



Town of Hilton Head Island

Finance and Administrative Committee Meeting

Monday, August 25, 2025, 10:00 AM

1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers

The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

1. **Call to Order**
2. **Adoption of the Agenda**
3. **Approval of the Minutes**
 - a. Regular Meeting Minutes of May 29, 2025
 - b. Regular Meeting Minutes of June 26, 2025
4. **Presentations**
 - a. Update from Coastal Community Development Corporation - Alan Wolf, Board Member, Coastal Community Development Corporation
 - b. Town of Hilton Head Island FY2026 Monthly Financial Update - John Troyer, Interim Finance Director
5. **New Business**
 - a. Consideration of a Resolution Delineating Names and Areas of Focus for Town Council Subcommittees - Shawn Colin, Assistant Town Manager
 - b. Consideration of a Resolution Approving the 2025–2029 Five-Year Consolidated Plan Required by the U.S. Department of Housing and Urban Development (HUD) for Participation in the Community Development Block Grant (CDBG) Entitlement Program - Michele Bunce, Senior Grants Administrator
6. **Public Comment - Non Agenda Items**
7. **Adjournment**

FOIA Compliance: Public notification of this meeting has been published, posted, and

distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:

"I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town."



Town of Hilton Head Island FINANCE AND ADMINISTRATIVE COMMITTEE MEETING Thursday, May 29, 2025, 2:00 PM Minutes

Call to Order

Chair Brown called the meeting to order at 2:00 p.m.

Committee Members Present: Alex Brown, Chair; Patsy Brison, and Melinda Tunner

Other Members of Town Council Present: Steve Alfred

Adoption of the Agenda

Ms. Brison made a motion to adopt. Ms. Tunner seconded. Motion carried 3-0.

Approval of the Minutes

Regular Meeting Minutes of April 29, 2025

Ms. Brison made a motion to approve. Ms. Tunner seconded. Motion carried 3-0.

Presentations

Town of Hilton Head Island FY2025 Monthly Financial Update – Adriana Burnett, Finance Director

Adriana Burnett addressed the Committee regarding the item with the following information.

Monthly/Year to Date-4/30/2025

General Fund:

- Revenues collected in April totaled approximately \$9.5M, compared to \$5.9M in April to the previous fiscal year. Top revenue sources included \$5.3M in business license fees, \$2.6M in Local Accommodation Tax and \$346K in interest earned.
- Fiscal year 2025 year-to-date revenues are 12% higher than fiscal year 2024, excluding transfer-ins.
- Expenditure for April is \$4.8M, compared to \$4.2M in April of the previous fiscal year. Top uses of funds included \$3.5M in personnel expenses and \$1.2M in overall operating expenses and \$180K in affiliated agencies reimbursements.
- Fiscal year 2025 year-to-date expenditures are 6.0% higher than fiscal year 2024, excluding transfers-out.

Capital Improvement Program Fund (CIP)

- Revenues for April were approximately \$471K primarily from: \$250K in Sunday Liquor Permit Fees and \$174K in CDBG grant reimbursement. Revenues collected were 14% lower compared to April of the previous fiscal year 2024.
- Expenditures for April totaled approximately \$1.8M, including \$525K on Park Improvements, \$600K on Roadway Improvements and \$352K on Beach Improvements.

Last fiscal year April's expenditure totaled \$1.5M, indicating a 15% increase, primarily due to vendor payment timing.

- Year-to-Date expenditures, including encumbrances, represent approximately \$38.7M, leaving a remaining budget balance of \$50M. A significant portion of the remaining balance is attributed to the \$16.5M budgeted for the Beach Renourishment Program. A budget amendment for Land Acquisition of \$5.9M is included in the FY2025 Land Acquisition & Administration Approved Budget total column.

DEBT SERVICE FUND

- Top sources of revenue for April include \$131K in property tax and \$53K in interest earned.
- Expenditures for April included \$1.3K in "other expenses" with no comparable spending recorded for the same period last year.
- Year-to-Date revenues totals reflect a 4.0% increase in property tax revenue compared to last year's figures and a 5.3% increase in Investment Income, before any transfers-in. There is also a decrease of 5.7% in principle and a 13.5% decrease in interest. Overall year-to-date expenditures declined by 7.6%, reflecting ongoing debt repayments.

STORMWATER FUND

- Top sources of revenues for April included \$77K in stormwater fees and \$38K in interest earned.
- Expenditures for April included \$162K for personnel, operating and debt service and \$148K in stormwater maintenance.
- Year-to-Date revenues increased by 4.0% compared to last year, driven by a 2.3% increase in stormwater utility fees and an 84.2% increase in plan review fees.
- Year-to-Date expenditures are approximately \$3M in actual expenses, with an additional \$1.6M encumbered.

GGHNCDC FUND

- Revenues for April included \$11K in interest earned and \$18K in expenditure on personnel expenses.
- Year-to-Date expenditures are \$229.5K in actual expenses compared to \$88K last year. The main expenditure difference includes personnel salary and operating expenses.

HOUSING FUND

- Expenditures for April include an operating expense of \$14K for workforce housing.
- Operating budget year-to-date reflects activity of \$148.3K in actual expenses and \$1.2M in encumbered expenses for Northpoint Public Private Partnership, leaving a remaining budget fund balance for the year of \$2.7M.

Committee Members had questions, comments and discussion regarding: several Town related financial matters; the possibility of receiving additional funds through the Local Accommodations Tax; receiving an update on business license revenues when available; clarification of the Fire Truck lease and where the Town stands in the Request for Proposal (RFP) process; whether Beach Funding will be carried forward; appreciation for the Finance Team's efforts to reconcile accounts and improve public understanding; and the potential to

host a workshop explaining Tax Increment Financing (TIF) and the status of the Town's Stormwater Maintenance Utility Program.

Chair Brown asked for public comments.
There was no public comment at this time.

New Business

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, Authorizing the Town Manager to Apply for Funds from the South Carolina Opioid Recovery Fund Board, Authorizing the Distribution of any Funds Received from the South Carolina Opioid Recovery Fund Board, Authorizing the Execution and Delivery of an Opioid Recovery Fund Use Agreement between the Town of Hilton Head Island, South Carolina and the Low Country Alliance for Healthy Youth, Inc. - Chris Blankenship, Fire Chief

Peter Janura addressed the Committee regarding the item with the following information.

The State of South Carolina and its political subdivisions, including the Town of Hilton Head Island, are recipients of opioid abatement settlement funds from nationwide litigation against opioid manufacturers and distributors. These funds are distributed by the South Carolina Opioid Recovery Fund Board and are intended to support evidence-based prevention, treatment, and recovery efforts.

The Town of Hilton Head Island is eligible to receive opioid abatement settlement funds through the South Carolina Opioid Recovery Fund Board under the Guaranteed Political Subdivision SubFund. Eligible uses include prevention, treatment, recovery, and harm reduction efforts consistent with the state's approved strategies.

As an eligible recipient of the "Guaranteed Political Subdivision SubFund," the Town may apply to receive opioid settlement funds for approved uses. One such approved use includes funding local community anti-drug coalitions that engage in opioid and drug misuse prevention.

The Town Council is asked to consider a consolidated funding request totaling \$331,864.35 from the Guaranteed Political Subdivision SubFund of the South Carolina Opioid Recovery Fund, allocated to two entities as follows:

1. Hilton Head Island Fire Rescue, focused on intervention, treatment linkage, and community-based response — Request: \$93,859.35
 - a. Fire Rescue proposes establishing a Substance Abuse and Mental Health Management Team to proactively identify and support individuals at risk of opioid use disorder (OUD) and co-occurring mental health (MH) conditions. The program includes field outreach, peer support, and treatment referrals.
2. Low Country Alliance for Healthy Youth (LCAHY), focused on youth prevention and education – Request: \$238,005
 - a. The Low Country Alliance for Healthy Youth (LCAHY) is a nonprofit coalition operating in the Town that focuses on drug misuse prevention through education, public awareness, community engagement, and school-based programs. LCAHY has submitted a proposal for \$238,005 to implement a range of prevention initiatives

in accordance with the state's approved opioid fund use categories.

The proposed Agreement outlines the terms under which the Town will apply for, receive, and distribute \$238,005 in Opioid Recovery Funds to LCAHY. The funding will support a comprehensive set of prevention efforts including media campaigns, public education on drug disposal, distribution of drug deactivation systems, school- and faith-based programs, mental health training, and youth engagement strategies. If authorized the Town will submit its grant application by the July 31, 2025, deadline.

The Agreement:

- Requires LCAHY to use funds only for state-approved purposes.
- Includes detailed reporting, financial accountability, and recordkeeping requirements.
- Specifies a two-year term or until all funds are expended and reporting obligations are complete.
- Establishes that the Town's role is limited to facilitating the disbursement and oversight of funds, without establishing an employment or agency relationship.

Ms. Brison made a motion to forward to Town Council for consideration of approval a resolution authorizing the Town Manager to apply for funds from the South Carolina Opioid Recovery Fund Board, authorizing the distribution of any funds received from the South Carolina Opioid Recovery Fund Board, authorizing the execution and delivery of an Opioid Recovery Fund Use Agreement between the Town of Hilton Head Island, South Carolina and the Low Country Alliance for Healthy Youth, Inc. Ms. Tunner seconded.

Committee Members had questions, comments, and discussion regarding: thoughts on understanding that there is a problem and having funding will support the needs of our community; thankful that this subject was brought to light about our community, as this gives us an opportunity to prevent and support those in need; information on what facilities are available for those in need; appreciation for the mission of the Lowcountry Alliance for Healthy Youth and the proposed path forward with the plan; thoughts on the data regarding the average age of individuals dealing with opioid addictions; questions regarding the use of the plan and ensuring that it will be used for Hilton Head only; thoughts on engaging the youth in our schools to participate in this program if needed; and explanation of the application process and deadline.

For more information about the Lowcountry Alliance for Healthy Youth contact a representative at <https://www.lcahealthyouth.com/>, lcalliance4healthyouth@gmail.com or (843) 816-0205.

Chair Brown asked for public comments.

Eugene Zepfel addressed the Committee, suggesting that this program presents an opportunity to collect valuable data for future use. He recommended tracking metrics such as visitor versus resident participation, total usage over a defined period, and the average age of participants. This data could help inform and support the development of future programs and initiatives.

Motion carried 3-0.

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, Authorizing and Ratifying the Execution of Certain Redevelopment Projects Undertaken Pursuant to the Town's Tax Increment Financing (TIF) Redevelopment Plan, Including Projects in Adjacent Areas that Directly Benefit the Redevelopment Area, and Provide Notice to the Taxing Entities in Accordance with State Law - Shawn Colin, Assistant Town Manager

Shawn Colin addressed the Committee regarding the item with the following information.

In 1999, Town Council adopted Ordinance No. 99-35, establishing the Hilton Head Island Tax Increment Financing (TIF) Redevelopment Plan (the "Original Plan") in accordance with South Carolina Code Title 31, Chapter 6. The Original Plan was amended in 2014 by Ordinance No. 2014-13 (the "Plan Amendment"), to authorize additional redevelopment projects (the "Amended Projects") and extend the life of the TIF District through the fiscal year ending June 30, 2025.

The Town secured consent from Beaufort County, the Beaufort County School District, and the Hilton Head Public Service District (collectively, the "Taxing Entities") to the Plan Amendment. These agreements allowed the Town to use incremental tax revenues generated within the TIF district for approved redevelopment projects.

Per Section 31-6-80(F)(3) of the South Carolina Code of Laws, if the redevelopment project or portion of it is to be located outside of the redevelopment project area, the municipality shall by resolution make a specific finding of benefit to the redevelopment project area and provide written notice to the affected taxing district. No further action is required of the municipality.

The following provides an accounting of expenditures of TIF revenues to date for improvements, including infrastructure, public amenities, transportation, and environmental enhancements, which have been undertaken within four defined initiative areas.

Investments in Projects within the Redevelopment Project Areas | Total: Approx. \$48.7M

- Sea Pines Circle, Coligny Circle, and Palmetto Bay Road Areas
- Matthews/Gardner Area
- Stoney/Inland Entrance Area
- Chaplin/Broad Creek Area

Investments in Projects within Areas Adjacent to the Redevelopment Areas| Total: Approx. \$2.14M

- Green Shell Park
- Chaplin Community Park
- Shelter Cove Community Park/Boardwalk & Expansion
- Mid-Island Tract
- Patterson Family Park

Investment in these projects, which are located adjacent to the Redevelopment Areas, are directly supportive of the goals of the TIF District by improving infrastructure, connectivity, quality of life, and public safety in areas that are functionally and economically linked to the Redevelopment Project Area.

Committee Members had questions, comments and discussion regarding: clarification of whether the TIF expended funds have been properly communicated to the necessary parties; any further

obligations beyond the resolution; the time limit on the use of the remaining funds; a breakdown of committed versus spent funding; how TIF funds have been spent to date and what additional funds will be committed; lessons learned and positive outcomes from the TIF redevelopment plan; acknowledgement that \$46.8 million has been spent in the Pope Avenue area, with the University of South Carolina Beaufort (Hilton Head Island Campus) and Lowcountry Celebration Park being the two largest expenditures; concern that only \$55,000 was spent on redevelopment in the Matthews-Gardner area and \$277,000 in the Stoney/Island entrance area, which raised concerns about imbalance, especially given the many needs in the Stoney area; how the Town plans to spend the funds already received before the June 30th deadline to remain in compliance with the TIF program; whether available funding can continue to be used outside the redevelopment area; clarification on the TIF boundaries and district; and a request for educational sessions and further explanation of the TIF closing procedures.

Ms. Brison made a motion to forward to Town Council for consideration of approval a resolution authorizing and ratifying the execution of certain redevelopment projects undertaken pursuant to the Town's Tax Increment Financing (TIF) Redevelopment Plan, including projects in adjacent areas that directly benefit the redevelopment area, and provide notice to the taxing entities in accordance with the State Law. Ms. Tunner seconded.

Chair Brown asked for public comments.
There was no public comment at this time.

Motion carried 3-0.

Public Comment - Non Agenda Items
There was no public comment at this time.

Adjournment
Chair Brown adjourned the meeting at 4:04 p.m.

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



Town of Hilton Head Island
FINANCE AND ADMINISTRATIVE COMMITTEE
MEETING
Thursday, June 26, 2025, 10:00 AM
Minutes

Call to Order

Chair Brown called the meeting to order at 10:00 a.m.

Committee Members Present: Alex Brown, Chair; Patsy Brison, and Melinda Tunner

Other Members of Town Council Present: Steve Alfred and Tamara Becker

Adoption of the Agenda

Ms. Brison made a motion to adopt. Ms. Tunner seconded. Motion carried 3-0.

Approval of the Minutes

Regular Meeting Minutes of May 29, 2025

Ms. Brison made a motion to table the presented minutes. Ms. Tunner seconded. Motion carried 3-0.

Presentations

Town of Hilton Head Island FY2025 Monthly Financial Update

Mr. Orlando conducted a presentation with the following information:

Monthly/Year to Date - 5/31/2025

General Fund:

- General Fund revenues collected in May totaled approximately \$2.3 million. Top revenue sources included \$1.1 million in Business License Fees, \$406K in Local Accommodation Tax (ATAX) and \$244K in EMS revenue.
- General Fund fiscal year 2025 year-to-date revenues are 11.8% higher than fiscal year 2024, excluding transfer-ins.
- General Fund expenditures for May are \$4.9 million. Top uses of funds included \$3.5 million in personnel expenses and \$1.1 million in overall operating expenses and \$47K in affiliated agencies reimbursements.
- General Fund fiscal year 2025 year-to-date expenditures are 17.7% higher than fiscal year 2024, excluding transfers-out and affiliated agencies reimbursements

Capital Improvement Program Fund (CIP)

- CIP Fund revenues for May were approximately \$47K primarily from: \$10K in Traffic Impact Fees and \$36K in interest earned.
- CIP Fund expenditures for May totaled approximately \$1.2 million, including \$130K on Park Improvements, \$444K on Roadway Improvements and \$424K on Facility & Equipment Improvements.

- CIP Fund year-to-date expenditures, including encumbrances represent approximately \$40.3 million, leaving a remaining budget balance of \$48.5 million. A significant portion of the remaining balance is attributed to the \$16.5 million budgeted for the Beach Renourishment Program

Debt Service Fund

- Debt Service Fund top sources of revenue for May include \$70K in property tax and \$55K in interest earned.
- Debt Service Fund expenditures for May totaled \$5.2 million, consisting of \$5.0 million in principal payments and \$186,000 in interest payments.
- Debt Service Fund year-to-date revenues totals reflect a 5.1% increase in property tax revenue compared to last year's figures and a 16.0% increase in Investment Income, before any transfers-in. There is also a decrease of 2.8% in principal, a 14.4% decrease in interest and a 5.2% decrease in bank fees. Overall year-to-date Debt Service Fund declined by 4.9% compared to last year, reflecting ongoing debt repayments

Stormwater Fund

- Stormwater Fund top sources of revenues for May included \$45K in stormwater fees and \$35K in interest earned.
- Stormwater Fund expenditures for May included \$195K for personnel, operating and debt service and \$31K in stormwater maintenance
- Stormwater Fund year-to-date revenues increased by 4.0% compared to last year, driven by a 2.2% increase in stormwater utility fees, 7.3% increase in investment income and an 78.6% increase in plan review fees.
- Stormwater Fund year-to-date expenditures are approximately \$3.2 million in actual expenses, with an additional \$1.5 million encumbered.

Gullah Geechee Historic Neighborhoods Community Development Fund

- GGHNCDC Fund revenues for May included a \$8K in interest earned and \$22K in expenditure for personnel expenses.
- GGHNCDC Fund year-to-date expenditures are \$253.7K in actual expenses with an additional \$36.5K encumbered compared to \$109.6K last year. The main expenditure difference includes personnel salary and operating expenses.

Housing Fund

- Housing Fund expenditures for May include an operating expense of \$17K for workforce housing
- Housing Fund housing program operating budget year-to-date reflects activity of \$165.4K in actual expenses and \$1.1 million in encumbered expenses for Northpoint Public Private Partnership and Housing Operating expenses, leaving a remaining budget fund balance for the year of \$2.7 million.

Committee Members had questions, comments, and discussion regarding the strong revenue results, noting that many funds were under spent; clarification regarding the misalignment of parking fees; appreciation for the presentation of the Town's special revenue funds and transparency in how those funds are being allocated; and questions about the consolidated fund balance of \$243 million, including statements indicating that many of the funds will carry over into the next fiscal year's budget.

New Business

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island to approve a Comprehensive South Carolina Accommodations Tax Program to include Application Process and Fund Distribution Policy - Michele Bunce, Senior Grants Administrator

Mr. Colin conducted a presentation with the following information.

At the January 14, 2025 meeting, Town Council directed staff to develop an South Carolina State Accommodations Tax (ATAX) Funds Distribution Policy to help ensure the process of allocating these public funds is transparent, consistent, and aligned with SC State law requirements and the Town's Strategic Plan. In support of this request, the following information was provided:

I. Purpose:

This memorandum provides a comprehensive overview of the Town of Hilton Head Island's policy and process for accepting, reviewing, and awarding grants funded by ATAX revenues. It includes relevant South Carolina Code provisions, outlines the application and review process, and proposes decision-making and voting protocols followed by the Accommodations Tax Advisory Committee (ATAC), the Town Council's Finance and Administrative Committee, and the full Town Council. In addition, the process provides direction for the Town Council regarding the distribution of SC ATAX funds.

By establishing clear guidelines, policy, and procedures, these measures ensure that funds are allocated appropriately, promoting tourism and related activities in accordance with state laws. This structured approach fosters accountability and public trust in the management of ATAX resources.

This policy framework shown in the Resolution and outlined below, will improve consistency, transparency, and alignment with the Town of Hilton Head's Strategic Plan.

II. Overview of the South Carolina Accommodations Tax (ATAX)

The South Carolina Accommodations Tax (ATAX) is imposed under the authority of S.C. Code Ann. § 9-36-920(A)(Supp. 2024) and has three parts, one of which is a two- percent local ATAX on all transient lodging rentals, including hotels, motels, inns, and short-term vacation rentals, which is credited to the county or municipality where the tax was paid under the authority of S.C. Code Ann. § 12-36-2630(3)(Supp. 2024). The use of the 2% local ATAX is governed by S.C. Code Ann. § 6-4-10, et seq. (Supp. 2024). The information below provides additional details to overview the South Carolina Code of Laws related to ATAX.

III. ATAX Grant Program – Town of Hilton Head Island

The Town of Hilton Head Island administers an annual ATAX Grant Program to support organizations and projects that enhance tourism and benefit the local economy. This program includes a public application process, committee and staff review, and Town Council approval.

IV. Grant Review and Recommendation Process

This portion of the process includes a Staff and Technical Review, Accommodations Tax Town of Hilton Head Island Finance and Administrative Committee Meeting Minutes

6/26/2025

Advisory Committee Review, Finance & Administrative Committee Review, and Town Council Review and Final Decision.

VI. Post-Award Requirements

This portion of the process requires that grantees must enter into a formal agreement with the Town, submit regular progress and final outcome reports, maintain documentation of all expenditures, submit documentation to request reimbursements, and return unused or misused funds.

VII. Town Council Voting and Approval Process

Following Staff and Committee review, Town Council formally votes on grant awards at a scheduled public meeting.

VIII. Use of ATAX for Workforce Housing

In 2024, the South Carolina General Assembly amended the ATAX statute to allow a temporary use of ATAX funds for workforce housing. This was authorized to provide a funding tool for local jurisdictions to address the challenge of providing housing options for employees.

IX. FY26 Projected Revenues and Distribution Policy

During this portion of the presentation Mr. Colin outlined the FY26 revenue projections and recommended distribution policy.

Distribution Category	Required Distribution	Proposed Distribution	Proposed \$ Distribution
First \$25,000 to General Fund	\$25,000	\$25,000	\$25,000
5% to General Fund	5%	5%	\$616,476
30% to DMO	30%	30%	\$3,698,857
ATAX Grant Awards	—	30%	\$3,706,357
General Fund (Tourism Operating Expenses)	—	20%	\$2,454,654
Capital Improvement Program (CIP)	—	10%	\$1,235,452
Tourism-Serving Housing Program	—	5%	\$617,726
Total	35%	100%	\$12,354,522

X. Next Steps

If supported by the Finance and Administrative Committee to Advance to the full Town Council, the following steps will be taken:

- Town Council consideration of SC Accommodations Tax Fund Distribution Policy: July 15, 2025
- ATAX applications: August 4 – September 5, 2025
- ATAC recommendation of FY26 ATAX Grant approvals to F&A Committee, based upon evaluation criteria and scoring guide: November 6, 2025

- F&A Committee recommendation of FY26 ATAX Grants to Town Council: November 18, 2025
- Town Council consideration of FY26 ATAX Grants: December 9, 2025
- ATAX Grant award letters distributed: December 12, 2025

Chair Brown asked for public comment.

Martin Lesch addressed the Committee as the Cultural Representative for the Accommodations Tax Advisory Committee. He agrees that the 30% for the DMO is limiting. He also asked that stakeholders be allowed to weigh in the policy before it gets approved to allow for feedback.

Katie Henderson addressed the Committee that she feels any organization that asks for funding for housing show the return on investment like all other organizations are required to do as we need to be fiscally responsible.

Jan Smith addressed the Committee on her thoughts that it is important for Town Council to rely on the ATAC Committees recommendation and not just reject the recommendations. They should have a provision for the recommendation be revised by them if needed.

Committee Members had questions, comments, and discussion regarding the length of time allowed to expend ATAX funds, as well as how proposed changes to the process might impact grantees going forward; concerns were expressed about how the timing of Town Council elections, which occur every two years, could affect grant awards due to the shift in the award process from December to January; there were also questions raised about the submission timeline and the explanation of application requirements; a request was made to include language in the resolution stating that “the Town will distribute award letters,” without specifying a strict date or timeframe; members commended the clarity of the policy, noting that it would be particularly helpful for incoming Council Members to better understand the ATAX grant process; additional requests were made to review and clarify the “motions and amendments” section, specifically to ensure that if a recommendation is rejected, a revised recommendation should be requested from the ATAX Committee; further clarification was requested regarding how unused funds are reallocated and what guidelines the ATAX Committee should follow when determining allocation amounts; questions arose as to when the proposed policy changes would take effect; while there was general support for addressing housing needs, some members expressed concern that ATAX funding is not the appropriate tool for housing support; there was concern that adding housing to the allocation formula could unintentionally create obligations the Town is not prepared to fulfill; however, the goal of more clearly distributing funds was seen as a positive development; it was suggested that the housing allocation, based on past years, should remain around \$1 million; emphasis was placed on the importance of continuing to support existing grantees, while also exploring housing incentives for developers and private entities; finally, the Committee discussed separating the application, evaluation, and scoring rubric processes to allow Town Council greater input; there was additional discussion regarding the potential distribution policy, with suggestions including: 33% for ATAX Grant Awards, 20% from the General Fund, 5% for Housing Programs, and 7% for Capital Improvement Projects; the Committee agreed that any adjustments to housing allocations should ultimately be decided by the full Town Council.

Mr. Alfred had to leave prior to the meeting ending and his comments are as follows: I am a supporter of arts and culture affairs. So I want to start by noting that state law specifically mentions "culture" as a appropriate expenditure of ATAX funds. Moreover, state law specifies that one of the seven seats on the ATAC must be for a cultural affairs representative; a point not mentioned in the staff report. While I favor using ATAX funds for workforce housing, I do not want to see the share of the Town's cultural organizations reduced as a result. I note one category proposed for receipt of ATAX grants is the CIP fund. That was added for 2025. It was not included in any prior years. There are numerous other sources of funds for the CIP. Accordingly, I would suggest that this grant be removed and its allocation be placed in the "grants" category instead. At the very least, such allocation should be respread among the other categories.

Ms. Brison made a motion to forward to Town Council for consideration a resolution of the Town Council of the Town of Hilton Head Island to approve a comprehensive South Carolina Accommodations Tax (ATAX) Program, including the application process and fund distribution policy, with the following conditions:

1. Page 5, Article 3, Subsection (b):
Amend the sentence stating that "Town Council approval occurs in early December before the start of the new fiscal year" to reflect that approval will occur in November before the start of the fiscal year.
2. Page 3, Article 4 – Grant Review and Recommendation Process:
Add a provision stating that all meetings are public meetings.
3. Page 4 – Post Award Requirements:
Add a provision that, upon award approval, it is the responsibility of staff to initiate grant agreements, disbursements, and send letters of award.
4. Page 5, Article 7, Subsection (c)(3):
Revise the first bullet point to read: "Council may reject and request a revised recommendation from the ATAC."
5. Page 5, Article 7, Subsection (d) – Voting Procedure:
Remove the last bullet point.
6. Page 5 – Remove the section stating that "the Fiscal Year 2026 ATAX calendar is shown as an example."
7. Page 6, Article 9, Subsection (b) – Recommended Distribution Policy:
 - Revise the ATAX Grant Awards allocation to 33%;
 - Revise the Capital Program allocation from 10% to 7%;
 - The Housing Program allocation percentage will be determined by full Town Council, as the Committee was split on the proposed percentage;
 - Clarify that the application and guidelines are to remain guidelines and are not adopted policy.

Ms. Tunner seconded the motion. Motion carried 3-0.

Public Comment - Non Agenda Item

There was no public comment at this time.

Adjournment

Chair Brown adjourned the meeting at 12:00 p.m.

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



TOWN OF HILTON HEAD ISLAND

Finance and Administrative Committee

TO: Finance & Administrative Committee
FROM: John Troyer, Interim Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager

DATE: August 25, 2025
SUBJECT: Update from Coastal Communities Development Corporation

RECOMMENDATION:

Town Council receive the report from Coastal Communities Development Corporation and provide an opportunity for question and answers related to the report.

BACKGROUND:

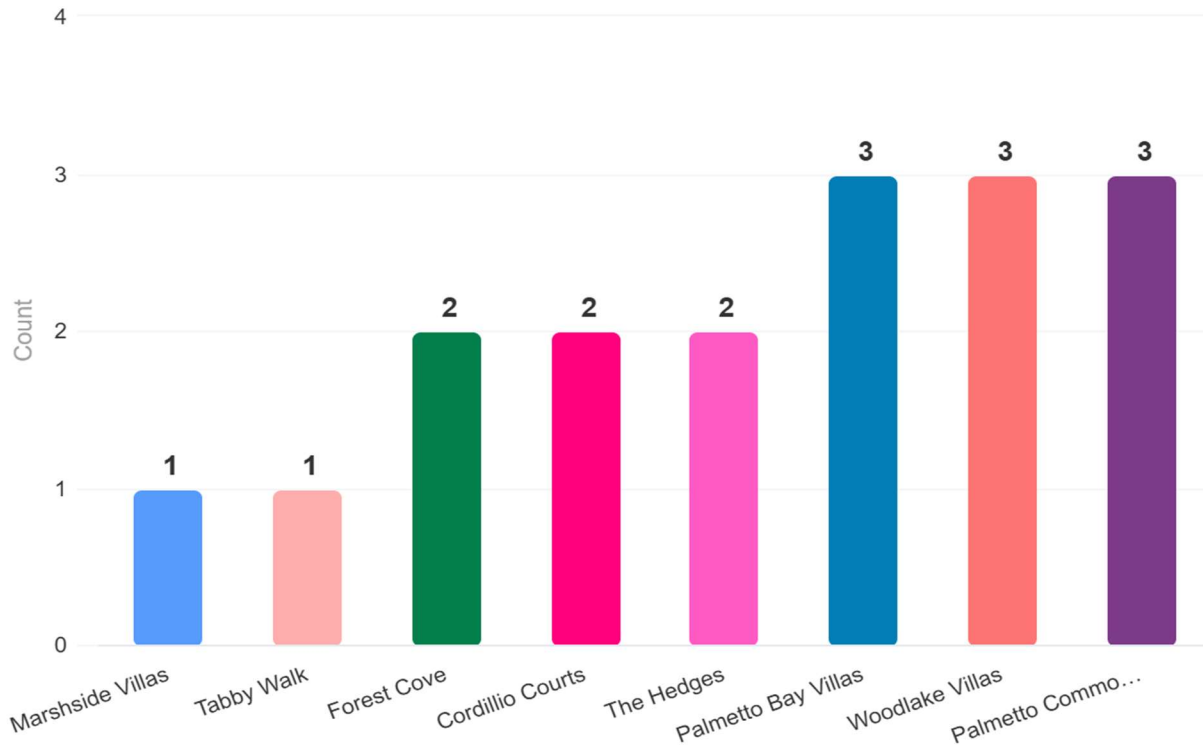
Town Council agreed to receive an update from the Coastal Communities Development Corporation. The Finance and Administrative Committee was selected as the best venue to receive the report and provide an opportunity for question and answers.

The written report is included in the agenda packet and representatives of the Coastal Communities Development Corporation will be attending the Finance and Administrative Committee to present highlights of the report and answer any questions from the Committee members.

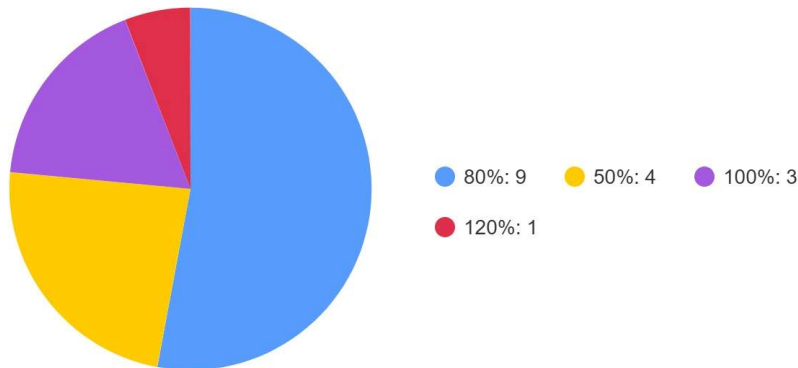


CCDC – Hilton Head Properties 17 Properties Owned on Hilton Head Island

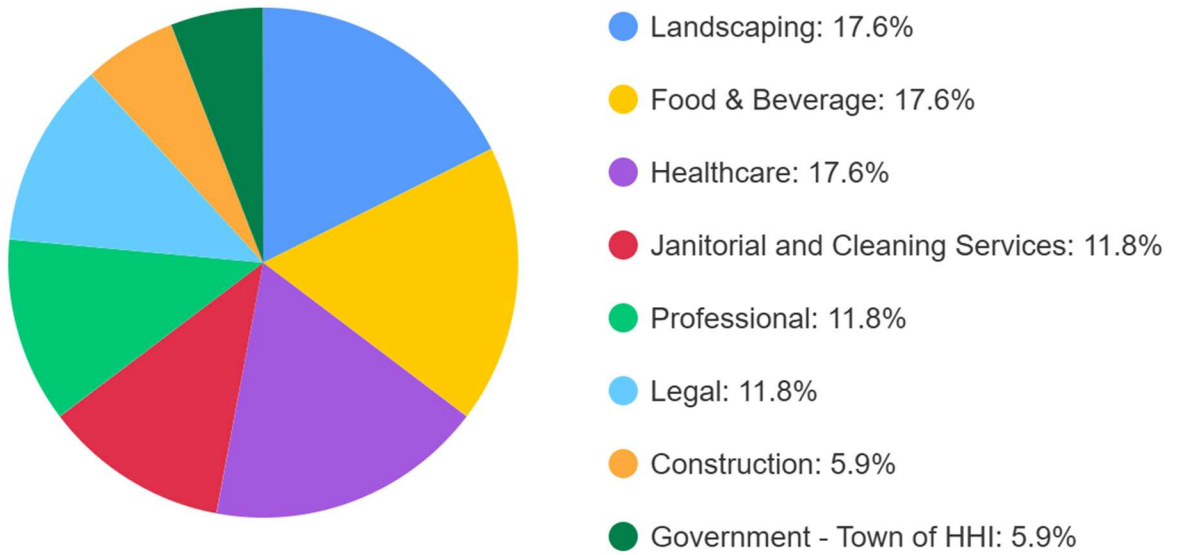
Location of Properties on Hilton Head Island



AMI % of Properties on Hilton Head Island



Workforce of renters in properties





TOWN OF HILTON HEAD ISLAND

Finance and Administrative Committee

TO: Finance & Administrative Committee
FROM: John Troyer, Interim Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager

DATE: August 25, 2025
SUBJECT: Town of Hilton Head Island FY2026 Monthly Financial Update

RECOMMENDATION:

Town Council receive the monthly financial update.

BACKGROUND:

Town Council approved the FY 2025 budget. During the course of the year, the Finance Department publishes reports with various information and perspectives on how the Town's financial results compare to the approved budget. The reports also include some additional information to help Town Council assess the economy of Town to help provide background information to assist in the discussions and decisions of Town business.

The six budgeted funds all operated within budgetary limits:

- General Fund
- Debt Service Fund
- Capital Improvements Fund
- Stormwater Utility Fund
- GGHNDCDC Fund
- Housing Fund

Revenue collections were adequate to support the approved spending for Fiscal 2025.

The written report is included in the agenda packet and the Finance Director will be attending the Finance and Administrative Committee to present highlights of the report and answer any questions from the Committee members.

Economic Data and Summary/Preliminary Close Comments

FISCAL YEAR 2025 - THROUGH JUNE (12th PERIOD)

These amounts are pre-close and pre-audit, therefore subject to change. However, these results should give insight as an early look at the financial results for FY2025. General Fund collections finished above budget with the help of strong property tax, ATAX, business licenses, and the one-time AirBnB settlement. General Fund spending finished below budget primarily due to savings from temporarily open position and the timing of the fire truck lease and several maintenance projects.

Recently, Standard & Poor's raised the Town's bond rating to AAA, recognizing the continued economic health and vitality of the Town and the responsible decision-making of Town Council and the execution of policy and programs by the Town Manager.

The Town finance department will continue to close the books for fiscal year 2025, and to work closely with out independent auditors to finalize and publish the Annual Comprehensive Financial Report which will be delivered to Town Council.

Budgeted Funds

	FY2025				FY2024	FY2025 vs FY2024	
	Budget	Actual	+/- Budget	% of Budget	Actual	\$ Variance	% Variance
General Fund							
Property Taxes	\$ 18,076,000	\$ 19,190,794	\$ 1,114,794	106%	\$ 18,106,461	\$ 1,084,334	6%
Business Licenses*	\$ 12,690,924	\$ 17,585,602	4,894,678	139%	\$ 10,094,835	7,490,767	74%
Franchise Fees	\$ 840,000	\$ 1,061,803	221,803	126%	\$ 835,865	225,938	27%
Permits	\$ 1,800,000	\$ 2,461,684	661,684	137%	\$ 2,172,830	288,854	13%
State Shared Funds	\$ 973,093	\$ 981,781	8,688	101%	\$ 930,105	51,676	6%
EMS	\$ 2,036,000	\$ 2,627,171	591,171	129%	\$ 1,788,833	838,338	47%
Local ATAX*	\$ 6,880,890	\$ 8,841,406	1,960,516	128%	\$ 4,686,730	4,154,676	89%
Beach Parking & Services	\$ 236,232	\$ 325,119	88,887	138%	\$ 152,725	172,394	113%
Debt Service Fund							
Property Taxes	\$ 5,843,144	\$ 6,619,129	775,985	113%	\$ 6,308,036	311,093	5%
Stormwater Fund							
SWU Fees	\$ 5,067,000	\$ 5,384,264	317,264	106%	\$ 5,275,035	109,229	2%

*Includes one-time AirBnB settlement

Non-Budgeted Funds

	FY2025	FY2024	FY2025 vs FY2024	
	Actual	Actual	\$ Variance	% Variance
Special Revenue Funds				
Tax Increment Financing	\$ 3,258,859	\$ 7,844,686	\$ (4,585,827)	-58%
State ATAX	\$ 13,167,662	12,790,329	377,333	3%
Real Estate Transfer Fees	\$ 5,228,355	4,883,205	345,150	7%
Hospitality Tax	\$ 10,559,662	10,574,379	(14,717)	0%
Beach Preservation Fees	\$ 16,668,782	13,889,049	2,779,733	20%
Short Term Rental	\$ 1,882,500	2,012,495	(129,995)	-6%

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA
 REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS & ACTUAL
 FISCAL YEAR 2025 - THROUGH JUNE (12th PERIOD)

12

Schedule 1

	Original Budget	Amended Budget	Actual	Available Budget Positive (Negative)
Revenues:				
Real and Personal Property Taxes	\$ 18,076,000	\$ 18,076,000	\$ 19,190,794	\$ 1,114,794
Accommodations Tax	6,880,890	6,880,890	8,841,406	1,960,516
Business License and Franchise Fees	13,530,924	13,530,924	18,647,405	5,116,481
Permits	1,800,000	1,800,000	2,461,684	661,684
State Shared Funds	973,093	973,093	981,781	8,688
Grants	-	-	-	-
EMS Revenue	2,036,000	2,036,000	2,627,171	591,171
Public Safety Revenue	-	-	1,770	1,770
Miscellaneous Revenue	530,936	530,936	713,336	182,400
Investment Income	1,500,000	1,500,000	2,390,706	890,706
Total Revenues	<u>45,327,843</u>	<u>45,327,843</u>	<u>55,856,054</u>	<u>10,528,211</u>
Expenditures:				
Current:				
General Government	1,734,903	1,805,726	1,836,709	(30,983)
Management Services	10,536,165	10,477,471	9,910,211	567,260
Community Services	15,720,601	16,238,245	13,888,993	2,349,252
Public Safety	23,907,796	23,907,796	22,246,686	1,661,110
Non-Departmental	9,024,916	10,117,689	9,602,843	514,846
Capital Outlay	-	-	-	-
Total Expenditures	<u>60,924,381</u>	<u>62,546,927</u>	<u>57,485,441</u>	<u>5,061,486</u>
(Deficiency) Excess of revenues over (under) expenditures	<u>(15,596,538)</u>	<u>(17,219,084)</u>	<u>(1,629,387)</u>	<u>15,589,697</u>
Other Financing Sources (Uses)				
Transfers In	14,357,026	14,357,026	14,357,026	-
Transfers Out	-	-	-	-
Sale of Equipment	-	-	88,628	88,628
Total Other Financing Sources (Uses)	<u>14,357,026</u>	<u>14,357,026</u>	<u>14,445,654</u>	<u>88,628</u>
Net change in Fund Balance	(1,239,512)	(2,862,058)	12,816,267	15,678,325
Fund balance - Beginning of Year	<u>39,536,670</u>	<u>39,536,670</u>	<u>39,536,670</u>	<u>-</u>
Fund balance - End of Year	<u>\$ 38,297,158</u>	<u>\$ 36,674,612</u>	<u>\$ 52,352,937</u>	<u>\$ 15,678,325</u>



TOWN OF HILTON HEAD ISLAND

Finance and Administrative Committee

TO: Finance & Administrative Committee
FROM: Shawn Colin, AICP, Assistant Town Manager - Strategic Initiatives
CC: Marc Orlando, ICMA-CM, Town Manager
Shawn Leininger, Assistant Town Manager - Operations
Curtis Coltrane, Town Attorney
DATE: August 25, 2025
SUBJECT: Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, Delineating Names and Areas of Focus for Standing Committees of Town Council

RECOMMENDATION:

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, Delineating Names and Areas of Focus for Standing Committees of Town Council, **shown as Attachment 1.**

BACKGROUND:

On July 15, 2025, Town Council adopted Section 2-5-60 of the Town Code, **as shown in Attachment 2**, which requires the establishment of two or more standing committees to assist in the efficient operation of Town government. This code section outlines that:

- Standing committees shall be composed exclusively of Town Council members, with three members and one alternate appointed by the Mayor.
- The names and responsibilities of the standing committees are to be established by resolution of Town Council.
- The standing committees play a critical role in reviewing, analyzing, and recommending actions to Town Council on various matters to improve governance efficiency and public service delivery.

The previous code language required three standing committees of Town Council: the Finance and Administration Committee, the Community Services and Public Safety Committee, and the Public Planning Committee. To align with the new code and streamline operations, these have been consolidated and reorganized into two standing committees with clearly defined and reallocated areas of focus.

The delineation of responsibilities is intended to clarify and strengthen Town Council's oversight and advisory capacity over core municipal functions, promote efficient

committee operations, and ensure alignment with adopted Strategic Action Plan and Town Code provisions.

This staff report proposes the formal establishment of two standing committees with proposed names, updated missions and areas of focus as follows:

Finance and Administrative Committee (proposed to maintain current name)

Mission:

To review and analyze the Town's financial matters including revenues, expenditures, and procurement; oversee Accommodations Tax funds and the Town's Designated Marketing Organization; maintain intergovernmental relations and legislative monitoring; and provide oversight of economic development initiatives and Gullah Geechee Historic Neighborhoods Community Development Corporation.

Areas of Focus:

The proposed areas of focus for the Finance and Administrative Committee are as follows:

- Focused on financial oversight, revenue and expenditure review, procurement, Accommodations Tax and hospitality funds, economic development, intergovernmental relations, and oversight of the Town's Designated Marketing Organization.
- Includes new responsibilities such as matters related to the Gullah Geechee Historic Neighborhoods Community Development Corporation and Tax Increment Financing (TIF).

Community Development and Public Services Committee (propose to revise name to align with areas of focus)

Mission:

To evaluate and advise on Town infrastructure, facilities, and services; oversee community services including parks, recreation, arts and culture; review public safety and emergency preparedness efforts; manage appointments to Town boards and committees; and provide guidance on planning, zoning, land use, workforce housing and development, and related regulatory matters.

Areas of Focus:

The proposed areas of focus for the Community Development and Public Services Committee are listed below:

- Focused on community infrastructure, public services, parks and recreation, arts and culture, public safety, emergency preparedness including hurricane response and resiliency, community development, workforce housing and

development, land use and planning, and regulatory matters related to the Town's Land Management Ordinance.

- Responsibilities also include oversight of appointments to boards and committees and coordination related to infrastructure and community services projects.

SUMMARY:

It is recommended that Town Council consider and approve a resolution to:

- Establish two standing committees of Town Council consistent with Section 2-5-60 of the Town Code, adopted July 15, 2025.
- Approve the names of the two committees as the Finance and Administrative Committee and the Community Development and Public Services Committee.
- Delineate and adopt the respective missions and areas of focus for each committee as detailed in this memo.

ATTACHMENTS:

1. Resolution to Delineate names and areas of Focus for Town council Standing Committees
2. Ordinance 2025-12 – Amendment to 2-5-60 Committees of Council – July 15, 2025

HILTON HEAD ISLAND, SOUTH CAROLINA

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND TO ESTABLISH STANDING COMMITTEES, TO APPROVE COMMITTEE NAMES, AND TO DELINEATE AREAS OF FOCUS FOR EACH COMMITTEE

WHEREAS, pursuant to Section 2-5-60 of the Town of Hilton Head Island Municipal Code, adopted July 15, 2025, Town Council is authorized and required to establish two or more standing committees to assist in the efficient operation of Town government; and

WHEREAS, Town Council desires to consolidate and reorganize its standing committees to promote effective governance, efficient operations, and clear delineation of responsibilities; and

WHEREAS, Town Council finds it appropriate to establish two standing committees named the Finance and Administrative Committee and the Community Development and Public Services Committee, with defined missions and areas of focus;

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AS FOLLOWS:

1. Establishment of Committees:

Town Council hereby establishes two standing committees of Town Council consistent with Section 2-5-60 of the Town Code.

2. Committee Names:

The two standing committees shall be named as follows:

- a. Finance and Administrative Committee
- b. Community Development and Public Services Committee

3. Missions and Areas of Focus:

Town Council hereby establishes missions and areas of focus for each standing committee as follows:

Finance and Administrative Committee

Mission:

To review and analyze the Town's financial matters including budgets, expenditures, and procurement; oversee Accommodations Tax funds and the Town's Designated Marketing Organization; maintain intergovernmental relations and legislative monitoring; and provide oversight of economic development

ATTACHMENT 1

initiatives and Gullah Geechee Historic Neighborhoods Community Development Corporation.

Areas of Focus:

- Town revenues and expenditures
- Fee structures
- Procurement process review
- Designated Marketing Organization
- Accommodations/Hospitality Taxes
- Matters relating to other governmental entities
- Matters relating to pending or proposed legislation
- Economic Development
- Gullah Geechee Historic Neighborhoods Community Development Corporation matters
- Tax Increment Financing (TIF) matters

Community Development and Public Services Committee

Mission:

To evaluate and advise on Town infrastructure, facilities, and services; oversee community services including parks, recreation, arts and culture; review public safety and emergency preparedness efforts; manage appointments to Town boards and committees; and provide guidance on planning, zoning, land use, workforce housing and development, and related regulatory matters.

Areas of Focus:

- CIP (Capital Improvement Program) / Public infrastructure, facilities, lands
- Appointments to boards and committees
- Parks and recreation
- Arts and culture
- Public safety (including Hilton Head Island Fire Rescue, Beaufort County Sheriff's Office, beach operations)
- Hurricane response and resiliency
- Matters related to community development, including planning, zoning, land use, and Land Management Ordinance
- Workforce housing and workforce development
- Comprehensive Plan

5. Rules and Procedures:

Town Council may from time to time adopt rules and procedures governing the operation of the standing committees consistent with the Town Code.

ATTACHMENT 1

6. Effective Date:

This resolution shall take effect immediately upon adoption.

MOVED, APPROVED, AND ADOPTED ON THIS 16th DAY OF SEPTEMBER, 2025.

TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

ORDINANCE 2025-12

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, TO AMEND § 2-5-60, MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA (1983), TO RATIFY THE ACTIONS OF THE TOWN COUNCIL AND ITS STANDING COMMITTEES AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, S. C. Code Ann. § 5-13-30 (Supp. 2024) and § 2-3-30, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), authorize the Town Council to adopt ordinances of any kind and nature, not prohibited by the law or constitution of the State of South Carolina or the United States; and,

WHEREAS, the Town Council finds that § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), must be amended to conform to the current policies of the Town Council regarding the Standing Committees; and,

WHEREAS, to the extent that any previous practice of the Town Council with respect to the Standing Committees and any previous practice of the Standing Committees of the Town Council have varied from the text of § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), such actions have been with the knowledge and consent of the Town Council; and,

WHEREAS, the Town Council finds that an amendment to § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), to update the terms of the ordinance to better align with the policies of the Town Council with regard to the Standing Committees is in the best interest of the Town and promotes the health, safety and welfare of its citizens, residents, property owners and visitors; and,

WHEREAS, the Town Council finds that ratification of any actions of the Town Council with respect to the Standing Committees of Town Council and any actions taken

by the Standing Committees of the Town Council that have varied from the text of § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)*, is in the best interest of the Town and promotes the health, safety and welfare of its citizens, residents, property owners and visitors.

NOW, THEREFORE, IT IS ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS HEREBY ORDERED AND ORDAINED BY AND UNDER AUTHORITY OF SAID TOWN COUNCIL, AS FOLLOWS:

Section 1. Amendment. That § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)* is amended as shown on Exhibit “A” to this Ordinance. New language is indicated with double underline and deleted language is indicated with ~~strikethrough~~.

Section 2. Ratification. Any actions previously taken by the Town Council and its Standing Committees that have varied from the text of § 2-5-60, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)*, are hereby acknowledged and ratified.

Section 3. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. Effective Date. This Ordinance shall become effective on the date of its adoption.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS 15th DAY OF JULY, 2025.

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA



Alan R. Perry, Mayor

ATTEST:



Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:



Curtis L. Coltrane, Town Attorney

First Reading: June 17, 2025

Second Reading: July 15, 2025

EXHIBIT "A" TO ORDINANCE AMENDING § 2-5-60, *MUNICIPAL CODE OF THE
TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA* (1983)

Sec. 2-5-60. - Committees of council.

~~(a) The town council shall have standing committees to assist in the efficient operation of the town council, namely the finance and administrative committee, community services and public safety committee, and public planning committee. Each committee shall be composed of four (4) town council members and an alternate, who shall also be a member of council. The Town Council shall establish two or more standing committees to assist in the efficient operation of Town government. The names and responsibilities of standing committees shall be established by resolution of the Town Council. Each standing committee shall be composed of three (3) Town Council members and one (1) alternate, all of whom shall be members of Town Council. The Mmayor shall appoint the members and the alternate and shall designate a chairman.~~

~~(b) The town council may appoint, by resolution, such other committees i.e. non-standing committees, composed exclusively of council members as it shall deem necessary and appropriate for the efficient operation of the town council. To assist such council committees, the town council may appoint town resident citizens to serve as committee members. The term of the committee membership of any town resident citizen shall be as prescribed by resolution, but in no event shall the term of any committee extend beyond the term of the then sitting council. The Town Council may establish, by resolution, other committees, non-standing or ad hoc, composed exclusively of Council members, as it deems necessary and appropriate to support the effective operation of the Town Council. The Town Council may also appoint resident citizens of the Town to serve as members of such non-standing committees. The term of any citizen committee member shall be as prescribed in the resolution but shall not extend beyond the term of the current seated Council.~~

~~(c) The town council may, by resolution, adopt rules and procedures to guide the operation of standing committees. The town council may, at the time of the creation of any other committees of council, as part of the resolution creating the committee, or separately, adopt rules and procedures to guide the conduct of such committees. The Town Council may adopt, by resolution, rules and procedures governing the operation of standing and non-standing committees; provided, however, that he following procedures shall be followed by the Standing Committees:~~

(1) On each item that comes before a Standing Committee for consideration and a vote of the Standing Committee, the Standing Committee shall take action and vote to:

- (a) Forward the item to Town Council with a recommendation for approval of the item; or,
- (b) Forward the item to Town Council with a recommendation for approval of the item provided certain conditions are met; or,

(c) Forward the item to Town Council with a recommendation for disapproval of the item; or

(d) Forward the item to Town Council with no recommendation on the item; or

(e) Return the item to Town Staff with direction for revisions to the item, which revisions shall be presented to the Standing Committee at its next regularly scheduled meeting. Following the Standing Committee's review of the revised item, the Standing Committee shall forward the item to Town Council under any of subitems (c)(1)(a) through (d) above.

(2) Following Committee action and recommendation on any item from the Standing Committee, Town Staff shall present a Staff report provided to Town Council summarizing the Standing Committees action and recommendation.



TOWN OF HILTON HEAD ISLAND

Finance & Administration Committee

TO: Finance & Administration Committee
FROM: Michele Bunce, Senior Grants Administrator
VIA: John McGowan, Assistant Finance Director
CC: John Troyer, Interim Finance Director
DATE: August 25, 2025
SUBJECT: HUD/CDBG Entitlement Program: 2025 – 2029 Five-Year Consolidated Plan Submission

RECOMMENDATION:

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island to approve the 2025 – 2029 Five-Year Consolidated Plan required by the U.S. Department of Housing and Urban Development (HUD) for participation in the Community Development Block Grant (CDBG) Entitlement Program.

BACKGROUND:

In 2015, the Town of Hilton Head Island began participating in the HUD CDBG Entitlement Program. On May 14, 2025, HUD issued notification of the Town's CDBG funding allocation for Fiscal Year 2025 in the amount of \$210,564, which is required to be included in the 2025 – 2029 Consolidated Plan.

The 2025 – 2029 Consolidated Plan will cover the Town's third five-year CDBG Entitlement Program period. As required for participation in the program, the Town must prepare this plan every five years and gather public input throughout its development. A Public Needs Assessment meeting took place on May 22, 2025 and feedback was collected both at the meeting and via other channels, including email. The Consolidated Plan was drafted based on the public input received and then released on June 10, 2025 for an additional mandatory 30-day public comment period.

The Consolidated Plan is implemented through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources used each year to address the priority needs and specific goals identified in the Consolidated Plan. For year one, the Action Plan proposes allocating all of Fiscal Year 2025 funds to Taylor Park to support planning, design, and administrative costs, providing critical momentum for the project's advancement.

For years two through five, the plan outlines broad goals, such as public facilities and improvements, public services, housing activities, economic development, and program

administration. Specific projects associated with these goals will be developed annually, in alignment with the Consolidated Plan, the Town's Strategic Plan, and the Town's budget.

The 2025 – 2029 Five-Year Consolidated Plan was submitted to HUD by July 13, 2025 as required. Upon submission of the Consolidated Plan, HUD has 45 days to review the Plan. Once the Plan is accepted, a grant agreement between HUD and the Town of Hilton Head Island for the CDBG Fiscal Year 2025 will be executed and funds will be made available.

The Town may submit amendments to the Consolidated Plan to HUD. Any proposed amendments deemed substantial by HUD may require the Town to hold a public meeting. However, the Plan was designed and written to provide flexibility in the projects selected for funding each year by the Town.

ATTACHMENTS:

1. 2025 – 2029 Five-Year Consolidated Plan Resolution for HUD/CDBG Entitlement Program.
 - A. Exhibit A: 2025 – 2029 Five-Year Consolidated Plan for the Town of Hilton Head Island

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA TO APPROVE THE COMMUNITY DEVELOPMENT BLOCK GRANT ENTITLEMENT PROGRAM 2025 – 2029 FIVE YEAR CONSOLIDATED PLAN AND THE ANNUAL ACTION PLAN FOR PROGRAM YEAR 2025.

WHEREAS, in 2015 the Town of Hilton Head Island began participating in the Community Development Block Grant Entitlement Program and accepted CDBG Entitlement status under the terms of the United States Department of Housing and Urban Development (HUD); and

WHEREAS, as an entitlement community, the Town must prepare and submit a Five Year Consolidated Plan which details goals and objectives to be implemented to address community needs of low and moderate income residents within the Town's jurisdiction; and,

WHEREAS, the Town has prepared a Community Development Block Grant Entitlement Program 2025 – 2029 Five Year Consolidated Plan (the "Five Year Plan"), a copy of which is attached hereto as Exhibit "A"; and,

WHEREAS, for fiscal year 2025 – 2026 (program year 2025) the Town will receive a CDBG award totaling \$210,564 to carry out activities that meet one of three National Objectives, as described by HUD; and

WHEREAS, as an element of the Five Year Plan, the Town must prepare and submit an "Annual Action Plan" detailing activities to be undertaken during the first program year (fiscal year 2025) to address goals and objectives outlined in the Five Year Plan; and

WHEREAS, the Five Year Plan, including the Annual Action Plan for fiscal year 2025, is compatible with the Town of Hilton Head Island Comprehensive Plan; and

WHEREAS, the Town has adhered to the public participation requirements set forth in the Citizen Participation Plan in the development of the Five Year Plan; and

WHEREAS, public needs assessment meetings and 30 day public comment period for the Five Year Plan were conducted for citizen input and review; and

WHEREAS, in order to meet the program deadlines established by HUD the Five Year Plan was submitted to HUD on July 13, 2025; and,

WHEREAS, the Town Council finds that it is in the best interest of the Town, and its citizens, residents, businesses, and property owners to approve the Five Year Plan, and to ratify the submission of the Five Year Consolidated Plan.

NOW, THEREFORE BE IT, AND IT HEREBY IS RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA:

(a) The Community Development Block Grant Entitlement Program 2025 – 2029 Five Year Consolidated Plan attached hereto as Exhibit “A” is hereby approved and adopted by the Town.

(b) All actions of the Town Manager and Town Staff in in submitting the Community Development Block Grant Entitlement Program 2025 – 2029 Five Year Consolidated Plan to HUD are approved and ratified.

(c) This Resolution shall become effective upon its adoption by the Town Council for the Town of Hilton Head Island, South Carolina.

MOVED, APPROVED, AND ADOPTED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS _____ DAY OF SEPTEMBER, 2025.

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

EXHIBIT A

Town of Hilton Head Island

2025 – 2029

Consolidated Plan

For the
U.S. Department of Housing and Urban Development
Community Development Block Grant Program



Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The purpose of the Town of Hilton Head Island's Five Year 2025 – 2029 Consolidated Plan is to preserve and revitalize primarily low and moderate income (LMI) neighborhoods, support LMI activities which enhance quality of life for Hilton Head Island residents, and address priority community public services, community development, and redevelopment needs within applicable local, state, and federal statutes and regulations. The Plan outlines the priorities by which the Town of Hilton Head Island's Community Development Block Grant (CDBG) program funds will be invested over the next five years to achieve specific U.S. Department of Housing and Urban Development (HUD) objectives.

Town of Hilton Head Island activities funded by the CDBG program are designed to benefit LMI persons. Activities may qualify for CDBG assistance if the activity meets the LMI housing national objective, will benefit all the residents of a LMI residential area, or will benefit LMI clientele.

According to CDBG program guidelines, an activity using the LMI area benefit must meet the minimum threshold of 51% LMI qualified residents. However, the Town of Hilton Head Island has been designated an exception grantee, which resulted in a LMI area percentage of 49.56%, this percentage is applied to Census tracts and blocks to determine activity eligibility on an area basis. An activity using the LMI clientele benefit must serve a clientele which is 51% or more LMI.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The Plan provides a guide for the Town of Hilton Head Island's allocation of CDBG Program funding for the 2025 – 2029 planning period. The goals focus on priority needs and targets available resources designed to meet those needs. The needs include public improvements and facilities, economic development, and public services for LMI persons. The primary emphasis of the goals is maintaining and improving the quality of life of LMI residents. Projects selected for CDBG funding in this five-year period will be managed efficiently and in compliance with program requirements.

3. Evaluation of past performance

The Town of Hilton Head Island has participated in the HUD CDBG Entitlement Program since 2015. During the nine years of program participation, the Town met required program deadlines. Notifications of acceptable levels of program accomplishment were received from the HUD Columbia, SC field office during the first seven years of program participation.

In April 2021, a remote monitoring session was conducted by the Columbia, South Carolina HUD field office. No findings were reported during this monitoring; however, two concerns were cited. The first concern identified the need for a local written policies and procedures manual for administration of the CDBG award. Town staff completed this manual and submitted it to HUD in June 2022. The second concern identified the need for an oversight process for subrecipients of 2020 CDBG and CDBG-CV funds. Town staff immediately conducted seven monitoring reviews of randomly selected subrecipients of 2020 CDBG and CDBG-CV funds. All subrecipient monitoring reviews resulted in no findings or concerns. In 2019 a ‘No Findings or Concerns’ report was issued by the Regional Environmental Officer during an onsite Environmental Review Procedures monitoring visit.

In May 2023, the Town received a second-year noncompliance with timely expenditure requirement notice. An untimely expenditure notice is given when a grantee has more than 1.5 times its most recent entitlement grant. In June 2023, the Town had 3.96 times its most recent entitlement grant and submitted the required timeliness workout plan to HUD. The Town was in timeliness compliance by the next compliance test, which was in May 2024.

The Town intends to continue to report its progress in meeting the five year and annual goals in the Consolidated Annual Performance Evaluation Report (CAPER). The CAPER will be submitted in compliance with program deadlines.

4. Summary of citizen participation process and consultation process

The Town held a 2025 Citizen Participation Plan and Needs Assessment public meeting on May 22, 2025 to solicit input from the community. A public notice was published in the local newspaper, The Island Packet, seven days prior to the public meeting. In addition to the published notice, public meeting notices were posted at the Town of Hilton Head Island Town Hall, on the Town website, and sent to Town of Hilton Head Island E-Subscription Service subscribers. Email invitations with a copy of the Public Meeting Notice were sent directly to several community leaders and organizations which assist LMI clientele seven days prior to the meeting. This meeting is summarized in the Citizen Participation section of this plan.

5. Summary of public comments

Public comment was taken during the May 22, 2025 Public Meeting for both the 2025 Citizen Participation Plan and Needs Assessment. There was one attendee, and they provided feedback on the identification of community needs. Affordable and workforce housing were the primary topics of discussion along with how well the Town and the attendee’s organization worked together to help the community with relative needs. The needs that both the Town and the organization worked on simultaneously were the following:

- Home Safety Repair
- Lateral Sewer Connections

The attendee mentioned needs that were identified in the previous 2020 – 2025 Needs Assessment Public Meeting, some of which were seen as still currently relevant:

- Public transportation for residents
- Child care that is affordable and high quality
- Academic intervention programs
- Homeless services
- Assistance connecting to water and sewer

The attendee stated they would help assist the Town with sharing the Public Meeting Notice and call for feedback regarding CDBG plans and funding. Town staff thanked them for their support and help.

No additional comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were taken into consideration in preparing the Consolidated Plan. The Town reviewed all comments for common and recurring themes to help establish priorities and goals in addition to reviewing historical feedback from the 2020 - 2025 Needs Assessment Public Meetings.

7. Summary

The Town of Hilton Head Island Five Year 2025 – 2029 Consolidated Plan identifies needs for a suitable living environment for primarily LMI persons and outlines a comprehensive and coordinated strategy for implementation of programs. The Town will use CDBG program funds to leverage other public investment to address the Town’s priority goals.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	HILTON HEAD ISLAND	Finance Department

Table 1 – Responsible Agencies

Narrative

The Town of Hilton Head Island was incorporated as a municipality in 1983 and has a Council-Manager form of government. The Town of Hilton Head Island is comprised of the following main service areas:

- Town Manager
- Town Clerk
- Engineering and Projects
- Facilities Management
- Planning
- Technology and Innovation
- Communications
- Community Engagement
- Finance
- Fire Rescue/Emergency Management
- Human Resources
- Public Safety
- Gullah Geechee Community Development Corporation

The Town of Hilton Head Island Finance Department will be the lead department for the preparation, submission, and administration of this Consolidated Plan. Town staff has been an integral part of development of the Consolidated Plan by assessing the CDBG Program, reviewing materials, regulations and documentation on the Consolidated Plan process. The Town Manager, Assistant Town Manager - Strategic Initiatives, Assistant Town Manager of Operations, Finance Director, Assistant Finance Director, Engineering and Projects Director, and Planning and Community Development staff will oversee the preparation and administration of the Consolidated Plan.

Consolidated Plan Public Contact Information

Town of Hilton Head Island Finance Department

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

The Town of Hilton Head Island conducted consultation with citizens, non-profit agencies, the Beaufort public housing agency, governmental agencies, and the Lowcountry Continuum of Care.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

In November 2022, Town Council adopted the Workforce Housing Framework, a comprehensive approach aimed at equipping town and municipal leaders with effective strategies and actionable tactics to meet the growing demand for housing preservation and new construction. Guided by four fundamental pillars, the Town and its community partners embarked on a transformative journey to implement this robust framework for addressing this challenge. The framework focuses on four core pillars: Community Pillar, Management Pillar, Planning Pillar, and Revenue Pillar.

The Beaufort Housing Authority services all of Beaufort County, South Carolina, including the Town of Hilton Head Island. Within the jurisdiction of the Town of Hilton Head Island, the Beaufort Housing Authority operates one public housing apartment facility containing 80 units which provide housing 195 family members.

The Town of Hilton Head Island participates in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects, and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health and environmental issues.

Community Works in partnership with government municipalities in Beaufort and Jasper counties have created an affordable housing fund, Beaufort Jasper Housing Trust, in response to the need for affordable homes throughout the Lowcountry. \$3.4 Million was pledged to start the initiative, which launched in January 2023. With the goal of creating new units or rehabilitating existing units for households at or below 100 percent of the Area Median Income (AMI), with a priority of households at 60 percent of the AMI, governing bodies for Beaufort County, Jasper County, Town of Hilton Head Island, Town of Bluffton, City of Beaufort, Town of Port Royal, City of Hardeeville, Town of Yemassee, and the SOLOCO Regional Board approved resolutions establishing the Beaufort Jasper Housing Trust.

Beaufort County Council selected CommunityWorks, a South Carolina statewide Community Development Financial Institution to provide administration and management of the trust fund, which will be a nonprofit entity. Additionally, each governing body has appointed a representative for the Beaufort Jasper Housing Trust. In collaboration with the Beaufort Jasper Housing Trust, the Town compiled a comprehensive Asset Map. It includes community partners, nonprofits, local and state agencies, and local churches involved in housing.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the Continuum of Care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point in time counts are conducted in the area; however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data specific to the Town of Hilton Head Island.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The Town of Hilton Head Island Consolidated Plan intends to use U.S. Department of Housing and Urban Development (HUD) resources to fund only CDBG program projects and will not fund Emergency Solutions Grants (ESG) program projects; therefore, no consultation related to the allocation of ESG funds was conducted.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities.

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	BEAUFORT HOUSING AUTHORITY
	Agency/Group/Organization Type	Housing PHA Service-Fair Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Beaufort Housing Authority was consulted on housing needs via telephone.
2	Agency/Group/Organization	Lowcountry Continuum of Care
	Agency/Group/Organization Type	Services-homeless Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Lowcountry Continuum of Care was consulted on homeless needs via website research.

3	Agency/Group/Organization	Beaufort County Human Services Alliance
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - County Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Beaufort Human Services Alliance was consulted on homeless needs through interaction during Lowcountry Affordable Housing Coalition meetings and via online data gathering.
4	Agency/Group/Organization	Lowcountry Council of Governments
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Economic Development Non-housing Community Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Lowcountry Council of Governments was consulted on housing, homeless, and non-housing community development needs via online data gathering.

5	Agency/Group/Organization	HILTON HEAD HABITAT FOR HUMANITY
	Agency/Group/Organization Type	Housing Services - Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Hilton Head Habitat for Humanity was consulted on housing, homeless, and non-housing community development during the needs assessment via online data gathering.
6	Agency/Group/Organization	Deep Well
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services - Victims Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-housing Community Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Deep Well was consulted on housing, homeless, and non-housing community development during the 2025 Citizen Participation Plan and Needs Assessment Public Meeting.
7	Agency/Group/Organization	The Community Foundation of the Lowcountry
	Agency/Group/Organization Type	Business Leaders Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-housing community development

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Foundation of the Lowcountry was consulted on housing, homeless and non-housing community development during the needs assessment and via online data gathering.
8	Agency/Group/Organization	Boys & Girls Club of Hilton Head Island
	Agency/Group/Organization Type	Services-Children Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-housing community development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Boys & Girls Club of Hilton Head Island was consulted on housing, childcare, education, and non-housing community development during the needs assessment information gathering via online data gathering.
9	Agency/Group/Organization	Native Island Business and Community Affairs Association
	Agency/Group/Organization Type	Housing Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-housing Community Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Native Island Business and Community Affairs Association (NIBCAA) was consulted on housing and non-housing community development during the needs assessment data gathering process.
10	Agency/Group/Organization	Gullah Museum
	Agency/Group/Organization Type	Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-housing community development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Gullah Museum was consulted on housing and non-housing community development during the needs assessment data gathering process.

11	Agency/Group/Organization	Beaufort County School District
	Agency/Group/Organization Type	Services-Children Services-homeless Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Beaufort County School District was consulted on homeless children and youth during the needs assessment data gathering process.

Identify any Agency Types not consulted and provide rationale for not consulting

Efforts were made to consult with a broad variety of community stakeholders. No particular agency or organization types were excluded from participation. Those that did not participate did so of their own choice.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Lowcountry Continuum of Care	The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the Continuum of Care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data specific to the Town of Hilton Head Island.
Town of Hilton Head Island Comprehensive Plan	Town of Hilton Head Island	Developed Consolidated Plan goals in conjunction with the Town's Comprehensive Plan and strategic goals.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

The Town of Hilton Head Island coordinates with public entities and other bodies of government to develop the Consolidated Plan. Town of Hilton Finance Department staff work closely with the Town's Public Projects and Facilities department to collaborate on improvement projects. These efforts include, but are not limited to, plans for infrastructure and other improvements in the community through CDBG funded activities.

When necessary, the Town of Hilton Head Island will establish collaborative efforts and partnerships with state and local government entities such as Beaufort County, the Lowcountry Council of Governments and various State of South Carolina offices to ensure complete implementation of the Consolidated Plan.

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Town of Hilton Head Island conducted a needs assessment public meeting on May 22, 2025 to solicit input from the community on housing, homeless and community development needs. A public notice was published in the local newspaper, The Island Packet, seven days prior to the public meeting. In addition to the published notice, public meeting notices were posted at the Town of Hilton Head Island Town Hall, on the Town website, and sent to Town of Hilton Head Island E-Subscription Service subscribers. An invitation to the needs assessment public meeting was emailed directly to a variety of community leaders and organizations which assist LMI clientele seven days prior to the meeting. Documentation of public notices is included as an attachment to this plan.

At the 2025 Citizen Participation Plan and Needs Assessment public meeting, a presentation was made available explaining the purpose of the meeting and the Community Development Block Grant program. Public comments were taken, and the one attendee was asked to identify community needs. The one attendee offered to help share the public meeting notice again with other local organizations and encourage them to submit comments and feedback as well during the 30-day comment period in their absence. A summary of the needs identified, and meeting minutes are included as an attachment to this Consolidated Plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
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1	Public Meeting	Non-targeted/ broad community	One person attended the 2025 Citizen Participation Plan and needs assessment public meeting.	Affordable and workforce housing were primary needs identified. Also, the 2020 – 2025 Needs Assessment concerns were discussed, and most were considered still current and relative. Those needs included facility improvements for non-profits, health care access, facility expansions to increase programs for non-profits, public transportation, affordable and high-quality childcare, academic intervention programs, homeless services, water and sewer connections, and home safety repairs.	All comments were accepted.	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Internet Outreach	Non-targeted/ broad community	The DRAFT 2025 Citizen Participation Plan was posted on the Town of Hilton Head Island Town website from May 13, 2025 through June 20, 2025. A notification of the Con Plan 30-day public comment period was sent via email blast to all email addresses listed on the Town's E-Subscription Service List.	No comments have been received to date.	No comments have been received to date.	https://hiltonheadislandsc.gov/news/

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	Non-targeted/ broad community	A notification of DRAFT 2025 Citizen Participation Plan and Needs Assessment Public Meeting and 30-day public comment period was placed in the local newspaper, the Island Packet on May 13, 2025.	No other comments were received outside of those received at the public meeting.	No other comments were received outside of those received at the public meeting.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
4	Internet Outreach	Non-targeted/ broad community	The DRAFT Con Plan and Action Plan was posted on the Town of Hilton Head Island website from June 10, 2025 - July 9, 2025. A dedicated link for public comment was posted on the front page of the website. A notification of the Con Plan 30-day public comment period was sent via email blast to all email addresses listed on the Town's E-subscription Service List.	One comment was received from the Sandalwood Community Food Pantry seeking ways to help support the local food pantry.	All comments were received and accepted.	https://hiltonheadislandsc.gov/CDBG/

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
5	Newspaper Ad	Non-targeted/ broad community	A notification for the 2025 - 2029 Con Plan Public Meeting and 30-day public comment period was placed in the local newspaper, the Island Packet, on May 28, 2025.	One comment was received from the Sandalwood Community Food Pantry seeking ways to help support the local food pantry.	All comments were received and accepted.	
6	Television	Non-targeted/ broad community	WHHI TV has a reach of 500,000 people total, including all of Beaufort County.	No comments were received.	No comments were received.	https://www.whhitv.com/shows/talk_of_the_town

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The Town of Hilton Head Island used the U.S. Census Bureau 2017 - 2021 Comprehensive Housing Affordability Strategy (CHAS) default needs assessment data in developing the consolidated plan. This data encompasses customized tabulations HUD receives from the U.S. Census Bureau based on American Community Survey (ACS) data. In addition to the CHAS data, comments received during the needs assessment public meeting, and the consultation process were used to determine the priority needs for the 2025 - 2029 Consolidated Plan. The assessment utilized HUD's eCon Planning Suite within the Integrated Disbursement and Information System (IDIS). The eCon Planning Suite pre-populated the most current housing and economic development data available to assist jurisdictions in identifying funding priorities in the consolidated plan and annual action plan.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

The population estimates in the following table reflect the population, households, and median income for the residents of the Town of Hilton Head Island. According to the 2016 - 2020 American Community Survey, the Town of Hilton Head Island included 40,000 residents and 17,910 households. The data reflects an increase in population by 2%, an increase in households by 5%, and a 29% increase in median income.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	39,070	40,000	2%
Households	17,005	17,910	5%
Median Income	\$66,646.00	\$86,171.00	29%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	1,480	1,775	2,365	1,345	10,950
Small Family Households	255	410	450	360	2,925
Large Family Households	45	30	50	75	345
Household contains at least one person 62-74 years of age	565	520	815	455	4,155
Household contains at least one person age 75 or older	364	545	520	390	2,695
Households with one or more children 6 years old or younger	45	195	114	100	544

Table 6 - Total Households Table

Data Source: 2016-2020 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	15	65	0	15	95	0	10	0	0	10
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	15	0	55	25	95	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	10	4	40	10	64	0	10	4	0	14
Housing cost burden greater than 50% of income (and none of the above problems)	295	335	205	60	895	670	420	245	95	1,430

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	40	165	360	65	630	135	235	430	280	1,080
Zero/negative Income (and none of the above problems)	100	0	0	0	100	75	0	0	0	75

Table 7 – Housing Problems Table

Data 2016-2020 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	340	405	300	110	1,155	670	435	250	95	1,450
Having none of four housing problems	205	230	570	305	1,310	265	700	1,245	835	3,045
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data 2016-2020 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	55	200	135	390	110	140	75	325
Large Related	45	0	10	55	0	15	0	15
Elderly	210	175	295	680	625	470	405	1,500
Other	70	200	134	404	75	45	195	315
Total need by income	380	575	574	1,529	810	670	675	2,155

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	70	70	85	105	0	190
Large Related	0	0	0	0	0	0	0	0
Elderly	210	150	180	540	530	265	160	955
Other	0	60	180	240	55	0	0	55
Total need by income	210	210	430	850	670	370	160	1,200

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	25	4	25	25	79	0	10	4	0	14

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Multiple, unrelated family households	0	0	30	10	40	0	0	0	0	0
Other, non-family households	0	0	40	0	40	0	10	0	0	10
Total need by income	25	4	95	35	159	0	20	4	0	24

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Data Source
Comments:

Describe the number and type of single person households in need of housing assistance.

The 2019 - 2023 American Community Survey (ACS) data for Hilton Head Island indicates there are a total of 5,706 non-family households. Non-family households are defined as households consisting of people living alone and households that do not have any members related to the householder. Of the total number of non-family households, 81.8% are indicated as householder living alone and 18.2% are 65 years and over. A source data estimating the need for assistance from single-person households is not available for the Town of Hilton Head Island.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

According to the 2019 - 2023 American Community Survey (ACS) data for Hilton Head Island, there is an estimated 5,751 persons having disabled status. This figure represents 15.3% of the total population. The Town of Hilton Head Island does not have data available to estimate the number of persons or households of victims of domestic violence, dated violence, sexual assault and stalking who may need housing assistance.

What are the most common housing problems?

The most common housing problem in the Town of Hilton Head Island is cost burden. About 40 percent of all Hilton Head Island households—including 36.8 percent of homeowners and 49.4 percent of renters—are housing cost burdened, spending 30 percent or more of their income each month on housing costs.

Rates of housing cost burden are significantly higher for low- and moderate-income households, including low-wage working households. There is a significant need presently for rental housing affordable to working households on Hilton Head Island with incomes below \$35,000. The affordability level translates to homes (including apartments) that have rents of \$875 or less. In addition, there is a substantial gap in for-sale homes affordable to moderate-income households who can afford to pay up to \$200,000 for a home.

Are any populations/household types more affected than others by these problems?

According to the 2016 - 2020 Comprehensive Housing Affordability Strategy (CHAS) data, the owner occupant households in the 0 - 30% area median income range are likely to have the greatest cost burden housing problem.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Persons with the imminent risk of residing in shelters or becoming unsheltered characteristically have a combination of financial factors which create risk, such as lack of a living wage, rent in excess of 30% of their income, and high child care, medical, or transportation costs. Coupled with these factors, additional issues may include family conflicts, domestic violence, doubled-up living arrangements with family members - overcrowding, recent crisis, housing with code or safety violations, family members with disabilities, criminal histories, history of mental health or chemical dependency, difficulty navigating access to public benefits or community-based services and prior experience with homelessness.

There are no homeless shelters located within the jurisdiction of the Town of Hilton Head Island and no homeless population count data available from the Lowcountry Continuum of Care, the regional continuum of care servicing the Town. There is a non-profit organization, Family Promise of Beaufort, located in neighboring Bluffton, South Carolina, which is a coalition of Beaufort County churches assisting homeless families through a 60 - 90 day program. The program provides evening accommodations for program participants at host churches and daytime transportation to school for

children and educational programs for parents. It remains the only shelter program in Beaufort and Jasper Counties that serve homeless children, aged 18 and under, and their families.

The Town of Hilton Head Island does not participate in rapid re-housing assistance programs and consequently data pertaining to these needs is not available.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The Town of Hilton Head Island does not have a methodology to create estimates of at-risk populations.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The main characteristic linked with instability and risk of homelessness is a lack of affordable housing for lower income households. The typical measure of housing affordability is if households are paying more than 30% of their gross income on rent. According to the 2019 - 2023 American Community Survey data, 52% of renters paid more than 30% of their income on housing. The affordable housing matter is also illustrated with the 2019 - 2023 American Community Survey data, showing 7.5% of rental housing payments are less than \$500 per month.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A "disproportionately greater number of housing problems" is defined as when a member of a racial or ethnic group at a given income level experiences housing problems at a rate greater than 10% of the income level as a whole. The data summarizes each minority group experiencing any of four housing problems, which include lack of complete kitchen facilities, lack of complete plumbing facilities, more than one person per room, and cost burden greater than 30%.

According to the 2019 - 2023 American Community Survey, the total population of the Town of Hilton Head Island is 37,805. The population composition is as follows: 29,299 (77.5%) White, 2,382 (6.3%) Black or African American, 340 (0.9%) Asian, 3,327 (8.8%) some other race, and 2,495 two or more races. The total Hispanic population of the Town of Hilton Head Island is comprised of 5,708, which is 15.1% of the total Town population. It should be noted in the American Community Survey data; Hispanic is considered an ethnicity and not a race. For example, the race of a person may be White and their ethnicity Hispanic, or their race may be Black/African American and their ethnicity Hispanic.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,190	290	0
White	850	165	0
Black / African American	110	30	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	165	55	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,245	530	0
White	840	280	0
Black / African American	115	130	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	279	80	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,345	1,025	0
White	1,075	710	0
Black / African American	80	170	0
Asian	0	20	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	144	110	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	550	795	0
White	470	645	0
Black / African American	0	110	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	75	45	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

The housing assessment determined the housing problems for the 80% - 100% of area median income category for White populations was the highest at 85% with the Hispanic populations at 14%. The 50% - 80% of area median income category for White populations was 80% and for Black/African American populations it was 6%. The 30% - 50% of area median income category for White populations was 67% and for Hispanic populations it was 22%. The 0% - 30% of area median income category for White populations was 71%, for Hispanic populations it was 14%, and for Black/African American populations it was 9%.

Further review of the assessment figures indicated the 80% - 100% of area median income category had the smallest number of households with one or more of the four housing problems while the 50% - 80% of area median income category had the largest number of households. It is important to note that the 80% - 100% of area median income category was the only one where one population had no households with one or more of the four housing problems, which was the Black/African American population.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A "disproportionately greater number of severe housing problems" is defined as when a member of a racial or ethnic group at an income level experiences housing problems at a rate greater than 10% of the income level as a whole. According to the 2019 - 2023 American Community Survey, the total population of the Town of Hilton Head Island is 37,805. The population composition is as follows: 29,299 (77.5%) White, 2,382 (6.3%) Black or African American, 340 (0.9%) Asian, 3,327 (8.8%) some other race, and 2,495 two or more races. The total Hispanic population of the Town of Hilton Head Island is comprised of 5,708, which is 15.1% of the total Town population. It should be noted in the American Community Survey data; Hispanic is considered an ethnicity and not a race. For example, the race of a person may be White and their ethnicity Hispanic, or their race may be Black/African American and their ethnicity Hispanic.

Severe housing problems indicate physical condition or lack of necessary living standards per household. The Comprehensive Housing Affordability Strategy (CHAS) data summarizes each minority group experiencing any of four severe housing problems, which include lack of complete kitchen facilities, lack of complete plumbing facilities, more than one person per room, and cost burden greater than 30%.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,010	470	0
White	755	255	0
Black / African American	80	60	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	165	55	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	840	930	0
White	635	490	0
Black / African American	30	215	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	170	190	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	550	1,815	0
White	410	1,375	0
Black / African American	25	225	0
Asian	0	20	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	114	140	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	205	1,140	0
White	170	950	0
Black / African American	0	110	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	35	85	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

The housing assessment determined the severe housing problems for the 30 - 50% of area median income category for White populations was the highest at 76% for all income level categories. There are no other population groups that met the 10% threshold in that income category.

The 0 - 30% of area median income category for White populations was 75%, for Hispanic populations was 16%, and for Black/African American populations was 8%.

The 50 - 80% of area median income category for White populations was 75% and for Black/African American populations was 4%.

The 80 - 100% area median income category for White populations was 83% and for Hispanic populations was 17%.

Further review of the assessment figures indicate the 80 - 100% of area median income category had the smallest number of households with one or more of the four severe housing problems. The 0 - 30% of area median income category had the largest number of households. It is important to note the 80 - 100% of area median income category was the only data set that included two populations (White and Hispanic) with percentages greater than 10% of the income level as a whole.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

A "disproportionately greater number of severe housing problems" is defined as when a member of a racial or ethnic group at an income level experiences housing problems at a rate greater than 10% of the income level as a whole. According to the 2019 - 2023 American Community Survey, the total population of the Town of Hilton Head Island is 37,805. The population composition is as follows: 29,299 (77.5%) White, 2,382 (6.3%) Black or African American, 340 (0.9%) Asian, 3,327 (8.8%) some other race, and 2,495 two or more races. The total Hispanic population of the Town of Hilton Head Island is comprised of 5,708, which is 15.1% of the total Town population. It should be noted in the American Community Survey data; Hispanic is considered an ethnicity and not a race. For example, the race of a person may be White and their ethnicity Hispanic, or their race may be Black/African American and their ethnicity Hispanic.

The disproportionately greater need of racial or ethnic groups is based on the level of cost burden defined as monthly housing costs exceeding 30% of monthly income. The data below is separated into groups paying under 30% of income for housing, between 30 - 50%, and over 50%. The column labeled "no/negative income (not computed)" represents households with no income or negative due to self-employment, dividends, and net income rental, these households cannot have an actual cost burden but may need housing assistance and therefore are counted separately.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	11,925	2,950	2,860	175
White	10,430	2,465	2,295	115
Black / African American	595	185	155	30
Asian	60	0	0	0
American Indian, Alaska Native	10	0	0	0
Pacific Islander	0	0	0	0
Hispanic	685	190	400	30

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2016-2020 CHAS

Discussion:

Based on figures from the 2019 - 2023 American Community Survey, the Town of Hilton Head Island has a total of 17,504 households.

Based on analysis of the 2016 - 2020 CHAS data, 14% of households are paying between 30% and 50% of their income on housing costs, and 13% of households are paying more than 50% of their income on housing costs.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

The disproportionately greater need analysis does not necessarily reflect the number of households in need. The analysis does indicate whether a specific racial or ethnic group has a need which is disproportionately greater than all the households in that particular income group. A disproportionately greater need exists when the percentage of households in a category of need who are members of a particular racial or ethnic group is 10% higher than the percentage of households in the category as a whole.

The disparate impact analysis for housing problems determined White, Black/African American and Hispanic populations had percentages greater than 10% of the income level as a whole.

The housing assessment determined the housing problems for the 80 - 100% of area median income category for White populations was the highest at 85% and for Hispanic populations was 14%. The 50 - 80% of area median income category for White populations was 80%, for Black/African American populations was 6%, and for Hispanic populations was 11%. The 30 - 50% of area median income category for White populations was 67%, for Black/African American populations was 9%, and for Hispanic populations was 22%. The 0 - 30% of area median income category for White populations was 72%, for Black/African American populations was 9%, and for Hispanic populations was 14%.

Further review of the assessment figures indicate that the 80 - 100% of area median income category had the smallest number of households with one or more of the four housing problems, while the 50 - 80% of area median income category had the largest number of households. It is important to note the 80 - 100% of area median income category was the only data set that included two populations (White and Hispanic) with percentages greater than 10% of the income level as a whole.

The housing assessment determined the severe housing problems for the 30 - 50% of area median income category for White populations was the highest at 76% for all income level categories. There are no other population groups that met the 10% threshold in that income category.

The 0 - 30% of area median income category for White populations was 75%, for Hispanic populations was 16%, and for Black/African American populations was 8%. The 50 - 80% of area median income category for White populations was 75% and for Black/African American populations was 4%. The 80 - 100% area median income category for White populations was 83% and for Hispanic populations was 17%.

The 80 - 100% of area median income category had the smallest number of households with one or more of the four severe housing problems. The 0 - 30% of area median income category had the largest number of households. It is important to note the 80 - 100% of area median income category was the

only data set that included two populations (White and Hispanic) with percentages greater than 10% of the income level as a whole.

Based on figures from the 2019 - 2023 American Community Survey, the Town of Hilton Head Island has a total of 17,504 households. Based on analysis of the 2016 2020 CHAS data, 14% of households are paying between 30% and 50% of their income on housing costs, and 13% of households are paying more than 50% of their income on housing costs.

If they have needs not identified above, what are those needs?

Households experiencing disproportionately greater need may be faced with other needs such as safe affordable rentals located in areas which provide opportunity for employment and access to support services such as transportation, medical care, recreation, and child care.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

In order to determine the location of minority groups, LMI areas were identified by Census tracts and blocks comprised of a minimum of 49.56% of LMI households. According to Census data, there are ten Census blocks within five Census tracts in the Town of Hilton Head Island with LMI percentages above 49.56%.

NA-35 Public Housing – 91.205(b)

Introduction

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	285	490	0	479	0	0	11

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	0	17,137	14,892	0	15,000	0	0	
Average length of stay	0	0	4	4	0	4	0	0	
Average Household size	0	0	2	2	0	2	0	0	

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	47	52	0	50	0	0
# of Disabled Families	0	0	34	81	0	74	0	0
# of Families requesting accessibility features	0	0	285	490	0	479	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	54	59	0	56	0	0	3
Black/African American	0	0	231	429	0	421	0	0	8
Asian	0	0	0	0	0	0	0	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
American Indian/Alaska Native	0	0	0	1	0	1	0	0	0
Pacific Islander	0	0	0	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	16	10	0	10	0	0	0
Not Hispanic	0	0	269	480	0	469	0	0	11

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low- and moderate-income households in Beaufort County, South Carolina. There are 291 public housing units and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Currently, 279 of the 291 units are occupied (96%). The average number of people per household is three. Of these units, 169 of them have at least one child in the home. Three of the units are two-parent households, and 166 of the units are single-parent households. As an added note, 163 of the units have children living there with a female as the head of household.

The average annual household income is \$21,113. The average annual income per person is \$8,439.

The Beaufort Housing Authority public housing waiting list opened in March 2025 for three-bedroom units only. Prior to this last opening, nine months was the average waiting period.

The Housing Choice Voucher Program, commonly known as Section 8 housing, is subsidized by the Federal government and provides Federal assistance to families and individuals in the private rental market. The Beaufort Housing Authority is tenant-based, therefore eligible families receive assistance based on income for housing units meeting general program requirements. Tenants identify and choose their own units, and the landlord agrees to participate in the housing choice voucher program.

The Beaufort Housing Authority implemented a Veterans Affairs Supportive Housing (VASH) program. This program combines the Housing Choice Voucher Program (Section 8) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veteran Affairs (VA). This program allows the Beaufort Housing Authority to assist low-income housing challenged Veterans without placing them on a waiting list. Once a week, a representative from the VA works from the housing authority office to help house the Veteran as soon as possible.

The Beaufort Housing Authority provides resident councils at every public housing development they operate. There is also a Resident Advisory Board that is comprised of resident leaders from each development and Housing Choice Voucher (Section 8) representatives. The Housing Authority works with resident services at each of the public housing developments, and through this collaboration, promote programs and activities for residents. Some of the programs offered include: the Family Self-Sufficiency Program, which is a five-year homeownership education program, Sandalwood Terrace Resident Council, free budgeting classes, and community garden clubs.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

The ability to provide a suitable living environment to residents is linked to the ability to provide access to essential services. One of the most immediate needs of public housing and Section 8 residents that has been identified is access to community services, in particular services for the elderly and disabled. This includes supportive services for caregivers of disabled individuals. The services are available within the community, however access to these services is not readily available for low-income residents. An obstacle for access of these services includes the lack of knowledge of services available to residents.

Affordability is also a need for low-and-moderate income persons, including the elderly and disabled. Elderly residents may be on fixed incomes, and some disabled residents may be unable to work or receive minimal income. Housing and utility costs often require substantial deposit fees. Receiving assistance through public housing or the housing choice voucher program makes the cost of living more affordable, yet many families continue to struggle to make ends meet.

How do these needs compare to the housing needs of the population at large

Connecting residents of subsidized housing with supportive services is a challenge for public housing authorities throughout the nation. Many housing authorities or housing agencies struggle to deliver or provide access to services and face the challenge of limited funding to provide services for residents.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the Beaufort area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction, however, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

The most current point-in-time count data available is from 2024. As reported on the 2024 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Report, the number of homeless counted in Beaufort County was 476 persons. Of the 476 persons counted in 2024, 191 were living sheltered and 285 were living unsheltered. There were 80 Veterans and 139 chronically homeless. In addition, the demographics included 218 Black/African American, 28 Hispanic, 201 White, 4 Asian, and 6 American Indian/Alaska Native, or Indigenous.

It is important to note, since the Town of Hilton Head Island does not have any homeless shelters, the figures reflected in the point in time count data pertain to the homeless persons counted in Beaufort County, South Carolina, and are not specific to the Town of Hilton Head Island.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	0	0	0	0	0
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	0	0	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Individuals	0	0	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Child	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 26 - Homeless Needs Assessment

Data Source
Comments:

Indicate if the homeless population is: Has No Rural Homeless population is:

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point in time counts are conducted in the area, however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction. However, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	0
Not Hispanic	0	0

Data Source
Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point in time counts are conducted in the area, however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction. However, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point in time counts are conducted in the area, however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction. However, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point in time counts are conducted in the area, however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction. However, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

This particular section will discuss the characteristics and needs of persons in various subpopulations who are not homeless but may require supportive services. The following people are included: the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with HIV/AIDS and their families, persons with alcohol or drug addiction, victims of domestic violence, and persons with a criminal record and their families.

Describe the characteristics of special needs populations in your community:

Based on the 2019 - 2023 American Community Survey estimates, the Town of Hilton Head Island elderly population, 65 years of age or more is 14,822, which is 39% of the total population. According to the American Community Survey estimates, 15.3% of the total population are individuals with a disability and 28.1% are 65 years and over with a disability. Data indicates 4.2% of persons 65 years and older have income that is below the poverty level.

According to the 2019 - 2023 American Community Survey data for economic characteristics, 10.1% of the total population of the Town of Hilton Head Island has no health insurance coverage and 6.2% of the total population had incomes in the past 12 months below the poverty level. To help address this issue, the Volunteers in Medicine organization was established in 1993 to understand and serve the health and wellness needs of the most medically underserved populations and their households living and working in the Town of Hilton Head Island. The Volunteers in Medicine Clinic is staffed with approximately 22 full-time equivalent employees and over 650 retired and professional volunteers. As a team, the clinic staff and volunteers see over 10,000 patients with over 28,000 patient visits annually. This clinic receives no government funding, and 93.4% of incoming funds from their supporters go directly to patient care.

What are the housing and supportive service needs of these populations and how are these needs determined?

The housing and supportive service needs of these populations may include lack of affordable housing and a lack of earning a living wage. Some elderly populations may have disability issues and fixed incomes which contributed to the inability to maintain homes. This in turn creates depreciating home values and property decline. Considering these situations, these populations may have difficulty meeting additional basic needs such as food, clothing, child care, and transportation and health care costs.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to the December 31, 2023 SC Department of Public Health Annual Surveillance Report, there were fewer than 10 cases (8) of HIV/AIDS diagnosed in Beaufort County. That same report states that through December 31, 2024 there are 142 people living with HIV/AIDS in Beaufort County.

The Access Network was founded in 1987 in response to the growing HIV/AIDS epidemic to serve Beaufort, Colleton, Hampton, and Jasper counties. In the mid 1990's, the focus of the client services changed from addressing end of life issues to helping those affected by HIV/AIDS living with the disease. The Access Network offers assistance with long-term medical care, free confidential HIV testing and counseling, group and individual support programs, education and prevention, and nutrition programs.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

If the proposed preference was established, it could narrow the disparity in housing stability and access to services. Housing stability would help the population obtain stable housing that serves as a foundation for recovery and community integration. Also, it could enhance the facilitation of connecting the population to necessary mental health and supportive services. This would help to ensure that these individuals could receive the support needed to thrive, thereby reducing disparities in housing and services.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction’s need for Public Facilities:

Public facility needs in the Town of Hilton Head Island include but are not limited to parks and recreation facilities, neighborhood, community, education facilities, public facilities improvements, housing activities, community food pantry, and economic development initiatives. Community Development Block Grant funds may be used for such facilities when they are located in LMI areas of eligible populations, provide benefits to a LMI clientele, or qualify as an activity under the LMI housing national objective.

How were these needs determined?

Public facility needs were prioritized based on input obtained through a Needs Assessment public meeting held on May 22, 2025 by the Town of Hilton Head Island. A public notice was published in the local newspaper, The Island Packet, seven days prior to the public meeting. In addition to the published notice, public meeting notices were posted at the Town of Hilton Head Island Town Hall, on the Town website, and sent to Town of Hilton Head Island E-subscription service subscribers. Direct email invites including the Public Meeting Notice was sent to local organizations that assist LMI clientele seven days prior to the meeting.

Describe the jurisdiction’s need for Public Improvements:

Public improvement needs in the Town of Hilton Head Island include but are not limited to street improvements, which may include sidewalks and pathways, curbs, gutters, signage, tree plantings, lighting, and landscaping, paving dirt roads, drainage improvements, sanitary sewer installations or improvements, community center and expansion of education and/or recreation facilities. CDBG funds may be used for such improvements when they are located in LMI areas of eligible populations, provide benefits to a LMI clientele, or qualify as an activity under the LMI housing national objective.

How were these needs determined?

Public improvement needs were determined through comments received during the Needs Assessment public meeting held on May 22, 2025 by the Town of Hilton Head Island and feedback received during the 30-day comment period.

Describe the jurisdiction’s need for Public Services:

Public service needs in the Town of Hilton Head Island include, but are not limited to, access to health care, affordable childcare, academic intervention programs, education for high-risk children, job training and public safety.

How were these needs determined?

Public service needs were determined by the feedback received during the 30-day comment period of the Needs Assessment Public Meeting, which was held on May 22, 2025 by the Town of Hilton Head Island. Needs were based on participant input.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Housing opportunities can be limited by household income and purchasing ability, and the lack of affordable housing options may result in a significant hardship for low-income households, preventing other basic needs from being met. Low-income residents often have fewer financial resources available to them for making monthly rent or mortgage payments. Low-income residents who do purchase homes must keep a significant amount of funds available for taxes, insurance, property owners' association fees, and home maintenance and repairs. Since home ownership requires substantial investment for many residents, LMI households tend to rent homes as opposed to purchasing one. Most residential property leases call for less responsibility and less investment from the home occupant than if they were to purchase a home. According to the 2019 - 2023 American Community Survey, of the 17,504 occupied housing units in the Town of Hilton Head Island, 79.3% are owner occupied and the other 20.7% of housing units are occupied by renters.

The types and functions of housing units in the Town of Hilton Head Island is important in order to understand the unique nature of housing development in the Town. There are various forms or types of housing units on the island, including detached single-family homes and attached duplexes, multi-family structures, and mobile homes. There are also various types of housing in terms of function, including traditional apartment complexes, condominiums, both long and short-term rentals, seasonal homes, and timeshares, also known as interval occupancy units.

The U.S. Census Bureau data shows that the number of mobile homes more than doubled between 1990 and 2010, increasing from 419 to 974. However, this structure type decreased between 2010 and 2015 by 116 units. In 1990, the information indicates there were 601 fewer multi-family units than there were single-family units. The trend continued as the gap increased in 2000, with 4,506 fewer multi-family units than single-family units. In 2010, the gap continued, however, it narrowed to 2,693 fewer multi-family units than single-family units, and in 2015, the gap increased to 3,041 fewer multi-family units than single-family units. Overall, this indicates a declining trend in the development of multi-family units on the island.

Due to the unique character of Hilton Head Island as a resort destination, there are a significant number of housing units used on a seasonal basis. In 2007, Town staff gathered data that indicated there were 3,537 interval occupancy units within the Town of Hilton Head Island. It is important to note, during the building permit process interval occupancy developments are categorized as multi-family structures.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

The following section describes the number, type, tenure and size of housing in the Town of Hilton Head Island.

According to the 2016 - 2020 American Community Survey data, the Town of Hilton Head Island housing stock is comprised of 34,665 housing units. Of these units, 48% (16,590) are one unit detached structures, 42% (14,340) are multi-unit structures and 3% (1,195) are categorized as mobile home, boat, RV, van, etc. The majority of residential multi-units, 7,885 or 23% are in the 20 or more units category. This is likely due to the significant number of interval occupancy units located within the Town of Hilton Head Island.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	16,590	48%
1-unit, attached structure	2,540	7%
2-4 units	1,710	5%
5-19 units	4,745	14%
20 or more units	7,885	23%
Mobile Home, boat, RV, van, etc	1,195	3%
Total	34,665	100%

Table 27 – Residential Properties by Unit Number

Data Source: 2016-2020 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	25	0%	295	8%
1 bedroom	205	1%	720	20%
2 bedrooms	2,605	18%	1,310	37%
3 or more bedrooms	11,525	80%	1,225	35%
Total	14,360	99%	3,550	100%

Table 28 – Unit Size by Tenure

Data Source: 2016-2020 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The Town of Hilton Head Island does not own or operate any public housing developments or units.

The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Currently, 279 of the 291 units are occupied (96%). The average number of people per household is three. Of these units, 169 of them have at least one child in the home. Three of the units are two-parent households, 166 of the units are single-parent households. As an added note, 163 of the units have children living there with a female as the head of household.

The Housing Choice Voucher Program, commonly known as Section 8 housing, is subsidized by the Federal government and provides Federal assistance to families and individuals in the private rental market. The Beaufort Housing Authority is tenant-based, therefore eligible families receive assistance based on income for housing units meeting general program requirements. Tenants identify and choose their own units, and the landlord agrees to participate in the housing choice voucher program.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The Town of Hilton Head Island and the Beaufort Housing Authority do not expect to lose any affordable housing units from the inventory during this Consolidated Plan period.

Does the availability of housing units meet the needs of the population?

Assessing existing and future housing demand can be difficult. Demand can include the unmet demand of the existing population, the changing needs of the existing population, and the needs of future residents. Census data was used to assess the ability of current housing stock to meet the needs of the population. The assessment indicates the existing housing stock does not fully meet the needs of the existing population, showing 51.6% of renters expending more than 30% of monthly income on housing costs. HUD considers a housing unit affordable if the occupant expends no more than 30% of its income on housing costs. If the household spends more than 30% of its income on housing costs, the household is considered cost-burdened. Cost-burdened households have fewer financial resources to meet other basic needs, such as food, clothing, transportation, medical costs, child care costs and fewer resources to properly maintain a housing structure. These households are at greater risk for foreclosure or eviction.

Describe the need for specific types of housing:

Anecdotal evidence indicates households in the market for moderate to high-priced rentals or owner-occupied homes, have a variety of housing options. Renters who may be disabled, elderly with fixed incomes or those earning low incomes, are likely to find more limited housing options. According to the 2019 - 2023 American Community Survey, five-year estimates indicate 51.6% of renters expend more than 30% of monthly income on housing costs.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

Based on data from the 2000 Census (Base Year) and the 2016 - 2020 American Community Survey, the following tables reflect the cost of owner and renter-occupied housing in the Town of Hilton Head Island. There may have been significant changes in housing prices in recent years, which may not be fully captured in this data.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	434,900	488,000	12%
Median Contract Rent	899	1,205	34%

Table 29 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	430	12.1%
\$500-999	850	24.0%
\$1,000-1,499	1,285	36.2%
\$1,500-1,999	405	11.4%
\$2,000 or more	585	16.5%
Total	3,555	100.2%

Table 30 - Rent Paid

Data Source: 2016-2020 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	170	No Data
50% HAMFI	580	555
80% HAMFI	2,005	1,375
100% HAMFI	No Data	2,065
Total	2,755	3,995

Table 31 – Housing Affordability

Data Source: 2016-2020 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	0	0	0	0	0
High HOME Rent	0	0	0	0	0
Low HOME Rent	0	0	0	0	0

Table 32 – Monthly Rent

Data Source Comments:

Is there sufficient housing for households at all income levels?

According to the 2019 - 2023 American Community Survey data, of the 17,504 occupied housing units in the Town of Hilton Head Island, 79.3% are owner-occupied and 20.7% are occupied by renters. The same data set indicates there are 12,771 vacant housing units of which the homeowner vacancy rate is 1.5% and the rental vacancy rate is 45.5%. The median home value is \$652,100, and the median rent is \$1,518.

While data indicates a sufficient number of vacant units, the types and functions of housing units in the Town of Hilton Head Island is important to understand. There are various forms of housing units within the Town, including detached single-family homes, attached duplexes, multi-family structures, and mobile homes. There are also various types of housing in terms of function, including traditional apartment complexes, condominiums, both long and short-term rentals, seasonal homes, and timeshares, also known as interval occupancy units.

Due to the unique character of Hilton Head Island as a resort destination, there are a significant number of housing units used on a seasonal basis. Based on 2007 data gathered by Town staff, there were 3,537 interval occupancy units within the Town of Hilton Head Island. It is important to note, during the building permit process, interval occupancy developments are categorized as multi-family structures.

According to the 2019 - 2023 American Community Survey data, the Town of Hilton Head Island housing stock is comprised of 30,265 units, of which 47.3% (14,315) are one unit detached structures, 6% (1,815) are one unit attached structures, 41.7% (12,620) are located in multi-unit structures, and 5% (1,513) units are categorized as mobile home, boat, RV, van, etc. It should be noted that there are 6,234 housing units in multi-unit structures with 20 or more units. This is likely due to the significant number of interval occupancy units located within the Town of Hilton Head Island. Based on this information, households in the market for moderate to high priced rental units or owner-occupied homes have a variety of housing options. Renters who may be disabled, elderly with fixed incomes, or those earning low incomes are likely to find more limited housing options.

How is affordability of housing likely to change considering changes to home values and/or rents?

Based on comparison data from the real estate website RealtyTrac, there are 25 residential homes in foreclosure. According to Realtor.com, there are 567 residential homes for sale and 981 residential homes recently sold with a median transaction price of \$797,000.

According to Redfin, in April 2025, Hilton Head Island home prices were up 12.3% compared to last year, selling for a median price of \$783K. On average, homes in Hilton Head Island sell after 42 days on the market compared to 37 days last year. There were 164 homes sold in April this year, down from 178 last year.

Based on the information from a variety of sources, it is anticipated that affordability will remain at the current level.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Beaufort County (\$1,822) has a 58.4% higher FMR for 2-Bedroom housing than the average of South Carolina (\$1,150) and therefore a higher gross rent. Also, Beaufort County is ranked 2nd out of 46 counties. This means the FMRs, or in other words, the gross rent is higher than 44 other counties. Beaufort County is the 2nd most expensive county in terms of FMRs.

In 2025, the Median Rent in Beaufort County is as follows: Studio (\$1,736), one-bedroom (\$1,804), two-bedroom (\$1,997), three-bedroom (\$2,406), and four-bedroom (\$3,073). The Fair Market Rent in Beaufort County in 2025 is as follows: Studio (\$1,584), one-bedroom (\$1,646), two-bedroom (\$1,822), three-bedroom (\$2,195), and four-bedroom (\$2,803).

This appears to indicate more affordable housing may be needed for all types of units at this time.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

The majority of housing units in the Town of Hilton Head Island were built between 1980 and 1999. As the units age, they become more likely to need repairs. Conditions of units may be associated with lack of complete kitchen or plumbing facilities, more than one person per room, or having a cost burden greater than 30% of the household income. According to the Condition of Units chart below, 28% of owner-occupied units and 55% of renter-occupied units have at least one of the selected conditions.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

Standard condition may be defined as housing which meets all local building, fire, health and safety codes, and HUD's minimum Housing Quality Standards. Substandard condition may be defined as housing that does not meet local building, fire, health and safety codes, or HUD's minimum Housing Quality Standards.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	3,980	28%	1,940	55%
With two selected Conditions	40	0%	130	4%
With three selected Conditions	10	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	10,330	72%	1,480	42%
Total	14,360	100%	3,550	101%

Table 33 - Condition of Units

Data Source: 2016-2020 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	3,400	24%	460	13%
1980-1999	8,170	57%	1,830	52%
1950-1979	2,705	19%	1,200	34%
Before 1950	80	1%	65	2%
Total	14,355	101%	3,555	101%

Table 34 – Year Unit Built

Data Source: 2016-2020 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	2,785	19%	1,265	36%
Housing Units build before 1980 with children present	804	6%	489	14%

Table 35 – Risk of Lead-Based Paint

Data Source: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

The age of housing stock in the Town of Hilton Head Island will continue to have a significant impact on general housing conditions. While only 4,050 units were built before 1980, as housing ages, maintenance costs rise. This can present a significant cost for LMI households. Also, this poses a threat to LMI tenants who may not be able to maintain close communication with landlords or property managers when repairs are needed.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Exposure to lead-based paint represents a substantial environmental threat, and housing conditions may significantly affect public health. HUD regulations regarding lead-based paint apply to all federally assisted housing. The main source of lead exposure comes from lead-contaminated dust found in deteriorating buildings. Many residential properties built before 1978 contain lead-based paint. Unfortunately, measuring the exact number of housing units with lead-based paint hazards is difficult. Lead is a highly toxic metal which may cause a range of health problems for adults and especially children.

Low-income households earning 0-50% of Median Family Income are usually the least able to afford well-maintained housing. Therefore, they are often at greater risk of lead poisoning. According to the 2016 - 2020 American Community Survey data, there are 2,785 (19%) owner-occupied housing units and

1,265 (36%) renter-occupied housing units built before 1980. There are 804 (6%) owner-occupied households and 489 renter-occupied households with children present built before 1980. These households may be at risk of lead hazard problems

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Currently, 279 of the 291 units are occupied (96%).

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
						Veterans Affairs Supportive Housing	Family Unification Program	Disabled *	
# of units vouchers available			295	562			0	0	211
# of accessible units									

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 37 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Currently, 279 of the 291 units are occupied (96%).

The Housing Choice Voucher Program, commonly known as Section 8 housing, is subsidized by the Federal government and provides Federal assistance to families and individuals in the private rental market. The Beaufort Housing Authority is tenant-based, therefore eligible families receive assistance based on income for housing units meeting general program requirements. Tenants identify and choose their own units and the landlord agrees to participate in the housing choice voucher program.

Housing activity needs in the Town of Hilton Head Island may include, but are not limited to, affordable and workforce housing initiatives encompassing owner-occupied or renter-occupied housing activities which meet the LMI housing national objective(s).

Public services needs in the Town of Hilton Head Island include, but are not limited to, access to health care, affordable childcare, academic intervention programs, education for high-risk children, job training and public safety. Community Development Block Grant funds may be used for such services when benefits are provided to a LMI clientele meeting the 51% or greater maximum threshold.

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

The Town of Hilton Head Island does not own or operate any public housing development or units.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The Town of Hilton Head Island does not own or operate any public housing development or units.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the Beaufort area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction, however, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

The most current point-in-time count data available is from 2024. As reported on the 2024 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Report, the number of homeless counted in Beaufort County was 476 persons. Of the 476 persons counted in 2024, 191 were living sheltered and 285 were living unsheltered. There were 80 Veterans and 139 chronically homeless. In addition, the demographics included 218 Black/African American, 28 Hispanic, 201 White, 4 Asian, and 6 American Indian/Alaska Native, or Indigenous.

It is important to note, since the Town of Hilton Head Island does not have any homeless shelters, the figures reflected in the point in time count data pertain to the homeless persons counted in Beaufort County, South Carolina, and are not specific to the Town of Hilton Head Island.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	0	0	0	0	0
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0

Table 38 - Facilities and Housing Targeted to Homeless Households

Data Source
Comments:

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Mainstream services are handled through organizations which provide services to those experiencing homelessness. The Beaufort County Human Services Alliance collaborates with area agencies to promote and sustain activities that improve the quality of life for all Beaufort County residents. Various agency resources are pooled together to address community needs in the areas of economy, education, poverty, health, and the environment.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

There are no homeless shelters located within the Town of Hilton Head Island. Family Promise of Beaufort County is a non-profit organization located in Bluffton, South Carolina, adjacent to the Town of Hilton Head Island, which provides assistance to homeless families. Family Promise partners with host churches throughout Beaufort County, where families sleep for a one-week period then move to the next host church. Support churches provide food to the families. Churches provide overnight chaperones. Children attend school during the day, and the parents attend educational classes at the Family Promise Center located in Bluffton. The education component of the program consists of a variety of classes, some which include resume writing and budgeting. Upon program completion, participants must have a place to live, a job, and transportation. The case workers at Family Promise follow-up with program graduates for 12-18 months after completing the program.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

The Town of Hilton Head Island does not own or operate any special needs facilities. As a member of the Beaufort County Human Services Alliance, the Town encourages collaboration with area agencies to promote and sustain activities which improve the quality of life for Beaufort County residents, including in the Town of Hilton Head Island.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The Town of Hilton Head Island does not own or operate any special needs facilities. As a member of the Beaufort County Human Services Alliance, the Town encourages collaboration with area agencies to promote and sustain activities which improve the quality of life for Beaufort County residents, including in the Town of Hilton Head Island.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Town of Hilton Head Island does not own or operate any special needs facilities. As a member of the Beaufort County Human Services Alliance, the Town encourages collaboration with area agencies to promote and sustain activities which improve the quality of life for Beaufort County residents, including in the Town of Hilton Head Island.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The Town of Hilton Head Island does not own or operate any special needs facilities. As a member of the Beaufort County Human Services Alliance, the Town encourages collaboration with area agencies to promote and sustain activities which improve the quality of life for Beaufort County residents, including in the Town of Hilton Head Island.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

The Town of Hilton Head Island does not own or operate any special needs facilities. As a member of the Beaufort County Human Services Alliance, the Town encourages collaboration with area agencies to promote and sustain activities which improve the quality of life for Beaufort County residents, including in the Town of Hilton Head Island.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

A variety of barriers exist which make increasing affordable housing stock in the Town of Hilton Head Island difficult. The following list highlights some affordable housing issues; however, this list should not be considered exhaustive. Many other circumstances may occur which prevent the market from providing affordable housing.

- Land costs are a limiting factor in the construction of affordable housing units.
- Land supply is a finite resource as the Town approaches build-out.
- Construction costs continue to increase.
- Much of the housing and land available located in the Town of Hilton Head Island is subject to floodplain insurance requirements in addition to other insurance requirements, such as wind and hail.
- Marketability and potential profit is a factor for developers because of the challenges faced with construction in a coastal area.
- The “NIMBY” syndrome, “Not in My Backyard”, is a common sentiment toward affordable housing.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

This section identifies economic sectors in the Town of Hilton Head Island where job opportunities exist and identifies employment sector positions. According to the 2019 - 2023 American Community Survey data, the unemployment rate was 2.5%. The 2016 - 2020 American Community Survey data shows the unemployment rate as 3.26%, which is below the national average of 3.9%.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	41	56	0	0	0
Arts, Entertainment, Accommodations	3,905	7,485	30	35	5
Construction	724	945	6	4	-2
Education and Health Care Services	1,769	3,082	14	14	0
Finance, Insurance, and Real Estate	1,172	2,181	9	10	1
Information	188	278	1	1	0
Manufacturing	298	265	2	1	-1
Other Services	695	1,213	5	6	1
Professional, Scientific, Management Services	1,342	2,353	10	11	1
Public Administration	0	0	0	0	0
Retail Trade	2,164	3,097	17	14	-3
Transportation and Warehousing	279	229	2	1	-1
Wholesale Trade	318	213	2	1	-1
Total	12,895	21,397	--	--	--

Table 39 - Business Activity

Data 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)

Source:

Labor Force

Total Population in the Civilian Labor Force	18,100
Civilian Employed Population 16 years and over	17,505
Unemployment Rate	3.26
Unemployment Rate for Ages 16-24	12.50
Unemployment Rate for Ages 25-65	2.41

Table 40 - Labor Force

Data Source: 2016-2020 ACS

Occupations by Sector	Number of People
Management, business and financial	5,285
Farming, fisheries and forestry occupations	615
Service	1,535
Sales and office	4,065
Construction, extraction, maintenance and repair	1,185
Production, transportation and material moving	660

Table 41 – Occupations by Sector

Data Source: 2016-2020 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	12,343	80%
30-59 Minutes	2,476	16%
60 or More Minutes	572	4%
Total	15,391	100%

Table 42 - Travel Time

Data Source: 2016-2020 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	935	30	880

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	3,090	90	1,100
Some college or Associate's degree	3,275	60	810
Bachelor's degree or higher	6,170	275	1,905

Table 43 - Educational Attainment by Employment Status

Data Source: 2016-2020 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	0	50	165	440	80
9th to 12th grade, no diploma	250	380	300	510	275
High school graduate, GED, or alternative	570	1,480	800	2,000	1,460
Some college, no degree	480	645	480	1,795	2,305
Associate's degree	4	155	175	900	980
Bachelor's degree	180	1,020	740	3,850	4,750
Graduate or professional degree	0	170	405	2,185	4,890

Table 44 - Educational Attainment by Age

Data Source: 2016-2020 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	25,920
High school graduate (includes equivalency)	33,807
Some college or Associate's degree	37,282
Bachelor's degree	51,621
Graduate or professional degree	56,154

Table 45 – Median Earnings in the Past 12 Months

Data Source: 2016-2020 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The largest percentage of the Town of Hilton Head Island's labor force is employed in the Arts, Entertainment, Accommodations sector, which consists of 30% of the labor force. The next largest

percentage of the labor force is employed in the Retail Trade sector, which consists of 17% followed by the Education and Health Care Services sector consisting of 14% of the labor force.

Describe the workforce and infrastructure needs of the business community:

The Town of Hilton Head Island's workforce continues to depend on a large pool of residents possessing higher levels of education. Around 40% of the labor force holds positions in management, business, financial, service, sales and office sectors which may necessitate some secondary education. Workforce needs encompassing each sector may include, but are not limited to, well-educated, motivated, healthy, and skilled employees. Infrastructure needs may include, but are not limited to, access to a reliable transportation system including streets, pathways, access to water and sewer services, recreational facilities, and internet services.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The Town of Hilton Head Island strives to foster continued economic development. This can be accomplished by efficient management and leveraging of resources. In 2019, the Town engaged a consultant to create a workforce housing strategic plan. The plan indicated that a lack of workforce housing within the Town is an impediment to recruiting and retaining both private and public sector employees. The plan outlined strategies the Town may wish to integrate into future goals and policies.

In 2022, Town Council adopted the Workforce Housing Framework that authorizes the Town to take the necessary steps to develop, implement and carry out strategies and tactics identified within the Framework document. The Framework is supported by four foundational pillars: Community, Planning, Management and Revenue. Each of the four pillars have specific goals, strategies and critical first steps to accomplish the mission of the Framework.

Town staff continues to work with Town Council on addressing workforce housing strategies to support workforce development.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Forty-six percent of the civilian labor force in the Town of Hilton Head Island possesses a bachelor's degree or higher level of educational attainment. This corresponds with the Occupation by Sector table indicating the Management, business and financial sector and Sales and Office sector reflecting the highest number of employees, comprising 40% of the labor force. It can be presumed these two sectors have a higher percentage of employees with secondary educations.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The Town of Hilton Head Island participates in the Comprehensive Economic Development Strategy (CEDS) through its 2020 to 2040 Comprehensive Plan, which includes goals, strategies, and tactics for future planning and policy decisions. The Vision focuses on the revitalization and modernization of the Town's economy and infrastructure while building an inclusive and diverse community. A cross section of the environment, society, and the economy defines sustainability for the Plan, where a community balanced in these three things has viable economic development, a resilient built environment, and equitable social conditions.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

After analysis of data in the HUD Office of Community Planning and Development (CPD) maps software program it was established Census Tract 108 contains the highest percentage of households with one of the four severe housing problems at 35% compared with the other two LMI Census tracts. The severe housing problem category includes housing cost burden greater than 30%, housing cost burden greater than 50%, overcrowding or substandard housing.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

To determine the location of minority groups, LMI areas were identified by Census tracts and blocks comprised of a minimum of 49.56% of LMI households. According to Census data, there are ten Census blocks within five Census tracts in the Town Hilton Head Island with LMI percentages above 49.56%.

Two of the three Census tracts (105 and 108) of minority concentration have populations of racial or ethnic groups at least 10% greater than the Town as a whole. Census Tract 110 has one racial group greater than 10% of the Town as a whole and one ethnic group that is three percent greater than the Town as a whole. Census Tracts 111 and 113 have a minority concentration less than 10% of the Town as a whole. The highest concentration and number of Hispanic households and Black or African American households is in Census Tract 108.

What are the characteristics of the market in these areas/neighborhoods?

Areas with concentrations of housing problems and low-income populations may be referred to as distressed areas or neighborhoods. Distressed neighborhoods typically have older housing stock, higher rates of vacancy, and lower quality of life in addition to segments of minorities and low-income households. Property values may tend to be lower in these areas than the surrounding areas.

Are there any community assets in these areas/neighborhoods?

Census Tracts 105, 108, 110 and 113 have a variety of Town of Hilton Head Island-owned parks, public and private recreation and education facilities and religious institutions available to residents of the Town of Hilton Head Island. Census Tract 105 contains the Hilton Head Island public school campus including elementary, middle and high schools, which are accessible to children residing in the Town of Hilton Head Island.

Are there other strategic opportunities in any of these areas?

The Town of Hilton Head Island has identified areas with the highest concentration of low-income households for CDBG funding. Anticipated use of CDBG funds includes but is not limited to street improvements which may include sidewalks or pathways, curbs, gutters, signage, tree plantings, lighting, landscaping, and paving dirt roads, drainage improvements, sanitary sewer installations or improvements, and expansion of education and/or recreation facilities.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

In 2014, the Town of Hilton Head Island participated in the Connected Community Engagement Program with Connect South Carolina, which resulted in the Hilton Head Island Technology Action Plan. In an analysis of connected assessment, the Town achieved a score of 114 points out of 120 for overall broadband and technology readiness. In this 2014 plan, it noted the Town's overall broadband availability is generally consistent with the state average of 98.06%.

The plan's assessment criteria indicated 100% of households have access to broadband speeds of 3 megabits of data per second (Mbps) or greater and 97% of households have access to broadband speeds of 50 Mbps. The plan also indicated 100% of residents have access to mobile broadband service. A total of seven broadband providers were identified within the Town, which are: Hargray Communications, Spectrum Cable, AT&T, Cricket Communications, Inc., Sprint, T-Mobile, and Verizon Wireless.

According to Hargray Communications, there are approximately 5,000 to 7,000 homes and businesses within the Town of Hilton Head Island connected to broadband via fiber service. There is no cost to connect a home or business to the fiber network, and therefore, there is no connection discount program for LMI neighborhoods.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

According to the 2014 Hilton Head Island Technology Action Plan, there are seven broadband internet providers available to residents of the Town of Hilton Head Island. Currently, Broadband and Now website lists nine broadband internet providers available to residents of the Town of Hilton Head Island.

Statistics listed on the Broadband and Now website have indicated approximately 92% of Hilton Head Island residents are being serviced by multiple wired service providers. This level of competition allows Town of Hilton Head Island residents to select broadband internet service that best aligns with their needs.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

The Town of Hilton Head Island is a participating jurisdiction in the 2020 Lowcountry Natural Hazard Mitigation Plan, which was approved by the U.S. Department of Homeland Security - Federal Emergency Management Agency (FEMA) - on June 28, 2021. The plan is approved for a period of five years effective until June 27, 2026.

The plan "is the representation of the jurisdiction's commitment to reduce the risks from natural hazards, serving as a guide for decision makers as they commit resources to reducing the effects of natural hazards." Moreover, it must meet the requirements of Title 44 Code of Federal Regulations (CFR) §201.6 for FEMA approval and eligibility to apply FEMA Hazard Mitigation Assistance grant programs.

The 2020 Lowcountry Natural Hazard Mitigation Plan is an update of the 2015 Beaufort County Hazard Mitigation Plan and the 2015 Lowcountry Natural Hazard Mitigation Plan which includes Colleton, Hampton, and Jasper Counties. The result is the first fully multi-jurisdictional plan for all the counties in the Lowcountry region, including Beaufort, Colleton, Hampton, and Jasper. The plan provides a profile of the most common natural hazards in the region, including historic locations and past occurrence data, probability of future occurrence, and loss information. The plan also includes social vulnerability indicators for identifying populations at greatest risk from the effects of natural hazards. Finally, the plan identifies the mitigation actions to save lives and to prevent major property damage and other losses caused by natural disasters in the Lowcountry region. The plan was prepared by the Lowcountry Council of Governments (LCOG).

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Population growth and projections indicate development patterns that could influence the effects of hazards, increasing the demand for services in case of emergency. The trend indicates an increase of vulnerable populations including elderly, low income, and Hispanics (language proficiency). New technology leads to the need for innovative emergency services and critical facilities. These conditions have continued since the 2015 plans.

The Beaufort County Multi-jurisdictional Hazard Mitigation Plan 2015 Update states, "According to SC Emergency Management Division (EMD), Beaufort County has a wide range of social vulnerability, with most tracts exhibiting moderate levels." Considering the unique characteristic of the entire jurisdiction of the Town of Hilton Head Island being a barrier island off the coast of South Carolina, flood-prone areas are not limited to the LMI Census tracts but appear to be widespread throughout the Town. The vulnerability analysis concluded flooding and flood damages pose the greatest risk to all households on Hilton Head Island, not solely LMI Census tracts.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan outlined in the following section provides a guide for the Town of Hilton Head Island's allocation of CDBG Program funding for the 2025 - 2029 planning period. The goals focus on priority needs and target available resources designed to meet those needs. The needs include public improvements and facilities, public services, and economic development. The primary emphasis of the goals is the continuance of maintaining and improving the quality of life of LMI residents. Projects selected for CDBG funding in this five-year period will be managed efficiently and in compliance with all program requirements.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 46 - Geographic Priority Areas

1	Area Name:	Census Tract 105
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Public Improvement, or Housing Activity, or Economic Development, or Public Services
	Identify the neighborhood boundaries for this target area.	Squire Pope - Gum Tree Area
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Based on LMI percentage
	Identify the needs in this target area.	Facilities, Housing, Public Services, Economic Development
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	Area Name:	Census Tract 108
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Public Improvement, or Housing Activity, or Economic Development, or Public Services

	Identify the neighborhood boundaries for this target area.	Baygall Mitchelville Area
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Based on LMI percentage
	Identify the needs in this target area.	Facilities, Housing, Public Services, Economic Development
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
3	Area Name:	Census Tract 110
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Public Improvement, or Housing Activity, or Economic Development, or Public Services
	Identify the neighborhood boundaries for this target area.	Chaplin and Marshland Area
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Based on LMI percentage
	Identify the needs in this target area.	Facilities, Housing, Public Services, Economic Development
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
	Area Name:	Census Tract 111

4	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Public Improvement, or Housing Activity, or Economic Development, or Public Services
	Identify the neighborhood boundaries for this target area.	Mid-Island Area
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Based on LMI percentage
	Identify the needs in this target area.	Facilities, Housing, Public Services, Economic Development
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
5	Area Name:	Census Tract 113
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Public Improvement, or Housing Activity, or Economic Development, or Public Services
	Identify the neighborhood boundaries for this target area.	Cordillo Area
	Include specific housing and commercial characteristics of this target area.	

How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Based on LMI percentage
Identify the needs in this target area.	Facilities, Housing, Public Services, Economic Development
What are the opportunities for improvement in this target area?	
Are there barriers to improvement in this target area?	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

Town of Hilton Head Island activities funded by the CDBG program are designed to benefit LMI persons. Activities qualify for CDBG assistance when the activity meets one of the two national objectives listed below:

- 1) Benefit to LMI persons - Benefit all the residents of a LMI residential area, or will benefit a LMI clientele
- 2) Meet a need having a particular urgency (referred to as urgent need)

According to the CDBG program guidelines, an activity using the LMI area benefit must meet the minimum threshold of 51% LMI residents. However, the Town of Hilton Head Island has been designated as an exception grantee, which results in a LMI area percentage of 49.56%. This percentage is applied to Census tracts and blocks to determine activity eligibility on an area basis. An activity using the LMI clientele benefit must serve a clientele which is 51% or more LMI.

CDBG funds will be used to address the needs of LMI areas or organizations (if applicable) which provide services to LMI persons or families which comprise 51% or more of their clientele or for activities which meet the LMI housing national objective(s). The LMI areas are determined using Census tracts which have LMI population of at least 49.56%. CDBG funds will be targeted for use on projects located in Census tracts 105, 108, 110, 111, and/or 113 within the Town of Hilton Head Island as illustrated in the attached map. If the Town works with any organizations as part of the projects, those organizations will provide documentation to Town staff verifying 51% or more of their clientele meet LMI requirements as stipulated by HUD.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 47 – Priority Needs Summary

1	Priority Need Name	Public Facilities and Improvements
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Non-housing Community Development
	Geographic Areas Affected	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113
	Associated Goals	Facilities, Public Services, Housing, Econ Dev. -Yr. 1 Facilities, Public Services, Housing, Econ Dev. -Yr. 2 Facilities, Public Services, Housing, Econ Dev. -Yr. 3 Facilities, Public Services, Housing, Econ Dev. -Yr. 4 Facilities, Public Services, Housing, Econ Dev. -Yr. 5 Program Administration - Yr. 1
	Description	Provide funding for public facilities and improvements in LMI neighborhoods.
	Basis for Relative Priority	Needs Assessment, public meeting comments, and Town's Strategic Action Plan.
	2	Priority Need Name
Priority Level		High
Population		Non-housing Community Development
Geographic Areas Affected		Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113

	Associated Goals	Facilities, Public Services, Housing, Econ Dev. -Yr. 1 Facilities, Public Services, Housing, Econ Dev. -Yr. 2 Facilities, Public Services, Housing, Econ Dev. -Yr. 3 Facilities, Public Services, Housing, Econ Dev. -Yr. 4 Facilities, Public Services, Housing, Econ Dev. -Yr. 5
	Description	Provide funding for economic development initiatives to LMI persons.
	Basis for Relative Priority	Needs assessment, public meeting comments, and Town's Strategic Plan.
3	Priority Need Name	Housing activities
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113
	Associated Goals	Facilities, Public Services, Housing, Econ Dev. -Yr. 1 Facilities, Public Services, Housing, Econ Dev. -Yr. 2 Facilities, Public Services, Housing, Econ Dev. -Yr. 3 Facilities, Public Services, Housing, Econ Dev. -Yr. 4 Facilities, Public Services, Housing, Econ Dev. -Yr. 5
	Description	Provide funding for housing activities to LMI persons.
	Basis for Relative Priority	Needs assessment, public meeting comments, and Town's Strategic Plan.
4	Priority Need Name	Administrative and Planning
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113

Associated Goals	Facilities, Public Services, Housing, Econ Dev. -Yr. 1 Facilities, Public Services, Housing, Econ Dev. -Yr. 2 Facilities, Public Services, Housing, Econ Dev. -Yr. 3 Facilities, Public Services, Housing, Econ Dev. -Yr. 4 Facilities, Public Services, Housing, Econ Dev. -Yr. 5 Program Administration - Yr. 1
Description	Provide overall administration for the CDBG program to include development of the Consolidated Plan, annual reports, and administration of funding.
Basis for Relative Priority	Town of Hilton Head Island staff input and historical records.

Narrative (Optional)

Priority needs were identified through the needs assessment public meeting held on May 22, 2025 and the 30-day comment period. One citizen attended the meeting and gave comments related to community needs. Public improvement needs in the Town of Hilton Head Island, include but are not limited to, street improvements (sidewalks and pathways included), curbs, gutters, signage, tree plantings, lighting, landscaping, paving dirt roads, drainage improvements, sanitary sewer installations or improvements, community center, and expansion of education and/or recreation facilities. Community Development Block Grant funds may be used for such improvements when done in LMI areas of eligible populations, or when benefits are provided to a LMI clientele, or qualify as an activity under the LMI housing national objective(s).

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	High levels of cost burden among many low-income households; public housing inventory ability to meet community needs
TBRA for Non-Homeless Special Needs	High levels of cost burden among many low-income households, including non-homeless special needs populations; public housing inventory ability to meet community needs
New Unit Production	Cost of land, infrastructure, and development impact fees; age of existing housing stock
Rehabilitation	Age of existing housing stock; limitations such as no allowance for heirs' property
Acquisition, including preservation	Age of structures, cost of land and infrastructure improvements

Table 48 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The following table outlines the anticipated resources from the HUD Community Development Block Grant (CDBG) Program the Town of Hilton Head Island plans to have available during the 2025 - 2029 period covered by this Consolidated Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	210,564	0	0	210,564	1,027,340	The expected amount available in year one is the HUD provided 2025 allocation in the amount of \$210,564. The expected amount available for the remainder of Con Plan is \$204,194 multiplied by four, which equals \$816,776. This figure is the expected amount available for the remaining 3 - 5 years of the Consolidated Plan.

Table 49 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

It is anticipated the federal funding listed above will be received annually to support activities outlined in the Consolidated Plan. While the Community Development Block Grant program does not require leveraging, other Town of Hilton Head Island resources may be used in combination with these funds to complete projects or services listed in the Consolidated Plan.

Leveraging is a way to increase project efficiencies which often come with combining sources of funding. Funds may be considered leveraged if financial commitments to the cost of a project from a source other than the Community Development Block Grant funds are documented. Town staff may identify and explore additional leveraging opportunities, such as federal, state, local, and private resources.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The Town of Hilton Head Island owns property and/or facilities located within LMI Census tracts throughout the jurisdiction. Based on community needs identified in this 2025 - 2029 Five-year Consolidated Plan, and in future annual action plans that will be associated with this Consolidated Plan, the Town of Hilton Head Island may use publicly owned land or property to address needs identified through the community needs assessment process.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
TOWN OF HILTON HEAD ISLAND	Government	Non-homeless special needs public facilities	

Table 50 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The Town of Hilton Head Island has participated in the HUD CDBG Entitlement Program since 2015. Since then, the Town has met required program deadlines. Notifications of acceptable levels of program accomplishment were received from the HUD Columbia, SC field office during the first seven years of program participation.

A "No Findings or Concerns" report was issued by the Regional Environmental Officer during a 2019 onsite Environmental Review Procedures monitoring visit.

In April 2021 a remote monitoring session was conducted by the Columbia, South Carolina HUD field office. No findings were reported during this monitoring; however, two concerns were cited. The first concern identified the need for a local written policies and procedures manual for administration of the CDBG award. Town staff completed this manual and submitted it to HUD in June 2022. The second concern identified the need for an oversight process for subrecipients of 2020 CDBG and CDBG-CV funds. Town staff immediately conducted seven monitoring reviews of randomly selected subrecipients of 2020 CDBG and CDBG-CV funds. All subrecipient monitoring reviews resulted in no findings or concerns. In 2019 a "No Findings or Concerns" report was issued by the Regional Environmental Officer during an onsite Environmental Review Procedures monitoring visit.

In May 2023 the Town received a second-year noncompliance with timely expenditure requirement notice. An untimely expenditure notice is given when a grantee has more than 1.5 times its most recent entitlement grant. In June 2023 the Town had 3.96 times its most recent entitlement grant and submitted the required timeliness workout plan to HUD. The Town submitted monthly workout plan progress reports to HUD and worked to be in timeliness compliance by the next 60-day compliance test in May 2024. The Town met the timeliness compliance in May 2024, ahead of schedule.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X		
Legal Assistance	X		
Mortgage Assistance			
Rental Assistance			
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement			
Mobile Clinics			
Other Street Outreach Services			
Supportive Services			
Alcohol & Drug Abuse	X		
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X		
HIV/AIDS			
Life Skills			
Mental Health Counseling	X		
Transportation	X		
Other			

Table 51 - Homeless Prevention Services Summary

Describe how the service delivery system, including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

There are no homeless shelters located within the Town of Hilton Head Island. Family Promise of Beaufort County is a non-profit organization located in Bluffton, South Carolina, adjacent to the Town of Hilton Head Island, which provides assistance to homeless families. Family Promise partners with host churches throughout Beaufort County, where families sleep for a one-week period then move to the next host church. Support churches provide food to the families. Churches provide overnight chaperones. Children attend school during the day, and the parent attends educational classes at the Family Promise Center located in Bluffton. The educational component of the program consists of a variety of classes, some which include resume writing and budgeting. Upon program completion, participants must have a place to live, a job and transportation. The case workers at Family Promise follow up with program graduates for 12-18 months after completing the program.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Facilities, Public Services, Housing, Econ Dev. -Yr. 1	2025	2026	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$205,564	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted
2	Facilities, Public Services, Housing, Econ Dev. -Yr. 2	2026	2027	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$204,194	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted
3	Facilities, Public Services, Housing, Econ Dev. -Yr. 3	2027	2028	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$204,194	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Facilities, Public Services, Housing, Econ Dev. -Yr. 4	2028	2029	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$204,194	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted
5	Facilities, Public Services, Housing, Econ Dev. -Yr. 5	2029	2030	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$204,194	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted
6	Program Administration - Yr. 1	2025	2026	Program Administration	Census Tract 105	Public Facilities and Improvements Administrative and Planning	CDBG: \$5,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted

Table 52 – Goals Summary

Goal Descriptions

1	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 1
	Goal Description	Provide funding for public facilities and improvements, public services, housing activities or economic development in LMI neighborhoods or to LMI clientele.
2	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 2
	Goal Description	Provide funding for public facilities and improvements, public services, housing activities or economic development in LMI neighborhoods or to LMI clientele.
3	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 3
	Goal Description	Provide funding for public facilities and improvements, public services, housing activities or economic development initiative in LMI neighborhoods or to LMI clientele.
4	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 4
	Goal Description	Provide funding for public facilities and improvements, public services, housing activities or economic development in LMI neighborhoods or to LMI clientele.
5	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 5
	Goal Description	Provide funding for public facilities and improvements, public services, housing activities or economic development initiative in LMI neighborhoods or to LMI clientele.
6	Goal Name	Program Administration - Yr. 1
	Goal Description	Program Administration

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

At this time, the Town of Hilton Head Island does not have the capacity to provide affordable housing units to extremely low-income, low-income and moderate-income households. However, the Town's Northpoint initiative is a public-private partnership strategy to develop sustainable housing on more than 11 acres of Town-owned property. The initiative will help address the Island's need for more housing for its workforce and at the same time, create a vibrant, well-constructed and livable neighborhood. This project is currently underway, but the Town will not be actually constructing the units.

However, public facilities and improvements in Census tracts with 49.56% or higher LMI households, or at facilities providing services to LMI persons or families which comprise 51% or more of their clientele, or housing activities that meet the LMI housing national objective, may be accomplished with Community Development Block Grant funds.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Currently, 279 of the 291 units are occupied (96%).

The Housing Choice Voucher Program, commonly known as Section 8 housing, is subsidized by the Federal government and provides Federal assistance to families and individuals in the private rental market. The Beaufort Housing Authority is tenant-based, therefore eligible families receive assistance based on income for housing units meeting general program requirements. Tenants identify and choose their own units, and the landlord agrees to participate in the housing choice voucher program.

The Beaufort Housing Authority has implemented a new Veterans Affairs Supportive Housing (VASH) program. This program combines the Housing Choice Voucher Program (Section 8) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). This program allows the Beaufort Housing Authority to assist low-income housing challenged Veterans without placing them on a waiting list. Once a week a representative from the VA works from the housing authority office to house the Veteran as soon as possible.

The Town of Hilton Head Island is not required to increase the number of accessible units through a Section 504 Voluntary Compliance Agreement.

Activities to Increase Resident Involvements

The Beaufort Housing Authority provides resident councils at every public housing development they operate. There is also a Resident Advisory Board that is comprised of resident leaders from each development and Housing Choice Voucher (Section 8) representatives. The Housing Authority works with resident services at each of the public housing developments and through this collaboration promote programs and activities for residents. Some of the programs offered include: the Family Self-sufficiency Program, which is a five-year homeownership education program, Sandalwood Terrace Resident Council, free budgeting classes, and community garden clubs.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

The Beaufort Housing Authority is not designated as troubled.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

A variety of barriers exist which make increasing affordable housing stock in the Town of Hilton Head Island difficult. The following list highlights some affordable housing issues; however, this list should not be considered exhaustive. Many other circumstances may occur which prevent the market from providing affordable housing.

- Land costs are a limiting factor in the construction of affordable housing units.
- Land supply is a finite resource as the Town approaches build-out.
- Construction costs continue to increase.
- Much of the housing and land available located in the Town of Hilton Head Island is subject to floodplain insurance requirements in addition to other insurance requirements, such as wind and hail.
- Marketability and potential profit is a factor for developers because of the challenges faced with construction in a coastal area.
- The “NIMBY” syndrome, “Not in My Backyard”, is a common sentiment toward affordable housing.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance, resources are pooled, and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

In addition to participation in the Lowcountry Affordable Housing Coalition, monitoring relevant public policies for changes which may constitute barriers to affordable housing may be conducted. In 2017 the Town Council Public Planning Committee began studying various aspects of affordable housing on Hilton Head Island. During 2017 the committee met with local developers, business owners, employers, and service organizations for discussions on providing affordable housing to the local workforce. In 2018 strategies were developed to further address fostering affordable housing within the Town of Hilton Head Island. In 2019 the Town’s housing consultant presented a workforce housing strategic plan. Town staff prepared an approach to implement the recommendations included in the strategic plan and the

Town Council Public Planning Committee made a recommendation to Town Council to adopt the strategic plan. In 2020 the Town Council Public Planning Committee and Town staff have been working to develop amendments to the Town of Hilton Head Island Land Management Ordinance which will provide a framework for affordable workforce housing initiatives. In 2022, Town Council adopted the Workforce Housing Framework that authorizes the Town to take the necessary steps to develop, implement and carry out strategies and tactics identified within the Framework document. The Framework is supported by four foundational pillars: Community, Planning, Management and Revenue. Each of the four pillars have specific goals, strategies and critical first steps to accomplish the mission of the Framework. In 2023, Town Council authorized the creation of the Northpoint Public-Private Partnership Housing Advisory Committee. The committee is charged with assessing and recommending a development partner to help the Town build a sustainable neighborhood on more than 12 acres of land on its Northpoint tract. The Northpoint site is within proximity to the Hilton Head Island Recreation Center and Hilton Head Island public school campus.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of the homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the Beaufort area. However, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction, however, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

The most current point-in-time count data available is from 2024. As reported on the 2024 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Report, the number of homeless counted in Beaufort County was 476 persons. Of the 476 persons counted in 2024, 191 were living sheltered and 285 were living unsheltered. There were 80 Veterans and 139 chronically homeless. In addition, the demographics included 218 Black/African American, 28 Hispanic, 201 White, 4 Asian, and 6 American Indian/Alaska Native, or Indigenous.

It is important to note, since the Town of Hilton Head Island does not have any homeless shelters, the figures reflected in the point in time count data pertain to the homeless persons counted in Beaufort County, South Carolina, and are not specific to the Town of Hilton Head Island.

Addressing the emergency and transitional housing needs of homeless persons

Currently there are no emergency and transitional housing shelters operating in the Town of Hilton Head Island.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

There are no homeless shelters located within the jurisdiction of the Town of Hilton Head Island and no homeless population count data available from the Lowcountry Continuum of Care, the regional continuum of care servicing the Town. There is a non-profit organization, Family Promise of Beaufort, located in neighboring Bluffton, South Carolina, which is a coalition of Beaufort County churches assisting homeless families. The program provides evening accommodations for program participants at host churches and daytime transportation to school for children and educational programs for parents.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

Specific data for lead-based paint hazards in the Town of Hilton Head Island is unavailable. The number of units built before 1980 may be used to represent a baseline for the number of units which may pose a lead-based paint threat.

According to the 2016 - 2020 American Community Survey data, there are 2,785 (19%) owner-occupied housing units and 1,265 (36%) renter-occupied housing units built before 1980. There are 804 (6%) owner-occupied households and 489 renter-occupied households with children present built before 1980. These households may be at risk of lead hazard problems.

HUD regulations regarding lead-based paint apply to all federally assisted housing and the Town of Hilton Head Island will comply when necessary, with federal requirements for lead-based paint testing and abatement in projects financed with HUD-CDBG funds.

How are the actions listed above related to the extent of lead poisoning and hazards?

Low-income households earning 0-50% of median family income are usually the least able to afford well maintained housing and therefore, are often at greater risk of lead poisoning. According to American Community Survey data there are 2,785 owner-occupied households and 1,265 renter-occupied households in the Town of Hilton Head Island built before 1980. There are 804 owner-occupied households with children present and 489 renter-occupied households with children present built before 1980. These households may be at risk of lead hazard problems.

How are the actions listed above integrated into housing policies and procedures?

The Town of Hilton Head Island will call for full compliance and enforcement of federal lead-based paint regulations on Town projects financed with HUD-CDBG funds. Contractors, subrecipients, and other partners will be advised of lead-based paint regulations and Town of Hilton Head Island staff will work to ensure full compliance is attained on projects financed with HUD-CDBG funds.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The Beaufort Housing Authority operates a Family Self-Sufficiency Program which promotes independence for its residents. Participants in the program work toward setting and obtaining future life and career goals by accomplishing activities and objectives.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance, resources are pooled, and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The Town of Hilton Head Island Finance Department staff is responsible for monitoring all CDBG funded activities to ensure compliance with program regulations. Each program and/or project funded with CDBG monies is reviewed to ensure it meets national CDBG objectives and complies with CDBG eligibility. Each CDBG funded activity shall enter into a contractual obligation with the Town to ensure contracted services and scope of work activities are carried out as agreed-to, and to ensure compliance with federal regulations.

The Town of Hilton Head Island utilizes a number of methods for project implementation, including but not limited to contracting with non-profit organizations for program services. The Town implements and monitors its own projects such as infrastructure or improvements to public facilities. Each project is analyzed for eligibility, performance, community impact and measurable outcomes benefiting the Town of Hilton Head Island.

The Town of Hilton Head Island monitoring of subrecipients is an ongoing annual process with continuous communication and evaluation. The process includes telephone and written communication, analysis of reports, and when necessary, in-person or virtual meetings no less than once per program year. Objectives of program monitoring include management systems and overall capacity of subrecipient to implement an effective program, verification of subrecipient compliance with federal regulations and the elimination of inefficient, ineffective and/or improper use of federal funds.

The following criteria is followed when conducting subrecipient monitoring (if applicable):

- * Notification letter and explanation of purpose of monitoring via in-person or virtual meeting
- * Review materials providing detailed information, program/project descriptions, and status
- * Review pertinent subrecipient files, including but not limited to applications, agreements, reports, payment requests, and copies of audits
- * Interview members of subrecipient staff to discuss performance via in-person or virtual meeting
- * Visit project sites
- * Conduct close-out meeting in-person or virtually present preliminary conclusions

The focus of program monitoring will be on key indicators such as completion of project designs or plans and specification, contracts and obligations of funds and expenditure of funds. Where activities have experienced delays, assessment of the reason for the delay will be made, the extent to which the reasons for the delay are beyond the control of the subrecipient or the extent to which the original schedule was unrealistic, if the cause is unique to the program/project, and what corrective action, if any the subrecipient is undertaking.

Accurate records of any monitoring site visit, or desk review, which may include but not be limited to a monitoring checklist, or summary report will be kept on file with the Town of Hilton Head Island.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The following table outlines the anticipated resources from the HUD Community Development Block Grant (CDBG) Program the Town of Hilton Head Island plans to have available during the 2025 – 2029 period covered by this Consolidated Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	210,564.00	0.00	0.00	210,564.00	1,027,340.00	The expected amount available in year one is the HUD provided 2025 allocation in the amount of \$210,564. The expected amount available for the remainder of Con Plan is \$204,194 multiplied by four, which equals \$816,776. This figure is the expected amount available for the remaining 3 - 5 years of the Consolidated Plan.

Table 53 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

It is anticipated the federal funding listed above will be received annually to support activities outlined in the Consolidated Plan. While the Community Development Block Grant program does not require leveraging, other Town of Hilton Head Island resources may be used in combination with these funds to complete projects or services listed in the Consolidated Plan.

Leveraging is a way to increase project efficiencies which often come with combining sources of funding. Funds may be considered leveraged if financial commitments to the cost of a project from a source other than the Community Development Block Grant funds are documented. Town staff may identify and explore additional leveraging opportunities, such as federal, state, local, and private resources.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The Town of Hilton Head Island owns property and/or facilities located within LMI Census tracts throughout the jurisdiction. Based on community needs identified in this 2025 - 2029 Five-year Consolidated Plan, and in future annual action plans that will be associated with this Consolidated Plan, the Town of Hilton Head Island may use publicly owned land or property to address needs identified through the community needs assessment process.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Facilities, Public Services, Housing, Econ Dev. -Yr. 1	2025	2026	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 108 Census Tract 110 Census Tract 111 Census Tract 113	Public Facilities and Improvements Economic Development Housing activities Administrative and Planning	CDBG: \$205,564.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted
2	Program Administration - Yr. 1	2025	2026	Program Administration	Census Tract 105	Administrative and Planning	CDBG: \$5,000.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12419 Persons Assisted

Table 54 – Goals Summary

Goal Descriptions

1	Goal Name	Facilities, Public Services, Housing, Econ Dev. -Yr. 1
	Goal Description	Funding is needed for public facilities and improvements in LMI neighborhoods.
2	Goal Name	Program Administration - Yr. 1
	Goal Description	

Projects

AP-35 Projects – 91.220(d)

Introduction

Town of Hilton Head Island activities funded by the 2025 CDBG program are designed to benefit LMI persons. Activities qualify for CDBG assistance when the activity meets one of the two national objectives listed below:

1. Benefit to LMI persons national objective which will benefit residents of a LMI residential or benefit a LMI clientele
2. Meet a need having a particular urgency (referred to as urgent need) national objective

Projects

#	Project Name
1	Taylor Family Park
2	Program Administration

Table 55 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The primary objective of Community Development Block Grant (CDBG) funds received by the Town of Hilton Head Island is to preserve and revitalize neighborhoods, enhance quality of life for residents and address priority community public services, community development, economic development, and redevelopment needs within applicable local, state, and federal statutes and regulations. For the 2025 program year, CDBG funds were allocated based on project readiness in a Census tract with low- and moderate-income households comprising 49.56% or more of the population. This park is located in the Historic Gullah Geechee Squire Pope Neighborhood.

The property contains approximately 1 acre of wetland area, and the upland portion of the park will serve as a passive use space with amenities for immediate neighborhood residents such as the Historic Squire Pope community as well as others along Wild Horse Road, Gumtree Road, and Squire Pope Road. In addition, the park will provide a unique destination location for visitors.

The presence of several large live oaks, young maritime woodland vegetation and a freshwater wetland on the site provides an opportunity for integration of nature and design.

AP-38 Project Summary
Project Summary Information

1	Project Name	Taylor Family Park
	Target Area	Census Tract 105
	Goals Supported	Facilities, Public Services, Housing, Econ Dev. -Yr. 1
	Needs Addressed	Public Facilities and Improvements Economic Development Administrative and Planning
	Funding	CDBG: \$205,564.00
	Description	This park is located in the historic Squire Pope neighborhood. It contains one acre of wetland area, and the upland portion of the park will serve as a passive use space with amenities for immediate neighborhood residents, such as the historic Squire Pope community as well as others along Wild Horse Road, Gumtree Road, and Squire Pope Road.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	According to the U.S. Census, the population of Census Tract 105 is 4,629 people.
	Location Description	This park is located in the historic Squire Pope neighborhood.

	Planned Activities	<p>The Master Plan for Taylor Family Park includes the following components:</p> <ul style="list-style-type: none"> • Integration of storyboards paying homage to the Taylor and McKnight families • Safe pedestrian connectivity with a crosswalk to the existing pathway network • Vehicular access that accommodates park users and emergency vehicles • Internal pathways with lighting and interpretation • Passive open lawn space • Interactive playground with STEAM (Science, Technology, Engineering, Arts & Math) features with a fishing theme paying homage to the McKnight Family's role in local fishing • Adult activity zone with outdoor fitness stations • Large, covered pavilion with restrooms, tables, grills, and seating areas • Smaller shade structures or pavilions within the landscape • Integration of existing natural features such as specimen trees and wetland areas • General history of the land and family • "Peace and Participate" features such as History Path, Cultural Garden, and inclusion of a 55-inch Pecan tree that served as a meeting place for Gullah Elders throughout the last century • Integration of new pecan tree plantings within the proposed landscape
2	Project Name	Program Administration
	Target Area	Census Tract 105
	Goals Supported	Facilities, Public Services, Housing, Econ Dev. -Yr. 1
	Needs Addressed	Public Facilities and Improvements Administrative and Planning
	Funding	CDBG: \$5,000.00
	Description	Program administration
	Target Date	6/30/2026

Estimate the number and type of families that will benefit from the proposed activities	It is anticipated that this activity will benefit public facilities and improvements for the entire population of the Town of Hilton Head Island, including low- and moderate-income person.
Location Description	The activity will benefit public services for the entire Town of Hilton Head Island.
Planned Activities	Town of Hilton Head Island staff drafting five year (2025 - 2029) consolidated plan and program administration costs.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The geographic area within the Town of Hilton Head Island where assistance will be directed is Census Tract 105. Community development activities may include infrastructure improvements, new or improved public facilities, economic development or public services in LMI neighborhoods.

Geographic Distribution

Target Area	Percentage of Funds
Census Tract 105	100
Census Tract 108	
Census Tract 110	
Census Tract 111	
Census Tract 113	

Table 56 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Community Development Block Grant (CDBG) funds will be used to address the needs of low- and moderate-income areas. These areas are determined using Census Tracts which have a low- and moderate-income population of 49.56% or higher. CDBG funds will be designated for use on a project located in the low- and moderate-income Census Tract 105 within the boundaries of the Town of Hilton Head Island.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The Housing Choice Voucher Program, commonly known as Section 8 housing, is subsidized by the Federal government and provides Federal assistance to families and individuals in the private rental market. The Beaufort Housing Authority program is tenant-based, therefore eligible families receive assistance based on income for housing units meeting general program requirements. There are currently 25 units within the Town of Hilton Head Island participating in the voucher program which are scattered throughout the Town. Tenants identify and choose their own units, and the landlord agrees to participate in the housing choice voucher program.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	25
Special-Needs	0
Total	25

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	25
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	25

Table 58 - One Year Goals for Affordable Housing by Support Type
Discussion

AP-60 Public Housing – 91.220(h)

Introduction

Actions planned during the next year to address the needs to public housing

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units and 25 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Beaufort Housing Authority provides resident councils at every public housing development they operate. There is also a Resident Advisory Board that is comprised of resident leaders from each development and Housing Choice Voucher (Section 8) representatives. The Housing Authority works with resident services at each of the public housing developments and through this collaboration promote programs and activities for residents. Some of the programs offered include: the Family Self-Sufficiency Program, which is a five-year homeownership education program, Sandalwood Terrace Resident Council, free budgeting classes, and community garden clubs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The Lowcountry Continuum of Care, based in Charleston, South Carolina, is the continuum of care working to address the needs of homeless in a seven-county region of the South Carolina lowcountry. Annual point-in-time counts are conducted in the Beaufort County area; however, due to no homeless shelters operating in the Town of Hilton Head Island, there is no homeless data for the Town. Anecdotal evidence indicates there is a homeless population within the jurisdiction, however, no definite statistics are available on the total homeless population in the Town of Hilton Head Island.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The most current point-in-time count data available is from 2024. As reported on the 2024 HUD Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Report, the number of homeless counted in Beaufort County was 476 persons. Of the 476 persons counted in 2024, 191 were living sheltered and 285 were living unsheltered. There were 80 Veterans and 139 chronically homeless. In addition, the demographics included 218 Black/African American, 28 Hispanic, 201 White, 4 Asian, and 6 American Indian/Alaska Native, or Indigenous.

It is important to note, since the Town of Hilton Head Island does not have any homeless shelters, the figures reflected in the point-in-time count data pertain to the homeless persons counted in Beaufort County, South Carolina, and are not specific to the Town of Hilton Head Island.

Addressing the emergency shelter and transitional housing needs of homeless persons

Currently there are no emergency and transitional housing shelters operating in the Town of Hilton Head Island. At this time, there is no future plan to own or operate emergency shelters or transitional housing in the Town of Hilton Head Island.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

There are no homeless shelters located within the jurisdiction of the Town of Hilton Head Island and no

homeless population count data available from the Lowcountry Continuum of Care, the regional continuum of care servicing the Town. There is a non-profit organization, Family Promise of Beaufort, located in neighboring Bluffton, South Carolina, which is a coalition of Beaufort County churches assisting homeless families. The program provides evening accommodations for program participants at host churches and daytime transportation to school for children and educational programs for parents.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Town of Hilton Head Island anticipates continued collaboration with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community's capacity to address societal needs. Through the Beaufort County Human Services Alliance resources are pooled, and community needs are addressed in the areas of economy, education, poverty, and health and environmental issues.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

A variety of barriers exist which make increasing affordable housing stock in the Town of Hilton Head Island difficult. The following list highlights some affordable housing issues; however, this list should not be considered exhaustive. Many other circumstances may occur which prevent the market from providing affordable housing.

- Land costs are a limiting factor in the construction of affordable housing units.
- Land supply is a finite resource as the Town approaches build-out.
- Construction costs continue to increase.
- Much of the housing and available land for housing located in the Town of Hilton Head Island is subject to floodplain insurance requirements in addition to other insurance requirements, such as wind and hail.
- Marketability and potential profit is a factor for developers because of the challenges faced with construction in a coastal area.
- The "NIMBY" syndrome, "Not in my Backyard", continues to be a sentiment.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In 2017, the Town Council Public Planning Committee began studying various aspects of affordable housing on Hilton Head Island. The committee met with local developers, business owners, employers, and service organizations to discuss providing affordable housing to the local workforce. In 2019 the Town's housing consultant presented a workforce housing strategic plan. In 2020 Town staff developed workforce housing amendments for the Town of Hilton Head Island Land Management Ordinance (LMO). The amendments created a policy which uses incentives to promote conversion of commercial space into workforce housing units. The commercial conversion LMO amendment was adopted by Town Council in November 2020. In February 2021, a second set of LMO amendments related to work force housing were adopted by Town Council allowing bonus density for work force housing units under certain conditions. More LMO amendments were approved by Town Council in 2023 addressing code deficiencies. A complete overhaul of the LMO is the last of the five phases of the LMO Amendments Plan to be completed within the five years covered by the 2025 - 2029 Consolidated Plan.

In 2022 the Town of Hilton Head Island approved a resolution establishing the Beaufort-Jasper Regional Housing Trust Fund (RHTF). This regional organization was created to address the need for affordable housing in Beaufort and Jasper Counties. Goals of the RHTF are to: create new housing units, or rehabilitate or preserve existing housing units for households at or below 120 percent of Area Median Income with a strong focus on households at or below 60 percent of Area Median Income; provide

workforce housing for the growing Beaufort-Jasper economy; help households maintain financial stability and build wealth by reducing the amount of money spent on housing and transportation; strengthen relationships, build trust and engage partners and stakeholders, ensuring an organized and collaborative approach to regional housing challenges; increase awareness of existing and new financial products that serve the Beaufort-Jasper community; and leverage outside funding from banks, corporations, philanthropic institutions, and federal, state, and local governments.

In November 2022 the Town Council of the Town of Hilton Head Island adopted a Workforce Housing Framework, which commits the Town to work with the community to plan, manage, and fund home initiatives. The resolution approving the Framework authorizes the Town manager to take necessary steps to develop, implement and carry out strategies identified in the Workforce Housing Framework. The resolution also directs the Town manager to make an annual allocation of \$1 million for workforce housing beginning in the current fiscal year.

The Workforce Housing Framework consists of four pillars, each with specific goals, strategies, and critical first steps necessary to accomplish the mission of the Framework. The four pillars include:

- Community: engage, collaborate, and inform the community on housing challenges and identify community-led housing program solutions;
- Planning: create a social, political, and economic environment to stimulate workforce housing through planning, policymaking, and programming;
- Management: establish a management program and policies to advance workforce housing opportunities, including the addition of dedicated Town staff for planning, coordination and exploring the creation of a professionally managed housing organization;
- Revenue: provide a consistent, sustainable, and multi-sourced revenue model for funding workforce housing initiatives and partnerships, including a Town commitment to a funding plan that meets the needs of a multi-year workforce housing action plan.

AP-85 Other Actions – 91.220(k)

Introduction:

The Town of Hilton Head Island anticipates taking the following actions throughout the program year 2025 to address the challenges listed below.

Actions planned to address obstacles to meeting underserved needs

As part of the 2025 program year, the Town of Hilton Head Island will determine where underserved populations are located through analysis of Census data and community input. To reduce the number of obstacles in meeting the needs of the underserved populations Town staff may assist with facilitating collaborations with area service organizations which spearhead community-wide solutions to local needs.

Actions planned to foster and maintain affordable housing

In 2022 the Town of Hilton Head Island approved a resolution establishing the Beaufort-Jasper Regional Housing Trust Fund (RHTF). This regional organization was created to address the need for affordable housing in Beaufort and Jasper Counties. Goals of the RHTF are to: create new housing units, or rehabilitate or preserve existing housing units for households at or below 120 percent of Area Median Income with a strong focus on households at or below 60 percent of Area Median Income; provide workforce housing for the growing Beaufort-Jasper economy; help households maintain financial stability and build wealth by reducing the amount of money spent on housing and transportation; strengthen relationships, build trust and engage partners and stakeholders, ensuring an organized and collaborative approach to regional housing challenges; increase awareness of existing and new financial products that serve the Beaufort-Jasper community; and leverage outside funding from banks, corporations, philanthropic institutions, and federal, state, and local governments.

In November 2022 the Town Council of the Town of Hilton Head Island adopted a Workforce Housing Framework, which commits the Town to work with the community to plan, manage, and fund home initiatives. The resolution approving the Framework authorizes the Town manager to take necessary steps to develop, implement and carry out strategies identified in the Workforce Housing Framework. The resolution also directs the Town manager to make an annual allocation of \$1 million for workforce housing beginning in the current fiscal year.

The Workforce Housing Framework consists of four pillars, each with specific goals, strategies, and critical first steps necessary to accomplish the mission of the Framework. The four pillars include:

- **Community:** the goal is to engage, collaborate, and inform the community on housing challenges and to identify community-led housing program solutions. Strategies include developing partnerships and relationships with community organizations and establishing a

housing action committee.

- Planning: the goal is to create a social, political, and economic environment that stimulates workforce housing through planning, policymaking, and programming.
- Management: the goal is to establish a management program and policies to advance workforce housing opportunities. This includes adding dedicated Town staff for planning and coordination and exploring the creation of a professionally managed housing organization.
- Revenue: the goal is to provide a consistent, sustainable, and multi-sourced revenue model for funding workforce housing initiatives and partnerships. Through this goal the Town commits to a funding plan that meets the needs of a multi-year workforce housing action plan.

In 2023, Town of Hilton Head Island purchased 7.19 acres of property at 30 Bryant Road for \$3.4 million. This acquisition expands the Town's land portfolio and provides more opportunities for future public-private partnerships or similar ventures for workforce housing.

The Town of Hilton Head Island is moving forward with plans for a sustainable workforce housing neighborhood on Town-owned property, the Northpoint property. The project includes the Town contributing land through a long-term ground lease to a private partner and providing \$1 million in eligible project costs, supported by the American Rescue Plan Fund. The Town is responsible for zoning entitlements, long-term programming support, and recording affordability covenants on the property to ensure Northpoint will be preserved for workforce housing in perpetuity. The first units are anticipated to be available for rent in early 2027.

Actions planned to reduce lead-based paint hazards

Specific data for lead-based paint hazards in the Town of Hilton Head Island is unavailable. The number of units built before 1980 may be used to represent a baseline for the number of units which may pose a lead-based paint threat. At this time action to address lead-based paint hazards have not been identified.

Actions planned to reduce the number of poverty-level families

The Beaufort Housing Authority operates a Family Self Sufficiency Program which promotes independence for its residents. Participants in the program work toward setting and obtaining future life and career goals by accomplishing activities and objectives. The Beaufort Housing Authority also operates a homeownership program, which assists residents in their programs pay a mortgage rather than a rental payment.

The Town of Hilton Head Island anticipates continued collaboration with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community's capacity to address societal needs. Through the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in

the areas of economy, education, poverty, and health and environmental issues.

Actions planned to develop institutional structure

The Town of Hilton Head Island has participated in the HUD CDBG Entitlement Program since 2015 and continues to monitor and evaluate the performance of the program while ensuring regulatory compliance. The Town recognizes that the evaluation of past performance is critical to ensuring CDBG funded activities are implemented in an effective manner and align with established strategies and goals.

During the nine years of program participation, the Town met required program deadlines. Notifications of acceptable levels of program accomplishment were received from the HUD Columbia, South Carolina field office during such time.

In April 2021 a fiscal year 2021 remote monitoring session was conducted by the Columbia, South Carolina field office Community Planning and Development representative. No findings were reported during this monitoring; however, two concerns were cited. The first concern identified the need for a local written policies and procedures manual for administration of the CDBG award. Town staff completed this manual and submitted it to HUD in June 2022. The second concern identified the need for an oversight process for subrecipients of 2020 CDBG and CDBG-CV funds. Town staff immediately conducted seven monitoring reviews of randomly selected subrecipients of 2020 CDBG and CDBG-CV funds. All subrecipient monitoring reviews resulted in no findings or concerns. In 2019 a “No Findings or Concerns” report was issued by the Regional Environmental Officer during an onsite Environmental Review Procedures monitoring visit.

In May 2022 the Town received a warning notice related to noncompliance with timely expenditure requirements from HUD. An untimely expenditure notice is given when a grantee has more than 1.5 times its most recent entitlement grant. In 2022 the Town had 1.84 times its most recent entitlement grant. Due to the COVID-19 pandemic in 2020, HUD allowed for flexibilities related to the timely expenditure of CDBG funds and a warning letter was issued to the Town. In 2023 the timeliness flexibilities will no longer be in place and the standard corrective action policies will be reinstated.

In May 2023, the Town received a second-year noncompliance with timely expenditure requirement notice. In June 2023, the Town had 3.96 times its most recent entitlement grant and submitted the required timeliness workout plan to HUD. The Town was in timeliness compliance by the next compliance test, which was in May 2025.

The Town intends to continue to report its progress in meeting the five-year goals in the Consolidated Annual Performance Evaluation Report (CAPER). The CAPER will be submitted in compliance with program deadlines.

Strategies for overcoming gaps in capacity issues in the service delivery system may require more

findings or changes in public policy. The Town of Hilton Head Island will continue to coordinate efforts and partnerships with state and local government entities such as Beaufort County, the Lowcountry Council of Governments, and various State of South Carolina offices when necessary to carry out the priority needs listed in this Annual Action Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

The Town of Hilton Head Island anticipates continued collaboration with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community's capacity to address societal needs. Through the Beaufort County Human Services Alliance, resources are pooled, and community needs are addressed in the areas of economy, education, poverty, and health and environmental issues.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that it will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgently need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.	

Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 98.00%

APPENDIX

Appendix - Alternate/Local Data Sources

1	Data Source Name Hilton Head Public Housing Data
	List the name of the organization or individual who originated the data set. Town of Hilton Head Island
	Provide a brief summary of the data set. The Beaufort Housing Authority services all of Beaufort County, South Carolina including the Town of Hilton Head Island. Because default figures represented all of Beaufort County after consultation with the Beaufort Housing Authority executive director, the tables in section NA-35 Public Housing were revised to reflect figures representing only the Town of Hilton Head Island.
	What was the purpose for developing this data set? The Beaufort Housing Authority services all of Beaufort County, South Carolina including the Town of Hilton Head Island. Because default figures represented all of Beaufort County after consultation with the Beaufort Housing Authority executive director, the tables in section NA-35 Public Housing were revised to reflect figures representing only the Town of Hilton Head Island.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The figures in attached tables reflect figures only pertaining to the Town of Hilton Head Island and not all of Beaufort County.
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? The figures provided in the attached tables are from 2014.
	What is the status of the data set (complete, in progress, or planned)? The data set is complete
	2
Data Source Name 2009 - 2013 American Community Survey	
List the name of the organization or individual who originated the data set. US Census Bureau	
Provide a brief summary of the data set. 2009 - 2013 American Community Survey	
What was the purpose for developing this data set? Provide information related to vacant housing units to reflect condition of housing market.	

	<p>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</p> <p>Data is for total population of Hilton Head Island.</p>
	<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>2009 - 2013</p>
	<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>Data set is complete.</p>
3	<p>Data Source Name</p> <p>HUD FMR and HOME Rents</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>U.S. Department of Housing and Urban Development</p>
	<p>Provide a brief summary of the data set.</p> <p>HUD Fair Market Rents and HOME Rents data.</p>
	<p>What was the purpose for developing this data set?</p> <p>Illustration of monthly fair market rental costs.</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>April, 2016</p>
	<p>Briefly describe the methodology for data collection.</p> <p>HUD calculation was released for the 2016 HOME program.</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Beaufort, County, South Carolina.</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>Calculation provided by HUD based on population of Beaufort, County, South Carolina.</p>