Beachfront Amenity Viability Ad-Hoc Committee Recommendations

*September 19, 2019*
Beach Front Amenity Ad-Hoc Committee

• Committee established at the March 21, 2019 meeting by the Board of Directors
• Charter
  • *Determine the high-level viability of several beachfront locations as a potential beach amenity for Palmetto Dunes*
• Members
  • Ed Callahan
  • Mike Morrissey
  • Lee Smith
  • Andrew Schumacher
• Meetings
  • 9 meetings over 6 months
  • 5 meetings with potential partners
  • 1 meeting with the Town of Hilton Head Island
Why A Beachfront Clubhouse?

• Oceanfront Residential Resort
  • Most purchase and stay for the beach

• 2018 Amenities Survey
  • Beachfront club was most requested
  • Clubhouse was third most requested

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
<th>Score</th>
<th>No. of Rankings</th>
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</thead>
<tbody>
<tr>
<td>beachfront club</td>
<td>1</td>
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<td>1,497</td>
<td>361</td>
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<tr>
<td>fitness center</td>
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<td>1,117</td>
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<tr>
<td>clubhouse</td>
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<tr>
<td>community pool</td>
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<td></td>
<td>455</td>
<td>133</td>
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<tr>
<td>boathouse/boat storage/kayak launch</td>
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<td>386</td>
<td>119</td>
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<tr>
<td>community center/indoor meeting space</td>
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<td>leisure paths</td>
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<td>playground</td>
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<td>128</td>
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<tr>
<td>dog run/dog park</td>
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<td></td>
<td>323</td>
<td>117</td>
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<tr>
<td>greenspace/avian preserve</td>
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<td>302</td>
<td>113</td>
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</table>
Requirements

• Oceanfront with unobstructed views
• Ongoing access to our own space sufficient for meetings and socializing
• Non-residential area
• Potential size (square footage, seating)
• Access to food and beverage service
• Available parking
• Affordable
  • Development
  • Ongoing Operations
• Reasonable completion timeframe
Explored Opportunities

• 7 opportunities—many with variants
  • Literally everything from the Robert Trent Jones course to Leamington
• 3 multi-lot residential scenarios
• Commercial partnerships
  • Omni
  • Disney
  • Dunes House
• Space rental
Recommendation

• Partner to redevelop the Dunes House

• Each party owns and contributes an equally valuable asset
  • Dunes House: Land
  • POA: Building

• Multi-use structure
  • Dunes House: First floor and outdoor deck
  • POA: Second floor with rooftop deck
Conceptual Drawing

Left Elevation
General Features

- 2,500 SF second floor
  - 1,650 SF dividable room
  - Bathrooms (3 women, 3 men)
  - Catering Kitchen
  - Exceptional views

- 2,100 SF Rooftop deck
  - Outdoor bar
  - Outdoor lounge and fireplace
  - Umbrellas

- Food and beverage service
Community Benefits

• Access to limited oceanfront land
• Exceptional ocean views
• Centrally located facility with community meeting rooms
• On-site food and beverage service without the need for POA staff
• Lower total development cost
• Modest opportunity to generate revenue
• Increased livability, desirability and property values for every Palmetto Dunes owner
• Distinguished POA club on Hilton Head Island
Parking

• Redesign and paving of Dune House Lane
  • Improved vehicular flow and access for emergency vehicles

• POA evaluating:
  • Owner-only parking opportunities

• Greenwood actively evaluating:
  • Redevelopment of the RTJ clubhouse parking lot
  • Expansion of parking adjacent to tennis courts (near the North Gate)
  • Shuttling guests from Centre Court
## Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
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<tr>
<td>Architecture, Plans and Permits</td>
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<td>Site Work</td>
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<tr>
<td>Building</td>
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<tr>
<td>Hardscape</td>
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<tr>
<td>Landscape</td>
<td>$25,000</td>
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<tr>
<td>Furnishings</td>
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<td>Contingency @ 20%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$3,372,000</strong></td>
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General Operating Principles

• Separated use: Dunes House and POA Clubhouse
• Owners only with accompanied guests on 2\textsuperscript{nd} floor or rooftop deck
  • Door/elevator access limited by fob
• Clubhouse rather than a paid Member’s club
• Open from 7AM to 10PM
  • Rooftop always available (weather permitting)
  • Meeting rooms available per schedule
• Food and beverage available during Dunes House hours
• Available for rent by owners and Dunes House with defined limits and schedule
Schedule

• Invite the community to share their opinions regarding amenities
  • Tidings
  • Annual Meeting
  • Community amenity feedback online form
  • Board decision in November, 2019

• Launch Beach Club Use/Functionality/Policy committee

• If the community desires the beachfront amenity, expect construction in 2021 but perhaps 2020
  • Complete Agreements
  • Engage Architect and Builder in early 2020
  • Begin Permitting in Q2/3, 2020
  • Demolition in Q4, 2021 (or 2020)
  • Open in Q1, 2022 (or 2021)
More Information

• Visit the POA website: https://pdpoa.org/owners/resources/beach-front-amenity/
  • Charter
  • Meeting Minutes
  • Concepts
  • FAQs

• Ask Questions