

**TOWN OF HILTON HEAD ISLAND**  
**The Planning Commission**  
**Minutes of the Wednesday, June 17, 2009 Meeting**      **APPROVED**  
**3:00pm – Benjamin M. Racusin Council Chambers**

Commissioners Present:            Chairman Al Vadnais, Vice Chairman Loretta Warden,  
Tom Crews, Jack Docherty, Terence Ennis, Therese Leary,  
Tom Lennox and Gail Quick

Commissioners Absent:            Loretta Warden, Therese Leary, Excused

Town Council Present:            Mayor Pro Tem Ken Heitzke, Bill Ferguson, John Safay,

Town Staff Present:                Steve Riley, Town Manager  
Mike Roan, Urban Design Administrator  
Heather Colin, Development Review Administrator  
Kathleen Carlin, Administrative Assistant

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**I      CALL TO ORDER**

Chairman Vadnais called the meeting to order at 3:00pm.

**II     PLEDGE OF ALLEGIANCE TO THE FLAG**

**III    ROLL CALL**

**IV    FREEDOM OF INFORMATION ACT**

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.

**V     USAGE OF CELLULAR TELEPHONE**

Please turn off all cellular phones so that the meeting is not disturbed. Use of the cellular phone is allowed in the hallway outside of Council Chambers.

**VI    APPROVAL OF THE AGENDA**

The agenda was **approved** as presented by general consent.

**VII   APPROVAL OF THE MINUTES**

The minutes of the May 6, 2009 meeting were **approved** as presented by general consent.

**VIII APPEARANCE BY CITIZENS ON ITEMS UNRELATED TO TODAY'S AGENDA**

None

**IX    UNFINISHED BUSINESS**

None

## **X NEW BUSINESS**

### **Development Agreement**

A development agreement has been proposed between the Town of Hilton Head Island and PVI Shelter Cove Limited Partnership. The property subject to the agreement is that certain 42.45 acre tract known as The Mall at Shelter Cove, located at 24 Shelter Cove Lane, and further identified as Beaufort County Tax Map # 12B, Parcel 26. The uses proposed in the agreement include all Commercial Uses, except as limited by LMO Section 16-4-209, Cinema Complex and Community Service. A copy of the proposed development agreement is available for public inspection at the Community Development Center located at One Town Center Court, Hilton Head Island, South Carolina.

Chairman Vadnais requested that the staff describe the differences between the modified Development Agreement being presented today and the Development Agreement that was previously reviewed by the Planning Commission on December 7, 2008.

Curtis Coltrane, Esquire, Assistant Town Manager, made the presentation on behalf of staff. Mr. Gregg Alford was not available at today's meeting. Mr. Coltrane stated that Town Council made several recommendations for revising the Development Agreement at their May 5, 2009 meeting. Today's Development Agreement contains the recommended changes. The first item that Town Council requested was that the permitted uses of the Mall be changed to include the Community Service uses. Community Service Use has been included in today's Development Agreement. Town Council also requested that the size of the space for Community Service use be revised from 5,000 square feet to 4,532 square feet. Mr. Coltrane and the Planning Commissioners discussed the inclusion of the specification of square footage for Community Service use.

Mr. Coltrane then discussed Town Council's request for including the time with which the construction of the Cinema complex is to occur. There had been a different set of time requirements in the previous version of the agreement. As a result of conversations between Town Council and the Mall owners the time frames have been modified. Rather than having a 36 month time frame for completion of the project, the owners of the Mall now effectively have a 48 month time frame for its completion. There are some interim goals that will need to be met by the applicant, as stated in the most recent Development Agreement. The Mall owners have agreed to complete the work as quickly as possible, and the staff will work with the Mall owners in accomplishing that goal.

Mr. Coltrane then discussed the Lease Agreement which is attached to the Development Agreement. Town Council requested that the Town be permitted to terminate the lease for any reason on six months written notice to the landlord of the property. This is the only change to the current Lease Agreement.

The Planning Commission and Mr. Coltrane discussed the increase in density, the need for a community-wide benefit, and the community service space. Commissioner Crews and Mr. Coltrane discussed the proposed monetary value of the increase in density. Vice Chairman Warden stated that she is concerned with the Agreement's ability to provide a true public benefit to the community. Commissioner Quick also stated her concern with the lack of a community-wide benefit and in making changes to the policy against an increase in density.

Mr. Coltrane and the Planning Commission discussed the proposed public benefit to the community. At the completion of Mr. Coltrane's presentation and discussion by the Planning Commission, Chairman Vadnais requested public comments. The following statements were received: Chester C. Williams, Esq., presented statements on behalf of his client, PVI Shelter Cove Limited Partnership. Mr. Williams and the Planning Commission discussed the State requirements for Development Agreements.

At the completion of public comments and final comments by the Planning Commission, Chairman Vadnais requested that a motion on the modified Development Agreement be made.

Commissioner Leary made a **motion** to recommend **approval** of the modified Development Agreement between the Town of Hilton Head Island and PVI Shelter Cove Mall Limited Partnership to Town Council as presented today by the staff. Commissioner Ennis **seconded** the motion and the motion **passed** with a vote of 6-2-0. Vice Chairman Warden and Commissioner Quick were opposed to the motion. Vice Chairman Warden stated that she is opposed to the motion because the Development Agreement does not provide a sufficient community wide benefit for the additional commercial square footage, and the Development Agreement is based on economic development data that the Planning Commission does not have. Commissioner Quick stated that she is opposed to the motion for the same reasons stated by Vice Chairman Warden.

#### **PUBLIC HEARING**

**ZMA080005** - Application from Chester C. Williams, Esq. on behalf of PVI Shelter Cove Limited Partnership to amend the Official Zoning Map-by amending the Palmetto Dunes Resort Master Plan and its accompanying text to increase the commercial density permitted on the 42.45 acre mall tract by 40,000 square feet and to specify that community service uses are permitted on the property. The subject property is located at 24 Shelter Cove Lane and further identified on Beaufort County Tax Map 12B as parcel 26.

Ms. Teri Lewis made the presentation on behalf of staff. Ms. Lewis stated that Town Council and PVI Shelter Cove Limited Partnership have made some changes to the Development Agreement which also necessitated some changes to the zoning map amendment request.

Specifically, the certain square footage for the community service space is no longer specified in the zoning map amendment request. The purpose of this change is to allow the community service use space to revert back to commercial use space without the need for a rezoning should the Town wish to withdraw early from the lease referenced in the Development Agreement. This is the one change from the previously approved document. At the completion of the staff's presentation, Chairman Vadnais requested comments by the Planning Commission and none were received.

Chairman Vadnais then requested public comments and the following were received: Chester C. Williams, Esq., presented statements in support of the application on behalf of his client, PVI Shelter Cove Limited Partnership.

At the completion of public comments and final discussion by the Planning Commission, Chairman Vadnais requested that a motion be made. Commissioner Leary made a **motion** that the application as amended is consistent with the Comprehensive Plan and complies with the requirements of the LMO. Commissioner Docherty **seconded** the motion and the motion

**passed** with a vote of 6-2-0. Vice Chairman Warden and Commissioner Quick were opposed to the motion for the same reasons stated previously for the Development Agreement (i.e. the approval of the ZMA is a permanent commitment to add 40,000 square feet of commercial space to the property).

## **PUBLIC HEARING**

**PPR090001** – Application for a Public Project Review for the construction of a traffic circle at the intersection of Arrow Road and Dunnagan’s Alley. The project will include the creation of four pedestrian crossings near the circle – one each on Dunnagan’s Alley east and west and one each on Arrow Road north and south. The directly affected properties are those within 250 feet of the intersection.

Ms. Anne Cyran made the presentation on behalf of staff. The purpose of this project is to redevelop the intersection of Arrow Road and Dunnagan’s Alley with a new roundabout, pathways and pedestrian crossings. Ms. Cyran presented the goals of the project in support of the staff’s recommendation for approval.

Redevelopment of the Dunnagan’s Alley area has been discussed in the Town’s goals, initiatives and policies for the past several years, but the negotiations with property owners and the process of land acquisition delayed the redevelopment of the Arrow Road/Dunnagan’s Alley intersection. The Dunnagan’s Alley area was identified as a potential area for redevelopment in the 1999 Tax Increment Financing Plan and in the 2004 Comprehensive Plan. Redevelopment has been a priority of Town Council’s Strategic Plan since 2001. Improvements in the Dunnagan’s Alley area and the Arrow Road/Dunnagan’s Alley intersection were listed as mid-range goals in the 2004 Initiative Area Plan.

The adopted *Bridge to the Beach Redevelopment Advisory Report* (2004) addresses the project in three areas:

- One of the Steering Committee’s Visions is, “To Create Improved and Visually Desirable Circulation for Automobiles, Pedestrians and Bicycles throughout the Area.” (*Bridge to the Beach Report*, pg iii)
- One of the Transportation Objectives is to, “Improve vehicle circulation in the Bridge to the Beach area.” (pg iv)
- Objective 4.2 of Streetscape Goals is that, “Road crossings should have special landscaping, signage, street lighting elements, handicapped-friendly surfaces and other design techniques that emphasize pedestrian movement. Crosswalks should be painted or constructed of unit pavers, with textured surfaces to emphasize pedestrian safety and to slow traffic.” (pg 26)

Funding for the project’s design and legal work was initially listed in the fiscal year (FY) 2009 Capital Improvement Project (CIP) budget, and construction was proposed for FY 2011. Funds for surveying and engineering the Arrow Road/Dunnagan’s Alley intersection were approved as part of the FY2007 CIP budget. A consultant was hired last August to provide those services. The consultant is currently designing the intersection improvements and recently submitted the preliminary construction plans for staff review. As a result of restructuring the CIP budget, funding for the construction was moved forward to FY 2012.

Mr. Jeff Buckalew presented statements regarding the design of the project on behalf of the Engineering Department. Mr. Charles Cousins presented statements in support of the safety features of the proposed project.

Chairman Vadnais stated concern with the Planning Commission's need for additional design information beyond today's presentation. Chairman Vadnais recommended tabling this application until additional information is received from staff. Chairman Vadnais then requested public comments and none were received.

Commissioner Docherty stated that he feels that the Planning Commission has sufficient information today to move forward with the Conceptual application. Additional design information can be received from the staff at a later date. Following final comments, Chairman Vadnais requested that a motion be made.

Commissioner Docherty made a **motion** that Application for Public Project Review PPR090001 is consistent with the Comprehensive Plan and complies with the Land Management Ordinance. Commissioner Ennis **seconded** the motion and the motion **passed** with a vote of 7-1-0. Chairman Vadnais was opposed to the motion due to safety concerns with the Conceptual design of the project.

#### **XI COMMISSION BUSINESS**

Chairman Vadnais stated that the Planning Commission meeting on July 1, 2009 is canceled due to a lack of agenda items. Under the Commission's Rules and Regulations, the Planning Commission can elect officers for the new term at this meeting or they can appoint a nominating committee now and then convene a special meeting for that purpose.

At completion of the discussion, Commissioner Docherty made a **motion** that the current officers, Chairman Al Vadnais and Vice Chairman Loretta Warden, be nominated to serve again for the term 2009 – 2010. Commissioner Leary **seconded** the motion and the motion **passed** unanimously. Chairman Vadnais and Vice Chairman Warden will serve as officers for the 2009 – 2010 term.

#### **XII COMMITTEE REPORTS**

1. The LMO Committee will meet this evening at 6:00pm.
2. The Comprehensive Plan Committee will meet on Wednesday, July 1, 2009 at 9:00am.

#### **XIII STAFF REPORTS**

1. Ms. Heather Colin presented the Subdivision Report on behalf of staff.
2. Mr. Randy Nicholson presented the Quarterly Report on behalf of staff.

#### **XIV ADJOURNMENT**

There being no further business, the meeting was adjourned at 4:30pm.

Submitted By:

Approved By:

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Kathleen A. Carlin  
Administrative Assistant

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Al Vadnais  
Chairman