

**Town of Hilton Head Island
Town Council Workshop
Tuesday, July 29, 2014
Benjamin M. Racusin Council Chambers
4:00 p.m.**

AGENDA

- 1. Call to Order**
- 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. Proposed Changes to the Master Plan and Development Agreement between Shelter Cove Towne Centre, LLC and the Town of Hilton Head Island**
- 4. Adjournment**



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA-CM, *Town Manager*
VIA: Charles Cousins, AICP, *Community Development Director*
FROM: Heather Colin, AICP, *Development Review Administrator*
DATE: July 22, 2014
SUBJECT: Shelter Cove Towne Centre – Apartments and Proposed Changes

Recommendation: Staff recommends Town Council provide comments on the proposed increase in residential density and related changes to the concept plan to the applicant so that they may proceed with the necessary submittals.

Summary: Shelter Cove Towne Centre LLC is proposing to amend the Palmetto Dunes Resort Master Plan to reallocate the multifamily density and allow for flexibility in assigning density in the following manner:

- Increase the total multifamily density from 210 units to 240, which will result in a decrease in the number of multifamily dwelling units (apartments) on the west site (Newport side) of the development (76 down to 50); and an increase in the number of multifamily dwelling units on the east site (Town owned parcel) of the development (134 up to 210);
- the aggregate total of dwelling units for both properties would not exceed 240 units; and
- no other changes to the Master Plan land use designations and associated densities for the properties.

The proposed changes will require modifications to the Development Agreement and include the following:

- Changes in the boundaries for the portion of Town owned property that is subject to the land swap; and
- Changes to the height restrictions in the Agreement. The current Development Agreement indicates that the apartments are 4 stories and states that an increase greater than 60 feet is considered a major modification that must be approved by Town Council. Based on the elevations the height restrictions in the Agreement must be modified.

There are several attachments for your information:

- Attachment A) This is the approved Concept Plan that is in the current Development Agreement;
- Attachment B) Proposed Concept Plan – this shows the approximate building layout;
- Attachment C) Proposed Site Plan of the West Site Apartments, adjacent to the Newport Community;
- Attachment D) Proposed Site Plan of the East Site Apartments, on current Town owned property;
- Attachment E) Elevations (Renderings) of the West Site Apartments adjacent to the Newport Community;
- Attachment F) Elevations (Renderings) of the East Site; and
- Attachment G) Narrative from the Zoning Map Amendment to increase the total multifamily density.

The purpose of this workshop is to provide the applicants an opportunity to present their proposal in a public setting and to allow for Town Council to provide comments in anticipation of the final submittal of application materials.





East Site Concept

Shelter Cove - Hilton Head Island, SC

ATTACHMENT D
 PROPOSED SITE PLAN
 EAST SIDE/TOWN OWNED PROPERTY



SITE DATA

5 STORY RESIDENTIAL BUILDING

46 1 BEDROOM UNITS
 154 2 BEDROOM UNITS
 10 3 BEDROOM UNITS
 210 TOTAL UNITS

PARKING

5 STORY PARKING DECK
 346 SPACES
 (1.65 SPACES/UNIT)

WEST SITE RENDERING

Shelter Cove - Hilton Head Island, SC

ATTACHMENT E
ELEVATIONS, Page 1/2







EAST SITE RENDERING

Shelter Cove - Hilton Head Island, SC

ATTACHMENT F
ELEVATIONS, Page 1/2



STATE OF SOUTH CAROLINA)
)
)
)
COUNTY OF BEAUFORT) BEFORE THE PLANNING COMMISSION
) OF
) THE TOWN OF HILTON HEAD ISLAND,
) SOUTH CAROLINA

ATTACHMENT 1

**TO
THE ZONING MAP AMENDMENT APPLICATION**

**OF
SHELTER COVE TOWNE CENTRE, LLC
AND
SHELTER COVE II, LLC**

**FOR
AMENDMENT OF THE TOWN OF HILTON HEAD ZONING MAP PROVIDING FOR
THE REDUCTION OF THE ALLOWABLE MULTI-FAMILY RESIDENTIAL
DWELLING UNITS ON THAT CERTAIN 42.45 ACRE PORTION OF THE PARCEL
IDENTIFIED AS PARCEL 26 ON BEAUFORT COUNTY
TAX MAP 12B (THE "MALL TRACT") AND THE INCREASE IN THE NUMBER OF
MULTI-FAMILY RESIDENTIAL DWELLING UNITS ON PROPERTY OWNED BY
THE TOWN ("TOWN PARCEL") OF HILTON HEAD ISLAND
BEING A 9.3 ACRE PORTION OF THE PARCEL
IDENTIFIED AS PARCEL 12 ON BEAUFORT COUNTY
TAX MAP 12C ADJACENT TO THE MALL TRACT
(EXCEPT FOR THE AMENDMENT TO THE ZONING MAP APPLIED FOR HEREIN,
THE USES AND DENSITIES PROVIDED FOR IN ZMA #120006 REMAIN
UNCHANGED AND CONTINUE IN FULL FORCE AND EFFECT)**

This Attachment 1 is attached to and is made a part of the Zoning Map Amendment Application (this "Application") of Shelter Cove Towne Centre, LLC, and Shelter Cove II, LLC (the "Applicant"), and is submitted by the Applicant to the Planning Commission of the Town of Hilton Head Island (the "Town") to address the zoning map amendment criteria set forth in Section 16-3-1505 of the Town's Land Management Ordinance (the "LMO"). This Application seeks approval of an amendment to the Official Zoning Map of the Town referred to in LMO Section 16-4-102 by amending the Palmetto Dunes Resort Master Plan and its associated text to decrease the current number of multi-family residential units allowed on that 42.45 acre parcel

(Mall Tract) identified as Parcel 26 on Beaufort County Tax Map 12B (a ALTA survey thereof attached hereto and marked Exhibit "A") and to increase the number of multi-family residential units allowed on that 9.3 acre portion of the parcel ("Town Parcel") identified as Parcel 12 on Beaufort County Tax Map 12C (a survey thereof attached hereto and marked Exhibit "B").

This Zoning Map Amendment Application respectfully requests a reduction in the number of multi-family residential dwelling units allowed on the Mall Tract from 76 multi-family residential dwelling units to not more than 50 multi-family residential dwelling units and an increase in the number of multi-family residential dwelling units allowed on the Town Parcel from 134 multi-family residential dwelling units to not more than 210 multi-family residential dwelling units, provided, however, that the total number of multi-family residential dwelling units on the Mall Tract and the Town Parcel never exceed 240 multi-family residential dwelling units.

I. NARRATIVE – BACKGROUND

A. THE MALL TRACT

The Town originally issued a development permit for the construction of the Mall in 1986. At that time, a total of 235,000 square feet of commercial space was permitted for the Mall on one of the six original parcels that made up the Mall Tract.¹ Construction of the Mall was completed in 1988. The original plans for the development of the Mall Tract provided for a future expansion area of 30,000 square feet, which was not a part of the initial 235,000 square feet of commercial space permitted. In 1992 a court-ordered rezoning amended the PD Master Plan to provide for the transfer of 12,300 square feet of commercial density between parts of the

¹ Construction of the Mall itself was permitted on what was then the 33 acre main parcel of the Mall Tract. That 33 acre parcel, along with five (5) undeveloped parcels, formerly designated as Outparcel I, Outparcel II, Parcel C, Parcel D, and Parcel A-6, are what now makeup the 42.45 acres that are the Mall Tract.

Mall Tract, so that the Mall itself was allocated 247,300 square feet of fully developed commercial space, and one of the Mall Tract outparcels was allocated 3,700 square feet of undeveloped commercial space.²

In 1999 the Town Council approved Zoning Map Amendment Application ZMA-2-98 which enacted an amendment to the PD Master Plan that consolidated what were then the six (6) separate parcels into one parcel for zoning purposes, thereby combining the 3,700 square feet of undeveloped commercial space with the 247,300 square feet of developed commercial space, and transferred 23,000 square feet of commercial space to the Mall Tract from certain unallocated commercial density under the PD Master Plan controlled by Greenwood Development Corporation.³ On the 7th day of July, 2009, the Town Council approved ZMA 080005 increasing the Mall density by 40,000 square feet. As a result of the rezoning, the Mall was permitted for 314,000 square feet of commercial use, with 268,000 square feet being allocated for general commercial purposes and 46,000 square feet for cinema complex use; and Community Service uses.

On the 16th day of October, 2012, the Town Council approved ZMA #120006 modifying the use designations and associated density of the "Mall Tract" to 295,000 square feet of commercial uses, excluding uses listed in LMO Section 16-4-209, but permitting liquor store and

² See the Town's records on the PD Master Plan in general, and, in particular, the March 30, 1992 Order of Settlement in *HHI 71 Company v. Town of Hilton Head Island*, Case No. 89-CP-07-2055 in the Court of Common Pleas for Beaufort County, South Carolina.

³ On December 31, 1989, Greenwood Communities and Resorts, Inc., then known as Greenwood Development Corporation, transferred to the Cultural Council of Hilton Head Island, Inc., four tracts of land located in Shelter Cove which are now the site of the Arts Center of Coastal Carolina. Prior to the conveyance of that property by Greenwood Development Corporation to the Cultural Council of Hilton Head Island, Inc, the four parcels were rezoned by the Town Council to change the permitted use from commercial to art center. At that time, the commercial square footage which had been allocated to the four parcels then became unallocated, with Greenwood Development Corporation having the right to reassign that commercial square footage to other commercial parcels within the PD Master Plan area pursuant to a reletting application.

gas sales, 76 multi-family residential dwelling units and Community Park; and the “Town Parcel” to 134 multi-family residential dwelling units and Community Park.

B. THE REQUESTED REZONING

The Applicant is requesting that the PD Master Plan and the accompanying text be amended to decrease the maximum number of multi-family residential dwelling units on the Mall Tract from 76 multi-family residential dwelling units to not more than 50 multi-family residential dwelling units and to increase the allowable number of multi-family residential dwelling units on the Town Parcel from 134 to not more than 210 multi-family residential dwelling units, provided, however, that the total number of multi-family residential dwelling units on the Mall Tract and the number of multi-family residential dwelling units on the Town Parcel do not exceed 240 total multi-family residential dwelling units.

II. NARRATIVE – THE DEVELOPMENT AGREEMENT

This application shall precede the filing by Applicant of an Amended and Restated Development Agreement which amends and restates that certain Development Agreement between the Town of Hilton Head Island, South Carolina, and Shelter Cove Towne Centre, LLC, dated October 16, 2012, pursuant to the provisions of the South Carolina Local Government Development Agreement Act (Section 16-3-10, *et seq.* of the South Carolina Code of Laws (1976), as amended (the “Act”). The Amended and Restated Development Agreement is between the Town of Hilton Head Island, South Carolina (“Town”), and Shelter Cove Towne Centre, LLC, and Shelter Cove II, LLC (collectively, the “Developer”), and is amended to reflect the changes, if enacted by the Town, pursuant to this Application, to delete certain provisions of the original Development Agreement that have been completed since the Effective Date of the Development Agreement, and certain other changes not applicable under LMO Section 16-3-1502. Under the Act, the review and approval process for the Amended and

Restated Development Agreement is substantially the same as the process for the review and approval of this Application, although there are different requirements and standards applicable to each.

III. CURRENT AND PROPOSED PERMITTED USE AND DENSITY

The purpose of this Application is solely to amend the Town of Hilton Head Zoning Map to provide for a decrease in the number of multi-family residential dwelling units from 76 multi-family residential dwelling units to not more than 50 multi-family residential dwelling units on the Mall Tract and to increase the number of multi-family residential dwelling units allowed on the Town Parcel from 134 to 210, provided that the total number of multi-family residential dwelling units on both of the two aforementioned parcels shall never exceed 240 multi-family residential dwelling units. Except for the requested changes of the allowed density on the two parcels hereinabove described, all other terms, uses and densities pursuant to ZMA #120006 remain unchanged and unaffected.

IV. BENEFIT TO TOWN OF HILTON HEAD ISLAND RESULTING FROM REZONING REQUEST.

The 30 additional multi-family residential dwelling units requested herein come at a time when there continues to exist a significant lack of apartments for residents and visitors to Hilton Head Island to inhabit at a cost that is much less than the price points for other housing types, as the Town slowly emerges from the economic downturn that began in 2007. This entrepreneurial housing initiative will contribute to the economic tax base of the Town and help to sustain current and future population and overall property values. Additionally, the reduction in the number of multi-family residential dwelling units requested herein on the Mall Tract will lessen the impact of the multi-family residential dwelling units on the Mall Tract adjacent to the Newport Community.

As the amount of available land on Hilton Head Island declines for new development, it will be very important to maintain a high quality housing stock of residential properties. In addition, the availability of various housing types is important for the housing market viability to accommodate the diverse needs of the Island's population.

For the reasons set forth above and the additional benefits as hereafter outlined to the surrounding neighbors of the Mall Tract, it makes it difficult to see how this increase could be anything but a public benefit to the Town of Hilton Head Island and the surrounding property owners, and the Applicant respectfully requests that it be allowed to create the place that is envisioned by the Town of Hilton Head Island Comprehensive Plan dated May 4, 2010 ("Comprehensive Plan"), and meet the understandable expectations of the citizens of Hilton Head Island for an updated Mall at Shelter Cove.

V. NARRATIVE – REZONING CRITERIA

LMO Section 16-3-1505 sets forth the criteria which the Planning Commission is to address in making a recommendation to the Town Council on this rezoning request, as follows:

A. CONSISTENCY (OR LACK THEREOF) WITH THE COMPREHENSIVE PLAN.

The **HOUSING VISION** of the Comprehensive Plan for the Town is to promote and facilitate entrepreneurial housing initiatives that will result in the development of diverse housing types for all income levels on Hilton Head Island, and to support affordable housing initiatives in the region to supplement housing on the Island⁴. It is an accepted fact that the recent economic downturn in the economy has resulted in fewer families being able to afford to finance and maintain single-family individual houses and the number of Island residents that have been forced to vacate their homes and seek other more economical living facilities off Island has risen

⁴ See Comprehensive Plan at Page 50.

greatly. Unfortunately, since the date of the adoption of the current Comprehensive Plan available, reasonably priced multi-family residential dwelling units have virtually been eliminated through the conversion of multi-family residential apartment complexes into condominiums, creating a greater demand for apartment living for both permanent and temporary residents. The Applicant's experience in the housing market in the southeast has indicated an increasing need for available apartments to rent in locations that allow inhabitants to more easily get to their work place and to shop and recreate in a wholesome and centrally located environment. The shortage of available residential apartment units to rent on Hilton Head Island has been exacerbated by the limited amount of land available for construction of new multi-family residential dwelling units along with the added difficulty of obtaining financing to purchase condominiums by middle to lower-income families since the beginning of the economic crisis in 2007. This trend in the reduction of available apartments is illustrated in Table 5.1 of Chapter 5 of the Comprehensive Plan that states that "...in 1999 there were 601 fewer multi-family residential dwelling units than there were single-family units. In 2000, there were 4,506 fewer multi-family residential dwelling units than single-family units, and in 2007 there were 3,660 fewer multi-family residential dwelling units than single-family units...". Applicant's recent research, with the assistance of the Town, indicates that the number of apartments on the Island today that have not been converted to a condominium is a mere 302. Additionally, Applicant engaged Coastal Marketing Services to determine the amount of apartments available for rent on Hilton Head Island, and in January of 2012. The report at that time indicated a total of 475 rental units with 211 of the 475 being HUD subsidized. This report has been updated on the 29th day of April, 2014, and indicates that "there have been virtually no changes in rental inventory since January 2012" (see report of Coastal Marketing Services attached hereto and marked Exhibit "C"). Accordingly, the multi-family residential dwelling unit

component of the redevelopment is expected by the Applicant to be in high demand and to satisfy an increasing need, through this entrepreneurial housing initiative, to develop more diverse housing types on Hilton Head Island and help to partially rebalance the substantial difference between single-family residential and multi-family residential dwelling units, which are far more affordable, and provide greater opportunities for the diverse income and age levels of current and future residents to the Island. Section 5.1 of Chapter 5 of the Comprehensive Plan provides a “goal” to encourage development of multi-family residential dwelling units to meet market demands and new trends⁵. This “goal” is more important today than it was at the time that the Comprehensive Plan⁶ was adopted.

In order to help fulfill the “goals” of the Comprehensive Plan for the benefit of the current and future citizens of the Town, the Town Council of Hilton Head enacted Ordinance 2012-27 on the 16th day of October, 2012, which provided for a Declaration of Covenants, Restrictions and Limitations on the multi-family residential dwelling units authorized on the Mall Tract and Town Parcel by providing that “(i) in the event any apartments are erected, constructed or otherwise built on or within the Property (the Mall Tract and the Town Parcel), said apartments shall not be converted into condominiums in any manner; (ii) in the event any apartments are erected, constructed or otherwise built on or within the Property, the owners of any apartments shall not execute or enter into any lease(s) with a term for less than twelve (12) months per lease. In the event that such lease is executed or entered into, said lease shall be considered void and of no legal effect; (iii) in the event any apartments are erected, constructed or otherwise built on or within the Property, the tenant(s) of any apartment(s) shall not lease or sub-let the apartment(s) to any third parties”. This Declaration of Covenants, Restrictions and

⁵ See Comprehensive Plan at Page 50.

⁶ See Comprehensive Plan at Pages 50 and 60.

Limitations containing the above restrictions and such other provisions that are contained therein shall apply to and bind the additional 30 multi-family residential dwelling units requested in this Application, a copy of said Declaration of Covenants, Restrictions and Limitations being attached hereto as Exhibit "D".

The **ECONOMIC DEVELOPMENT VISION** of the Comprehensive Plan looks to define, foster and enhance the economic environment that that sustains Hilton Head Island's unique way of life⁷. Section 7.5 of the Comprehensive Plan recognizes potential risks to the Island's economic future and recognizes that with the early, rapid growth of the base economic engines of residential and visitor investment slowing as the Island approaches maturity, efforts should be focused on initiatives for enriching the economic potential while preserving the essential character and natural assets that have been responsible for the Island's success⁸. With the deterioration of the Mall, the economic benefit to the Town has decreased with the benefit going to the recently revitalized discount centers in the Bluffton area. In order for the Town to help recapture the dollars that are being lost, flexibility in allowing the Applicant to use private funds to increase the amount of multi-family residential housing to restore the Town's most prominent shopping mall will attract and retain visitors, shoppers and apartment residents and re-energize and encourage local shopping and the economic benefits to the Town associated therewith. The additional 30 multi-family residential dwelling units requested in this Application will further enhance and increase the Mall Tract and Town Parcel into a Town center. As a Town center, the residential multi-family residential apartments offer the surrounding area a place for working, shopping and socializing and become a regional generator of economic activity. The increase of multi-family residential apartments allows denser urban

⁷ See the Comprehensive Plan, at Page 89.

⁸ See Comprehensive Plan, at Page 92.

ranges to transform the enclaves into a transient-ready Town center, and at the same time help to partially rebalance the substantial difference between single-family residential and multi-family residential dwelling units and additionally helps to satisfy Section 5.1 of Chapter 5 of the Comprehensive Plan which contains a “goal” to encourage development of multi-family residential dwelling units to meet market demands and new trends. Further, potential strategies and implications of the Comprehensive Plan identify the need to incentivize the development of flexibility of streamlining in regulation of density caps, setbacks (and other controls), that enable a qualitative, principal based, asset revitalization that enhance the Island’s positive legacies⁹.

The Applicant feels that the requested rezoning will encourage and facilitate the redevelopment of the Mall Tract and Town Parcel and the revitalization of the Mall itself, and encourage additional residential occupancy and use of the entire Shelter Cove area, benefitting the entire Town of Hilton Head. The proposed amendment to the Town Zoning Map will also provide additional employment opportunities for Hilton Head Island residents; increase ad valorem tax revenue; substantially increase State sales taxes; and dramatically increase hospitality taxes to promote tourism, nourish beaches, support beach parks, build pathways, support various cultural organizations and pathway rehabilitation¹⁰.

The **TRANSPORTATION VISION** of the Comprehensive Plan is for The Town to provide a safe, efficient, environmentally sound, esthetically sensitive and fiscally responsible transportation system which is integrated into the regional network to enhance the quality of life for those living in, employed in, and visiting Hilton Head Island.¹¹

⁹ See Comprehensive Plan, at Page 93.

¹⁰ See Comprehensive Plan at Page 91.

¹¹ See Comprehensive Plan at Page 116.

The Amended and Restated Development Agreement provides that the Developer will have a Traffic Impact Study updated to reflect the proposed additional 30 multi-family residential dwelling units contemplated by this proposed Zoning Map Amendment. In the event the updated Traffic Study of the Developer indicates the possibility of certain deficiencies at the lighted, signalized intersection of Shelter Cove Lane and the William Hilton Parkway resulting from the additional 30 multi-family residential dwellings, Developer shall be responsible for the cost of any appropriate mitigation required. The additional multi-family residential dwelling units requested hereunder shall provide greater walking and bicycling opportunities for residents of the apartments and decrease the overall need for automobiles by its residents for working, shopping and recreating. It is in the applicant's best interest to create an attractive and safe entranceway into and exit out of the Mall Tract in order to provide a comfortable sense of place and safe ingress and egress. An implementation strategy for multi-use pathways under Section 9.4 of the Comprehensive Plan provides to "expand the Island's multi-use pathway system to connect all appropriate land uses such as parks, schools, open spaces and beach access facilities on the Island along with the residential and commercial destinations". The utilization of garage and first floor parking under multi-family residential housing is also being considered to enhance parking and encourage walking and bicycling within the Mall Tract, lessen any additional impact resulting from the additional multi-family residential units applied for herein.

When reviewing the Comprehensive Plan as a whole, the Applicant believes that the amendment sought hereunder (only requesting an increased density of 30 residential dwelling units) is consistent with all components of the Comprehensive Plan. Given the history of the Mall Tract, and the community-wide benefits afforded the Town under this proposed Application and the proposed Amended and Restated Development Agreement, the requested rezoning will not have an adverse effect on the natural resources, cultural resources, population, community

facilities, land use, transportation, recreation, or priority investment, all of which are more fully addressed in the Application leading to the enactment of ZMA #120006, incorporated herein by reference.

B. COMPATABILITY WITH THE PRESENT ZONING AND CONFORMING USES OF NEARBY PROPERTY AND WITH THE CHARACTER OF THE NEIGHBORHOOD.

All of the nearby or surrounding properties in the vicinity of the Mall Tract and Town Parcel are located within the PD-1 Planned Development Mixed Use District encompassed by the PD Master Plan, including the Town's Shelter Cove Memorial Park, the Newport multi-family residential dwelling unit residential development, and the Plaza at Shelter Cove Shopping Center. Accordingly, the Applicant feels that the additional multi-family residential dwelling units, respectfully applied for herein, is a consistent and appropriate use with the surrounding properties. Recognizing that historical intended uses are not pertinent to this Application, it is interesting to note that as far back as 1984 and 1986, a significant portion of the Shelter Cove Mall Tract was designated for multi-family residential dwelling units.

C. SUITABILITY OF THE PROPERTY AFFECTED BY THE AMENDMENT FOR USES PERMITTED BY THE DISTRICT THAT WOULD BE MADE APPLICABLE BY THE PROPOSED AMENDMENT.

The change to the PD Master Plan requested by this Application, respectfully requesting an increase in the number of multi-family residential apartments, will not result in any change in the currently permitted uses applicable to the Mall Tract and Town Parcel, but rather add to the already permitted uses (ZMA #120006) that are typically associated with PUDs. As noted in Paragraph B above, the adjacent Newport multi-family residential dwelling unit development would indicate that the addition of multi-family residential dwelling units on the Mall Tract and Town Parcel would be a suitable use and compatible with the surrounding property. Additionally, the decrease in the number of multi-family residential dwelling units immediately

adjacent to the Newport Community will, in the opinion of the Applicant, reduce the impact of multi-family residential dwelling units on that community. Considering the mixed-use nature of the PD-1 Zoning Districts under the LMO, the additional multi-family residential dwelling units respectfully requested herein is consistent with most other PUDs on Hilton Head Island, including Sea Pines, the oldest PUD on the Island, and Palmetto Dunes, which is in the same PD District. Accordingly, the Applicant believes that the Mall Tract and Town Parcel are well suited for the existing number of multi-family residential dwelling units previously authorized and the additional multi-family residential dwelling units being requested herein, creating an atmosphere where customers and residents will live, work and recreate in a neighborhood that offers transient, employment and shopping, plus civic and leisure activities.

D. SUITABILITY OF THE PROPERTY AFFECTED BY THE AMENDMENT FOR USES PERMITTED BY THE DISTRICT APPLICABLE TO THE PROPERTY AT THE TIME OF A PROPOSED AMENDMENT.

Again, the change to the PD Master Plan requested by this Application will, add additional single-family multi-use apartments that will invigorate the Mall Tract and Town Parcel for the benefit that will accrue to its owners, the residents of Hilton Head Island, and the Town. The property that is the subject of this Application has been permitted for multi-family residential use since the enactment of ZMA #120006 and is now an allowed use under the PD Master Plan and the Applicant feels that the additional multi-family residential dwelling units will only strengthen the Mall Tract's viability and lessen the impact on the Newport Community.

E. MARKETABILITY OF THE PROPERTY AFFECTED BY THE AMENDMENT FOR USES PERMITTED BY THE DISTRICT APPLICABLE TO THE PROPERTY AT THE TIME OF THE PROPOSED AMENDMENT.

The Mall Tract as presently under development pursuant to ZMA #120006 has, based on already experienced market demand, been deemed a success. The vast experience of Applicant suggests that the additional multi-family residential dwelling units requested hereunder will

undoubtedly increase the revenues and thereby increase the value of the Mall as an asset, not only for the Applicant but also for the Town. Increased residential success and value translate directly to increased marketability.

F. AVAILABILITY OF WATER AND STORM WATER FACILITIES GENERALLY SUITABLE FOR THE PROPOSED USE.

The sewer, water and stormwater facilities serving the Town Parcel were designated and implemented as part of the overall sewer, water and stormwater system serving the PD Master Plan area. The fact that the Mall Tract is currently in operation, even though under development, is clear evidence of the availability of the facilities necessary to accommodate the commercial activities on the Mall Tract and Town Parcel and the multi-family residential units associated therewith and the additional units as requested hereunder. The Broad Creek Public Service District currently provides potable water and sanitary sewer service to the entire Mall Tract and Town Parcel, which is the subject of this Application. The stormwater drainage system which currently drains into detention ponds, and ultimately Broad Creek, will be greatly enhanced through the utilization and introduction of pervious parking areas near Broad Creek, enhanced stormwater detention infrastructure.

VI. NARRATIVE – CONCLUSION

The Applicant feels the foregoing narrative demonstrates that this Application is in conformance with the LMO as amended by and through the Amended and Restated Development Agreement, the Town's Comprehensive Plan, and meets the criteria set forth in LMO Section 16-3-1505. Accordingly, the Applicant respectfully requests that the Planning Commission (a) consider the Application and the testimony and supporting documentation which will be entered into the record; (b) find:

1. That this Application and the supporting documentation established that the requested Master Plan Amendment is consistent with the Town's Comprehensive Plan; and

2. That this Application and the supporting documentation establish that the Applicant has demonstrated adjustment to the PD Master Plan which will result in a community-wide benefit; and

3. That this Application and the supporting documentation establish that the current and proposed density of the Mall Tract and Town Parcel are consistent with conforming uses of nearby properties and with the character of the neighborhood around the Mall Tract and Town Parcel; and

4. That this Application and the supporting documentation establish that the Mall Tract and Town Parcel is suitable for the current and proposed densities permitted by the Zoning District that would be applicable to the Mall Tract and Town Parcel by the requested Zoning Map Amendment; and

5. That this Application and the supporting documentation establish that the Mall Tract and Town Parcel are suitable for the current and proposed density permitted by the zoning district that is currently applicable to the Mall Tract and Town Parcel; and

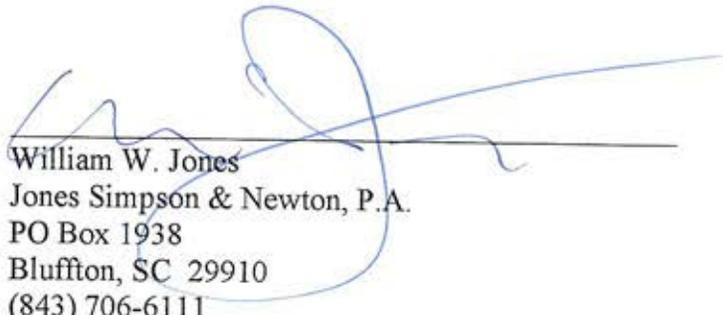
6. That this Application and the supporting documentation establish that the marketability of the Mall Tract and Town Parcel for the current and proposed density permitted by the zoning district that is currently applicable to the Mall Tract and Town Parcel will be increased by the approval of the requested master plan amendment; and

7. That this Application and the supporting documentation establish that there will be no substantial change in the Mall Tract's and Town Parcel's sewer, water and stormwater facilities except for those additional requirements and infrastructure resulting from the thirty (30) additional multi-family residential dwelling units applied for herein; and

8. Except for the Amendment to the Zoning Map applied for herein, the uses and densities provided for in ZMA #120006 remain unchanged and continue in full force and effect.

9. Respectively recommend to the Town Council that they approve this Application.

Respectfully submitted on behalf of the Applicant this 7th day of July,
_____, 2014.



William W. Jones
Jones Simpson & Newton, P.A.
PO Box 1938
Bluffton, SC 29910
(843) 706-6111