



**The Town of Hilton Head Island
Regular Town Council Meeting**

September 16, 2014

4:30 P.M.

AGENDA

**Note: Change in
Start Time**

**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**
- 6) Approval of Minutes**
 - a. Town Council Meeting, September 2, 2014
- 7) Report of the Town Manager**
 - a. Town Manager's Items of Interest
 - b. Proposed 2015 Town Council Meeting Dates
 - c. Arts Study Update
- 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**
 - a. **Revised First Reading of proposed Ordinance 2014-20**

Revised First Reading of Proposed Ordinance 2014-20 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, to adopt a new Land Management Ordinance; and providing for severability and an effective date.

11) New Business

a. First Reading of proposed Ordinance 2014-18

First Reading of Proposed Ordinance 2014-18 of the Town of Hilton Head, South Carolina, authorizing the execution of a first amendment to Golf Course Ground Lease with Heritage Golf Port Royal, 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.

b. Consideration of a Recommendation – Island Recreation Association MOU Amendment – Rowing & Sailing Center at Squire Pope Community Park

Consideration of a Recommendation that Town Council approve the attached Memorandum of Understanding (MOU) Amendment between the Town of Hilton Head Island and the Island Recreation Association to include the management and operation of the Rowing and Sailing Center at Squire Pope Community Park.

c. Consideration of a Resolution for condemnation of property located along US278

d. First Reading of a Proposed Ordinance for a Lease for Town Owned Land

12) Executive Session

- a.** Land Acquisition
- b.** Legal Matters
- c.** Contractual Matters

13) Adjournment

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, September 2, 2014

Time: 4:00 P.M.

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

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Brad Tadlock, *Fire Chief*; Charles Cousins, *Director of Community Development*; Susan Simmons, *Director of Finance*; Nancy Gasen, *Director of Human Resources*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Jeff Buckalew, *Town Engineer*; Brian Hulbert, *Staff Attorney*; Shawn Colin, *Deputy Director of Community Development*; Jill Foster, *Deputy Director of Community Development*; Teri Lewis, *LMO Official*; Jennifer Ray, *Urban Designer*; Darrin Shoemaker, *Traffic & Transportation Engineer*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant/Town Clerk*

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.

1) Proclamations and Commendations

2) Approval of Minutes

a. Town Council Workshop, July 29, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the July 29, 2014 Town Council Workshop were approved by a vote of 6-0-1. Mr. Williams abstained as he was not present at the workshop.

b. Town Council Meeting, August 5, 2014

Mrs. Likins moved to approve. Mr. McCann seconded. The minutes of the August 5, 2014 Town Council meeting were approved by a vote of 4-0-2. Mr. Harkins and Mr. Williams abstained as they were not present at the meeting.

3) Report of the Town Manager

a. Presentation of the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year ending June 30, 2013

Mayor Laughlin presented the certificate and plaque to Susan Simmons.

- b. Miss Hilton Head Island Scholarship Organization & Pageant Update– Rachel Wisnefski**

Ms. Wisnefski conducted an overview of the activities of the organization and participants and reviewed the criteria for the pageant.

- c. Emergency Repairs at Lawton Canal Storm Water Pump Station – Scott Liggett**

Mr. Liggett explained the need for an authorization to execute contracts for emergency repairs at the pump station. After Mr. Liggett’s detailed summary, it was the consensus of Town Council to direct staff to proceed with the necessary steps to complete the repairs.

- d. Town Manager’s Items of Interest**

Mr. Riley introduced and welcomed Mr. Don Kirkman, Executive Director of the Hilton Head Island Economic Development Corporation. He then reviewed the items of interest.

- e. August, 2014 Policy Agenda, Management Targets and CIP Updates**

Mr. Riley noted the report was included in the packet and staff was available to answer any questions.

8) Reports from Members of Council

- a. General Reports from Council**

Mr. Williams stated there has been a request from a group that would like to be considered as the destination marketing organization for the Town of Hilton Head Island. Mr. Williams moved that the Accommodations Tax Advisory Committee be asked to receive/review the application from the group and make a recommendation to Town Council. Mr. McCann seconded. The motion was approved by a vote of 7-0.

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

No report.

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

No report.

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

No report.

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

Ms. Likins said the Committee met earlier in the day and voted to recommend approval of the memorandum of understanding between the Town and Island Recreation Association for the management of the Rowing and Sailing Center at Squire Pope Community Park.

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

No report.

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

No report.

9) Appearance by Citizens

Susan Thomas of the Hilton Head Island – Bluffton Chamber of Commerce presented an update concerning the marketing perspective.

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2014-16

Second reading of Proposed Ordinance 2014-16 of the Town of Hilton Head Island, South Carolina, authorizing the sale of real property owned by the Town of Hilton Head Island, South Carolina, to the Palmetto Dunes Property Owners' Association, Inc., under the authority of S. C. Code Ann. § 5-7-40 (Supp. 2014), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983, As Amended); and providing for severability and an effective date.

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

11) New Business

a. First Reading of Proposed Ordinance 2014-19

First Reading of Proposed Ordinance 2014-19 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, to repeal the current Land Management Ordinance (LMO); and providing for severability and an effective date.

Mr. Harkins moved to approve. Ms. Likins seconded. The motion was approved by a vote of 6-0-1. Mr. McCann abstained.

b. First Reading of Proposed Ordinance 2014-20

First Reading of Proposed Ordinance 2014-20 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, to adopt a new Land Management Ordinance; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mrs. Likins seconded.

Jim Gant and David Ames, LMO Rewrite Committee members, reviewed and addressed the concerns members of Council expressed at the July 29 Town Council Workshop.

Mr. Williams moved that the existing LMO verbiage concerning the separation requirements for liquor stores be brought forward in the new LMO. Mr. McCann seconded. During public comment, resident Kim Lushen questioned if the separation is going to be measured from property line to property line. Mr. Williams confirmed that was his intent in the motion. The motion was approved by a vote of 6-0-1. (Mr. Grant abstained due to a potential conflict of interest. The required form will be attached to the approved, signed minutes.)

Mr. Williams moved that the language in the existing LMO concerning time shares be brought forward in the new LMO. Mr. McCann seconded. Mr. Edwards spoke in support of the motion noting there needed to be distinction between time shares and multi-family units. Teri Lewis explained the change would need to be defined as areas have changed in the proposed LMO. Mayor Laughlin noted that if they are going to distinguish between multi-family and time shares, there is a need to determine where they are going to be permitted and categorize areas. He stated the need to eliminate special exceptions, if possible, because they are cumbersome and costly. Mr. Harkins suggested leaving the section as it is with the understanding there is a request for the Planning Commission to give thought to a future recommendation.

Mr. Riley noted the need for the motion to be more specific. He suggested the motion include the intent to restore interval occupancy as a specific use called out and allowed by right in the Coligny Resort District, the Resort Development District, Mitchelville District, in PD1 Districts where it is specifically called out in the Master Plan and the Water Oriented Mixed Use Districts and that the restrictions on bedrooms be eliminated. Mr. Williams moved to amend his motion to include Mr. Riley's suggestion. During public comment, resident Bill Iserman suggested adding that the Planning Commission needs to see that time shares should fit in to the areas where they are being located. The amended motion was approved by a vote of 7-0.

Mr. Williams moved that the residential district in the Sea Pines Circle Area remains at 4 units per acre. He explained his concern that if increased to 12 units per acre there would be high density issues. Mr. McCann seconded. Mr. Harkins expressed his concerns with traffic flow in the area. Mr. Ames explained that one of the goals is to make the area more walkable and reduce traffic. He noted that in order to accomplish that goal residential units need to be available and 4 dwelling units per acre is non-existent as an option in that area. Mayor Laughlin agreed noting that the Town is initiating a traffic study in that area to guide them in what infrastructure improvements are needed. He added that any residential development in that area would be replacing something that is already there that is not successful and may result in redevelopment of those buildings for student housing for the USCB campus. Mr. Edwards stated that increasing it to 12 units is a good starting point and there is a need to move forward with it as is.

Bret Martin, President of CSA, Sea Pines voiced concern with the traffic in the area. He said they would love to see the Sea Pines Circle area redeveloped. He expressed apprehension about the impact of development. Mr. Martin stated they support the regional traffic concept but are reluctant to support 12 units per acre. He encouraged more thought in planning into what the impact would be with the increase. Joe Kernan expressed his concerns with the increase. The motion failed by a vote of 3-4. (Mrs. Likins, Mayor Laughlin, Mr. Edwards, Mr. Grant were opposed.)

Mr. Williams expressed his concern with the elimination of separation between night clubs and bars. Mr. Gant explained the change was intended to try and improve flexibility and not restrict business type use. After discussion, Mr. Williams moved to retain the separation for night clubs and bars as in the existing LMO. Mr. Harkins seconded. The motion failed by a vote of 3-4. (Mrs. Likins, Mayor Laughlin, Mr. Edwards, Mr. Grant were opposed.)

Mayor Laughlin questioned the reduction in circumference requirements for loblolly and pine trees which are considered specimen trees. Mr. Ames explained the reduction would make it more difficult to remove the trees. Chester Williams stated his concern with the change is that if the threshold is reduced for the pine trees, it would greatly increase the number of trees and would adversely affect the ability for development or redevelopment. Mrs. Likins moved to restore the size requirement for the loblolly and pine specimen trees. Mr. Harkins seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin suggested attention be given to the definition of dunes or dune systems. He suggested that, to the extent possible, the definitions be more objective and less subjective so they are better defined for property owners. Charles Cousins explained this matter needs to be addressed but cannot be completed by October 7. Mayor Laughlin concurred.

Mr. Harkins moved to retain the provisions in the existing LMO that give the administrator the authority to waive both the buffer and setback requirements under certain conditions when there are adjacent properties functioning as one development. Mrs. Likins seconded. The motion was approved by a vote of 7-0.

Mr. Edwards moved to retain the separation standards in the existing LMO for tattoo parlors. Mr. Williams seconded. The motion was approved by a vote of 7-0.

The original motion, as amended, was approved by a vote of 6-1. (Mr. McCann was opposed. He stated his opposition was due to his concern about density.)

c. First Reading of Proposed Ordinance 2014-21

First Reading of Proposed Ordinance 2014-21 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, to repeal the existing Official Zoning Map; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mrs. Likins seconded. The motion was approved by a vote of 6-1. (Mr. McCann was opposed.)

d. First Reading of Proposed Ordinance 2014-22

First Reading of Proposed Ordinance 2014-22 to amend Title 16, "The Land Management Ordinance," of the Municipal Code of the Town of Hilton Head Island, South Carolina, to adopt a new Official Zoning Map; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mrs. Likins seconded. The motion was approved by a vote of 6-1. (Mr. McCann was opposed.)

e. Consideration of a Recommendation – Acquisition of Dirt Road Rights of Way

Consideration of a Recommendation that Town Council approve the initiation of acquisition efforts of road rights of way on four private roads in accordance with the Capital Improvements Program. The four roads are Aiken Place, Alfred Lane, Cobia Court, and Murray Avenue.

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0-1. (Mr. Grant abstained due to a potential conflict of interest. The required form will be attached to the approved, signed minutes.)

12) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters pertaining to land acquisition including a request for a swap of town-owned land; a request for a lease extension on the Planters Row Golf Course; contractual matters pertaining to a proposed donation of property; contractual matters pertaining to existing leases at the Kiawah Building; matters pertaining to an economic development grant; and contractual matters pertaining to the proposed MOU with USCB.

At 6:23 p.m. Mr. Harkins moved to go into Executive Session for the reasons as set forth by the Town Manager. Mrs. Likins seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 6:56 p.m. and stated there was no business as a result of Executive Session. He announced that the proposed extension of the lease for Planters Row Golf Course will be addressed at the September 16 Town Council meeting.

13) Adjournment

Mr. Williams moved to adjourn. Mr. Harkins seconded. The motion was unanimously approved by a vote of 7-0. The meeting was adjourned at 6:57p.m.

Approved:

Drew A. Laughlin, Mayor

Vicki L. Pfannenschmidt,
Executive Assistant/Town Clerk



Items of Interest

September 16, 2014

1. Town News

The 2015 Accommodations Tax Grant Application is available on the Town's website at www.hiltonheadislandsc.gov. The deadline for submitting an Application is Friday, September 26 at 4:00 pm.

(Contact: Erica Madhere, Finance Assistant – ericam@hiltonheadislandsc.gov or 341-4646)

The Town of Hilton Head Island Financial Statements for the period ending June 30, 2014, including the Financial Dashboard, has been posted on the Town's website. You can view them at www.hiltonheadislandsc.gov

(Contact: Susan Simmons, Director of Finance at 843-341-4645 or susans@hiltonheadislandsc.gov)

Deputy Chief Ed Boring and Battalion Chief Randy Lindstrom were recognized in August at the Center for Public Safety Excellence annual Awards Ceremony that was held in conjunction with the International Association of Fire Chiefs conference. Ed and Randy were recognized for receiving their professional designation based on a review of their career accomplishments. The designation is offered by the Commission on Professional Credentialing and is a third-party verification of a broad range of professional competencies in fire and emergency services.

Deputy Chief Boring was awarded the Chief Fire Officer Designation in August of 2013.

Battalion Chief Randy Lindstrom was awarded the Fire Officer Designation in August of 2014.

(Contact: Brad Tadlock, Fire Chief – bradt@hiltonheadislandsc.gov or 682-5153)

Captain David Britton was recently selected to serve as a principle member on the National Fire Protection Association's (NFPA) Technical Committee on Fire Service Training. The Training Committee is responsible for establishing the consensus standards for all fire service training techniques, operations, and procedures that develop maximum efficiency and proper utilization of available personnel. These national minimum standards apply to all agencies and cover all aspects of fire service training.

(Contact: Brad Tadlock, Fire Chief – bradt@hiltonheadislandsc.gov or 682-5153)

2. Noteworthy Events

- a) Some of the upcoming meetings at Town Hall:
- Planning Commission - September 17, 2014, 3:00 p.m.
 - Design Review Board – September 23, 2014, 1:15 p.m.
 - Construction Board of Adjustment & Appeals, September 23, 2014, 5:30 p.m.
 - Planning Commission, September 24, 2014, 3:00 p.m.
 - ATAX Application Deadline – September 26, 2014, 4:00 p.m.
 - Planning Commission, October 1, 2014, 9:00 a.m.
 - Planning & Development Standards Committee, October 2, 2014, 3:00 p.m.
 - Public Safety Committee – October 6, 2014, 10:00 a.m.
 - Public Facilities Committee – October 7, 2014, 2:00 p.m.
 - Town Council – October 7, 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

Sunday, October 5, 2013 8:00am-12:30pm	Fire Prevention Pancake Breakfast	Fire Station 4 Squire Pope Road
---	--------------------------------------	------------------------------------



TOWN OF HILTON HEAD ISLAND

2015 TOWN COUNCIL MEETING DATES

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

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

***September 15th meeting will start at 4:30 p.m. because of the Constitution Day Celebration preceding the Town Council meeting.**

MEMORANDUM

DATE: September 13, 2014
TO: Town Council
FROM: Steve Riley
RE: Proposed Approach to Address Community Arts Issues

Staff has been asked to identify the next steps the Town should take in addressing the various issues we have been discussing concerning arts in our community.

1) Funding – Staff undertake a study of other communities in South Carolina to identify a new funding source or sources the Town could use to support our efforts.

Everything comes down to money. Many of you have expressed concern over how a monetary participation by the Town towards the Arts will impact other Town programs. Without potential new sources of funding, we will not move any part of this large and complex conversation forward.

2) Main Street Youth Theater – Seek comments from Mr. Bradshaw on the recently completed building assessment.

While the Town has been offered this building, there have been questions about the condition of the building. A Town consultant recently completed an assessment of this building that identifies necessary repairs and their associated estimated costs. This document is being provided to Mr. Bradshaw. Once he has reviewed it, staff will get his thoughts on this assessment and provide them to Town Council. This information along with annual estimated building maintenance costs should be sufficient information for the Town Council to make a decision on whether to accept this building donation.

3) Arts Center Long Range Plan – Let's ask the Arts Center Board what they think the long range plan should be.

Several members of Council have expressed concerns about making funding commitments for the short terms needs of the Arts Center Building without first understanding what the long term plan is. While we are researching funding sources as suggested above, and without committing to funding more studies, let's ask the Board of Directors what they think. Right now the only thing on the table is someone else's very expensive proposal. This will at least provide a basis for discussion.



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA~CM, *Town Manager*
FROM: Teri B. Lewis, AICP, *LMO Official*
CC: Charles Cousins, AICP, *Community Development Director*
DATE: September 3, 2014
SUBJECT: Revised First Reading to adopt a new LMO – Proposed Ordinance #2014-20

Recommendation: At their meeting on September 2, 2014, Town Council voted 6-1 to recommend adoption of a new LMO subject to changes as attached [Exhibit A – Summary of Changes and Exhibit B – Summary of Changes – Timeshares]. Due to the attached changes, it is necessary to hold a revised first reading on the proposed new LMO.

Summary: Town Council recommended changes to the draft LMO documents. These changes, which are reflected in Exhibits A and B include the addition of interval occupancy (timeshares) as a standalone use in the LMO and modifications to the following sections:

- Liquor store separation standards
- Tattoo facility separation standards
- Adjacent use setback standards
- Specimen tree standards

These changes are reflected in the attached documents. The changes are marked by double underline and yellow highlighting.

Background: At its 2010, 2011, 2012 and 2013 Strategic Planning Workshops, the Town Council adopted a goal of redrafting the Town's existing Land Management Ordinance and Official Zoning Map to reflect the needs and expectations of the Town's residents, business community and visitors, and to ensure that the Town remains a viable and attractive place to live, work and visit. The Town Council adopted a resolution on March 1, 2011 establishing the "LMO Rewrite Committee" and establishing a plan for a comprehensive review and rewrite of the Land Management Ordinance and Official Zoning Map. The LMO Rewrite Committee met more than 80 times over a three year period to determine what changes were needed to the Land Management Ordinance and the Official Zoning Map and drafted a proposed Land Management Ordinance and a proposed Official Zoning Map.

EXHIBIT A – SUMMARY OF CHANGES

At their meeting on 9/2/14 Town Council voted 6-0-1 to maintain the existing separation requirements between proposed liquor stores and existing liquor stores and between proposed liquor stores and residential districts.

LMO Section 16-4-102

g. Liquor Stores

A **liquor store** shall comply with the following locational restrictions:

- i. It shall not be located within 500 feet of an existing **liquor store**; and
- ii. It shall not be located within 200 feet of:
 01. A **religious institution**; or
 02. A residential district; or
 03. A public or private elementary or secondary school.
- iii. These distances shall be measured as the length of an imaginary straight line between the two closest points of the perimeter boundary of the property on which any **liquor store** is located, and the perimeter boundary of the property on which any **use** from which the separation is required.

At their meeting on 9/2/14 Town Council voted 7-0 to maintain the existing separation requirements between proposed tattoo facilities and existing tattoo facilities.

k. Tattoo Facilities

A **tattoo facility** shall comply with the following locational restrictions:

- i. It shall not be located within 500 of an existing **tattoo facility**; and
- ii. It shall not be located within 1,000 feet of:
 01. A **religious institution**; or
 02. A daycare or youth activity center or public or private elementary or secondary school; or
 03. A playground; or
 04. A place that is provided by the public for recreation; or
 05. Publicly owned **land**.
- iii. This distance shall be measured as the length of an imaginary straight line between the two closest points of the perimeter boundary of property on which any **tattoo facility use** is located, and the perimeter boundary of the property on which any **use** from which the separation is required.

At their meeting on 9/2/14 Town Council voted 7-0 to add back in the flexibility for the Official to eliminate the adjacent use setback between two parcels that function together. This section was inadvertently left out of the document.

LMO Section 16-5-102

D. Adjacent Use Setback Requirements

1. No Change
2. No Change
3. No Change
4. The **Official** may waive the requirement for an adjacent use setback on determining that the proposed **development** and the **adjacent development** function as a single **development**.

At their meeting on 9/2/14 Town Council voted 7-0 to change the specimen sizes for various pines trees back to what they are in the existing LMO.

TABLE 16-6-104.F.1: SPECIMEN TREES

TREE TYPE		DBH (INCHES)
Live oak	Single trunk	35
	Multiple trunks	60 (sum of all trunks)
Laurel oak		35
Water oak		30
Red oak		25
White oak		20
All hickories		20
American elm		15
Loblolly and slash pines		25 <u>35</u>
Longleaf and pond pines		45 <u>25</u>
Red bay		20
Southern magnolia		30
Bald cypress and pond cypress		15
Black gum and sweet gum		30
Red maple		30
Spruce pine		Any size
Red cedar		10
Sycamore		30
Black cherry		25
Sassafras		12

B. Coligny Resort (CR) District**CR**
Coligny Resort District**1. Purpose**

The purpose of the Coligny Resort (CR) District is to recognize and promote further investment in the area near Coligny Circle as an activity center and a core high-energy and visitor-oriented resort destination that encourages people to live, work, and recreate within the district. The district is intended to accommodate relatively high-intensity commercial, office, residential, and ***mixed-use development*** that is pedestrian-oriented and human-scale. It is also intended to promote ***development*** that integrates civic and public gathering spaces and connects to such places in nearby developments and public places.

2. Allowable Principal Uses

USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES ¹	
Residential Uses				
Mixed-Use	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
Multifamily	PC	Sec. 16-4-102.B.1.b	1 bedroom	1 per du
			2 bedroom	1.25 per du
			3 or more bedrooms	1.5 per du
			Nonresidential	1 per 650 GFA
Public, Civic, Institutional, and Educational Uses				
Community Service Uses	P		1 per 525 GFA	
Education Uses	P		Colleges and High Schools	7.5 per classroom
			Elementary and Junior High/Middle Schools	3 per classroom
			Other Education Uses	See Sec. 16-5-107.D.2
Government Uses	P		Fire Stations	3 per bay + 1 per 300 GFA of office space
			Other	1 per 300 GFA of office area
Major Utilities	SE		1 per 2,000 GFA	
Minor Utilities	P		n/a	
Public Parks	P		See Sec. 16-5-107.D.2	
Religious Institutions	P		1 per 4 seats in main assembly area	
Telecommunication Antenna, Collocated or Building Mounted	PC	Sec. 16-4-102.B.2.e	n/a	
Telecommunication Towers, Monopole	PC	Sec. 16-4-102.B.2.e	1	
Resort Accommodations				
Bed and Breakfasts	PC	Sec. 16-4-102.B.4.a	1 per 1.5 guest rooms	
Hotels	PC	Sec. 16-4-102.B.4.b	1 per 1.5 guest rooms	
Interval Occupancy	P		1 bedroom	1 per du
			2 bedrooms	1.25 per du
			3 or more bedrooms	1.5 per du

I. Mitchelville (MV) District

MV

Mitchelville District

1. Purpose

The purpose of the Mitchelville (MV) District is to recognize the historical and cultural significance of this area of the Island. A variety of **uses** are permitted in an effort to facilitate **development** in this area. These **sites** have a unique ability to provide an environment conducive to water-oriented commercial and residential **development**.

2. Allowable Principal Uses

USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
Residential Uses				
Mixed-Use	PC	Sec. 16-4-102.B.1.a	Residential	1.5 per du
			Nonresidential	1 per 500 GFA
Multifamily	P		1 bedroom	1.4 per du
			2 bedroom	1.7 per du
			3 or more bedrooms	2 per du
Single-Family	P		2 per du + 1 per 1,250 GFA over 4,000 GFA	
Public, Civic, Institutional, and Educational Uses				
Cemeteries	P		1 per 225 GFA of office area + 1 per 500 GFA of maintenance facilities	
Community Service Uses	P		1 per 400 GFA	
Major Utilities	SE		1 per 1,500 GFA	
Minor Utilities	P		n/a	
Public Parks	P		See Sec. 16-5-107.D.2	
Religious Institutions	P		1 per 3 seats in main assembly area	
Telecommunication Antenna, Collocated or Building Mounted	PC	Sec. 16-4-102.B.2.e	n/a	
Telecommunication Towers, Monopole	PC	Sec. 16-4-102.B.2.e	1	
Resort Accommodations				
Bed and Breakfasts	PC	Sec. 16-4-102.B.4.a	1 per guest room	
Hotels	P		1 per guest room	
Interval Occupancy	P		1 bedroom	1 per du
			2 bedrooms	1.25 per du
			3 or more bedrooms	1.5 per du
Commercial Recreation				
Indoor Commercial Recreation Uses	P		1 per 3 persons + 1 per 200 GFA of office or similarly used area	

K. Planned Development Mixed-Use (PD-1) District

PD-1 Planned Development Mixed-Use District

1. Purpose

The purpose of the Planned Development Mixed-Use (PD-1) District is to recognize the existence within the Town of certain unique **Planned Unit Developments** (PUDs) that are greater than 250 acres in size. Generally, these PUDs have served to establish the special character of Hilton Head Island as a high quality resort and residential community. It is the intent in establishing this district to allow the continuation of well-planned **development** within these areas. In limited situations, some commercially planned portions of PUDs are placed within other base districts to more specifically define the types of commercial **uses** allowed.

2. Included PUDs and Master Plans

The following PUDs are included in the PD-1 District and their Town-approved master plans—including associated text and any subsequent amendments—are incorporated by reference as part of the **Official Zoning Map** and the text of this LMO. Amendments to these master plans and associated text shall be in accordance with Sec. 16-2-103.D, Planned Development Mixed Use District (PD-1).

1	Hilton Head Plantation	6	Port Royal Plantation (and surrounds)
2	Indigo Run	7	Sea Pines Plantation
3	Long Cove Club	8	Shipyard Plantation
4	Palmetto Dunes Resort	9	Spanish Wells Plantation
5	Palmetto Hall Plantation	10	Wexford Plantation

3. Principal Uses Restricted by Master Plan

The master plans and associated text, as approved and amended by the Town, establish general permitted **uses** for the respective PUDs, except as may be modified by an **overlay zoning district**. Undesignated areas on these master plans shall be considered as **open space**.

The following **uses** are restricted to locations where a Town-approved master plan or associated text specifically states such **uses** are permitted. In addition, the **use**-specific conditions referenced below shall apply to any new such **use** or change to the site for any existing such **use**.

USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
Public, Civic, Institutional, and Educational Uses				
Telecommunication Towers, Monopole	PC	Sec. 16-4-102.B.2.e	1	
Resort Accommodations				
Interval Occupancy	P		1 bedroom	1 per du
			2 bedrooms	1.25 per du
			3 or more bedrooms	1.5 per du
Commercial Recreation Uses				
Outdoor Commercial Recreation Uses Other than Water Parks	PC	Sec. 16-4-102.B.5.b	See Sec. 16-5-107.D.2	
Commercial Services				
Adult Entertainment Uses	SE	Sec. 16-4-102.B.7.a	1 per 100 GFA	
Animal Services	PC	Sec. 16-4-102.B.7.b	1 per 225 GFA	
Convenience Stores	PC	Sec. 16-4-102.B.7.d	1 per 200 GFA	
Liquor Stores	PC	Sec. 16-4-102.B.7.g	1 per 200 GFA	

L. Resort Development (RD) District

RD Resort Development District

1. Purpose

It is the purpose of the Resort Development (RD) District to provide for resort **development** in the form of **multifamily development**, **bed and breakfasts**, and resort **hotels**. It is also the purpose of this district to provide for commercial **development** aimed at serving the island visitor.

2. Allowable Principal Uses

USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
Residential Uses				
Mixed-Use	PC	Sec. 16-4-102.B.1.a	Residential	1.5 per du
			Nonresidential	1 per 500 GFA
Multifamily	P		1 bedroom	1.4 per du
			2 bedroom	1.7 per du
			3 or more bedrooms	2 per du
Single-Family	P		2 per du + 1 per 1,250 GFA over 4,000 GFA	
Public, Civic, Institutional, and Educational Uses				
Community Service Uses	P		1 per 400 GFA	
Government Uses	P		Fire Stations	4 per bay + 1 per 200 GFA of office area
			Other	1 per 200 GFA of office area
Major Utilities	SE		1 per 1,500 GFA	
Minor Utilities	P		n/a	
Public Parks	P		See Sec. 16-5-107.D.2	
Religious Institutions	P		1 per 3 seats in main assembly area	
Telecommunication Antenna, Collocated or Building Mounted	PC	Sec. 16-4-102.B.2.e	n/a	
Telecommunication Towers, Monopole	PC	Sec. 16-4-102.B.2.e	1	
Resort Accommodations				
Bed and Breakfasts	PC	Sec. 16-4-102.B.4.a	1 per guest room	
Hotels	P		1 per guest room	
Interval Occupancy	P		1 bedroom	1 per du
			2 bedrooms	1.25 per du
			3 or more bedrooms	1.5 per du
Commercial Recreation				
Indoor Commercial Recreation Uses	P		1 per 3 persons + 1 per 200 GFA of office or similarly used area	
Outdoor Commercial Recreation Uses Other than Water Parks	PC	Sec. 16-4-102.B.5.b	Golf Courses, Miniature Golf Courses, or Driving Ranges	1 per tee
			Stadiums	1 per 4 spectator seats
			Other	1 per 3 persons + 1 per 200 GFA of office or similarly used area
Water Parks	P		See Sec. 16-5-107.D.2	

O. Waterfront Mixed-Use (WMU) District

WMU

Waterfront Mixed-Use

1. Purpose

It is the purpose of the Waterfront Mixed-Use (WMU) District to recognize certain **lands** that are special water-oriented **sites**, and as such have a unique ability to provide an environment conducive to water-oriented commercial and residential **development**. In order to service the residents of these **lands**, and to serve the transient boat and minor tourist **use** component of the district, water-oriented commercial **uses** are permitted.

2. Allowable Principal Uses

Use Classification/Type		Use-Specific Conditions	Minimum Number of Off-Street Parking Spaces	
Residential Uses				
Mixed-Use	PC	Sec. 16-4-102.B.1.a	Residential	1.5 per du
			Nonresidential	1 per 500sf
Multifamily	P		1 bedroom	1.4 per du
			2 bedroom	1.7 per du
			3 or more bedrooms	2 per du
Single-Family	P		2 per du + 1 per 1,250 GFA over 4,000 GFA	
Public, Civic, Institutional, and Educational Uses				
Cemeteries	P		1 per 225 GFA of office area + 1 per 500 GFA of maintenance facilities	
Community Service Uses	P		1 per 400 GFA	
Major Utilities	SE		1 per 1,500 GFA	
Minor Utilities	P		n/a	
Public Parks	P		See Sec. 16-5-107.D.2	
Religious Institutions	P		1 per 3 seats in main assembly area	
Telecommunication Antenna, Collocated or Building Mounted	PC	Sec. 16-4-102.B.2.e	n/a	
Telecommunication Towers, Monopole	PC	Sec. 16-4-102.B.2.e	1	
Resort Accommodations				
Bed and Breakfasts	PC	Sec. 16-4-102.B.4.a	1 per guest room	
Hotels	P		1 per guest room	
Interval Occupancy	P		1 bedroom	1 per du
			2 bedrooms	1.25 per du
			3 or more bedrooms	1.5 per du
Commercial Recreation				
Indoor Commercial Recreation Uses	P		1 per 3 persons + 1 per 200 GFA of office or similarly used area	
Outdoor Commercial Recreation Uses Other than Water Parks	PC	Sec. 16-4-102.B.5.b	Golf Courses, Miniature Golf Courses, or Driving Ranges	1 per tee
			Stadiums	1 per 4 spectator seats

- iii. The **Official's** interpretation may be appealed in accordance with Sec. 16-2-103.T, Appeal of Administrative Decisions and Written Interpretations to Board of Zoning Appeals.

6. Principal Use Table

TABLE 16-4-102.A.6: PRINCIPAL USE TABLE																					
P = Permitted by Right PC = Permitted Subject to Use-Specific Conditions SE = Allowed as a Special Exception Blank Cell = Prohibited																					
USE CLASSIFICATION/ USE TYPE	SPECIAL DISTRICTS		RESIDENTIAL DISTRICTS						MIXED-USE AND BUSINESS DISTRICTS												USE-SPECIFIC CONDITIONS
	CON	PR	RSF-3	RSF-5	RSF-6	RM-4	RM-8	RM-12	CR	SPC	CC	MS	WMU	S	MF	MV	NC	LC	RD	MED	IL
RESIDENTIAL USES																					
Group Living						P	P	P										P			
Mixed-Use									PC	PC		PC	PC		PC	PC	PC	PC	PC		Sec. 16-4-102.B.1.a
Multifamily						P	P	P	PC	P		P	P	P	P	P	P	P	P		Sec. 16-4-102.B.1.b
Recreation Vehicle (RV) Parks																		P			
Single-Family			P	P	P	P	P	P					P	P	P	P	P	P	P		
PUBLIC, CIVIC, INSTITUTIONAL, AND EDUCATIONAL USES																					
Aviation and Surface Transportation Uses																				PC	Sec. 16-4-102.B.2.a
Aviation Services Uses																				PC	Sec. 16-4-102.B.2.b
Cemeteries		P				P							P			P	P				
Community Service Uses		P				P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	PC
Education Uses						P			P	P	P	P						P		P	
Government Uses		PC	PC	PC	PC	PC	PC	PC	P	P	P	P		P	P		P	P	P	P	P
Major Utilities		SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	P
Minor Utilities		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Public Parks		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Religious Institutions		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Telecommunication Antenna, Collocated or Building Mounted		PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	Sec. 16-4-102.B.2.e
Telecommunication Towers, Monopole		PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	Sec. 16-4-102.B.2.e
HEALTH SERVICES																					
Hospitals																				P	
Nursing Homes																				P	
Other Health Services										P	P	P					P	P		P	
RESORT ACCOMMODATIONS																					
Bed and Breakfasts						PC			PC	PC		PC	PC	PC	PC	PC			PC		Sec. 16-4-102.B.4.a
Hotels									PC	P		P	P	PC		P		P	P		Sec. 16-4-102.B.4.b
Interval Occupancy									P				P			P			P		
COMMERCIAL RECREATION USES																					
Indoor Commercial Recreation Uses									P	P		P	P	PC	P	P		P	P		Sec. 16-4-102.B.5.a

2. Use Types and Definitions

Bed and Breakfast

A commercial establishment whose outside appearance is that of a residential property with no more than ten guest rooms designed for and occupied by transients renting rooms on a daily basis and usually staying less than seven days. The rooms are connected by internal corridors for **access**.

Hotel

A **building** or group of **buildings** with guest rooms for sleeping designed for and occupied by transients renting rooms on a daily basis and usually staying less than seven days. **Accessory uses** include check-in and reception facilities, a dining room providing meals for guests, business and conference rooms, and guest amenities such as a swimming pool. A **hotel** is generally distinguished from a **bed and breakfast** primarily by the number of rooms and the residential appearance of the **bed and breakfast**.

Interval Occupancy

The **use**, occupancy or possession of any real property or any interest in real property that is subject to either a "Vacation Time Sharing Ownership Plan" as that term is defined in S. C. Code Ann. § 27-32-10(7), or a "Vacation Time Sharing Lease Plan" as that term is defined in S. C. Code Ann. § 27-32-10(8), and which is authorized and governed by the terms of S. C. Code Ann. § 27-32-10, et seq.

E. Commercial Recreation Uses

1. Description

Commercial Recreational Uses involve providing indoor or outdoor facilities for recreation or entertainment-oriented activities by patrons or members. There are two types of Commercial Recreation uses: indoor commercial recreation and outdoor commercial recreation. These **uses** do not include banquet halls that are accessory to a **hotel**, restaurants (considered an **Eating Establishment use**), or recreational facilities that are accessory to a **community service use** or **religious institution use**, or **uses** reserved for use by a particular residential **development's** residents and their guests (and thus considered accessory to the Residential Use). **Accessory uses** may include offices, concessions, snack bars, and **maintenance** facilities.

Improvement

The **construction** of **buildings** and the establishment of basic services and amenities associated with **development**, including, but not limited to **streets** and sidewalks, parking areas, water and sewer systems, drainage system, property markers and monuments, recreation facilities (i.e., lakes, **swimming pools**, tennis courts, golf courses, riding stables, club houses, cabanas, **marinas**, docks and the like) and other similar **construction** or establishment.

Interval Occupancy Unit

The "Accommodations" and "Facilities", as those terms are defined in S. C. Code Ann. § 27-32-10(1) and S. C. Code Ann. § 27-32-10(5) that are subject to any "Vacation Time Sharing Plan", as that term is defined in S. C. Code Ann. § 27-32-10(9).

Land

The earth, water, and air, above, below, or on the surface, and including any **improvements** or **structures** customarily regarded as land.

Land Disturbing Activity

Any change of the **land** surface—including, but not limited to, removing vegetative cover, excavation, **filling**, grading, and the placement or **construction** of any **improvement** or **structure**.

Landowner

A **person** who holds legal title to a property or the **authorized agent** of such a **person**.

Ldn

The A-weighted equivalent sound level for a 24 hour period with an additional 10 decibels (dB) imposed on the equivalent sound levels for night time hours of 10 p.m. to 7 am; expressed as dBA.

Legal Nonconformity

Any **land use**, **development**, **structure**, or **site**, including any **lot of record**, that was legally established, but that is not presently in full compliance with the provisions of this Ordinance.

Legal Protection

For the purposes of **wetland** mitigation regulations, a legally-binding agreement that specifically preserves a **wetland** mitigation area for a duration of time. Legal Protection includes, but is not limited to deed restriction, covenant, conservation easement, or gift to a conservation group or **land** trust.

Legally Established

Any **land use**, **development**, **building**, **structure** or **site**, including any **lot of record**, which was established, constructed, used or recorded pursuant to, and in conformance with all relevant requirements of the Ordinances then in effect.

TO ADOPT NEW LMO

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO. 2014-

PROPOSED ORDINANCE NO. 2014-20

AN ORDINANCE TO AMEND TITLE 16, "THE LAND MANAGEMENT ORDINANCE," OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, TO ADOPT A NEW LAND MANAGEMENT ORDINANCE; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, at its 2010, 2011, 2012 and 2013 Strategic Planning Workshops, the Town Council adopted a goal of redrafting the Town's existing Land Management Ordinance and Official Zoning Map to reflect the needs and expectations of the Town's residents, business community and visitors, and to ensure that the Town remains a viable and attractive place to live, work and visit; and

WHEREAS, on March 1, 2011, the Town Council adopted a resolution establishing the "LMO Rewrite Committee" and establishing a plan for a comprehensive review and rewrite of the Land Management Ordinance and Official Zoning Map; and

WHEREAS, the LMO Rewrite Committee met more than 80 times over a three year period to determine what changes were needed to the Land Management Ordinance and the Official Zoning Map and to draft a proposed Land Management Ordinance and a proposed Official Zoning Map; and

WHEREAS, the LMO Rewrite Committee recommended that Chapter 5, Article XVIII, Impact Fees, from the existing Land Management Ordinance be included as a part of the new Land Management Ordinance, be amended by re-numbering the several parts of it to be consistent with the numbering of the several sections of the proposed new Land Management Ordinance; and

WHEREAS, the Planning Commission held public hearings on the proposed rewritten LMO on June 4, 2014, June 18, 2014 and June 25, 2014, at which time a presentation was made by the LMO Rewrite Committee and an opportunity was given for the public to comment on the draft rewritten Land Management Ordinance; and

WHEREAS, the Planning Commission, after consideration of the report from the LMO Rewrite Committee, the rewritten document and public comments, voted 8-0-0 on June 25, 2014 to recommend that the Town Council approve and adopt the rewritten Land Management Ordinance in its entirety, including the amendment of Chapter 5, Article XVIII, Impact Fees, from the existing Land Management Ordinance; and

WHEREAS, the Town Council held a public workshop on July 8, 2014, at which it discussed the recommendation to adopt the proposed Land Management Ordinance, including the amendment of Chapter 5, Article XVIII, Impact Fees, from the existing Land Management Ordinance, and proposed Official Zoning Map, and to repeal the existing Official Zoning Map, and the existing Land Management Ordinance, with the exception of Chapter 5, Article XVIII; and

WHEREAS, the Town Council, at its meeting on July 15, 2014, voted 7-0 to direct the LMO Rewrite Committee to meet and review the concerns raised at the Town Council workshop; and

WHEREAS, the LMO Rewrite Committee met on July 24, 2014 and August 7, 2014 to review and make recommendations in response to the concerns raised during the Town Council workshop; and

WHEREAS, having considered the proposed Land Management Ordinance, and having considered the recommendations of the LMO Rewrite Committee and the Planning Commission, the Town Council, upon further review, finds it is in the best interest of the Town to adopt the new Land Management Ordinance, including the amendment of Chapter 5, Article XVIII, Impact Fees, from the existing Land Management Ordinance.

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. Adoption. That a new Title 16, the Land Management Ordinance of the Town of Hilton Head Island, South Carolina, dated September 2, 2014, and attached hereto as Exhibit "A", be, and the same hereby is, enacted in its entirety.

Section 2. Amendment. That Chapter 5, Article XVIII, Impact Fees, from the existing Land Management Ordinance be amended by re-numbering the same as Section 16-5-116(A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), (Q), (R) and (S) in the new Land Management Ordinance. The renumbering of the text is shown on Exhibit "B" hereto, with the old, deleted numbering shown as ~~strikeout~~ text and the new numbering shown as underlined text, and it is also shown with the new numbering in the new Land Management Ordinance that is attached hereto as Exhibit "A".

Section 3. 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 4. 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: June 4, 2014, June 18, 2014 and June 25, 2014

First Reading:

Revised First Reading:

Second Reading:

Approved as to form:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____

The “Draft” Land Management Ordinance is available for review in its entirety on our website at

<http://www.hiltonheadislandsc.gov/misc/lmorewrite.cfm>

or

at the

Town of Hilton Head Island
Administrative Offices



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA ~ CM, Town Manager

FROM: Charles F. Cousins, AICP, Community Development Director

DATE: September 4, 2014

SUBJECT: **Planter's Row Golf Course Lease Extension**

Recommendation: Staff recommends Town Council approve an extension to the Planter's Row Golf Course Lease with Heritage Golf Port Royal, LLC.

Summary: When the Town purchased the Planter's Row Golf Course, a lease was entered into between the Town and Heritage Golf Port Royal, LLC for them to continue their operation of the golf course. Heritage Golf Port Royal, LLC has requested an extension of this lease.

Background: The Town entered into a lease with the Heritage Golf Port Royal, LLC in June 2013 to continue operation of the Planter's Row Golf Course. This lease is set to expire in June 2015. Heritage Golf Port Royal, LLC has requested the lease be extended until June 2018. The terms of the lease would remain unchanged with the exception that discounted rates would be offered to Hilton Head Island residents.

AN ORDINANCE OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO GOLF COURSE GROUND LEASE WITH HERITAGE GOLF PORT ROYAL, 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, on June 6, 2013, the Town of Hilton Head Island, South Carolina (the “Town”) and Heritage Golf Port Royal, LLC (“Heritage Golf”) entered into a Lease for certain real property generally known as the Planters Row Golf Course located in Port Royal Plantation; and

WHEREAS, Heritage Golf has requested an Amendment to the Lease to amend the dates upon which the current term of the Lease ends, and to amend the Lease by making it terminable by either party upon one (1) year written notice; and

WHEREAS, the Town has requested an Amendment to the Lease to provide for certain rate reductions for owners and residents of real property within the Town of Hilton Head Island, South Carolina; and

WHEREAS, the Town Council for the Town has determined that the proposed Amendment attached hereto as Exhibit “A” is in the best interests of the citizens, residents and visitors on Hilton Head Island; 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, AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL, AS FOLLOWS:

Section 1. Execution of Agreement.

- (a) The Mayor and/or Town Manager are hereby authorized to execute and deliver the First Amendment to Golf Course Ground Lease in a substantially similar form to that attached hereto as Exhibit "A" for the lease of Town-owned real property to Heritage Golf Port Royal, 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 Amendment as authorized hereby.

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.

(SIGNATURE PAGE FOLLOWS)

**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:_____

EXHIBIT “A”

STATE OF SOUTH CAROLINA)
) FIRST AMENDMENT TO
COUNTY OF BEAUFORT) GOLF COURSE GROUND LEASE

This First Amendment to Golf Course Ground Lease is made by and between The Town of Hilton Head Island, South Carolina, One Town Center Court, Hilton Head Island, South Carolina, 29928 (hereinafter, the “Town”), and Heritage Golf Port Royal, LLC, a Delaware limited liability Company, with a mailing address of 12750 High Bluff Dr., 4th Floor, San Diego, CA, 92130 (hereinafter, “Heritage Golf”), on this ____ Day of _____, 2014.

RECITALS

WHEREAS, heretofore, on June 6, 2013, the Town and Heritage Golf, entered into a Golf Course Ground Lease (hereinafter, the “Lease”); and,

WHEREAS, Heritage Golf has requested an Amendment to the Lease to amend the dates upon which the current term of the ends, and to amend the Lease by making it terminable by either party upon one year written notice; and,

WHEREAS, the Town has requested an Amendment to the Lease to provide for certain rate reductions for owners and residents of real property within the Town of Hilton Head Island, South Carolina; and,

WHEREAS, The Town Council for The Town of Hilton Head Island, South Carolina, has determined that the proposed Amendment to the Lease is in the best interests of the citizens, residents and visitors on Hilton Head Island; and,

WHEREAS, The Town Council of The Town of Hilton Head Island, South Carolina, is authorized to enter into leases of Town owned land under the authority of S.C. Code Ann. § 5-7-40 (Supp 2011), and § 2-3-30 and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina* (1983, as amended).

NOW, THEREFORE, for and in consideration of the sum of One Dollar, and the full and faithful performance of the obligations, conditions and covenants contained in the Lease, as Amended hereby, the receipt and sufficiency of which are acknowledged by the Parties hereto, the Town and Heritage Golf agree as follows:

I. *Amendment to Lease:* Article 2, §A of the Lease is deleted in its entirety, and is replaced with the following Amendments to Article 2 §A.

A. Duration, Commencement, and Early Termination:

The term of this Lease shall commence on June 6, 2013 (hereinafter sometimes referred to as the "Commencement Date"), and shall end on December 31, 2018 (hereinafter sometimes referred to as the "Termination Date"). The parties may mutually agree in writing to extend the term of this lease for successive one year term(s), thereby extending the Termination Date.

Either party may terminate this agreement prior to the Termination Date by giving the other party one (1) year written notice.

II. *Amendment to Lease*: Article 5 Section E shall be added to the Lease, which shall read as follows:

D. Hilton Head Island Owner/Resident Rate Schedule:

The rate schedule attached to this Lease as Exhibit “B” shall apply to all owners and residents of real property located within the Town of Hilton Head Island South Carolina. “Owner” shall be defined as a person owning real property located within the limits of the Town of Hilton Head Island, South Carolina. “Resident” shall be defined as a person residing on or within real property located within the limits of the Town of Hilton Head Island, South Carolina when such real property serves as that person’s “residence” as defined in Section 1-3-10 of the Municipal Code of the Town of Hilton Head Island, South Carolina.

III. *Amendment to Lease*: Exhibit “B” shall be added to the Lease, a copy of which is attached hereto as Exhibit “1”.

IV. *No Other Changes*: Unless expressly amended by this First Amendment to Golf Course Ground Lease, all other terms and conditions of the Lease remain unchanged and in full force.

In Witness whereof, the Parties hereto, by and through their duly authorized officers, have set their hands and seals as of the date first above written.

(SIGNATURE PAGES FOLLOW)

WITNESSES:

THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

By: _____

Drew A. Laughlin, Mayor

By: _____

Stephen G. Riley, ICMA-CM
Town Manager

STATE OF SOUTH CAROLINA)

)

COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT
S.C. CODE ANN. § 30-5-30 (Supp. 2011)

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

Sworn to Before Me

on this _____ Day of _____, 2014.

Notary Public for South Carolina

My Commission Expires: _____

WITNESSES:

HERITAGE GOLF PORT ROYAL, LLC

By: _____

Its: _____

STATE OF _____)

)

COUNTY OF _____)

UNIFORM ACKNOWLEDGMENT
S.C. CODE ANN. § 30-5-30 (Supp. 2011)

I, the undersigned Notary Public, do hereby certify that _____
personally appeared before me on this day and duly acknowledged the execution of the foregoing
instrument on behalf of Heritage Golf Port Royal, LLC.

Sworn to Before Me

on this _____ Day of _____, 2014.

Notary Public for _____

My Commission Expires: _____

EXHIBIT “1”

Hilton Head Island Resident (1) Rate (3)
Exclusively for Planter's Row Golf Course
Revised 9/5/14

Starting Times Available 5 Days Prior

Effective 10/1/14

	<u>Mar. – Oct.</u>	<u>Nov. – Feb.</u>
• Weekday Rate	\$44	\$39
• Weekend Rate	\$39	\$39
• Junior Rate Walking (17 & Under)	\$15	\$15
• Junior Rate w/Cart (16 & 17 w/ DL) (2)	\$25	\$25
○ After 12:00 Noon		
○ Space Available Basis		

Note: All Rates (Except Junior) Include a Shared Golf Cart.

- (1) A Resident is defined as any individual who possess a HHI Driver's License
Or an individual who owns property on HHI and can verify that ownership
with a Utility Bill in their name.
- (2) Must possess a valid Driver's License to rent a golf car
- (3) Quoted rates valid so long as Planter's Row Lease with HHI is in effect.

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) LEASE

THIS LEASE is made and entered into this 6th day of June, 2013, by and between **The Town of Hilton Head Island, South Carolina**, (herein called "Landlord"), and **Heritage Golf Port Royal, LLC**, (herein called "Tenant").

WHEREAS, Landlord has agreed to lease to Tenant the land located within the Town of Hilton Head Island, South Carolina, as more particularly described on the attached EXHIBIT "A" (hereinafter the "Property" or the "Premises"), together with any improvements thereon.

In reliance upon and in consideration of the representations, warranties, covenants and conditions herein contained on the part of Tenant, Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the herein described premises upon the following terms and conditions:

ARTICLE 1
FUNDAMENTAL LEASE PROVISIONS

A. Specifics:

Landlord:	The Town of Hilton Head Island, South Carolina One Town Center Court Hilton Head Island, SC 29928
Tenant:	Heritage Golf Port Royal, LLC 12750 High Bluff Dr., 4th Floor San Diego, CA 92130
Use of Premises:	Golf Course
Term of Lease:	Two (2) Years
Commencement Date:	June 6, 2013.
Expiration Date:	June 6, 2015.
Security Deposit:	N/A
Description of Premises:	See Exhibit "A"
Rent:	One and no/100 (\$1.00) Dollars per year.
Notice to Tenant:	Gary Dee, Executive VP

**Heritage Golf Group
12750 High Bluff Dr., 4th Floor
Sand Diego, CA 92130**

Notice to Landlord: **Stephen G. Riley, Town Manager
The Town of Hilton Head Island, South Carolina
One Town Center Court
Hilton Head Island, SC 29928**

In the event of any conflict between the foregoing Summary and the balance of the Lease, the latter shall control.

B. Description and Location of the Premises

Landlord hereby demises and leases unto Tenant, and Tenant hereby rents, hires and takes the Premises of and from Landlord, for the term, upon the provisions, covenants and conditions herein set forth, the Premises, together with any improvements thereon, described on Exhibit "A" hereto.

**ARTICLE 2
TERM**

A. Duration and Commencement:

The term of this Lease shall commence on **June 6, 2013** (hereinafter sometimes referred to as the "Commencement Date"), and shall end on **June 6, 2015** (hereinafter sometimes referred to as the "Termination Date"). The parties may mutually agree in writing to extend the term of this lease for successive one year term(s) thereby extending the Termination Date.

**ARTICLE 3
RENT**

A. Rent:

Tenant shall pay One Dollar (\$1.00) per year to Landlord as rental for the Premises beginning **June 6, 2013** and continuing throughout the remaining term of this Lease the "Rent" without prior demand therefore and without any deduction or setoff whatever, in the amounts set forth in Article 1(A), above.

Tenant shall pay to Landlord at the times and in the matter herein set forth the Rent specified above for the Premises beginning on the Commencement Date and thereafter throughout the term hereof.

B. Time and Manner of Payment of Rent:

The Rent shall be paid in full, in advance beginning on the 6th day of June, 2013.

C. Place of Payment:

The Rent shall be made payable to the Landlord and forwarded to the address listed in Paragraph A of Article 1.

D. Time is of the Essence:

Time is of the essence of the Tenant's obligation to pay Rent as herein set forth.

ARTICLE 4
POSSESSION OF PREMISES

A. Acceptance of Premises:

Tenant shall, by entering into and occupying the Premises, be deemed to have accepted the Premises and to have acknowledged that the same are then in the condition called for by this Lease. Tenant acknowledges that it is relying solely on its own knowledge with respect to the condition of the Premises. Tenant further acknowledges that it has been in possession of the premises prior to the execution and delivery of this Lease, and Tenant acknowledges that it is in a superior position to know the condition of the Premises, and that Tenant is not relying on the Landlord to disclose or advise Tenant with respect to the condition of the Premises.

TENANT ACKNOWLEDGES THAT LANDLORD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PREMISES OR THE FITNESS OF THE PREMISES FOR ANY PARTICULAR PURPOSE, INCLUDING TENANT'S INTENDED USE OF THE PREMISES. TENANT ACKNOWLEDGES THAT ACCEPTANCE OF LANDLORD'S DISCLAIMER OF WARRANTIES IS A MATERIAL TERM OF THIS LEASE WITHOUT WHICH LANDLORD WOULD NOT ENTER INTO THIS LEASE.

B. Surrender of the Premises:

Within sixty (60) days of the expiration or sooner termination of the term of this Lease, Tenant (i) shall cause for the Golf Course Improvements not constituting fixtures or improvements (such as tee markers, water coolers, benches, pin flags, hole cups and the like) to be removed from the Premises and (ii) may remove other Golf Course Improvements or turf from the Premises, provided Seller shall restore the surface of the Premises to a level topography (i.e. no open holes, trenches or pits) in the vicinity of such personal property removed and shall spread or spray grass seed in the areas where turf has been removed. In the event Tenant shall fail to remove any of Tenant's personal property or Golf Course Improvements upon the expiration of such sixty (60) day period, characterized in clause (i) above, the same shall be deemed abandoned and Landlord may remove all such remaining personal property or Golf Course Improvements, and Landlord shall have no liability to Tenant with regard to such removal.

C. Cart Path Encroachments:

Landlord and Tenant acknowledge that portions of the golf cart path located on the Premises project from the Premises and encroach onto adjacent property known as Beaufort County Tax Map Number R510 009 000 0004 0000, owned now or formerly by The Legends, LLC (hereinafter, the "Encroachments"). The Encroachments are more fully shown and described as "Portions of Golf Cart By Subject Property Project onto Property of N/F the Legends, LLC" on a plat entitled "Boundary Survey of Parcel "A", 102.75 Acres, Planters Row Golf Course, At Traffic Intersections of US Hwy 278, Dillon Road & Union Cemetery Road, A Portion of Port Royal Plantation, Hilton Head Island, Beaufort County, South Carolina" dated May 30, 2013, prepared by Surveying Consultants, certified by Terry G. Hatchell, S.C.R.L.S.# 11059, and recorded in the Office of the Register of Deeds for Beaufort in Plat Book 136 at Page 184.

In the event at any time during the Term of the within Lease, as may be extended as provided for under Article 2A above, demand is made on Tenant or Landlord by any party for the Encroachments to be removed, Tenant shall as expediently as practical but in no circumstances more than thirty (30) days from the date of such demand, at its sole cost and expense cause for the Encroachments to be removed. Tenant further agrees to indemnify and hold Landlord harmless from, any claim, expense, loss, injury or damage arising out of, or in connection with the Encroachments.

ARTICLE 5

USE OF THE PREMISES

A. Permitted Uses:

Tenant acknowledges that the Premises shall be used only for the operation of a golf course and ancillary uses, and for no other purpose.

B. Rules, Regulations and Restrictions:

Tenant shall at all times during the term of this Lease, at its sole cost and expense:

- (1) Furnish, install and maintain on the Premises of Tenant's personal property deemed necessary by Tenant for the Tenant's use of the Premises;
- (2) Maintain the Premises, in a clean, neat, safe, sanitary and orderly condition, it being understood that no use shall be made or permitted of the Premises or any part thereof, nor any acts done, which will violate, make inoperative, or otherwise impair any insurance policy at any time held by or in any way for the benefit of Landlord pursuant to any provision of this Lease;
- (3) Tenant shall not sell, or suffer or permit to be stored kept, used or sold in, upon or about the Premises, any gasoline, distillate, any substance defined as a "Hazardous Substance" under any Federal, State or Local law, ordinance or regulation, or any other substance or material of an explosive, inflammable or radiological nature which may

contaminate or endanger any part of the Premises, any structure or building on the Premises, or any person on or about the Premises, or which would present any unusual fire, explosion or other damaging or dangerous hazard; and, Tenant shall, at its sole cost and expense, cause the removal and clean up of any hazardous substance existing stored on the Premises or allowed to contaminate the Premises by Tenant;

(4) Comply with all governmental rules, regulations, ordinances, statutes and laws now or hereafter in effect pertaining to the Premises or Tenant's use thereof;

(5) Refrain from dumping, disposal, reduction, incineration or other burning of any trash papers, refuse or garbage of any kind in or about the Premises, or in any structure or building located on the Premises; other than in the normal course of business.

(6) Refrain from storing any trash or garbage on the Premises, or creating or permitting the creation of any health or fire hazard on the Premises;

(7) Refrain from committing or suffering to be committed any waste upon, or any unlawful, improper or offensive use of, the Premises, or any public or private nuisance or act or thing upon the Premises or any structure or building on the Premises;

(8) Maintain the Premises so as to maintain compliance with and remain in compliance with all local ordinances promulgated by the Town of Hilton Head Island, South Carolina, or any other applicable Federal, State, or local statute, ordinance, law, rule or regulation concerning the Premises.

C. Prohibited Operations:

No use or operation will be made, conducted or permitted on or with respect to all or any part of the Premises, which is obnoxious or a nuisance, including but not limited to the following:

Any noise or sound that is objectionable due to intermittence, beat, frequency, shrillness or loudness; any obnoxious odor; any noxious, toxic, caustic or corrosive fuel or gas; any dust, dirt or fly ash in excessive quantities; any smelting, agriculture or mining operations; any drilling for and/or removal of subsurface substances; and any fire or bankruptcy sale or auction house operation.

D. General Authority:

In addition to the foregoing, Tenant shall at all times during the term hereof comply with all other reasonable rules and regulations which Landlord may at any time or from time to time establish concerning the use of the Premises; provided however, that any such rule or regulation so made shall not be inconsistent with any part of this Lease, and shall not unreasonably interfere with Tenant's use and enjoyment of the Premises.

ARTICLE 6

REPAIRS AND MAINTENANCE

A. Landlord shall be under no obligation to make any repairs or perform any maintenance of the Premises either prior to the commencement of this Lease, or at any time during the Term of this Lease. Tenant acknowledges that Tenant shall be solely responsible for the cost of making any repairs to the Premises and any of the structural, electrical, plumbing or mechanical components thereof for and during the Term of this Lease. Tenant acknowledges that it is accepting the Premises, AS IS, WHERE IS, AND WITH NO WARRANTY OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY WITH RESPECT TO FITNESS OF THE PREMISES FOR ANY PURPOSE OR ANY PARTICULAR PURPOSE INCLUDING, WITHOUT LIMITATION, TENANT'S INTENDED USE OF THE PREMISES.

B. Tenant shall, at its sole cost and expense, at all times during the term hereof, keep and maintain the Premises and any of the structural, electrical, plumbing or mechanical components thereof, in good, safe and sanitary order, condition and repair, and in compliance with all laws and regulations applicable thereto.

ARTICLE 7 ALTERATIONS

Tenant shall not make or suffer to be made any changes, alterations or additions to the Premises or any part thereof, other than such changes, alterations or additions customary to those made in the normal operation and management of a golf course, without plans therefore being provided to Landlord in advance of commencement of such work for Landlord's review and approval. If, during the term hereof, any change, alteration, addition or correction shall be required by any law, rule or regulation of any governmental authority to be made in or to the Premises or any portion thereof, Landlord shall first give written consent thereto and any such change, alteration, addition or correction shall then be made by Tenant at its sole cost and expense. Notice is hereby given that no mechanic's, materialmen's or other lien sought to be taken on the Premises shall in any manner affect the right, title or interest of Landlord therein.

ARTICLE 8 INSURANCE AND RELEASE

A. Release of Liability and Indemnity:

Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to the Premises, the property of Tenant or any other person during the term of this Lease and continuing through the sixty (60) day period referenced in Article 4B above, from any cause whatsoever, by reason of the use, occupancy and enjoyment of the Premises by Tenant. Tenant acknowledges that use of the Premises and any structure or building on the Premises is under the sole and exclusive control of Tenant. Tenant, for itself, its heirs, successors, invitees, assigns, sub-tenants, employees, administrators, guests, family members and executors, warrants and covenants not to sue Landlord for, and agrees to indemnify and hold harmless Landlord from, any claim arising from any death, injury, or other claim, or any other matter or thing arising out of, or in

connection with, any use by Tenant or Tenant's heirs, invitees, assigns, sub-tenants, employees, administrators, guests, users of the services offered by Tenant, or their family members and executors or assigns, of the Premises or any structure or building on the Premises. Tenant acknowledges that this release of liability, indemnity and covenant not to sue is a material term of this Lease without which Landlord would not enter into the same.

B. Insurance:

Tenant further covenants and agrees that from and after the delivery of the Premises by Landlord to Tenant, Tenant will carry and maintain, at its sole cost and expense, the following types of insurance, in the amounts specified and in the form hereinafter provided for:

(1) Public Liability and Property Damage: Comprehensive general public liability and property damage insurance with a combined bodily injury, death and property damage limits, per occurrence, of TWO MILLION (\$2,000,000.00) DOLLARS, insuring against any and all liability of the insured with respect to said Premises, or arising out of the maintenance, use or occupancy thereof. All such bodily injury liability insurance and property damage liability insurance shall specifically insure the performance by Tenant of the indemnity provisions as to liability for injury to or death of persons and injury or damage to property contained in this Article.

(2) Landlord Not To Provide Insurance: Landlord shall have no responsibility to provide insurance coverage for Tenant or any property of Tenant.

(3) Policy Form: All policies of insurance provided for herein shall be issued by insurance companies with general policyholders' rating not less than A, and a financial rating of AAA as rated in the most current available "Best's Insurance Reports", and qualified to do business in the State of South Carolina, and shall be issued in the names of Landlord, Tenant and such other persons or firms as Landlord specifies from time to time. Such policies shall be for the mutual and joint benefit and protection of Landlord, Tenant and others hereinabove mentioned, and executed copies of such policies of insurance or certificates thereof shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant and thereafter within thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of Tenant. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent. All policies of insurance delivered to Landlord must contain a provision that the company writing said policy will give to Landlord twenty (20) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry.

(4) Failure of Tenant to Obtain: In the event that Tenant fails to procure and/or maintain any insurance required by this Article, or fails to carry insurance required by law or governmental regulation, Landlord may, but without obligation to do so, at any time or from time to time, and without notice, procure such insurance and pay the premiums therefore, in which event Tenant shall repay Landlord all sums so paid by Landlord, together with interest thereon as provided in Article 14 hereof, and any incidental costs or expenses incurred by Landlord in connection therewith, within ten (10) days following Landlord's written demand to Tenant for such payment.

ARTICLE 9

EMINENT DOMAIN

A. Eminent Domain/Whole Taking: In the event that the whole of the Premises is taken for public or quasi-public purposes by the government of the United States, the State of South Carolina, Beaufort County, or any government or power whatsoever, or should the whole of the Premises be condemned by any court, city, county, state or governmental authority or office, department or bureau of any city, county, state or United States, then in any such event this Lease shall terminate as of the date title to the Premises vests in the condemning authority. For the purposes hereof, such date of vesting in the condemnor shall operate as though it were the date originally intended by the parties for expiration of this Lease, and the rental shall be adjusted in light of the condemnation, so that Tenant shall pay rent to Landlord only up to the date of vesting in the condemnor. Any prepaid or advance rental paid by Tenant to Landlord for the part of the Term extending beyond the date on which title vests in the condemnor shall be refunded by Landlord to Tenant. Tenant shall not share in any condemnation awards.

B. Eminent Domain/Partial Taking: In the event that a portion of the Premises shall become subject to the exercise of the right of eminent domain, or of seizure or appropriation of space in the same, by lawful authority under the right of eminent domain, an untenable condition is created as hereinafter defined, the Tenant shall have the option to terminate this Lease; but if such an untenable condition is not thereby created, then rental shall abate pro rata according to any square footage seized or appropriated within the Premises. "Untenable" shall be deemed to mean such a condition as renders the Premises unsuitable for Tenant to make use thereof as contemplated herein.

ARTICLE 10

DAMAGE AND RESTORATION

A. Total or Partial Destruction: In case the Premises are damaged by fire, explosion or other casualty or occurrence, then this Lease and all obligations of either party to the other, shall terminate.

ARTICLE 11
ASSIGNMENT OR SUBLETTING

A. General Limitations: Tenant may not, either voluntarily or by operation of law, assign, mortgage, hypothecate or encumber this Lease, or any interest in this Lease.

B. Effect of Violation: Any assignment, mortgage, pledge, hypothecation, encumbrance, or subletting of this Lease, the leasehold estate hereby created, or the Premises or any portion thereof, either voluntarily or involuntarily, whether by operation of law or otherwise, or any other action by Tenant in violation of the restrictions set forth in this Article shall be null and void and shall, at the option of Landlord, shall terminate this Lease.

C. Collateral Assignment to TFC. Notwithstanding the foregoing, Tenant shall have the right to collaterally assign its leasehold interest under this Lease to Textron Financial Corporation ("TFC"). Upon Landlord's receipt of a written notice from TFC stating that TFC has exercised its rights to accept an assignment of Tenant's rights under this Lease (such notice being called an "Assignment Notice"), then Landlord shall thereafter recognize TFC or its Designee as Tenant under this Lease. TFC shall contemporaneously issue the Assignment Notice upon exercising its right to accept an assignment and no event later than Ten (10) days after exercising such right. For purposes of this section, Designee shall mean any entity controlled by or under common control with TFC. Notwithstanding the above, neither Textron nor Designee shall have any right to further assign this Lease without written consent of the Landlord, except to (i) a party that acquires the Port Royal Golf Club at a foreclosure sale or through a deed-in-lieu of foreclosure or (ii) any purchaser of the Port Royal Golf Club from TFC or its Designee. In the event of a collateral assignment under this section: 1) neither TFC nor its Designee or assignee shall have any liability for any monetary default of Tenant under this Lease which arose prior to the date on which Landlord receives the Assignment Notice; 2) neither TFC nor its Designee or assignee shall be bound by any written default notice issued by Landlord to Tenant pursuant to Article 12 prior to the date on which Landlord receives the Assignment Notice; and 3) subsequent to the date Landlord receives the Assignment Notice, Landlord shall have the right issue a written notice of default for a) any non-monetary default regardless of whether such default arose prior to the date on which Landlord receives the Assignment Notice and b) any monetary default arising subsequent to the date on which Landlord receives the Assignment Notice.

ARTICLE 12
DEFAULT BY TENANT

A. Notice of Termination; Landlord's Options: In the event that:

(1) Tenant shall default in the payment of any sum of money required to be paid hereunder and such default continues for five (5) days after written notice thereof from Landlord to Tenant; or

(2) Tenant shall default in the performance of any other provision, covenant or condition of this Lease on the Tenant to be kept and performed and such default continues for ten (10) days after written notice thereof from Landlord to Tenant;

then in any such event (and in addition to all other rights and remedies it may have according to this Lease or by law provided) Landlord, at its option, may declare the term of this Lease ended and re-enter the Premises.

Pursuant to said right of re-entry, Landlord may remove all persons from the Premises using such force as may be necessary therefore and may, but shall not be obligated to, remove all property therefrom including but not limited to Tenant's property, and may, but shall not be obligated to, enforce any rights Landlord may have against said property, or store the same in any public or private warehouse or elsewhere at the cost and for the account of Tenant or the owners or owner thereof. If Landlord's right of re-entry is exercised following Tenant's vacating or abandoning the Premises, then Landlord may consider any personal property, belonging to Tenant and left on the Premises to have been abandoned also, in which case Landlord may dispose of all such personal property in any manner Landlord shall deem proper and is hereby relieved by Tenant of all liability for doing so.

If Tenant should vacate or abandon the Premises during the term of this Lease, Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any rent or other sum of money thereafter to accrue hereunder, or Tenant's liability for damages under any of the provisions hereof, as long as Landlord does not declare the term of this Lease ended and/or terminate Tenant's right to possession. Under such circumstances (i.e., Tenant having vacated or abandoned the Premises) Landlord shall have the right, but not the obligation, to take reasonable measures to maintain and preserve the Premises, and to offer to relet the same; and acts of that nature shall not be deemed to constitute an election by Landlord to terminate the Lease or Tenant's right to possession thereunder.

B. Waiver of Default:

The waiver by Landlord of any default or breach of any of the provisions, covenants or conditions hereof on the part of Tenant to be kept and performed shall not be a waiver of any preceding or subsequent breach by Tenant of any provision, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rent or other payment or portion thereof so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rental or other payment.

ARTICLE 13

LIENS

A. Indemnification:

Tenant shall at all times indemnify, save and hold Landlord and the Premises free, clear and harmless from any claims, liens, demands, charges, encumbrances or litigation arising directly or indirectly out of any use, occupancy or activity of Tenant, its agents and employees,

or out of any work performed, material furnished or obligations incurred by Tenant, its agents and employees, in, upon, about or otherwise in connection with the Premises, and shall, except as hereinafter permitted in this Article, pay or cause to be paid for all work performed and material furnished to the Premises or Landlord's reversionary estate therein, and will keep the Premises free and clear of all mechanic's liens and materialmen's liens.

B. Contest of Liens:

If Tenant desires to contest any claim of lien, it shall within fifteen (15) days after the filing of the lien for record furnish Landlord with cash security in the amount of the claim of lien, plus estimated costs and interest, or shall furnish Landlord with a bond of a responsible corporate surety in the same amount conditioned upon the discharge of the lien. Nothing contained herein shall prevent Landlord, at the cost and for the account of tenant, from obtaining and filing a bond conditioned upon the discharge of such lien, in the event Tenant fails or refuses to furnish the same within said fifteen (15) day period.

C. Satisfaction of Liens:

Immediately upon entry of final judgment in any such action in which Tenant contests any such claim of lien, and if such judgment shall establish the validity of the lien, or any part thereof, and within fifteen (15) days after the filing of any lien for record which Tenant does not contest, Tenant shall fully pay and discharge such judgment or lien, as the case may be, and Tenant shall reimburse Landlord upon demand for any and all loss, damage and expense, including reasonable attorneys' fees, which Landlord may suffer or be put to by reason thereof. Nothing contained herein shall prevent Landlord, at the cost and for the account of Tenant, from satisfying any such judgment or lien, as the case may be, in the event Tenant fails or refuses to satisfy the same as herein provided.

D. Notice to Landlord:

Should any claim or lien be filed against the Premises, or any action or proceeding be instituted affecting the title to the Premises, Tenant shall give Landlord written notice thereof as soon as Tenant obtains knowledge thereof.

ARTICLE 14

INTEREST ON PAST DUE OBLIGATIONS

Whenever under any provision of this Lease Tenant shall be obligated to make any payment or expenditure, or to do any act or thing, or to incur any liability whatsoever, and Tenant fails, refuses or neglects to perform as herein required, Landlord shall be entitled but shall not be obligated to make any such payment or expenditure, or do any such act or thing, or to incur any such liability, all on behalf of and at the cost and for the account of Tenant, and in such event the amount thereof with interest thereon as hereinafter provided shall be deemed additional rental hereunder and shall be added to and deemed a part of the next installment of rent thereafter becoming due from Tenant to Landlord hereunder. Any amount due from Tenant to Landlord under this Lease which is not paid when due shall bear interest at the rate of eighteen

(18%) percent per annum or the highest rate then allowed under the usury laws of the State of South Carolina from the date due until paid, unless otherwise specifically provided herein, but the payment of such interest shall not excuse or cure any default by Tenant under this Lease.

ARTICLE 15

FORCE MAJEURE

Whenever a day is appointed herein on which, or a period of time is appointed within which, either party hereto is required to do or complete any act, matter or thing, other than payment of performance of a financial obligation hereunder, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of strikes, lock-outs, embargoes, unavailability of labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, Acts of God or other causes beyond such party's reasonable control; provided, however, nothing contained in this Article shall excuse Tenant from the prompt payment of any rental or other charge required of Tenant hereunder except as may be expressly provided elsewhere in this Lease.

ARTICLE 16

SUBORDINATION

Tenant agrees upon request of Landlord to subordinate this Lease and its rights hereunder to the lien of any mortgage, ground lease, deed of trust, assignment of rights or any other encumbrance, together with any conditions, renewals, extensions or replacements hereof, now or hereafter placed, charged or enforced against the Landlord's interest in this Lease and the leasehold estate thereby created and the Premises and to deliver (but without cost to Tenant) at any time and from time to time upon demand by Landlord such documents as may be required to effectuate such subordination, and in the event that Tenant shall fail, neglect or refuse to execute and deliver any such document within ten (10) days after receipt of written notice so to do and the receipt by Tenant of the document to be executed by it, Tenant hereby irrevocably appoints Landlord, its successors and assigns, the attorney-in-fact of Tenant, to execute and deliver any and all such documents for and on behalf of Tenant; provided, however, that Tenant shall not be required to effectuate such subordination, nor shall Landlord be authorized to effect such subordination on behalf of Tenant, unless the mortgagee or beneficiary named in such mortgage, deed of trust or other encumbrance shall first agree in writing, for the benefit of Tenant, that so long as Tenant is not in default under any of the provisions, covenants or conditions of this Lease on the part of Tenant to be kept and performed, that neither this Lease nor any of the rights of Tenant hereunder shall be terminated or modified or be subject to termination in modification, nor shall Tenant's possession of the Premises be disturbed or interfered with, by any trustee's sale or by any action or proceeding to foreclose said mortgage, deed of trust or other encumbrances.

ARTICLE 17
HOLDING OVER

In the event Tenant shall hold over or remain in possession of the Premises with the consent of Landlord after the expiration of the stated term of this Lease, or any written extension or renewal of the term of this Lease, any such holding over or continued possession shall create a tenancy from month to month only, upon the same terms and conditions as are herein set forth so far as the same are applicable.

ARTICLE 18
TENANT CERTIFICATE

Tenant agrees that at any time and from time to time during the term of this Lease, and within ten (10) days after demand therefore by Landlord, to execute and deliver to Landlord or to any proposed mortgagee, trustee, beneficiary or purchaser, a certificate in recordable form certifying that this Lease is in full force and effect, that the Lease is unmodified, or if modified state any such modifications, and that there are no defenses or offsets thereto, or stating such defenses or offsets as are claimed by Tenant, and the date to which all rentals have been paid.

ARTICLE 19
SALE OR ASSIGNMENT BY LANDLORD

A. Sale or Assignment by Landlord Permitted:

It is agreed that Landlord may, without notice to Tenant, at any time assign or transfer its interest as Landlord in and to this Lease, or any part thereof, and may at any time sell or transfer its interest in the fee of the Premises, or its interest in and to the whole or any portion of the Premises; provided, however that Landlord shall assign this Lease to any transferee in conjunction with such sell or transfer.

B. Attornment:

Tenant hereby agrees to attorn to the assignee, transferee or purchaser of Landlord under any provision of this Article from and after the date of notice to Tenant of such assignment, transfer or sale, in the same manner and with the same force and effect as though this Lease were made, in the first instance, by and between Tenant and such assignee, transferee or purchaser. In the event of the exercise of the power sale under, or the foreclosure of, any deed of trust, mortgage or other encumbrance placed by Landlord against all or any portion of the Premises, Tenant shall upon demand attorn to the purchaser upon the effective date of any such sale or foreclosure of any such deed of trust, mortgage or other encumbrance, and shall recognize the purchaser or judgment creditor as the Landlord under this Lease.

C. Transfer of Landlord's Obligations:

The term "Landlord" as used in this Lease, so far as the covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners at

the time in question of the fee of the Premises, and in the event of any transfer or conveyance of Landlord's title to such fee, other than by way of security only, Landlord herein named, except as hereinafter provided (and in case of any subsequent transfers or conveyance, except by way of security only, the then grantor), shall be automatically freed and relieved from and after the date of such transfer or conveyance of all personal liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed, provided that any funds in the hands of such Landlord, or the then grantor, at the time of such transfer or conveyance in which Tenant has an interest shall be turned over to the transferee or grantor, and any amount then due and payable by Tenant to Landlord, or by the then grantor, under any provisions of this Lease shall be paid to Tenant, it being intended hereby that this Lease shall be paid to Tenant, it being intended hereby that the covenants and obligations contained in this Lease on the part of Landlord to be kept and performed by it shall, subject as aforesaid, be binding on Landlord, its successors and assigns only during and in respect of their respective successive periods of ownership.

ARTICLE 20

QUIET POSSESSION

Except as is provided hereunder, Landlord agrees that Tenant upon paying the rentals and other payments herein required from Tenant, and upon Tenant's performance of all of the provisions, covenants and conditions of this Lease on its part to be kept and performed, may quietly have, hold and enjoy the Premises during the term of this Lease, without hindrance or interruption by Landlord or anyone lawfully or equitably claiming by, through or under any persons or parties whatsoever.

ARTICLE 21

NO PARTNERSHIP

Anything contained herein to the contrary notwithstanding, Landlord does not in any way or for any purpose become a principal or partner of Tenant in the conduct of its business or otherwise, or a joint venturer or member of a joint enterprise with Tenant hereunder. The provisions in relation to work performed by Tenant on the interior and exterior of the Premises are included merely to facilitate Landlord's maintaining architectural control, minimum standards of design and aesthetic value of the Premises.

ARTICLE 22

REMEDIES CUMULATIVE

The various rights, options, elections and remedies of Landlord and Tenant, respectively, contained in this Lease shall be cumulative and no one of them shall be construed as exclusive of any other, or of any right, priority or remedy allowed or provided for by law and not expressly waived in this Lease.

ARTICLE 23
ATTORNEY'S FEES

Should either party hereto institute any action or proceeding at law or in equity to enforce or to interpret any provision hereof for damages or other relief by reason of an alleged breach of any provision hereof, the prevailing party shall be entitled to receive from the losing party, in addition to allowable court costs, such amount as the court may adjudge to be reasonable as attorneys' fees for the services rendered the prevailing party in such action or proceeding, and such amount may be made a part of the judgment against the losing party. Should Landlord, without fault on its part, be made a party to any litigation instituted by or against Tenant, Tenant covenants to pay to Landlord all costs and expenses, including reasonable attorneys' fees incurred by Landlord in or in connection with such litigation.

ARTICLE 24
PARTIAL VALIDITY

If any term, provision, covenant or condition of this Lease should be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Lease shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

ARTICLE 25
RECORDATION

Neither this Lease, nor a memorandum thereof, may be recorded in the Office of the Register of Deeds for Beaufort County, South Carolina.

ARTICLE 26
CAPTIONS, PRONOUNS AND INTERPRETATION

A. Captions:

The captions appearing at the commencement of the Articles, Sections and Paragraphs hereof are descriptive only and intended for convenience in reference to this Lease, and should there be any conflict or inconsistency between any such caption and the text of any such Article, Section or Paragraph at the head of which it appears, the text of the said Article, Section or Paragraph, as the case may be, and not the caption, shall control and govern in the construction of the terms of this Lease.

B. Pronouns:

Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution or substitutions.

C. Interpretation:

(1) Law: Except as may be expressly limited herein, the laws of the State of South Carolina, including statutes of limitation, shall govern the validity, construction and effect of this Lease, and shall apply in all respects to any disputes or controversies arising out of or pertaining thereto.

(2) Covenants: Whenever in this Lease any words of obligation or duty are used in connection with either party, such words shall have the same force and effect as though framed in the form of express covenants on the part of the party obligated.

(3) Joint and Several Liability: In the event either party hereto now or hereafter shall consist of more than one person, firm or corporation, then and in such event all such persons, firms or corporations shall be jointly and severally liable as parties hereunder.

(4) Language Construction: The language in all parts of this Lease shall be construed, in all cases, according to its fair meaning and not for or against either party hereto.

ARTICLE 27
SUCCESSORS AND ASSIGNS

Where assignment is permitted under the terms hereof, the terms, provisions, covenants and conditions contained in this Lease shall apply to, bind and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of the party hereto permitted to make such assignment.

ARTICLE 28
ENTIRE AGREEMENT

This Agreement constitutes the entire agreement of Landlord and Tenant and supersedes all oral and written agreements and understandings made and entered into by the parties hereto prior to the date hereof. Except as here and otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each of them. Without limiting the generality of the foregoing, this Lease may not be amended or modified without the written consent of all beneficiaries under any mortgages or deeds of trust constituting a lien on the fee of all or any portion of the Premises demised to Tenant.

ARTICLE 29
SERVICE OF NOTICES

A. Notices to be in Writing:

Any and all notices and demands by or from Landlord to Tenant, or by or from Tenant to Landlord, required or desired to be given hereunder shall be in writing and shall be validly given or made if served either personally or if deposited in the United States mail, regular first class mail, postage prepaid. If such notice or demand be served personally, service shall be conclusively deemed made at the time of such personal service. If such notice or demand be served by regular first class mail, in the manner herein provided, service shall be conclusively deemed made at forty-eight (48) hours after the deposit thereof in the United States mail addressed to the party to whom such notice or demand is to be given.

B. Notices to Landlord:

Any notice or demand to Landlord shall be addressed to Landlord at the address specified in Paragraph A. of Article 1.

C. Notices to Tenant:

Any notice or demand to Tenant shall be addressed to Tenant at the Premises or to the address specified in Paragraph A of Article 1 hereof.

D. Change of Address:

Any party hereto may change its address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the other party hereof, which notice of change of address shall not become effective, however, until the actual receipt thereof by the other party.

ARTICLE 30
ACCORD AND SATISFACTION

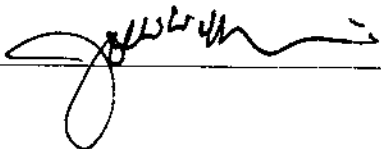
Payment by Tenant or receipt by Landlord of a lesser amount than the rent or other charges herein stipulated shall be deemed to be on account of the earliest due stipulated rent or other charges, and no endorsement or statement on any check or any letter accompanying any check payment as rent or other charges shall be deemed an accord and satisfaction, and Landlord's acceptance of such check or payment shall be without prejudice to Landlord's right to recover the balance of such rent or other charges or pursue any other remedy in this Lease to the Tenant.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first-above written.

WITNESSES:

LANDLORD:

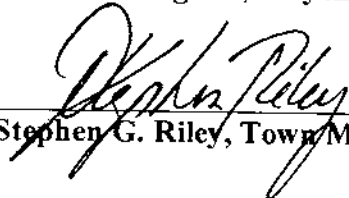
THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA



~~By:~~

~~By: Drew A. Hughes, Mayor~~

By:
~~Attest:~~




Stephen G. Riley, Town Manager

WITNESSES:

TENANT:

HERITAGE GOLF PORT ROYAL, LLC

By:



Its:

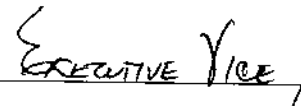

EXECUTIVE VICE PRESIDENT

EXHIBIT "A"
DESCRIPTION OF PREMISES

All that certain piece, parcel or lot of land, with improvements thereon, lying and being within Port Royal Plantation on Hilton Head Island, Beaufort County, South Carolina, consisting of 102.73 acres, more or less, and being designated as "Parcel A" on that certain plat of survey entitled "A Plat of Port Royal Plantation Clubhouse and Planters Row Golf Course, a Section of Port Royal Plantation" dated March 18, 1985 and prepared by Coastal Surveying Co., Inc., Jerry L. Richardson, South Carolina R.L.S. #4784 and being recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 35 at Page 80, a copy of which is attached hereto as Exhibit "A".



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA~CM, *Town Manager*
VIA: Scott Liggett, *Director of Public Projects & Facilities*
FROM: Nicole Dixon, CFM, *Senior Planner*
CC: Charles Cousins, AICP, *Director of Community Development*
DATE: September 3, 2014
SUBJECT: Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association - Amendment to Include the Management of the Rowing and Sailing Center at Squire Pope Community Park

Recommendation: Staff recommends that Town Council approve the attached Memorandum of Understanding (MOU) Amendment between the Town of Hilton Head Island and the Island Recreation Association to include the management and operation of the Rowing and Sailing Center at Squire Pope Community Park.

The Public Facilities Committee met on September 2, 2014 to review the proposed MOU Amendment and voted 3-0 to recommend that Town Council approve the amendment.

The Parks and Recreation Commission met on July 10, 2014 to review the proposed operation plan only and voted 6-0 to recommend that Town Council approve the plan.

Summary: The Town owns the property known as the Rowing and Sailing Center at Squire Pope Community Park. The park is currently under construction, with an estimated completion date of October 2014. The Island Recreation Association will manage the operation of the park, which will involve the coordination of special events, scheduled rowing, sailing and other paddle craft programs and activities, as well as use of the picnic pavilion.

Background: The Town entered into an MOU with the Island Recreation Association, on April 3, 2012, regarding the management and operation of the Island Recreation Center, Jarvis Creek Park, Shelter Cove Community Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts and the Cordillo Tennis Courts. The proposed amendment to the MOU includes the management and operation of the Rowing and Sailing Center at Squire Pope Community Park. As shown in the attached operation plan, the Island Recreation Association will manage and operate the Rowing and Sailing Center at Squire Pope Community Park as it does the other Town parks listed in the agreement.

STATE OF SOUTH CAROLINA)
) **MEMORANDUM OF UNDERSTANDING**
COUNTY OF BEAUFORT) **ADDENDUM**

THIS MEMORANDUM OF UNDERSTANDING ADDENDUM is made and entered into this _____ day of _____, 2014, by and between the Town of Hilton Head Island, South Carolina, (hereinafter referred to as the “Town”), and the Hilton Head Island Recreation Association, Inc., a South Carolina not-for-profit corporation (hereinafter referred to as the “Association”).

WHEREAS, the Town recognizes the need for providing for recreational services and facilities throughout the Town; and

WHEREAS, the Town owns the Island Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts, and the Cordillo Tennis Courts, all located within the Town; and

WHEREAS, the Town and the Association entered into a Memorandum of Understanding and an Agreement wherein the Association will manage and operate the Island Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts, and the Cordillo Tennis Courts on April 3, 2012; and

WHEREAS, the Town owns the Rowing and Sailing Center at Squire Pope Community Park, which is located within the Town; and

WHEREAS, the Town and Association desire to amend the Memorandum of Understanding and the Agreement in order to provide for the Association’s management and operation of the Rowing and Sailing Center at Squire Pope Community Park.

NOW, THEREFORE, for and in consideration of the mutual promises, undertakings and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by the Town and the Association, the parties hereto agree to amend the Memorandum of Understanding and Agreement as follows:

Memorandum of Understanding:

1. The Rowing and Sailing Center at Squire Pope Community Park shall be added to the Memorandum as a property owned by the Town and managed by the Association.

Exhibit A, Agreement:

1. The Rowing and Sailing Center at Squire Pope Community Park shall be added to Exhibit A, the Agreement, as a property owned by the Town and managed by the Association.
2. Paragraph 1.20 shall be added and read as follows:

1.20 *Rowing and Sailing Center at Squire Pope Community Park*: When used herein, “Rowing and Sailing Center at Squire Pope Community Park” shall mean and refer to the existing park

located at 133 Squire Pope Road, Hilton Head Island, South Carolina, and which is shown and described on the pictorial thereof attached hereto as Exhibit B.9; and which is owned by the Town.

3. Paragraph 2.02(a)(8) shall be added and read as follows:

(8) the hours of operation of the Rowing and Sailing Center at Squire Pope Community Park shall be between 7:00 am and sunset.

4. The Rowing and Sailing Center at Squire Pope Community Park shall be added to 2.04 (g).

5. The Rowing and Sailing Center at Squire Pope Community Park shall be added to paragraph 5.01 (g) , 5.05, and 5.06.

Exhibit B A copy of the site plan for the Rowing and Sailing Center at Squire Pope Community Park shall be added to Exhibit B.

Exhibit G The Fee Schedule for the Rowing and Sailing Center at Squire Pope Community Park shall be added to the Fee Schedules for Parks and Tennis Courts.

Exhibit H, Operation Plan for Rowing and Sailing Center at Squire Pope Community Park shall be added to the Memorandum.

All other terms and conditions of the Memorandum of Understanding and the Agreement shall remain the same and continue in effect.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures hereto the date first written hereinabove.

WITNESSES:

**HILTON HEAD ISLAND RECREATION
ASSOCIATION, INC.**

By: _____

Attest: _____

WITNESSES:

TOWN OF HILTON HEAD ISLAND

By: _____
Drew A. Laughlin, Mayor

Attest: _____
Stephen G. Riley, ICMA-CM, Town Manager

Operation Plan for the Rowing and Sailing Center at Squire Pope Community Park

a) Hours of Operation: 7:00 am until sunset

b) Method for Scheduling Programs:

The Association's scheduling process is to create balance between the use of the general public and scheduled programs and events. A schedule will be posted at the park and on the Association's website to inform the public. The Association shall schedule all lessons, programs, events and shelter usage. When rowing and sailing events and other activities are scheduled at the park, the Association shall ensure proper signage is installed in advance so the general public will have sufficient notice. For all regattas, races or community events, the organizer shall provide an on-site supervisor to coordinate the event and assist the public.

c) Fees:

The Association will recommend a fee schedule that will be reviewed and approved by Town Council. The Association will handle collection of all fees associated with the usage of the park.

d) Permitted Activities:

All rowing and sailing related programs and events shall be permitted only upon prior approval by the Association's Executive Director. These programs may include rowing or sailing lessons for children and adults, rowing or sailing team practices, regattas and other related events.

The public may use the park for water activities such as rowing, sailing, non-motorized boats, kayaking, paddle boarding, fishing, and other non-water related activities such as birthday parties and other gatherings. The public may use the park on a daily basis without reservations, but cannot interfere with programmed uses or scheduled events. Use of the pavilion for parties, events, etc. shall be scheduled through the Association. Public access to the park will be provided continuously and any one user group, program or event shall not preclude the use of the facility by the general public unless expressly authorized by the Town.

Commercial business ventures are prohibited at the park unless otherwise permitted by the Association's Executive Director.

No moorage of motorized vessels is permitted. The dock is restricted to paddle craft and sail boats only. The park is closed from sunset until 7 am. The Town shall approve the overnight storage of any vehicles, trailers or boats, upon recommendation of the Association, except for the boats to be used by the Association for the programs or otherwise permitted by the Association's Executive Director.

The following requirements must be met in order to be considered for approval of programs or events at the park:

- 1) Must provide certificate of liability insurance to the Association naming both the Town of Hilton Head Island and the Hilton Head Island Recreation Association as additionally

insured 30 days before usage. Must provide to the Association proof of a workers' compensation insurance policy covering all employees 30 days before usage.

- 2) Must provide to the Association proof of a Town business license, if required, and all other permits must be in good standing with the Town of Hilton Head Island.
- 3) Must provide a job description outlining the details of the duties for an on-site supervisor during any programs or events. Description will be approved by the Association. Must provide an on-site supervisor to be at the park 30 minutes before each scheduled usage and remain during the programs or events.
- 4) Must be able to demonstrate the ability to work with all users of the facilities to create a balance between public use and program/event activities.
- 5) Must demonstrate the ability to pay for the use of the facilities within 10 business days of the conclusion of use.

e) Daily Maintenance:

The maintenance shall be provided by the Town of Hilton Head Island's Facilities Management Division.

f) Safety inspections:

The Town of Hilton Head Island shall perform daily inspections of the facilities for safety issues.

g) Security and safety protocols:

The Association shall work with the Beaufort County Sheriff's Office, the Town's Facilities Management Division and the public users in order to provide a level of vigilance and security for these facilities. If an issue arises, depending on the level of concern, people shall be encouraged and advised to call either 911 for assistance by BCSO or to contact the Island Recreation Association main office number for assistance with their concern.

h) Staffing:

The Association shall employ an individual who shall be responsible for the day-to-day management and implementation of programs at the sailing and rowing center/park. This employee shall be responsible for the coordination of the daily schedule, programs and events as well as community volunteers. The Association's staff shall work with the Town of Hilton Head Island to coordinate daily maintenance.

i) Funding for the operation of the rowing and sailing center/park:

The Association shall provide an annual budget to the Town of Hilton Head Island, which shall outline the program and event operations. The budget shall be approved by the Association's Board of Directors before being submitted to the Town.

The Original Memorandum of
Understanding is available for
review in its entirety

at the

Town of Hilton Head Island
Administrative Offices

SITE DEVELOPMENT PLANS

TOHHI ROWING & SAILING CENTER

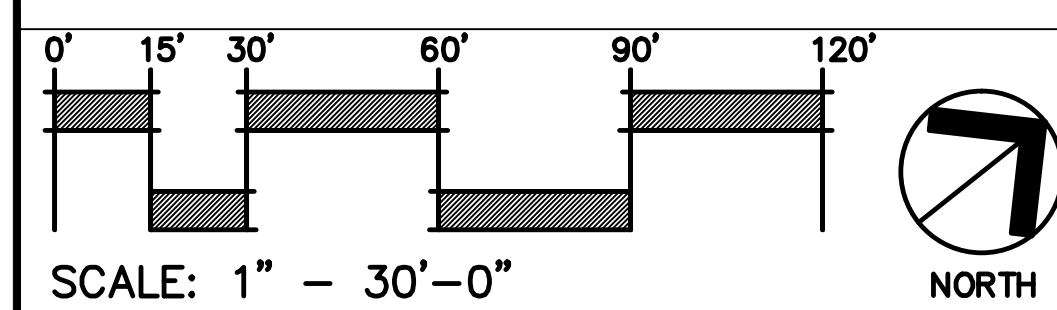
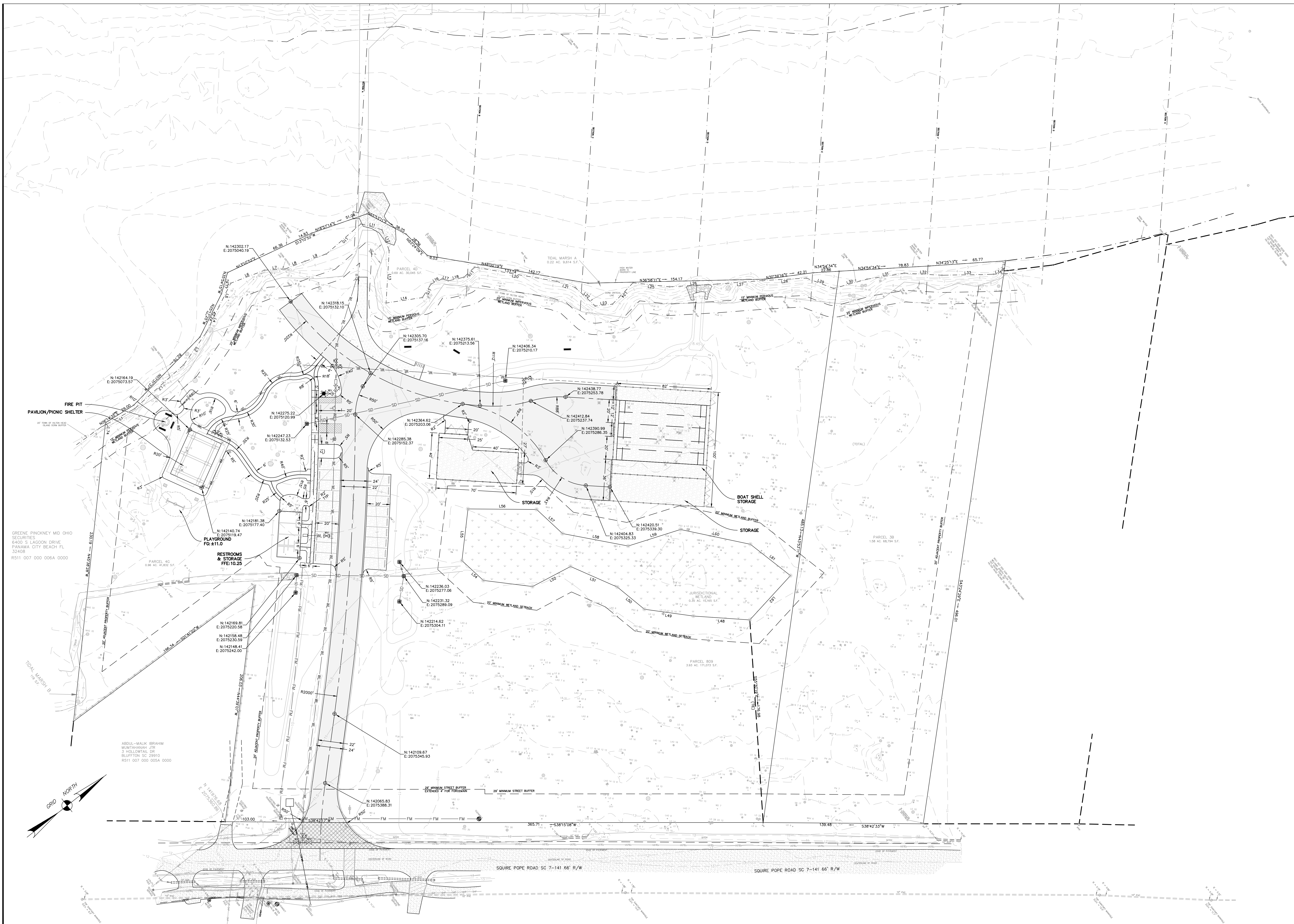
Hilton Head Island, South Carolina

SITE DEVELOPMENT PLANS

This drawing is an instrument of service & remains the property of Wood+Partners Inc. It may not be copied or reproduced in any manner without written permission.

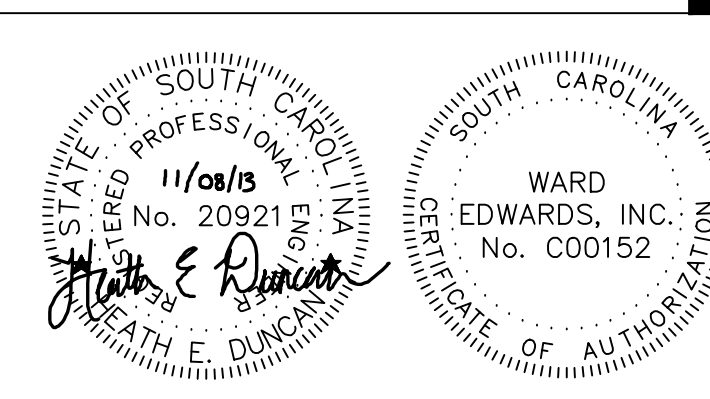
DATE
11-08-2013
PROJECT NUMBER
01-12033
SHEET TITLE
STAKING
PLAN

SHEET
NUMBER
C.04



South Carolina 811
Call our Before You Dig

E.	RELEASED FOR BIDDING	11-08-13
D.	RELEASED FOR TOWHI APPROVAL	07-15-13
C.	RELEASED FOR TOWHI APPROVAL	05-29-13
B.	RELEASED FOR APPROVAL	05-07-13
A.	RELEASED FOR PERMITTING	03-20-13
NO.	DESCRIPTION	DATE
RELEASE SCHEDULE		



Wood+Partners Inc. **WPI**
Landscape Architects
Land Planners

PO Box 23948 ■ Hilton Head Island, SC 29925
843.681.6678 ■ Fax 843.681.2086 ■ www.woodlandpartners.com



Jarvis Creek Park / Rowing and Sailing Center at Squire Pope Community Park Pavilion Request Form

Organization/Family Name: _____

Email: _____ Business License # _____

Address: _____ City _____ State _____ Zip _____

Home Phone: _____ Work Phone: _____ Cell Phone: _____

Purpose of Function: _____

Date(s) Needed: _____ Estimated Attendance: _____

Is this a function in which you will be charging the public a fee to attend? ☐ Yes ☐ No

☐ JARVIS CREEK PARK PAVILION

☐ Pavilion #1 (next large playground and lake)

☐ Pavilion #2 (next to smaller playground to the right as you enter the park)

☐ Pavillion #3 (next to field)

☐ PAVILION AT THE ROWING & SAILING CENTER AT SQUIRE POPE COMMUNITY

Circle Time – Fee is \$25/per block (times change with daylight savings):

March - October:	7am-Noon	Noon-4pm	4pm-Sunset
Nov. – Feb.:	7am-1pm	1pm-6pm	

PLEASE CLEAN UP AFTER YOURSELF! PICK UP ALL TRASH IN AND AROUND THE PAVILIONS AND TAKE YOUR GARBAGE WITH YOU. BAGS ARE LOCATED AT THE BOTTOM OF THE TRASH BIN.

Because we offer the pavilions at these parks to organizations and families as a community service; our fees are minimal. In return, we require that you comply with the attached policies and procedures and treat the facility in a responsible manner. By signing this form, the organization or family agrees to comply with policies and procedures governing the Park use. Failure to comply can result in the following: jeopardizing rights for future use; and/or legal action.

Signature: _____ Date: _____

Print Name: _____

OFFICE USE ONLY:

REQUEST APPROVED: YES ☐ NO ☐ DATE: _____

RENTAL FEE PAID: CC ☐ CASH/CHECK # _____ DATE _____ EMPLOYEE: _____



Return to: Island Recreation Association
P.O. Box 22593 HHI, SC 29925
P – (843) 681-7273
F – (843) 681-3754



POLICIES AND PROCEDURES FOR THE PAVILIONS AT JARVIS CREEK PARK *and* THE SAILING AND ROWING CENTER AT SQUIRE POPE COMMUNITY PARK

Operating hours are 7am to sunset Monday through Sunday. Exceptions to operating hours can be made for approved events.

The Pavilions are available to reserve Monday through Sunday for a maximum of four hours and limited to 200 people. Fee to use the shelter is \$25/per four-hour time block. Based on the impact to the park, events exceeding the limit of 500 people will need special review by the Association and Town staff.

The Island Recreation Association manages both the Jarvis Creek Park and the Sailing and Rowing Center at Squire Pope Community Park. The Association's employees have the authority and will enforce all rules and regulations governing the use of the Parks.

Any organization, group, or person using the parks will be held responsible for any and all damages that may occur as a result of improper use. Any organization, group or person improperly using the parks may be banned from future park usage.

Persons using the park shall obey all posted signs.

The Island Recreation Association must first approve any decorations and the placement of such.

No person(s) shall willfully mark, deface, disfigure, tamper with, displace or remove any part thereof of the parks.

Groups and individuals using the parks will be expected to leave the park clean and in good condition. All waste paper and litter must be put in the proper receptacles. The Association and the Town of Hilton Head Island will not be responsible for any property that is left on the premises by individuals or groups using the parks.

Any activity in the parks must be conducted according to applicable laws, policies and procedures.

The Association reserves the right to reject any application and/or waive any or all charges and fees as determined to be in the community's best interest.

Office Administrator of the Association approves all rental requests.

Appeal: In the event an applicant is denied approval for a non-special event (an event anticipated to have five hundred [500] or less people at any one time), an appeal may be made to the Town Manager. The Town Manager shall make a decision within seven (7) days granting or denying the appeal. The Town Manager's decision shall be final.

In the event an applicant is denied approval for a special event (as defined in Town Code Section 17-12-115 [a(1), (2), (3)]), an appeal shall be made in accordance with Town Code Section 17-12-124.

Special Event Park Request Form

Organization: _____ Primary Contact: _____

Business License # _____ Purpose of Function: _____

Email: _____ Address: _____

Home Phone: _____ Work Phone: _____ Cell Phone: _____

Date(s) Needed: _____ Estimated Attendance: _____

PLEASE SELECT WHICH PARK YOU ARE REQUESTING:

_____ Shelter Cove Community Park

_____ Jarvis Creek Park

_____ The Sailing and Rowing Center at Squire Pope Community Park

Will you be charging the public to attend this event? _____ YES _____ NO

Are you submitting for a Town of Hilton Head Island Special Event permit? _____ YES _____ NO

Any event over 500 people is required to have a special event permit

Will you be serving alcohol? _____ YES _____ NO

Events serving or selling alcohol are required to have alcohol liability insurance naming the Town of Hilton Head Island and the Island Recreation Association additionally insured. If alcohol is being sold, a beer/wine or liquor permit must be obtained through the SC dept. of Revenue – Alcohol Beverage Licensing Dept.

Do you have event liability insurance _____ YES _____ NO

All Events must obtain an event liability policy naming the Town of Hilton Head Island and the Island Recreation association additionally insured and provide a copy 30 days prior to the event.

Will you have vendors at your event? _____ YES _____ NO

All vendors must have a Hilton Head Island Business license

Fee: \$750/for-profit organizations, \$350/non-profit organizations (Must provide 501(c)3 letter from the IRS)

By signing this form, the organization or family agrees to comply with policies and procedures governing the Park use. Failure to comply can result in the following: jeopardizing rights for future use; and/or legal action.

Signature: _____ Date: _____

Print Name: _____

Office Use Only:

Request Approved: Yes _____ No _____ Date: _____

Rental Fee Paid: Yes _____ V/MC CASH CHECK # _____ Date: _____

Approved By: _____



Return to: Island Recreation Association
P.O. Box 22593 HHI, SC 29925
P – (843) 681-7273
F – (843) 681-3754



POLICIES AND PROCEDURES FOR RENTAL FOR THE SHELTER COVE COMMUNITY PARK AND ROWING & SAILING CENTER AT SQUIRE POPE COMMUNITY PARK

Shelter Cove Community Park's and the Rowing and Sailing Center at Squire Pope Community Park's normal operating hours are sunrise to sunset Monday through Sunday. Exceptions to operating hours can be made for approved events.

The Island Recreation Association manages the Shelter Cove Community Park and the Rowing and Sailing Center at Squire Pope Community Park. The Association's employees have the authority and will enforce all rules and regulations governing the use of the Parks.

Any organization, group, or person using the park will be required to have event liability insurance and if the event is serving alcoholic beverages, additional alcoholic liability insurance will be required. Both the Island Recreation Association and the Town of Hilton Head Island must be named "additionally insured" on these policies.

The Association, at its discretion, and in consideration of traffic circulation, security, safety, parking, or all of these, may deny the issuance of an event in the case of two (2) or more events proposed to occur on the same day. In a case such as the aforementioned, application approval preference shall be granted to an exempt organization(s) under 501C3 of the IRS code of 1986. In the case of two (2) or more exempt organizations proposed to conduct an event on the same day; preference will be given to the exempt organization that first completed an application.

A refundable deposit of up to \$1,000 is required of all groups, organizations and individuals renting the parks. This deposit is due on the day before set-up at the parks begins.

Any organization, group, or person using the parks will be held responsible for any and all damages that may occur as a result of improper use. Any organization, group or person improperly using the parks may be banned from future park usage.

Persons using the park shall obey all posted signs.

The Island Recreation Association must first approve any decorations and the placement of such.

No person(s) shall willfully mark, deface, disfigure, tamper with, displace or remove any part thereof of the parks.

Groups and individuals using the parks will be expected to leave the park clean and in good condition. All waste paper and litter must be put in the proper receptacles. The Association and the Town of Hilton Head Island will not be responsible for any property that is left on the premises by individuals or groups using the parks.

Any activity in the parks must be conducted according to applicable laws, policies and procedures.

The Association reserves the right to reject any application and/or waive any or all charges and fees as determined to be in the community's best interest.

Special Events Director of the Association approves all rental requests.

Appeal: In the event an applicant is denied approval for a non-special event (an event anticipated to have five hundred [500] or less people at any one time), an appeal may be made to the Town Manager. The Town Manager shall make a decision within seven (7) days granting or denying the appeal. The Town Manager's decision shall be final.

In the event an applicant is denied approval for a special event (as defined in Town Code Section 17-12-115 [a(1), (2), (3)]), an appeal shall be made in accordance with Town Code Section 17-12-124.