

COUNTY COUNCIL OF BEAUFORT COUNTY

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GERALD W. STEWART
LAURA VON HARTEN

GARY KUBIC
COUNTY ADMINISTRATOR

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA COUNTY COUNCIL OF BEAUFORT COUNTY

Monday, April 25, 2011

4:00 p.m.

Council Chambers
Administration Building

Citizens may participate in the public comment periods and public hearings from telecast sites at the Hilton Head Island Branch Library as well as Mary Field School, Daufuskie Island.

- 4:00 p.m.** 1. **CAUCUS**
Executive Conference Room, Administration Building
- 5:00 p.m.** 2. **REGULAR MEETING**
Council Chambers, Administration Building
3. CALL TO ORDER
4. PLEDGE OF ALLEGIANCE
5. INVOCATION
6. REVIEW OF MINUTES – [March 28, 2011](#) and [April 11, 2011](#)
7. PUBLIC COMMENT
8. COUNTY ADMINISTRATOR’S REPORT
Mr. Gary Kubic, County Administrator ([backup](#))
- The County Channel / Broadcast Update ([backup](#))
 - Two-Week Progress Report ([backup](#))
 - Recognition / Certificate of Achievement for Excellence in Financial Reporting ([backup](#))
9. DEPUTY COUNTY ADMINISTRATOR’S REPORT
Mr. Bryan Hill, Deputy County Administrator ([backup](#))
- Two-Week Progress Report
 - Update / FY 2012 Budget Proposal

Over



10. REDISTRICTING PLANS 2010 AND REDISTRICTING SOFTWARE DEMONSTRATION ([backup](#))
- Consideration of resolution adoption to occur April 25, 2011
 - Redistricting Committee discussion and recommendation to approve criteria and target dates occurred April 18, 2011 / Vote 7:0
 - Criteria: Adhere to the court ordered constitutional requirement of one person, one vote
Adherence to 1965 Voting Rights Act, as amended and controlling court decisions
Ensure that parts of the districts are contiguous
Respect Communities of Interest
Attempt to maintain constituent consistency
Avoid splitting voting precincts
Solicit public input
Agree to work with data provided by PL 94-171
 - Target Dates: July 30 County Council adoption of Plan(s); September 30 submission of Plan(s) to U.S. Justice Department, Office of Civil Rights

CONSENT AGENDA
Items 11 through 15

11. BEAUFORT COUNTY ZONING MAP AMENDMENT FOR R100 015 0000 0051 AND R100 015 0000 015A (KNOWN AS THE VILLAGE AT LADY'S ISLAND PLANNED UNIT DEVELOPMENT (PUD), APPROXIMATELY 35+ ACRES TOTAL, BORDERED BY SAM'S POINT AND OYSTER FACTORY ROADS); FROM PUD TO LADY'S ISLAND COMMUNITY PRESERVATION DISTRICT (LICP) AND LADY'S ISLAND EXPANDED HOME BUSINESS (LIEHB) ZONING DISTRICTS ([backup](#))
- Consideration of second reading approval April 25, 2011
 - Public hearing announcement - Monday, May 9, 2011, beginning at 6:00 p.m., in Council Chambers, of the Administration Building
 - First reading approval occurred April 11, 2011 / Vote 11:0
 - Natural Resources Committee discussion and recommendation to approve occurred April 4, 2011 / Vote 6:0
12. TEXT AMENDMENTS TO THE DISASTER RECOVERY AND RECONSTRUCTION ORDINANCE ([backup](#))
- Consideration of second reading approval April 25, 2011
 - Public hearing announcement - Monday, May 9, 2011, beginning at 6:00 p.m., in Council Chambers, of the Administration Building
 - First reading approval occurred April 11, 2011 / Vote 11:0
 - Governmental Committee discussion and recommendation to approve occurred April 4, 2011 / Vote 5:0

13. AN ORDINANCE TO ESTABLISH A MULTI-COUNTY INDUSTRIAL/BUSINESS PARK, TO BE KNOWN AS THE CYPRESS RIDGE MULTI-COUNTY PARK, IN CONJUNCTION WITH JASPER COUNTY, SOUTH CAROLINA; TO PROVIDE FOR A WRITTEN AGREEMENT WITH JASPER COUNTY AS TO THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; TO PROVIDE FOR THE DISTRIBUTION OF REVENUES FROM THE PARK AMONG TAXING ENTITIES HAVING JURISDICTION OVER THE PARK; TO PROVIDE FOR A FEE IN LIEU OF AD VALOREM TAXATION; AND OTHER MATTERS RELATED THERETO ([backup](#))
 - Consideration of second reading approval April 25, 2011
 - Public hearing announcement - Monday, May 9, 2011, beginning at 6:00 p.m., in Council Chambers, of the Administration Building
 - First reading approval occurred April 11, 2011 / Vote 11:0
 - Governmental Committee discussion and recommendation to approve occurred April 5, 2011 / Vote 5:0

14. A RESOLUTION AUTHORIZING THE COUNTY TO SEEK THE REMEDY OF EMINENT DOMAIN FOR THE PURPOSES OF ACQUIRING REAL PROPERTY CONSISTING OF APPROXIMATELY 2.19 ACRES, OWNED BY THE "HEIRS OF TOM BROWN" LOCATED ON MARTIN LUTHER KING, JR. DRIVE, ST. HELENA ISLAND, TO PROVIDE NECESSARY AND REASONABLE ACCESS FOR THE PUBLIC TO THE NEW BEAUFORT COUNTY ST. HELENA LIBRARY AND THE CONSTRUCTION OF A NEW BEAUFORT-JASPER HAMPTON COMPREHENSIVE HEALTH SERVICES CENTER ([backup](#))
 - Consideration of resolution adoption to occur April 25, 2011
 - Community Services Committee discussion and recommendation to approve occurred April 18, 2011 / Vote 5:0

15. AN ORDINANCE TO APPROVE THE APPROPRIATION OF FUNDS NECESSARY TO ACQUIRE REAL PROPERTY KNOWN AS THE BEAUFORT COMMERCE PARK AND TO PROVIDE THE SOURCE OF SUCH FUNDS FOR ACQUISITION
 - ***Motion / action by the Chairman is to refer this matter back to the Governmental Committee to review appraisals***
 - Third and final reading was postponed February 14, 2011 for 60 days / 6:4
 - A public hearing was held February 14, 2011
 - Second reading approval occurred January 24, 2011 / Vote 9:1
 - Finance Committee discussion and recommendation to approve occurred January 18, 2011 / Vote 5:1
 - First reading, by title only, approval occurred January 10, 2011 / Vote 10:1

PUBLIC HEARINGS
 Items 16 and 17

- 6:00 p.m.** 16. TANGER HILTON HEAD OUTLET CENTER I / FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN BEAUFORT COUNTY AND COROC / HILTON HEAD I, LLC, A DELAWARE LIMITED LIABILITY COMPANY ([backup](#))
- Consideration of third and final reading approval April 25, 2011
 - The first of two required public hearings occurred April 11, 2011
 - Second reading approval occurred March 28, 2011 / Vote 8:3 (Stone/Tile) and 11:0 (Signage)
 - First reading approval occurred March 14, 2011 / Vote 8:3 (Stone/Tile) and 11:0 (Signage)
 - Natural Resources Committee discussion and recommendation to approve occurred March 14, 2011 / Vote 4:3
17. LOWCOUNTRY HOME CONSORTIUM CONSOLIDATED PLAN AND ANALYSIS OF IMPEDIMENTS ([backup](#))
- Public Hearing Only
18. [COMMITTEE REPORTS](#)
19. PUBLIC COMMENT
20. ADJOURNMENT

County TV Rebroadcast	
Monday	4:00 p.m.
Wednesday	9:00 p.m.
Saturday	12:00 p.m.
Sunday	6:30 a.m.

Cable Casting of County Council Meetings <i>The County Channel</i>	
Charter Cable	CH 20
Comcast	CH 2
Hargray Cable	CH 9 & 252
Time Warner Hilton Head Cable	CH 66
Time Warner Sun City Cable	CH 63

Official Proceedings
County Council of Beaufort County
April 11, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

CAUCUS SESSION

The caucus session of the County Council of Beaufort County was held at 4:00 p.m. on Monday, April 11, 2011, in the Executive Conference Room of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Weston Newton, Vice Chairman D. Paul Sommerville and Councilmen Steven Baer, Rick Caporale, Gerald Dawson, Brian Flewelling, Herbert Glaze, William McBride, Stu Rodman, Gerald Stewart and Laura Von Harten.

REGULAR MEETING

The regularly scheduled meeting of the County Council of Beaufort County was held at 5:00 p.m. on Monday, April 11, 2011, in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance to the Flag.

INVOCATION

Councilman Herbert Glaze gave the Invocation.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD MARCH 14, 2011

It was moved by Mr. Glaze, seconded by Mr. Caporale, that Council approve the minutes of the regular meeting held March 14, 2011. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PROCLAMATIONS

Sexual Assault Awareness Month

The Chairman proclaimed April 2011 as Sexual Assault Awareness Month. Ms. Jeanne L. Newland, Director of Prevention/Outreach Services, Hope Haven of the Lowcountry, accepted the proclamation.

Child Abuse Prevention Month

The Chairman proclaimed April 2011 as Child Abuse Prevention Month and encouraged all citizens to join in increasing awareness of the growing problem of child abuse and neglect and for all citizens to support local community programs such as those administered by the Department of Social Services, the Child Abuse Prevention Association, and the Department of Mental Health which are designed to prevent and treat this problem. Ms. Renita Myers, Case Manager, Department of Social Services, accepted the proclamation.

PUBLIC COMMENT

The Chairman recognized Mrs. Carlotta Ungaro, President, Beaufort Regional Chamber of Commerce Business and Convention Center, who expressed her enjoyment in working with Council the last five years, but will be moving to Morrisville, North Carolina to work for another Chamber. She introduced Ms. Blakely Williams, who will serve as Interim-President. Ms. Williams has served as Member Services Director.

The Chairman recognized Mr. Edgar Williams, a Dale resident, who thanked Councilmen Weston Newton and Gerald Dawson for their participation in the US 17 Ribbon Cutting Ceremony. This highway has been a major ongoing problem. He commended Council for helping to overcome some of those obstacles and reducing the tragedies that have happened on this road. He also expressed his concerns regarding the closing of the community centers in Sheldon Township. The community is at a loss and feels they do not receive some of the services provided in other parts of the county. Now Council embarks on trying to close Dale Community and Booker T. Washington Centers. The Centers have served well. To close those facilities would cause a domino effect on the community. The community feels forgotten. He hopes Council thinks twice in its consideration of this matter. He submitted a written statement to Council asking that these centers remain open to serve the residents of the Sheldon Township Community.

COUNTY ADMINISTRATOR'S REPORT

The County Channel / Broadcast Update

Mr. Gary Kubic, County Administrator, announced The County Channel has wrapped up its final coverage of USCB Sand Sharks baseball games. It was a better partnership with the University than the previous year. The response has been strong. The home games are streamed live. We will be replaying the games. The Broadcast Team did a great job this year.

Mr. Gary Kubic, County Administrator, presented a promo to highlight the programs at the Animal Shelter and pursue with vigor our public relation and forge new partnerships with the community and volunteer agencies so that we get more pets adopted and reduced euthanasia rate. He congratulated Mr. William Winn, Division Director - Public Safety, Toni Lytton, Animal Control Director, and the community at large.

Mr. Gary Kubic, County Administrator, stated The County Channel will cover the Beaufort High School Spring Concert this year. The concert will be held April 12 at the Beaufort High Performing Arts Center at 8:00 p.m. The Beaufort County Channel covered the Winter Concert and had a tremendous response in doing so. He invited Council and the general public to attend the concert to enjoy the beautiful music presented by Mr. Vic Varner and the Beaufort High School Voices Choir.

Two-Week Progress Report

Mr. Gary Kubic, County Administrator, submitted his Two-Week Progress Report, which summarized his activities from March 28, 2011 through April 8, 2011. He highlighted that on March 30 he had an opportunity to meet with Ms. Stephanie Coccaro, Webmaster, and he has accepted her resignation. She was offered a position in Washington, D.C., and is accepting the new position. When you lose a good employee, you can dwell on the negative, but he looks at it as what she has given to the County. The webpage underwent a change. Some folks liked it, some did not; but it was a change, one that was in the right direction. He thanked Stephanie for her quick response and for doing her best in the creation of the new website.

Mr. Kubic stated staff and he had the opportunity to meet with the Haig Point ferry company on April 5. It was not a negotiation session, but a chance to allow the company to come forward with some changes they are proposing in terms of the amount of fee that we pay to them for transporting public safety personnel, *i.e.*, EMS, Public Works, and County officials. Currently, our fee is \$5,000. Their proposal was to increase it by \$20,000, making a new total of \$25,000. We have not agreed to their new proposal. His response to them was that the County would take two weeks to allow time for Council and staff to evaluate.

Mr. Kubic stated on April 8 he attended the grand opening of the Reimagining Education and Learning (REAL) Center at Whale Branch Early College High School. It was a well attended affair. The technical rooms and the technology they are offering students were impressive. Several Councilmen also attended. He congratulated the Board of Education, Superintendent Valerie Truesdale as well as the principal and teachers associated with that innovative and outreaching program. It seemed to be well accepted by the community at large. Colonel Snyder, USMC Beaufort, also attended the event.

Fair Housing Month Resolution

It was moved by Mr. McBride, seconded by Mr. Flewelling, that Council adopt a resolution designating the month of April as Fair Housing Month. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

Recognition of Donation from New Hope Christian Church to Disabilities Foundation for Camp Treasure Chest

Mrs. Mitzi Wagner, Disabilities and Special Needs Director, stated Camp Treasure Chest is over 16 years old and serves children who are physically and/or behaviorally disabled and cannot attend other camping programs. Since 2008, funding has diminished to the point where it was unsure whether there would be the ability to continue the camp until the ABLE Foundation stepped up. Foundation members have sold Christmas ornaments, obtained grants, received community donations, held golf tournaments, etc., to help keep Camp Treasure Chest going. She recognized the members of ABLE and the Disabilities and Special Needs Board for their contribution. She also recognized Ms. Erin Womack who has spearheaded this program for nine years. She recognized Ms. Freda Schroder, a member of ABLE, to speak before Council. Ms. Schroder, on behalf of the ABLE Foundation, thanked New Hope Christian Church for its generous donation in the amount of \$5,000 towards Camp Treasure Chest. Rev. Ed Cushingberry, New Hope Christine Church, accepted the plaque.

Update / Economic Development Task Force Meeting Held April 4, 2011

Mr. Gary Kubic, County Administrator, reported he had the opportunity to meet with the five appointees on April 4 in an organizational session. A couple things came out of the meeting. Mr. Gary Horne is the designated Chairman. Two interviews have been arranged from consultants who will work with the Task Force. The Task Force can then develop a scope of work and negotiate the contract. Mr. Kubic's role is to arrange the interview. He will not participate in the decision-making process or the interviews, but will facilitate with staff in taking minutes and other organizational things to support the Task Force. Upon these two interviews, if the Committee decides to see more, that possibility does exist. The members did discuss whether or not the discussion County Council had relative to a 60-day process dealt with the appraisal of the Commerce Park or whether their work had to be complete within 60 days. He informed them that he would relay to Council and the community at-large that it is probably not feasible to do an assessment, under the current approach they are using (soliciting requests for proposal and interview process), within a 60-day timeframe. They will need an additional 60 to 90 days.

Mr. Gary Kubic, County Administrator, reported he sent Council copies of the first appraisal of the Commerce Park. He has not yet received the second appraisal. He expects the second appraisal within the week.

Personal Leave

Mr. Gary Kubic, County Administrator, announced that for personal reasons he will be out of the office the week of April 17.

DEPUTY COUNTY ADMINISTRATOR'S REPORT

Two-Week Progress Report

Mr. Bryan Hill, Deputy County Administrator, submitted his Two-Week Progress Report, which summarized his activities from March 28, 2011 through April 8, 2011. He has provided Council a starting point of the County's 2012 budget process which represents a target of \$98 million. He suspects it to come in at \$112 million at first pass. As the County Administrator has stated, we have encouraged staff to put forth new ideas and new initiatives.

Sun City Veterans Association Adopt-a-Highway Group

Mr. Bryan Hill, Deputy County Administrator, recognized the Sun City Veterans Association Adopt-a-Highway Group, who volunteer to keep Beaufort County beautiful. They have been recognized by the South Carolina Litter Control Association as Lower Region Group of the Year. He introduced Larry Bonner, Commander; Bill Fitzgerald, Vice-Commander; Mike Brown, Adopt-a-Highway Coordinator; Ron Mitrook, Adopt-a-Highway Assistant Coordinator; and Veronica Miller, Keep Beaufort County Beautiful Coordinator. This Group was recognized for its outstanding accomplishments: monthly pickups covered six miles of difficult highways, 620 hours of service to our community wherein the Group picked up 586 bags or 8,709 pounds of garbage.

Mr. Newton thanked the Group for its efforts. The pride demonstrated in helping pick up litter in this area of the County is a community spirit worthy of notation and worthy of our appreciation.

Mrs. Veronica Miller stated the Sun City Veterans have been a part of the Adopt a Highway program for 15 years. They have been very supportive of the Program. She wished the County had 30 to 40 more groups like the Sun City Veterans.

Presentation / Earth Month / Think Green

The Chairman proclaimed April 22 as Earth Day in Beaufort County. Recent events around the world highlight the importance of protecting our environment. We take the mission seriously in Beaufort County as we work towards building a sustainable future for our citizens and our future generations. Mrs. Carol Murphy, Recycling Coordinator, accepted the proclamation.

Mrs. Carol Murphy presented a schedule of activities planned for Earth Month which are as follows: April 2 - Kidsfest at Cross Creek, 10:00 a.m. to 2:00 p.m.; April 5 through 20 - Zero Tolerance Campaign in Beaufort; April 15 - Habersham Market Place Earth Day, 4:00 p.m. to 7:00 p.m.; April 16 - Earth Day at Port Royal Farmer's Market, 8:30 a.m. to 12:30 p.m.; April 22

– Earth Day; April 23 - Soft Shell Crab Festival, Town of Port Royal, 12:00 p.m. to 5 p.m.; and April 30 – Beach Sweep at Hunting Island State Park, 10:00 a.m.

Mrs. Murphy introduced the County's recycling icon, ReRun. ReRun was developed through a partnership with DHEC whose Graphics Department designed him for the County. She presented the national recognized Recycle Guys, Bottle Guy and Can Guy, who are utilized nationwide in recycling campaigns and educational efforts. A portion of the Waste Management Education Grant Funds was used to purchase a ReRun costume for use at promotional and educational events. ReRun participated in the Beaufort Christmas Parade December 5, 2010. He was accompanied by Bottle Guy and Can Guy. Waste Management decorated a recycling truck that followed behind the costumed characters. There was a preschool presentation at Shanklin Convenience Center. ReRun was a big hit with the kids. He was also at Kidsfest.

Mr. Jim Minor, Solid Waste and Recycling Manager, presented Council the Zero Tolerance Campaign. Last year we introduced the cardboard cops, with the support of the Sheriff's Office and our two Litter Officers. During Zero tolerance weekend last year, there were 13 citations written. Zero tolerance is not just about litter, but how we educate the population, our citizens and our public. Spilled loads represent a road hazard to all of us. Our litter officers work very hard educating the public, working with trucking companies, landscaping companies, and waste hauling companies in our area. He introduced Sgt. Barr, Beaufort County's newest Litter Officer and Corporal Richard Black, Litter Officer. In preparation of this year's Zero Tolerance Campaign, Sgt. Barr has met with all the shifts of the Sheriff's Office distributing information and flyers to all Deputies. They educate the public as well as their fellow deputies and participate in the South Carolina Law Enforcement Officer Association. Litter Officers investigate these sites to determine who dumped the material at the location, find and work with the property owner towards getting the property cleaned up, and assist the property owners with making sure there is not a recurrence. This problem occurs County-wide. Litter is an issue that affects all of our citizens and our environment. In this month's campaign we will provide some awareness-building activities to educate citizens on the effect of litter and the effect it has on all levels of our community from roadway dangers to community breakdown. Where there is trash in neighborhoods and communities, there is more crime. We work on all of those issues.

Mr. Minor spoke about the Energy Efficiency and Conservation Block Grant that the County received. It is a U.S. Department of Energy Grant for the purpose of developing energy conservation and efficiency projects. The grant award, dated October 13, 2009, is in the amount of \$636,000. The requirements in the grant were that funding must be obligated within 18 months. The total project time is three years.

The County put together an Environmental Advisory Team, under the guidance of Deputy Administrator Bryan Hill and County Administrator Gary Kubic. Team members were from several different departments to include Solid Waste, Purchasing, Facilities Management, Finance and Planning. The Team developed ideas, concepts and projects to utilize the grant money. The Team meets monthly to monitor progress, discuss grant requirements, and to submit quarterly reports on performance and finances. Mr. Minor introduced Mr. Mark Roseneau, Director of Facilities Management; Mr. Dave Thomas, Purchasing Director; Mrs. Billie Lindsay,

Planner and Grants Manager, Mrs. Alicia Holland, Financial Analyst; Ms. Monica Spells, Compliance Officer; Mrs. Carol Murphy, Recycling Coordinator, and himself as members of the Team. He specifically recognized Mrs. Lindsay for putting the grant together and for gathering the data for submission of quarterly reports.

Next, Mr. Minor reviewed the In-House Recycling Program, the installation of seven compactors at the Bluffton Convenience Center (Simmonsville Road), and lighting retrofits and installation of occupancy sensors in County office buildings. The In-House Recycling Program was the start up the Office Recycling Program in all County office buildings. The grant provided \$231,000 which funded a recycling staff position to run the routes and collect recyclables from various offices around the County. It also funded the van used for collections and the supplies necessary to facilitate the Program. Eventually, we will have a skid-steer loader, which has been ordered, to be used to move the material around inside of the baler building. Initial collections were approximately 2,000 pounds a month. We are now collecting 8,000 pounds a month. The Program thus far has collected 15 tons of recycled material from County offices. This represents a reduction in the production of greenhouse gas, which helps our environment.

The Compactor Purchases Program involved the installation of seven compactors at the Simmonsville Road Convenience site. That required an electrical upgrade which was funded as well. This Program reduced the number of pulls by 33% at that site. Comparing that and looking / projecting those numbers, the cost savings to date is \$36,300, and it will increase. This equipment has a life expectancy of 10 to 15 years.

Lighting Retrofit Program has a cost of \$164,000 and occupancy sensors cost \$11,800. He reported the installation of energy efficient lighting fixtures was completed in six county facilities: Courthouse, Detention Center, Law Enforcement Center, Human Services Building, Library and Public Works. Occupancy sensors have been placed in 40 County facilities and 133 restrooms. The overall cost savings on this Project is a ten-year lifecycle with a projected \$156,000 annual savings, \$1,560,000 cycle cost savings. Those savings are with reduced electricity consumption. The money is being well used and is saving taxpayers' money.

Mr. Sommerville commented, as he was picking up trash the previous weekend and in doing some quick calculations, we could eliminate property taxes, accommodations taxes, and hospitality taxes if we had more litter officers to fine individuals \$1,080 for cigarette butts.

Mr. Minor stated the hardest thing to do is be in the right place to see the crime committed.

Mr. Dawson inquired as to whether or not we have only one employee making collections at all of the sites.

Mr. Minor replied most often he is by himself. Occasionally, when going to a site with a large number of books, etc. another employee will accompany him to help. That is his primary job function and the grant pays his salary for three years. If the program outgrows the current position, we will have to go to Plan B. As we capture more office paper and market it, that money will come back into program.

Mr. Newton commended staff for its efforts and in obtaining the grant to do this. Keep up the good work.

Update / Beaufort County (Lady's Island) and Hilton Head Island Airport Master Plan

Mr. Paul Andres, Airports Director, presented Council updates of both Airports. The Beaufort County (Lady's Island) Airport Master Plan is currently underway. The consultant is finishing the Airport's Layout Plan, the Environmental Overlay Chapter and the Financial Implementation Plan. Once those items are complete, that information will be provided to the elected officials. Thereafter we will schedule a presentation to Council in a format similar to that of the Hilton Head Airport Master Plan, where it would be a joint presentation to County and City. Following acceptance by the councils, the planning document would then be submitted to the FAA for their review and approval.

Regarding the tree obstructions at this Airport, the FAA is actively working to resolve the SCE&G power pole issues at runway 7. There are over 600 tree obstructions remaining in that area, which need to be addressed in the 34:1 slope and the side transition of 7:1 slope. We have requested additional FAA grant funding to address two obstructions. We will see if the FAA will fund that in this grant cycle. Attorneys are still working with property owners, who have litigation ongoing, and hope to have those matters resolved by summer.

At the Hilton Head Island Airport the Master Plan was submitted to the FAA and their review process is ongoing. The Program Office had requested that the consultant provide additional data elements on the Airport Layout Plan sheets and, as a result, requires additional sheets to be developed to spread the information out so it is easier to read. That task has been accomplished and the FAA will now distribute that document to all their appropriate divisions for formal staffing comments. We expect to receive their feedback and/or approval shortly. They have indicated that they will expedite that review process.

We have requested funding this year for the Benefit Cost Analysis and Environmental Assessment associated with runway expansion. We will wait to see if that is included in the grant offer for this coming year.

The tree obstructions at the Airport on the north end, runway 21, we have approximately 1,400 trees that need to be addressed. That issue is pending appeals. The next appeal will be heard in Circuit Court on April 21, 2011. Regarding the off airport tree component, there is approximately 1,000 trees which we have requested grant funding to address. There are still some avigation easements, that are needed off airport, that we need to acquire. The south end runway 3, the off airport tree removal design project to a 34:1 slope we expect to commence shortly and bringing forth a recommendation for Council approval for contract award. The funding associated with the clearance to a 34:1 slope has also been requested in this year's grant application.

The new Aircraft Rescue and Firefighting facility is almost complete. The contractor is completing the few remaining punch-list items and is in the process of scheduling the final improvement/inspection so we can occupy the building. We intend to occupy the building within the next 30 to 45 days. It is a nice facility.

The Runway Safety Air Area Drainage Improvements is still on hold awaiting the Town of Hilton Head Island to issue the appropriate construction permit. The FAA has expressed their concerns regarding the requirement to plant anything other than grass in the safety area. He expects them to be communicating that directly with the County.

The Commercial Terminal Improvement design will resume shortly. We will select a consultant to start the design process to relocate the lighted signs next to the runway. The Passenger Facility Charge Facility application preparation should commence shortly.

Mr. Baer stated since September 27 when Council last saw the Master Plan, there have been changes made to the Plan. Is it not possible for the Councils to get an electronic copy of that? It has been six months since we have seen what is going on.

Mr. Andres replied it is an incomplete document. The FAA has not officially accepted or approved the document. They have asked for editorial changes in compliance with their regulations. As an example, they want the consultant to add the existing high and low points on the runway. It is data elements, not substantive changes.

Mr. Baer wanted to know if there are any further intrusions into property. Mr. Andres replied not that he is aware of.

Mr. Baer wanted to know if the Airports Director has read what is submitted to the FAA. Mr. Andres replied in the negative.

Mr. Baer remarked in the business world where he comes from, when a Board approves something, it is unheard of to hear of changes afterward. This one has had several series of changes that Council knows nothing about.

Mr. Caporale inquired as to the length of time it takes the FAA to approve. Mr. Andres stated they have indicated that they hope to turn the Plan around once they have officially staffed it within a matter of months.

Mr. Rodman asked about the grant schedule. Mr. Andres replied we applied at the end of December for this upcoming grant cycle. Typically, we would hear back in late spring, early summer timeframe. Some of this is tied to the ongoing discussions in Congress regarding funding and FAA reauthorization. That schedule should shift a little this year.

Mr. Rodman stated a couple of months ago he suggested that it might be prudent doing the design in parallel with the Environmental and Cost Benefit Analysis for a variety of reasons. To shorten the overall lapsed time, because there is probably back and forth between various

elements, that makes sense. The FAA, as he understood, said that was something we could do. If it fell outside of the grant cycles it is something we can potentially fund on our own and be considered for reimbursement. He hopes that is still a concept that have not totally dismissed. It is important from an elapsed time standpoint to get on with this runway.

Construction Project Updates

New Bridge over Beaufort River / U.S. 21 / S.C. 802 Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported the new bridge over the Beaufort River will be a 4,200-foot bridge. The contractor is United Contractors, Inc. of Great Falls, South Carolina. The cost is \$34,573,368. The completion date is August 2011. The contractor has completed all substructure elements. Ninety percent of the girders have been set and 67% of the deck spans have been poured.

S.C. Highway 802 Roadway Construction Project

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves the widening of 5.2 miles of SC Highway 802 (two sections). The contractor is Sanders Bros. of Charleston, South Carolina. The cost is \$10,852,393. The completion date is December 2010. Final asphalt surface was placed on the Lady's' Island section from Meridian Road to US Highway 21. Final Shell Point pipe operations are underway.

SC Highway 46 and Simmonsville Road

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves the widening of SC Highway 46 to the Bluffton Branch Library and Simmonsville Road to Bluffton Parkway for a total of 2.15 miles. SCDOT is administering this project. The contractor is REA Contracting of Columbia, South Carolina. The cost is \$7,503,367.03. The completion date is May 2011. Pipe placement, curb and gutter and sidewalk construction is complete. Asphalt operations are underway.

Disabilities and Special Needs Adult Day Care Center and Administration Center

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project is a 25,000 square foot multi-use facility with client activity and program areas and administrative space. The contract is Emory J. Infinger and Associates of Charleston, South Carolina. The cost is \$6,436,974. The completion date is summer 2011. Interior metal studs, equipment placement and fenestration work is underway.

Hilton Head Airport Aircraft Rescue Firefighting Facility

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves a 7,200 square foot facility with two equipment bays and administrative space. The contractor is

Creative Structures of Knoxville, Tennessee. The cost is \$1,787,638.43. The completion date is March 2011. A Certificate of Occupancy is to be issued next week.

Tire-Baler Building

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves an 11,000 square foot receiving facility for recyclables, tires and other selected solid waste streams. The contractor is Beaufort Construction. The cost is \$491,022. The completion date is May 2011. The baler has been installed. Work on the interior office space and clean up is underway.

Bluffton Parkway Phase 5A Roadway

Mr. Rob McFee, Division Director-Engineering and Infrastructure, reported this project involves the construction of 2.31 miles of a new four-lane divided highway between Burnt Church Road and Buckingham Plantation Road. The contractor is Cleland Construction of Ridgeland, South Carolina. The project cost is \$11,578,720. The contract completion date is July 2012. Clearing has been completed and embankment operations are underway.

Coastal Watch Military Exercise

Mr. Todd Ferguson, Emergency Management Director, announced today was the first day of a three-day exercise called Coastal Watch 2011. Coastal Watch is predicated on a land falling storm in the Lowcountry that has produced significant damage in the form of wind and flood. This segues into reviewing and utilizing our rescue, response plans and recovery plans. This type of exercise mainly is used to test our aviation assets in the form of rescues in high water situations. He introduced Major Gillhouse, National Guard, to provide the three days of activities.

Major Gillhouse reported a successful first day of Coastal Watch 2011. He thanked Mr. William Winn, Division Director-Public Safety, Mr. Todd Ferguson, Emergency Management Director, and staff of Emergency Management Division for their professionalism and assistance in making this a successful operation over the last five months of meeting and planning. There is a new capability to support the citizens of the State – a Helicopter Aquatic Rescue Team that has been in existence less than two years. They have done their first successful call out and rescued someone suffering from a gunshot wound to the leg. The man was rescued with our assets, along with Task Force I who are fire/rescue swimmers trained to go up and down the hoist. This exercise has been practiced once a quarter plus annual training exercise. Today damage assessment happened with the County's Damage Assessment Team. Helicopter Aquatic Rescue Team training and rehearsals will be practiced for a culminating event on Wednesday, where 45 soldiers will be rescued repeatedly from three different locations, consolidated at Burton Wells Regional Park, and then retransferred further inland to the Ridgeland Airport where Regional Medical Assessment Team (ARMAT) civilians will be doing triage. This makes combined abilities / capabilities more successful for protecting the citizens of the entire State.

Ms. Von Harten inquired as to the economic impact on Beaufort County with this exercise. Major Gillhouse stated they will prevent the loss of a lot of money down the road if an unforeseen manmade or natural disaster were to occur.

AN ORDINANCE AUTHORIZING FUNDS IN AN AMOUNT NOT TO EXCEED \$1,000,000 OF HOSPITALITY TAX FUNDS TO BE AVAILABLE OVER A FIVE-YEAR PERIOD TO HERITAGE CLASSIC FOUNDATION FOR THE PROCUREMENT OF THE PGA HERITAGE GOLF TOURNAMENT TO BE HELD ON HILTON HEAD ISLAND, SOUTH CAROLINA

This item was pulled from the consent agenda.

BEAUFORT COUNTY ZONING MAP AMENDMENT FOR R100 015 0000 0051 AND R100 015 0000 015A (KNOWN AS THE VILLAGE AT LADY'S ISLAND PLANNED UNIT DEVELOPMENT (PUD), APPROXIMATELY 35+ ACRES TOTAL, BORDERED BY SAM'S POINT AND OYSTER FACTORY ROADS); FROM PUD TO LADY'S ISLAND COMMUNITY PRESERVATION DISTRICT (LICP) AND LADY'S ISLAND EXPANDED HOME BUSINESS (LIEHB) ZONING DISTRICTS

This item comes before Council under the Consent Agenda. It was discussed at the April 4, 2011, Natural Resources Committee.

It was moved by Mr. Caporale, seconded by Mr. Stewart, that Council approve on first reading a Beaufort County Zoning Map amendment for R100 015 0000 0051 and R100 015 0000 015A (Known as the Village at Lady's Island Planned Unit Development (PUD), approximately 35+ acres total, bordered by Sam's Point and Oyster Factory Roads); from PUD to Lady's Island Community Preservation District (LICP) and Lady's Island Expanded Home Business (LIEHB) Zoning Districts; Owner: B. McNeal Partnership LP. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

TEXT AMENDMENTS TO THE DISASTER RECOVERY AND RECONSTRUCTION ORDINANCE

This item comes before Council under the Consent Agenda. It was discussed at the April 4, 2011, Governmental Committee.

It was moved by Mr. Caporale, seconded by Mr. Stewart, that Council approve on first reading text amendments to the Disaster Recovery and Reconstruction Ordinance, Section 104 (1), Section 105 (1); Section 106(1), Section 106 (2)(g), Section 109 (6), Section 109 (8)(b), Section 109 (13), Section 109 (16)(c), Section 109 (24) (b), Section 109 (24)(c), Section 111 (2), Section 111 (4) and Section 115 (1). The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

AN ORDINANCE TO ESTABLISH A MULTI-COUNTY INDUSTRIAL/BUSINESS PARK, TO BE KNOWN AS THE CYPRESS RIDGE MULTI-COUNTY PARK, IN CONJUNCTION WITH JASPER COUNTY, SOUTH CAROLINA; TO PROVIDE FOR A WRITTEN AGREEMENT WITH JASPER COUNTY AS TO THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; TO PROVIDE FOR THE DISTRIBUTION OF REVENUES FROM THE PARK AMONG TAXING ENTITIES HAVING JURISDICTION OVER THE PARK; TO PROVIDE FOR A FEE IN LEIU OF AD VALOREM TAXATION; AND OTHER MATTERS RELATED THERETO

This item comes before Council under the Consent Agenda. It was discussed at the April 5, 2011, Governmental Committee.

It was moved by Mr. Caporale, seconded by Mr. Stewart, that Council approve on first reading an agreement between Beaufort County, South Carolina and Jasper County, South Carolina for the establishment of a multi-county industrial / business park; and an ordinance to establish a multi-county industrial park to be known as Cypress Ridge Multi-County Industrial Park in conjunction with Jasper County, South Carolina. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

Mrs. Kim Statler, Lowcountry Economic Network Director, stated Beaufort County is the partnering county in this relationship which allows us to share some proceeds in that transaction. This issue was discussed at the April 5, 2011 Governmental Committee meeting. This designation is attached to a prospect. A prospect came forward in December 2010. The company is Be Green. They were in search of an existing manufacturing facility of substantial size. They are purchasing the Haven Homes building in Jasper County. It is a 90,000 square foot building. They have committed to \$7.3 million in capital investment and 175 new jobs. The company considers those projections to be conservative. They manufacture carbon-based packaging for their major clients. They currently manufacture in China. They are relocating their manufacturing facility to Ridgeland. They will also have a distribution facility in Boston which will be moved here as well. She thanked Council for its favorable consideration for the MCIP Agreement.

LOWCOUNTRY HOME CONSORTIUM CONSOLIDATED PLAN AND ANALYSIS OF IMPEDIMENTS

The Chairman announced that a public hearing will be held Monday, April 25, 2011, beginning at 6:00 p.m., in Council Chambers of the Administration Building, 100 Ribaut Road.

PUBLIC HEARINGS

Tanger Hilton Head Outlet Center 1 / First Amendment to Development Agreement Between Beaufort County and COROC / Hilton Head I, LLC, A Delaware Limited Liability Company

The Chairman opened a public hearing at 6:11 p.m. for the purpose of receiving information from the public regarding first amendment to the Development Agreement between Beaufort County and COROC / Hilton Head I, LLC.

Natural Resources Committee Chairman stated this is an amendment to a Development Agreement that was entered into in March 2009. It is a minor amendment that has been heavily debated.

After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:13 p.m.

The Chairman announced that a second public hearing on this item will be held April 25, 2011, beginning at 6:00 p.m., in Council Chambers, of the Administration Building

Burton Water Extension Project Application

Mrs. Michelle Knight, Community and Economic Development Director for LCOG, stated the County will be making application for \$422,500 to extend water service in the Burton community to 40 homes of which 31 are low-to-moderate income. It is a 76% low-to-moderate income rate. The roads affected are Rambling Road, Ramsey Loop, Glaze Drive, Logwood Path, and Gaston Lane.

The Chairman opened a public hearing at 6:16 p.m. for the purpose of receiving information from the public regarding the Burton Water Extension Project application. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:17 p.m.

It was moved by Mr. Caporale, seconded by Mr. Dawson, that Council adopt a resolution authorizing the County Administrator to submit a Community Development Block Grant, Community Infrastructure Application, in the amount of \$500,000 for the Burton Water Extension Project. The vote was: YEAS - Mr. Baer Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. ABSTAINED – Mr. Glaze (He has relatives who live on Glaze Drive). The motion passed.

COMMITTEE REPORTS

Governmental Committee

Bluffton Fire Commission

Mr. Stewart, as Governmental Committee Chairman, nominated Mr. John Oram, representing at-large, to serve as a member of the Bluffton Fire Commission.

Finance Committee

Heritage Golf Tournament

Mr. Rodman stated last summer the Heritage Classic Foundation (Heritage) came to the Town of Hilton Head Island (Town) and County for funding in fear of losing the tournament. Both the Town and the County committed \$1 million to the tournament. In late January there was a meeting in Columbia with the Governor and Governor Staff where she appointed particular people to take the lead in finding a sponsor for the tournament. At that meeting there was discussion about whether or not it made sense to have 2012 funded so when they got into final discussion with the PGA Tour the same thing that happened in 2011, might also happen for 2012.

There has been some amount of monies coming in to where one-third of 2012 is covered. As time went forward, there was another meeting that included the Town, stakeholders, Federal Delegation (telephonically), Council Chairman and himself. At that time there was general agreement that it would be worthwhile to put forward a backup plan that could serve the purpose in case the tournament had problems in finding a sponsor, before the contract expired and a plan that might also provide an additional bridge of time to find that sponsor.

Mr. Rodman took the liberty of drafting such plan for a possible approach that the various stakeholders could consider. On an ongoing basis the tournament requires approximately \$6 million a year from a sponsor. If it were to be broken down and thought of as a private/public partnership, the private portion could include Sea Pines Resort and a consortium of South Carolina companies that could come together and provide a degree of funding to be used for them to buy advertising time to promote their products. These could be companies that were not in a position to be the sponsor in full.

In terms of the Town and the County, Mr. Rodman thought that perhaps a 30% share appropriate. The County collects \$2.5 million and the Town collects \$15 million in accommodations tax (A-Tax) and hospitality tax (H-Tax) dollars. The amount of money suggested is approximately 10% of the total A-Tax and H-Tax collections, cumulatively. The numbers Mr. Rodman figured for the state were 30% of total dollars needed. The state spends some level of money to promote the state and to promote economic development. Perhaps a reallocation of existing expenditures that the state makes, in behalf of marketing the state, would be logical. The Heritage is one of six golf tournaments broadcast in Japan.

Mr. Rodman gave an overview of the benefits and costs at the local and state level. In the southern part of the County tourism is our major industry. The northern part of the County is heavily dependent on the military component. We are a county that needs both of those for the long term. The Clemson Study said we collect \$4 million of local taxes retained. On the state side, they would be putting money in at the local level might forego advertising themselves, so the state might look at it in getting the value of the advertising to promote itself. The Clemson Study reported the state receives \$9 million in taxes.

Mr. Rodman suggested that Council delay this issue for two weeks to allow for this year's tournament to end and Council to have a better feel of where the dollars might be, where the support is coming from, and also to give the opportunity to revisit the terms of the loan previously approved. If we elect to go forward with this in due course, it should be remembered that we would only do it if the other pieces moved forward -- it was conditional on the other pieces. Also, the County has played a useful role in helping to buy time, relative to this year and perhaps next year, which is a role that would potentially continue. We may be looking at a longer commitment, but with the private / public participation it might buy additional time to find a national sponsor.

Mr. Baer stated he has tried to look at this item from a taxpayer prospective. We have to be careful with every cent that we spend. He presented recent data from the Hilton Head Island / Bluffton Chamber of Commerce which shows visitors on Hilton Head Island per month, over a two-year period. For 2010 slightly over 14% of the total year's visitors were there in July. For April 2010 the total was 8.3%. That does not show a Heritage peak. He expected a noticeable bump which is not there. This is important in our analysis. Maybe if we obtained A-Tax and H-Tax data, monthly, from Mr. Starkey, a bump might be detected. Mr. Rodman detected a small bump in road traffic, but was less than 20%.

Mr. Baer reviewed data showing A-Tax and H-Tax revenues for the year. In a whole year we make \$724,000 in A-Tax revenues and \$1,180,000 in H-Tax. That together is approximately \$1,850,000. If 8.3% of our visitors are in April, how much do we make in those taxes in April? It turns out that we make \$60,000 on A-Tax and \$92,000 on H-Tax in the month of April. If we have a Heritage bump of 20%, then the bump in A-Tax for Heritage is \$12,000 and the bump in H-Tax is \$18,000, totaling \$30,000 more in taxes during the month of April because of Heritage. The numbers are stretched, and might possibly be half of those figures. Those numbers he would not be averse to giving them \$30,000 a year or the impact for the County in the month of April. That is far below the \$250,000 that we are being asked and far below the \$1 million we have already put out.

Mr. Baer presented a summary of Heritage concerns, from a taxpayer standpoint. If the Clemson Study is to be believed, then the Heritage produces \$64.5 million in direct cash sales for restaurants, hotels, transportation, retail and entertainment during its week here. We do not see them contributing a fraction of that \$64.5 million to help solve their problem. He has a hard time contributing taxpayer dollars for this when the big profit makers in this event do not seem to be contributing.

In summary, there is no sign of a Heritage bump in the monthly data. Council needs to see much better supporting evidence before we allocate more than the \$30,000 previously proposed. The terms and conditions of our 2011 loan are too vague. Council was rushed into it without adequate time for analysis. Council should not be rushed into this without adequate time for analysis. Part of the vagueness in the loan is what happens to the TV revenues that come into the Heritage Classic Foundation from sale of TV time. That information is unclear. How do we get paid back out of those revenues, if at all? Also, the use of our A-Tax and H-Tax funds jeopardizes other projects. They are targeted for other things. We used 40% of our H-Tax reserve fund to make the

\$1 million loan last year. He stated he would be amenable to a proposal, if we could tighten up the terms for 2011 loan agreement to arrange repayment of the loan from TV sales, to providing A-Tax and H-Tax support via an assumed bump on the monthly draws for the month of April. That, however, is nowhere near the \$250,000 that has been proposed.

Mr. Rodman stated the question was proposed two weeks ago of whether or not there was a bump from the Heritage. In doing his own work and in working with folks on Hilton Head Island, he compiled data that shows an 8% increase during that week. That equates to 28,000 cars. Averaging them with expenditures, etc., it would be millions of dollars in terms of the calculated impact. He asked the Hilton Head Island / Bluffton Chamber of Commerce to address whether or not there is a bump. They came back with documentation on the advanced occupancy and the average revenue. One was up 12%, while the other was up 17%, making the cross product about 32%. There is, in fact a bump.

Mr. Newton stated typically at this meeting we have had folks from the Heritage present to acknowledge their contributions to Beaufort County in regard to accommodations. If we are now going to analyze the expenditure of every A-Tax and H-Tax dollar based on a bump, he is curious as to the extra hotel rooms and H-Tax dollars are precisely provided for the symphony concerts we promote. All of us can be intellectually honest with one another and say that the Heritage Golf Tournament has a key valuing and a branding value that should not be diminished. That does not mean that the four days of national and international exposure causes one to stop what they are doing and fly in that week. It may cause them to visit the area some other portion of the year. As to the restaurants, hotels, businesses and the \$64.5 million, they are the ones that collect the H-Tax and A-Tax dollars. It is naive for any of us to suggest that the branding impact of the Heritage does not have an overall year-round benefit to Beaufort County and the State of South Carolina as a whole. Hopefully, there will be a corporate sponsor identified. None of us hoped that we would be in this discussion. The Governor has indicated she would be working toward that process. Let's all hope she is able to deliver.

Ms. Von Harten stated she has learned so much about the Heritage during these discussions. She has learned that it is not all about the golf, but is a business meeting disguised as a golf game. It is an incredible opportunity for people to come together.

Natural Resources Committee

Southern Corridor Review Board

Mr. Sommerville, as Natural Resource Committee Chairman, nominated Mr. Pearce Scott, representative from the Town of Bluffton, to serve as a member of the Southern Corridor Review Board.

PUBLIC COMMENT

There were no requests to speak during public comment.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Rodman, seconded by Mr. Sommerville, that Council go immediately into executive session for the purpose of negotiations incident to proposed contractual arrangements and proposed purchase of property. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

EXECUTIVE SESSION

RECONVENE OF REGULAR SESSION

It was moved by Mr. Caporale, seconded by Mr. Baer, that Council purchase 21 acres, off of Mitchellville Road, in the amount of \$1,400,000. This is a 50/50 partnership with the Town of Hilton Head Island providing \$700,000 and Rural and Critical Lands Program fund \$700,000. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

It was moved by Mr. Dawson, seconded by Mr. Glaze, that Council purchase .33 acres, at the intersection of U.S. Highway 21 and Detour Road, from Holbrook Sanders. The purchase price is \$30,000. This is a 50/50 partnership with the Department of Defense providing \$15,000 and Rural and Critical Lands Program fund \$15,000. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

It was moved by Mr. Dawson seconded by Mr. Caporale, that Council purchase the conservation easement on 10 acres, in the middle of the McLeod Farm, from Halbrook Sanders. The purchase price is \$20,000. This is a 50/50 partnership with the Department of Defense providing \$10,000 and Rural and Critical Lands Program fund \$10,000. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

ADJOURNMENT

Council adjourned at 7:43 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST: _____
Suzanne M. Rainey, Clerk to Council

Ratified:

Official Proceedings
County Council of Beaufort County
March 28, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

CAUCUS SESSION

The caucus session of the County Council of Beaufort County was held at 4:00 p.m. on Monday, March 28, 2011, in the Executive Conference Room of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman Weston Newton, Vice Chairman D. Paul Sommerville and Councilmen Steven Baer, Rick Caporale, Gerald Dawson, Brian Flewelling, Herbert Glaze, William McBride, Stu Rodman, Gerald Stewart and Laura Von Harten.

REGULAR MEETING

The regularly scheduled meeting of the County Council of Beaufort County was held at 5:00 p.m. on Monday, March 28, 2011, in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort, South Carolina.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance to the Flag.

INVOCATION

Councilman Stu Rodman gave the Invocation.

REPORT ON FIRST CAUCUS SESSION

The Chairman announced that tonight was the first of the new County Council format that was determined at the 2011 Council Retreat. The intent is to hold a caucus session for one hour before the 5:00 p.m. regular session to talk through issues on the agenda that may avoid duplication of effort to the business section of the agenda and also to provide a venue for discussion among Council, as a whole, without a rigid and fixed agenda. The caucus sessions are televised and are published. The sessions provide for discussion to be had without formal vote and are open to the public. We are hopeful that this new process works and allows us to do the public's business more efficiently and more effectively.

REDISTRICTING COMMITTEE

The Chairman announced the first meeting of the Redistricting Committee will be held April 18, 2011 at 10:00 a.m. in the Executive Conference Room of the Administration Building. The date and time is predicated from Mr. Bobby Bowers' schedule. Mr. Bowers is Director, South Carolina Budget and Control Board, Office of Research & Statistics. The initial meeting will cover outlining the process of how we will move forward. We will hear from Mr. Bowers and Staff Attorney Ladson Howell on the criteria to be considered by the Committee that will then govern the redistricting process. Beaufort County is procuring the redistricting software to be compatible with the State of South Carolina. The South Carolina Association of Counties is working to provide a better pricing for that software. The raw data is here. The Census Bureau has released South Carolina's data. It is not in a tabular format yet for Beaufort County. We have asked administrative staff to do the following: (i) Provide that information in a discernable format for members of County Council and the public as quickly as possible and in advance of the April 18 meeting. (ii) Work toward putting the map software or links with the data to the mapping software on the County's website. There are numerous software programs available that are free and can be utilized for individual manipulation of the district lines. This would allow both members of County Council and citizens of Beaufort County to take the data, download, and begin amateur drawings of district lines. The internet has made the opportunity to draw district lines a reality for people to engage in.

REVIEW OF PROCEEDINGS OF THE REGULAR MEETING HELD FEBRUARY 28, 2011

It was moved by Mr. Rodman, seconded by Ms. Von Harten, that Council approve the minutes of the regular meeting held February 28, 2011. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC COMMENT

The Chairman recognized Mr. Aaron Crosby, Daufuskie Island, who stated at the March 21, 2011 Community Services meeting members unanimously approved and recommended that the LRTA establish a regional marine division and return to the Community Services Committee with a proposal. It would be helpful for LRTA to have that request in writing from the County so they would have a written request to respond to and contemplate at their Board meeting and have their executive group work towards the request.

COUNTY ADMINISTRATOR'S REPORT

The County Channel / Broadcast Update

Mr. Gary Kubic, County Administrator, announced The County Channel is currently working on its seventh show in the award winning nature series, *Coastal Kingdom*. The show is titled, "Form and Function". It will be a three-part special on the form and function in nature. These shows

will explore how animals in our Lowcountry attract mates, find food and protect themselves in their natural habitat. They will also feature the uniqueness of our Lowcountry habitat and what makes these animals in Mother Nature so special to our area. We will feature some of the unique areas, such as Cypress trees that are a part of our delicate, freshwater wetlands. We will be working with the Lowcountry Institute that hosts this program and produces it along with County staff. Mr. Kubic expressed his thanks to Mr. Tony Mills, our naturalist.

Mr. Kubic stated we made great strides in expanding our partnership with the Military / Pentagon Channel promoting our military bases and all that they do for our country and here locally in Beaufort County. The County will be working with the US Marine Corps Air Station to provide live coverage of this year's Air Show. The County Channel will be on location with the live truck and will have multiple cameras to catch all of the action. This continues our commitment to the partnership with the Marine Corps and our military community. The Air Show will be held April 29 and April 30 on Marine Corps Air Station Beaufort and will feature the high flying Blue Angels. Tickets can be obtained by accessing www.beaufortairshow.com.

Two-Week Progress Report

Mr. Gary Kubic, County Administrator, submitted his Two-Week Progress Report, which summarized his activities from March 14, 2011 through March 25, 2011. He was on personal leave from March 14, 2011 through March 18, 2011. In conjunction with what was heard from folks on Daufuskie Island, Mr. Kubic has set in motion to try to see if there are regional alliances that could be had with our partners in the City of Savannah and Chatham County, particularly with regard to water transportation. He had asked a while ago for Mr. Morris Campbell, Division Director Community Services, to set up a meeting with Mr. Bryan Hill, Deputy Administrator and he to meet with Savannah City Mayor Otis Johnson. That meeting was held March 23, 2011. The meeting was productive and the conclusion was made that we could do more, in a collaborative effort, than less. The Mayor suggested, and County staff agreed, he put together a meeting with Chatham County commissioners and members of his staff so we can continue the conversations and discussions relative to economic opportunity associated with a more regional water transportation network. Obviously, if we look at the Savannah Hilton Head International Airport, we see that a lot of our tourists coming to Hilton Head Island or Beaufort County land at that Airport. They want an opportunity to go to downtown Savannah, pick up a ferry, head to Hilton Head Island, then down to the City of Beaufort, cross over to Daufuskie Island, visit the many islands Georgia has to offer, and have a wonderful and unique opportunity, while at the same time, enhancing the economic enterprise we are trying to reestablish in and on Daufuskie Island.

Introduction / Monica Spells, Compliance Officer

Mr. Gary Kubic, County Administrator, thanked Council for its patience in allowing administration more time to put in place a compliance officer, *i.e.*, an individual with some experience to help coordinate and promote local preference, minority participation and business throughout the County and adjacent areas. He introduced Ms. Monica Spells, Beaufort County's Compliance Officer. Ms. Spells has nearly 15 years of experience in both the public and private

sector with training and development programs, contract administration, and recently as a construction and professional services firm in Columbia, South Carolina. There she served as Operations Manager and Construction Contract Administrator for projects including the Charleston County School District, Richland County Recreation Commission, South Carolina State University, Myrtle Beach Housing Authority and the City of Columbia. In her last position she also worked on compliance issues for the Beaufort County School District by assisting the business outreach initiatives for the District Capital Improvement Programs. Ms. Spells received her Bachelor of Arts Degree in U.S. History from the College of Charleston and has a Masters Degree in Public Administration from the University of South Carolina. She is also a notary, a member of the National Contract Management Association, the National Association of Women in Construction, and the South Carolina Association of Government Purchasing Officials.

Presentation / Good Citizens Award

Mr. Duffie Stone, Solicitor, stated October 5, 2010, Ildefonso Adame and two of his friends had just finished working on a car, when they decided to have some drinks at a Hilton Head Island bar. After racking up a \$200 tab, they headed back home to drink some more. The group soon decided to go to another bar. On the way there, Adame began to drive erratically. Just before 5 p.m., he slammed his car into a Ford Explorer that was being driven by a Hardeeville family that was heading to a wedding shower. The SUV flipped several times, ejecting two young children and trapping their mother, another woman and her granddaughter. Two-year-old Abril Suarez, who had been in a child safety seat, died at the scene. Her brother, 4-year-old Jesus Suarez, suffered severe injuries, but is recovering. After causing the wreck, Adame restarted his stalled car and fled.

Had it not been for a group of Good Samaritans who stopped to help, this is where the tragic story might have left off. Instead, at least a half-dozen people sprang into action to provide medical aid and to track down the suspect.

James Durkan of Hilton Head Island was not able to make ceremony due to work conflict. He witnessed the wreck, helped the grandmother out of the vehicle and lifted the SUV to try to save the toddler.

James Christian of Beaufort checked the condition of four-year-old boy who had been ejected and checked the engine for gas leak. He tried to kick out the window to free trapped passengers. He lifted the SUV to try to save toddler, slicing open his leg in the process and covered the body of the toddler with a blanket. Mr. Christian's friend, Tanya Damiano, an emergency room technician from Maryland, was following behind and helped assess injuries of the passengers

Tanya Gillespie and her daughter Mercedes Edmonson, both of Bluffton witnessed wreck. She moved the four-year-old boy out of the way of the SUV as it was being righted. She took care of the boy until he could be reunited with his mother and tended to the victims until police and EMS arrived

Andrew Gible of Hilton Head Island and his daughter Melissa Faith Gible, of Bluffton witnessed the wreck and the erratic driving that led up to it. They followed the suspect vehicle, relaying its location to the Sheriff's Office and gave suspect information about two occupants who were dropped off on Marshland Road. They followed the suspect vehicle until law enforcement caught up near the end of Spanish Wells Road, several miles from the wreck location.

Because of these Good Citizens, all of the victims were able to get out of the flipped SUV, further injuries were avoided and we were able to catch the person responsible.

Adame was sentenced to 15 years in prison last month.

Solicitor Stone and Chairman Newton presented the individuals with good citizen's awards and pens.

DEPUTY COUNTY ADMINISTRATOR'S REPORT

Two-Week Progress Report

Mr. Bryan Hill, Deputy County Administrator, submitted his Two-Week Progress Report, which summarized his activities from March 14, 2011 through March 25, 2011.

Update / Library Department

Mr. Bryan Hill, Deputy County Administrator, stated Staff is holding a Library 101 course, hosted by Jane O'Rourke, Assistant Director of the Beaufort Branch Library. This meeting will occur April 21, 2011 from 1:00 p.m. to 3:00 p.m. at the South Carolina Room. The purpose of the meeting is bringing folks from Beaufort County inside the library to allow them to understand what is going on with the Library – library loans, District collection, etc.

Update / Baseball Tournament

Mr. Bryan Hill, Deputy County Administrator, announced a baseball tournament was held at Burton Wells Regional Park this past weekend. There were 16 teams and 170 players ranging in age from 8 years old to 17 years old. What was important to us was that 25 hotel rooms were used in the City of Beaufort which helped hotel proprietorships.

We have three future tournaments scheduled - two at Oscar Frazier Park and one at Burton Wells Regional Park. Mr. Hill's goal is to prepare the County for the Dixie 2011 Dixie Boys Baseball World Series, a national tournament, beginning July 29, 2011 where we will have approximately 40 teams here in Beaufort County. These people will shop at our malls, eat in our restaurants, and stay in our hotels. He thanked staff for doing a yeoman's work. There were two Public Work's individuals working, tirelessly, on Saturday and Sunday. He thanked PALS staff. He thanked Council for allowing us to have the facilities needed to host these tournaments.

Mr. Caporale requested the Deputy County Administrator to give further information about the World Series.

Mr. Hill replied we are representatives of Dixie Youth World Series. Youth 14 is coming into town on June 28. The World Series is a week worth of baseball in Beaufort County. It is similar to a Little League World Series. Beaufort County government is the host this year. We hosted two years ago in Bluffton. This year's event will be held at Burton Wells Regional Park, both I and II. Plans include having approximately 40 teams. We are hopeful in getting sponsorship to help with overnight accommodations.

Mr. Caporale inquired as to the credit due in bringing this event to the County.

Mr. Hill thanked Ms. Shannon Loper, Dixie Representative; Mr. Joe Penale, Parks and Leisure Services Director of Athletics; Ms. Chris Robinson, Parks and Leisure Services Director of Special Events/Recreation Program; Mr. Mark Roseneau, Director of Facilities Management; Grounds Maintenance Supervisor Lacy Jefferson; Mr. Jack Fripp, grounds maintenance, and all of the merchants who have sponsored teams throughout the County.

The Chairman stated a few years ago there was an article in the S.C. Association of Counties *County Focus Magazine* about the sports facility built in Sumter, South Carolina. It was specifically built / expanded with the purpose of promoting tournament plays as an economic development tool for Sumter County. The 25-hotel rooms were more than likely shy of what was needed for 170 players. If that number is correct, that is not the number who stayed in hotels. It is an incredible economic development opportunity for the hotels and other private businesses associated with the Burton Wells Regional Park and Oscar Frazier Park facilities. There are tournament opportunities every weekend.

Mr. Hill stated the recent tournament was put on by USSSA Baseball as well as Beaufort County Parks and Leisure Services. When he stated 25-hotel rooms, it was because the majority of the teams came from the Bluffton area. There were a couple from Charleston and one from Greenville. He is working with the Beaufort Regional Chamber of Commerce trying to ascertain how many rooms were used. An uptick in the restaurants was noticed as well. This was a good first step. There is a tournament scheduled each month until July 29. We are reconfiguring some fields currently.

The Chairman stated looking out into the future we may look at how we utilize existing facilities and tweaking them to better accommodate travel teams and travel tournaments. He applauded staff for their efforts.

AUDITING AND CONSULTING SERVICES

This item comes before Council under the Consent Agenda. It was discussed at the March 21, 2011 Finance Committee.

It was moved by Mr. McBride seconded by Mr. Glaze, that Council award a contract for auditing services to Elliott Davis, LLC, the top ranked firm, with the anticipated cost for the first year of \$49,500. Additionally, recommend four annual renewals subject to approval of Council. Total anticipated cost for five years is \$260,200. Funding would come from account #12000-51160 – Professional Services, for fiscal years 2011-2015. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

GTT OPTICOM GPS EQUIPMENT

This item comes before Council under the Consent Agenda. It was discussed at the March 21, 2011 Finance Committee.

It was moved by Mr. McBride seconded by Mr. Glaze, that Council approve the purchase of the GTT Opticom Equipment from Temple, Inc in the amount of \$115,046.40 to be funded from account #13276-54450 – Other Improvements. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

TANGER HILTON HEAD OUTLET CENTER 1 / FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN BEAUFORT COUNTY AND COROC / HILTON HEAD I, LLC, A DELAWARE LIMITED LIABILITY COMPANY

Mr. Newton is pleased Tanger Factory Outlet I (Tanger) is holding its grand opening Thursday, March 31, 2011. The give-and-take process has worked well between Beaufort County and the developer. Exceptional, will be a word we all will look towards in terms of describing Tanger in Beaufort County.

Regarding the Olive Garden restaurant, stone and tile issue, he is not in favor of the action brought forward, not because of a dislike for the restaurant, but because of a concern relative to the proposed amendment going beyond that which the parties agreed to at the time the Development Agreement was proposed and approved. It departs from the fact that there is a process in place and the amendment moves more toward a situation where the end justifies the means. The process should be respected and there was a more appropriate way to address the current impasse respecting the process that involves the Southern Corridor Review Board (Southern CRB) and existing state law. As discussed in the caucus session held earlier today, he summarized why he is not in favor of the amendment and will vote against it tonight.

Mr. Sommerville stated we have debated this at tedium. This is an issue where several Council members disagree for different reasons. This is a perfect example of how this Council can disagree on an issue without being disagreeable amongst ourselves. He is pleased in the way all of Council have conducted themselves. He will support this amendment.

Mr. Stewart commented that he is supportive of economic development in the County and being able to have businesses come here to implement their program / development with minimum

hassle and red tape; but, at the same time, when we do have a process in place, that is the procedure we need to follow. There is an appeals process in place, with the Southern CRB, if one does not like the outcome of deliberations with that Board. We have to be consistent. He will vote against the amendment. He supports the efforts of Tanger and what they have done. He supports the wishes of the Olive Garden and what they want to do, but we need to adhere to our procedures in place. If we do not agree with it, this is not the time to confuse the issue by making amendments and concessions; but, instead, to go back, look at the root cause, resolve the issue by looking at why we are in the predicament we are in, and take action to resolve that issue.

Mr. Rodman stated he will vote in favor of the amendment. When we first began the Development Agreement with Tanger, we could have just as easily have had these outparcels not go to the Southern CRB. In looking at the design terms that have taken place for submissions, the Olive Garden has taken out a sizeable amount of stone since the first submission. He believes the stone and tile is something the Southern CRB may disagree with; but, in general, is allowed in our zoning ordinance. The Development Agreement spoke to national branding. In his mind, national branding includes some amount of having a building that fits their standard, but at the same time recognizes that it must be somewhat consistent with what the County is trying to do.

The Chairman commented that the amendment substitutes the discretion of the Planning Director and the County Administrator for that over the Southern CRB. There is some clarifying language in the ordinance with regard to signage that was voted upon at first reading. There was a request made to sever the question -- the signage issue received an 11:0 vote, while the stone and tile issue received an 8:3 vote. He asked for direction on whether to sever the question for vote at second reading.

Ms. Von Harten replied in the affirmative.

It was moved by Mr. Sommerville, as Natural Resources Chairman, no second required, that Council approve on first reading the First Amendment to Development Agreement between Beaufort County and COROC, Hilton Head I, LLC, a Delaware Limited Liability Company - Tanger Hilton Head Outlet Center I and, further, amends Article XIII, Section D by replacing the last sentence in that section, "Design review and approval consistent with Chapter 106: Appendix B, Section 4, subparagraph A.1 and subparagraph A.2 of the ZDSO for any Development of the Property shall be the responsibility of and made by the Planning Director and County Administrator and not be subject to corridor review pursuant to Section 106-581 of the ZDSO". The vote was: (stone and tile): YEAS – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Rodman and Mr. Sommerville. NAYS – Mr. Newton, Mr. Stewart and Ms. Von Harten. The motion passed.

It was moved by Mr. Sommerville, as Natural Resources Chairman, no second required, that Council approve on first reading the First Amendment to Development Agreement between Beaufort County and COROC, Hilton Head I, LLC, a Delaware Limited Liability Company - Tanger Hilton Head Outlet Center I and, further, amends Signage: Article XII, Section C, Building Signage Used by Tenants in the Outlet Center, paragraphs (a), (b) and (c) "Exhibit B-2(a)." Vote on was (signage): YEAS – Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling,

Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

The Chairman announced the first of two required public hearings would be held Monday, April 11, 2011 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Beaufort. The second required public hearing would be held Monday, April 25, 2011 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Beaufort.

The Chairman stated one of the things that this issue has highlighted is that there is a desire of many Council members to streamline some of our permitting processes. Perhaps, this has given us the opportunity to discuss how we may present a more business-friendly environment, which we have all have identified as something we wanted to do. In addition, the Southern CRB has said they do not like stone and tile. He is unsure whether or not that formal recommendation has come forward to the Planning Department.

Mr. Criscitiello replied, “He has not seen that recommendation.”

AN ORDINANCE AUTHORIZING FUNDS IN AN AMOUNT NOT TO EXCEED \$1,000,000 OF HOSPITALITY TAX FUNDS TO BE AVAILABLE OVER A FIVE-YEAR PERIOD TO HERITAGE CLASSIC FOUNDATION FOR THE PROCUREMENT OF THE PGA HERITAGE GOLF TOURNAMENT TO BE HELD ON HILTON HEAD ISLAND, SOUTH CAROLINA

Mr. Baer stated this item deals with a second \$1,000,000 authorization to the Heritage Classic Foundation (Heritage). Council passed ordinance 2010/16 September 11, 2010 which loaned the Heritage \$1,000,000 under certain conditions. If you read that ordinance, there are some problems with it that need fine tuning. The wording is such that is unclear that we can make the \$1,000,000 loan as it stands. Secondly, because we rushed through this we do not fully understand the details of the TV time and the TV buy. The Heritage spends about \$10,600,000 a year. They make approximately \$4,100,000 due to admissions and various fees. They have large costs which include \$2,240,000 in purse to the players and \$3,723,000 in theoretic value of TV time. If that is correct, they can sell that TV time and incur some revenues. If they do incur the revenues for that theoretic \$3,723,000 of TV time, even if they only receive half, some of the monies from the past loan should be repaid.

Mr. Baer fully understood this and had Council not been rushed through the process last year, as we are now, we might have inserted wording in last year’s ordinance to have the taxpayer recover some of their \$1,000,000 loan. If it is as it is said that the Heritage needs to keep the monies to plan for 2012, then 2012 is a different year and needs a different ordinance and analysis. At the least, we have to go back and look at the wording and our \$1,000,000 loan agreement to see if it needs some polishing. If it does, he advocates polishing it to include a repayment of the County’s loan using the proceeds of TV.

Mr. Baer looked again at the Clemson Study and looked at some numbers on visitors on Hilton Head Island. From March, April and May there is no Heritage bump. There is no increase in

visitors in those three months. It is almost completely flat. That says there are not any new people coming to the Heritage. There is either a big hole for that week where no one is visiting Hilton Head Island and the Heritage exactly fills that hole or the Heritage numbers are not as high as they claim to be. He received input from a trusted neighbor, who informed him that during the survey there was steering going on. Those that looked like locals and were not well dressed were steered away from the survey terminals. People, who looked like out-of-towners and high rollers, were steered to the survey terminal. There is some suspicion there in their numbers. The bottom line is that these numbers that are being touted for Heritage input to the County and Hilton Head Island, \$81,900,000, of which \$65,000,000 is direct spending for hotels and restaurants, are suspect and need a second look. We should not be rushing into decisions, using taxpayer's monies, based on numbers which seem to fail a simple sanity test.

It has also been said that if we lose the Heritage, the sky is going to fall. He is unsure if that is correct. Something else could be found to replace it. The Heritage carries the \$6,000,000 burden of \$2,240,000 purse to the players and \$3,723,000 in a forced TV buy. Both of those sums of money are leaving the Island and leaving the County. Something else could be found that does not have the \$6,000,000 burden and may, in the long term be a better investment for the County. We are planning to use Hospitality Tax (H-Tax) to bailout the Heritage for the second million, as well as the first million spent. Our residents pay H-Tax monies. When you buy processed food or certain things in the store, you are spending H-Tax monies. If we are so concerned about finding money to keep the Heritage, then we should look at instituting a new Accommodations Tax (A-Tax) which is purely spent by visitors. In doing some research he found that on Hilton Head Island and in unincorporated Beaufort County, our total hotel tax is 12%. Some parts of the country have a 19% hotel tax. Our A-Taxes are low. If we really want to support the Heritage, then we need to try to get a new A-Tax instituted. For the Town of Hilton Head Island, every 1% of an increase in A-Taxes produces \$2,100,000 of revenue. That is a revenue source that is purely paid by the visitors.

If this Heritage is such a money maker, why are not the hotels, restaurants and Chamber of Commerce that are making all this money beating down our doors to try to help support it? An article in *The Island Packet* states that they took up a collection and got \$140,000 together. He expressed his surprise in not seeing \$1,000,000 to \$2,000,000 come in. The restaurant, business and hotel communities may not be making as much money on this as we all think they are.

Mr. Baer sent a list of questions on March 9 to get an update on the finances of the Heritage. Financial numbers have not been provided since last year. Heritage members are not even coming to these meetings. Everything is heard third hand, in *The Island Packet*, or from meetings outside of the County. If the Heritage really needs the money badly, they ought to be here, in front of Council, to explain their financial story to all of us, in parallel. That has not happened. Based on all of that, he is not in a position to vote in favor of this tonight.

Ms. Von Harten stated she will be voting in favor of this item tonight. We lost the Family Circle Cup Tennis Tournament, and we do not need to lose the Heritage. It is important to Beaufort County. We will find a way moving forward to do this. She would like everyone to take their tartan off and replace it with kente cloth to find a way to merge our Gullah-Geechee Heritage

Corridor status with the Heritage. We need to get away from all of the Scottish stuff and into the Gullah- Geechee stuff. There is some room for making a “chocolate covered festival” for the Heritage. It would be unique.

Mr. Sommerville stated this item is being brought forward by title only which means we are not sure of the details at present. He has received contacts from folks north of the Broad River questioning why we would want to contribute money south of the Broad River. His response was that Hilton Head Island subsidizes the rest of the County and has for years. The schools that we have are subsidized by Hilton Head Island. The Rural and Critical Lands Program is subsidized by Hilton Head Island. We certainly do benefit from what happens on Hilton Head Island in many ways. He believes the economic impact of the Heritage is considerable and is something we want to preserve. He agrees with the comments that this does not appear to be well organized from a collective standpoint. That is unfortunate, but it does not lessen our obligation to support the Heritage.

There was an article in *The Beaufort Gazette / Island Packet* or, perhaps, the *Bluffton Today* that quoted Mr. Steve Riley, Hilton Head Island Town Manager, as saying he did not think that Beaufort County or the State would pony up money. It was a negative reflection on the future of the Heritage. Mr. Sommerville does not know if the State will pony up any money. He believes that we have H-Taxes and the purpose of them is to promote tourism in Beaufort County. This certainly does that. There is enough money in the account right now to write a check for \$2,000,000. That will not be necessary because the \$1,000,000 currently in question could extend over a five-year period. The reason for the five-year period is that the PGA has laid down some guidelines that they want to see a commitment from the County. In order for that to happen we have to think in terms of what we can contribute over that five-year period, as does the State, Sea Pines Resort and the Town of Hilton Head Island. He wants Council to be on the record as being supportive of this Tournament. We need to be flexible, because we do not know what is going to be required in order to keep this thing alive. He will support moving this item forward by title only tonight. Council needs to be supportive of the Tournament in broad terms; and as it moves forward toward final reading, those terms will become more specific. The \$2,000,000 shows the support that this Council should show for this very important economic engine for Beaufort County.

Mr. Newton stated what he views Council looking at tonight is the concept of demonstrating a commitment to the PGA, the Town of Hilton Head Island, and to the State. It is without debate the Heritage is our opportunity to showcase the Lowcountry of South Carolina to the World. The iconic, candy striped lighthouse, is what it is today and a recognizable symbol throughout this country, because in large part the two professional sporting events that have been held on Hilton Head Island and Sea Pines Resort for so many years. The first was the Family Circle Cup Tennis Tournament which was lost to Charleston County a few years ago, in part by the State facilitating the return of state collected admission fees to the Tournament that put Beaufort County and the Tournament, being played on Hilton Head Island, at a disadvantage when compared to the opportunity in Charleston County. The second is the Heritage. Whether we believe that Clemson engaged in a conspiracy and cooked the books with their economic study or not, you will find no one who says that the opportunity to showcase Hilton Head Island to the

entire world through broadcast media and prime time television on one of the three major television networks in the work has a negative impact to Beaufort County. He views the context of what we are looking at tonight is a \$250,000 commitment each year for four years as a conditional backup. We are trying to demonstrate that there is local support in partnership with Sea Pines Resort, the Town of Hilton Head Island and perhaps, the State while the main focus is identifying a corporate sponsor to pick up this Tournament.

The Governor has identified that as one of her priorities. Every elected official from Hilton Head Island Town Council to Washington, D.C. recognizes this event as one of the premier sporting events in the State of South Carolina. The funding source identified in the newspaper caused some hysteria to people believing that Beaufort County was going to invest \$30 million to keep the Tournament here. The concept is that we take \$250,000, out of the H-Tax fund that is generated for the express purpose of promoting tourism, and use those dollars, potentially, as a backup plan to do just that. He does not believe anyone will dispute the fact that the folks that come here and stay in hotels, regardless of the number, as being tourism related. Are there alternatives in increasing the A-Tax? Absolutely, as soon as we get the State Legislature to change the law to raise the cap on the A-Tax. He is reminded of the old cliché, Nero fiddled while Rome burned. The fact of the matter is that we have a limited window of opportunity to be able to demonstrate to the PGA some plan of commitment locally as a backup, in the event the Governor is unsuccessful in her request to identify a corporate sponsor, for this event or we are off the schedule. This discussion we are having tonight is academic. If we are unable to demonstrate to the PGA, in short order, that there is a local willingness to try to present a backup plan through multiple levels of partners and multiple levels of commitments of how we might be able to ensure the viability of this Tournament, in the event the Governor is unsuccessful in procuring a corporate sponsor for the 2012 timeframe, that we will have lost the opportunity to do so. The significance is that these are not dollars that otherwise go into the General Fund. They are dollars that, by ordinance, have been placed in a holding pattern. They are dollars that, by state law, are to be used in tourism promotion and tourism related activities. Tonight we are talking about a concept. It only takes the Town of Hilton Head Island two readings to pass an ordinance; it takes the County three.

He wishes that we did not have to talk about spending these dollars on this Tournament. Over the years, he has stated that this surplus of money being built up, which regenerates about \$250,000 a year, is for development of those park facilities that in Beaufort County otherwise have no funding source. Within the last few years we have taken some of those dollars to rebuild the Arsenal in the City of Beaufort as a capital project. We have been spending some on Hunting Island State Park for the activities there. He cannot think of a better example of tourism related activities than one of three major professional sporting events in the state. The other two being the Family Circle Cup Tennis Tournament in Charleston and the NASCAR race in Darlington. He wholeheartedly embraces this concept as a conditional backup plan and hopes we are able to find another way. Both of those other events are recipients of State accommodations tax dollars. This is yet another example of where Beaufort County gets kicked to the back of the line. We have two other events in the state that retain some of the State generated admission fees, that otherwise would go to the state, to help them promote the events and keep them in their locales. It is disgraceful that we are treated with that level of disparity. This is worthy of our commitment

to fund a \$250,000 a year contribution toward a conditional backup plan that none of us hopes ever has to come about.

Mr. Flewelling stated he sympathizes with Mr. Baer's concern that we are considering this ordinance by title only. Here we are at this late date again. Two years in a row we have been asked at the last minute to provide help. This is not a problem that has recently surfaced. The details of the agreement could have been worked out at some time that would have given us an opportunity to examine it in detail. Instead, here we are at the last minute trying to piece together an agreement that we are unsure of the details. Instead of having a normal six-week process to ask questions, examine details and get answers, it is very likely that we will end up with the details of the agreement Friday afternoon before a Council meeting for third and final reading. We will end up with the same types of problems as in last year's agreement. That is a lack of specificity about how this loan will be repaid and the priority of Beaufort County's contribution compared to other's who are kicking in. He is tired of not having the details when we are ready to discuss the issue. On principle, he will vote no.

Mr. Rodman distributed to Council a four-page presentation building on what was talked about at the Finance Committee held earlier today. Council committed to a \$1,000,000 loan, as part of \$6,000,000, to secure the Tournament for 2011. He appreciates the fact that the Governor has made this a priority and we should honor the conditions she is laying down. As time has evolved, it became clear that the PGA Tour (Tour) needed a multi-year agreement. It turns out that part of the reason is that they will be renegotiating their contracts with CBS this summer. In terms of how the monies flow to the Tour, there are two things that happen. (i) The TV station, CBS, is paying a certain amount of money to the Tour and (ii) The Tour ends up adding the \$3,700,000 to it. That is where the monies flow into the Tour. We are contributing \$2,200,000 and the purse is about \$5,700,000.

In the Tour there is that combination of money from us and from the media to pay for the purse for the players. The combination of those is about \$6,000,000. They want to see a reasonable amount of the \$30,000,000 being identified and there is a multi-year requirement. The Tour has two other requirements. (i) They want it to be a quality Tournament. The way they best measure that is that there is some degree of reserves in place. The \$30 million of input assumes that the same level of reserves is obtained. (ii) They want to see the contributions maintained at their historic levels (\$1,250,000). The current contract expires in April with the Tournament. We, as a community, are not in a position to assume that they have a backup of their own. We are forced with assuming that we need to try to make sure the backup plan is in place. In terms of the backup plan, it was agreed upon everyone that they needed it.

Mr. Rodman took the liberty of putting together what he thought would be a workable plan. Clearly, Sea Pines Resort needs to make a contribution. They are being asked. Before we finish this process at third and final reading, we will know exactly what it is that they are prepared to contribute. Consortium comes from two places. The Secretary of Commerce has spoken to the fact that the Tournament is a golden opportunity to promote economic development in the state. The Tournament folks have put together a proposal of how this might work in terms of sending it along to the state.

What would the consortium do? (i) It could essentially take South Carolina companies, many of whom have been suggested ought to be the sponsor but where not in a position to put up \$30 million, but could put up some amount of money in exchange for a portion of the media buy. They could promote their own products in that manner. (ii) The Department of Commerce could use it as an opportunity to promote business in terms of bringing potential companies who want to relocate here. He has lumped the Town and County together in the spreadsheet he presented. Mr. Rodman finds the Clemson Study to be relatively accurate. The State of South Carolina looks to this particular institute for a large number of studies in terms of the economic impact on various questions that the Legislature is dealing with. We do not want to lightly say that it is incorrect; however, they would probably be more than happy to come down and debate it or make a presentation to Council. Mr. Rodman believes if they were here they would say if you look at March, April, and May as being relatively flat and do know there is a large number of people that come here, perhaps the explanation is that March you are still coming off of the snowbirds and winter golfers that are here and as you move toward May that is when the schools are out and summer tourist season starts. There is probably some logic between two tourist seasons that occur in late April, early May timeframe.

Regarding the five-year economic impact where the Clemson Study identified direct spending at \$410,000,000, they calculated \$175,000,000, over five-years, in wages, and \$20,000,000 in local taxes. He mentioned that on the charitable contributions there is some thought that the loans, etc., should be paid back first. On the other hand, some of the monies that come into the charitable contributions come from two sources -- restrictive sources where the money is designated for charitable contributions and part of it materialized due to a large number of volunteers that come and work voluntarily. That is how the Tournament ends up making some money. If we were to look out over the next five years, the H-Tax and A-Tax dollars for the combination of both the Town and the County, totals approximately \$90,000,000. If we were to contribute the \$9,000,000 between the combination of both the Town and County, we are only talking about 10% of those two funds. He looks at our economy as tourism being our prime economic engine. Residential is equally as big, but most of the people who come here, come because they first came as tourists. You end up with tourism being the driver for both the tourism industry and residential. There is an opportunity to do the local economic development better. There was some confusion in Finance Committee meeting that perhaps we were suggesting taking some of our economic development dollars and deploying those here, but that is not the case. Mr. Lyle Sumeck, who served as the 2011 retreat facilitator, kept an economic development sheet provided the previous retreat year which listed about ten important principles of economic development. The number one item on that list was to retain and promote the things the County has because it is difficult to get things to fill back in. There are people trying to collect money for this Tournament. There is an impact on real estate as well. It is a peak week for realtors.

How does it affect property taxes? At the Retreat we talked about the fact that when we go through reassessment that we are looking at a 42% decline in assessed value. That would essentially drive a roll up in the tax rate. In theory that would be a 42% increase. That is going to vary widely across different parts of the County. Losing the Tournament would adversely impact real estate values and would make that problem worse. One of the industries we have

here is golf. Six to nine months ago the Hilton Head Island/Bluffton Chamber of Commerce was looking for some money to promote golf because they are seeing that fall off. One of the thoughts is that if we are loaning some money, one possibility would be that the Town of Hilton Head Island and the County might take the buy on the Golf Channel. That is an option we have. The Clemson Study identified \$45,000,000 as the state impact. Were they to put forth \$9,000,000, it is about 20% of the amount collected in taxes. Two and three years ago, there was a lot of discussion about how much money the County sends to the State. It was triggered by discussions relative to school taxes. In running some calculations at that point in time, we are probably sending approximately \$9,000,000 more to the state than we get back.

To some extent you could say that the \$9,000,000 in discussion is about 1% of the amount we send to the State. That means if the State were to agree to take some of its promotional dollars and switch them into promotion, it is not a tax increase in the sense that it would be new taxes. This falls into the category of taking dollars we might be sending to the State anyway to promote the State and using it to promote the state, promote the companies in the state and their products, promote tourism, and promote economic development. We are essentially saying the state should consider some level of contribution to promote itself. There is a difference between a media buy, an investment decision to promote our largest industry in the state versus dipping into the General Fund which would be a tax increase. Time will tell. The current ordinance passed last fall had three conditions: (i) If they received a sponsor at \$4,000,000 or greater, then the County's money would be returned. (ii) If they were unable to do that then the County can either do a term loan or (iii) could convert that into a media buy to promote whatever we wanted to promote. What we are suggesting here is an additional \$1 million. The timing is such that we would need to come up for third reading four weeks from today.

As the Chairman pointed out, this is not something we are committing to by ourselves. It would be conditional on all of the other parties coming together such that the Tournament was fully funded. Between A-Tax and H-Tax dollars we have about \$2,500,000 at the County level and \$12,500,000 between the two we are collecting. If we were to put in \$400,000 a year to allocate the \$2,000,000 we are talking about, that is equivalent to 16% of our A-Tax and H-Tax contributions. If we passed this and if they put it together, it does not mean this is what they will do for the next five years. It may be that they find a sponsor in which case we would terminate our contributions. If either South Carolina or the Tour finds a sponsor then there is no cost to the County. In the case of the backup plan, we are basically projecting spending, wages, taxes and have an opportunity to promote ourselves.

Mr. Newton stated he does not like being rushed, but if you ask Mr. Steve Wilmot, Director of the Heritage, and Mr. Simon Frazier, Chairman of Heritage Board, they will tell you they would have never imagined that they would have to be considering a backup plan to try to keep the Heritage on the PGA schedule.

Mr. Flewelling stated last year Council was told that loaning \$1,000,000 was a backup plan. Here we are again with another backup plan. He understands the need for the Heritage and understands Mr. Rodman's need for latitude in order to negotiate a potential solution to what

could be a devastating impact on Beaufort County if we fail to retain the Heritage. We need more time to get a contract that we can all look at and agree to.

Chairman Newton asked Mr. Bryan Hill, Deputy County Administrator, to explain how H-Tax dollars are generated geographically.

The County Administrator stated staff will report back to Council and provide that data prior to second reading.

Mr. Flewelling stated the important question would be, “Can we identify that there is actually a bump to H-Tax during the Heritage”? If there is a bump it is going to be south of the Broad River, even though the entire County benefits from it.

Mr. Newton stated the event showcases to the World. Doesn't that draw people here more than just the during the week of the Tournament. If not, why would any of the Chambers run ads promoting the event? We are talking about \$250,000 a year. We spend more than that promoting, collectively, a handful of music festivals.

Mr. Baer spoke in regard to having to have state law changed to get the A-Tax increased. Some members of our Legislative Delegation were starting work on a state law change to get sales tax increased. He wished they would have worked on an A-Tax increase instead. That might have been fairer to everyone. In accordance with paragraph E, there is not an unpaid loan balance because we have not made the loan yet. He is curious as to County Attorney's opinion as to whether or not the wording of 2010/16 is sufficient.

Mr. Rodman stated he asked the County Attorney about the loan and the February date and he said it was not material. He was not concerned with going ahead with the loan. He hopes that Council does not go to north of the Broad River/south of the Broad River. We have never gone there. He believes, if we do go there, Council will find that there is a fair amount of the contributions and wages that flow across the whole County when the times comes.

Mr. Caporale stated this will all be solved at the end of April. We do not have long to wait and see the results of all of this conversation and anxiety have been. If Mr. Rodman is only half right on his projects of impact on real estate, that deficit will be shared by everybody across the County. If they drop to the extent that some people are warning that they might, then we all will have to make up the difference. Finding something else is entirely possible, but they are not going to turn up May 1. He believes this is more of an emergency than people are treating it as. There is no question what the Tournament contributes to Hilton Head Island. How much of it finds its way off of the island? He believes that happens when the tax bills come out and we all pay our taxes.

It was moved by Mr. Rodman, as Finance Chairman, no second required, that Council authorize a \$1,00,000 commitment to be made available over a five-year period to Heritage Classic Foundation for the procurement of the Heritage Golf Tournament, contingent upon the South Carolina Heritage option being implemented by the various parties: The South Carolina

Heritage option includes a back-up plan of the General Assembly Shell Bill, local underwrite of \$12 million, \$7 million from the Town of Hilton Head Island, \$3 million from Sea Pines Resort, \$2 million from the County, and South Carolina media buys of \$18 million from South Carolina companies, PRT and Budget and Control Board). The vote was: YEAS - Mr. Caporale, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. NAYS - Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. Glaze, and Mr. McBride. The motion passed.

PUBLIC HEARINGS

AN ORDINANCE TO PROVIDE FOR A HOME DETENTION PROGRAM AS AN ALTERNATIVE TO INCARCERATION IN CERTAIN CASES IN BEAUFORT COUNTY

The Chairman opened a public hearing at 6:00 p.m. for the purpose of receiving information from the public regarding an ordinance to provide for a Home Detention Program as an alternative to incarceration in certain cases in Beaufort County.

Public Safety Chairman Jerry Stewart stated this ordinance is in accordance with the Home Detention Act of 1990, passed by the *Code of Laws of South Carolina, 1976*, as amended, Section 24-13-10. There are very specific applications of this. It may be used by any court in Beaufort County, having criminal or justice jurisdiction to sentence an individual to incarceration and whose sentence does not place them in the custody of South Carolina Department of Corrections. It specifically looks at low risk, non violent adult and juvenile offenders who are selected by the court and who will comply with the regulations adopted by the County.

After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:01 p.m.

Mr. Caporale stated we have not made it clear that there is virtually no cost to the County or its taxpayers for this Program.

Mr. Stewart commented there is an upfront fee to be paid by the individual who is going into the Program and then each subsequent weekend when they are involved there will be an additional fee to cover the cost involved in the activities they are involved in over the weekend while in the Program. It is his understanding that this will be virtually, if not totally free to the residents of the County.

The Chairman stated there is cost avoidance of housing someone in our Detention Center. While we currently do not have a population challenge, in the past we have. At a couple of retreats we were discussing the possibilities of beginning to plan Detention Center expansion. With the cost of the Program being borne by the participants and the cost avoidance to the taxpayers of being housed in the Detention Center, it is positive to the taxpayers.

It was moved by Mr. Stewart, as Public Safety Chairman, no second required, that Council approve on third and final reading an ordinance to provide for a Home Detention Center Program

as an alternative to incarceration in certain areas in Beaufort County. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

COMMITTEE REPORTS

Community Services Committee

Daufuskie Island

Community Services Chairman William McBride stated on March 21, 2011 the Community Services Committee met with representatives of Daufuskie Island in regard to transportation ferry services, primarily with Daufuskie and other points in and near Beaufort County. The Committee voted unanimously to ask the LRTA to look at the possibility of creating a marine ferry service division to look at providing transportation within Beaufort County and between other points in Beaufort County. The LRTA Board was reluctant to pursue the request without some official action of County Council asking them to look at it. If it is possible, the LRTA is to come back before the Committee to present what it would take.

It was moved by Mr. Sommerville, seconded by Mr. Caporale, that Council send a letter to the Lowcountry Regional Transportation Authority asking the Board to look at the feasibility of establishing a regional marine subdivision of LRTA and then return to the Community Services Committee with a proposal. The vote was: YEAS - Mr. Baer, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Glaze, Mr. McBride, Mr. Newton, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Ms. Von Harten. The motion passed.

PUBLIC COMMENT

There were no requests to speak during public comment.

ADJOURNMENT

Council adjourned at 7:06 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST: _____
Suzanne M. Rainey, Clerk to Council

Ratified:

**OFFICE OF THE COUNTY ADMINISTRATOR
COUNTY COUNCIL OF BEAUFORT COUNTY**

GARY KUBIC
COUNTY ADMINISTRATOR

CHERYL HARRIS
EXECUTIVE ASSISTANT

ADMINISTRATION BUILDING
100 RIBAUT ROAD
POST OFFICE DRAWER 1228
BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2026
FAX: (843) 255-9403
www.bcgov.net

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
STAFF ATTORNEY

COUNTY ADMINISTRATOR'S REPORT

Monday, April 25, 2011
4:00 p.m.
County Council Chambers

INFORMATION ITEMS:

- The County Channel / Broadcast Update (Enclosure)
- Two-week Progress Report (Enclosure)
- Recognition / Certificate of Achievement for Excellence in Financial Reporting (Enclosure)



The
County
Channel

In Production:

Rails to Trails Documentary



{Video Plays} The County Channel has partnered with Billie Lindsay and Rob Merchant from the Planning Department to put together a documentary about the Rails to Trails Program. The documentary will follow the development of the trail, from pulling up the steel, to installing the infrastructure for the trail system. The video will also look at the history of the railroad, and the roles of local agencies and municipalities in achieving this project. We will shoot the documentary over the next few months, and hope to have a finished product by the end of Summer.



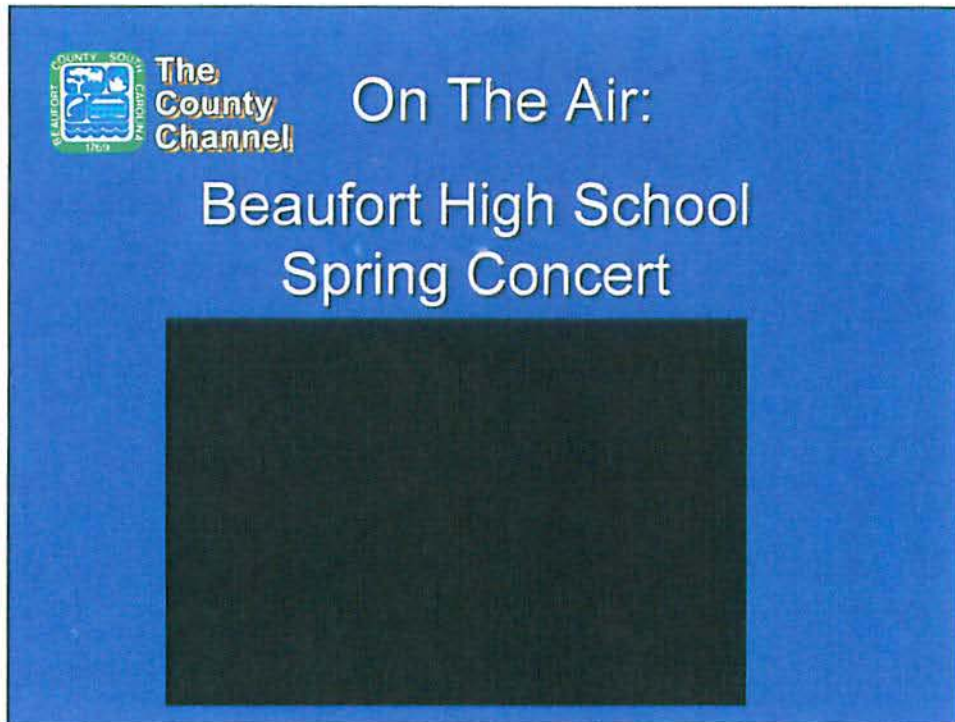
The
County
Channel

On The Air:

*Beaufort County
Water/Fire Safety PSAs*



The County Channel recently put the finishing touches on some Water and Fire Safety PSAs. We partnered with our local fire departments, and these are currently on the air. I thought we'd give council a look at one of these promos. {CLICK TO PLAY VIDEO WITH SOUND, :30} Again, we'd like to thank our local fire departments for working with the County Channel. We hope this will help to deliver a message of safety just in time for our tourist season.



{Video Plays} Finally, the County Channel would like to thank Vic Varner and Beaufort High School for allowing us to videotape the Beaufort High Spring concert. The concert was a huge success. Both nights saw a packed house. The concert will be re-airing on the County Channel and on the web.



Memorandum

DATE: April 22, 2011

TO: County Council

FROM: Gary Kubic, County Administrator

SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place April 11, 2011 to April 22, 2011:

April 11, 2011

- Finance Committee meeting
- County Council Caucus meeting
- County Council meeting

April 12, 2011

- Helicopter flight of Beaufort County
- Conference call with Billy Keyserling, Mayor, City of Beaufort

April 13, 2011

- Meeting with Stephanie Coccaro, Website Administrator

April 14 – 15, 2011

- Personal leave

April 18 -22, 2011

- Personal leave



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

April 6, 2011

Wm. Weston J. Newton
County Council Chairman
Beaufort County
PO Box 1228
Beaufort SC 29901-1228

Dear Mr. Newton:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended **June 30, 2010** qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The Certificate of Achievement plaque will be shipped to:

David A. Starkey, CPA
Chief Financial Officer

under separate cover in about eight weeks. We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, www.gfoa.org.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,
Government Finance Officers Association

Stephen J. Gauthier, Director

Technical Services Center

SJG/ds



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601
Phone (312) 977-9700 Fax (312) 977-4806

04/06/2011

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

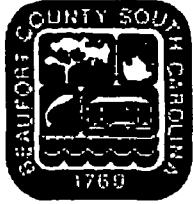
(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Beaufort County** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Finance Department, Beaufort County

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.



Memorandum

DATE: April 22, 2011
TO: County Council
FROM: Bryan Hill, Deputy County Administrator
SUBJECT: Deputy County Administrator's Progress Report

The following is a summary of activities that took place April 11, 2011 through April 22, 2011:

April 11, 2011 (Monday):

- Work on Budget
- Finance Committee Meeting
- County Council

April 12, 2011 (Tuesday):

- Meet with David Starkey, Dave Thomas and Richard Hinline
- Helicopter Ride - National Guard
- Work on Budget

April 13, 2011 (Wednesday):

- PLD

April 14, 2011 (Thursday):

- PLD

April 15, 2011 (Friday):

- PLD

April 18, 2011 (Monday):

- Redistricting Committee Meeting
- Work on St. Helena/Penn Center Issues
- Meet with Elizabeth Wooten, Purchasing re: DSN FFE
- Community Services Committee Meeting

April 19, 2011 (Tuesday):

- Fire Chief Budget Meeting with David Starkey, CFO
- Bi-Monthly Meeting with Town of Hilton Head Island and Wm. Weston Newton
- Bluffton Hours - P.M.

April 20, 2011 (Wednesday):

- Agenda Review
- Work on Budget
- Meet with Doug Henderson, Treasurer-Elect re: 2012 Budget
- Meet with Monica Spells re: Purchasing Work Plan
- Meet with Dan Morgan, MIS Director re: Redistricting Compliance

April 21, 2011 (Thursday):

- Meet with Donna Ownby, EMS Director
- Work on Budget
- Employee Issues Meeting
- Meet with Robert McFee, Engineering and Infrastructure
- Meet with Elizabeth Wooten, Purchasing
- Meet with Suzanne Gregory, Employee Services

April 22, 2011 (Friday)--Bluffton:

- Bluffton Hours
- Work on Budget
- Prepare for County Council Presentations

Budget FY 2012
Apr-11

Description	Organization	ORG.	FINAL 2010	Actual to date 2011	Revised Budget 2011	Proposed Budget(WIP) 2012	Target Budget 2012
41***	Taxes	41	(72,781,606)	(69,613,057)	(75,311,890)	(72,130,243)	(72,130,243)
42***	Licenses/Permits	42	(2,406,781)	(1,074,726)	(2,501,000)	(2,775,000)	(2,275,000)
43***	Intergovernmental	43	(7,840,690)	(2,931,503)	(7,799,510)	(7,860,000)	(6,640,000)
44***	Charges for services	44	(10,971,664)	(7,253,340)	(10,852,874)	(11,142,600)	(10,292,600)
45***	Fines & Forfeitures	45	(1,114,192)	(971,122)	(1,264,381)	(1,203,000)	(853,000)
46***	Interest	46	(535,064)	(120,911)	(284,080)	(234,000)	(101,000)
47***	Miscellaneous	47	(784,642)	(584,637)	(840,646)	(1,005,000)	(651,657)
48***	Other Finance Sources	48	(2,754,899)	(913,416)	(1,166,069)	(1,156,500)	(1,056,500)
Revenue			(99,189,538)	(83,462,712)	(100,020,450)	(97,506,343)	(94,000,000)
General	Newton	Council	11000	635,734	539,866	611,361	895,042
General	Burriss	Auditor	11010	643,652	431,234	574,710	789,267
General	Logan	Treasurer	11020	808,954	660,087	537,122	635,243
General	Logan	Treasurer	11021	1,327,648	444,152	466,296	621,000
General	Roseneau	Clerk of Court	11030	963,474	664,058	899,600	1,010,628
General	Roseneau	Clerk of Court	11031	337,080	185,202	243,667	287,104
General	Simon	Probate	11040	849,174	574,724	784,491	907,795
General	Allen	Coroner	11060	373,890	234,699	330,983	423,159
General	Smith	Magistrate	11100	34,356	624	-	-
General	Smith	Magistrate	11101	685,920	526,604	608,925	757,481
General	Smith	Magistrate	11102	529,107	295,508	421,820	508,889
General	Smith	Magistrate	11103	64,207	51,985	63,396	79,640
General	Smith	Magistrate	11104	82,777	67,811	76,140	95,511
General	Smith	Magistrate	11105	84,396	63,984	81,995	96,525
General	Smith	Magistrate	11106	79,900	81,847	73,233	148,508
General	Dukes	Master in Equity	11110	309,433	227,743	298,252	343,573
General	Starkey	General Government Subsidies	11199	1,631,125	1,088,640	1,364,334	1,298,129
General	Kubic	County Administrator	12000	919,541	500,585	757,835	646,514
General	Criscittello	Housing	12003	3,750	-	-	-
General	Kubic	PIO	12005	386,010	76,770	93,919	109,852
General	Kubic	Broadcast Services	12006	-	144,900	188,513	288,514
General	Kubic	Staff Attorney	12010	556,119	424,488	566,182	606,088
General	Starkey	Internal Audit	12015	111,710	30,398	30,399	-
General	Hood	Public Defender	12020	-	-	-	-
General	Campbell	Voter Registration	12030	694,812	476,737	612,733	801,658
General	Campbell	Voter Registration	12031	(1,050)	211	262	-
General	Hughes	Assessor	12040	2,429,315	1,493,856	1,934,593	2,367,142

Budget FY 2012
Apr-11

Description	Organization	ORG.	FINAL 2010	Actual to date 2011	Revised Budget 2011	Proposed Budget(WIP) 2012	Target Budget 2012
General	Hughes	Assessor	12041	-	-	(10)	-
General	Hughes	Register of Deeds	12050	548,074	372,669	456,485	551,498
General	Starkey	Risk Mgmt	12060	135,647	74,202	92,363	117,204
General	Herbkersma	Delegation	12080	83,625	53,235	68,645	84,841
General	Criscitiello	Zoning	13330	240,290	153,637	208,296	244,307
General	Criscitiello	Planning	13340	852,797	568,316	727,362	811,309
General	Criscitiello	Planning (Comp Plan)	13341	60,253	518,676	438,175	189,655
General	Hughes	GIS Map	13350	595,825	307,167	463,960	789,220
General	Campbell	Community Service	14000	208,001	103,311	202,886	224,176
General	Kubic	Staff Services	14010	432,565	347,907	349,013	452,671
General	Gregory	Employee Services	14020	936,766	727,098	751,475	999,838
General	Anderson	Records Management	14030	199,101	123,591	179,053	302,988
General	Starkey	Finance	15010	546,441	437,904	556,912	679,439
General	Starkey	Purchasing	15040	248,317	175,904	223,783	238,623
General	Starkey	Business License	15050	474,360	143,066	331,899	114,584
General	Anderson	MIS	15060	2,504,079	1,803,812	2,140,116	2,614,144
General	Anderson	MIS	15061	1,128	-	-	-
General	McFee	Public Works	17000	256,898	167,917	212,349	235,352
General	Finance	Fringe Benefits-General Govt	19199	-	1,709,992	2,073,101	-
Public Safety	Tanner	Sheriff	21050	-	-	-	-
Public Safety	Tanner	Sheriff	21051	6,935,326	5,699,596	7,434,332	7,659,364
Public Safety	Tanner	Sheriff	21052	12,051,225	9,724,130	12,366,893	12,668,402
Public Safety	Tanner	Sheriff	21053	-	-	-	332,494
Public Safety	Tanner	Sheriff	21054	-	-	-	-
Public Safety	Tanner	Sheriff	21055	1,420,920	1,021,562	1,471,943	1,503,631
Public Safety	Winn	Emergency Management	23140	665,401	444,440	582,771	581,563
Public Safety	Winn	Emergency Management	23141	-	-	-	-
Public Safety	Winn	Emergency Management	23142	5,393	121,927	160,648	196,411
Public Safety	Winn	Emergency Management - Comm	23150	4,256,015	3,627,878	4,307,355	6,694,353
Public Safety	Winn	Emergency Management - DATA	23155	1,076,177	730,590	974,816	1,067,986
Public Safety	Winn	EMS	23160	5,959,606	4,083,529	5,149,011	7,503,979
Public Safety	Winn	Detension Center	23170	6,409,241	4,647,835	5,798,312	7,072,684
Public Safety	Mcfee	Traffic-Signal Management	23322	303,325	226,996	267,862	539,634
Public Safety	Mcfee	Traffic-Signal Management	23323	128,249	106,975	112,684	125,800
Public Safety	Winn	Building Codes	23360	1,311,688	764,448	945,448	903,468
Public Safety	Winn	Building Codes	23361	-	-	-	278,364
Public Safety	Finance	Fringe Benefits-Public Safety	29299	-	1,988,434	2,395,326	-
Public Works	McFee	Facilities Management	33020	2,443,107	1,804,751	2,163,372	2,102,896

Budget FY 2012
Apr-11

Description			Organization	ORG.	FINAL 2010	Actual to date 2011	Revised Budget 2011	Proposed Budget(WIP) 2012	Target Budget 2012
Public Works	McFee	Bldg Facilities Maint		33030	1,034,490	874,122	1,106,063	1,477,610	
Public Works	McFee	Grounds North		33040	1,328,895	858,083	1,033,272	1,894,990	
Public Works	McFee	Grounds South		33042	1,111,226	712,569	856,379	841,806	
Public Works	McFee	Public Works General		33300	990,810	536,964	689,670	1,222,094	
Public Works	McFee	Public Works Roads North		33301	1,048,771	659,343	817,629	1,742,813	
Public Works	McFee	Public Works Roads South		33302	588,352	508,460	647,306	1,102,446	
Public Works	McFee	Public Works Admin		33305	371,265	223,830	418,337	350,615	
Public Works	McFee	Engineering		33320	450,071	253,506	350,658	436,425	
Public Works	McFee	SWR- Adm		33390	5,011,077	4,517,045	4,673,559	5,536,608	
Public Works	McFee	SWR- Beaufort		33391	-	-	-	-	
Public Works	McFee	SWR- Port Royal		33392	-	-	-	-	
Public Works	McFee	SWR-HHI		33393	104,191	85,095	109,519	117,207	
Public Works	McFee	SWR- Bluffton		33394	156,074	117,984	151,074	164,786	
Public Works	McFee	SWR-Burton		33395	156,532	131,809	172,031	197,301	
Public Works	McFee	SWR-Ladys Isl (7)		33396	33,298	203	204	53,530	
Public Works	McFee	SWR- St., Helena (8)		33397	143,143	108,913	143,340	187,224	
Public Works	McFee	SWR- Sheldon		33398	107,353	88,717	144,913	115,711	
Public Works	Finance	Fringe Benefits-Public Works		39399	-	1,125,012	1,347,376	-	
Public Health	Winn	Animal Shelter		43180	899,340	606,003	764,328	976,471	
Public Health	Winn	Mosquito Control		43190	1,714,086	1,009,057	1,236,723	1,559,115	
Public Health	Kubic	Environmental Sciences		43195	5,000	-	-	-	
Public Health	Starkey	Public Health Subsidy		44199	2,630,740	2,279,889	2,576,732	2,576,732	
Public Health	Finance	Fringe Benefits-Public Health		49499	-	245,116	293,344	-	
Public welfare	Campbell	Veterans		54050	194,205	111,334	154,815	177,156	
Public welfare	Campbell	Social Services		54060	196,105	160,382	219,372	220,200	
Public welfare	Campbell	Public Welfare		54299	481,320	493,330	490,000	444,000	
Public welfare	Finance	Fringe Benefits-Public Welfare		59599	-	30,281	36,286	-	
Cultural	Campbell	PALS-Admin		63310	407,865	296,786	357,543	358,994	
Cultural	Campbell	PALS-summer		63311	143,279	104,718	134,900	217,872	
Cultural	Campbell	PALS-Aquatics		63312	1,177,361	829,905	1,044,600	1,208,350	
Cultural	Campbell	PALS-HH		63313	80,000	60,083	80,000	-	
Cultural	Campbell	PALS-Bluffton		63314	900,237	618,142	712,328	384,146	
Cultural	Campbell	PALS-Athletic Programs		63316	523,068	338,628	489,939	1,134,766	
Cultural	Campbell	PALS-Rec Centers		63317	854,749	483,882	668,423	1,169,354	
Cultural	Campbell	Library Admin		64070	870,732	481,387	691,047	780,943	
Cultural	Campbell	Library Beaufort		64071	651,413	403,644	493,280	634,975	
Cultural	Campbell	Library Bluffton		64072	771,287	467,232	598,685	680,694	
Cultural	Campbell	Library Hilton Head		64073	707,536	500,570	628,064	718,767	

Budget FY 2012
Apr-11

Description	Organization	ORG.	FINAL 2010	Actual to date 2011	Revised Budget 2011	Proposed Budget(WIP) 2012	Target Budget 2012	
Cultural	Campbell	Library Iobeco	64074	203,066	89,778	122,578	118,505	
Cultural	Campbell	Library St. Helena	64075	91,332	74,594	101,500	106,339	
Cultural	Campbell	Library St. Helena	64076	-	-	-	-	
Cultural	Campbell	Library Technical Services	64078	888,005	516,399	711,554	865,589	
Cultural	Campbell	Library SC Room	64079	111,974	77,923	99,138	118,452	
Cultural	Finance	Fringe Benefits-Parks & Cultural	69699	-	729,496	882,682	-	
Transfers	Starkey	General Funds Transfers	99100	3,993,821	2,829,944	3,383,847	2,973,848	
		County General Fund Budget		96,962,942	76,708,368	94,860,428	104,464,574	0
Education	Starkey	Education Allocation	64399	4,716,317	3,930,250	4,716,300	4,716,300	
		Total County Budget		101,679,259	80,638,618	99,576,728	109,180,874	0

A RESOLUTION

**A RESOLUTION TO APPROVE ADOPTION OF THE CRITERIA TO REDISTRIC
COUNTY COUNCIL DISTRICTS**

WHEREAS, the Redistricting Committee voted by unanimous consent to approve the criteria to redistrict Beaufort County pursuant to the Home Rule Law of 1975; and

WHEREAS, the County must redistrict its County Council districts to meet the current requirements of the census; and

WHEREAS, the County must meet redistricting criteria as follows:

- (i) Adhere to the court ordered constitutional requirement of one person, one vote (*i.e.*, mathematically equal districts);
- (ii) Adherence to the 1965 Voting Rights Act, as amended;
- (iii) Ensure that parts of districts are contiguous;
- (iv) Respect Communities of Interest;
- (v) Attempt to maintain constituent consistency;
- (vi) Avoid splitting Voting Precincts;
- (vii) Solicit Public Input; and
- (viii) Work with data provided by PL 94-171.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Beaufort County, South Carolina that:

1. County Council hereby adopts the above criteria (i) thru (viii) for the purpose of redistricting Beaufort County to meet the current requirements of the census and Federal and State law.
2. County Council hereby authorizes its members, administrators, department heads, personnel and agents to perform all necessary actions and duties to meet the redistricting criteria herein described in order to accomplish the redistricting of Beaufort County.

Adopted this ____ day of April, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST:

Suzanne M. Rainey, Clerk to Council

2011 /

BEAUFORT COUNTY ZONING MAP AMENDMENT FOR R100 015 0000 0051 AND R100 015 0000 015A (KNOWN AS THE VILLAGE AT LADY'S ISLAND PLANNED UNIT DEVELOPMENT (PUD), APPROXIMATELY 35+ ACRES TOTAL, BORDERED BY SAM'S POINT AND OYSTER FACTORY ROADS); FROM PUD TO LADY'S ISLAND COMMUNITY PRESERVATION DISTRICT (LICP) AND LADY'S ISLAND EXPANDED HOME BUSINESS (LIEHB) ZONING DISTRICTS.

BE IT ORDAINED, that County Council of Beaufort County, South Carolina, hereby amends the Zoning Map of Beaufort County, South Carolina. The map is attached hereto and incorporated herein.

Adopted this ___ day of _____, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: April 11, 2011

Second Reading:

Public Hearing:

Third and Final Reading:









(Amending 99/12)

CURRENT



PROPOSED



LEGEND	
ZONE DISTRICT	
	Resource Conservation
	Rural
	Rural Residential
	Lady's Is CP
	Expanded Home Business LICP
	Village Center
	Planned Unit Development
	City of Beaufort

REZONING AMENDMENT

R200 015 000 0051 & 051A The Village
*FROM Planned Unit Development [PUD] TO
Lady's Island Community Preservation [LICP] and
Lady's Island Expanded Home Business [LIEHB]*

2011 /

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA, TO AMEND CHAPTER 22, CIVIL EMERGENCIES, ARTICLE IV, DISASTER RECOVERY AND RECONSTRUCTION:

- Sec. 22-104 - Recovery management structure.
- Sec. 22-105 - Recovery plan.
- Sec. 22-106 - General provisions.
- Sec. 22-109. - Disaster and recovery emergency permitting and zoning policy and procedures.
- Sec. 22-111 - Temporary housing.
- Sec. 22-115 - Recovery and reconstruction strategy.

Whereas, Standards that are underscored shall be added text and Standards ~~lined through~~ shall be deleted text.

Adopted this _____ day of _____, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: April 11, 2011

Second Reading:

Public Hearing:

Third and Final Reading:

(Amending 2008/28)

Sec. 22-104. - Recovery management structure.

(1) *Recovery task force.* A recovery task force is hereby established that is comprised of the following officers and members:

(a) The county administrator who shall be chair;

(b) ~~The director of public services~~ division director of engineering and infrastructure who shall be director and vice-chair;

(c) ~~The deputy county administrator of community services~~ division director community services who shall be deputy director, and who shall act as vice-chair in the absence of the vice-chair;

Sec. 22-105. - Recovery plan.

(1) *Recovery plan content.* The recovery plan addresses policies, implementation actions and designated responsibilities for such subjects as impact assessment (disaster assessment), continuation of government, public information/community relations, human services (short-term), individual assistance, volunteers and donations, debris management, re-entry security, health and human safety, repair and restoration of public infrastructure and buildings, building inspections and permits, rebuilding, construction, repairs, restoration, temporary housing, redevelopment (planning and zoning ordinance enforcement), economic preservation and restoration, mitigation, recovery administration and finance, county employees, mortuary operations, mutual aid protocols, pre-disaster equipment and facilities deployment and such other subjects as may be appropriate to expeditious and wise recovery.

(8) *Recovery plan validation.* The recovery plan shall be validated annually and/or following a disaster event. In order to facilitate an organized and comprehensive review of the plan, review checklists have been created for each of the recovery functions. The checklists include action items that should be reviewed and completed each year by the agency/department responsible for implementing the recovery function, in conjunction with the support agencies assigned to that recovery function. Once the review checklists have been completed, they should be turned in to the ~~deputy county administrator for public service and land management~~ the division director of engineering and infrastructure who will then make a report to county council regarding the status of recovery operations for the year. (Appendix A)

Sec. 22-106. - General provisions.

(1) *Powers and procedures.* Following the disaster declaration and/or determination that a local emergency exists, and while such declaration or determination is in force, the director of the recovery task force (~~the Beaufort County Director of the public services department~~) (the division director of engineering and infrastructure) and the deputy director of the recovery task force (~~the Beaufort County Deputy Administrator of Community Services~~, (the division director of community services in the absence of the director) shall have authority to exercise powers and procedures authorized by this article, subject to extension, modification, or replacement of all or portions of these provisions by separate ordinances adopted by the Beaufort County Council. The emergency management director shall have oversight and control of issuing any curfews (section 22-107), coordinating re-entry procedures (section 22-108), and all other short-term emergency matters.

(2)(g) Make recommendations regarding moratoriums on buildings, land use regulations and permits, subject to Beaufort County Council ratification, as provided under subsection 22-109(3) (22).

Sec. 22-109. - Disaster and recovery emergency permitting and zoning policy and procedures.

(6) (a) Green card—No restrictions. A green card denotes minor damage to property. Card information will include permission to make these minor repairs without having to obtain a zoning or building permit. Structures with minor damage can be made habitable in a short period of time with minimal repairs. Damage may include doors, windows, floors, furnaces, air conditioners, water heaters and other repairable damages. ~~The baseline indicator of this category of assessment is 11 percent or less of the replacement cost of the structure at the time of damage.~~

(6)(b) Yellow card—Limited entry. A yellow card denotes major damage to the property. Card information will include instructions on how to apply for a zoning and building permit. Owner will not be allowed to occupy the structure, occupancy will be allowed only when structure is classified with a green card with no restrictions. Structures with moderate damage can be made habitable with extensive repairs. This category may include damage to the following portions of a structure: foundation, roof structure, wall sections and any other major components of the property. ~~The baseline indicator of this category of assessment is more than 11 percent but less than 75 percent of the replacement cost of the structure at the time of damage.~~

(6)(c) Red card—Unsafe. A red card denotes that the property has been destroyed. Card information will include that the structure is unsafe and may not be occupied. Buildings posted with this placard shall not be entered under any circumstances except as authorized in writing by the department that posted the building or by authorized members of damage assessment teams. The individual posting this placard shall note

in general terms the type of damage encountered. This placard is not to be considered a demolition order. Structures with major damage are considered destroyed and a total loss, meaning that damage is determined to be of such an extent that repair is not feasible. ~~The baseline indicator for this category of assessment is 75 percent or greater than the replacement cost of the structure at the time of damage.~~

(13) Issuing emergency zoning and building permits. When an emergency is officially declared, the following procedures will be implemented when issuing permits:

~~Damage 0—11 percent damage (n No restriction on use or occupancy).~~ No plans are required, no permit is required, and no inspection activity other than damage assessment is required.

~~Damage 11—49 percent (u Use and occupancy restriction).~~ A plan may be required for repairs or a detailed list of work to be done may be required. Development plan review is not required if there is no change in footprint of the building. Emergency building permit(s) is required. An affidavit stating that the owner or his/her authorized agent shall comply with all county codes will be required. Building inspections are required prior to work beginning and during construction.

~~Damage 50—74 percent (u Use and occupancy restriction).~~ Flood regulation standards shall be implemented. This standard is based upon Beaufort County Flood Map standards adopted by the County to qualify for FEMA disaster planning and reconstruction funding. Flood mapping in place at the time of the disaster will be the standard for decisions. County building official, or other designated representative, may review decisions, where information is incomplete, and/or in conflict with reality, or in error. General requirements: Plans may be required for repairs. If pre-existing structure is in compliance with zoning, and structure is not located in a flood zone or it is elevated to the proper base flood elevation, there is no change in the use or occupancy and there will be no expansion, plans will not be required. The building must be brought into full compliance with all applicable codes: zoning, building and flood regulations. Development plan review is not required. Building plan review is not required. An emergency building permit is required. An affidavit stating the owner or his/her agent will comply with all county codes is required. Building inspections are required prior to and during construction.

~~Damage >75 percent (u Unsafe).~~ If structure is not demolished, plans are required. A structural engineer report is required. Zoning and development permits are required. A building permit is required.

General requirements: Plans and structural analysis may be required for repairs. If pre-existing structure is in compliance with zoning, and structure is not located in a flood zone or it is elevated to the proper base flood elevation and there is no change in the use or occupancy and there will be no expansion the building may be repaired after obtaining the building permit; or the building must be brought into full compliance with all

applicable codes: zoning, building and flood regulations. Development plan review may not be required. Building inspections are required prior to and during construction.

(16)(c) Field inspectors will judge extent of damage both residential/commercial structures. ~~based upon this scale of values: Minor ≤ 11 percent; Major > 11 percent; but < 74 percent; Destroyed ≥ 75 percent~~

(24) (b) 1. ~~Will not be detrimental~~ not have a long-term detrimental impact ~~to~~ on the immediate neighborhood;

PROPOSED TEMPORARY HOUSING REVISIONS (THROUGH (d))

Temporary use permits may be issued for a period of one year following the declaration of local emergency and may be extended ~~for an additional year,~~ on an annual basis ~~to~~ for ~~to~~ a maximum of ~~five~~ two years from the declaration of emergency, provided such findings are determined to be still applicable by the end of the first year. If, during the first ~~or any of the subsequent four years~~ or the second year, substantial evidence contradicting one or more of the required findings comes to the attention of the director, the temporary use permit shall be revoked.

(c) Single Family Residence Repair or Replacement. A temporary use permit shall also be granted subject to the provisions of Sec. 22-111(4) to allow the property owner of a single family residence that has been deemed as having "no restrictions on use or occupancy" Damaged 0 to 10 percent pursuant to Sec. 22-109(13) to live on his or her property until such time as the damaged house can be repaired or re-built. This temporary housing permit shall be good for one year and may be renewed each year for a maximum of five years.

(d) No Grandfathered or Nonconforming Status Acquired. No use initiated pursuant to the provisions of this section may claim grandfathered or nonconforming use status. Any use initiated under this section must terminate after five years, if not before.

Sec. 22-111. - Temporary housing.

(2) *Pre-disaster site planning.* Each year, as part of the recovery plan update process, ~~the deputy county administrator for community services~~ the division director of community services will be responsible for overseeing a planning process to determine the best sites for the placement of potential temporary housing units. The county will focus on using county-owned property and perhaps existing mobile home parks for locating temporary housing developments. This site identification will take place on an annual basis. This process will be coordinated with the affordable housing, planning, zoning, building codes, GIS and other departments as deemed necessary. The results of this annual planning process will be compiled in a selection report and presented to county council by the county administrator.

(4) PROPOSED TEMPORARY HOUSING REVISION (4)

~~Other.~~ The county is also considering adopting an ordinance that will allow homeowners issue temporary use permits to residents to place which will allow for the placement of one (1) temporary housing unit on their property owned by them (that may be occupied by the property owner and his/her family only) in the event that the property owner's house has been damaged but has been deemed as "having no restriction on use or occupancy" or destroyed in an amount greater Damage 0-10 percent as set forth in Sec. 22-109(13) above. This will allow the property owner and his or her family to live on-site until such time that the damaged house can be repaired or rebuilt. This temporary housing unit shall only be occupied by the property owner and his or her family.

Sec. 22-115. - Recovery and reconstruction strategy.

At the earliest practicable time following the declaration of local emergency in a major disaster, the director and the recovery task force shall prepare a strategic program for recovery and reconstruction based on the pre-disaster plan and its policies.

(1) *Functions.* To be known as the recovery strategy, the proposed strategic program shall identify and prioritize major actions contemplated or under way regarding such essential functions as business resumption, economic reinvestment, industrial recovery, housing replacement, infrastructure restoration, and potential sources of financing to support these functions. ~~These actions shall be tracked in the Beaufort County Recovery Decision Matrix spreadsheet to facilitate ease of tracking the recovery.~~

ORDINANCE 2011 /

AN ORDINANCE TO ESTABLISH, PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, A MULTI-COUNTY INDUSTRIAL/BUSINESS PARK, TO BE KNOWN AS THE CYPRESS RIDGE MULTI-COUNTY PARK, IN CONJUNCTION WITH JASPER COUNTY, SOUTH CAROLINA; TO PROVIDE FOR A WRITTEN AGREEMENT WITH JASPER COUNTY AS TO THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; TO PROVIDE FOR THE DISTRIBUTION OF REVENUES FROM THE PARK AMONG TAXING ENTITIES HAVING JURISDICTION OVER THE PARK; TO PROVIDE FOR A FEE IN LIEU OF AD VALOREM TAXATION; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Beaufort County, South Carolina ("Beaufort County") and Jasper County, South Carolina ("Jasper County") (collectively, the "Counties" and together with any additional counties that become parties to the MCP Agreement described below, the "Member Counties"), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (the "Act"), propose to establish jointly a multi-county industrial/business park within the geographical boundaries of one or more of the Member Counties (the "Park"); and

WHEREAS, Article VIII, Section 13(B) of the South Carolina Constitution provides that nothing in the State Constitution may be construed to prohibit any of the counties in South Carolina from agreeing to share the lawful cost, responsibility, and administration of functions with one or more governments, whether within or without the State of South Carolina; and

WHEREAS, in order to promote the economic development of Beaufort County and Jasper County, the Counties have initially agreed to include in the Park properties located in Jasper County and described in Exhibit A hereto (the "Initial Property") and as more particularly described in Exhibit A to that certain Agreement for the Establishment of Multi-County Industrial/Business Park to be entered into by the Counties as of such date as may be agreed to by the Counties (the "MCP Agreement"); and

WHEREAS, the Park shall be known as the "Cypress Ridge Multi-County Park"; and

WHEREAS, the Counties have agreed to the specific terms and conditions of the arrangement set forth in the MCP Agreement; and

WHEREAS, the Counties now desire to establish the Park to include the Initial Property;

NOW, THEREFORE, BE IT ORDAINED BY THE BEAUFORT COUNTY COUNCIL AS FOLLOWS:

Section 1. Establishment of Multi-County Park; Approval of MCP Agreement; Location of Park; Change of Park Boundaries.

(a) There is hereby authorized to be established, initially in conjunction with Jasper County, a multi-county industrial/business park to be known as the "Cypress Ridge Multi-County Park" and to include therein the Initial Property. The form, provisions, terms, and conditions of the MCP Agreement now before this meeting and filed with the Clerk to County Council be and they are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the MCP Agreement were set out in this Ordinance in its entirety.

(b) The MCP Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of Beaufort County thereunder and as shall be approved by the officials of Beaufort County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the MCP Agreement now before this meeting. The Chairman of County Council, for and on behalf of Beaufort County, is hereby authorized, empowered, and directed to do any and all things necessary or proper to effect the establishment of the Park and the execution and delivery of the MCP Agreement and the performance of all obligations of Beaufort County under and pursuant to the MCP Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

(c) As of the date of enactment of this Ordinance, the Park shall consist of the Initial Property located in Jasper County. It is recognized that the Park will from time to time consist of non-contiguous properties within each Member County. The boundaries of the Park may be enlarged or diminished from time to time as authorized by (a) an ordinance of the Member County in which the property to be added or removed from the Park is actually located, and (b) a resolution (or comparable action) of the governing bodies of all other Member Counties.

Section 2. Payment of Fee-in-lieu of Taxes. (a) In accordance with Article VIII, Section 13(D) of the South Carolina Constitution, the area comprising the Park and all property having a situs therein is exempt from all *ad valorem* taxation. All owners and lessees of property situated in the Park will pay a fee in lieu of *ad valorem* taxes as provided for in the MCP Agreement. The fee paid in lieu of *ad valorem* taxes shall be paid to the county treasurer of the county in which such property is located. That portion of the fee from the Park property located in a Member County and allocated pursuant to the MCP Agreement to the other Member Counties shall be paid to the respective county treasurer (or other designated official) of the other Member Counties in accordance with the terms of the MCP Agreement [it being intended that the distribution shall be made once annually as near April 15 as is practicable]. Payments of fees in lieu of *ad valorem* taxes will be due on the due date for taxes for a particular year. Penalties for late payment will be at the same rate as late tax payments. Any late payment beyond the due date will accrue interest at the rate of statutory judgment interest. The Member Counties, acting by and through the appropriate official, shall maintain all liens and rights to foreclose upon liens provided for counties in the collection of *ad valorem* taxes.

(b) Nothing herein shall be construed to prohibit any Member County from negotiating and collecting reduced fees in lieu of taxes pursuant to Title 4, Chapter 29 or Chapter

12, or Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended, or any similar provision of South Carolina law.

Section 3. Sharing of Expenses and Revenues. Sharing of expenses and revenues of the Park by the Member Counties shall be as set forth in the MCP Agreement.

Section 4. Distribution of Revenues to Taxing Entities. Revenues from the Park shall be distributed to and within the Member Counties as set forth in the MCP Agreement.

Section 5. Governing Laws and Regulations. In order to avoid any conflict of laws or ordinances between the Member Counties, the ordinances of each Member County will be the reference for such regulations or laws in connection with Park premises located within such Member County. Nothing herein shall be taken to supersede any applicable municipal, state, or federal law or regulation. The Member County in which a parcel of Park premises is located is specifically authorized to adopt restrictive covenants and land use requirements for each such parcel at that Member County's sole discretion. The ordinances of a Member County shall in no way apply to Park property not located in such Member County.

Section 6. Admission of Additional Parties. The MCP Agreement may be amended from time to time to add additional counties or other political subdivisions located within South Carolina or outside South Carolina, subject to any limitation contained in Article VIII, Section 13 of the Constitution of South Carolina or Title 4, Chapter 1 of the Code, by ordinances or comparable action of the governing body of each Member County. Upon approval of all Member Counties, the MCP Agreement shall be amended to admit such political subdivision as a party thereto, with such rights and obligations as shall be provided in the MCP Agreement as so amended and applicable law.

Section 7. Savings Clause. If any portion of this Ordinance shall be held void or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 8. General Repealer. Any prior ordinance or resolution, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 9. Effectiveness. This Ordinance shall be effective after third and final reading

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Chairman of County Council
Beaufort County, South Carolina

ATTEST:

Clerk to County Council
Beaufort County, South Carolina

First reading: April 11, 2011
Second reading: _____, 2011
Public hearing: _____, 2011
Third reading: _____, 2011

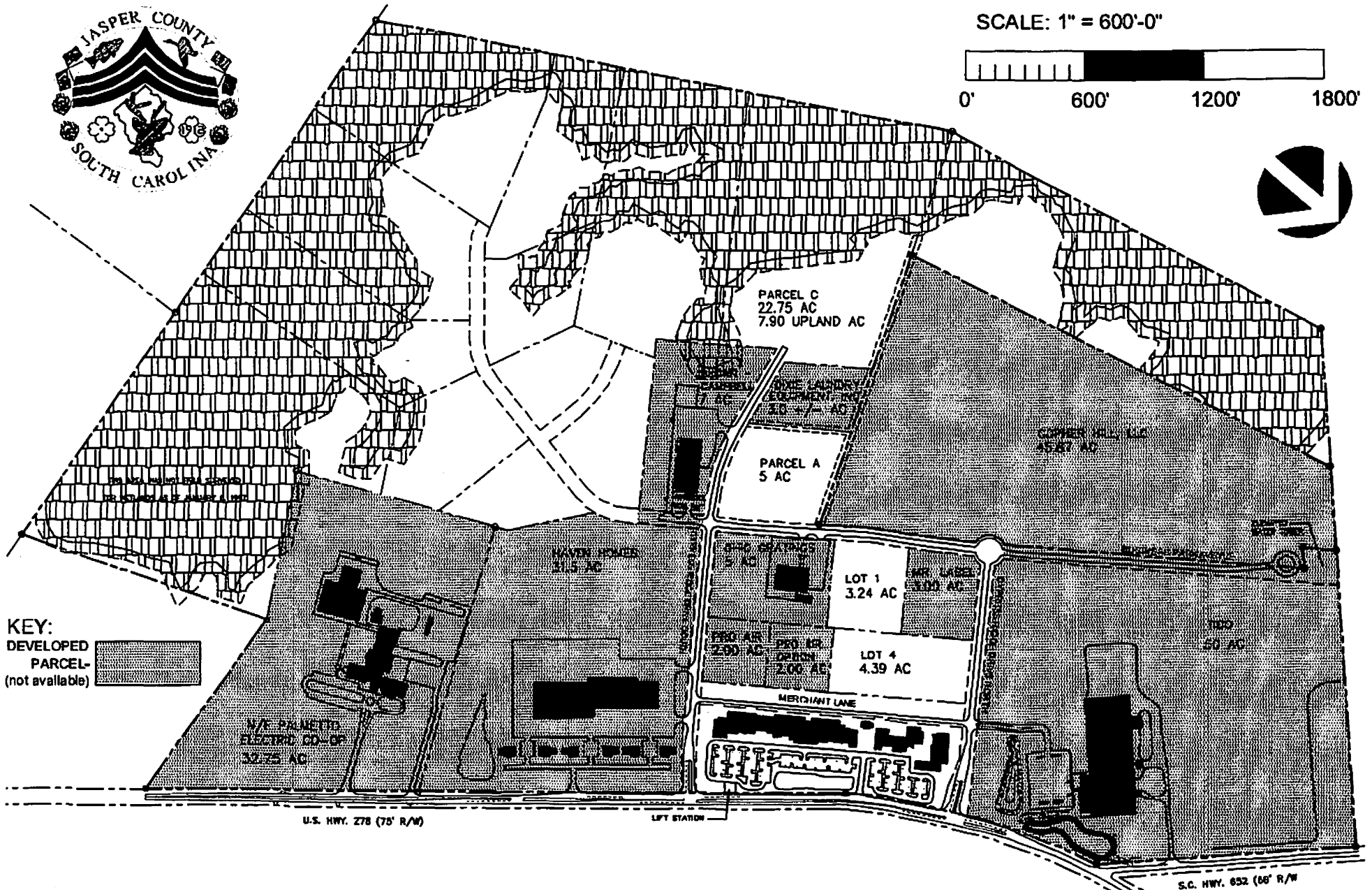
EXHIBIT A

Initial Property

[Located in Jasper County]



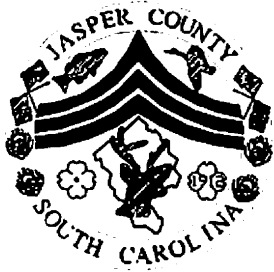
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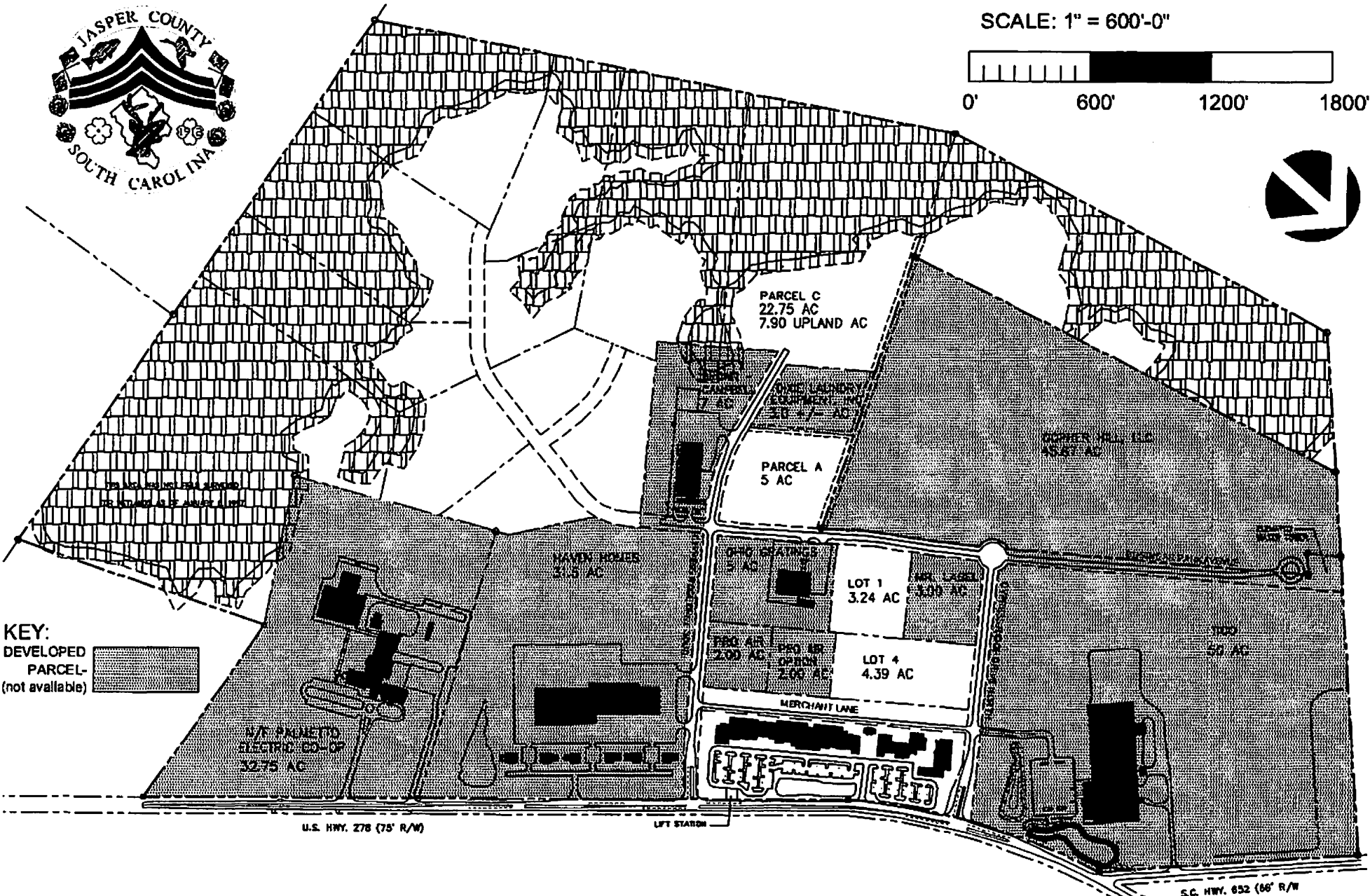
KEY:
DEVELOPED
PARCEL-
(not available)

MASTER PLAN of
CYPRESS RIDGE BUSINESS PARK
Jasper County, South Carolina

PREPARED BY:
Alan Glassberg
Landscape Architecture, LLC.



SCALE: 1" = 600'-0"



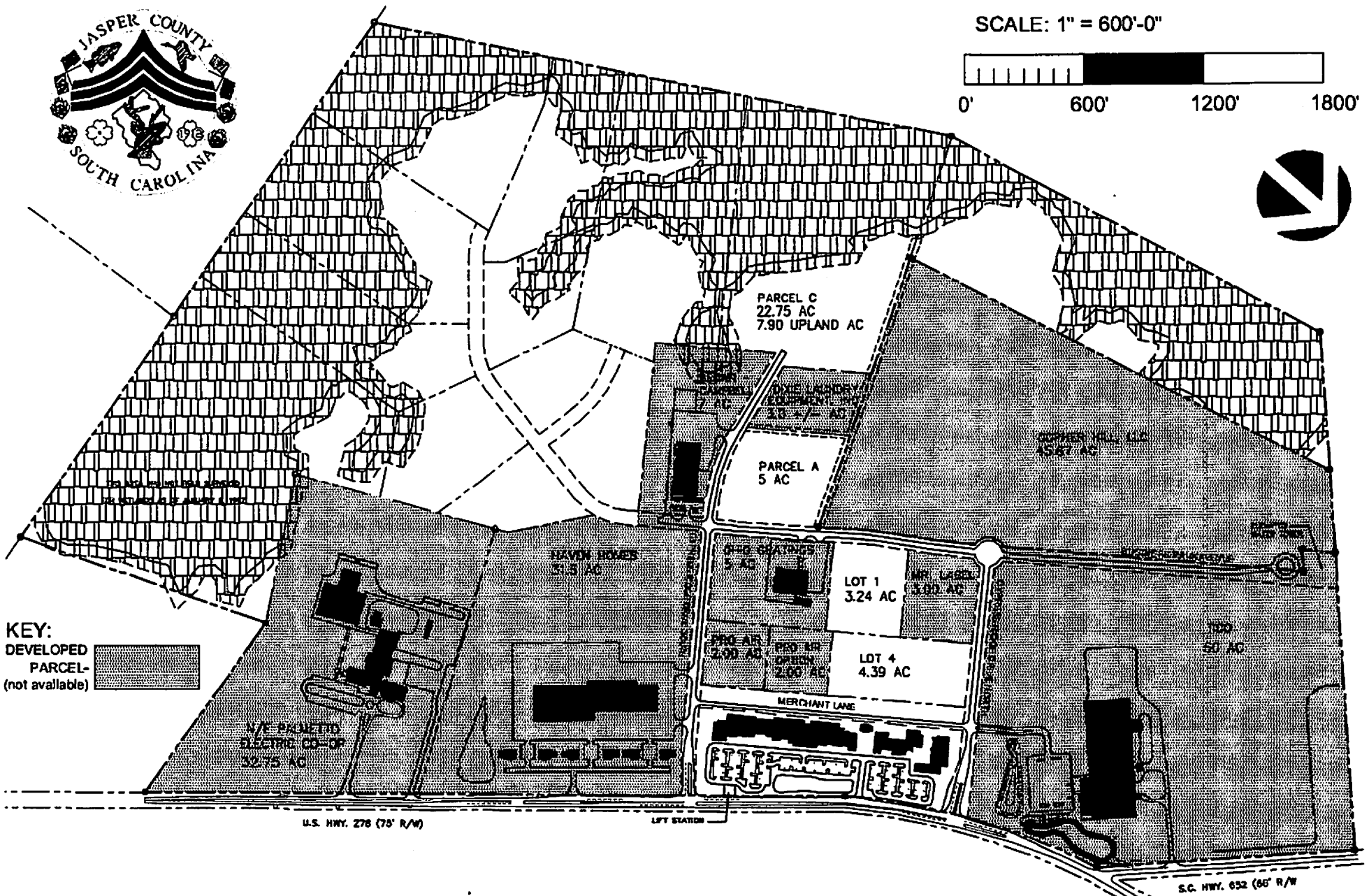
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 PARCEL-
 (not available)

MASTER PLAN of
CYPRESS RIDGE BUSINESS PARK
 Jasper County, South Carolina

PREPARED BY:
Alan Glassberg
Landscape Architecture, LLC.



SCALE: 1" = 600'-0"



KEY:
DEVELOPED [stippled pattern]
PARCEL- (not available) [cross-hatched pattern]

MASTER PLAN of CYPRESS RIDGE BUSINESS PARK

Jasper County, South Carolina

PREPARED BY:
Alan Glassberg
Landscape Architecture, LLC.

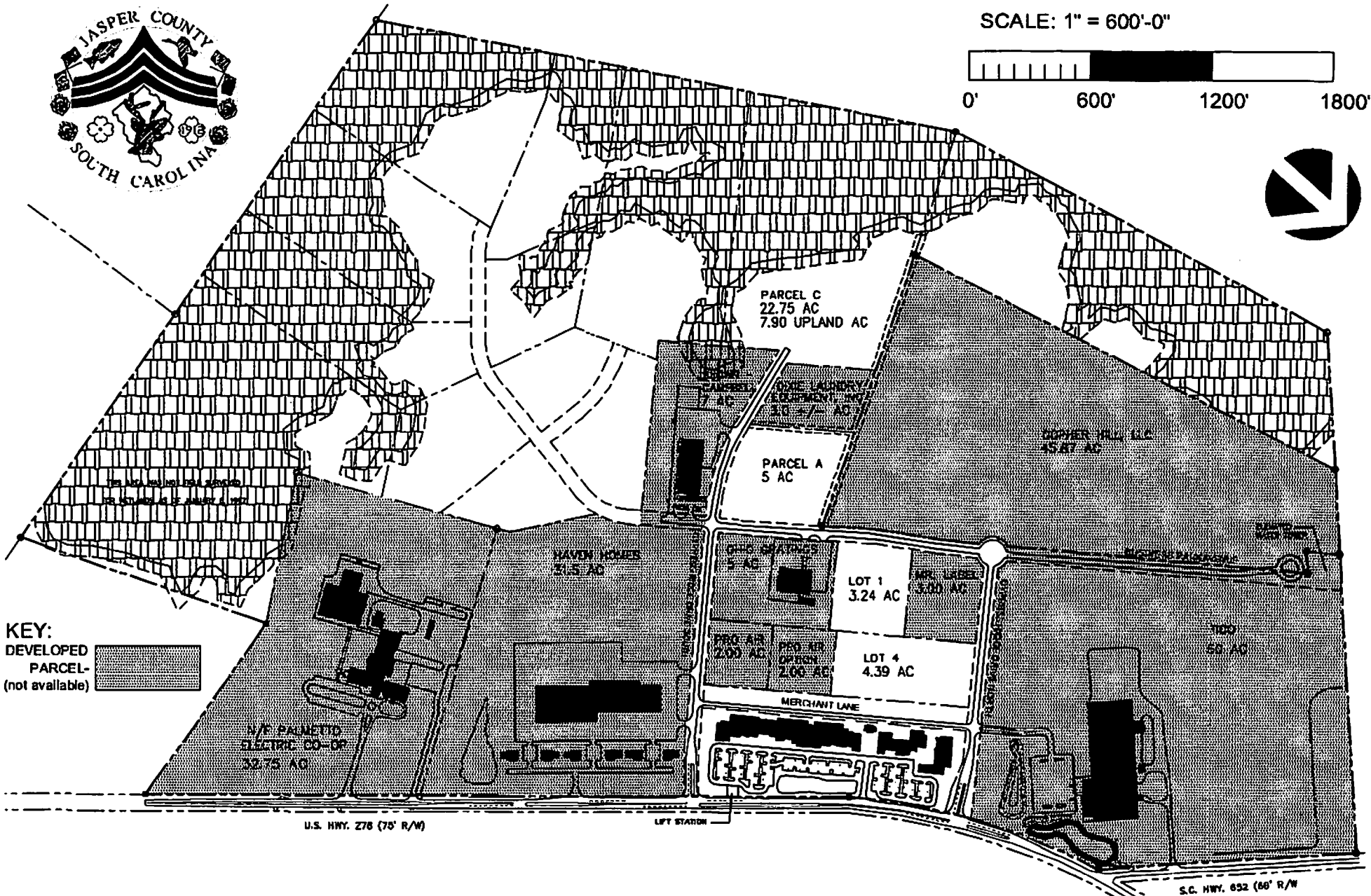
LANDSCAPE ARCHITECTURE / SITE PLANNING / URBAN DESIGN
PO BOX 315
RIDGELAND, SC 29936
P: 843.726.4880 / F: 843.726.6806

743.726.7700 ♦ www.jaspercountysc.org

Apr. 1, 2008



SCALE: 1" = 600'-0"



KEY:
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PARCEL-
(not available)

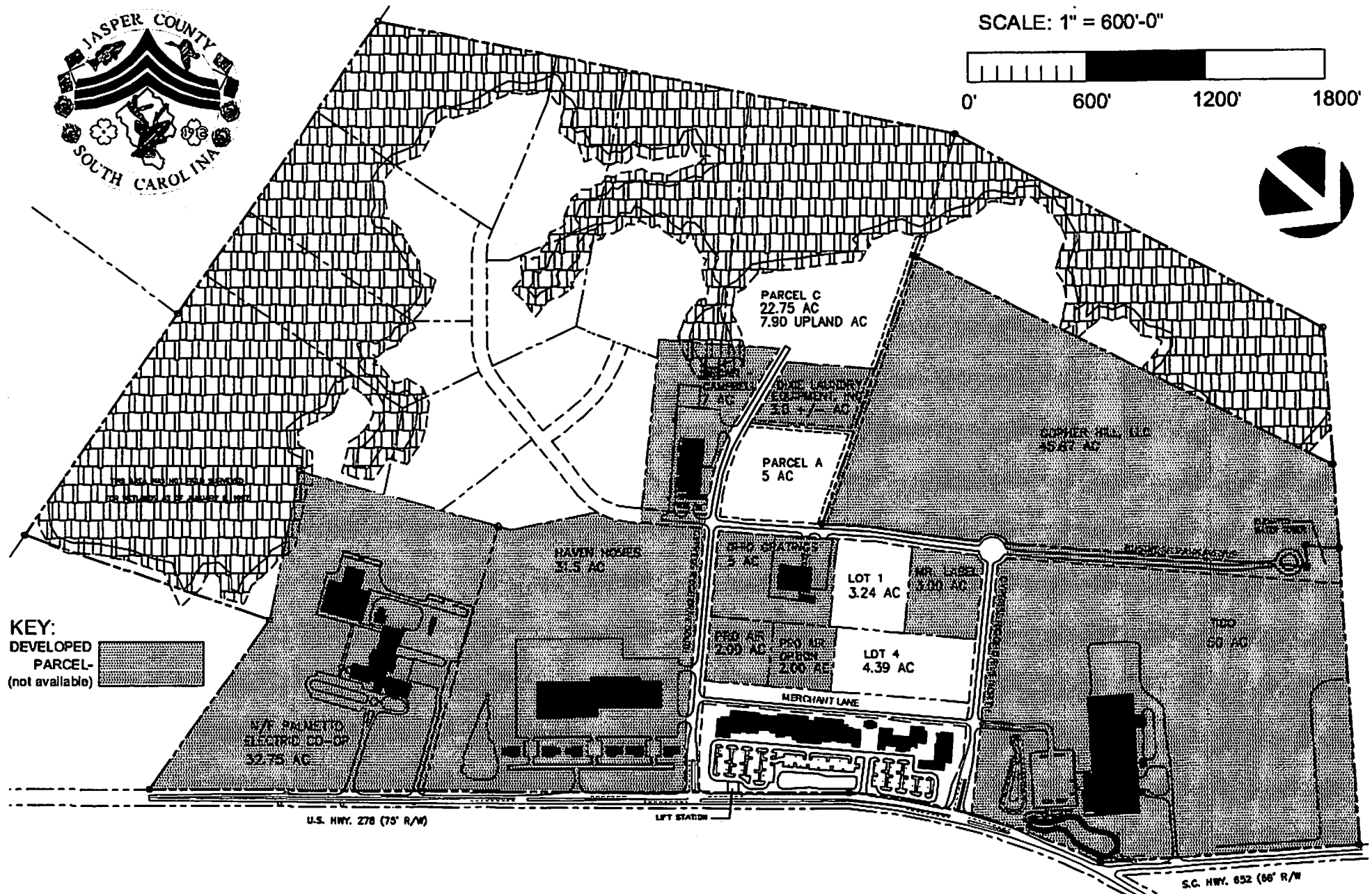
MASTER PLAN of CYPRESS RIDGE BUSINESS PARK

Jasper County, South Carolina

PREPARED BY:
Alan Glassberg
Landscape Architecture, LLC.



SCALE: 1" = 600'-0"



KEY:
 DEVELOPED
 PARCEL-
 (not available)

MASTER PLAN of
CYPRESS RIDGE BUSINESS PARK
 Jasper County, South Carolina

PREPARED BY:
Alan Glassberg
Landscape Architecture, LLC.

Cypress Ridge MCIP

Tax ID #	Acreage	Owner			
1 048-00-01-006	49.83	Gopher Hill Holding LLC	taxed by County \$52.78 Ag use	taxed by DOR \$28,650.69 for School portion only	Exemption will be over for 2011
2 048-00-01-013	0.33	Town of Ridgeland - water tower	exempt		
3 048-00-01-030	5.26	Jasper County - Road	exempt		
4 048-00-01-012	11.26	Jasper County - Road	exempt		
5 048-00-01-007	25.52	Gopher Hill Holding LLC	taxed by County \$55.43 Ag use		
6 048-00-01-005	19.09	Gopher Hill Holding LLC	taxed by County \$40.19 Ag use		
7 048-00-01-008	28	Jasper County	exempt		
8 048-00-01-009	65.16	Jasper County includes road	exempt		
9 048-00-01-039	5	Jasper County	exempt		
10 048-00-01-037	3	Samuel Mock	taxed by County \$467.79 land		
11 048-00-01-010	97	Jasper County	exempt		
12 048-00-01-036	7	Jasper County - Brown Campbell	exempt		
13 048-00-01-026	1.41	Jasper County - Ohio Gratings	manufacturing	taxed by DOR \$6,004.95	Exempt for 3 more years
14 048-00-01-033	2	John & Timothy Roberts	taxed by County \$311.86 land		
15 048-00-01-032	2	Jasper County	exempt		
16 048-00-01-034	3.24	Jasper County	exempt		
17 048-00-01-035	3	Jasper County	taxed by County \$467.79 land		
18 048-00-01-029	1.24	Jasper County	exempt		
19 048-00-01-012	11.26	Jasper County	exempt		
20 048-00-01-028	27.14	Haven Homes	manufacturing	taxed by DOR \$68,706.74 for School & County	100% taxable
21 048-00-01-011	0.06	Town of Ridgeland - sewer lift station	exempt		
	367.8				
		GRAND TOTAL		\$104,758.22	

Cypress Ridge MCIP

Tax ID #	Acreage	Owner				
1	048-00-01-006	49.83	Gopher Hill Holding LLC	taxed by County \$52.78 Ag use	taxed by DOR \$28,650.69 for School portion only	Exemption will be over for 2011
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8	048-00-01-009	65.16	Jasper County includes road	exempt		
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12	048-00-01-036	7	Jasper County - Brown Campbell	exempt		
13	048-00-01-026	1.41	Jasper County - Ohio Gratings	manufacturing	taxed by DOR \$6,004.95	Exempt for 3 more years
14	048-00-01-033	2	John & Timothy Roberts	taxed by County \$311.86 land		
15	048-00-01-032	2	Jasper County	exempt		
16	048-00-01-034	3.24	Jasper County	exempt		
17	048-00-01-035	3	Jasper County	taxed by County \$467.79 land		
18	048-00-01-029	1.24	Jasper County	exempt		
19	048-00-01-012	11.26	Jasper County	exempt		
20	048-00-01-028	27.14	Haven Homes	manufacturing	taxed by DOR \$68,706.74 for School & County	100% taxable
21	048-00-01-011	0.06	Town of Ridgeland - sewer lift station	exempt		
		367.8				
			GRAND TOTAL		\$104,758.22	

Cypress Ridge MCIP

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8 048-00-01-009	65.16	Jasper County includes road	exempt		
9 048-00-01-039	5	Jasper County	exempt		
10 048-00-01-037	3	Samuel Mock	taxed by County \$467.79 land		
11 048-00-01-010	97	Jasper County	exempt		
12 048-00-01-036	7	Jasper County - Brown Campbell	exempt		
13 048-00-01-026	1.41	Jasper County - Ohio Gratings	manufacturing	taxed by DOR \$6,004.95	Exempt for 3 more years
14 048-00-01-033	2	John & Timothy Roberts	taxed by County \$311.86 land		
15 048-00-01-032	2	Jasper County	exempt		
16 048-00-01-034	3.24	Jasper County	exempt		
17 048-00-01-035	3	Jasper County	taxed by County \$467.79 land		
18 048-00-01-029	1.24	Jasper County	exempt		
19 048-00-01-012	11.26	Jasper County	exempt		
20 048-00-01-028	27.14	Haven Homes	manufacturing	taxed by DOR \$68,706.74 for School & County	100% taxable
21 048-00-01-011	0.06	Town of Ridgeland - sewer lift station	exempt		
	367.8				
		GRAND TOTAL		\$104,758.22	

Cypress Ridge MCIP

Tax ID #	Acreage	Owner			
1 048-00-01-006	49.83	Gopher Hill Holding LLC	taxed by County \$52.78 Ag use	taxed by DOR \$28,650.69 for School portion only	Exemption will be over for 2011
2 048-00-01-013	0.33	Town of Ridgeland - water tower	exempt		
3 048-00-01-030	5.26	Jasper County - Road	exempt		
4 048-00-01-012	11.26	Jasper County - Road	exempt		
5 048-00-01-007	25.52	Gopher Hill Holding LLC	taxed by County \$55.43 Ag use		
6 048-00-01-005	19.09	Gopher Hill Holding LLC	taxed by County \$40.19 Ag use		
7 048-00-01-008	28	Jasper County	exempt		
8 048-00-01-009	65.16	Jasper County includes road	exempt		
9 048-00-01-039	5	Jasper County	exempt		
10 048-00-01-037	3	Samuel Mock	taxed by County \$467.79 land		
11 048-00-01-010	97	Jasper County	exempt		
12 048-00-01-036	7	Jasper County - Brown Campbell	exempt		
13 048-00-01-026	1.41	Jasper County - Ohio Gratings	manufacturing	taxed by DOR \$6,004.95	Exempt for 3 more years
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15 048-00-01-032	2	Jasper County	exempt		
16 048-00-01-034	3.24	Jasper County	exempt		
17 048-00-01-035	3	Jasper County	taxed by County \$467.79 land		
18 048-00-01-029	1.24	Jasper County	exempt		
19 048-00-01-012	11.26	Jasper County	exempt		
20 048-00-01-028	27.14	Haven Homes	manufacturing	taxed by DOR \$68,706.74 for School & County	100% taxable
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21 048-00-01-011	0.06	Town of Ridgeland - sewer lift station	exempt		
	367.8				
		GRAND TOTAL		\$104,758.22	

A RESOLUTION

A RESOLUTION AUTHORIZING THE COUNTY TO SEEK THE REMEDY OF EMINENT DOMAIN FOR THE PURPOSES OF ACQUIRING REAL PROPERTY CONSISTING OF APPROXIMATELY 2.19 ACRES, OWNED BY THE "HEIRS OF TOM BROWN" LOCATED ON MARTIN LUTHER KING, JR. DRIVE, ST. HELENA ISLAND, TO PROVIDE NECESSARY AND REASONABLE ACCESS FOR THE PUBLIC TO THE NEW BEAUFORT COUNTY ST. HELENA LIBRARY AND THE CONSTRUCTION OF A NEW BEAUFORT-JASPER HAMPTON COMPREHENSIVE HEALTH SERVICES CENTER

WHEREAS, Beaufort County has identified the Heirs of Tom Brown Property Parcel to be the most reasonable and safe access point from Martin Luther King, Jr. Drive. to both the Beaufort County St. Helena Library and the Beaufort-Jasper Hampton Comprehensive Health Services Center, both projects being located within the historic Penn Center Campus; and

WHEREAS, Beaufort County is dependent upon USDA grants, public financing and construction deadlines; and

WHEREAS, Beaufort County, through its agents and representatives has attempted to negotiate a purchase of this property, but now finds that time is of the essence as it relates to the construction schedules, federal grants and conditions related to the two projects and it is an absolute necessity to move as quickly as possible toward acquisition of the Heirs of Tom Brown Parcel.

NOW, THEREFORE, Beaufort County Council hereby resolves and declares that the County and its legal representatives have authority to effectuate eminent domain, commonly known as condemnation, to facilitate the acquisition of the Heirs of Tom Brown Parcel for a public purpose vital and essential to the construction of the new Beaufort County St. Helena Library and the new Beaufort-Jasper Hampton Comprehensive Health Services Center located on the historic Penn Center Campus.

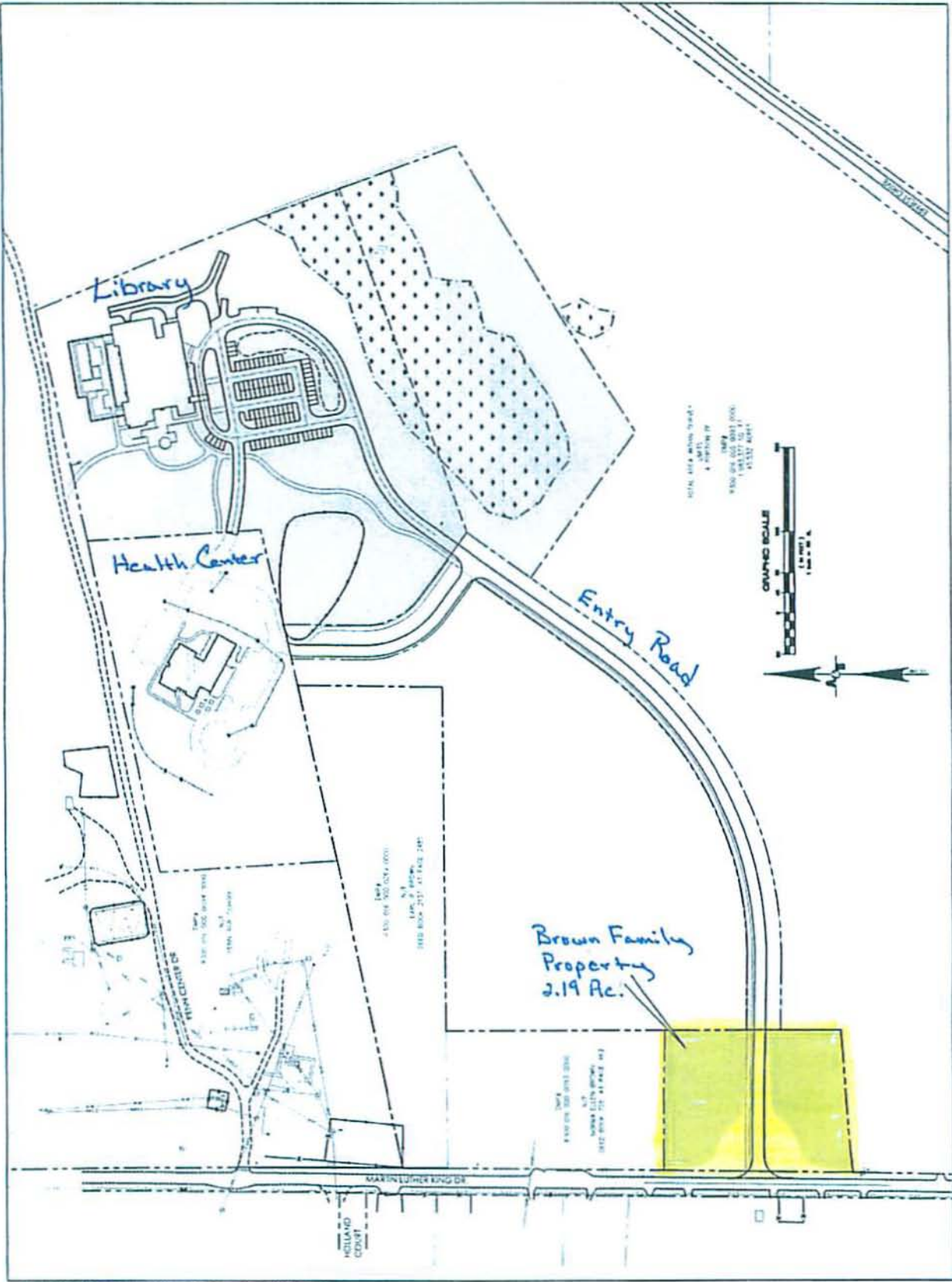
Adopted this 25th day of April, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
Wm. Weston J. Newton, Chairman

ATTEST:

Suzanne M. Rainey, Clerk to Council



2011 /

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA, TO APPROVE THE *FIRST AMENDMENT TO THE DEVELOPMENT* AGREEMENT BY AND BETWEEN COROC / HILTON HEAD I, LLC, A DELAWARE LIMITED LIABILITY COMPANY AND THE COUNTY OF BEAUFORT, SOUTH CAROLINA PURSUANT TO SECTION 6-31-30 OF THE *CODE OF LAWS OF SOUTH CAROLINA*, 1976, AS AMENDED.

NOW, THEREFORE, Beaufort County Council adopts this ordinance so to amend the COROC / Hilton Head I, LLC, a Delaware limited liability company all of which is more fully set forth in the document entitled First Amendment to Development Agreement, a copy of which is attached hereto and incorporated by reference herein as if set forth verbatim.

This ordinance shall become effective upon filing of an executed First Amendment to Development Agreement with the Beaufort County Clerk to Council.

Adopted this ____ day of _____, 2011.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
Wm. Weston J. Newton, Chairman

APPROVED AS TO FORM:

Ladson F. Howell, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: March 14, 2011
Second Reading:
Public Hearings:
Third and Final Reading:

(Amending 2009/12)

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF BEAUFORT)

**FIRST AMENDMENT TO
DEVELOPMENT AGREEMENT
TANGER HILTON HEAD OUTLET CENTER I**
Indexing Reference: Book 2893 at Page 1

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT TANGER HILTON HEAD OUTLET CENTER I is made and entered into effective the ____ day of _____, 2011 by and between COROC/Hilton Head I L.L.C., a Delaware limited liability company authorized to conduct business in South Carolina (the "Owner") and the governmental authority of Beaufort County, South Carolina ("Beaufort County"), a South Carolina municipal corporation.

RECITALS

WHEREAS, the Owner as owner of certain real property located in Beaufort County, South Carolina (the "Property") and Beaufort County entered into that certain Development Agreement for the Tanger Hilton Head Outlet Center I dated March 30, 2009 and recorded in the Office of the Register of Deeds for Beaufort County in Book 2893 at Page 1 (the "Development Agreement"); and

WHEREAS, among other matters, the Development Agreement provides for the redevelopment of the Tanger Hilton Head Outlet Center I (the "Redevelopment") located on the Property; and

WHEREAS, the Redevelopment includes the construction of commercial retail buildings and associated infrastructure on the Property as well as restaurant buildings and associated infrastructure upon one (1) or more of the four (4) outparcel lots fronting U.S. Highway 278, all as depicted in the Master Plan for the Tanger Hilton Head Outlet Center I (the "Master Plan") approved together with and pursuant to the Development Agreement; and

WHEREAS, in recognition of the importance of architectural branding to the success of a retail outlet center, Article XIII Section D of the Development Agreement approves the architecture, architectural details, materials and colors of the retail portions of the Outlet Center; and

WHEREAS, it was the original intention of the parties that Development on the Property, including the outparcel lots, would not be subject to corridor review in accordance with Section 106-581 of the ZDSO; and

WHEREAS, at the time the Development Agreement was being negotiated and reviewed, the Owner did not have agreements completed for the lease or Development of the outparcel lots and therefore could not submit plans or designs for such outparcel lots in advance of the approval of the Development Agreement; and

WHEREAS, the parties have recognized the need for increased flexibility concerning certain signage requirements for tenants and occupants of the retail buildings constructed on the Property in excess of that provided in the Development Agreement and the ZDSO for the Redevelopment; and

WHEREAS, the parties agree that the Development Agreement requires amendment to clarify the intention of the parties with respect to certain matters described in the Development Agreement and to address the matters described above.

NOW, THEREFORE, the Owner and Beaufort County, intending to be legally bound hereby and in consideration of the aforesaid premises and the covenants and agreements set forth in this Amendment hereby agree as follows:

1. **Article XIII Section D.** Article XIII Section D is amended with the replacement of the last sentence in that section which reads:

“Owner and Developer(s) shall, except as otherwise described in this Agreement, be subject to corridor review in accordance with Section 106-581 of the ZDSO.”

with:

“Design review and approval consistent with Chapter 106, Appendix B, Section 4, subparagraph A.1 and subparagraph A.2 of the ZDSO for any Development on the Property shall be the responsibility of and made by the Planning Director and County Administrator and not be subject to corridor review pursuant to Section 106-581 of the ZDSO.”

2. **Article XII Section C.** Article XII Section C is amended with the addition of the following:

“Building Signage Used by Tenants in the Outlet Center.

a. Tenant signs shall be sized per the wall area and are limited to fifteen percent (15%) of the wall area or eighty (80) square feet, whichever is less. Tenant signs along a storefront may be shifted to adjacent, logical locations on the building elevation due to the presence of features and towers. Tenant signs may be stacked on features. (See Arrow C2a on **Exhibit “B-2(a)”** attached hereto and made a part hereof.

b. Tenants located in Building 2 (as shown in **Exhibit “B-2(a)”**) may have signs on the storefront side and one on the rear wall facing Bluffton Parkway. Both the front and rear elevation signs are allowed fifteen percent (15%) of the wall area or eighty (80) square feet, whichever is less. (See Arrow C2b on **Exhibit “B-2(a)”**).

c. Tenants located in Building 4 (as shown in **Exhibit “B-2(a)”**) may have signs on the storefront side and one on the rear wall facing U.S. Highway 278. Both the front and rear elevation signs are allowed fifteen percent (15%) of the wall area or eighty (80) square feet, whichever is less. (See Arrow C2c on **Exhibit “B-2(a)”**).

d. In addition to front wall signage, Tenants located on the ends of Building 1 and Building 3 (as shown in **Exhibit “B-2(a)”**) shall be allowed to have a sign on their side walls. Both the front and side elevation signs are allowed fifteen percent (15%) of the wall area or eighty (80) square feet, whichever is less. (See Arrows C2d on **Exhibit “B-2(a)”**).

3. **Definitions.** Any and all defined terms used herein shall have the same meaning as set forth in the Development Agreement unless otherwise herein defined.

4. **Control.** In the event of any inconsistency between this First Amendment and the Development Agreement, this First Amendment shall control. Except as amended or modified by the

terms recited herein, the Development Agreement and all terms and conditions thereof shall continue in full force and effect.

[signatures follow]

WITNESSES:

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____

Its: _____

STATE OF SOUTH CAROLINA.

)

ACKNOWLEDGMENT

)

COUNTY OF BEAUFORT

)

I HEREBY CERTIFY, that on this ___ day of _____, 2011, before me, the undersigned Notary Public of the State and County aforesaid, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, as the appropriate official of Beaufort County, South Carolina, who acknowledged the due execution of the foregoing document.

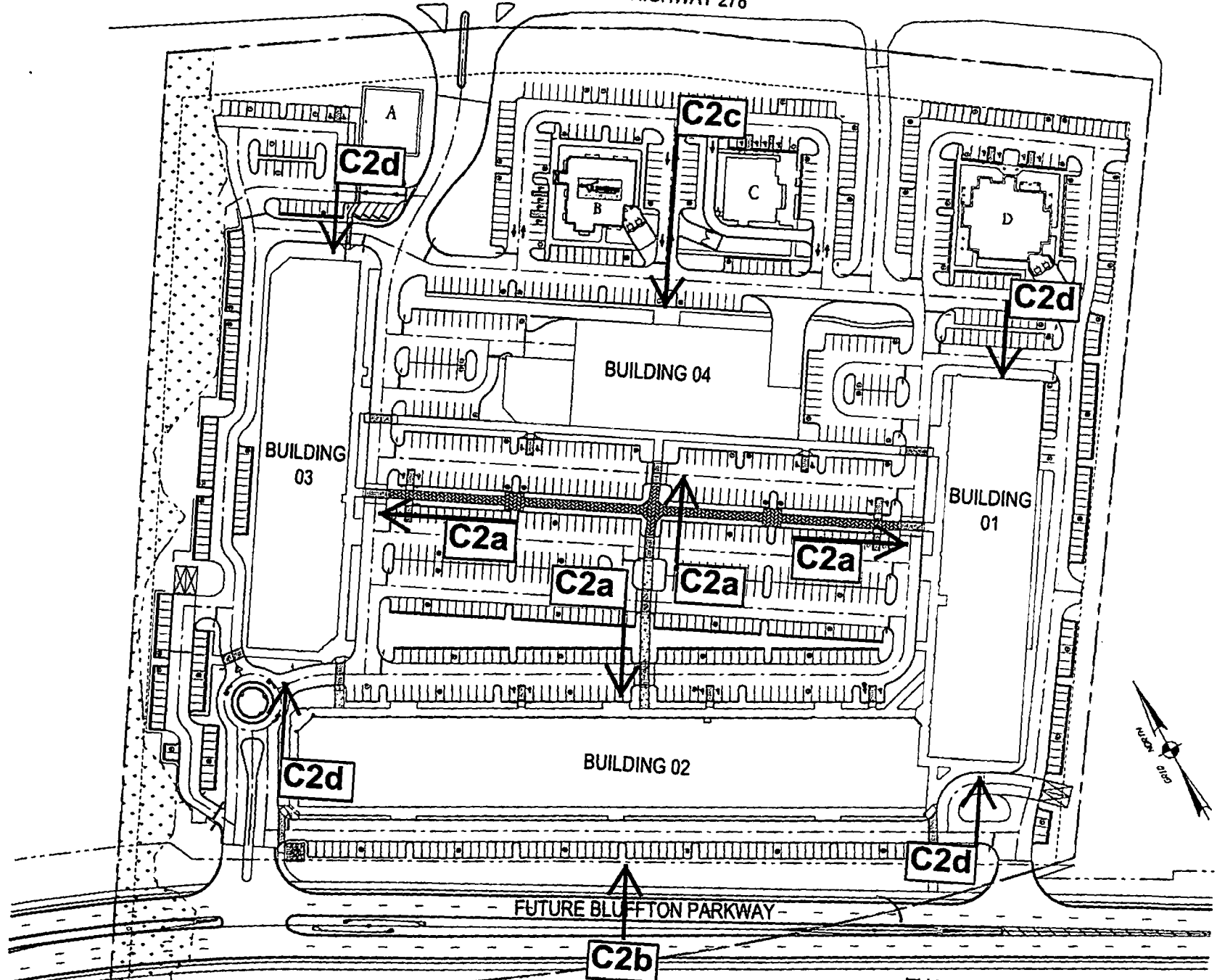
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public for South Carolina

My Commission Expires: _____

Exhibit B-2(a)
TO DEVELOPMENT AGREEMENT
TANGER OUTLET CENTER I PUD MASTER PLAN

HIGHWAY 278



TANGER OUTLET CENTER
HILTON HEAD I
SIGN EXHIBIT B-2(a)

**Public Notice Regarding
Public Hearing and Plan Availability for Review
Lowcountry HOME Consortium Consolidated Plan and Analysis of Impediments**

The Lowcountry HOME Consortium invites citizens to comment on its draft Consolidated Plan. The draft plan will be available for review from *April 13, 2011 to May 13, 2011*, at the Lowcountry Council of Governments, 634 Campground Road, Yemassee, SC 29945 and at the County Government Offices in the following four locations:

1. Beaufort County Administrative Complex, 1100 Ribaut Road, Beaufort SC
2. Colleton County Government Offices, 31 Klein Street, Walterboro SC
3. Hampton County Government Offices, B. T. DeLoach Building, 201 Jackson Street West, Hampton SC
4. Jasper County Government Offices, 358 Third Avenue, Ridgeland SC 29936

Copies of the Plan will be provided upon request. Comments may be submitted in writing to Chris Bickley, Executive Director, Lowcountry COG, POB 98, Yemassee, SC 29945 or by email @ cbickley@lowcountrycog.org.

Public Hearings to review the Plan and Analysis of Impediments and receive additional comments will be at the following locations and times:

<i>Date</i>	<i>Time</i>	<i>Location</i>
April 18, 2011	6:00 pm	Hampton County Council Chambers BT DeLoach Bldg., 201 Jackson Avenue, West, Hampton, SC
April 18, 2011	7:00 pm	Jasper County Council Chambers 358 Third Avenue, Ridgeland SC
May 03, 2011	6:00 pm	Colleton County Council Chambers Corner of N. Jefferies Blvd. & Benson Street, Walterboro, SC
April 25, 2011	6:00 pm	Beaufort County Council Chambers 1100 Ribaut Road, Beaufort, SC
April 28, 2011	6:30 pm	Lowcountry Council of Governments Point South, SC (I-95 exit 33 at US Hwy. 17)

These public hearings and the matters to be discussed are subject to the provision of the Lowcountry HOME Consortium Citizen Participation Plan, developed in anticipation of participation in the Federal HUD HOME Program, which provides for the participation of the citizens of Beaufort, Colleton, Hampton and Jasper Counties in the planning and implementation of projects which will receive HUD HOME funds.

The Lowcountry HOME Consortium and its member local governments do not discriminate on the basis of age, color, religion, sex, national origin, familial status or disability in the admission of, access to, or treatment in the employment in federally assisted programs or activities. Ms. Carol Stonebraker, Lowcountry COG, (843) 726-5536, has been designated to coordinate compliance with the nondiscrimination requirements contained in the US Department of Housing and Urban Development's regulations.

LOWCOUNTRY REGIONAL HOME CONSORTIUM

The Lowcountry Regional HOME Consortium (LRHC) was established in 2006. The LRHC is comprised of Beaufort, Colleton, Hampton and Jasper Counties. Beaufort County is the lead county because of population.

When we started the Consortium in 2006 the affordable housing focus was the construction of homeownership properties. Over the years, the focus or objective has changed. We started seeing the need for owner occupied housing rehabilitation. The objective is now rental assistance.

LRHC has awarded projects in the following activities: new construction homeownership units, single family owner occupied rehabilitation, rental rehabilitation (affordable housing complex), down payment assistance and tenant based rental assistance.

We anticipate that we may fund TBRA for all four of our counties. Beaufort Housing Authority is the only housing authority that is willing to work with us. We may have to administer TBRA for the other three counties. We are identifying projects for our 2012 Annual Action Plan. A public hearing for the 2012 Annual Action Plan will be held at the Beaufort County Council meeting on April 25, 2011.

We have funded the following projects for Beaufort County:

LOWCOUNTRY HABITAT FOR HUMANITY		
4 UNITS - NEW CONSTRUCTION	\$ 71,200.00	
PRINCE & HAMAR STREETS, CITY OF BEAUFORT		
BEAUFORT JASPER EOC - 10 REHAB UNITS NORTHERN BEAUFORT COUNTY	\$ 224,000.00	Underway (completed the 10 proposed)
LOWCOUNTRY HABITAT - 4 UNITS NEW - PENN CTR.	\$ 100,000.00	Underway 3 units 90% completed
BEAUFORT HOUSING AUTHORITY 22 UNITS TENANT BASED RENTAL ASSISTANCE BEAUFORT COUNTY	\$ 150,000.00	First allocation of \$50,000 completed
UNITED METHODIST RELIEF CENTER - 3 ET UNITS 2 UNITS BEAUFORT COUNTY	\$ 34,000.00	2 units completed 3 rd underway
UNITED METHODIST RELIEF CENTER - 3 ET UNITS BEAUFORT COUNTY	\$ 61,200.00	No activity
TOWN OF BLUFFTON - 6 NEW UNITS - WHARF STREET	\$ 150,000.00	Agreement under review
JASPER COUNTY NEIGHBORS UNITED - 9 UNITS BEAUFORT COUNTY	\$ 225,000.00	Waiting for final approval
CITY OF BEAUFORT HOUSING REHAB - 6 UNITS	\$ 150,000.00	Waiting for final approval
DOWN PAYMENT ASSISTANCE	\$ <u>110,000.00</u>	11 home units purchased in Beaufort County
Total Beaufort County allocation	\$ 1,258,400.00	

TOTAL CONSORTIUM ALLOCATION: \$2,476,205.00 since 2006

Other counties total
\$1,217,805.

We have approximately \$175,000 left to be allocated. This does not include the projects that are waiting for final approval. If we have projects that do not expend their entire allocation, those funds go back to be reallocated on other projects. If projects are not viable, those funds are reallocated. So the \$175,000 is an approximate figure.

All beneficiaries of LRHC funds must be low to moderate income (LMI) qualifying. To qualify as LMI depending on household size these are the maximum income limits:

BEAUFORT COUNTY:

# IN HOUSEHOLD	MAXIMUM INCOME
1	\$37,200
2	\$42,500
3	\$47,800
4	\$53,100
5	\$57,350

Following is a table showing the list of income inclusions and exclusions.

Part 5 Inclusions

This table presents the Part 5 income inclusions as stated in the Code of Federal Regulations.

General Category	Statement from 24 CFR 5.609 paragraph (b) (April 1, 2004)
1. Income from wages, salaries, tips, etc.	The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. Business Income	The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest & Dividend Income	Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. Retirement & Insurance Income	The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in number 14 of Income Exclusions).
5. Unemployment & Disability Income	Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except as provided in number 3 of Income Exclusions).
6. Welfare Assistance	<p>Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income:</p> <ul style="list-style-type: none"> ▶ Qualify as assistance under the TANF program definition at 45 CFR 260.31; and ▶ Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c). <p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p> <ul style="list-style-type: none"> ▶ the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; <i>plus</i> ▶ the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage.
7. Alimony, Child Support, & Gift Income	Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. Armed Forces Income	All regular pay, special day and allowances of a member of the Armed Forces (except as provided in number 7 of Income Exclusions).

Part 5 exclusions

This table presents the Part 5 income exclusions as stated in the Code of Federal Regulations.

General Category	Statement from 24 CFR 5.609 paragraph (c) (April 1, 2004)
1. Income of Children	Income from employment of children (including foster children) under the age of 18 years.
2. Foster Care Payments	Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Inheritance and Insurance Income	Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in number 5 of Income Inclusions).
4. Medical Expense Reimbursements	Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of Live-in Aides	Income of a live-in aide (as defined in 24 CFR 5.403).
6. Disabled Persons	Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).
7. Student Financial Aid	The full amount of student financial assistance paid directly to the student or to the educational institution.
8. Armed Forces Hostile Fire Pay	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9. Self-Sufficiency Program Income	<ul style="list-style-type: none"> a. Amounts received under training programs funded by HUD. b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS). c. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program. d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time. e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.
10. Gifts	Temporary, nonrecurring, or sporadic income (including gifts).
11. Reparations	Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
12. Income from Full-time Students	Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
13. Adoption Assistance Payments	Adoption assistance payments in excess of \$480 per adopted child.
14. Social Security	Deferred periodic amounts from SSI and Social Security benefits that are received in a

& SSI Income	lump sum amount or in prospective monthly amounts.
15. Property Tax Refunds	Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
16. Home Care Assistance	Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
17. Other Federal Exclusions	<p>Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions of 24 CFR 5.609(c) apply, including:</p> <ul style="list-style-type: none"> ▶ The value of the allotment made under the Food Stamp Act of 1977; ▶ Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions); ▶ Payments received under the Alaskan Native Claims Settlement Act; ▶ Income derived from the disposition of funds to the Grand River Band of Ottawa Indians; ▶ Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; ▶ Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; ▶ Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721); ▶ The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands; ▶ Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal workstudy program or under the Bureau of Indian Affairs student assistance programs; ▶ Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, OlderAmerican Community Service Employment Program); ▶ Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.); ▶ Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments; ▶ The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990; ▶ Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, state job training programs and career intern programs, AmeriCorps); ▶ Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation; ▶ Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990; ▶ Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran; ▶ Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and ▶ Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.

Committee Reports April 25, 2011

A. COMMITTEES REPORTING

1. Community Services

① [Minutes](#) are provided from the April 18 meeting. Action is required. See main agenda #14.

2. Finance

① [Minutes](#) are provided from the April 11 meeting. No action is required.

3. Governmental

① [Minutes](#) are provided from the April 4 meeting. No action is required.

② [Minutes](#) are provided from the April 5 meeting. No action is required.

③ Bluffton Fire District

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
04/11/11	John Oram	At-Large	Appoint	6 of 11

4. Natural Resources

① [Minutes](#) are provided from the April 4 meeting. No action is required.

② Southern Corridor Review Board

<i>Nominated</i>	<i>Name</i>	<i>Position / Area / Expertise</i>	<i>Reappoint / Appoint</i>	<i>Votes Required</i>
04/11/11	Pearce Scott	Representative Town of Bluffton	Appoint	6/11

Joseph Hall is moving from architect seat to representative Town of Hilton Head Island seat in accordance with correspondence dated November 18, 2009 from Tom Peebles and in accordance with County ordinance 2009/29.

5. Redistricting

① [Minutes](#) are provided from the April 18 meeting. Action is required. See main agenda item #10.

B. COMMITTEE MEETINGS

1. Community Services

William McBride, Chairman

Gerald Dawson, Vice Chairman

➔ Next Meeting – Monday, May 16 at 4:00 p.m., BIV #2

2. Executive

Weston Newton, Chairman

3. Finance

Stu Rodman, Chairman

Rick Caporale, Vice Chairman

➔ Next Meeting – Monday, April 25 at 2:30 p.m., ECR

➔ Next Meeting – Monday, May 16 at 2:00 p.m., BIV #2

4. Governmental

Jerry Stewart, Chairman

Laura Von Harten, Vice Chairman

➔ Next Meeting – Monday, May 2 at 4:00 p.m., ECR

5. Natural Resources

Paul Sommerville, Chairman

Brian Flewelling, Vice Chairman

➔ Next Meeting – Monday, May 2 at 2:00 p.m., ECR

6. Public Facilities

Herbert Glaze, Chairman

Steven Baer, Vice Chairman

➔ Next Meeting – Tuesday, April 26 at 4:30 p.m., ECR

7. Redistricting

Weston Newton, Chairman

William McBride, Vice Chairman

➔ Next Meeting – Friday, May 13 at 9:30 a.m., ECR

8. Transportation Advisory Group

Weston Newton, Chairman

Stu Rodman, Vice Chairman

➔ Next Meeting – August 2011

COMMUNITY SERVICES COMMITTEE

April 18, 2011

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The Community Services Committee met Monday, April 18, 2011 at 4:00 p.m. in the Conference Room, Building 2 of the Beaufort Industrial Village, 102 Industrial Village Road, Beaufort, South Carolina.

ATTENDANCE

Community Services Committee members: Chairman William McBride, Vice Chairman Gerald Dawson, and members Steven Baer, Herbert Glaze, and Laura Von Harten. Member Rick Caporale and Paul Sommerville were absent.

County staff: Morris Campbell, Division Director – Community Services; Bryan Hill, Deputy County Administrator; Ladson Howell – County Attorney.

Public: Roland Gardner, Chief Executive Officer, Beaufort-Jasper-Hampton Comprehensive Health Services; Walter Mack, Executive Director of Penn Center; and John Parham, Chief Financial Officer, Beaufort-Jasper-Hampton Comprehensive Health Services.

Media: Kyle Petterson, *Beaufort Gazette/ Island Packet*.

ACTION ITEM

1. **A Resolution Authorizing the County to Seek the Remedy of Eminent Domain for the Purposes of Acquiring Real Property Consisting of Approximately 2.19 Acres, Owned By the "Heirs Of Tom Brown" Located on Martin Luther King Drive, St. Helena Island, to Provide Necessary and Reasonable Access for the Public to the New Beaufort County St. Helena Library and the Construction of a New Beaufort-Jasper Hampton Comprehensive Health Services Center**

Discussion: Committee Chairman William McBride stated this item deals with the acquisition of property in the vicinity of Penn Center. It deals with the Beaufort-Jasper-Hampton Comprehensive Health Center building, as well as the St. Helena Island Branch Library at Penn Center. He introduced County Attorney Lad Howell to brief the Committee on the background of this item.

Mr. Howell stated Council has been provided with a copy of the resolution dealing with the acquisition of a parcel of property for the construction of the Library project at Penn Center and the construction of the health care facility at Penn Center. He stated we have a problem with the title to the property owned by the Brown family. We cannot resolve the title problem quickly and time is of the essence. Therefore, staff recommends the County to seek the remedy of eminent domain. It has been discussed with the Brown family that we would be seeking this action. They were sent a copy of the first appraisal done on the property with the explanation that

the appraisal was wrong because it was done on the wrong parcel. We since have had another appraisal on the correct piece of property which came in lower than the first appraisal. We will probably be obtaining a third appraisal on the property. The County needs to move forward with the eminent domain process.

Mr. Roland Gardner, Chief Executive Officer, Beaufort-Jasper-Hampton Comprehensive Health Services, spoke before the Committee. The Beaufort-Jasper-Hampton Comprehensive Health Service (BJHCHS) received some funds from the U.S. Public Health Service to build this facility in October 2009. Since then we have been going through the process to obtain the property, while working with the County for the process of where the facility can be built. It was decided that because the facility was going on St. Helena Island, the only place available was at Penn Center due to current zoning. The site donated by Penn Center was the first option. The second option dealt with utilities. Penn Center did not have enough water pressure to protect the health facility or the Library. BJHCHS decided to build a facility that did not require a sprinkler system due to the water line running back to Martin Luther King, Jr. Drive. The third option dealt with the zoning process. What BJHCHS decided to do, and in talking to the Brown family originally, and having the County involved, we looked at every option available. Going through the Brown family property gives a number of things: (i) It protects the health facility building. (ii) It gives water supply to the Library. (iii) It protects all of the buildings at Penn Center. The deadline for BJHCHS is due to the sunset on the funding being October 2011. We have been at this from day one and have tried every option available. Mr. Gardner has known the Brown family his entire life. We have given every option available to the Brown family, and this is where we are today. We have to get this project done and will most likely have to request an extension from the federal government. This project for BJHCHS is \$2.1 million and is a 10,000 square foot facility of which 2,200 square feet will be going to Senior Citizens of Beaufort County. Currently, we will be serving 4,500 patients on St. Helena Island and see, on an annual basis, medical visits of 5,000 to 6,000, 1,500 dental service visits, and 1,000 prescription fills. It serves both St. Helena Island and Lady's Island.

Mr. Baer wanted to know what the problem is in regard to the Brown family property. Is it a difference in price agreement? Do they not know who owns the property?

Mr. Howell stated both their mother and father had a will. They probated the father's will and chose not to probate their mother's will; therefore, it leaves doubt as to who the correct heirs are. Probate in South Carolina takes about two years. We do not have that much time. They still could probate it, and they still need to probate it in order to ensure the validity of the estate.

Mr. Baer stated we have had an architect on this for about a year now, but Council has not seen a map of the property, the two projects and the roads. Mr. Howell presented him the map.

Mr. Baer inquired as to why a water line easement is not being obtained.

Mr. Gardner replied the traffic count for the Library was too large to come in any other part of the Penn Center campus. Also, there are wetlands in other areas.

Mr. Baer stated when the land was obtained, did we know that this was the only access. Mr. Hill and Mr. Campbell stated they were unsure.

Mr. Howell stated Penn Center donated the land and then we have to make it fit.

Mr. Baer stated eminent domain is an extreme last resort. Mr. Campbell stated we are at last resort. Mr. Howell agreed.

Mr. Hill stated with the land donated by Penn Center the County didn't have the ability to move the Library. We had to work with what was given.

Mr. Howell added if we did not have to go through the Brown property, we would not.

Mr. Baer wanted to know if the Brown family was holding out for more money or is the delay due to not knowing who owns the land. Mr. Howell stated we know who owns the land but cannot invest this much public money without a clear title to the land. From a legal standpoint we cannot certify title to build a multi-million complex on it. Condemnation clears the title and does so quickly. We can deposit a fair market value with the Clerk of Court and the property owners can draw down on the money and can differ as to price. Negotiations will remain open and the value of the property will remain open.

Mr. Baer wanted to know if they were going to hire lawyers. Mr. Howell stated they have a lawyer.

Mr. Baer wanted to know if they could block or slow down the condemnation. Mr. Howell stated if they do we will have to change avenues. If they chose to challenge a public use, it will slow it down.

Mr. Baer wanted to know how we got this far down the road before discovering this. Mr. Howell stated we have not just discovered it. It has been negotiated for over a year. We thought they would be reasonable in respect to negotiations. It has been a difficult process. We discovered they did not have clear title six months ago. The property owners maintain that they do have clear title. They don't understand the failure to file the will causes a problem.

Mr. Howell stated the first appraisal, which was done on an incorrect piece of property, came in at \$100,000 for 2.9 acres. The second appraisal, on the parcel we need, came in at \$48,000 for 2.13 acres. The County offered them \$70,000 on the first appraisal which they refused. When we received the second appraisal the offer of \$70,000 was renewed.

Mr. Baer stated he will vote to move this along, but may change his mind at County Council. Condemnations are extreme last resort.

Ms. Von Harten informed the Committee of a piece of property her aunt and uncle owners, near Beaufort High School, that was condemned. It is a hard thing to do, but in the end you have to do what is right. It is a rare thing. In this case we need to move forward.

Mr. Glaze wanted to know what the property owners thought to be a fair market value. Mr. Howell stated they have never given a figure.

Mr. McBride stated no one looked forward and wanted to do this, but when you weigh your options and weigh the needs of the community, it is what we need to do. You have to make decisions that are right for the community.

It was moved by Ms. Von Harten, seconded by Mr. Dawson, that the Community Services Committee approves and recommends Council adopt a resolution authorizing the County to seek the remedy of eminent domain for the purposes of acquiring real property consisting of approximately 2.19 acres, owned by the "Heirs Of Tom Brown" located on Martin Luther King Jr. Drive, St. Helena Island, to provide necessary and reasonable access for the public to the new Beaufort County St. Helena Library and the construction of a New Beaufort-Jasper Hampton Comprehensive Health Services Center.

Mr. McBride requested that “Martin Luther King Drive” be changed to “Martin Luther King Jr. Drive” throughout the resolution.

Mr. Howell recommends that a third appraisal be done on the property. We have stuck with the original offer made on the property and will continue to do so.

Mr. Baer hopes Mr. Brown’s representatives are present at the next County Council meeting. Mr. Howell stated they were notified of this meeting and when it is going to be heard by County Council.

The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Glaze, Mr. McBride and Ms. Von Harten. ABSENT – Mr. Caporale and Mr. Sommerville. The motion passed.

Recommendation: Council adopt a resolution authorizing the County to seek the remedy of eminent domain for the purposes of acquiring real property consisting of approximately 2.19 acres, owned by the "Heirs Of Tom Brown" located on Martin Luther King Jr. Drive, St. Helena Island, to provide necessary and reasonable access for the public to the new Beaufort County St. Helena Library and the construction of a new Beaufort-Jasper Hampton Comprehensive Health Services Center.

FINANCE COMMITTEE

April 11, 2011

The electronic and print media were duly notified in accordance with the State Freedom of Information Act.

The Finance Committee met on Monday, April 11, 2011 at 2:30 p.m. in the Executive Conference Room, Administrative Building, Beaufort, SC.

ATTENDANCE

Finance Committee members: Chairman Stu Rodman, Vice Chairman Rick Caporale, and members, Steven Baer, Brian Flewelling, William McBride, Paul Sommerville, and Jerry Stewart attended. Non-committee member Gerald Dawson was also present.

County Staff: Bryan Hill, Deputy County Administrator; Gary Kubic, County Administrator; Monica Spells, Compliance Officer; David Starkey, Chief Financial Officer.

Public: Doug Henderson, Treasurer Elect and Bob Moquin, Executive Director, Visitor and Convention Bureau.

Media: Richard Brooks, *Bluffton Today* and Kyle Petterson, *Beaufort Gazette/Island Packet*.

Pledge of Allegiance: The Chairman led those present in the Pledge of Allegiance to the Flag.

INFORMATION ITEM

1. Heritage Classic Foundation Support

Discussion: Committee Chairman Stu Rodman distributed handouts to the Committee – a PowerPoint presentation giving an overview of a public/private partnership and an overview of benefits/costs, a newspaper article from April 10, 2011, projected actual of revenue/expenditures for the Heritage for 2011, an overview of Hilton Head Island's occupancy percentages, and an overview of bridge traffic during the Heritage. He informed the Committee that he has not been involved in activity relative to obtaining a national sponsor. He was asked to represent the County in a meeting held in Columbia, SC with governor officials. Also, Chairman Weston Newton, the County Administrator and he were participants of a follow up meeting as well. As part of that discussion the thought of a backup plan arose.

The number that has been talked and vetted is \$30 million, over a five-year period. If the tournament lacks a national sponsor and there is a state sponsorship, many have talked about putting the state into the name. He presented the Committee with a PowerPoint presentation. The plan he has put together is a start place. The plan he presented included private, Town, County, and State dollars. The private contributions he provided were \$1.8 million from the consortium

which he figured to be recruited by the Department of Commerce, and \$600,000 from Sea Pines Resorts. He also figured \$1.8 million in Accommodation Tax (A-Tax) and Hospitality Tax (H-Tax) dollars from the Town of Hilton Head Island (Town) and Beaufort County (County). That is 10% of total A-Tax and H-Tax dollars. Lastly, \$1.8 million would come from the State. The State does spend some level of money to promote the state. That might be a logical place for the State to plug in. The total of all of the funding is \$6 million a year, which equals \$30 million over a 5-year period. He added that if the Heritage finds a national sponsor the allocation of dollars goes away.

Mr. Rodman continued his presentation and reviewed with the Committee the benefits and costs at the local and state levels. Benefits at the local level include TV coverage to promote tourism and future residents, \$4 million of local taxes retained, and a percentage of the \$82 million economic impact. The local cost would be \$2.4 million; \$1.8 million of A-Tax and H-Tax dollars and \$600,000 from Sea Pines Resorts. The benefits at the state level include \$6 million in advertising SC tourism, economic development and products, \$9 million in S.C. taxes retained, and a percentage of the \$82 million economic impact. The state costs would total \$3.6 million; \$1.8 million from the State and \$1.8 million from the consortium.

Mr. Rodman showed the Committee an article in the newspaper titled, *Heritage funding plan temporary, accountable*. He then reviewed a graph showing the Heritage bridge traffic with the Committee. It showed the total traffic going in both directions on the bridge on normal days versus the total traffic during Heritage. It presents a bump that occurs during the Heritage week. Mr. Rodman then reviewed Hilton Head Island occupancy percentages during the month of April versus the three day weekend of Heritage. Mr. Bob Moquin's curiosity arose as to why the three day weekend was used rather than the full week of Heritage. There is a full week of activities during Heritage. Mr. Rodman then reviewed the 2011 estimated actuals.

The following are the comments and documentation submitted by Mr. Baer:

We have heard a lot about the need for County support of the Heritage Golf Tournament, and for 2011 we provided them a 'loan' of \$1million from the County's HTAX reserve fund. We are now being asked for a second \$1 million gift spread over 4 years. Considering how thinly our County finances are now being spread, and the number of key items such as libraries, parks, senior centers etc that are being cut back, it is appropriate to ask, "How much money should the County put up for a golf tournament and why"?

We have just heard Mr. Rodman's view. Mr. Baer has also attempted to construct a view on that topic - from a taxpayer's perspective, using an economic analysis.

To begin, he obtained very recent data from the Hilton Head Island Chamber of Commerce on visitors per month. He plotted that in Figure 1, expressed as a percentage of the total for each year. For example, the peak month is July in each of the two years. For 2010, slightly over 14% of the total year's visitors were there in July. For April 2010, the total was 8.3%. The sum of all months in any year is 100%.

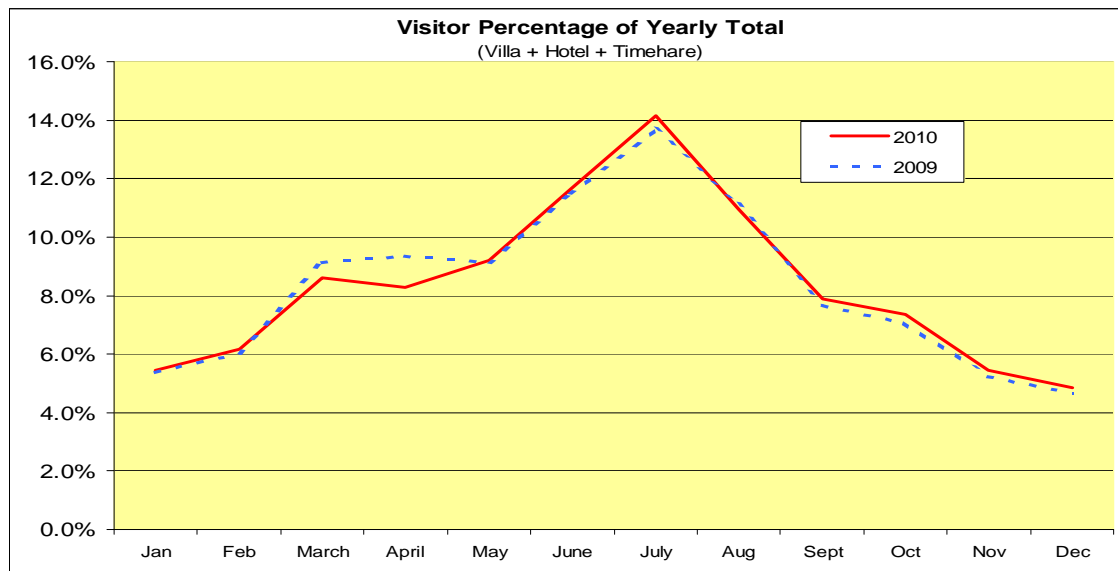


Figure 1 - Monthly Data for HH Visitors - Expressed as a Percentage of the Total for Each Year

You can see from Figure 1 that there is little to no perceptible Heritage bump. This coincides with some anecdotal (admittedly unscientific) data I reported on at the last meeting and noticed again this past weekend. The restaurants on HH are currently quite full. It is even difficult to find a place in their parking lots, and many out of state plates are evident. There is clearly already a substantial April tourist business far from Heritage week. The data in Figure 1 for March also supports this.

Figure 2, column 2 shows the Accommodations Tax (Lodging) = \$724,783 and Hospitality Tax (restaurants, alcohol, grocery and convenience store prepared food sales) = \$1,118,475 collected in the Unincorporated parts of Beaufort County for the total year FY 11. Applying the monthly percentage for April from Figure 1 (8.3%) to this, yields column 3. For April FY 11 the County is estimated to have collected \$60,157 in ATAX and \$92,883 in HTAX.

As mentioned previously, there is no perceptible Heritage bump shown in Figure 1. However, giving Mr. Rodman's data the benefit of the doubt, and assuming both a 10% Heritage bump and a 20% Heritage bump on the entire April data, yields columns 4 and 5. Adding these up vertically says that on the order of \$15,000 - \$30,000 total additional County ATAX + HTAX collections are produced by the assumed Heritage bump. Note that this is based on a bump for the entire month of April, rather than 1 week - a very generous view. If 1 week were used as the basis, the additional taxes collected would be approximately 1/4 of that.

Figure 2 also indicates that at the start of FY 11 our HTAX fund balance stood at \$2,515,555. Hence our previous \$1 million 'loan' to the 2011 Heritage from the HTAX reserves has already used 39.8% of our HTAX fund balance.

Beaufort County Revenues in Unincorporated Areas						
		Amount Collected in April	Value of 10% Heritage Bump	Value of 20% Heritage Bump	FY Start Fund Balance	Heritage % Used
FY11 Yearly County ATAX Revenue	\$724,783	\$60,157	\$6,016	\$12,031	\$1,596,109	
FY11 Yearly County HTAX Revenue	\$1,118,475	\$92,833	\$9,283	\$18,567	\$2,515,555	39.8%
April 2010 Share of Total Year (Visitor Percentage)		8.3%				
ATax, HTax Data from David Starkey 3/21/11						

Figure 2 - Yearly ATAX and HTAX Collected for Unincorporated Beaufort County

Figure 3 summarizes my view from a taxpayer's perspective, based on this and other data.

When you look closely at the Clemson Study, and subtract the multiplier and tax effects, it says that hotels and business are making \$64.5 million in direct cash spending from the Heritage. If that is correct, and County taxpayers are being asked to contribute a large share of our HTAX and ATAX revenues, then why are the hotels, restaurants, and businesses not contributing a similar fair share? Furthermore, there may be a large tax loophole (caused by the 10 day or 2 week exclusion rule, whereby someone can rent their villa or home without paying ATAX). That says we may collect less Heritage ATAX than we think.

As mentioned previously, there is no sign of a Heritage bump in the monthly visitor data (Figure 1). We need to see better supporting evidence in weekly data. Mr. Baer' knows that Mr. Starkey is working on getting us monthly County ATAX and HTAX revenue data. All of this says that the Clemson study may be way too optimistic. Surely its impact is mainly on Hilton Head Island. However, in determining its fair share, the Town of Hilton Head Island should use a logical computation method and question the data as well.

Another important point is the \$1 million 'loan' the County already provided for the 2011 Heritage from its HTAX reserves. In my opinion we were rushed into this loan, without adequate time for analysis. Hence, its terms and conditions are far too vague, particularly with regard to the use of TV time sales proceeds to repay the County. For example, Mr. Rodman and Mr. Baer have spent the past two weeks attempting to trace the flow of funds derived from the sale of the

TV slots, especially the high-value CBS ones. In my opinion, neither of us understand this well yet. What should happen is that the County gets first call on those revenues to repay our previous loan, and that the Heritage does not use them for any other purpose. This is not spelled out in our 2010 loan Ordinance, which leaves far too much leeway and room for opinion. Any consideration of additional funds has to rectify this problem.

Another important point is that our ATAX and HTAX funds are not 'free' money. HTAX funds, for example, can be used for tourism related buildings, land acquisition, river/beach access and renourishment, police/fire/emergency related to tourism, etc. We know that we already have needs and shortfalls in those areas. Hence, slotting excess funds to the Heritage jeopardizes those other projects.

In general, Mr. Baer does not believe that taxpayers should be subsidizing private sporting events. The Heritage could be a special case if its business case & reward-risk were better understood, as I have attempted in this analysis. Based on my analysis at this point, I would propose the following: (i) Tighten the terms of our 2011 loan to get repayment via a first call on TV sales. (ii) If condition one is met, provide County HTAX, ATAX support via 10% to 20% assumed bump calculation. Assuming a very generous view of the entire month of April's revenues as a base, this would provide \$15,000 - 30,000 per year. A more accurate number is about 1/4 of that, accounting for a bump on only a week's worth of revenues.

To those who say that without the Heritage our real estate values will be destroyed, I would say that this is a 'sky is falling' gross exaggeration. If that were the case we should see the real estate industry first in line to make a large contribution. We have not. Any advertising lost could easily be made up by new advertising in target markets, such as the retiree market in the Northeast.

According to the analysis in Figure 2, during the entire month of April, Beaufort County collects \$152,990 in combined ATAX and HTAX revenues. (Mr. Starkey's expected new data will improve this estimate.) At \$250,000 per year, Mr. Rodman's proposal asks for 163% of that - far too large a contribution, in Mr. Baer's opinion.

If the Clemson study is to be believed, (and I think it grossly overstates impact), then the Heritage produces \$64.5 million in direct cash sales for restaurants, hotels, transportation, retail and entertainment during its week here. Even 2% of that would produce \$1.29 million per year, and would show that all are contributing their fair share.

Summary of Heritage Concerns From a Taxpayer's View

- **Clemson Study says Hotels and Business make \$64.5 million direct**
 - County asked to contribute a large share of our HTAX and ATAX Revenues
 - Why are hotels, restaurants, businesses not contributing a similar fair share?
 - Rental tax loophole may inflate ATAX data
- **No Sign of Heritage Bump in Monthly Visitor Data**
 - Need to see better supporting evidence in weekly data
 - Clemson Study May be way off: Impact mainly on HH, but HH should question also
- **Terms & Conditions of Our 2011 'Loan' Too Vague**
 - We were rushed into it, without adequate analysis
- **Use of our ATAX and HTAX Funds Jeopardizes Other Projects**

Proposal

- 1 - Tighten terms of 2011 loan to get repayment via first call on TV sales
- 2 - If condition 1 met, provide County HTAX, ATAX support via 10-20% assumed bump calculation.

Taxpayers should not be subsidizing private sporting events

This could be a special case if Business Case & Reward Risk were better understood

Mr. Caporale commented in driving through the library parking lot, a few weeks ago, he noticed there were five out-of-state license plates for every one South Carolina plate.

Mr. Baer commented possibly some A-Tax and H-Tax monies should go to libraries.

Mr. Stewart commented Hilton Head Island has the most to gain from the Heritage, yet the Town Council has yet to take action. The Mayor said he is going to wait to see what the State and other areas do. He stated it would seem to him that the people who would gain the most would be out there looking for support and supporting this themselves. The people who have the most to gain are the ones sitting back and waiting. They are not pushing or making the commitment that they want to go forward or that they are really behind the Heritage. He stated that is a concern for him. Why are we, who have the least to gain, out there pushing this issue? He stated he would be more comfortable about this and it would be much easier to defend if the Town was putting their money up and showing their commitment. He finds it difficult to support under those circumstances. It is not a foregone conclusion that this item will go forward. He believes a prudent thing to do would be sit back, to wait and see what those that have the most to gain are going to do about it. We have plenty of time to come back with this item and pass it.

Mr. Rodman stated the proposal was not for Council to go out on our own, but was contingent on all of the other pieces coming – the Heritage continues and there is funding from

all the agencies. He stated the reason he brought it forward was because we were advised that we would need to go through three readings. The Town can act without having to go through three readings. They will be using a different mechanism. It was a matter of timing.

Mr. Stewart stated the perception is what he does not like. He does not believe the argument holds, for Council to rush forward at this time.

Mr. Caporale wanted to know if what is being said is that at the time of third reading, if nothing has materially changed, that this will be pulled. Mr. Rodman replied he will not vote to do this at third reading without all the conditions talked about being in place.

Mr. Caporale stated things have materially changed with the contribution from Sea Pines Resort. He stated that is enough to get him to support this for second reading.

Mr. Flewelling stated the timing of this is critical. Even assuming support from other parties, he stated he is not inclined to be in favor of using tax money to support a sporting event. He is supportive of working some other deal that does not include Beaufort County's participation. He is inclined to vote against this on second reading. He hopes this gets tabled, to allow the flexibility to continue negotiating and finish this relatively quickly.

Mr. Starkey reviewed the Hospitality Tax collections with the Committee. As of February 28, 2011, he stated he did a projection based on what was truly collected through out of the unincorporated pieces of H-Tax and then figured out the percentage collected were compared to the prior year. He stated he took that percentage up and down. He did the same for A-Tax. He then applied the figures to last year's collections. With that, we appear to be in realm of collecting approximately \$1.1 million. With the budgeted transfers to the General Fund of \$1.1 million, the budgeted personnel pieces and the budgeted subsidies being the \$200,000 decided to supplement the State A-Tax, we are looking at roughly \$1.1 million in revenues and \$1.4 million in expenditures this fiscal year. Starting out with a \$2.5 million fund balance and roughly having projected net expenditures of \$236,000, we are looking at approximately \$2.3 million at an ending fund balance. If we assume then that the \$1 million is committed for the Heritage note and restricted by that point we would have roughly \$1.3 million in H-Tax for the projected projects Council deems necessary. He stated he is currently working on trend data on a month by month basis on all H-Tax collections for fiscal years 2009, 2010 and 2011.

Mr. Baer inquired as to the uses of H-Tax dollars. Mr. Starkey stated the way our ordinance reads it has to be tourism related. With H-Tax we have also supplemented our General Fund in regard to instances such as police protection and EMS protection for months of tourism.

Mr. Baer stated if we can prove that there is a tourism bump in the libraries, we could use some of that money to support them. Mr. Starkey replied that would have to be proven. One thing to be cognizant of, throughout this County there are a lot of "snow birds" and military folks who have out of state license plate, who are not required to have South Carolina license plates. Just a shear scan of a parking lot would not tell one that this is definitely a lot of tourist. One would have to do some type of scientific based survey.

Mr. Baer wanted to know if it could be used to make payments to the chamber or for other marketing efforts. Mr. Starkey replied yes, if that is Council's will. The H-Tax and A-Tax ordinances are Council's ordinances. Council has decided over the years to use these funds in certain areas. The H-Tax has been a supplement to the General Fund for those pieces that support tourism. The local A-Tax have several buckets that are very specific.

Mr. Stewart stated the H-Tax comes from dining in restaurants and buying alcoholic beverages, etc. Although there is no way to prove the split of how much comes from tourists versus local residents, he is willing to bet that more than half of the H-Tax dollars are from local residents. He stated there was an attempt to build up funds. We are never able to acquire or build up enough funds to put forward things that are important. Every time we do begin building up funds, something comes along for tourism that wants to take it. We are proposing to eat into those funds yet again. We need to be cognizant of the fact that the citizens that live here and contribute to H-Tax funds deserve to have monies put into these parks for their use as well as tourists that come here.

Mr. Flewelling reviewed with the Committee Section 66-534. Permitted Uses of Hospitality Tax Funds, which states the following:

- a. The County is hereby authorized to utilize the funds collected from the imposition and collection of the hospitality tax and other funds deposited into "The County of Beaufort, South Carolina Hospitality Tax Account." The revenue generated by the hospitality tax must be used exclusively for the following purposes:
 - 1) Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
 - 2) Tourism-related cultural, recreational, historic facilities, or land acquisition;
 - 3) River/beach access and renourishment;
 - 4) Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
 - 5) Advertisement and promotions related to tourism development
 - 6) Water and sewer infrastructure to serve tourism-related demand; and
 - 7) The operation and maintenance of those items provided in (a)(1) through (a)(6) above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.
 - 8) For all other proper purposes including those set forth herein.
- b. Authorization to utilize any funds from the "County of Beaufort, South Carolina, Hospitality Tax Account," shall be by ordinance duly adopted by the county council for the County of Beaufort, South Carolina.

Mr. Flewelling added he does not see where the funding of the Heritage would fit in under the H-Tax requirements. He does not see where it would be allowed.

Mr. Baer asked David Starkey to provide Council with the monthly data for A-Tax and H-Tax.

Mr. Rodman stated he would not be opposed if we go forward revisiting the terms of the loan and what would be an equitable split between Council and municipalities. He thinks Mr. Baer's analysis misses two pieces. We spent time at our Worksession meetings about the 43% decline in reassessment for the assessed value across the County. If everything stayed the same there would be a 43% rollup in the tax rates in order to maintain a constant tax. He stated he does not know what the impact of the Heritage is on real estate. He, however, did ask the realtors who said that during of April, with Heritage, versus other months, it increases upwards of 40%. That is the first step that drives real estate. There is that impact. Secondly, we are heavily dependent as a County on attracting a steady flow of people to move here who are retirees. Many of which are wealthy, which is what supports a large part of our total economy, across this County. The amount Heritage impact on that, he is unsure. Tourism is what drives our future residents. Last summer we were approached by the Heritage who was in need. The Town and County each came up with \$1 million. Without those two contributions, the tournament would have been gone. He stated in the meeting that occurred in the Governor's Office in January, the issue was raised about future years and trying to get 2012 covered financially. As time went on, many agreed that the Heritage really needs a multi-year agreement. In order to have a multi-year commitment, it makes sense to have a backup plan. He believes it makes sense to continue the march. The Governor made the comment that she was opposed to it at the time that the 1% sales tax was considered. He stated he has not heard any comments since then. If we do not find a sponsor by the time the contract expires in about two weeks, if we were preceding on a plan then it opens the door for the nation sponsor to come in. it is an appropriate role of government to bridge that gap. He is not prepared to stop at this point in time. We are getting on a bit of a slippery slope. He believes this is the first time where we have entered into discussion of what is good for one part of the County verse another part of the County. What we have is a series of assets. That is a dangerous path to go down.

Mr. Baer stated he lives in the part of the County that would benefit from this, but will be voting against it. He believes this to be a bad business case for H-Tax monies. Secondly, the people who really benefit from this. If the Clemson Study is correct then there is \$64 million in cash flowing through those cash registers. He stated he does not see a whiff of that coming in to volunteer or replace the County's money. Also, in regard to the real estate numbers, he stated the County numbers were 30% in tax valuations. He stated he believes in hard numbers. We get the data and do a mathematical analysis and one will see results. If the realtors have a case to make, let them come here and make it or possibly step forward with a check. He stated in regard to bringing tourists to the area, he had suggested several times to the Chamber that a small amount of money advertising in the northern states would bring people down here. This is a wonderful place to live and retire. We love retirees because they do not have kids in the school system; they spend money, employ accountants, doctors, HVAC, painters, etc. We do not do much to advertise anymore.

Mr. Rodman asked Mr. Baer if he would be willing to move forward if the conditions he mentioned were resolved. Mr. Baer replied at \$30,000 a year, but not at \$250,000. The business case does not stand at \$250,000.

Mr. Rodman stated Representative Clyburn and Senator Graham are actively working the situation. He believes all four of our members who represent us in the General Assembly are actively on board and actively working for this at the state level. He stated it seems to him that it gets to be short-sided to say that because we may fall short elsewhere, then we should not move forward.

Mr. Baer stated if 98% of the money that comes in for these methods, then the PGA will not up its tent because we are a few weeks late on our 2% allocation.

Mr. Rodman stated there has been a lot more going on. There was a foundation put together for \$140,000 from the community. He stated he is aware of a group that tried to put together a major concert to make \$100,000 but were unable to get a name party for this year, but are willing to go forward with it next year. There are a series of things that are happening.

Mr. Sommerville stated he has always been convinced that what is good for Hilton Head is good for the County as a whole. Hilton Head does provide a huge benefit to Beaufort County, schools, Rural and Critical Lands, parks, etc., in both the north and south. He wants to support whatever is good for the Town, because it is good for the whole County. He stated he is confused about why discussions are relative to H-Tax, when A-Tax dollars are to be used as well. He believes we need to look at both. The last time Council voted on an ordinance to provide \$1 million over five years, the vote was 6:5. Today we are talking about \$1.8 million per year coming from the Town and County. He stated he understands the logic of moving forward, but as a practical matter there are two people who voted for it last time who intent to vote against it today. If voted we would have a 7:4 loser. He stated he does not want this voted down. He stated he is in favor of tabling this item. We have spent a lot of time and effort on this. He would like to keep this alive.

Mr. Flewelling stated he will support a motion to table. He read Accommodation Tax language which states tourism related expenditure includes advertising and promotion of tourism and promotion of the arts and cultural events. The distinction that A-Tax funds can be used for events could describe the Heritage. It provides the gateway to use A-Tax verses H-Tax.

Mr. Rodman stated in tabling this item we send a bad message to everyone else. He does not see the downside to us as a Council saying we are prepared to position it for third reading and see what else has developed during that time. The General Assembly has done the same thing. We are doing nothing different than what the legislature does.

Status: No action required. Information only.

GOVERNMENTAL COMMITTEE

April 5, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

The Governmental Committee met on Tuesday, April 5, 2011, at 5:00 p.m., in the Conference Room, Bluffton Branch Library, 120 Palmetto Way, Bluffton, SC.

ATTENDANCE

Governmental Members: Chairman Jerry Stewart, Vice Chairman Laura Von Harten and members Rick Caporale, Brian Flewelling and Stu Rodman attended. Members Gerald Dawson and Herbert Glaze were absent. Non-committee member William McBride also attended.

County Staff: Bryan Hill, Deputy County Administrator; Gary Kubic, County Administrator; Suzanne Larson, Public Information Officer; David Starkey, Chief Financial Officer.

Media: Kyle Peterson, *Island Packet / Beaufort Gazette*; Joe Croley, Hilton Head Island Association of Realtors.

Public: Kim Statler, Executive Director of Lowcountry Economic Network; Andrew Fulghum, Jasper County Administrator.

Mr. Stewart chaired the meeting.

ACTION ITEMS

1. Consideration of Appointments / Reappointments – Bluffton Fire District Commission

Discussion: Mr. Stewart explained this is a carry-over matter from the April 4, 2011 meeting. This is a vacancy in the Bluffton Fire District. Mr. Stewart explained the vacancy is for a seat in his district. Mr. Oram previously served on the Hilton Head Island Fire Department and has extensive knowledge, Mr. Stewart informed the Committee.

Mr. Stewart passed the gavel to Vice Chairman Ms. Von Harten for his nomination.

It was moved by Mr. Stewart, seconded by Mr. Flewelling, that the Governmental Committee approves and forwards a recommendation to appoint Mr. John Oram, representing at-large, to serve as a member on the Bluffton Fire District Commission. The vote was: FOR – Mr. Caporale, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Dawson and Mr. Glaze. The motion passed.

Ms. Von Harten returned the gavel to Chairman Mr. Stewart.

Recommendation: Council nominates Mr. John Oram, representing at-large, for appointment to the Bluffton Fire District Commission.

2. Discussion – An Agreement for the Establishment of a Multi-County Industrial / Business Park; and An Ordinance to Establish a Multi-County Industrial / Business Park in Conjunction with Jasper County

Discussion: These two matters were discussed and voted upon in conjunction. Mr. Stewart gave the Governmental Committee members background on the above matters while they waited for Mr. Andrew Fulghum, Jasper County Administrator. Jasper County is moving forward with a multi-county park agreement for their county park, Cypress Ridge. It is fairly straight forward in that it is in Jasper County. Jasper County is asking Beaufort County to participate in establishment of a multi-county industrial park and an ordinance establishing the business park. Because both counties are intertwined he said they would be taken up at one time. He introduced Mrs. Kim Statler, Executive Director of the Lowcountry Economic Network, who has been involved with Jasper County on this project in all aspects.

Mrs. Statler elaborated on Mr. Stewart's background information. Mrs. Statler reviewed by saying that many of those on the Governmental Committee are familiar with the multi-county industrial park status. The LEN came to Beaufort County years ago because the Beaufort Commerce Park was put into multi-county industrial park (MCIP) status and the partnering county was Jasper County. The 99% was in Beaufort County and the 1% was in Jasper County. The economic development purpose for establishing this legal designation (an MCIP) is that it allows flexibility on the property as potential prospects come forward. Initially, it converts taxes currently collected on that property into a fee. That fee, the only designation done under a MCIP, is that 99% will stay in the host county and 1% will go to the partnering county. Within that 99%, all this document does is allocate money as it would have been anyway. Jasper County would continue the allocation to the school district and retain all the millage they would receive as they already would. Mrs. Statler explained a big benefit of doing a MCIP from an economic development perspective is that manufacturers in South Carolina pay 10.5% if nothing is done to change it and this is extremely uncompetitive. South Carolina addresses that by coming up with the MCIP status, converting to a fee and then on a case-by-case basis the county can determine to lower the 10.5%. The floor is 4% across the board, but those are for very large projects. Normally it is lowered to the competitive rate of 6%, Mrs. Statler explained. The second benefit of a MCIP is that at the state level there is an incentive called "Jobs Tax Credit." Without MCIP status, in Jasper County the Jobs Tax Credit is worth \$2,750 per job created that qualifies, which is that it pays the appropriate wage and is attached to the appropriate project. If it is in a MCIP-approved area, each credit is increased by \$1,000, so in Jasper County's case it would be \$3,750. That is a tax credit against the South Carolina tax liability, Mrs. Statler explained. A company trying to be lured has the ability, in this designated area, to receive a larger benefit than if it is not designated MCIP. In this case, Cypress Ridge is owned by Jasper County and on the map it designates several different properties, some of which have been purchased and are owned by businesses and others are buildings built by Jasper County (owned and subleased back to

businesses). Jasper County has never done the MCIP status on the entire property. As LEN worked with Jasper County to look at prospect traffic, Mrs. Statler said LEN thinks it is important to go ahead, make this designation, get it done and have that step completed as they work with prospects. Before the Governmental Committee is an agreement to allow Beaufort County to be the partner county at 1% in creating this Cypress Ridge MCIP, Mrs. Statler said.

Mr. Flewelling said normally there is an agreement to look at; Mr. Stewart notified him it is included in the meeting packet.

Mrs. Statler said because of the location and the participants inside the targeted MCIP area there is a map showing the layout. The Committee briefly reviewed the map and tax documentation provided. Mrs. Statler explained the packet includes Cypress Ridge MCIP – what is collected now from existing businesses and what 1% would mean. Mrs. Statler told the Committee members to note that if Beaufort County does nothing, a manufacturer who comes to South Carolina does not pay the county operating mill for five years. That is statutory; it is a statutory incentive. Mrs. Statler explained that sometimes a company will say they cannot have both the statutory incentive and the fee in lieu of agreement and may take just the statutory incentive. The MCIP tool was designed to give county governments the ability to negotiate and put projects together.

Mr. Stewart explained that the reason this matter comes before the Governmental Committee today rather than yesterday's meeting was to allow Jasper County Council to approve this matter, on first reading, before Beaufort County examines it. He also pointed out Beaufort County has had a lot of discussion about Beaufort County owning land and an industrial park, and while he does not want to get into a lot of discussion, he pointed out that this MCIP is owned by Jasper County and they have considerable business in there for many reasons, among which is that they provide incentives to industry and business. Mr. Stewart said that unlike Beaufort County, Jasper County is moving forward.

Mrs. Statler, in addressing a question by Mr. Rodman about the map, said Jasper County has about \$1 million on-hand to move forward with additional infrastructure improvements. That has come from Palmetto Electric Rural Development Funds.

Mr. Rodman asked if a company currently in the MCIP area will pick up the reduction in taxes and increase. Mrs. Statler answered, no. It is only the new businesses.

Mrs. Statler pointed out that in Beaufort County there are manufacturers who pay 10.5% now. Beaufort County never did an agreement to lower their taxes, so some of the existing manufacturers are very sensitive to taxation because they pay such a high rate. It did not matter when they came here as much in the late 1970's because the assessed value was not so high, but over the years as assessed value climbed the businesses have come to the LEN and asked what can be done for them. Mrs. Statler added that it cannot be changed unless there is a new project, new job creation, etc. and even if those happen only the incremental side can be touched. The existing investment cannot be touched. It is something that will be paid attention to moving forward.

Mr. Rodman said he remembers when looking at the airplane and boat taxes there is a much lower millage so someone paying 10.5% to Beaufort County may not be any different than someone paying 4% or 6%.

Mrs. Statler acknowledged that is true but gave an anecdote. One manufacturer in Beaufort County pays well more than \$100,000 in property taxes. They normally do not ask until something comes along and the business sees a blurb about how to get incentives, or 6% versus 10.5%. Mrs. Statler explained that constitutionally one cannot go in and say they can tax one entity this much and another entity another amount. What is done, through the fee in lieu agreement, is the tax is converted to a fee and based on the capital investment in jobs a policy decision can be made to change the tax rate if the entity is new.

Mr. Rodman said one problem many poor counties have is that there is such a low tax base if they attract someone to come in, that company is the tax base and runs the risk of really paying a lot of taxes.

Mrs. Statler said the flip side of that is that most of the tool sets are based on taking property taxes that would have been paid and taking the value of that, multiplying by 20 years to show some sort of economic incentive.

Mr. Stewart commented on Mr. Rodman's earlier comment and added that in Jasper County the millage rate is much higher than in Beaufort County's, but the other side of the coin is that their appraised value is lower as well. It is a double-edged sword. There may be a much higher millage rate, but the appraised tax value is a lot lower so that multiplied together they are not as different as one might think they would be.

Mr. Baer said when Beaufort County studied the airplane tax, Beaufort County's product of the two was amongst the lowest in the state in the many counties he examined. Mr. Baer said to Mr. Stewart that the Beaufort Commerce Park is a MCIP, so the County can do a "FILO" (fee in lieu of) with no problem at all. Also, a new manufacturer coming in can get the statutory incentives so the comment that it cannot be done because the County does not own them is not valid.

Mr. Stewart explained there are other constraints such as having the ability to have the monies from the utilities, which is used to make buildings and infrastructure. Mr. Stewart welcomed Mr. Fulghum and turned the discussion over to him.

Mr. Fulghum noted that the document on the tax status talks about the size of the property, and that there is a schematic of Cypress Ridge Industrial Park. It is the only county-owned park and it is basically the shaded gray area on the map provided for the Committee. One property not included is the Palmetto Electric Co-op building. The total property being considered is about 21 separate parcels, consisting of 367 acres. Mr. Fulghum stated Jasper County wants to place that in the MCIP designation and would like for Beaufort County to be the partner with Jasper County being the host county. There are two ordinances, one for Jasper

County and one for Beaufort County. There is also a companion agreement for the establishment of a multi-county park that is a companion document to the ordinances. He briefly reviewed that Beaufort and Jasper counties have been partners in several other MCIP arrangements and those are going well. This one is particularly important because they never had to do a MCIP status on this property because of the way it developed with a couple private development projects that did not need the benefits associated with a MCIP, Mr. Fulghum said. The remaining buildings in that MCIP are county-owned buildings, speculative buildings, leased out.

It was moved by Ms. Von Harten, seconded by Mr. Caporale, that the Governmental Committee approves and forwards to Council recommending approval of an agreement between Beaufort County, South Carolina and Jasper County, South Carolina for the establishment of a multi-county industrial / business park; and an ordinance to establish a multi-county industrial park to be known as Cypress Ridge Multi-County Industrial Park in conjunction with Jasper County, South Carolina.

Ms. Von Harten said she has never been to this park and said she was curious about it. Mr. Fulghum said the frontage for this property is U.S. 278, just west of Ridgeland.

Mr. McBride asked what kind of business Tyco is, and Mr. Fulghum answered that they produce tugs – small vehicles that pull around port-related chassis.

Mr. Caporale asked about how many jobs there are as a result of the businesses in the area slated for the MCIP. Mr. Fulghum answered that it ebbs and flows with Tyco being the largest employer with at one time up to 150 employees. He added he thinks they are operating at about 50 employees now. Haven Homes, the most recent private business in the park, makes manufactured homes and has all but slowed in the current economy. The spec buildings have businesses such as Ohio Gratings, Inc. and Brown-Campbell Company. These have fewer than 10 employees each.

Mr. Flewelling called to question.

The vote was: FOR – Mr. Caporale, Mr. Flewelling, Mr. Rodman, Mr. Stewart and Ms. Von Harten. ABSENT – Mr. Dawson and Mr. Glaze. The motion passed.

Mr. Baer asked, suppose one has an MCIP in two counties, Jasper and Beaufort, could a business shuttle from one to the other every five years to restart the five year abatement. Mr. Fulghum shook his head. Mr. Baer said they watch for those things.

Recommendation: Council approves on first reading an Intergovernmental Agreement between Beaufort County, South Carolina and Jasper County, South Carolina for the establishment of a multi-county industrial / business park; and an ordinance to establish a multi-county industrial park to be known as Cypress Ridge Multi-County Industrial Park in conjunction with Jasper County, South Carolina.

GOVERNMENTAL COMMITTEE

April 4, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

The Governmental Committee met on Monday, April 4, 2011 at 4:00 p.m., in the Council Chambers, Administration Building, 100 Ribaut Road, Beaufort, SC.

ATTENDANCE

Governmental Members: Chairman Jerry Stewart and members Rick Caporale, Gerald Dawson, Brian Flewelling and Stu Rodman. Members Herbert Glaze and Laura Von Harten were absent. Non-committee members Steven Baer, William McBride and Paul Sommerville also attended.

County Staff: Gary Kubic, County Administrator; David Starkey, Chief Financial Officer; John Webber, Disaster Recovery Coordinator; William Winn, Division Director – Public Safety

Legislative Delegation: Senator Tom Davis and Representative Andy Patrick

Media: Kyle Peterson, *Island Packet / Beaufort Gazette*; Joe Croley, Hilton Head Island Association of Realtors.

Public: Brian Holbert, Staff Attorney Town of Hilton Head.

Mr. Stewart chaired the meeting.

ACTION ITEM

1. Disaster Recovery and Reconstruction Ordinance

Discussion: Mr. Stewart explained the Disaster Recovery and Reconstruction Ordinance has some urgency associated with it because of the upcoming hurricane season. He introduced County Disaster Recovery Coordinator John Webber.

Mr. Webber explained the ordinance was passed in 2008, and there has been an opportunity to go through the ordinance's policies several times to prepare for hurricane season and other situations. He presented the revised Disaster Recovery and Reconstruction Ordinance as follows. The sheets before the Committee are basically a grouping of four items of revisions – some minor housekeeping and others policy changes relating to several key areas and temporary housing. The first category is that there have been title changes of the Recovery Director and Deputy Director, Mr. McFee and Deputy Director, Mr. Campbell. Those changes appeared in three separate places. The second category covers Federal Emergency Management Agency (FEMA) policy changes and basically this involves FEMA deciding to remove the percentage

indicators in several program areas. Those program areas are damage assessment in Section 109(6) and permitting Section 109(13) and field inspections reports in 109(16)c. He said he thinks some communities were relying too much on the percentages and not much on detail. He said Beaufort County had a lot of detail that described the level of damage at various levels so it was easy to modify. The third category concerned revisions related to response and recovery that are in the Recovery Plan, and it basically comes from the fact that annually response, public safety, emergency management, etc. come together and share review and recertification of each of the recovery functions, as well as the response. He said the various entities get together and review these many aspects and focus on early portions of time and, of course, recovery as it extends into the future. From those reviews, they dealt with updates in federal and state policy. The example he gave regarded the FEMA policy changes. Also, on occasion activities were added to meet the needs of either a targeted group or a policy area combined with another. For example, Section 105(1) added two additional recovery functions. Also going through the process, particularly working on temporary housing not just for the review period, the ordinance has been updated as a result of a work item listed within the ordinance that suggested the County might pursue what Mr. Webber said he would present for a temporary use of temporary units to allow for promotion of temporary housing solutions. He said that he is not sure how much detail the Committee wants to hear but the Section 105(1) changes with the new recovery function #25 is a recovery function covering County employees; the County did not have in recovery a separate function area to address their needs and defining roles. County employees are key players in recovery, so it was not a hard decision. He explained that one of the reasons for slowness of recovery in many areas is the due to the lack of County or municipal employees returning. To address that matter, in conjunction with the DMD, they have supported in some cases County initiatives such as the backup pay system for employees. He said they also are trying to fashion the applications of the County's Emergency Action Plan to a disaster situation or long-term recovery situation to meet the employee needs.

Mr. Webber then went on to explain another recovery function – the mortuary operations recovery function. He said County Coroner Ed Allen is the task leader and the focus is on mass casualty situations, as well as acting as the point of contact with FEMA in this recovery function areas. Mortuary Operations also maintain relationships with the state and regional level to support Beaufort County's needs in this area.

Mr. Webber then went on to discuss temporary housing. Section 109 deals and begins with temporary use permitting, some revisions, then there are new provisions to allow temporary housing under certain conditions. Section 109(24) starts out essentially granting the authority to issue temporary use permits to help restore a part of the County. Section 109(24)b expanded the definition of "detrimental impacts." In other words, the current ordinance just says that a temporary use permit will not be issued that will have a detrimental impact on a neighborhood.

Mr. Sommerville pointed out that this section has too many double negatives in it.

Mr. Webber continued to say the definition expanded to say that a temporary use will not have a long-term detrimental impact. In this section, the period of time was extended for temporary use permits to be allowed from two years to five years. It would have to be extended

annually based on evaluation of whether the conditions have changed that allowed the homeowner to place a temporary unit on that parcel. Section 109(24)c adds single-family residences repair as a temporary use under these provisions. That would allow the homeowner to put a temporary unit on their property, with some fairly significant restrictions. Those would be one unit per lot, and for one year at a time for up to five years. It would have to be a damaged single-family home and conform to Section 111(22), which restates some limitations and limits one unit per owner occupied lot. The damage must be minor with no restrictions on use as the damage classification. Mr. Webber stated that Mr. Arthur Cummings and others involved in developing these policies suggested it would not make sense to allow homeowners to go back onto parcels where the structures would present a hazard to the family. He said the objective is to re-attract people to the County as safely and quickly as possible. Also these would have to conform to another section of the Recovery Ordinance – Section 109(13), which allows the County to promote immediate repairs if the damage is characterized as having no restrictions on use or occupancy. That would not require plans because of the minimal nature of the damage, or permits or any inspection activity other than the damage assessment report. Mr. Webber said the Section 109(13)d essentially states that no grandfathered or non-conforming use status is allowed as a result of anything allowed to be built under the temporary use permit.

Mr. Flewelling pointed out a typo, “ant use.” Mr. Webber said it should be, “and use.”

Section 111 restates temporary housing general policy. It is the section where the original ordinance said the County would consider developing a process that would allow for a temporary use situation to promote placement of units on owner occupied single-family parcels. That section revised it to that extent and then repeated the same limitations on use such as one unit per parcel. Mr. Webber said that was about all.

Mr. Flewelling began to speak, but Mr. Stewart interjected to say he had a general question. Mr. Flewelling said his was a general question as well.

Mr. Stewart asked for clarification about what Mr. Webber expects from the Committee today because he said on page 15 it says, “any changes to make to the Recovery Plan identified either by annual review or after an action report will be made at the discretion of the Recovery Task Force and shall not require County Council review or action.” Mr. Webber concurred that was true. Mr. Stewart further asked what he wants, and whether it applies to Council at all.

Mr. Webber said he discussed and made that same point to Mr. McFee and others involved higher up than he, and they suggested, especially portions of the temporary housing provision, need to be discussed with Council. They did not feel comfortable about making that decision unilaterally, so Mr. Webber said he is here today.

Mr. Stewart asked if he is here to discuss or whether there needs to be a motion sent to Council for action. Mr. Webber answered that his personal view is that the County should stick to what the ordinance says about amending and because frankly it was written that way by Council to allow the Task Force to act in a disaster with more haste. He said he would like to ask Mr. Winn, frankly because he helped author the ordinance.

Mr. Winn recommended that because some of the changes are actually changes in the ordinance, redefining some of the responsibilities and name changes, and as part of an ordinance, those changes should be made by Council. What is made reference to in changing the plan is that after a storm something needs to be changed the Task Force has the authority to do so. When starting to redefine authority to take action, it needs to be approved.

Mr. Stewart said that clarified and he apologized to Mr. Flewelling.

Mr. Flewelling asked if this changes any of the Council's obligations or duties, vis-à-vis the municipalities. In other words, are they required to change anything in their plan based on what is discussed. Mr. Webber answered that it does not require the municipalities to do the same things the County does, although there are signed agreements among municipalities and the County to do the assessments of damage together. Mr. Flewelling said he therefore assumes when/if this is approved by Council, the municipalities would be brought on board with what changes were made. Mr. Webber stated they talk to the municipalities all the time and suggested that because they are all working together on that end they should work together on others.

Mr. Stewart pointed out a few points that came out of a meeting prior to this Governmental Committee meeting. 1. Reading through the proposed ordinance, there are a few places indicating the Council has some responsibility before or after a disaster. He said he brought up, and he knew when in Washington, D.C. at the beginning of the month he attended as session where asked if he knew his responsibilities as a council member, he does not know what his role is in a disaster or recovery. He said he is not aware of any sort of notification of the Council's role or responsibility, if any. The intent is to, at some point, have a workshop to go through and talk about what the Council does, does not or should do. Mr. Winn said Mr. Kubic directed staff to put together a workshop for Council. Mr. Kubic said the question of each of the roles, respectively, is planned for review in a workshop that will be specific to elected officials' roles. He said they wanted to create a scenario where there is an indicator of a storm three days out, and then go through the progression to, when the storm hits and then recovery. 2. Mr. Stewart asked about how there could be a Council decision such as how to order a curfew when Council members may have dispersed and there could be a lack of quorum. Mr. Kubic informed the Governmental Committee members that they are researching, and making an assumption that, going through the exercises and share information to learn the County will have the opportunity to understand the implications of all the various declarations. The Council would be convened before a disaster and hand the responsibility over using the appropriate protocol. Mr. Kubic added that post-recovery and not knowing where one is at may make it impossible to convene a session. He said they will check with other areas to see what they do, but noted the protocols are all "conditionalized."

Mr. Stewart asked of Mr. Kubic if they want the Committee to move forward and Mr. Kubic said he hoped so.

Mr. Caporale mentioned that Mr. Webber discussed paying Council employees and he said he was curious about it. In a really bad storm will the County pay everyone and for how

long. Mr. Kubic explained the County pays for services rendered. He added he is not sure he has the authority to pay for services not rendered.

Mr. McBride said he believes the School Board plans to pay for the first number of weeks if there is an evacuation.

Mr. Caporale said when the Master Plan Update was completed there were some comments in there about the role of the airport in disaster recovery being vaguely defined or not defined in sufficient detail. He asked if there had been any work done on that.

Mr. Winn asked if Mr. Caporale referred to the Hilton Head Island Airport, to which he confirmed. Hilton Head Airport is an evacuation center, where the terminal is used to bring people from all the buses to the terminal. The large Lowcountry Regional Transportation Authority (LRTA) buses will move from there. There is a partnership with the Airport Manager to bring in additional aircraft from other companies to get the people out. On the recovery end, if the bridges are knocked out or causeways damaged the Hilton Head Airport is the re-entry point with helicopters and aircraft. It would be used as the command center to expand from into the island. In Search and Rescue, it is a “lily pad” location. There is a massive search and rescue plan for South Carolina where the Ridgeland Airport is the main airport for operations and areas in the county are designated as lily pads. This means when people are spotted and a small helicopter comes in to rescue them, they fly to the lily pad. Once there are a large number of people, 30-40, then a transport helicopter comes in and hauls off all of those people at once to Ridgeland.

Mr. Caporale asked about the comments made by the Airport Master Plan consultants Talbert and Bright made in that vein have been remediated. Mr. Winn said he did and added that he thinks there is an adequate plan. Mr. Caporale said this may only refer to the unincorporated portions. It is still a curiosity of whether the County or municipalities have worked closely enough on this so everyone is comfortable, Mr. Caporale said. Mr. Kubic said it is all coordinated and the path of the storm dictates the response. Mr. Winn added that those present should understand that in South Carolina there is a statewide Comprehensive Disaster Plan, and by state law that is the plan the state must respond with. As part of that plan, there are 46 annexes – the county emergency operation plan for each county. The plan before the Committee is a subpart of the County’s emergency operation plan. When the Governor declares a state of emergency that puts the plan into action and makes the plan legal and binding. The County’s plan, as an annex to the state’s plan, makes it legal and binding.

Mr. Baer said he wrote an article for his computer club newsletter analyzing the telecommunications capabilities on Hilton Head Island. He said it is, based on his background in the telephone industry, a place where if there is a power failure all phone service will fail within a few hours. He added cell phone networks will probably fail as well. He said the plan needs to be aware of the fact that there will not be any phone service. Mr. Winn assured Mr. Baer that it is. There are satellite phones, a backup system, a backup to the backup, and a backup to that backup. Mr. Baer explained he was referring to contact with the public and coordination thereof. Mr. Winn noted that during Hurricane Katrina in all the damaged areas one thing that stayed up

was cell phone texting. Mr. Baer said it is as long as there is power at the sites. Mr. Winn said there are generators at many of the sites. Mr. Baer said if the control link is cut they will not work. Mr. Winn said they will because the control link in for example Charleston controls part of the county, but another part comes through Walterboro and another through Savannah. This means all is not lost, but only isolated areas.

It was moved by Mr. Flewelling, seconded by Mr. Caporale, that the Governmental Committee approves and forwards to Council with recommendation of approval on first reading text amendments to the Disaster Recovery and Reconstruction Ordinance, Section 104 (1), Section 105 (1); Section 106(1), Section 106 (2)(g), Section 109 (6), Section 109 (8)(b), Section 109 (13), Section 109 (16)(c), Section 109 (24)(b), Section 109 (24)(c), Section 111 (2), Section 111 (4) and Section 115 (1). The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Glaze and Ms. Von Harten. The motion passed.

Recommendation: Council approves on first reading text amendments to the Disaster Recovery and Reconstruction Ordinance, Section 104 (1), Section 105 (1); Section 106(1), Section 106 (2)(g), Section 109 (6), Section 109 (8)(b), Section 109 (13), Section 109 (16)(c), Section 109 (24) (b), Section 109 (24)(c), Section 111 (2), Section 111 (4) and Section 115 (1).

INFORMATIONAL ITEMS

1. Discussion – Upcoming Legislative Session

Discussion: Mr. Stewart introduced Senator Davis and Representative Patrick, who attended the meeting to brief the Governmental Committee on issues before the state Legislature.

The briefing began with Senator Davis. Senator Davis reviewed that last week the Senate passed a bill that would define the word “occurrence” in general liability policies issued to contractors to include coverage for defective subcontractor workmanship. Recently, there was a South Carolina Supreme Court decision that narrowly defined the word “occurrence” to mean somebody who got injured, there was an accident and it did not extend to defective workmanship. In light of that decision, the General Assembly decided in the future to define “occurrence” in favor of coverage. This is headed to the House. This week, the Senate is taking up a tort reform bill from the House. Its main feature is a cap on so-called punitive damages. He explained there are two types of damages compensatory and punitive as a result of negligence. Punitive damages are not designed to compensate the victim but to punish the bad behavior, Senator Davis explained. The business community has pushed to have punitive damages capped to lend a bit more certainty to the business environment. The proposed cap would be three times the actual damages, or \$300,000, whichever is greater. The debate on the floor this week will be concerning the exception to that cap – when behavior is so egregious that the wrongdoer should not enjoy the cap. Senator Davis said he expects debate to continue through the week. Then it would go back to the House for further consideration. A looming issue coming before the Senate in a few weeks, which in some respects will bring up issues with regard to Sembler, will be what is the degree that the state should involve itself in economic development in terms of providing incentives. In 1998, South Carolina gave \$34 million worth of targeted corporate incentives. In

the most recent year South Carolina gave incentives in the amount of just under \$600 million. It ballooned, and this is not including the incentives for Boeing. Senator Davis said this is coming to floor because Amazon is constructing a distribution center in Lexington County. Amazon wants its sales of books exempted from paying sales tax and if there is no exemption to the sales tax Amazon may leave and go elsewhere. Senator Davis explained people will see the debate, again, over whether or not a specific tax break should be given to a particular industry that is doing business and competing with other entities that do not enjoy that same break. Aside from that, the Senate will take up the budget and in about a week or two the Senate Finance Committee will be done with the House version of the budget and will submit for full Senate. That will occupy much of the time. After that, the Senate will address redistricting, which apparently sucks all the oxygen out of the room at the end.

Mr. Stewart thanked Senator Davis and said he appreciated his having to give up citizens in redistricting; he too will face it.

Senator Davis said the patterns of people moving are interesting. He noted Hilton Head remained relatively stable but Bluffton grew to the point that he thinks another House seat may be based in Bluffton.

Mr. Stewart said he knows and appreciates the discussion that will occur with respect to Amazon, but said Senator Davis mentioned Sembler. He suggested that there needs to be some differentiation. Sembler is a totally different type of beast in the way it relies on selling in the region; it is strictly retail. Amazon is a little more.

Senator Davis agreed there is certainly a different business model with different implications on the market. He said he thinks the jumping off point has to be: What do you expect government to do? What sort of things do we expect it to do? Do we want it to do the very basic things such as public safety, civil justice system, roads, schools, etc? Do we want it to be actively out there in the marketplace deciding what corporations should get tax breaks and which should not? There is a school of thought that yes, government has to couple itself with the private sector. He said he quite frankly does not count himself among those. If the state gives out tax breaks of almost \$600 million per year, that is paid for by higher taxes for everyone else. If the state did not give away millions of dollars per year in special deals there would be lower taxes paid by everyone. Quite frankly, South Carolina does not have the wealth to play this incentives game. It does not have the ability to go toe-to-toe with Texas or other states having the ability to give big packages. South Carolina should focus on doing what it can do well – be the freest state in the country with low taxes across the board. There should be a sound retirement system, good roads, and that would be the way for South Carolina to prosper. Senator Davis said if South Carolina goes out there big game hunting with the wealth it has it will not be able to compete nor is it good for the free market.

Representative Patrick gave a brief to the Committee about the House-related matters. Roll call voting came back to the House from the Senate, and the House concurred. That is now at the Governor's desk awaiting signature. The House consolidated the Department of Corrections and Probation, Parole and Pardoning Services; that will go to the Senate. The Senate

sent over a bill to allow the Director of Health and Human Services to set the provider rates for Medicaid providers, and this was passed by the House. Next week, the House will take up the matter of Voter IDs. Rep. Patrick explained there were some changes from the House bill to the Senate in the form of early voting. He said he thinks the House decided to take early voting out of the bill all together and pass a Voter ID bill.

Mr. Stewart stated he received some questions about where this bill is in the process. He asked if taking early voting out would make it consistent with the Senate. Rep. Patrick said he thinks that will be something to be reconciled at Conference Committee. He explained it is much more difficult to move legislation in the Senate in that the minority party has parliamentary procedures and things they can do to hold bills up. He explained one way the Voter ID bill got passed in the Senate was by having a two week early voting period. It received enough Democratic votes to move it. He said thinks the two versions will be reconciled in Committee.

Senator Davis referenced the Medicaid measure that Rep. Patrick mentioned. He added that it is extremely important. South Carolina has a \$220 million deficit this year in Medicaid. He explained that the primary reason for that is mandates and restrictions that General Assembly in South Carolina uniquely places upon its Medicaid director. There are three cost drivers in Medicaid – 1. Population receiving Medicaid services 2. Nature of services provided 3. Reimbursement given to providers of services. South Carolina is unique in that it tells the Medicaid director the Medicaid reimbursement rate to providers cannot be lowered. He said the federal regulations place restrictions by not allowing anything to be done that would diminish the size of the Medicaid pool; it is locked in. Senator Davis said the only variable to the director for controlling is provider reimbursement reductions, but when doing so care must be exercised to not lower reimbursement rates to the point where doctors will not provide services. It is important to put the tool in the director's hands.

Mr. Stewart asked Rep. Patrick about a bill introduced by Beaufort County's delegation, to amend the law with respect to the probate judge and basically making it an autonomous position and taking it out of the control of the county. He said there are concerns related to Home Rule and potential liability since the county pays the bills and has to provide the resources but do not have control beyond that. Mr. Stewart said he knows it was the Beaufort County Delegation to bring that matter forward. He said the Council Chairman asked him to bring it up and ask what the consensus is about whether or not we would support. He asked for comment on why that was brought up or reasoning and thought behind.

Rep. Patrick joked that he was hoping Mr. Stewart would not ask him that question. He said it is probably not going to make it out of the committee level, frankly. He said he cannot give a good explanation of why it came up, but it is unlikely to proceed.

Mr. Stewart summarized that Rep. Patrick would feel Council does not need to take any action one way or the other.

Mr. Flewelling said his problem is that Probate Court has certain obligations here in the County within the structure. That in the absence of the Clerk to Court, Probate Judge steps in as

temporary Clerk of Court until another is appointed. If Probate Court is taken out of the County's jurisdiction then it creates a hole.

Senator Davis advised the members keep on their horizon the Assessable Transfer of Interest (ATI) bill, which is on the calendar. He explained that as a matter of procedure in the Senate any senator can object to a bill and put his/her name on the bill, or a minority report can be filed that needs a unanimous consent to take it off. The only way a bill can then be heard if objected to in either of those manners is to give it a special order slot, put on the roster irrespective of those objections. There are two ways to do that. 1. Through a general vote of the body needing two-thirds of the senators present and agreeing to put on. Given the Senate makeup it would be hard to achieve. 2. Rules Committee slot by which if the majority of the Rules Committee agrees to put a bill forward for special order it only takes a majority of the Senate to take up a bill. Senator Davis said if the ATI Bill gets a Rules Committee Special Order Slot there are probably enough votes to get it in the slot. The question, procedurally, becomes whether there are enough votes to defeat a filibuster. In that case, there would have to be 24 hard votes of senators on second reading to stop a filibuster and 26 hard votes on third reading. Senator Davis said there is strong sentiment on this bill, especially in the Real Estate and development community, that the appointed sale aspect of Act 388 chills Real Estate sales. This is not new ground, but he said in good faith he feels he should point out this bill did pass Senate Finance and is on the calendar. There is some strong interest in giving it the Rules Committee slot.

Mr. Stewart noted there was movement at the beginning of the Legislative Session about the ATI held over from last year. He said at that point he understood the Legislature asked for the Association of Counties and Municipalities to get together with the Real Estate lobbyists to work out the differences. He asked if there has been any movement in that direction. Senator Davis said he was not aware of any meetings, but acknowledged there were several last year. He said it is safe to say the bill is in fact to become a reality if it gets on the calendar and withstands filibuster challenges. There needs to be some input and dialogue back and forth among those constituencies.

Committee members then discussed the application of ATI as it could relate to Beaufort County in a variety of scenarios.

Mr. Baer said that in the last year there has been talk of potential Hospitality Tax increases and Sales Tax increases to support either the Chambers' marketing effort and/or the Heritage Classic Golf Tournament. He asked if those efforts are dead, and what are the possibilities of using an accommodations tax increase or re-slotting to perhaps support the Heritage.

Rep. Patrick said he has not heard any discussion about the 1% Sales Tax increase for the Chamber this year. With regard to the Heritage, the Governor made it quite clear that she is not in favor of tax dollars supporting the tournament. She and her Director of Parks, Recreation and Tourism and Commerce Secretary are hard at work trying to identify a corporate sponsor, and that is the direction they want to go. With regard to basically repatriating the Accommodations Tax dollars, he said he is not sure that the specific question has been asked.

Senator Davis reiterated Rep. Patrick and added there was some discussion about Accommodations Taxes being increased but said he does not think the Governor's comment about tax money being used for the Heritage was not confined to sales tax. He said in terms of the numbers he thinks there can only be two points in Accommodations Tax before getting to a point where it would be uncompetitive.

Mr. Baer said he just returned from Charlotte, where he paid 16.25% hotel taxes; not that he is in favor of more taxes.

Rep. Patrick said the PGA is not in support of new tax dollars going to support the golf tournament.

Mr. Caporale said he agrees with what he thinks Mr. Baer was inferring – accommodations taxes may be low. He said his experience with travel is that they are always higher elsewhere.

Mr. Stewart said he guesses the budget is pretty much decided upon now.

Senator Davis said the House passed their version and the Senate Finance is working on it. Rep. Patrick said the House version was \$21 billion. Senator Davis said taking in all three components of the budget – the general appropriations act, the fees, fines and other funds, and federal dollars – the state is actually spending several hundred million dollars more this year than last, which is counterintuitive to what has been circulated in regards to less money and cuts. Senator Davis explained that the danger sign is that by far the highest of the three components is federal money - \$5 billion from the general fund, \$7.7 billion from other funds such as fees and fines, then more than \$8 billion from the federal government. As the federal government ratchets that back and as the \$8 billion becomes less, the local level will have to make choices in terms of what services will continue.

Status: No action necessary. For information only.

2. Ordinances – An Ordinance to Provide Adequate Control Over Wrecker Service Operations in the Unincorporated Areas of Beaufort County

Discussion: Mr. Stewart said Committee members received the original instead of the second version of this ordinance, but that was sent out later by Mr. Howell, the County Attorney. The Committee will review the second draft of a proposed ordinance to provide adequate control over wrecker service operations in the unincorporated areas of Beaufort County. The draft has been changed considerably to shorten it, to take a lot of the objective components out of it. At the Sheriff's request, Mr. Stewart said he talked to one of the towing operators in the county and asked him about the proposed fee schedule. He said he spoke with Mr. Robinowitz of Morris Towing, who Sheriff Tanner said has the best fee structure in the county. Mr. Stewart shared that:

1. In talking about the fee for towing to use a carrier or light/medium wrecker a \$200 fee was reasonable.
2. For heavy wrecker or vehicles more than 26,000 lbs. those should not be considered because those are usually large semi trucks or buses
3. As far as no-tow if the owner arrives and the vehicle has not been hooked up and or even if it has it is simple to remove the vehicle so a reasonable maximum fee would be \$75
4. Tows exceeding one hour would be at \$125 per hour beyond the initial hour.
5. For storage per day, after the first 12 hours, the recommendation was a maximum of \$35 per day.

Mr. Stewart added during discussions it also was brought up that one of the tow-truck operators at the last meeting was quite concerned about the fact that a boot was used in the incident that created examination of a wrecker ordinance. In a towing situation of this type, if the wrecker is there and will actually tow the vehicle, a boot would be meaningless. Second, it was recommended that in gated communities those who call a towing company be present. For example, in the incident prompting this discussion the security company called the towing service to come and remove the vehicle, but the security people were not present at the time towing took place. Towing operators are very concerned about safety of employees so recommend in such situations those members calling should be present. Mr. Stewart reviewed that there were many items taken out of the draft originally submitted because they were either covered under state ordinances or were things unnecessary for the County to get into.

Mr. Flewelling said he would like additional time to go through the second draft of the ordinance, circulate it among interested people at the last meeting from all tow-truck companies and he suggested postponing decision.

Mr. Caporale said he has no problem with taking additional time to review and added that he likes the comment about excluding the boot. He suggested only allowing a boot if it authorized by a deputy or law enforcement officer. He said he thought it was very important to have security present in gated communities employing security.

Mr. Stewart suggested if Committee members come up with concerns to bring them forward in the interim so they can be addressed by County Attorney Mr. Howell.

Mr. Kubic asked if there has been research on whether municipalities have towing ordinances in effect. Mr. Stewart informed Mr. Kubic that they asked Mr. Howell to communicate to the municipalities and he knows some are waiting to hear what the County will do, but he does not know the latest.

It was moved by Mr. Flewelling, seconded by Mr. Sommerville, that the Governmental Committee postpones for 30 days the consideration of an ordinance to provide adequate control over wrecker service operations in the unincorporated areas of Beaufort County. The vote was: FOR – Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Rodman and Mr. Stewart. ABSENT – Mr. Glaze and Ms. Von Harten. The motion passed.

Status: This item will be postponed for 30 days and again come before the Governmental Committee at its May meeting.

3. Discussion – Emergency Medical and Fire Support Study

Discussion: Mr. Stewart said at the previous meeting the Governmental Committee received a full report by CRA, Inc. on an Emergency Medical and Fire Support Study. Mr. Stewart said following the report, the Committee asked Mr. Winn to come back with a report on the progress made thus far. He added that he thinks it is important to take this study very seriously and to at least discuss and make appropriate changes where needed. He said he is sure it will be taken up in other committees such as Finance and Public Facilities. The Committee asked: what was being done to implement plan recommendations; timeframe for things to come before the Governmental Committee; and if there are any disagreements or areas of consultant's report that contradict others' opinions and how those are being addressed.

Mr. Winn reminded the Governmental Committee that one thing one must do in public safety is understand there is a tremendous ripple effect when one does something. There is nothing in public safety that is isolated. Up front, he said they need to not mess up what is already in place. Some of the actions will take much longer than desired simply because the ripple effect causes something way down the road that would be negative to what they are doing. Some of these things will be taken slow, but he said he thinks the Committee will be relatively surprised by what has been done and what direction they are going. He then broke down progress as follows.

EMS

Mr. Winn said they have gone out to bid for contracting of the EMS billing services to take over that matter. He said they have done the interviews and will bring recommendations to Council shortly. The recommendation from CRA is that this should double or add about 30% to revenue. The companies interviewed encouraged that there would be an increase in revenue from EMS charges. The second topic addressed was the EMS shift supervisor south of the Broad River. One of the recommendations was to put more management south of the Broad River. Mr. Winn said they have tried this year to use additional people as available and some overtime money to put a supervisor south of the Broad River off of an ambulance into a response vehicle like a pickup, and has moved around managing the agencies around south of the Broad River. Mr. Winn added that most importantly when EMS is there treating the patients, this is someone who can oversee the situation. He said this has been extremely successful and there has not been a major complaint since this event has taken place. He said another recommendation is to look at ambulances not based on mileage but on the hour meters. Mr. Winn explained an ambulance can sit for two or three hours and never move, so tracking the mileage does not give a real idea of what the wear and tear is on the vehicles. CRA recommended hour meters be installed. The County has met with First Vehicle Services and as soon as funding is identified then hour meters will be installed on ambulances. Fourth, CRA asked the County to examine EMS promotions. The goal is to make sure everyone knows what steps to take to be promoted in EMS, and develop

a promotional process for everyone to participate in. In one of the partnerships with the fire service, they will develop a process whereby a young EMS person comes in and will know what to do, what protocols and the standards needed. Mr. Winn noted this will go slow in order to make sure this is done right. The fifth topic under EMS was the administrative assistant position. There is a financial clerk in EMS, but the recommendation is once the EMS billing is contracted, the billing position should be eliminated and that person is transferred to an administrative assistant to support the director. The County will take that step once the billing contract is let. Sixth, dispatcher pre-arrival approval means that when one dials 911, the dispatch personnel has ability to give pre-arrival instructions. For example, the dispatcher may teach a caller how to do cardio pulmonary resuscitation (CPR). The recommendation is that there needs to be better approval and oversight of this area. Mr. Winn informed the Committee that a medical control doctor will review, sign off and approve those. This ties into another recommendation to increase medical control oversight and this is a first step toward that. Seventh, billing rates of service – Coming before Council will be a recommendation for increase in rates. Mr. Winn said he thinks the last rate increase was in 2006, but there have been substantial changes to insurance and Medicare on what they will pay, and there is a recommendation to increase rates as well as eliminating some rates. Last under the EMS topic, is a recommendation to discuss with First Vehicle Services for the purchase of new ambulances. Mr. Winn said they met with First Vehicle to request participation. First Vehicle will be used as part of the committee to write new specs for ambulance purchases and will participate in choosing a vendor, maintenance issues and definition of what maintenance and wear and tear are. One additional area of partnership is on driver and maintenance training.

Dispatch

Mr. Winn said contrary to what CRA recommended, the County will not consolidate the Sheriff South Dispatch and Bluffton Police Department Dispatch. He explained those involved in those areas unanimously disagreed with CRA, and he further explained the study did not take into consideration the radio volume. CRA looked specifically at calls for service and based on calls for service they decided they could be consolidated. However, considering the amount of radio traffic taking place, particularly during the summer, there is justification for splitting. A dispatcher can only type so fast and in the summer it goes so fast the dispatchers could not keep up, Mr. Winn added. Separating these two allowed the officers access.

Mr. Flewelling said he assumes most of the calls are asking for background checks and other similar requests. He asked if the computers in the vehicles can alleviate some of that. Mr. Winn said yes and no, it will alleviate some of the response back, but all the other officers need to know what someone is doing. There needs to be some type of repeat, but it does let the officer know what is going on in dispatch and it could reduce repeating of information. However, for the actual calls for service the information must get out and confirmation that the officer knows what it is responding to, but there is a problem of when an officer gets in trouble and there is so much radio traffic he cannot get on to call for help. That was the driving force for separation.

Mr. Stewart asked if this is a problem by limiting the communication between the Sheriff's Office and Bluffton Police Department. Mr. Winn said no, there is a full, 800-trunk

system that is totally interoperable with Beaufort County, the Highway Patrol, Jasper County, etc.

Under Emergency Medical pre-arrival training CRA recommended training all of dispatch rather than a select few on each shift. Today, the County is about halfway through training and all dispatch personnel for pre-arrival instructions and certification. EMS is partnering and the goal is by the end of this calendar year to have 100% trained in dispatch for pre-arrival instruction. Mr. Winn explained that in the past there was just not the ability to do this, but now with new equipment the County does have the ability. He said some of the pre-arrival instructions can be very difficult, especially when teaching, for example, a small child CPR. Next, the Government Emergency Telecommunications Service (GETS) Program is a telephone program managed by the federal government allowing access to the emergency telephone system of the federal government. Several years ago, after September 11, the GETS Program made an allocation to the states and counties to allow them to apply for participation in the program. CRA recommended the County apply. That was done four years ago, Mr. Winn informed the Committee. There is now a new cellular side, and the County is in the process of submitting that. To explain GETS, Mr. Winn asked if the Committee members ever called somewhere and heard, “all circuits are busy.” The GETS card allows one to bypass that. The County has about 80 of those cards, assigned to Department Heads and they are kept in a safe. The only one issued is to the County Administrator. In an emergency – OPCON 3 – the County distributes those to the other employees. Fourth, Fire and EMS Dispatching – the County will combine in a test process the Fire and EMS desks for dispatch at the same time. It sounds so simple, but it is extremely difficult with the number of calls coming in at the same time to figure out how to achieve all of this. Mr. Winn explained that in a meeting several fire chiefs and EMS worked together to agree on a prototype. Protocols for that are being written and sometime within the next 30 days the County will begin testing in a controlled environment. If those succeed, then they will do a full-scale test. Mr. Winn said the first time out it will probably not work like wanted and adjustments will have to be made over the course of about three to six months to get a system in place. Mr. Winn said something CRA told them that he found interesting was that this is one of the first places that everyone agreed something needed to change and it needed to be now. Because of that, there is no opposition. Fifth, Communications Management Committee – CRA recommended development of an Emergency Preparedness Committee. Mr. Winn said they disagree because there is a Communications Management Committee consisting of Fire chiefs, EMS folks, Sheriff’s Office representatives, and municipalities as needed. This committee actually oversees and works together to form the policies, procedures, etc. for dispatch and to make sure the County does not have the ripple effect problem. This committee is up and operating. Additionally, the County is in the process of developing a concept on dispatching Fire and EMS and the same time and writing a standard operating procedure (SOP) to implement. As the County does this, it will not happen overnight. The first step is to write the standard operating procedures and to do so in such detail that the dispatcher can easily see it. Updating the computer-aided dispatch (CAD) run orders is being implemented, but will take several months. This will happen after a standard operating procedure is established. CRA recommends doing that until exhausting all agencies County, but Mr. Winn said if considering the number of fire trucks and ambulances in the County run orders have to be run for all vehicles in all situations. Reprogramming the CAD is about one-third of the way through as it currently is, but there is probably another nine to 12 months to get it completely

done. The new mobile CAD will be implemented in July, will eliminate the need for call-in. CRA recommended reducing the number of phone calls into the dispatch center from the responding units, and the new system will eliminate that need. Updating the continuity of operations (COOP) planning for dispatch is in progress. A backup center is being developed in Hampton County, and there is also backup with Hilton Head Island and Jasper County. Mr. Winn said if someone dials 911 and the line is busy, they do not get a busy signal. If all Beaufort County lines are busy, it kicks the call to Hilton Head, then to Jasper County. The County installed a sliding window in dispatch instead of moving Master Sergeant. Mr. Winn said this was the best they could do; there was no room. Immediate dispatch from call-takers – CRA recommended the County not spend so much time getting information from people, but rather give the information to the dispatcher as soon as possible. That is in progress and the County is making progress on that, but it will be slow going to get it formalized because of some of the changes to make in the CAD system to make some of these other recommendations to happen. Mr. Winn explained that as part of the new update for the 911 equipment it will have to be redone anyway. 911 database – one of the recommendations was that the database was not properly written thereby causing problems in the center. Some time ago, Council approved the purchase of a new database system. Mr. Winn informed the Committee they received that system and hope to make it operational in another 45 days. They have been programming for about three months and it should be ready. This new database will resolve issues identified in the study. CRA also recommended the County needs to speed up the emergency response getting out of stations and to calls – turn-out time. Mr. Winn explained this will be an individual problem for each station because what may be easy for some, may not be easy for others. CRA recommended implementation of plain language and Mr. Winn said this is something to drive one absolutely crazy. He said it seems easy to pick up and say, “Go to the armed robbery.” Well, someone else may say, “Respond to the armed robbery.” Using plain language will take us some time to determine what plain language is and develop a plain language that does not conflict with what Hilton Head or some of the state agencies are doing. Mr. Winn added that the CAD system is based on the 10 codes. There are dispatch space issues; they are at capacity. Mr. Winn said it is unlikely they will be able to do more in there because of electrical needs and air-conditioning problems. A major update to the telephone equipment will come before Council soon. At the end, Mr. Winn addressed the difference of opinion with CRA related to calculating calls. He said CRA calculated about 260,000-270,000 calls for service, while the County says it gets about 550,000 calls for service. The difference between the two is CRA counts a call for service as an actual call from a resident or citizen saying they need help, while the County classifies a call for service also as if an officer makes a roadside stop and calls in his traffic stop, or if an officer gets out of his car to shake a doorknob it is a call for service. The reasoning is the dispatcher has to do the exact same thing for shaking a doorknob as for a robbery. When International Organization for Standardization (ISO) comes in to do inspections and audit they count the 550,000.

Mr. Flewelling said from the difference he got that the reason there was a problem was that the move-ups, or repositioning of responders to fill a void when a call goes out, were counted as a call for service. Mr. Flewelling asked Mr. Winn to address that, if he was going to change and not do the move-ups or if he would classify the vehicle as open for service. Mr. Winn explained that EMS began experimenting this month on not doing move-ups in some areas of the

County. In some cases, they will not move ambulances around until determining what is going on as an experiment to determine how to reduce the move-ups.

Mr. Winn said there will be policy issues needing policy and guidance from Council related to Jenkins Island, moving EMS ambulances, adding roving quick response vehicle (QRV), EMS space needs, Fire Department charters and memorandums of understanding (MOUs) with Fire District.

Mr. Stewart suggested Mr. Winn take the items listed and put them to a timeline to give to the Committee and requested Mr. Winn return periodically to go through, review accomplishments, what is on target, issues that arise, etc.

Mr. Caporal agreed that the timeline would be a good idea. Mr. Winn said staff is in the process of developing the “playbook,” which breaks down who is who, who is doing what, etc.

Status: No action necessary. This was for information only. Mr. Winn will compile the matters to a timeline and gives periodic updates to the Governmental Committee.

DRAFT

NATURAL RESOURCES COMMITTEE

April 4, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

The Natural Resources Committee met on Monday, April 4, 2011 at 2:00 p.m., in the Executive Conference Room, Administration Building, 100 Ribaut Road, Beaufort, SC.

ATTENDANCE

Natural Resources Committee Members: Chairman Paul Sommerville, Vice Chairman Brian Flewelling and members Steven Baer, Gerald Dawson, William McBride and Jerry Stewart attended. Committee member Laura Von Harten was absent. Non-committee member Stu Rodman also attended.

County Staff: Dan Ahern, Stormwater Manager; Tony Criscitiello, Division Director – Planning and Development; Colin Kinton, County Engineer; Bob Klink, County Engineer.

Media: Joe Croley, Hilton Head Area Association of Realtors.

Public: Reid Armstrong, Coastal Conservation League; Garrett Budds, Beaufort County Open Land Trust Director of Land Protection; Ann Bluntzer, Beaufort County Open Land Trust Executive Director; Russell Byrd, Marine Corps Air Station Beaufort; Alice Howard, Marine Corps Air Station Beaufort; David Jirousek, Jasper County Planning Director; Rick Karkowski, consultant for Jasper County stormwater project; Bennett McNeal, owner of Village at Lady's Island PUD; David Tedder, lawyer representing Mr. McNeal.

Mr. Sommerville chaired the meeting.

ACTION ITEMS

- 1. Beaufort County Zoning Map Amendment for R100-015-0000-0051 and R100-015-0000-015A [Known as the Village at Lady's Island Planned Unit Development (PUD), Approximately 35+ Acres Total, Bordered by Sam's Point and Oyster Factory Roads]; From PUD to Lady's Island Community Preservation District (LICP) and Lady's Island Expanded Home Business (LIEHB) Zoning Districts; Owner: B. McNeal Partnership LP**

Discussion: Mr. Criscitiello gave background on the above topic. It is a 35-acre PUD approved in 1996 on Lady's Island. In 2009, County Council established a sunset provision for slow-developing or dormant PUDs in the Zoning Development and Standards Ordinance (ZDSO) – Section 106-7(2) (a) 1. It basically says that 50% of lots need to be platted and recorded or 50% of utilities completed by January 1, 2010 otherwise the Council reserves the

right to decide to return those PUDs to their base zoning. In 2009, the County Council granted extension to the PUD until January 1, 2011. The property owner expressed an interest in having the PUD amended to allow a “big-box store” on Lady’s Island. Staff takes the position that the property should be rezoned to Lady’s Island Community Preservation (LICP) and Lady’s Island Expanded Home Business District (LIEHB) because the PUD density of six units to the acre is out of character with the neighborhood mixed-use zoning of about 2 units to the acre. For example, New Point is 2.45 units per acre and Celadon is 3.2 units per acre. LIEHB allows properties fronting Sam’s Point Road to be used for small-scale offices and service uses such as healthcare or daycare. Because of the density and the potential uses being in conformance with the LICP, the Planning Commission unanimously recommended the same action as did staff. Mr. Criscitiello said for the rezoning to LICP and LIEHB to be accomplished then the PUD of 200 dwelling units (80 single-family and 119 multi-family) and 12 commercial lots will have to go under a new master plan to conform to LICP and LIEHB at a much lower density between two to four units to the acre for single-family and multi-family. In accordance with Council’s direction to the Planning staff to evaluate PUDs dormant or slow as written into the zoning ordinance. This matter comes forward one year after the Council granted a one-year sunset extension. It is recommended the property revert back to the base zoning, requiring a map amendment.

Mr. Sommerville asked about the original PUD’s 12 commercial lots and whether they were identified specifically. Mr. Criscitiello said there was a master plan for mixed-use. Mr. Sommerville explained this would essentially be a down zoning. He explained he understood that this PUD was approved for a very high density of six units to the acre, but the economy made it so there was little motivation to proceed previously.

Mr. Criscitiello noted a comment at the public hearing that because of the efforts for form-based code this matter was being held back. He pointed out to the Committee that the County is right on schedule with form-based code.

Mr. Sommerville asked how CP and LIEHP might be affected with the move to form-based code.

Mr. Criscitiello answered at this time it is text and map discussions but some of the Community Preservation Districts would be held in place because they would largely conform to the intent and purpose, though there may be some provisions taken in the form-based code. He noted others may be radically different though because there may be no need for a CP district at Big Estates or Sheldon for example. He added they are taking this on a case-by-case basis and will go out and “ground truth this.”

Committee members then referenced the maps of the region and the surrounding zonings to illustrate the context of the PUD in question.

Mr. Dawson asked what the Community Preservation Committee’s position is on this. Mr. Criscitiello answered that the CP Committee supported the notion that this should change from PUD to LICP, as were the subcommittees, Planning Commission and staff.

Mr. McNeal, who owns the property, explained the property was originally bought up by his family thinking they would “do something with it someday.” They came up with a PUD and got approval from the County. At that time, the road was a two-lane road and now it is a five-lane road with 17,000 plus cars daily. He said the point is that the property is on a major corridor now and one mile from one of the busiest intersections north of the Broad River at Sea Island Parkway, U.S. 21 and Sam’s Point Road. When this property was put into a PUD there was no Publix, Walgreens, Dollar General, etc. and since there has been a lot of growth. Mr. McNeal explained that the property is close to the busy intersection but not too close causing him to feel like it is in no-man’s land. He said when the process started he talked with Planning Commission Chairman Jim Hicks and asked if it was the best use for the property to have a big-box so all those on Lady’s Island do not have to travel through the city to get to Wal-mart. Mr. McNeal said he never saw the “de-zoning” coming and admitted it was his fault, but he does not think it is fair. He said he could have sold the property over the years to the big builders, but he turned them down thinking they could do better. Looking back he said he wished he sold it but hindsight is 20/20. Mr. McNeal said if he is not allowed to go in and build a mixed-use community and do as planned for a high quality development, but rather forced to go in and build 75 or 80 units it would not be profitable. It would cost \$2.5 million to put the infrastructure in on the property. Looking at the risk-reward, if enough units are laid out in front a developer will take a higher risk despite it taking longer because there is a potential to make more money. If this goes through, everyone will lose – his family, the neighbors, Lady’s Island, Mr. McNeal said.

Mr. Flewelling stated for full disclosure that he lives in a McNeal Development subdivision in Battery Point. He said he enjoys it and thinks it is the best neighborhood in town. He asked if Mr. McNeal considered trying to get another development agreement or PUD that would be slightly less dense or meet other criteria asked for. Why are we now being given an all or nothing decision instead of some halfway point, some area of agreement?

Mr. McNeal answered that Jim Hicks laid it out that the PUD should be below two to three units, but it will not work. He said Celadon, a development with lower density, is great but it is not working.

Mr. Baer said he was unfamiliar with the area but it was said there is a lot of traffic nearby and professional offices are nearby. He asked if the area would be better off with professional offices. Mr. McNeal told Mr. Baer to look around. There are buildings for sale up and down the road.

Mr. Stewart said Mr. McNeal made a comment that everyone loses, and he said the CP district voted against the change. Mr. McNeal said two of the members of the CP Committee are neighbors of the PUD in question. He said he thinks the issue is a desire to cut back density and he said he certainly does not have all the answers.

Mr. Stewart said in the form-based code there is talk of areas needing higher density with a more urban approach and he said it appears this would be an area for higher density and more

urban feel. What is staff's rationale for not wanting a higher density here in an area that looks like would accommodate high density?

Mr. Criscitiello said first that he is not afraid of density. This was demonstrated in the Okatie Village PUD and staff support of it. Second it is a question of location and what is appropriate in the given location. In this area, it seems to be a low-level of commercialization and modest level of density. How it could be master planned should be done in the context of the CP and in the sense of a PUD it is a negotiation. Once a PUD happens it is hard to overcome. He said he is more inclined to look at a higher density or one commiserate with what works, but to do it within the context of the coming form-based code. Council's instinct to evaluate dormant or slow-moving PUDs was a good one. In the City of Beaufort, PUD's have a five year life and after that they are negotiated again.

Mr. Stewart said he is confused on whether this supports what the developer wants or not and why it is coming forward.

Mr. Criscitiello explained that Council told him to come back and so he must do so. Now, he is back in front of Council, which said by January 1, 2011 this should be set in a position where Council makes a policy decision. The question is: should the policy be CP and Expanded Home Business District or remain with the PUD. Mr. Criscitiello said the only point he is making is that once the PUD is established, it is an ordinance with its own dignity and there must be a process gone through, and at this point it is not advised.

Mr. Stewart summarized that Mr. Criscitiello is saying if Council goes forward as staff recommends there is an ability to work with the developer and go to a higher density perhaps.

Mr. McNeal said he thinks when the Village at Lady's Island PUD was extended a year ago, everyone said more would be known about form-based code by now. Mr. Criscitiello said when the Planning Department answers questions they do so based on the information they have at the time.

Mr. Flewelling asked Mr. McNeal if he thought of annexation into the City of Beaufort, to which Mr. McNeal said he has but he is not sure he wants to be in the City.

It was moved by Mr. Flewelling, seconded by Mr. Dawson, that the Natural Resources Committee approves and forwards to Council with recommendation for approval a Beaufort County Zoning Map amendment for R100 015 0000 0051 and R100 015 0000 015A (known as the Village at Lady's Island Planned Unit Development (PUD), Approximately 35+ acres total, bordered by Sam's Point and Oyster Factory Roads); from PUD to Lady's Island Community Preservation District (LICP) and Lady's Island Expanded Home Business (LIEHB) Zoning Districts; Owner: B. McNeal Partnership LP.

Mr. Sommerville noted this is consistent with Planning staff and Planning Commission's recommendations.

Mr. Flewelling said he thinks it is incumbent upon Council to make policy recommendations and this is the kind of policy Council talked about making before. As PUDs expire, Council will send them back to their original density in an effort to strengthen its negotiation position for future development, and it is also an effort to reduce the overall density of the unincorporated areas, specifically on Lady's Island. The change as outlined in his motion is consistent with that; it does not preclude growth in the form-based code implementation in a manner that is much more consistent with Mr. McNeal's request than what is currently attempted through rezoning. In other words, the future is not sealed on this piece of property. There is time to make these changes and it is the right time, Mr. Flewelling said. He added it is a good precedent.

Mr. Stewart agreed with most of what Mr. Flewelling stated. He clarified there will be an opportunity, or option to increase density, going forward and as form-based code evolves.

The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville and Mr. Stewart. ABSENT – Ms. Von Harten. The motion passed.

Recommendation: Council approves a Beaufort County Zoning Map amendment for R100 015 0000 0051 and R100 015 0000 015A (Known as the Village at Lady's Island Planned Unit Development (PUD), approximately 35+ acres total, bordered by Sam's Point and Oyster Factory Roads); from PUD to Lady's Island Community Preservation District (LICP) and Lady's Island Expanded Home Business (LIEHB) Zoning Districts; Owner: B. McNeal Partnership LP.

2. Consideration of Reappointments and Appointments – Southern Corridor Review Board

Discussion: Mr. Sommerville explained there is a request for reappointment for Mr. Joe Hall and appointment of Mr. Pearce Scott.

Mr. Flewelling pointed out Mr. Hall's term does not expire until 2013. Mr. Criscitiello explained Mr. Scott is the new appointee for the Town of Bluffton and Mr. Hall is an existing City member, but because it is a joint corridor review board the County asked the municipalities (City, Town of Hilton Head and Town of Bluffton) if they would consider those currently sitting to represent them. Mayor Peoples wrote a letter supporting Mr. Hall, who is sitting on the board right now but would take a seat for the Town of Hilton Head Island.

Mr. Flewelling said that made sense and asked if the expiration would then become 2015, and Mr. Criscitiello said it would remain 2013.

Mr. Stewart asked for clarification. He said they changed the Southern Corridor Review Board to make sure it includes representation from the Town of Bluffton and Hilton Head Island. He asked in the context of issues currently before Council and said the only way short of expanding the Southern Corridor Review Board to accomplish the goal is to understand the people being put on the board. He asked if Beaufort County, under the way the ordinance and rules are set up, has the opportunity to question, to communicate with those people

recommended by the municipalities and has a chance to decide if they are appropriate, and if not send them back.

Mr. Criscitiello said he cannot see it being anything other than accepting the people recommended by municipalities. If there is a joint corridor review board, he said he would think the governing authorities from each jurisdiction would have a say in who is appointed to represent them.

Mr. Stewart stated that if Beaufort County does not have a say in their appointment and the municipalities have a larger representation on that board, the County essentially gave up control of that board. Mr. Stewart said he is reluctant, under the circumstances and with the way things are at this time, to even consider until the matter is completely unraveled and the County has thorough discussions on what it wants to do with respect to permitting issues and such.

Mr. Criscitiello suggested the County is taking the current ordinance and melding it into the form-based code ordinance. There is a big issue to deal with, but the issue is what the future will be for the corridor review boards and what will the role of staff be in relation to those boards going forward. He said he would not want to create a situation on the board where a quorum cannot be reached because there are not enough people on the board yet there is a statutory responsibility to get decisions through the board to the Development Review Team. A quorum is at least four members present. Knowing these people personally, Mr. Criscitiello vouched for them and suggested staying the course, appointing the people in order to rectify the issue of quorums, then when dealing with form-based code and the new ordinance Council can look at what will be done in the future as related to that. He said the municipalities are not sold on the corridor review boards either. There may be some issues the municipalities want to address in their own situation with regard to that. There is a big question on the division of labor that will take place between staff and the boards.

Mr. Stewart asked if the quorum issue is one of if there is a seven-member board, a quorum is based on the majority of seated members rather than just four. Mr. Criscitiello explained there must be a quorum. Mr. Stewart clarified if there are fewer than seven members, the quorum could be made up of the majority of seated members. Mr. Criscitiello answered that there is a minimum of four people needed to vote; it is a fixed number.

Mr. Flewelling asked if the lack of action by virtue of no quorum a potential stumbling block for development, to which Mr. Criscitiello answered it was absolutely. Mr. Flewelling said people have to delay their process because the Southern Corridor Review Board (SCRB) did not have enough people present to make a decision. That needs to be changed, he said.

Mr. Criscitiello explained if there are not enough people present to vote on an item, there is a situation where the SCRB may have to meet again on something someone previously brought up.

Mr. Stewart said he was upset because on this matter he heard the SCRB stated they did not want to hear it or take action, so in essence by having something they should act on but

saying they do not want to they can stop something by non-action. Mr. Criscitiello said this is not unique of the SCRB. It can happen on the Zoning Board of Appeals when they cannot make a decision for lack of a quorum for example, Mr. Criscitiello explained.

Mr. Flewelling suggested the idea of some sort of resolution or text change addressing a lack of action by any board or commission is default or *de facto* agreement with the request of the citizen and forwards recommending approval.

Mr. Sommerville said he believes there are about 20 boards and commissions; there are more than 30 under Council's authority. Each of those boards and commissions have individual bylaws, regulations or rules.

Mr. Flewelling directed staff to give the Committee an opinion about either a specific list of boards and commissions where a change could be made that lack of action either through failure to consider an appropriate motion or agenda item in a timely manner, or lack of a quorum, represents default a forwarding of recommendation of approval.

Mr. Kubic suggested dealing with the number of days an item sits before a board rather than the matter of a quorum. For example, if there is no action within 90 days. Mr. Kubic said they could research the matter further.

Mr. Dawson said it is better that way.

Mr. Stewart said he would recommend holding off on appointments until they know more because he does not think it is urgent. Mr. Criscitiello countered by saying it is important to make the appointment because of quorum concerns.

It was moved by Mr. Stewart, seconded by Mr. Flewelling, to move Mr. Hall from his qualifications seat on the Southern Corridor Review Board to representative of the Town of Hilton Head Island, and to appoint Mr. Pearce to a seat representing the Town of Bluffton. The vote was: FOR – Mr. Baer, Mr. Dawson, Mr. Flewelling, Mr. McBride, Mr. Sommerville and Mr. Stewart. ABSENT – Ms. Von Harten. The motion passed.

Recommendation: Council approves the transfer of Mr. Hall from his seat as an architectural representative on the Southern Corridor Review Board to a seat representing the Town of Hilton Head Island. Council appoints Mr. Pearce to a seat on the Southern Corridor Review Board representing the Town of Bluffton.

Further, staff will investigate some sort of resolution or text change addressing a lack of action by any board or commission is default or *de facto* agreement with the request of the citizen and forwards recommending approval, or a limit to amount of time a matter is before a board or commission.

INFORMATION ITEMS

1. Briefing on Development of Jasper County Stormwater Ordinance

Discussion: Mr. Ahern explained this presentation is part of the request by the Natural Resources Committee in November to reach out to the neighboring Jasper County and municipalities. Jasper County is now in the process of adopting stormwater ordinances and Mr. David Jirousek, Jasper County Planning Director, and the consultant selected to work on the stormwater ordinance were present to give the Natural Resources Committee a brief presentation.

Mr. Jirousek told the Committee he wants to bring forward an explanation of what Jasper County is doing in terms of stormwater, and he introduced Mr. Karkowski, of Thomas and Hutton, who is a professional hydrologist and serves as the consultant for Jasper County as they develop their program. The Jasper County stormwater presentations went as follows.

The purpose is to take Jasper County's first proactive step toward responsible development in Jasper County. Mr. Jirousek said Jasper County needs to follow Beaufort County's lead. The project acknowledges that environmental issues, such as stormwater runoff, do not respect jurisdictional boundaries. They anticipate a future ordinance update, or language built in for new ordinances to apply. The project is part of a regional grant, a cooperative effort to secure almost \$400,000 in federal funds for the protection of the Okatie River. Grant award for Jasper County Project is for a stormwater ordinance and best management practices (BMP) design manual. It breaks down as \$40,000 from Environmental Protection Agency (EPA) 319 Grant – Department of Health and Environmental Control; \$10,000 contributed from the Lowcountry Institute; \$2,500 from the Port Royal Sound Fund; \$2,500 from Jasper County as well and \$11,700 of Jasper County in-kind hours.

Mr. Jirousek laid out Jasper County's plan: to prepare a modern ordinance and design manual that would do the following. 1. Share similar water quality goals as neighboring jurisdictions. 2. Incorporate volume control and pollutant load reduction. 3. Is user-friendly and flexible considering site-specific and/or watershed unique characteristics. 4. Incorporate a process that assesses and studies not only local cases but regional and national examples. 5. Balance environmental protection and economic development. This is coming forward now namely because funds were secured. He added that adoption is important prior to development. He noted Jasper County is at about 10% of build-out. Adoption is needed because major developments are approved at concept level only, Commerce Park (Malphrus Tract) and Center Point Development (owned by John Trask) in Okatie Watershed, and 80,000 units and 45 million-square feet in commercial/industrial approved through development agreements. The economic downturn is the time to focus on long-range planning prior to the next wave. This is all on the presumption that efforts do not deter new investment. The Stormwater Advisory Group consists of Jasper Council representative, two Jasper Planning Commission representatives, scientific/natural resources representatives from the Lowcountry Institute, nonprofit environmental advocate from the Port Royal Sound Fund, two Jasper County residents, a Jasper County developer/building, a private engineering company representative, a Town of Ridgeland

representative, City of Hardeeville representative and Jasper County Director of Planning and Building Services. The Advisory Group met in February for orientation, in April to set goals, purpose, intent, outline, content and review of other examples. In May, the Advisory Group will review a draft and public meetings and outreach will occur in June. Over the summer final drafts will go before the Planning Commission and it is slated to go before Jasper County Council in the fall.

Mr. Stewart said Mr. Jirousek said this would apply to everything in the county, and he asked if it would also include the municipalities. Mr. Jirousek answered that right now, no. There is a commitment from the municipalities to serve on the Advisory Group. There are no intergovernmental agreements in place, and right now it is a best faith effort of the municipalities to participate.

Mr. Stewart asked if Jasper County found anything important that is perhaps not in Beaufort County's ordinance. Mr. Karkowski said the devil is in the details and the goals both have are consistent, but they have seen Beaufort and Bluffton consistent with national focus on load reductions and hydrology in terms of trying to mimic predevelopment hydrology. Things diverge in the details of how the studies and designs and proofs are provided, how the manuals provide the forms and references the engineers use to prove they are in-line. Beaufort County does it on the effective impervious level, which is one way done in other jurisdictions. While others look at a volume of water level and yet others have another approach. Mr. Karkowski said he thinks Beaufort County is pretty in-line if not cutting edge.

Mr. Jirousek said he did not want to put Mr. Tedder on the spot but he believes the City of Hardeeville's development agreements would have to be renegotiated for a new stormwater ordinance and BMP manual to apply. Jasper County's had that statement in there. Mr. Tedder said there are exceptions.

Mr. Karkowski said there was some great dialogue with the municipalities and as they move forward there is a want to make it as broad and acceptable to everybody affected. The existing regulations in Jasper County are the DHEC and Office of Coastal Resource Management (OCRM), which are two and ten year pre- and post-development flows, peak flows and water quality volume. Jasper County also has regulations included in the land development regulations, and engineering regulations, but no additional detention or water quality requirements. He contrasted these to Beaufort County's Zoning and Development Standards Ordinance updated recently, the same OCRM regulations but took those a step further. Mr. Karkowski said they want to fold these standards into the Jasper County ordinance. There is also a Beaufort County water quality requirement enforced on a 10% impervious type method. Beaufort County's water quality regulations are done with a 10% effective imperviousness, look at nitrogen, phosphorous and bacteria, and volume control. There are additional requirements for open space and buffers. Mr. Karkowski said they will have recommendations but this is a stormwater ordinance and they intend to look at if it is appropriate in a planning or stormwater ordinance for the additional regulations for Beaufort County. Under Beaufort County's volume control, Beaufort has an appendix to their manual with several BMPs instituted to get to the 10% impervious. Mr. Karkowski said they looked at Georgia as another potential source. The model

includes an 85th percentile rainfall event (slightly less than the target rainfall event in Beaufort County), and stormwater reductions.

Mr. Flewelling asked about the “feasibility clause” noted on the presentation and Mr. Karkowski explained it means the regulations are if it is feasible on the property. He cited a high water table that could make complying with certain measures difficult.

Mr. Karkowski said the draft Stormwater Ordinance would provide a framework for the administration and organization of the ordinance, which is important to the municipalities and Jasper County. Standards, construction, maintenance, inspections, illicit discharges and enforcement will be addressed. He noted the ordinance would be general but the details would be in the manual. The manual would outline the standards, what minimums are, maybe explain credits, submittal requirements, design criteria and guidelines, best management practices and water quality and quality analysis. He summarized that throughout the processes they found they must balance the environmental protection and economic development, fit with County and municipal resources, communicate with engineering and non-engineering communities for understanding of the ordinance and manual, address the entire development cycle and that stormwater programs will evolve.

Status: No action necessary. For information only.

2. Executive Session

Discussion: The Natural Resources Committee adjourned into Executive Committee for discussion of negotiations incident to proposed contractual arrangements and proposed purchase of land.

REDISTRICTING COMMITTEE

April 18, 2011

The electronic and print media was duly notified in accordance with the State Freedom of Information Act.

The Public Safety Committee met on Monday, April 18, 2011 at 10:00 p.m., in the Executive Conference Room, Administration Building, 100 Ribaut Road, Beaufort, SC.

ATTENDANCE

Redistricting Members: Chairman Weston Newton, Vice Chairman William McBride and members Gerald Dawson, Herbert Glaze, Brian Flewelling, Stu Rodman and Jerry Stewart attended.

County Staff: Bryan Hill, Deputy Administrator; Ladson Howell, County Attorney; Suzanne Larson, Public Information Officer; Scott Marshall, Director of Elections and Voter Registration; Dan Morgan, Director of GIS;

Media: Richard Brooks, *Bluffton Today*; Joe Croley, Hilton Head Island Association of Realtors; Kyle Peterson, *Island Packet / Beaufort Gazette*.

Public: Fred Washington, Chairman of Board of Education; Bobby Bowers, S.C. Budget and Control Board Division of Research and Statistics.

Mr. Newton chaired the meeting.

ACTION ITEMS

1. Discussion of Criteria for Developing Plans: Redistricting 2010; Discussion of Construction of a Redistricting Plan

Discussion: Mr. Newton welcomed those present. He said as the Council discussed at various times such as the Retreat, when the Redistricting Committee was appointed, and during the fall Council meeting when Mr. Bobby Bowers attended to explain the redistricting process, as a result of the required decennial census, Beaufort County grew necessitating the need for Beaufort County to go through the process of redistricting. Pursuant to state law, County Council resets the lines pursuant to Constitutional principles and the Voting Rights Act principles, as well as state law. Also, the School District in Beaufort County follows the County Council lines. Mr. Newton explained the first order of business is to turn the meeting over to Mr. Howell and Mr. Bowers to revisit some of the criteria of what is appropriate and/or required by law in the criteria to govern this map drawing process. Then, the second would be the adoption of a timeline – when the Council will do certain things, when the Council would have a plan recommended from Redistricting Committee to Council as a target and then from Council's final approval to the U.S.

Department of Justice for their likely full 60-day review. Mr. Newton told the Committee they will visit with Mr. Bowers about where Beaufort County is today, the challenges with the districts, or address the above in whatever order Mr. Bowers wants. However, Mr. Newton reviewed that the Redistricting Committee clearly needs to come out of today's meeting with the adoption of the criteria and the timeline, and this will put Beaufort County into the fall for developing the final plan.

Mr. Bowers noted the Committee members received an outline of the criteria. Those seven criteria were:

1. Adhere to the court ordered constitutional requirement of one person, one vote
2. Adherence to the 1965 Voting Rights Act as amended and controlling court decisions
3. Ensure that parts of the districts are contiguous
4. Respect Communities of Interest
5. Attempt to maintain constituent consistency
6. Avoid splitting voting precincts
7. Solicit public input

Mr. Bowers strongly recommended Beaufort County adopts those criteria and he explained one of the first things the County could be asked if it goes to court is whether there was a set of criteria worked on as it worked on redistricting. Mr. Bowers then reviewed the criteria. The "one person, one vote" requirement means that districts need to be as near mathematically equal as possible. He said the state law allows the counties to have a less than 10% deviation of the one person, one vote; this is within a year. He said, however, all indications he is getting because of possible litigation the state is recommending something under 10%. Any court plan is an interim plan, where the Legislature can come back and make a change. But, all indications coming out now are that, if possible, counties should draw plans tighter than 10%. The reason being: if someone sues a county and they have a plan with less deviation but with the same criteria as the one adopted the court is more likely to choose the lower deviation plan. It behooves the county to come up with a plan that has a better deviation. Second, South Carolina is still under the 1965 Voting Rights Act, as extended to 2032. This means any redistricting plan adopted cannot have retrogression for minorities. Mr. Bowers explained the types of retrogression. First, there is policy retrogression where a plan is passed that intentionally does worse for minorities than the current operating plan. Second, there is a natural retrogression; this is when the population shifts or changes and it cannot be helped but to regress. Gentlemen, Beaufort County is in that latter position right now, Mr. Bowers said. The third criterion is that districts must be contiguous. Contiguous means "you can't have any oddball sitting out here by itself that doesn't touch anything." Mr. Bowers told the Committee he was in a case in Georgia where the young lady who drew the plan was from Minnesota and she did not know Georgia was under Section 5 of the Voting Rights Act. She did not know what the word contiguous meant. He said he called it a measles district. Mr. Bowers reviewed that the districts must be contiguous and he said he knows in Beaufort County's case, water bodies may cause it to look funny sometimes. There can be contiguity through water. Another criterion is constituency consistency – each has a right to expect some consistency of the constituents represented and the constituents have some right to expect to know who represents them. Courts have ruled that it is legal to

separate incumbents so long as it does not adversely affect the “one person, one vote” and that it does not affect the voting rights of minorities, Mr. Bowers said. There is also the criterion to try to avoid splitting precincts, but Mr. Bowers told the Redistricting Committee to forget that for the time being because when Beaufort County begins looking at the districts and trying to adhere to “one person, one vote” and the Voting Rights Act, there is no way to stay within the precinct boundaries – no way under the sun. Today, it is not as critical as it used to be to leave precincts whole because the new geo-coding systems allow for precision, Mr. Bowers explained. It is not as important to make sure you do not split precincts as it is to make sure the voter is in the right election plate. Mr. Bowers concluded the criteria by telling the Committee the County should get public input – public meetings – because the question would arise.

Mr. Bowers then went on to review the Benchmark Plan, the present district configurations with the new 2010 Census numbers in it. In other words, the Benchmark Plan is what the districts would look like if nothing changed. By the way, that file is called Public Law 94-171 and it has population by race, voting age population by race. At this point, the Division of Research and Statistics Office came up with the statistics for a benchmark plan. Those statistics show an alarming amount of population change in Beaufort County. Beaufort County only has two districts with more population necessary for a new district. The ideal district size on the Benchmark Plan is 11,748 people. That is the new population of 162,233 divided by 11. The deviation is calculated from the 11,748 positive or negative. If there is a positive deviation that means there are too many people in the district, and they are underrepresented. If there is a negative deviation there are too few people, and it is overrepresented. The total deviation, if looking at the Benchmark Plan at District 4 with 110.88% positive deviation and District 8 with a -33.42% deviation, is 143.5% total deviation. It needs to go down to less than 10% deviation. Mr. Bowers suggested getting the deviation a lot less than 10%. The real problem Beaufort County has is that in District 4 and District 10 there is a total of 26,000 excessive populations necessary to bring the county into compliance with “one person, one vote.” District 4 has 16,353 people too many and District 10 has 9,703 too many people. Because of the locations of Districts 4 and 10, Beaufort County has to shift about 26,000 people up through and around to the rest of the county amongst the other nine districts. Mr. Bowers then broke down the various Council District changes needed to bring within the 10%.

District 1 – down by 2,737 people

District 2 – down by 484 people. Because of where this district is located there will have to be changes made to take care of Districts 1 and 3.

District 3 – down by 3,924 people

District 4 – high by 16,353 people

District 5 – down by 3,701 people. This is one of the minority districts. Under the Benchmark Plan it has only 49.90% African-American, or more specifically non-Hispanic African-American.

District 6 – down by 4,085 people. This is another of the minority districts. Under the Benchmark plan it is 54.53% African-American.

District 7 – down by 434 people. Because of the changes in the districts around this will have to change.

District 8 – down by 4,929 people. With the Benchmark Plan it is only 39.4% African-American.

District 9 – down by 2,376 people

District 10 – high by 9,703 people

District 11 – down by 3,381 people

Mr. Bowers said when moving 26,000 people begins from District 4 and 10, District 2 on Hilton Head Island will be fine but District 3, which touches District 2, is not fine and District 1 will be low as well. Mr. Bowers explained the Committee will find that Districts 1, 2, and 3 do not have enough population on Hilton Head Island to maintain three totally contained districts on Hilton Head Island. It will come off Hilton Head Island this time. When Beaufort County takes Districts 10 and 4 and shifts population up through the rest of the county, 10 and 4 together have enough population for a new district by themselves just in that area. Then, looking at the minority districts, Mr. Bowers said he thinks Beaufort County will have a very difficult time, if not impossible, to protect without retrogression three minority districts. He said there is an attempt to protect three minority districts by spreading the minority district over three, it would end up putting all three districts at risk of being defeated. He suggested instead: try to take the three minority districts and collapse them down to two closely, more electable minority districts with a good explanation that because of the population growth that is all that could be done. Districts of about 39% and 48% and make them minority districts over 50% - no way. Those will be some of the things Beaufort County will review in redistricting and it is not a pretty picture for some of those sitting in some of those districts, Mr. Bowers said. He added that it gets even more complicated than that because of where each lives.

Mr. Bowers showed the Redistricting Committee a first cut at a plan. Mr. Bowers said he gave his staff the criteria that the plan be constitutional with less than 5% total deviation. This plan is 3.13% total deviation, which is good. Mr. Bowers added that he wanted a plan with no retrogression, and takes the minority population to try to prevent retrogression in two of the districts. He said it is impossible to do with three. Finally, Mr. Bowers said he asked that because the initiating body of the plan is the County Council, he asked to separate as many Council members into their own districts as possible. Mr. Bowers said the Committee should realize when creating a new district in the southern portion of Beaufort County it is a new district without a representative, so some people will go together somewhere because Council cannot be expanded to 12. That is where the plan is right now. It does the best that Mr. Bowers thinks can be done for the County Council members in position.

Mr. Bowers said the real problem will be the School Board. He noted some Council and School Board members live so close to the boundary of the district they had to get a blow-up map showing the street and side of the street to determine whether they were in the district or not. They used addresses to determine this. On the Benchmark Plan, School Board members are listed with an “E” and Council members are listed with a “CC.” State law requires the school districts to follow the County Council district lines, and this is common to do in areas where there is one school district within the county. Mr. Bowers explained that some counties such as Spartanburg, Lexington and Dillon have multiple school districts and so cannot do that. Mr.

Bowers stated his office has no pride of authorship of the plan before the Committee and that is simply an example of what can be done.

Mr. Bowers reiterated this is a first shot at the plan and that he would support cosmetic changes as long as they do not violate the “one person, one vote,” and Voting Rights Act. He said where the School Board members live relative to this plan will be an issue. He suggested letting the School Board see the plan and give input on whether a plan can be tweaked a little because some of them are so close to the border that some could move to another district and still not violate the criteria. Mr. Bowers then put a map that illustrated the proposed redistricting before the Committee, and gave a brief description of the changes he already reviewed pointing out how they affected the districts on the map. According to the Beaufort County Council Plan 1, this would change the map to the following by districts:

1. Population – 14,589; 159 people short; -1.08% Deviation (this now goes off Hilton Head Island)
2. Population – 15,108; 270 people over; 1.83% Deviation
3. Population – 14,779; 31 people over; 0.21% Deviation (this runs the entire length of Hilton Head Island.)
4. Population – 14,628; 120 people short; -0.81% Deviation (this is where the growth is happening.)
5. Population – 14,677; 71 people short; -0.48% Deviation (minority non-Hispanic Black percentage of 51.65%, and a minority voting age of 48.23. That is higher than under the Benchmark Plan.)
6. Population – 14,763; 15 people over; 0.10% Deviation (57.82% African-American population, 56.24 minority voting age population. That is higher than the Benchmark Plan. District 6 and 8 were collapsed into District 6.)
7. Population – 14,629; 119 people short; -0.81% Deviation
8. Population – 14,556, 192 people short; -1.30% Deviation (It was the largest negative deviation, which is fitting based on the growth seen in the county.)
9. Population – 14,982; 234 people over; 1.59% Deviation
10. Population – 14,755; 7 people over; 0.05% Deviation
11. Population – 14,857; 109 people over; 0.74% Deviation

Mr. Bowers explained that the critical point for Beaufort County is that three African-American districts were collapsed down to two. He said if Beaufort County tries to stretch all three, it would put all three at risk. Looking at the Benchmark Plan, District 5 is 3,700 low and District 6 is 4,785 low. Trying to stretch two districts with 49% and 54%, is almost 9,000 people short. Those nearly 9,000 people you put in that area will not be African-American, Mr. Bowers noted.

Mr. Bowers then went to the School Board. He said they had to compile detailed maps to determine the districts of many members. In District 1, there is no School Board member. District 2 has one of each – Council and School Board. District 3, because of the manner it wrapped around, has two School Board and one County Council member. District 4 has one of each because of location. District 5 has two School Board members and one County Council

member. District 6 has two of each because other districts were collapsed. District 7 has one of each. District 8 has no one in it. District 9 has two School Board members and one County Council member. District 10 has no School Board member and one County Council member. Mr. Bowers said one problem in Beaufort County is the many cul-d-sacs separating areas. District 11 has no School Board member and one County Council member. By far, this is an example of what is to be done. Mr. Bowers said this is a starting point, with a very good deviation, from which Beaufort County can start work. Mr. Bowers noted when there is this type of population growth within one section of the county there will be shifts and problems redrawing.

Mr. Glaze said looking at his own District 8, in 2000 there were 10,516 people but in 2010 it went down to about 4,000. He said he is concerned because it is considered a growth area, but there was a drop there. Mr. Newton explained that it was not a drop, but off the target by about 4,000 people. Mr. Glaze said in the past, at the last redistricting, certain areas were in his district.

Mr. Bowers reminded the Committee they have to look at their present districts with the new numbers. They cannot look back at the districts from the 1990s or 2000s.

Mr. Dawson asked for the number of constituents for each district. Mr. Bowers said 14,748 is the target, but there are too many in Districts 4 and 10. Technically those two could support another full district and still have 12,000 left over to go to another district.

Mr. Newton asked with the discussion about retrogression whether it is based on minority population in the district or voting age minority population. Mr. Bowers answered that it is both.

Mr. Bowers told the Committee that any submission made has to include the following: total population by race, voting age population by race, and registered voters by race.

Mr. Newton requested highlights from the 2000 plan of the three minority districts, what the percentages were.

Mr. Bowers reviewed District 5 with the new numbers plugged in; it is down to 49.90% non-Hispanic Black and 45.55% non-Hispanic Black voting age. Under the presented plan, it would be 51.65% total non-Hispanic Black and 48.23% non-Hispanic Black voting age population. He added that it was possible to find some pockets around the area that could raise the non-Hispanic Black voting age population, but they tried and it only made a half percentage point difference. District 6 under the Benchmark Plan was 54.53% non-Hispanic Black and 53.19% non-Hispanic Black voting age. Under the new plan, it would be 57.82% and 56.24% respectively. District 8, under the Benchmark Plan dropped to 39.40% non-Hispanic Black and 36.69% non-Hispanic Black voting age. Of course, under the new plan District 8 would be a new district that is no longer black with 10.85% non-Hispanic Black and 9.57% non-Hispanic Black. Mr. Bowers explained that the reason for that is that the African-Americans in the vicinity of District 8 were collapsed into District 6, but if there is an attempt to spread them out both will be lost.

Mr. Newton reviewed for clarification that there are two sets of numbers. One uses the 2000 plan with the new Census data. The other is a new 2010 plan, with a new district configuration, using the new Census data. He then reviewed that the Redistricting Committee's goal for the meeting is to review the criteria and the schedule, but also to see a presentation of the software system Beaufort County has that is capable of doing the redistricting. He suggested seeing if there is a motion relative to the criteria, then the Committee can discuss the criteria specifically.

It was moved by Mr. McBride, seconded by Mr. Flewelling, that the Redistricting Committee adopts and forwards to Council a recommendation to adopt during the 2010 redistricting process the following criteria: Adhere to the court ordered constitutional requirement of one person, one vote a. County Councils must to the state law of population variance under 10%; Adherence to the 1965 Voting Rights Act as amended and controlling court decisions; Ensure that parts of the districts are contiguous; Respect Communities of Interest; Attempt to maintain constituent consistency; Avoid splitting voting precincts; and Solicit public input.

Mr. Newton said, for clarification, those are the seven criteria points set forth in the handout provided to the Redistricting Committee. Now, he noted that in April 2001 Beaufort County added attempts to have the very best precinct management possible, not splitting precincts, and he asked if that should be formally added.

Mr. Bowers said he thought it was a moot question at this point and Mr. Marshall, Director of Elections and Voter Registration expanded to suggest he thinks that should be maintained as the lowest priority. Mr. Marshall added that they are looking forward to the opportunity to re-precinct in the county as there are too many splits and the population among the districts increased too much. Mr. Bowers explained that there has not been a re-precincting in some time because the Senate Judiciary Committee decided they would not let any precinct changes go into effect until after the House and Senate redistricting.

Mr. Newton proposed adding the criteria that Beaufort County is agreeing to work from the data provided by the new Public Law 94-171. Mr. Bowers said, yes. Mr. Newton asked for an explanation of Public Law 94-171, and Mr. Bowers explained that it comes specifically for redistricting. Mr. Newton said Beaufort County included in 2001 the criterion to strive for the compactness of districts. He asked if that was court ordered, and Mr. Bowers said the county could theoretically look at that matter but pointed out that once examining the Voting Rights Act and maintaining "one person, one vote" it would be virtually impossible to have compact districts.

Amendment to the main motion by addition

Mr. McBride, as maker of the original motion, and Mr. Flewelling, as seconder, agreed to add the criterion of working from the data provided from Public Law 94-171 to the redistricting process.

Mr. Flewelling said according to Mr. Bowers it might be beneficial for the Committee to try to get a variance under 5% and he proposed amending the main motion, but requested thoughts first before making a formal motion.

Mr. McBride answered that he thought it was a good objective, but it should not become a part of the motion because there are other factors that need to go forward.

Mr. Washington asked for more explanation on what a “Community of Interest” is defined as, and Mr. Bowers answered that it implies, “if you can keep a community together without splitting it, that is what it is.” Mr. Bowers gave the example of Hilton Head Island, but said it was too large to keep in only one district so it must be split into three. Another example would be areas that because of the racial percentage of the population in those districts they must be bifurcated to get the racial percentage to comply with Section 5 of the Voting Rights Act. Communities of Interest should be maintained where possible, but in most cases it will not be possible, Mr. Bowers said.

Mr. Washington noted that there are some areas that are more “child-bearing oriented” in terms of student population. Whereas there will be a large district that may only have retirement people in contrast. Are those communities of interest?

Mr. Bowers said they could be, but the Communities of Interest are examined more in the context of the entire population makeup.

Mr. Washington also asked about the “attempt to maintain constituent consistency.” Mr. Bowers answered that this means to keep the incumbents as separated as possible. He added that the School Board should examine the proposed redistricting, but acknowledged the primary responsibility here is for the County Council.

Mr. Glaze posited there are two minority districts, such as Mr. Dawson and himself, with incumbents right next to each other, and the new plan pretty much came down and took Mr. Glaze’s minority district to fuse with Mr. Dawson’s. That increases Mr. Dawson but decreases Mr. Glaze, he said.

Mr. Bowers said Mr. Glaze’s particular district actually disappears because District 8 is shifted to the southern portion of Beaufort County. It was not taking one or the other; it was combining the two to get the maximum percentage minority in that area possible without putting both at risk. Mr. Bowers explained if they attempted to put the current District 6 and District 8 in minority, then they would have to find in District 6 some 4,085 people to pull in and in District 8 an additional 4,929 people. That would be more than 8,000 people to push into each individual district, but that would not have maintained the racial balance. Mr. Bowers then went through and explained how the shift would have played out to diminish representation in the districts if there was an attempt to maintain the current configuration. The only way to protect at least two of them, without putting them all at risk, was to combine districts 6 and 8. Mr. Bowers noted the African-American districts in Charleston dropped from five to three because of all the annexation they have had.

Mr. Newton asked what the total population of the county is for 2010 and the total population for non-Hispanic Blacks. The total population for Beaufort County is 162,233 people and the total for non-Hispanic Blacks is 31,548 people.

Mr. Bowers said there are some non-Hispanic minorities in the other districts, but they are so dispersed and homogenous that it cannot be separated. This would not make a difference anyway, Mr. Bowers explained because it would diminish the non-Hispanic Black population percentage. According to the 2010 Census there are 19,567 Hispanic people in Beaufort County.

Mr. Stewart noted Mr. Bowers is reading from a lot of data and maps. He said he hopes each member gets copies so they are not left out. Mr. Bowers said it will be sent electronically. Mr. Stewart said that it is nice to send electronically, but he said he wants copies because he cannot blow it up or see all the perspective. Mr. Morgan said he can provide it digitally in order for members to zoom into the documents.

Mr. Hill said as soon as the staff receives the information from Mr. Bowers, they will make sure all of County Council receives copies at the same time. He said all communiqué will be with County Council and Mr. Washington, on behalf of the School Board.

Mr. Bowers said this is a starting point and they expect the Council to review from this point.

Mr. Newton asked in terms of timing when Beaufort County needs to, assuming the U.S. Department of Justice will take the full 60 days ...

Mr. Bowers interjected to remind that the U.S. Department of Justice has a possibility of an additional 60 days. Mr. Newton added that every time the Department of Justice asks for additional information they get to reset the clock. Mr. Bowers said there is one additional time extension. He said the county wants to make sure they are through the process to give the Department of Justice the maximum amount of time for filing. Beaufort County's filing is in April for the June primary. Mr. Bowers explained Beaufort County wants pre-clearance before the filing. Again, every chance possible, send the Department of Justice what Beaufort County has for public information. He reminded Council that every plan considered must be submitted.

Mr. Newton asked for additional comments on criteria. There being none, he called to question.

The vote on the main motion with addition was: FOR – Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council approves accepting the following criteria while undergoing the redistricting process:

- Adhere to the court ordered constitutional requirement of one person, one vote
- Adherence to the 1965 Voting Rights Act as amended and controlling court decisions

- Ensure that parts of the districts are contiguous
- Respect Communities of Interest
- Attempt to maintain constituent consistency
- Avoid splitting voting precincts
- Solicit public input
- work from data provided by Public Law 94-171.

2. Adoption of Schedule for Committee Work

Discussion: Mr. Newton told the Committee the next item to consider was adoption of the schedule for the redistricting process. He said there is a target date for County Council of September 30, 2011, and he suggested the Redistricting Committee have plans to Council at least 60 days prior to September 30. This would be by the end of July. Redistricting Committee would have to make a recommendation to Council by the end of July and Council would have to pass a plan onto the Department of Justice by September 30, Mr. Newton reviewed.

Mr. Bowers reminded him there also needs to be public input and meetings somewhere in those 60 days.

Mr. Hill asked if Mr. Newton wants to add Council meetings after June and July because they will run into the 30-day issue. Mr. Newton answered there are three Council meetings – one in July and two in August.

Mr. Rodman asked if there needs to be public hearing in advance of the ordinance or after. Mr. Bowers suggested in advance and added that the county wants to give the public an opportunity for input before actually voting on an ordinance.

Mr. Newton said he hoped as the Redistricting Committee does its work, it would hold public hearings on behalf of County Council but in advance of any one plan going to Council for consideration. The reason for this is to receive the public input as part of the plan development process. If the plan is sent to Council first, has first reading, and then there would be a first reading on something without public input. Mr. Newton said that is why he said the end of July the matter should go to Council in order to give the Council August and September to approve.

Mr. Hill provided that during this process there will also be millage setting and he wants to balance out how much they will be able to do in one setting.

Mr. Newton explained the plan development process would be open to all members of Council, as well as the Committee members. Also, Mr. Newton said the goal is to put this on the web for the web-based opportunity to have the programs adjust the districts. This would open the process up to the Council members, the School Board members and the public. He did note that every plan considered must be submitted to the Department of Justice. He said he also assumes each plan considered but not adopted would have to have an explanation as to why it was not adopted.

Mr. Rodman asked if when the plan is sent out whether they would view it as the map before the Committee or whether it would be the 11 versions. Mr. Newton said it is however they want the information. Mr. Hill said he thinks once they get the information he and staff will consider what the best format would be.

Mr. Newton requested a motion.

It was moved by Mr. Rodman, Mr. Stewart seconded, that the Redistricting Committee approves and forwards to Council the redistricting timeline that targets July 30, 2011 to complete Redistricting Committee work on a redistricting plan and presentation of a proposed redistricting plans to County Council; and September 30, 2011 as the target date for County Council to select one plan and submit to the U.S. Department of Justice. The vote was: FOR – Mr. Dawson, Mr. Glaze, Mr. Flewelling, Mr. McBride, Mr. Newton, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council approves the timeline for redistricting – July 30, 2011 for completion of Redistricting Committee work on a redistricting plan and presentation of a proposed redistricting plans to County Council and September 30, 2011 as the target date for County Council to select one plan and submit to the U.S. Department of Justice.

INFORMATIONAL ITEM

3. Demonstration and Discussion of Redistricting Software

Discussion: Mr. Dan Morgan, Director of GIS, reviewed the redistricting software capabilities available. Beaufort County uses Esri software, a geographic information system company. He showed the website and explained that when redistricting was done last in 2000 each member of the Redistricting Committee came in and drew different plans, working through about three to four, and then the Committee brought those plans to Council. What was done this year was to pull in the current Benchmark Plan, as the districts currently exist, over the top of the 2010 Census data. The numbers were almost right in line with what Mr. Bowers noted earlier. He then reviewed how the website presents the districts and manipulations the software is capable of producing. Those include selecting to view the various deviation percentages for example. They are able to just change the line quickly and show the numbers and how it affects other districts. Mr. Morgan said it is quick in reporting and easy to create plans. It is easy to create a plethora of plans. Looking at the statistics, this software will allow for checking of integrity very quickly. The software allows for checking of contiguity of the plan, dual assignments, population, district count check and null assignment checks. The software checks the various criteria discussed. The demonstration covered statistics per district to illustrate the detail capable. Mr. Morgan said as the redistricting process continues the members can set up appointments to work through this and the plans.

The redistricting software is also capable of graphic illustrations. The example reviewed showed a pie chart of plan distribution based on 2010 Census data using the districts as set up under the Benchmark Plan. A second example of non-Hispanic Black distribution as illustrated

in a pie chart was shown. Mr. Morgan said all of this is online allowing for mobility. He noted that Mr. Newton said this will be on the internet to allow for people such as the School Board or other public to have the opportunity to view the data and create a plan they want to view. Mr. Morgan said the County is ready to go, the data is there and a schedule has been set.

Mr. Bowers said when he had his first redistricting in 1973 there was not even a computer to do this. When he went to New Hampshire five years ago, they took the plans on a laptop and drew while the Supreme Court Judges were there watching. Technology has changed the whole realm of redistricting, Mr. Bowers said.

Mr. Morgan remarked on the decrease in time it takes to prepare the redistricting plans just from 2000 to today.

Mr. Newton asked Mr. Morgan if there is the capability to show members of the Redistricting Committee if a district line is pushed one way or the other how it would change all the data. They then demonstrated the action on the screen in the meeting room. This is capable of going down to the Census block. The software is then able to quickly produce reports able to export into for example an Excel spreadsheet.

Mr. Rodman said with computers there is the ability to create a large number of plans. Every time a particular Council member wants to play with what might be a “what if” would that constitute a plan, Mr. Rodman asked.

Mr. Bowers answered that it has to be a full plan. Full plans would be what the Redistricting Committee considers, not individual districts. Individual districts are just a part of the full plan.

Mr. Rodman’s second question was how to handle Daufuskie Island. He said Daufuskie has a small number of people, it is in Mr. Newton’s district currently but it takes him much longer for him to get there than it would Mr. Rodman. How would Council decide whether or not it makes sense to put areas such as Daufuskie in District 3 compared with another district?

Mr. Newton said Council just decides as a body what it wants. Mr. Bowers added that it is whatever the various Council members decide upon as long as it meets the criteria. Mr. Bowers joked that at the state House there is more trading going on than at a horse trade.

Mr. Hill said he looks at this as two separate processes. One is with Council and how to move a plan forward. He said he will work with the Clerk to Council to detail what was done today, then bring back to the Committee for verification that this is how it would like to proceed with bringing a plan forward. The second process is internally for County Administrator Mr. Kubic’s staff and how it is presented to the Council as a body. He said they will work on two charts, two diagrams, so the flow of information is agreeable to all going forward.

Mr. Newton agreed. Mr. Newton said he wanted to pick a time for monthly meetings to review progress. He said it would be May, June and July, and thus not allow for but three more

standing meetings to review the redistricting process. He added of course that the Committee could have as many meetings as needed, and much of it will be work session time with Mr. Morgan in trying to understand individual thoughts related to what is happening with the district. He added they will send a memo to all members of County Council, as Mr. Hill explained, identifying where the process stands, what the criteria are guiding the process, the schedule, include what is labeled Beaufort County Council Plan I from the S.C. Budget and Control Board's Division of Research and Statistics. Additionally, at the next meeting in May, he said he wants to discuss the adoption of a public hearing process and a schedule outlining the number of public hearings and where they will be held. The Committee discussed partnering with the School Board to use their facilities for public input and Mr. Washington agreed.

Mr. Newton said it is not anticipated that Mr. Bowers will be present for each meeting of the Redistricting Committee, but he said they would appreciate the opportunity to reach out to him, and then when they have a plan between second and third reading they could get Mr. Bowers' blessing. Mr. Bowers said he would with enough warning.

Mr. Flewelling asked if there was any contemplation of going neighborhood-by-neighborhood with the plan.

Mr. Newton said he thinks at the May meeting the Committee can discuss how it wants to have the public hearing process play out. Such as whether they want to have ones as small as Mr. Flewelling mentioned or whether it will be three to five on a broader base. He said to keep in mind that as the 11 individuals on Council, each could go make arrangements for district-wide meetings if they want to inform their district about redistricting. But in terms of staff allocation of resources, that would probably necessitate close coordination with Mr. Morgan or have a self-administering PowerPoint that each Council member could present on his or her own.

Mr. Washington offered that if the Redistricting Committee is considering presentations to clusters, the School Board has some natural clustering facilitated through the schools. Mr. Hill added there are five high schools as potential sites.

Status: No action necessary. This item was for information only. At the next meeting, the Redistricting Committee will discuss the adoption of a public hearing process related to the redistricting process and determine a schedule that will outline the number of public hearings and where they will be held.