

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

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David Bennett
Mayor

April 20, 2016

William D. Harkins
Mayor ProTem

Council Members

Wm. Lee Edwards
Marc A. Grant
Thomas W. Lennox
Kim W. Likins
John J. McCann

Mr. Gary Kubic, County Administrator
Beaufort County
P.O. Drawer 1228
Beaufort, South Carolina 29901-1024

Stephen G. Riley
Town Manager

Re: Revisions - Town of Hilton Head Island Recommendations to the
Capital Project Sales Tax Commission


Dear Gary:

At the April 19, 2016 Town Council meeting Council voted 5-1 to approve the attached revised list for submittal to the Commission. The list was emailed to the Commission, Council Chairman Sommerville and yourself earlier that day.

Thank you for the opportunity to provide our input. Your assistance in conveying this material to the Commission is appreciated.

Sincerely,

Town of Hilton Head Island



Stephen G. Riley, ICMA-CM
Town Manager

cc: Town Council
Scott Liggett, Director of Public Projects & Facilities
Charles Cousins, Director of Community Development
Susan Simmons, Director of Finance

Maietta, Linda

From: Pfannenschmidt Vicki [VickiP@hiltonheadislandsc.gov]
Sent: Tuesday, April 19, 2016 12:11 PM
To: Andrea B. Siebold; Carolyn Smith (CCS1FirstSt@gmail.com); Dean Moss (wdmossjr@gmail.com); Joseph J. Kline (joenkline@yahoo.com); Maietta, Linda; Mike Sutton (mikesutton@hargray.com); Mike Tripka (mike_tripka@yahoo.com)
Cc: Bennett, David; Grant Marc; Harkins Bill; Edwards Lee; Likins Kim; McCann John; Lennox, Tom; Sommerville, Paul; B. Keyserling (billyk@islc.net); Kubic, Gary; Harris, Cheryl; Rainey, Sue; Riley Steve
Subject: Amended Application for Capital Project Sales Tax Commission
Attachments: PTC - proposed project revisions April 2016.pdf; PTC Revised Submission April 2016 Appendix-final_spl.pdf

The Mayor has asked that we provide the attached documents to you. They are scheduled to be discussed by Town Council later today and are being provided to you in a draft form.

Thank you.

Vicki L. Pfannenschmidt

Executive Assistant to the Town Manager/Town Clerk
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MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, Town Manager

DATE: April 19, 2016

RE: **Proposed Revisions to Capital Projects Sales Tax Submission**

Proposed Revisions

Pursuant to the Mayor's discussions with the Chairman of Beaufort County Council and the Chairman of the Beaufort County Capital Projects Sales Tax Commission, the following changes are being proposed to the list of projects previously submitted for consideration for inclusion in an upcoming sales tax referendum:

- US 278-Hilton Head Island Gateway Improvements – shifted to the County's submission by the Sales Tax Commission
- Acquisition and paving of certain dirt roads on Hilton Head Island - \$7M (no change)
- Arts, Entertainment and Cultural Campus - \$9.5M (reduced from \$30M)
- Pavilion at Historic Mitchelville Freedom Park - \$0.21M (no change)
- Island Recreation Center Expansion - \$10M (new project)
- Safe Routes to Schools – Main Street West and connections to US 278 - \$1.14M (new project)
- Safe Routes to Schools - William Hilton Parkway Eastbound – Gardner Drive to Jarvis Park - \$1.77M (new project)

Total Revised Request: \$29.62M

Overview of Revised and New Submissions

A brief summary of the proposed changes is summarized below. For the New Requests, additional information and answers to the six questions posed by the Commission are appended.

Arts, Entertainment and Cultural Campus – Reduced Request

This request has been scaled back to focus on pre-development costs e.g. geotechnical, traffic and environmental studies, architectural, engineering, etc. An estimate for the pre-development costs is included in the appendix.

Island Recreation Center Expansion – New Request

The Island Recreation Center gym and pool facility was built in the 1980s when the Island's population was less than half of what it is today. This project will add a second gym, an elevated running track, expanded restroom facilities, new restrooms to serve a remodeled and upgraded swimming pool complex as well as parking enhancements, rebuilt outdoor basketball courts, relocated and rebuilt tennis courts, and a new handicapped-accessible community playground. Phase I, a portion of the parking expansion, has been completed. Phase II, relocation of the tennis courts, is scheduled for this summer while school is out. Future phases are scheduled to begin this Fall.

Safe Routes to Schools – Main Street West and connections to US 278

Main Street, from the Hilton Head Plantation Traffic Circle to School Road at the entry to the public school campus, is currently a privately owned road. Town Council, in late 2015, voted to pursue acquisition of this road. Within the time period of the sales tax, it is expected that this road will become public and repairs and rehabilitation of the driving surface will be accomplished through a cost-sharing formula between the Town and the current road owners. This project would be the addition of a pathway along this road segment. Hilton Head Plantation has one of the highest concentrations of children on the Island and this pathway segment will provide a direct connection to the elementary, middle and high schools.

Safe Routes to Schools - William Hilton Parkway Eastbound – Gardner Drive to Jarvis Park

The Town has a long-range plan to extend pathways along both sides of William Hilton Parkway. This segment will link with one already installed that runs from Mathews Drive to Gardner Parkway. The Jarvis Park terminus is opposite School Road and an existing pathway leading into the public school campus. This will facilitate pedestrian access to the public schools for Indigo Run and the Tri-Community (Sandalwood Terrace, Hilton Head Gardens and The Oaks apartment complexes). The Jarvis Park terminus also ties into The Children's Center community daycare facility. The Early Childhood Center can also be accessed from this pathway segment. The Gardner Drive terminus improves pedestrian access to two private school complexes: The Hilton Head Christian Academy (on Gardner Drive) and the St. Francis Catholic School (on Beach City Road opposite Gardner Drive). In addition to the school access enhancements, this segment significantly improves pedestrian access for the Tri-Community (where many do not have vehicles) to shopping centers that feature Walmart, Publix and Walgreens among other retail establishments.

**2016 Beaufort County Capital Projects Sales Tax Revised Submission
April 2016**

Town of Hilton Head Island

1. Arts, Entertainment & Cultural Campus – \$9.5 million

Estimate of Pre-Development Costs

Cost Element	Cost - \$	Factor
Venue Committee Studies <ul style="list-style-type: none"> • Programming • Operations 	75,000 90,000	Consultant Fees
Architect's Professional Fees	3,500,000	Buildings & Amphitheatre
Landscape Architect Fees Site & Traffic	175,000	Site plan for buildings, parking/service areas, stormwater facilities, traffic engineering
Models, Mockups, Renderings	35,000	Community engagement, permittors, sponsors, donors
Soil borings, geotech, site & utility surveys	210,000	Wetlands, Archeological, Environmental
Land Survey, Civil Engineering, Testing & Inspections Expenses	257,000	Property, trees, topology
Permits & Associated Fees	160,000	Zoning entitlements, amendments Planner & Attorney Fees
LEEDS Sustainability Assurance	350,000	Design & validation of conformance
Project Management Expenses	400,000	Overall Project Management - Planning, Design, Construction
Capital Campaign Development Expenses	2,033,000	Consultant's fees for developing & implementing Campus Funding
Management Staffing Development Expense	100,000	Operators of the Arts Campus-- recruitment & hiring fees
Contingency	2,115,000	
Total Pre-Development Costs	\$9,500,000	

2. Island Recreation Center Expansion - \$10 million

The Island Recreation Center is owned by the Town of Hilton Head Island, on land leased from the Beaufort County School District. The facility, including gym, classroom and meeting space, swimming pool, playground, basketball courts and associated parking is located on the Island's public school campus and operated for the Town by the Island Recreation Association (IRC), a local non-profit. A Memorandum of Understanding (MOU) serves as the governing document between the Town and the Association. The original facility was built in 1987 and while it remains in good repair and serves a critical purpose, the Island's population has more than doubled and the Association struggles to meet the community's growing demands for its facilities.

The Town, the School District, and the IRC have been planning, designing and permitting an expansion to the Rec Center for several years. This project will add a second gym and additional meeting rooms, an elevated running track, expanded restroom facilities, and new restrooms to serve a remodeled and upgraded swimming pool complex. In addition, the project includes parking enhancements, rebuilt outdoor basketball courts, relocated and rebuilt tennis courts, and a new handicapped-accessible community playground. Once the new gym is completed the existing gym and classroom space will be completely renovated. Phase I, a portion of the parking expansion, has been completed. Phase II, relocation of the tennis courts, is scheduled for this summer while school is out. Future phases are scheduled to begin this fall. Please see photos and site plan schematics below.

- 1. The project must be a realistic and achievable public capital infrastructure need.** *This project is well along in terms of planning, design and permitting. Phase I, initial parking expansion was completed last year. Phase II, relocating and building new tennis courts to serve Hilton Head Island High School and the Rec Center will begin this summer. The remaining phases are expected to get underway this fall.*
- 2. Projects that have other sources of funding as well as completed planning and engineering will be given greater consideration.** *As noted above, planning and engineering are complete or nearly complete for all phases of this project. Phase I was completed using other Town revenues. The Town is asking that the future phases, including Phase II, starting this summer, be eligible for reimbursement. Funding of this project through the Sales Tax will enable the Town to accelerate other much desired but deferred recreational improvements; perhaps at Shelter Cove, in the Coligny and Cordillo areas; or other pathway projects. The Island Recreation Center does fundraising and seeks donations to supplement operating costs and will continue to do so. The Town contributes general revenues to cover operating costs and will continue to do so. The County also contributes to the cost of operating and maintaining the pool; the only public swimming pool on the Island.*
- 3. Projects must be sized to allow completion in a reasonable period of time.** *This project is currently planned to begin Phase II this summer with future phases implemented over the next 18 months. The Town has the expertise and staffing capacity to complete this project in a timely manner.*
- 4. The project must have post development operation and maintenance costs budgeted and funded at the time the project is expected to be completed.** *The Town and the IRC have jointly funded the operations of this facility, along with an annual contribution from the County, and these organizations are prepared to absorb the increased costs associated with this expansion.*
- 5. The project should not be in direct competition with private sector development, but may be complimentary in nature (generally a public use).** *The planning and design of this project*

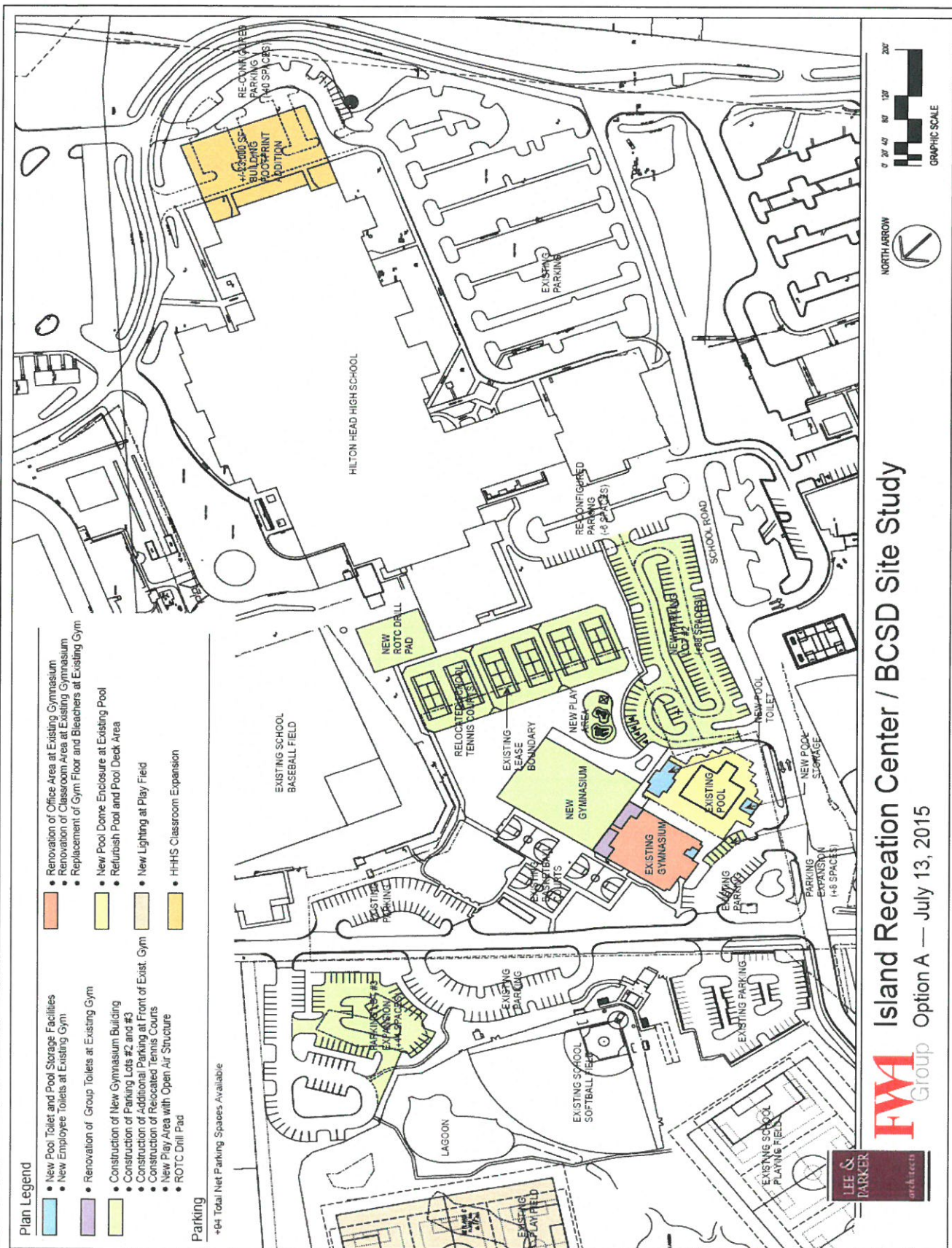
included discussions about adding elements only to the extent that they do not compete with private recreation providers.

6. **Projects must be physical in nature (brick and mortar).** *This project entails the physical construction of additions to, and enhancements of, an existing bricks and mortar facility.*









Plan Legend

- New Pool Toilet and Pool Storage Facilities
- New Employee Toilets at Existing Gym
- Renovation of Office Area at Existing Gymnasium
- Renovation of Classroom Area at Existing Gymnasium
- Replacement of Gym Floor and Bleachers at Existing Gym
- New Pool Dome Enclosure at Existing Pool
- Refurbish Pool and Pool Deck Area
- Construction of New Gymnasium Building
- Construction of Parking Lots #2 and #3
- Construction of Additional Parking at Front of Exist. Gym
- Construction of Relocated Tennis Courts
- New Play Area with Open Air Structure
- ROTC Drill Pad
- HHHS Classroom Expansion

Parking

+64 Total Net Parking Spaces Available



Island Recreation Center / BCSD Site Study
Option A — July 13, 2015



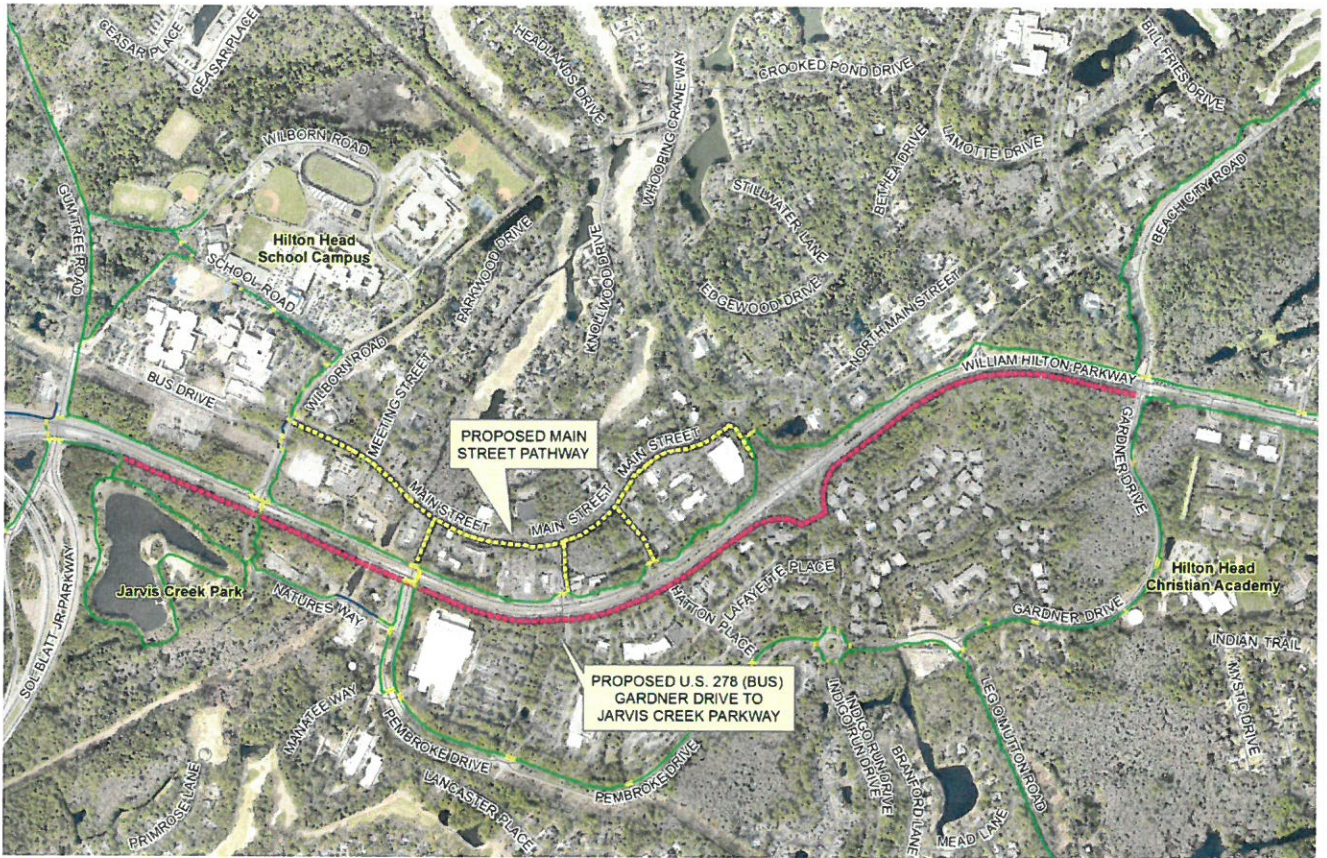
3. Safe Routes to Schools - \$2.91 million

- Main Street West and connections to William Hilton Parkway (US 278) - \$1.14M
- William Hilton Parkway (US 278-Bus.) EB – Gardner Drive to Jarvis Creek Park - \$1.77M

These two proposed projects will create much needed public pathways along Main Street and William Hilton Parkway (US 278-Bus.) EB providing safe routes to schools and also connecting residential neighborhoods to commercial centers and a community park. They will provide almost 3 miles of new pathways, expanding the Town's existing network of over 62 miles of public pathways. The total cost of the two projects is estimated to be \$2,910,000. The Main Street pathway will connect Hilton Head Plantation to the public school campus, shopping and the existing William Hilton Parkway west bound pathway. The William Hilton Parkway east bound Gardner Drive to Jarvis Creek Park pathway will provide residential and other areas enhanced access to the public school campus, Hilton Head Christian Academy, St. Francis Catholic Schools; as well as a major shopping center and the large community park. If funded by the referendum, these projects will be constructed within a 3 to 5 year timeframe. The Town's operating budget currently provides for maintenance of the Town's pathways and will be increased accordingly to provide for the maintenance cost of the expanded inventory.

1. **The project must be a realistic and achievable public capital infrastructure need.** *The Town has an excellent track record of building award-winning, multi-use pathways as part of the Island's public capital infrastructure. These two projects could most definitely be completed within the next 3-5 years.*
2. **Projects that have other sources of funding as well as completed planning and engineering will be given greater consideration** *The Town's capital pathway program has been funded by Hospitality taxes and road impact fees. Although the availability of these funds is currently depressed, they remain the primary source of funding for new pathways.*
3. **Projects must be sized to allow completion in a reasonable period of time.** *The projects could be completed within 3-5 years, given current and projected Town staffing levels and work priorities.*
4. **The project must have post development operation and maintenance costs budgeted and funded at the time the project is expected to be completed.** *For decades, the Town funded and performed maintenance on the public pathway network. This would continue to be funded at the appropriate level.*
5. **The project should not be in direct competition with private sector development, but may be complimentary in nature (generally a public use).** *No private sector entity will construct these pathways. Each segment constitutes a Safe Routes to Schools Initiative. In both cases, the pathways would serve very large population bases (Tri Communities, Indigo Run and Hilton Head Plantation) providing connections between residential property and schools. Pedestrian access to commercial activity centers, grocery stores, general merchandizers, medical offices, restaurants, etc. would also be significantly enhanced. The adjacent developed land is mostly commercial, thus these projects may complement development by providing pedestrian access and foot traffic, increasing adjacent property values and revenue potential.*

6. **Projects must be physical in nature (brick and mortar).** The projects entail the physical construction of public infrastructure, typically performed by local contractors. There will be costs associated with surveying, engineering and legal fees for easement acquisitions.



- Proposed Main Street Pathway depicted above with yellow dashed line
- Proposed William Hilton Parkway (US 278- Bus.) EB – Gardner Drive to Jarvis Creek Park depicted above with pink dashed line
- Existing pathway network depicted with green solid line



Main Street west- typical conditions



William Hilton Parkway (US 278 – Bus.) EB Gardner Drive to Jarvis Creek Park – typical condition