

Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, May 20, 2025, 3:00 PM
Minutes

Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

Council Members present: Alan Perry, Mayor; Alex Brown, Ward 1, Mayor Pro-Tempore; Patsy Brison, Ward 2; Steve DeSimone, Ward 3; Tammy Becker, Ward 4; Steve Alfred, Ward 5; Melinda Tunner, Ward 6

Others Present: Marc Orlando, Town Manager; Curtis Coltrane, Town Attorney; Kim Gammon, Town Clerk

Invocation – Reverend Bill McCutchen, Hilton Head Presbyterian Church

Reverend McCutcheon delivered the invocation.

Adoption of the Agenda

Mr. Alfred moved to approve. Ms. Brison seconded. Motion carried 7-0.

Approval of the Minutes

Regular Meeting Minutes of May 6, 2025

Budget Workshop Meeting Minutes of May 12, 2025

Mr. Alfred moved to approve the minutes listed above. Ms. Becker seconded. Motion carried 7-0.

Presentations and Recognitions

Amyotrophic Lateral Sclerosis Awareness Month Proclamation - Mayor Perry

Bob Scannell and Connie Pratt were present to accept the proclamation.

General Reports from Town Council

Ms. Brison stated that in conjunction with Bike Month, there will be a Ride of Silence held tomorrow, May 21 at 6:30p.m. The ride will begin at Port Royal Plaza and proceed to US278 with a Beaufort County Sheriff escort.

Report of the Lowcountry Area Transportation Study – Councilmember Tamara Becker

No report.

Report of the Lowcountry Council of Governments – Councilmember Steve Alfred

No report.

Report of the Beaufort County Airports Board – Councilmember Melinda Tunner

Ms. Tunner reported the construction continues at the airport with roadway improvements scheduled to begin at the end of the month. She stated an RFP has been issued for concession and there is now a new parking vendor which will improve operations. She stated the lot will be gated with a 24/7 call center. She added that fees have not yet been determined. Ms. Tunner added that Real ID's have been implemented and are doing well. There are three airlines in in full operation now which include American Airlines, United Airlines and Delta Airlines and commercial passenger arrivals are up 4%.

Report of the Southern Lowcountry Regional Board – Councilmember Patsy Brison

Ms. Brison reported the Board met Tuesday, April 22 in Bluffton. They received a report regarding the plastic bag survey, which is completed, and data analysis is now being prepared by the working group and a presentation will be forthcoming in the near future. She added that a representative from the Town of Bluffton revised their recent ordinance on buffer for wetlands. She asked that the Town Attorney be requested to provide a briefing as to whether Hilton Head Island needs to review and consider the same change. Ms. Brison added that a Growth Planning Workshop was being held to look at regional impact and how to put together plans for the future. She stated the next meeting of the Board I Tuesday, May 27.

Report of the Island Recreation Association Board – Mayor Pro Tempore Alex Brown

Mr. Brown reported the Rec center held Family Fun Day on Saturday, May 3 with over 500 in attendance. He added that they are gearing up for the summer months and reported the Rec Center submitted a request to Beaufort County for \$225,000 for pool operations and scholarships. He encouraged his colleagues reach out to Beaufort County representatives in support of the request.

Report of the Beaufort County Economic Development Corporation - Mayor Alan Perry

Mayor Perry reported a meeting was held on May 8 with a grant request in the amount of \$115,000 for Project Sun along with approval of a memorandum of agreement to purchase 120 acres in the Whale Branch area.

Report of the Gullah Geechee Historic Neighborhoods Community Development Corporation - Mayor Pro Tempore Alex Brown

Mr. Brown reported the CDC will meet on May 21 and the Executive Director will update them on the FY2026 Budget request, and they will hold an Executive Session to discuss recommendations to Town Council or appointments to the CDC along with a proposed sale of property in the Stoney area.

Report of the Community Services and Public Safety Committee – Councilmember Tamara Becker

Ms. Becker noted the Committee will meet on June 2 to consider the following items: a proposed amendment to regulations for tree protections; a proposed ordinance regarding sign standards; and a proposed ordinance to amend height and setback encroachment for residential and nonresidential development. She encouraged all to attend.

Report of the Finance and Administrative Committee – Mayor Pro Tempore Alex Brown

Mr. Brown stated the Committee will meet on May 29, to discuss the following: FY2025 financial update; a consideration of distribution of opioid funds to include an agreement with the Town and Low County Alliance of Healthy Youth, Inc, and ratify and authorize funding associated with TIF projects.

Unfinished Business

Update on William Hilton Parkway Gateway Corridor Project - Shawn Colin, Assistant Town Manager

Mr. Colin provided a detailed update with the following information:



Plans from SCDOT at 2/12/25 Joint Council Meeting

US 278 Corridor Improvements

OPTIONS	BRIDGE	ROADWAY	RIGHT OF WAY	ENVIRONMENTAL MITIGATION	UTILITY RELOCATIONS	SUBTOTAL	CONSTRUCTION ENGINEERING INSPECTION	TOTAL
Lifeline Bridge without Multiuse Path (roadway only to tie in) Option 1	185.0	14.7	1.5	9.8	23.3	234.3	23.4	257.7
Lifeline Bridge with Multiuse Path (roadway only to tie in)	240.0	15.7	1.5	9.8	23.3	290.3	29.0	319.3
Lifeline Bridge without Multiuse Path (roadway with 3-lanes from Moss Creek to Spanish Wells)	185.0	22.8	2.9	11.2	26.9	248.8	24.9	273.7
Lifeline Bridge with Multiuse Path (roadway with 3-lanes from Moss Creek to Spanish Wells)	240.0	24.4	4.0	12.6	28.8	309.8	31.0	340.8
2024 Anticipated costs for full project	331.3	43.8	5.8	14.0	29.5	424.4	42.4	466.8
Replace only the Mackay Creek Eastbound Bridge Option 6	45.0	14.7	0.8	7.5	12.5	80.5	8.1	88.6

*Costs shown are in millions

May 12, 2025

Rejection of County's Revised Proposal *The SIB Board voted to reject the County's revised proposal based on the following concerns:*

- **Funding Sequence Conflict:** The revised funding plan contradicted the Intergovernmental Agreement (IGA), which required SIB funds to be used last, not first.
- **Town Contribution Misalignment:** Hilton Head Island's contribution was in the form of land (right-of-way), not cash
- **Reduced Bridge Scope:** The scaled-back design reduced the number of lanes from the original agreement. The SIB did not believe it should still contribute the full **\$120 million**.

- **Unclear Cost Overrun Strategy:** The County did not provide a clear plan to cover potential cost overruns. The SIB suggested pledging County bonding capacity (up to **\$87 million**)—**not recommended by staff**.
- **Missing Timeline:** A detailed construction and completion schedule was not included.
- **Expected Local Commitment:** The SIB expected increased financial participation from both **SCDOT and the County** to lessen reliance on SIB funds.
- **IGA Violation:** The agreement was violated as construction did not commence in **2024**.

Mayor Perry asked for public comment.

Skip Hoagland addressed Council stating he feels the proposed bridge will adversely affect the residents.

Christopher Cliffe addressed Council stating the SIB did not give preferential treatment to Beaufort County with the exception of Hardeeville. He reviewed the timeline of this project with the opinion it has been mishandled.

Members of Council had questions, comments and discussion regarding: the plan to have a special meeting with the SIB and submit a new plan to the SIB with the need to save the \$120 million plus \$30 to \$50 million; an opinion for the need to listen to the 12,000 people that signed a petition and build the bridge they requested; confirmation the entire Beaufort County Council was not in favor or reapproaching the SIB; an opinion/impression that it was clear that Hilton Head Island is not part of the discussion; the need to consider going forward with SCDOT repairing the Mackey Bridge /span and not adding the 3rd lane due to safety and traffic congestion problems; the need to spend the dollars on intersection on Hilton Head Island; the need to consider letting SCDOT do their project of replacing/repairing the bridge and Hilton Head Island reclaiming the \$80 million to work on the corridor and go with Option 1; a consensus that staff communicate in real time as new information becomes available; and a confirmation there was not a vote held by Hilton Head Island Town Council at the Beaufort County meeting held on May 19.

Consideration of an Ordinance to Amend the Town of Hilton Head Island Budget for the Fiscal Year ending June 30, 2025; to Provide for the Budgeted Appropriations of the Land Acquisitions and Certain Other Appropriations and Commitments and the Expenditures of Certain Funds; to Allocate the Sources of Revenue for the Said Funds; and to Provide for Severability and an Effective Date - Second Reading - Adriana Burnett, Director of Finance

Ms. Burnett conducted a presentation with the following information:

The Town Council consider proposed budget amendments for Fiscal Year 2025 to the Capital Improvements Program (CIP). These proposed amendments address approval of funding for land acquisitions previously authorized by the Town Council. There have been no changes since the First Reading.

Funding considerations are as follows: a) Land Acquisition Funding - \$5,917,904

1. Town Council previously authorized the purchase of real estate located at 69 Pope Avenue in an amount totaling \$2,900,000. An appropriation of funds from available Tax Increment Financing (TIF) fund balance is therefore requested in this amount to the CIP budget. This transfer will also ensure that the Town complies with applicable timing criteria set forth under South Carolina law requiring utilization of such funds.

2. Town Council previously authorized the purchase of 26 acres of real estate located in the Mitchelville area in an amount totaling \$1,827,904. An appropriation of funds from available Real Estate Transfer Fee fund balance is therefore requested in this amount to the CIP budget. Beaufort County approved an additional contribution of \$993,000 for this property. The Town received these funds on May 6, 2025, and reimbursed the Real Estate Transfer Fee fund.

3. The Town Council previously authorized the purchase of 1.98 acres of real estate located in the Beach City Road area in an amount totaling \$1,190,000. An appropriation of funds from available Real Estate Transfer Fee fund balance is therefore requested in this amount to the CIP budget.

The Town Council consider proposed budget amendments for Fiscal Year 2025 to the Capital Improvements Program Fund. These proposed amendments address funding for land acquisitions previously authorized by the Town Council.

Mayor Perry asked for public comment.

Skip Hoagland addressed Council requesting an independent DOGE forensic audit be conducted on the Town's annual budget and year end audit.

Ms. Brison moved to approve. Mr. Alfred seconded. Motion carried 7-0.

Consideration of an Ordinance of the Town of Hilton Head Authorizing the Execution of a Lease Purchase Agreement for Fire Trucks - Second Reading - Adriana Burnett, Director of Finance

Consideration of an Ordinance of the Town Council of the Town of Hilton Head Island approving and authorizing the Town to enter into a tax-exempt lease agreement with a financial institution to finance both past and future fire truck purchases. Upon execution of the lease purchase agreement, the Town will receive from the financial institution, not to exceed, \$8,000,000 in lease proceeds, which will be distributed to the Hospitality Tax Fund for the following purposes:

1. Reimbursement – To reimburse the Town for fire trucks already purchased in FY2024 and FY2025 (eight “pumpers” totaling \$5,051,135).

2. Future Funding – To provide funds for fire trucks currently under contract and scheduled for delivery in FY2026 and FY2027 (two “quints” totaling \$2,398,853). The Town will then repay the financial institution in fixed annual payments over a 10-year term, which aligns with the anticipated useful life of the fire trucks. This lease agreement will be subject to annual appropriation by Town Council.

Town Fire Rescue Staff proposed the replacement of 10 fire trucks as part of the FY2022 Budget. This recommendation was based on the fire trucks exceeding their standard useful

life of 10 years, along with increasing repair costs and downtime associated with maintaining the aging fleet.

During the budget approval process, it was agreed that funding for these fire trucks would be pursued through an equipment lease. Funding for the associated lease payments has since been carried forward into the FY2023, FY2024, and FY2025 budgets. Following the FY2022 budget approval, the Town entered into an agreement ("the 2021 Purchase Agreement") with Safe Industries on December 1, 2021, which was later updated and extended on November 14, 2023. The agreement provides for the purchase of 10 new fire trucks—eight pumpers and two quints. Due to production delays and supply chain disruptions, delivery of the Trucks has been postponed multiple times. Pumper Delivery and Purchase Timing – The Town received delivery of the eight pumpers between June and October 2024. Payment for each vehicle was due within 30 days of delivery. These payments were initially made using cash from the Town's Hospitality Tax revenues. Quint Delivery and Purchase Timing – The remaining two fire Trucks (quints) have not yet been delivered due to ongoing production delays. The Town anticipates their arrival in late FY2026 or early FY2027.

Authorizing the Fire Truck Lease Ordinance would allow the Town to enter into a tax exempt lease financing agreement, increasing the balance of the Hospitality Tax Fund by the actual paid or to be paid amounts. This infusion of funds would benefit the town by:

- a. Maintaining a strong Hospitality Tax fund balance
- b. Enabling the Town to pay for other approved capital projects
- c. Providing financial flexibility in the event of a natural disaster
- d. Supporting compliance with proposed minimum fund balance policies
- e. The lease financing structure will align the Town's annual lease payments with the fire trucks' anticipated 10-year useful life, offering a more equitable and financially sustainable approach.
- f. The proposed tax-exempt equipment lease will not count against the Town's 8% General Obligation Bond capacity. It will remain as a long-term financial obligation of the Town until fully repaid.

Mr. Alfred moved to approve. Ms. Becker seconded.

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

New Business

Consideration of a Resolution of the Town of Hilton Head Island, South Carolina Adopting a Housing Displacement Mitigation Support Plan – Shawn Leininger, Assistant Town Manager

Mr. Leininger conducted a presentation with the following information:

Right-Sized Infrastructure is a focus area in the adopted Town Council 2023-2025 Strategic Action Plan. In fulfillment of this focus area, Strategy #2 Implement the Workforce Housing Framework: Finding Home states:

Town of Hilton Head Island Town Council

Meeting Minutes

5/20/2025

"Workforce housing affordability has been a growing challenge on Hilton Head Island and this negative trend has been accelerating over the last five years. Without deliberate action to counteract these trends, the Town will continue to lose its valuable share of workforce housing, home-by-home, or family-by-family. The Workforce Housing Framework is a commitment to preserve and expand workforce housing options on Hilton Head Island through the adoption of four (4) foundational pillars: Community, Planning, Management, and Revenue. Collectively, these pillars establish the enabling structure to assign future policy, programs, organizational capacity, resources, and management."

In this regard, Town Council directed Town staff to develop and adopt a housing displacement mitigation support plan in the 2024 Strategic Action Work Plan. With the guidance of the Housing Action Committee and other community partners, Town staff developed a housing displacement mitigation plan. The Housing Action Committee subsequently voted unanimously (10-0) on December 9, 2024, to recommend the adoption of Home Matters: Town of Hilton Head Island Displacement Mitigation Support Plan to Town Council.

Shortly following this action, and as the Plan was being put to test, it was determined that changes to certain community partners were necessary. These changes included an update to the designated Fiduciary Lead Partner and the establishment of a Fiscal Agent. More specifically, United Way of the Lowcountry replaced the Community Foundation of the Lowcountry as the Fiduciary Lead Partner, while the Community Foundation of the Lowcountry became the designated Fiscal Agent. This change provided a clear and needed separation in fundraising and financial management responsibilities. The Housing Action Committee voted unanimously (7-0) on February 26, 2025, to recommend approval of the amended Plan to Town Council.

The Home Matters: Town of Hilton Head Island Displacement Mitigation Support Plan was forwarded to the Community Services and Public Safety (CSPS) Committee for review and consideration at the March 17, 2025, meeting. Following review, the CSPS Committee voted (2-1) "to deny adopting the document, sending it back to [Housing Action] Committee for further discussion and work with the Housing Action Committee on where the document should live." In discussing the motion, the CSPS Committee requested that this not be a Town document with responsibility to implement and that the Town's role be focused and clearly defined. Additionally, it was recommended that the Voluntary Displacement Mitigation Questionnaire be removed from the plan in its current form and instead restructured as a template or resource tool for voluntary use.

The Plan was subsequently revised by Town Staff as directed by the CSPS Committee. These revisions included the following:

1. To better reflect this community led initiative and the community partnerships that are responsible for the implementation, the document was modified to be the Housing Displacement Mitigation Support Plan without any Town or partner logos.
2. The Town's role was clarified and focused on identification and notification of potential displacement events to the Lead Partner.

3. The changes noted to reflect the community-based approach and the focused role of the Town, resulted in modifications to the structure of the document where sections were removed or consolidated. As such, the document formatting and structure has changed.
4. The role of the Lead Partner was clarified to include activating and coordinating the Community Response Team.
5. The voluntary displacement questionnaire was renamed and refined into a sample survey for community partners to use as, and if, desired.
6. A seven-step Response and Coordination Structure was added to better illustrate and guide response efforts.

The amended Plan was reviewed by the Housing Action Committee on May 14, 2025. After review, the Housing Action Committee recommended Town Council approve the amended Housing Displacement Mitigation Support Plan (6-2).

Members of Council had questions, comments and discussion regarding: the need to get back to basics; the need for any Council member that feels its not a top priority to come forward and say so; inquiry as to where the plan lies if adopted; confirmation the plan would be on the website; and a statement that the Town should not and must not step back from its key role with valued community partners.

Ms. Brison moved for adoption of the original Displacement Mitigation Support Plan recommended by the Housing Action Committee as now shown on the screen. Mr. Alfred seconded.

Mayor Perry asked for public comment:

Risa Prince addressed Council in support of Workforce Housing and the Displacement Plan.

June Wilkins addressed Council encouraging the development of the Displacement Strategy.

Renee Roth addressed Council expressing her disappointment in certain Council members concern regarding the number of questions for the developers.

Sandy West addressed Council stating the March 17 Community Services and Public Safety Committee meeting was an insult to Town Staff, the Town Attorney was dismissed and was an insult to the Housing Action Committee. She added that the Committee requested the Town insignia and symbols be removed from the document which was a show of no support.

Kim Likins addressed Council in support of Workforce Housing and reminded them of their commitment to such reflected in the Four Pillars under Community. She encouraged them to become a real partner in the Displacement Mitigation Plan created by the Housing Action Committee.

Kenneth Campbell addressed Council encouraging a partnership regarding the Displacement Mitigation Plan. He noted that branding is very important for the document.

Sandy Gillis addressed Council encouraging them to approve the Displacement

Mitigation Plan presented to the community services and Public Safety Committee on March 17, 2025.

John Casey addressed Council regarding stating his opposition to the March 17 plan and the revised plan stating the private sector and the non-profits need to work in their own best interest in the most efficient manner to get it done without government funds or perhaps in some instances on an ad hoc basis.

Morris Campbell addressed Council commending them for addressing the issue. He encouraged them to continue to work on the process.

Skip Hoagland addressed Council stating if they had not overdeveloped in so many tourists we wouldn't need Workforce Housing. He encouraged working with the private sector to handle this.

Members of Council had questions, comments and discussion regarding: acknowledgment for the need for Workforce Housing and a need to move forward with the original proposal by the Housing Action Committee; having a displacement strategy is important; the need for an approach of leveraging non-profits who are experts at what they do; and the need to have responsibility to all residents of the Island.

Ms. Becker called the question with a second.

Motion denied 2-5 (Tunner, Brown, Perry, Becker and DeSimone opposed).

Mr. Brown moved to adopt the original Housing Displacement Mitigation Support Plan that was presented at the Housing Action Committee Meeting on May 14, 2025, with the following revisions; Town of Hilton Head Island is mentioned in the Executive Summary of the document, the Town of Hilton Head Island is shown in the Organizational Chart included in the document, includes notification to key partners, and that the document live on the Town's website. Ms. Brison seconded the motion.

Members of Council had questions, comments and discussion regarding: confirmation this is not just workforce Housing, it is a Displacement Mitigation Plan stating that the Town and the non-profits agree to work together to notify each other about what is going on; confirmation the Town will be a part of the plan as it will be a resolution signed by the Mayor and recorded; and inquiry as to who qualifies for displacement.

Mr. Brown called the question with a second.

The motion passed 4-3 (Becker, Tunner and DeSimone opposed).

Consideration of an Ordinance of the Town of Hilton Head Island to Amend Title 16 of the Municipal Code, the Land Management Ordinance, to Amend Sections 16-3-104.G and 16-4-102.A.6 to Add Workforce Housing as a Permitted Conditional Use in the Moderate to High Density Residential (RM-12) District, to Amend Section 16-4-102.B.1 to Include Property Size and Location Requirements for Workforce Housing in RM-12, to Amend Section 16-4-105.A to Provide for a Workforce Housing Density Bonus and Impervious Surface Increase in RM-12, to Amend Section 16-4-105.B to Clarify Workforce Housing Agreement Requirements, and to Provide for Severability and an Effective Date - First Reading

Shaw Colin conducted a presentation with the following information:

Town Council consider First Reading of an Ordinance of the Town of Hilton Head Island to Amend Title 16 of the Municipal Code, the Land Management Ordinance, to amend Sections 16-3-104.G and 16-4-102.A.6 to add Workforce Housing as a Permitted Conditional Use in the Moderate to High Density Residential (RM-12) District, to amend Section 16-4-102.B.1 to include property size and location requirements for workforce housing in RM-12, to amend Section 16-4-105.A to provide for a workforce housing density bonus and impervious surface increase in RM-12, to amend Section 16-4-105.B to clarify workforce housing agreement requirements, and to provide for severability and an effective date. The Planning Commission held a public hearing on March 19, 2025, and, after consideration of the criteria set forth in Section 16-2-103.B.3, voted unanimously to recommend that Town Council approve the proposed text amendment. On April 21, 2025 the Community Services and Public Safety Committee voted 3-0 to recommend approval to Town Council.

On June 18, 2024, the Town Council authorized the Town Manager to execute the Northpoint Workforce Housing Development Agreement. As outlined in the Development Agreement, the Town is responsible for preparing and processing an application for a zoning map and text amendment that will allow the necessary use, density, and development standards to support the creation of a sustainable and energy-efficient workforce housing neighborhood at Northpoint.

The development is planned for 11 acres of Town-owned property strategically located on William Hilton Parkway near the Cross Island Parkway and key community amenities, including Hilton Head Island schools, the Island Recreation Center, and the Boys and Girls Club.

The public-private partnership and workforce housing initiative aligns with the Town's 2023-2025 Strategic Plan, specifically Strategy #2 (Workforce Housing Framework). As part of this effort, the Town intends to rezone the subject property to the RM-12 District and concurrently amend the LMO to allow workforce housing in the RM-12 District. The LMO will also include incentives for increasing the number of workforce housing units. Additionally, project qualification standards are proposed to ensure that developments processed under this new provision will be at least five acres in size and located on a major arterial street. The proposed LMO amendments and rezoning are proposed to accommodate the project's scope and expand workforce housing opportunities. The priority amendment and rezoning are integral to the Northpoint Workforce Housing Development Agreement, which is dedicated to advancing the Workforce Housing Framework on Hilton Head Island. Workforce affordability is central to the project's mission, which serves households earning between 60% and 150% of the Area Median Income (AMI), with at least half of the units reserved for those earning between 60% and 80% AMI. Affordability covenants will be recorded to preserve long-term access to workforce housing. The development will feature approximately 160 rental units, offering a mix of one-, two-, and three-bedroom apartments. None of these units will be allowed to operate as short-term rentals due to the Workforce Housing (WFH) Program requiring rental units not to be occupied for a period less than 90 days (section 16-4-105.B.4.c).

Mr. Alfred moved to approve. Ms. Brison seconded.

Mayor Perry asked for public comment.

Sonya Grant addressed Council regarding her concerns regarding housing and encouraged them to act to establish conditions that will support the development of affordable housing.

Andy Twisdale addressed Council stating Hilton Head Island needs to be in the housing business and to provide enough resources and incentives for people to build more apartments.

Members of Council had questions, comments and discussion regarding: inquiry as to the location of RM Districts where the ordinance would be applicable; confirmation the conditions would be that the minimum lot size for development would be 5 acres and that it be located near a major arterial; the need to look at incentives for developers to encourage workforce housing; and that it aligns with the incentive the Town has in other districts.

Motion carried 7-0.

Consideration of an Ordinance of the Town of Hilton Head Island to Amend the Official Zoning Map with Respect to the Real Property Located on Northpoint Circle to Rezone the Parcels from Parks and Recreation (PR) to Moderate to High Density Residential (RM-12) District; and to provide for Severability and an Effective Date- First Reading

Town Council review and consider First Reading an Ordinance of the Town of Hilton Head Island to Amend the Official Zoning Map, to include 16 Parcels located on Northpoint Circle from the Parks and Recreation (PR) District to the Moderate to High Density Residential (RM-12) District, and to provide for severability and an effective date, and forward a recommendation to Town Council. The Planning Commission held a public hearing on March 19, 2025, and, after consideration of the criteria set forth in Land Management Ordinance (LMO) Section 16- 2-103, voted unanimously to recommend that Town Council approve the proposed zoning map amendment, ZA-000023-2025. On April 21, 2025 the Community Services and Public Safety Committee voted 3-0 to recommend approval to Town Council. BACKGROUND: On June 18, 2024, the Town Council authorized the Town Manager to execute the Northpoint Workforce Housing Development Agreement. As outlined in the Development Agreement, the Town is responsible for preparing and processing an application for a zoning map and text amendment that will allow the necessary use, density, and development standards to support the creation of a sustainable and energy-efficient workforce housing neighborhood at Northpoint.

The development is planned for 11.337 acres of Town-owned property strategically located on William Hilton Parkway near the Cross Island Parkway and key community amenities, including Hilton Head Island schools, the Island Recreation Center, and the Boys and Girls Club. The public-private partnership and workforce housing initiative aligns with the Town's 2023-2025 Strategic Plan, specifically Strategy #2 (Workforce Housing Framework).

The Town of Hilton Head Island proposes to rezone 16 parcels on Beaufort County's Tax Map 7. The parcel numbers are 121, 219, 230, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, and 265, which are also known as the Northpoint property. In total,

the property is 11.337 acres. As a concurrent effort, the Town proposes a related priority Land Management Ordinance (LMO) amendment to include Workforce Housing as an allowable principal land use, permitted subject to use-specific conditions, in the Moderate to High Density Residential (RM-12) District. The proposed amendment incorporates qualification standards, including minimum acreage (five acres) and location along a major arterial road.

Ms. Brison moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

Consideration of an Ordinance of the Town Council of the Town of Hilton Head Island to amend Municipal Code Section 8-11-211(8) to Restrict Dogs from an Area of the Town's Defined Beach near Fish Haul Creek - First Reading - Shawn Colin, Assistant Town Manager

Mr. Colin conducted a presentation with the following information:

Consideration of an Ordinance of the Town Council of the Town of Hilton Head Island to Amend Municipal Code Section 8-11-211(8) to Restrict Animals from an Area of the Town's Defined Beach near Fish Haul Creek

The Community Services and Public Safety Committee recommended the Ordinance be advanced as drafted by a vote of 3-0 to Town Council for adoption.

The Town of Hilton Head Island has a longstanding policy of periodic nourishment and renourishment of its Atlantic Ocean beaches to maintain beach width, provide a stable recreational area, and protect the critical coastal flora and fauna. Since 1990, the Town has completed three major beach nourishment projects, and a fourth is scheduled for 2025 (the "2025 Project").

As part of the 2025 Project, the Town must obtain permits from the United States Army Corps of Engineers and the South Carolina Department of Environmental Services. These permits, which are essential to commence and complete the beach nourishment efforts, impose specific requirements, including the prohibition of dogs in certain areas of the beach year-round to prevent disturbances to shorebirds and other wildlife.

On February 4, 2025, the Town Council adopted a resolution authorizing the following:

1. The Town Manager is hereby authorized to execute and accept the permits issued by the United States Army Corps of Engineers and the South Carolina Department of Environmental Services.
2. The Town Manager is hereby authorized to take all actions as may be necessary to comply with any conditions set out in the permits issued by the United States Army Corps of Engineers and the South Carolina Department of Environmental Services.
3. The Town Manager is directed to bring forward a text amendment to Section 8-1-211 of the Municipal Code of the Town of Hilton Head Island for the purpose of implementing a year-round ban on dogs in areas along the outfall of Fish Haul Creek.

Currently, Hilton Head Island Code Section 8-1-211(8) regulates the presence of dogs on the beaches, specifying times and locations where dogs are allowed, as well as handling requirements. In order to comply with the conditions of the permits, an amendment to this section of the Code, as outlined below and in the attached Ordinance, is necessary to prohibit dogs from certain defined beach areas year-round. Text with underline is additions and text with strikethrough are deletions.

Sec. 8-2-211. Unlawful activities enumerated. Prohibited and Regulated Activities on the Beach.

~~8) — *Animals.* Except as provided herein, no person shall bring or allow any dog, or any other animal on the beach that is not at all times on a leash between the hours of 10:00 a.m. and 5:00 p.m. from April 1st through the Thursday before Memorial Day weekend and from the Tuesday after Labor Day weekend through September 30th. No person shall bring or allow any dog, or any other animal, on the beach between the hours of 10:00 a.m. and 5:00 p.m. from the Friday before Memorial Day weekend through the Monday of Labor Day weekend. No person shall bring or allow any dog or any other animal on the beach that is not on a leash or under positive voice control of the responsible person between 5:00 p.m. and 10:00 a.m. from April 1st through September 30th. No person shall bring or allow any dog or any other animal on the beach that is not on a leash or under positive voice control at any hour from October 1st through March 31st. Any violation of the provisions hereof may result in the owner of the animal being charged with a misdemeanor and the animal being seized by the appropriate animal control officer or law enforcement officer.~~

~~No person shall permit any excrement from any animal under that person's control to remain on the beach but shall dispose of same in a sanitary manner.~~

~~From April 1st through the Thursday before Memorial Day weekend and from the Tuesday after Labor Day weekend through September 30th of each year, dogs or any other animal, other than seeing-eye dogs, shall not be allowed in any designated swimming area unless on a leash and walking through the area between 10:00 a.m. and 5:00 p.m.~~

(8) Animals on the Beach.

- (a) Except in the Prohibited Areas described in Subsection (2) below, animals are allowed on the Beach only as stated below:
 - (i) From October 1 through the following March 31, animals that are either on a leash or under the positive voice control of the person responsible for the animal are allowed on the Beach;
 - (ii) From April 1 through the Thursday before Memorial Day, animals that are leashed are allowed on the Beach between the hours of 10:00, A. M., and 5:00, P. M., and at all other times, animals, other than seeing-eye dogs are allowed on the Beach that are either on a leash or under the positive voice control of the person responsible for the animal;

- (iii) From the Friday before Memorial Day weekend through the Monday of Labor Day weekend, animals are prohibited on the Beach between the hours of 10:00, A. M., and 5:00, P. M., and at all other times, animals are allowed on the Beach that are either on a leash or under the positive voice control of the person responsible for the animal;
- (iv) From the Tuesday following Labor Day through October 31, animals that are leashed are allowed on the Beach between the hours of 1:00, A. M., and 5:00, P. M., and at all other times, animals are allowed on the Beach that are either on a leash or under the positive voice control of the person responsible for the animal.
- (b) Prohibited Areas.
- (i) Animal Prohibited Areas. No person shall bring or allow any dog or any other animal on the designated Animal Prohibited area of the Beach. Dogs and other animals are prohibited year-round at all times from entering or being brought into or on any Animal Prohibited Area. The boundaries of Animal Prohibited Areas shall be identified by signage stating, "Animals Prohibited Area".
- (1) The area of the Beach shown and described on the drawing in Subsection (c) below is designated as an Animal Prohibited Area.
- (2) The Town Manager is hereby authorized to take all actions as may be necessary to comply with the Hilton Head Island Code of Ordinances to designate the aforementioned area a Animal
- (3) Prohibited Area, including the erection of the required signage.
- (c) Map of Animal Prohibited Area.



- (d) Animal Excrement. No person who is responsible for an animal on the beach shall permit any excrement from the animal to remain on the beach, and that person shall immediately remove and dispose of the same in a sanitary manner.
- e) Penalty for Violation. Any owner or person responsible for an animal who violates any provision of this ordinance, shall, upon conviction, be subject to the penalty set out in § 1-5-10. In addition, the animal may be seized by the appropriate, code enforcement officers, animal control officer or law enforcement officer.

To move forward with the 2025 Beach Nourishment Project, the Town must secure the necessary permits from the United States Army Corps of Engineers and the South Carolina Department of Environmental Services. These permits require specific modifications to the Town's regulations on the presence of dogs on the beaches to protect shorebirds and other wildlife from disturbances.

The proposed amendment to Hilton Head Island Code Section 8-1-211(8) will prohibit dogs from certain beach areas year-round. This amendment is critical for compliance with the permitting requirements and for the protection of the natural environment during the upcoming beach nourishment project. The Town Council's approval of this amendment will ensure that the Town remains in compliance with state and federal regulations and continues to support the health and stability of its beach ecosystem.

Ms. Brison moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment. There was none.

Members of Council had questions, comments and discussion regarding: after outreach into the community, there was disappointment by a few, but they understand the need: confirmation this is necessary in order to receive the permitting for beach renourishment in that area; and confirmation that without beach renourishment that area would cease to exist.

Motion carried 7-0.

Consideration of an Ordinance of the Town of Hilton Head Island, Amending the Municipal Code by Adding New Sections 1-5-11 and 1-5-12, Authorizing the Issuance of Administrative Citations and Fines; Amending Section 10-2-60 to Authorize Administrative Citations and Fines for Violations of Article 10, Chapter 2 of the Municipal Code; Amending Section 10-2-70 of the Municipal Code to Add Issuance of More Than 3 Administrative Citations in Twelve Months as Grounds for Suspension or Revocation of Short Term Rental Permit; to Add Section 12-3-101 to Authorize Administrative Citations and Fines for Violations of Article 12, Chapters 3 and 6; to Amend Section 12-3-117; to Amend Section 2-3-213; to Add Sections 12-6-100 and 12-6-101 to Authorize Administrative Citations and Fines for Violations of Article 12, Chapter 6; to Amend Section 12-6-111 to Add a Definition for Resident Beach Pass; to Amend Sections 12-6-113, 12-6-114, 12-6-115, 12-6-117 to Make Grammatical Changes; to Repeal Sections 12-6-119 and 12-6-120; and to Provide for Severability and Effective Date - First Reading - Shawn Colin, Assistant Town Manager

Shawn Colin presented and stated that the Finance and Administrative Committee recommended the Ordinance be advanced as drafted by a vote of 2-0 to Town Council

for adoption.

The Town of Hilton Head Island is proposing amendments to the Municipal Code to introduce Administrative Citations and Fines as a more efficient, proportionate, and flexible enforcement mechanism for code violations. Currently, most enforcement actions rely on criminal penalties, which may not always be appropriate, especially for minor or repeat infractions that could be better resolved through civil means.

By establishing an administrative enforcement process, the Town seeks to:

- Reduce dependency on criminal proceedings for non-compliance.
- Improve timely resolution of code violations.
- Provide due process while promoting voluntary correction.
- Ensure greater consistency and clarity in enforcement efforts.

The adoption of this alternative enforcement tool will improve regulatory compliance while preserving the Town's ability to pursue criminal or other remedies when necessary. With this tool in place, amendments to Title 10 and Title 12 will include application of Administrative Citations and Fines to Short Term Rental Operations and Parking and Beach Parking Operations, respectively.

The proposed amendments to Sections 1-5-11 and 1-5-12 establish and clarify procedures for issuing Administrative Citations for violations of the Town Code where such authority is specifically provided. These amendment provisions are summarized below:

Amendment Provisions:

1. General Authority
 - a. Establishes that where specifically authorized, officials may issue an Administrative Citation as an alternative enforcement option.
2. Violations
 - a. Allows issuance of Administrative Citations for any ongoing or observed violations of applicable code sections.
 - b. Does not restrict the Town from pursuing other enforcement options concurrently.
3. Warning Notices
 - a. At the discretion of the enforcement officer, a warning notice may be issued prior to a citation, identifying the violation, steps for correction, and a deadline.
 - b. A warning is not a required step before citation issuance.
4. Administrative Citation Process
 - a. Citation Content Requirements:
 - i. Date, time, and location of violation.
 - ii. Code section violated and description.
 - iii. Penalty amount and payment instructions.
 - iv. Appeal procedures and officer identification.

- b. Service of Citation:
 - i. May be delivered in person, posted on the property, mailed to the last known address within the Town, or sent via authorized email.
- c. Penalties:
 - i. Fine amounts will be defined within the applicable code section.
 - ii. Daily citations may be issued if violations persist beyond 24 hours of the first citation.
- d. Appeal Process (Administrative Protest):
 - i. Must be filed in writing within 30 calendar days.
 - ii. The Town Manager or his designee will review the case and issue a written final determination.
- 5. Supplementary Nature
 - a. Clarifies that Administrative Citations are not exclusive and may be used in addition to any other legal or equitable remedies available to the Town.

The proposed amendments to 10-2-60 and 10-2-70 establish specific violations, penalties, and enforcement mechanisms related to short-term rental (STR) operations. These amendment provisions are summarized below:

Amendment Provisions:

- 1. Violations Defined
 - a. Leasing or advertising a STR property without meeting Chapter requirements.
 - b. Failing to comply with any provision of the Chapter.
- 2. Administrative Citations:
 - a. Violations are subject to Administrative Citations under Section 1-5-11 of the Town Code.
- 3. Fines Structure:
 - a. \$250 for the first violation.
 - b. \$500 for a second violation within one year.
 - c. \$1,000 for a third violation within one year of the second.
 - d. \$25 late fee applies to fines unpaid after 30 days.
- 4. Vehicle Enforcement:
 - a. Vehicles violating this Chapter may be towed or immobilized at the owner's expense if deemed necessary for public safety by Town officials or the Sheriff's Office.
- 5. Additional Remedies:
 - a. Violators may also face penalties under other sections of the Town Code, including business license suspension and other cumulative remedies allowed by law.
- 6. Grounds for Suspension:
 - a. More than three Administrative Citations issued in connection with the STR property within 12 months.

The proposed amendments to Title 12, Chapters 3 and 6 establish specific violations,

penalties, and enforcement mechanisms related to parking and beach parking operations. These amendment provisions are summarized below:

Amendment Provisions

1. Authority:
 - a. Section 12-3-101 (New): Adds authority to issue Administrative Citations for violations of parking regulations under Article 12, Chapters 3 and 6.
 - b. Sections 12-6-100 and 12-6-101 (New): Further reinforce the authority to issue fines for parking violations.
2. Fines Structure:
 - a. \$50 for the first violation.
 - b. \$100 for a second violation within one year.
 - c. \$250 for a third violation within one year of the second infraction, and possible towing or immobilization of the vehicle parked in violation of this Article. Any and all charges or fees associated with towing or immobilization shall be the expense of the owner of the vehicle
 - d. \$500 for any subsequent infraction within one (1) year of the third infraction, and possible towing or immobilization of the vehicle parked in violation of this Article. Any and all charges or fees associated with towing or immobilization shall be the expense of the owner of the vehicle.
 - e. \$25 late fee applies to fines unpaid after 30 days.
3. Definitions:
 - a. Definition Added to Section 12-6-111 that introduces a new definition for "Resident Beach Parking Pass" to clarify eligibility.
4. Grammatical Changes:
 - a. Grammatical Revisions (proposed to Sections 12-6-113 to 12-6-117 to improve clarity and consistency in code language.
5. Repeal of Obsolete Sections:
 - a. Sections 12-6-119 and 12-6-120 have been repealed to remove outdated provisions to streamline the parking enforcement framework.

The proposed amendments introduce an Administrative Citation process, which allows Town officials or Code Enforcement Officers to issue fines and compel compliance through civil means. This process emphasizes corrective action, preserves due process, and helps reduce reliance on criminal proceedings for code violations.

These amendments introduce a comprehensive set of amendments to the Municipal Code that establishes a framework for the issuance of administrative citations and fines for specific code violations. These changes are designed to improve compliance through a non-criminal, streamlined enforcement process and provide flexibility in addressing infractions related to short-term rental permits, beach parking regulations, and other municipal code provisions.

Ms. Brison moved to approve. Ms. Becker seconded.

Mayor Perry asked for public comment. There was none.

Members of Council had questions, comments and discussion regarding: clarification on the fine structure; clarification that notification would be via USPS and email if the owner has selected email notifications; confirmation the owner would be responsible for the violation as they are the one that agreed to the terms; **the need to include parking in the ordinance for authorized citations; the need to clarify exclusions**; confirmation from the Town Attorney that email is constituted as adequate service or process; and the need to address trash violation fines.

Ms. Brison, as the maker of the motion and Ms. Becker, the seconder agreed to the suggested changes for second reading and noted above in bold.

Motion carried 7-0.

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island Authorizing the execution of a Non-Exclusive Drainage and Utility Easement Agreement from Beaufort County for Property Located at 55 Gardner Drive - Shawn Colin, Assistant Town Manager

Mr. Colin stated that the Community Services and Public Safety Committee recommended the Resolution be advanced as drafted by a vote of 3-0 to Town Council for adoption.

The Town of Hilton Head Island has requested that Beaufort County convey to the Town a drainage easement located at 55 Gardner Drive as shown on Attachment 2. The easement is necessary to support the Town's ongoing stormwater management program. The legal basis for the easement dates back to an agreement made in 1980 between Beaufort County and the property owner at 55 Gardner Drive. This agreement granted the County drainage and utility easement rights, which were subsequently amended in 1980. A plat describing the easement area was also recorded at that time.

Beaufort County has agreed to convey this easement to the Town to further its stormwater management efforts, which are critical to maintaining and improving the Island's infrastructure and environmental health.

The proposed Resolution, included as Attachment A, authorizes the Town Council to accept the conveyance of the drainage easement from Beaufort County. The Resolution will acknowledge the easement's history and its intended use for stormwater management and utility purposes.

The following points outline the relevant history of the easement and conveyance:

- On June 27, 1980, Beaufort County was granted easement rights for drainage and utility purposes over the property at 55 Gardner Drive. This was recorded in the Office of the Register of Deeds for Beaufort County in Official Record Book 303 at Page 122 (Exhibit "A").
- On August 22, 1980, the original easement was amended, and the amendment was recorded in Official Record Book 305 at Page 2056 (Exhibit "B").
- The easement area is shown on a plat recorded in Plat Book 28 at Page 107 (Exhibit "C").

- The Town of Hilton Head Island has requested that Beaufort County convey this easement to support the Town's stormwater management program.

The proposed Resolution authorizes the Town Council to accept the conveyance of the drainage easement from Beaufort County. This conveyance will facilitate the Town's stormwater management and utility efforts on Gardner Drive and surrounding area.

- Easement History: The easement was granted to Beaufort County in 1980 for drainage and utility purposes, with an amendment made the same year. The easement is recorded and is described in the attached exhibits.
- Purpose: The conveyance of the easement to the Town will enable the Town to better manage stormwater and maintain essential drainage infrastructure in the area, supporting public safety and environmental health.

Mr. Alfred moved to approve. Ms. Brison seconded.

Mayor Perry asked for public comment. There was none.

Members of Council had questions, comments and discussion regarding: confirmation the Old Woodlands Neighborhood is in agreement with the solution.

Motion carried 7-0.

Public Comment - Non Agenda Items

Skip Hoagland addressed Council stating the need for a forensic audit regarding the use of tax funds and the Designated Marketing Organization.

Sandy West address Council stating workforce housing is a crisis that threatens stability in the future of the community. She urged Council to answer three questions. Where are we? Where are we going? How do we get there?

Jack Alderman addressed Council on the need to be a "can do" community and the need to create solutions for workforce housing.

Alan Wolf addressed Council urging them to support the priority amendment to allow the conversions of hotel properties to multi-family housing.

Tom Reitz addressed Council and spoke on the importance of stormwater management and the need for Beaufort County and the Town of Hilton Head Island to work together in correcting any drainage problems on Hilton Head Island.

Mayor Perry invited Senator Davis to make comments.

Senator Davis stated that in the event the State Infrastructure Bank (SIB) doesn't address the revised submission regarding the bridge, then the default will be Option 1. He stated that his personal opinion is that \$80 million, if Option 1 is chosen, ought to come to Hilton Head Island. He said in looking at the referendum the \$80 million is allocated to Hilton Head Island for improvements. He added he will certainly be advocating for that amount to be allocated to the Town if that becomes the position.

He said that if the County would want to use some of those funds to try and make the bridge three lanes instead of two he would go to Secretary Powell and try to make that case that the State absorb it as part of their cost.

Members of Council expressed their appreciation to Senator Davis for his commitment to the Town of Hilton Head Island.

Executive Session

Discussion of Negotiations Incident to Proposed Contractual Arrangements for William Hilton Parkway [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for responses to the Town of Hilton Head Island Destination Marketing Organization Request for Qualifications [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussion for the Proposed Sale or Purchase of Property [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:

1. Main Street
2. Beach City Road
3. Cedar Woods
4. Jonesville Road

Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney- Client Privilege [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]related to:

1. Workforce Housing Agreement for a Project located on Main Street, also known as Diamond Cove
2. Workforce Housing Agreement and Covenants Template

Mr. Orlando stated the need for an Executive Session for the reasons listed above.

At 6:58 p.m. Ms. Brison moved to enter Executive Session for reasons cited by the Town Manager. Ms. Becker seconded. Motion carried 7-0.

At 8:19 p.m. Ms. Brison moved to end Executive Session and return to Regular Session. Mr. Alfred seconded. Motion carried 7-0.

Action from Executive Session

Mr. Brown moved Town Council adopt a resolution authorizing the execution and delivery of a contract for the purchase of 6.58 acres more or less of real property on Jonesville Road Hilton Head Island, South Carolina and authorizing the Mayor and Town Manager to execute the contract and take all actions needed to complete the transaction described in the contract. Ms. Brison seconded. Motion carried 7-0.

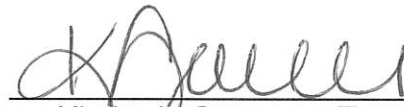
Mr. Brown moved Town Council adopt a resolution authorizing the Mayor and Town Manager to execute and deliver a Workforce Housing Agreement between the Town and Diamond Cove Elite HHI, South Carolina LLC and to accept the declaration of covenants and restrictions for Workforce Housing from Diamond

Cove Elite SC LLC under the authority of 16-4-105 of the Municipal Code and authorizing the Mayor and Town Manager to take all actions needed to comply with the Town's obligations under the proposed Workforce Housing Agreement and declaration of covenants. Ms. Brison seconded. Motion carried 7-0.

Mr. Brown moved Town Council adopt a resolution approving forms of Workforce Housing agreements and declarations of covenants and restrictions in connection with applications for projects submitted under 16-4-105 of the Municipal Code, authorizing the LMO Official to accept the forms of Workforce Housing Agreements and declarations of covenants for projects submitted under 16-4-105 of the Municipal Code authorizing the Mayor and Town Manager to execute the forms and authorizing the Town Manager and LMO Official to take all actions needed to enforce any Workforce Housing Agreements and declarations of covenants. Ms. Brison seconded Motion carried 7-0.

Adjournment

At 8:24 p.m., Ms. Brison moved to adjourn. Mr. Alfred seconded. Motion carried 7-0.



Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov