



**The Town of Hilton Head Island
Regular Town Council Meeting
March 3, 2015**

4:00 P.M. – BENJAMIN M. RACUSIN COUNCIL CHAMBERS

AGENDA

**As a Courtesy to Others Please Turn Off/Silence All Mobile Devices During
the Town Council Meeting**

- 1) Call to Order**
- 2) Pledge to the Flag**
- 3) Invocation**
- 4) FOIA Compliance** – Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 5) Proclamations and Commendations**
Disabilities Awareness Month
- 6) Approval of Minutes**
 - a. Town Council Meeting, February 17, 2015
- 7) Report of the Town Manager**
 - a. Power Line Burial Update – Bob Klein, Building Official
 - b. Town Manager's Items of Interest
 - (1) Town News
 - (2) Noteworthy Events
- 8) Reports from Members of Council**
 - a. General Reports from Council
 - b. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman
 - c. Report of the Community Services Committee – Kim Likins, Chairman
 - d. Report of the Public Planning Committee – Tom Lennox, Chairman
 - e. Report of the Public Facilities Committee – Lee Edwards, Chairman
 - f. Report of the Public Safety Committee – Marc Grant, Chairman
 - g. Report of the Finance and Administrative Committee, John McCann, Chairman
- 9) Appearance by Citizens**

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2015-07

Second Reading of Proposed Ordinance 2015-07 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a reciprocal access easement agreement and a temporary construction easement agreement with William S. Toomer, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (supp. 2011), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

11) New Business

a. Consideration of a Resolution – Memorandum of Understanding – USCB

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, authorizing the execution of a Memorandum of Understanding by and between the Town of Hilton Head Island, South Carolina, and the University of South Carolina Board of Trustees on behalf of the University of South Carolina Beaufort.

12) Executive Session (if needed)

a. Contractual Matters

(1) Memorandum of Understanding – USCB

b. Personnel Matters

(1) Appointments to Boards and Commissions

13) Adjournment

Proclamation

By
The Town of Hilton Head Island

Whereas, individuals with developmental disabilities, their families, friends, neighbors and co-workers encourage everyone to focus on the abilities of all people; and,

Whereas, the most effective way to increase this awareness is through everyone's active participation in community activities and the openness to learn and acknowledge each individual's contribution; and,

Whereas, opportunities for citizens with developmental disabilities to function as independently and productively as possible must be fostered in our community; and,

Whereas, we encourage all citizens to support opportunities for individuals with developmental disabilities in our community that include full access to education, housing, employment, and recreational activities;

NOW, THEREFORE, I, David Bennett, Mayor of the Town of Hilton Head Island, South Carolina, do hereby proclaim March 2015, as

DISABILITIES AWARENESS MONTH

and encourage our citizens to work together to promote increased opportunities for people with disabilities; to recognize the many contributions made by people with disabilities to our community; and to honor the dedication of the caregivers who bring support and hope to their fellow citizens.

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

David Bennett, Mayor

Attest:

Victoria L. Pfannenschmidt, Town Clerk

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, February 17, 2015

Time: 4:00 P.M.

Present from Town Council: David Bennett, *Mayor*; Bill Harkins, *Mayor Pro Tem*, Lee Edwards, Marc Grant, Tom Lennox, Kim Likins, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Brad Tadlock, *Fire Chief*; Nancy Gasen, *Director of Human Resources*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Brian Hulbert, *Staff Attorney*; Susan Simmons, *Director of Finance*; Julian Walls, *Facilities Manager*; Jeff Buckalew, *Town Engineer*; Shawn Colin, *Deputy Director of Community Development*; Teri Lewis, *LMO Official*; Jill foster, *Deputy Director of Community Development*; Rene Phillips, *Website Administrator*; Vicki Pfannenschmidt, *Executive Assistant/Town Clerk*

Present from Media: None

1) CALL TO ORDER

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

2) PLEDGE TO THE FLAG

3) INVOCATION

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

5) Proclamations and Commendations

None

6) Approval of Minutes

a. Town Council Meeting, February 10, 2015

Mayor Bennett asked if there were any of objections or corrections to the minutes presented. He stated there being none, the minutes of the February 10, 2015 Regular Town Council meeting were approved.

7) Report of the Town Manager

a. Semi-Annual Update of the Planning Commission – Alex Brown, Chairman

Mr. Brown presented his report for the period of July, 2014 through December of 2014 and made comments concerning Town Council utilizing the Planning Commission in moving forward with their goals.

b. Town Manager's Items of Interest

Mr. Riley reported on some items of interest listed below.

(1) Town News

(2) Noteworthy Event

Mr. Riley referenced the Draft HUD Community Development Block Grant Entitlement Program Consolidated Plan that was distributed to Town Council members. He explained it is the next step in the process to accept the Federal CDBG program funds. He explained a series of public meetings were held in November and Public Comment opened on February 16 and goes for 30 days. Afterwards, it will be reviewed with the Planning Commission and will then be brought forward to Town Council for consideration. He stated the deadline for submission to HUD is the middle of May. He asked that Council members review the draft and if they have questions or comments to contact him.

8) Reports from Members of Council

a. Planning Commission Crystal Award Presentation to Mayor David Bennett – *Mayor Pro Tem Bill Harkins*

Mayor Pro Tem Harkins presented the award to Mayor Bennett thanking him for his service with the Planning Commission.

b. General Reports from Council

Mr. Edwards referenced a memo from Mayor Bennett concerning changing the wording on two of the proposed Town Council Policy Agenda under 11.a. He expressed concern with changing the wording under Top Priority from Sewer Service Policy and Plan to Sewer Service Available to All. He said some people may not want or need sewer service and should not be required to have it. After lengthy discussion, members of Council agreed to suggest the wording be changed to Sewer Service Available to all who want it.

c. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman

No report.

d. Report of the Community Services Committee – Kim Likins, Chairman

Mrs. Likins stated the Committee had met on two occasions, the first to focus on the priority of the Arts and Cultural Collaboration strategy. She thanked Sandy West, a consultant from Lighthouse Consultants who donated her time to help the Committee through the session. Many of the organizations were represented at the meeting and spoke. She said the Committee will initially begin working on the Arts and Workforce housing initiatives. Mrs. Likins added that the Personnel Committee duties are now under the Community Services Committee and they met earlier in the day and are in the process to begin interviewing candidates to fill the Planning Commission seat.

e. Report of the Public Planning Committee – Tom Lennox, Chairman

Mr. Lennox reported the Committee members consist of himself, Kim Likins and John McCann. He said their initial meeting will be held on March 1.

f. Report of the Public Facilities Committee – Lee Edwards, Chairman

No report.

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

No report.

h. Report of the Finance and Administrative Committee, John McCann, Chairman

Mr. McCann stated the Committee met earlier in the day and laid out their agenda for the year. He stated that by March 31 they will bring forward a recommendation on the modifications to the ATAX process, by April 30 they will bring forward a recommendation for establishment of procedures and performance guidelines for the Town Manager, and by May 30 they will bring forward an initial review of vendor contracts and included in that, but not a vendor is the Hilton Head Island – Bluffton Chamber of Commerce. He added they will also be reviewing RFP procedures, budget analysis, review and analysis of financial statements, including the balance sheets, business licensing fees, and a debt cap philosophy.

9) Appearance by Citizens

Mr. Andrew Shumacher, representing the Hilton Head Island Bicycle Advisory Committee and in his role as CEO, Palmetto Dunes Property Owners Association addressed Town Council with his concerns on pedestrian/bicycle/vehicular safety around Shelter Cove and Palmetto Dunes. He presented Council with a letter from the Advisory Committee with suggestions and requests concerning pathways.

Pamela Martin Ovens addressed Town Council concerning offshore drilling. Mr. Harkins suggested the issue be taken up by the Intergovernmental Committee. The Mayor agreed.

10) Unfinished Business

None.

11) New Business

a. Consideration of a Resolution establishing policy agenda and management agenda

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, establishing the Town of Hilton Head Island 2015 Policy Agenda and 2015 Management Agenda.

Mayor Bennett stated this is a change from what has occurred historically in terms of approving the results of the workshop. He said as he had an opportunity to look through the suggested Strategic Actions and Goals associated with the priorities, the responsible party for those priorities and the time frame of them, he had suggestions and concerns. He said he elected not to bring them on the agenda at this time. He said he spoke with Council Members Likins and Lennox and asked them to form a small task force of Council to take a look at the suggested action steps and goals and make suggestions and modifications that Council feels are appropriate and bring them to the full Council for consideration. He asked that they complete their recommendation in 30 days. Mr. Harkins asked that if they come up with a change that is substantive in nature, that they so note that in the review.

Mr. Harkins moved to approve. Mr. McCann seconded.

Mrs. Likins noted that upon review of the preliminary report from the facilitator that she agrees with Mayor Bennett that there are areas that are not clear and can benefit with further review and clarity concerning the action plans for the priorities.

Mr. Harkins, the maker of the motion and Mr. McCann the seconder agreed to modify the motion to include the language changes as suggested by Mayor Bennett and as discussed earlier in the meeting under General Reports. The changes are:

Master Plan for Hilton Head Island be changed to Vision and Master Plan for the Island
Sewer Policy & Plan be changed to Sewer Service Available to all who want it

The amended motion was unanimously approved by a vote of 7-0.

b. Consideration of a Resolution – Circle to Circle Taskforce

Consideration of a Resolution of the Town Council the Town of Hilton Head Island, South Carolina creating the Circle to Circle Committee composed of a broad range of stakeholders formed to develop a Coligny Circle to Sea Pines Circle Area Plan.

Mr. Harkins moved to approve. Mr. McCann seconded. Mr. McCann recommended that a representative from Blanchard and Calhoun be appointed to the Taskforce. After discussion it was decided the motion would be modified to include a representative on the task force from Blanchard and Calhoun and that the southwest quadrant of Coligny Circle would be part of the scope of work and that the Transportation Study would include North and South Forest Beach, as well as coming into the Sea Pines Circle from US278 and going into Greenwood Drive into Sea Pines. The amended motion was approved by a vote of 7-0.

c. First Reading of Proposed Ordinance 2015-07

First Reading of Proposed Ordinance 2015-07 of the Town of Hilton Head, South Carolina, authorizing the execution of a reciprocal access easement agreement and a temporary construction easement agreement with William S. Toomer, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (supp. 2011), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

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

12) Executive Session

Mr. Harkins moved to go into Executive Session to discuss negotiations incident to a proposed contractual arrangement that could be quite beneficial to the Town. Mrs. Likins seconded. Mayor Bennett added that it was an economic development opportunity. The motion was approved by a vote of 7-0.

Mayor Bennett called the meeting back to order at 6:02 p.m. and asked if there was any business as a result of Executive Session.

Mr. Harkins stated the following; *The Town Council has been on record since May of 2013 in support of bringing an international triathlon sporting event to the Island and region. In that vein, recognizing that Town Council remains enthusiastically supportive of such an undertaking, I move that the Town Manager be directed to work with all parties to secure the necessary contracts and services to safely enable such an event to take place on the Island.* Mrs. Likins seconded.

Mr. Edwards stated he felt that the Town should do everything to encourage the other partners in this potential event to work together to support and secure the potential \$50 million dollar impact on Beaufort County. He added that he hopes the Town will reach out to other entities in the County and encourage them to participate.

The motion was unanimously approved by a vote of 7-0.

12) Adjournment

Mr. Harkins moved to adjourn. Mr. McCann seconded. The meeting was adjourned at 6:07 p.m.

Vicki L. Pfannenschmidt,
Executive Assistant/Town Clerk

Approved:

David Bennett, Mayor

Memo

To:	Stephen G. Riley, ICMA-CM, Town Manager
From:	Bob Klein, Building Official
CC:	Tony Pierce, Commercial Combination Inspector
Date:	February 6, 2015
Re:	Palmetto Electric Underground Power Line Burial Project Update

The Underground Power Line Burial Program began in 2004 and is to be a 15 year program estimated to cost \$34,851,100. The program consists of 28 project areas and is funded through a franchise fee paid by Palmetto Electric. This project will increase the reliability of electric service by requiring all overhead non-transmission electric lines to be located underground, thereby causing less power outages during tropical storms and category 1 hurricanes. Moreover, with the overhead lines removed, trees will be less of a detriment to the distribution system. Non-feeder lines to the individual consumers are also being buried.

Conversion construction is scheduled in different project areas based on the availability of easements, underground boring machinery, and manpower. The POAs have been instrumental in assisting with accrual easements, allowing many of those projects to be completed sooner than others.

Feedback and support from the public and the POA's has been overwhelmingly positive, with the aesthetic benefits to the island extremely noticeable. In addition, certain projects provided an opportunity for the Town and Palmetto Electric to coordinate construction schedules with less negative impact to the general public.

The project has approximately 41 miles of 3 phase feeder lines, and the number of residential and commercial services to be affected is estimated at 1790. To date, the project has buried almost 35 miles of feeder lines (85% of project), 99 miles of non-feeder lines (146% of project), and serviced more than 1,109 consumers (62% of project). More than \$25.5 million (68% of estimated costs) have been collected from the franchise fee.

Miles of Line (MOL), Consumers, and Equipment Summary (November 1, 2004 through December 2014):

TOTALS	ORIGINAL ESTIMATE	ACTUAL TO DATE	%	% ACTUAL RETIRED
FEEDER MOL	40.94	34.86	85.15	86.82%
NON-FEEDER MOL(SECONDARY 32.6)	67.69	98.92	146.14	86.60%
CONSUMERS	1790	1,109	61.96	60.67%
TRANSFORMER	1238	773	62.44	65.11%
POLES	4574	1,896	41.45	41.45%
				68.13%

*Note: Pole count total was 5,101, but 527 poles had security lights.
Therefore, the net to be removed for the OH/UG Program is 4,574.

% COMPLETED

% DOLLARS	% MONTHS
68.05%	67.78%

Financial Summary (November 1, 2004 through December 2014):

PROJECT YEAR	COLLECTED	PAID TO ELECTRICIANS	CONSTRUCTION COSTS	TOWN COST (0.867)
2004	\$ 257,232.11		\$ 124,941.39	\$ 108,324.19
2005	\$ 2,010,839.58	\$ 12,320.00	\$ 537,514.62	\$ 466,025.16
2006	\$ 2,242,579.73	\$ 119,707.73	\$ 2,865,260.20	\$ 2,476,377.60
2007	\$ 2,265,675.99	\$ 165,421.00	\$ 785,881.48	\$ 681,359.24
2008	\$ 2,339,068.96	\$ 135,111.76	\$ 2,828,125.24	\$ 2,451,984.55
2009	\$ 2,614,714.36	\$ 142,311.07	\$ 3,645,016.32	\$ 3,160,229.15
2010	\$ 2,827,904.86	\$ 180,229.60	\$ 1,338,509.07	\$ 1,160,097.11
2011	\$ 2,779,167.26	\$ 154,733.36	\$ 2,195,667.22	\$ 1,969,550.27
2012	\$ 2,557,292.47	\$ 80,946.82	\$ 2,341,251.41	\$ 2,029,864.98
2013	\$ 2,706,607.62	\$ 54,008.62	\$ 622,963.79	\$ 540,109.59
2014	\$ 2,938,068.26	\$ 27,300.00	\$ 3,933,994.15	\$ 3,410,772.93
TOTALS	\$ 25,539,151.20	\$ 1,072,089.96	\$ 21,219,124.89	\$ 18,454,694.77

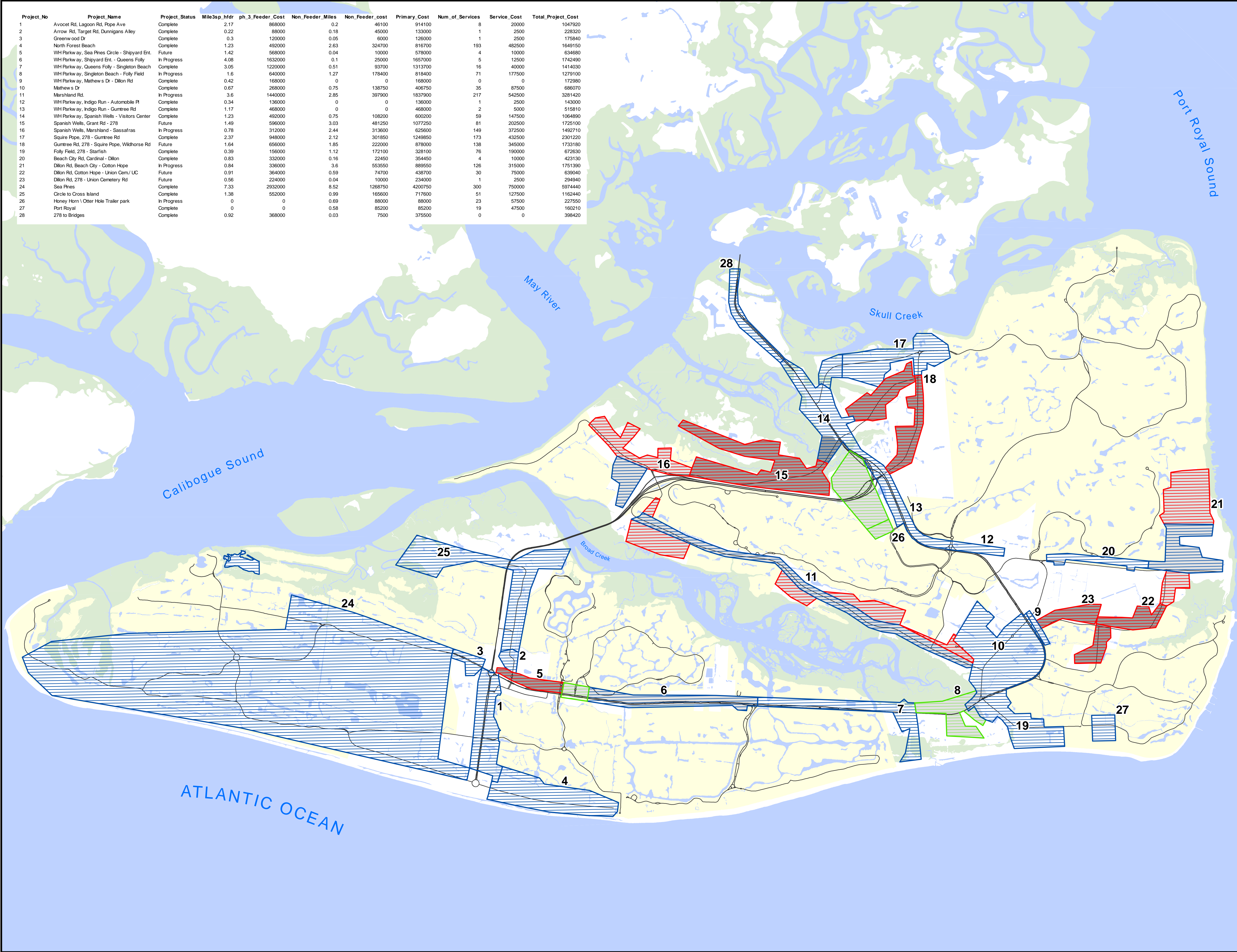
*Note: The Town's portion of construction costs is 86.7%.

Project Status:

<i>#</i>	<i>Project</i>	<i>Projected Cost</i>	<i>Actual Cost</i>	<i>Status</i>
1	Avocet & Lagoon Roads, & Pope Avenue	\$1,047,920	\$709,847	Complete
2	Arrow, Target, Dunnagan's Alley	\$228,320	\$4,092*	Complete
3	Greenwood Drive	\$175,840	\$25,492	Complete
4	North Forest Beach	\$1,649,150	\$2,071,864	Complete
5	US 278 Circle to Shipyard Entrance	\$634,680	\$53,243	In Progress
6	US 278- Shipyard Entrance to Queens Folly	\$1,742,490	\$585,418	In Progress-95% complete
7	US 278- Queens Folly to Singleton Beach	\$1,414,030	\$1,581,001	In Progress-95% complete
8	US 278- Singleton Beach to Folly Field	\$1,279,100	\$108,450	Complete
9	US 278- Mathews Drive to Dillon	\$172,980	\$148,433	Complete
10	Mathews Drive	\$686,070	\$432,007	Complete
11	Marshland Road	\$3,281,420	\$3,321,306	In progress
12	US 278- Indigo Run to Automobile Place	\$143,000	\$120,895	Complete
13	US 278- Indigo Run to Gumtree	\$515,810	\$1,218,670	Complete
14	US 278- Spanish Wells to Welcome Center	\$1,064,890	\$134,542	Complete
15	Spanish Wells/Grant Road to US 278	\$1,725,100	\$141,236	In Progress
16	Spanish Wells/Marshland to Spanish Wells Plantation	\$1,492,710	\$984,731	In Progress
17	Squire Pope	\$2,301,220	\$1,636,881	Complete
18	Gumtree & Wild Horse	\$1,733,180	\$680,314	In Progress
19	Folly Field	\$672,630	\$761,547	Complete
20	Beach City/Dillon to Cardinal	\$423,130	\$439,262	In Progress-95% complete
21	Beach City/Fish Haul/Mitchelville	\$1,751,390	\$844,226	In Progress-85% complete
22	Union Cemetery Road & Dillon	\$639,040	\$15,027	In Progress
23	Dillon to Union Cemetery	\$294,940		To Be Scheduled
24	Sea Pines (includes Sea Lofts)	\$6,049,440	\$5,897,581	Complete

25	Sea Pines Circle to Point Comfort	\$1,162,440	\$1,216,506	Complete
26	Honey Horn & Otter Hole Road	\$227,550	\$39,518	In Progress-90% complete
27	Port Royal	\$160,210	\$113,754	Complete
28	Jenkins Island	\$398,420	\$296,307	Complete
SUB-TOTAL		\$33,067,100	\$23,582,150	
	1784XSRVS x \$1000	\$1,784,000		
TOTAL		\$34,851,100		

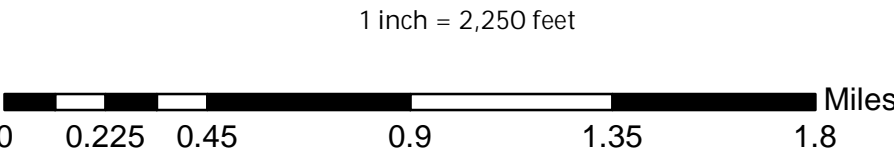
Note: The cost in Project 2 was partially absorbed in Project 25, which is why the actual cost is much lower than the projected cost.



Project_No	Project_Name	Project_Status	Mile3sp_hfdr	ph_3_Feeder_Cost	Non_Feeder_Miles	Non_Feeder_cost	Primary_Cost	Num_of_Services	Service_Cost	Total_Project_Cost
1	Avocet Rd, Lagoon Rd, Pope Ave	Complete	2.17	868000	0.2	46100	914100	8	20000	1047920
2	Arrow Rd, Target Rd, Dunningans Alley	Complete	0.22	88000	0.18	45000	133000	1	2500	228320
3	Greenwood Dr	Complete	0.3	120000	0.05	6000	126000	1	2500	175840
4	North Forest Beach	Complete	1.23	492000	2.63	324700	816700	193	482500	1649150
5	WH Parkway, Sea Pines Circle - Shipyard Ent.	Future	1.42	568000	0.04	10000	578000	4	10000	634680
6	WH Parkway, Shipyard Ent. - Queens Folly	In Progress	4.08	1632000	0.1	25000	1657000	5	12500	1742490
7	WH Parkway, Queens Folly - Singleton Beach	Complete	3.05	1220000	0.51	93700	1313700	16	40000	1414030
8	WH Parkway, Singleton Beach - Folly Field	In Progress	1.5	640000	1.27	178400	818400	71	177500	1279100
9	WH Parkway, Mathews Dr - Dillon Rd	Complete	0.42	168000	0	0	168000	0	0	172980
10	Mathews Dr	Complete	0.67	268000	0.75	138750	406750	35	87500	686070
11	Marshland Rd.	In Progress	3.6	1440000	2.85	397900	1837900	217	542500	3281420
12	WH Parkway, Indigo Run - Automobile Pl	Complete	0.34	136000	0	0	136000	1	2500	143000
13	WH Parkway, Indigo Run - Guntree Rd	Complete	1.17	468000	0	0	468000	2	5000	515810
14	WH Parkway, Spanish Wells - Visitors Center	Complete	1.23	492000	0.75	108200	600200	59	147500	1064890
15	Spanish Wells, Grant Rd - 278	Future	1.49	596000	3.03	481250	1077250	81	202500	1725100
16	Spanish Wells, Marshland - Sassafas	In Progress	0.78	312000	2.44	313600	625600	149	372500	1482710
17	Squire Pope, 278 - Guntree Rd	Complete	2.37	948000	2.12	301850	1249850	173	432500	2301220
18	Guntree Rd, 278 - Squire Pope, Wildhorse Rd	Future	1.64	656000	1.85	222000	878000	138	345000	1733180
19	Folly Field, 278 - Starfish	Complete	0.39	156000	1.12	172100	328100	76	190000	672630
20	Beach City Rd, Cardinal - Dillon	Complete	0.83	332000	0.16	22450	354450	4	10000	423130
21	Dillon Rd, Beach City - Cotton Hope	In Progress	0.84	336000	3.6	553550	889550	126	315000	1751390
22	Dillon Rd, Cotton Hope - Union Cem/ UC	Future	0.91	364000	0.59	74700	438700	30	75000	639040
23	Dillon Rd, 278 - Union Cemetery Rd	Future	0.56	224000	0.04	10000	234000	1	2500	294940
24	Sea Pines	Complete	7.33	2932000	8.52	1268750	4200750	300	750000	5974440
25	Circle to Cross Island	Complete	1.38	552000	0.99	165600	717600	51	127500	1162440
26	Honey Horn \ Otter Hole Trailer park	In Progress	0	0	0.68	88000	88000	23	57500	227550
27	Port Royal	Complete	0	0	0.58	85200	85200	19	47500	160210
28	278 to Bridges	Complete	0.92	368000	0.03	7500	375500	0	0	398420

Town of Hilton Head Island
Palmetto Electric Power Line Burial
-STATUS-

January 2015



Legend

Project Area

Project Status

- FUTURE
- IN PROGRESS

Legend

STATUS

- COMPLETED TO DATE
- FUTURE
- WORK IN PROGRESS
- AREAS NOT PART OF PROJECT



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

Date Created: February 10, 2014
Project - PalmettoElectric_STATUS_3_2014_24x36.mxd

The information on this map has been compiled from a variety of sources and is intended to be used only as a guide. It is provided without any warranty or representation as to the accuracy or completeness of the data shown. The Town of Hilton Head Island assumes no liability for the accuracy or state of completion or for any losses arising from the use of the map.



Items of Interest

March 3, 2015

1. Town News

The Town of Hilton Head Island Financial Statements for the period ending December 31, 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)

2. Noteworthy Events

- a) Some of the upcoming meetings at Town Hall:
- Planning Commission – March 4, 2015, 9:00 a.m.
 - Public Planning Committee – March 5, 2015, 3:00 p.m.
 - Design Review Board, March 10, 2015, 1:15 p.m.
 - Finance and Administrative Committee – March 17, 2015, 2:00 p.m.
 - Town Council – March 17, 2015, 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 Committee meeting dates and agendas.

2015 Hilton Head Island Events

March 7, 2015 11:00 a.m. – 7:00 p.m.	Hilton Head Island Sea Food Festival	Shelter Cove Community Park
March 15, 2015 3:00 p.m.	Hilton Head Island St. Patrick's Day Parade	Pope Avenue/Office Park Road



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: February 18, 2015
SUBJECT: Crazy Crab Easements

Town Council made no changes to Proposed Ordinance No. 2015-07 as a result of the first reading of the ordinance on February 17, 2015.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

PROPOSED ORDINANCE NUMBER 2015-07 ORDINANCE NUMBER 2015-_____

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A RECIPROCAL ACCESS EASEMENT AGREEMENT AND A TEMPORARY CONSTRUCTION EASEMENT AGREEMENT WITH WILLIAM S. TOOMER, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. SEC. 5-7-40 (SUPP. 2011), AND SEC. 2-7-20, *CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA*, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, William S. Toomer (“Toomer”) owns that certain real property known generally as the “Crazy Crab Restaurant”, with Beaufort County TMS# R511-007-000-0064-0000 and a property address of 102 William Hilton Parkway, Hilton Head Island, South Carolina 29926 (the “Toomer Property”); and

WHEREAS, the Town of Hilton Head Island, South Carolina (the “Town”) owns that certain real property adjacent to the Toomer Property, with Beaufort County TMS# R511-007-000-0152-0000 (the “Town Property”); and

WHEREAS, Toomer has agreed to grant certain easements on or over the Toomer Property for the benefit of the Town Property, more specifically an access easement for pedestrian and vehicular ingress/egress over a portion of the Toomer Property, all as more particularly described in the attached Exhibit “A”; and

WHEREAS, the Town has agreed to grant certain easements on or over the Town Property for the benefit of the Toomer Property, more specifically an access and use easement and a landscape easement over portions of the Town Property, all as more particularly described in the attached Exhibit “A”; and

WHEREAS, the Town has also agreed to grant certain temporary construction easements on or over the Town Property for the benefit of the Toomer Property, more specifically a temporary grading easement and a temporary construction staging easement over portions of the Town Property, all as more particularly described in the attached Exhibit “B”; and

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to execute such agreements for the same; 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 effected 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 Agreements.

- (a) The Mayor and/or Town Manager are hereby authorized to execute and deliver a Reciprocal Access Easement Agreement in substantial conformance with the attached Exhibit “A”;
- (b) The Mayor and/or Town Manager are hereby authorized to execute and deliver a Temporary Construction Easement Agreement in substantial conformance with the attached Exhibit “B”;
- (c) The Mayor and/or Town Manager are hereby authorized to execute and deliver a letter/waiver to the South Carolina Department of Transportation, acknowledging

and/or otherwise agreeing to waive an independent curb-cut access to the Town Property; and

- (d) 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 herein and in the attached agreements.

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 COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2015.**

**By: _____
David Bennett, Mayor**

ATTEST:

**By: _____
Victoria L. Pfannenschmidt, Town Clerk**

First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Town Council
FROM: Stephen G. Riley, ICMA~CM, *Town Manager*
CC: Charles Cousins, AICP, *Community Development Director*
DATE: February 23, 2015
SUBJECT: Memorandum of Understanding with USCB

Recommendation: Staff recommends that Town Council enter into a Memorandum of Understanding (MOU) with the University of South Carolina regarding the future development and operation of a USCB educational facility on Hilton Head Island.

Summary: The Town has been working with USCB for several years in an attempt to re-establish a presence for USCB within the Town. As currently proposed, a facility for the school's hospitality program as well as a home for the Osher Lifelong Learning Institute (OLLI) are anticipated. In December 2013, Town Council identified property on Office Park Road as the potential site for this facility. Since that time the Town has acquired two (2) parcels of property, and has contracted to acquire an additional two (2) parcels of property for this facility. All the land needed for the proposed 8.9 acres project will have been acquired once the Town closes on these two remaining parcels. (See attached site map.)

Earlier in 2014 the attached Preliminary Master Plan was developed. Additionally, a traffic study was completed which identified improvements for the Pope Avenue/Office Park Road/New Orleans Road intersection. These intersection improvements are being designed with construction slated for late summer of 2016. Another major milestone was the agreement between the Town, Beaufort County, Beaufort County School District and Hilton Head Public Service District 1 to extend the tax increment financing (TIF) agreement to the year 2024. TIF will serve as the major funding source for this project. Costs estimates are currently being refined with the intent of capping the cost of the facility at \$24.5 million. The Town has received a grant of \$275,000 from Hargray to apply towards traffic improvements in the area. Lastly, current estimates are that the facility would be open for classes in the fall of 2018.

On Friday, February 20, 2015, the attached MOU regarding the future development and operation of an educational facility by USCB on Hilton Head Island was approved by the University Of South Carolina Board Of Trustees. The purpose of this agreement is for the Town and USC to agree on their intent to work together to develop Phase 1 which is a Hospitality Management Building as shown on the attached Preliminary Master Plan depicting future phases. Under Phase 1 OLLI would be housed in the Hospitality Management Building. The agreement specifies the Town would provide up to \$22 million of TIF funds towards Phase 1. USCB would provide \$2.5 million it has raised through the Beaufort-Jasper Commission on Higher Education for Phase 1. USCB will be responsible for funding future phases. All operating and maintenance costs will be USCB's responsibility. The Town will be responsible for the cost of the off-site intersection improvements mentioned in the above. Lastly, the agreement specifies that the property will revert to the Town

should it no longer be used for higher education and adult education or that the project does not move forward within specified a timeline.

Background: In previous years the Town Council has recognized the opportunities associated with reestablishing USCB's Hospitality program within the Town. The recently adopted Town Council Agenda for 2015 identifies USCB development as a top priority. The Town has already taken numerous actions to further this goal as identified above. The USC Board of Trustees approved a MOU on Friday, February 20, 2015 agreeing to participate with the Town to further this goal. Highlights of this MOU are as follows:

- The Town will develop a Master Plan in cooperation with USCB.
- The Master Plan will be implemented in phases.
- Phase 1 will be comprised of the necessary site and construction improvements for the Hospitality Management Building.
- The Town is only obligated to provide capital funding for Phase 1.
- USCB will make its best efforts to raise funds for future phases of the Master Plan.
- The Town will acquire the necessary land for the project.
- USCB has raised \$2.5 million through the Beaufort-Jasper Commission on Higher Education and placed these funds in an interest bearing account.
- The Town has secured a TIF extension to provide funding towards Phase 1.
- The Town's commitment towards Phase 1 of the Master Plan will not exceed \$22 million. The expected approximate costs to be withdrawn from the \$22 million is as follows:
 - \$3,565,000 for land acquisition
 - \$500,000 for site clearing
 - \$130,000 for preliminary planning and design
 - \$17,805,000 capital contribution to implementation of Phase 1.
- The Town has completed a traffic study for the Master Plan and will fund approximately \$1 million of additional money to construct necessary off-site intersection improvements.
- The Town will refine the Master Plan in cooperation with USCB and pursue Public Project Review approval from the Planning Commission.
- The Town will undertake all clearing of the existing buildings on the proposed site.
- The Town will act to hold other adjacent Town-owned land to advance future efforts with USCB.
- USCB will be responsible for final design, permitting and construction.

- USCB will operate and maintain all facilities constructed in Phase 1 and future phases.
- The agreement contains a reverter clause providing that, absent mutual written consent, title of the conveyed property will revert to the Town if any of the following occur: (1) the property ceases to be utilized for the purposes of higher education and adult education services consistent with the educational mission/purpose of an institution such as USCB; (2) the date of breaking ground of Phase 1 improvements does not occur within 5 years after the Town conveys the land to USCB; (3) the date of completion of Phase 1 improvements does not occur within 2 years after date of breaking ground; or (4) abandonment of the educational facility by USCB, or abandonment of performance of the Agreement by USCB.

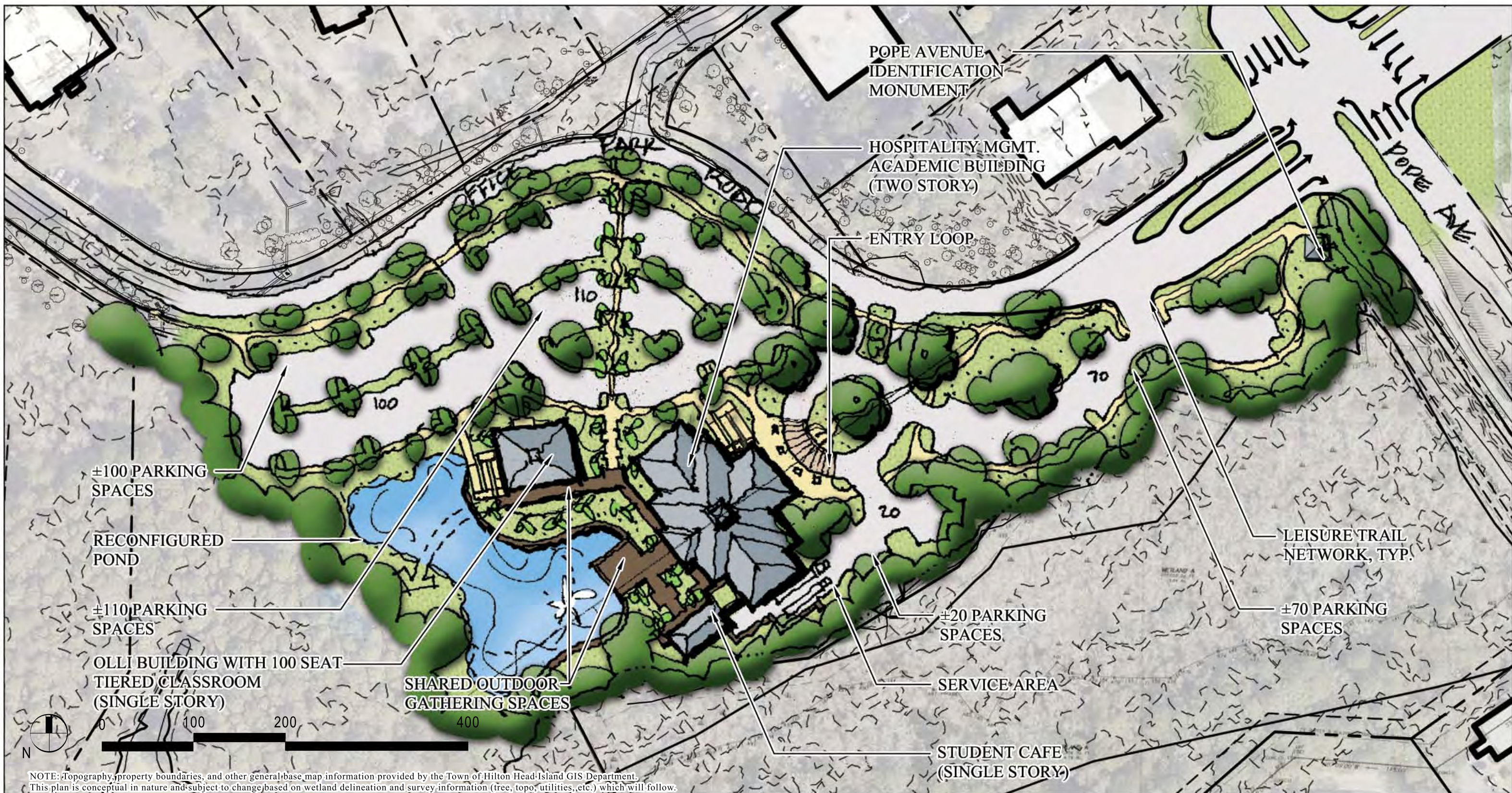
Attachments:

Preliminary Master Plan

Preliminary Master Plan showing phasing

MOU





PROJECT No 01-14005

DATE 04-04-14

Scale: 1" = 100'

PRELIMINARY MASTER PLAN



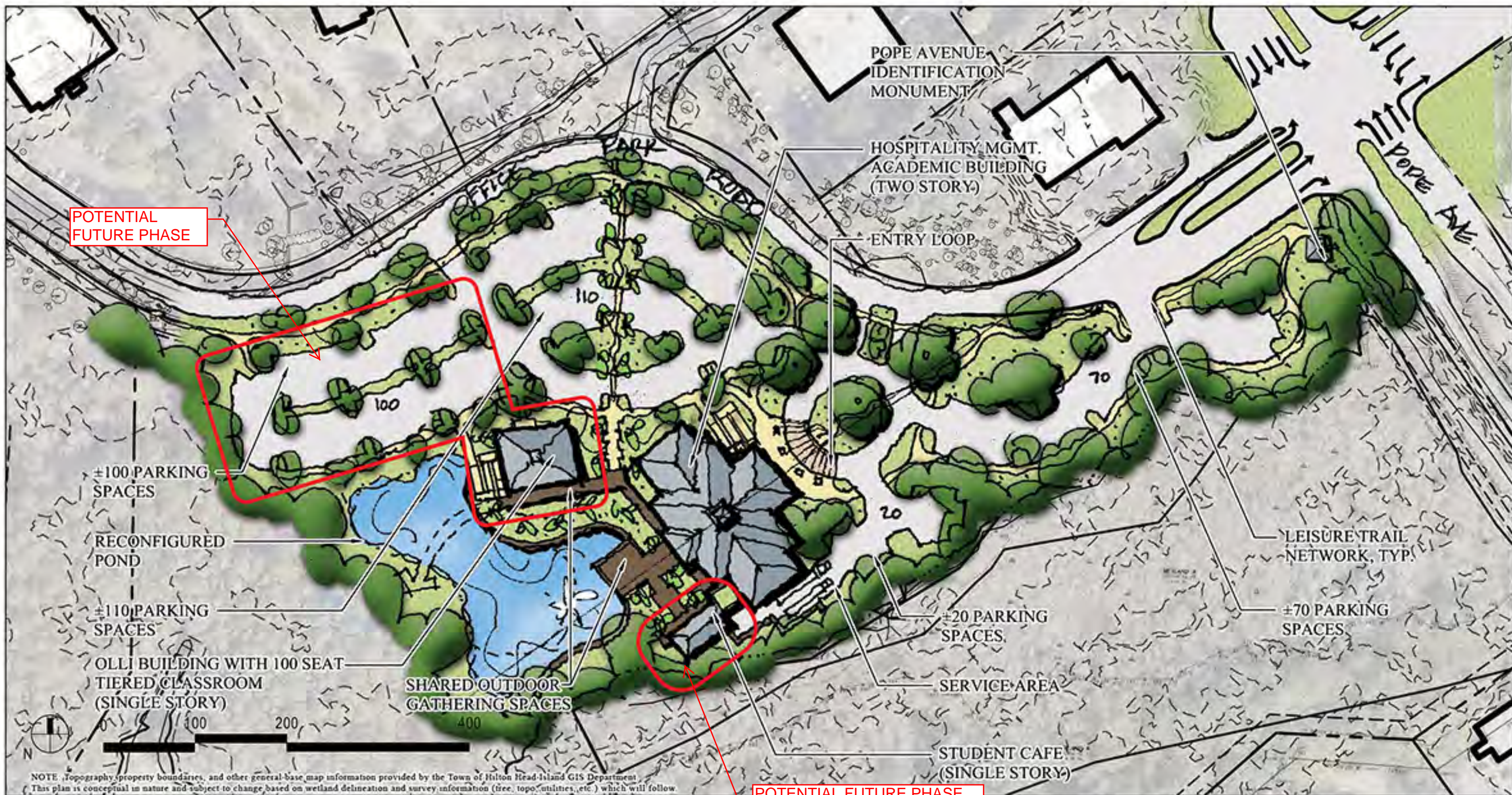
WATSON TATE SAVORY
architecture interiors planning

USCB OFFICE PARK ROAD
Hilton Head Island, South Carolina

WPI

Wood+Partners Inc.

Landscape Architects
Land Planners



POTENTIAL FUTURE PHASE

PROJECT No 01-14005

DATE 04-04-14

Scale: 1" = 100'

PRELIMINARY MASTER PLAN



WATSON TATE SAVORY

ARCHITECTURAL INTERIORS PLANNING

USCB OFFICE PARK ROAD
Hilton Head Island, South Carolina

WPI

Wood+Partners Inc.

Landscape Architects
Landscape Planners

RESOLUTION NUMBER 15-_____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND THE UNIVERSITY OF SOUTH CAROLINA BOARD OF TRUSTEES ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA BEAUFORT.

WHEREAS, the University of South Carolina Beaufort (“USCB”) is an institution of the University of South Carolina system, which is governed by the USC Board of Trustees; and

WHEREAS, USCB is an educational institution serving the residents of Hilton Head Island and the greater South Carolina lowcountry area; and

WHEREAS, the Town and USCB desire for USCB to operate an educational facility in the Town of Hilton Head Island intending to provide, among other things, a Hospitality Management Program, the Osher Lifelong Learning Institute, the Event Management & Hospitality Promotion Program, and other higher education and adult education programs, as well as other programs or services benefitting the Town and USCB; and

WHEREAS, in connection therewith, the Town and USCB desire to enter into an Memorandum of Understanding for the purpose of providing assurances to each other so that each may proceed with actions furthering the agreements and understandings as contained in the Memorandum of Understanding; and

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to enter into such a Memorandum of Understanding.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE
TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS RESOLVED BY
THE AUTHORITY OF THE SAID COUNCIL, AS FOLLOWS:**

1. The Mayor and/or Town Manager are hereby authorized to execute and deliver a Memorandum of Understanding with the University of South Carolina Board of Trustees on behalf of the University of South Carolina Beaufort, in substantially similar form as the Memorandum of Understanding attached hereto as Exhibit "A".
2. The Mayor and/or Town Manager is hereby authorized to take such other and further action as may be necessary to complete the Town's obligations described in the Memorandum of Understanding to be executed by them, which is authorized hereby.

**PASSED AND APPROVED BY THE TOWN COUNCIL THIS ____ DAY OF
_____, 2015.**

David Bennett, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____

EXHIBIT “A”

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“Agreement”) is entered into by and between the University of South Carolina Board of Trustees on behalf of the University of South Carolina Beaufort (“USCB”), and the Town of Hilton Head Island, South Carolina (“Town”), and shall be effective upon its execution.

WHEREAS, the University of South Carolina Beaufort is an institution of the University of South Carolina (“USC”) system, which is governed by the USC Board of Trustees; and

WHEREAS, any collaborative business or academic relationship entered into by any institution within the USC system must be approved and attested by the USC Board of Trustees and, as such, this Memorandum of Understanding shall be between the USC Board of Trustees and the Town of Hilton Head Island, South Carolina; and

WHEREAS, USCB is an educational institution serving the residents of Hilton Head Island and the greater South Carolina lowcountry area; and

WHEREAS, USCB currently operates the Event Management & Hospitality Promotion Program on behalf of the Town, and seeks to further its cooperative efforts with and for the Town; and

WHEREAS, the Town is a municipality whose residents attend and are enrolled in educational and related services provided by USCB, has existing cooperative efforts with USCB, and desires to build upon those efforts for the benefit of the Town, its residents, guests and businesses; and

WHEREAS, the Town and USCB desire for USCB to operate an educational facility in the Town of Hilton Head Island intending to provide, among other things, a Hospitality Management Program, the Osher Lifelong Learning Institute (OLLI), the Event Management & Hospitality Promotion Program, and other higher education and

adult education programs, as well as other programs or services benefitting the parties hereto; and

WHEREAS, this Agreement is entered into by and between the Town and USCB for the purpose of providing assurances to each other so that each may proceed with actions furthering the agreements and understandings as contemplated in this Agreement; and

WHEREAS, it is anticipated that an additional agreement or agreements may be necessary to further clarify and memorialize the details with respect to the future development and operation of an educational facility in the Town of Hilton Head Island, and the parties hereto will clarify and memorialize such details as it may become necessary.

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, including economic and other benefits inuring to both the Town and USCB as a result of this Agreement with regard to the future development and operation of an educational facility by USCB, the receipt and sufficiency of such consideration being hereby mutually acknowledged, the Town and USCB hereby agree as follows:

I. RECITALS

- A. The above WHEREAS clauses are hereby incorporated into this Agreement as if fully set forth herein.
- B. All exhibits attached hereto and/or referred to in this Agreement are hereby incorporated into this Agreement as if fully set forth herein.
- C. This Agreement is predicated upon Resolutions duly-adopted by both parties hereto.

II. PHASED MASTER PLAN

- A. The Town, at its cost and in close cooperation with USCB, shall develop a conceptual master plan (hereinafter, "Master Plan").

- B. The Town and USCB acknowledge that the Master Plan shall be implemented in phases, and such phases shall be sufficiently described in the Master Plan.
- C. It is anticipated that Phase I of the Master Plan will be comprised of necessary site improvements and construction of the Hospitality Management Building.
- D. It is acknowledged and agreed between the Parties that the Town is only obligated to provide funds for capital contributions as to Phase I of the Master Plan, and the Town will not be responsible for the ongoing cost of the operation or maintenance of any improvements implemented pursuant to the Master Plan and/or this Agreement.
- E. USCB shall use its best efforts in subsequent years to raise the funds necessary to implement additional phases of the Master Plan.

III. EFFORTS TO DATE

- A. A preliminary Master Plan has been developed and is attached hereto as Exhibit "A". The Town and USCB acknowledge that this Master Plan will be refined, but shall remain at all times in substantial conformance with the attached Exhibit "A".
- B. The Town has acquired two (2) parcels of property, and has contracted to acquire an additional two (2) parcels of property, upon which portions of the improvements contemplated by this Agreement will be located.
- C. USCB, through the Beaufort-Jasper Commission on Higher Education, has raised Two Million Five Hundred Thousand Dollars (\$2,500,000.00), and has placed these funds in a suitable interest-bearing account. These funds shall be used to implement Phase I of the Master Plan.
- D. The Town has secured a Tax Increment Financing (TIF) extension with its partners to allow the Town to meet its financial obligations described in Article IV(E) herein below.
- E. The Town has completed a Traffic Study for the Master Plan, which calls for a number of off-site improvements.

IV. OBLIGATIONS OF THE TOWN

- A. The Town, in cooperation with USCB, shall refine the Master Plan and pursue Public Project Review in accordance with the Town's Land Management Ordinance.
- B. The Town shall purchase or otherwise acquire (if not already acquired) title to the parcels necessary for the implementation of the Master Plan.
- C. The Town shall cause all site clearing of the parcels so acquired, including but not limited to the removal of any buildings, parking areas or other structures. For purposes of this Agreement, site clearing shall not include removal/clearing of trees or other such site preparation.
- D. The Town shall convey to USCB the land necessary to implement the Master Plan, excluding such lands as may be necessary to construct any off-site traffic and roadway improvements. Prior to this conveyance, the Town shall complete and deliver to USCB an Environmental Level 1 Study concerning the property to be conveyed, which shall show the property as sound and suitable for the immediate implementation of the Master Plan. At any such Closing of the conveyance of the property, the Town shall execute and deliver to USCB a General Warranty Deed (in substantial conformance with the attached Exhibit "B"), which shall contain a reverter clause in favor of the Town, providing that, absent mutual written consent as evidenced by a written document executed by the Town and USCB, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, title of the property so conveyed shall revert to the Town if any of the following events occur:
 - (1) The property so conveyed ceases to be utilized for the purposes of higher education and adult education services consistent with the educational mission and/or purpose of an educational institution such as USCB;

- (2) The date of commencement of construction (breaking ground) of Phase 1 of the Master Plan does not occur within five (5) years after the Closing Date;
 - (3) The date of completion of Phase 1 of the Master Plan does not occur within two (2) years after the date of commencement of construction (breaking ground) of Phase 1 of the Master Plan; or
 - (4) Abandonment of the educational facility project contemplated by this Agreement, or abandonment of the performance of this Agreement, by USCB at any time after the Closing Date.
- E. The Town shall commit to providing funding not to exceed Twenty-Two Million Dollars (\$22,000,000.00) towards necessary land acquisition and site clearing, as well as for the development, approval and implementation of the Master Plan. The Town acknowledges that USCB will not be able to proceed with construction until sufficient funding is in hand. It is acknowledged between the Parties that expected approximate costs to be withdrawn and applied solely from the above-referenced \$22 Million are as follows: (1) Three Million Five Hundred Sixty-Five Thousand Dollars (\$3,565,000.00) for land acquisition costs; (2) approximately Five Hundred Thousand Dollars (\$500,000.00) for site clearing costs; (3) approximately One Hundred Thirty Thousand Dollars (\$130,000.00) for preliminary planning and design costs in preparation for and in connection with Town Public Project Review; and (4) the remaining balance of Seventeen Million Eight Hundred Five Thousand Dollars (\$17,805,000.00) to be applied as capital contributions for implementation of Phase 1 of the Master Plan as well as various other costs (legal costs, “soft” costs, etc.). It is acknowledged and agreed between the parties that the Town’s total monetary obligation/contribution pursuant to this Agreement shall not exceed Twenty-Two Million Dollars (\$22,000,000.00).
- F. After USCB has received Town development plan approval for Phase 1 of the Master Plan, the Town will deposit the amount reflected in Article

IV(E)(4) above into a separate interest-bearing account, which account will be controlled by the Town. The parties acknowledge that the amount reflected in Article IV(E)(4) is approximate and the actual amount deposited into the separate interest-bearing account may vary from the projected amount. The Town will pay (out of the separate interest-bearing account) costs of implementation of Phase 1 of the Master Plan as well as various other costs (legal costs, “soft” costs, etc.), not to exceed the original amount placed into the separate interest-bearing account, upon submission of invoices.

- G. The Town shall install, at its cost, any necessary off-site traffic and roadway improvements as called for in the Traffic Study referred to in Article III(E) above. Current estimates are that these improvements will cost in excess of One Million Dollars (\$1,000,000.00).
- H. The Town shall not take any actions in connection with Town-owned property conveyed in accordance with Article IV(D) above, which in any manner would affect the performance of the terms of this Agreement (including but not limited to granting easements, selling or otherwise disposing of the property, or causing liens or other encumbrances to attach to the property), without the approval of USCB, which approval shall not be unreasonably withheld. Further, the Town shall act so as to preserve and hold Town-owned property which is not conveyed in accordance with Article IV(D) above, but which is adjacent to such property, for the purpose of advancing future cooperative efforts with USCB.
- I. The Town shall use its best efforts to cooperate with USCB in effectuating the terms of this Agreement.

V. OBLIGATIONS OF USCB

- A. USCB shall preserve and keep available Two Million Five Hundred Thousand Dollars (\$2,500,000.00) of its own funds, and shall apply such funds to the implementation of Phase I of the Master Plan.

- B. Subject to and in accordance with Article IV(D) and Article VI(N) herein, USCB shall accept the land and any documents or approvals necessary for the implementation of the Master Plan, with the exception of the land and documents/approvals necessary for the implementation of off-site road improvements.
- C. USCB shall be responsible for final design and permitting of the improvements necessary for the implementation of Phase I of the Master Plan.
- D. USCB shall cause the construction, installation, and implementation of the improvements in accordance with Phase I of the Master Plan.
- E. USCB shall operate and maintain all facilities constructed under Phase I of the Master Plan, as well as any additional phases, for higher education and adult education services to a standard consistent with the educational mission and/or purpose of an educational institution such as USCB.
- F. USCB shall use its best efforts to cooperate with the Town in effectuating the terms of this Agreement.

VI. GENERAL

- A. Amendment, Changes and Modifications. Except as otherwise provided herein, this Agreement may not be amended, changed, modified or altered without the written consent of both parties hereto.
- B. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.
- C. Assignability. This Agreement may not be assigned by either party without the express written consent of both parties.
- D. Construction. The parties agree that each party and its counsel have reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.

- E. Eminent Domain. Nothing contained in this Agreement shall limit, impair or restrict the Town's right and power of eminent domain under the laws of the State of South Carolina.
- F. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- G. Further Assurances and Corrective Documents. The parties hereto agree to do, execute, acknowledge, deliver or cause to be done all such further acts as may be reasonably determined to be necessary to carry out this Agreement and give effect hereto.
- H. No Waiver. Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such Party to exercise at some future time said right or any other right as it may have hereunder.
- I. Notices. Any notice, demand, request, consent, approval or communication which a signatory party is required to or may give to another signatory party hereunder shall be in writing and shall be delivered or addressed to the other at the address below set forth or to such other address as such party may from time to time direct by written notice given in the manner herein prescribed, and such notice or communication shall be deemed to have been given or made when communicated by personal delivery or by independent courier service or by facsimile, or if by mail, on the fifth (5th) business day after deposit thereof in the United States Mail, postage pre-paid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, consents, approvals, or communications shall be addressed:

to the Town at:

Stephen G. Riley, ICMA-CM
Town Manager, Town of Hilton Head Island
One Town Center Court
Hilton Head Island, South Carolina 29928

With a copy to:
Gregory M. Alford, Esquire
Alford & Thoreson, LLC
P.O. Drawer 8008
Hilton Head Island, South Carolina 29938

and to USCB at:

Chancellor
University of South Carolina Beaufort
One University Blvd
Bluffton, South Carolina 29909

With a copy to:
General Counsel
University of South Carolina
109 Osborne
Columbia, South Carolina 29208

- J. Recording. The parties hereto may not record this Agreement in the Office of the Register of Deeds for Beaufort County, South Carolina.
- K. Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
- L. Termination If either the Town or USCB is unable to raise its portion of the necessary funds, or otherwise fulfill its obligations, under or pursuant to this Agreement within five (5) years of the execution of this Agreement, then this Agreement shall automatically be terminated and any land conveyed to USCB pursuant to this Agreement shall be returned to the Town (by reverter or otherwise). The Parties agree that in such event, the remedy of Specific Performance is, among other remedies, appropriate to be utilized by a court of competent jurisdiction.
- M. This Agreement reflects the intent of the parties to proceed in good faith to execute definitive written agreements and/or take further action(s) with respect to the terms and conditions contained herein. Notwithstanding anything herein to the contrary, (i) if the Town determines that it is not

feasible to proceed with the improvements detailed herein or any matters in connection therewith, the Town shall have no liability under this Agreement; and (ii) if USCB determines that it is not feasible to proceed with the improvements detailed herein or any matters in connection therewith, USCB shall have no liability under this Agreement.

- N. This Agreement assigns certain financial responsibilities, including operating and maintenance costs of the parcel(s) and improvements to the University of South Carolina and thereby the State of South Carolina. The University of South Carolina is not authorized to accept those financial responsibilities without approvals from the South Carolina Commission on Higher Education (CHE), South Carolina Joint Bond Review Committee (JBRC), and the South Carolina Budget and Control Board. Similarly, all proposed acquisitions of real property must first be reviewed by the JBRC and then approved by the Budget and Control Board. All proposed purchases of real property require that both an appraisal and a Phase I Environmental Study be conducted on the subject property prior to review by JBRC and the Budget and Control Board. If the environmental firm that conducts the Phase I Environmental Study recommends a Phase II Environmental Study, then the Phase II Environmental Study must also be conducted. The University of South Carolina Board of Trustees' signature herein below, and the commitment of the University of South Carolina to bind itself to meet its obligations under this Agreement, are contingent on any and all permanent improvement project approvals from CHE, JBRC, and the Budget and Control Board. Should any of those bodies withhold approval of the permanent improvement project, then this Agreement is null and void.

IN WITNESS WHEREOF, USCB has caused this Agreement to be signed and sealed this _____ day of _____, 20____.

**SIGNED, SEALED AND
DELIVERED IN THE PRESENCE
OF:**

**UNIVERSITY OF SOUTH CAROLINA
BOARD OF TRUSTEES**

By: _____
Amy E. Stone
Secretary, USC Board of Trustees

Attest: _____

Print Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

ACKNOWLEDGEMENT

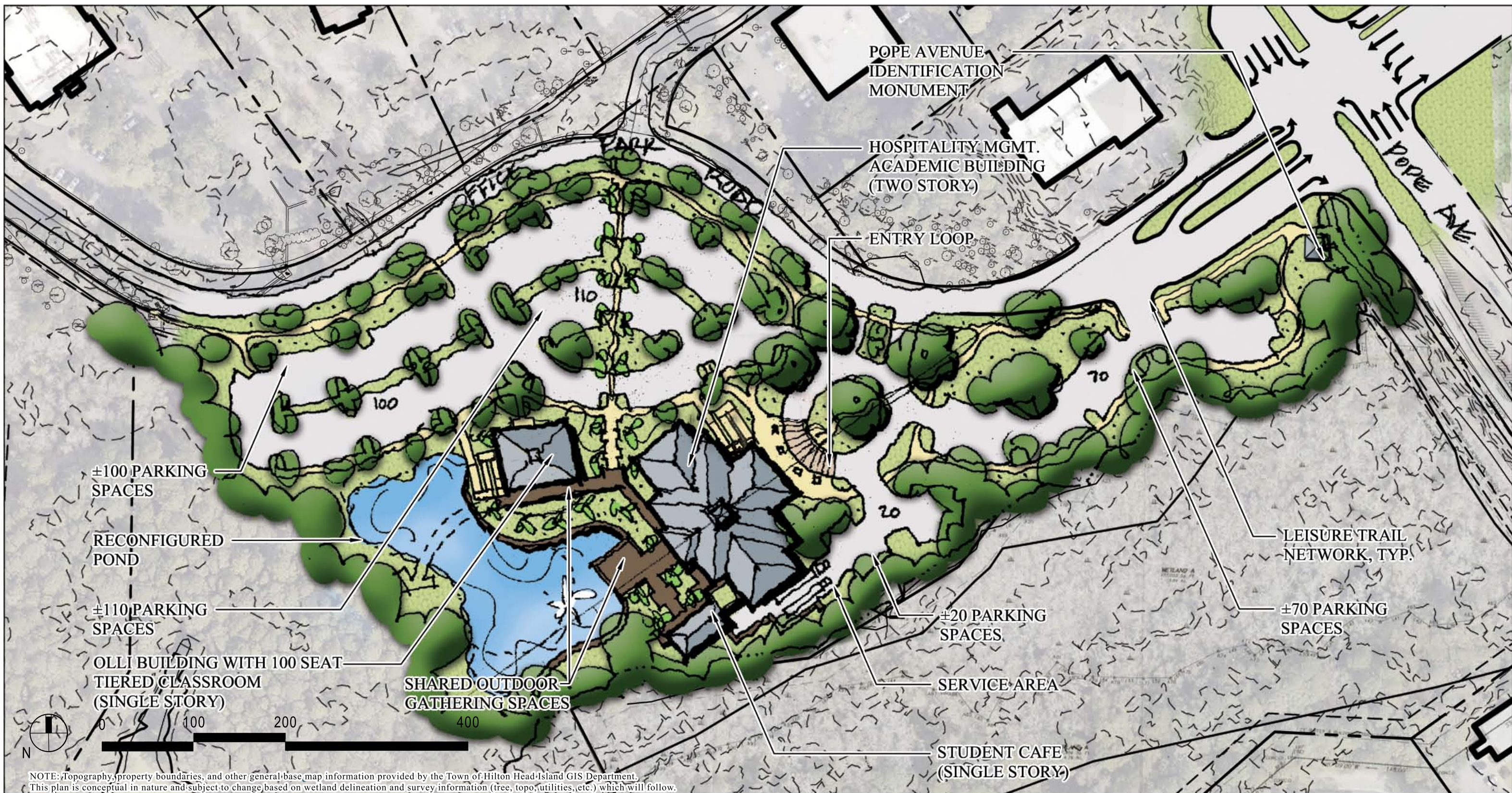
I, the undersigned Notary Public, do hereby certify that Amy E. Stone and _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the University of South Carolina Board of Trustees.

Witness my hand and seal this _____ day of _____, 20____.

Notary Public for South Carolina
My Commission Expires: _____

Page 12 of 12

EXHIBIT “A”
MASTER PLAN



PROJECT No 01-14005

DATE 04-04-14

Scale: 1" = 100'

PRELIMINARY MASTER PLAN



WATSON TATE SAVORY
architecture interiors planning

USCB OFFICE PARK ROAD
Hilton Head Island, South Carolina

WPI

Wood+Partners Inc.

Landscape Architects
Land Planners

EXHIBIT “B”

DEED

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) **GENERAL WARRANTY DEED**

KNOW ALL MEN BY THESE PRESENTS, that **THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA** ("Grantor") in the State aforesaid and in consideration of the sum of **TEN AND 00/100 DOLLARS (\$10.00)** and other valuable consideration to it in hand paid at and before the sealing of these presents by _____ ("Grantee"), having an address of _____, in the State aforesaid, the receipt whereof is hereby acknowledged, has granted, bargained, sold and released, and by these Presents does grant, bargain, sell and release unto the said Grantee, its successors and assigns forever, in the following described property:

ALL that certain piece, parcel or tract of land situate, lying and being in the Town of Hilton Head Island, Beaufort County, South Carolina, consisting of ____ acres, more or less, and shown and described as "_____" on a survey entitled "_____", dated _____, prepared by _____, certified by _____ S.C.R.L.S. No. _____, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book ____ at Page _____.

Beaufort County TMS#: _____

SUBJECT, however, to the following restrictions:

Absent mutual consent as evidenced by a written document executed by Grantor, its successors or assigns, and Grantee, its successors or assigns, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, the above-described property ("Property") shall automatically revert to Grantor, its successors or assigns, if any of the following events occur: (1) the Property

ceases to be utilized for the purposes of higher education and adult education services consistent with the educational mission and/or purpose of an educational institution such as Grantee; (2) the date of commencement of construction (breaking ground) of the initial phase of the improvements to be built on the Property does not occur within five years after (CLOSING DATE); (3) the date of completion of the initial phase of the improvements to be built on the Property does not occur within two years after the date of commencement of construction (breaking ground) of the improvements to be built on the Property; or (4) abandonment of the improvements to be built on the Property (or actually built on the Property) or abandonment of the associated higher education and adult education facility project by Grantee, its successors or assigns, at any time after (CLOSING DATE). The Property shall be held, sold and transferred subject to these restrictive covenants, which shall run with the land and be binding on Grantee and its successors and assigns, and any future owner of all or any part of the Property.

This Deed was prepared in the law offices of Alford & Thoreson, LLC, Post Office Drawer 8008, Hilton Head Island, South Carolina, 29938-8008, by Mitchell J. Thoreson, Esq.

TOGETHER with all and singular, the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said Premises before mentioned unto the said Grantee, its successors and assigns forever.

AND the said Grantor does hereby bind Grantor and Grantor's successors, assigns, executors and administrators, to warrant and forever defend, all and singular, the said Premises unto the said Grantee, the Grantee's successors and assigns, against Grantor and Grantor's successors and assigns and all persons whomsoever lawfully claiming, or to claim the same or any part thereof.

(SIGNATURES ON FOLLOWING PAGE)

WITNESS Grantor's Hand and Seal, this _____ day of _____, 20____.

SIGNED SEALED AND DELIVERED

TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

Signature of 1st Witness

By: David Bennett, Mayor

Signature of 2nd Witness (the Notary Public)

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

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I, the undersigned Notary Public do hereby certify that David Bennett and Stephen G. Riley personally appeared before me this day and, in the presence of the two witnesses above named, acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this _____ day of _____, 20____.

_____(SEAL)
Signature of Notary Public for State of South Carolina
My Commission expires:_____
(affix seal)