

Meeting Minutes: Beach Front Amenity Ad-Hoc Committee: July 9, 2019

Members of the BFA Ad-Hoc Committee met at the POA Administration building on July 9 at 9:30AM. The objective of the meeting was to review our prior presentation and to share a new concept. The attendees were:

Members:

Ed Callahan
Mike Morrissey
Lee Smith

By Invitation:

Meeting Discussion

The meeting began with a review of our May proposal. First, they understand the value of their oceanfront property. While they appreciated our initial proposal, it did raise several questions including:

Q: How would we, as a community, use the property?

A: Our expected use of the clubhouse is for regular club meetings, periodic community meetings and social gatherings (with accompanying food and beverage service).

Q: Who would be using the property?

A: This would be an owners-only club—and renters would be excluded.

Some of the raised concerns included:

- Methods to address any additional parking needs.
- Timing and duration of any construction given their guests are highly noise sensitive.

Proposal

The group then discussed the July proposal. They immediately understood our proposal as they discussed similar opportunities. In fact, they also considered building a structure similar to our proposal. This would provide them with additional venues while maintaining the charm, appeal and uniqueness of their structure. However, they recognize the dramatic impact this approach would have upon parking which may necessitate a multi-story parking facility.

Several of the benefits expressed include:

- Ability to compete with other oceanfront venues.
- Ability of the sales team to market and rent the facility with ease and substantial velocity.
- Added venues to support corporate events and enhance off-season revenue.

Given an improved financial position it's not clear they would need or desire a partner. Several concerns include:

- The property is a unique differentiator on the island, and it's not clear they would like to replace it—although they understand the potential revenue benefits.
- Converting the structure adds and detracts from their venue portfolio.
- The structure is heavily booked, and the construction window is quite small. Any construction would have to navigate the schedule of committed events.

- Any construction duration and noise would need to be addressed.
- Additional/unknown potential Town or DHEC restrictions.

It was stated that if a partnership was to be established, they would require their corporate design teams to be involved—which we agreed. They also stated that a benefit of working with the POA is that we “do things first class, like the administration building.”

Next Steps

- Lee to provide an electronic copy of the presentation.
- Guest to review the idea and proposal with his manager, sales team and steering board.
- Within two weeks, we will reach out to gauge any interest for a partnership for the project.

The meeting concluded at 10:10AM.

Post Meeting Discussion

After the presentation, the group discussed the meeting. The one potential gating issue is density. It's not clear if the required density to realize any new construction—which may be an essential element we might possibly bring to the partnership. A second potential issue involves cost if they are to undertake a multi-level parking structure. In this situation, our involvement and funding of the venue/clubhouse may seem more appealing—reducing loans or investor capital calls.

The group also discussed an upcoming meeting. The ongoing concern for any redevelopment is one of insufficient parking. Lee agreed to review adjacent properties to explore parking options.

The post meeting concluded at 10:55AM.