

**Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board
(ASPPPO)**

Board of Directors Special Meeting
Videoconference and YouTube Stream
Monday, November 30, 2020, 10:00 a.m.

Agenda

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| 1. <u>Call to Order</u> | Scanlon |
| 2. <u>Establishment of Quorum</u> | Ellis |
| 3. <u>New Business</u>
Approval – Amendment, Covenants, 1974 * | Scanlon |
| 4. <u>Adjournment</u> | Scanlon |

Reference Material Attachments

- o Resolutions, November 30, 2020

* Denotes Action Item

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Resolutions

- Resolution for 3. **Approval – Amendment, Covenants, 1974**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc.
and The Advisory Board, approves amendment to the Covenants, 1974,
Amendment V, Infrastructure Fund, as presented and attached to the
minutes of record”.

Sea Pines

COMMUNITY SERVICES ASSOCIATES

Sea Pines Community Critical Infrastructure Projects For the Next Ten Years

Cost Estimates of Infrastructure Projects Over the Next Ten Years **\$ 51,000,000**

Reserve Study Projects Identified Over the Next Ten Years

Infrastructure

Road Resurfacing - mill and overlay only - drainage improvements not included		
Primary Roads as Identified Below	(3,000,000)	
Roads Identified in Reserve Study over Next Ten Years (112 roads or sections of roads)	(10,000,000)	(13,000,000)
Leisure Trail and Bridge Resurfacing		(2,000,000)
Beach Access		<u>(1,000,000)</u>
	Infrastructure Total	(16,000,000)

Revenues Anticipated to be Available for Major Projects Over Ten Years **16,000,000**

(Average available to spend on major projects per year has been \$1.6 million)

FUNDING SHORTFALL NECESSARY TO ADDRESS CRITICAL NEEDS **\$ 35,000,000**

Expenditures:

Drainage Projects **\$ 14,400,000**

Bank Stabilization	
Lagoon Dredging	
Pipe and Inlet Replacement	
Drainage Ditch Restoration	
Drainage Improvements on Roads being Milled and Repaved not Funded in the Reserve Study	

Primary Roads

Sea Pines Drive Reconstruction

Ocean Gate to Lighthouse Road	2,500,000
Lighthouse to Audubon Pond Drive	3,400,000
Audubon Pond Drive to Lands End	3,200,000

Greenwood Drive Reconstruction

Sea Pines Circle to Greenwood Gate	1,300,000
Greenwood Gate to Club Course	600,000
Plantation to Fraser Circle	1,700,000
Fraser Circle to South Sea Pines Drive	2,000,000

Lighthouse Road Reconstruction

Plantation to North Sea Pines Drive	1,200,000
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New Leisure Trail Construction

Lighthouse Road Addition from Harbour Town to Fraser Circle	2,000,000
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Bridge Replacement

Deer Island	<u>2,700,000</u>
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Total Additional Expenditures Necessary Over Ten Years **\$ 35,000,000**

2. Article V, General Provisions, is renumbered to Article VI and a new Article V entitled “Infrastructure Improvements Fund” is inserted as follows:

“ARTICLE V

Infrastructure Improvements Fund. A new fund is hereby created entitled the “Infrastructure Improvements Fund” which is hereby defined as a restricted fund maintained and managed by CSA, to be used only for the repair, replacement, addition and improvement of the roads, bridges, bulkheads, leisure trails, storm water facilities and systems located in or servicing Sea Pines, defined as that parcel of land described in Exhibit A to the 1974 Covenants. The Infrastructure Improvements Fund shall be funded and enforced as follows:

A. Participating Property Owners. Participating Property Owners of record as of January 1, 2022 shall contribute annually \$360.00 per Residential Lot and \$600.00 per Family Dwelling Unit to the Infrastructure Improvements Fund. This amount shall be adjusted annually in the same manner as the Participating Property Owner annual assessment pursuant to Paragraph A.2 of Article III.

B. The Company. Commencing January 1, 2022, the Company shall annually contribute one-quarter (1/4) of one percent (0.25%) of its Adjusted Gross Resort Revenue earned during each immediately preceding calendar year to the Infrastructure Improvements Fund. This amount shall be adjusted annually in the same manner as the Participating Property Owner annual assessment pursuant to Paragraph A.2 of Article III.

C. Owners of Business Land. Commencing January 1, 2022, leased business and commercial facilities owned by the Company and Owners of Business Land (herein “Commercial Landlords”) shall contribute annually, on behalf of their tenants, \$.36 per square foot for first floor tenants and \$.27 per square foot for second floor tenants (herein the “Commercial Tenant Annual Assessment”). This Commercial Tenant Annual Assessment shall be adjusted annually in the same manner as the Participating Property Owner annual assessment pursuant to Paragraph A.2 of Article III. At the date of the assessment of the Commercial Tenant Annual Assessment, any unoccupied space will be excluded from the contribution. Any unoccupied business or commercial space becoming leased during any calendar year shall result in a Commercial Tenant Annual Assessment. Said Commercial Tenant Annual Assessment shall be prorated monthly throughout the calendar year. Beginning in 2023, the Commercial Tenant Annual Assessment shall be increased annually for three (3) years, in the amount of \$.04 for first floor tenants and \$.03 for second floor tenants, for each year.”

D. Collection. Delinquent or unpaid contributions to the Infrastructure Improvements Fund required by this Article V shall accrue interest and be collectable in the same manner as delinquent annual and special assessments as described in Article III, Paragraph E and Paragraph F of the 1974 Covenants.

3. Except as amended herein, the remaining provisions of the 1974 Covenants as amended shall remain in full force and effect.

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