

## Council

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September 23, 2015

The Honorable Nikki R. Haley  
Office of the Governor  
1205 Pendleton Street  
Columbia, South Carolina 29201

Re: Port of Port Royal

Dear Governor Haley:

As you are probably aware, the Port of Port Royal has been available for sale for almost a decade now. The Town has seen four previous contract holders fail to close on the purchase for a number of reasons, and we are now nearing the end of the due diligence period for the fifth contract holder. They are encountering the same issues the others did, which is the pricing on the large, vacant residential piece known as the Bluff Neighborhood. If they are not able to come to terms with the South Carolina State Ports Authority, the property will go to auction, as stipulated in the legislation.

The failure to close on the contract for the Port of Port Royal has been a significant impediment to the progress of the Town. The speculation regarding the sale has been detrimental to surrounding properties and has led to reluctance by other potential investors to pursue opportunities in the Town. The redevelopment of the port will be an economic development opportunity for not only Port Royal, but all of northern Beaufort County.

I am writing to ask you as our governor to assist the Town in moving the redevelopment forward. Should the current group fail, the Town is asking that you consider requesting General Services, or the SCSA, to deed the property to the Town, with a note attached, requiring repayment over an extended period. It also affords the Town the opportunity to control its

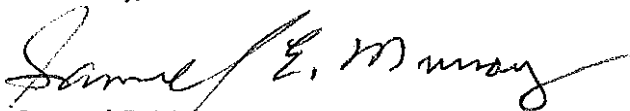
repayment over an extended period. It also affords the Town the opportunity to control its destiny and provide a more patient approach to the redevelopment of the property. We have heard over and over again from our residents how important it is to reknit this property with the existing Town.

Additionally, the Town would like to see the ten acre park, which was requested by former Governor Mark Sanford, relocated to the Bluff Neighborhood. This would allow development to occur on the piece that had been designated as open space at his request. The ten acres he requested was not supported by the Town due to its location next to an existing ten acre open space, Sands Beach, and the value of the property that he had selected. The subject has been broached with Congressman Sanford, and from what I understand, he has favorably received the idea. It meets his request of assuring that the public has significant waterfront access on the property.

The Bluff Neighborhood is a suitable replacement due to the spectacular vistas, the existing live oak tree canopy, and the proximity to the Spanish Moss Trail. The Town has been working with the Spanish Moss Trail Foundation, which has been greatly assisted by the Cox Foundation, in finding a permanent path location on the Port of Port Royal Property. Port Royal is the end point for the trail that will connect all of Beaufort County, extending eventually to Yemassee. That has not happened because the SCSPA has not been willing to provide an easement due to the uncertainty of infrastructure location when development happens. Reassigning the ten acre open space requirement to the Bluff Neighborhood also removes the most significant impediment to the sale.

In closing, we would love to have you visit the site. To truly understand the beauty and importance of moving the redevelopment forward, you really need to see the property in person. If your staff can find some time in your schedule, the Town will accommodate your visit and provide you and your staff with the information you need to evaluate what I have proposed.

Sincerely,

A handwritten signature in cursive script, reading "Samuel E. Murray". The signature is written in dark ink and is positioned above the printed name.

Samuel E. Murray

Mayor