



MEMORANDUM

TO: Town of Bluffton Planning Commission
FROM: Kevin Icard, AICP, Director of Growth Management
RE: Transfer of Development Rights Request for Livewell Terrace
DATE: June 25, 2025
CC: Stephen Steese, Town Manager
Heather Colin, AICP, Assistant Town Manager
Terry Finger, Town Attorney

REQUEST: The Applicant Livewell Terrace L.P. (Woda Cooper Group) with authorization from the Property Owner Beaufort Memorial Hospital requests to transfer sixty (60) Residential Dwelling Units (RDUs) from the Town's Development Rights Bank and a 100% density bonus pursuant to Section 6.5.4 of the Unified Development Ordinance (UDO) for affordable/workforce housing. The Applicant intends to develop an affordable housing apartment complex on the property located at 335 Buckwalter Parkway to be known as Livewell Terrace.

BACKGROUND: Beaufort Memorial Hospital ("BMH") submitted a formal request (Attachment 1) to the Town of Bluffton Town Council to acquire 60 RDUs owned by the Town and held in the Town's Development Rights Bank (Attachment 2) which are associated with the Buckwalter Development Agreement at no cost via Transfer of Development Rights established by Town Ordinance 2007-19 (Attachment 3) ("TDR") to utilize for the construction of a 120 RDU multi-family development providing workforce and affordable housing as well as up to 6,000 square feet of medical facilities (the "Project").

The subject property consists of 10.09 acres located at 335 Buckwalter Parkway and identified as Beaufort County Tax Map No. R610 030 000 0712 0000, (the "Property"). The Property and its associated 10.09 acres of general commercial development rights were initially sold by St. Andrew's by the Sea Methodist Church to Beaufort County pursuant to County Ordinance 2023-14 (Attachment 4) on May 8, 2024 for \$3.2 Million (Attachment 5). The County then approved Ordinance 2024-36 which was later revised by County Ordinance 2025-08 (Attachment 6) authorizing the County to convey the property to BMH as well as set forth certain provisions for the use of the property. BMH took ownership of the property on April 17, 2025 (Attachment 7).

In addition to the 60 RDUs requested from the Development Rights Bank, BMH is seeking a 100% density bonus of 60 RDUs as their development will consist of 100% workforce and affordable housing. Density Bonuses are allowed pursuant to Section XIII.3 of the Buckwalter Development Agreement as an incentive for affordable housing as follows:

“Affordable Housing. Owner and the Town recognize the increasing need for affordable housing in the Bluffton area. Owner will encourage and use best efforts to promote affordable housing within Buckwalter Tract and in consideration therefore, the Town will define affordable housing and develop reasonable incentives to encourage the development of affordable housing within Bluffton. Reasonable incentives may include but not be limited to the elimination of Development Fees on affordable housing, and density increases within any given tract to allow developers to offset any negative economic impacts as a result of the development of affordable homes. Owner will consult with Town regarding incentives to encourage and promote affordable housing which would include but not be limited to price discounts, and land and density adjustments.”

As the Buckwalter Development Agreement does not provide guidance on the approval of density bonuses, the Town determined that Unified Development Ordinance, Section 6.5.4.C (Attachment 8) identifying the incentive ranges for a qualified project which allows a 100% density bonus to projects providing 100% affordable housing as follows:

Table 6.5.4: Density Bonus Incentive	
Percentage of Workforce/Affordable Housing Units	Density Bonus
Minimum 25%	25%
26-50%	50%
51-75%	75%
76+%	100%

The acquisition of 60 RDUs from the Town’s Development Rights Bank plus the 60 RDUs resulting from the approval of the density bonus will bring BMH’s holdings to 120 RDUs and 10.09 acres of general commercial development rights. BMH has agreed to transfer to the Town the residual general commercial development rights after it is determined how many of their 10.09 acre holdings are necessary for the medical facilities on the Property.

These requests are supported by The Blueprint Bluffton Comprehensive Plan which serves as the vision for the Town of Bluffton and its partners in successfully guiding future development and improvements to preserve the Town’s Lowcountry character and improve the quality of life. The plan provides an assessment of the current state of

the Town, evaluates opportunities for public infrastructure investments and private development, and provides a roadmap for future decision making.

The State of South Carolina requires comprehensive plans to include nine topical sections and a tenth focused on implementation and priority investments. The Blueprint Bluffton plan assigns a broad goal for each section and a series of targeted objective statements to focus the plan's recommendations. Section 5 Housing includes multiple objectives as it relates to Affordable and Workforce Housing.

H1.4 States the following: Foster relationships with non-profit groups and developers to assist in the development, construction, and/ or purchase of affordable housing units.

Building housing affordability in a fast-growing and attractive community runs counter to the market. Therefore, communities like Bluffton, and its host of non-profits, developers and other community actors, need to access resources to subsidize elements of the development process. This might relate to land costs, materials, permitting, construction, or entitlements. Because each market is different, the approach to building "affordability" is equally tailored. The Town has made significant progress in defining the local and regional needs and in identifying early policies and projects. The Town will continue to build relationships and serve as the facilitator for future deals through the Community Development Office of the Growth Management department.

H2.4 States the following: Incentivize private sector partners to develop diverse housing options within existing development agreements.

Bluffton is unique for its number of Planned Unit Developments (PUDs). A PUD allows development flexibility that improves design, permits a mix of certain uses, and helps preserve natural features. These agreements represent a negotiation outside of the traditional zoning and entitlement path where prospective developers present a master plan for development, access, use-mix, and other considerations. Most developments like these, are built over a decade or more. Over this period, the market can shift and the original plan may need to be amended. As PUD developers re-engage the Town with change requests, the Town can negotiate scaled improvements (affordable unit quotas, sidewalk or path connections, aesthetic improvements, etc.) to the overall plan. Through an ongoing discussion, the Town can ensure these communities continue to grow in a way that is both profitable for developers and helps the Town achieve its goals.

Town Council expressed their support of the Project and acquisition of the 60 RDUs from the Town's Development Rights Bank in a Resolution adopted on January 14, 2025 (Attachment 9) which and includes the following provisions to provide clarification on certain terms the Town will require moving forward:

1. The 120 RDUs will be held in the Town of Bluffton's Development Rights Bank until such time as their release and assignment from the Town to BMH is necessary.
2. The release of RDUs will occur at time of Building Permit Application for each Multi-Family Structure in the Amount equal to the number of units in said Structure. The RDUs will be transferred by Assignment of Rights and Obligations Under Development Agreement which shall be recorded with the Beaufort County Register of Deeds.
3. Affordable Housing Covenants shall be drafted and upon review and approval by the Town, will be recorded with the Beaufort County Register of Deeds and any future revisions will require approval by the Town Manager.
4. Use of the 120 RDUs, once assigned to BMH, shall be limited to the 10.09 acre property located at 335 Buckwalter Parkway and may not be transferred or utilized anywhere else within Buckwalter or the Town.
5. BMH shall transfer to the Town via an Assignment of Rights and Obligations Under Development Agreement recorded with the Beaufort County Register of Deeds, the residual general commercial development rights after it is determined how many of their 10.09 acre holdings are necessary for the medical facilities on the Property

NEXT STEPS

There will be two processes necessary for BMH to acquire the necessary 120 RDUs which are detailed as follows:

- 1) Transfer of 60 RDUs from the Town's Development Rights Bank holdings associated with Buckwalter to BMH via Transfer of Development Rights and conveyance of the 60 RDUs to BMH and requiring a purchase and sale agreement approved by Ordinance.

Planning Commission will hold a Public Hearing and vote to forward a recommendation to Town Council at the next meeting. The Commission's recommendation on the requested TDR will then be presented to Town Council as well as the purchase and sale agreement for approval by separate Ordinances.

- 2) Approval the 60 RDU Density Bonus Through an Amendment to the Buckwalter Development Agreement and Concept Plan by Ordinance.

Planning Commission will hold a Public Hearing and vote to forward a recommendation to Town Council at the next meeting. The Commission's recommendation on the Development Agreement and Concept Plan

Amendments will then be presented to Town Council for approval by separate Ordinances.

ATTACHMENTS:

1. Beaufort Memorial Hospital Request
2. Town of Bluffton Development Rights Bank Log
3. Town Ordinance 2007-19 Transfer of Development Rights
4. Beaufort County Ordinance 2023-14 Authorizing the Purchase of 335 Buckwalter Parkway
5. St Andrews by the Sea to Beaufort County Deed, Assignment, and Plat
6. Beaufort County Ordinances 2024-36 and 2025-08 Authorizing the Conveyance of 335 Buckwalter Parkway to BMH and Ordinance
7. Beaufort County to BMH Deed
8. Unified Development Ordinance, Article 6 Excerpt
9. Resolution of Support for Beaufort Memorial Hospital's 120 Residential Dwelling Unit Workforce/Affordable Housing and Medical Facility Project at 335 Buckwalter Parkway and acquisition of necessary residential development rights