



# The Town of Hilton Head Island Special Parks & Recreation Commission Workshop

Thursday, September 10, 2015  
3:30 p.m. – CONFERENCE ROOM 3

## AGENDA

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As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting

1. **Call to Order**
2. **Pledge of Allegiance to the Flag**
3. **Freedom of Information Act 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.
4. **Approval of Minutes**
  - a. Parks & Recreation Commission Meeting of July 9, 2015.
5. **Appearance by Citizens on Items Unrelated to Today's Agenda**
6. **New Business**
  - a. Review and Discussion of Recreation Element of the Comprehensive Plan
  - b. Review and Discussion of Parks & Recreation Commission Rules of Procedure
  - c. Review and Discussion of Parks & Recreation Commission Powers and Duties
  - d. Review and Discussion of Individual Commissioners Park Visits
  - e. Review and Discussion of Recreation Association Contract with Town
  - f. Review and Discussion of Beaufort County Park Management Proposal
  - g. Discussion of Goals and Objectives for 2015/2016
  - h. Review and Discussion of Parks & Recreation Committees (Public & Private) in the Region.
7. **Park Commissioner Comments**
8. **Adjournment**

Please note that a quorum of Town Council may result if four (4) or more Town Council members attend this meeting.

**The Town of Hilton Head Island  
Parks & Recreation Commission  
Thursday, July 9, 2015  
3:30 p.m.**

**Members Present:** Paul Boes, Mario Caballero, Peter Keber, Fred Lowery, Heather Rath, Andrew Schumacher, Michael Weaver

**Members Absent:** none

**Town Council:** William Harkins, Mayor Pro Tem

**Town Staff:** Charles Cousins, Scott Liggett, Marcy Benson, Julian Walls, Shawn Colin

**Other:** Frank Soule, *Executive Director for Island Recreation Association*;  
Frank Babel, *Cycling Advocate*

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**I. Call to Order**

Chairman Rath called the meeting to order at 3:31 p.m.

**II. Pledge of Allegiance to the Flag**

**III. Freedom of Information 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.

**IV. Swearing in of Reappointed and New Members.** Mr. Harkins performed the swearing in ceremony and thanked all the Commissioners for their dedication to serving the community on this important Commission.

**V. Presentation of crystal award to outgoing member.** Mr. Harkins presented Ms. Terri Bennett with the crystal award and thanked her for her service to the Parks & Recreation Commission.

**VI. Election of Officers.** Commissioner Keber made a motion to nominate Ms. Rath to serve another term as Chairman. Commissioner Lowery seconded the motion. The motion passed unanimously. Commissioner Lowery made a motion to nominate Commissioner Keber for another term as Vice Chairman. Commissioner Schumacher seconded the motion. The motion passed unanimously.

**VII. Approval of Minutes**

The minutes of the Parks & Recreation Commission meeting of April 9, 2015 were approved as presented.

**VIII. Appearance by Citizens - none**

**IX. Reports**

**a. Update from Island Recreation Association.** For the benefit of the new Commissioners, Mr. Frank Soule gave a brief history and outline of the Island

Recreation Center and its relationship with the Town. Mr. Soule reported on the following programs and events:

- Summer Jams on Tuesday nights at the new Shelter Cove Community Park is a great event and doing very well. It is an excellent place to watch fireworks.
- The May event – Bacon, Beer and Music was very successful and well attended.
- The rowing and sailing center is up and running; the classes are going very well; exciting programs; looking to expand.
- Summer programs and camps are well attended.
- Working on changes to the scheduling of Chaplin Tennis courts.
- The Island Recreation Center will be launching its new website soon.
- Aquatics programs: lifeguard classes, group lessons, private lessons, lap swim, water babies all have many participants.
- Adult / Senior programs are very active; this summer we are taking advantage of the new pavilion at Shelter Cove Park for cross fit classes and on some evenings the cross fit classes are held at Jarvis Creek Park.
- SOAR is doing well and looking to expand
- Afterschool programs have wrapped up.

Commissioner Caballero inquired about birthday parties at Jarvis and whether “bouncy houses” were allowed. Mr. Soule replied that they had at one time allowed them but the liability and maintenance of the park became too prohibitive. Bouncy houses are used at community events but not for private parties at Town parks.

- b. **Update from Bicycle Advisory Committee (BAC).** Mr. Frank Babel reported that the May bike month activities were a big success. Last month the Town of Hilton Head Island went from a Silver Level Bicycle Friendly Community to a Gold Level Bicycle Friendly Community. This is a great achievement for the Town. It was accomplished through the efforts of many involved. Mr. Babel thanked Chairman Rath for all the work she did to promote this Gold Level Award. Hilton Head Island is recognized as the best island in the country to bike. Mr. Babel presented a map Sea Pines created which shows a trail that winds around the community of Sea Pines identifying 15 live oaks. Pedal 4 Kids will take place on September 26, 2015.

**X. Unfinished Business -**

Commissioner Keber stated that the Parks & Recreation Commissioners need to reexamine the goals and duties of this Commission for the coming year. Commissioner Keber suggested the Commissioners meet before the scheduled October meeting. All Commissioners should review the goals and duties and come to this meeting with ideas of what we can do and improve on for recreation on the island. Chairman Rath and Commissioner Keber will send out suggested dates for a meeting in September and prior to that all Commissioners should visit every park on the island and become familiar with each park.

**XI. New Business**

- a. **Update to the Parks & Recreation Commission Rules of Procedures.** Chairman Rath suggested the Commissioners review the Rules of Procedures particularly the section on frequency of meetings at the September meeting.

**XII. Park Updates.**

Mr. Scott Liggett stated that the Town has received a proposed plan for the transfer of county-owned and maintained recreational facilities to the Town from Beaufort County. The proposed plan transfers over 1.2 million in real property, an additional \$25,000 in maintenance equipment and nearly one million dollars in subsidies for recurring utility and labor costs over the next five years. Mr. Liggett stated the Town has not formally responded to this proposed plan.

Mr. Liggett asked the Commissioners if they would be willing to work with Town staff to develop an extent and level of service and associated costs that are involved in the proposed transfer. Mr. Liggett also asked the Commissioners to direct Town staff to alert Town Council that the Parks & Recreation Commission is willing to take on this task.

In the next six to eight months the Town will begin to prepare its Fiscal Year 2017 budget and from that we will be able to formulate a response to the County.

Mr. Liggett suggested that at the Parks & Recreation Commission's October meeting Town staff make a presentation to work with the Commissioners to develop an initial investigation based on the long term maintenance needs and the level of service costs involved in the County's proposed plan

Vice Chairman Keber made a motion to work with Town staff to develop an extent and level of service and associated costs that are involved in the proposed plan from Beaufort County for the transfer of county-owned and maintained recreational assets to the Town. Commissioner Schumacher seconded the motion. The motion passed unanimously. Mr. Liggett stated he will alert the Town Manager that the Parks & Recreation Commission will be taking on this task and this information will be passed on to Town Council.

**XIII. Park Commissioner Comments.**

Chairman Rath thanked Ms. Marcy Benson for her work on the Bicycle Friendly Community Application. Chairman Rath will send Ms. Benson an e-mail asking her to forward to all Commissioners a copy of the Beaufort County proposal, suggested dates for a meeting in September, the link to Sea Pines and the Compass app from the Chamber of Commerce site.

**XI. Adjournment**

There being no further business, the meeting adjourned at 4:45 p.m.

Respectfully submitted by Eileen Wilson

Approved by: \_\_\_\_\_  
Heather Rath, Chairman

# 10 Recreation

*To enrich the quality of life for residents and visitors by providing diverse recreational facilities and programs which respond to changing needs of the population.*

## Introduction

Hilton Head Island has become well-known throughout the country as a world class resort destination recognized for its high quality recreational amenities and natural resources. Private resort and residential communities located on the Island provide an exceptional number of leisure facilities highlighting tennis, golf, swimming, bicycling, and boating. The Town government excels in providing specialized recreational facilities such as beach parks, leisure pathways, and ball fields where both residents and visitors may participate in recreation activities. The Town strives to work with public and private recreation organizations to promote leisure time programs and activities that will accommodate all ages, skill levels and interests of residents and visitors.

As discussed in the Cultural and Natural Resources Elements, the Island has a rich cultural history and an abundance of natural resources, including numerous archaeological sites that range from prehistoric shell rings to Civil War sites. The natural resources of the Island provide a highly scenic and diverse landscape that offers outstanding views to water, marshes, maritime forests, and wetlands.

Over the past 15 years the Town of Hilton Head Island has taken steps to assess the future park and recreation needs of Island residents. The Parks and Recreation Commission was created in 1992 to establish long and short term goals for development and management of parks and recreational facilities. In October 1995 the first Recreation and Open Space Plan was written outlining recreation needs for the next twenty years. The plan was adopted by Town Council on January 3, 1996 as an appendix to the Town's Comprehensive Plan. The plan was then amended in 1998 and 2000 to address additional future park locations. In 2005, the Recreation Element replaced the Recreation and Open Space Plan and was adopted as part of the Comprehensive Plan. The Recreation Element now includes revised park definitions; an existing facilities inventory; and new park guidelines which are currently in use. Listed below are park definitions which pertain to existing and future parks.

These definitions should be used as guidelines. Due to the unique characteristics of Hilton Head Island these definitions must be flexible. Existing and future parks may not fall neatly into one specific park category. For example, the Town beach parks which are listed as special use parks may also be considered regional parks.

Park service areas are referred to in the park definitions below. A park service area defines the geographic location of expected users. Accessory uses, although not stated in every definition, may be implied at both parks and facilities. For example, accessory uses at a gymnasium, may include fitness or aerobics classes, karate classes, basketball courts, and volleyball courts.

## 10.1 Park Definitions

### Activity Categories

*Passive Park:* A park and/or recreation area that is used for passive activities which may include walking, cultural and educational activities, contemplative activity, picnicking, non-organized sports activities, playground areas and beach access to name a few examples. Some small scale active activities may be included in a passive park.

*Active Park:* A park and/or recreation area that is used for active activities which may include organized sporting events and may be comprised of multi-purpose fields, multi-purpose sports courts, playground areas, multi-purpose trails, and boat landings. Passive activities may also be included in an active park.

## **Park Categories**

*Mini-Park:* The mini-park is the smallest park classification which is used to address limited, isolated or unique recreational needs. Mini-parks, also known as pocket parks, address unique recreational needs such as landscaped public use areas in a commercial or residential area, or scenic overlook areas. The mini-park may include such passive uses such as picnic areas, arbors, sitting areas and public art. Accessibility to mini-parks may be via interconnecting trails, sidewalks, or low-volume streets. Portions of the park site should be readily visible from adjoining streets to provide a secure environment. A mini-park may be between 2,500 square feet and 1 acre in size. However, park areas less than 5 acres may also be considered a mini-park. Ease of access from the surrounding area and linkage to the community pathway system are key concerns when selecting a mini-park site.

*Neighborhood Park:* The neighborhood park should serve as the recreational and social focus of the neighborhood. It may be developed for both active and passive recreational activities, and accommodate a wide variety of age and user groups. Creating a sense of place by bringing together the unique character of the site with that of the neighborhood is important to successful design. A neighborhood park should be centrally located within its service area, which may be ¼ mile to ½ mile radius. Ease of access and walking distance are critical factors in locating a neighborhood park. Generally 1 acre is the accepted minimum size necessary to provide space for a variety of recreation activities, while 1 to 5 acres may be considered optimal. Active recreational facilities should be used in an informal and unstructured manner. Neighborhood parks are not intended for programmed activities that result in overuse, noise, parking problems or congestion. Examples of active facilities are playgrounds or structures, court games, informal play fields, and tennis courts. Examples of passive uses are internal trails connecting to a pathway system, picnic/sitting areas, and contemplative or "people watching" areas. Generally active recreational facilities should consume approximately 50 percent of the park's acreage and the remaining 50 percent should be used for passive activities.

*Community Park:* The community park is larger in size and serves a broader purpose than neighborhood parks. Their focus should be on meeting the recreation needs of several neighborhoods or large sections of the community. They allow for group activities and may offer other recreational opportunities not available at neighborhood parks. Community parks should be developed for both passive and active recreational activities. The optimal size for a community park is between 20 and 50 acres, but its actual size should be based on the land area needed to accommodate desired uses. Reserved and programmed uses are compatible and acceptable for a community park. Examples of active facilities at a community park may include large playgrounds or structures, game courts, ball fields, and swimming pools. Examples of passive facilities may include extensive internal trails, individual and group picnic areas, nature study areas, contemplative and sitting areas. Parking lots should be provided to accommodate user access.

*Special Use Park:* The special use park should offer the opportunity to highlight unique local historical, educational, cultural, and natural resources. Examples may include performing arts parks, special events parks, arboretums, ornamental gardens, amphitheaters, boat landing or other water-oriented facilities and beach parks. Features within a special use park may include both hardscape and softscape development for commemorative purposes. Park use may be passive with some sites functioning as venues for festivals, concerts and other special events. Special use facilities should be viewed as strategically-located community-wide facilities rather than as serving a specific neighborhood or area. The special use park is generally accessed by pedestrians via walkways, sidewalks, or trails around and throughout the site as well as by automobiles. Parking should be provided as appropriate for the specific park - some parks require a significant amount of parking (e.g., beach park) while others do not. Opportunities for sharing parking with nearby facilities should be explored for parks with occasional heavy use (e.g., performing arts park). Park use and space requirements are the primary factors in determining the size of the park site.

*Regional Park:* Regional parks supplement neighborhood and community parks and may serve broader-based recreational needs. The greater size permits large-scale development of both passive and active facilities providing a wide range of recreational activities. Regional parks may include sizeable areas of undeveloped land with natural vegetation and/or water features. The optimal size for a regional park may be between 50 and 85 acres. Regional parks may have a service area within reasonable and equal driving distance from the populations served. Some residential development should be within walking distance of the park, but any high use activity areas within the park should not be situated adjacent to residential areas. Regional parks may have frontage on major and minor arterial streets and may have designated bicycle and pedestrian pathway access. Major streets should be routed around, rather than through regional parks. One or more parking lots should be provided to accommodate user access. Examples of active facilities at a regional park include a large playground, sports complexes (possibly lighted) with single or multi-purpose fields and concession buildings, basketball courts, multi-use courts, tennis courts, and swimming pools. Examples of passive facilities include open spaces and nature reserves, extensive internal trails, 1 or more picnic areas, 1 or more picnic pavilions of varying sizes, fishing access sites, and landscaped contemplative areas.

*Private Park/Recreational Facility:* This classification recognizes contributions of private providers to the community park and recreation system. Private parks such as swimming pools, tennis courts, and party houses or meeting rooms are generally within residential areas developed solely for the use of residents and are maintained by a neighborhood association. These facilities should not be considered as a complete substitute for public recreation space. Other private recreational facilities are for-profit businesses such as health and fitness clubs, golf courses, and water parks. The location of private parks/recreational facilities is typically determined by a developer. Service areas for these parks will depend on the type of use. The size of the park is also dependent on the intended use of the park.

*Linear Park:* Linear parks are greenways of open space that may offer scenic beauty and may allow safe, uninterrupted pedestrian or bicycle movement along natural or man-made corridors. Generally they are located along waterways. Linear parks combined with the planned pathway system may link various other parks, residential neighborhoods, schools, libraries and businesses. Pedestrian and bicycle trails can accommodate both recreational and purposeful trips. Linear parks should conserve ecologically unique areas along marshes and creeks and provide long stretches of open space well suited for pathways. Existing tree cover within natural corridors should be protected. The maximum length of a linear park may be variable. The minimum width should be 50 feet. Support facilities throughout the linear park should include benches, bike racks, trash receptacles, drinking fountains, signage, and connectors to adjacent parks and pathways.

## **Implications for the Comprehensive Plan**

- The detailed definitions for the different park categories provide the Town with more information to plan for future parks and provide a tool to plan for specific types of parks to serve the community.

## **10.2 Major Facility Categories**

These are the major facility categories along with a description. Other facility categories are self-explanatory.

*Multi-Use Pathway or Trail:* Multi-use pathways or trails may be designed to provide walking, skating, bicycling, and other non-motorized recreational opportunities. These pathways should provide linkages to other areas and facilities and offer non-vehicular options for travel through the community. Paved pathways should generally be developed to a high level to accommodate greater numbers of users of all abilities. Non-paved pathways should generally be developed to match the intent of the park or recreational area in which it is located.

*Swimming Pool:* Swimming pools for general community use should be planned for teaching, competitive, and recreational purposes with enough space to accommodate diving boards. For teaching purposes the size of the swimming pool should be 75 feet by 45 feet and have an even depth of 3 to 4 feet in non-diving areas. For competitive purposes the size of the swimming pool should be 75 feet by 70 feet. This will accommodate approximately ten swimming lanes with a minimum of 25 square feet of water surface per swimmer. Generally swimming pools should be located in community or regional parks, within a 15 to 30 minute travel time for facility users.

*Basketball Courts:* Outdoor basketball courts for general community use should have unobstructed space on all sides. Generally outdoor basketball courts should be located in neighborhood or community parks and regional parks. The service radius for an outdoor basketball court is between ¼ mile and ½ mile and should have safe walking or biking access for facility users.

*Tennis Courts:* Outdoor tennis courts for general community use should be 36 feet by 78 feet and have a minimum of 12 feet clearance on both ends of the court and should be planned in groups of 2 to 4 courts in one location. Generally outdoor tennis courts should be located in neighborhood or community parks and regional parks. An outdoor tennis court should have safe walking and biking access for facility users.

*Baseball/Softball Field:* Baseball/Softball fields for general community use should be located in community or regional parks. Baseball/softball fields should be within a 15 to 30 minute travel time for facility users.

*Multi-Purpose Rectangular Field:* Multi-purpose rectangular sports fields for general community use should be located in community or regional parks. Examples of activities played on multi-purpose rectangular fields include football, soccer, lacrosse, and rugby. Multi-purpose rectangular fields will vary in size based on the intended use of the field - youth activities, adult activities, practice activities, programmed activities and tournament activities.

## **Implications for the Comprehensive Plan**

- The detailed definitions for the different recreational facilities provide the Town with the background needed to plan for future facilities and provide the basis to determine future needs.

### **10.3 Park Sites**

Table 10.1, Existing Island Parks, shows the existing parks listed by park category based on the general park definitions in Section 10.2. Some of these parks contain characteristics of multiple categories and were placed in the category that most describes their characteristics.

## **Implications for the Comprehensive Plan**

- An inventory of each facility, the type and the location should be used as a tool in determining whether or not the recreational facilities adequately serve the visitors and population of the community.

**Table 10.1: Existing Island Parks**

Park Category	Existing Parks	Acreage
Mini Park	Compass Rose Park	2
Neighborhood Park	Old Schoolhouse	3
	Greens Shell	3
Community Park	Barker Field*	20
	Island Recreation Center*	6
	Jarvis Creek *	56
	Crossings Park*	74
	Chaplin Community Park*	67
	Barker Field Expansion/Mitchelville Beach Park	27
Special Use Park	Shelter Cove Park	8
	Shelter Cove Memorial Park	6
	Fish Haul Park	31
	Folly Field Beach Park	1
	Islanders Beach Park*	13
	Alder Lane Beach Park	1
	Malphrus Beach Park	7
	Coligny Beach Park	8
	Cordillo Courts*	2
	Driessen Beach Park*	15
	Xeriscape Interpretive Garden	3
	Marshland Road Boat Landing	5
	Old House Fishing Pier (Freddie’s Place Landing/Rasta Drive Fishing Pier)	1
	Cross Island Boat Landing	3
	Honey Horn	69
Northridge (limited use due to conservation easements)	70	
Regional Park	Beaufort County Schools Campus	12
Private Parks/ Recreational Facilities	Leamington Recreation Center (Neighborhood Park)	varies
	Palmetto Hall Recreation Area (Neighborhood Park)	
	Hilton Head Plantation Spring Lake Area (Neighborhood Park)	
	Hilton Head Plantation Dolphin Head Area (Neighborhood Park)	
	Port Royal Plantation Children’s Play Field (Neighborhood Park)	
	Wexford Croquet Court (Neighborhood Park)	
	Sea Pines Harbor Town Liberty Oak (Neighborhood Park)	
	Sea Pines South Beach (Neighborhood Park)	
	Sea Pines Six Oaks Park (Neighborhood Park)	
	Hilton Head Plantation Whooping Crane Conservancy (Special Use Park)	
	Hilton Head Plantation Cypress Conservancy (Special Use Park)	
	Shipyard Beach Club (Special Use Park)	
	Port Royal Plantation Beach Club (Special Use Park)	
	Long Cove Community Dock (Special Use Park)	
	Sea Pines Newhall Preserve (Special Use Park)	
	Sea Pines Forest Preserve (Special Use Park)	
Sea Pines Deer Island Park Preserve (Special Use Park)		
Sea Pines Baynard Ruins Park (Special Use Park)		
Port Royal Plantation Croquet Court		
Linear Park	None at this time	0

Note 1: Parks in Table 10.1 with an asterisk (\*) can also be considered a Neighborhood Park.

Note 2: The school campus is considered regional in nature due to the stadium.

Note 3: The Northridge property is considered a Special Use Park; however, there are restrictive covenants on the property that prevent certain uses.

### 10.4 Park Development Guidelines

The National Recreation and Park Association (NRPA) is moving away from recommending national standards and encouraging communities to create their own unique standards or guidelines for public and private parks and recreational facilities. Since Hilton Head Island has a diverse wealth of recreation opportunities and a unique population that is divided among permanent residents and visitors to the Island, using generic park standards or guidelines is not appropriate.

Table 10.2 shows new park development guidelines and future park needs. The guidelines include park category, general park size, population served, existing parks in 2009, additional parks needed by 2020, and total number of parks needed in 2020, which includes both existing and additional park figures. The calculations for the additional parks needed by 2020 are based on the population projection of 53,300 permanent residents in the year 2020. This population figure was projected by the Town of Hilton Head Island in August 2004 for the Southern Beaufort County Regional Plan. In the Neighborhood Park and Community Park categories, the numbers for additional parks have been adjusted to better reflect the Island's unique characteristics, including private facilities and a public beach.

The park numbers shown in Table 10.2 reflect the recommended number of existing and future public parks and do not include parks located in private gated communities. It is unknown if the PUDs plan to expand or construct new parks or facilities for their residents.

The number of Community Parks needed in the year 2020 reflects the use of private facilities and beach. Several of the PUDs and private schools provide recreational facilities that could be accommodated in Community Parks such as rectangular multi-purpose fields and other single purpose fields. The number of additional Community Parks needed by 2020 has been adjusted to reflect this. For every 2 rectangular multi-purpose fields and 2 single-purpose fields in PUDs or at private schools, one Community Park was deducted from the guidelines for the number of parks calculated using the population projection of 53,300 permanent residents.

Park types recommended for expansion can be seen in reviewing the information in Table 10.2 for the Neighborhood Park, Community Park and Regional Park categories. Based on previous assessments, by the year 2020, a total of 2 additional Community Parks, 1 additional Regional Park, and 14 additional Neighborhood Parks were recommended for construction on the Island. The Town will work with residents of individual neighborhoods to determine if there is an interest for a neighborhood park. The number of additional parks needed and the total parks needed by 2020 presented in Table 10.2 in the Neighborhood Park category are based on the population projection of 16,421 permanent residents outside of PUDs. This number was used because the Town does not plan to construct Neighborhood parks inside PUDs. The word “varies” in Table 10.2 indicates the information is not based on population but rather the desire of the Town, the location of the property, and any opportunities available on the property.

Beaufort County adopted the Southern Beaufort County Regional Plan in 2006. One of the sections of this plan addresses parks and recreation on a regional level in southern Beaufort County. The Southern Beaufort County Regional Plan is not intended to replace this Recreation Element of the Hilton Head Island Comprehensive Plan. The Regional Plan has a broad scope of the recreation needs of the entire area while this Recreation Element also includes local and special use parks that serve the needs of the people on Hilton Head Island.

**Table 10.2: New Park Development Guidelines & Future Park Needs**

Park Category	General Size in Acres	Population Served	Existing Number of Parks in 2009	Additional Parks Needed by 2020	Total of Existing & Additional Parks Needed by 2020
Neighborhood	1-5	500-1,000	2	14*	16
Community	20-80	2,000-5,000	6	2	8
Regional	50-85	5,000-20,000	1	1	2
Special Use	1-50	1,000-5,000	16	0	16
Mini	2500sq. ft –1 acre	Varies	1	Varies	Varies
Linear	Varies	Varies	0	Varies	Varies

\*It should be noted that the need for Neighborhood Parks will fluctuate depending on the requests of each individual neighborhood.

The Town of Hilton Head Island worked with the Beaufort County to assist in the development of the Regional Plan. The Town provided information for the regional plan on the park and recreation needs of the residents of Hilton Head Island. The Southern Beaufort County Regional Plan recommended the Town of Hilton Head Island adopt the following levels of service for a regional park network:

- 12.2 acres of land per 1,000 residents; and
- \$722 of park and recreational facilities per capita

It should be noted this level of service was adapted from a list of existing parks considered regional in nature. With the inclusion of all other existing and future parks the Town of Hilton Head Island is exceeding this level of service.

### **FUNDING SOURCES**

Town Council attempts to minimize reliance on property tax while expanding alternative revenue sources. Several funding sources are used to construct and maintain the Town's park system.

- Parks impact fees were enacted Countywide to provide funding for emerging park needs. Similar to Traffic Impact Fees, parkland purchases and park developments have nearly exhausted the accumulated monies in our Park Impact Fee account. Thus, the Town may consider Interfund borrowing that will be repaid with interest as the Town continues to garner park impact fees through build out.
- Ad valorem property taxes, collected during the fiscal year.
- Sunday Liquor Sales Permit Fees derived from the sale of permits to sell alcohol on Sunday.
- County Contributions such as their bond issue for CIP projects.
- Donations.
- Grants.
- Local Accommodation Tax (ATAX) grants are derived from a State mandated two- percent tax on short-term rentals, hotels and motel accommodations.
- Beach Fees are derived from an additional two-percent Local Accommodations Tax levied by Town Council. This source provides dedicated funds to beach renourishment and related monitoring, dune refurbishment, maintenance and operations, and new beach parks and access facilities.
- Tax Increment Financing (TIF) are funds derived from increased assessed value above the baseline assessment when the TIF District was established. These funds may be used for public projects within the District.
- Real Estate Transfer Fee which is .25 of 1% on each real estate transaction in the Town. The funds generated by this fee are dedicated to the Land Acquisition Program and its debt service for land acquisition only.

### **Implications for the Comprehensive Plan**

- As the population of the Island changes, so does the need for recreational opportunities.
- Guidelines should provide a mechanism to establish a plan to develop future parks and to determine the needs of the community. Several factors should be considered such as population, level of service, and the associated projections. The Comprehensive Plan should provide the foundation to establish the guidelines while recognizing that other factors, such as changing community needs and use trends in order to determine whether or not future parks are necessary.
- Additional funding sources and ways to efficiently utilize the existing funding sources should be considered and reviewed.

## **10.5 Inventory of Existing Recreational Facilities**

Table 10.3 is an inventory of existing recreational facilities. The extensive list shows the wealth and variety of recreational facilities in the Town both outside and inside Planned Unit Developments (PUDs), giving a more accurate representation of available recreational facilities within the Town. Commercial businesses such as mini-golf, health clubs/fitness centers and tennis clubs were not included in the survey information. Private schools and church facilities were also not included.

Swimming pools and tennis courts located at multi-family developments were also not included in the inventory. These facilities are available to the owners of the multi-family units and their guests, and not to the general public. In the instance of a PUD, swimming pools and tennis courts available to all residents of the PUD were included in the survey and those available to only one group of property owners in the PUD were not counted due to their limited access.

Table 10.3, Inventory of Existing Recreational Facilities, shows that the Town has over 60 miles of paved pathways/trails. These pathways link various Town parks and commercial and residential areas of the Island. These pathways service pedestrians by providing access along roadways throughout the Island. The pathways are used by both residents and visitors for transportation and recreation activities such as bicycling, walking, and jogging. In private gated communities there are also paved pathways and trails.

While not limited to non-motorized boat traffic, the County boat landing at Marshland Road is used heavily by people to launch kayaks. Other launching sites exist at private and commercial marinas and docks along the waterfront throughout the Island and were not included in the survey information.

### **ROLE OF PRIVATE DEVELOPMENT**

The majority of the Town's neighborhoods consist of subdivisions that are master-planned with parks and recreation in mind. Parks are located to provide safe and convenient access to recreation opportunities. Most commonly, pathways and parks are privately owned and maintained by property owner's associations (POAs). The Town's current policy is that new development provides for community open space and parks to serve the development's residential population. Pathways located in private developments, which serve the connectivity needs of residents within the development, are not publicly accessible. The Town's pathways are intended to provide connectivity outside the gates to encourage non-motorized travel.

Although privately owned and maintained, their use by the general public cannot be discounted. The facilities provided by PUDs address many of the recreation needs of residents and visitors. Many of the parks are utilized as team sports practice fields when a resident parent serves as coach. Often there are non-resident participants who benefit from the private facilities.

### **ROLE OF SCHOOLS**

Given the high cost of land on Hilton Head Island, it is important that schools serve multiple needs of the community. When community groups or organizations wish to utilize Beaufort County School's fields, gymnasiums or other school facilities for recreation activities, each event must be approved and scheduled through the specific school's principal. A continued strong working relationship with the schools is strategic to providing the most efficient delivery of leisure services.

## **ROLE OF THE PUBLIC SECTOR**

Beaches: The Town of Hilton Head Island contains 12 miles of the world's finest beach. The entire beach is public, from the ocean to the high water mark. However, access to the beach may be either public or private. The Town of Hilton Head Island provides beach access at nine different locations:

- Alder Lane Beach Access, off South Forest Beach Drive
- Burkes Beach Access, at the end of Burkes Beach Road
- Chaplin Community Park, off of William Hilton Parkway
- Coligny Beach Park, off Coligny Circle
- Driessen Beach Park, at the end of Bradley Beach Road
- Fish Haul Park, at the end of Beach City Road
- Folly Field Beach Park, off Folly Field Road
- Islanders Beach Park, off Folly Field Road
- Mitchelville Beach Park, off Beach City Road

The beach is used for various recreational activities, including passive beach going, running, cycling, kite flying, surfing, swimming, exercising and numerous other activities. Maintenance of the beach is contracted with a private company that also supplies various equipment and beach items for a fee. Other planned activities include weddings, competitive races and events, religious services and fitness programs occur on the beach during various times. The beach has a significant economic impact to the community, from the creation of jobs associated with the beach and the millions of visitors and users, which is further described in both the Community Facilities and Economic Development Element of this plan.

Multi-Purpose Pathways: The Town of Hilton Head Island provides nearly 55 miles of public pathways and nature trails. The pathways are used for both transportation and recreation, by casual cycling and walking. The pathways are continuous through much of the island, providing connectivity to other recreational opportunities, and residential and other commercial centers.

In addition, there are more than 50 miles of pathways and shared roadways within the private developments. These private pathways are for the use of residents and renters of the respective communities and their guests.

Figure 10.1 Existing and Future Parks illustrates the existing and future parks anticipated for the Town.

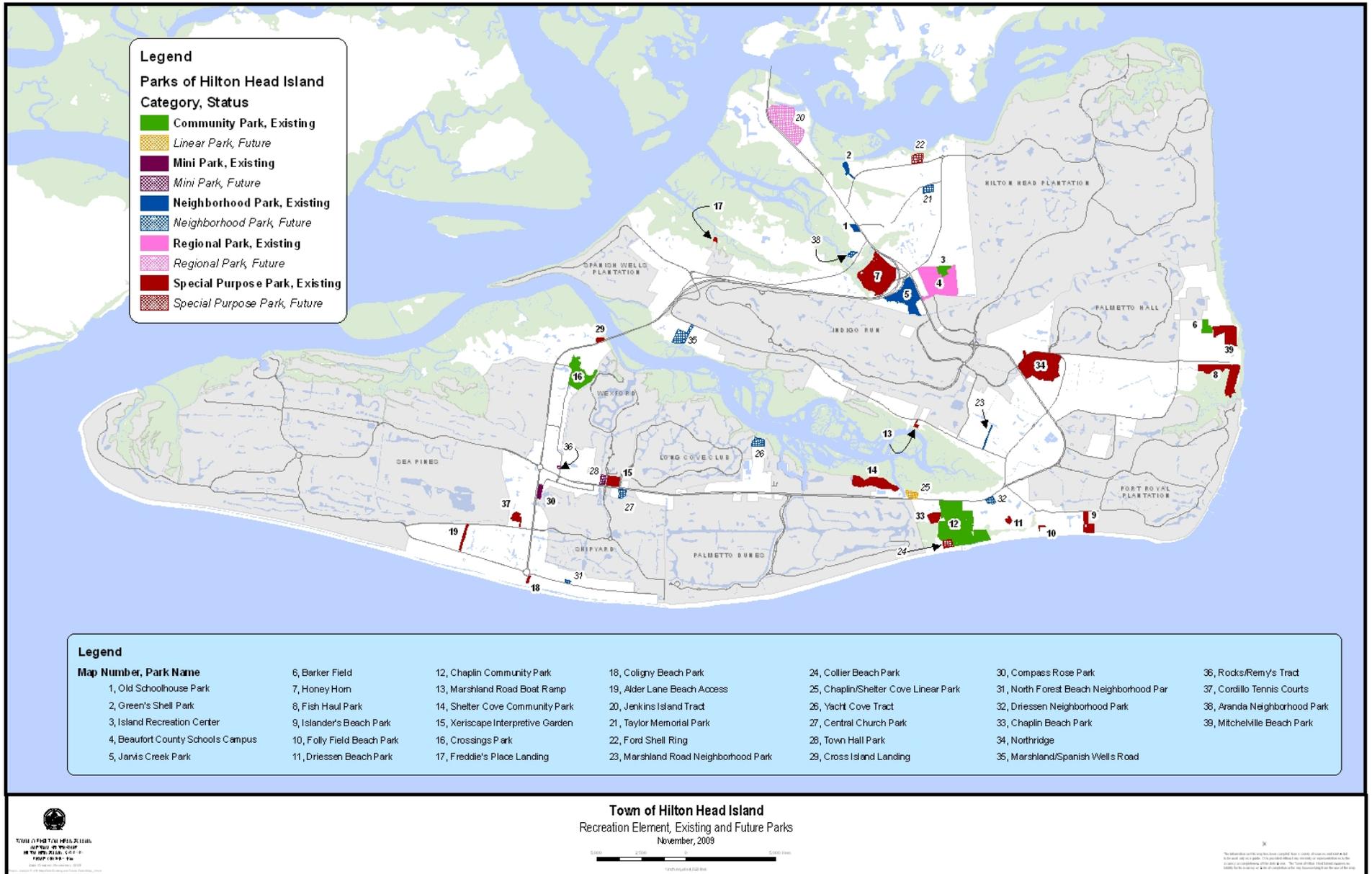
**Table 10.3: Inventory of Existing Recreational Facilities**

	Town of HHI	Bft County PALS	HH Schools Campus	Island Rec. Center	Boys & Girls Club	Hilton Head Plantation	Indigo Run	Long Cove Club	Palmetto Dunes	Palmetto Hall	Port Royal Plantation	Sea Pines	Shipyard Plantation	Spanish Wells Plantation	Wexford Plantation	TOTAL
Paved Trails (miles)	55		1.2			10	1.5		4		7	15	10		5	108
Unpaved Trails (miles)	2.5										2	2				6.5
Beach (miles)																13
Rectangular Multi –Purpose Fields	11	5	4	1		1	1					1				24
Single Purpose Fields	3	7	6			1		1		1	1					20
Running Track			1													1
Indoor Basketball Court			5	1	1											7
Outdoor Basketball Court	5	1		3	2	1.5		2			1				1	16.5
Outdoor Tennis Court	8	2	10			33	6	10	25	4	20	59	20	2	6	205
Volleyball Court			1	2		2										5
Public Golf Course (# of holes)						36	18		54	36	36	54	27			261
Private Golf Course (# of holes)						36	18	18			18	18		9	18	135
Outdoor Swimming Pool				1		1*	3*	1*		1	1*	4*		1	1*	14*
Indoor Swimming Pool												1				1
Playground	6	2	6	1	2	2	4	1	2	1	1	2	1		1	28
Dog Park	1															1
Beach Park	8					1			2		2	2	1			16
Creek Park								1								1
Boat Landing		3							1			1				5
Nature Preserve (Acres)	70**					177					6.5	605				858.5
Gymnasium			4	1	1											6
Community House/Meeting Room (Square Footage)	2,660			280	280	9,632	3575	14,000			3,500	5,400	4,000	1,500	5,500	50,327
Picnic Areas	22	2	1	1	1	2	1	2	2	1	2	1			1	39
Horse Stables												1				1
Lawn Bowling Court															1	1
Croquet Court											1				1	2
Roller Hockey Facility	1															1
Skateboard Facility	1															1
Outdoor Band/Theater/ Pavilion/Stage									1			2				3
Civic Art Areas									1			2				3
Teen Club					1											1
Rowing/Sailing Center									1							1

\*Of the 14 outdoor swimming pools in this table, 9 have outdoor “kiddy” pools in addition to adult pools.

\*\* This 70 acre nature preserve is the Town-owned Northridge property.

Figure 10.1: Existing and Future Parks



## Implications for the Comprehensive Plan

- It is important to understand the recreation facilities that are available throughout the Town. The inventory includes both public and private recreational facilities indicating that organizations and individual communities have assumed the responsibility to develop recreational opportunities to meet their needs. This detailed inventory of available recreational opportunities should be used as a tool in determining whether or not adequate facilities are available for the community.
- All organizations and groups, including the Town, School District and private communities and developers should work together when developing park and recreation plans.

### 10.6 Facilities Guidelines

As mentioned earlier, the National Recreation and Park Association is moving away from recommending national standards. The NRPA is advocating communities create unique guidelines for recreational facilities that will accommodate each community's individual needs. Guidelines for several regularly-used recreational facilities in Hilton Head Island have been developed by Town staff using information from a variety of sources such as public input, other communities' guidelines or standards, and the National Recreation and Park Association.

These guidelines are not rigid and can fluctuate depending on the community's recreation needs, population and the availability of land to build new facilities or renovate existing facilities. The total number of facilities used in these guidelines includes facilities located inside and outside private gated communities. By including these, the total number of recreational facilities is more accurately related to the total population of the Island. Some of the more popular facilities are described below.

Multi-purpose rectangular fields are typically used for sports such as football, baseball, soccer, lacrosse, and rugby. Currently there are 24 multi-purpose rectangular fields in the Town with 3 of those in gated communities. Since these fields accommodate a variety of sports the number of users that each field can serve is a cumulative total of 5,000 people.

There are currently 20 single purpose fields in the Town with 4 of those in gated communities. An example of a single purpose field is a baseball/softball field. Since these fields accommodate one type of sport the number of users that each field can serve is a cumulative total of 3,000 people.

There are a total of 23.5 basketball courts in the Town with 5.5 of those in gated communities. This number is a combination of 7 indoor and 16.5 outdoor basketball courts. One basketball court (indoor or outdoor) can serve approximately 5,000 people.

Tennis is a popular recreational activity in the Town. There are a total of 205 tennis courts on the Island with 185 of those in gated communities. This figure does not include commercial tennis facilities. One tennis court can serve approximately 4,000 people.

There are many swimming pools in the Town. There are 14 outdoor swimming pools in gated communities and 1 year-round indoor pool outside the gates. It is important to note that the outdoor swimming pool located at the Island Recreation Center converts to an indoor pool during the winter months with a dome that is placed over the pool facility. This pool is counted in the outdoor category. Of the 14 locations reporting outdoor pools, 9 also have outdoor "kiddy" pools. One pool can serve approximately 20,000 people.

The need for additional swimming pools has recently been a topic of discussion with residents and recreation organizations on the Island. There is one swimming pool for community-wide use located at the Island Recreation Center. Although there appears to be a sufficient number of limited access swimming pools Island residents believe another community-wide swimming pool should be constructed.

There are 28 playgrounds located in the Town with 14 of those in gated communities. One playground can serve approximately 2,000 people.

The waterways surrounding Hilton Head Island and the 13 miles of beaches draw residents and tourists to the Island to live, work, and visit the beautiful natural environment. There are 16 beach parks located on Hilton Head Island, 8 of these parks are owned and maintained by the Town. The number of people served by one beach park will fluctuate based on the park size, proximity to residential areas, and the number of parking spaces available at the park. In addition to the private and Town-owned Beach Parks there are several beach access points in established subdivisions throughout the Island, such as the North Forest Beach neighborhood, where residents can access the beach.

In and around Hilton Head Island there are 5 boat landings/ramps; 3 are county boat ramps and 2 are privately owned. Based on the available parking and the size of the boat landing, 1 boat landing can accommodate between approximately 1,000 to 8,000 people, depending on parking.

Outdoor recreation activities abound on Hilton Head Island and picnicking is a popular activity for both residents and visitors alike. The Town has 39 picnic areas with 12 of these in gated communities. Each picnicking area can serve approximately 2,000 people. Table 10.4: Future Parks and Suggested Facility Locations, indicates types of facilities and locations for future parks.

**Table 10.4: Future Parks and Suggested Facility Locations**

Park Category	Future Parks As Designated in the CIP	Suggested Facilities from the Public
Neighborhood	TBD (See Note 1)	Playgrounds Picnic Areas Basketball Courts Tennis Courts
Community	Yacht Cove Island Recreation Aquatics Center	Multi Purpose Fields (See Note 2) Swimming Pool with Kiddie Pool Indoor & Outdoor Volleyball Court Jogging Track With Exercise Stops Basketball Courts Tennis Courts
Regional	TBD	TBD
Special Use	Collier Beach Park Ford Shell Ring Sailing & Rowing Center	Sailing/Rowing Center Fishing Pier for Fresh & Salt Water More Boat Ramps/Landings
Mini	Rock’s/ Remy’s Tract	Water Fountains Picnic Areas Public Art
Linear	Chaplin Linear Park All Pathways	Boardwalks with Water Views Lighting, Street Furniture, etc.

Note 1: To be determined after coordinating with neighborhoods who desires neighborhood parks.

Note 2: Many organizations have requested dedicated single purpose fields. It is the Town’s desire to create as many multi-purpose fields as possible in order to supply the needs of the various ball teams. Better scheduling and lighting of the existing fields could result in postponing the need for construction of more fields. This needs to be monitored annually.

TBD: To be determined

## Implications for the Comprehensive Plan

- Guidelines should be considered when making recommendations for future park development. However, they should be used as a tool with the consideration that our population and visitors may have needs that are unique to the character of the Island community.

### 10.7 Park Maintenance Tasks and Levels of Service

Maintenance of parks and recreational facilities within the Town is done by both the Town and Beaufort County through shared informal agreements which may be formalized in the future as intergovernmental agreements. Beaufort County maintains the active recreational facilities such as multi-purpose fields and baseball and softball fields. The Town of Hilton Head Island Facilities Management Division maintains the passive parks and beach parks located on Town properties.

There is a high expectation of residents and visitors of Hilton Head Island for excellent recreational facilities. To maintain the expected level of service requires an impact on fiscal resources. Redevelopment and development of new parks and facilities should be considered in annual budgets to ensure that the long term maintenance is addressed.

The Town also maintains a beach patrol franchise agreement with Shore Beach Services for patrolling and servicing the 13 miles of beaches on the Island. The Town may want to investigate ways to work with Beaufort County to have improved maintenance to meet the expectations and evaluate ability of Town's Facilities Management Division to assume all maintenance and operation of parks.

#### **MAINTENANCE TASKS**

Maintenance tasks are divided into 7 major categories described below and are performed by both the Town of Hilton Head Island and Beaufort County to sustain a high level of service for the residents and visitors of Hilton Head Island.

#### **Park Landscape Maintenance**

Turf areas are mowed on a regular basis and sidewalks, decks, and parking lots are cleared with leaf blowing machines and edging on an as-needed basis. Pruning of trees and shrubs is performed when necessary to maintain an orderly appearance. Spraying for insect and disease control, weed control (performed by manual, mechanical, or chemical means) and mulching or pine strawing is performed throughout the year.

#### **Pathways/Sidewalks/Trails Maintenance**

Pathways are maintained in a safe and neat appearance at all times. This includes edging, and clearing tree limbs and branches, mowing shoulders and removing other objects interfering with a clear pathway.

#### **Playground Maintenance**

Grass, weeds, and other vegetation is hand-pulled from playground areas as needed. No chemicals are used in playground areas. All maintenance work in playground areas is performed during daylight hours.

#### **Ball Field Maintenance**

Turf at athletic fields is maintained by the County. Disease and insect problems are treated immediately upon observation and the irrigation systems are maintained in proper working order at all times.

#### **Park Janitorial Services**

Restroom facilities at park locations are opened and cleaned daily with additional cleanings on weekends, holidays, and during the visitor high season between Memorial Day and Labor Day.

**Litter Control**

All litter and debris is removed prior to mowing or any other landscape services performed at Town parks and recreational facilities. Trash receptacles at park locations are emptied daily.

**Street Sweeping**

All Town owned parking lots and entry roads into parks and recreational facilities operated by the Town are swept weekly.

**Recycling**

The Town has established a beach and park recycling pilot program at Islander's and Coligny Beach Parks, as well as Chaplin Park to serve the highest concentration of Island residents. A solar powered trash receptacle with a recycling kiosk will also be installed in Coligny Beach Park.

**Implications for the Comprehensive Plan**

- Responses from the Community Survey indicated that the community is satisfied with the existing recreational facilities and parks; however, would like to ensure that they are maintained to ensure high quality and character.
- Fiscal responsibility and the community's willingness to pay for potential increase in costs associated with the redevelopment or development of new or existing facilities and to maintain a certain level of quality should be included as a consideration when making policy and planning decisions.
- The Town should coordinate maintenance standards and other related maintenance issues, including a formalized agreement with Beaufort County and Shore Beach Services to verify that all organizations and departments involved in maintenance of recreational facilities are operating under the same standards.

**10.8 Recreation Programs**

Recreation programs for children, adults and senior citizens in Hilton Head Island are offered through the Island Recreation Association and Beaufort County Parks and Leisure Services (PALS). The Island Recreation Association is a non-profit organization which provides and coordinates public recreation programs, activities and special events in the Town. Beaufort County PALS is a division of the county government which provides recreational facilities and activities in Beaufort County.

The Island Recreation Association maintains the Island Recreation Center located on Wilborn Road on the north end of the Island. As a Town facility, it is being reviewed for recapitalization and maintenance by the Town in the future. This facility and several other recreational facilities in the Town are home to many of the programs offered by the Association. Programs offered by the association are grouped into categories which include preschool programs, youth programs, youth athletics, adult and senior programs, adult athletics, aquatics and special events.

Pre-school programs are for children between the ages of 2 and 5, starting ages vary based on the program. Some of the programs offered include discovery club preschool, mother's morning out, storybook hour, art classes, kitchen/cooking classes and various sports.

Youth programs are for children in kindergarten through 5th grade. Some of the programs offered include kid's night out, girl's night out, after school recreation club, vacation club, summer camp, and birthday parties.

Youth athletics are for children between the ages of 6 and 12, some ages vary based on the activity. Some of the youth athletic programs offered are basketball, roller hockey league, flag football, soccer league, soccer camp, softball, junior golf school, karate, tennis, and baseball.

Adult athletics are offered through the Island Recreation Center and include: dodge ball league, basketball league, soccer leagues, tennis leagues, kickball league, and jazzercise classes.

Aquatics programs are offered to a variety of age groups from babies to master swimmers. Aquatic programs offered at the Island Recreation Center are: group swim lessons, water babies, private swim lessons, lifeguard training, masters swimming, Hilton Head aquatics swim team, open/lap swimming, water fitness classes and recreational swim club.

The Island Recreation Association also offers a variety of special events held during the year at various facilities throughout the Island. Some special events include: golf tournaments, a water festival, tennis tournaments, Wingfest, oyster roasts, and the Summer Jams concert series.

The Senior Center (SHARE) is a division of the Island Recreation Association and offers a variety of educational, recreation and social activities to adults over 50 years of age.

These activities are offered at various locations including the senior center (SHARE), the Island Recreation Center, St. Andrew Methodist Church and the Player's Club. The examples listed in the Adult Programs category are just a sample of the activities offered through the senior center. There also are regularly scheduled daily activities at the senior center facility such as bowling, group bicycle rides, table tennis, and bridge games. Numerous seminars and discussion groups are scheduled throughout the year which includes a wellness series, guest author series, gardening series, and financial seminars. Day and extended trips are organized through the senior center and they include trips to places of interests in the region such as Charleston, Beaufort, Kiawah Island, and Savannah and Macon, Georgia.

Beaufort County PALS offers youth and adult athletic programs on the Island. Throughout the year PALS coordinates adult soccer leagues and various youth sports leagues: baseball and softball, soccer, football, cheerleading, and basketball.

The Boys & Girls Club of the Lowcountry is an organization that exists solely for the benefit of children. It is funded by a variety of sources, but mostly depends on the community including churches, civic organizations, businesses, local foundations, and individuals. They provide such programs as Character and Leadership Development; Education and Career Development; Health and Life Skills; the Arts; and Sports, Fitness and Recreation.

Many of the private gated communities throughout the Town offer a variety of recreational programs for their residents and guests of residents. Examples of these programs include summer day camps, dancing lessons, fitness classes, social or special interest clubs, and holiday themed parties for adults and children. There are also an assortment of private sports organizations, such as Gator Football, Dixie Youth Baseball, Public Tennis Inc. and others, that provide programming for a variety of sports activities such as baseball, soccer, swimming, boating, football, tennis, golf, and martial arts.

## **Implications for the Comprehensive Plan**

- There are various programs available on the Island that cross different population and socio-economic groups. As our population changes, community programs and services should be evaluated to ensure that the needs of our community are being met. The variations in programs provide social interaction and provide connectivity among members of the community.
- It is recommended the Town continue to participate with local recreation organizations to develop recreation programs that will meet the needs of the residents and visitors of the Island, including: baseball, football, tennis, soccer, running, sailing, and martial arts.

## 10.9 Goals and Implementation Strategies

Key issues of recreation were identified based on public input that was received throughout this process and data that was collected by Town staff. Recreation needs are not isolated; therefore, the implementation strategies should be approached regionally and collectively, integrating a palette of solutions.

### Goals

#### **Goal 10.1 Recreation Needs**

- A. Continue to expand the public recreation system by providing adequate facilities to meet the needs of a broad spectrum of the Island population (including visitors) while maintaining sensitivity to the specific needs of the Island.
- B. Participate with local recreation organizations in the development of programs and facilities to meet the needs of the resident and visitor populations of the Island.
- C. Continue working with Beaufort County and the Town of Bluffton to ensure a regional park system on the mainland is developed that will serve the recreational needs of the residents and visitors of Southern Beaufort County.

#### **Goal 10.2 Protection of Unique Features**

- A. Acquire conservation and park lands as a means to preserve natural and cultural resources for educational, interpretive, and passive recreation uses.
- B. Expand national recognition of Town's recreational facilities, programs, and opportunities such as beaches, pathways and cycling.

#### **Goal 10.3 Neighborhood Parks**

- A. Provide neighborhood parks where needed and desired.

#### **Goal 10.4 Pathways**

- A. Continue improving and expanding the existing network of multi-use pathways throughout the Island enabling residents and visitors to access recreational areas, shopping centers, schools and businesses by non-motorized forms of transportation.

#### **Goal 10.5 Maintenance**

- A. Continue working with Beaufort County to provide the high standards of maintenance Island residents and visitors expect from this community.
- B. Budget for and provide cost effective park maintenance and operations in order to maintain the expected level of service for all Town-owned parks.

#### **Goal 10.6 Funding Sources**

- A. Continue to seek and utilize a variety of funding sources in order to attain required parks at build-out.

## **Implementation Strategies**

### **10.1 Recreation Needs**

- A. Be proactive in consideration of leisure services based on current park and recreation needs assessment.
- B. Continue participation with local recreation organizations in the development of programs and facilities to meet the needs of the diverse populations of the Island.
- C. Work with appropriate agencies to ensure the recreational needs of the Island's various age groups, specifically youth and elderly residents are met through adequate facilities and programs.
- D. Include within the park system a combination of all park types and strive to achieve the park guidelines as stated in this element by providing the number of future parks needed based on population projections.
- E. Encourage public participation in the ongoing development, implementation, and evaluation of recreational facilities and programs.
- F. Improve and expand existing parks to accommodate additional facility needs.
- G. Planning for parks should begin as appropriate Town-owned properties are identified for such a use, including locating specific facilities within future parks.

### **10.2 Protection of Unique Features**

- A. Coordinate with various agencies including Beaufort County Rural & Critical Lands Board and property owners to identify and purchase undeveloped property for parks and recreation lands as needed.
- B. Acquire properties located in areas of need for both passive and active uses, and for access points to waterways.
- C. Support accessible regional parks which complement the local park system.
- D. Seek recognition as a place that offers unique recreation facilities, programs and opportunities.

### **10.3 Neighborhood Parks**

- A. Work directly with residents of neighborhoods to determine a need or desire for a neighborhood park.

### **10.4 Pathways**

- A. Continually make improvements to the existing pathway system and provide new pathway links.
- B. Build pathways when improving or building roads and in conjunction with utility projects.
- C. Educate residents and visitors on the use of bicycles and the rules and responsibilities of bicycling.
- D. Educate residents and visitors on the use pathways.
- E. Link new parks with the multi-use pathway system.

### **10.5 Maintenance**

- A. Determine if the Town's Facilities Management Division should increase park maintenance responsibilities.
- B. Examine the need to create a Parks and Recreation Department to supplement or replace those services provided by Beaufort County.
- C. Work with the County to ensure high quality recreational facilities through proper maintenance.

### **10.6 Funding Sources**

- A. Apply for Federal and State grants for park construction.
- B. Continue to seek private donations and co-operative agreements.
- C. Continue to evaluate Park Impact Fee Program to determine its adequacy.
- D. Increase park maintenance funding proportionately to increases in park construction
- E. Seek additional funding sources.

# **TOWN OF HILTON HEAD PARKS AND RECREATION COMMISSION**

## **Rules of Procedure**

### **I. Officers and Duties**

The Commission shall consist of seven (7) members appointed by the Town Council. The Council shall seek members with experience in local organized recreation or who have experience in such programs elsewhere, or with experience in child care provision or in leisure service to senior citizens. The commission members shall be appointed for a term of three (3) years; provided, however, that no member may serve more than two (2) successive terms except for extraordinary circumstances where town council believes it to be in the best interest of the community to have a continuation, for a specified period, of a particular member of the commission.

#### *A. Election of Officers*

The Parks and Recreation Commission shall have two officers, a Chairman and a Vice-Chairman. At the first regular meeting following June 30 of any year and after all appointments to the Parks and Recreation Commission have been made by the Town Council for the Town of Hilton Head Island, South Carolina, the Parks and Recreation Commission shall elect a Chairman and a Vice-Chairman.

#### *B. Duties of Officers*

##### *1. Chairman*

A Chairman shall be elected by the voting members of the Parks and Recreation Commission and shall serve for a period of one year or until the first regular meeting following June 30. The Chairman may be re-elected for additional terms as Chairman subject to his/hers appointed term.

The Chairman shall preside at all meetings of the Parks and Recreation Commission and decide all points of order and procedure, subject to these rules, unless directed otherwise by a majority of the Parks and Recreation Commission members in session at the time.

##### *2. Vice-Chairman*

The voting members of the Parks and Recreation Commission shall elect a Vice-Chairman in the same manner and for the same term as the Chairman. The Vice-Chairman shall serve as acting Chairman in the absence of the Chairman and at such time the Vice-Chairman shall have the same powers and duties as the Chairman.

The Vice-Chairman shall succeed the Chairman; if the office is vacated before the term has expired, to serve the remainder of the term of the Chairman. A new Vice-Chairman shall be elected at the next regular meeting to complete the term.

##### *3. Secretary*

At the discretion of the Town Manager, a Town employee may act as the Secretary of the Parks and Recreation Commission and shall be responsible for the taking, transcribing and

maintaining the minutes of each regular or special meeting of the Parks and Recreation Commission.

4. *Staff Coordinator*

The Town's Community Development Director shall appoint a member of Staff to assist the Chairperson and the Secretary in Commission coordination, including discussing agenda items and any other item that needs attention for the efficient running of the Commission's meetings.

5. *Duties of the Commission*

The Parks & Recreation Commission shall have the powers and duties that are outlined in the Town of Hilton Head Island Municipal Code, Title 8, Chapter 7, PARKS AND RECREATION COMMISSION, which are summarized below.

When requested by Town Council, the Parks & Recreation Commission, as a recommending body to Town Council, shall make studies of the existing facilities for parks and recreation; assess the future recreational needs of the citizens and visitors of the Town; assess requests by recreation groups or citizens for changes to use or for additional facilities in existing or future parks; and make recommendations to the Town Council on such findings.

The Parks & Recreation Commission, in making such studies and recommendations to Town Council, shall:

- Analyze long and short term goals for development and management of facilities
- Analyze the operations, program delivery systems and financial commitment of the County
- Review existing and proposed recreation management services and programs and recommend providers of such services
- Recommend standards for development, preservation and maintenance of facilities
- Analyze budgets and financial statements submitted by existing management providers to the Town
- Analyze existing plans and proposals of the various boards, commissions or agencies of the Town (such as Planning Commission or Island Recreation Association) for development of parks, open space and recreation
- Conduct periodic surveys to determine whether the recreation Plan is meeting the wishes of the citizens
- Make recommendations for periodic updates to the Recreation Plan

Requests by recreation groups or citizens for changes to use or for additional facilities in existing or future parks shall be submitted in writing to the Mayor, who will forward the request to the Parks & Recreation Commission. The Parks & Recreation Commission will assess the feasibility of the request by using the following criteria: 1) how the request fits into Town Council's priorities and goals and 2) how the request fits into the adopted CIP and budget. Any new project request that is not in the current CIP and that the Parks & Recreation Commission would like to recommend to Town Council, needs to be held until the CIP is being reviewed for a new budget. Any recommendations from the Parks and Recreation Commission to the County regarding park operations or maintenance shall be directed to Town Council for communication to the County.

## II. Meetings

### A. Regular Meetings

Regular meetings of the Parks and Recreation Commission shall be held on the second Thursday of each month or such other date that may be determined by the Chairman or Town Staff.

### B. Special Meetings

Special Meetings of the Parks and Recreation Commission or an appointed committee may be called at any time by the Chairman. At least twenty-four (24) hours public notice, including the time, place and agenda for the Special Meeting shall be given.

### C. Cancellation of Meetings

The Chairman may cancel a Regular Meeting, if there is no business to conduct, by giving notice to all Parks and Recreation Commission members and the public not less than twenty four (24) hours prior to the scheduled Regular Meeting.

### D. Notification of Absence

All members of the Parks and Recreation Commission shall notify the Secretary to the Parks and Recreation Commission, as soon as possible, of any anticipated absences from a scheduled Regular Meeting.

The Secretary shall notify the Chairman in the event the projected absence(s) will produce a lack of a quorum. The Chairman, in the event of excessive absences of a member, may make a recommendation to the Town Council to reconsider the appointment of that member. Town Council shall remove any board member who fails to attend three (3) meetings without being excused in advance by the Chairman. Excessive absences, even though excused, may constitute cause for removal. (Reference The Town of Hilton Head Island Municipal Code 2-13-50 (Ord. No. 83-5, 9-26-83; Ord. No. 89-5, § 3, 3-6-89)

### E. Quorum

A quorum shall consist of four (4) members of the Parks and Recreation Commission.

### F. Conduct of Regular and Special Meetings

#### 1. Freedom of Information Act Compliance

All meetings shall be open to the public and all requirements of the South Carolina Freedom of Information Act [S.C. Code Ann. 30-4-10. *et seq.* (Supp. 1994)] shall be complied with in the conduct of meetings of the Parks and Recreation Commission.

#### 2. Applicability of Roberts Rules of Order

Roberts Rules of Order are hereby adopted for the conduct of Regular and Special Meetings of the Parks and Recreation Commission, unless otherwise provided herein. In the case of a conflict between these Rules and Roberts Rules of Order, these Rules shall govern.

#### 3. Order of Business

The order of business at Regular and Special Meetings shall be as follows: (I) Call to Order, (II) Pledge of Allegiance to the Flag, (III) Freedom of Information Act Compliance, (IV) Use of Cellular Telephone Prohibited, (V) Approval of Minutes of Previous Meeting, (VI) Appearance by Citizens for Items Not on the Agenda (*public comment is limited to five minutes*)

- *this limit may be extended at the discretion of the Commissioners*), (VII) Reports, (VIII) Unfinished Business, (IX) New Business, (X) Updates, (XI) Park Commissioner Comments, and (XII) Adjournment.

*G. Vote*

All members of the Parks and Recreation Commission shall be voting members and shall be entitled to vote on any issue before the Parks and Recreation Commission, unless they are in a conflict of interest on the matter being determined.

A vote of a simple majority of a quorum shall be required to pass a motion.

*H. Conflict of Interest*

It is the obligation of all members of the Parks and Recreation Commission, to disclose a conflict of interest. At a minimum, the South Carolina law regarding conflicts of interest shall control the Parks and Recreation Commission member's actions.

Any member of the Parks and Recreation Commission who believes that he or she has or may have a conflict of interest of any nature on any matter before the Parks and Recreation Commission, shall notify the Chairman of such conflict, abstain from any discussion or vote on the matter and complete any necessary and required Town potential conflict of interest forms at the meeting.

*I. Executive Sessions*

The Parks and Recreation Commission may go into executive sessions: (1) on matters permitted under the South Carolina Freedom of Information Act; (2) after disclosure of the nature of the subject matter and (3) the understanding that no vote on any issue may take place while in executive session.

**III. Amendments to the Rules**

These rules may be amended at any time by an affirmative vote of not less than four (4) members of the Parks and Recreation Commission, provided however that such amendment shall have first been presented to the entire Parks and Recreation Commission in writing at a Regular or Special Meeting preceding the Regular or Special Meeting at which the vote is taken.

**Date of Approval: March 11, 2010**

## Chapter 7 PARKS AND RECREATION COMMISSION\*

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**\*Cross references:** Public place defined, § 1-3-10(25); boards, committees, commissions, § 2-13-20 et seq.; beaches, Ch. 8; waterway defined, regulated, § 8-3-111 et seq.; sea turtle protection, § 8-5-116; water-based recreational activities, § 13-5-992; consumption of alcohol in public places, § 17-3-114; littering, § 17-6-111.

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### Sec. 8-7-10. Creation.

(a) The town parks and recreation commission ("commission") is hereby created pursuant to the authority of the Code of the Town of Hilton Head Island, South Carolina, chapter 13, section 2-13-10, [titled] "Establishment", and shall have the organization, powers and duties set out in this chapter.

(b) The commission shall consist of seven (7) members appointed by the town council. The council shall seek members with experience in local organized recreation or who have experience in such programs elsewhere, or with experience in child care provision or in leisure service to senior citizens. The commission members shall be appointed for a term of three (3) years; provided, however, that no member may serve more than two (2) successive terms except for extraordinary circumstances where town council believes it to be in the best interest of the community to have a continuation, for a specified period, of a particular member of the commission. This limitation shall not prevent any person from being appointed to the commission after an absence of one (1) year. All terms shall be established to end on June 30 of the appropriate year and members shall serve until their successors are appointed and qualified. Vacancies shall be filled by the town council for the balance of the unexpired term. The town council may remove a member for cause after written notice and public hearing. The commission shall elect a chairman and a vice-chairman from its members who will serve for one-year terms. It shall appoint a secretary who may be an officer or employee of the town or of the commission. No member of the commission may hold elected public office in the town or the county. The commission shall meet at the call of the chairman or at such times as the commission may determine. The commission shall adopt rules for the conduct of business and shall keep a public record of all proceedings and shall record the votes of each member on each question. The commission shall file reports on its activities to the town council on a quarterly basis.

(c) In the fulfillment of its duties as outlined herein, the commission shall have access to such town facilities and staff assistance, subject to the control and direction of the manager, as it may reasonably require.

(Ord. No. 92-32, § 1, 12-21-92; Ord. No. 98-29, § 1, 7-21-98; Ord. No. 99-20, § 1, 6-15-99)

### Sec. 8-7-20. Powers and duties.

The commission shall have the following powers and duties:

(1) To make studies of the existing facilities for parks and recreation within the Town of Hilton Head Island, and to assess the future needs of the citizens and residents of the

town, and to make recommendations to the town council for the establishment of long and short term goals concerning the development and management of parks and recreation facilities for the citizens and residents of the town (hereinafter the master parks and recreation plan).

a. In making such studies and recommendations to the town council, the commission shall include and/or address the following:

1. An analysis of the operations, program delivery systems, and financial commitment of the county to parks and recreation within the town;

2. A review of existing and proposed recreation management services and programs. The commission shall recommend to the town council providers of said services and/or programs;

3. A recommendation of standards for the development, preservation, and maintenance of parks and recreation facilities;

4. An analysis of budgets and financial statements submitted by existing recreation management providers within the town;

5. An analysis of the existing plans and proposals of the various boards, commissions, or agencies of the town; for example, planning commission, land bank commission as well as other entities such as the island recreation association, for the development of parks, open space and recreation (both passive and active) within the town.

(2) To conduct periodic surveys, either in conjunction with or independent from, existing service providers, to determine whether the master parks and recreation plan is meeting the wishes and desires of the citizens relative to parks and recreation within the town and to make a report of the results of such surveys to the town council.

(3) To make periodic recommendations to the town council for the periodic updating of the master parks and recreation plan for the town.

(Ord. No. 92-32, § 1, 12-21-92; Ord. No. 98-29, § 1, 7-21-98)

C 23-2012

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

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this 3rd day of April, 2012, 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 a recreational services and facilities throughout the Town; and

WHEREAS, the Town owns the 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 of Hilton Head Island and the Hilton Head Island Recreation Association desire to enter into an agreement wherein the Association will manage and operate the 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.

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 as follows:

1. **Governing Document.** It is the intent of the parties that this Memorandum of Understanding and the accompanying exhibits shall replace all previous documents entered into between the Town and the Association regarding the management and operation of the Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, and Chaplin Community Park and Tennis Courts and the Cordillo Tennis Courts.

**Exhibit A.** Agreement which shall govern the management and operation of Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park Tennis Courts and the Cordillo Parkway Tennis Courts.

**Exhibit B.** Site Plans for Parks and tennis Facilities

**Exhibit C.** Covenants and Restrictions (Shelter Cove Park)

**Exhibit D.** Use and Assessments Agreement (Shelter Cove Park)

**Exhibit E.** Van Der Meer Agreement (Cordillo Tennis Courts)

**Exhibit F.** Operation Plan for Tennis Courts

**Exhibit G.** Fee Schedules for Parks and Tennis Courts

2. **General.**

a. The Town owns the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Chaplin Community Park, and Cordillo Parkway Tennis Courts. The Association shall manage and operate the 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 Parkway Tennis Courts. Personnel of the Association shall not be employees of the Town.

b. The Association shall coordinate a schedule of programs that utilizes all areas at the Center, above mentioned Parks and Tennis Courts and those School District recreational facilities made available to the Town by the lease. Programs shall be offered for all age groups. Access to facilities at the Center, Parks and Tennis Court facilities shall be without regard to race, creed, disability, color, sex or national origin.

3. **Maintenance.** The Association shall maintain all buildings, facilities and grounds at the Center and Tennis Courts in a clean, safe manner and in good repair, normal wear and tear excepted. Maintenance of the Shelter Cove Community Park and the Jarvis Creek Park shall be through the Facilities Management Division of the Town. Maintenance of the Crossings Park, Bristol Sports Arena, Barker Field Extension, and Chaplin Community Park shall be through Beaufort County.

4. **Programming.**

a. The Center and Parks, excluding the swimming pool, shall be open daily, except during annual maintenance and the following holidays: Christmas Eve, Christmas, New Years Day, Thanksgiving Day, Easter Sunday, Memorial Day, July 4th and Labor Day. Unless otherwise listed in the Agreement, hours of operation shall be as follows:

Monday through Friday	8:00 am-9:00 pm
Saturday	10:00 am-3:00 pm
Sunday	12:00 noon-4:00 pm

- b. The Association may schedule programs or have facility rentals that occur outside the normal operating hours.
- c. The Association shall be authorized to provide supervised instruction for various recreation activities as part of its regular programming. Instruction related to surfing classes may occur at the beach and will not be considered to be commercial activity upon the beach. The Association shall be authorized to utilize a golf cart or gator to access the beach and carry the equipment to all periods of instruction.

5. **Swimming Pool.**

- a. The swimming pool shall be open and staffed daily, except during inclement weather, periods of pool malfunction, installation and deflation of the Air Dome and the following holidays: Christmas Eve, Christmas Day, New Years Day, Easter Sunday, and Thanksgiving Day. The hours of operation shall be as follows:

Monday through Friday	9:00 am-7:00 pm
Saturday & Sunday	12:00 noon-4:00 pm

(During weekends, the Association may schedule programs or have facility rentals that occur outside these normal operating hours.)

The Association may also open the swimming pool at such hours as it shall determine are needed for special events, or during such additional periods as it determines are warranted by weather and anticipated use.

- b. In accordance with paragraph 4 of the Lease 1(b), the swimming pool shall also be open during school hours eight (8) weeks prior to the end of the school year for Board of Education programs. Staffing will be by appropriately certified Board of Education and Association personnel.

6. **Operating Funds.**

- a. The Association shall submit an annual operating budget to the Town. The submission of this budget shall coincide with the Town's annual budget process. The Town Manager, or his designee, shall inform the Association of the procedures to be followed in regard to the budgeting process.
- b. The Association shall raise 50% of its operating budget as shown on its operating account profit and loss statement from all sources other than the Town General Fund commitment for the annual operating budget of the Center. The Association shall also be authorized to charge reasonable user fees for programs and services provided by the Center, Parks and Tennis Court facilities. Such fees shall be designed to offset applicable personnel, administrative and operating expenses allocable to the program or service.

- c. Other entities, public or private, may contribute to the annual operating budget of the Association.
- d. It is understood by the Association that the Town will not provide operating funds for the facility on Cordillo Parkway now known as the Island Art Academy, during the term of the Association's lease agreement with the Art League or any other entity.

7. **Accounting Services.** The Town shall provide timely accounting, check writing, payroll, audit and income tax preparation services to the Association. These services shall include:

- a. a monthly and annual balance sheet and profit and loss statement;
- b. a monthly and annual general ledger of transactions;
- c. monthly reconciliation of bank statements;
- d. preparation of checks, including payroll checks and payroll tax payments, including filing of withholding, FICA and similar state and federal reports;
- e. all audit and audit review preparation services necessary to comply with Town requirements; and
- f. annual state and federal income tax submissions.

Accounting reports shall be in a format reasonably acceptable to the Association and the Town.

8. **Bank Accounts, Checks, and Payments.**

- a. Bank accounts shall be maintained in such institutions as the Association shall determine appropriate. Checks shall be prepared by the Town on the Association's check forms, normally based on a written request of the Association indicating the payee, account code and invoice or other appropriate reference data. Checks shall be signed by such person(s) as the Association shall determine.
- b. A separate checking account in an amount not to exceed Two Thousand Five Hundred dollars (\$2,500.00), unless otherwise authorized in writing by the Town, shall be maintained by the Association to fund smaller ongoing cash needs. Checks drafted upon this account shall be prepared and signed by such person(s) as the Association shall determine. When the Association requests the Town to transfer additional funds to replenish this account the Association will provide to the Town adequate information regarding payees, account numbers, and invoice or reference data to permit the Association's accounting records to be maintained properly. The Association shall make requests for

the Town to transfer additional funds to replenish this account on a not less than monthly basis.

- c. The Association shall provide to the Town schedules of pay rates of Association personnel, time sheets and other information requested by the Town for proper payroll records. Such personnel shall not be deemed employees or agents of the Town.

9. **Procurement and Purchasing.** Unless otherwise authorized in writing by the Town, the Association will adhere to procurement and purchasing procedures of the Town in its purchase of materials and services for the Center, Parks, and Tennis Courts. This shall not be interpreted to mean that the Town must execute or approve such purchases, however, unless otherwise agreed upon between the parties. All such purchases shall be deemed direct transactions between the Association and the entity providing the materials or services.

10. **Miscellaneous.**

- a. The Association shall provide the Town with current copies of all insurance policies of the Association relating to the Center, Parks and Tennis Courts within thirty (30) days of signing of the Agreement and copy the Town upon each renewal of said insurance policies.
- b. The Association shall provide the Town with copies of all insurance policies the Association requires Users to provide to the Association in accordance with the Agreements in Exhibits A, B, and C relating to the Center, Parks and Tennis Courts within thirty (30) days of receiving of the copy of the policy.
- c. The Association shall remain a not-for-profit independent entity whose policies and procedures shall be determined by its Board of Directors.
- d. The Association shall provide the Town with an annual independent audit report or audit review report. An annual audit report shall be submitted no less than every third year.

11. **Notices.** All notices required under this Memorandum shall be deemed to have been given if in writing and (a) delivered personally or (b) mailed first class, postage prepaid, to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark. The address of record may be changed by written notice to the other party.

12. **Term.** The term of this Memorandum of Understanding shall be from the date of execution to November 7, 2016. Prior to November 7, 2016, the Memorandum will be reviewed by the Town and the Association. Changes may be made only with and by the mutual consent of both parties.

13. **Termination.** In addition any other rights of termination set forth in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for the period of time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default.

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

**WITNESSES:**

*Harold D. Cochran*  
*J. McSole*

**WITNESSES:**

*B. E. Hulbert*  
*Connie Pratts*

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

By: *Suzanne Weber*

Attest: *[Signature]*

**TOWN OF HILTON HEAD ISLAND**

By: *[Signature]*  
Drew A. Laughlin, Mayor

Attest: *[Signature]*  
Stephen G. Riley, CM, Town Manager

EXHIBIT A

STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF BEAUFORT                )                    AGREEMENT

This Agreement is made on this 3rd Day of April, 2012, by and between The Town of Hilton Head Island, South Carolina (hereinafter "Town") and the Hilton Head Island Recreation Association, Inc. (hereinafter "Association"), A South Carolina Not For Profit Corporation.

Know all men by these presents that for and in consideration of the sum of One and no/100 (\$1.00) Dollars, each to the other paid at and before the execution and delivery of these presents, and also the full and faithful performance and completion of the mutual undertakings and covenants set forth herein, the receipt and sufficiency whereof is acknowledged by the Parties hereto, the Town and the Association agree as follows:

**ARTICLE 1 - DEFINITIONS**

1.0 *Definitions:* Particular words and phrases used herein shall have the following meanings:

1.01 *Agreement:* When used herein, "Agreement" shall mean and refer to this Agreement between The Town of Hilton Head Island, South Carolina and The Hilton Head Island Recreation Association, Inc.

1.02 *Association:* When used herein, "Association" shall mean and refer to the Hilton Head Island Recreation Association, Inc.

1.03 *Barker Field Extension Park:* The existing park located on 160 Mitchelville Road, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial attached as Exhibit "B.1"; and which is owned by the Town of Hilton Head Island, South Carolina

1.04 *Bristol Sports Arena*: The existing park located on 4 Helmsman Way, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial thereof attached hereto as Exhibit "B.2"; and which is owned by the Town of Hilton Head Island, South Carolina

1.05 *Chaplin Community Park*: When used herein, "Chaplin Community Park" shall mean and refer to the existing park, fencing, and parking area located 5 Castnet Drive, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial thereof attached hereto as Exhibit "B.3"; and which is owned by the Town of Hilton Head Island, South Carolina.

1.06 *Chaplin Tennis Courts*: When used herein, "Chaplin Tennis Courts" shall mean and refer to the existing tennis courts, fencing, and parking area located on at the Chaplin Community Park, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial thereof attached hereto as Exhibit "B.4"; and which are owned by the Town of Hilton Head Island, South Carolina.

1.07 *Cordillo Tennis Courts*: When used herein, "Cordillo Tennis Courts" shall mean and refer to the existing tennis courts, fencing, and parking area located on Cordillo Parkway, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial thereof attached hereto as Exhibit "B.5"; and which are owned by the Town of Hilton Head Island, South Carolina.

1.08 *Covenants and Restrictions*: The Declaration of Covenants and Restrictions (Shelter Cove Park) recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Deed Book 342 at Page 1726, a copy of which is attached hereto as Exhibit C.

1.09 *Crossings Park*: The existing park located on 6 Haig Point Circle, Hilton Head Island, South Carolina, and which is shown and described on the Pictorial thereof attached hereto as Exhibit "B.6"; and which is owned by the Town of Hilton Head Island, South Carolina.

1.10 *Daily Maintenance*: When used herein, "Daily Maintenance" shall mean daily cleanup of

trash, refuse, windblown sand, dirt leaves, sticks or branches, correction of loose nets or windscreens, and reporting of inoperable equipment or unsafe conditions at the Parks or at Chaplin Tennis Courts and Cordillo Tennis Courts.

1.11 *Jarvis Creek Park:* The existing park located on 50 Jarvis Park road, Hilton Head Island, South Carolina, and which is shown and described on the Plat thereof attached hereto as Exhibit "B.7"; and which is owned by the Town of Hilton Head Island, South Carolina

1.12 *Operational Plan:* When used herein, "Operational Plan" shall mean and refer to the plan for the operation of the Chaplin Tennis Courts and the Cordillo Tennis Courts other than Daily Maintenance required by this Agreement and which is attached hereto as Exhibit "F".

1.13 *Repairs and Maintenance:* When used herein, "Repairs and Maintenance" shall mean and refer to all repairs and maintenance to the Parks or Chaplin Tennis Courts and the Cordillo Tennis Courts other than Daily Maintenance.

1.14 *Shelter Cove Community Park:* The existing park located on Shelter Cove Lane, Hilton Head Island, South Carolina, and which is shown and described on the Plat thereof attached hereto as Exhibit B.8.

1.15 *Town:* The Town of Hilton Head Island, South Carolina.

1.16 *Town Council:* The Town Council of the Town of Hilton Head Island, South Carolina.

1.17 *Use and Assessment Agreement:* The Agreement Concerning Use and Assessments dated February 2, 1999, a copy of which is attached hereto as Exhibit D.

1.18 *User Fees:* Fees to be charged to users of the Jarvis Creek Park and Shelter Cove Community Park to defray the cost of set up, clean up and supervision of events at the Jarvis Creek Park and Shelter Cove Community Park. User Fees shall be deemed to include deposits to cover expenses related to cleanup of the site and the like, which deposits may be held or refunded,

depending upon compliance with the user of the Jarvis Creek Park and Shelter Cove Community Park with the terms and conditions of the deposit. A copy of the Shelter Cove Community Park Fee Schedule is attached hereto as Exhibit "G.1." A copy of the Jarvis Creek Park Fee Schedule is attached hereto as Exhibit "G.2." A copy of the Chaplin Community Park, Bristol Sports Arena Park, Crossings Park, and Barker Field Extension Park Fee Schedule is attached hereto as Exhibit "G.3." A copy of the Chaplin Tennis Courts and Cordillo Tennis Courts Fee Schedule is attached hereto as Exhibit "G.4."

1.19 *Van der Meer Agreement:* When used herein, "Van der Meer Agreement" shall mean and refer to the Agreement by and between Dennis Van der Meer and the Sea Cabin Corporation, and their successors and assigns, to include the Town and the Association, a copy of which is attached hereto as Exhibit "E".

## **ARTICLE 2 - OPERATION OF THE PARKS AND TENNIS COURTS**

2.0 *Operation of Parks and Tennis Courts:* The Parks and Tennis Courts shall be operated in accordance with the terms and conditions of this Agreement.

2.01 *Association to Operate:* The Association shall have the obligation for the operation of the Parks and Tennis Courts as set forth herein.

2.02 *General Provisions:* The following general provisions shall apply to the operation of the Parks:

(a) *Hours of Operation:*

(1) The hours of the operation of the Shelter Cove Community Park shall be between 8:00 A. M. and 10:00 P. M.

(2) The hours of the operation of Jarvis Creek Park shall be from dawn to dusk.

(3) The hours of the operation of the Crossings Park shall be between 8:00 A.

M. and 10:00 P. M.

(4) The hours of the operation of the Chaplin Community Park shall be between 8:00 A. M. and 10:00 P.M.

(5) The hours of the operation of the Barker Field Extension Park shall be between 8:00 A.M. and 10:00 P.M.

(6) The hours of the operation of the Chaplin Tennis Courts shall be between 7:00 A.M. and 10:00 P.M.

(7) The hours of the operation of the Cordillo Tennis Courts shall be between 7:00 A. M. and sunset.

(b) *Town Ordinances:* The Association shall operate the Parks and Tennis Courts in a manner that complies with all applicable Ordinances of the Town.

(c) *Covenants and Restrictions:* The Association shall operate the Shelter Cove Community Park in a manner that complies with the Covenants and Restrictions.

(d) *Use and Assessment Agreement:* The Association shall operate the Shelter Cove Community Park in a manner that complies with the Use and Assessment Agreement.

(e) *Other Agreements:* The Association shall operate the Jarvis Creek Park and Shelter Cove Community Park in a manner that complies with any subsequent agreements between the Town and other property owners in the vicinity of the Jarvis Creek Park and Shelter Cove Community Park. Such agreements, if any, shall be appended to this Agreement by an appropriate amendment hereto.

2.03 *Scheduling of Events and Programs:* The Association shall be responsible for the scheduling of all events and programs at the Parks and Tennis Courts.

2.04 *Rules and Regulations:* The Association shall promulgate rules and regulations relating

to the use of the Parks and Tennis Courts for events and programs, which rules and regulations shall cover, at a minimum:

- (a) Inspection of the Parks and Tennis Courts prior to any event or program to determine the existence of any unsafe conditions, or the need for any repairs or maintenance to the Parks and Tennis Courts or the structures and buildings thereon;
- (b) Parking for the event or program;
- (c) Responsibility for any required set up for the event or program;
- (d) Responsibility for tear down for the event or program;
- (e) Litter control during the event or program;
- (f) Provision of sanitary facilities for the event or program, to include temporary restroom facilities at Cordillo Tennis Courts during tennis tournaments;
- (g) Cleanup of the facilities of the Jarvis Creek Park and Shelter Cove Community Park at the conclusion of the event or program;
- (h) Police, security and EMS coverage for the event or program; and
- (i) Insurance requirements for the event or program.

2.05 *Operational Plan:* The Association shall develop and plan for the operation of the Chaplin Tennis Courts and Cordillo Tennis Courts, which plan shall conform to the requirements of this Agreement and the Van der Meer Agreement. The Operational Plan shall show, at a minimum:

- (a) The hours of operation of the Chaplin Tennis Courts and Cordillo Tennis Courts;
- (b) The method for scheduling of play at the Chaplin Tennis Courts and Cordillo Tennis Courts;
- (c) The method for awarding court time for the scheduling of multiday tennis tournament for Spring Break tennis tournament play, or similar tournaments which have multiple sponsor

interest, shall be by Request for Proposals (RFP), with a minimum of three committee members making the selection. The membership of the committee shall be one Island Recreation employee and two Town staff employees appointed by the Town Manager, or his designee. The RFP shall at a minimum require a fee for court usage, an on-site representative during all tournament play, insurance, demonstrated ability to manage similar events, ability to provide for the health, safety, and welfare of players and spectators, and the provision of temporary restroom facilities for tournament play at the Cordillo Tennis Courts.

- (d) The permitted activities;
- (e) The plan for Daily Maintenance;
- (f) The plan for safety inspections;
- (g) The security and safety protocols;
- (h) The staffing; and
- (i) Any other matters material to the operation of the Chaplin Tennis Courts and Cordillo Tennis Courts.

*2.06 Approval of Rules and Regulations and Operational Plan:* Prior to implementing the Rules and Regulations, the Association shall submit the proposed Rules and Regulations to the Town Council for its approval. Any proposed change to the approved Rules and Regulations shall be submitted to the Town Council for its approval.

*2.07 Approval of Operational Plan:* Prior to implementing the Operational Plan, the Association shall submit the proposed Operational Plan to the Town Council for its approval. Any proposed change to the approved Operational Plan shall be submitted to the Town Council for its approval.

*2.08 Event Staffing:* The Association shall provide sufficient staff and personnel to supervise

the set up of events, programs, parking during events or programs, litter control during and after events or programs, sanitizing of facilities, and clean up of the Parks and Tennis Courts at the conclusion of any event or program.

2.09 *Inspections:* The Association shall conduct regular inspections of the Parks and Tennis Courts to determine the existence of any unsafe conditions, the need for any repairs or maintenance or the need for cleaning of the Parks and Tennis Courts. Such inspections shall be on a schedule to be determined by the Association, but in no instance less than once per month.

2.10 *Utilities and Other Services:* The Association shall, at its expense, arrange for the provision of utilities or other services for the Cordillo Tennis Courts, including, but not limited to, water and electricity. Utilities at the Chaplin Tennis Courts will be provided through Beaufort County Division of Parks and Leisure Services.

2.11 *Ownership of Town Property:* The Parks, Chaplin Tennis Courts, and Cordillo Tennis Courts shall remain the property of the Town. Other than as is expressly set forth herein, the Association shall have no proprietary interest in the Parks, Chaplin Tennis Courts, or Cordillo Tennis Courts.

### **ARTICLE 3 - USER FEES**

3.0 *User Fees:* The Association shall be entitled to charge User Fees for the use of the Parks and Tennis Courts to defray the cost of event set up, event cleanup and supervision of the Parks and Tennis courts during events.

3.02 *Schedule of Fees:* Prior to charging any User Fees for the use of the Parks and Tennis Courts, the Association shall prepare a schedule of such fees and present the same to the Town for approval by the Town Council. Any changes to the approved schedule of fees shall be submitted to the Town Council for its approval.

## ARTICLE 4 - INSURANCE AND INDEMNITY

4.0 *Insurance:* The Association shall provide insurance covering its operation of the Parks and Tennis Courts as follows herein.

4.01 *Public Liability Insurance:* The Association shall obtain and maintain in full force during the term of this Agreement, comprehensive general public liability insurance, including liability associated with serving alcoholic beverages, with minimum bodily injury, death and property damage limits, per occurrence, of ONE MILLION (\$1,000,000.00) DOLLARS insuring against any and all liability of the Association with respect to its operation of the Parks and Tennis Courts and all of the improvements, structures and buildings at the Parks and Tennis Courts. In addition to all other coverages, such insurance policy or policies shall specifically insure the performance by the Association of the hold harmless and indemnity provisions of this Agreement.

4.02 *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 the Association, the Town and such other persons or firms as the Town specifies from time to time. Such policies shall be for the mutual and joint benefit and protection of the Town, the Association and others hereinabove mentioned, and executed copies of such policies of insurance or certificates thereof shall be delivered to the Town within ten (10) days after the execution and delivery of this Agreement. All public liability policies shall contain a provision that the Town, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of the Association. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and

maintained by the Association in like manner and to like extent. All policies of insurance delivered to the Town must contain a provision that the company writing said policy will give to the Town twenty (20) days notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which the Town may carry.

4.03 *Indemnification and Hold Harmless:* The Association shall indemnify and hold the Town harmless from any claims for loss, damage or liability, including attorneys fees and costs incurred by the Town in responding to or defending any such claim, arising out of or on account of any injury, death or damage to any person, or to the property of any person, arising from or in any manner relating to the operation of the Parks and Tennis Courts by the Association, or arising from any act or omission of the Association with respect to the exercise of the Associations rights hereunder.

4.04 *Insurance, Indemnification and Hold Harmless by Certain Users:* The Association shall require applicants that are using the facility for either a business purpose or for a purpose in which they are charging a fee to provide proof of insurance covering the use at the facility and naming the Town and the Association as a named insured. Said policy shall indemnify and hold the Association and the Town harmless from any claims for loss, damage or liability, including attorney's fees and costs incurred by the Association or Town in responding to or defending any claim, arising out of or on account of any injury, death or damage to any person, or to the property of any person, arising from or in any manner relating to the use or activity by the Users of the Parks and Tennis Courts, or arising from any act or omission of the User with respect to the exercise of the said activity of the User.

## ARTICLE 5 - MAINTENANCE

5.0 *Maintenance of the Shelter Cove Community Park:* Maintenance of the Parks and Tennis Courts shall be as provided herein.

5.01 *Town to Maintain:* Maintenance of the Jarvis Creek Park, Shelter Cove Community Park, and Tennis Courts shall be through the Facilities Management Division of the Town.

5.02 *County to Maintain:* Maintenance of the Chaplin Community Park, Bristol Sports Arena, Barker Field Extension Park, and Crossings Park, shall be through Beaufort county.

5.03 *Association to Maintain:* The Association shall be solely responsible for the Daily Maintenance the Chaplin Tennis Courts and the Cordillo Tennis Courts and shall provide for the same in the Operational Plans to be provided by the Association and approved by the Town as set forth in Article 2 above.

5.04 *Inspections:* The Association shall conduct daily inspections of the Parks and the Chaplin Tennis Courts and Cordillo Tennis Courts to determine the existence of any unsafe conditions, the need for any daily maintenance or the need for repairs and maintenance to the Chaplin Tennis Courts and Cordillo Tennis Courts. The Association shall also provide appropriate on-site information to allow users of the Chaplin Tennis Courts and Cordillo Tennis Courts to report any unsafe conditions at the Chaplin Tennis Courts and Cordillo Tennis Courts.

5.05 *Notification:* Should the Association become aware of the need for repairs or maintenance to the grounds or any structure, equipment or building at the Jarvis Creek Park, Shelter Cove Community Park, or Tennis Courts the Association shall immediately take steps to secure any unsafe condition requiring repair or maintenance, and immediately notify the Town in writing of the condition requiring repair or maintenance. Should the Association become aware of the need for repairs or maintenance to the grounds or any structure, equipment or building at the Chaplin Community Park, Bristol Sports Arena, Barker Field Extension Park, and Crossings

Park the Association shall immediately take steps to secure any unsafe condition requiring repair or maintenance, and immediately notify the County and Town in writing of the condition requiring repair or maintenance.

5.06 *Town's Obligation:* Upon receiving notification of the existence of any unsafe condition at the Jarvis Creek Park, Shelter Cove Community Park, or Tennis Courts, or the need for any repairs and maintenance, the Town shall take such steps as are necessary to correct the correct the same.

#### **ARTICLE 6 - TERM**

6.0 *Initial Term:* This Agreement shall have an initial term of five (5) years.

6.01 *Renewal:* This Agreement shall be reviewed by the Town Council on or before March 20, 2017. This Agreement may be renewed at that time upon such terms and conditions as the Parties may agree.

#### **ARTICLE 7 - DEFAULT**

7.0 *Default:* Default under this Agreement shall be as set forth below.

7.01 *Events of Default:* The following shall be events of default under this Agreement:

- (a) The failure of the Association to comply with the terms of this Agreement and the Van der Meer Agreement;
- (b) Violation of any Federal, State or local law, ordinance or regulation by the Association in its operation of the Jarvis Creek Park or Shelter Cove Community Park;
- (c) The dissolution or termination of the Association; and
- (d) The cancellation of any policy of insurance required to be maintained under Article 4 hereof.

7.02 *Notice of Default:* Upon the occurrence of any event of default, the Town shall give the Association written notice of the Default.

7.03 *Right to Cure:* The written notice of default described in Article 7.02 above shall provide

that the Association has a period of fourteen (14) days to cure the default.

7.04 *Termination of Agreement:* Whenever any Event of Default described in Article 7.01 of this Agreement shall have happened and continue for a period of fourteen (14) days after delivery of written notice from the Town to the Association, the Town shall have the right to terminate this Agreement. Termination of this Agreement under this Article 7 shall not relieve the Association of the obligation to maintain any existing insurance as required under Article 4 for the full term thereof.

## **ARTICLE 8 - MISCELLANEOUS**

8.0 *Miscellaneous:* The following shall apply to this Agreement.

8.01 *No Assignment:* This Agreement and the rights and obligations under it may not be assigned by the Association.

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

8.03 *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.

8.04 *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.

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

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

8.07 *Recording:* The parties hereto may not record this Agreement, or a short form Memorandum thereof, in the R. M. C. Office for Beaufort County, South Carolina.

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

8.09 *No Third Party Beneficiaries:* The Parties hereto affirmatively represent that this Agreement is made solely for the benefit of the parties hereto and their respective successors and assigns and not for the benefit of any third party who is not a signature party hereto. No party other than the signature parties and their respective successors and assigns hereto shall have any enforceable rights hereunder, or have any right to the enforcement hereof, or any claim for damages as a result of any alleged breach hereof.

8.10 *Notices:* All notices, applications, requests, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered in person, or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows, or to such other place as may be designated in writing by the parties:

To the Town:           THE TOWN OF HILTON HEAD ISLAND  
                              Stephen G. Riley, CM, Town Manager  
                              One Town Center Court  
                              Hilton Head Island, SC 29928

To the Association:   HILTON HEAD ISLAND RECREATION ASSOCIATION, INC.  
                              Mr. Frank Soule  
                              Post Office Box 22593  
                              Hilton Head Island, SC 29928

8.11 *Attorney's Fees and Costs:* If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, or default in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover its reasonable attorney's fees and any costs incurred as a result of any such dispute, whether incurred before the institution of suit or after the commencement of suit, including

appellate proceedings, in addition to any other relief to which the prevailing party is entitled.

In Witness whereof, the parties hereto, by and through their duly authorized officials, have set their hands and seals this 3rd Day of April, 2012.

**WITNESSES:**

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

Karin A. Cooper  
Mike Soule

By: Suzanne Weber  
Attest: B. E. Hulbo

**WITNESSES:**

**TOWN OF HILTON HEAD ISLAND**

B. E. Hulbo  
Conni Pratt

By: Drew A. Laughlin  
Drew A. Laughlin, Mayor  
Attest: Stephen G. Riley  
Stephen G. Riley, C.M., Town Manager

## EXHIBIT B

### SITE PLANS

- B.1 BARKER FIELD EXTENSION
- B.2 BRISTOL SPORTS ARENA
- B.3 CHAPLIN COMMUNITY PARK
- B.4 CHAPLIN COMMUNITY PARK TENNIS COURTS
- B.5 CORDILLO TENNIS COURTS
- B.6 CROSSINGS PARK
- B.7 JARVIS CREEK PARK
- B.8 SHELTER COVE COMMUNITY PARK

EXHIBIT B.1

SITE PLAN

BARKER FIELD EXTENSION



PORT ROYAL SOUND

Fish Haul Road

Barker Field

Mitchelville Road

**Legend**  
 Barker Field Extension

EXHIBIT B.2

SITE PLAN

BRISTOL SPORTS ARENA



Palmetto Bay Road

Helmsman Way

Arrow Road

**Legend**

 Bristol Sports Arena



Town of Hilton Head Island  
Bristol Sports Arena  
February 2011 Aerial Photo



Photography of this site for planning purposes is not intended to constitute an offer of insurance or any other financial product. For more information, please contact your insurance agent.

EXHIBIT B.3

SITE PLAN

CHAPLIN COMMUNITY PARK



William Hilton Parkway

Singleton Beach Road

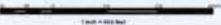
**Legend**

 Chaplin Community Park



TOWN OF HILTON HEAD ISLAND  
1000 STATE STREET  
HILTON HEAD ISLAND, S.C. 29928  
PHONE 843.785.1000  
FAX 843.785.1001  
WWW.HILTONHEADISLAND.COM

Town of Hilton Head Island  
Chaplin Community Park  
February 2011 Aerial Photo



The information on this map has been compiled from a variety of sources and is not intended to be used for any purpose other than general information. The Town of Hilton Head Island does not warrant the accuracy of the information on this map. The Town of Hilton Head Island is not responsible for any errors or omissions on this map. The Town of Hilton Head Island is not responsible for any damages or losses resulting from the use of this map.

EXHIBIT B.4

SITE PLAN

CHAPLIN COMMUNITY PARK TENNIS COURTS



William Hilton Parkway

Singleton Beach Road

**Legend**

 Chaplin Community Park

EXHIBIT B.5

SITE PLAN

CORDILLO TENNIS COURTS



EXHIBIT B.6

SITE PLAN

CROSSINGS PARK



Skull Creek

Palmetto Bay Road

Arrow Road

**Legend**

 Crossings Park



Town of Hilton Head Island  
Crossings Park  
February 2011 Aerial Photo



This information is for informational purposes only and does not constitute an offer of insurance or any other financial product. For more information, please contact your insurance agent or the appropriate regulatory authority. The Town of Hilton Head Island is not responsible for any errors or omissions in this information.



EXHIBIT B.7

SITE PLAN

JARVIS CREEK PARK



**Legend**

 Jarvis Creek Community Park



EXHIBIT B.8

SITE PLAN

SHELTER COVE COMMUNITY PARK



Marshes of Broad Creek

Shelter Cove Lane

William Hilton Parkway

**Legend**

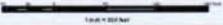
 Shelter Cove Community Park

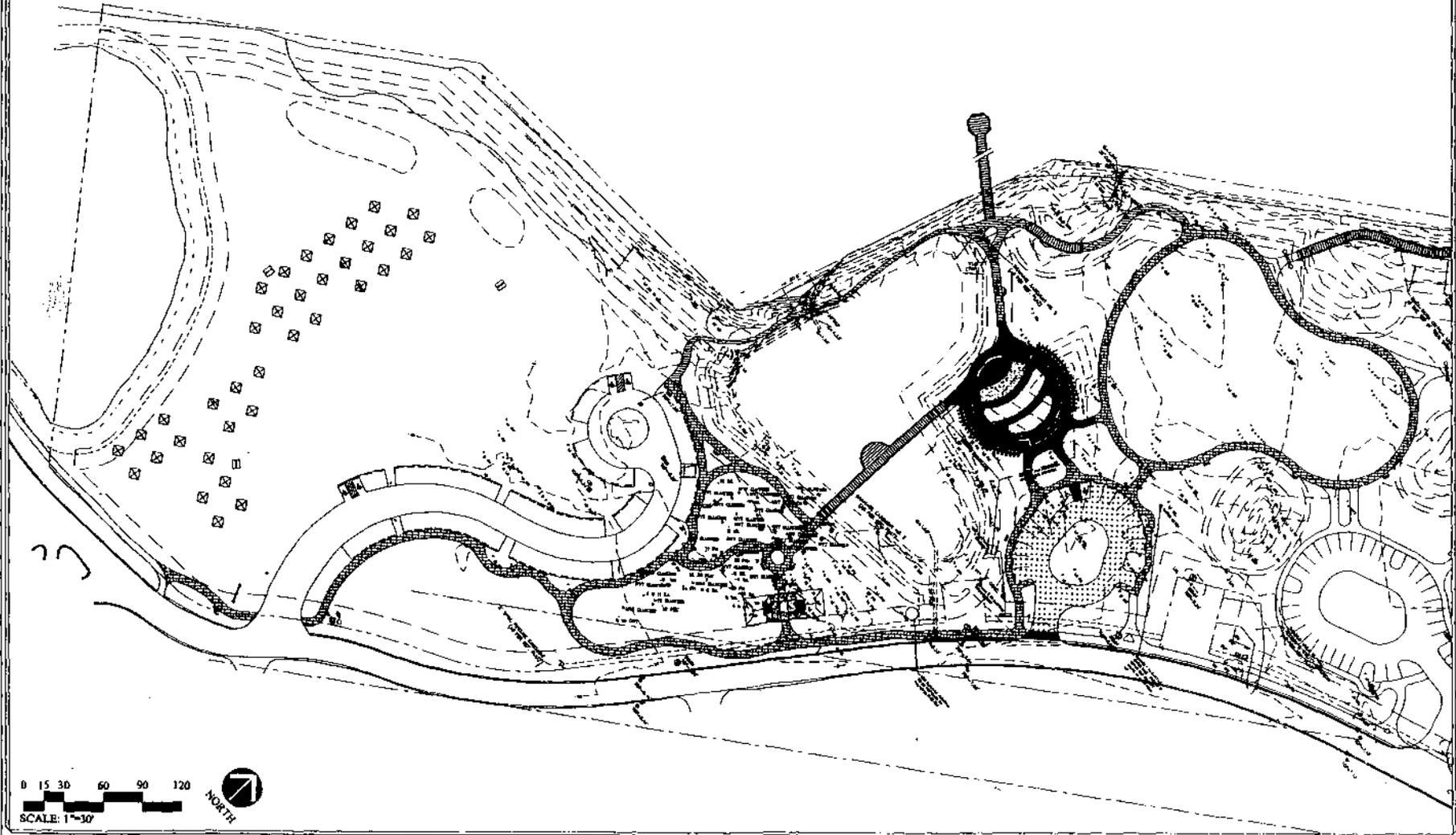


Town of Hilton Head Island  
Shelter Cove Community Park  
February 2011 Aerial Photo



This information is provided for informational purposes only and does not constitute a warranty of any kind. The information is provided as is and is subject to change without notice. The Town of Hilton Head Island is not responsible for any errors or omissions in this information.





0 15 30 60 90 120  
SCALE: 1"=30'



TOWN OF HILTON HEAD ISLAND  
Planning Department/Engineering Division  
One Town Center Drive  
Hilton Head Island, SC 29928  
Tel: 843.785.2200 / Fax: 843.785.2201



SITE PLAN for  
SHELTER COVE COMMUNITY PARK  
EXPANSION FOR MEMORIAL PHASE I

DESIGNED BY: S  
DRAWN BY: S  
DATE: 8-08  
SCALE: 1"=30'  
PROJECT NO: 5027  
1

EXHIBIT C

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

SHELTER COVE PARK

DATED: FEBRUARY 22, 1982



ownership, operation and maintenance of common facilities on the Property, the performance of acts of maintenance, administration, central services, assessment, enforcement and other activities set forth in these Covenants and other mandatory and discretionary functions consistent with the purposes of these Covenants which benefit the Property, including those which are traditionally undertaken or provided by non-profit entities such as neighborhood property owners associations, park districts, chambers of commerce, governmental agencies, civic groups, convention bureaus and merchant's associations; and

WHEREAS, in connection with the need for such a mechanism, the Declarant has caused to be incorporated under the laws of the State of South Carolina a non-profit corporation, the Shelter Cove Harbour Company ("Company"), for the purpose of exercising the functions aforesaid, and which are hereinafter more fully set forth; and

NOW THEREFORE, the Declarant hereby declares that the Property hereof, is and shall be held, transferred, sold, devised, assigned, conveyed, given, purchased, leased, occupied, possessed, mortgaged, encumbered and used subject to these Covenants. These Covenants, the benefits of these Covenants and the affirmative and negative burdens of these Covenants, whether pertaining to items, benefits and obligations presently existing or to be created or executed in the future, do and shall, in equity and at law, touch and concern, benefit and burden, and run with the land and any estates in the land herein referred to as the Property and these Covenants are intended to be covenants and servitudes burdening and benefiting all persons now or hereafter deriving a real property estate in the Property, whether by assignment, succession or inheritance or other method of conveyance.

#### PART ONE

##### GENERAL REFERENCES

###### Article I: Property Description

Section 1-1: The Property. The real property (the "Property") which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to these Covenants for the Shelter Cove Property is described in Exhibit A to these Covenants.

#### PART TWO

##### LAND USE RESTRICTIONS

###### Article II: General Land Use Restrictions and Obligations

Section 2-1: Architectural Review of Specifications for New Construction or Additions, Reconstructions, Alterations or Changes to Structures and Landscaping. No temporary or permanent Structure may be commenced or erected upon

the Property nor may any application for building permit for any Structure be made nor any significant landscaping be done, nor any addition to any existing building or alteration or change to the exterior thereof, be made until the proposed building plans, specifications, materials and exterior finish, plot plans, landscape plan and construction schedule have been submitted to and approved by the Company following consideration by the Architectural Review Board as provided by Section 5-7.

Section 2-2: Siting. To assure that buildings and other structures will be located so that desirable view, privacy and breeze will be available to the largest practical number of buildings or structures built within the Property and that structures will be located with regard to the topography of each property taking into consideration the location of large trees, structures previously built or approved pursuant to this Article for adjacent parcels of land and other aesthetic and environmental considerations, where the deed of conveyance on individual Development or Survey Plat does not specify building set-back lines from front, rear and side lines, the Company, following consideration by the Architectural Review Board, as provided in Section 5-7, shall have the right to control and to decide (subject to the provisions of the pertinent land use regulations of public authorities having jurisdiction) the precise site and location of any building or structures within the Property. The location shall be determined only after reasonable opportunity is afforded the Property Owner to recommend a specific site.

Section 2-3: Tree and Bush Removal. No trees of any kind above eight (8) inches in diameter at a point four (4) feet above the ground level other than trees in the space which approximates the centermost twenty percent (20%) of each lot or parcel may be removed by any Property Owners, their successors and assigns without the written approval of the Company following consideration by the Architectural Review Board as provided by Section 5-7. A tree location plan showing all such trees and location map of adjacent and nearby structures may be required as part of the submission under Sections 2-1, 2-2 and this Section.

Section 2-4: Completion of Construction. The exterior of all buildings and other structures must be completed within eighteen (18) months after the construction of a particular building or structure shall have commenced, except where such completion is impossible or would result in great hardship to the Property Owner or builder due to strikes, fires, national emergency or natural calamities. Houses and other dwelling structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. Substantially all of the landscaping shown in plans submitted to the Architectural Review Board must be completed within one (1) year of the initial occupancy. As a condition of approval of proposed plans for all structures, a bond may be required by the Company which guarantees payment of the landscape contractor's estimated cost of installation to implement the plan as submitted and approved by the Company.

Section 2-5: Minimizing Construction Disturbances. During the continuance of construction, the Property Owner shall require the contractor to maintain the site of the building in a reasonably clean and uncluttered condition, and construction may not commence before 7:00 a.m. or be continued after 7:00 p.m. more than twenty (20) days a year, nor may construction activities take place on any Sunday, if located within three hundred (300) feet of an occupied residential dwelling, inn or hotel.

Section 2-6: Service Yards. All garbage receptacles, electric and gas meters, heat pump and air-conditioning equipment, clotheslines, water pumps, fuel tanks, equipment and service yard contents on the Property must be placed or stored in safe, landscaped, fenced or screened-in areas to conceal them from the view on the road and adjacent properties.

Section 2-7: Lights, Signs and Advertising Devices. No promotional, advertising or commercial lights, search lights, signs, banners, flags or ornaments, whether mobile or fixed, may be erected on the Property by anyone except where Approved by the Company following consideration by the Architectural Review Board subject to reasonable Rules and Regulations established by the Company governing the lighting, size, color, materials, nature, graphic standards and content of any signs or ornaments.

The following items shall not be permitted within the Property when used for the purpose of advertising or commercial promotion: artificial or live wild animals or birds, flashing lights, painted tree trunks, stacks of tires, outdoor displays of manufactured products, balloons, banners, whirling plastic devices on poles, ropes or cables, caged, penned or otherwise restrained animals or birds used as a roadside commercial attraction, trucks or movable equipment painted for use as advertising devices and similar commercial devices visible from private or public highways and roads within the Property.

The Company or the Declarant reserve the right, after notice is given to the Property Owner in conformity with Sections 5-5 to enter upon the lands or premises of any Property Owner to remove any non-conforming sign or advertising device at the expense of the owner thereof.

Section 2-8: Other Buildings and Vehicles. No mobile home, trailer, tent, barn or other similar out-building or structure shall be placed on the Property at any time without prior approval from the Company following consideration by the Architectural Review Board and such approvals shall normally be limited to temporary use of such structures reasonably essential to economical, orderly and efficient construction during the construction process only. No home trailer or residence trailers may be permitted on the Property. Boats, boat trailers, campers, trucks or utility trailers must be stored either wholly within a garage on the same Resort Dwelling Lot as a Resort Dwelling Unit, or in a central or neighborhood screened-in storage facility for such boats, vehicles and trailers if, as and when such a screened-in area is constructed upon the Property and thereafter used for such purposes. This Section does not create in the

Declarant or the Company an affirmative obligation to provide such a screened-in storage facility.

Section 2-9: Water and Sewage. Prior to the occupancy of a building or structure on the Property, suitable provision shall be made for water and disposal of sewage by each Property Owner, consistent with the recommendations of the Architectural Review Board, the Company and the Declarant and consistent with Pertinent Laws. No private water wells may be drilled or maintained on the Property so long as the Declarant, the Company or a public service district or other governmental unit, its successors and assigns has installed a water distribution line within two hundred fifty (250) feet of such property with average daily water pressure in such line adequate for uses permitted by these Covenants and the deed of conveyance, provided that such water distribution line is completed by the time the building or structure is ready for occupancy.

Section 2-10: Antennas, Electric Transmissions and Mechanical Disturbances. No radio, television, microwave, infrared or other form of electromagnetic or light radiation shall be permitted to originate from any portion of the Property if said radiation interferes with any right reserved by the Declarant or interferes with the proper reception of radio, television or related signals within the Property by any Property Owner, their Lessees and Guests.

Section 2-11: Parking. The owner of any land within the Property who proposes to build any Structure on his land shall make provision for adequate parking pursuant to standards established by the Architectural Review Board. Any construction, alteration, relocation or additional landscaping of the parking areas, or extension of paved areas to areas previously grassed, landscaped or left in a natural condition shall be submitted for approval to the Architectural Review Board of the Company. Surfaces of parking areas which absorb water but which protect the land from erosion and wear shall be encouraged in lieu of fully paved surfaces.

Section 2-12: Building Height. No building shall be constructed on the Property which has a height more than five (5) stories above the minimum dwelling floor height as established by flood insurance regulations or other Pertinent Laws. The first level or deck underneath a building built approximately at, or above grade, and used substantially for parking, shall not be considered a story, and the "first" story for purposes of this restriction shall be the first floor above the "Hundred Year Flood" level established for purposes of flood insurance. In addition, for purposes of calculating permissible building height, a "story" shall not exceed fifteen (15) feet from floor to

ceiling. This height limitation shall not include roof-top air-conditioning, heating, solar arrays, and energy conservation equipment and shall not apply to church steeples, clock towers, antennas, water towers and other similar structures.

Section 2-13: Waterfront Setback Requirements. No residential, retail, lodging or similar building or Structure may be erected within fifteen (15) feet of a lagoon edge, lake edge, mean high water mark of Broad Creek, or harbour bulkhead on any property as shown on a Recorded Development Plat; provided, however, that Structures in the nature of pools, decks, hot tubs, bike trails, cook-out and entertainment structures, open-air bar and food facilities, recreational support structures, picnic storage areas and restrooms may be built within such setback line upon approval by the Architectural Review Board. Variances to these setback requirements may be approved by the Company, where, in the sole discretion of the Company adjacent property and the overall development scheme would not be harmed by such variances.

Section 2-14: Utilization of Solar Energy. The Architectural Review Board and the Company shall encourage, but may not require, the utilization of passive solar designs as well as active mechanical solar collection devices for hot water heating and climate control of interior spaces in buildings constructed on the Property.

Section 2-15: Animals. No animals, livestock or poultry of any kind shall be raised, bred, kept or pastured on the Property other than a maximum of three (3) household pets kept in any one Resort Dwelling Unit. Each person who keeps a pet within a Resort Dwelling Unit shall abide by the following restrictions and affirmative obligations: (a) no pets may be kept, bred or maintained on the Property for any commercial purpose; (b) best efforts shall be exercised to not allow the pets to excrete upon the shrubbery or in any area within the Property or any Regime Common Properties which are regularly traversed by neighboring residents or in which children may be expected to play; (c) any defecation or solid excrement left by the pet upon the Common Properties or Regime Common Properties shall be removed by the owner or the attendant of the pet; (d) the pet shall not be allowed to roam on Common Properties or Regime Common Properties from its attendant uncontrolled by voice or leash; and, (e) any pet which consistently barks, howls or makes disturbing noises which might be reasonably expected to disturb other Property Owners, their Lessees and Guests, shall be muzzled.

Section 2-16: Unsightly Conditions. Each Property Owner and his Lessees and Guests shall: prevent and remove the accumulation of litter, trash, or rubbish; prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on the Property either before, during or after construction; prevent and remove accumulations on his Property which tend to substantially decrease the beauty of the specific Property or the community as a whole.

Section 2-17: Sound Devices. No exterior speaker, horn, whistle, bell or other sound device, except devices intended for use and used exclusively (and

with reasonable regard for neighbors) for safety or security purposes, shall be located, used or placed upon any part of the Property without a conditional one-year permit of the Company.

**Section 2-18: Offensive Activity.** No Offensive or Noxious activity shall be carried on upon the Property. "Offensive or Noxious" activity or behavior shall include but not be limited to a public nuisance or nuisance per se and shall also include any behavior which is inconsistent with both the reasonable pleasurable use of the Property area by Property Owners, their Lessees and Guests and their reasonable expectations of vacationing, year-round living, studying, working, recreating, or enjoying sports free of excessively noisy behavior grossly disrespecting the rights of others, flashing or excessively bright lights, racing vehicles, offensive displays of public sexuality, significantly loud electronic music distractions, or other similar unreasonable behavior or activity curtailing or likely to curtail the reasonable pleasure and use of the Property by others who are not participating in such offensive or noxious activity. Resort athletic events, concerts, festivals, competitions or shows primarily for the use and enjoyment of the Property by Property Owners and their Guests, conducted under permit from the Company shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by the Company, or its terms and conditions violated.

**Section 2-19: Laundry Drying.** Each Property Owner, his or her family, his or her tenants shall not hang laundry from any dwelling unit if such laundry is within the public view.

**Section 2-20: Prohibition of Oil and Gas Wells and Subsurface Mining.** No well for the production of, or from which there may be produced, oil, gas or minerals shall be dug or operated upon the Property, nor shall any machinery, appliance or structure, ever be placed, operated or maintained thereon in connection therewith, nor shall there be any subsurface mining or drilling activity provided, however, that the Declarant or the Company may engage in such subsurface or excavation activity as may be necessary and consistent with these Covenants to conduct any beach renourishment activity, or to construct, repair or maintain harbour facilities; provided further that the prohibition against drilling activity shall not include any drilling or excavation activity associated with the search for or development of water wells, the installation of utilities and communications facilities and any activity associated with soil testing, construction of building foundations or master drainage control.

**Section 2-21: Prohibition of Industry.** Neither the Company nor any Property Owner, nor the Declarant, their heirs, successors and assigns, shall erect or suffer or permit to be erected, on any part of the Property, any Structure or operation for the manufacture or production of any manufactured goods (other than hand-crafted items made in a home workshop) intended for off-premise sale; or any forge, foundry, blacksmith shop, furnace or factory of any kind or nature whatsoever for the manufacture of goods and operation of industry. Nothing herein shall prohibit the use of kilns, furnaces and welding or similar equipment in any artist or craft studio constructed to accommodate a home occupation permitted by these Covenants. In addition, nothing herein shall

prohibit as a resource recovery measure the production, in limited facilities, of alcohol, methane, ethanol, methanol or other biomass energy source derived from organic wastes originating on the Property. This Section shall not serve as a prohibition of Trade Oriented Services when such Trade Oriented Services are not used in the manufacture of goods or operation of industry.

Section 2-22: Subdivision of Property; Time Sharing, Interval Ownership. The Property shall not be subdivided other than by the Declarant except by means of a written and Recorded instrument indicating that such subdivision has been Approved by the Declarant. No unit of ownership may be subdivided to permit "Time Sharing" or other "devices" to effect interval ownership unless Approved by Declarant subject to conditions which may be imposed by Declarant.

For purposes of this Section, "devices" to effect interval ownership shall include but not be limited to ownership arrangements, including uses of corporations, trusts, partnerships or tenancies in common in which four or more persons not members of a Single Household have acquired, by means other than will, descent, inheritance or operation of law, an ownership interest (directly or indirectly, equitable or legal) in the same dwelling unit and such owners have a formal or informal right-to-use agreement.

Section 2-23: Prohibition of Motorcycles. No motorcycles other than mopeds (or other motor-powered bicycles) with less than or equal to one-brake horsepower shall be permitted within the Property. Mopeds with less than or equal to one-brake horsepower shall be limited to operation only on the paved roads designed for automobile traffic within the Property and on trails specifically designated for moped use by the Company and the use of such mopeds on bicycle trails, the beach, leisure trails and recreation areas is prohibited.

Section 2-24: Willful Destruction of Wildlife. No hunting shall be allowed on the Property, except under controlled conditions Approved by the Company and appropriate governmental wildlife authorities for the purpose of protecting Property Owners, the public and other animals against health hazards, disease and other anomalies resulting from species over-population, disease, and significant wildlife predation. Any violation of this provision shall constitute a trespass against property owned by the Company. Since this Property is not intended to be nor is to be maintained as a wildlife sanctuary, any depletion of wildlife stock which may result from the process of planned development shall not be deemed to be a violation of this Section.

Section 2-25: Firearms and Fireworks. The discharge of firearms and arrows of any kind, calibre, type or of any method of propulsion is prohibited within the Property. No fireworks may be discharged on the Property unless approved by the Company pursuant to Rules and Regulations established for major events.

Section 2-26: Drainage. The Company may establish reasonable regulations and restrictions pertaining to drainage and siltation originating on construction sites and parking lots, porosity of pavement materials used on roadways and parking lots and similar provisions relating to hydrological factors on the Property.

Section 2-27: Smells and Odors. The owner of any realty within the Property shall have the affirmative duty to prevent the release of obnoxious smells and odors from his Property which might tend to adversely affect the reasonable use and enjoyment of the lands and other interests in realty owned by adjacent and nearby Property Owners.

Section 2-28: Installation of Piers, Bulkheads, Filling and Excavation of Shorelands by Property Owner. No bulkheading, filling, excavation, stabilization or modification of marsh edges of the Property may be undertaken by any Property Owner or his agent unless such activity is Approved by Declarant or the Company. The Declarant or the Company may specify that such work must be undertaken by the Company on behalf of the Property Owner(s) involved and such owners shall be assessed for such portion of the cost of the work or the Company shall determine is reasonably allocable to the Property of such Property Owner(s).

Section 2-29: Duty to Insure Common Properties.

- (a) The Company. The Company shall maintain public liability insurance, to the extent obtainable, covering each Property Owner, Lessee and the managing agent, if any, against liability for any negligent act of commission or omission attributable to them which occurs on or in the Common Properties. To the extent obtainable, the Board of Directors shall also be required to obtain the following insurance: (a) fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the facilities on the Common Properties, in an amount equal to their full replacement values and (b) workmen's compensation insurance. In addition, the Board shall have the right to obtain Directors and Officers liability insurance, fidelity insurance and other insurance it may deem proper to protect the Company, its members and property. All insurance premiums for such coverage shall be paid for by the Company and assessed as appropriate to all Property Owners.
- (b) Property Owners. Each Property Owner shall insure his buildings for its full replacement value with no deductions for depreciation, against loss by fire, wind, flood and all other hazards. Such insurance shall be sufficient to cover the full replacement value and for necessary repair and reconstruction work. Such insurance shall include common party walls, connected exterior roofs and other connected parts of the attached Structures. In the case of apartment buildings, such insurance shall be maintained on the entire building rather than the individual units contained therein. In the case of

condominiums, such insurance shall be maintained by the applicable Horizontal Property Regime on all buildings within such Horizontal Property Regime and the owners of units shall pay an Assessment to the Regime for insurance.

- (c) Repair or Replacement of Damaged or Destroyed Property. In the event of damage or destruction by fire or other casualty to any building then the owner of such building (or in the case of condominium, the condominium regime or association) shall, within thirty (30) days of the receipt of the insurance proceeds paid pursuant to an insurance policy covering such building but in no event later than six (6) months from the date of such damage or destruction either: (a) commence reconstruction of the building, or; (b) clear the lot upon which the Improved Property is located of all debris, reseed the entire lot and make any repairs necessary to continue the structural soundness of any party wall which formed a part of the building. In the event: (a) restoration of the building is commenced but is terminated before completion of the building and such termination continues for a period of at least ninety (90) days; or (b) the lot is not cleared of debris and the party walls made structurally sound within thirty (30) days after commencement of clearance of the lot; or (c) restoration or commencement of clearance of the lot does not occur within said six (6) month period, the Company shall have the right to clear the lot of debris, reseed the lot and make any structural repairs as are necessary to make the party walls which were part of the building structurally sound. The cost of such repairs shall be an expense attributable to the lot and become an immediately due and payable special assessment against the lot collectible in the same manner as any other assessment provided for in Article VIII. In the event a lot shall be cleared, reseeded and party walls made structurally sound, then it shall be the obligation of the Owner of such lot to continue to maintain the lot in accordance with these Covenants.

- Attached Units. Notwithstanding the provisions of the subdivision (d) (c) of this Section, the following provisions shall apply to attached townhouses or condominium units:

- (i) The insurance referred to in subdivision (a) of this Section shall be written in a manner acceptable to an Insurance Committee established by the Company.
- (ii) Each owner's policy shall contain a loss payment provision which provides that the proceeds of any loss shall be payable to the applicable Horizontal Property Regime or Association or its insurance trustee, if any, and if none, then to the owner which recipient shall hold such funds in trust to insure that repairs are made as hereinafter set forth. Each Owner, Regime or Association, as applicable, shall be required to supply the Insurance Committee with evidence of insurance coverage on his unit which complies with the provisions of this section.

- (iii) Repair or Replacement of Damaged or Destroyed Property. Each Owner shall, with the concurrence of the Owner's Mortgagee, if any, and the Insurance Committee, be required to reconstruct or repair any Improved Property destroyed by fire or other casualty covered by insurance written in the manner set forth above. If no repair or rebuilding has been contracted for or otherwise substantially started by the Owner, within thirty (30) days after the appropriate loss payee receives the insurance proceeds the Insurance Committee shall take such steps as are necessary to compel the recipient of such proceeds to initiate the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Improved Property, in a good and workmanlike manner in conformance with the original plans and specifications. The contract or contractors selected to perform the work shall provide full performance and payment bonds for such repair or rebuilding. In the event the insurance proceeds are insufficient to fully pay the costs of repairing and/or rebuilding the damaged or destroyed portions in a good and workmanlike manner, and the owner, regime or association, as applicable, does not take such steps as are necessary to generate the additional funds to complete the reconstruction, the Company shall be empowered to levy a Special Assessment against the Property Owner or Owners in whatever amount is required to make up the deficiency. If the insurance proceeds exceed the cost of repairing and/or rebuilding, such excess shall be paid over to the respective Owner and/or the Owner's mortgagee in such portions as shall be independently determined by those parties.

Section 2-30: Party Walls. The general rule of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to each party wall or party fence which is built as part of the original construction of the attached structure and any replacement thereof.

In the event that any portion of any structure, as originally constructed by any developer, including any party wall or fence, shall protrude over two adjoining lots, it shall be deemed that said Property Owners have granted perpetual easements to the adjoining Property Owner or Owners for continuing maintenance and use of the projection, party wall or fence. The foregoing shall also apply to any replacements of any structures, party walls or fences if the same are constructed in conformance with the original structure, party wall or fence. The foregoing condition shall be subject to amendment of these Covenants.

The cost of reasonable repair and maintenance of a party wall or party fence shall be shared equally by the Property Owners who make use of the wall or fence in proportion to such use.

If a party wall or party fence is destroyed or damaged by fire or other casualty, any Property Owner who has used the wall or fence must restore it, and if the other Property Owners thereafter make use of the wall or fence, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Property Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Notwithstanding any other provisions of this Section, a Property Owner who by his negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

The right of any Property Owner to contribute from any other Property Owner under this Section shall be appurtenant to the land and shall pass to such Property Owner's successors in title.

Section 2-31: Duty of Property Owners to Inform Company of Current Address. Each Property Owner shall have the affirmative duty and obligation to inform the Company in writing of any change of ownership of the Property, the Property Owner's current address, and any failure of the Property Owner to receive any information from the Company at the correct address of the Property Owner. No Property Owner may be excused from his obligations established in these Covenants nor challenge a Mail Referendum if the Company mailed an assessment bill, statement, Mail Referendum ballot or notice of Mail Referendum to the last address of said Property Owner which is recorded on the books of the Company and for which the Company has not received the Property Owner's current address or notice of change of ownership from the Property Owner.

#### Article III: Resort Open Space and Private Open Space

Section 3-1: Designation of Resort Open Space and Private Open Space. The Declarant and other owners of Property including members of a Horizontal Property Regime may designate portions of their Property (other than Regime Common Property) as Resort Open Space for periods of twenty-five (25), fifty (50), ninety-nine (99) years as such durations may be specifically adopted and recorded as to specific parcels by the Declarant or other Property Owners; provided, however, that no such designation shall extend beyond the duration of these Covenants. To further this purpose, the Declarant covenants that no Resort Open Space shall be subject to any charges or assessments.

No property, including Regime Common Property, shall be Resort Open Space or Private Open Space unless it is described as "Resort Open Space" in a Recorded declaration signed and formally executed by the title owner, the declaration is also accompanied by a plat prepared by a registered surveyor which plat recites metes and bounds and the approximate number of square feet

of Resort Open Space within such described area that is designated as Resort Open Space.

Section 3-2: Transfer of Resort Open Space by the Declarant or any Other Owner. The Declarant or any other owner may assign, transfer and otherwise convey to the Company, whether by fee simple title or term-of-years conveyances, any land designated as Resort Open Space, at which time the land shall become a Common Property. The Company must accept such conveyance. Nothing within this Section or this Declaration places on the Declarant an affirmative obligation to designate any areas as Resort Open Spaces and nothing within this Section or these Covenants places on the Declarant an affirmative obligation to transfer the title to any areas of Resort Open Space to the Company.

Section 3-3: Member's Easement of Enjoyment of Resort Open Space. Subject to the provisions of these Covenants, the rules and regulations of the Company, and any fees or charges established by the Company, every Class "A", "B" and "C" Member shall have a right to easement of access, use and enjoyment in and to the lands designated in a supplemental Declaration as Resort Open Space whether title to such Resort Open Space is held by the Declarant, the Company or any other Property Owner, and such easement shall be appurtenant to and shall pass with the title of all realty owned within the Property by each Property Owner.

Section 3-4: Festivals in Resort Open Space. Subject to appropriate safety and noise control regulations established by the Company, the Company may designate one or more areas of Resort Open Space for use as sites for festivals where the primary emphasis is on art, music, performing arts, dance, sports, civic affairs and like events.

Section 3-5: Limited Use of Resort Open Space. Resort Open space may be used for the following purposes only if a written permit has been received from the Company: (a) for special events or church service parking; (b) for television and other communications equipment in a temporary installation; (c) for helicopter pads; (d) for multiple outdoor recreation activities and facilities and parking therefor.

Private Open Space and Resort Open Space may not be used for private household and residential purposes; nor used for hotels, inns, and conference facilities; nor used for commercial, professional or recreational purposes; nor boating service/storage yards; nor for cleaning, maintenance, repair, or utility areas.

**Article IV: Rights Reserved by the Declarant, its Successors and Assigns**

Section 4-1: Other Rights and Reservations. The OMISSION OF ANY RIGHT OR RESERVATION IN THIS ARTICLE SHALL NOT LIMIT ANY OTHER RIGHT OR RESERVATION BY THE DECLARANT WHICH IS EXPRESSLY STATED IN OR IMPLIED FROM ANY OTHER PROVISION IN THESE COVENANTS.

Section 4-2: No Affirmative Obligation Unless Stated. ANY RESERVATION OR RIGHT OF THE DECLARANT WHICH IS STATED IN OR IMPLIED FROM THESE COVENANTS SHALL NOT GIVE RISE TO ANY AFFIRMATIVE OBLIGATION OR DUTY ON THE PART OF THE DECLARANT UNLESS EXPRESSLY STATED IN THESE COVENANTS.

Section 4-3: Modification and Revision of the Concept Research or Master Plans. The Declarant reserves the right to modify the Concept Research Plan or Master Plan with respect to any parcel, lot or area within the Property which has not by Recorded declaration been dedicated to the Company as Common Properties or already been conveyed to a Property Owner. No implied equitable or legal covenants, servitudes or easements shall arise with respect to lands retained by the Declarant by virtue of any Concept Research Plan or Master Plan. The right of the Declarant to modify the Concept Research Plan shall not include the right to do any act inconsistent with respect to these Covenants or any supplemental declaration of covenants, conditions and restrictions which may hereafter be filed by the Declarant with respect to the Property.

Section 4-4: Certain Utility, Communications, Transportation and Public Convenience Easements. Unless expressly waived by Declarant, the Declarant reserves exclusively unto itself, its successors and assigns, a perpetual, alienable and releasable utility easement and right in, on, over and under the Property to erect, maintain, operate and use poles, wires, cables, switches, computers, receptacles, satellite transmission earth stations, conduits, directional and informational signs, drainage ways, sewers, irrigation lines, wells, antennas, receivers, garbage collection facilities, pumping stations, tanks, water mains and other suitable equipment including microwave and satellite stations for the conveyance, transmission or use of video, voice, facsimile and data communications, electricity, gas, sewer, water, drainage or other public conveniences, utilities and communication facilities on, in or those portions of such property as may be reasonably required for utility line purposes; provided, however, that:

- (a) no utility easement shall run across any portion of the Property which is covered by an existing building or across any area for which written approvals to construct a building thereon have been obtained within the past year from the Company or the Architectural Review Board;
- (b) such easement or installation of utilities therein or thereon shall be maintained in as attractive a state as is reasonably feasible;
- (c) the Declarant, without obligation, reserves the right to transfer any such utilities and easements, in whole or in part, which it owns to the Company, at which time the Company shall be responsible for and shall have the obligations to operate and maintain such utility easements;
- (d) the Declarant, without obligation, reserves the right to transfer such utilities and utility easements and easements of access

to such utility and utility easements, in whole or in part, to another entity, whether public or private, which shall undertake to provide such utility ~~services~~.

No utility, communications, public convenience or transportation facility described in this Section may be installed or operated unless such facility is Approved by Declarant. The Declarant or service providers approved by the Company may charge reasonable fees for the provision of such utility, communications, public convenience or transportation facilities or services.

Declarant reserves the right to irrigate the front thirty-five (35) feet of any Resort Dwelling Lot.

These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Any material disturbance to the grounds of any Property Owner or Common Properties caused by such utility installation shall be repaired and said grounds returned to a reasonable reconstruction of their prior condition by the Declarant or prompt and reasonable remuneration for such repair shall be made to such Property Owner by the Declarant. The Declarant further reserves to itself, its successors and assigns the right to locate wells, pumping stations, aeration basins and tanks within the Property in any Common Property or on any property designated for such use on the applicable plat of the property, or to locate same upon any property with the permission of the respective Property Owner.

Section 4-5: Bridges and Walkways. The Declarant retains a twelve (12) foot easement along the road edge, marsh edge, parking lot edge or lagoon edge of all Development Unit Parcels, Common Properties, Regime Common Properties, Resort Dwelling Lots for the purpose of constructing bikeways, moped or golf cart trails, jogging paths, bridges and other passageways to interconnect with major recreational, commercial, residential and lodging facilities on the Property.

Section 4-6: Easements in Resort Open Space and Common Properties. The Declarant may make access trails or paths through Common Properties and Resort Open Space for the purpose of permitting recreation, picnicing, health and fitness exercise, observation and study of wildlife, hiking and riding, to identify sites for and to construct helicopter landing pads, to erect small signs through the Resort Open Space designating points of particular interest and attraction, to irrigate the Resort Open Space and Common Properties including the use of treated sewerage effluent and to take such other steps as are reasonable, necessary and proper to further the community use and enjoyment of the Resort Open Spaces; provided, however, there is no affirmative obligation on the Declarant to perform such functions.

Section 4-7: Repurchases by the Declarant. In consideration of the affirmative obligations of and benefits to all Property Owners provided by the Declarant under these Covenants, when any Resort Dwelling Lot; Resort Dwelling Unit; Resort Lodging Unit; Professional Service Unit; Retail Unit; Restaurant Unit; Inn or Hotel; Service, Maintenance, or Cleaning or Utility Unit; Development Parcel or other Unimproved Land within the Property is offered for sale by successors in title to the Declarant, the Declarant shall have the exclusive option to purchase such property at the price and on the terms of any bona fide offer for such property made in writing to the Property Owner at such time and submitted to Declarant for verification.

Each Property Owner shall notify Declarant of its intent to sell his property with such notice setting forth in full the certified terms and conditions of the sale, and including the full name and primary address of the prospective true buyer (as distinguished from agents and intermediaries). Declarant shall have thirty (30) days after presentation of such notice to Declarant to exercise this purchase option. If Declarant has not executed a contract for purchase during this period, the record owner may freely convey the property to the subject offeror. Should, however, such sale to a third party not be consummated within four (4) months of the date the offer is transmitted to Declarant at the price and on the terms offered or a price more favorable to the seller, the terms and limitations of this Section shall again be imposed upon any sale by the Property Owner.

If Declarant elects to purchase such property, the transaction shall be consummated on the terms offered; provided, however, that Declarant shall have a minimum of thirty (30) days from the delivery of notice to consummate the transaction. This provision shall cease to be effective beyond December 31, 2001.

Section 4-8: Enforcement. The Declarant shall have the right, but shall not be obligated, to proceed at law or in equity to compel compliance to the terms of this Declaration or to prevent the violation or breach in any event. Violators shall be personally obligated to reimburse the Declarant in full for all its direct and indirect costs or damages resulting from the violation or breach, including but not limited to legal fees and expenses incurred by the Declarant and/or the Company in maintaining compliance with this Declaration, and such obligation shall also constitute a lien upon the property of any Property Owner in accordance with Section 10-1.

The Declarant and the Company also retain an easement and license to enter upon any part of the Property, after reasonable notice, to engage in such repair, maintenance, upkeep or reconstruction as may be necessary to enforce compliance with this Declaration, and the full cost of such maintenance, repair, upkeep or reconstruction shall constitute a lien upon the Property Owner's property and shall be a personal obligation of the Property Owner in accordance with Section 10-1.

Section 4-9: The Declarant's Right to Convey Certain Properties and Rights to the Company; Properties Donated by the Declarant; Limited Reversion or Properties Donated by Declarant. The Declarant, its successors and assigns, may at its option and without obligation to do so, convey to the Company, at nominal or no cost of acquisition to the Company, by deed or ninety-nine (99) year lease, or other instruments appropriate to convey to the Company, the entire beneficial use in perpetuity or for ninety-nine (99) years, any lands or improvements thereon, and any easement retained by the Declarant, which are owned by the Declarant and which are to be used for any of the following uses or purposes:

- (a) Roads, walkways, jogging paths, nature trails, bikeways, transit corridors and facilities, bridges and cross-overs;
- (b) Utilities and communications facilities, amphitheatres, parking areas; clubhouses and meeting rooms or offices for the Company;
- (c) Athletic fields, racquet sports courts, swimming pools;
- (d) Maintenance facilities; security facilities; fire prevention and control facilities; central reservations facilities; sewage, water and waste facilities;
- (e) Resort Open Space, gardens, ponds and lagoons;

Unless otherwise agreed upon by the Company, all transfers made pursuant to this Section shall be "subject to" any debts or mortgages outstanding at the time the land or property is transferred; provided, however, that unless the Company agrees to the assumption of any such indebtedness, Declarant agrees that it will take such action as is necessary to prevent the lien of any such debts or mortgages from being foreclosed or to otherwise endanger the rights to the use of such property by members of the Company for its intended purpose.

Upon the transfer of such properties, the properties shall become Common Properties, and the Company shall have the obligation to maintain the transferred properties in a manner and to the degree consistent with a clean, safe, high quality, aesthetically attractive and functionally convenient resort community, and in a manner and degree consistent with the restrictions and obligations set forth in the instrument of conveyance and these Covenants.

The properties transferred by the Declarant pursuant to this Section shall be "Properties Donated by the Declarant." In the event these Covenants be declared to be void, invalid, illegal or unenforceable in its entirety or in such significant manner that the Company is not able to function substantially as contemplated by the terms hereof for any reason by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within twenty (20) years of the date of recording these Covenants, all Properties Donated by Declarant which belong to the Company at the time of such adjudication shall revert to the Declarant.

The Declarant may also assign to the Company any right retained or reserved by the Declarant pursuant to these Covenants. The Company shall accept such assignment of rights and shall exercise the rights in furtherance of its responsibilities for the benefit of all Property Owners, or give effect to the intent of Declarant as established in the recitals of these Covenants. Except as provided elsewhere in these Covenants, the Company may not thereafter convey these rights to a third party.

Section 4-10: Use of Trademark. Each Property Owner or Lessee, by acceptance of a deed to any lands, tenements or hereditaments within the Property hereby acknowledges that "Shelter Cove," "Palmetto Dunes" and "Shelter Cove Harbour" are service marks and trademarks of the Declarant. Each Property Owner or Lessee agrees to refrain from misappropriating or infringing these service marks or trademarks.

Section 4-11: Subdivision and Replatting of Property. Notwithstanding the provisions of Section 2-22, the Declarant expressly reserves unto itself, its successors or assigns the right to replat any two (2) or more adjacent lots into one (1), two (2) or more lots which are owned by the Declarant, and the Declarant may take such other steps as are reasonably necessary to make such replatted lot suitable and fit for use for its originally intended purpose. Such steps may include but are not limited to the relocation of easements, walkways, bike tracts and rights-of-way to conform to the new boundaries of said replatted lots; provided, that no lot originally shown on a Recorded Development or Survey Plat is reduced to a size smaller than the smallest lot in such recorded subdivision plat. Notwithstanding the foregoing, however, any such lot may be reduced in size to a minimum of one acre whether or not such reduction in size is smaller than the smallest lot in the recorded subdivision plat.

Section 4-12: Recording of Additional Restrictions on Land Use by the Owner Thereof. No Property Owner may impose additional restrictive covenants on any lands within the Property beyond those contained in these Shelter Cove Covenants of 1982 without consent of the Declarant. The Declarant may impose additional restrictive covenants on land then owned by the Declarant without the consent of any other Property Owner or the Company, but no such additional Declarations of Land Use Restrictions may remove or lighten the burdens and benefits established by these Covenants.

Section 4-13: Right to Approve Horizontal Property Regime. No Horizontal Property Regime established on the Property shall be effective until all legal documents associated therewith have been Approved by Declarant and such Approval supplements the Recorded Master Deed for the Horizontal Property Regime. A reasonable charge for cost of legal review may be charged the developer by the Company.

Section 4-14: Right to Amend Covenants. The Declarant specifically reserves to itself the right to amend this Declaration on its own motion from the date hereof until January 1, 2001, for the purpose of making technical changes to eliminate or clarify conflicting provisions, or adding or deleting any provisions as provided by the mechanism found in Section 6-4(c) below.

In addition, until January 1, 2001, Declarant reserves the limited right to make changes in these Covenants, requested by lending agencies or title insurance companies in order that clearer title can be conveyed to Property Owners and to remove any restraints on alienation adversely affecting the issuance of, or cost of, title insurance. Moreover, Declarant further reserves for said period the right to amend the Covenants as necessary in order to comply with the requirements and guidelines of such agencies as the Federal National Mortgage Association and similar Federal or quasi-Federal agencies involved in mortgage financing programs.

Section 4-15: Harbour Covenants. Declarant at a later date will adopt and file a subsequent declaration of covenants, easements, conditions and restrictions running with the land of Declarant and private Harbour Basin waters and bottom lands of Declarant, covering all matters including but not limited to assessment provisions pertinent to boat docks, bulkheads central harbour facilities, riparian rights, the harbour basin, and other similar property of Declarant.

Section 4-16: Declarant Related Amendments. So long as Declarant shall own any land within the Property, no Declarant Related Amendment shall be made to the Declaration, to any supplemental declaration, to the Articles of Incorporation of the Association, to the Association By-Laws, Rules, Regulations, Resolutions or other similar Company document, nor shall any such developer related amendment be executed, adopted or promulgated by the Company or the Board of Directors unless such Declarant Related Amendment shall be specifically approved in writing by Declarant in advance of such execution, adoption, promulgation and recording. The decision of Declarant to approve any developer related amendment shall be in the sole and absolute discretion of Declarant and Declarant shall not be liable to the Company, its members or any party as a result of granting or refusing approval.

Section 4-17: Declarant's Lands. So long as Declarant continues to construct any facilities within the Property, no action may be taken by the Company applicable to the Declarant or any of the lands owned by Declarant unless such action shall be approved in writing by Declarant or unless the need therefore shall be waived by Declarant in writing.

### PART THREE

#### THE SHELTER COVE HARBOUR COMPANY

#### Article V: Creation and Functions of Shelter Cove Harbour Company

Section 5-1: Creation of The Shelter Cove Harbour Company. The Declarant shall cause to be incorporated, under the laws of South Carolina, a non-profit corporation called the Shelter Cove Harbour Company (the "Company").

Section 5-2: Status of Company. The Shelter Cove Harbour Company, its successors and assigns shall be considered: (1) assignees of the Declarant; (2) by virtue of the rights and obligations assigned and assumed by the Company herein, as a real-party-in-interest under these Covenants; and (3) as a third-party beneficiary under these Covenants. The Company and its successors and assigns shall have standing and authority at law or in equity, to carry out and enforce these Covenants or any supplemental Declaration made pursuant to these Covenants.

Section 5-3: Powers and Functions of the Company. The Company may perform any act or incur any obligation permitted under the laws of South Carolina pertaining to non-profit corporations. In particular, the Company may undertake any activity or function which will likely benefit the Property by improving or maintaining its economic, environmental, commercial, aesthetic, cultural or historic value, or enhance the use and enjoyment of the Property.

Section 5-4: Governmental Successor. Subject to Pertinent Law the Company may convey all or any part of any Common Properties owned by the Company, including lease-hold interests, to any public agency, authority, public service district, utility or private concern for such purposes and subject to such conditions as may be agreed to by the Company. No such gift or sale or determination as to the purposes or as to the conditions of the transfer shall be effective unless such dedication, transfers and determinations as to the purposes and conditions is authorized by Main Referendum as set forth in Section 6-4. Unless specifically reserved in the deed of conveyance, the transfer of any Common Properties by the Company to third parties will extinguish all licenses and easements of Property Owners in Common Properties.

Section 5-5: Notice. The Company or its agents may not enter upon the lands, realty or facilities of any Property Owner to perform any function or to install any utility, communications or public conveyance facility without providing at least two (2) weeks mail notice to the Property Owner in conformity with the By-Laws.

Section 5-6: Neighborhood Committees; Horizontal Property Regime Committees. The Company shall have the power to form Neighborhood Committees and Horizontal Property Regime Committees for the purpose of carrying out maintenance, architectural control, enforcement of rules and regulations, assessments and other functions particularly applicable to any Neighborhood or to any Horizontal Property Regime. The establishment or termination of such committees shall occur only upon the vote of a majority of the Directors of the Company. The specific powers, rights and obligations of such committees shall

be set forth in the resolution establishing the committee. The decision of any such committee shall at all times be subject to review, modification and reversal by the Board of Directors of the Company or any other committee established by the Company for such purposes.

Section 5-7: Architectural, Siting, Vegetation and Building Control. The Company shall have the ultimate authority for decisions and actions pertaining to architectural, siting, landscaping, tree and vegetation removal, parking and building controls. The Board of Directors of the Company shall periodically appoint for terms of one year a three (3) or five (5) member Architectural Review Board, the members of which need not be Property Owners, which shall function as an agent of the Company for the purpose of Reviewing architectural designs submitted to the Declarant. Standards for such review shall be published by the Architectural Review Board of the Company and shall be made available to any Property Owner at the cost of publication. Modification, in like fashion may be made by the Board.

No approval of plans, location or specifications, and no publication or architectural standards bulletins by the Architectural Review Board or the Company shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence or that such standards comply with Pertinent Law.

Article VI: Membership, Notice, Voting Rights and Certain Obligations of Members of the Company

Section 6-1: Automatic Memberships. Every Property Owner and the Declarant shall be a member of the Company. The Class "A", "B" and "C" Members as defined in Section 6-2 below are sometimes hereinafter collectively referred to as the "Members."

Section 6-2: Voting Rights. The Company shall have three (3) types of regular voting membership. Members are divided into classes for the sole purpose of computing voting rights and shall in no event vote as a class.

Class "A" - Class "A" Members shall be all those owners (including the Declarant) of Resort Dwelling Lots, Resort Dwelling Units and Resort Lodging Units. A Class "A" Member shall be entitled to one (1) vote for each Resort Dwelling Lot. Once a Resort Dwelling Unit is constructed upon a Resort Dwelling Lot and a Certificate of Occupancy is issued, the owner thereof shall have two votes. The owner of each Resort Lodging Unit shall be entitled to one vote.

Class "B" - Class "B" Members shall include all those Property Owners (including the Declarant in its capacity as owner of developed or improved property) other than Class "A" Members.

A Class "B" Member shall be entitled to one (1) vote plus one (1) vote for each \$500 of annual prior year assessment over and above the first \$500 in assessments paid in the prior assessment year to the Company; provided, however, that in computing the number of votes such an owner shall have the amount of assessments shall be rounded off to the nearest \$500. For example, a Class "B" Member who pays \$749 in annual assessment will have one (1) vote; a Class "B" Member who pays \$751 in annual assessments will have two (2) votes.

Class "C" - the Class "C" Member shall be the Declarant until it elects to be classed only as to its property units providing Class "A" or Class "B" membership. The Class "C" Member shall be entitled to one (1) vote, plus one (1) vote for each vote held by Class "A" and Class "B" Member; provided, however, that after September 1, 1991, or sooner if the Class "C" Member so relinquishes its voting rights in a recorded Declaration, the Class "C" Member shall exercise votes only as to its Class "A" and Class "B" memberships.

When any property entitling any owner to membership as a Class "A", "B" or "C" Member of the Company is owned of record in the name of two (2) or more persons or entities, whether fiduciaries, joint tenants, tenants by the entirety, time share or interval owners, tenants in common, tenants in partnership or in any other manner of joint or common ownership, or if two (2) or more persons or entities have the fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Company, their acts with respect to voting shall have the following effect: (a) if only one (1) vote in person or by proxy, his act binds all; (b) if more than one (1) vote in person or by proxy, the act of majority so voting binds all; (c) if more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes; (d) if the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest; (e) the principles of this paragraph shall apply, insofar as possible, to execution of proxies, waivers, consents or objections and for the purpose of ascertaining the presence of a quorum.

The voting rights of any Property Owner may be assigned by said Property Owner to his Horizontal Regime President or Lessee who has entered

into a lease with a term of two (2) years or more; provided, however, that the Property Owner may not assign to such Lessee any vote or votes not attributable to the property actually leased by the Lessee; provided, further, that such assignment of voting rights is in writing and a copy of such assignment is filed with the Company.

Section 6-3: Board of Directors. The Company shall be governed by a Board of Directors consisting of three (3), five (5), seven (7) or nine (9) members. Initially, the Board shall consist of three (3) members with the number in subsequent years to be determined by the members of the Board of Directors as provided in the By-Laws of the Company. When voting to elect Directors, each Member shall be entitled to as many votes as equal the number of votes he is ordinarily entitled to, based on his ownership of one or more of the various classifications of property multiplied by the number of Directors to be elected. All votes must be based in whole numbers and not fractions thereof.

Section 6-4: Members' Right to Approve Certain Actions By Mail Referendum; Special Assessments; Amendments of Covenants; Merger of Another Property Owners Association; Matters Specified in By-Laws of Company. The Board of Directors of the Company may, by resolution adopted by a two-thirds (2/3) favorable vote of the Board, initiate a Mail Referendum in which Class A and Class B Members of the Company shall collectively have the power to approve or reject: (a) any Special Assessment recommended by the Directors as provided in Section 8-3; (b) any merger of the Company with another property owner's association serving an adjoining or nearby tract; (c) amendments to any provision of these Covenants except that no amendment may impair any right reserved by the Declarant, may create or increase any liability of the Declarant or the Company, alter the land use class of any property retained by the Declarant or any Property conveyed by the Declarant prior to the Mail Referendum unless expressly approved in writing by Declarant; (d) any increase in the Standard Assessment which is twenty percent (20%) greater than the Standard Assessment of the previous year, apply retroactively or absolve any Property Owner for past or future responsibility for assessments under these Covenants; (e) other fundamental and material actions designated in the Company's By-Laws as actions for which Mail Referendum must be held; and (f) the sale of any Common Property consisting of real estate or major improvements.

Any Mail Referendum mailing shall include a statement prepared by the Directors of the Company stating the reasons that two-thirds (2/3) of the Directors are for passage of the Referendum, together with a statement prepared by the Directors dissenting from such proposed action; provided, however, that neither of such statements may exceed a maximum length of five (5) pages on each proposed action.

Unless otherwise specified, wherever a Mail Referendum is conducted, the Declarant may vote only to the extent of one (1) vote for each \$500 of annual assessments paid during the last assessment year to the Company, and such assessment year to the Company, and such Referendum shall be deemed to "Approved" and shall be deemed to be authorized by the Members in the event that fifty-one percent (51%) or more of the votes actually returned to the Company within the specified time shall be in favor of such action.

In order to be counted, any Mail Referendum ballots must be returned to the Company within thirty (30) days of the date the ballot was post marked as mailed by the Company.

No Mail Referendum amending these Covenants shall be effective unless a statement of the results thereof is signed by the President and Secretary of the Company in their representative capacities, the statement is mailed to Property Owners in the manner provided in the Company's By-Laws, and said statement is recorded in the name of Shelter Cove Harbour Company as grantor. Said statement shall include the effective date of the action, the date at which a mailing of the Mail Referendum was made, the total number of votes needed to adopt the action and the total votes cast for and against the action.

#### Article VII: Common Properties

Section 7-1: General. The title to all Common Property shall be held by the Company. All Common Properties are to be devoted to and intended for the common use and enjoyment of the Property Owners, their Lessees and Guests at uniform fees, charges and assessments established from time to time by the Company. The designation of land or improvements as Common Properties shall not mean or imply that the public at large or Property Owners, their Lessees and Guests, acquire an easement of use and enjoyment therein except at such fees, and under such rules and regulations for operation, as may be established from time to time by the Company. See Section 4-9 pertaining to the Declarant's right to convey certain categories of Common Properties to the Company.

Section 7-2: Extent of Members' Easements in Common Properties. Every Class "A" and "B" Member shall have a right and easement of access, use and enjoyment in all Common Property (exclusive of Private Open Space, if any, which becomes Common Property), and such easement shall be appurtenant to and shall pass with the title of every tract of land or other unit ownership of realty within the Property; provided, however, that the rights and benefits created hereby shall be subject to the rights and functions of the Declarant and the Company set forth in this Declaration.

Section 7-3: Purchased Common Properties. "Purchased Common Properties" shall be considered Common Properties, and except where provided otherwise, all provisions in these Covenants pertaining to Common Properties shall be

applicable to Purchased Common Properties. Subject to the limitations provided elsewhere in these Covenants, every Class "A", "B" and "C" Member shall have a right and easement of enjoyment in the use of any property now or hereafter defined as "Purchased Common Property" pursuant to this Declaration.

Section 7-4: Company Liability for Purchased Common Properties. The Company shall assume all purchase money mortgages and all liability necessary to remove liens or other financial encumbrances on their stated schedule of term amortization which have benefited and have attached to any Purchased Common Property.

Article VIII: Resort Assessments and Other Charges

Section 8-1: Collection and Use of Resort Assessments and Other Charges. The Resort Assessments, Special Assessments, fees, charges and liquidated damages described in these Covenants shall be collected by the Company and used exclusively for carrying out the functions of the Company.

There shall be two categories of assessments applicable to the Property: (1) Standard Resort Assessment; and (2) Special Assessment for Major Repairs and Emergencies. In addition, some properties and the owners thereof shall be subject to Resort Promotion Assessments or Neighborhood Assessments. Resort Promotion Assessments are paid by those who benefit from rental of their properties on a transient basis. Neighborhood Assessments are applied to purposes limited to a given neighborhood and are paid by Property Owners in that neighborhood. Each of these assessments is further defined below.

The Board of Directors of the Company shall annually establish a budget and fix the amount of the Assessment against each Property Owner and the Declarant and shall at that time direct the preparation of an index of the properties and assessments applicable thereto which shall be kept in the office of the Company and which shall be open to inspection by any Property Owner. Written notice of assessment shall thereupon be sent to every Property Owner subject thereto.

Section 8-2: Standard Assessments. The Board of Directors shall establish the initial standard assessments as set forth in subparagraphs (a) through (c) below.

The Board of Directors of the Company may, by two-thirds (2/3) affirmative vote, after consideration of current costs and future needs of the Company, fix the Standard Assessment for any year at an amount less than the Standard Assessment, but such action shall not constitute a waiver by the Company of its right to revert to the full regular Standard Assessment in subsequent years. If the Board of Directors, however, fixes the Standard Assessment at an amount less than the amount set forth in above and it subsequently is determined by the

Board that the amount assessed will not be sufficient to meet the Company's current obligations, the Board shall have the power to levy the Standard Assessment retroactively.

The Board of Directors of the Company shall have the authority to increase the Standard Assessment by an amount twenty percent (20%) greater than that of the previous year without approval by members in a Mail Referendum.

The Board of Directors shall submit for vote of "A" and "B" members in a Mail Referendum a Standard Assessment twenty percent (20%) greater than the previous year's Standard Assessment. If the Mail Referendum is approved by the voters, the proportionate increase shall be the same for all Property Owners, other than property exempt from all assessments and the exemption from Resort Promotion Assessments of residential property where rentals of less than thirty (30) days are prohibited pursuant to recorded deed references. Any time the actual assessment levied by the Board of Directors of the Company is less than the Standard Assessment, such decrease shall be apportioned among all Property Owners, such that the proportionate decrease received by each assessment class.

In determining the amount of the standard assessment for any year, the Company may establish reserve funds equal to but not greater than ten percent (10%) (or such percentage which from time to time is established by the Internal Revenue Code or regulations issued pursuant thereto as that amount of income for property owners association which may be accumulated without adverse tax consequences) of the receipts from its Standard Assessments to be held in an interest drawing account or in prudent investments as a reserve for operating capital, major rehabilitation or major repairs, and for emergency and other repairs required as a result of depreciation, erosion, storm, fire, natural disaster or other casualty loss.

- (a) Resort Dwelling Lots. The Standard Assessment for each Resort Dwelling Lot shall be \$250 on each Resort Dwelling Lot. Once a Resort Dwelling Unit is constructed upon a Resort Dwelling Lot, assessments shall be based upon the Resort Dwelling Unit and no separate assessment shall be made upon the Resort Dwelling Lot.
- (b) Resort Dwelling Units. The Standard Assessment for each Resort Dwelling Unit shall be \$350.
- (c) Undeveloped Lands and Development Parcels. Development Parcels and Undeveloped Land, whether or not subdivided, shall have a Standard Assessment equal to the Applicable Beaufort County Property Tax on such parcel.
- (d) Boating Units. In subsequent Covenants the Declarant shall establish Shelter Harbour Company assessment procedures for

boat units, dock facilities and harbour related structures and facilities.

- (e) Hotels and Inns. Hotels and Inns will be subject to the following Standard Assessments:
- (i) Single Ownership Inns or Hotels. The Standard Assessment for any non-Condominium Inns or Hotels shall be equal \$100 for each bedroom unit without kitchen facilities and \$150 for each efficiency apartment or one-bedroom apartment in each inn or hotel.
  - (ii) Inns or Hotels Under Condominium Ownership. The Standard Assessment for each Resort Lodging Unit in an inn or hotel which is under condominium ownership and which is a part of a Horizontal Property Regime shall be \$100 for each Resort Lodging Unit which is a bedroom unit without kitchen facilities and \$150 for each Resort Lodging Unit which is an efficiency or one-bedroom apartment.
  - (iii) Special Lodging Facilities. The Standard Assessment for Special Lodging Facilities shall be set by the Directors to be approximately equivalent to (i) and (ii) above, adjusted downward for relative differences in forecast gross revenues per bedroom or dwelling unit.

Any Retail Unit, Professional Service Unit or Restaurant Unit which is located in any hotel, inn or lodging facility shall pay a separate Standard Assessment as provided in Subsections (f), (h) and (g) of this Section.

- (f) Commercial, Recreational and Professional Service Units. The Standard Assessment for each Professional Service Unit shall be \$10 for every two hundred (200) square feet (rounded off to the nearest multiple of two hundred (200)) of floor area in each Professional Service Unit.
- (g) Restaurant Units. The Standard Assessment for each Restaurant Unit, shall be \$25 for every two hundred (200) square feet (rounded off to the nearest multiple of two hundred (200)) of floor area in each Restaurant Unit.
- (h) Retail Units. The Standard Assessment for any Retail Unit shall be \$25 for every two hundred (200) square feet of floor area in each Retail Unit, up to one thousand five hundred (1,500) square feet and \$15 for each two hundred (200) square feet of retail space in excess of one thousand five hundred (1,500) feet.
- (i) Sports, Athletic, Health Club or Recreational Park Unit. The Standard Assessment for each Sports, Athletic or Health Club or

Recreational Park Unit which is operated as a for-profit facility shall be \$400.

- (j) Cleaning, Maintenance, Service or Utility Units. Each Cleaning Repair, Maintenance, Service or Utility Unit intended to be operated as a profit-making facility, or as a separate and non-adjacent support installation for a profit-making facility shall be subject to a \$200 Standard Assessment.
- (k) Open Space. No Standard Assessments of any kind shall be made upon any property which by Declaration filed with the Beaufort County, South Carolina, Clerk of Court, has been dedicated to Open Space even though ownership of which has been retained by a Property Owner other than the Company or by the Company.
- (l) Land Owned by the Declarant. The Declarant shall be liable for Standard Assessments on any real property owned by it which is located within the Property except as described in section (m) below.
- (m) Non-Assessable Land and Water and Public Interest Facilities. No Standard Assessment, no Special Assessments for major repairs, no Resort Promotion Assessment may be made upon any Open Space. No assessments shall be made upon the Declarant's interest in the Central Harbour Facilities, Harbour Access Zone, Bulkheads and the Harbour Basin. In addition, in its discretion, the Board of Directors of the Company may exempt from the annual Resort Assessments, any private medical clinics, convalescent homes, facilities of non-profit associations and charitable institutions, or lands subject to conservation and scenic easements duly recorded and held by appropriate public interest agencies.
- (n) Undefined Units. In order that these Covenants shall reflect changing times and accommodate evolving residential resort and commercial entities not at the present time contemplated, all other categories of realty not described in subsections (a) through (m) above shall be "undefined" and shall be classed by the Board of Directors of the Company in the assessment categories (a) through (m) above which most closely approximates the undefined entity and the Standard Assessment shall be that of the category which most closely approximates such use.
- (o) Supplemental Declarations. The Declarant may, by supplemental declaration, establish new classifications for assessment pur-

poses and may apply these classifications to properties not previously within one of the above classifications.

Section 8-3: Special Assessments for Major Repairs and Debt Retirement. In addition to the Standard Assessments authorized by Section 8-2 hereof, the Company may levy Special Assessments, for the purpose of reconstruction, repair or replacement of capital improvements or restoration upon the Open Space and Common Properties including Purchased Common Properties and including the necessary fixtures and personal property related thereto, or for additions and improvements to Open Space or to Common Properties for the necessary facilities and equipment to offer the services authorized herein, to repay any loan made to the Company, provided that such assessment shall have received the approval of the Members in a Mail Referendum.

The portion of each Special Assessment to be paid by the owners of the various classifications of assessable property (excluding properties with full or limited exemptions) shall be proportionate to the applicable Standard Assessments of property in that class for the assessment year during which such special assessments are approved, expressed as a percentage of the sum of the total applicable Standard Assessments on all property within the Property for the year during which such Special Assessment is approved.

Section 8-4: Resort Promotion Assessments and Reporting of Resort Rental Occupancy. Each owner or manager of an inn or lodging place, and each owner of a Transient Occupancy Single Household and Residential Unit, shall report each year to the Company on April 1, the number of days of occupancy in the period for the twelve months (or fraction thereof for new properties) ending on the preceding February 28, inclusive of owner's transient vacation use and friends-of-owner complimentary use. In the event the average occupancy of all rental bedrooms and Resort Lodging Units existing on the Shelter Cove Property have not had, collectively, an average occupancy of at least 160 days in the reporting period, then for the period beginning on the following June 1, the Board of Directors shall establish a Resort Promotion Assessment.

If the occupancy of 160 days per average rental bedroom is not achieved in the prior year ending February 28 as reflected in occupancy reports received (and non-reporting units averaged at a level comparable to reporting units occupancy), the Board of Directors may, by majority vote, establish the year's Resort Promotion Assessment at a rate equal to 50% of the Standard Assessments, without Mail Referendum. In the event a higher Resort Assessment is recommended by a majority vote of the Directors, the higher amount shall be submitted to a majority vote of those subject to the Resort Assessment voting in the Referendum. In the event the majority of those voting do not approve the larger assessment, the basic (50% of Standard Assessment) Resort Promotion Assessment shall be levied.

Open Space Property as well as Sustained Occupancy Dwelling Units and Cleaning and Maintenance Units shall be exempt from Resort Promotion Assessments.

Section 8-5: Neighborhood Assessments. The Company shall have the authority to establish Neighborhood Assessments for the purpose of maintaining Neighborhood Properties for maintaining proper insurance coverage for Neighborhood Properties, and, in certain instances, for major improvements and repairs with respect to Neighborhood Properties. No portion of the proceeds received from Neighborhood Assessments may be applied to support the Company except as the Company incurs expenses related to the particular neighborhood for which the assessment is made. Similarly, the proceeds from any Neighborhood Assessment may not be applied to maintain any Common Properties.

No Neighborhood Assessment for major repairs and improvements may be made unless it is approved by a fifty-one percent (51%) majority of Class "A" and "B" members in the neighborhood subjected to the assessment in a Mail Referendum.

Section 8-6: User Charges and Tolls. The assessments described in this Article shall not be in lieu of, nor shall they displace, any other charges or fees for services and use of Common Properties which may be required by the Board of Directors of the Company pursuant to other Sections of these Covenants. Nor shall the assessments described in this Article be in lieu of, or displace, any charges, fees or assessments owed by any Property Owner to a Horizontal Property Regime or any other property owners association in which the Property Owner is also a member.

The Company may establish any fee or toll for use of roadways belonging to the Company; provided, however, that such fee or toll shall be limited to an amount, when combined with a portion of the total Standard Assessments, generates sufficient sums to the Company to cover the cost of the operation of every road entry security station, to repair, rehabilitate, resurface and otherwise maintain said roadways, and security risks arising from illegal acts of roadway users on or off the roadways.

The Company may establish charges for use of Common Properties to assist the company in offsetting the costs and expenses of the Company attributable to the Common Property. All charges established shall be reasonable and shall be uniformly applied. Each Owner, Lessee and Guest shall be obligated to and shall pay any such reasonable charges for use of Common Properties.

The Company may establish charges for providing any service to assist the Company in offsetting the costs and expenses of the Company attributable to the service.

Section 8-7: Time and Method of Payment of Annual Assessments; Supporting Data. Any assessment year shall run from June 1 to May 31, the annual assessments provided for in this Article shall be assessed according to the character of the property as of June 1, 1982, and each June 1 thereafter of the assessment year, and the annual assessments provided for herein shall commence no earlier than June 1, 1982. For any assessment year, each Property Owner shall pay in advance, either annually or periodically, as billed by the Company, all annual assessments due on said property.

Section 8-8: Effect of Non-Payment of Assessments and Other Charges. The following actions may be taken by the Company in the event a Property Owner fails to make payment of any assessments set forth above or other charges and obligations when due:

- (a) Charge on Late Payment. A late payment charge which is equal to an ANNUAL PERCENTAGE RATE OF FIFTEEN PERCENT (15%) will be charged on all late payments of assessments.
- (b) Personal Liability. If the assessment or charge is not paid within thirty (30) days after the past due date, the Company may bring an action at law or in equity against the Property Owner personally, and there shall be added to the amount of such assessment the cost of preparing and filing the legal documents in such action, and in the event a judgment order against the Property Owner is obtained, such judgment shall include late charges on the assessment as provided in (a) above, reasonable attorney's fees and expenses to be fixed by the court and the costs of the action.
- (c) Execution on Lien. Subject to Section 9-3 relating to subordination of the lien to mortgages and other encumbrances, the Company may execute its lien upon the subject property according to procedures prescribed by the law of South Carolina.
- (d) Other Rights. In addition to the above, the Company shall reserve the rights it may have under and according to applicable law to attach and execute against any personal assets of a Property Owner in order to receive assessments due.

Section 8-9: Rounding of Assessment Figures. All assessments charged by the Company and late charges thereon shall be rounded off to the nearest dollar.

Section 8-10: Change of Classification on Completion of Principal Buildings. For purposes of these assessments and voting rights hereunder, property under construction will be classed and assessed as a Resort Dwelling Lot or undeveloped Land, as appropriate, until a certificate of occupancy

is issued or other evidence of completion exists, and assessment at the Improved Property rate shall begin on the next June 1 following completion.

Section 8-11: Copies of Development Plats. The Company shall be provided, for purposes of its comment and review for conformity to these Covenants, copies of all Development and Survey Plats of the Property which are prepared by a grantee of the Declarant, their heirs, successors and assigns prepared by, or under request of, such grantee, their heirs, successors and assigns for purpose of recording with the County Clerk of Court for Beaufort County, South Carolina.

#### PART FOUR

#### GENERAL PROVISIONS

Article IX: Duration, Obligation and Appurtenancy of Rights and Obligations Created Herein

Section 9-1: Duration. These Covenants shall be in effect, shall run with and bind the land, and shall inure to the benefit of and be enforceable by and against the Declarant, the Company, any Property Owner, their respective legal representatives, heirs, successors and assigns for a period of twenty (20) year from the date this Declaration is recorded. Upon the expiration of said twenty (20) year period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten-year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten-year period; provided, however, that there shall be no renewal or extension of the Declaration if, during the last year of the initial twenty (20) year period, or during the last year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes of Class A and Class B Members cast pursuant to a Mail Referendum conducted pursuant to Section 6-4 vote in favor of terminating this Declaration at the end of its then current term.

In the event that the Company votes, at the end of such specific periods, to terminate this Declaration, the president and secretary of the Company shall execute and record a certificate which shall set forth the resolution of the Board of Directors calling for a Mail Referendum concerning termination of the Company, the date of the meeting of the Board of Directors of the Company at which such resolution was adopted, the date that the Mail Referendum was mailed the total number of votes of Members of the Company returned pursuant to the Referendum, and the number of votes in favor of and against termination of the Company.

Section 9-2: Disposition of Assets Upon Dissolution of Company. Subject to the reservation by Declarant pertaining to properties donated by Declarant, upon dissolution of the Company, its real and personal assets, including the Common Properties, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Company. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Company. No such disposition of the Company properties shall be effective to divest or diminish any right or title to any member vested in him under the licenses, covenants and assessments of this Declaration, or under any subsequently recorded covenants and deeds applicable to the Property, unless made in accordance with the provisions of this Declaration or said Covenants and deeds.

Section 9-3: Protection of Mortgages and Other Encumbrances. No violation or breach of, or failure to comply with any provision of this Declaration and no action to enforce any such provision or to prevent a violation shall effect, defeat, render invalid or impair the lien of any mortgage, deed of trust or other lien on any property if such lien or deed of trust is taken in good faith and for value and is Recorded prior to the time an instrument describing such property and listing the name of the owners of fee simple title to the property and giving notice of a claimed violation, breach or failure to comply with the provisions of this Declaration is Recorded. Any such violation, breach or failure to comply by Declarant, the Company or other Property Owner shall not affect, defeat, render invalid or impair the title or interest of the holder of any such mortgage, deed of trust or other lien or title or interest acquired by any purchaser upon foreclosure of any such mortgage deed of trust or other lien, nor shall the former owner's violation, breach or failure to comply result in any liability, personal or otherwise, of any mortgage holder or new owner resulting from foreclosure. Any such new owner on foreclosure shall, however, take subject to this Declaration with the exception of the former owner's violations or breaches of, or failures to comply with, any provisions of this Declaration which occurred prior to the vesting of fee simple title in such new owner, and such prior acts shall not be deemed breaches or violations hereof or failures to comply herewith with respect to such new owner, his heirs, personal representatives, successors or assigns; provided, however, that any action of the new owner, after taking title to, or possession of, such property, which constitutes a violation shall cause such new owner to be subject to all assessments, charges, restraints, restrictions, burdens and obligations under the Covenants.

Section 9-4: Owner's Rights and Obligations Appurtenant. All rights, assessments, restrictions and obligations of a Property Owner under this Declaration and all rights of a Property Owner with respect to memberships

in the Company under this Declaration are hereby declared to be and shall be appurtenant to the title held by the Property Owner and may not be transferred, conveyed, devised, bequeathed, encumbered or otherwise disposed of separate or apart from the title held by the Property Owner. Every transfer, conveyance, grant, devise, bequest, encumbrance or other disposition of the title held by a Property Owner shall be deemed to constitute a conveyance, grant, devise, bequest, encumbrance, transfer or disposition of such rights and obligations.

**Article X: Effect of Covenants and Enforcement**

**Section 10-1: Effect of Provisions of These Covenants.** Each Property Owner, Lessee, their successors, heirs and assigns, and all others who take an interest in land or realty within the Property do promise, covenant and undertake to comply with each provision of these Covenants, which provisions:

- (a) shall be considered incorporated in each deed or other instrument by which any right, title or interest in any real property within the Property is granted, devised or conveyed, whether or not set forth or referred to in such deed or other instrument;
- (b) shall, by virtue of acceptance of any right, title or interest in any real property within the Property by a Property Owner, or the Company, (i) be deemed accepted, ratified, adopted and declared as a personal covenant of the Property Owner or the Company, and (ii) be deemed a personal covenant to, with and for the benefit of the Declarant, the Company, and any other Property Owner;
- (c) shall be deemed a real covenant by the Declarant for itself; its successors and assigns and also an equitable servitude, running in each case, as both burdens and benefits with and upon the title to each parcel of real property within the Property and, as a real covenant and also as an equitable servitude, shall be deemed a covenant and servitude for the benefit of any real property now or hereafter owned by the Declarant within the Property and for the benefit of any and all other real property within the Property; and
- (d) shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening and encumbering the title to each parcel of real property within the Property which lien, with respect to any respective unit of real property within the Property, shall be deemed a lien in favor of the Declarant and the Company, jointly and severally.

**Section 10-2: Who May Enforce.** The benefits and burdens of these Covenants run with the land at law and in equity and the Declarant, its successors and assigns, the Company, its successors and assigns, or any Property Owner and his heirs, successors, representatives, administrators and assigns with respect to the Property, shall have the right to proceed pursuant to Section 10-4 against a party specified in Section 10-3 to compel a compliance to the terms hereof or to prevent the violation or breach in any event.

- (a) **Enforcement by Declarant.** The Declarant shall have the right but shall not be obligated, to proceed at law or in equity to compel compliance to the terms of this Declaration or to prevent the violation or breach in any event. Violators shall be personally obligated to reimburse the Declarant in full for all its direct and indirect costs or damages resulting from the violation or breach, including but not limited to legal fees and expenses incurred by the Declarant and/or the Company in maintaining compliance with this Declaration, and such obligation shall also constitute a lien upon the property of any Property Owner.
- (b) **Enforcement by the Company.**
- (i) If any Property Owner or the Declarant fails to maintain any undeveloped land, Development Parcel, Regime Common Property, Resort Dwelling Lot, Resort Dwelling Unit, Resort Lodging Unit, or Parking Lot, Hotel, Inn or Private Open Space or other structure, facility or lands with the Property, fails to perform any acts or maintenance or repair required under these Covenants, the Company may provide exterior maintenance and repair upon such Property and improvements thereon. In addition, the Company may, without notice, make such emergency repairs and maintenance as may in its judgment be necessary for the safety of any person or to prevent damage to other property. The cost of such emergency exterior maintenance and repair shall be assessed against the Property Owner and shall be a lien on the subject property and an obligation of the Property Owner. For the purpose of performing the emergency exterior maintenance authorized by this Section, the Company, through its duly authorized agents or employees, shall have the right, after reasonable notice to any Property Owner, to enter upon the respective property during reasonable hours on any day except Saturday or Sunday. The Company is given an irrevocable license or easement over all the Property to inspect in order to determine whether any repair is necessary under this Section.

- (ii) DECLARANT, THE COMPANY OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, AGENTS OR EMPLOYEES SHALL NOT BE LIABLE FOR ANY PERSONAL INJURY OR PROPERTY DAMAGE OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES OCCASIONED BY ANY NON-NEGLIGENT ACT OR OMISSION IN THE INSPECTION, REPAIR OR MAINTENANCE OF ANY SITE, IMPROVEMENTS OR PORTION THEREOF.
- (iii) Whenever the Company or the Declarant undertakes, pursuant to these Covenants, to correct, repair, clean, preserve, clear out or perform any action on the property or on easement areas adjacent thereto, entering the property and taking such action shall not be trespass and a license or easement to enter is hereby granted by any Property Owner who takes subject to these Covenants.
- (iv) The Company shall respond to complaints received as to violations of the Covenants and shall inform the violators of such complaint. If the violation is not expeditiously terminated, the Company may engage legal counsel to bring an appropriate action at law or in equity, including any appeals, to enforce these Covenants. After final adjudication, violators shall be obligated to reimburse the Company in full for all its direct and indirect costs including but not limited to legal fees and expenses incurred by the Company in maintaining compliance with these Covenants.
- (v) The Company may suspend the rights of enjoyment in Common Properties of any Member, or Lessee or Guest of any Member, for any period during which the payment of any assessment against property owned by such Member remains delinquent, and for any period not to exceed sixty (60) days next following the cessation of any violation for any infraction of its published rules and regulations, provided that any suspension for either nonpayment of any assessment or breach of the rules and regulations of the Company shall not constitute a waiver or discharge of the Member's obligation to pay the assessment or to abide by such rules, and provided further that the Company shall not suspend the right to use the roads belonging to the Company subject to the rules, regulations and fees, if any, established by the Company for such use.

The Declarant and the Company also retain an easement and license to enter upon any part of the Property, after reasonable notice, to engage in such repair, maintenance, upkeep or reconstruction as may be necessary to

enforce compliance with this Declaration, and the full cost of such maintenance, repair, upkeep or reconstruction shall be subject to such actions for enforcement and collections as prescribed above in Sections 10-1 and 8-8 as if such cost were an assessment.

Section 10-3: Against Whom May the Covenants be Enforced. The obligation and benefits prescribed by this Declaration shall run with the Property and shall be enforceable against the Declarant, its successors and assigns, the Company, its successors and assigns and against any Property Owner, his heirs, successors, representatives, administrators, assigns, or other person whose activities bear a relation to the Property, including Guests and Lessees when the aforesaid persons or entities engage in activities (including omissions and failures to act) which constitute violations or attempts to violate, contravene or circumvent the covenants, burdens, obligations, easements, servitudes and restrictions set forth in this Declaration.

Section 10-4: Enforcement Remedies. In the event that any Structure is erected, constructed, reconstructed, altered, repaired, converted or maintained, or any Structure or land use is in violation of these Covenants, the Company, the Declarant or any Property Owner may institute appropriate legal proceedings or actions, at law or in equity: (a) to prevent such unlawful erection, construction, reconstructions, alteration, repair, conversion, maintenance or use; (b) to restrain, correct or abate such violation, or breach of these Covenants; (c) to prevent the occupancy of said building, structure or land; (d) to prevent any act, conduct, business or uses which is in breach of these Covenants; or (e) to compel any affirmative act which, pursuant to these Covenants "shall" be performed.

#### Article XI: Interpretation and Construction

Section 11-1: Severability. Should any Covenant or restriction herein contained, or any Part, Article, Section, paragraph, sentence, clause, phrase, or term in this Declaration be declared to be void, invalid, illegal or unenforceable for any reason by the adjudication of the highest court or other tribunal which considers such matter and has jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable.

Section 11-2: Interpretation. In all cases, the provisions of this Declaration shall be given that reasonable interpretation or construction which will best effect consummation of the general plan of land use restrictions and affirmative obligations of the Property, which will carry out the intent of the Declarant as expressed in the recitals of these Covenants, and which will preserve the Property as a situs for a high amenity, attractive, well maintained, privately-governed commercial and residential resort community.

Contrary to the restrictive common law rule of construction, these Covenants shall by this Covenant be interpreted broadly to touch and concern the Property with recognition of modern economic, land use planning and real estate finance and development principles, theories and practices. It is the Declarant's intent, and all Property Owners who take subject to the Covenants, do covenant and agree, and are thereby estopped to deny, that any function of the Company, and any other covenant condition, restriction or obligation within these Covenants is intended to promote the use and enjoyment of the Property, is intended to foster the creation, preservation or enhancement of economic or intangible values associated with the Property, and does touch and concern, benefit and burden and run with the Property.

The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any zoning ordinance which allows a less restricted use of the Property.

Section 11-3: Gender, Tense and Number. When necessary for proper construction, the masculine form of any word used in this Declaration shall include the feminine or neuter gender, and the singular, the plural and vice versa, and words used in the present tense shall include the futura tense.

Section 11-4: No Waiver. Failure to enforce any provisions of this Declaration shall not operate as a waiver of any such provision or of any other provisions of this Declaration.

Section 11-5: Captions. The captions and headings in this instrument are for convenience only and shall not be considered in construing any provisions of this Declaration.

Section 11-6: No Implied Liabilities or Duties. ANY RULES OR REGULATIONS ESTABLISHED BY THE COMPANY PURSUANT TO THESE COVENANTS SHALL NOT EXPRESSLY OR IMPLIEDLY CREATE ANY DUTY OF CARE TO ANY PROPERTY OWNER.

#### Article XII: Definitions

Section 12: Definitions. The following words and terms when used in this Declaration any supplemental declaration or in deeds of conveyance by Declarant for portions of the Property, shall have the following meanings and where applicable shall be considered as restrictions on use of land where required to give meaning to the use land restrictions of the various Sections and Articles of these Covenants, including covenants affecting land use incorporated as supplements to these Covenants in deeds (or leases) of conveyance by the Declarant.

12-1.1: The word or term "approved or approval by the Company" shall mean and refer to any approval required under these Covenants to be made by the Shelter Cove Harbour Company. An Approval by the Company shall be provided in

writing, signed by the President and Secretary of the Company and shall be maintained in the Company's records.

12-1.2: The word or term "approved or approval by the Declarant" shall mean and refer to a written approval issued by the Declarant signed by its President, a Vice President and also attested by its Secretary or an Assistant Secretary, or a written approval by such officers or designated members of entities entitled to issue approvals for the Declarant as may be designated by the Declarant in supplemental declarations to these Covenants.

12-1.3: "Common Properties" shall mean and refer to those areas of land or estates in land with any improvements and fixtures thereon which are purchased by the Company, deeded or leased to the Company by the Declarant or deeded or leased to the Company by any other grantor and which are designated in said Recorded deed or lease as "Common Properties," or are so designated by a Recorded instrument after acquisition by the Company as grantees. "Common Properties" shall also include Purchased Common Properties defined in Section 12-1.26. Common Properties shall not include those common areas defined as Regime Common Properties.

12-1.4: "Company" shall mean and refer to the Shelter Cove Harbour Company, a non-profit corporation organized under the laws of South Carolina, which has a membership as provided in Article V of these Covenants.

12-1.5: "Concept Research Plans" and "Master Plans" shall mean and refer to master plans, general land use maps, advertising brochures, scale models, designs and drawings commissioned by the Declarant prepared by landscape architects, planners, designers, engineers, graphic illustrations and artists and similar professionals displaying possible future uses of the Property prepared as an aid in orderly development of the Property or as part of its communications with the public and property purchasers or as part of its research programs undertaken by the Declarant to determine economically optimal/environmentally sensitive programs for future development of the Property.

12-1.6: "County Clerk of Court" shall mean and refer to the Clerk of Court for Beaufort County, South Carolina, and the successors and assigns of that office, and shall mean and refer to the appropriate office in Beaufort County, South Carolina, for the formal filing and recording of conveyances including deeds, covenants, mortgages, plats and other evidences of real property interests.

12-1.7: "Covenants" shall mean and refer to the "Shelter Cove Harbour Covenants of 1982" contained herein adopted by the Declarant as declarant for the Property and incorporator of the Company including all covenants, conditions

covenants, conditions, equitable servitudes, easements, reservations, restrictions and obligations set forth in this Declaration and the term "Declaration" when used herein may, depending upon the context in which it is used, be synonymous with the term "Covenants."

12-1.8: "Declarant" shall mean and refer to Greenwood Development Corporation, a South Carolina corporation, and the successors and assigns of the Declarant as a legal entity.

12-1.9: "Declarant Related Amendments" shall mean and refer to an amendment to these Covenants which does any of the following: (a) discriminates or tends to discriminate against Declarant as a Property Owner or as a developer or otherwise; (b) directly or indirectly by its provisions or impractical application relates to Declarant in a manner different from the manner in which it relates to other Property Owners; (c) modifies the definitions provided for this Declaration in a manner which alters Declarant's rights or status; (d) modifies or repeals any provision of Article IV of this Declaration pertaining to rights reserved by Declarant; (e) alters the character and rights of membership as provided for by Article VI of this Declaration or effects or modifies in any manner whatsoever the rights of Declarant as a member of the Company; (f) alters any previously recorded or written agreement with any public or quasi public agencies, utility company, political subdivision, public authorities or other similar agencies or bodies, respecting zoning suspension, streets, roads, drives, easements or facilities; (g) denies the right of Declarant to convey to the Company as Common Properties any lands which lie generally within the Property; (h) denies the right of Declarant to record a supplemental declaration with respect to portions of the Property or adding property subject to this Declaration or otherwise making provisions in accordance with the powers granted to Declarant in this Declaration; (i) modifies the basis or manner of Company or other assessments as applicable to Declarant or any property owned by Declarant within the Property; (j) modifies any provision of these Covenants regarding architectural controls applicable to Declarant; (k) alters the provisions of any supplemental declaration; or (l) alters or repeals any of Declarant's rights or any provision applicable to Declarant's rights as set forth in any provision of this Declaration or of any supplemental declaration.

12-1.10: "Development or Survey Plats" (as distinguished from "Concept Research Plans" and "Master Plans") shall mean and refer to the cumulative collection of Recorded Plats of property prepared and signed by a registered surveyor describing by metes and bounds sections or portions of the Property for purposes, as specified, of either describing conveyances or leases to third parties.

12-1.11: "Development Parcels" shall mean and refer to parcels of land so designated in a Recorded deed, lease or plat conveyed by the Declarant to land developers or other owners, such Development Parcels being distinctive in that subject to Approval by the Declarant they may be subdivided by the owner thereof into smaller land units (or subportions of a building in a horizontal

property regime) for uses recited in the instrument of conveyance of the Declarant making reference to permitted property use classifications as defined and described in these Covenants.

12-1.12: "Guest" shall mean and refer to any customer, agent, guest or invitee of the Declarant, the Company or any Property Owner or Lessee.

12-1.13: "Horizontal Property Regime" shall mean and refer to a horizontal property regime created and established under the Code of Laws of South Carolina as it is amended from time to time.

12-1.14: "Improved Property" shall mean land which has been improved by construction of buildings and other Structures to make the property suitable for human lodging, commerce, education and recreation as permitted pursuant to this Declaration.

12-1.15: "Lessee" shall mean and refer to the person or persons, entity or entities who are the Lessees, assignees of a Lessee or Sublessees of a Lessee under any ground lease or any lease of any part or all of a Professional Service Unit, Resort Lodging Unit, Restaurant Unit, Retail Unit, Resort Dwelling Unit, Resort Dwelling Lot, Boating Unit, Development Parcel or any other property owned by a Property Owner within the Property.

12-1.16: "Mail Referendum" shall mean and refer to the power of all Members to vote by mailed ballots on certain actions by the Board of the Company more particularly set forth in Section 6-4.

12-1.17: "Member" shall mean and refer to the Declarant and all those Property Owners who are members of the Company as provided in Article VI hereof.

12-1.18: "Non-Assessable Land and Water" shall mean and refer to the following types of land: marsh conservancies; submerged lands; lakes, waterways (but not the riparian rights of Boating Units) and lagoons; and all land designated as Open Space. "Non-Assessable Land and Water" shall also include lands within the Property which are primarily used for the following governmental, charitable or non-profit uses, the presence of which benefits the Property as a whole: public libraries; churches; clubhouses and recreational facilities; non-profit museums; any buildings and lands which are owned by local, state and federal governments and which are used for governmental, as opposed to proprietary functions; police stations, fire stations and emergency medical care facilities and other non-profit schools, educational and instructional centers.

12-1.19: "Non-Condominium Inn or Hotel" shall mean and refer to a hotel or inn which offers lodging to transients, which may have restaurants, meeting

rooms and retail shops, the whole of which is owned by a single owner or group of owners, whether such hotel or inn is owned by a single proprietor, in common, joint tenancy, in the entirety, a group of owners, a partnership, a limited partnership, a trust or a corporation; provided, however, that the use of any Resort Dwelling Unit as a temporary dwelling or a place of accommodation shall not make such Resort Dwelling Unit a part of a Unitary Inn or Hotel.

12-1.20: "Open Space" shall be designated as either "Resort Open Space or "Private Open Space" and shall mean and refer to those parcels of land which are designated pursuant to Section 3-1 of these Covenants by Recorded Declaration of the Declarant as land for such purposes, which, pursuant to these Covenants, cannot be developed or improved or altered except as provided in Article IV and any other relevant Sections of these Covenants.

12-1.21: "Pertinent Laws" shall mean and refer to the statutes, ordinances, regulations and other laws pertinent to the ownership, lease, sale, use, improvement and development of the Property, as are codified or promulgated by the State of South Carolina, the County of Beaufort, South Carolina, the Government of the United States of America and other public authorities having jurisdiction over the Property.

12-1.22: "Professional Service Unit" shall mean and refer to any unit of real property within the Property, under a single ownership, whether such ownership is proprietorship, corporation, joint tenancy, tenancy in common, tenancy by the entirety, or partnership in form, which unit is improved and utilized primarily for the purpose of rendering "professional" as opposed to Trade-Oriented Services, which units shall include but are not limited to those utilized for business offices; architectural and design offices; accounting services; general consulting, managerial or real estate brokerage and sales and other professional services; medical offices (other than convalescent homes, nursing homes and hospitals); legal service offices; insurance sales office; and governmental offices; provided, however, that no real property and improvements thereon operated by a single business entity used for providing electronic, plumbing, mechanical, building construction ceramic firing or repair service can be a "Professional Service Unit."

12-1.23: "Property" shall mean and refer to the 230 acres of Shelter Cove Harbour, more particularly described in Section 1-1 hereof and Exhibit A attached hereto.

12-1.24: "Property Donated by Declarant" shall mean and refer to those properties donated by Declarant to the Company as provided in Section 4-9.

12-1.25: "Property Owner" shall mean and refer to the owner, except the Declarant, of any real estate within the Property as shown by the real

estate records of the County Clerk of Court. "Property Owner" shall in all cases also include the successors, heirs, assigns, personal representatives, receivers and trustees of the Property Owner with respect to real estate within the Property. "Property Owners" may be used to describe any persons, firms, proprietorships, associations, corporations or other legal entities owning a fee simple title to any: Resort Dwelling Lot; Resort Dwelling Unit; Resort Lodging Unit; Development Parcel; Unitary or Condominium; Inn or Hotel; Special Lodging Facility; Professional Service Unit; Retail Unit; Boating Unit; Cleaning, Maintenance, Service or Utility Unit; Sports, Athletic, Health Club or Recreational Park Unit; Boating Service Unit; or other Unsubdivided Land situated upon the Property but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee (even if viewed by State law as holding legal title), trustee under a deed of trust, or holder of a security interest, unless and until such mortgage holder or holder of a security deed has acquired both legal and equitable title pursuant to a foreclosure proceeding or deed in lieu of foreclosure; nor shall the term "Property Owner" mean or refer to any Lessee or Tenant of a Property Owner. In the event that there is a Recorded long-term contract of sale, nominal option to purchase, bond for title, long-term lease with option to purchase, or any similar recorded device for ultimate conveyance of beneficial interest, covering any lot, horizontal property regime unit, building, time share or parcel of land within the Property, the Property Owner of such property shall be the purchaser under said contract and not the legal title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond twelve (12) months from the date of the contract, and where the purchaser does not receive legal title to the property until such payments are made although the purchaser is given the use of said property.

"Purchased Common Properties" shall include properties which the Members of the Company choose by Mail Referendum to purchase in order to enhance use and enjoyment, the quality, convenience, attractiveness or economic value of all or part of the Property.

12-1.26: The word "recorded" shall mean and refer to a filing, in conformity with all legal formalities, of a document with the County Clerk of Court as register of mesne conveyances or other appropriate office in Beaufort County, South Carolina, with the responsibility of maintaining grantor grantee, grantee-grantor, Torrens System or other related records pertaining to the registration, sale and disposition of interests in land and realty. A recording shall be proper if it can be shown and so judged by a court of law that such document was left in the custody of the Clerk of Court or other appropriate official and was spread upon the public books. No recording shall be invalid by virtue of an error of the County Clerk of Court, its agents or employee, which causes such document or plat to fall without the appropriate chain of title.

12-1.27: "Regime Common Property" shall mean and refer to any Structures, facilities, land and common areas which are designated common elements in accordance with the creation and establishment of a Horizontal Property Regime on the Property.

12-1.28: "Resort Dwelling Lot" shall mean and refer to any parcel of land located within the Property which is designated use as a site for a one (1) detached residential dwelling, one (1) townhouse, or a one (1) attached patio dwelling.

12-1.29: "Resort Dwelling Unit" shall mean and refer to any improved property which is used as a Single Household and Residential Dwelling, whether attached or unattached, including any single family dwelling, patio home, condominium unit, townhouse unit, cooperative apartment unit or apartment unit.

12-1.30: The term "residential purposes" shall mean and refer to a use and occupancy of a building as a long-term abode, dwelling or residence or use for seasonal vacations or transient lodging or, in some instance, by means of interval ownership. The restriction to use for "residential purposes" is subject to the following qualifications:

- (1) The use of a portion of a Resort Dwelling Unit as an office or art or craft studio members of the Single Households shall be considered as a Residential use only if such use does not create a significant increase in traffic to and from the Resort Dwelling Unit, provided that: no signs, symbol, logo or name-plate identifying a business or professional office is affixed to or about the grounds or the entrance to the Resort Dwelling Unit; the Resort Dwelling Unit is only incidentally used for business or professional purposes; and the Company, after responding to one or more reasonable complaints by a neighboring Property Owner, has not expressly requested that the subject Resort Dwelling Unit not be used in whole or in part as an office or studio because of auto congestion or other nuisances.
- (2) A Resort Dwelling Unit may be used by Declarant or its agents as a model home or real estate sales office.
- (3) Except as provided in subsection (2) above, no Resort Dwelling Unit may be used for "open houses" or other commercial gatherings designed to promote the resale of dwellings or any product sales unless a temporary permit for such use has been Approved by the Company based upon Rules and Regulations established by the Company.
- (4) The use of a Resort Dwelling Unit as a situs of work and home occupations is permitted only as an incidental use Approved by the Company subject to Rules and Regulations established by the Company.

- (5) No Resort Dwelling Lot or Resort Dwelling Unit restricted to Residential uses may be used as a means of service to business establishments on adjacent lots, including but not limited to parking, supplementary facilities or an intentional passageway or entrance into a business house.

12-1.31: "Resort Inn" shall mean and refer to any commercial establishment within the Property which offers lodging to transients, which may have restaurants, meeting rooms, professional service areas and retail shops.

12-1.32: "Resort Lodging Units" shall mean and refer to apartments similar to those units of accommodation in a Condominium Inn or Horizontal Property Regime.

12-1.33: "Restaurant Unit" shall mean and refer to any unit or real estate which is used as a bar, dining room, soda shop, restaurant, eatery, cafe, delicatessen or other public place or club for eating and/or drinking which is operated or intended to be operated as a for-profit business enterprise. Facilities in the nature of night clubs, dance halls, and discoteques are not to be considered Restaurant Units.

12-1.34: "Retail Unit" shall mean and refer to any unit of real property within the Property which is improved and utilized primarily for the purpose of sale of goods other than prepared food or beverages to ultimate consumers usually in small quantities (as opposed to in wholesale quantities).

12-1.35: "Shall," whether or not capitalized, indicates a mandatory requirement, condition or obligation; in contrast, the term "may" indicates right to take permitted action without obligation or duty to take such action.

12-1.36: "Sports, Athletic and Health Club or Recreational Park Unit" shall mean and refer to any unit of real property within the Property which is not within a Horizontal Property Regime comprised of Resort Dwelling Units, and which is improved, used and operated as a separate for-profit or not-for-profit sports, athletic or health club facility, whether indoor or outdoor, including but not limited to those used for racquet sports, swimming pools, reducing salons, pro shops, golf, tennis, saunas, spas, gymnasium facilities, skating areas, day care facilities or large recreation centers.

12-1.37: "Standard Resort Dwelling Unit" or "Standard Resort Dwelling Density Equivalent" shall mean and refer to the measure and density of use of permitted development under these Covenants of Resort

Lodging Units or Resort Dwelling Units within a particular parcel of the Property as such density shall be established for each parcel by references to a "Standard Resort Dwelling Density Equivalent." All references to a Standard Resort Dwelling Density Equivalent in land use Covenants, Master Plans, Concept Research Plans and related planning documents shall include the following uniform system of density classifications:

- (a) A "Standard Resort Dwelling Unit" is defined for purposes of all the references as a hypothetical dwelling residence with either three (3) or more bedrooms or more than one thousand six hundred one (1,601) but not over four thousand one hundred (4,100) square feet of enclosed heated space or roofed porches and galleries. As set forth in subitem (b), (c), (d) and (e) below any individual Resort Dwelling Unit may constitute less than or more than one hundred percent (100%) of a Standard Resort Dwelling Unit Equivalent.
- (b) A dwelling unit of one thousand six hundred (1,600) or less square feet but more than eight hundred (800) square feet of enclosed heated space or roofed porches or galleries with no more than two (2) bedrooms, shall be deemed one-half (50%) of a "Standard Resort Dwelling Unit Equivalent."
- (c) A resort residence with less than eight hundred (800) but more than five hundred (500) square feet of enclosed heated space or roofed porches or galleries, with no more than one (1) bedroom shall be deemed one-fourth (25%) of a "Standard Resort Dwelling Unit Equivalent."
- (d) A one-bedroom or efficiency apartment having no more than five hundred (500) or less square feet of enclosed heated space or roofed porches or galleries shall be deemed to be one-fifth (20%) of a "Standard Resort Dwelling Unit Equivalent."
- (e) A residence of more than four thousand one hundred (4,100) square feet of heated space or roofed porches or galleries shall be deemed to be greater than a single "Standard Resort Housing Unit" and each increment of nine hundred one (901) square feet or more above three thousand two hundred (3,200) square feet will be treated as one-fifth (20%) of a "Standard Resort Dwelling Unit Equivalent." The number of increments above three thousand two hundred (3,200) will be rounded off to the nearest multiple of nine hundred (900). For example, a resort housing unit with five thousand nine hundred ten (5,910) square feet would have one and three-fourths (1.75) "Standard Resort Dwelling Unit Density Equivalents."
- (f) A sleeping room or place of lodging in a hotel, inn, club or training center shall be deemed one-fourth (25%) of a "Standard

Lodging Units or Resort Dwelling Units within a particular parcel of the Property as such density shall be established for each parcel by references to a "Standard Resort Dwelling Density Equivalent." All references to a Standard Resort Dwelling Density Equivalent in land use Covenants, Master Plans, Concept Research Plans and related planning documents shall include the following uniform system of density classifications:

- (a) A "Standard Resort Dwelling Unit" is defined for purposes of all the references as a hypothetical dwelling residence with either three (3) or more bedrooms or more than one thousand six hundred one (1,601) but not over four thousand one hundred (4,100) square feet of enclosed heated space or roofed porches and galleries. As set forth in subitem (b), (c), (d) and (e) below any individual Resort Dwelling Unit may constitute less than or more than one hundred percent (100%) of a Standard Resort Dwelling Unit Equivalent.
- (b) A dwelling unit of one thousand six hundred (1,600) or less square feet but more than eight hundred (800) square feet of enclosed heated space or roofed porches or galleries with no more than two (2) bedrooms, shall be deemed one-half (50%) of a "Standard Resort Dwelling Unit Equivalent."
- (c) A resort residence with less than eight hundred (800) but more than five hundred (500) square feet of enclosed heated space or roofed porches or galleries, with no more than one (1) bedroom shall be deemed one-fourth (25%) of a "Standard Resort Dwelling Unit Equivalent."
- (d) A one-bedroom or efficiency apartment having no more than five hundred (500) or less square feet of enclosed heated space or roofed porches or galleries shall be deemed to be one-fifth (20%) of a "Standard Resort Dwelling Unit Equivalent."
- (e) A residence of more than four thousand one hundred (4,100) square feet of heated space or roofed porches or galleries shall be deemed to be greater than a single "Standard Resort Housing Unit" and each increment of nine hundred one (901) square feet or more above three thousand two hundred (3,200) square feet will be treated as one-fifth (20%) of a "Standard Resort Dwelling Unit Equivalent." The number of increments above three thousand two hundred (3,200) will be rounded off to the nearest multiple of nine hundred (900). For example, a resort housing unit with five thousand nine hundred ten (5,910) square feet would have one and three-fourths (1.75) "Standard Resort Dwelling Unit Density Equivalents."
- (f) A sleeping room or place of lodging in a hotel, inn, club or training center shall be deemed one-fourth (25%) of a "Standard

Resort Dwelling Unit Equivalent." Inns, lodges, clubs, professional service offices, training centers, etc. which have a reception lobby but no restaurant, bars, meeting or conference rooms, shall be classed as one-fifth (20%) of a "Standard Resort Dwelling Unit Equivalent."

12-1.38: "Structure" shall mean and refer to any construction, object, projection or piece of work artificially built up or composed of parts joined together in some definite manner, which is erected or shaped on the Property, including but not limited to buildings, docks, fences, bulkheads, tennis courts, pavilions, signs, tents, gazebos, garage facilities, garbage receptacles, signs, abutments, ornamental projections, exterior fixtures, berms, shaped earth, masonry structures, large balloons, dirigibles and blimps attached to the Property or suspended so as to remain over the Property for greater than a forty-eight (48) hour period, together with any other lights or any device which might obstruct or interfere with the quality of a view from the windows of any improvements which have made to the been Property.

12-1.39: "Time Share Owner" shall mean and refer to any Property Owner who owns or retains a freehold or club/interval lease in a Housing Unit for a limited and designated period each year, including "Interval Ownerships," as defined in the South Carolina Time Sharing Act as amended.

12-1.40: "Trade-Oriented Services" shall mean and refer to installation, repair and maintenance services in the nature of air-conditioning, heating, plumbing, solar equipment, mechanical systems, electrical systems, appliances and equipment, motor vehicles, marine vessels, building construction, and pest control, and related services, except where such Trade-Oriented Services are used in the manufacture of goods or are prohibited by Section 2-20 of these Covenants.

12-1.41: "Unit" shall be a separate taxable unit of real property. Where a deed of conveyance restricts the intensity or density of development by a reference to a maximum of a certain number of "units" or "dwelling units" without either defining such term nor making reference to the defined term "Standard Resort Dwelling Unit" or "Standard Resort Dwell Density Equivalent," it will be presumed the intent of the Grantor and Grantee was to restrict use of the property to the number of "units" cited with each "unit" to be part of one undivisible dwelling place (not a "multiple-keyed" group of two or more "hotel" rooms), and restricted to a maximum of three (3) sleeping areas and three (3) bathrooms per "unit."

12-1.42: "Undeveloped Land" shall be land owned by the Declarant" which is not improved and which has not been designated as Open Space or Common Properties, whether subdivided or unsubdivided.

12-1.43: "Unsubdivided Land" shall mean and refer to all land within the Property which has not been subdivided into two (2) or more parcels

since acquisition by the Declarant of less than ten (10) acres size per average subunit of land through metes and bounds subdivision plats. Non-Assessable Land and Water shall not be "Unsubdivided Land."

IN WITNESS WHEREOF, Declarant and Company have caused this instrument to be executed the day and year first above written by its appropriate officers.

WITNESSES:

GREENWOOD DEVELOPMENT CORPORATION

Nada B. Banes

By:

[Signature]  
Vice President

Mamie W. Nicholson

Attest:

[Signature]  
Asst. Secretary

SHELTER COVE HARBOUR COMPANY

Nada B. Banes

By:

[Signature]  
President

Mamie W. Nicholson

Attest:

[Signature]  
Asst. Secretary

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENWOOD )

PROBATE

1774

Personally appeared before me Nada B. Banes and made oath that she saw the within named K. E. Young and Wayne Q. Justesen, Jr. execute the foregoing Covenants as Vice President and Assistant Secretary, respectively, of Greenwood Development Corporation, and severally acknowledged to and before me that they executed the same as the act and deed of said corporation, and she, with Mamie W. Nicholson, witnessed the execution thereof.

Nada B. Banes

SWORN TO before me  
this 22nd day of  
February, 1982

Mamie W. Nicholson  
Notary Public for South Carolina  
My Commission Expires 8-26-90.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENWOOD )

PROBATE

Personally appeared before me Nada B. Banes and made oath that she saw the within named John W. Davis and Wayne Q. Justesen, Jr. execute the foregoing Covenants as President and Assistant Secretary, respectively, of Shelter Cove Harbor Company, and severally acknowledged to and before me that they executed the same as the act and deed of said corporation, and she, with Mamie W. Nicholson, witnessed the execution thereof.

Nada B. Banes

SWORN TO before me  
this 22nd day of  
February, 1982

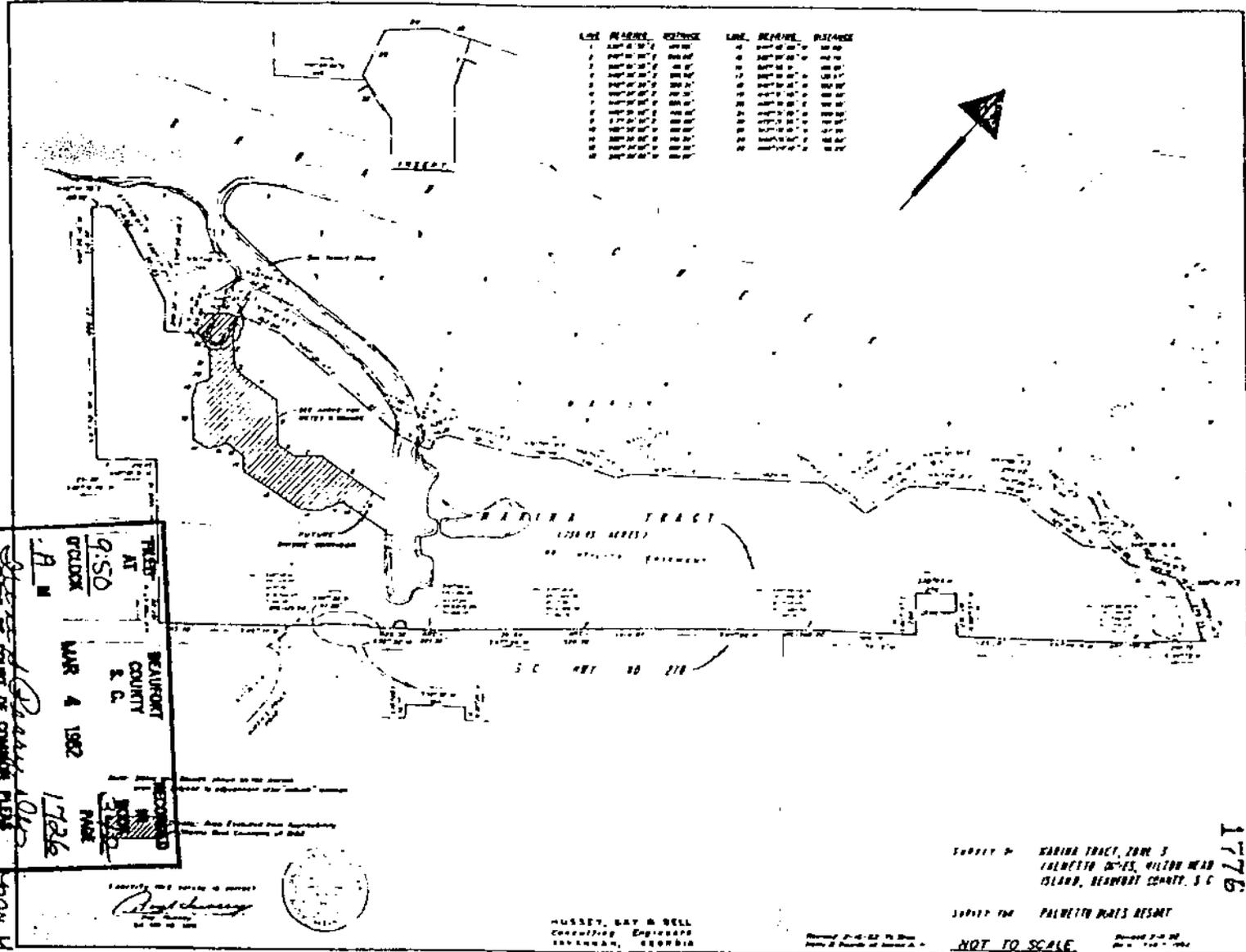
Mamie W. Nicholson  
Notary Public for South Carolina  
My Commission Expires 8-26-90.

1775

EXHIBIT "A"

The property described herein is all that property as shown on the plat by Hussey, Gay & Bell, Engineers (License Number 2373) Savannah, Georgia, entitled "Survey of Marina Tract, Zone 3 Palmetto Dunes, Hilton Head Island, Beaufort County, South Carolina."

SAVE AND EXCEPT that portion which is cross-hatched and referred to in the legend of the plat as "Area Excluded from Applicability of Shelter Cove Covenants of 1982" and which plat is recorded in the Office of the Clerk of Court for Beaufort County in Plat Book 30 at Page 65.



LOT NUMBER	AREA	LOT NUMBER	AREA
1	1.00	101	1.00
2	1.00	102	1.00
3	1.00	103	1.00
4	1.00	104	1.00
5	1.00	105	1.00
6	1.00	106	1.00
7	1.00	107	1.00
8	1.00	108	1.00
9	1.00	109	1.00
10	1.00	110	1.00
11	1.00	111	1.00
12	1.00	112	1.00
13	1.00	113	1.00
14	1.00	114	1.00
15	1.00	115	1.00
16	1.00	116	1.00
17	1.00	117	1.00
18	1.00	118	1.00
19	1.00	119	1.00
20	1.00	120	1.00
21	1.00	121	1.00
22	1.00	122	1.00
23	1.00	123	1.00
24	1.00	124	1.00
25	1.00	125	1.00
26	1.00	126	1.00
27	1.00	127	1.00
28	1.00	128	1.00
29	1.00	129	1.00
30	1.00	130	1.00
31	1.00	131	1.00
32	1.00	132	1.00
33	1.00	133	1.00
34	1.00	134	1.00
35	1.00	135	1.00
36	1.00	136	1.00
37	1.00	137	1.00
38	1.00	138	1.00
39	1.00	139	1.00
40	1.00	140	1.00
41	1.00	141	1.00
42	1.00	142	1.00
43	1.00	143	1.00
44	1.00	144	1.00
45	1.00	145	1.00
46	1.00	146	1.00
47	1.00	147	1.00
48	1.00	148	1.00
49	1.00	149	1.00
50	1.00	150	1.00

FILED AT BEAUFORT COUNTY S. C.  
 9:50  
 CLERK OF COURT OF COMMON PLEAS  
 MAR 4 1982  
 1726  
 RECORDED  
 INDEXED  
 FILED

R. J. HUSSEY  
 CONSULTING ENGINEERS  
 1000 W. 10th St.  
 CHARLOTTE, N. C. 28202

HUSSEY, LAY & BELL  
 Consulting Engineers  
 1000 W. 10th St.  
 CHARLOTTE, N. C. 28202

SUBJECT: MARINA TRACT, ZONE 3  
 PALMETTO ISLANDS, WILTON BEACH  
 ISLAND, BEAUFORT COUNTY, S. C.

SUBJECT FOR PALMETTO BEACH RESORT

NOT TO SCALE

1776

1894 B

EXHIBIT D

USE AND ASSESSMENTS AGREEMENT

SHELTER COVE PARK

DATED: FEBRUARY 2, 1999

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

AGREEMENT CONCERNING USE  
AND ASSESSMENTS

WHEREAS, heretofore on February 2, 1999, The Town of Hilton Head Island, South Carolina, and Hancock Development Company have entered into an agreement for the purchase and sale of certain lands within "Shelter Cove" on Hilton Head Island, Beaufort County, South Carolina; and,

WHEREAS, the property described in the February 2, 1999, Contract is described as follows:

All that certain pieces, parcels or tracts of land, containing 26.38 acres, more or less, and which are generally known as "Parcel B" and "Parcels 35 and 36" of Phase II, Shelter Cove (hereinafter, the "Property").

WHEREAS, the February 2, 1999, Contract provided, in Article 2 thereof, that performance of the Contract was contingent upon the resolution of certain issues between The Town of Hilton Head Island, South Carolina, Greenwood Development Corporation and The Shelter Cove Harbour Company with respect to the Property.

NOW, THEREFORE, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars, together with other good and valuable consideration, the receipt and sufficiency whereof is acknowledged, The Town of Hilton Head Island, South Carolina, Greenwood Development Corporation and The Shelter Cove Harbour Company, Inc., agree as follows:

ARTICLE 1 - APPROVED USES

1.01 The following uses of the Property by The Town of Hilton Head Island, South Carolina, are hereby approved by Greenwood Development Corporation and The Shelter Cove Harbour Company, Inc:

1. The property is approved for a Passive Park Use.

2. Improvements and the activities associated with them which are approved and allowed under the heading of Passive Park use include, but are not limited to:
  - a. Covered Pavilions;
  - b. Band Shell;
  - c. Playgrounds with equipment;
  - d. Walking trails and bicycle paths;
  - e. Elevated boardwalks in the marsh area;
  - f. Elevated observation platforms;
  - g. Gardens;
  - h. Open Picnic areas;
  - i. Parking facilities;
  - j. Restroom facilities.
  - k. Crabbing and fishing pier, including facilities for launching kayaks, canoes and similar non-motorized water craft.
3. Active park uses such as ballfields or courts are not permitted. Mechanical amusement rides are not permitted. A boat launching ramp is not permitted.
4. Use of the Property for public gatherings in the general nature of activities such as "Foodfest"; "Winefest" and "Springfest" is approved.
5. Approval is also given for use of the Property for public gatherings such as:
  - a. family picnics;
  - b. athletic events;
  - c. ceremonial events;
  - d. educational, political or religious events;
  - e. community events.

## ARTICLE 2 - ASSESSMENTS AND EXPENSES

2.01 As long as the Property is held by The Town of Hilton Head Island, South Carolina, and utilized for the approved uses set forth in Article 1 above, the Property is, under Section 12-1.18 of the Shelter Cove Covenants which are recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Deed Book 342 at Page 1726, non-assessable, and is not subject to annual, special, resort, or any other assessments which may be levied under the existing and applicable covenants for lands within Shelter Cove. Notwithstanding the foregoing, the Property is subject to

all other provisions of the Shelter Cove Covenants, including, for example, architectural review and approval.

2.02 In order to defray any additional costs to other landowners within Shelter Cove which might arise as a result of The Town of Hilton Head Island, South Carolina's ownership and use of the Property, The Town of Hilton Head Island, South Carolina, Greenwood Development Corporation and The Shelter Cove Harbour Company, Inc., agree as follows:

a. The Town of Hilton Head Island, South Carolina, assumes the sole responsibility for all routine maintenance and security related to the Property and any improvements thereon. The Town of Hilton Head Island, South Carolina, shall also be solely responsible for the arrangement of security, removal of trash and debris and general clean up of the Property and surrounding areas resulting from day to day use there of, and also from any special event conducted on the Property. The Town of Hilton Head Island, South Carolina, shall use reasonable and businesslike efforts to provide advance notice the Shelter Cove Harbour Company of any such special events.

b. In the event that the Shelter Cove Harbour Company agrees to convey that portion of Shelter Cove Lane beginning at the intersection of U.S. 278 and Shelter Cove Lane, and ending at the north east intersection of Shelter Cove Lane and the Highway 278 Access Road lying between the "Mall at Shelter Cove" and the "Plaza at Shelter Cove" intersection to the Town, then The Town of Hilton Head Island, South Carolina, shall undertake sole responsibility for the maintenance and upkeep of the portion of Shelter Cove Lane conveyed to it.

### ARTICLE 3 - TERM

3.01 This Agreement shall remain in full force and effect so long as the Property is owned by The Town of Hilton Head Island, South Carolina, and is used as permitted hereunder.

#### ARTICLE 4 - GENERAL

- 4.01. This Agreement shall inure to the benefit of and shall be binding upon the Seller and Purchaser and their respective successors and assigns, if any are permitted hereunder.
- 4.02. Except as otherwise provided herein, this Agreement may not be effectively amended, changed, modified or altered without the written consent of both parties hereto.
- 4.03. 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.
- 4.04. 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.
- 4.05. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.
- 4.06. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.
- 4.07. The parties hereto shall not record this Agreement in the R. M. C. Office for Beaufort County, South Carolina.
- 4.08. Where appropriate, the use of the singular herein shall include and be deemed to be the plural, and the use of the plural herein shall be deemed to include the singular.
- 4.09. The Parties hereto affirmatively represent that this Agreement is made solely for the benefit of the parties hereto and their respective successors and assigns and not for the benefit of any third party who is not a signature party hereto. No party other than the signature parties and their respective successors and assigns hereto shall have any enforceable rights hereunder, or have any

right to the enforcement hereof, or any claim for damages as a result of any alleged breach hereof.

4.10. All notices, applications, requests, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered in person, or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows, or to such other place as may be designated in writing by the parties:

- a. THE TOWN OF HILTON HEAD ISLAND  
Stephen G. Riley, Manager  
One Town Center Court  
Hilton Head Island, SC 29928
  
- b. THE SHELTER COVE HARBOUR COMPANY, INC  
Hank Johnson  
Post Office Box 5874  
Hilton Head Island, SC 29938
  
- c. GREENWOOD DEVELOPMENT CORPORATION  
Charles Pigg  
Post Office Box 1017  
Greenwood, SC 29648

IN WITNESS WHEREOF, the Seller and the Purchaser, have, or have caused their duly authorized officers and representatives to execute this Agreement as of the date and year first above written.

WITNESSES:

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

Jill Foster

By: Thomas D. Peoples  
Thomas D. Peoples, Mayor

Charles F. Cousins

Attest: Stephen G. Riley  
Stephen G. Riley, Town Manager

GREENWOOD DEVELOPMENT CORPORATION

Cecilia C. Manning

By: Julian J. Asensio

Suzanne F. Courtney

Its: President

THE SHELTER COVE HARBOUR COMPANY,  
INC.

Cecilia C. Manning

By: Charles W. Pigg

Suzanne F. Courtney

Its: PRESIDENT

EXHIBIT E

VANDERMEER AGREEMENT

CORDILLO TENNIS COURTS

DATED: FEBRUARY 14, 1983

STATE OF SOUTH CAROLINA )

)

AGREEMENT

DB 364/778

COUNTY OF BEAUFORT )

)

THIS AGREEMENT, made and entered into as of the 14 day  
of February, 1983, by and between DENNIS VAN DER MEER,  
(herein BUYER) and SEA CABIN CORPORATION, a South Carolina  
Corporation, (herein SEA CABIN)

W I T N E S S E T H :

WHEREAS, BUYER is purchasing from Sea Cabin simultaneous  
with the execution hereof certain real property with improvements  
thereon, being described on Exhibit A hereto (the "Property").  
The improvements consist of a tennis facility, including a club  
house and four tennis courts (the "Facilities").

WHEREAS, Sea Cabin has granted use of the Facilities to the  
owners and occupants of horizontal property regime developed by it  
which are located upon property contiguous to the Property, named  
Sea Cabin Racquet I Horizontal Property Regime and Sea Cabin  
Racquet II Horizontal Property Regime (the owners of the  
condominium units thereof being hereafter referred to as "Owners",  
the said the horizontal property regimes being herein collectively  
referred to as "Racquet Club" and the council of co-owners of each  
being herein collectively referred to as the "Associations"; and

WHEREAS it is a condition of the sale of the Property by  
Sea Cabin to Buyer that certain agreements regarding the use of  
the Property and the Facilities be entered, which are herein set  
forth;

NOW THEREFORE, for and in consideration of the mutual  
promises herein contained and the sale by Sea Cabin and the  
purchase by Buyer of the Property, the receipt and sufficiency of  
which is acknowledged, it is agreed:

1. The Property shall at all times be maintained as a tennis facility and will be operated and maintained year round in a professional and quality manner. The facility will be maintained in an attractive state at all times, with the courts kept in good playing condition and all fences, nets and lines kept in good repair.

2. At the time of conveyance by Sea Cabin to Buyer there are four tennis courts upon the Property and the Buyer shall be obligated to maintain said number of tennis courts upon the Property. Of the courts existing, one must be available at all times of operation for general play (i.e. no more than all tennis courts less one may be used for tournament play, clinics or the like at any one time).

3. Each Owner (which term shall include the holder of record title to a condominium unit in Racquet Club and members of the Owner's immediate family residing with the Owner) shall have, while in residence in his condominium unit in Racquet Club, free use of the tennis courts located upon the Property during the daytime on an as available basis provided further each Owner shall be entitled to book up to one hour per day of court time upon the same reservation basis as paying third party users. Lighted court use shall be available during Buyer's nighttime operating hours to Owners at no higher fees than Buyer charges third parties to use said lighted courts.

4. Guests occupying condominium units in Racquet Club shall have the right to use the tennis courts on the Property on an as available basis (including the right to reserve a court(s) on the same basis as any other whom Buyer allows to use said court(s)) and for no higher fee than Buyer charges others to use said Courts.

5. Other than as limited herein, Buyer shall have the right to make the sole determination as to who and who shall not be permitted to make use of the tennis courts located upon the Property, provided such use shall not create any public nuisance or disturbance. Buyer shall also have the absolute right to establish such system of fees as Buyer shall determine in his sole judgement shall be appropriate to charge of use of the Facilities.

6. Buyer agrees that the courts located upon the Property will receive no greater play than others owned by Buyer in the Hilton Head Island area (i.e., such will be used in accordance with what would constitute normal use upon a rotation basis); provided, however, such shall not prevent Buyer permitting use of said courts by third parties who shall have the right to play upon courts owned by Buyer and who shall specifically request the courts located upon the Property for playing.

760

7. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns, and to the Owners of condominium units in Racquet Club and the Associations, each of whom and which shall be third party beneficiaries of this Agreement.

8. This Agreement contains the entire Agreement between the Parties with respect to the matters set forth herein and is intended to merge all prior negotiations herein. This Agreement may be modified or amended only in writing executed by the Parties hereto; provided, however Buyer shall be entitled to but shall not be required to, in lieu in obtaining the written agreement of Sea Cabin to any modification or amendment hereto, to obtain the written agreement of the Associations (provided such written agreement shall be binding upon the Associations and the Owners of the Condominium units in Racquet Club) and in such event the written agreement of Sea Cabin to such modification or amendment shall not be required.

9. The Parties hereto further agree and understand that this agreement shall be recorded in the appropriate records of Beaufort County, South Carolina and that the deed conveying the Property from Sea Cabin to Buyer shall make specific reference to, and such conveyance is subject to provisions contained in, this agreement.

IN WITNESS WHEREOF, the parties have caused these presents to be executed and their respective seals to be hereunto affixed as of the day and year first above written.

781

Signed, sealed and delivered in the presence of:

Isabelle F. Mahony

Dennis Van Der Meer (L.S.)  
DENNIS VAN DER MEER

Kathleen Smith

SEA CABIN CORPORATION

BY: [Signature] (L.S.)  
VICE PRESIDENT

Isabelle M. Willard

Attest: [Signature] (L.S.)  
SECRETARY

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

PROBATE

PERSONALLY appeared before me the undersigned witness, who being duly sworn, deposes and says that (s)he saw the within-named Dennis Van Der Meer sign, seal and as his act and deed deliver the within Agreement, and that (s)he, with the other witness named above, witnessed the execution thereof.

Isabelle F. Mahony  
Witness

SWORN and subscribed to before me this 14 day of February, 1983.  
[Signature] (L.S.)  
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 12/9/92

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

PROBATE

PERSONALLY appeared before me the undersigned witness, who being duly sworn, deposes and says that (s)he saw the within-named Sea Cabin Corporation, by Billy J. Bobo, its Vice President, sign, seal and deliver the within Agreement, and that (s)he, with the other witness named above, witnessed the execution thereof.

Isabelle M. Willard  
Witness

SWORN and subscribed to before me this today day of February, 1983.  
[Signature] (L.S.)  
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 2/19/90

EXEMPT

The development plan shown hereon is exempt from the requirements of the Beaufort County Development Standards Ordinance according to the provisions in Article 2 Section 2.2(c)  
Certified by [Signature]  
Date Feb. 15, 1983  
Beaufort County Joint Planning Commission

All that certain piece, parcel or tract of land with improvements thereon, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, being comprised of a certain 1.472 acres parcel lying on the northwestern side of the right-of way of Cordilla Parkway, said parcel being shown and described as a 1.472 acres parcel on a Plat entitled "Sea Cabin Racquet Club As-built" prepared by Coastal Surveying, Inc. dated January 24, 1983 and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 31 at Page 53.

*Hughes*

FILED AT <u>9:30</u> O'CLOCK <u>A.M.</u>	BEAUFORT COUNTY S. C. FEB 24 1983	RECORDED IN BOOK <u>364</u> PAGE <u>778</u>
--	--	--

*Francis H. Doolittle, Jr.*  
CLERK OF COURT OF COMMON PLEAS

EXHIBIT F

# OPERATION PLAN

CHAPLIN TENNIS COURTS

&

CORDILLO TENNIS COURTS

DATED: APRIL \_\_, 2011

# **TENNIS COURTS OPERATION PLAN**

Memorandum

Date: February 20, 2012  
To: Town Council  
From: Hilton Head Island Recreation Association  
RE: Tennis Operation Plan

---

As requested in Article 2-2.03 of the agreement between the Town of Hilton Head Island and the Island Recreation Association for the management of the Town's Tennis facilities, below you will find the Association's Operation Plan.

a). Hours of Operation of Chaplin Tennis Courts and Cordillo Tennis Courts;

**Chaplin Courts:** 7:00 am until 10:00 pm

**Cordillo Courts:** 7:00 am until sunset

Chaplin Courts are lighted and have timing systems to control the lights in the evening hours.

b). Method for Scheduling Play at Chaplin Tennis Courts and Cordillo Tennis Courts.

The Association scheduling process is to create balance between the use of the general public and scheduled programs and events. General public use at Chaplin Park will be at least 56 hours per week or one court available eight hours a day with the exception of tournaments, league play or community tennis event which are scheduled two weeks in advance. Notices will be posted at the courts and on the Association's website informing the public on open play times. For all tournament play, the sponsor shall provide an on-site supervisor to coordinate the tournament and assist the public.

**Chaplin Courts:** The Association shall schedule play on these tennis courts. The Association shall provide regular times for open play on a first come-first serve basis. The Association shall attempt to schedule tennis lessons, tennis leagues, tournaments and other tennis related events on these courts. The Association shall post the court schedule on site and update the schedule regularly.

**Cordillo Courts:** There shall be no advance daily scheduling of these courts, except for tournament play. The Association shall allow play on these courts to be on a first come-first serve basis. The Association shall allow these courts to be used for tennis tournaments and other tennis related activities. When tennis tournaments and other tennis related activities and events are scheduled on these courts, the Association shall ensure proper signage is installed in advance so that the tennis playing public will have sufficient notice of the events.

Memorandum

Date: February 20, 2012  
To: Town Council  
From: Hilton Head Island Recreation Association  
RE: Tennis Operation Plan

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**Chaplin Courts:** The Association shall schedule play on these tennis courts. The Association shall provide regular times for open play on a first come-first serve basis. The Association shall attempt to schedule tennis lessons, tennis leagues, tournaments and other tennis related events on these courts. The Association shall post the court schedule on site and update the schedule regularly.

**Cordillo Courts:** There shall be no advance daily scheduling of these courts, except for tournament play. The Association shall allow play on these courts to be on a first come-first serve basis. The Association shall allow these courts to be used for tennis tournaments and other tennis related activities. When tennis tournaments and other tennis related activities and events are scheduled on these courts, the Association shall ensure proper signage is installed in advance so that the tennis playing public will have sufficient notice of the events.

d.) Plan for Daily Maintenance:

The maintenance shall be done on a daily basis before 7 a.m. Debris shall be blown from the courts and the surrounding infrastructure. The bathrooms shall be inspected and cleaned at the Chaplin tennis facility. Windscreens and tennis nets shall be checked daily and secured as needed. Lights shall be inspected every evening to ensure they are operating properly. All trash shall be picked up routinely to ensure the facilities appear in a neat and clean manner at all times.

The Association shall work with community volunteers to assist the Association, as needed, with the operation of the courts in the evening hours and with the daily maintenance of the tennis courts.

e.) Plan for safety inspections:

The Tennis Manager, along with the maintenance staff shall perform daily inspections of the tennis facilities for safety issues.

f.) Security and safety protocols:

The Association shall work with the Beaufort County Sheriff's Office, Beaufort County PALS, the Town Facilities and Maintenance staff, and the tennis playing public in order to provide a level of vigilance and security for these tennis 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.

g.) Staffing

The Association shall employ an individual who shall be responsible for the day-to-day management and implementation of programs at both tennis courts. The Tennis Manger shall be responsible for the hiring of staff and shall be assisted by seasonal part-time tennis instructors, as well as community volunteers. The Tennis Manager shall work with the maintenance staff of the Association to coordinate daily maintenance of the tennis facilities.

h.) Additional matters material to the operation of the Chaplin Tennis Courts and Cordillo Tennis Courts.

The Association shall provide an annual budget to the Town of Hilton Head Island, which shall outline the operation and maintenance needs of the tennis facilities. The budget shall be approved by the Association's Board of Directors, along with the Town's Parks and Recreation Commission.

## POLICIES & PROCEDURES

## **POLICIES AND PROCEDURES FOR RENTAL FOR THE SHELTER COVE COMMUNITY & JARVIS CREEK PARKS**

1. Normal operating hours for Shelter Cove Park are 8 am to 10 pm Monday through Sunday. Normal operating hours for Jarvis Creek Park are dawn to dusk Monday through Sunday. Exceptions to operating hours can be made for approved events.
2. The Island Recreation Association manages the Shelter Cove Community and Jarvis Creek Parks. The Association's employees have the authority and will enforce all rules and regulations governing the use of the Park.
3. Any organization, group, or person using the Park(s) for a community-wide special event 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.
4. The Association, at its discretion, and in consideration of traffic circulation or security or safety, or parking, or all of these, may deny the issuance of the event. In the case of two (2) or more organizations propose to conduct an event on the same day, preference will be given on a first-come/first-served basis.
5. A refundable deposit of \$1,000 will be required of all groups, organizations and individuals renting the Park. This deposit is paid before the first day of set-up at the Park.
6. Any organization, group, or person using the park 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 Park will not be able to use the Park for future events.
7. Persons using the Park shall obey all posted signs.
8. The Island Recreation Association must first approve any decorations and the placement of such.
9. No person(s) shall willfully mark, deface, disfigure, tamper with, displace or remove any part thereof of the Park
10. Groups and individuals using the Park 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 will not be responsible for any property that is left on the premises by individuals or groups using the Park.
11. Any activity in the Park must be conducted according to applicable laws, policies and procedures.
12. 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.
13. Executive 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.

# **POLICIES AND PROCEDURES FOR RENTAL FOR CHAPLIN PARK, BARKER FIELD EXTENSION, CROSSINGS PARK AND BRISTOL SPORTS ARENA**

1. Normal operating hours are 8 am to 10 pm Monday through Sunday. Exceptions to operating hours can be made for approved events.
2. The Island Recreation Association manages Chaplin Park, Barker Field Extension, Crossings Park, and Bristol Sports Arena. The Association's employees have the authority and will enforce all rules and regulations governing the use of these facilities.
3. Any organization, group, or person using the Park(s) for a community-wide special event will be required to have event liability insurance. Both the Island Recreation Association and the Town of Hilton Head Island must be named "additionally insured" on these policies.
4. The Association, at its discretion, and in consideration of traffic circulation or security or safety, or parking, or all of these, may deny the issuance of the event. In the case of two (2) or more organizations propose to conduct an event on the same day, preference will be given on a first-come/first-served basis.
5. A refundable deposit of \$1,000 will be required of all groups, organizations and individuals renting the Park. This deposit is paid before the first day of set-up at the Park.
6. Any organization, group, or person using the park 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 Park will not be able to use the Park for future events.
7. Persons using the Park shall obey all posted signs.
8. The Island Recreation Association must first approve any decorations and the placement of such.
9. No person(s) shall willfully mark, deface, disfigure, tamper with, displace or remove any part thereof of the Park
10. Groups and individuals using the Park 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 will not be responsible for any property that is left on the premises by individuals or groups using the Park.
11. Any activity in the Park must be conducted according to applicable laws, policies and procedures.
12. 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.
13. Anyone selling any items must have a town business license.
14. Executive 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.



## POLICIES AND PROCEDURES FOR RENTAL FOR CHAPLIN/CORDILLO COMMUNITY TENNIS CENTER



1. Normal operating hours are 7 am to 10 pm Monday through Sunday at Chaplin Tennis Courts and 7 am to sunset at Cordillo Courts. Exceptions to operating hours can be made for approved events.
2. The Island Recreation Association manages the Chaplin/Cordillo Community Tennis Center. The Association's employees have the authority and will enforce all posted rules and regulations governing the use of the facilities.
3. Any organization, group, or on-going program using the facilities will be required to have liability insurance. Both the Island Recreation Association and the Town of Hilton Head Island must be named "additionally insured" on these policies.
4. The Association, at its discretion, and in consideration of traffic circulation or security or safety, or parking, or all of these, may deny the issuance of the event. In the case of two (2) or more organizations propose to conduct an event on the same day, preference will be given on a first-come/first-served basis.
5. A refundable deposit of \$1,000 will be required of all groups, organizations using the facilities for a scheduled program or event. This deposit must be paid prior to the first day of using the facility. In the event there is damages to the park, all or a portion of the deposit may be used to pay for cleanup and/or damages.
6. Any organization, group, or person using the facilities 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 facilities may be denied use of the facilities for future events or programs.
7. Persons using the facilities shall obey all posted signs.
8. The Island Recreation Association must pre approve any decorations or banners and the placement of such at any of the parks. The municipal code shall be strictly complied with in approving or denying the use of any decorations or banners.
9. No person(s) shall willfully mark, deface, disfigure, tamper with, displace or remove any part thereof of the facilities.
10. Groups and individuals using the facilities will be expected to leave the tennis facilities clean and in good condition. All waste products and litter must be placed in the proper receptacles. The Association and the town of Hilton Head will not be responsible for any property that is left on the premises by individuals or groups using the facilities.
11. Any activity in the facilities must be conducted according to applicable laws, policies and procedures.
12. The Association reserves the right to deny any application and/or waive any or all charges and fees as determined to be in the community's best interest.
13. The Association's Director of Tennis approves all requests to rent or reserve the tennis facilities.

### Appeal:

the event an applicant is denied approval to use the tennis facilities, 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.

## FEE SCHEDULE

**SHELTER COVE COMMUNITY, JARVIS CREEK  
CHAPLIN, CROSSINGS AND BARKER FIELD EXTENTION PARKS  
FEE SCHEDULE  
(8-15-11 draft)**

**CHAPLIN, CROSSINGS AND BARKER FIELD EXTENTION PARKS**

**ATHLETIC FIELD STANDARD RATE:**

\$ 50 without lights for the first (3) hours (\$10 for each additional hour)

\$ 75 with lights for the first (3) hours (\$10 for each additional hour)

**SPECIAL EVENT CIVIC/ NON-PROFIT RATE:**

\$ 400 per day

\$ 200 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$400 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**SPECIAL EVENT STANDARD RATE:**

\$ 750 per day

\$ 500 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$750 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**SHELTER COVE**

**CIVIC/ NON-PROFIT RATE:**

\$ 350 per day

\$ 200 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$350 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**STANDARD RATE:**

\$ 750 per day

\$ 500 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$750 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**JARVIS CREEK SMALL SHELTER RATE:**

\$ 25 per reservation (a maximum of four hours will be allowed)

No reservation on holidays

No reservation for more than one day in a row

**CIVIC/ NON-PROFIT RATE:** For approved events over 200 people

\$ 300 per day

\$ 150 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$250 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**JARVIS CREEK SMALL SHELTER RATE:** Continued

**STANDARD RATE:** For approved events over 200 people

\$ 500 per day

\$ 350 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$500 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**PARKING:** (*Shelter Cove only*)

The Association is responsible for the parking at each event. Groups, organizations and individuals have two options. First is the regular rate, for which the Association provides staff for all parking needs. Second is the volunteer rate, for which the Association provides a staff member to coordinate parking.

**Parking fees:**

Regular rate: \$ 200 per day\*

\$ 100 for additional days\*

\*Plus \$20 per hour for a minimum of four hours for four staff members for set-up, event parking, clean-up, and breakdown. The number of staff will increase based on the size of the event.

Volunteer rate: \$ 200 per day

\$ 100 for additional days

The Association staff will coordinate a minimum volunteer staff of four people to help with set-up and breakdown of the site and four people to help with parking during the event and clean-up of parking areas. The number of volunteers will increase based on the size of the event.

If a group, organization or individual does not fulfill their volunteer commitment with parking, the Association reserves the right to withhold any cost associated with parking from the deposit.

**DEPOSIT:**

A refundable deposit of up to \$1,000 is required of all groups, organizations and individuals renting the parks. This deposit is paid before the first day of set-up at the park and will be returned once clean up has been completed.

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

**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.



**CHAPLIN, CROSSINGS, BRISTOL SPORTS ARENA,  
AND BARKER FIELD EXTENSION PARKS FEE SCHEDULE**



**ATHLETIC FIELD STANDARD RATE:**

\$ 50 without lights for the first (3) hours (or any portion of 3 hours)  
\$10 for each additional hour

\$ 75 with lights for the first (3) hours (or any portion of 3 hours)  
\$10 for each additional hour

**SPECIAL EVENT CIVIC/ NON-PROFIT (501(c)3 RATE:**

\$ 400 per day for a 1 day event or first day of a multiple day event  
\$ 200 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$400 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

**SPECIAL EVENT STANDARD RATE:**

\$ 750 per day for a 1 day event or first day of a multiple day event  
\$ 500 for each additional day

The Association will provide a staff member on site during the event.

Example: If you have an event on a Saturday, the \$750 fee covers a set-up day (Friday), the day of the event (Saturday), and clean up by Monday afternoon.

***The Association reserves the right to deny any application and/or negotiate any or all charges, deposits and fees as determined to be in the community's best interest.***

**Tennis Fee Structure:**

**RATES:**

No Fee for community/public play

\$8 per court per hour of private teaching

\$6 per court per match for Tennis Leagues

\$250 per day for a tournament or community tennis days plus \$150 per each additional day

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

**Appeal:**

In the event an applicant is denied approval, 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.

FORMS



# Shelter Cove Park Request Form



Organization/Family Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Purpose of Function: \_\_\_\_\_

Date(s) Needed: \_\_\_\_\_

Times Needed: \_\_\_\_\_

Estimated Attendance: \_\_\_\_\_

Any Special Arrangements: \_\_\_\_\_

Are you submitting for a Town of Hilton Head Special Events permit?  
No \_\_\_\_\_ If Yes, please indicate date of application \_\_\_\_\_

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: _____			

**APPLICATION FOR USE OF THE CROSSINGS PARK/BRISTOL SPORT ARENA, BARKER FIELD  
EXTENTION AND CHAPLIN PARKS**

We, the undersigned, hereby apply for the use of certain facilities in connection with said application, furnish the following:

1. We wish to use: \_\_\_\_\_
2. Date requested: \_\_\_\_\_ Hours: from \_\_\_\_\_ to \_\_\_\_\_
3. Renter's Name: \_\_\_\_\_ Phone(H): \_\_\_\_\_  
Billing address : \_\_\_\_\_ Phone (W): \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone(C): \_\_\_\_\_  
Person to Contact: \_\_\_\_\_ Phone: \_\_\_\_\_
4. Approximate number of persons expected : \_\_\_\_\_
5. Purpose of use: \_\_\_\_\_
6. Describe any equipment to be used: \_\_\_\_\_
7. Will alcohol be served?  Yes  No

We further stipulate that we have read and understand all the rules and regulations as set forth for the use of this facility and will abide by the same and understand that if any required chaperones and/or law enforcement personnel are not present the function will be terminated.

Renter's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Fees paid: \$ \_\_\_\_\_ Check No. \_\_\_\_\_ Date: \_\_\_\_\_ Staff: \_\_\_\_\_

---

**ISLAND RECREATION ASSOCIATION CANCELLATION POLICY**

Any and all cancellations and/or date changes must be in writing and signed by the same person who signed this application and paid the rental fees and must be given to the Island Recreation Association not less than 14 days prior to the event.

I have read and understand the above policy.

Renter's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Staff: \_\_\_\_\_ Date: \_\_\_\_\_

---

**INDEMNITY AND HOLD HARMLESS AGREEMENT**

In consideration of the permission granted to me by the Town of Hilton Head Island and the Hilton Head Island Recreation Association to use the approved rental facility, I hereby indemnify and hold harmless the Town of Hilton Head Island and the Hilton Head Island Recreation Association, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third parties using the facilities at the \_\_\_\_\_ who are injured or suffer property damage that is in any way caused by my use of the \_\_\_\_\_. This indemnity and hold harmless agreement is given to the Town of Hilton Head Island and Island Recreation Association to protect the Town and the Association and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of the \_\_\_\_\_.

Person or Company giving Indemnity: \_\_\_\_\_ Date: \_\_\_\_\_

---

*Application* \_\_\_ *Cancellation Policy* \_\_\_ *Indemnity* \_\_\_ *Deposit* \_\_\_ *Entered in Calendar* \_\_\_



# Jarvis Creek Park Request Form



Organization/Family Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Purpose of Function: \_\_\_\_\_

Date(s) Needed: \_\_\_\_\_

Estimated Attendance: \_\_\_\_\_

Will you be charging participants to attend this event? Yes / No

Events charging a fee to attend must provide a certificate of General Liability/Event Insurance to the Association with this application.

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

March - October:	8am-Noon	Noon-4pm	4pm-8pm
Nov. – Feb.:	8am-1pm	1pm-6pm	

Because we offer Jarvis Park 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: Yes \_\_\_\_\_ V/MC CASH CHECK # \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_

**Island Recreation Association**  
**Chaplin/Cordillo Community Tennis Center Court Agreement &**  
**Facility Use Request Form**

Organization Name: \_\_\_\_\_ Phone# \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Facilities Requested:      Chaplin Community Tennis Center: check: \_\_\_\_\_

   Cordillo Community Tennis Center: check: \_\_\_\_\_

Courts Needed: \_\_\_\_\_ Date/Time(s) Needed: \_\_\_\_\_

Will you bring any equipment or supplies into Center? \_\_\_\_\_ If yes, please explain: \_\_\_\_\_

Any special arrangements needed? \_\_\_\_\_

Date(s) needed: \_\_\_\_\_ Time(s): \_\_\_\_\_

Estimated Attendance: \_\_\_\_\_

Because we offer the tennis facilities to groups and individuals as a community service, our fees are minimal. In return we ask you be honest with us in the amount of time you are using the tennis facilities. These fees go to the Island Recreation Center's Tennis Program, which helps us grow our community programs. Please treat the facility in a responsible manner.

By signing this form, the organization and/or applicant agrees to comply with policies and procedures governing the tennis facilities use. Failure to comply with policies and procedures can result in the following: withholding of security deposit, jeopardizing rights for future use and/or legal action.

Date: \_\_\_\_\_

Signature of Applicant \_\_\_\_\_

Request approved: Yes \_\_\_\_\_ No \_\_\_\_\_ Date: \_\_\_\_\_

Facility Rental Fee Paid: \_\_\_\_\_

Deposit Received Date \_\_\_\_\_ and Amount \_\_\_\_\_

Deposit Returned Yes \_\_\_\_\_ No \_\_\_\_\_ Date \_\_\_\_\_

If no, describe the reason for not returning any part or all of deposit.

Approved by: \_\_\_\_\_ Title: \_\_\_\_\_

Remarks: \_\_\_\_\_

C 23-2012  
ADD #1

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

THIS MEMORANDUM OF UNDERSTANDING ADDENDUM is made and entered into this 16<sup>th</sup> day of SEPTEMBER, 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.

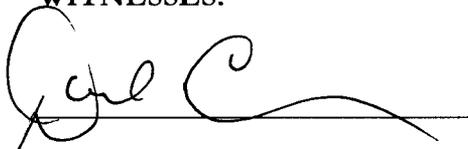
**Exhibit G** The Fee Schedule for the Rowing and Sailing Center at Squire Pope Community Park shall be added to the Fee Schedules for Parks and Tennis Courts.

**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:**

  
\_\_\_\_\_  
  
\_\_\_\_\_

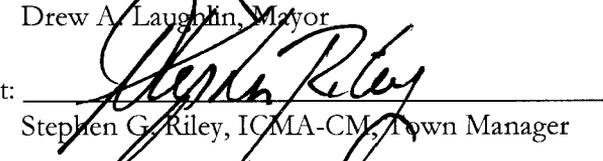
**HILTON HEAD ISLAND RECREATION ASSOCIATION, INC.**

By:   
\_\_\_\_\_  
Attest:   
\_\_\_\_\_

**WITNESSES:**

  
\_\_\_\_\_  
  
\_\_\_\_\_

**TOWN OF HILTON HEAD ISLAND**

By:   
\_\_\_\_\_  
Drew A. Laughlin, Mayor  
Attest:   
\_\_\_\_\_  
Stephen G. Riley, ICMA-CM, Town Manager

COUNTY COUNCIL OF BEAUFORT COUNTY  
OFFICE OF THE COUNTY ADMINISTRATOR  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD  
POST OFFICE DRAWER 1228  
BEAUFORT, SOUTH CAROLINA 29901-1228  
TELEPHONE: (843) 255-2026  
FAX: (843) 255-9403  
www.bcgov.net

GARY T. KUBIC  
COUNTY ADMINISTRATOR

CHERYL HARRIS  
EXECUTIVE ASSISTANT

JOSHUA A. GRUBER  
DEPUTY COUNTY ADMINISTRATOR  
SPECIAL COUNSEL

May 7, 2015

Mr. Stephen G. Riley, Town Manager  
Town of Hilton Head Island  
One Town Center Court  
Hilton Head Island, SC 29928

Dear Mr. Riley:

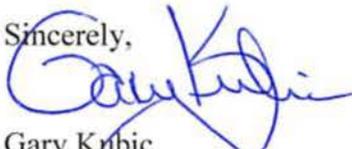
As you are aware, Beaufort County has been working internally, as well as with representatives of the Town of Hilton Head Island, to put together a workable plan for the transfer of county-owned and maintained recreational assets to the Town.

Attached are the details of this proposed plan. In summary, the plan transfers over \$1.2 million in real property, an additional \$25,000 in maintenance equipment and offers nearly one million dollars in subsidies for recurring utility and labor costs over the next five years. The total value of this plan is in excess of \$2.2 million.

It is our sincere hope that the Town of Hilton Head Island finds these terms acceptable. Given the valuation of assets to be transferred and subsidies specified, we feel this is a generous offer and one which will aid in the efficient delivery of recreational services to the residents of Hilton Head Island. Please note, this agreement has not been presented or approved by Beaufort County Council. If the terms are acceptable to the Town as presented, we would bring this matter before County Council for their subsequent ratification and approval.

Please contact me if you should have any questions.

Sincerely,



Gary Kubic  
County Administrator

cc: Members of Beaufort County Council  
Arthur Middleton, Chairman, Beaufort County Parks and Leisure Services Board  
Josh Gruber, Beaufort County Deputy Administrator  
Monica Spells, Beaufort County Assistant Administrator, Community Outreach  
Phil Foot, Beaufort County Assistant Administrator, Public Safety  
Scott Marshall, Director, Beaufort County Parks and Leisure Services

Enclosure

<b>Summary of Transfers and Subsidies to Town of Hilton Head Island</b>							
<b>Lawn and Field Maintenance Equipment</b>							
<b>Asset #</b>	<b>Item Name</b>	<b>Purchase Date</b>	<b>Original Cost</b>	<b>Current Value</b>			
23177	John Deere 1600 Wide Area Front Mower	9/1/06	\$43,748.78	\$9,478.90			
23115	John Deere 9972TRAK 72" Side Mower	10/13/06	\$14,004.90	\$3,151.10			
23287	John Deere 1200A Bunker & Field Rake	5/2/08	\$10,500.11	\$4,025.05			
23283	2008 John Deere Z830A ZTRAK	3/2/08	\$9,685.37	\$3,551.29			
23258	2008 John Deere Gator	3/3/08	\$6,720.00	\$2,464.00			
23259	2008 John Deere Gator	3/3/08	\$6,720.00	\$2,464.00			
<b>Total value of equipment transfer</b>			<b>\$91,379.16</b>	<b>\$25,134.34</b>			
<b>Real Property Transfer of Ownership</b>							
<b>Property</b>	<b>Address</b>	<b>Current Owner</b>	<b>Property ID</b>	<b>Assessed Value</b>			
Barker Field	70 Baygall Rd	Beaufort County	R510 005 000 0005 0000	\$282,800.00			
Barker Field Ext	N/A	Beaufort County	R510 004 000 019G 0000	\$117,800.00			
Hilton Head Annex	150 William Hilton Pkwy	Beaufort County	R511 007 000 0247 0000	\$868,800.00			
<b>Total Assessed Value of Transfer Property</b>				<b>\$1,269,400.00</b>			
<b>Recurring Costs</b>							
		<b>Subsidies Offered</b>					
<b>Cost</b>	<b>Annual Amount</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
Utilities	\$116,000	\$116,000.00	\$116,000.00	\$116,000.00	\$87,000.00	\$58,000.00	\$493,000.00
Grounds Labor	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$75,000.00	\$50,000.00	\$425,000.00
		<b>Total</b>				<b>Total Subsidies</b>	<b>\$918,000.00</b>
Current total value of equipment marked for transfer		\$25,134.34					
Total assessed value of real property for transfer		\$1,269,400.00					
Total of recurring costs subsidies offered		\$918,000.00					
<b>Total Value of Proposal</b>		<b>\$2,212,534.34</b>					