



COUNTY COUNCIL OF BEAUFORT COUNTY
BEAUFORT COUNTY PLANNING DIVISION

Multi-Government Center • 100 Ribaut Road, Room 115
Post Office Drawer 1228, Beaufort SC 29901-1228
Phone: (843) 255-2140 • FAX: (843) 255-9432

PLANNING COMMISSION

Monday, August 4, 2014

6:00 p.m.

Council Chambers, Administration Building
100 Ribaut Road, Beaufort, South Carolina

In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media was duly notified of the time, date, place and agenda of this meeting.

1. COMMISSIONER'S WORKSHOP – 5:30 P.M.
Planning Office, Room 115, County Administration Building
2. REGULAR MEETING - 6:00 P.M.
Council Chambers
3. CALL TO ORDER – 6:00 P.M.
4. PLEDGE OF ALLEGIANCE
5. CHAIRMAN'S REPORT
6. PUBLIC COMMENT ON NON-AGENDA ITEMS
7. OSPREY POINT PLANNED UNIT DEVELOPMENT (PUD) MASTER PLAN AMENDMENT (R603-000-013-0006-0000, 119.75 ACRES; EAST OF HIGHWAY 278/OKATIE HIGHWAY, SOUTH OF PRITCHARD POINT ROAD, AND NORTH OF OKATIE ELEMENTARY SCHOOL); OWNER: LCP III LLC (J. NATHAN DUGGINS, III), AGENT: JOSHUA TILLER ([backup](#))
8. OTHER BUSINESS
 - A. Next Meeting – Thursday, September 4, 2014, at 6:00 p.m.
9. ADJOURNMENT



BIRD, COFIELD & MOISE, LLC
ATTORNEYS AND COUNSELORS AT LAW

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MICHAEL E. COFIELD
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* ALSO MEMBER, GA AND OH BAR

July 29, 2014

Anthony Criscitiello, Planning Director
Beaufort County Planning Division
Multigovernment Planning Center
P.O. Drawer 1228
Beaufort, South Carolina 29901

Re: Revised Submissions for Osprey Point PUD Master Plan Amendment

Dear Mr. Criscitiello:

Pursuant to the directive of the Planning Commission from the July Planning Commission meeting, I enclose the following documents for not only the PUD Master Plan Amendment, but also for the amendment of the Development Agreement for subsequent hearings.

1. Revised Narrative for PUD Amendment;
2. Revised First Amendment to Osprey Point Development Agreement and PUD Zoning;
3. Revised Master Plan (Exhibit B);
4. Amended Osprey Point Transit Zones (*new* Exhibit I);
5. Illustrative exhibit of residential elevation (for illustrative purposes only).

Please note that any and all documents which have not been submitted by this revised submission shall remain the same and in the same form as submitted for the July Planning Commission meeting. Those exhibits include the Trail and Open Space Plan (Exhibit C), along with the preliminary/conceptual Sewer, Drainage and Water Plans noted as Exhibits E, F and G.

Thank you for your attention to this matter. Please let me know if there are any other questions or comments. My e-mail address is jmullen@sbirdlaw.com. Further, questions may

Anthony Criscitiello
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be directed to Josh Tiller or to Lewis Hammet, who were also on the development team representing the applicant.

Kindest Regards. I am,

Very truly yours,

BIRD, COFIELD & MOISE, LLC


Jonathan A. Mullen

JAM/kas

Cc: Josh Tiller (via e-mail)
Lewis Hammet, Esquire (via e-mail)
Adam Duggins (via e-mail)

Enclosures

AMENDED NARRATIVE FOR OSPREY POINT PUD

The Owner of Osprey Point PUD has submitted a requested First Amendment To Osprey Point Development Agreement And PUD Zoning. That document, submitted herewith and incorporated herein, contains all of the requested legal changes to both the Development Agreement and the PUD. For clarification purposes, this Amended Narrative is also submitted, as part of the Amendment to the Osprey Point PUD, to describe the goals of the Amended PUD and justifications for the requested First Amendment To Osprey Point Development Agreement And PUD Zoning. This Amended Narrative will begin with a description of important background facts, necessary to understand the need for the requested First Amendment, and then go on to describe the specific changes requested to the current PUD Zoning.

BACKGROUND

A Development Agreement, with accompanying PUD Zoning, was made and entered between Owner and Beaufort County for Osprey Point, as recorded in Book 2888 at page 169, et. seq., on September 3, 2009, following passage by Beaufort County Council and due execution by the parties. Osprey Point is a portion of a larger, coordinated development area, known as Okatie Village, which also included the Okatie Marsh PUD and the River Oaks PUD, with their respective Development Agreements, which were negotiated, adopted and recorded simultaneously with Osprey Point.

No development activity or sales activity has taken place within the overall Okatie Village properties, including Osprey Point, during the approximately five years since the original approvals

of these developments. A related entity, Malind Bluff Development, LLC, has taken a small interest in the Osprey Point property for development financing purposes, and is therefore joining into the First Amendment to evidence its agreement with and consent hereto (see the attached Exhibit H Joinder).

Significant changes have taken place in real estate market conditions and within the Okatie Village development area since the original approvals for Osprey Point, making it practically and economically unfeasible to develop Osprey Point under the exact terms of the original Osprey Point Development Agreement and PUD. The Owner seeks to Amend the Osprey Point PUD in order to adjust the terms thereof to reflect current conditions, as provided below, while at the same time significantly reducing the density of Osprey Point and preserving the important protections to the environment and many other important features of the original Osprey Point PUD, as also provided below.

Planning and negotiations toward ultimate approval of the three Okatie Village Tracts, including Osprey Point, occurred in 2006 - 2008, at a time that development was exploding in Beaufort County, and the pace of that development activity was expected to continue and accelerate as the baby boom generation was beginning to reach retirement age. Prices for homes and for commercial properties were escalating and that trend was expected to continue.

All of these trends ended before development of any of the Okatie Village communities could begin. Sales prices plummeted and a financial crisis prevented developers from acquiring needed development loans, and prevented potential buyers from obtaining home loans, even at reduced prices. Okatie Village properties were particularly hard hit, since their Development

Agreements imposed fees and burdens beyond any other development properties in Beaufort County.

The Okatie Marsh PUD failed completely before any development took place. Beaufort County acquired the entire property, which has been added to the County's Open Space land holdings. River Oaks has likewise been struggling and its ultimate fate is being determined. Osprey Point, the central property of the three Okatie Village tracts, now has real potential to move forward in an economically conscientious way, under the name Malind Bluff. Several changes to the original plan have been necessitated by these changing market conditions, and are set forth below. Some of the changes are significant, while others are relatively minor. The justifications for each of these changes are set forth as the changes themselves are discussed.

SPECIFIC CHANGES REQUESTED AND JUSTIFICATIONS

Many important features of the original Osprey Point PUD will remain under the Amended PUD. For instance, Osprey Point will continue as a mixed use PUD, with commercial uses adjacent to Highway 170, residential uses in the center of the Property, and a large greenspace/community area on the eastern boundary, adjacent to the marshes of the Okatie River. Internal interconnectivity, for both roadways and trails, is maintained, and all environmental standards are maintained. The internally integrated nature of the development, the interconnectivity to adjacent parcels by the public Connector Road, and many other features justify the continuing PUD status for the Property. The following changes are requested.

A. Commercial and Residential Density Reduction. The allowed commercial and residential densities for Osprey Point are set forth in Section IV(C) and IV(D) of

the Development Agreement, and referenced in the attached PUD approval text and drawings. These allowed densities are hereby reduced for both commercial and residential density. The new allowed density for commercial development is now 190,000 square feet, rather than the original 207,000 square feet. The new allowed residential density is now 396 total residential units, rather than the original 527 residential units. The original Development Agreement and PUD allowed the Owner/Developer the freedom to determine the mix of single family detached, attached and multifamily units, depending upon market conditions. This flexibility remains effective, but it is specifically noted that the current intent is to develop all or most of the residential units as single family detached units, with final lot configuration and sizes to be at the discretion of Owner/Developer.

Notwithstanding this general design flexibility, Owner hereby commits to a scheme of density and use allocation as set forth on the attached Exhibit I, Amended Osprey Point Transect Zones. The terms of Exhibit I are hereby incorporated into this First Amendment and made binding upon the Property. Basically, the approximately 8.5 acre portion of the Property nearest to the marsh will be utilized for open space, park, and community recreational purposes only, with no residential construction allowed (current cottage/lodge site excepted). The private residential zone closest to the marsh area will have the lowest maximum density, to minimize potential impacts upon the tidal wetlands. The adjoining private residential zone, extending to the Connector Road, will allow increased residential density with an allowance of townhouse and multifamily units, so that this higher density area will be most accessible to the adjacent Commercial Area. The Commercial Area will continue to have the same standards, allowed uses and densities as set forth

in the original PUD and Development Agreement, subject to the reduced maximum densities set forth above.

B. Allowed Development Type and Resulting Changes to Roadway and Pathway (Including Trails) Standards. The current development planning for the Osprey Point development envisions an age restricted community, within the meaning of federal law, to be located within the residential area depicted on the Exhibit B Master Plan. A residential developer is currently in place to develop the age restricted community and it is hereby specifically provided that such an age restricted community is allowed. The residential area is planned to be single family detached, although other residential building types are allowed. While the residential area is currently planned to be age restricted, and specifically under contract for such use, Owner/Developer shall have the option of developing age targeted (non-restricted) or general residential development. This flexibility is necessary to enable adjustments to future market conditions and to meet development financing requirements.

A successful age restricted community requires private roads and the ability to restrict access. This essential fact was recognized by the County in the adjacent River Oaks Development Agreement, where private roads and restricted access were allowed, specifically because of the "senior village nature of the development". For the same reason, pathways and trails within the age restricted area of Osprey Point may also be private and restricted. It is specifically noted, however, that the frontage Connector Road as well as roads within the commercial area, shall remain open to the public as originally provided, and provide a means of interconnectivity to adjacent parcels. It is also noted, that a public access easement to serve as an access to River Oaks

PUD is provided along the southern boundary of the Osprey Point Amended Master Plan, to preserve access for River Oaks to the commercial area, the Connector Road, and to Highway 170. Internal interconnectivity, to allow residents of Osprey Point (now to be known as Malind Bluff) to have access to the commercial area, waterfront area, and adjacent properties is retained, and shall be as depicted on Exhibit C to the First Amendment for both pathway/trails and roadways. All provisions of the original Development Agreement and PUD to the contrary are hereby amended to conform herewith.

C. **Public Park Area/Access.** The original Development Agreement and PUD provided for an approximately 13 acre waterfront park area, for the enjoyment of residents within Osprey Point and the adjacent Okatie Marsh developments, with limited access rights for the public. Changes in circumstance and market conditions have now made this plan unnecessary and unworkable. The entire Okatie Marsh development, which includes waterfront property, is now owned by the County as public land. The total Okatie Village residents expected to share in the use of this area within Okatie Village has been reduced by more than 50% (due to the elimination of all Okatie Marsh density, and the substantial reduction of Osprey Point density under this Amendment).

In the light of these changed conditions, and due to the preference for privacy and safety associated with elderly and mature adult (age restricted) development, the waterfront acreage for open space/park use within Osprey Point is hereby reduced from 13 acres to approximately 8.5 acres, as depicted on the attached Exhibit B Master Plan. Public access is no longer required. Environmental standards to protect the adjacent waterway and wetlands are retained in full force

and effect. Given the changes outlined above, and the stated justifications therefor, the existing cottage/lodge, now located on the waterfront, is no longer restricted and may be used for any legal residential or Osprey Point community purpose, and it may be utilized in its existing condition, renovated, replaced, or removed.

D. Design, Construction and Maintenance Contribution to County Park.

Owner under the proposed First Amendment is proposing to design a passive park area upon the adjacent waterfront owned by the County and construct a passive park area of up to two acres at the County waterfront. This passive park design and construction shall include appropriate clearing, installation of benches, and long term landscape maintenance of any cleared area, with all elements to be approved by County Planning Staff, in consultation with other County officials. Such design and construction shall occur at the time of Owner's permitting and construction within the adjacent Osprey Point waterfront open space, to include a simple trail system within the County passive park area. While this provision is predominately a change to the original Development Agreement, it is recited here as a part of this PUD Narrative as a further justification for the requested change to the current PUD Master Plan.

E. Public Safety Site. The Public Safety Site, shown on the original Master Plan, may be located within the Commercial/Mixed Use area of the Master Plan, or at Owner's discretion and with County approval of the location, the Public Safety Site may be located outside of the Osprey Point Master Plan, on land to be acquired by Owner and donated to the County. The area to be donated for a Public Safety Site shall be 1/2 acre, sufficient for a Fire/EMS facility.

F. Workforce Housing Requirement. Certain provisions for workforce housing are set forth under Section IV(A) of the Development Agreement, and referenced as part of the PUD approval. While this requirement remains in force, it is specifically noted and agreed that this requirement shall not be interpreted to prevent development of an age restricted community within Osprey Point. Workforce housing may be provided within areas of the new Master Plan which are not within the age restricted area, or within the age restricted area, at the discretion of Owner/Developer. As provided under the original Development Agreement, the requirements to provide Workforce/Affordable Housing apply only to multifamily product (10% of total) and to town home units (15% of total) and do not apply to single family home sites. This provision continues, so that the total of such units to be provided depends upon final product mix within Osprey Point. Notwithstanding the above, Owner agrees that a minimum of 15 residential units will be developed and offered at sales prices which qualify under the low income or moderate income affordability standards as set forth in the Workforce/Affordable Housing Agreement. Such units may be developed in the Residential Area of the Master Plan or in the Commercial/Mixed Use Area.

G. Design Guidelines/Residential Design. Design Guidelines were not a part of the original Osprey Point PUD. The Design Guidelines set forth in Section IV(M) of the Development Agreement (and Exhibit F thereto) are retained for the public area of Osprey Point. The age restricted, residential area will adopt its own design guidelines and review process, by private covenant, and will therefore not be bound by the original Design Guidelines of the Development Agreement. This change, for the non-public areas only, will provide the

Owner/Developer with the needed flexibility to meet the needs and tastes of the age restricted market as development and sales unfold. Additionally, as is the case in most PUD development, internal residential lot, roadway, and layout design, including setbacks within residential lots, shall be at the discretion of Owner/Developer, so long as the final design does not violate the general layout depicted on the Exhibit B Amended Master Plan.

Notwithstanding the above stated flexibility in residential structure and lot design, Owner hereby commits to expanded spacing of driveway locations in areas where lot sizes average less than 50 feet in width. To this end, driveway locations will be combined to maximize the distance between driveway entrances on the street, for both aesthetic and safety reasons. An illustration of this design concept is attached to demonstrate this principle. The resulting design shall assure, at the time of development permit approval, that driveway location spacing on all street frontages shall exceed an average of 50 feet for any given roadway section. It is specifically noted that rear loaded lot access, provided from rear alley ways, is also an acceptable design solution to avoid excessive numbers of driveway locations on streetscapes with average lot width of less than 50 feet in width, and this design solution is also allowed within Osprey Point.

H. Development Schedule Amendment. The original Osprey Point Development Agreement included a Development Schedule provision under Section IV thereof and Exhibit D thereto. Subject to the same reservations and conditions provided under the original Development Agreement and Exhibit D, the Development Schedule is hereby amended as set forth in Exhibit D to the First Amendment. This Development Schedule is referenced in this PUD Narrative to explain current forecasting regarding phasing and development matters.

I. Preliminary Drainage Plan, Water Plan and Sanitary Sewer Plans.

Because the essential elements of the PUD remain in the same general areas of the Property as originally contemplated, at reduced densities, the changes to these infrastructure systems are relatively minor, to reflect altered road locations. The system designs all remain within the original design tolerances previously approved. Expected new locations of these infrastructure systems are depicted on the attached Exhibits E, F, and G to the First Amendment, for sanitary sewer, stormwater drainage and water systems, respectively, subject to final engineering and approvals prior to construction.

SUMMARY

The above Narrative describes the nature of the requested PUD and the specific changes requested and their justifications. The legal document entitled First Amendment To Osprey Point Development Agreement And PUD Zoning, if approved by Beaufort County, shall be the controlling document regarding changes to both the Development Agreement and the PUD. This Amended Narrative is submitted as an addition to the PUD Amendment, at the request of County Staff, to further clarify the changes being requested under the Amended PUD Master Plan and related documents.

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) **FIRST AMENDMENT TO
) OSPREY POINT DEVELOPMENT
) AGREEMENT AND PUD ZONING**

This First Amendment To Osprey Point Development Agreement and PUD Zoning is made and entered this _____ day of _____, 2014, by and between LCP III, LLC (Owner), and the governmental authority of Beaufort County, South Carolina ("County").

WHEREAS, a Development Agreement, with accompanying PUD Zoning, was made and entered between Owner and County for Osprey Point, as recorded in Book 2888 at page 169, et. seq., on September 3, 2009, following passage by Beaufort County Council and due execution by the parties; and,

WHEREAS, Osprey Point is a portion of a larger, coordinated development area, known as Okatie Village, which also included the Okatie Marsh PUD and the River Oaks PUD, with their respective Development Agreements, which were negotiated, adopted and recorded simultaneously with Osprey Point; and,

WHEREAS, no development activity or sales activity has taken place within the overall Okatie Village properties, including Osprey Point, during the approximately five years since the original approvals of these developments; and,

WHEREAS, a related entity, Malind Bluff Development, LLC, has taken a small interest in the Osprey Point property for development financing purposes, and is therefore joining into this First Amendment to evidence its agreement with and consent hereto (see the attached Exhibit H Joinder); and,

WHEREAS, the original Development Agreements for Okatie Village, including Osprey Point, will expire and terminate in September of 2014; and,

WHEREAS, significant changes have taken place in real estate market conditions and within the Okatie Village development area since the original approvals for Osprey Point, making it practically and economically unfeasible to develop Osprey Point under the exact terms of the original Osprey Point Development Agreement and PUD; and,

WHEREAS, the Owner and County have agreed to Amend the Osprey Point Development Agreement and PUD in order to adjust the terms thereof to reflect current conditions, as provided below, while at the same time significantly reducing the density of Osprey Point and preserving the important protections to the environment and many other important features of the original Development Agreement, as also provided below:

NOW THEREFORE, in consideration of the terms and conditions hereof, the Owner and County hereby agree as follows:

I. INCORPORATION.

The above recitals are hereby incorporated herein by reference.

II. STATEMENT OF DEVELOPMENT BACKGROUND AND CHANGES TO MARKET CONDITIONS AND OTHER CIRCUMSTANCES.

Planning and negotiations toward ultimate approval of the three Okatie Village Tracts, including Osprey Point, occurred in 2006 - 2008, at a time that development was exploding in Beaufort County, and the pace of that development activity was expected to continue and

accelerate as the baby boom generation was beginning to reach retirement age. Prices for homes and for commercial properties were escalating and that trend was expected to continue.

All of these trends ended before development of any of the Okatie Village communities could begin. Sales prices plummeted and a financial crisis prevented developers from acquiring needed development loans, and prevented potential buyers from obtaining home loans, even at reduced prices. Okatie Village properties were particularly hard hit, since their Development Agreements imposed fees and burdens beyond any other development properties in Beaufort County.

The Okatie Marsh PUD failed completely before any development took place. Beaufort County acquired the entire property, which has been added to the County's Open Space land holdings. River Oaks has likewise been struggling and its ultimate fate is being determined. Osprey Point, the central property of the three Okatie Village tracts, now has real potential to move forward in an economically conscientious way, under the name Malind Bluff. Several changes to the original plan have been necessitated by these changing market conditions, and are set forth below. Some of the changes are significant, while others are relatively minor. The justifications for each of these changes are set forth as the changes themselves are discussed.

III. DEVELOPMENT PLAN CHANGES.

A revised Master Plan and revised Trail and Open Space Plan are attached hereto as Exhibits B and C respectively (Exhibit A hereto is a restatement of the property description of Osprey Point, which is unchanged). Both the Development Agreement and PUD Zoning are

hereby amended to reflect all changes which are shown and depicted on the revised Exhibits B and C, both regarding the specific changes that are referenced below and any other changes that are necessary, by implication, to effectuate these Development Plan and Master Plan changes. The following changes are specifically listed and approved:

A. **Commercial and Residential Density Reduction.** The allowed commercial and residential densities for Osprey Point are set forth in Section IV(C) and IV(D) of the Development Agreement, and referenced in the attached PUD approval text and drawings. These allowed densities are hereby reduced for both commercial and residential density. The new allowed density for commercial development is now 190,000 square feet, rather than the original 207,000 square feet. The new allowed residential density is now 396 total residential units, rather than the original 527 residential units. The original Development Agreement and PUD allowed the Owner/Developer the freedom to determine the mix of single family detached, attached and multifamily units, depending upon market conditions. This flexibility remains effective, but it is specifically noted that the current intent is to develop all or most of the residential units as single family detached units, with final lot configuration and sizes to be at the discretion of Owner/Developer.

Notwithstanding this general design flexibility, Owner hereby commits to a scheme of density and use allocation as set forth on the attached Exhibit I, Amended Osprey Point Transect Zones. The terms of Exhibit I are hereby incorporated into this First Amendment and made binding upon the Property. Basically, the approximately 8.5 acre portion of the Property nearest to the marsh will be utilized for open space, park, and community recreational purposes only, with no

July 28, 2014 Draft

residential construction allowed (current cottage/lodge site excepted). The private residential zone closest to the marsh area will have the lowest maximum density, to minimize potential impacts upon the tidal wetlands. The adjoining private residential zone, extending to the Connector Road, will allow increased residential density with an allowance of townhouse and multifamily units, so that this higher density area will be most accessible to the adjacent Commercial Area. The Commercial Area will continue to have the same standards, allowed uses and densities as set forth in the original PUD and Development Agreement, subject to the reduced maximum densities set forth above.

B. Allowed Development Type and Resulting Changes to Roadway and Pathway (Including Trails) Standards. The current development planning for the Osprey Point development envisions an age restricted community, within the meaning of federal law, to be located within the residential area depicted on the Exhibit B Amended Master Plan. A residential developer is currently in place to develop the age restricted community and it is hereby specifically provided that such an age restricted community is allowed. The residential area is planned to be single family detached, although other residential building types are allowed. While the residential area is currently planned to be age restricted, and specifically under contract for such use, Owner/Developer shall have the option of developing age targeted (non-restricted) or general residential development. This flexibility is necessary to enable adjustments to future market conditions and to meet development financing requirements.

A successful age restricted community requires private roads and the ability to restrict access. This essential fact was recognized by the County in the adjacent River Oaks Development

Agreement, where private roads and restricted access were allowed, specifically because of the "senior village nature of the development". For the same reason, pathways and trails within the age restricted area may also be private and restricted. It is specifically noted, however, that the frontage Connector Road as well as roads within the commercial area, shall remain open to the public as originally provided, and provide a means of interconnectivity to adjacent parcels. It is also noted, that a public access easement to serve as an access to River Oaks PUD is provided along the southern boundary of the Osprey Point Amended Master Plan, to preserve access for River Oaks to the commercial area, the Connector Road, and to Highway 170. Under the original Development Agreement, the Connector Road was to be constructed as part of the first phase of Osprey Point development, to provide access across Osprey Point for the expected development of Okatie Marsh. Now that Okatie Marsh has been purchased by the County for Open Space, the Connector Road may be developed at the time of development of the Commercial Area, rather than at the time of Phase I development. Section VIII(A) of the original Development Agreement is hereby amended to allow such private roads and restricted access within the residential area, and also within open space areas associated with the residential area. As stated above, the planned pathways and trails within the residential area of Osprey Point may likewise be restricted, and the pathway and trail system is amended to provide for the system shown on Exhibit C hereto. Internal interconnectivity, to allow residents of Osprey Point (now to be known as Malind Bluff) to have access to the commercial area, waterfront area, and adjacent properties is retained, and shall be as depicted on Exhibit C for both pathway/trails and roadways. All provisions of the original Development Agreement and PUD to the contrary are hereby amended to conform herewith.

C. **Public Park Area/Access.** The original Development Agreement and PUD provided for an approximately 13 acre waterfront park area, for the enjoyment of residents within Osprey Point and the adjacent Okatie Marsh developments, with limited access rights for the public. Changes in circumstance and market conditions have now made this plan unnecessary and unworkable. The entire Okatie Marsh development, which includes waterfront property, is now owned by the County as public land. The total Okatie Village residents expected to share in the use of this area within Osprey Point has been reduced by more than 50% (due to the elimination of all Okatie Marsh density, and the substantial reduction of Osprey Point density under this Amendment).

In the light of these changed conditions, and due to the preference for privacy and safety associated with elderly and mature adult (age restricted) development, the waterfront acreage for open space/park use within Osprey Point is hereby reduced from 13 acres to approximately 8.5 acres, as depicted on the attached Exhibit B Master Plan. Public access is no longer required. Environmental standards to protect the adjacent waterway and wetlands are retained in full force and effect. The associated covenants/easements, as required under Section IV(I) of the Development Agreement are likewise no longer required. Section IV(I) of the Development Agreement and the relevant PUD provision are hereby amended, together with any other provision of the Development Agreement and PUD necessary to carry out this Amendment. Given the changes outlined above, and the stated justifications therefor, the existing cottage/lodge, now located on the waterfront, is no longer restricted and may be used for any legal residential or

Osprey Point community purpose, and it may be utilized in its existing condition, renovated, replaced, or removed.

D. Design, Construction and Maintenance Contribution to County Park.

Owner agrees to design a passive park area upon the adjacent waterfront owned by the County and construct a passive park area of up to two acres at the County waterfront. This passive park design and construction shall include appropriate clearing, installation of benches, and long term landscape maintenance of any cleared area, with all elements to be approved by County Planning Staff, in consultation with other County officials. Such design and construction shall occur at the time of Owner's permitting and construction within the adjacent Osprey Point waterfront open space, to include a simple trail system within the County passive park area.

E. Public Safety Site. The Public Safety Site may be located within the Commercial/Mixed Use area of the Master Plan, or at Owner's discretion and with County approval of the location, the Public Safety Site may be located outside of the Osprey Point Master Plan, on land to be acquired by Owner and donated to the County. The area to be donated for a Public Safety Site shall be 1/2 acre, sufficient for a Fire/EMS facility.

F. Workforce Housing Requirement. Certain provisions for workforce housing are set forth under Section IV(A) of the Development Agreement. While this requirement remains in force, it is specifically noted and agreed that this requirement shall not be interpreted to prevent development of an age restricted community within Osprey Point. Workforce housing may be provided within areas of the new Master Plan which are not within the age restricted area, or within the age restricted area, at the discretion of Owner/Developer. As provided under the

original Development Agreement, the requirements to provide Workforce/Affordable Housing apply only to multifamily product (10% of total) and to town home units (15% of total) and do not apply to single family home sites. This provision continues, so that the total of such units to be provided depends upon final product mix within Osprey Point. Notwithstanding the above, Owner agrees that a minimum of 15 residential units will be developed and offered at sales prices which qualify under the low income or moderate income affordability standards as set forth in the Workforce/Affordable Housing Agreement. Such units may be developed in the Residential Area of the Master Plan or in the Commercial/Mixed Use Area.

G. Impact/Development Fee Issues. The parties recognize and agree that all impact fees generally adopted by Beaufort County for roads/traffic, public facilities, library and/or open space, or other public purposes, as they now exist or may be modified in the future, apply to Osprey Point and greater Okatie Village. The dramatic reductions to density in Osprey Point and the greater Okatie Village, and dramatic changes in market conditions, result in the fact that special fees for Osprey Point are no longer necessary or possible. The special fees set forth under Sections IV(G) School Capital Construction Fee, and IV(H) Additional Fees and Assessment for Road and Other Infrastructure Purposes, are therefore repealed in their entirety. Osprey Point shall be treated like all other property in Beaufort County regarding development fees.

H. Design Guidelines/Residential Design. The Design Guidelines set forth in Section IV(M) of the Development Agreement (and Exhibit F thereto) are retained for the public area of Osprey Point. The age restricted, residential area will adopt its own design guidelines and review process, by private covenant, and will therefore not be bound by the original Design

Guidelines. This change, for the non-public areas only, will provide the Owner/Developer with the needed flexibility to meet the needs and tastes of the age restricted market as development and sales unfold. Additionally, as is the case in most PUD development, internal residential lot, roadway, and layout design, including setbacks within residential lots, shall be at the discretion of Owner/Developer, so long as the final design does not violate the general layout depicted on the Exhibit B Amended Master Plan.

Notwithstanding the above stated flexibility in residential structure and lot design, Owner hereby commits to expanded spacing of driveway locations in areas where lot sizes average less than 50 feet in width. To this end, driveway locations will be combined to maximize the distance between driveway entrances on the street, for both aesthetic and safety reasons. An illustration of this design concept is attached to demonstrate this principle. The resulting design shall assure, at the time of development permit approval, that driveway location spacing on all street frontages shall exceed an average of 50 feet for any given roadway section. It is specifically noted that rear loaded lot access, provided from rear alley ways, is also an acceptable design solution to avoid excessive numbers of driveway locations on streetscapes with average lot width of less than 50 feet in width, and this design solution is also allowed within Osprey Point.

I. Agreement Not To Annex. Owner agrees that during the term hereof, and any extension thereof, Owner shall not seek or permit the property to be annexed into Jasper County or the City of Hardeeville. This provision may be enforced by the County by all available legal means, and include all remedies available at law or in equity, including specific performance and injunctive relief.

J. Development Schedule Amendment. The original Osprey Point

Development Agreement included a Development Schedule provision under Section IV thereof and Exhibit D thereto. Subject to the same reservations and conditions provided under the original Development Agreement and Exhibit D, the Development Schedule is hereby amended as set forth in Exhibit D hereto.

K. Preliminary Drainage Plan, Water Plan and Sanitary Sewer Plans.

Because the essential elements of the PUD remain in the same general areas of the Property as originally contemplated, at reduced densities, the changes to these infrastructure systems are relatively minor, to reflect altered road locations. The system designs all remain within the original design tolerances previously approved. Expected new locations of these infrastructure systems are depicted on the attached Exhibits E, F, and G to the First Amendment, for sanitary sewer, stormwater drainage and water systems, respectively, subject to final engineering and approvals prior to construction.

L. Terms of Agreement/Incorporation/Default. The original Development

Agreement and PUD were approved by both parties, effective September 3, 2009. The original term is thus about to expire. The parties hereby agree that the original Development Agreement, and all Exhibits thereto including the PUD, is hereby incorporated by reference into this First Amendment To Osprey Point Development Agreement and PUD, and further, that said original documents are hereby amended as specifically provided herein, directly or by necessary implication. The term of this First Amendment shall be for five years from the date of execution hereof, provided that the term shall be further extended for an additional five years if neither party

July 28, 2014 Draft
hereto is in material default hereunder and if development of the subject property has not been completed within the initial term hereof. Both parties agree that with the adoption and execution hereof, no present defaults exist between the parties and all future activities within Osprey Point shall be governed by the terms hereof.

IN WITNESS WHEREOF, the parties hereby set their hands and seals, effective the date first above written.

WITNESSES

OWNER:

LCP III, LLC

By: _____

Its:

Attest: _____

Its:

STATE OF SOUTH CAROLINA

)

)

ACKNOWLEDGMENT

COUNTY OF BEAUFORT

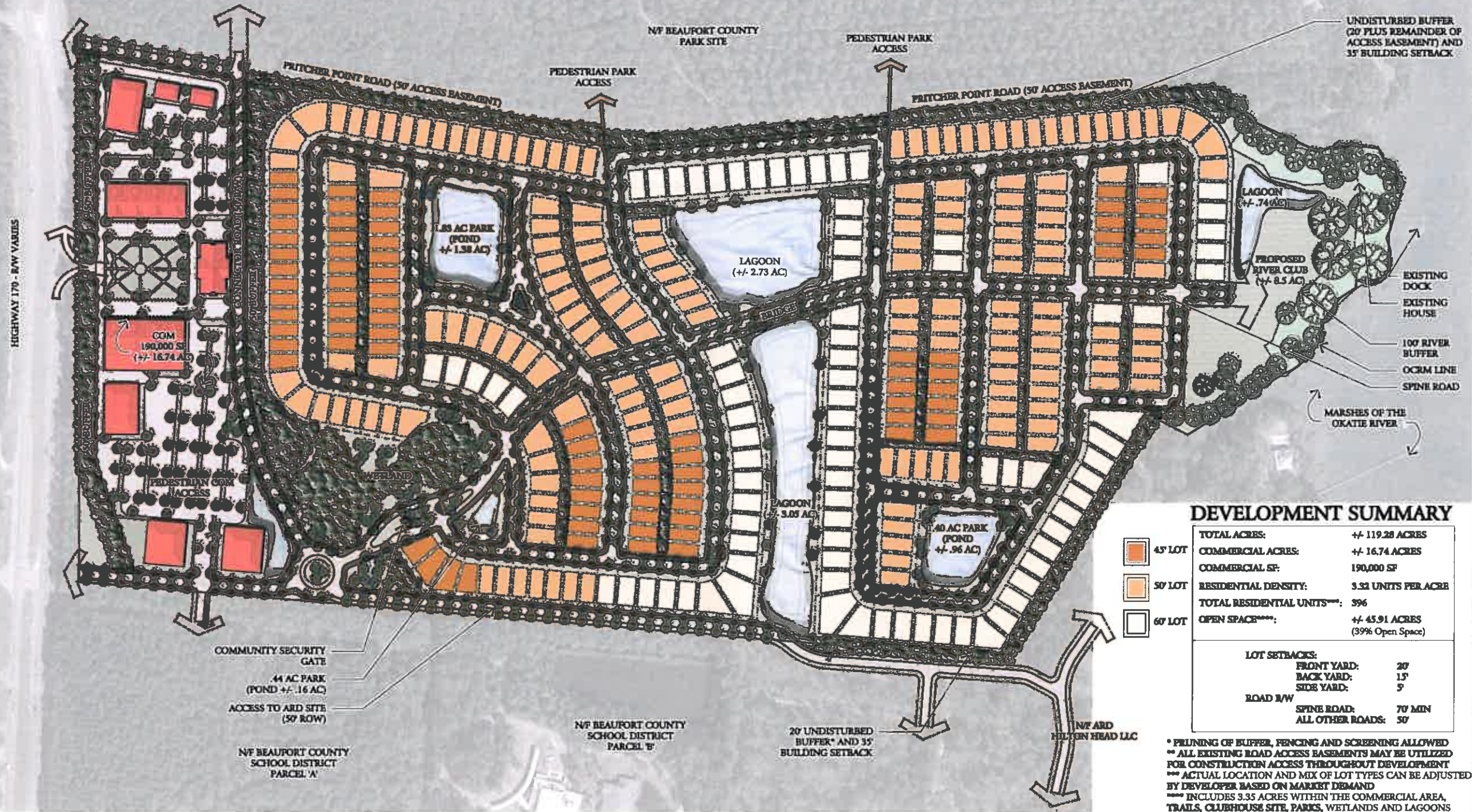
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I HEREBY CERTIFY, that on this ____ day of _____, 2014, before me, the undersigned Notary Public of the State and County aforesaid, personally appeared _____, and _____ known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, as the appropriate official of LCP III, LLC, 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



DEVELOPMENT SUMMARY

TOTAL ACRES:	+/- 119.28 ACRES
COMMERCIAL ACRES:	+/- 16.74 ACRES
COMMERCIAL SF:	190,000 SF
RESIDENTIAL DENSITY:	3.32 UNITS PER ACRE
TOTAL RESIDENTIAL UNITS***:	396
OPEN SPACE****:	+/- 45.91 ACRES (39% Open Space)

LOT SETBACKS:	
FRONT YARD:	20'
BACK YARD:	15'
SIDE YARD:	5'
ROAD R/W	
SPINE ROAD:	70' MIN
ALL OTHER ROADS:	50'

* PRUNING OF BUFFER, FENCING AND SCREENING ALLOWED
 ** ALL EXISTING ROAD ACCESS EASEMENTS MAY BE UTILIZED FOR CONSTRUCTION ACCESS THROUGHOUT DEVELOPMENT
 *** ACTUAL LOCATION AND MIX OF LOT TYPES CAN BE ADJUSTED BY DEVELOPER BASED ON MARKET DEMAND
 **** INCLUDES 3.35 ACRES WITHIN THE COMMERCIAL AREA, TRAILS, CLUBHOUSE SITE, PARKS, WETLANDS AND LAGOONS

PREPARED FOR:
MALIND BLUFF DEVELOPMENT LLC

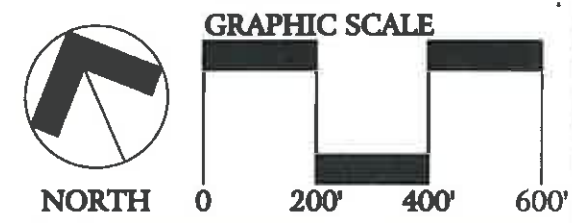
PREPARED BY:
J. K. TILLER ASSOCIATES, INC.
 LAND PLANNING LANDSCAPE ARCHITECTURE
 7511 FINCHNEY COLONY ROAD SUITE 101 STUFFOR, SC 29989
 TEL: 803.251.2222 FAX: 803.251.2222

OSPREY POINT (MALIND BLUFF)

AMENDED MASTER PLAN

BEAUFORT COUNTY, SOUTH CAROLINA

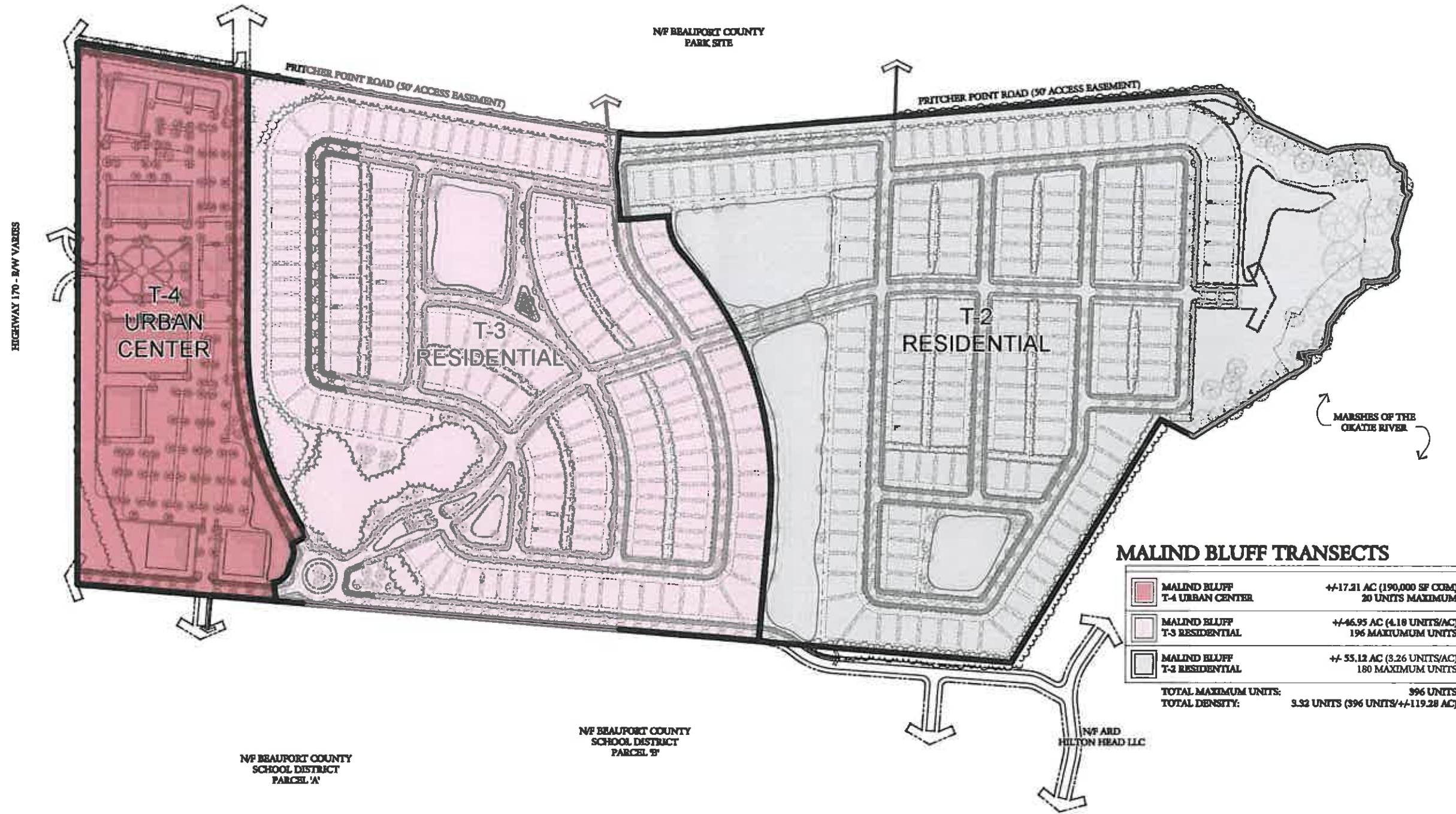
July 29, 2014



THIS IS A CONCEPTUAL PLAN AND IS SUBJECT TO CHANGE. ALL SURVEY INFORMATION AND SITE BOUNDARIES WERE COMPILED FROM A VARIETY OF UNVERIFIED SOURCES AT VARIOUS TIMES AND AS SUCH ARE INTENDED TO BE USED ONLY AS A GUIDE. ALL PROPERTY LINES, TRACT DIMENSIONS AND NARRATIVE DESCRIPTIONS ARE FOR GRAPHIC REPRESENTATION ONLY, AS AN AID TO SITE LOCATION AND POTENTIAL LAND USE, AND ARE NOT LEGAL REPRESENTATIONS AS TO FUTURE USES OR LOCATIONS. J. K. TILLER ASSOCIATES, INC. ASSUMES NO LIABILITY FOR ITS ACCURACY OR STATE OF COMPLETION, OR FOR ANY DECISIONS (REQUIRING ACCURACY) WHICH THE USER MAY MAKE BASED ON THIS INFORMATION.

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EXHIBIT I



PREPARED FOR:
MALIND BLUFF DEVELOPMENT LLC

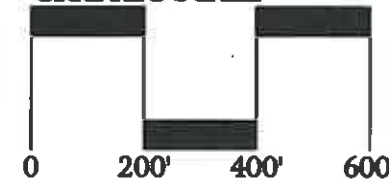
PREPARED BY:
J. K. TILLER ASSOCIATES, INC.
LAND PLANNING LANDSCAPE ARCHITECTURAL
200 VINEYARD COLONY ROAD SUITE 101 SUFFOLK, VA 23063
757-533-1000

OSPREY POINT (MALIND BLUFF) TRANSECT MAP BEAUFORT COUNTY, SOUTH CAROLINA July 29, 2014



NORTH

GRAPHIC SCALE



THIS IS A CONCEPTUAL PLAN AND IS SUBJECT TO CHANGE. ALL SURVEY INFORMATION AND SITE BOUNDARIES WERE COMPILED FROM A VARIETY OF UNVERIFIED SOURCES AT VARIOUS TIMES AND AS SUCH ARE INTENDED TO BE USED ONLY AS A GUIDE. ALL PROPERTY LINES, TRACT DIMENSIONS AND NARRATIVE DESCRIPTIONS ARE FOR GRAPHIC REPRESENTATION ONLY, AS AN AID TO SITE LOCATION AND POTENTIAL LAND USE, AND ARE NOT LEGAL REPRESENTATIONS AS TO FUTURE USES OR LOCATIONS. J. K. TILLER ASSOCIATES, INC. ASSUMES NO LIABILITY FOR ITS ACCURACY OR STATE OF COMPLETION, OR FOR ANY DECISIONS (REQUIRING ACCURACY) WHICH THE USER MAY MAKE BASED ON THIS INFORMATION.

JKT Job Number: 201403-01