



## **Town of Hilton Head Island**

### **Town Council Meeting**

**Tuesday, March 18, 2025, 3:00 PM**

**1 Town Center Court, Hilton Head Island, SC  
Benjamin M. Racusin Council Chambers**

**REVISED  
AGENDA**

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The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

- 1. Call to Order**
- 2. Pledge to the Flag**
- 3. Invocation – Pastor Jeff Dorth, Island Lutheran Church**
- 4. Adoption of the Agenda**
- 5. Approval of the Minutes**
  - a. Regular Meeting Minutes of March 4, 2025
- 6. Presentations and Recognitions**
  - a. Report of the Town Manager
  - b. Presentation of Disabilities Awareness Month Proclamation - Mayor Alan Perry
- 7. Reports from Members of Town Council**
  - a. General Reports from Town Council
  - b. Report of the Lowcountry Area Transportation Study – Councilmember Tamara Becker
  - c. Report of the Lowcountry Council of Governments – Councilmember Steve Alfred
  - d. Report of the Beaufort County Airports Board – Councilmember Melinda Tunner
  - e. Report of the Southern Lowcountry Regional Board – Councilmember Patsy Brison

- f. Report of the Island Recreation Association Board – Mayor ProTempore Alex Brown
- g. Report of the Beaufort County Economic Development Corporation - Mayor Alan Perry
- h. Report of the Gullah Geechee Historic Neighborhoods Community Development Corporation - Mayor ProTempore Alex Brown
- i. Report of the Community Services and Public Safety Committee – Councilmember Tamara Becker
- j. Report of the Finance and Administrative Committee – Mayor ProTempore Alex Brown

## **8. Unfinished Business**

- a. Consideration of an Ordinance Authorizing the Execution and Delivery of a Long-Term Lease between the Town and the Sandalwood Community Food Pantry of Town-Owned Property on Augusta Lane - Second Reading - Shawn Colin, Assistant Town Manager

## **9. Public Comment - Non Agenda Items**

## **10. Executive Session**

- a. Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussion for the Proposed Sale or Purchase of Property [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:
  - 1. Main Street
  - 2. Union Cemetery Road
  - 3. Jonesville Road
  - 4. Marshland Road
  - 5. William Hilton Parkway Gateway Corridor
- b. Discussion of Matters Covered by the Attorney-Client Privilege in Connection with an Update on Pending Litigation captioned “Town of Hilton Head Island, South Carolina v. Beaufort County, South Carolina,” [Pursuant to South Carolina Freedom of Information Action Section 30-4-70(a)(2)]

## **11. Action from Executive Session**

## **12. Adjournment**

FOIA Compliance: Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or

activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:

“I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town.”



# Town of Hilton Head Island TOWN COUNCIL MEETING Tuesday, March 4, 2025, 3:00 PM Minutes

## Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

Council Members present: Alan Perry, Mayor, Alex Brown, Ward 1, Mayor Pro-Tempore; Patsy Brison, Ward 2; Steve DeSimone, Ward 3, Tammy Becker, Ward 4; Steve Alfred, Ward 5; Melinda Tunner Ward 6

## Invocation – Rabbi Brad Bloom, Congregation Beth Yam

Rabbi Bloom delivered the invocation.

## Adoption of the Agenda

**Mr. Alfred moved to move Item 8.a. on the agenda to take place immediately after approval of minutes. Ms. Becker seconded. Motion carried 7-0.**

## Approval of the Minutes

### Regular Meeting Minutes of February 4, 2025

**Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 7-0.**

### Regular Meeting Minutes of February 18, 2025

**Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 7-0.**

### Workshop Meeting Minutes of February 25, 2025

**Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 7-0.**

## Unfinished Business

Consideration of a Joint Resolution of the Town Council of Town of Hilton Head Island, South Carolina and Beaufort County Council of Beaufort County, South Carolina providing direction and response to the South Carolina State Infrastructure Bank related to Project Scope and Funding Strategy for the William Hilton Parkway Gateway Corridor Project - Shawn Colin, Assistant Town Manager

Shawn Colin provided an update on the William Hilton Parkway Gateway Corridor Project, providing relevant information for your review prior to the consideration of a Joint Resolution with Beaufort County to provide direction and response to the South Carolina State Infrastructure Bank related to Project Scope and Funding Strategy for the William Hilton Parkway Gateway Corridor Project. Below is a summary of events and developments related to the project that have occurred starting with the January 9, 2025, workshop of Town Council. In this regard, please see the following:

**1. January 9, 2025, Town Council Workshop:**

At the January 9<sup>th</sup> Workshop, Town Council reviewed the availability of project funding and examined recent correspondence from the South Carolina Department of Transportation (SCDOT), the South Carolina State Infrastructure Bank, Beaufort County, and Senator Tom Davis.

Town Council assessed potential funding sources, project decision timelines and deadlines, and the proposed project alignment, ultimately discussing the next steps.

At the Workshop, Town Council directed staff as follows:

- ☐ Align project with adopted Guiding Principles.
- ☐ Confirm sources and uses of project budget funds.
- ☐ Analyze project costs by segment and element and report the findings accordingly.
- ☐ Provide clarification regarding the 2018 Beaufort County Transportation Sales and Use Tax Referendum.
- ☐ Develop a project timeline with key milestones to ensure alignment with the March 31, 2025, deadline.
- ☐ Establish a Stoney Corridor Master Plan.

**2. January 27, 2025, Town Council Workshop:**

Town staff provided an update on items requested from Town Council above. These included: a project update: project guiding principles, a budget overview, sources and uses of project funds, and various next steps that must be resolved prior to the project advancing. These items were as follows:

- ☐ **Align Project with Guiding Principles adopted by Town Council on February 18, 2020:**
  - Fix the transportation issues in the corridor in a way that improves the safety and quality of life for all residents, workers and visitors to Hilton Head Island.
    - Address transportation needs for natural disasters and resiliency of Island access.
    - Consider future transportation alternatives.
  - Improve the safety and quality of life for the residents of the neighborhoods and businesses directly impacted by the US 278 corridor.
    - Stoney.
    - Neighborhoods on Jenkins and Hog Island (including but not limited to Windmill Harbor).
  - Have a gateway to and from Hilton Head that the region that will be proud of.
    - Aesthetically pleasing and reflecting the Hilton Head/Low country values.
    - Safe and functional pathways for pedestrians and cyclists.
    - Minimizes environmental impacts and enhances the wonderful asset of Pinckney Island.
- ☐ **Sources and Uses Project Funds:**

- The William Hilton Parkway Gateway Corridor Project is a major infrastructure initiative with a total budget of \$298.53 Million. The project is funded through the following sources:
  - Beaufort County Referendum: \$80 Million
  - Beaufort County Impact Fees: \$21 Million
  - Hilton Head Island Right-of-Way (ROW) Donation: \$3.3 Million
  - Lowcountry Area Transportation Study (LATS) Guideshare: \$2 Million
  - SCDOT Bridge Funds: \$72.5 Million
  - South Carolina State Infrastructure Bank (SCSIB): \$120 Million
- As the project refinement progresses, project funding sources and uses per the above must be confirmed with Beaufort County, South Carolina Department of Transportation, and South Carolina State Infrastructure Bank.
- Town staff must validate the appropriate use of 2018 Referendum funds as they apply to the project.
- 2018 Transportation Sales and Use Tax Referendum:
  - The sales tax proceeds will be used for the following projects as described and for which an estimated capital cost is stated.
  - Hilton Head Island - US 278 Corridor Traffic Improvements: Repair and/or replace the existing spans of the bridges to Hilton Head Island and other improvements between Moss Creek Drive and Squire Pope Road ... \$80,000,000.
- **Bridge and Corridor Scope and Cost Alignment Determination:**
  - To align project funding, review SCDOT Engineers' Opinion of Probable Costs (EOPC) for key project components.
  - Town Council and Beaufort County must concur with the bridge, corridor, lane, and intersection designs. This detail will be further discussed and assessed at the Town of Hilton Head Island, Beaufort County, and SCDOT meeting referenced above.
- **Stoney Corridor Master Plan:**
  - **The Stoney Area Master Plan** is being developed to provide a comprehensive framework for guiding future design, infrastructure improvements, and strategic investments within the Stoney community corridor. This plan is essential to ensuring that development efforts align with the Town's vision and priorities, as outlined in the previously approved. Stoney Area Initiative Plan, adopted in 2003. The Master Plan serves as a blueprint to:
    - Identify and prioritize essential infrastructure improvements, such as roadways, utilities, pedestrian pathways, open space and other public infrastructure investments to support the Stoney Historic Community.
    - In conjunction with the Skull Creek District Plan, encourage responsible growth that balances economic opportunities with the preservation of the area's character and community identity.

- All proposed strategies and improvements are intended to align with the goals and recommendations set forth in the Initiative Plan to maintain consistency with community aspirations.
- Establishing a clear vision for the area will better position the Town and Beaufort County to secure grants and funding for critical infrastructure and community projects.

### 3. **January 30, 2025, meeting with SCDOT, Beaufort County and Town of Hilton Head Island in Columbia, SC:**

A meeting was held to obtain information and options for the project. Here's a summary of the information, as well as answers obtained from SCDOT included below:

#### 1. Meeting Attendees:

- SCDOT:
  - Justin Powell, Secretary of Transportation
  - Rob Perry, PE, Deputy Secretary for Engineering
  - John Boylston, Chief Engineer for Program Delivery
  - Maggie Hendry, Chief Administrative Officer
  - Craig Winn, PE, Lowcountry Program Manager
- Town of Hilton Head Island:
  - Alan Perry, Mayor
  - Alex Brown, Councilman
  - Steve Desimone, Councilman
  - Marc Orlando, Town Manager
  - Shawn Colin, Assistant Town Manager
- Beaufort County:
  - Alice Howard, County Council Chair
  - Tab Tabernik, County Council
  - Michael Moore, Administrator
  - Jared Fralix, Assistant Administrator

#### 2. Bridge/Project Options Overview:

- Option 1: \$257.7M – Lifeline option without multiuse pathway. Includes a 3-lane bridge with breakdown lanes. The bridge would be stripped for two-lanes. Cost Comparison: The costs of half the project may not necessarily be half the total cost.
- Option 2: \$319.3M – Lifeline option with multiuse pathway. Includes a 3-lane bridge with breakdown lanes and a protected multiuse pathway.
- Option 3: \$273.7M – Lifeline option without multiuse pathway. Includes 3 lanes eastbound from Moss Creek to Spanish Wells Road.
- Option 4: \$340.8M – Lifeline option with multiuse pathway. Includes 3 lanes eastbound from Moss Creek to Spanish Wells Road, a protected multiuse pathway on the bridge, and a pathway connection to Moss Creek and Jenkins Island.
- Option 5: \$466.8M – Full project cost anticipated for 2024.

- Option 6: \$88.6M – Replacement of only the MacKay Creek eastbound bridge.
  - Option 3 or 4 may take longer to move through the process and construction phases.
- Projects beyond the bridge scope may be included in the Lowcountry Area Transportation Study for programming and funding considerations.
- 3. SCDOT is considering a Design Build approach to the project to help with pricing.
  - A design-build option will consider design alternatives, including bike and pedestrian connections.
  - SCDOT has seen a 70 percent project cost escalation over the past few years.
- 4. Tolls and Reversible Lanes:
  - Tolls: Tolls are prohibited on existing free facilities (as per South Carolina Statute).
    - Tolls for express routes (e.g., to Cross Island Parkway) would require extended evaluation, including a toll study, environmental review, and permitting.
  - Reversible Lanes: SCDOT opposes reversible lanes due to safety, compliance issues, and the high cost of operation and maintenance. SCDOT is not in the business of reversible lanes.
- 5. Utility Relocation and Funding:
  - Utility relocation costs are part of the project; SCDOT will pay per South Carolina code.
  - SCDOT will cover utility relocation costs in accordance with the Utility Relocation Act, and additional funding could come from local funds.
  - Timeframe for project changes:
    - Updates to environmental documents would take 6+ months.
    - Design/build project process will take 14 months.
    - Right-of-way (ROW) phase takes 12 months.
    - Construction will span 24-36 months.
    - Estimate is +/- 32months to get to construction and 24-36 months for construction.
- 6. Pinckney Island/Skull Creek Bridges:
  - Elevated Intersection: The preference is for a new eastbound bridge to be elevated over Pinckney Island. Touching down on Pinckney Island would increase costs and reduce safety by having at grade movements.
  - Skull Creek Bridge Substructure: The substructure must support both the eastbound and westbound bridge decks, The eastbound deck must be kept if the westbound deck remains. This would provide two-way traffic between Jenkins Island and Pinckney Island on the existing eastbound Skull Creek Bridge.
- 7. On-Island Grade Separation and Relocation:
  - Grade Separation for Squire Pope Road/Spanish Wells Road would require multiple residential relocations, dramatically increasing costs.
- 8. Mitigation Elements and Community Impact:

- Costs for Stoney Community mitigation are only funded if the project extends into the Stoney area. If Option 3 or 4 is selected, funding for Stoney mitigation (as outlined in the Environmental Assessment) would be included.
9. Project Coordination and Scope:
- Coordination: SCDOT emphasized the need to coordinate efforts.
  - Meeting with SIB: SCDOT will meet with the State Infrastructure Bank (SIB) to ensure alignment.
  - Project Scope Considerations:
    - A joint resolution by the Town of Hilton Head Island and Beaufort County outlining approved project scope and funding strategy is suggested to resolve concerns and allow SIB consideration.
10. Steps Forward suggested at the January 30, 2025, meeting:
- The Town of Hilton Head Island and Beaufort County need to continue discussions to reach an agreed-upon position and preference for project advancement.
  - A joint resolution approved by the Town and County to address concerns raised by the SIB was recommended to be delivered before the March 31, 2025, deadline.
    - This will provide clarity to SCDOT regarding the local preference for advancing the project.
    - Beaufort County would need to revise its Intergovernmental Agreement with the SIB as well as its agreement with SCDOT for project scope.

#### **4. February 12, 2025, Joint Workshop of Beaufort County and Town Council:**

A joint workshop of Town of Hilton Head Island and Beaufort County Councils was held at the Buckwalter Recreation Center, at 5pm, on Wednesday, February 12<sup>th</sup>. In attendance were Town of Hilton Head Island Council members, Beaufort County Council members, Beaufort County Administrator, Michael Moore, Assistant Administrator, Jared Fralix, Town Manager, Marc Orlando, and Assistant Town Manager, Shawn Colin. Many members of the Beaufort County public also attended.

At the meeting Beaufort County staff overviewed the following:

1. Reviewed various SCDOT proposals that were received on January 30, 2025.
2. Reviewed funding available for the project.
3. Beaufort County provided a DRAFT joint Resolution for review, consideration and reaction.
4. Elected officials discussed next steps, to include a Joint Town Council and County Council Resolution.
5. Beaufort County staff will provide a revised draft Resolution based upon feedback and recommendations that were proposed at the meeting.
6. There was an opportunity for all elected officials to comment.
7. A Public comment period was also held.

With consideration of design, and funding, most elected officials selected the SCDOT proposed Option 1 with specific concerns and suggestions addressed, particularly related to the safety of the travel on the bridge and through the Stoney Historic Neighborhood, bike/pedestrian options, funding, and project scope.

- Next Steps: Next Steps taken or remaining to take after the February 12, 2025, joint Workshop:
  - ✓ Beaufort County staff provided an updated draft joint Resolution to Town staff.
  - ✓ Town staff drafted modifications to the joint Resolution reflecting input from Town Council, which were reviewed by the Town Attorney, and provided to Beaufort County that included:
    - ✓ Changed wording of unspent reserve funds from "may" to "shall".
    - ✓ Specified a prioritization of project scope and funding allocation for the Stoney Historic Community Corridor as follows:
      - Squire Pope intersection enhancements – (pedestrian safety, turn movements, etc.)
      - Sidewalk enhancements
      - Signage – safety/wayfinding
      - Spanish Wells intersection enhancements – (pedestrian safety, turn movements, etc.)
    - ✓ Included an increase in Stoney Historic Community funding from \$3.5 million to a minimum of \$5.0 million.
    - ✓ Clarified that full funding for utility relocation was the top priority for use of local funds.
    - ✓ Included agreement that Windmill Harbor signal to be turned over to the Town with mast arms and with an ability to function as part of the Town's adaptive signal system.
    - ✓ Included agreement to explore providing a bike lane on the new eastbound bridge structure, as part of the built 3rd lane, until a later date.
    - ✓ Requested clarification of Town donated land through Jenkins Island.
    - ✓ Included a reduction of William Hilton Parkway Corridor Speed to 40mph.
    - ✓ Included a provision that a mutual agreement that a Stoney Neighborhood Plan/Master Plan will be developed and that the Town and County will work cooperatively to fund and implement.
    - ✓ Beaufort County revised the draft joint Resolution to include input provided by the Town.
    - ✓ The draft joint Resolution was included in the Beaufort County Council Agenda packet for their February 24, 2025, meeting.
    - ✓ Town Attorney to review and prepare for your consideration.

**5. February 12, 2025, Joint Workshop of Beaufort County and Town Council:**

Beaufort County Council approved the Joint Resolution as drafted for their February 24, 2025, meeting without any revisions.

- ☐ If the Joint Resolution is approved, Town staff, along with Beaufort County, must also:
  - ☐ Meet with SCDOT to confirm project variables and joint Resolution.
  - ☐ Meet with SC SIB to confirm project variables, joint Resolution, and SC SIB funds.

Mayor Perry invited Senator Davis who joined the meeting virtually, if he had anything to add to the background information. Senator Davis noted the concern of many Town

Council members regarding accessing Pinckney Island with the Option 1 plan. He stated he shared those concerns with SCDOT. Below are Town Council questions and comments along with a copy of a letter from SCDOT.

### **William Hilton Parkway Gateway Corridor Project Questions and Concerns from Town Council**

This outline provides a summary of the questions and concerns raised by the Hilton Head Island Town Council regarding the William Hilton Parkway Gateway Corridor Project and its Joint Resolution with Beaufort County. The document highlights the Town Council's requests for additional information and clarification on various aspects of the project, including alignment illustrations, access to Pinckney Island, emergency response considerations, and the design of the new bridges. It also addresses concerns about potential environmental impacts, land use, and municipal consent requirements. Responses to these inquiries have been provided by Beaufort County and SCDOT. The feedback aims to facilitate a productive discussion during the upcoming Town Council meeting on March 4th.

#### **Request 1: Provide illustrations showing the project alignment**

##### **and options. Answer:**

We do not have additional illustrations beyond the options presented by SCDOT. Further engineering and exhibits will be produced and presented at a Public Information Meeting once the project moves forward.

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#### **Request 2: Consider landing the eastbound bridge on Pinckney Island.**

##### **Answer:**

There is no additional funding available for the cost of direct access from the new eastbound lifeline bridge. The future westbound bridge replacement will likely be within the footprint of the existing eastbound bridges or the westbound alignment. Keeping the bridges elevated reduces environmental impacts and provides future opportunities for ramps to access Pinckney Island when the westbound bridges are replaced.

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#### **Request 3: Can the eastbound bridge be reduced in size to cover cost overruns and allow landing the eastbound bridge on Pinckney or providing an exit ramp?**

##### **Answer:**

No, the lifeline bridge is designed for 3 lanes and temporary 4-lane two-way traffic in emergencies, such as for hurricane reversals and the eventual replacement of the

existing westbound bridges.

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**Request 4: What is the US Fish and Wildlife Service's position on access to Pinckney Island?**

**Answer:**

Access to Pinckney Island will be determined through coordination with USFWS. While short- duration closures may be necessary, the Bridge Replacement Maintenance of Traffic (MOT) plan will aim to reduce or eliminate potential impacts or closures.

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**Request 5: How will safe access be provided between the north and south sides of Pinckney Island with the new eastbound bridge and existing westbound bridge?**

**Answer:**

Final access will be determined during the development of alternatives. Options include using either the eastbound or westbound Skull Creek bridges. Access to the boat ramp may be provided underneath the new bridge structure, with roads connecting to Pinckney Island National Wildlife Refuge.

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**Request 6: What are the options for access to Pinckney Island?**

**Answer:**

The options include using either the eastbound or westbound Skull Creek bridges, depending on which is retained, and providing access via the new bridge structure or under existing bridges.

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**Request 7: Concerns about the U-turn at Windmill Harbour and its safety.**

**Answer:**

The design of the U-turn and its safety will be evaluated as part of the alternatives for safe access to Pinckney Island. One option involves EB traffic turning left at Windmill Harbour and using the Hog Island Connector Road to access the WB Skull Creek bridge. Other alternatives, such as a roundabout at C. Heinrichs Circle, will also be evaluated during the NEPA process.

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**Request 8: Concerns about emergency response times to the boat landing and Pinckney Island Wildlife Refuge.**

**Answer:**

Emergency response times will be coordinated between HHI Fire, Bluffton Township Fire, and Beaufort County EMS. Emergency access will be evaluated as part of the design process.

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**Additional Considerations from Secretary of SCDOT, Justin Powell  
(Letter to Senator Tom Davis, dated February 28, 2025):**

1. If the revised project proceeds, SCDOT will make it a "design-build" project. In that process, SCDOT will select a joint design and construction team to finalize plans for the project and build the bridge.
2. The design-build process promotes innovation and allows teams to propose alternatives that can improve the project. This could include proposing new ways to access Pinckney Island than currently contemplated.
3. SCDOT is willing to include in the procurement documents and in the scoring of proposals from the teams a preference for alternatives that provide two-way access to Pinckney Island, rather than the current plan to provide access solely from Hilton Head Island.



South Carolina  
Department of Transportation

Justin P. Powell Secretary of Transportation

803-737-0874 | 803-737-2038 Fax

February 28, 2025

The Honorable Tom Davis  
South Carolina Senate  
203 Gressette  
Building Columbia,  
SC 29201

Dear Senator Davis:

As you are aware, Beaufort County and the Town of Hilton Head Island are in discussions about revising the US-278 Bridge project into a smaller project focused on the eastbound approach from Bluffton onto Hilton Head Island.

The South Carolina Department of Transportation (SCDOT) has developed an alternative to build a single span across Mackay Creek and Skull Creek. While designed for future capacity, the structure would be striped for two lanes and would tie into the existing US-278 once on Hilton Head Island. This approach would address SCDOT concerns about the US-278 eastbound bridge over Mackay Creek and advance a project that facilitates the long-term plan to reconstruct all four bridges onto the island.

Consistent with the original proposal for the full bridge, the revised plan would aim to reduce the environmental impacts to the Pinckney Island National Wildlife Refuge by not

having the structure touch down on the island. Given the budgetary constraints of funds available from Beaufort County, the State Infrastructure Bank, and SCDOT, the current plan has public access to Pinckney Island solely from Hilton Head Island. Full access to Bluffton from Pinckney Island would be established in the future when the westbound structures are replaced.

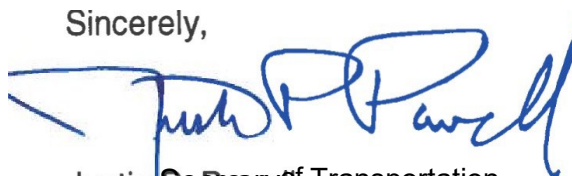
I recognize the concern about vehicles traveling from Bluffton to Pinckney Island will now be required to travel to Hilton Head Island first. To that end, I want to offer the following:

- 1 ) If the revised project proceeds, SCDOT will make it a "design build" project. In that process, SCDOT will select a joint design and construction team to finalize plans on the project and build the bridge.
- 2 The design build process promotes innovation and allows teams to propose alternatives that can improve the project. This could include proposing new ways to access Pinckney Island than currently contemplated.
- 3 SCDOT is willing to include in the procurement documents and in the scoring of the proposals from the teams a preference for alternatives that provide two-way access onto Pinckney Island than the current plan to provide access solely from Hilton Head Island.

This approach will allow the project to proceed on its current budget and provide an opportunity to apply additional innovation to the project that could resolve access concerns to Pinckney Island.

Please do not hesitate to reach out if I can be of further assistance.

Sincerely,



Justin Powell  
Secretary of Transportation

CC: Beaufort County Legislative Delegation  
SCDOT Commission [www.scdot.org](http://www.scdot.org) Post  
Opportunity 955 Park Street, Room  
Employer Columbia, SC 29202-0191855-



Office Box 191An Equal  
309Affirmative Action  
GO-SCDOT (855-467-2368)

**Following the presentation and input from Senator Davis, Mr. DeSimone moved to approve the joint resolution of Beaufort County and the Town of Hilton Head Island to redefine the US278 Corridor Project, also known as William Hilton Gateway Corridor Project to align with the available funding with the following revisions:**

**Add a 17th and final Whereas clause reading as Whereas, in a February 28th 2025 letter from South Carolina Secretary of Transportation Justin Powell to Senator Tom Davis, if the project proceeds SCDOT will make it a design-build project and is willing to include in the procurement documents and in the scoring of the proposals a preference for alternatives provide two-way access, meaning one can exit from the new bridge and an eastbound on the Pinckney island as well as depart Pinckney Island onto the new bridge to head eastbound towards Jenkins Island, rather than the current plan to provide access to Pinckney Island solely**

from Jenkins Island.

**Modify the language included under revision Project Scope Item 1 to remove the lifeline;**

**Modify the language included under the revised Project Scope Item 4 to do the following: The new bridge will be designed so that there is a preference to provide two-way access to Pinckney Island from the new bridge over the use of the existing Skull Creek Bridge, either the eastbound or the westbound lanes being repurposed for two-way access to Pinckney Island;**

**Modify the language included under Revised Scope Item 7.iii. to the following: Request that SCDOT reduce the speed limit of William Hilton Parkway Corridor to 40 miles per hour; and**

**Incorporate Town Staff recommended changes as outlined in Attachment 7 of the Town Council agenda packet to read: a. Clean up the text inadvertently represented as underlined or strikethrough text in the approved version from Beaufort County; b. correct spacing of items in planned project cost and; c. add missing punctuation and Use of Local Funds on Item 2.**

**Ms. Becker seconded.**

Members of Council had questions, comments and discussion regarding: clarifications regarding next steps due to changes made by Town Council to the Beaufort County proposal for a joint resolution; confirmation the revised joint resolution would be sent back to Beaufort County for review and consideration of approval; and confirmation a joint resolution with respect to the State Infrastructure Bank, clarifies cooperation between Beaufort County and the Town of Hilton Head Island.

**Ms. Brison proposed adding the following language to the motion at the end of the new Whereas clause: a copy of the February 28,2024 letter from SCDOT Secretary Justin Powell be added as Exhibit B. She also asked that under Use of Local Funds Item 3 for the word “allocated” to be removed and replaced with “set aside and reserved for a local road project, with funds made available upon approval of the Project by the Federal Highway Administration”. Mr. DeSimone, the maker of the motion and Ms. Becker, seconder were in agreement to add the language to the motion.**

Members of Council had questions, comments and discussion regarding: confirmation the need to request access to the funds needs to be included in the resolution; the need to clearly spell out exactly what the Town needs for the Pinckney Island access; the need to locate the water line coming to the Island to determine the impact of option chosen; concern this option still leaves some Hilton Head Island residents with the bridge they have been fighting against; inquiry that if the joint resolution goes forward and it satisfies the State Infrastructure Bank, design will commence; confirmation the State Infrastructure bank will work with the County and the SCDOT to change the project scope if amendments are made; a suggestion the Town show clear information about the Town property that would be involved in the project; and clarification that if the proposed joint resolution passes today, it does not signify the end of efforts to make certain that it is the best we could possibly have by working together.

Senator Davis explained that the Senate was in session so he would have to leave the meeting, Mayor Perry expressed his appreciation to Senator Davis for his participation.

Mayor Perry asked for public comment.

Richard Bisi addressed Council regarding his concerns with the Pinckney access, design build and the lack of planning for access from Moss Creek to the Cross Island Parkway. He noted that this vote is the most important in the 40 years since the Town has been incorporated.

Peter Kristian addressed Council regarding his appreciation for the consideration of the Pinckney Island access and encouraged Council Member Becker to vote in favor of the motion.

Christopher Cliffe addressed Council and thanked all for answering his questions. He expressed his concerns regarding Windmill Harbour access during construction and the relocation of water lines.

Mr. DeSimone restated his motion:

**Move to add a 17th and final Whereas clause reading as Whereas, in a February 28<sup>th</sup>, 2025 letter from South Carolina Secretary of Transportation, Justin Powell, to Senator Tom Davis, if the project proceeds SCDOT will make it a design-build project and is willing to include in the procurement documents and in the scoring of the proposals a preference for alternatives provide two-way access, meaning one can exit from the new bridge and an eastbound on the Pinckney Island as well as depart Pinckney Island onto the new bridge to head eastbound towards Jenkins Island, rather than the current plan to provide access to Pinckney Island solely from Jenkins Island.**

**Modify the language included under revision Project Scope Item 1 to remove the lifeline;**

**Modify the language included under the revised Project Scope Item 4 to do the following: The new bridge will be designed so that there is a preference to provide two-way access to Pinckney Island from the new bridge over the use of the existing Skull Creek Bridge, either the eastbound or the westbound lanes being repurposed for two-way access to Pinckney Island;**

**Modify the language included under Revised Scope Item 7.iii. to the following: Request that SCDOT reduce the speed limit of William Hilton Parkway Corridor to 40 miles per hour; and**

**Incorporate Town Staff recommended changes as outlined in Attachment 7 of the Town Council agenda packet to read: a. Clean up the text inadvertently represented as underlined or strikethrough text in the approved version from Beaufort County; b. correct spacing of items in planned project cost and; c. add missing punctuation and Use of Local Funds on Item 2.**

**Ms. Brison added that at the end of the new 17<sup>th</sup> Whereas would be the following language:**

**a copy of which is incorporated by reference and attached as Exhibit B and: under**

**Use of Local Funds Item 3 for the word “allocated” to be removed and replaced with “set aside and reserved for a local road project, with funds made available upon approval of the Project by the Federal Highway Administration”.**

**Motion carried 6-1 (Becker opposed).**

Town of Hilton Head Island Destination Marketing Organization (DMO) FY25 Metrics Report for Quarters 1 and 2 - Ariana Pernice, Vice President of the Visitor and Convention Bureau

Ariana Pernice conducted a presentation regarding the first and second quarter results encompassing July through December of 2024.

Spotlights - Hilton Head Island had a spotlight in Vogue Magazine and landing coverage in Vogue is a significant media achievement. As a globally recognized luxury publication, our status as a premier destination for high-end travelers is amplified.

America’s Favorite Escapes Campaign – Listening to their partners is a cornerstone of their destination marketing approach, and by highlighting the unique travel opportunities available during the shoulder and off-season months, they aim to inspire potential visitors to discover the island during a time they might not typically consider.

Media Partnerships - Aligning the Hilton Head Island brand with top luxury publications and their readership ensures we’re consistently creating awareness of the destination amongst our target audience of \$250K+ Household Income, averaging 3 to 4 trips per year.

For the 8th consecutive year, readers on Condé Nast Traveler have voted Hilton Head Island the Best Domestic Island. This year after year recognition celebrates our timeless destination and solidifies Hilton Head Island as a premier destination in the U.S.

Public Relations - PR builds awareness by showcasing our destination through the voice of national media outlets with substantial reach. This third-party endorsement highlights our island’s appeal and commitment to culture and sustainability, inspiring value-driven travelers.

Destination Official Vacation Planner - The official Vacation Planner brings our destination into the homes of our visitors, further instilling our core values and key attributes while serving as a planning tool for those looking to travel to Hilton Head Island.

Destination Website Performance - The combination of website analytics and social media insights empowers data-driven decision-making, ensuring adaptability and responsiveness to digital out-marketing efforts.

Hotel, Home & Villa Occupancy - The Chamber’s analysis of Hilton Head Island accommodations, Hotel, Home & Villa, for both quarters. Key Data provides metrics such as occupancy rates, average daily rates, and revenue per available room. This data-driven approach details actionable insights to inform strategic decisions.

Members of Council had questions, comments and discussion regarding: inquiry into how they are approaching targeted audiences; inquiry into how social referrals relate to the seen pillars; inquiry as to how they reach out and inform tourists on how to find golf courses, events and other items of interest on Hilton Head Island; a request to have

metrics laid out by quarters for several years to understand trends; a request to have the three occupancy metrics broken out by hotels, homes, villas and timeshares to see trends; a request to display the same metrics in quarterly reports; inquiry into how many vacation planners are actually distributed; a request for information on most clicked partner referrals; confirmation on allocations of funds; a request to have the chamber report on what was actually spent on components rather than what was budgeted; inquiry as to marketing to families with challenges; confirmation communication has taken place with entities regarding access for those with challenges; and a suggestion the Chamber look into the Blue Flag Program and the requirements for such.

#### General Reports from Town Council

Ms. Becker stated she wanted to make a public service announcement. She informed all that if they call the Short Term Rental hotline and cannot reach anyone to solve a problem they have, to please call the Beaufort County Sheriff's office non-emergency line for assistance.

Ms. Brison reminded all of the Darius Rucker Golf Tournament taking place at Long Cove. She expressed appreciation to Long Cove and all the volunteers assisting with the tournament.

Mayor Perry reminded all that the town is still under a burn ban and noted the importance of following the mandate. He also thanked Mr. Orlando for his efforts regarding the Strategic Plan Workshop.

Mayor Perry expressed condolences to the family of Jay Wiendl, and Jim Lisenby (Pool Bar Jim) and John Lopat. He expressed appreciation for their contributions to our community.

#### Unfinished Business

##### Consideration of an Ordinance to Amend Title 17 of the Municipal Code, Chapter 4, Noise Control, to Add Additional Requirements for Construction Hours for the Town of Hilton Head Island, South Carolina and Providing for Severability and an Effective Date - Second Reading - Shawn Leininger, Assistant Town Manager

Shawn Leininger addressed Council and stated that on February 4, 2025, Town Council approved First Reading of this Ordinance. The motion approving First Reading made clear the intent of the Ordinance was to align with the private restrictions of the Town Planned Unit Development (PUDs), to not be more restrictive, and clarify the permitted hours of construction be from 7:00 am until 7:00 pm Monday through Saturday.

In this regard, Town staff took the following actions:

1. In the Ordinance, removed the reference to sunset, to permit construction between the hours of 7:00 am and 7:00 pm Monday through Saturday.
2. Contacted all ten (10) PUD Property Owners Associations (POAs) and confirmed the permitted construction hours and days for each.
3. Aligned with the PUD POAs the Holidays during which construction is prohibited to New Year's Day, Thanksgiving Day, and Christmas Day (removed Memorial Day, Independence Day, and Labor Day).

These changes establish permitted construction hours that are aligned with and not more

restrictive than all PUDs as directed by Town Council.

Mayor Perry asked for public comment.

There was none.

Mr. Alfred moved for approval. Ms. Becker seconded. Motion carried 7-0.

#### New Business

##### Consideration of an Ordinance Authorizing the Execution and Delivery of a Long-Term Lease between the Town and the Sandalwood Community Food Pantry of Town-Owned Property on Augusta Lane - First Reading - Shawn Colin, Assistant Town Manager

Shawn Colin conducted a presentation regarding the request with the following information.

Pembroke Drive Area – 8 Augusta Lane (Sandalwood Community Food Pantry)

This property is a vacant parcel of Town-owned land on the north end of the Island that was previously known as the Otter Hole Transfer Station. The site is comprised of 1.64 acres, flag-shaped and mostly wooded.

On June 4, 2024, the Town executed a 15 lease with the SCFP, with two five-year renewals, to develop and operate a food pantry on the property. Based on challenges obtaining funding to support the development and construction of the property, SCFP is now requesting to extend the lease term to 40 years with two 5-year renewals.

On January 14, 2025, Town Council discussed SCFP's request during Executive Session and provided the following direction:

- Request a letter from SCFP's lender that states the minimum term for the length of the ground lease.
- On January 17, 2025, Paul Walter, Senior Vice President of Pinnacle Financial Partners, provided a letter to SCFP that states that they do not see ground lease terms for less than 40 years.

On February 18, 2025, Town Council further discussed SCFP's request during Executive Session and directed the Town Attorney to amend the lease term to 40 years with two 5-year renewals for Town Council's consideration.

**Mr. Alfred moved to approve. Ms. Brison seconded.**

Members of Council had questions, comments and discussion regarding: a concern regarding creating a standard with non-profits regarding leases.

**Motion carried 6-1 (Becker opposed).**

#### Public Comment - Non Agenda Items

Tyler Rice addressed Council stating he is working with the Hilton Head Island Bluffton Chamber of Commerce as an intern and has been tasked with assisting in the development of their new jobs website – Lowcountry Jobs. He explained the goal is to expand the potential local workforce. He explained the process and how it works.

Skip Hoagland addressed Council stating his opposition to the Hilton Head Island Bluffton

Chamber of Commerce. He stated the need for an audit of the funds received by the Chamber. He also expressed his opinion that public comment should be first on the agenda.

Krista Flanders addressed Council regarding her outreach work in the community for addiction recovery. She stated the obstacles individuals face when trying to get help for their addiction.

Lynn Greeley addressed Council requesting they conduct an independent forensic audit on their annual budget. She suggested the creation of a Committee to be in charge of the audit with the female members of Council as members of the Committee with Ms. Tunner as chair.

Terry Hall addressed Council regarding the flooding problems on Bay Pines. He expressed frustration with working with FEMA and receiving assistance to address this problem. He invited Council members to a community meeting to be held in his area at 2p.m.

Amber Kuehn addressed Council expressing her appreciation for public comments during Town /Council meetings stating three minutes is not enough time. She stated there is an individual willing to invest \$500,000 to renovate the Wild Wings building for use by the Sea Turtle Patrol.

Heather Rath addressed Council stating her dissatisfaction with the Public Comment policy. She added that while she understands it was enacted to create structure, the policy is creating a barrier between the citizens and the Council.

#### Executive Session

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:1. William Hilton Parkway - Stoney Area

Discussion of Legal Advice from Town Attorney on Matters Covered under Attorney-Client Privilege [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:

1. Project located on Main Street, also known as Diamond Cove

Mr. Orlando stated the need for an executive session for the reasons listed above.

**At 4:58 p.m. Ms. Brison moved to enter into Executive Session for the reasons cited by the Town Manager. Ms. Becker seconded. Motion carried 7-0.**

**At 5:27 p.m. Mayor Perry stated that they had concluded Executive Session and were back in Regular Session.**

#### Action from Executive Session

None.

Adjournment

**Ms. Brison moved to adjourn. Ms. Becker seconded. Motion carried 7-0.**

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Kimberly Gammon, Town Clerk

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Alan R. Perry, Mayor

**The recording of this Meeting can be found on the Town's website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)**

# The Town of Hilton Head Island



## Disabilities Awareness Month Proclamation

**WHEREAS**, individuals with developmental disabilities, their families, friends, neighbors, and co-workers encourage everyone to focus on the abilities of all people; and

**WHEREAS**, the most effective way to increase this awareness is through everyone's active participation in community activities and the openness to learn and acknowledge each individual's contribution; and

**WHEREAS**, opportunities for citizens with developmental disabilities to function as independently and productively as possible must be fostered in our community; and

**WHEREAS**, we encourage all citizens to support opportunities for individuals with developmental disabilities in our community that include full access to education, housing, employment, and recreational activities.

**NOW, THEREFORE**, I, Alan Perry, Mayor of the Town of Hilton Head Island, South Carolina, do hereby proclaim the month of March 2025 as Developmental Disabilities Awareness Month in the Town of Hilton Head Island and encourage our citizens to work together to promote increased opportunities for people with disabilities; to recognize the many contributions made by people with disabilities to our community; and to honor the dedication of the caregivers who bring support and hope to their fellow citizens.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this 18th day of March, in the year of our Lord, two thousand and twenty-five.



Alan R. Perry, Mayor

Attest:

Kimberly Gammon, Town Clerk



# TOWN OF HILTON HEAD ISLAND

## *Town Council*

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**TO:** Mayor Alan R. Perry & Town Council Members  
**FROM:** Shawn Colin, Assistant Town Manager of Strategic Initiatives  
**CC:** Marc Orlando, Town Manager, ICMA-CM  
Curtis Coltrane, Town Attorney  
**DATE:** March 18, 2025  
**SUBJECT:** Consideration of an Ordinance Authorizing the Execution of a Long-Term Lease between the Town and the Sandalwood Community Food Pantry of Town-Owned Property on Augusta Lane – Second Reading

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### **RECOMMENDATION:**

Consideration of an Ordinance Authorizing the Execution of a Long-Term Lease between the Town and the Sandalwood Community Food Pantry of Town-Owned Property on Augusta Lane – Second Reading.

Town Council approved First Reading of the Ordinance on March 4, 2025. No Changes have been made since First Reading.

### **BACKGROUND:**

#### **Pembroke Drive Area – 8 Augusta Lane (Sandalwood Community Food Pantry)**

This property is a vacant parcel of Town-owned land on the north end of the Island that was previously known as the Otter Hole Transfer Station. The site is comprised of 1.64 acres, flag-shaped and mostly wooded.

On June 4, 2024, the Town executed a 15 lease with the SCFP, with two five-year renewals, to develop and operate a food pantry on the property. Based on challenges obtaining funding to support the development and construction of the property, SCFP is now requesting to extend the lease term to 40 years with two 5-year renewals.

On January 14, 2025, Town Council discussed SCFP's request during Executive Session and provided the following direction:

- Request a letter from SCFP's lender that states the minimum term for the length of the ground lease.
- On January 17, 2025, Paul Walter, Senior Vice President of Pinnacle Financial Partners, provided a letter to SCFP that states that they do not see ground lease terms for less than 40 years (Attachment 3).

On February 18, 2025, Town Council further discussed SCFP's request during Executive Session and directed the Town Attorney to amend the lease term to 40 years with two 5-year renewals for Town Council's consideration.

Summary of the Property

- Zoning: Parks and Recreation District (PR), which allows Community Services Uses
- Acres: 1.64
- Height: 35' maximum
- Density: 6,000 ft<sup>2</sup> per acre, for a maximum yield of 9,840 ft<sup>2</sup>

**CONCLUSION:**

Town Council is requested for consideration of an Ordinance Authorizing the Execution of a Long-Term Lease between the Town and the Sandalwood Community Food Pantry of Town-Owned Property on Augusta Lane – Second Reading. The proposed lease will modify the existing lease from its current term of 15 years with two 5-year renewal options to 40 years with two 5-year renewal options.

**ATTACHMENTS:**

1. 8 Augusta Lane Map
2. Ordinance and Amended Lease
3. SCFP Lease Term Letter (01.17.2025)

|                 |                        |
|-----------------|------------------------|
| Address         | 8 Augusta Lane         |
| PIN             | R510 007 000 0244 0000 |
| Acres           | 1.64                   |
| Zoning          | PR                     |
| Asking Price    | Long-Term Ground Lease |
| Appraised Value | \$443,000              |

ATTACHMENT 1

Town Owned Property

8 Augusta Lane



R510 007 000 0244 0000

AUGUSTA LANE

MANATEE WAY

OTTER HOLE ROAD

PEMBROKE DRIVE

Town of Hilton Head Island  
8 Augusta Lane  
January, 2025

ATTACHMENT 1



ORDINANCE 2025-\_\_\_

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE LONG TERM LEASE OF REAL PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, TO THE SANDALWOOD COMMUNITY FOOD PANTRY UNDER THE AUTHORITY OF S. C. CODE ANN. § 5-7-40 (SUPP. 2023), AND § 2-7-20, *MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA*, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

WHEREAS, the Town of Hilton Head Island, South Carolina, and the Sandalwood Community Food Pantry entered into a Long Term Lease of real property located on Augusta Lane that is owned by the Town of Hilton Head Island, South Carolina, on June 4, 2024 (the “Long Term Lease”); and,

WHEREAS, the Long Term Lease had an initial term of fifteen (15) years with two five (5) year renewals; and,

WHEREAS, the Sandalwood Community Food Pantry has advised the Town of Hilton Head Island, South Carolina, that a longer lease term for the Long Term Lease is needed in order to secure financing for a new facility to be built on the Augusta Lane property to support its mission and operations; and,

WHEREAS the Sandalwood Community Food Pantry has requested that the Initial Lease Term in the Long Term Lease be extended to a period of forty (40) years, with two five (5) year renewals; and,

WHEREAS, the Town of Hilton Head Island finds that the mission and work of the Sandalwood Community Food Pantry will be aided by extending the term of the Long Term Lease to assist the Sandalwood Community Food Pantry in its effort to obtain

financing for a new facility to be built on the Augusta Lane property to support its mission and operations; and, long term lease of the Augusta Lane property; and,

WHEREAS, the form of a proposed Amendment to the Long Term Lease is attached hereto as Exhibit “A;” and,

WHEREAS, the Town of Hilton Head Island finds that the mission and work of the Sandalwood Community Food Pantry promotes the health, safety and welfare of disadvantaged citizens and residents of the Town; and,

WHEREAS, the Town of Hilton Head Island finds that the health, safety and welfare of the citizens and residents of the Town generally will be benefitted by the establishment of a construction of a facility on the Augusta Lane property for the operations of the Sandalwood Community Food Pantry, and the proposed Amendment to the Long Term Lease is in the best interests of the Town and its citizens and residents; and,

WHEREAS, S. C. Code Ann. § 5-7-40 (Supp. 2024) and § 2-7-20, *Municipal Code of the Town of Hilton Head Island, South Carolina*, (1983), require that any lease, conveyance or granting of an interest in real property owned by the Town of Hilton Head Island, South Carolina, must be authorized by Ordinance.

**NOW THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL, AS FOLLOWS:**

***Section 1.*** Execution and Delivery of a Long Term Lease of Town Property:

The Mayor and the Town Manager are authorized to execute and deliver the Amendment to the Long Term Lease of Town Property on Augusta Lane. The

Amendment to the Long Term Lease will be in the form and substance as the document attached hereto as Exhibit "A."

**Section 2.** Severability.

If any section, phrase, sentence, term or part of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, then such section, phrase, sentence, or portion shall be deemed a separate, distinct, and independent part and shall not affect the remaining parts of this Ordinance.

**Section 3.** Effective Date.

This Ordinance shall become effective upon adoption by the Town Council for the Town of Hilton Head Island, South Carolina.

**PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR  
THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS  
\_\_\_\_\_ DAY OF MARCH, 2025.**

-----  
Alan R. Perry, Mayor

ATTEST:

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Kimberly Gammon, Town Clerk

First Reading: March \_\_\_\_, 2025.

Second Reading: March \_\_\_\_, 2025.

Approved as to form: -----  
Curtis L. Coltrane, Town Attorney

Introduced by Council Member: \_\_\_\_\_

EXHIBIT "A" TO ORDINANCE 2025-\_\_\_

AMENDMENT TO LONG TERM LEASE  
BY AND BETWEEN  
THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA,  
AND  
THE SANDALWOOD COMMUNITY FOOD PANTRY  
DATED  
THIS \_\_\_ DAY OF MARCH, 2025

Whereas, the Town of Hilton Head Island, South Carolina (herein the “Town”) and the Sandalwood Community Food Pantry (herein, “Sandalwood”), entered into a Long Term Lease of real property owned by the Town located on Augusta Lane, dated June 4, 2024 (herein, “Lease”); and,

Whereas, Sandalwood has requested an amendment to the Long Term Lease to extend the term of the Lease; and,

Whereas, the Town and Sandalwood have agreed to amend the Lease as stated in this “Amendment to Long Term Lease.”

Now Therefore: for and in consideration of the sum of One and no/100 (\$ 1.00) Dollar by Sandalwood, and the performance of the mutual promises, conditions, and covenants herein set forth, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Town and Sandalwood, the Town and Sandalwood agree to amend the Lease as follows;

1. The text of Articles 4.1, 4.2 and 4.3 is deleted in its entirety and is replaced with the following text:

4.1 *Initial Term of The Lease:* Subject Article 9, below, the Initial Term of the Lease shall be for a period of forty (40) years with such term commencing on June 4, 2024, and ending on June 3, 2064 (the “Initial Lease Term”), provided that Sandalwood shall have complied with all terms and conditions of the Lease. Thee Lease may be extended for up to two Renewal Terms as set out in Articles 4.2 below.

4.2 *Renewal Terms of the Lease:* The Lease may be renewed for two Renewal Terms, as follows:

(a) *First Renewal Term:* Upon the expiration of the Initial Lease Term, the Lease shall renew for a term of (5) five years (the “First Renewal Term”), provided that all

terms and conditions of the Lease have been complied with by Sandalwood, unless either party hereto shall give the other a Notice of Termination as set forth in Article 4.3 below.

(b) *Second Renewal Term:* Upon the expiration of the First Renewal Term as provided in Article 4.2 above, the Lease shall renew for a term of (5) five years (the "Second Renewal Term"), provided that all terms and conditions of the Lease have been complied with by Sandalwood, unless either party hereto shall give the other a Notice of Termination as set forth in Article 4.3 below.

4.3 *Termination of the Lease:* The Initial Lease Term shall expire on June 3, 2064 (hereinafter, the "Initial Termination Date"). In the event the Lease is renewed for the First Renewal Term, the Lease shall expire on June 3, 2069 (the "First Renewal Termination Date"). In the event the Lease is renewed for the Second Renewal Term, the Lease shall expire on June 3, 2074. Should either party hereto, not less than twelve (12) months preceding the Initial Termination Date or the First Renewal Termination Date, give the other Party written notice of its intention not to renew the Lease, then the Lease shall expire on the Initial Termination Date or the First Renewal Termination Date, as the case may be.

2. Except as is expressly stated in this "Amendment to Long Term Lease," there are no other changes to the Lease, and all other terms of the Lease remain in force and effective according to their terms.

In Witness whereof, the Parties hereto, by and through their duly authorized officers, have set their hands and seals as of this \_\_\_ day of March, 2025.

WITNESSES:

SANDALWOOD COMMUNITY FOOD  
PANTRY

\_\_\_\_\_

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

Nanette Pearson

\_\_\_\_\_

THE TOWN OF HILTON HEAD ISLAND,  
SOUTH CAROLINA

\_\_\_\_\_

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

Alan R. Perry, Mayor

\_\_\_\_\_

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

Marc A. Orlando, Town Manager



January 17, 2025

Sandalwood Community Food Pantry  
Rev Dr Nannette Pierson  
PO Box 5061  
Hilton Head Island, SC 29938

Re: Sandalwood Community Food Pantry - Ground Lease Term – 1.64 acres Augusta Lane

Dear Dr Pierson,

I am writing to share my opinion based on experience as a commercial banker on Hilton Head for over 30 years. From our conversations, I understand that the Town of Hilton Head has agreed to a ground lease with Sandalwood Community Food Pantry for a Town owned 1.64 acres parcel of land off of Augusta Lane. The ground lease terms as I understand it are for a 15-year period with two 5-year renewals.

It has been our bank's experience in reviewing ground lease terms as a part of a financing request that we do not see ground lease terms for less than 40 years.

Further, in my opinion as a banker, the large investment by Sandalwood Community Food Pantry into a building on leased land would seem to not match with limited term of 15 years with two 5-year renewals. If Sandalwood is to make a large investment to improve the leased land, the lease should be for a significantly longer in term.

In addition, a potential donor to Sandalwood may have similar thoughts as to why would they donate funds to an organization that has such a limited term in years on their ground lease.

These are my opinions based on experience as a banker and community member.

Please feel free to reach out to me with any questions or concerns.

Sincerely,

A handwritten signature in blue ink that reads "Paul R. Walter".

Paul R Walter  
Senior Vice President  
843-686-1540

