of the non-compliant parking, medians and drive aisles will be improved, making the site less nonconforming.
- The overall impervious surface coverage will be reduced and the open space will increase as a result of the proposed redevelopment, which is an additional improvement to the property because it improves the storm water conditions.

Summary of Facts and Conclusions of Law:

Criteria 7: The applicant has demonstrated that every effort has been made to meet the current standards of Chapters 4, 5 and 6 (LMO Section 16-3-1607G):

Findings of Fact:

- The property is currently nonconforming because it exceeds the density allowed on the approved master plan.
- The property currently exceeds the maximum impervious surface coverage requirements.
- The site is currently nonconforming because it lacks conforming parking, medians, drive aisles and buffers.
- The applicant has been working with staff to revise the proposed site plan to bring it into as much compliance with the LMO as possible.

Conclusions of Law:

- Staff concludes that the applicant has demonstrated that every effort has been made to meet the current standards of Chapters 4, 5 and 6.
- The applicant took the concerns of staff into consideration and redesigned the proposed redevelopment plan to make it more in compliance with the LMO for items such as providing pervious parking and providing an adequate stacking depth for the drive thru facility.
- The applicant is proposing to make the following overall improvements to bring the property more into conformance with the current standards of Chapters 4, 5 and 6: reduction in density, reduction in number of parking spaces, increase in landscaping and vegetation, increase in pervious surface coverage, increase in open space, provides a bike rack, and improve parking space, median and vehicular circulation.

Summary of Facts and Conclusions of Law:

Criteria 8: If the site contains nonconforming density, the applicant has demonstrated that redeveloping the site with that nonconforming density causes an inability to meet current standards (LMO Section 16-3-1607H):

Findings of Fact:

- LMO Section 16-4-1604 limits the density to what is established in an approved master plan, or where no density is established in a master plan it is limited to 10,000 square feet per net acre. The Palmetto Dunes master plan has 4,500 square feet of office assigned to the subject parcel. The existing fire station building is 7,840 square feet; therefore it is considered nonconforming to the density standards. The applicant is proposing a 7,500 square foot building, which will still be considered nonconforming.
- The applicant states in the narrative that they are tearing down the old fire station building and building this one smaller to make every attempt to meet the design standards but even with the smaller footprint and better placement of the structure, all standards cannot be met.

Conclusions of Law:

- Staff concludes that the property does contain nonconforming density, and that the applicant has demonstrated that redeveloping the site with that nonconforming density causes an inability to meet current standards.
- By demolishing the fire station building, the applicant will be able to redevelop and improve the site through the RFZ process at an even lower density than what currently exists.

LMO Official Determination

Determination: Staff determines that this application is consistent with the Comprehensive Plan and does serve to carry out the purposes of the LMO as based on the Findings of Fact and Conclusions of Law detailed in this report.

Note: If the proposed amendment is approved by Town Council, such action shall be by ordinance to amend the Official Zoning Map. If it is denied by Town Council, such action shall be by resolution.

PREPARED BY:

ND

Nicole Dixon, CFM
Senior Planner

1-24-14

DATE

REVIEWED BY:

TBL

Teri B. Lewis, AICP
LMO Official

1-24-14

DATE

REVIEWED BY:

JL

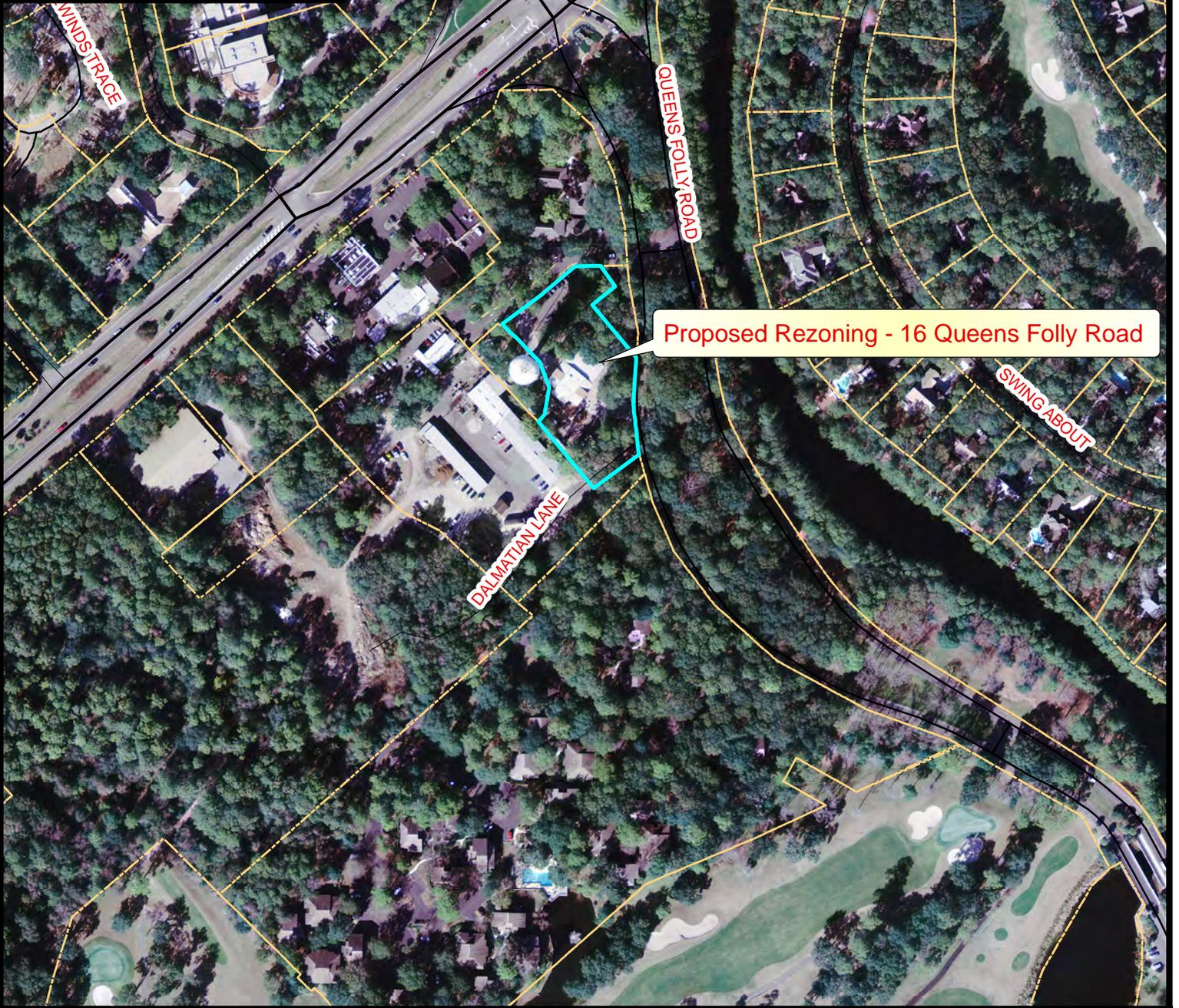
Jayne Lopko, AICP
Senior Planner & Planning Commission Board Coordinator

1-24-14

DATE

ATTACHMENTS:

- A) Vicinity Map
- B) Applicant's Narrative
- C) Proposed Redevelopment Plan
- D) As-built Survey
- E) Photographs
- F) Aerial



Proposed Rezoning - 16 Queens Folly Road


TOWN OF HILTON HEAD ISLAND
ONE TOWN CENTER COURT
HILTON HEAD ISLAND, S.C. 29928
PHONE (843) 341-6000

Town of Hilton Head Island
ATTACHMENT A
Vicinity Map



This information has been compiled from a variety of unverified general sources at various times and as such is intended to be used only as a guide. The Town of Hilton Head Island assumes no liability for its accuracy or state of completion.

ATTACHMENT B



December 18, 2013
Revised January 20, 2014

Palmetto Dunes Property Owners Association Office zoning map amendment request for redevelopment floating zone:

This project consists of a new Property Owners Association (POA) office along Queens Folly Road in Palmetto Dunes. Palmetto Dunes has contracted with the town to purchase the property (the site of Fire Station Number 6) with an anticipated closing in the fall of 2014. The site will provide Palmetto Dunes POA a presence at the entry/gateway to Palmetto Dunes, while bringing administrative, security, and community pass services together in one centralized facility. After studying updates to the existing fire station building, Palmetto Dunes concluded that renovating the existing structure was not feasible, but that utilizing a redevelopment floating zone would allow the site to function efficiently for their needs. The zone designation would also eliminate concerns regarding the existing fire station's structural condition.

Below find our findings on the criteria listed in Section 16-3-1607

- A. **The site plan, design standards, and other design criteria are consistent with the purpose of the Redevelopment Floating Zone as stated in Section 16-4-1101.**
Yes; they are consistent. The redevelopment improves site conditions while maintaining island character.
- B. **The site plan, design standards, and other design criteria meet the definition of redevelopment in Chapter 10 of this title.**
Yes; redevelopment density is less. . Redeveloping allows a more efficient plan, reducing the impervious area by +/-2484 square feet and lessening the current nonconforming nature of the site (The existing impervious area is +/-33,640 square feet and the proposed impervious area is +/-31,156 square feet). The current building footprint is 7,840 sf, while the proposed new footprint is 7,001 sf (an impervious area reduction of +/- 839 square feet). Please note the building square footage is 7500 sf; there is a 499 square foot meeting room on the second floor.
- C. **The area surrounding the proposed redevelopment can be planned and developed or redeveloped in substantial compatibility with the standards and criteria of the proposed redevelopment.**
Yes; this use is compatible with surrounding uses, with some current adjacent uses (pass office and security offices) moving to this site.
- D. **The proposed redevelopment is consistent with the Comprehensive Plan.**
Yes it is.
- E. **The proposed redevelopment is not detrimental to the public health, safety, and welfare.**
No; the redevelopment of this property should improve efficiency and safety.
- F. **The proposed redevelopment will produce an overall result that is equal to, or will lessen the current nonconforming nature of the site.**
Yes; it reduces the nonconforming nature of the site (see B. above).
- G. **The applicant has demonstrated that every effort has been made to meet the current standards of Chapters 4, 5, and 6.**
We are meeting all of these standards with the few exceptions needed to achieve Palmetto Dunes goal of bringing administrative, security, and community pass services together in one centralized facility at the entry /

ATTACHMENT B

gateway to Palmetto Dunes. The few exceptions (allowed in the redevelopment floating zone) being requested are:

1. Reduce the setback along Queens Folly to 10' to maximize the stacking space length to the pass office window. We are also requesting the buffer along Queen's Folly Road be reduced to 10' to match the setback request.
2. Building square footage of 7500.
3. Setbacks and buffers adjacent to the access easement and Palmetto Dunes Maintenance area should not apply per section 16-5-704 (adjacent use setbacks between adjoining parcels that are functioning as one development may be eliminated as deemed appropriate by the administrator); they currently function together and with the proposed POA office, this relationship will increase.

H. If the site contains nonconforming density, the applicant has demonstrated that redeveloping the site with that nonconforming density causes an inability to meet current standards.

Yes; the existing and proposed building square footage are nonconforming densities.

Other items of note are:

With total site acreage of 1.09 acres, the provided open space is 39%. The setback on Dalmatian Lane and on the northern portion of the property remains unchanged at 10'. The 10' buffer remains on Dalmatian Lane. Refer to the site plan for open space, parking calculations, and impervious area coverage. Please note we are requesting 16 parking spaces beyond the minimum requirement. These spaces will be needed for various types of meetings and guest coming to the pass and security offices. After reviewing section 16-3-1505 we believe this site meets all criteria (A. thru F.) for the zoning amendment, and if approved, will allow Palmetto Dunes to redevelop this property in a safe and efficient manner.

Sincerely,

Witmer ♦ Jones ♦ Keefer, Ltd.

Brian Witmer, ASLA,

Principal

cc: Andrew Schumacher

Daniel Keefer

Attachment



PALMETTO DUNES RESORT
MAINTENANCE AREA

PARKING SUMMARY

EXISTING PARKING SPACES	46 SPACES (2 HANDICAP)
PROPOSED PARKING CALCULATION	PARKING SPACES REQUIRED (1 SPACE PER 350 BUILDING SF)
PROPOSED PARKING SPACES	21 SPACES (1 HANDICAP)
	37 SPACES (2 HANDICAP)
	21 ASPHALT SPACES
	16 PERVIOUS SPACES (GRANITE FINES)

BUILDING SUMMARY

BUILDING SQUARE FOOTAGE	±7,500 SF
MEETING ROOM (INCLUDED IN BUILDING SQ. FOOTAGE)	1,030 SF
CONSTRUCTION TYPE: V	
BUILDING HEIGHT	26'-2"

TREE REMOVAL SUMMARY

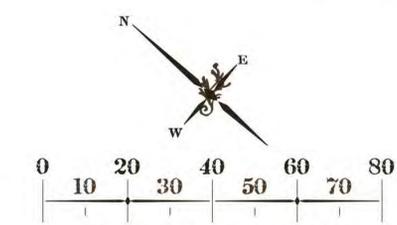
TREES TO BE REMOVED (MEASURED IN CALIPER INCHES)	23" LIVE OAK
	23" LIVE OAK
	14" LAUREL OAK
	23" LAUREL OAK
	23" LAUREL OAK
	106" TOTAL REMOVED
PROPOSED REPLACEMENT TREES (11 CATEGORY I TREES REQUIRED)	
CATEGORY I	7 - 3" CAL LIVE OAKS
CATEGORY IV	16 - 10-14' HT. SABAL PALMETTOS (EQUAL 4 CATEGORY I TREES)

IMPERVIOUS AREA CALCULATIONS

EXISTING IMPERVIOUS AREA:	71% (33,640 SF)
PROPOSED IMPERVIOUS AREA:	64% (30,436 SF)

OPEN SPACE CALCULATIONS

EXISTING OPEN SPACE:	36% (17,092 SF)
PROPOSED OPEN SPACE:	39% (18,517 SF)



Scale ♦ 1 inch equals 20'
SUBMITTAL PLAN
NOT FOR CONSTRUCTION
TOPO AND BOUNDARY SURVEYS, EXISTING TREES AND SURVEY DATA WERE TAKEN FROM DIGITAL PROVIDED BY:
SURVEYING CONSULTANTS
HILTON HEAD ISLAND, SC
(803) 842-3304



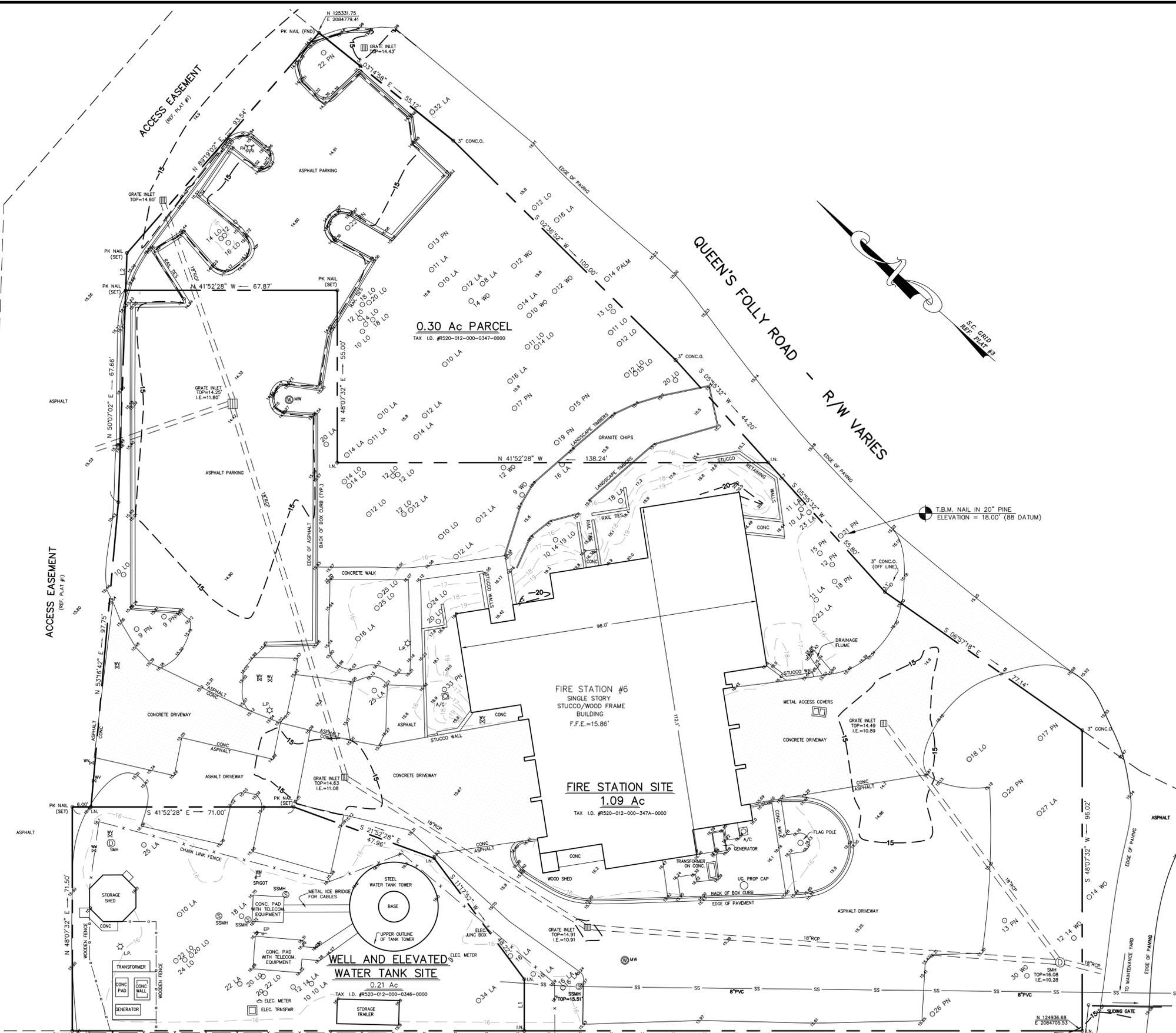
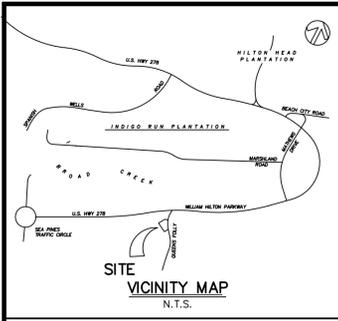
LANDSCAPE DEVELOPMENT PLAN
FOR
**PROPERTY OWNERS ASSOCIATION
OFFICE**
PALMETTO DUNES
HILTON HEAD ISLAND, SOUTH CAROLINA

DRAWING TITLE:
LANDSCAPE PLAN

DATE: 12-18-13
PROJECT NO.: 1042.03
DRAWN BY: BK
CHECKED BY: BW/DK

REVISIONS:

DRAWING NUMBER:
11 OF 1



- NOTES
- 1) I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREIN WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN; ALSO THERE ARE NO OBVIOUS, APPARENT OR VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.
 - 2) AS OF THE DATE OF THIS SURVEY THIS PROPERTY IS LOCATED IN ZONE A-7, A SPECIAL FLOOD HAZARD AREA AS DETERMINED BY H.U.D. PANEL 2-D, COMMUNITY NO. 450250, MAP DATED 9/29/88, BASE ELEVATION 14.0' (1929 DATUM). FLOOD HAZARD ZONE AND BASE ELEVATION SHOULD BE VERIFIED BY PROPER TOWN OR COUNTY BUILDING INSPECTIONS DEPARTMENT.
 - 3) BUILDING SETBACKS WHICH EXIST FOR THIS LOT, SHOWN OR NOT SHOWN ON THIS SURVEY, ARE EXPLAINED IN THE COVENANTS, EASEMENTS & SETBACKS SHOWN SHOULD BE VERIFIED THRU THE APPROPRIATE ARCHITECTURAL REVIEW BOARD OR BUILDING AGENCY.
 - 4) UNDERGROUND UTILITIES NOT LOCATED EXCEPT AS SHOWN.
 - 5) SURVEYING CONSULTANTS CERTIFIES TO THE BOUNDARY, TOPOGRAPHIC AND ASBLUT INFORMATION PROVIDED HEREON AS OF THE DATE OF SURVEY. THIS DOCUMENT IS PROVIDED AS A BASE MAP FOR OTHERS. INFORMATION ADDED AFTER THE DATE OF SURVEY IS NOT THE RESPONSIBILITY OF SURVEYING CONSULTANTS.
 - 6) THIS SURVEY WAS PERFORMED WITHOUT BENEFIT OF A CURRENT TITLE REPORT.
 - 7) BEARINGS ARE BASED ON SOUTH CAROLINA STATE PLANE COORDINATES TAKEN FROM REFERENCE PLAT #3. SEE REFERENCE PLAT #1 FOR RECORD BEARINGS.

LINE TABLE		
LINE	LENGTH	BEARING
L1	16.50'	N 48°07'32" E
L2	11.86'	N 50°07'02" E

- LEGEND:
- TREE SIZES ARE INCHES IN DIAMETER
 - S SPOT ELEVATION
 - CONTOUR
 - CONC. O. CONCRETE MONUMENT, OLD (FOUND)
 - T.B.M. TEMPORARY BENCH MARK
 - LA LAUREL OAK
 - LO LIVE OAK
 - PLM PALM
 - PN PINE
 - WO WATER OAK

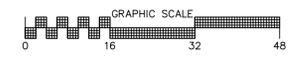
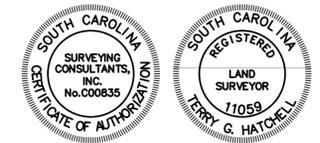
ASBLUT, BOUNDARY, TREE & TOPOGRAPHIC SURVEY OF
**FIRE STATION #6 PARCEL,
 WATER TANK PARCEL & 0.30 ACRE PARCEL**

QUEEN'S FOLLY ROAD
 A SECTION OF
**PALMETTO DUNES
 RESORT**
 HILTON HEAD ISLAND, BEAUFORT COUNTY, SOUTH CAROLINA

SCALE: 1/16" = 1'-0" DATE: 8/30/2013 JOB NO: SC97282A

- REFERENCE PLATS:
- 1) PLAT OF PORTION OF PALMETTO DUNES, HILTON HEAD ISLAND, FOR BROAD CREEK PUBLIC SERVICE DISTRICT, DATED: 2/25/81, REVISED 6/11/82, BY: ROY HUSSEY, S.C.R.L.S. No 2313, RECORDED: P.B. 30, PG. 165, DATE 8/16/82.
 - 2) BOUNDARY, TREE & TOPOGRAPHIC SURVEY OF 1.09 ACRES, QUEEN'S FOLLY ROAD, A SECTION OF PALMETTO DUNES RESORT, DATED: 11/24/1997, BY: TERRY G. HATCHELL, S.C.R.L.S. No 11059.
 - 3) ASBLUT, BOUNDARY, TREE & TOPOGRAPHIC SURVEY OF: FIRE STATION #6 AND VICINITY, QUEEN'S FOLLY ROAD, PALMETTO DUNES, HILTON HEAD ISLAND, DATED: 3/20/2012, BY: MARK R. RENEW, S.C.R.L.S. No 25437.

PREPARED FOR: PALMETTO DUNES POA
 ADDRESS: #14 & #16 QUEEN'S FOLLY ROAD
 TAX PARCEL I.D. NO. R520-012-000-0346, 0347 & 347A-0000



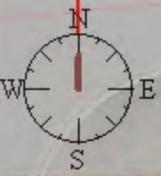
SG SURVEYING CONSULTANTS
 17 Sherrington Drive, Suite C, Bluffton, SC 29910
 SC Telephone: (843) 815-3304 FAX: (843) 815-3305
 GA Telephone: (912) 826-2775
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ATTACHMENT E



ATTACHMENT E







MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance

DATE: March 21, 2014

RE: **First Reading of Proposed Ordinance No. 2014-07 re Midyear Budget Amendment**

Recommendation:

Staff recommends Town Council approve the first reading of Proposed Ordinance No. 2014-07 to amend the budget of the Capital Projects and Stormwater Funds for the fiscal year ending June 30, 2014.

Summary:

In conjunction with the development of the new year's budget, staff recommends a midyear budget amendment to realign the original budgeted plans with expected actual results. Every project in the Capital Projects and Stormwater Funds is assessed and amended when appropriate.

Background

In the Capital Projects Fund, project managers assessed what they expect the status of their projects to be at fiscal year-end. Accordingly, they will request amendments to their budgets as needed.

- If a project will not be started and funds not encumbered at fiscal year-end, staff requested to reduce the fiscal year 2014 budget and the project will be re-budgeted in fiscal year 2015.
- If a project is started and funds encumbered but the project will not be finished, the encumbrance will be added to an ordinance in the fall to amend the 2015 budget. If the unencumbered funds are needed, they will **also** be added to an ordinance in the fall. If the unencumbered funds are not needed, staff will request a decrease in the budget on this fiscal year 2014 ordinance. If funds are inadequate to complete the job, staff will request an increase in this ordinance.
- If a project is expected to be complete, this budget ordinance closes the project budget as appropriate, i.e., reduce or increase the budget on this ordinance such that the budget and expended amounts equal. The significant examples decreasing the budget are Traffic Signal Mast Arms and Park Upgrades.
- If a 2014 budgeted project will not be started in fiscal year 2014 or 2015, staff will request a decrease in this ordinance and the funds will not be re-budgeted in 2015. The significant examples are Park Development – Chaplin Tennis Park and Roadway Safety Improvements at Jenkins Road.

For the **Capital Projects Fund**, staff proposes the following significant items for the budget amendment.

- **\$(235,000)** – As described in the last bullet of the preceding section, **Chaplin Tennis Park** was deleted from the fiscal year 2014 budget pending refinement of plans for this park.

- **\$(114,283)** – This reduction in **Roadway Safety Improvements** is primarily due to the project at **Jenkins Road** being delayed pending the outcome of roadway improvements near Windmill Harbor.
- **\$(56,536) net** – **Traffic Signal Mast Arms** as described in preceding section will be completed under budget.
- **\$(52,564)** – As described in the preceding section, **Park Upgrades** projects will be completed under budget.
- **\$(49,884)** – The **Lemoine Avenue Reconstruction** project scope has been reduced.
- **\$(124,829)** – The **Honey Horn Drive Apron Improvement** project has been delayed.
- **\$40,000 and \$(40,000)** – Transfer between **Pathways at Pembroke and Gardner Drive** which nets to \$0.
- **\$25,000 net increase [\$375,000 and \$(350,000)]** – The **Traffic Signal System Pre-emption** project's quotes exceeded the budget by \$25,000. Additionally, the source of funding is changed from Hospitality Tax to 2011 Hospitality Bond Proceeds to align for changes to better manage spend-out of the bond proceeds.
- **\$400,000** – **Mainland Transportation** funding to Beaufort County from Hospitality Taxes. Staff did not re-budget this amount for fiscal year 2014 as it anticipated paying this item in fiscal year 2013. However, payment was delayed.
- **\$200,000** – Council previously authorized increasing the **Beach Renourishment at Ocean Point** by up to \$200,000 from \$1.0 million to \$1.2 million.
- \$950,000 TIF Property Taxes increase – Two projects funded by TIF Property Taxes have been increased in the fiscal year 2014 budget.
 - **\$100,000** – The **Coligny/Pope Ave. Initiative Area** budget is increased in this fiscal year; staff considers this to be moving up expenditures planned for fiscal year 2015 vs. a total budget increase.
 - **\$850,000** – The Town planned at Council's Annual Strategic Planning Workshop for **Mathews Drive/Chaplin Area Connectivity** to be constructed in fiscal year 2015 and the 2014 budget reflected approximately \$55,000 for planning and design with construction at \$650,000 slated for fiscal year 2015 for a total budget of about \$705,000. Staff now proposes that the project construction begin in fiscal year 2014. The current project includes a scope amendment for an additional road; the bids are also higher than expected and presently being evaluated. Staff requests an increase up to \$200,000 to a total of approximately \$905,000. The \$200,000 increase is a total budget increase but would be available from funds in the planned TIF extension.

For the **Stormwater Fund**, staff completed the same assessment for year-end as described above for the Capital Projects Fund. Initially, the budget amendment exceeded \$100,000 and was required to be presented to Council for approval. The final amendment is made up of multiple items ranging from \$74 to almost \$65,000, netting to only a decrease of \$1,425. The amendment for this fund is now presented more as an update to Council on progress of multiple projects. Staff continues to evaluate the program and recommends that the Stormwater Fund continue to operate on a PAYGO process through fiscal year 2015. With this change, the rate charged to property owners will remain the same in fiscal year 2015 (the fifth year at the same rate). The Stormwater staff has several large projects started or planned for contracting or completion by June 30, 2014. Staff also estimates that a significant number and amount of projects will be started but have encumbrances at year-end, i.e., they will not be complete. Therefore, a significant encumbrance balance at year-end is likely to be added to the fiscal year 2015 budget by amendment in the fall.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2014-07

AN ORDINANCE TO AMEND THE BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2014; TO PROVIDE FOR THE EXPENDITURES OF CERTAIN FUNDS; TO ALLOCATE THE SOURCES OF REVENUE FOR THE SAID FUNDS; AND TO PROVIDE FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260 of the Code of Laws of South Carolina requires that a municipal council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, the Town Council did adopt the budget on June 18, 2013, and

WHEREAS, pursuant to the budget amendment policy as stated in the Town’s annual budget document, the Town Council is desirous of amending the budget so as to provide for the expenditures and certain other commitments from the Fund Balance and other revenue sources, as well as to correct budget appropriations for certain projects in the Capital Projects and Stormwater Funds.

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

Section 1 Amendment. The adopted 2014 fiscal year budget is amended to make the following changes as increases and decreases to the funds from prior years and to the projected revenue and expenditure accounts as follows:

Capital Projects Fund

<u>Account Description</u>	<u>Source of Funds</u>	<u>Amount</u>
Revenues:		
Beach Fees		\$ 200,000
Hospitality Bond		318,874
Hospitality Taxes		(55,958)
Property Taxes		(29,736)
Sunday Liquor Permit Fees		(287,564)
TIF Property Taxes		950,000
Traffic Impact Fees		(164,167)
Total Revenues		<u><u>\$ 931,449</u></u>

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2014-07

Capital Projects Fund (Cont.)

<u>Account Description</u>	<u>Source of Funds</u>	<u>Amount</u>
Expenditures:		
Beach Maintenance		
Shoreline Management Plan	Beach Fees	\$ (16,616)
Beach Renourishment-FY2016	Beach Fees	16,616
Beach Renourishment-Ocean Point	Beach Fees	200,000
		<u>200,000</u>
Existing Facilities/Infrastructure		
Clean up, Maint. of Prop. & Demo of Structures	Property Taxes	(25,000)
Town Hall Renovations	Hospitality Taxes	8,000
Apparatus & Vehicle Replacement	Hospitality Taxes	335
		<u>(16,665)</u>
Park Development		
Chaplin Tennis Park	Sun. Liq. Permit Fees	(235,000)
Recreation Center Enhancements	Hospitality Taxes	(15,877)
Recreation Center Expansion	Hospitality Taxes	15,877
Park Upgrades	Sun. Liq. Permit Fees	(52,564)
		<u>(287,564)</u>
New Facilities/Infrastructure		
Coligny/Pope Ave. Area Initiative	TIF Property Taxes	100,000
		<u>100,000</u>
Pathways		
US 278 (Wexford Circle to Fresh Market Shoppes)	Hospitality Bond	(2,190)
Leg O'Mutton	Hospitality Bond	(3,690)
Pembroke Drive	Traffic Impact Fees	40,000
Gardner Drive	Traffic Impact Fees	(40,000)
Honey Horn Access Improvements	Property Taxes	(4,736)
		<u>(10,616)</u>
Road Improvements		
Directional/Neighborhood Singage	Hospitality Bond	5,571
Mathews Dr./Chaplin Area Connectivity	TIF Property Taxes	850,000
Mainland Transportation Improvements	Hospitality Taxes	400,000
Traffic Signal System Pre-Emption	Hospitality Bond	375,000
"	Hospitality Taxes	(350,000)
Pedestrian Crosswalks	Hospitality Bond	4,183
Traffic Signal Mast Arms	Hospitality Bond	(60,000)
"	Hospitality Taxes	10,536
Honey Horn Dr. Apron Improvement	Hospitality Taxes	(124,829)
Roadway Safety Improvements	Traffic Impact Fees	(114,283)
Lemoyne Avenue Reconstruction	Traffic Impact Fees	(49,884)
		<u>946,294</u>
Total Expenditures		<u><u>\$ 931,449</u></u>

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2014-07

Stormwater Fund

<u>Account Description</u>	<u>Source of Funds</u>	<u>Amount</u>
Revenues:		
Stormwater Fees		\$ (1,425)
Total Revenues		<u>\$ (1,425)</u>
Expenditures:		
Infrastructure Upgrades & Improvements		
Golden Hind	Stormwater Fees	\$ (10,000)
Wiler's Creek Stabilization	Stormwater Fees	(64,957)
Colonial Dr. Flooding	Stormwater Fees	10,000
Friendfield Ct.	Stormwater Fees	22,000
Longoat to Man O'War	Stormwater Fees	26,285
Tennismaster	Stormwater Fees	3,671
Shipyards Raquet Club & Port O'Call	Stormwater Fees	46,463
Golfmaster Villas	Stormwater Fees	(47,894)
Wexford Club Flooding	Stormwater Fees	(45,000)
Firethorn Lane Pipe Replacement	Stormwater Fees	12,105
Nassau/Tanglewood	Stormwater Fees	(30,550)
Gumtree Chnnl @ Katie Miller	Stormwater Fees	60,000
Arrow Road	Stormwater Fees	2,350
US278 Flooding (beyond SDCOT funding)	Stormwater Fees	(5,000)
Folly Field	Stormwater Fees	(13,765)
		<u>(34,292)</u>
Inventory & Modeling		
Palmetto Dunes	Stormwater Fees	33,000
Broad Creek Shelter Cove BMP	Stormwater Fees	(10,642)
		<u>22,358</u>
Drainage Maintenance and Repairs		
Palmetto Hall PUD		
Palmetto Hall General Maint.	Stormwater Fees	5,000
Shipyards PUD		
Shipyards Raquet Club & Port O'Call	Stormwater Fees	(40,495)
Cordillo Parkway along Townhouse Tennis	Stormwater Fees	(13,565)
Wexford PUD		
Wexford General Maint.	Stormwater Fees	45,000
Non-PUD		
County Owned General Maint.	Stormwater Fees	730
Tabby Walk	Stormwater Fees	74
Folly Field	Stormwater Fees	13,765
		<u>10,509</u>
Total Expenditures		<u>\$ (1,425)</u>

The effect of this amendment will be to increase the Capital Projects Fund to \$26,164,719 and reduce the Enterprise Fund at \$5,151,410. The General Fund at \$35,300,434 and Debt Service Fund at \$17,050,403 remain unchanged.

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2014-07

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 not affect the validity of the remaining portions thereof.

Section 3 Effective Date. This Ordinance shall be effective upon its enactment by the Town Council of the Town of Hilton Head Island on this _____ day of _____, 2014.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS ___DAY OF_____, 2014.

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt
Town Clerk

First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member:_____



MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance

DATE: March 19, 2014

**RE: Preliminarily Approve Amended Tax Increment Financing (TIF) Plan
and Adopt a Resolution to Distribute the Plan**

Recommendation:

Staff recommends Council provide preliminary approval of the Amended TIF Plan and adopt a resolution to distribute the Amended TIF Plan to the TIF Taxing Districts.

Summary:

This Amended TIF Plan will amend the Original TIF Plan as described below.

- Extend the time to implement the plan by adding 10 years to the original 15 years for a total of 25 years,
- Increase by \$50 million the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan,
- Describe the TIF Projects in the Amended TIF Plan, and
- Establish binding terms and conditions on the Town's TIF partners, namely the Hilton Head Public Service District, Beaufort County, and the Beaufort County School District (collectively the Taxing Districts).

The Resolution to Distribute the Amended TIF Plan is the required process for Council to preliminarily approve the Amended TIF Plan and notify the Taxing Districts and general public of the Town's intent to amend the Original TIF Plan. With at least 45 days' notice, the Town is required to hold a public hearing prior to adopting an ordinance to formally amend and extend the TIF. Prior to the Town's adoption of the ordinance, each of the Taxing Districts must adopt a Resolution of Consent and Intent to Participate in the Amended TIF Plan.

Background:

The attached Amended TIF Plan describes in further detail the significant facts of the Original and Amended TIF Plans. It explains the needs, goals and expectations for the Amended TIF Plan. The TIF Extension Calendar is also attached which establishes the key dates and action items necessary to complete the TIF Extension by early June, 2014.

TOWN OF HILTON HEAD TIF EXTENSION

CALENDAR

<u>Date</u>	<u>POC</u>	<u>Action</u>
March 14, 2014	Staff	Staff prepare and finalize amended TIF Plan
March 18, 2014	TM/McNair	TM and McNair review/approve amended TIF Plan; Return for changes if needed
March 20, 2014	Staff	Agenda deadline for April 1, 2014, Town Council meeting
April 1, 2014	Council	Town Council adopts a resolution to distribute the amended plan
April 2, 2014	Staff	Hand Deliver Notice of Public Hearing to Taxing Districts (Beaufort County, Beaufort School District, and Hilton Head Public Service District No. 1) (at least 45 days prior to public hearing)
April 21, 2014	Staff	Submit Notice of Public Hearing to the Island Packet
May 1, 2014	Island Packet	Publish Notice of Public Hearing in The Island Packet (at least 15 days prior to public hearing)
<u> TBD </u> , 2014	BC Council	Beaufort County Council adopts Resolution consenting to the amended Plan and continued participation in the extended TIF
<u> TBD </u> , 2014	BCSD Board	Beaufort County Board of Education adopts Resolution consenting to the amended Plan and continued participating in the extended TIF
<u> TBD </u> , 2014	PSD Board	Hilton Head Public Service District Board of Commissioners adopts Resolution consenting to the amended Plan and continued participating in the extended TIF
May 8, 2014	Staff	Agenda deadline for May 20, 2014, Town Council meeting
May 20, 2014	Council	Public Hearing and Town Council considers first reading of Ordinance amending the TIF Plan
May 22, 2014	Staff	Agenda deadline for June 3, 2014, Town Council meeting
June 3, 2014	Council	Second reading of ordinance amending the TIF Plan
June 4, 2014	Staff	Submit Notice of Adoption published in The Island Packet
On/About June 9, 2014	Island Packet	Public Notice of Adoption in the Island Packet

**RESOLUTION OF THE TOWN OF HILTON HEAD ISLAND TOWN COUNCIL
AUTHORIZING THE DISTRIBUTION OF AN AMENDED TAX INCREMENT FINANCING
PLAN FOR THE TOWN OF HILTON HEAD ISLAND REDEVELOPMENT AREA**

WHEREAS, the Town Council (the “Council”) of the Town of Hilton Head Island, South Carolina (the “Town”), hereby finds and determines:

(a) The Town is an incorporated municipality located in Beaufort County, and as such possesses all powers granted to municipalities by the constitution and general law of this State.

(b) Pursuant to Section 5-5-10, Code of Laws of South Carolina 1976, as amended (the “Code”), the Town has selected the Council/Manager form of government and is governed by a Town Council which constitutes the governing body of the Town.

(c) Pursuant to Act No. 452 (1984 Acts), codified as Sections 31-6-10 to Section 31-6-120 South Carolina Code of Laws 1976, as amended (the “Act”), the governing bodies of incorporated municipalities are vested with all powers consistent with the Constitution necessary, useful, and desirable to enable them to accomplish redevelopment in the areas which are or threaten to become blighted.

(d) The Town has caused to be prepared a redevelopment plan entitled: “Amended Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Areas, March 2014” (the “Amended TIF Plan”)

(e) The Amended TIF Plan amends the Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area Approved in 1999 (the “Original TIF Plan”) as follows: (1) Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island’s (the “Town”) tax increment financing district (the “TIF District”) for an additional 10 years; (2) Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan; (3) Describing the TIF Projects which will be included in the Amended TIF plan; and (4) Establishing binding terms and conditions upon which Hilton Head Public Service District (the “PSD”), Beaufort County, South Carolina (the “County”), and the Beaufort County School District, South Carolina (the “School District”) (collectively the “Taxing Districts”) will agree to participate in the Amended TIF Plan.

(f) Pursuant to Section 31-6-80 of the Code, the Town must conduct a public hearing prior to the adoption of the Amended TIF Plan and not less than forty-five (45) days prior to the date set for the public hearing, the Town must give notice to all taxing districts of which taxable property is included in the Redevelopment Project Area.

(g) The Council has scheduled its public hearing for May 20, 2014, at 5:00 p.m. in Council Chambers at Town Hall.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, that the Amended TIF Plan, a copy of which is attached to this Resolution, shall be delivered to the Administrator of Beaufort County on behalf of the County, to the Superintendent of the Beaufort County School District on behalf of the School District, and to the General Manager of the Hilton Head Public Service District on behalf of the PSD, together with such notices and other information as may be required by law.

PASSED AND APPROVED by the Town Council of the Town of Hilton Head Island on this _____ day of _____, 2014.

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

Approved as to Form:

Gregory M. Alford, Town Attorney

**AMENDED TAX INCREMENT FINANCING PLAN
FOR THE TOWN OF HILTON HEAD ISLAND
REDEVELOPMENT AREAS**

HILTON HEAD ISLAND, SOUTH CAROLINA

MARCH 2014

I. INTRODUCTION

This amendment to the Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area (the “Amended TIF Plan”) is intended to modify and supplement the original Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area approved in 1999 (the “Original TIF Plan”). The Original TIF Plan will remain in full force and effect except to the extent modified herein.

The amendments to the Original TIF Plan are being proposed for the purposes of:

1. Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island’s (the “Town”) tax increment financing district (the “TIF District”) for an additional 10 years;
2. Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan;
3. Describing the TIF Projects which will be included in the Amended TIF plan; and
4. Establishing binding terms and conditions upon which Hilton Head Public Service District (the “PSD”), Beaufort County, South Carolina (the “County”), and the Beaufort County School District, South Carolina (the “School District”) (collectively the “Taxing Districts”) will agree to participate in the Amended TIF Plan.

II. FINDINGS OF FACT

This Amended TIF Plan sets forth the following significant facts supplementing the Original TIF Plan.

1. The Original TIF Plan was approved in December 1999 and has been implemented over the past 14 years, with the desired results of encouraging private investment in the TIF District. Many improvements in the conditions existing in 1999 have been made. However, deleterious conditions continue to exist which cannot be mitigated within the one remaining year and remaining capped expenditures of the original TIF Plan.
2. Additional public investment in the TIF District will encourage additional private development, which will result in increases in the assessed values within the TIF District, and improve land use conditions and improve quality of life for the residents within the TIF District.
3. Continued implementation of the Original TIF Plan, as amended, and completion of the TIF Projects will advance the interests of the health, safety, and general welfare of the Town.
4. Pursuant to Section 31-6-80, Code of Laws of South Carolina, 1976, as amended (the “TIF Act”), the Taxing Districts have the right to allow or disallow the revenue generated within the TIF District from millage imposed for each of the Taxing Districts as applied to assessed value above the initial equalized assessed value (the “Incremental Tax Revenue”) to be used to fund the TIF Projects. The Taxing Districts have agreed to participate in the Amended TIF Plan by allowing such revenue to be included as Incremental Tax Revenue so long as the following conditions are observed.
 - A. The Incremental Tax Revenue from the School District for funding the Amended TIF Plan will be generated from 75% of the debt service millage of the School District for no more

- than 10 years and not exceed \$13 million in total (the District will retain its total operating millage revenues in the Amended TIF Plan);
- B. The Incremental Tax Revenue to be included in funding the Amended TIF Plan will be generated from the millage of Beaufort County for no more than 10 years;
 - C. The Incremental Tax Revenue to be included in funding the Amended TIF Plan will be generated from the millage of the PSD for no more than 10 years;
 - D. The 10 years of Incremental Tax Revenues in the Amended TIF Plan are based on tax years 2015 through 2024 which correlate with the Town and Taxing Districts' fiscal years 2016 through 2025;
 - E. Expenditures from the Original TIF Plan and Amended TIF Plan will not exceed \$115 million;
 - F. All Incremental Tax Revenue from the TIF District during the implementation of the Amended TIF Plan will be used to retire tax increment financing bonds or directly pay the costs of the TIF Projects;
 - G. The Amended TIF Plan and TIF District will terminate and cease to exist upon the later of the repayment of the tax increment bonds or completion of the TIF Projects;
 - H. The TIF Projects as described herein will be the only projects included in this Amended TIF Plan;
 - I. The Town will continue to provide the Taxing Districts with an annual report of the Incremental Tax Revenues received and expended;
 - J. The geographic area of the TIF District as described in the Original TIF Plan will not be amended;
 - K. The Original TIF Plan and TIF District will not be further amended or modified without the approval of the Taxing Districts; and
 - L. The consent to this Amended TIF Plan and the agreement to participate in this Amended TIF Plan of each Taxing District is contingent upon the consent of the other Taxing Districts.

III. CURRENT CONDITIONS

While significant improvements have been made in the inadequacy of utilities, deteriorating structures, and excessive vacancies identified in the Original TIF Plan, many areas within the TIF District continue to experience problems associated with the following conditions.

1. Dilapidated, obsolete and deteriorating structures;
2. Structures below minimum Town code standards;
3. Excessive vacancies and abandonment of property;
4. Inadequate utilities;
5. Deleterious land use or layout;

6. Depreciation of physical maintenance;
7. Lack of community planning; and
8. Illegal use of structures.

Eliminating or mitigating each of these problem areas continues to be a priority for the Town. The TIF Projects are intended to directly address the need for catalyzing private investment in distressed and underperforming areas of the TIF District. This public investment is intended to make the area within the TIF District more desirable for residential and commercial development. The quality of life, general safety and welfare of residents of the TIF District and the community as a whole will be greatly improved as the result of the TIF Projects.

IV. DESCRIPTION OF TIF PROJECTS

TIF Expenditures through June 30, 2013 **\$51,875,403**

Through June 30, 2013, the Town has completed most of the projects included in the Original TIF Plan; a few are in progress or not yet started. These actual project expenditures have been reported to the Taxing Districts in the annual TIF report for fiscal year 2013.

TIF Budget for remainder of Original TIF Plan **\$13,124,597**

1. Projects Completed within Original TIF Plan
2. Financing and Project Management
3. Coligny/Pope Initiative Area – Planning/Design/Land Acquisition
4. Chaplin Linear Park – Planning/Design/Phase I
5. Mathews/Chaplin and Stoney – Planning/Design/Begin Construction

In fiscal years 2014 and 2015 with Original TIF Plan revenues, the Town will make the final interest payments on its 2004 and 2008 TIF Revenue Bonds and incur project management costs. The Town will begin the remaining three groups of projects described below but completion of these projects will likely extend several years into the Amended TIF Plan.

Estimated TIF Expenditures in Amended TIF Plan **\$50,000,000**

As noted above, the TIF Projects in the Amended TIF Plan will consist of projects designed or started in the final two years of the Original TIF Plan. Due to timing and funding limitations or significant project size, these projects will not be complete at the end of the Original TIF Plan. The Town anticipates these project expenditures to be paid with monies generated through the Original TIF Plan, the Amended TIF Plan or both.

1. **COLIGNY/POPE INITIATIVE AREA**
 - A. Coligny Area Improvements
 - B. University of South Carolina - Beaufort (USCB) at Office Park Road
2. **CHAPLIN LINEAR PARK**
3. **COMPLETION OF MATHEWS/CHAPLIN AND STONEY PROJECTS**

4. FINANCING COSTS AND PROJECT MANAGEMENT

TOTAL TIF EXPENDITURES FOR ORIGINAL AND AMENDED TIF PLANS \$115,000,000

V. TAX INCREMENT FUNDING PLAN

As described above, the TIF Projects in the Amended TIF Plan shall be initially funded with monies generated from the Original TIF Plan and subsequently funded with the monies generated during the Amended TIF Plan. The cumulative TIF Project expenditures for the Original and Amended TIF Plans will not exceed \$115 million.

Additional funding beyond TIF Incremental Tax Revenues for the TIF Projects will come from USCB’s fundraising or appropriations, other Town funding sources, investment income, and private fundraising. Some of the remaining TIF Projects are currently in design phases; therefore, final estimated total costs and funding sources have not been determined.

VI. IMPACT ON TAXING DISTRICTS

Based on current millage rates for the Town and the Taxing Districts, the Town estimates the following breakdown of Incremental Tax Revenues by Taxing District over the life of the Amended TIF Plan. These amounts and percentages will change as one Taxing District increases its millage rates independently of the other Taxing Districts. The table below represents only the \$50 million Incremental Tax Revenues planned during the Amended TIF Plan. The Town and its other partners using other public funding sources and private fundraising will provide additional monies to the TIF Projects and other projects within the TIF District.

<u>Taxing District</u>	<u>Percentage</u>	<u>Incremental Tax Revenues Projected During Amended TIF Plan</u>
Beaufort County	52%	\$ 26,100,000
Hilton Head Island PSD	2%	1,100,000
Town of Hilton Head Island	20%	9,800,000
Beaufort County School District	26%	13,000,000 ^a
Total TIF Extension Tax Revenues	100%	\$ 50,000,000

a The School District will participate at 75% of debt service millage and its Incremental Tax Revenues for the Amended TIF Plan will be capped at \$13 million.



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA-CM, *Town Manager*
VIA: Charles F. Cousins, *Director of Community Development*
VIA: Shawn Colin, *Deputy Director of Community Development*
FROM: Marcy Benson, *Senior Grants Administrator*
DATE March 26, 2014
SUBJECT: Fair Housing Resolution

Recommendation:

Staff recommends Town Council approve the attached Fair Housing Resolution.

Summary:

In order for the Town to be eligible to participate in any future Community Development Block/Economic Development Grants (CDBG) it is required to certify that it will undertake an action to affirmatively further fair housing. By approving and advertising this Resolution the Town will have satisfied this requirement. The attached Resolution is modeled on a recommended format provided by the Lowcountry Council of Governments, which has been used previously by the Town.

Background:

April is recognized as National Fair Housing Month. In order to participate in future CDBG programs it is necessary for the Town to certify that it supports the rights of all individuals, regardless of race, color, religion, sex, national origin, disability or familial status to fair housing opportunities. This Resolution is one of the actions that will satisfy this requirement. The attached Resolution has been approved in previous years.

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SC TO PROCLAIM APRIL, 2014 AS FAIR HOUSING MONTH

WHEREAS, the Town of Hilton Head Island desires that all its citizens be afforded the opportunity to attain a decent, safe and sound living environment; and

WHEREAS, the Town of Hilton Head Island rejects discrimination on the basis of race, religion, color, sex, national origin, disability, and / or familial status in the sale, rental or provision of other housing services; and

WHEREAS, the State of South Carolina enacted the South Carolina Fair Housing Law in 1989; and

WHEREAS, April is recognized nationally as Fair Housing Month;

NOW THEREFORE, BE IT, AND IT HEREBY IS RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA DOES HEREBY DESIGNATE APRIL 2013 AS FAIR HOUSING MONTH.

MOVED, APPROVED AND ADOPTED THIS 1stnd DAY OF April, 2014.

Drew A. Laughlin, Mayor

Victoria L. Pfannenschmidt, Town Clerk

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, *ICMA-CM, Town Manager*
FROM: Charles F. Cousins, *AICP, Director of Community Development*
DATE: March 27, 2014
SUBJECT: Authorize the Sale of Town Property Near Pineland Station

Recommendation: Staff recommends that Town Council approve first reading of an ordinance authorizing the sale of approximately 10 acres of Town-owned property to facilitate the redevelopment of Pineland Station.

Summary: In 2001 the Town purchased 10 acres on Mathews Drive immediately behind Pineland Station with the intent of creating a law enforcement center and relocating the Town Court. The purchase price was \$1,100,385 of which \$1,000,000 was for the land and the remainder was for 18,000 gallons of water and sewer capacity. Later the Town determined that locating the law enforcement center elsewhere was a better option so this property is no longer needed for its original purpose. The sale of this property to Pineland Associates would facilitate the redevelopment of Pineland Station. The sales price would be \$1,000,000 and the Town would retain the water and sewer capacity it purchased.

On March 26, 2014 the Public Facilities Committee voted to recommend the execution of a contract for this purpose.

Background: The Town purchased 10 acres in 2001 along Mathews Drive to create a law enforcement center and to house the Town Court operations. The Town's 10 acres is immediately adjacent to Pineland Station. One of the original ideas behind selecting this site was the belief that placing the law enforcement center and courts there would generate activity that could reinvigorate this older shopping center. Since that time the Town decided to purchase an existing building in the Shelter Cove area and has relocated the Sheriff to that site. This land is no longer needed to meet its original intent with the creation of the law enforcement center in the Shelter Cove area.

However, the challenges of Pineland Station still exist. Pineland Station is an older shopping center with a large number of vacancies that is really showing its age. The shopping center also has numerous non-conformities as it was developed prior to the Town's Land Management Ordinance. The Town's land offers an opportunity to work with the owner of a worn out facility to replace much of it and create a new shopping center that corrects many of those non-conformities. This proposal would feature the tear down of the majority of the buildings on the property and create a more exciting retail space with the Town recouping its original investment. The redevelopment would include roughly 20,000 additional square feet which is less than would be allowed on the 10 acre Town parcel. Thus the community will experience a new shopping center at no financial costs to the Town or any rezoning to

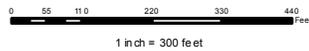
allocate additional square footage. Five acres of the Town's ten acres are wetlands. These would be set aside by the developer and not developed.

Attachments: *Pineland Station Parcels map and Pineland Station Redevelopment plan*




TOWN OF HILTON HEAD ISLAND
 ONE TOWN CENTER COURT
 HILTON HEAD ISLAND, S.C. 29928
 PHONE (843) 341-4600
 May 30, 2013

Town of Hilton Head Island
 Pineland Station Parcels



This information has been compiled from a variety of unverified general sources at various times and as such is intended to be used only as a guide. The Town of Hilton Head Island assumes no liability for its accuracy or state of completion.



PROJECT No 01-13007

DATE 11 20 2013

Scale: 1" = 50'

CONCEPTUAL SITE PLAN STUDY 7 (RETAIL +/- 141,300, + 8,000 2ND FLOOR)

Document is preliminary and subject to change.



PINELAND STATION REDEVELOPMENT
Hilton Head Island, South Carolina

WPI

Wood+Partners Inc.

Landscape Architects
 Land Planners

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A CONTRACT FOR PURCHASE AND SALE AND THE EXECUTION OF A DEED FOR THE SALE OF 10 ACRES OF REAL PROPERTY NEAR WILLIAM HILTON PARKWAY AND MATHEWS DRIVE TO PINELAND ASSOCIATES II, LLC PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. § 5-7-40 (SUPP. 2011), AND § 2-7-20, CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, the Town of Hilton Head Island (hereinafter “Town”) owns two (2) parcels of real property known as R511-008-000-0156-0000 and R511-008-000-098B-0000 (hereinafter collectively referred to as the “Town Property”), which is located on Hilton Head Island, Beaufort County, South Carolina; and,

WHEREAS, the Town has agreed to sell the Town Property to Pineland Associates II, LLC in accordance with the terms and conditions set forth in that certain Contract for Purchase and Sale, a copy of which is attached hereto as Exhibit “A” (the “Contract”); and,

WHEREAS, under the provisions of S.C. Code Ann. § 5-7-40 (SUPP. 2011) and § 2-7-20, *Code of the Town of Hilton Head Island , South Carolina*, (1983), the conveyance or granting of an interest in real property owned by the Town of Hilton Head Island must be authorized by Ordinance.

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 Agreement.

- (a) The Mayor and Town Manager are hereby authorized to execute and deliver the Contract in a substantially similar form to that attached hereto as Exhibit "A" for the conveyance of Town-owned real property to Pineland Associates II, LLC; and

(b) The Mayor and/or Town Manager are hereby authorized to take such other and further actions as may be necessary to complete the transactions contemplated in the Contract as authorized hereby, including the execution and delivery of the Deed and all other documents called for in the Contract.

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 adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS ___ DAY OF _____, 2014.

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

First Reading: _____

Second Reading: _____

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

Introduced by Council Member: _____