

TOWN COUNCIL

STAFF REPORT

Growth Management Department

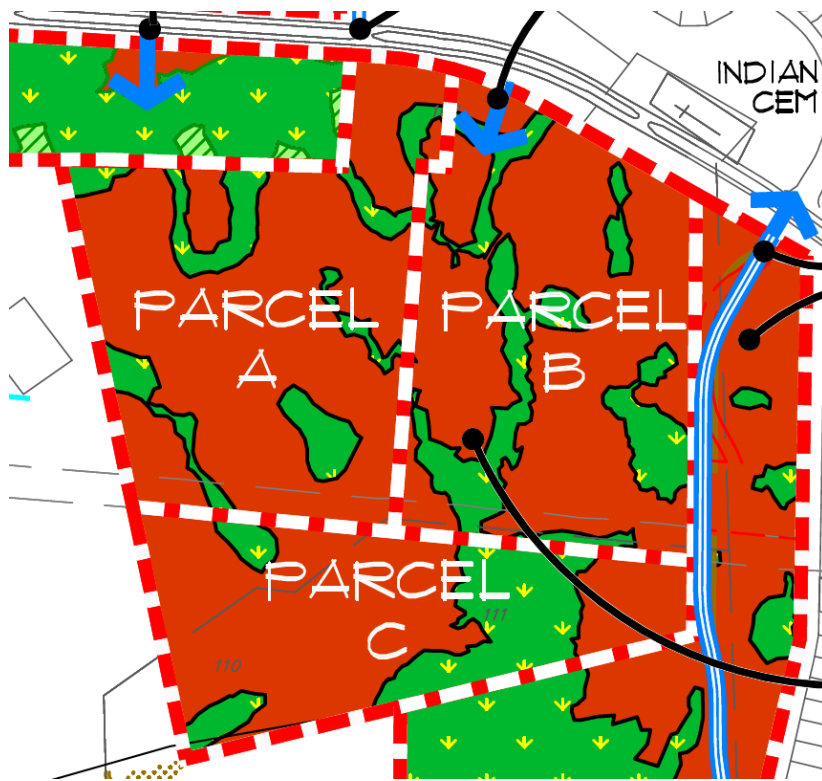


MEETING DATE:	December 10, 2024
PROJECT:	<p>Direction and Input on the Following Applications:</p> <p>A. Amendment to the terms and obligations for the construction of the future North South Connector Road established by the Buckwalter Development Agreement and Concept Plan Ninth Amendment for certain properties within the area commonly referred to as the Willow Run Tract which the Beaufort County School District has under contract, located at 380 Fording Island Road to the north of Woodbridge, south of US Hwy 278, west of Rose Hill Plantation, and east of Buckwalter Parkway, and identified as Beaufort County Tax Map Nos. R610-022-000-013A-0000, R610-022-000-0035-0000, and R610-022-000-0049-0000 through the following:</p> <ol style="list-style-type: none">1. Buckwalter Development Agreement Amendment; and2. Buckwalter Planned Unit Development Concept Plan Amendment. <p>B. Acquisition of development rights consisting of 260 residential dwelling units, 162 acres of General Commercial, and Two 150-unit hotels which are associated with the properties which the Beaufort County School District has under contract for \$2,500,000 and the terms of an option to repurchase general commercial development rights.</p> <p>C. Exchange of the Town owned property consisting of 8.996 upland acres and 10.759 wetland acres totaling 19.755 acres located within the area commonly known as the Willow Run Tract located to the north of Woodbridge, south of US Hwy 278, west of Rose Hill Plantation, and east of Buckwalter Parkway, and identified as Beaufort County Tax Map No. R610-022-000-1094-0000 with a property yet to be identified located within the portion of Willow to be acquired by the Beaufort County School District consisting of 10 upland acres with frontage on US 278.</p>
PROJECT MANAGER:	Kevin Icard, AICP Growth Management Director

REQUEST: Town Staff requests that Town Council provide direction on the following items:

- A. Amendment to the terms and obligations for the construction of the future North South Connector Road established by the Buckwalter Development Agreement and Concept Plan Ninth Amendment for certain properties within the area commonly referred to as the Willow Run Tract which the Beaufort County School District has under contract, located at 380 Fording Island Road to the north of Woodbridge, south of US Hwy 278, west of Rose Hill Plantation, and east of Buckwalter Parkway, and identified as Beaufort County Tax Map Nos. R610-022-000-013A-0000, R610-022-000-0035-0000, and R610-022-000-0049-0000 through the following:
 1. Buckwalter Development Agreement Amendment; and
 2. Buckwalter Planned Unit Development Concept Plan Amendment.
- B. Acquisition of development rights consisting of 260 residential dwelling units, 162 acres of General Commercial, and Two 150-unit hotels which are associated with the properties which the Beaufort County School District has under contract for \$2,500,000 and the terms of an option to repurchase general commercial development rights.
- C. Exchange of the Town owned property consisting of 8.996 upland acres and 10.759 wetland acres totaling 19.755 acres located within the area commonly known as the Willow Run Tract located to the north of Woodbridge, south of US Hwy 278, west of Rose Hill Plantation, and east of Buckwalter Parkway, and identified as Beaufort County Tax Map No. R610-022-000-1094-0000 with a property yet to be identified located within the portion of Willow to be acquired by the Beaufort County School District consisting of 10 upland acres with frontage on US 278.

INTRODUCTION: The Beaufort County School District (“BCSD”) is currently under contract with Indian Hill Associates, LLC (“Indian Hill”) to acquire three properties consisting of a total of 142.551 acres (“Indian Hill Property”) located to the north of Woodbridge, south of US Hwy 278, west of Rose Hill Plantation, and east of Buckwalter Parkway. The Town also owns 19.753 acres, more or less, which was donated by Indian Hill pursuant to the 9th Amendment to the Buckwalter Development Agreement (“9th Amendment”, Attachment 2). These properties are collectively known as the Willow Run Tract as shown on the plats prepared for the donation to the Town and subsequent plats by Indian Hill and the Town (Attachment 3) which are then broken down into three areas identified as Parcels A, B, and C as shown below:



Owner	Parcel Number	Total Acres
Indian Hill Associates, LLC ¹	R610-022-000-013A-0000	102.511
	R610-022-000-0035-0000	10.04
	R610-022-000-0049-0000	30
	Sub-Total	142.551
Town of Bluffton ^{2,3}	R610-022-000-1094-0000	19.755
TOTAL		162.306

Notes:

1. The Indian Hill Property consists of a total of 92.124 upland acres and 50.427 wetland acres. The upland and wetland acres for each parcel were not available at the time of writing this staff report.
2. Pursuant to Section 9 of the 9th Amendment, Indian Hills donated property to the town consisting of Town 3. 77 acres (including 1.27 wetland acres) within Parcel C of the Willow Run Tract for affordable housing. A further 8.0 upland acres within Parcel C was donated for a Municipal Site for municipal purposes though it may be used for other purposes provided such alternate uses are compatible with the other land uses within Parcel C. As Parcel C is part of the Buckwalter Commons Land Use Tract which is the most permissive, a wide range of residential and commercial uses are permitted.
3. The Town received a Preliminary Jurisdictional Determination from the Army Corps of Engineers on December 16, 2022 which revised the site's composition since its donation from 10.05 upland acres to 8.996 and 9.253 wetland acres to 10.759.

The School District has identified the Willow Run Tract as a potentially suitable development site for needed school facilities, which may include a lower school complex (K-8)/Middle School and/or associated athletic fields, courts, administrative offices, and other structures intended to support school operations. The Town has considered affordable housing or other uses permitted within the Buckwalter Commons Land Use Tract which is the most permissive Land Use Tract.

BACKGROUND: On March 25, 1996, Beaufort County Council adopted Ordinance 96-6 which rezoned the 163 acre property currently owned by Indian Hill, to the Willow Run Planned Unit Development (“Willow Run PUD”). Per the Willow Run PUD’s Master Plan, a majority of this County approved PUD was dedicated to medium intensity single family uses allowing a maximum 590 residential dwelling units and 7.4 acres of commercial use.

Several years later, Indian Hill petitioned the Town for annexation and rezoning of the property to Planned Unit Development subject to a Development Agreement which was approved by Town Council adoption of Ordinances 2003-03, 2003-04, and 2003-05 on March 12, 2003. The new Willow Run PUD Master Plan Development Agreement provided for a mix of uses not to exceed 500 residential dwelling units, 210,000 square feet of general office, and 250,000 square feet of retail.

Next, the term of the Willow Run PUD Development Agreement was then extended by one year pursuant to Town Ordinance 2007-09 adopted July 17, 2007 to accommodate negotiations with Indian Hill to incorporate Willow Run into the Buckwalter PUD Concept Plan and Development Agreement. The negotiated terms were specified in the 9th Amendment which was approved by Town Ordinance 2008-02 on February 13, 2008. The 9th Amendment designated the Willow Run Tract as the Buckwalter Commons Land Use Tract which allows a mix of uses and allocated development rights for 260 residential dwelling units, 162 acres of General Commercial, and Two 150-unit hotels.

Following is a comparison of Development Rights permitted for each iteration of Willow Run:

Intentionally Left Blank

Description	Willow Run Iterations		
	First	Second	Third

Jurisdiction	Beaufort County	Town of Bluffton	Town of Bluffton
Date of Approval	March 25, 1996	March 12, 2003	February 13, 2008
Zoning	Willow Run Planned Unit Development	Willow Run Planned Unit Development	Buckwalter Planned Unit Development
Development Agreement	n/a	Willow Run Development Agreement	Buckwalter Development Agreement 9 th Amendment
Development Rights	590 Residential Dwelling Units	500 Residential Dwelling Units	260 Residential Dwelling Units
	7.4 Acres Commercial	210,000 Square Feet General Office	162 Acres General Commercial
		250,000 Square Feet Retail	
	n/a	n/a	Two 150-Unit Hotels

In addition to incorporating the Willow Run PUD Development Agreement into the Buckwalter Development Agreement and the property donation detailed above it also established certain obligations for the right-of-way and construction of a North South Connector Road. The right-of-way is to be provided by University Investments, LLC, or its successors and assigns, which are currently shown as relocatable 80' easements on recorded plats, beginning at US 278 at its intersection with Eagles Point Drive running south to the future Parkway. These properties have since been sold to other parties and the obligation runs with the properties to the new owners which are (i) an approximately 22.39-acre parcel owned by Mooney Enterprises, LLC (the "Mooney Property"); (ii) an approximately 221.43-acre parcel owned by Southeast Regional Land Conservancy, Inc. (the "Conservancy Property"); and, (iii) an approximately 55.18-acre parcel owned by Inland Bluffton, LLC which are shown on the Connector Road Properties Map (Attachment 4).

Indian Hill has the obligation to the phased construction of the North South Connector Road triggered by the issuance of the final development. Construction of Phase 1 running from US 278 to the southern boundary of the Willow Run Tract is triggered by the issuance of a final development permit for any portion of Parcel B of the Willow Run Tract. Construction of Phase 2 beginning at the southern boundary of the of the Willow Run Tract to the future Parkway is triggered by the issuance of a final development plan for any portion of Parcels A and/or C. A visual of the of the phasing and triggers for construction is provided as Attachment 5.

Indian Hill has put their portion of the Willow Run Tract on the market several times over the years and the Town has had several inquiries as a result. The obligation for the construction of the North South Connector Road seems to be a one of the main factors which deterred potential purchasers. The BCSD now has the Indian Hill Property under contract.

The BCSD reached out to the Town about the Indian Hill Property, its obligations, sale of the associated development rights, and the potential for a swap of the Town Property for a new site with US 278 frontage. Since the potential for school facilities on the Indian Hill Property would provide new facilities for public schools and benefit the Bluffton Region, the Town and BCSD entered into a Memorandum of Understanding (“MOU”) a copy of which is provided as Attachment 6. The MOU provides a base framework for moving forward with the following:

1. The BCSD has identified the Indian Hill Property as a potentially suitable development site for school facilities but reserves the right to develop institutional/civic uses allowed by the Buckwalter PUD.
2. Since certain school facilities do not require the use of development rights, the Town agrees to purchase the development rights associated with the Indian Hill Property consisting of 260 residential dwelling units, 162 acres of General Commercial, and Two 150-unit hotels for the purchase price of \$2.5M from BCSD once they acquire the rights from Indian Hill. The acquisition will require Town Council Resolution authorizing the acquisition, a Purchase and Sale Agreement between the Town and BCSD with an Assignment of Development Rights and Obligations of the Buckwalter Development Agreement to be recorded with the Beaufort County Register of Deeds (“ROD”).
3. The Town and BCSD agree to exchange the 19.755 acre Town Property for another site within the Indian Hill Property consisting of 10 upland acres on the northern boundary with frontage on US 278. The BCSD also requires that the Town terminate the easement to the current Town Property through the Indian Hill Property, as shown on the plat provided as Attachment 3, to allow more flexibility when designing the site unless there’s an equivalent access easement to the new Town property. The Town contracted with Wood+Partners to prepare capacity studies for a potential site showing options for a mix of commercial, multi-family, and amenity area as well as for a mix of performing arts center, multi-family, and amenity area which are provided as Attachment 7. The above will require a Town Council Resolution authorizing the acquisition of the new Town site, Town Council Ordinance authorizing the conveyance of the current Town Property to BCSD, Purchase and Sale Agreement as well as a boundary/subdivision plat for the new Town property, deeds, and easement termination to be recorded with the ROD.
4. The BCSD will retain a one-time option to repurchase any or all of the 162 acres of General Commercial development rights from the Town at a cost of \$14,432 per acre in the event they develop all or a portion of the Indian Hill Property as something other than school facilities which requires the use of commercial development rights or sell all or a portion of the Indian Hill Property to a third-party. The Option will be memorialized in an agreement to be recorded with the ROD and will become available after five years and expire after 25 years of its recording. If BCSD were to exercise this option in the future it

will require a Town Council Ordinance authorizing the conveyance of development rights to BCSD, Purchase and Sale Agreement, and an Assignment of Development Rights and Obligations of the Buckwalter Development Agreement to be recorded with the ROD.

5. The Town will use reasonable efforts to:

- a. Coordinate with the owner of the Mooney Tract, which is immediately adjacent to the east of the Indian Hill Property, and BCSD to establish a recorded easement for the North South Connector Road through the Mooney Tract to a connection point with the Indian Hill Property to be determined by the District. The relocatable easement for the North South Connector Road is shown on the Plat of the Mooney Property (Attachment 8) and the easement for its connection with the Indian Hill Tract is established as part of the 9th Amendment, Section 11. BCSD is currently working with the Mooney Tract owner to determine the connection point.
- b. Amend the Buckwalter Development Agreement and Concept Plan to revise the current obligations in place for the Indian Hill Property relating to the construction of the North South Connector Road as the BCSD has identified the site for future public-school facilities. Therefore, the following are the proposed revisions to the terms of the 9th Amendment, Section 11 as the Town and the District desire to amend the terms of the construction obligations as they pertain to Indian Hill's requirement for phased construction of the North-South Connector. However, Section 11 also includes provisions for other aspects of the North-South Connector Road and associated improvements such as design, construction standards, future traffic signalization at its US 278 intersection, and access road(s) to provide interconnectivity, which must be retained since many involve persons and/or entities who are not a party of this Amendment. As such, it is necessary to retain and revoke certain portions of the original Section 11 language to remove the Indian Hill Property's obligations by striking through the applicable language then identifying the new terms which include.
 - i. Upon the development of any portion of the school facilities, BCSD will design, engineer, develop and construct the North South Connector Road from US 278 to its connection point with the Indian Hill Property in compliance with SCDOT, Town, Beaufort County, and Development Agreement standards.
 - ii. Once the BCSD portion of the North South Connector is complete, it will be dedicated to the Town. This will require a Town Council Resolution

authorizing the acquisition, Purchase and Sale Agreement, Donation Agreement, and deed to be recorded with the ROD.

- iii. The BCSD shall design and engineer the North South Connector Road from its connection point with the Indian Hill Property to the southern boundary of the Mooney Tract and transfer these documents for use by the Town for future permitting.
- iv. The Town, at its discretion, shall design, engineer (except for those portions designed and engineered by BCSD), develop, and construct the North South Connector Road from its connection point with the Indian Hill Tract to its intersection with the future Bluffton Parkway Phase 5B

The Amendment to the Buckwalter Development Agreement and Concept Plan will require approval by Town Council Ordinances and recording the Amendment with the ROD.

A detailed list of next steps for the above listed considerations, should Town Council desire to move forward with some or all of items discussed, is provided as Attachment 9.

CONSIDERATIONS:

1. Does Town Council desire to move forward with the proposed amendments to the Development Agreement and Concept Plan?
2. Are there any questions or concerns with the conceptual revisions proposed, potential land swap, acquisition of development rights, and/or the Town's new construction obligations for the North South Connector Road.
3. Are there any other provisions or terms which should be considered and/or added when preparing the applications for formal submittal?

ATTACHMENTS:

1. Presentation
2. Buckwalter Development Agreement 9th Amendment
3. Willow Run Plats
4. Connector Road Properties Map
5. Connector Road Phasing Map
6. Town of Bluffton and Beaufort County School District MOU

7. Potential Town Site Capacity Studies
8. Mooney Property Plat
9. Town of Bluffton and Beaufort County School District Willow Run Project Next Steps