

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, October 7, 2014

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Marc Grant, Kim Likins (arrived at 4:06 p.m.), Lee Edwards, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Brad Tadlock, *Fire Chief*; Charles Cousins, *Director of Community Development*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Jeff Buckalew, *Town Engineer*; Brian Hulbert, *Staff Attorney*; Teri Lewis, *LMO Official*; Julian Walls, *Facilities Manager*; Joheida Fister, *Fire Marshal*; Benton Waller, *Battalion Chief-Training*; Cinda Seamon, *Fire & Life Safety Educator*; Numerous members of *Fire Rescue*; Melissa Cope; *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant/Town Clerk*

Present from Media: Dan Burley, *Island Packet*

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 4:00 p.m. and stated Mrs. Likins phoned and said she was in route and would be late.

2) PLEDGE TO THE FLAG

3) INVOCATION

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

5) Proclamations and Commendations

a. Fire Prevention Week

Numerous Fire Rescue Division staff members were present to accept the proclamation.

b. Archaeology Week

Jean Guilleux, David Gordon and Natalie Hefter were present to accept the proclamation.

6) Approval of Minutes

a. Town Council Meeting, September 16, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the September 16, 2104 Town Council meeting were approved by a vote of 5-0-1. Mr. Edwards abstained as he was not present at the meeting.

b. Town Council Special Meeting, September 30, 2014

Mr. Harkins moved to approve. Mr. Williams seconded. The minutes of the September 30, 2014 Special Town Council meeting were approved by a vote of 4-0-2. Mr. Edwards and Mr. McCann abstained as they were not present at the meeting.

7) Report of the Town Manager

a. Town Manager's Items of Interest

Mr. Riley reported on some items of interest.

8) Reports from Members of Council

a. General Reports from Council

Mayor Laughlin announced that there would be a Public Hearing held on Tuesday, October 21, 2014 at 5:30 p.m. at Town Hall concerning the proposed changes in the Development Agreement with Shelter Cove Towne Centre, LLC and the Town of Hilton Head Island.

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

Mr. Williams stated he attended the Hilton Head Island-Bluffton Chamber of Commerce Governmental Affairs Committee meeting held on Friday, October 3 and Senator Sheehan was the speaker.

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

No report.

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

No report.

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

No report.

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

No report.

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

No report.

9) Appearance by Citizens

None.

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2014-18

Second Reading of Proposed Ordinance 2014-18 of the Town of Hilton Head, South Carolina, authorizing the execution of a first amendment to Golf Course Ground Lease with Heritage Golf Port Royal, LLC, pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mr. Riley stated there was an issue concerning the lease agreement and suggested discussion should take place in Executive Session. With the consensus of Council, the item was carried over and would be addressed after Executive Session.

Mayor Laughlin invited Tom Crews, Chairman of the LMO Rewrite Committee, to approach the dais. Mr. Crews thanked Town Council for initiating the LMO Rewrite noting it is a significant, important part of the Community. He commended Committee members, staff and members of the Community for their contributions. He suggested that the LMO is a metric which needs to move forward but equally important is developing a master plan using the metrics that incorporate traffic planning.

Mayor Laughlin recognized the members of the Committee individually and noted that it is impossible to exaggerate the amount of time and work they put into the project.

b. Second Reading of Proposed Ordinance 2014-19

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

Mrs. Likins moved to approve. Mr. Harkins seconded. Mr. McCann complimented the members of the LMO Rewrite Committee and explained he would be voting against all components of the LMO Rewrite due to his concerns with density.

After lengthy discussion and public comment, the motion was approved by a vote of 5-2. (Mr. Williams and Mr. McCann were opposed.)

c. Second Reading of Proposed Ordinance 2014-20

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

Mrs. Likins moved to approve. Mr. Harkins seconded. Mr. Williams stated he would be voting against all components of the LMO Rewrite due to his concerns with density and future impacts. He added that whenever this Council and previous ones identified a problem in the LMO they strive to fix the problems. He expressed confidence that if there is a problem Council will bring changes forward.

After additional discussion the motion was approved by a vote of 5-2. (Mr. Williams and Mr. McCann were opposed.)

d. Second Reading of Proposed Ordinance 2014-21

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

Mrs. Likins moved to approve. Mr. Harkins seconded. The motion was approved by a vote of 5-2. (Mr. Williams and Mr. McCann were opposed.)

e. Second Reading of Proposed Ordinance 2014-22

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

Mrs. Likins moved to approve. Mr. Harkins seconded. The motion was approved by a vote of 5-2. (Mr. Williams and Mr. McCann were opposed.)

f. Second Reading of Proposed Ordinance 2014-23

Second Reading of Proposed Ordinance 2014-23 of the Town of Hilton Head, South Carolina, authorizing the execution of a lease with Mindstream Academy, LLC pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

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

11) New Business

a. Consideration of a Resolution – LMO Rewrite Committee

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, SC to dissolve the Land Management Ordinance (LMO) Rewrite Committee.

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

Mayor Laughlin distributed Crystal Awards to each Committee member and thanked them for their service. The audience gave the Committee members a standing ovation.

b. Consideration of Recommendations of the Accommodations Tax Advisory (ATAX) Committee

Consideration of Recommendations of the Accommodations Tax Advisory (ATAX) Committee for the purpose of allocating the proceeds of the 2015 Non-Recurring Accommodations Tax Funds.

Mr. McCann moved to fully fund the Arts Center of Coastal Carolina at \$260,850, the Hilton Head Concours d'Elegance at \$85,000 and award \$100,000 to the Hilton Head Island – Bluffton Visitors and Convention Bureau and postpone all other until additional money is received from the state of South Carolina. Mr. Williams seconded.

After lengthy discussion, Mr. Edwards moved to amend the motion to fully fund the Arts Center of Coastal Carolina at \$260,850, the Hilton Head Concours d'Elegance at \$85,000 and use the remaining funds to fulfill as many of the ATAC recommendations as possible. Mr. Grant seconded.

Council members discussed the grant application process and Mike Alsko, Chairman of the Accommodations Tax Advisory Committee answered questions concerning the application/recommendation process. After discussion and public comment, the amended motion failed by a vote of 2-5. (Mr. McCann, Mrs. Likins, Mr. Harkins, Mayor Laughlin and Mr. Williams were opposed.)

After further discussion, the original motion was approved by a vote of 5-2. (Mr. Edwards and Mr. Grant were opposed.)

In addition, Mr. McCann moved that Town Council ask the Accommodations Tax Advisory Committee to keep these non-recurring applications open for consideration in the current cycle for possible funding without the need to reapply and to consider the impact, if any, on their recurring fund applications. Mr. Harkins seconded. The motion was approved by a vote of 7-0.

c. First Reading of Proposed Ordinance 2014- 27

First Reading of Proposed Ordinance 2014-27 to amend the budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2014; to provide for the expenditures of certain funds; to allocate the sources of revenue for the said funds; and providing for severability and an effective date.

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

d. First Reading of Proposed Ordinance 2014- 28

First Reading of Proposed Ordinance 2014-28 to amend the budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year ending June 30, 2015; to provide for the budgeted appropriations of prior year encumbrances and for the expenditures of certain funds; to allocate the sources of revenue for the said funds; and providing for severability and an effective date.

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

e. First Reading of Proposed Ordinance 2014-29

First Reading of Proposed Ordinance 2014-29 to amend the budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year ending June 30, 2015; to provide for the budgeted appropriations of prior year budget roll-forwards and the expenditures of certain funds; to allocate the sources of revenue for the said funds; and providing for severability and an effective date.

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

f. First Reading of Proposed Ordinance 2014-30

First Reading of Proposed Ordinance 2014-30 to amend the budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2015; to provide for the expenditures of certain funds; to allocate the sources of revenue for the said funds; and providing for severability and an effective date.

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

g. First Reading of Proposed Ordinance 2014-17

First Reading of Proposed Ordinance 2014-17 of the Town of Hilton Head, South Carolina, authorizing the execution of a sale and purchase agreement and the execution of a deed for the sale of approximately 1.472 acres of real property near Cordillo Parkway and Pope Avenue to Sea Cabin Racquet Club I Horizontal Property Regime Council of Co-Owners and Sea Cabin Racquet Club II Horizontal Property Regime Council of Co-Owners pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

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

12) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters pertaining to the lease for the Planters Row Golf Courses; contractual matters pertaining to right-of-way-acquisition; contractual matters pertaining to land acquisition including the sale or acquisition of property; legal matters pertaining to the memorandum of understanding with USCB; legal matters pertaining to a memorandum of understanding with Beaufort County and Palmetto Hall; and legal matters pertaining to the Developer Agreement with Shelter Cove Towne Centre.

At 5:28 p.m. Mr. Harkins moved to go into Executive Session for the reasons as set forth by the Town Manager. Williams seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 6:31 p.m. and asked if there was any business as a result of Executive Session.

The following item 10.a. was addressed:

g. Second Reading of Proposed Ordinance 2014-18

Second Reading of Proposed Ordinance 2014-18 of the Town of Hilton Head, South Carolina, authorizing the execution of a first amendment to Golf Course Ground Lease with Heritage Golf Port Royal, LLC, pursuant to the authority of S.C. Code Ann. § 5-7-40 (Supp. 2011), and § 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

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

13) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0. The meeting was adjourned at 6:32 p.m.

Vicki L. Pfannenschmidt,
Executive Assistant/Town Clerk

Approved: 10/21/2014

Drew A. Laughlin, Mayor