



Town of Hilton Head Island
COMMUNITY DEVELOPMENT AND PUBLIC
SERVICES COMMITTEE MEETING
Monday, December 15, 2025, 10:00 AM
Minutes

Call to Order

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

Committee Members present: Tammy Becker, Chair, Ward 4; Steve Alfred, Ward 5

Committee Members absent: Steve DeSimone, Ward 3

Others Present: Kim Gammon, Town Clerk; Curtis Coltrane, Town Attorney (via Microsoft Teams)

Adoption of the Agenda

Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 2-0.

Approval of the Minutes

Special Meeting Minutes of October 7, 2025

Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 2-0.

Regular Meeting Minutes of November 17, 2025

Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 2-0.

Special Meeting Minutes of November 19, 2025

Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 2-0.

Public Comment - Non Agenda Items

None.

Unfinished Business

Discussion Regarding the Holiday Homes Neighborhood Character Overlay District
Amendment Request - Shawn Leininger, Deputy Town Manager

Shawn Leininger provided the following information to the Committee.

Properties within the Holiday Homes neighborhood are zoned Residential Single-Family-6 Zoning District with the Holiday Homes Neighborhood Character Overlay District. The purpose of the overlay is to provide additional zoning regulations that support the desired character of the neighborhood. These additional regulations are related to setbacks, buffers, impervious coverage, floor area ratio, parking, and minimum lot size.

In March and April of this year, three building permits were submitted and approved for the construction of new single-family homes on Oleander Street in the Holiday Homes neighborhood. Each home complies with the standards of the Residential Single-Family-6 Zoning District and the Holiday Homes Neighborhood Character Overlay District.

Multiple residents of the neighborhood have expressed concerns with the effectiveness of the overlay to provide development outcomes that reflect the character of the neighborhood. As a result, neighborhood residents requested the Town amend the Holiday Homes Neighborhood Character Overlay District.

Holiday Homes neighborhood residents have requested proposed zoning amendments that more closely align with existing protective covenants that were shared with the Town on June 12, 2025. Among other items, these protective covenants, adopted in 1957, require homes to be single-family detached homes, not more than 2-1/2 stories in height, and garages shall not be for more than two cars. However, these covenants do not establish a property owners association for enforcement. As a result, enforcement is left to each individual property owner.

As requested, these amendments attempt to provide new and more restrictive land management regulations to better control the mass and scale of homes in accordance with the protective covenants. It is important to note that reductions in requirements, such as those proposed by this request, can result in existing homes not being compliant and becoming non-conforming to the regulations.

Town staff have preliminarily identified the following impacts that may result from the proposed amendment.

1. Side Setback. No lots have less than 50 feet of street frontage or less than 0.15 acres of area. As a result, there would be no impact from the removal of this exception.
2. Driveway Buffer Width. Town staff have attempted to measure driveway buffer widths using aerial images. While this effort is significantly limited by tree canopy coverage limits, there is at least one driveway that will become non-conforming by the reduction in driveway buffer width.
3. Impervious Coverage. Based on available GIS data, there are approximately 14 properties that do not comply with the current 50% maximum impervious coverage amount. Reducing maximum impervious coverage to 45%, increases nonconforming properties to 21.
4. Floor Area Ratio. Currently all homes meet the floor area ratio. The proposed amendment would eliminate the exclusion of enclosed areas located below the base flood elevation used for parking or storage from the gross floor area calculation. If applicable, this change would increase the floor area ratio potentially making the home non-compliant. Given the age of the

neighborhood, permit and elevation data are not available for many homes. However, based on GIS data, nearly all homes within the neighborhood appear to be below the base flood elevation, 13 feet mean sea level. This amendment could result in some homes becoming non-compliant with the floor area ratio.

5. Maximum Gross Floor Area. Currently all homes meet the maximum gross floor area ratio. According to County Assessor and building permit gross floor area data, the reduction of the maximum area from 4,000 to 3,200 would result in at least one home becoming non-compliant. The removal of the exclusion for enclosed areas located below the base flood elevation used for parking or storage would result in approximately 7 homes becoming non-compliant. Further, those homes with areas near the 3,200 square feet threshold would be limited in their ability to expand in the future.

6. Garage Parking. Although this is a private covenant restriction, this would be a new zoning requirement. Establishing a maximum number of 2 garage spaces would result in at least 3 homes becoming non-compliant.

7. Maximum Building Height. Based on available data, all homes appear to meet the maximum height requirement of 35 feet. However, it appears at least 6 homes will become non-compliant if the maximum building height were reduced to 30 feet.

8. Maximum Number of Stories. Although this is a private covenant restriction, this would be a new zoning requirement. Establishing a maximum number of 2-1/2 stories would result in 6 homes becoming non-compliant.

Any amendment to the Holiday Homes Neighborhood Character Overlay will apply to all lots in the neighborhood. The residents that have been in contact with Town Staff are coordinating with other property owners in the neighborhood. While these residents work to communicate these changes to all 57 property owners, they have collected signatures of support for the currently proposed amendments that include a majority (currently 31) of the property owners.

Chair Becker asked for public comment.

Edwin Ernst addressed the Committee stating his support of the amendment request and the need to protect the neighborhood from overdevelopment.

Matt Lewis addressed the Committee expressing appreciation for review of the amendment request and spoke in favor of the changes.

Kim Lewis addressed the Committee expressing concern over larger homes becoming businesses within the small neighborhoods. She stated concern for affordable housing on the Island.

Julie Lawson addressed the Committee stating that the Holiday Homes Neighborhood needs protection. She stated she is not against development or short-term rentals. She stated the need for control in neighborhoods such as Holiday Homes.

Rick Lawson addressed the Committee and read the email he sent to the Committee as well as other Town members stating his support of the amendment request and the reasons why. He expressed his appreciation to Town Staff for their help through the process.

John Croft addressed the Committee asking them to take into consideration what the origin plans were for Hilton Head Island and how they laid out the Island and the neighborhoods they wanted protected. He stated he feels people have lost sight of that over the years.

Janet Murphy addressed the Committee expressing her support for the statements made by others and the amendment request.

Heather Rath addressed the Committee stating her concerns regarding the data between mortgages, rebuild and the possibility of a natural incident happening and being able to rebuild at the level that the mortgage process would allow.

Peter Kristian addressed the Committee stating he encourages the Town to enforce protection of the Holiday Homes Neighborhood and folks in other neighborhoods that do not have protective covenants.

Following comments, questions and discussion by the Committee, Mr. Alfred moved to direct Mr. Leininger and staff to move this project forward to the Planning Commission for their consideration. Ms. Becker seconded. Motion carried 2-0.

New Business

Consideration of an Ordinance of the Town of Hilton Head Island to Amend Title 16 of the Municipal Code, the Land Management Ordinance, to Amend Sections 16-3-105.H, 16-4-102.A.6, 16-4-105, and 16-4-102.B.1 to allow residential Workforce Housing within the Medical (MED) Zoning District - Zac Gordon, Planning Director

Mr. Gordon provided the following information to the Committee.

A partnership between Abode Development, Novant Health, and the Coastal Community Development Corporation (CCDC) is proposing to construct workforce housing on previously developed land adjacent to Hilton Head Medical Center. The housing would serve healthcare staff, first responders, and other essential workers on Hilton Head Island.

The site consists of three parcels totaling 12.6 acres along Bethea Drive, owned by Hilton Head Medical Center LLC. The property includes approximately 24,000 square feet of vacant office space, which previously housed outpatient rehabilitation services.

The properties are zoned MED District. The 12.6-acre site is also located within a Planned Development Overlay District (PD-2) as part of the Palmetto Headlands and Hilton Head Hospital Master Plan. While the MED District allows 2 workforce housing through the conversion of existing commercial buildings, it does not allow such houses in the absence of a

commercial conversion. In addition, the PD-2 Master Plan does not currently permit residential use on these parcels. Therefore, to allow the construction of new workforce housing, the text of the MED District and the PD-2 Master Plan must be amended.

On July 16, 2025, Abode Development requested that the Planning Commission consider amending the text of the MED District to allow for the redevelopment of the site with workforce housing at a proposed density of 10 units per acre. Pursuant to LMO Section 16-2-103.B.2.a., the Planning Commission voted unanimously to initiate the text amendment process.

Abode Development is also proposing a corresponding PD-2 Master Plan Amendment. As noted above, the three subject parcels are located within the area of the Palmetto Headlands and Hilton Head Hospital Master Plan, and do not currently permit residential uses. As a result, Abode Development has also submitted a concurrent Zoning Map Amendment to permit workforce housing on two of the parcels, which are developed and approved for medical-related uses. The third parcel is designated as a wetland and will remain a wetland.

This amendment and the associated rezoning were first presented to the Planning Commission on August 20, 2025. The applicant requested to postpone the public hearing and rezoning to allow for additional updates to the application materials. On November 19, 2025, after reviewing the updated application, the Planning Commission voted unanimously to recommend approval of the text amendment to the Town Council.

The proposed text amendment would allow the construction of new workforce housing in the MED District that is not limited to the conversion of existing commercial buildings, establish a maximum density of 10 units per acre, restrict such development to specific properties identified in a PD-2 Master Plan adopted by Town Council, and require that at least 30% of the units comply with the Town's Workforce Housing Program, including income eligibility, employment on Hilton Head Island, long-term affordability, and the prohibition of short-term rentals.

Mr. Alfred moved to forward the proposal to Town Council with a recommendation for adoption, including the condition suggested by the Planning Commission. Ms. Becker seconded.

Chair Becker asked for public comment.

Peter Kristian addressed the Committee stating his support for the project and spoke in favor of the ordinance change to allow the developer to move forward with private capital to build this project.

Following discussion, comments and questions from the Committee and staff, the motion carried 2-0.

Consideration of an Ordinance of the Town of Hilton Head Island to Amend the Official Zoning Map with Respect to the Real Property located at Bethea Drive to Amend the Palmetto Headlands/H. H. Hospital Master Plan within the Planned Development Overlay District (PD-2)

to Change the Allowed use of Parcels R510 008 000 337A 0000, R510 008 000 0337 0000 and R510 008 000 0452 0000 from Commercial Use to Commercial or Residential Use; and to Provide for Severability and an Effective Date - Zac Gordon, Planning Director

Mr. Gordon provided the following information regarding the item.

A partnership between Abode Development, Novant Health, and the Coastal Community Development Corporation (CCDC) is proposing to construct workforce housing on previously developed land adjacent to Hilton Head Medical Center. The housing would serve healthcare staff, first responders, and other essential workers on Hilton Head Island.

The site consists of three parcels totaling 12.6 acres along Bethea Drive, owned by Hilton Head Medical Center LLC. The property includes approximately 24,000 square feet of vacant office space, which previously housed outpatient rehabilitation services.

The properties are zoned Medical (MED) District. The 12.66-acre site is also located within a Planned Development Overlay District (PD-2) as part of the Palmetto Headlands and Hilton Head Hospital Master Plan. While the MED District allows workforce housing through the conversion of existing commercial buildings, the PD-2 Master Plan does not currently permit residential use on these parcels. Therefore, to allow the construction of new workforce housing, the text of the MED District and the PD-2 Master Plan must be amended.

Abode Development is proposing a PD-2 Master Plan Amendment. The subject parcels are located within the Palmetto Headlands and Hilton Head Hospital Master Plan, and identified as G-1, G-2, and E, which do not currently permit residential uses. G-1 and G-2 are approved for medical-related uses, while E is designated as a wetland and will remain a wetland.

Abode Development is also proposing a corresponding Text Amendment, and on July 16, 2025, Abode Development requested that the Planning Commission consider amending the text of the MED District to allow for the redevelopment of the site with workforce housing at a proposed density of 10 units per acre. Pursuant to LMO Section 16-2- 103.B.2.a., the Planning Commission voted unanimously to initiate the text amendment process.

This Zoning Map Amendment and the associated Text Amendment were first presented to the Planning Commission on August 20, 2025. The applicant requested to postpone the rezoning to allow for additional updates to the application materials, and on November 19, 2025, after reviewing the updated application, the Planning Commission voted 7-2 to recommend approval of the Zoning Map Amendment to Town Council.

Mr. Alfred moved that this Committee forward this ordinance to Town Council with the recommendation for approval. Ms. Becker seconded.

Chair Becker asked for public comment. There was none.

Motion carried 2-0.

Adjournment

Chair Becker adjourned the meeting at 11:01 a.m.

The full recording and a transcript of this meeting can be found on the Town's website at www.hiltonheadislandsc.gov