



Town of Hilton Head Island

Town Council Meeting

Tuesday, March 10, 2026, 3:00 PM

**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. Pledge to the Flag**
- 3. Invocation – Rev. Bill Ward, Providence Presbyterian Church**
- 4. Adoption of the Agenda**
- 5. Approval of the Minutes**
 - a. Regular Meeting Minutes of February 10, 2026
 - b. Workshop Meeting Minutes of February 24, 2026
- 6. Presentations and Recognitions**
 - a. Report of the Town Manager
 - b. Disabilities Awareness Month Proclamation - Mayor Alan Perry
 - c. Beaufort County School District Character Education Student of the Month - Mayor Alan Perry
- 7. Reports from Members of Town Council**
 - a. General Reports from Town Council
 - b. Report of the Lowcountry Area Transportation Study - Councilmember Tamara Becker
 - c. Report of the Lowcountry Council of Governments - Councilmember Steve Alfred
 - d. Report of the Beaufort County Airports Board - Councilmember Melinda Tunner

- e. Report of the Southern Lowcountry Regional Board - Councilmember Patsy Brison
- f. Report of the Island Recreation Association Board - Mayor Pro Tempore Alex Brown
- g. Report of the Beaufort County Economic Development Corporation - Mayor Alan Perry
- h. Report of the Gullah Geechee Historic Neighborhoods Community Development Corporation - Mayor ProTempore Alex Brown
- i. Report of the Community Development and Public Services Committee - Councilmember Tamara Becker
- j. Report of the Finance and Administrative Committee - Mayor Pro Tempore Alex Brown

8. Consent Agenda

- a. Consideration to Amend an Ordinance of the Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 to Modify the Practice Location Requirement for the Town Attorney - Second Reading - Lisa Stauffer, Human Resources Director

9. New Business

- a. Consideration of an Ordinance of the Town of Hilton Head Town Council to Amend the Budget for the Fiscal Year Ending June 30, 2026; to Provide for the Budgeted Appropriations of the Prior Year Budget Roll Forward and Certain Other Appropriations and Commitments and the Expenditures of Certain Funds; to Allocate the Sources of Revenue for the Said Funds; and to Provide for Severability and an Effective Date - First Reading - Dave Byrd, Finance Director
- b. Consideration of a Resolution of the Town of Hilton Head Island Town Council Approving and Submitting a Proposed Project List for Consideration in Connection with the Beaufort County Transportation Sales Tax - Shawn Gillen, Assistant Town Manager

10. Public Comment - Non Agenda Items

11. Executive Session

- a. Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][2]) related to:
 - 1. Jonesville Road Area
 - 2. William Hilton Parkway - Regency Parkway Area
 - 3. William Hilton Parkway - Chaplin Park Area
 - 4. Squire Pope Road Area

- b. Discussion of Negotiations Incident to Proposed Contractual Arrangements [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70(a)(2)] related to:
 - 1. Circle Center Outparcel Covenants, Parking & Access Easement, and Sign Easements
- c. Discussion of Legal Updates from the Town Attorney on Matters Covered Under the Attorney - Client Privilege [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]
- d. Discussion of Personnel Matters (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][1])

12. Action from Executive Session

13. 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
TOWN COUNCIL MEETING
Tuesday, February 10, 2026, 3:00 PM
Minutes

Call to Order

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

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

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

Invocation – Rev. C. R. Kessler, North Island Baptist Church

Reverend C. R. Kessler of North Island Baptist Church delivered the invocation.

Adoption of the Agenda

Mr. Alfred moved to approve. Mr. Brown seconded. Ms. Brison requested to amend the agenda and remove Items 8.a and 8.b from the Consent Agenda to allow for public comment. With no objections, the amended agenda was approved 7-0.

Approval of the Minutes

Regular Meeting Minutes of December 9, 2025

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

Special Meeting Minutes of December 18, 2025

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

Regular Meeting Minutes of January 13, 2026

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

Presentations and Recognitions

Report of the Town Manager

Mr. Orlando provided an update and reviewed next steps regarding the Land Management Ordinance (LMO) Task Force noting they expect to have a thorough assessment of the

remaining LMO amendments that will complete the updated code. He thanked Town Council for a great Strategic Planning Workshop and stated there is a Strategic Plan Dashboard on the new Town website. Mr. Orlando also provided updates on Northpoint, Mitchelville Freedom Park, Gullah Celebration events, Capital Projects, Beach Renourishment and Islanders Beach Park. He concluded by expressing appreciation to staff regarding hosting the South Carolina Beach Advocates Annual Meeting, providing assistance with the Warming Shelter at Christ Lutheran Church, and the recent Art Installation at Town Hall.

Beaufort County School District Character Education Student of the Month - Mayor Alan Perry

Mayor Perry stated the Beaufort County School District Character Education Student of the Month is Greysi Martinez from Creative Arts Elementary School and the character trait was compassion. Mayor Perry said Greysi and her parents could not be present today, but they came to Town Hall yesterday and she received her certificate and medallion. He expressed congratulations to Greysi.

South Carolina Arts Advocacy Week Proclamation - Mayor Alan Perry

Cynthia Cullen, Board President, Island School Council for the Arts, and Natalie Harvey, Director of Cultural Affairs for the Town of Hilton Head Island were present to accept the proclamation on behalf of the Arts Council of Hilton Head Island. Ms. Cullen made brief comments on behalf of the Arts Council stating appreciation for the proclamation and acknowledging the crucial impact that the arts and cultural sector have on our local economy. She encouraged all to continue to champion local arts and cultural institutions while also nurturing the talents of our youth.

Reports from Members of Town Council

General Reports from Town Council

Ms. Brison reported on upcoming Gullah Heritage events for the month of February.

Ms. Becker reminded all of her Town Hall meeting to be held 5:00 p.m. on February 11 at the Hilton Head Island Library.

Mayor Perry invited Curtis Coltrane forward to address Council and the public. Mr. Coltrane stated he would be retiring as Town Attorney at the end of the year. Mayor Perry stated the Town has published an RFP to fill the position and the deadline is February 17.

Report of the Lowcountry Area Transportation Study - Councilmember Tamara Becker

No report.

Report of the Lowcountry Council of Governments - Councilmember Steve Alfred

No report.

Report of the Beaufort County Airports Board - Councilmember Melinda Tunner

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Ms. Tunner stated that construction continues and the projected opening of the new terminal is set for May. She provided an update on the runway and parking. She stated that the FAA has provided feedback regarding the airport layout designs and a few adjustments will be made prior to the next stakeholder meeting.

Report of the Southern Lowcountry Regional Board - Councilmember Patsy Brison

Ms. Brison provided an update on the meeting held on January 27.

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

Mr. Brown provided an update on upcoming events, registration deadlines and future clinics.

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

No report.

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

No report.

Report of the Community Development and Public Services Committee - Councilmember Tamara Becker

Ms. Becker reported the Committee met on February 9 and voted to move forward to Town Council for consideration of approval a resolution approving rental locations proposed by Shore Beach Services for the 2026 Beach Season.

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

Mr. Brown stated that the Committee met on February 9 and voted in favor of moving forward to Town Council for consideration of approval of the funding request from Lowcountry Regional Transit Authority and the Fee Schedule Amendment regarding the Short-Term Rental Fee.

Unfinished 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 - Second Reading - Zac Gordon, Planning Director

Zac Gordon provided the following background and summary.

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 12.66 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 subject properties are zoned 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, it does not allow such housing 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 also 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 to the Palmetto Headlands and Hilton Head Hospital Master Plan. As noted above, the three subject parcels are located within the area of the Palmetto Headlands and Hilton Head Hospital Master Plan, which does not currently permit residential uses. Because of this prohibition, 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. A decision on the proposed text amendment was postponed 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.

On December 15, 2025, the Community Development and Public Services Committee voted 3-0 to recommend approval to Town Council.

On January 13, 2026, Town Council unanimously approved First Reading of the proposed amendment.

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, the prohibition of short-term rentals and long-term affordability.

Mr. Brown moved to approve. Mr. Alfred seconded.

Mayor Perry asked for public comment. There was none.

Following inquiries from Council regarding the process and timing, the motion carried 7-0.

Consideration of an Ordinance of the Town of Hilton Head Town Council Island to Amend the Official Zoning Map with Respect to the Real Property located at Bethea Drive to Amend the Palmetto Headlands/Hilton Head 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 - Second Reading - Zac Gordon, Planning Director

Zac Gordon provided the following background and summary 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 (3) parcels totaling 12.66 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 12.66-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 are 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 postponing 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.

Subsequently, this Zoning Map Amendment and the associated Text Amendment were reviewed by the Community Development and Public Services Committee on December 15, 2025, and the committee voted unanimously to recommend approval of the Zoning Map Amendment to Town Council.

Zoning Map Amendment Review Standards LMO Section 16-2-103.C.3, Zoning Map Amendment Review, outlines the criteria for review:

- i. Is in accordance with the Comprehensive Plan;
- ii. Would allow a range of uses that are compatible with the uses allowed on other property in the immediate vicinity;
- iii. Is appropriate for the land;
- iv. Addresses a demonstrated community need;
- v. Is consistent with the overall zoning program as expressed in future plans for the Town;
- vi. Would avoid creating an inappropriately isolated zoning district unrelated to adjacent and surrounding zoning districts;
- vii. Would allow the subject property to be put to a reasonably viable economic use;
- viii. Would result in development that can be served by available, adequate, and suitable public facilities (e.g., streets, potable water, sewerage, stormwater management); and
- ix. Is appropriate due to any changed or changing conditions in the affected area.

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

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

New Business

Consideration of a Resolution of the Town of Hilton Head Island Town Council Approving a Sponsorship Agreement with the Heritage Classic Foundation to Support the 2026 RBC Heritage Golf Tournament - Ben Brown, Strategic Initiatives Director

Ben Brown provided the following background and summary regarding the item.

The Town has historically served as a sponsor of the RBC Heritage Golf Tournament.

The proposed 2026 Sponsorship Agreement requests that the Town maintain its financial sponsorship at \$400,000, consistent with the Town's contribution in 2025. In exchange, the

Town will continue to receive recognition as a sponsor across a variety of the tournament's promotional materials.

The 2025 RBC Heritage Golf Tournament attracted an estimated 120,000 attendees to Hilton Head Island during tournament week. The event is estimated to generate approximately \$135 million in annual economic impact for the State of South Carolina.

The Finance & Administrative Committee recommended approval of the enclosed Resolution and the 2026 RBC Heritage Sponsorship Agreement on January 12, 2026, by a vote of 3–0.

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

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

Consideration to Amend an Ordinance of the Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 to Modify the Practice Location Requirement for the Town Attorney - First Reading - Angie Stone, Assistant Town Manager

Angie Stone provided the following background and summary regarding the item.

Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 currently requires that the Town Attorney have a practice established in the town. That requirement significantly limits the number of attorneys eligible to serve in this capacity.

The proposed revision broadens the field to include attorneys with a practice established within Beaufort County. The change continues to focus on attorneys familiar with the complexities and nuances of our area while removing the overly restrictive requirement that their practice be located on the Island.

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

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

Public Comment - Non Agenda Items

Maxcy Hicks addressed Council regarding the need for an updated skate park stating it would be an invest in youth health and community pride.

Gabriel Hicks addressed Council stating his support for an updated skate park.

Gage Malphrus addressed Council stating his support for an updated skate park.

Abbey Caporuscio addressed Council regarding the need to keep a skate park on the Island

and a safe space to skate.

Linda Harrington addressed Council regarding the new agreement with the Chamber of Commerce stating it's a valued step forward in the name of transparency.

Executive Session

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

1. Circle Center Outparcel Covenants, Parking & Access Easement, and Sign Easements
2. Hilton Head Island Public Tennis

At 3:55 p.m. Mr. Orlando stated the need to enter Executive Session for the reasons listed above.

Mr. Alfred moved to enter into Executive Session for the reasons cited by the Town Manager. Ms. Becker seconded. Motion carried 7-0.

Action from Executive Session

Council returned to the dais at 4:59 p.m. Ms. Brison moved to end the Executive Session and return to the regular meeting. Ms. Becker seconded. Motion carried 7-0.

Mayor Perry asked if there was any business as a result of Executive Session. The items addressed are listed below.

Consideration of a Resolution of the Town of Hilton Head Island, South Carolina, Authorizing the Execution and Delivery of an Agreement for the Termination of a Parking and Access Easement, the Amendment of a Declaration of Covenants and the Amendment to a Non-Disclosure Non-Competition Agreement and Authorizing the Completion of the Transaction Described in the Agreement

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

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

Consideration of an Ordinance of the Town of Hilton Head Island, South Carolina, Authorizing the Termination of a Parking and Access Easement in Favor of the Town and Providing for Severability and an Effective Date.

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

Mayor Perry asked for public comment. There was none.

Motion carried 7-0.

Adjournment

Ms. Brison moved to adjourn. Ms. Becker seconded. Motion carried 7-0.

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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



Town of Hilton Head Island

TOWN COUNCIL WORKSHOP MEETING

Tuesday, February 24, 2026, 3:00 PM

Minutes

Call to Order

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

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

Council Members absent: Steve DeSimone, Ward 3

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

Adoption of the Agenda

Mr. Alfred moved to approve. Ms. Becker seconded. Motion carried 6-0.

Workshop Discussion

Review and Discussion of the Five-Year Capital Improvement Plan and FY27 Capital Improvement Project Priorities

Mr. Orlando explained this workshop is an added step as discussion is being held regarding the FY27 Consolidated Budget. He acknowledged they are still pretty far out on budget preparations, noting delivery of the first reading will be held in early May and the second reading in early June along with workshops and public hearings. He stated this workshop is being held to gain feedback prior to the Planning Commission prioritization. He pointed out this is not an approval meeting but a conversation.

Mr. Orlando reviewed the goal of today's meeting noting input is needed from Town Council. He reviewed the agenda and a description of what a Capital Improvement Program Fund consists of. Mr. Orlando went on to describe the definition of the plan, capital projects and why the criteria matters. He reminded everyone that the program is in many buckets, including: beach; pathways; roadways; parks; facilities; equipment; fleet; stormwater and the land acquisition program.

The FY2026 CIP - Notable Projects (over \$250k) are listed below:

Projects	Estimated FY 26 Rollover \$
Beach	
Harbor Town Dredge	\$ 600,000
Pathways	
Jonesville Road Pathway	\$ 292,285
Roads	
Signal System Maintenance	\$ 600,000
Northpoint/USPS Access Improvements	\$ 2,800,000
Segment 8 - Sea Pines to Wexford (SCDOT)	\$ 317,595
Parks	
Patterson Park	\$ 3,100,000
Taylor Family Park	\$ 400,000
Facility & Equipment	
Fire Rescue HQ	\$ 622,292
Stormwater:	
Stormwater Maintenance & Improvements	\$ 650,000
Stormwater Maintenance Agreement	\$ 600,000
Program Jarvis Creek PS	\$ 300,000
Central Island PS	\$ 750,000
Total	\$ 11,032,172

Mr. Orlando invited Dave Byrd, Finance Director, to present a review of the funding sources. Mr. Byrd conducted an overview of the information below explaining it is an overview of where the Town is sitting at this time before any decisions are made on any capital spend going forward from a fund balance management perspective.

Funding Sources

- 2026 GO Bond

\$35 Million

- \$9 Million: Fire Rescue HQ

- \$1.75 Million : 9 Park Lane

- \$5.95 Million: 10 Park Lane

- \$1.3 Million: Relocation, Site Improvements, & Building Modification

\$26 Million Remaining

- \$10.25 Million FY27

- \$15.75 Million FY28

Funding Sources (after restrictions)

- FY 2027 Preliminary Ending Fund Balance: \$183,756,809 (excludes 2027 CIP)

- Stormwater: \$4,173,248

- Beach Preservation: \$29,024,419

Real Estate Transfer: \$23,756,805

GO Bond: Up to \$26,000,000

Discretionary: \$89,450,622

Other: \$11,351,715*

- FY 2025 Ending Fund Balance : \$161,135,865
- FY 2026 Projected Ending Fund Balance: \$155,491,518

Shawn Gillen and Mr. Orlando proceeded to review the Preliminary FY CIP Budget in detail by category including beach, pathways, roadways, parks, facilities and equipment, stormwater, fleet and land acquisition.

Council members held discussion, asked questions and made comments in detail regarding various projects that were included in the presentation. Each Council member addressed the need to rate prioritization regarding the projects.

Shawn Gillen addressed Council regarding the funding tool kit listed below. Mr. Gillen noted staff is not advocating for any of these, they are just saying this is what options are available.

Funding Toolkit

- Available Funds:

 - Fund Balance

 - Current General Obligation (GO) Bond

 - Grants

- Opportunities:

 - Beaufort County Transportation Sales Tax Referendum

 - Tax Increment Financing (TIF)

 - Grants

 - South Carolina Earmarks

 - Federal Earmarks

 - Stormwater Utility (SWU) Fee Bond

 - FY 2028 GO Debt/Milage

 - Public Private Partnerships (P3)

 - GO Debt

Mr. Gillen moved on to the Projects Recommended for Beaufort County Transportation Sales Tax Referendum.

- William Hilton Parkway – Gateway Corridor
- Squire Pope/WHP Intersection Improvements
- Spanish Wells/WHP Intersection Improvements
- Gumtree Road Improvements
- Main Street Road Improvements
- William Hilton Parkway - Chaplin Corridor
- Sea Pines Circle

He noted that staff had just received communication from the County regarding a need for

projects requests from Hilton Head Island. Mr. Orlando informed Council that the County will be holding a meeting in Hilton Head Island Council Chambers to discuss the project list submitted, so he needs a list and will incorporate the list into a resolution that will be presented to Town Council for consideration at their regularly scheduled meeting on March 10, in advance of the County meeting. Discussion was held as to how the funding would be handled and the need for Hilton Head Island to control the funds for their projects. It was also discussed that the resolution needs to clearly state that the Town is only presenting potential projects and are in no way endorsing or educating or informing residents about the proposed referendum. Discussion ensued on additional items to include in the resolution.

Mr. Orlando moved on to discussion regarding a proposed Tax Increment Financing District with a review of the following information.

TAX INCREMENT FINANCING (TIF) DISTRICT FORMATION - CRITICAL EVENTS

1. Preparation of Redevelopment Plan
2. Meeting to discuss TIF and other financings
3. Discuss strategy on how to approach other taxing districts and begin negotiations
4. Adoption of Resolution (Notice of Public Hearing and Notice to Taxing Districts)
5. Notice to Taxing Districts (not less than 45 days before Public Hearing)
6. Publication of Notice of Public Hearing in The State (not less than 15 or more than 30 days prior to public hearing)
7. Additional negotiations; reach agreement on Intergovernmental Agreement (IGA)
8. Public Hearing
 - ** Sec. 31-6-80 of SC Code: if Taxing District does not file objection to redevelopment plan at or prior to date of Public Hearing, Taxing District is deemed to have consented to Redevelopment Plan and issuance of Bonds **
9. Enactment of Ordinance /Adoption of Resolution by other Taxing Districts approving IGA
10. First reading of Ordinance approving Redevelopment Plan and IGA and first reading of Bond Ordinance
11. Second reading and enactment of Ordinance approving Redevelopment Plan and IGA and second reading of Bond Ordinance
12. Publication of notice of adoption of Ordinance approving Redevelopment Plan in The State (starts 20 day challenge period)
13. County Auditor certifies initial assessed values in the TIF district
14. Sale and issuance of bonds

Following discussion, it was the consensus of Council that staff should move forward with putting together a Tax Increment Financing District proposal.

In conclusion, Council members stated what they felt needed to be addressed regarding CIP projects and the priority of each and if they were feasible to plan in the FY27 Budget. They provided various suggestions to the Town Manager.

Mayor Perry asked for public comment.

Frank Babel addressed Council regarding the impacts of the projects relating to biking. He cited many instances where quality of life has been improved due to pathway projects.

Public Comment - Non Agenda Items

Skip Hoagland addressed Council regarding funding for the Designated Marketing Organization (DMO) for the Town of Hilton Head Island.

Mare Deckard addressed Council regarding her opinion about the need for a requirement of a business license for the Hilton Head Island - Bluffton Chamber of Commerce.

Adjournment

Mayor Perry adjourned the meeting at 6:27 p.m.

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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

The Town of Hilton Head Island



Disabilities Awareness Month Proclamation

WHEREAS, individuals with developmental disabilities, their families, friends, neighbors, and co-workers encourage everyone to focus on the abilities of all people; and

WHEREAS, the most effective way to increase this awareness is through everyone's active participation in community activities and the openness to learn and acknowledge each individual's contribution; and

WHEREAS, opportunities for citizens with developmental disabilities to function as independently and productively as possible must be fostered in our community; and

WHEREAS, we encourage all citizens to support opportunities for individuals with developmental disabilities in our community that include full access to education, housing, employment, and recreational activities.

NOW, THEREFORE, I, Alan Perry, Mayor of the Town of Hilton Head Island, South Carolina, do hereby proclaim the month of March, 2026, as Developmental Disabilities Awareness Month in the Town of Hilton Head Island and encourage our citizens to work together to promote increased opportunities for people with disabilities; to recognize the many contributions made by people with disabilities to our community; and to honor the dedication of the caregivers who bring support and hope to their fellow citizens.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this tenth day of March, in the year of our Lord, two thousand and twenty-six.



Alan R. Perry, Mayor

Attest:

Kimberly Gammon, Town Clerk



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council
FROM: Lisa Stauffer, Human Resources Director
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: March 10, 2026
SUBJECT: Consideration of an Ordinance to Amend the Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 to Modify the Practice Location Requirement for the Town Attorney

RECOMMENDATION:

Consider approval of an Ordinance to Amend the Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 to Modify the Practice Location Requirement for the Town Attorney (Attachment 1).

BACKGROUND:

Town of Hilton Head Island Municipal Code Title 2, Chapter 11, Section 2-11-40 currently requires that the Town Attorney have a practice established in the town. That requirement significantly limits the number of attorneys eligible to serve in this capacity.

First reading of the amended ordinance was unanimously approved at the February 10, 2026, Town Council Meeting

SUMMARY:

The proposed revision broadens the field to include attorneys with a practice established within Beaufort County. The change continues to focus on attorneys familiar with the complexities and nuances of our area while removing the overly restrictive requirement that their practice be located on the Island.

ATTACHMENTS:

1. Title 2, Chapter 11, Sec 2-11-40 Revision.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AMENDING § 2-11-40, MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA (1983), AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

BE IT ORDERED AND ORDAINED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS ORDAINED BY THE AUTHORITY OF THE TOWN COUNCIL AS FOLLOWS.

Section 1. Findings and Conclusions. The Town Council finds:

- a. § 2-11-40, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)*, includes a restriction requiring that individual appointed to serve as the Town Attorney must maintain on office in the municipal limits of the Town.
- b. § 2-11-40, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)*, includes text that requires grammatical revisions and revisions to conform to the practice by the Town.
- c. The Town Council finds and concludes that amendments to § 2-11-40, *Municipal Code of the Town of Hilton Head Island, South Carolina (1983)*, to expand the geographical area from which the Town Attorney may be appointed, and to make grammatical changes and conform the text to existing practice are in the best interest of the Town.

Section 2. Amendment. Section 2-11-40 of the Municipal Code of the Town of Hilton Head Island related to the office of the Town Attorney is amended to expand the geographical area from which the town attorney may be selected, and to make grammatical changes and to conform the text to current practice. Newly added language is illustrated with underline and deleted language is illustrated with ~~strikethrough~~.

§ 2-11-40. - Town attorney.

- (a) Town Council shall appoint an attorney whose designation shall be the town attorney. The town attorney shall serve under the terms of a contract negotiated by and between town council and the town attorney on such terms and conditions as each deems advisable and prudent; provided, however, that any such contract shall expire on June 30 of the final year of the term of the contract.

(b) The town attorney must be a reputable member of the South Carolina Bar and be admitted to practice law in South Carolina with a practice established within ~~the town~~ Beaufort County, South Carolina.

(c) It shall be the duty of the town attorney whenever called upon by council, or the necessity arises, to give ~~his~~ advice to the council, or any member thereof, or to the Town Manager, municipal clerk and other town employees on any and all legal questions which may arise in the course of the administration of the town government, or in the discharge of the duties of their respective offices; and whenever required to do so by the town council, ~~he~~ the town attorney shall give ~~his~~ the town attorney's legal opinion in writing. ~~He~~ The town attorney shall draw or supervise the drawing or drafting of all ordinances, and other instruments of writing ~~relative~~ related to the business of the town when required to do so by the mayor or council. The town attorney shall approve all ordinances and resolutions as to their form prior to or concurrent with final passage of the ordinance or resolution. ~~He~~ The town attorney shall attend all of the regular meetings, and executive sessions of the council when directed by the mayor. ~~He~~ The town attorney shall perform such other duties as required by the council. The town attorney shall receive such compensation for the discharge of the town attorney's duties as fixed by resolution of the town council.

Section 2. Severability. If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by a 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 3. Effective Date. This Ordinance shall become effective upon its adoption by the Town Council.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS _____ DAY OF MARCH, 2026.

THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane

First Reading: February 10, 2026.

Second Reading: _____



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Hilton Head Island Town Council Members
FROM: Dave Byrd, Finance Director
CC: Marc Orlando, Town Manager
DATE: March 10, 2026
SUBJECT: Consideration of an Ordinance of the Town of Hilton Head Town Council to Amend the Budget for the Fiscal Year Ending June 30, 2026; to Provide for the Budgeted Appropriations of the Prior Year Budget Roll Forward and Certain Other Appropriations and Commitments and the Expenditures of Certain Funds; to Allocate the Sources of Revenue for the Said Funds; and to Provide for Severability and an Effective Date

RECOMMENDATION:

The Town Council consider proposed budget amendments for Fiscal Year 2026 to the Capital Improvements Program (CIP) Fund, Debt Service Fund, General Fund, and the Town of Hilton Head Island Master Fee Schedule as follows:

- The proposed amendments to the CIP address budgeted carry forwards for existing projects or contracts; funding for new improvement projects that have arisen since the Fiscal Year 2026 budget development; funding for land acquisitions previously approved by Town Council; and bond proceeds from the Special Revenue Beach Bond and upcoming General Obligation Bond.
- The proposed amendments to the Debt Service Fund address the payments on the Special Revenue Beach Bonds and the upcoming General Obligation Bond.
- The proposed amendments to the General Fund address additional staffing, operating and equipment costs related to the planned enhancements to the Short-Term Rental program, additional Fire Rescue equipment funded by a generous donation from the community, and additional Affiliated Agency funding for the Lowcountry Regional Transit Authority (LRTA).
- The amendment to the Town of Hilton Head Island Master Fee Schedule proposes a Short-Term Rental Permit Fee change from a flat fee of \$250 per property to a fee of \$150 per bedroom, plus the addition of a \$250 late fee.

An ordinance to amend the Fiscal Year 2026 budget is enclosed as **Attachment 1**.

SUMMARY OF BUDGET AMENDMENTS:

Pursuant to Section 5 of the Town's adopted Fiscal Year 2026 budget Ordinance, for all funds, all outstanding encumbrances as of June 30, 2025, will carry forward into Fiscal Year 2026 to the same department, account, or project for which they are encumbered in Fiscal Year 2025 subject to approval by the Town Council via an appropriate budget amendment.

Therefore, as part of the annual budget review process, the Town evaluates its current

budgeted funds following the closure of the previous fiscal year to determine if a corresponding budget amendment is necessary. With Fiscal Year 2026 now underway it is recommended that the Town Council consider several budget amendments provided for within this Staff Report. A detailed description for each of the recommended budget amendments is as follows:

1. Capital Improvements Program Fund Amendments – Totaling \$46,929,034:

In the development of the Fiscal Year 2026 Capital Improvements Program (CIP) Budget, an initial estimate of the “Carry Forward” funding from the Fiscal Year 2025 budget was included in the adopted budget. With the closure of the Fiscal Year 2025 budget, these preliminary estimates are being revised to reflect the actual unspent balances across various CIP budget line items. A detailed spreadsheet outlining the proposed budget amendment amounts for each respective CIP project is enclosed as **Attachment 2**.

a) Budgeted Carry Forward Adjustments - \$5,958,531

1. Budgeted appropriations identified in Fiscal Year 2025 CIP Fund budget that remain unspent and have not previously rolled forward for Capital Improvement Projects that remain open and continue to be active in Fiscal Year 2026 total \$5,958,531. Included in this total are:
 - \$199,119 for Beach projects
 - \$376,986 for Roadway projects
 - \$1,691,878 for Park projects
 - \$472,264 for Facility & Equipment projects
 - \$753,446 for Stormwater projects
 - \$2,464,838 for Fleet projects (2 Quints)

b) New Capital Improvement Project funding for items that have arisen since budget development - \$3,988,373

1. As required by United State Postal Service (USPS) time constraints, the Town has a need to begin site and infrastructure improvements at the USPS property adjacent to the Northpoint development in Fiscal Year 2026 - \$3,200,000. Improvements at the site include:
 - Demolition and Erosion Control - \$175.8 thousand
 - Design and Construction Services - \$127.3 thousand
 - Storm Drainage, Paving, Grading, Marking and Earthwork - \$1.4 million
 - Landscaping and Electrical Lighting - \$248.5 thousand
 - Insurance, Overhead and Contingency - \$933.8 thousand
 - Miscellaneous - \$314.6 thousand
2. The backflow preventer for the fire sprinklers system at the Island Recreation Center failed an annual inspection. While the fire sprinkler system remained operational, the backflow preventer had to be replaced to pass inspection. The estimated cost of the repair was \$111,364.95. This repair was not considered as part of the FY26 approved budget. The Island Rec Center used contingency funds from their reserves to pay for the repairs. This budget amendment request is to replenish their contingency funds.

3. Funding is requested for preliminary improvements to 10 Park Lane to include but not be limited to signage, lighting, landscape and various building improvements to facilitate the relocation of Fire Rescue Headquarters, the Emergency Operations Center, and Dispatch. \$677,008 is requested for the remainder of FY26. We will finalize improvements to 9 and 10 Park Lane in the FY27 CIP budget to include but not be limited to 9 Park Lane building demolition, parking lot enhancement and ADA compliance, E911 Dispatch relocation, Audio Visual / Podcast Room, etc.

Town of Hilton Head Island		
10 Park Lane Renovation OPC		
1	Design and General Conditions (Architectural and Mechanical Design, Overhead, Etc.)	\$ 107,386.00
2	Interior/Exterior Finishes (Carpentry, Painting, Signage, Flagpole, ADA Door Access Etc.)	\$ 174,400.00
3	MEP (Plumbing, Electrical, Mechanical, Etc.)	\$ 120,222.00
4	Generator	\$ 275,000.00
Total OPC FY26		\$ 677,008.00

c) Land Acquisition Funding - \$10,081,300

1. Town Council previously authorized the purchase of a 6.58-acre property located at 164 Jonesville Road in an amount totaling \$2,600,000. An appropriation of funds from available Real Estate Transfer Fee balance is therefore requested in the amount of \$413,000 to the CIP budget. An additional amount of \$2,187,000 was applied to this purchase via the Beaufort County Green Space Program.
2. Town Council previously authorized the purchase of 6 properties totaling 3.26-acres located at 75, 77, 79, 81, 91 and 93 William Hilton Parkway in the Stoney area in an amount totaling \$2,170,000. An appropriation of funds from available Real Estate Transfer Fee balance is therefore requested in the amount of \$705,800 to the CIP budget. An additional amount of \$1,464,200 will be applied to this purchase via the Beaufort County Green Space Program.
3. Town Council previously authorized the purchase of a .78-acre property and 7,000 square foot building located at 117 William Hilton Parkway totaling \$1,525,000. An appropriation of \$762,500 from available Tax Increment Financing (TIF) balance is therefore requested in this amount to the CIP budget. An appropriation of \$762,500 is also applied to the Gullah Geechee Historic Neighborhoods Community Development Corporation (GGHNDCDC) Fund. It should be noted that the Fiscal Year 2026 GGHNDCDC Fund's budget was adopted at the fund level and included funds for land acquisition and capital outlay and, therefore, does not require a budget amendment at this time.
4. Town Council previously authorized the purchase of 1.53-acres located at 1 & 5 Old Wild Horse Road totaling \$1,000,000. An appropriation of \$500,000 from available Tax Increment Financing (TIF) balance is therefore requested in this amount to the CIP budget. An appropriation of \$500,000 is also applied to the Gullah Geechee Historic Neighborhoods Community

Development Corporation (GGHNCDC) Fund. It should be noted that the Fiscal Year 2026 GGHNCDC Fund's budget was adopted at the fund level and included funds for land acquisition and capital outlay and, therefore, does not require a budget amendment at this time.

5. Town Council previously authorized the purchase of a 1.49-acre property and 4,000 square foot building located at 9 Park Lane totaling \$1,750,000. An appropriation from the upcoming General Obligation Bond Proceeds is therefore requested in this amount to the CIP budget.
6. Town Council previously authorized the purchase of a 1.67-acre property and 16,608 square foot building located at 10 Park Lane totaling \$5,950,000. An appropriation from the upcoming General Obligation Bond Proceeds is therefore requested in this amount to the CIP budget.

d) General Obligation Bond Proceeds – Up to \$35,000,000 (\$8,377,008 of which is funding the new Fire Rescue Headquarters and has been addressed in sections b and c above)

1. Town Council approved an ordinance authorizing the issuance and sale of up to \$35,000,000 General Obligation bonds with the proceeds being used to fund the acquisition and renovation of 9 Park Lane and 10 Park Lane, the future acquisition of strategic land parcels for conservation purposes, and specific Town Council approved future capital projects.

e) Special Revenue Bond Proceeds and Cost of Issuance - \$19,277,838

1. Town Council approved an ordinance authorizing the issuance and sale of \$19,000,000 Special Revenue bonds with the proceeds being used to fund the on-going beach renourishment project, therefore reducing the use of Beach Preservation Fees for the beach renourishment project in the same amount.
2. The \$277,838 cost of bond issuance is funded by Beach Preservation Fees.

2. Debt Service Fund Amendments – Totaling \$12,220,198

a) Special Revenue Bond Payments - \$289,310

1. An increase in interest payments for paying off the callable Beach Bond, as well as the first payment on the new Beach Bond during FY 2026.

b) General Obligation Bond Payment - \$11,930,888

1. The anticipated debt cost of the upcoming General Obligation Bond to be paid utilizing the Debt Service Fund Balance is \$11,930,888.

3. General Fund Amendments – Totaling \$607,939:

a) Donation to Fire Rescue - \$80,000

1. Fire Rescue received a generous donation from the community in August

2025. Fire Rescue intends to utilize the donation towards the purchase of equipment during Fiscal Year 2026.

b) Additional Staffing, Operating and Equipment costs related to the amendment of the Short-Term Rental Program Ordinance - \$475,411 for the remainder of Fiscal Year 2026

1. On October 21, 2025, Town Council adopted amendments to the Short-Term Rental (STR) Ordinance addressing parking, occupancy, enforcement, and fire and life safety requirements. At that time, Town Council directed the Town Manager to return with a separate item to address staffing, operational costs, and associated fee amendments necessary to administer the amended ordinance.
2. The proposed budget amendment implements that direction. The amendment includes additional STR program revenues generated through adoption of a \$150 per-bedroom annual STR permit fee and a \$250 late fee for STR permit renewals submitted after May 15th (for 2026 only, in following years the late fee will be applied on May 1st). The Town currently licenses 7,368 STR units, and the per-bedroom structure ensures equitable, scalable funding based on property size and operational impact.
3. In order to administer the STR program according to the amended Ordinance, support for a net increase of four (4) positions, achieved through a combination of new full-time hires and conversion of existing part-time positions to full-time, resulting in six (6) STR-dedicated FTEs. In addition, the current Public Safety Supervisor is being promoted to a manager to oversee the compliance requirements of the STR program. For the remainder of fiscal year 2026, these positions total \$189,115 including salaries, benefits and overhead*:
 - i. Public Safety Senior Code Enforcement (2 positions) - \$55,688
 - ii. Public Safety Senior Code Enforcement promotion - \$17,311
 - iii. Senior Fire Inspector - \$31,159
 - iv. STR Rapid Response Hotline Operator - \$21,057
 - v. Convert existing Finance Part-Time Short-Term Rental Services Coordinators to Regular Full-Time STR Senior Revenue Collector and STR Service Coordinator positions - \$63,900

*Funding amount represents three months of funding, except for the STR Senior Revenue Collector FTE which is six months of funding

4. The amendment also funds operational and equipment needs required to implement the amended ordinance totaling \$286,296, including:
 - i. Three new vehicles and associated fuel and maintenance expenses - \$143,200
 - ii. Six handheld radios - \$37,096
 - iii. Equipment upgrades for ten vehicles utilized for the Short-Term Rental Program - \$81,000
 - iv. Communications and marketing enhancements - \$25,000

c) Lowcountry Regional Transit Authority (LRTA) Affiliated Agency Funding - \$52,528

1. The Finance and Administrative Committee met on February 9, 2026, to consider an additional FY26 funding request supporting the Lowcountry Regional Transit Authority. The Committee voted 3-0 to recommend to the full Town Council support of this funding request.

4. Short-Term Rental Permit Fee Amendments:

a) Short-Term Rental (STR) Permit Fee

1. After evaluating the costs to administer the amended Short-Term Rental Program, the following are recommended:
 - Call Center improvements including converting from outsourced to in-house rapid response hotline.
 - The annual impact of the additional staffing, operating and equipment costs listed above in order to operate the Program on a revenue-neutral basis.
 - Updated internal cost allocations based upon review of actual time utilized.

Based upon the enhancements listed above, and the total cost to administer this program, it is recommended to amend the STR Permit Fee to \$150 per bedroom. This fee is calculated by taking the total cost divided by the total number of bedrooms in the program. The amended Master Fee Schedule is enclosed as **Attachment 3** showing the amended Short-Term Rental Permit Fee on page 2.

A detailed analysis of the recommended amended Short-Term Rental Permit Fee is also enclosed as **Attachment 4** and **Attachment 5**.

b) Late Fee

A late fee of \$250 shall apply to any Short-Term Rental Permit renewal after May 15th (for 2026 only, in following years, the late fee will be applied on May 1st).

5. Short-Term Rental Program Impact:

The additional STR revenue fully funds enhanced inspections and enforcement, a Town- operated 24/7 response capability, improved coordination with public safety partners, expanded communications and transparency tools, and required personnel and equipment. This funding approach aligns with best practices in peer communities and supports the Town's strategic priority to protect neighborhood quality of life while

maintaining a well-managed visitor economy.

CONCLUSION:

The Town Council consider proposed budget amendments for Fiscal Year 2026 to the Capital Improvements Program Fund, General Fund, and the Town of Hilton Head Island Master Fee Schedule. These proposed amendments address budgeted carry forwards for existing projects or contracts, unbudgeted requests due to unanticipated new projects, approval of funding for land acquisitions previously authorized by the Town Council, adjustments due to the enhancements to the Short-Term Rental Program, and adjustments to the Short-Term Rental Permit Fee.

ATTACHMENTS:

1. Fiscal Year 2026 Budget Ordinance Amendment
2. Fiscal Year 2026 Proposed Revised Capital Improvements Program
3. Town of Hilton Head Island Master Fee Schedule
4. Town of Hilton Head Island Staff Memo outlining Short-Term Rental Program Enhancements – Sustainable Funding Strategy, Fee Amendment and Staffing Plan
5. Town of Hilton Head Island Short-Term Rental Permit Fee Reconciliation

ATTACHMENT 1

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2026; TO PROVIDE FOR THE BUDGETED APPROPRIATIONS OF PRIOR YEAR BUDGET CARRY FORWARDS AND CERTAIN OTHER APPROPRIATIONS AND COMMITMENTS AND THE EXPENDITURES OF CERTAIN FUNDS; TO ALLOCATE THE SOURCES OF REVENUE FOR THE SAID FUNDS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the Code of Laws for South Carolina 1976, as amended, and Section 2-7-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, the Fiscal Year 2026 budget was adopted on June 3, 2025; and

WHEREAS, pursuant to the budget amendment policy as stated in the Town’s annual budget document, the Town Council is desirous of amending the budget so as to provide for the budgeted appropriations of prior year budget roll-forwards and certain other appropriations and commitments from the Fund Balance and other revenue sources; and

WHEREAS, Town Council is desirous of amending certain fee structures previously established with the adoption of the Fiscal Year 2026 budget; and

WHEREAS, the Town Council finds that adoption of the proposed budget amendments is in the best interest of the Town, and will support the health, safety and general welfare of the citizens, residents, property owners and business owners in the Town.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL:

Section 1. Amendment. The adopted 2026 Fiscal Year budget is amended to make the following changes as additions to the funds from prior years and to the projected revenue and expenditure as summarized below and as detailed in Attachments 2, 3, 4 and 5.

Capital Improvements Program Fund Amendments – Total Fund Adjustment - \$46,929,034

In the development of the Fiscal Year 2026 Capital Improvements Program (CIP) Budget, an initial estimate of the “Carry Forward” funding from the Fiscal Year 2025 budget was included in the adopted budget. With the closure of the Fiscal Year 2025 budget, these preliminary estimates are being revised to reflect the actual unspent balances across various CIP budget line items. These appropriations remain unspent from the prior Fiscal Year 2025 budget and have not previously rolled forward to Fiscal Year 2026.

a) Budgeted Carry Forward Adjustments – \$5,958,531

- i. Beach Program – The Town has commitments for Beach Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$199,119.

- ii. Roadway Program – The Town has commitments for Roadway Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$376,986.
- iii. Park Program – The Town has commitments for Park Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$1,691,878.
- iv. Facility & Equipment Program – The Town has commitments for Facility & Equipment Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$472,264.
- v. Stormwater Program – The Town has commitments for Stormwater Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$753,446.
- vi. Fleet Program – The Town has commitments for Fleet Program projects that began in Fiscal Year 2025 and are ongoing in Fiscal Year 2026 in the amount of \$2,464,838.

In addition to the budgeted Carry Forward adjustments, an increase in the CIP budget is requested to accommodate the following new capital improvements which were unforeseen during the development of the Fiscal Year 2026 budget.

b) New Capital Improvement Projects - \$3,988,373

- i. Roadway Program – As required by United States Postal Service (USPS) time constraints, the Town now has a need to begin site infrastructure improvements at the USPS property adjacent to the Northpoint development project in Fiscal Year 2026 - \$3,200,000. Improvements at the site include:
 - Demolition and Erosion Control - \$175.8 thousand
 - Design and Construction Services - \$127.3 thousand
 - Storm Drainage, Paving, Grading, Marking and Earthwork - \$1.4 million
 - Landscaping and Electrical Lighting - \$248.5 thousand
 - Insurance, Overhead and Contingency - \$933.8 thousand
 - Miscellaneous - \$314.6 thousand
- ii. Park Program – The backflow preventer for the fire sprinkler system at the Island Recreation Center failed an annual inspection. While the fire sprinkler system remained operational, the backflow preventer had to be replaced to pass inspection. The estimated cost of the repair was \$111,364.95. This repair was not considered as part of the FY26 approved budget. The Island Rec Center used contingency funds from their reserves to pay for the repairs. This budget amendment request is to replenish their contingency funds.
- iii. Facility & Equipment Program – Funding is requested for preliminary improvements to 10 Park Lane to include but not be limited to signage, lighting, landscape and various building improvements to facilitate the relocation of Fire Rescue Headquarters, the Emergency Operations Center, and Dispatch. \$677,008 is requested for the remainder of FY26. We will finalize improvements to 9 and 10 Park Lane in the FY27 CIP budget to include but not be limited to 9 Park Lane building demolition, parking lot enhancement and ADA compliance, E911 Dispatch relocation, Audio Visual / Podcast Room, etc.

Town of Hilton Head Island		
10 Park Lane Renovation OPC		
1	Design and General Conditions (Architectural and Mechanical Design, Overhead, Etc.)	\$ 107,386.00
2	Interior/Exterior Finishes (Carpentry, Painting, Signage, Flagpole, ADA Door Access Etc.)	\$ 174,400.00
3	MEP (Plumbing, Electrical, Mechanical, Etc.)	\$ 120,222.00
4	Generator	\$ 275,000.00
Total OPC FY26		\$ 677,008.00

Typically, the Town does not include funding for Land Acquisition in the initial adopted budget. During the year, once Town Council approves the purchase of property, a budget amendment is executed. A budget amendment is therefore requested for the purchase of the following properties authorized by Town Council since July 1, 2025.

c) Land Acquisition Funding - \$10,081,300

- i. 164 Jonesville Road – 6.58-acre property purchase of \$413,000 funded by Real Estate Transfer Fees (an additional \$2,187,000 was applied to this purchase via the Beaufort County Green Space Program)
- ii. Stoney Peninsula properties at 75, 77, 79, 81, 91 and 93 William Hilton Parkway – 3.26-acre property purchase of \$705,800 funded by Real Estate Transfer Fees (an additional \$1,464,200 will be applied to this purchase via the Beaufort County Green Space Program)
- iii. 117 William Hilton Parkway - .78-acre property and 7,000 square foot building purchase of \$762,500 funded by Tax Increment Financing (TIF) (an additional \$762,500 was funded in the Gullah Geechee Historic Neighborhoods Community Development Corporation Fund)
- iv. 1 and 5 Old Wild Horse Road – 1.53-acre property purchase of \$500,000 funded by Tax Increment Financing (TIF) (an additional \$500,000 was funded in the Gullah Geechee Historic Neighborhoods Community Development Corporation Fund)
- v. 9 Park Lane – 1.49-acre property and 4,000 square foot building purchase of \$1,750,000 funded by future General Obligation Bond Proceeds
- vi. 10 Park Lane – 1.67-acre property and 16,608 square foot building purchase of \$5,950,000 funded by future General Obligation Bond Proceeds

d) General Obligation Bond Proceeds – Up to \$35,000,000 (\$8,377,008 of which is funding the new Fire Rescue Headquarters and has been addressed in sections b and c above.)

- i. Town Council approved an ordinance authorizing the issuance and sale of up to \$35,000,000 General Obligation bonds with the proceeds being used to fund the acquisition and renovation of 9 Park Lane and 10 Park Lane, the future acquisition of strategic land parcels for conservation purposes, and specific future capital projects.

e) Special Revenue Bond Proceeds and Cost of Issuance - \$19,277,838

- i. Town Council approved an ordinance authorizing the issuance and sale of \$19,000,000 Special Revenue bonds with the proceeds being used to fund the on-going beach renourishment project, therefore reducing the use of Beach Preservation Fees in the same amount.
- ii. The \$277,838 cost of bond issuance is funded by Beach Preservation Fees.

The chart below provides a cumulative summary of the amendments within the CIP. A detailed spreadsheet outlining the proposed Fiscal Year CIP budget adjustments for each respective CIP line is enclosed as **Attachment 2**.

Programs	FY 2025 Unspent Budget	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Beach Program Total	19,749,194	48,820,000	199,119	49,019,119
Pathway Program Total	4,802,793	1,650,000	-	1,650,000
Roadway Program Total	5,861,815	5,079,500	3,576,986	8,656,486
Park Program Total	15,533,937	10,636,000	1,803,243	12,439,243
Facility & Equipment Program Total	3,332,611	4,721,000	1,149,272	5,870,272
Stormwater Program Total	1,336,683	6,350,880	753,446	7,104,326
Fleet Program Total	7,012,361	180,000	2,464,838	2,644,838
Subtotal FY 2026 Capital Program	57,629,394	77,437,380	9,946,904	87,384,284
Land Acquisition Program				-
Land Acquisition & Administration	92,938	250,000	-	250,000
164 Jonesville Road Purchase	-	-	413,000	413,000
Stoney Peninsula Purchase	-	-	705,800	705,800
117 William Hilton Parkway Purchase	-	-	762,500	762,500
1 & 5 Old Wild Horse Road Purchase	-	-	500,000	500,000
9 Park Lane Purchase	-	-	1,750,000	1,750,000
10 Park Lane Purchase	-	-	5,950,000	5,950,000
Land Acquisition Program Total	92,938	250,000	10,081,300	10,331,300
Other Financing Uses				
Special Revenue Bond Cost of Issuance (Beach)	-	-	277,838	277,838
<i>Future Town Council Approved Land Acquisition and Capital Projects to be Funded by GO Bond Proceeds</i>	-	-	26,622,992	26,622,992
Total Other Financing Uses	-	-	26,900,830	26,900,830
Total FY 2026 Capital Program	57,722,333	77,687,380	46,929,034	124,616,414

Capital Improvements Program Fund Revenues and Other Funding Sources

The chart below reflects the total Revenues and Other Funding Sources for the proposed amended Fiscal Year 2026 Capital Improvements Program. A detailed spreadsheet outlining the proposed Fiscal Year CIP budget adjustments for each respective CIP line is enclosed as **Attachment 2**.

Funding Sources	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Traffic & Park Impact Fees	\$ 1,100,000	\$ -	\$ 1,100,000
Sunday Liquor Permit Fees	1,000,000	153,887	1,153,887
HTAX Supported Lease	-	2,464,838	2,464,838
Prior Bond Proceeds	66,197	-	66,197
Special Revenue Bond Proceeds (Beach)	-	19,000,000	19,000,000
Future GO Bond Proceeds	-	35,000,000	35,000,000
Capital	3,279,803	75,000	3,354,803
Grants	7,365,538	-	7,365,538
Transfers In:			-
Beach Preservation Fees	41,220,000	(18,523,043)	22,696,957
Hospitality Tax	9,934,462	4,064,662	13,999,124
Tax Increment Financing (TIF)	2,242,934	1,262,500	3,505,434
State ATAX	2,832,066	113,117	2,945,183
Road Usage Fee	1,354,500	913,834	2,268,334
Electric Franchise Fee	511,000	531,993	1,042,993
Real Estate Transfer Fee	250,000	1,118,800	1,368,800
Short Term Rental Permit Fee	180,000	-	180,000
Stormwater Utility Fee	6,350,880	753,446	7,104,326
Total FY 2026 Capital Program	\$ 77,687,380	\$ 46,929,034	\$ 124,616,414

General Fund Expenditures

The chart below reflects an increase to the Fiscal Year 2026 General Fund, which includes the addition of staffing, operational enhancements, vehicles, equipment, fuel and maintenance related to the Short-Term Rental Program for the remainder of the fiscal year. Also included in this budget amendment is a donation Fire Rescue received in August 2025, to be utilized for the purchase of Fire Rescue equipment, as well as additional Affiliated Agency funding for the Lowcountry Regional Transit Authority (LRTA) as recommended by a 3-0 vote at the February 9th Finance & Administrative Committee meeting. Details of these budget amendments are as follows:

a) Donation to Fire Rescue for the purchase of Equipment - \$80,000

b) Additional staffing, operating, and equipment costs related to the planned enhancements to the Short-Term Rental Program for the remainder of fiscal year 2026 - \$475,411

Staffing - \$189,115 including salaries, benefits and overhead

- i. Public Safety Senior Community Code Enforcement Officers (two positions) - \$55,688
- ii. Public Safety Supervisor to Manager promotion - \$17,311
- iii. Senior Fire Inspector - \$31,159
- iv. STR Rapid Response Hotline Operator - \$21,057
- v. Convert existing Finance Temporary Short-Term Rental Services Coordinators to regular full-time STR Senior Revenue Collector and STR Service Coordinator positions - \$63,900

Operational Enhancements - \$286,296

- i. Three (3) new vehicles and associated fuel and maintenance- \$143,200
- ii. Six (6) handheld radios - \$37,096
- iii. Equipment upgrades for ten (10) vehicles utilized for the Short-Term Rental Program - \$81,000
- iv. Communications and marketing enhancements - \$25,000

c) Lowcountry Regional Transit Authority Affiliated Agency Funding - \$52,528

General Fund	FY 2026 Adopted Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Town Council	432,314	-	432,314
Town Manager	1,305,583	-	1,305,583
Finance	3,533,296	63,900	3,597,196
Human Resources	997,963	-	997,963
Community Engagement	612,260	-	612,260
Office of Cultural Affairs	386,649	-	386,649
Information Technology	4,628,241	-	4,628,241
Communications	711,530	25,000	736,530
Legal & Administration	-	-	-
Engineering & Projects Administration	477,691	-	477,691
Transportation	453,560	-	453,560
Capital Projects	813,051	-	813,051
Facilities Maintenance	6,237,994	-	6,237,994
Beach Operations	837,635	-	837,635
Public Services	-	-	-
Facilities Administration	1,090,733	-	1,090,733
Planning & Operations	271,974	-	271,974
Planning Administration	463,328	-	463,328
Building Services	1,346,880	-	1,346,880
Development Review and Zoning	681,480	-	681,480
Community Development Services	1,056,927	-	1,056,927
Community Planning	1,013,147	-	1,013,147
Workforce Housing	-	-	-
Built Environment	211,683	-	211,683
Fire Rescue	23,957,431	101,057	24,058,488
Public Safety	1,140,907	365,453	1,506,360
Townwide	4,243,186	-	4,243,186
Townwide Community Events	663,862	-	663,862
Affiliated Agency Partnerships	1,988,516	52,528	2,041,044
Transfer to Housing Fund	197,049	-	197,049
Transfer to CIP-Land Acquisition	-	-	-
Total FY 2026 General Fund	59,754,870	607,939	60,362,809

General Fund Revenues and Other Funding Sources

The chart below reflects the total Revenues and Other Funding Sources for the amended Fiscal Year 2026 General Fund, which includes an additional Transfer-In from Short-Term Rental Permit Fees to fund the addition of staffing, operational enhancements, vehicles, equipment, fuel and maintenance related to the Short-Term Rental Program for the remainder of Fiscal Year 2026. Also included is a donation Fire Rescue received in August 2025, to be used for the purchase of Fire Rescue equipment.

General Fund	FY 2026 Adopted Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Property Taxes	17,935,450	-	17,935,450
Local Accommodations Tax	6,812,769	-	6,812,769
Business Licenses	13,565,155	-	13,565,155
Franchise Fees	861,065	-	861,065
Permit Fees	1,800,000	-	1,800,000
Intergovernmental	978,035	-	978,035
Beach Services / Parking	650,000	-	650,000
Other Revenue	356,848	-	356,848
Public Safety - EMS	2,036,000	-	2,036,000
Investment Income	1,500,000	-	1,500,000
Prior Year Funds	275,000	52,528	327,528
Donations	-	80,000	80,000
Transfers In:			
Beach Preservation Fee	248,548	-	248,548
Sale of Vehicles / Equipment	16,000	-	16,000
Hospitality Tax	6,500,000	-	6,500,000
State Accommodations Tax	3,500,000	-	3,500,000
Electric Franchise Fee	545,000	-	545,000
Short Term Rental Permit Fee	1,825,000	475,411	2,300,411
Stormwater Fee	350,000	-	350,000
Total FY 2026 General Fund	59,754,870	607,939	60,362,809

Debt Service Fund Expenditures

The chart below reflects an increase to the Fiscal Year 2026 Debt Service Fund, which includes the Interest Payments on the Callable Special Revenue beach bond and the new Special Revenue beach bond, and the Anticipated Debt Costs for the upcoming General Obligation bond of up to \$35 million.

Debt Service Fund	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Principal	7,325,000	-	7,325,000
Interest	1,626,483	289,310	1,915,793
Bank Fees	17,600	-	17,600
Anticipated Debt Costs	2,400,000	11,930,888	14,330,888
Callable Bond - Beach Preservation S.O. Bond	7,495,000	-	7,495,000
Total FY 2026 Debt Service Fund	18,864,083	12,220,198	31,084,281

Debt Service Fund Revenues and Other Funding Sources

The chart below reflects the total Revenues and Other Funding Sources for the amended Fiscal Year 2026 Debt Service Fund, which includes an additional Transfer-In from Beach Preservation Fees for the beach bond Interest payments, and the use of Debt Service Fund Balance for a portion of the first payment of the upcoming General Obligation bond.

Debt Service Fund	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget
Property Taxes	\$ 6,035,600	\$ -	\$ 6,035,600
Investment Income	325,115	-	325,115
Transfers In:			-
Beach Preservation Fees	11,062,000	289,310	11,351,310
Hospitality Tax	1,441,368	-	1,441,368
Debt Service Fund Balance	-	11,930,888	11,930,888
Total FY 2026 Debt Service Fund	\$ 18,864,083	\$ 12,220,198	\$ 31,084,281

The effects of these budget amendments for Fiscal Year 2026 are presented below:

Governmental Funds:

	General Fund		CIP Fund *		Debt Service	
	Expenditures	Revenues	Expenditures	Revenues	Expenditures	Revenues
Original Budget	\$ 59,754,870	\$ (59,754,870)	\$ 77,687,380	\$ (77,687,380)	\$ 18,864,083	\$ (18,864,083)
Amendment 1	607,939	(607,939)	46,929,034	(46,929,034)	12,220,198	(12,220,198)
Revised Budget	\$ 60,362,809	\$ (60,362,809)	\$124,616,414	\$ (124,616,414)	\$ 31,084,281	\$ (31,084,281)

*\$26,000,000 in GO Bond Proceeds will be added to the CIP Fund Balance at June 30 2026.

Governmental Funds:

	OGHN Community Development Corporation Fund		Housing Fund		Total Governmental Funds	
	Expenditures	Revenues	Expenditures	Revenues	Expenditures	Revenues
Original Budget	\$ 3,286,603	\$ (3,286,603)	\$ 3,978,137	\$ (3,978,137)	\$ 163,571,073	\$ (163,571,073)
Amendment 1	-	-	-	-	59,757,171	(59,757,171)
Revised Budget	\$ 3,286,603	\$ (3,286,603)	\$ 3,978,137	\$ (3,978,137)	\$ 223,328,244	\$ (223,328,244)

Enterprise Fund

Stormwater Fund:

	Enterprise Fund Stormwater Fund	
	Expenditures	Revenues
Original Budget	\$ 11,140,277	\$ (11,140,277)
Amendment 1	-	-
Revised Balance	\$ 11,140,277	\$ (11,140,277)

Section 2. Fees. The 2026 Fiscal Year budget is amended to make the following changes to the Master Fee Schedule as summarized below and as detailed in **Attachment 3**.

Short-Term Rental Permit Fees

After evaluating the total costs to administer the amended Short-Term Rental Program, divided by the number of bedrooms being supported by the Short-Term Rental permit holders, the Short-Term Rental Permit Fee shall be changed to \$150 per bedroom. A \$250 late fee will be applied after May 15th (for 2026 only, in following years, the late fee will be applied on May 1st). A detailed analysis of the amended Short-Term Rental Permit Fee is enclosed as **Attachment 4** and **Attachment 5**.

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 be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2026.

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis Coltrane, Town Attorney

ATTACHMENT 2

FY 2026 Capital Improvements Program

Projects	FY 2025 Unspent Budget	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget	FY 2026 Proposed Funding Sources
Beach Program					
Beach Management & Monitoring	70,620	220,000	70,620	290,620	Beach Fee
Beach Renourishment	15,965,265	47,500,000	-	21,500,000	Beach Fee
				19,000,000	Beach Bond Proceeds
				7,000,000	FEMA Reimbursement
Coligny Beach Park Maintenance	-	250,000	-	250,000	Beach Fee
Islanders Beach Park Improvements	3,644,354	-	128,499	128,499	Beach Fee
Beach Park Maint. & Improvements	8,615	150,000	-	150,000	Beach Fee
Harbour Town Dredge	-	600,000	-	600,000	Hospitality Tax
Contingency	-	100,000	-	100,000	Beach Fee
Beach Wheelchair Storage	60,339	-	-	-	
Beach Program Total	19,749,194	48,820,000	199,119	49,019,119	
Pathway Program					
William Hilton Parkway EB (Wexford to Arrow)	77,000	300,000	-	300,000	State ATAX
Pathway Maintenance & Improvements	2,690	500,000	-	500,000	Sunday Liquor Permit Fee
William Hilton Parkway EB (Mathews to BCSO)	24,093	-	-	-	
Jonesville Road	4,470,628	500,000	-	500,000	Sunday Liquor Permit Fee
Dunnagans Alley	71,537	250,000	-	250,000	TIF
Cordillo Parkway at Pope Ave	72,203	-	-	-	
Contingency	84,643	100,000	-	100,000	State ATAX
Pathway Program Total	4,802,793	1,650,000	-	1,650,000	
Roadway Program					
Mitchelville Lane	948,474	910,000	-	910,000	Road Usage Fee
Alfred Lane	44,645	44,500	-	44,500	Road Usage Fee
WHP Gateway & Stoney Corridors	23,163	100,000	-	100,000	Hospitality Tax
			23,163	23,163	Electric Franchise Fee
Islandwide Intersection Improvements	140,072	250,000	-	250,000	Capital
			104,265	104,265	Electric Franchise Fee
			33,736	33,736	Road Usage Fee
Seg 3 Beach City to Dillon Rd. Improvements	308,456	-	113,068	113,068	Hospitality Tax
Pope Ave Streetscapes	236,023	250,000	-	250,000	TIF
Main Street Enhancements	1,288,366	-	-	-	
Roadway Maintenance & Improvements	45,957	250,000	-	250,000	Road Usage Fee
			45,957	45,957	Electric Franchise Fee
WHP Corridor Ped/Veh Enhancements	-	-	-	-	
Horse Sugar Lane & Alice Perry Drive	960,067	50,000	-	50,000	Road Usage Fee
Freddie's Way	565,565	50,000	-	50,000	Road Usage Fee
Contingency	18,308	100,000	-	100,000	Hospitality Tax
Benjamin Drive	63,203	50,000	-	50,000	Road Usage Fee
			56,797	56,797	Electric Franchise Fee
Adaptive Signal System Maintenance	548,260	1,100,000	-	1,100,000	Traffic Impact Fee
Mathews to Shelter Cove Ln Imprvmnts	-	300,000	-	300,000	TIF
Sea Pines, Pope, Coligny Area Impvmnts	553,862	350,000	-	350,000	TIF
Landscape, Lighting, Safety Enhancmnts	117,393	750,000	-	750,000	Hospitality Tax
Jonesville & Spanish Wells	-	100,000	-	100,000	Hospitality Tax
Northpoint Access Improvements	-	150,000	-	150,000	Capital
Northpoint USPS Site Improvements	-	-	2,319,902	2,319,902	Hospitality Tax
			880,098	880,098	Road Usage Fee

FY 2026 Capital Improvements Program

Projects	FY 2025 Unspent Budget	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget	FY 2026 Proposed Funding Sources
Tabby Walk Entrance Relocation	-	200,000	-	200,000	Capital
Folly Field Pedestrian Safety	-	75,000	-	75,000	Hospitality Tax
Roadway Program Total	5,861,815	5,079,500	3,576,986	8,656,486	
Park Program					
Public Art Program	3	35,000	-	35,000	Hospitality Tax
Chaplin Linear Park w/ Boardwalk	350,000	-	-	-	
Crossings Park & Bristol Renovation	4,151,270	1,000,000	-	1,000,000	Hospitality Tax
Chaplin Community Park Renovation	1,242,772	-	-	-	
Mid-Island Tract Park	1,880,185	750,000	207,744	957,744	Hospitality Tax
Patterson Family Park	2,563,539	2,590,000	-	2,384,727	Hospitality Tax
				205,273	CDBG Grant
Island Recreation Association	9,008	511,000	111,365	622,365	Electric Franchise Fee
Shelter Cove Community Park Exp.	288,862	-	153,887	153,887	Sunday Liquor Permit Fee
Taylor Family Park	2,632,935	2,750,000	-	2,589,735	Hospitality Tax
				160,265	CDBG Grant
Barker Field including Extension	1,330,247	-	1,330,247	1,330,247	Hospitality Tax
Ford Shell Ring	16,876	-	-	-	
Greens Shell Park Enhancements	184,274	-	-	-	
Old Schoolhouse Park Enhancements	276,547	750,000	-	750,000	TIF
Contingency	75,696	100,000	-	100,000	Hospitality Tax
Coligny Circle Quadrant Pocket Park	457,178	900,000	-	900,000	Capital
Jarvis Creek Park Enhancement	11,864	-	-	-	
Crossings Park Renovation-Phase 2 Bristol	-	750,000	-	750,000	Hospitality Tax
Crossings Park Renovation-Phase 3 Baseball	-	250,000	-	250,000	Capital
General Park Enhancements	62,680	250,000	-	250,000	Hospitality Tax
Park Program Total	15,533,937	10,636,000	1,803,243	12,439,243	
Facility & Equipment Program					
Town Hall Facility Enhancements	1,463,667	200,000	-	200,000	State ATAX
			90,783	90,783	Electric Franchise Fee
Fire Rescue Training Center Enhancements	264,006	-	-	-	
Coastal Discovery Museum CIP	1	496,000	-	496,000	Capital
IT Equipment & Software	154,060	625,000	-	625,000	State ATAX
			66,542	66,542	Electric Franchise Fee
Fire/Medical Systems & Equipment	21,206	-	-	-	
Security Cameras & Connectivity	51,062	150,000	-	83,803	Capital
				66,197	Prior GO Bond Proceeds
Fire Hydrant Expansion	50,000	50,000	-	50,000	State ATAX
			33,121	33,121	Electric Franchise Fee
			16,879	16,879	Hospitality Tax
Shelter Cove/BCSO Office	45,992	-	-	-	
Historic Mitchelville Freedom Park	908,318	250,000	-	250,000	State ATAX
			75,000	75,000	Capital
Furniture Replacement	-	300,000	-	300,000	Capital
SCDOT Toll Plaza Building Demo	4,935	-	-	-	
Contingency	65,300	100,000	-	100,000	Hospitality Tax
Wild Wing Café Demo	45,552	-	-	-	
Wild Wing Café Renovations	-	-	-	-	
Tree Planting & Forest Management	38,780	150,000	-	150,000	Capital
Fire Station 1 Replacements	-	-	-	-	

FY 2026 Capital Improvements Program

Projects	FY 2025 Unspent Budget	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget	FY 2026 Proposed Funding Sources
Fire Station 3 Replacements	98,033	-	6,931	6,931	Hospitality Tax
Fire Station 4 Replacements	61,835	-	80,192	80,192	State ATAX
Fire Station 5 Replacements	192	-	-	-	Hospitality Tax
Fire Station 6 Replacements	1,769	-	28,522	28,522	State ATAX
Fire Station 7 Replacements	698	-	28,523	28,523	
Fire Training Center	-	-	-	-	
Fire Rescue HQ Replacements	6,408	-	-	-	
EOC Replacements	5,027	-	-	-	
Security Access Upgrades	45,771	-	41,369	41,369	Hospitality Tax
			4,402	4,402	State ATAX
Facility Maintenance & Improvements	-	500,000	-	500,000	State ATAX
Facilities Equipment	-	50,000	-	50,000	State ATAX
4 Office Way Renovations	-	1,100,000	-	342,934	TIF
				757,066	State ATAX
Jonesville Horse Barn	-	500,000	-	500,000	Capital
Town Refuse & Recycling Management	-	250,000	-	250,000	Hospitality Tax
Improvements to new Fire Rescue HQ	-	-	677,008	677,008	Future GO Bond Proceeds
Facility & Equipment Program Total	3,332,611	4,721,000	1,149,272	5,870,272	
Stormwater Program					
Stormwater General Contingency	-	500,000	-	500,000	Stormwater Utility Fee
Stormwater Contingency-Non PUD	-	1,800,000	-	1,800,000	Stormwater Utility Fee
Stormwater Contingency-PUD	-	2,000,000	-	2,000,000	Stormwater Utility Fee
Palmetto Hall Outfall Improvements	80,000	150,000	-	150,000	Stormwater Utility Fee
Lawton Pump Station	-	-	-	-	
Wexford Debris System Design	753,915	750,000	753,446	1,503,446	Stormwater Utility Fee
25 Moonshell Road	99,242	60,000	-	60,000	Stormwater Utility Fee
Gum Tree Road Improvements	11,527	120,000	-	120,000	Stormwater Utility Fee
Jarvis Creek Outfall	150,000	50,000	-	50,000	Stormwater Utility Fee
Cordillo Court Improvements	-	95,880	-	95,880	Stormwater Utility Fee
Water Level Monitoring	-	75,000	-	75,000	Stormwater Utility Fee
Weather Monitoring	-	50,000	-	50,000	Stormwater Utility Fee
Howell Tract Access Gate	20,000	-	-	-	
Main Street Drainage Improvements	222,000	50,000	-	50,000	Stormwater Utility Fee
75 Helmsman Way Clearing	-	50,000	-	50,000	Stormwater Utility Fee
Bryant Road Pond Restoration	-	25,000	-	25,000	Stormwater Utility Fee
Old Woodlands-26 Indian Trail	-	80,000	-	80,000	Stormwater Utility Fee
Gum Tree Channel Capacity	-	120,000	-	120,000	Stormwater Utility Fee
Arrow Road Laydown Yard Improvements	-	75,000	-	75,000	Stormwater Utility Fee
Stormwater Pump Station Maintenance	-	300,000	-	300,000	Stormwater Utility Fee
Stormwater Program Total	1,336,683	6,350,880	753,446	7,104,326	
Fleet Program					
Town Vehicle Replacement	0	80,000	-	80,000	Short Term Rental Permit Fee
F/R Apparatus & Vehicle Replacement					
Engine/Pumper/Quint Company	2,464,838	-	2,464,838	2,464,838	HTAX Supported Lease
Support Vehicle Replacement	2,821	-	-	-	
Ladder Truck Replacement (2)	4,500,000	-	-	-	
Public Safety Boat	-	-	-	-	

FY 2026 Capital Improvements Program

Projects	FY 2025 Unspent Budget	FY 2026 Approved Budget	FY 2026 Proposed Budget Amendment	FY 2026 Proposed Revised Budget	FY 2026 Proposed Funding Sources
Contingency	44,702	100,000	-	100,000	Short Term Rental Permit Fee
Fleet Program Total	7,012,361	180,000	2,464,838	2,644,838	
Subtotal FY 2026 Capital Program	57,629,395	77,437,380	9,946,904	87,384,284	
Land Acquisition Program					
Land Acquisition & Administration	92,938	250,000	-	250,000	Real Estate Transfer Fee
164 Jonesville Road Purchase	-	-	413,000	413,000	Real Estate Transfer Fee
Stoney Peninsula Purchase	-	-	705,800	705,800	Real Estate Transfer Fee
117 William Hilton Parkway Purchase	-	-	762,500	762,500	TIF
1 & 5 Old Wildhorse Road Purchase	-	-	500,000	500,000	TIF
9 Park Lane Purchase	-	-	1,750,000	1,750,000	Future GO Bond Proceeds
10 Park Lane Purchase	-	-	5,950,000	5,950,000	Future GO Bond Proceeds
Land Acquisition Program Total	92,938	250,000	10,081,300	10,331,300	
Other Financing Uses					
Special Revenue Bond Cost of Issuance (Beach)	-	-	277,838	277,838	Beach Fee
<i>Future Town Council Approved Land Acquisition and Capital Projects to be Funded by GO Bond Proceeds</i>	-	-	26,622,992	26,622,992	<i>Future GO Bond Proceeds</i>
Total Other Financing Uses	-	-	26,900,830	26,900,830	
Total FY 2026 Capital Program	57,722,332	77,687,380	46,929,034	124,616,414	



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section I:	Hospitality Fees	Page 2
Section II:	Business License Fees	Page 3
Section III:	Ambulance Fees	Pages 4-6
Section IV:	Growth Management Fees	Pages 7-10
Section V:	Impact Fees	Pages 11-12
Section VI:	GIS Map Fees	Page 13
Section VII:	Stormwater Fees	Page 14
Section VIII:	Miscellaneous Fees	Page 15



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section I- Hospitality Fees

Item/Description	Basis	Fee
Taxation Fees		
Hospitality Tax Fees	Quarterly on the dates listed in the table below	2% of Prepared Meals/Beverages
Accommodations Tax	Quarterly on the dates listed in the table below	3% of Gross Sales Price of Accommodations*
Short-Term Rental Permit	Yearly running with the calendar year 12-month period starting May 1, 2026	\$250 per property \$150 per bedroom per property \$250 late fee after May 15, 2026 (Starting in 2027, the late fee will be assessed on May 1.)

*1/3 of the Accommodations Tax (or 1% of Gross Price of Accommodations) goes towards tourism-related expenditures including such things as tourism-related buildings, beach access, roads, water and sewer infrastructure, maintenance, police, fire protections and emergency medical services.

2/3 of the Accommodations Tax (or 2% of Gross Price of Accommodations) is allocated to the Beach Preservation Fee used for beach renourishment, and beach related services and facilities.

Collected	Due
First Quarter (January, February, March)	April 20 th of the calendar year
Second Quarter (April, May, June)	July 20 th of the calendar year
Third Quarter (July, August, September)	October 20 th of the calendar year
Fourth Quarter (October, November, December)	January 20 th of the following calendar year



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section II- Business License Fees

Business License Rate Schedule

Rate Class/Charge Code	New Rates effective 01/01/2026		A=In Town (IT) B=Out of Town (OT)
	New base rate	New per thousand rate	
01A	\$ 48.60	\$ 0.80	
01B	\$ 97.20	\$ 1.60	
02A	\$ 56.70	\$ 1.10	
02B	\$ 113.40	\$ 2.20	
03A	\$ 64.60	\$ 1.20	
03B	\$ 129.20	\$ 2.40	
04A	\$ 72.80	\$ 1.40	
04B	\$ 145.60	\$ 2.80	
05A	\$ 80.90	\$ 1.50	
05B	\$ 161.80	\$ 3.00	
06A	\$ 89.00	\$ 1.60	
06B	\$ 178.00	\$ 3.20	
07A	\$ 97.00	\$ 1.80	
07B	\$ 194.00	\$ 3.60	
08D	Exempt	Exempt	
08.1A Contractors, Construction	\$64.60	\$1.20	
08.1B Contractors, Construction	\$129.20	\$2.40	
08.51A Type I & II Amusement Machine Operator	\$12.50		Business License Flat Rate
08.11 Type I & II Per Each Machine Permit	\$12.50		Amusement Machine
08.52A Type III Amusement Machine Operator	\$12.50		Business License Flat Rate
08.13 Type III Per Each Machine Permit	\$180.00		Amusement Machine
08.6A Pool Halls or Billiards	\$64.60	\$1.20	
08.12 Per Each Billiard/Pool Table Permit	\$5.00		Pool Table
09.10A Online Travel Arrangements	\$187.50	\$3.24	Same Rate for IT/OT
09.10B Online Travel Arrangements	\$187.50	\$3.24	
09.30A Auto Dealers	\$56.70	\$1.10	
09.30B Auto Dealers	\$113.40	\$2.20	
09.70A Drinking Places	\$113.20	\$1.80	
09.70B Drinking Places	\$226.40	\$3.60	
08EE- Taxi Stickers	\$25.00		Per Taxi



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Non-Resident Rates:

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the municipality.

Irrigation Trade Certificates:

Item	Fee
Irrigation Trade Test	\$75.00
Initial Irrigation Trade Certificate (issued for one calendar year)	\$25.00
Renewal Fee (due December 31 st)	\$10.00
Late Renewal Fee	\$20.00

Section III- Ambulance Service Fees

Billing Category	Rate
BLS- Basic Life Support- Non-emergency	\$460 plus \$17.25/mile
BLS- Basic Life Support- Emergency	\$626 plus \$17.25/mile
ALS-1- Advanced Life Support- Non-emergency	\$520 plus \$17.25/mile
ALS-1- Advanced Life Support- Level 1 Emergency	\$745 plus \$17.25/mile
ALS-2- Advanced Life Support- Level 2	\$1076 plus \$17.25/mile
Treatment- No Transport - BLS	\$100 per incident
Treatment- No Transport - ALS	\$175 per incident

Emergency response is a BLS, ALS 1 or ALS 2 level of service provided in immediate response to a 911 call or the equivalent.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Ambulance Billing Category Descriptions

BLS (non-emergency)

Response to treat/transport a patient includes:

- Checking vitals, oxygen administration, etc.
- Maintaining an existing IV but no IV initiated
- Minimal use of supplies
- These calls are mostly non-emergency "transport" patients who are routinely transported by private ambulance services to various locations (hospitals, doctor's offices, homes, etc.)
- The Town of Hilton Head Island Fire Rescue rarely handle these types of calls and do so only in defined critical situations.

BLS (emergency)

Emergency response for a patient who is treated /transported to a hospital includes:

- Checking vitals, oxygen administration, splinting, bandaging, etc.
- Maintaining an existing IV but no IV initiated
- Minimal to moderate use of supplies
- These are emergency calls that The Town of Hilton Head Island Fire Rescue routinely handles.

ALS 1 (non-emergency)

Response for a patient who is treated/transported includes:

- an ALS assessment or ALS skills such as IV initiation, cardiac monitoring, blood draws, BGL checks, or up to two (2) drugs administered
- minimal to moderate use of supplies
- These are mostly non-emergency "transport" calls between facilities that require an ALS assessment and/or the use of ALS procedures that are above the scope of BLS care.
- The Town of Hilton Head Island Fire Rescue rarely handles these types of calls and do so only in defined critical situations.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

ALS 1 (emergency)

Emergency response for a patient who is treated/transported to a hospital and requires:

- an ALS assessment or ALS skills such as IV initiation, cardiac monitoring, blood draws, BGL checks, or up to two (2) drugs administered
- minimal to moderate use of supplies
- These emergency calls are primarily patients suffering from seizure, diabetic emergencies, breathing problems, auto accidents, etc.
- The Town of Hilton Head Island Fire Rescue routinely handles these emergency calls.

ALS 2

Emergency response for a patient who is treated/transported to a hospital and requires:

- an ALS assessment or ALS skills plus three (3) or more separate drug administrations and/or the use of any one of the following:
 - Manual defibrillation
 - Cardio-version
 - Cardiac pacing
 - Endotracheal intubation
 - Chest decompression
 - Intraosseous line
- maximum use of supplies
- These emergency calls are primarily patients in cardiac or respiratory arrest, shock, or critical trauma patients.
- The Town of Hilton Head Island Fire Rescue routinely handles these emergency calls.

Treatment-No Transport

Response to calls where "treatment" was performed but no transport to a medical facility took place. Treatment is described as providing oxygen administration, splinting, bandaging, applying hot or cold compresses, IV fluid administration, etc.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section IV- Growth Management Fees

Item/Description	Value of Construction	Fee
New Structure Single Family Permits	\$0-\$2,000	\$35.00
	\$2,001-\$3,000	\$38.50
	\$3,001-\$50,000	\$38.50 + \$4.50 per \$1,000 or fraction thereof
	\$50,001 and above	\$250.00 + \$3.50 per \$1,000 or fraction thereof over \$50,000
	Plan Review Fee	50% of permit fee (non-refundable)
Miscellaneous Single Family Permits	\$0-\$1,000	\$35.00
	\$1,001-\$2,000	\$70.00
	\$2,001-\$3,000	\$77.00
	\$3,001-\$50,000	\$77.00 + \$9.00 per \$1,000 or fraction thereof
	\$50,001 and above	\$500.00 + \$3.50 per \$1,000 or fraction thereof over \$50,000
	Plan Review Fee	50% of permit fee (non-refundable)
New Structure Commercial Permits	\$500-\$2,000	\$35.00
	\$2,001-\$3,000	\$38.50
	\$3,001-\$50,000	\$38.50 + \$4.50 per \$1,000 or fraction thereof
	\$50,001 and above	\$250.00 + \$4.00 per \$1,000 or fraction thereof over \$50,000
	Plan Review Fee	75% of permit fee (non-refundable)
Miscellaneous Commercial Permits	\$0-\$1,000	\$35.00
	\$1,001-\$2,000	\$70.00
	\$2,001-\$3,000	\$77.00
	\$3,001-\$50,000	\$77.00 + \$9.00 per \$1,000 or fraction thereof
	\$50,001 and above	\$500.00 + \$4.00 per \$1,000 or fraction thereof over \$50,000
	Plan Review Fee	75% of permit fee (non-refundable)

Fees shall be waived for single family construction alterations to enlarge, alter, repair, remodel or add additions to existing structures when the value of said alteration is less than one thousand dollars (\$1,000.00).

- A permit is still required.
- Mechanical work is not subject to this waiver.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Permit Application Fees

Item/Description	Basis	Fee
Construction Trailers	Each	\$25.00
Demolition	Each	\$50.00
Electrical < 200 amps	Each	\$25.00
Electrical > 200 amps	Each	\$35.00
Electrical Other	Each	
HVAC Change Out (per unit)	Each	\$50.00
LP Gas Permit- Residential > 1,000 gallons	Each	\$50.00
LP Gas Permit- Commercial < 1,000 gallons	Each	\$50.00
LP Gas Permit- Commercial > 1,000 gallons	Each	\$75.00
Water Heater Change Out	Each	\$50.00
Manufactured Homes	Each	\$25.00 + impact fees
Moving a Structure	Each	\$100.00
Swimming Pool or Spa Single Family	Each	\$100 + \$200 surety deposit*
Swimming Pool or Spa Commercial	Each	\$150 + \$200 surety deposit*
Irrigation Systems (per system)	Each	\$100 + \$200 surety deposit*
Tent, Stage or Air Supported Structure	Each	\$50.00
Water Feature (Fountains)	Each	\$100 + \$200 surety deposit*
Re-inspection of each permit	Each	\$50.00
Construction Board of Adjustments and Appeals	Each	\$75.00
Remark Single Family Plans	Each	\$50.00
Safety Inspection	Each	\$100.00
Withdrawn Permits with Plans	Each	\$50.00 or 10% of permit fee, whichever is larger
Withdrawn Permits Without Plans	Each	Refund Permit Fee or \$50, whichever is larger
Stop Work Order	Each	Double permit fee + possible fine
Building Permit Transfer	Each	\$50.00
Permit Extension Request	Each	\$25.00
Permit Reinstatement Fee	Each	\$25.00

*Surety Deposits are refundable if final inspection is approved within six months of permit issuance.

Building permit fees are based on a comparison of the declared value of construction and the minimum value of construction as outlined in the Building Valuation Data as published by the International Code Council. The fee is calculated using the higher of the two compared figures.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Planning and Environmental Permit Fees

Description	Fee
Address Request	\$0.00
Appeal	\$100.00
Certificate of Compliance	\$0.00 + \$200 for each reinspection
Designation of Contributing Structure	\$0.00
Design Review Board: New Development Conceptual	\$175.00
Design Review Board: New Development Final	\$175.00
Design Review Board: Alteration/Addition	\$100.00
Development Naming	\$0.00
Development Review Plan: Major-Residential	\$200.00 + \$10 per unit
Development Review Plan: Major-Non-Residential	\$500.00 + \$20 per 1000 sq ft
Development Review Plan: Major-Hotel/Motel	\$200.00 + \$10 per room plus non-residential fee
Development Review Plan: Minor (no new building/addition)	\$100.00
Emergency Permitting	\$0.00
Exempt Plat	\$0.00
Family Compound	\$0.00
Minor Corridor Review	\$50.00
Natural Resource Request	\$0.00
Plat Stamping	\$0.00
Pre-Application	\$0.00
Pre-Clear Inspection	\$0.00 + \$200 for each re-inspection
Public Project	\$0.00
Sign	\$25.00 + \$25.00 per sign face
Silviculture	\$0.00
Site Lighting	\$0.00
Small Residential Plan Review	\$50.00 + \$10 per unit
Special Exception	\$200.00
Street Naming	\$0.00
Street Renaming	\$0.00
Substitution of Non-Conformities	\$0.00
Subdivision: Major	\$200.00 + \$10 per lot
Subdivision: Minor	\$100.00 + \$10 per lot
Traffic Impact Analysis Plan	\$250.00



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Planning and Environmental Permit Fees (continued)

Description	Fee
Tree Removal	\$0.00
LMO Text Amendment	\$0.00
Utility Project	\$0.00
Variance	\$250.00
Zoning Map Amendment	\$500.00
Zoning Permit	\$0.00
Zoning Verification Letter	\$0.00



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section V- Impact Fees

Impact fees are due to the community when issuing new structure building permits to help build the infrastructure required to serve the new occupants. The Beaufort County fees are collected by the Town of Hilton Head Island at the issuance of the permit and distributed to the county monthly.

Beaufort County Road Development Impact Fees

Residential (per housing unit)
sqft)

Unit Size (sq. ft)	Fee
1,000 or less	\$1,551.00
1,001 to 1,250	\$1,939.00
1,251 to 1,500	\$2,284.00
1,501 to 1,750	\$2,585.00
1,751 to 2,000	\$2,844.00
2,001 to 2,500	\$3,231.00
2,501 to 3,000	\$3,576.00
3,001 to 3,500	\$3,835.00
3,501 to 4,000	\$4,093.00
4,001 or more	\$4,309.00

Non-Residential (per 1,000

Use Type	Fee
Retail	\$5,024.00
Office/Service	\$2,497.00
Industrial	\$1,007.00
Institutional	\$2,326.00

Beaufort County Library Development Fees

Residential (per housing unit)

Unit Size (sq. ft)	Fee
1,000 or less	\$151.00
1,001 to 1,250	\$189.00
1,251 to 1,500	\$227.00
1,501 to 1,750	\$252.00
1,751 to 2,000	\$278.00
2,001 to 2,500	\$316.00
2,501 to 3,000	\$353.00
3,001 to 3,500	\$379.00
3,501 to 4,000	\$404.00
4,001 or more	\$417.00



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Town of Hilton Head Island Road Development Fees

Land Use	Fee Per	Fee
Single Family (<1500 sq ft)	Dwelling	\$635.00
Single Family (>1500 sq ft)	Dwelling	\$816.00
Multifamily	Dwelling	\$500.00
Retirement Housing	Dwelling	\$282.00
Hotel	Room	\$805.00
Motel	Room	\$870.00
Bank w/out drive-thru	1,000 sq ft	\$1,800.00
Bank w/ drive-thru	1,000 sq ft	\$3,394.00
Church	1,000 sq ft	\$795.00
Community College	1,000 sq ft	\$1,099.00
Convenience Market	1,000 sq ft	\$9,445.00
Day Care Center	1,000 sq ft	\$1,013.00
Discount Store	1,000 sq ft	\$4,487.00
Elementary/Secondary School	1,000 sq ft	\$915.00
Golf Course	Acre	\$3,208.00
High School	1,000 sq ft	\$930.00
Hospital	1,000 sq ft	\$1,431.00
Industry, Light	1,000 sq ft	\$595.00
Library	1,000 sq ft	\$3,882.00
Marina	Berth	\$252.00
Medical Clinic/Office	1,000 sq ft	\$2,916.00
Mini-Warehouse	1,000 sq ft	\$223.00
Office, General (<25,000 sq ft)	1,000 sq ft	\$1,988.00
Office, General (>25,000 sq ft)	1,000 sq ft	\$1,418.00
Park	Acre	\$191.00
Racquet Club	1,000 sq ft	\$1,462.00
Restaurant, Quality	1,000 sq ft	\$6,175.00
Restaurant, High- Turnover	1,000 sq ft	\$8,761.00
Restaurant, Fast Food	1,000 sq ft	\$14,562.00
Service Station	Hose	\$1,236.00
Shopping Center (<50,000 sq ft)	1,000 sq ft	\$2,604.00
Shopping Center (>50,000 sq ft)	1,000 sq ft	\$3,317.00
Supermarket/Food Store	1,000 sq ft	\$4,283.00
Warehousing	1,000 sq ft	\$416.00



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section VI: GIS Map Fees

Standard Pre-Made Maps and Reprints

Size	Fee
8.5" x 11"	\$1.00
11' x 17" (Tabloid)	\$2.00
24" x 36" (Arch D)	\$10.00
36" x 48" (Arch E)	\$20.00

Custom Maps and Aerial Photos (Produced by Staff)

Same price as above with \$40.00 per hour for Staff time- charges added in 15 minute increments. Minimum staff time charge of \$10.00.

Maps larger than 36" x 48" (Arch E) will be billed at \$1.67 per square foot.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section VII- Stormwater Fees

Permit Type	Initial NPDES Plan Review	Plan Amendment/ Resubmittal	Routine Inspection (monthly)	Notice of Violation (per inspection)	Stop Work Order (per inspection)
Single Family Residential	\$100	\$75	\$90 (6 month minimum)	\$140	\$190
Pool or Spa (residential)	\$100	\$75	\$90 (3 month minimum)	\$140	\$190
Demolition (Residential, <1 acre)	\$100	\$75	\$90 (1 month minimum)	\$140	\$190
Residential Subdivision, Multifamily and Non-residential **	\$250/acre* (\$5000 max)	\$150/acre* (\$2500 max)	\$50 + \$50/acre* (\$500 max)	\$100 + \$50/acre* (\$550 max)	\$150 + \$50/acre* (\$600 max)

*Per disturbed acre, rounded up to the nearest whole acre.

**Including Land Disturbance Permits and Commercial Demolitions

Minimum monthly inspection fees due prior to permit issuance, inspections above the minimums will be due in full prior to final CO issuance.



ATTACHMENT 3

Town of Hilton Head Island Master Fee Schedule

Section VIII- Miscellaneous Fees

Item/Description	Basis	Fee
Resident Beach Parking Pass*	Yearly (calendar year)	\$0 per vehicle with a 2 vehicle per address limit
Non-Resident Beach Parking Fee*	March 1 st through September 7 th (Monday through Friday)	\$3 per hour with a maximum daily charge of \$15 per vehicle
	March 1 st through September 7 th (Monday through Friday)	\$20 per vehicle flat daily rate
Real Estate Transfer Fee	Upon closing of real estate	.25%
Special Event Fee	Per Event	\$100 + \$500 event bond**

*All visitors will be required to pay for parking at all locations except Coligny Beach Park.

- Free parking for youth recreational sports will remain available at Chaplin Community Park (Burkes Beach Access).
- Beach parking fees will be enforced at Chaplin Community Park (Burkes Beach Access) from 7 am to 5 pm, beginning May 19th and through September 7th, following the end of the youth sports season.
- Individuals with registered handicap placards and/or license plates may park for free at all beach parks, per South Carolina state law.
- Disabled veterans and recipients of the Purple Heart are exempt from the payment of municipal parking meter fees when their vehicles bear a disabled veteran's or Purple Heart license plate issued by the Department of Motor Vehicles. A new parking privilege has been added to certain military license plates that allows free parking in metered areas in SC. These benefits do not apply to military license plates issued before May 6, 2022.

**The \$500 event bond is refundable pending the event completion with all Town of Hilton Head event requirements satisfied.

ATTACHMENT 4



TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL

TO: Hilton Head Town Council Members
FROM: Dave Byrd, Finance Director
CC: Marc Orlando, Town Manager
DATE: March 10, 2026
SUBJECT: Short-Term Rental Program Enhancements – Sustainable Funding Strategy, Fee Amendment, and Staffing Plan

PURPOSE:

The purpose of this memorandum is to provide detailed justification and supporting analysis for a proposed budget amendment to implement enhancements to the Town's Short-Term Rental (STR) Program. Specifically, this memorandum:

- Responds to Town Council's prior direction to return with a separate funding, fee, and staffing proposal following adoption of the amended STR ordinance;
- Identifies the operational demands created by the amended ordinance;
- Presents a sustainable funding strategy, including a proposed \$150 per-bedroom annual STR permit fee and \$250 late renewal fee; and
- Recommends a staffing and operational plan resulting in six (6) STR program-dedicated full-time equivalent (FTE) positions, representing a net increase of four (4) FTEs.

This memorandum is submitted as **Attachment 4** to the Budget Amendment Ordinance Staff Report and provides detailed support for the requested action.

BACKGROUND:

On October 21, 2025, Town Council adopted comprehensive amendments to the Short-Term Rental Ordinance to strengthen regulations related to:

- Parking and occupancy,
- Enforcement and compliance,
- Fire and life-safety standards, and
- Program accountability and responsiveness.

At the time of adoption, Town Council directed the Town Manager to return with a separate item addressing:

- Required staffing enhancements,
- Operational and equipment needs, and
- Fee schedule amendments necessary to support the enhanced program.

The ordinance amendments were intentionally adopted without a concurrent budget or fee schedule amendment, necessitating this follow-up action to ensure full and effective implementation.

The Town currently permits 7,368 short-term rental units, representing one of the largest STR inventories among similarly sized resort communities. The scale, geographic dispersion, and intensity of STR activity—particularly within residential neighborhoods—has significantly increased demand for:

- Proactive inspections and enforcement,
- Timely and consistent complaint response,
- Fire and life-safety inspections,
- 24/7 operational responsiveness, and
- Clear and consistent communication with residents, property owners, agents, and visitors.

EXISTING STR PROGRAM STAFFING (Pre-Amendment):

Prior to adoption of the amended ordinance, the STR program operated under a limited and distributed staffing model funded by a \$250 flat annual STR permit fee, including:

- Finance staff supporting STR permitting and compliance,
- Shared Community Code Enforcement staff without STR-dedicated assignments, and
- Reliance on a third-party vendor to provide nuisance hotline services with no internal 24/7 intake or rapid response capability.

This existing staffing model and fee structure are insufficient to administer the amended ordinance and do not meet Town Council's expectations for responsiveness, accountability, and neighborhood protection.

PROPOSED FUNDING STRUCTURE:

Staff recommend amending the Town of Hilton Head Island Master Fee Schedule to adopt the following STR permit fee structure:

- \$150 per-bedroom annual STR permit fee, and

- \$250 late fee for STR permit renewals submitted after May 15, 2026 (Beginning in 2027, the late fee will apply on May 1).

All revenue generated by the proposed per-bedroom permit fee and late fee will be restricted to STR program operations and used exclusively to fund staffing, equipment, technology, and operational enhancements necessary to administer the program.

This approach aligns STR-related fees directly with the scale and intensity of use, ensuring that program costs are borne by STR operations rather than the general taxpayer.

STR PROGRAM ENHANCEMENTS SUPPORTED BY REVENUE:

The proposed funding structure supports the following STR program enhancements:

- Funding for an additional four (4) STR program-dedicated FTEs;
- Conversion of two (2) STR program-dedicated part-time positions to full-time positions;
- Promotion of one (1) Community Code Enforcement Supervisor to address expanded compliance requirements;
- Acquisition of three (3) additional vehicles, equipment, and supporting technology;
- Implementation of STR compliance software, dashboards, system maintenance, training, and public transparency tools;
- Proactive and complaint-based inspections with defined response standards;
- Establishment of a Town-operated 24/7 STR Rapid Response Hotline through Fire Rescue Dispatch;
- Enhanced coordination with the Beaufort County Sheriff's Office (BCSO);
- Centralized case management, tracking, and escalation of repeat violations;
- Improved communication with residents, owners, agents, and visitors; and
- Annual STR program performance reporting to Town Council.

STR PROGRAM STAFFING AND OPERATIONS PLAN AND NET IMPACT:

Existing Cost Structure Adjustments

The current \$250 flat permit fee supports STR program-related staffing and costs across multiple departments, including Public Safety, Fire Rescue, Community Development, IT, Legal, Finance, Facilities, Operations, and Communications, as well as STR software licensing.

A review of staff time allocations versus budgeted assumptions was conducted. Adjustments were made based on actual workload, and a 10% overhead factor was applied to account for indirect administrative costs. The attached spreadsheet details these adjustments by category.

The net impact of these updates represents an increase of \$312,554 to support the existing STR program at current service levels.

Existing STR Program Staffing and Operation Expense	Existing Annual STR Costs		Comments
	2026 FY Budget	2026 Actual	
STAFFING:			
Public Safety	\$ 634,530	\$ 697,983	Added 10% Overhead Allocation
Fire Rescue	\$ 154,217	\$ 169,639	Added 10% Overhead Allocation
Community Development Customer Service	\$ 140,202	\$ -	Updated based on usage
IT, Legal, Finance	\$ 290,286	\$ 677,578	Updated based on time allocation of Revenue Team; added 10% Overhead Allocation
Facilities and Operations	\$ 291,065	\$ 270,156	10% Overhead and time allocation
Communications and Marketing	\$ 75,000	\$ 82,500	Added 10% Overhead Allocation
Total Staffing	\$ 1,585,300	\$ 1,897,855	
OPERATING EXPENSES:			
3rd Party Software - Neumo (Formerly GovOS)	\$ 239,700	\$ 239,700	
Total Operating Expenses	\$ 239,700	\$ 239,700	
Total Revised and Recommended STR Costs - Annual	\$ 1,825,000	\$ 2,137,554	

New STR Program Staffing and Operational Requirements

In addition to adjustments to the existing cost structure, the amended ordinance necessitates new staffing and operational investments to meet enhanced compliance and enforcement standards.

Proposed STR Program-Dedicated Positions

New Positions (4.0 New FTE):

- Two (2) Senior Community Code Enforcement Officers
 - Proactive inspections, complaint response, repeat-violation follow-up, and neighborhood quality-of-life enforcement.
- One (1) Senior Fire Inspector
 - STR-specific fire and life-safety inspections, re-inspections, and coordination with Fire Rescue.
- One (1) Dispatcher – STR Rapid Response Hotline Operator
 - Operation of a Town-managed 24/7 STR hotline through Fire Rescue Dispatch, replacing the outsourced Neumo (formerly GovOS) service.

Converted and Promoted Positions (0 New Positions):

- Conversion of two (2) Finance positions from part-time to full-time:
 - Short-Term Rental Services Coordinator – Program administration, permitting coordination, communications, case oversight, metrics, and reporting.
 - Senior Revenue Collector – STR Program – STR collections, audits, compliance tracking, and coordination with Finance.
- Promotion of one (1) existing Public Safety Supervisor to a Manager position to address expanded compliance responsibilities.

This STR program staffing model represents the optimal operational capacity required to effectively administer an STR program of this size and complexity.

Capital and Operational Investments

Additional investments required to support the enhanced STR program include:

- Expanded communications support to implement a comprehensive STR communications strategy;
- Three (3) new vehicles, including maintenance and fuel;
- Ten (10) vehicle equipment upgrades;
- Six (6) handheld radios.

Detailed cost information is provided in the attached spreadsheet.

New STR Operation Expense	Comments	Total STR Expense
\$ 222,750	2 - FTE Senior Code Enforcement Officers	
\$ 124,635	1 - FTE Senior Fire Inspector	
\$ 17,311	Promote Supervisor to Manager	
\$ 84,229	1 - FTE STR Rapid Response Hotline Operator	
\$ 70,350	.5 - FTE STR Services Coordinator	
\$ 92,625	.5 - FTE Senior Revenue Collector	
\$ 611,900		2,509,754
\$ (29,700)	Eliminate STR Nuisance Hotline	
\$ 50,000	Comprehensive Communication Strategy	
\$ 143,200	New Vehicles (3)	
\$ 81,000	Vehicle Equipment Upgrades (10)	
\$ 37,096	Handheld Radios (6)	
\$ 281,596		521,296
\$ 893,496		3,031,050

CONCLUSION:

This budget amendment implements Town Council's prior direction by aligning the amended STR ordinance with the staffing, operational resources, and funding necessary for effective administration of the STR program. The proposed fee structure and staffing plan establish a sustainable, transparent, and accountable STR program that protects neighborhood quality of life while supporting a well-managed visitor economy.

Attachment 5 provides a consolidated overview of the proposed staffing, operational enhancements, and amended STR fee schedule.

ATTACHMENT 5

Existing STR Program Staffing and Operation Expense	Existing Annual STR Costs		Comments
	2026 FY Budget	2026 Actual	
STAFFING:			
Public Safety	\$ 634,530	\$ 697,983	Added 10% Overhead Allocation
Fire Rescue	\$ 154,217	\$ 169,639	Added 10% Overhead Allocation
Community Development Customer Service	\$ 140,202	\$ -	Updated based on usage
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Communications and Marketing	\$ 75,000	\$ 82,500	Added 10% Overhead Allocation
Total Staffing	\$ 1,585,300	\$ 1,897,855	
OPERATING EXPENSES:			
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\$ 611,900		2,509,754
\$ (29,700)	Eliminate STR Nuisance Hotline	
\$ 50,000	Comprehensive Communication Strategy	
\$ 143,200	New Vehicles (3)	
\$ 81,000	Vehicle Equipment Upgrades (10)	
\$ 37,096	Handheld Radios (6)	
\$ 281,596		521,296
\$ 893,496		3,031,050

STR Bedrooms	Number of STR Permits	Number of Bedrooms	New STR Permit Fee	Change vs Existing Fee	Total STR Permit Fee
Studio	6	6	\$ 150	\$ (100.00)	\$ 900
1 Bedroom	1,057	1,057	\$ 150	\$ (100.00)	\$ 158,550
2 Bedrooms	3,121	6,242	\$ 300	\$ 50.00	\$ 936,300
3 Bedrooms	1,492	4,476	\$ 450	\$ 200.00	\$ 671,400
4 Bedrooms	763	3,052	\$ 600	\$ 350.00	\$ 457,800
5 Bedrooms	435	2,175	\$ 750	\$ 500.00	\$ 326,250
6 Bedrooms	322	1,932	\$ 900	\$ 650.00	\$ 289,800
7 Bedrooms	130	910	\$ 1,050	\$ 800.00	\$ 136,500
8 Bedrooms	28	224	\$ 1,200	\$ 950.00	\$ 33,600
9 Bedrooms	7	63	\$ 1,350	\$ 1,100.00	\$ 9,450
10 Bedrooms	7	70	\$ 1,500	\$ 1,250.00	\$ 10,500
Total	7,368	20,207			\$ 3,031,050
Per Bedroom STR Permit Fee					\$ 150



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Shawn Gillen, Assistant Town Manager
CC: Marc Orlando, Town Manager
DATE: March 10, 2026
SUBJECT: Consideration of a Resolution of the Town Council of the Town of Hilton Head Island to recommend transportation projects to Beaufort County Transportation Advisory Committee for a County Transportation Sales Referendum

RECOMMENDATION:

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island to approve a resolution recommending projects to Beaufort County Transportation Advisory Committee (“TAC”) for a county wide Transportation Sales Tax (“Sales Tax”) referendum, shown as Attachment 1.

This resolution incorporates the conditions recommended from the Town Council given at the February 24, 2026, Town Council Workshop. These recommendations include the following conditions:

- A clear statement that this resolution is a recommendation of projects to be considered and in no way has the Town taken a position on the merits of the referendum itself.
- Any revenue collected via the Sales Tax that is designated for the Town be transferred to the Town and held in a special fund under the control of the Town.
- In addition to the prioritized list of projects, the amount of Sales Tax to be collected, and the duration of the collection period, the TAC will determine the percentage of the total revenue collection that is to be transferred to the Town.
- Sales Tax revenue designated for the Town may be used as matching funds for other funding sources as deemed appropriate by the Town.

BACKGROUND:

On November 10, 2025, the County Council of Beaufort County approved the creation of a Transportation Advisory Committee (TAC) to make recommendations to County Council regarding a possible 2026 Transportation Sales Tax. Shown here as Attachment 2.

The TAC has met four times as of March 4th, 2026. The next meeting of the TAC will be on March 11th in the Town of Hilton Head Island Town Council chambers. At this meeting the Town is expected to present to the TAC a list of projects that the Town wishes to be a part of the transportation sales tax referendum. The complete schedule of meetings of the TAC is shown as Attachment 3.

I. Purpose:

This memorandum provides an overview of the TAC and the criteria the committee asked to be considered when selecting projects. In an email from Jared Fralix, Assistant County Administrator, to the Town Managers within Beaufort County, shown here as Attachment 4, the Towns are to consider three categories for selecting projects:

- Widening Projects
- Safety and Intersection Improvements
- Resurfacing and Dirt Road Paving Projects

The projects presented for consideration in the attached resolution include:

- William Hilton Parkway – Gateway Corridor
 - Squire Pope/WHP Intersection Improvements
 - Spanish Wells/WHP Intersection Improvements
- Gumtree Road Improvements
- Main Street Road Improvements
- William Hilton Parkway - Chaplin Corridor
- Sea Pines Circle

SUMMARY

The Town Council is asked to consider the approval of a list of projects to be put forth to the TAC for consideration of a Sales Tax. The resolution supporting the projects discussed at the February 24, 2026, Town Council Workshop also contains several stipulations that the Town Council asked staff to include in the resolution. If approved by the Town Council at the March 10, 2026, Town Council Meeting the projects will be presented at the meeting of the Transportation Advisory Committee, to be held at the Town of Hilton Head Island Town Council chambers.

ATTACHMENTS:

1. Resolution of the Town Council of Hilton Head Island recommending Projects for Consideration by the TAC
2. Beaufort County Council Resolution Creating the Transportation Advisory Committee
3. Email from Jared Fralix, Assistant County Manager
4. Transportation Advisory Committee Meeting Schedule

A RESOLUTION OF THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, EXPRESSING THE SENSE OF THE TOWN COUNCIL REGARDING A LIST OF PROPOSED PROJECTS FOR BEAUFORT COUNTY'S POTENTIAL 2026 TRANSPORTATION SALES TAX REFERENDUM AND OTHER MATTERS RELATED THERETO

WHEREAS, Beaufort County Council ("*County Council*") is in pursuit of a 2026 referendum for the imposition of a Transportation Sales Tax ("*Sales Tax*") to fund transportation and infrastructure improvements throughout Beaufort County; and,

WHEREAS, on November 10, 2025, County Council approved Resolution 2025/70 establishing a Transportation Advisory Committee ("*TAC*") comprised of citizen representatives, including a representative from the Town of Hilton Head Island ("*Town*"); and,

WHEREAS, the TAC was charged with completing and submitting recommendations to County Council to include (1) a prioritized list of proposed projects, (2) the amount of sales tax to be collected, and (3) the duration of the collection period; and,

WHEREAS, on February 24, 2026, the Town Council of Hilton Head Island ("*Town Council*") convened for a Town Council Workshop Meeting to discuss the Five-Year Capital Improvement Plan which included a discussion of potential projects to be recommended for the Beaufort County Sales Tax referendum as follows:

1. William Hilton Parkway – Gateway Corridor
 - i. Squire Pope/WHP Intersection Improvements
 - ii. Spanish Wells/WHP Intersection Improvements
2. Gumtree Road Improvements
3. Main Street Road Improvements
4. William Hilton Parkway - Chaplin Corridor
5. Sea Pines Circle

The above list of projects is collectively hereinafter referred to as the "*Project List*"; and,

WHEREAS, on March 10, 2026, the Town Council reviewed and discussed the proposed Project List and other matters for inclusion in Beaufort County's potential 2026 referendum question to be recommended to TAC and presented at the TAC meeting to be held on March 11, 2026; and

WHEREAS, Town Council remains neutral as it relates to County Council's pursuit of a 2026 referendum for the imposition of a Sales Tax. Through its adoption of this Resolution, Town Council is neither promoting Sales Tax referendum, nor educating the citizens of Hilton Head Island on the Sales Tax referendum, but rather wishes to express the sense of the Town Council regarding the proposed Project List and other matters related thereto.

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

1. The Town Council requests an explanation from Beaufort County of the amount of Sales Tax to be collected and the duration of the Sales Tax collection period.
2. The Town Council requests Beaufort County provide an explanation of the projected dollar amount to be collected by the Sales Tax from within the Town's municipal limits. Additionally, of the aforementioned amount collected, Town Council requests an

explanation of how much of those funds, either a dollar amount or a percentage, will be spent on projects located within the Town’s municipal limits.

3. The Town Council requests that those funds collected by the Sales Tax from within the Town’s municipal limits be disbursed to the Town to be held in a special account only to be used for the projects identified on the Project List. Following completion of all projects on the Project List, any remaining Sales Tax funds will be returned to Beaufort County to complete the remaining projects identified in the referendum question.
4. In furtherance of the desire to initiate and complete projects in a timely manner, Sales Tax funds shall be permitted to be used as matching or supplemental funding to other available funds including, but not limited to, local, state or federal funding.
5. The Town Council requests County Council be required to appoint a committee to oversee the projects identified on the Project List, and in the referendum question, to ensure that the projects are initiated and completed in a timely manner.
6. The Town Council is in support of the Project List being provided to TAC for consideration; but reserves the ability to amend, expand, or limit the Project List as it determines appropriate following a review of the information requested in this Resolution.

MOVED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS ____ DAY OF MARCH, 2026.

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*

COUNTY COUNCIL OF BEAUFORT COUNTY
ADMINISTRATION BUILDING
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
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CHAIRMAN

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VICE CHAIRMAN

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THOMAS REITZ

MICHAEL R. MOORE
COUNTY ADMINISTRATOR

SARAH W. BROCK
CLERK TO COUNCIL

January 27, 2026

Mr. Glenn Stanford
(Via Email)
Re: 2026 Transportation Advisory Committee

Dear Mr. Stanford:

Please accept this correspondence as notification that you have been nominated and approved to represent the Town of Hilton Head on the 2026 Transportation Advisory Committee. We are very appreciative of your willingness to serve on this very important committee.

At its meeting on November 10, 2025, the Beaufort County Council adopted Resolution 2025/70, a copy of which is attached for your review, creating a Transportation Advisory Committee. The purpose of this committee is to recommend various transportation projects that will benefit each council district or municipality. The committee's recommendations will be evaluated and presented to County Council for consideration, adoption, and/or revision of the recommendations that will then be presented for a potential referendum in November of 2026.

I have scheduled an organizational meeting for Wednesday, February 4, 2026. The meeting will take place at 5:30 p.m. in the Executive Conference Room of the Administration Building, located at 100 Ribaut Road, Beaufort, SC. The agenda will include:

- Election of Chairman and Vice-Chairman
- Overview of Freedom of Information Act/ Open Meetings
- Adoption of Rules of Procedure
- Setting of Committee Meeting Schedule

Mr. Jared Fralix, Assistant County Administrator for Engineering, will serve as the lead Beaufort County Staff liaison to the Committee. If you have any questions, please feel free to contact him at (843) 929-2321.

Thank you again for your willingness to serve Beaufort County.

Sincerely,



Alice Howard, Beaufort County Council Chair

Enclosure

CC:

Michael Moore, County Administrator

Jared Fralix, Assistant County Administrator, Engineering

RESOLUTION 2025/70

A RESOLUTION ESTABLISHING A TRANSPORTATION ADVISORY COMMITTEE (TAC) TO MAKE RECOMMENDATIONS TO COUNTY COUNCIL REGARDING A POSSIBLE 2026 TRANSPORTATION SALES TAX REFERENDUM

WHEREAS, the consensus of Beaufort County Council is to pursue a 2026 referendum for the imposition of a Transportation Sales Tax (the “Sales Tax”) to fund critical transportation and infrastructure improvements throughout Beaufort County; and

WHEREAS, County Council desires to establish a Transportation Advisory Committee (“TAC”) comprised of citizen representatives to provide recommendations regarding potential projects, the proposed tax amount, and the duration of the collection period; and

WHEREAS, County Council recognizes that citizen participation and collaboration with municipal partners are essential to ensure transparency, accountability, and community confidence in any transportation funding referendum.

NOW THEREFORE, BE IT RESOLVED BY COUNTY COUNCIL OF BEAUFORT COUNTY, that the following shall apply:

1. Creation and Composition of Committee

A Transportation Advisory Committee (TAC) is hereby established consisting of one appointee from each of the eleven (11) County Council districts and one appointee from each of the four (4) municipalities within Beaufort County—City of Beaufort, Town of Port Royal, Town of Bluffton, and Town of Hilton Head Island—for a total of fifteen (15) members. All members of the TAC shall be residents of Beaufort County.

2. Appointment Process

Each County Council member and each municipal Mayor shall nominate their representative and communicate the appointment to the Chairwoman of the County Council no later than Friday, December 5, 2025.

a. If a Council member or Mayor fails or refuses to nominate an appointment by December 5, 2025, they forfeit the opportunity of their representative member on the committee.

b. No elected or appointed officials may serve on the Committee.

3. Organization and Meetings

The Committee shall elect a Chairman and Vice-Chairman and shall adopt Rules of Procedure consistent with the South Carolina Freedom of Information Act (FOIA). Meetings shall begin as soon as practicable after all members are appointed and shall be convened initially by the Chairwoman of County Council.

4. Staff Support

Jared Fralix, Assistant County Administrator, shall serve as the lead County staff liaison to the Committee and shall prepare supporting materials, lists, and documentation for the Committee’s consideration.

5. Duties and Responsibilities

The Committee is charged with completing and submitting recommendations to County Council that include:

- a. A prioritized list of proposed projects; and
- b. The amount of sales tax to be collected; and
- c. The duration of the collection period.

Projects should primarily focus on road widenings, intersection improvements, resurfacing, and paving projects that enhance safety, mobility, and connectivity across the County.

6. Timeline and Deliverables

The Committee shall complete its work and deliver its recommendations to County Council no later than April 3, 2026.

All recommendations must comply with the requirements and limitations of the state enabling legislation governing transportation sales tax referenda.

7. Council Consideration

The Committee's recommendations shall be presented to Beaufort County Council for review, consideration, modification, and/or adoption at a regular or special meeting.

Adopted this 10th day of November 2025.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: Alice G. Howard

Alice Howard, Chairman

ATTEST:

Octavia Evans

Octavia Evans, Senior Administrative Specialist



Transportation Advisory Committee Municipal Meetings – Upcoming Schedule

From Fralix, Jared <jared.fralix@bcgov.net>

Date Fri 2/20/2026 1:53 PM

To Marc Orlando <marco@hiltonheadislandsc.gov>; ssteese@townofbluffton.com <ssteese@townofbluffton.com>; Van Willis <vwillis@portroyal.org>; smarshall <smarshall@cityofbeaufort.org>

Cc Moore, Michael <michael.moore@bcgov.net>; Wood, Nicole <nicole.wood@bcgov.net>; Bauer, Bryan <frederick.bauer@bcgov.net>; Shawn Gillen <shawng@hiltonheadislandsc.gov>; Heather Colin (hcolin@townofbluffton.com) <hcolin@townofbluffton.com>; Brooke Plank-Buccola <bplank-buccola@portroyal.org>; eclausen@cityofbeaufort.org <eclausen@cityofbeaufort.org>

 2 attachments (244 KB)

Transporation Advisory Committee Schedule R2.pdf; 70. Resolution to establish a Citizen Oversight Committee for 2026 Sales Tax Program R2.pdf;

Marc/Stephen/Van/Scott,

I hope you've already heard, but if not, I wanted to share an important upcoming outreach effort with the Transportation Advisory Committee (TAC). As you know, County Council established the TAC to develop a potential transportation sales tax project list for Council consideration. As part of that work, the TAC would like to meet with each municipality over the next several weeks to hear directly about transportation projects and priorities within your jurisdictions—early in the process—so your input can be incorporated from the start.

At Council's direction, the TAC has been asked to develop a list within three project categories:

- Widening projects
- Safety and intersection improvements
- Resurfacing and dirt road paving projects

When you present, please share project requests with as much detail as you have available (location, limits, purpose/need, any supporting information, and any prior estimates or concepts). The County also has two on-call engineering consulting firms engaged that can assist with scoping and developing cost estimates where helpful.

The planned meeting dates and locations are:

- February 25, 2026 – Port Royal
- March 4, 2026 – Bluffton
- March 11, 2026 – Hilton Head

- March 18, 2026 – Beaufort

Each meeting is scheduled from 1:00–3:00 p.m. We will send a final agenda in advance of each meeting once posted.

Thanks in advance for your partnership and support. Please let me know if you have any questions or if there is anything we can do to help your team prepare.

All the best,

Jared Fralix

Assistant County Administrator

Beaufort County Government

jared.fralix@bcgov.net | (843) 929-2321

www.beaufortcountysc.gov



Transportation 2026 Transportation Sales Tax - Transportation Advisory Committee (TAC)

*Dates are estimates and may be adjusted based on appointments, meeting cadence, and public input needs. The TAC must deliver recommendations to Council **no later than May 11, 2026.***

Approved schedule – Option 1A; (9 weeks with 2 hr meetings)

Milestone	Estimated Date	Time
Nominations Submitted to Chairwoman	Jan 15, 2026	
Council approves nominations	Jan 26, 2026	
Committee convenes / History of Program	Feb 4, 2026	5:30pm - 7:00pm
Working meeting – LATS/County Discussion	Feb 18, 2026	1:00pm - 3:00pm
TAC municipal – Port Royal (Town Hall)	Feb 25, 2026	1:00pm - 3:00pm
TAC municipal – Bluffton (The Barn)	Mar 4, 2026	1:00pm - 3:00pm
TAC municipal – HHI (Hilton Head Town Hall)	Mar 11, 2026	1:00pm - 3:00pm
TAC municipal – Beaufort (City Hall)	Mar 18, 2026	1:00pm - 3:00pm
Working community meeting (Location South)	Apr 1, 2026	5:30pm - 7:30pm
Working community meeting (Location North)	Apr 22, 2026	5:30pm - 7:30pm
Working meeting	May 6, 2026	1:00pm - 3:00pm
Final recommendations to Council	May 11, 2026	

*All meetings are working meetings with public comments at each meeting

Beyond the committee’s work (referendum preparation milestones):

- Council discussion of recommendation: May 11, 2026
- Resolution to accept TAC recommendations: May 25, 2026
- 1st Reading of Ordinance: June 8, 2026

- 2nd Reading of Ordinance: June 22, 2026
- 3rd Reading of Ordinance: July 13, 2026
- State notification deadline: Aug 15, 2026
- Election Day: Nov 3, 2026