



Town of Hilton Head Island

Town Council Meeting - **REVISED AGENDA**

Tuesday, April 7, 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 – Dr. Arthur Evans, Sr., St. James Baptist Church**
4. **Adoption of the Agenda**
5. **Approval of the Minutes**
 - a. Regular Meeting Minutes of March 10, 2026
 - b. Special Meeting Minutes of March 26, 2026
6. **Presentations and Recognitions**
 - a. Report of the Town Manager
 - b. Recognition of Mayor's Honored Islanders Recipients - Mayor Alan Perry
 - c. Beaufort County School District Character Education Student of the Month - Mayor Alan Perry
 - d. Child Abuse Prevention Awareness Month Proclamation - Mayor Alan Perry
 - e. Fair Housing Month Proclamation - 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 Turner
- 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. New Business

- a. Consideration of a Resolution Approving the Program Year 2026 Action Plan as Required by the U.S. Department of Housing and Urban Development (HUD) for Participation in the Community Development Block Grant (CDBG) Entitlement Program — Michele Bunce, Senior Grants Administrator
- b. Consideration of an Ordinance to Amend Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Amend the Overlay Zoning District Standards for the Holiday Homes Neighborhood Character Overlay District (HH-NC-O) to include the following Section; 16-3-106.J, to Modify and Add Standards Related to Setback, Buffers, Impervious Coverage, Floor Area Ratio, Parking, Building Height, and Minimum Lot Size and Provide for Severability and an Effective Date - First Reading - Trey Lowe, Interim Planning Director

9. Public Comment - Non Agenda Items

10. 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, March 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. Bill Ward, Providence Presbyterian Church

Reverend Bill Ward of Providence Presbyterian Church delivered the invocation.

Adoption of the Agenda

Ms. Becker made a motion to amend the Agenda by removing items 11b. and 11d. from the Agenda (Executive Session). The motion was not seconded and did not carry.

Mr. Alfred moved to approve. Ms. Brison seconded. Motion Passed 6-1 (Ms. Becker opposed).

Approval of the Minutes

Regular Meeting Minutes of February 10, 2026

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

Workshop Meeting Minutes of February 24, 2026

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

Presentations and Recognitions

Report of the Town Manager

Mr. Orlando stated that the Town has received the highest possible credit rating from the nation's 3 major credit rating agencies, Moody's, Standard & Poor's and Fitch Ratings, in connection with the Town's proposed issuance of general obligations bonds and that these top

tier ratings affirm the Town's strong financial stewardship, fiscal management and commitment to long term sustainability. Mr. Orlando stated that pursuant to previous meetings and workshops, the Town plans to issue \$35 Million in GO Bonds Series 2026 to fund a new fire rescue headquarters, an emergency operations center, potential CIP projects and land acquisition costs.

Mr. Orlando provided updates on the re-opening of Old Schoolhouse Park, the status of repairs and maintenance performed at Coligny Beach, expected completion of Coligny Circle Pocket Park, the completion of the soccer field at Barker Field Extension, continuation of paving of Mitchelville Road, Beach Renourishment and work on the breakwater structures and tilling on Pine Island. He thanked everyone for their patience and relayed that the projects were on track, on budget and on schedule.

Mr. Orlando reminded everyone of upcoming March events: the 40th Annual Hilton Head Island St. Patrick's Day Parade, Hilton Head Island Wingfest, and the Hilton Head Island Wine and Food Festival. He congratulated and thanked Fire Chief Blankenship and his team for their success over the past year - Town Council and the Mayor attended the Fire Rescue Awards and Recognitions Program.

Disabilities Awareness Month Proclamation - Mayor Alan Perry

Galen Sturup Comeau, Chair, Beaufort County Board of Disabilities and Special Needs was present to accept the proclamation on behalf of the Beaufort County Board of Disabilities and Special Needs.

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

Mayor Perry recognized and congratulated Annabella Williams from Hilton Head Island Elementary School for Creative Arts, who was selected as a Beaufort County School District Student of the Month for the character trait, perseverance.

Reports from Members of Town Council

General Reports from Town Council

Council Member Becker raised concerns regarding Executive Session procedures, Agenda transparency, and communication of Council-related matters.

Ms. Brison reported on the Darius Rucker Intercollegiate Golf Tournament held at Long Cove Club on March 3rd through March 5th and reminded everyone of the upcoming Hilton Head International Piano Competition taking place at St. Luke's Anglican Church and First Presbyterian Church March 16th through the 21st.

Report of the Lowcountry Area Transportation Study - Councilmember Tamara Becker

No report.

Report of the Lowcountry Council of Governments - Councilmember Steve Alfred

No report.

Report of the Beaufort County Airports Board - Councilmember Melinda Tunner

Ms. Tunner stated that no March meeting was held and that Phase I construction continues, jet bridges have been installed and painting and landscaping are 90% complete. Ms. Tunner also stated that a grand opening for the public will be forthcoming.

Report of the Southern Lowcountry Regional Board - Councilmember Patsy Brison

Ms. Brison reported that they met on February 23rd at the New Riverside Barn in Bluffton for presentations from delegates of Beaufort and Jasper counties on the proposal of legislation that will affect the Lowcountry. Ms. Brison also reported that the next meeting will be on March 24th.

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

Mr. Brown provided an update on upcoming events, including the Easter Eggstravaganza, Kids Night Out and upcoming CIP work at the Recreation Center Pool.

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

Mayor Perry reported that he, Mr. Orlando and Mr. John O'Toole met to discuss reaching out to high-tech firms for recruitment and were able to receive a grant to go out and do some recruiting in the high-tech area. Additionally, Mayor Perry reported that the Converge Meeting took place at Sun City and was well-attended. Mayor Perry also reported that he and Ms. Tunner attended a Strategic Action Plan with other county and community leaders to set a path over the next 24 months for the Economic Development Corporation and he expects there to be additional discussions regarding such path.

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

Mr. Brown reported that the Gullah Geechee Historic Neighborhoods Community Development Corporation will meet on March 18th. The agenda will include the monthly report from the Executive Director, discussion of a potential name change for the CDC to better reflect the work the organization has begun and will undertake in the future, and a review of the proposed Fiscal Year 2027 budget.

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

Ms. Becker reported that a meeting was held March 9th, where they received the Fire and Rescue Annual Report and a report on pedestrian and bike incidents data, as well as to vote to recommend approval of a Resolution to be provided to Town Council regarding a revised beach services chair and umbrella plan. Ms. Becker also reported that the next meeting will be

held on April 6th to review Board and Commissions vacancies.

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

Mr. Brown reported that the Finance and Administrative Committee will meet on April 6th. The Committee's agenda will include the monthly Fiscal Year 2026 financial update, funding recommendations for the Town's affiliated agency applications for Fiscal Year 2027, and discussion of the results of the sale of General Obligation Bonds.

Consent Agenda

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

Background and a summary regarding the item was provided. There were no changes since the First Reading on February 10, 2026.

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

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

Mayor Perry asked for public comment. There was none. Concluding Council discussion, questions and comments, the **Motion carried 7-0.**

New Business

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

Dave Byrd provided an overview regarding the item and recommended that 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:

- Proposed amendments to the CIP to 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.

- Proposed amendments to the Debt Service Fund to address the payments on the Special Revenue Beach Bonds and the upcoming General Obligation Bond.
- Proposed amendments to the General Fund to 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).
- Amendment to the Town of Hilton Head Island Master Fee Schedule proposing 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.

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 Mr. Byrd's Staff Report dated March 10, 2026. A detailed description for each of the recommended budget amendments is detailed in said Staff Report, a copy of which is attached to the Agenda of the Town Council Meeting of March 10, 2026, and a brief list of each of the recommended budget amendments is as follows:

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

- a) Budgeted Carry Forward Adjustments - \$5,958,531
- b) New Capital Improvement Project funding for items that have arisen since budget development - \$3,988,373
- c) Land Acquisition Funding - \$10,081,300
- d) General Obligation Bond Proceeds – Up to \$35,000,000 (\$8,377,008 of which is funding the new Fire Rescue Headquarters addressed in sections b and c above; \$26,622,992 remaining)
- e) Special Revenue Bond Proceeds and Cost of Issuance - \$19,277,838

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

- a) Special Revenue Bond Payments - \$289,310
- b) General Obligation Bond Payment - \$11,930,888

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

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

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

4. Short-Term Rental Permit Fee Amendments:

- a) Short-Term Rental (STR) Permit Fee
- b) Late Fee

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.

Mayor Perry asked for public comment. There was none.

Following discussion, comments and questions by Town Council, **Ms. Brison moved to approve. Ms. Tunner seconded. Motion carried 7-0.**

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

Shawn Gillen provided an overview regarding the item with the following information.

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.

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.

In an email from Jared Fralix, Assistant County Administrator, to the Town Managers within Beaufort County, the Towns were asked to consider three categories for selecting projects:

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

The projects presented for consideration 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

The proposed 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.

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

Mayor Perry asked for public comment.

Stu Rodman addressed Council regarding the bridge project and the proposed Beaufort County Transportation Sales Tax Referendum.

Christopher Cliffe addressed Council regarding his concern that the Resolution will appear to the public to be a commitment by the Town Council to the Beaufort County Transportation Sales Tax Referendum and Beaufort County Council.

Members of Council held a discussion regarding the request and proposed Resolution noting this was a list of some of projects included in the Capital Improvement Project List that need a funding source. Ms. Becker expressed her opposition to the proposed Resolution and her reasoning for such.

Ms. Brison moved to amend the Resolution with the following:

Move the last of the 6th Whereas to be #1

Renumber 1-6 to be 2-7, and including striking the language in the next to last line "express the sense of the Town Council regarding the proposed project list and other matters related thereto" and substituting in lieu thereof the following phrase "respond to the request of the Beaufort County Council to provide a list of projects for consideration of a County 2026 Referendum"

Mr. DeSimone seconded.

Following additional discussion, comments and questions by Town Council, **Motion to amend the Resolution carried 7-0; Motion to adopt the Resolution carried 6-1 (Ms. Becker opposed).**

Public Comment - Non Agenda Items

Mayor Perry asked for public comment.

Skip Hoagland addressed Council regarding Town Council financial decision and fiduciary responsibility.

Richard Bisi addressed Council regarding concerns over Town Council non-public meetings.

Bobby Tillison addressed Council to thank them for the volleyball courts at Coligny and reported they were well-used with little in the way of maintenance and suggested Council consider adding another volleyball court based on demand. He asked the Council about the finality of the Pickleball Courts project at Crossings Park and suggested that 19 courts were not needed.

Executive Session

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

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

Discussion of Personnel Matters (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][1])

At 4:49 p.m. Mr. Orlando stated the need to enter Executive Session for the reasons listed on the Agenda.

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

Action from Executive Session

Council returned to the dais at 7:34 p.m., Ms. Brison moved to end the Executive Session. Ms. Becker seconded. Motion carried 7-0.

Mayor Perry asked if there was any business as a result of Executive Session. There was none.

Adjournment

At 7:35 p.m., 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 SPECIAL MEETING
Thursday, March 26, 2026, 1:00 PM
Minutes

Call to Order

Mayor Perry called the meeting to order at 1:00 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: Kim Gammon, Town Clerk

Adoption of the Agenda

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

Public Comment - Non Agenda Items

Mayor Perry asked for public comment.

Skip Hoagland addressed Council regarding his disappointment that Windmill Harbour is not part of the incorporated Municipality of Hilton Head Island.

Executive Session

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

1. Review and Scoring of Responses to a Request for Proposal for Town Council Appointed Attorney

At 1:03 p.m., it was stated that there was a need to enter Executive Session for the reasons listed on the Agenda.

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

Action from Executive Session

Motion that Town Council proceed with interviewing the following firms, as recommended through the Request for Proposals process for Town Attorney services:

1. Finger, Melnick, Brooks & LaBruce

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2. Haynsworth Sinkler Boyd

with such interviews to be conducted in Executive Session pursuant to the South Carolina Freedom on Information Act, Section 30-4-70(a)(1) and (2)

Council returned to the dais at 2:14 p.m. Mr. Alfred moved to end the Executive Session. Ms. Becker seconded. Motion carried 7-0.

Mayor Perry asked if there was any action to be taken concerning Executive Session.

Mr. Brown moved to approve the Motion. Mr. Alfred seconded. Motion carried 7-0.

Adjournment

The meeting was adjourned at 2:15 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



Child Abuse Prevention and Awareness Month Proclamation

WHEREAS, South Carolina's future prosperity is dependent on nurturing the healthy development of the 1.1 million children currently residing in the diverse communities across our state, and all children deserve to have the safe, stable, nurturing homes and communities they need to foster their healthy growth and development; and

WHEREAS, in FY 2024, there were 7,663 children in founded investigations of child maltreatment in South Carolina, and, Hopeful Horizons conducted 411 Forensic Interviews for cases of alleged child abuse and neglect while Child Abuse Prevention Association (CAPA) provided 14,288 days of care to 108 foster children; and

WHEREAS, child abuse is a public health issue with serious societal consequences, as data shows the link between the abuse and neglect of children and a wide range of costly medical, emotional, psychological and behavioral problems into adulthood; and

WHEREAS, preventing child abuse and neglect must be a priority that requires individuals, families, youth-serving organizations, faith-based groups, businesses, government agencies, and everyone that makes up our community to support the physical, emotional, and educational development of all children and their families; and

WHEREAS, effective child abuse prevention exists in communities that provide parents with the social support, knowledge of parenting and child development, and concrete resources they need to cope with the stress and nurture their children, help to ensure that all children can grow to their full potential.

NOW, THEREFORE, I, Alan R. Perry, Mayor of the Town of Hilton Head Island, South Carolina, do hereby proclaim April 2026 as Child Abuse Prevention and Awareness Month.

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

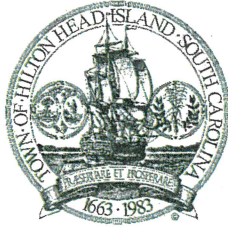


Alan R. Perry, Mayor

Attest:

Kimberly Gammon, Town Clerk

The Town of Hilton Head Island



Fair Housing Month Proclamation

WHEREAS, the Town of Hilton Head Island desires that all its citizens be afforded the opportunity to attain a decent, safe and sound living environment; and

WHEREAS, the Town of Hilton Head Island rejects discrimination on the basis of race, religion, color, sex, national origin, disability, and/or familial status in the sale, rental or provision of other housing services; and

WHEREAS, equality of opportunity for all is a fundamental policy of this nation, state, county and town; and

WHEREAS, fair housing is economically stabilizing and promotes human relations within the community by supporting diversity and providing positivity within the community; and

WHEREAS, the State of South Carolina enacted the South Carolina Fair Housing Law in 1989; and

WHEREAS, April 11, 2026, marks the 58th anniversary of the passage of the U.S. Fair Housing Law, Title VIII of the Civil Rights Act of 1968, as amended; and

WHEREAS, April is recognized nationally as Fair Housing Month:

NOW, THEREFORE, I, Alan R. Perry, Mayor of the Town of Hilton Head Island, hereby proclaim that April 2026, shall be known on Hilton Head Island as Fair Housing Month in Hilton Head Island, South Carolina.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this Seventh Day of April, 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: Michele Bunce, Senior Grants Administrator
CC: Marc Orlando, ICMA-CM, Town Manager
Dave Byrd, Finance Director
John McGowan, Assistant Finance Director
DATE: April 7, 2026
SUBJECT: Consideration of a Resolution Approving the Program Year 2026 Action Plan as Required by the U.S. Department of Housing and Urban Development (HUD) for Participation in the Community Development Block Grant (CDBG) Entitlement Program

RECOMMENDATION:

Consideration of a Resolution of the Town of Hilton Head Island to approve the Program Year 2026 Annual Action Plan as required by the U.S. Department of Housing and Urban Development (HUD) for participation in the Community Development Block Grant (CDBG) Entitlement Program.

BACKGROUND:

In 2015, the Town of Hilton Head Island began participating in the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program. The Town typically receives notification of its annual CDBG funding allocation in May. For Program Year 2026, the allocation is estimated at \$204,194.00, as outlined in the Town's CDBG 2025 – 2029 Consolidated Plan (Con Plan).

The Program Year 2026 Annual Action Plan represents the second year of the Town's 2025 – 2029 Con Plan, which was approved by Town Council in July 2025 and by HUD in August 2025. The Annual Action Plan serves as the Town's application to the HUD CDBG Entitlement Program and identifies the project(s) proposed for funding during the 2026 program year (Fiscal Year 2026 – 2027).

As required for participation in the program, the Town prepares this plan annually and incorporates public input throughout the development process. A Public Needs Assessment meeting was held on January 28, 2026, and feedback was collected both during the meeting and through additional channels, including email. Following the

meeting and receipt of comments, the Program Year 2026 Annual Action Plan was drafted. A second public meeting took place on February 4, 2026, to present the draft Program Year 2026 Annual Action Plan and to initiate the required 30-day public comment period in accordance with HUD requirements.

Annual Action Plans provide a concise summary of the actions, activities, and the specific federal and non-federal resources used each year to address the priority needs and specific goals identified in the Consolidated Plan. The Program Year 2026 Annual Action Plan proposes allocating the full 2026 funding amount to Patterson Family Park and Taylor Family Park to support ongoing planning, design, and construction efforts, helping to maintain critical project momentum. These park projects and objectives align with and support the priorities outlined in the approved 2025 – 2029 Consolidated Plan, the Town’s Strategic Action Plan, and the Town’s budget.

The DRAFT Program Year 2026 Annual Action Plan was presented to the F & A Committee on March 9, 2026. The F & A Committee voted unanimously (3-0) to recommend the plan for approval via a Resolution by Town Council.

The Program Year 2026 Annual Action Plan must be submitted to HUD by May 15, 2026. HUD will generally review the submission within 30 days. Upon approval, the Town may proceed with using the allocated funds for the identified activities.

ATTACHMENTS:

1. Program Year 2026 Annual Action Plan Resolution for HUD/CDBG Entitlement Program

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON
HEAD ISLAND, SOUTH CAROLINA TO APPROVE THE COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) ENTITLEMENT PROGRAM 2026
ANNUAL ACTION PLAN**

WHEREAS, in August, 2025 the Town of Hilton Head Island CDBG Five Year Consolidated Plan for program years 2025-2029 detailing goals and objectives to be implemented to address community needs of low- and moderate-income residents within the Town's jurisdiction was approved by the United States Department of Housing and Urban Development (HUD); and

WHEREAS, as an entitlement community, the Town must prepare and submit an Annual Action Plan detailing activities to be undertaken during the program year 2026 to address goals and objectives outlined in the Five-Year Consolidated Plan; and

WHEREAS, for program year 2026 the Town will receive a CDBG award in an amount to be determined via official HUD announcement to carry out activities that meet one of three National Objectives, as described by HUD; and

WHEREAS, the program year 2026 Annual Action Plan is compatible with the HUD approved amended Five Year Consolidated Plan for program years 2025 - 2029; and

WHEREAS, the Town has adhered to the public participation requirements set forth in the Citizen Participation Plan in the development of the program year 2026 Annual Action Plan; and

WHEREAS, a public engagement and 30-day public comment period for the program year 2026 Annual Action Plan were conducted for citizen input and review; and

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

- (a) The Community Development Block Grant Entitlement Program 2026 Annual Action Plan, attached hereto as Exhibit "A" is approved.
- (b) The Town Manager is authorized to submit this program year 2026 Annual Action Plan to HUD for its review and acceptance.
- (c) Upon acceptance of the program year 2026 Annual Action Plan by HUD, the Town Manager is authorized to take all actions necessary to implement the plan.

**MOVED, APPROVED AND ADOPTED BY THE TOWN COUNCIL ON
THIS ____ DAY OF _____ 2026.**

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Council Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Town of Hilton Head Island

Program Year 2026

Annual Action Plan

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



DRAFT

Executive Summary

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

1. Introduction

The program year 2026 Annual Action Plan represents the second year of the Town of Hilton Head Island Consolidated Plan (Con Plan) for the program years 2025 - 2029 as approved by Town Council and accepted by the U.S. Department of Housing and Urban Development (HUD). The Annual Action Plan is the Town of Hilton Head Island application for the HUD Community Development Block Grant (CDBG) Entitlement Program and identifies the proposed project or projects to be funded during the 2026 program year.

The purpose of the Town of Hilton Head Island Annual Action Plan is to preserve and revitalize primarily low and moderate income (LMI) neighborhoods, support LMI activities that enhance the quality of life for Hilton Head Island residents, and address priority community development or redevelopment needs within applicable local, state, and federal statutes and regulations. According to CDBG program guidelines, an activity using LMI area benefit must meet the minimum threshold of 51% LMI qualified residents. However, according to the HUD issued program year 2023 exception grantee list, the Town of Hilton Head Island has been designated an exception grantee. This designation resulted in an LMI area percentage of 49.56% and is applied to Census tracts and blocks to determine activity eligibility on an area basis.

This Annual Action Plan outlines the priorities by which the Town of Hilton Head Island CDBG program funds will be invested over the Program Year 2026 to achieve HUD objectives. It is important to note the 2025 - 2029 Con Plan identified public facilities and improvements, public services, housing activities, and economic development benefiting LMI persons as high priorities.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The Town goals focus on priority needs and targets available resources designed to meet those needs. The needs include public improvements and facilities, economic development, and public services for LMI persons. The primary emphasis of the goals is maintaining and improving the quality of life of LMI residents. Projects selected for CDBG funding in Program Year 2026 will be aligned with the 2025 - 2029 Con Plan and managed efficiently and in compliance with program requirements.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The Town of Hilton Head Island has participated in the HUD CDBG Entitlement Program since 2015 and continues to monitor and evaluate the performance of the program while ensuring regulatory compliance. The Town recognizes that the evaluation of past performance is critical to ensuring CDBG funded activities are implemented in an effective manner and align with established strategies and goals. Notifications of acceptable levels of program accomplishment have been received from the HUD Columbia, SC field office throughout the years.

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

In May 2023, the Town received a second-year noncompliance with timely expenditure requirement notice. An untimely expenditure notice is given when a grantee has more than 1.5 times its most recent entitlement grant. In June 2023, the Town had 3.96 times its most recent entitlement grant and submitted the required timeliness workout plan to HUD. The Town was in timeliness compliance for the next compliance tests, one in May 2024 and the other in May 2025.

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

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Town of Hilton Head Island conducted a public meeting on January 28, 2026, to solicit input from citizens on community development needs. A public meeting notice was published in the local newspaper, The Island Packet, eight days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and on the bulletin board outside of Town Hall. Lastly, the meeting notice was shared via email blast to the Town E-subscription list, which reached close to 12,000 subscribers.

At the January 28, 2026, public meeting, information was available providing an overview of the CDBG Entitlement Program, purpose of the Action Plan, anticipated funding allocation amount, and eligible projects for funding. No public attended this meeting. However, one public comment was received inquiring as to the potential of using CDBG monies to fund a sewer connection program coordinated by the Town.

The Town of Hilton Head Island conducted another public meeting on February 4, 2026, and released a draft of the 2026 Annual Action Plan to the public for a 30-day public comment period. The 30-day public comment period will end on March 5, 2026. A public meeting notice was published in the local newspaper, The Island Packet, 12 days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and on the bulletin board outside of Town Hall. Lastly, the meeting notice was shared via email blast to the Town E-subscription list, which reached close to 12,000 subscribers. No public attended this meeting. However, one public comment was received inquiring as to the potential of using CDBG monies to help fund the local community food pantry - Sandalwood Community Food Pantry.

The Draft 2026 Annual Action Plan was presented to the Finance and Administrative Committee on March 9, 2026, for their consideration and recommendation for approval by Town Council. The Finance and Administrative Committee voted unanimously to recommend Town Council approve a resolution to authorize the submittal of the 2026 CDBG Annual Action to the U.S. Department of Housing and Urban Development.

A final Draft of the 2026 Annual Action Plan was presented at the Town Council meeting on April 7, 2026, for consideration and approval. Public comments were solicited during this meeting.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The Town of Hilton Head Island conducted a public meeting on January 28, 2026, to solicit input from citizens on community development needs. This meeting is summarized in the Citizen Participation Process section of this plan.

The Town of Hilton Head Island conducted a public meeting on February 4, 2026, which began the 30-day public comment period for the 2026 Annual Action Plan. This meeting is summarized in the Citizen Participation Process section of this plan.

The Draft 2026 Annual Action Plan was presented to the Finance and Administrative Committee meeting on March 9, 2026, and to Town Council on April 7, 2026. Public comments were solicited at both meetings

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

All comments were taken into consideration while preparing this Annual Action Plan.

7. Summary

The Town of Hilton Head Island Annual Action Plan outlines priorities by which the Town CDBG program funds will be invested over the program year 2026 to achieve specific HUD objectives. The Town may use CDBG funds to leverage other public investment to address Town priority need to provide public improvements for primarily LMI neighborhoods.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

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

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

Table 1 – Responsible Agencies

Narrative (optional)

The Town of Hilton Head Island was incorporated as a municipality in 1983 and has a Council-Manager form of government. The Town of Hilton Head Island is comprised of Executive, Administration/Legal Division, Community Development, Finance, Fire Rescue, Human Resources, and Information Technology departments. The Town of Hilton Head Island Finance Department will be the lead department for the preparation, submission, and administration of this Annual Action Plan and the Town CDBG program.

Town staff have been an integral part of development of this Annual Action Plan by assessing the CDBG program, reviewing materials, regulations, and documentation of the Annual Action Plan process. The Town Manager, Assistant Town Managers, Finance Director, Assistant Finance Director, Engineering and Projects Director, and the Planning and Community Development staff assist primarily with the preparation and administration of the Annual Action Plan.

Consolidated Plan Public Contact Information

Town of Hilton Head Island Finance Department

Michele Bunce, Senior Grants Administrator

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Hilton Head Island, SC 29928

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Email: micheleb@hiltonheadislandsc.gov

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The Town of Hilton Head held two public meetings to consult with the public, stakeholders, and local organizations to help identify community needs and priorities for the 2026 Annual Action Plan. Town staff provided education to the public about the CDBG program and the Annual Action Plan, including its purpose, eligibility requirements, and how funds may be used to address community needs. These meetings provided opportunities for public comments and collaboration, ensuring the Action Plan reflects local conditions, community-identified needs, and HUD participation requirements.

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

The Beaufort Housing Authority services all of Beaufort County, South Carolina, including the Town of Hilton Head Island. Within the jurisdiction of the Town of Hilton Head Island the Beaufort Housing Authority operates one public housing apartment facility containing 80 units, which provide housing to 187 family members.

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

In 2022 the Town of Hilton Head Island approved a resolution establishing the Beaufort-Jasper Housing Trust Fund. This regional organization was created to address the need for affordable housing in Beaufort and Jasper Counties. The Housing Trust Fund goal is to create new housing units or rehabilitate existing housing units for households at or below 100 percent of Area Median Income with a strong focus on households at or below 60 percent of Area Median Income.

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

In May 2023, the Town Council of the Town of Hilton Head Island authorized the creation of the Housing Action Committee, which will advise and recommend to the Town various housing strategies for consideration, adoption, and implementation.

In September 2023 the Town of Hilton Head Island entered into formal development negotiations with OneStreet Residential to establish a workforce housing community, known as Northpoint on Jarvis Creek (Northpoint) on an 11-acre tract of Town-owned property on the north end of the island. It is anticipated that when completed this community will feature 157 workforce housing units, including a combination of one-, two-, and three-bedroom apartments with 50% serving households between 60 and 80 percent of the Area Median Income.

By the beginning of 2026, the Town of Hilton Head Island and OneStreet Residential reached an agreement on covenants and a long-term ground lease for Northpoint. These final steps enable the construction and long-term management of the neighborhood. Construction mobilization and site work have officially begun, and a ground-breaking ceremony is scheduled for February 12, 2026. The development of this new workforce housing public-private partnership advances workforce housing opportunities through a balanced and long-term approach that supports economic vitality and community well-being as outlined in the Town's 2026 - 2028 Strategic Action Plan.

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

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

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

The Town of Hilton Head Island program year 2026 Annual Action Plan intends to use HUD resources to fund only CDBG program projects and will not fund Emergency Solutions Grants (ESG) program projects; therefore, no consultation related to the allocation of ESG funds was conducted.

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

Table 2 – Agencies, groups, organizations who participated

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

3	Agency/Group/Organization	Beaufort County Human Services Alliance
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - County Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Beaufort County Human Services Alliance was consulted on homeless needs via online data gathering.
4	Agency/Group/Organization	Lowcountry Council of Governments
	Agency/Group/Organization Type	Regional organization Planning organization

<p>What section of the Plan was addressed by Consultation?</p>	<p>Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Economic Development Non-housing Community Development Needs</p>
<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Lowcountry Council of Governments was consulted on public housing and homeless needs via website research.</p>

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

The consultation process sought to include a wide spectrum of community stakeholders. No agency types were excluded, and those who did not participate elected not to engage.

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

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

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The Town of Hilton Head Island coordinates with public entities and other bodies of government to develop the Annual Action Plan. Town of Hilton Head Island Finance department staff work closely with other Town staff to collaborate on improvement projects. These efforts include but are not limited to plans for infrastructure and other improvements in the community through CDBG funded activities. When necessary, the Town of Hilton Head Island will establish collaborative efforts and partnerships with state and local government entities such as Beaufort County, the Lowcountry Council of Governments, and various State of South Carolina offices to ensure complete implementation of the Annual Action Plan.

AP-12 Participation – 91.105, 91.200(c)

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

The Town of Hilton Head Island conducted a public meeting on January 28, 2026, to solicit input from citizens on community development needs. A public meeting notice was published in the local newspaper, The Island Packet, eight days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and on the bulletin board outside of Town Hall. Lastly, the meeting notice was shared via email blast to all email addresses listed on the Town E-subscription service list, which reached close to 12,000 subscribers.

At the January 28, 2026, public meeting, information was shared providing an overview of the CDBG Entitlement Program, purpose of the Action Plan, anticipated funding allocation amount, and eligible projects for funding.

The Town of Hilton Head Island conducted another public meeting on February 4, 2026, and released a Draft of the Program Year 2026 Annual Action Plan to the public for a 30-day public comment period. The 30-day public comment period ended on March 5, 2026. A public meeting notice was published in the local newspaper, The Island Packet, 12 days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and on the bulletin board outside of Town Hall. Lastly, the meeting notice was shared via email blast to the Town E-subscription list, which reached close to 12,000 subscribers.

The Draft Program Year 2026 Annual Action Plan was presented to the Finance and Administrative Committee at their March 9, 2026, meeting for their consideration and recommendation for approval by Town Council. The Finance and Administrative Committee voted unanimously to recommend Town Council approve a resolution to authorize the submittal of the Program Year 2026 Annual Action Plan to the U.S. Department of Housing and Urban Development.

A final Draft of the Program Year 2026 Annual Action Plan was presented at the Town Council Meeting on April 7, 2026, for review and approval. Public comments were solicited during this meeting.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Internet Outreach	Non-targeted/ broad community	No one attended the January 28, 2026, public meeting.	One public comment was received for the January 28, 2026, public meeting.	Town Council Member Melinda Tunner inquired as to the potential of using CDBG monies to fund a lateral sewer connection program coordinated by the Town. Staff have provided additional information to Member Tunner.	https://hiltonheadislandsc.gov/government/finance/cdbg.php
2	Public Meeting	Non-targeted/ broad community	No one attended the January 28, 2026, public meeting.	No public comments were received for the January 28, 2026, public meeting.	No public comments were received during the January 28, 2026, public meeting.	https://hiltonheadislandsc.gov/government/finance/cdbg.php

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Bulletin Board at Town Hall	Non-targeted/ broad community	Available to all those visiting Town Hall.	No public comments were received.	No public comments were received.	
4	Public Meeting	Non-targeted/ broad community	No one attended the February 4, 2026, public meeting.	No public comments were received during the February 4, 2026, public meeting.	No public comments were received during the February 4, 2026, public meeting.	https://hiltonheadislandsc.gov/government/finance/cdbg.php

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Internet Outreach	Non-targeted/ broad community	No one attended the February 4, 2026, public meeting.	One public comment was received from Sandalwood Com. Food Pantry inquiring about the potential of using CDBG monies to help support the local community food pantry. Staff followed up with them.	All comments were accepted.	https://hiltonheadislandsc.gov/government/finance/cdbg.php

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Bulletin Board at Town Hall	Non-targeted/ broad community	No one attended the February 4, 2026, public meeting.	One public comment was received from Sandalwood Com. Food Pantry inquiring to the potential of using CDBG monies to help support the local community food pantry. Staff followed up with them.	All comments were accepted.	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The following table outlines the expected estimated resources from the HUD Community Development Block Grant (CDBG) program the Town of Hilton Head Island expects to have available during the 2026 program year covered by this Annual Action Plan. The annual allocation column reflects the estimated 2026 funding amount of \$204,194. Unexpended funds from the 2020 CDBG allocation in the amount of \$364 will roll over into the 2026 projects listed in this Annual Action Plan allowing for a total of

\$204,558.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	204,194.00	0.00	364.00	204,558.00	612,582.00	2026 is the second program year for the current five-year Consolidated Plan, therefore the allocation amount for the remaining years of the Consolidated Plan time frame (2027 - 2029) is \$612,582.

Table 5 - Expected Resources – Priority Table

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

It is anticipated the federal funding listed above will be received annually to support activities outlined in the Annual Action Plan and Consolidated Plan. While the CDBG program does not require leveraging, other Town of Hilton Head Island resources may be used in combination with these funds to complete the project listed in this Annual Action Plan. Leveraging is a way to increase project efficiencies which often come with combining sources of funding. Funds may be considered leveraged if financial commitments to the cost of a project from a source other than Community Development Block Grant funds are documented. Town staff may identify and explore additional leveraging opportunities such as other federal, state, and local resources.

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

The Town of Hilton Head Island owns property and/or facilities located within LMI Census tracts throughout the jurisdiction. Based on community needs identified in the 2025 - 2029 Consolidated Plan and associated Annual Action Plans, the Town of Hilton Head Island may use publicly owned land or property to address needs identified through the community needs assessment process.

The Town of Hilton Head Island owns the Patterson Park property, which is located on Marshland Road in Census tract 110. This Census tract meets the 49.56% or higher LMI requirement. This project has been funded with 2018, 2021, and 2024 CDBG allocations and is in the project development process. The Patterson Park project was listed in the 2021 and 2024 Annual Action Plans.

The Town of Hilton Head Island owns the Taylor Family Park property, which is located on Wild Horse Road in Census tract 105. This Census tract meets the 49.56% or higher LMI requirement. This project has been funded with 2019, 2022, and 2025 CDBG allocations and had a groundbreaking ceremony on December 8, 2025. The Taylor Family Park project was listed in the 2022 and 2025 Annual Action Plans.

The Town of Hilton Head Island owns the Ford Shell Ring Park property, which is located on Squire Pope Road in Census tract 105. This Census tract meets the 49.56% or higher LMI requirement. This project was funded with the 2023 CDBG allocation. The Ford Shell Ring Park project was listed in the 2023 Annual Action Plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Facilities, Public Services, Housing, Econ Dev. -Yr. 2	2026	2027	Affordable Housing Non-Housing Community Development	Census Tract 105 Census Tract 110	Public Facilities and Improvements Economic Development	CDBG: \$204,194.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 6113 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 2558 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

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

Projects

AP-35 Projects – 91.220(d)

Introduction

Town of Hilton Head Island activities funded by the 2026 CDBG program are designed to benefit LMI persons. The following table outlines the projects to be carried out by the Town of Hilton Head Island during the 2026 program year covered by this Action Plan.

Projects

#	Project Name
1	Patterson Family Park
2	Taylor Family Park

Table 7 - Project Information

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

The primary objective of Community Development Block Grant (CDBG) funds received by the Town of Hilton Head Island is to preserve and revitalize neighborhoods, enhance quality of life for residents and address priority community public services, community development, economic development, and redevelopment needs within applicable local, state, and federal statutes and regulations. For the 2026 Program Year, CDBG funds were allocated based on project readiness in Census tracts with low- and moderate-income households comprising 49.56% or more of the population.

AP-38 Project Summary
Project Summary Information

1	Project Name	Patterson Family Park
	Target Area	Census Tract 110
	Goals Supported	Facilities, Public Services, Housing, Econ Dev. -Yr. 2
	Needs Addressed	Public Facilities and Improvements
	Funding	CDBG: \$102,097.00
	Description	Provide funding for public facilities & improvements economic development initiative, or public services in LMI neighborhoods.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that approximately 1,484 persons living in Census Tract 110 will benefit from the proposed activity.
	Location Description	Patterson Family Park is Town-owned property located at 23 Marshland Road on Hilton Head Island, SC.
	Planned Activities	Neighborhood Park
2	Project Name	Taylor Family Park
	Target Area	Census Tract 105
	Goals Supported	Facilities, Public Services, Housing, Econ Dev. -Yr. 2
	Needs Addressed	Public Facilities and Improvements Economic Development
	Funding	CDBG: \$102,097.00
	Description	Provide funding for public facilities and improvements, economic development initiative, or public services in LMI neighborhoods.
	Target Date	12/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that approximately 4,629 persons living in Census tract 105 will benefit from the proposed activity.
	Location Description	Taylor Family Park is Town-owned property located at 252 Wild Horse Road in Hilton Head Island, SC.
	Planned Activities	Neighborhood Park

AP-50 Geographic Distribution – 91.220(f)

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

The geographic areas within the Town of Hilton Head Island where assistance will be directed are Census tracts 105 and 110. Community development activities may include infrastructure improvements, new or improved public facilities, acquisition, housing activities, economic development, or public services in LMI neighborhoods.

Geographic Distribution

Target Area	Percentage of Funds
Census Tract 105	50
Census Tract 108	
Census Tract 110	50
Census Tract 111	
Census Tract 113	

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Community Development Block Grant (CDBG) funds will be targeted to address the needs of low- and moderate-income residents. Eligible areas are identified using Census tracts with a low- and moderate-income population of 49.56 percent or greater. Accordingly, CDBG funds will be allocated to projects located within Census tracts 105 and 110 that fall within the Town of Hilton Head Island.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

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

In May 2023, the Town Council of the Town of Hilton Head Island authorized the creation of the Housing Action Committee, which will advise and recommend to the Town various housing strategies for consideration, adoption, and implementation. In September 2023 the Town of Hilton Head Island entered into formal development negotiations with OneStreet Residential to establish a workforce housing community on an 11-acre tract of Town-owned property on the north end of the island. It is anticipated that when completed this community will feature 157 residences including a combination of one-, two-, and three-bedroom apartments with 50% serving households between 60 and 80 percent of the Area Median Income.

In September 2023 the Town of Hilton Head Island entered into formal development negotiations with OneStreet Residential to establish a workforce housing community, known as Northpoint on Jarvis Creek (Northpoint) on an 11-acre tract of Town-owned property on the north end of the island. It is anticipated when completed this community will feature 157 workforce housing units, including a combination of one-, two-, and three-bedroom apartments with 50% serving households between 60 and 80 percent of the Area Median Income.

By the beginning of 2026, the Town of Hilton Head Island and OneStreet Residential reached an agreement on covenants and a long-term ground lease for Northpoint. These final steps enable the construction and long-term management of the neighborhood. Construction mobilization and site work have officially begun, and a ground-breaking ceremony was held on February 12, 2026. The development of this new workforce housing public-private partnership advances workforce housing opportunities through a balanced and long-term approach that supports economic vitality and community well-being as outlined in the Town's 2026 - 2028 Strategic Action Plan.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	157
Special-Needs	0
Total	157

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	157
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	157

Table 10 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Introduction

The Town of Hilton Head Island does not own or operate any public housing development or units. The Beaufort Housing Authority is the agency providing public housing to approximately 892 low-and-moderate income households in Beaufort County, South Carolina. There are 291 public housing units, and 550 House Choice Voucher units located throughout the county. In the Town of Hilton Head Island, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments. Currently, 279 of the 291 units are occupied (96%).

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

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

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

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

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

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

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

Not applicable.

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

Introduction

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

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

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

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

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

Addressing the emergency shelter and transitional housing needs of homeless persons

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

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

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

homeless population count data available from the Lowcountry Continuum of Care, the regional continuum of care servicing the Town. There is a non-profit organization, Family Promise of Beaufort, located in neighboring Bluffton, South Carolina, which provides a 90-day program of temporary shelter for families. This program includes case management and other services to assist families in sustaining independence. The program capacity is four families, or 14 individuals.

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

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

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

Introduction:

There are a variety of barriers that exist to affordable housing in the Town of Hilton Head Island. The following list highlights some of those issues; however, this list should not be considered exhaustive. Many other circumstances may occur which prevent the market from providing affordable housing.

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

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

In 2017 the Town Council Public Planning Committee began studying various aspects of affordable housing on Hilton Head Island. During 2017 the committee met with local developers, business owners, employers, and service organizations for discussions on providing affordable workforce housing.

In 2018 strategies were developed to further address fostering affordable housing within the Town. In 2019 the Town’s housing consultant presented a workforce housing strategic plan, Town staff prepared an approach to implement the recommendations included in the plan, and the Town Council Public Planning Committee recommended adoption of the plan by Town Council. In 2020 the Town Council Public Planning Committee and Town staff developed amendments to the Town's Land Management Ordinance to provide a framework for affordable workforce housing initiatives. In February 2021, a second set of LMO amendments related to workforce housing were adopted by Town Council allowing bonus density for workforce housing units under certain conditions.

In 2022, Town Council adopted the Workforce Housing Framework that authorizes the Town to take the

necessary steps to develop, implement and carry out strategies and tactics identified within the Framework document. The Framework is supported by four foundational pillars: Community, Planning, Management and Revenue. Each of the four pillars have specific goals, strategies and critical first steps to accomplish the mission of the Framework.

In 2023, Town Council authorized the creation of the Northpoint Public-Private Partnership Housing Advisory Committee. The committee is charged with assessing and recommending a development partner to help the Town build a sustainable neighborhood on 11 acres of land on its Northpoint tract. The Northpoint site is within proximity to the Hilton Head Island Recreation Center and Hilton Head Island public school campus.

In January 2023, the LMO underwent a SWOT assessment to evaluate its strengths, weaknesses, opportunities, and threats. This review revealed code deficiencies, prompting a plan to update the LMO. It is comprised of several phases. While a complete review of the LMO is the goal, certain high-priority items were identified that required immediate attention.

Town staff are in the process of addressing the following priority amendments:

- Short Term Rental Enforcement and Fines
- Adaptive Reuse of Hotels and Motels
- Regulations on the mass and scale of buildings
- Public review of Major Subdivisions and Major Developments
- Open space standards for communities
- Requirements related to Transportation Impact Analysis
- Tree Protection Standards
- Sign Standards
- Workforce Housing Incentives in RM-12 zoning
- Construction Standards

The Town is currently overhauling the Land Management Ordinance (LMO) through the following tasks:

- Reviewing all chapters of the Land Management Ordinance.
- Reorganizing the content for easier access and use.
- Simplifying and clarifying the language.
- Creating improved forms and applications.
- Adding more pictures and diagrams for better explanation.
- Ensuring that the Land Management Ordinance aligns with the goals of other Town plans
- Incorporating feedback from the District Planning community meetings.

AP-85 Other Actions – 91.220(k)

Introduction:

The Town of Hilton Head Island anticipates taking the following actions throughout the Program Year 2026 to address the challenges listed below.

Actions planned to address obstacles to meeting underserved needs

As part of the 2026 Program Year, the Town of Hilton Head Island will identify underserved populations through analysis of Census data and input from the community. To help reduce the obstacles in addressing the needs of these populations, Town staff may facilitate partnerships with local service organizations that lead community-wide efforts to address identified needs.

Actions planned to foster and maintain affordable housing

Town leadership had the vision for a sustainable housing neighborhood on Town-owned property. Known as the Northpoint initiative, this public-private partnership strategy will lead to the future development of sustainable housing on more than 11 acres of Town-owned property. The initiative will help address the Island's need for more housing for its workforce and at the same time, create a vibrant, well-constructed and livable neighborhood.

The Town is contributing land through a long-term ground lease and providing \$1 million in eligible project costs, supported by the American Rescue Plan Fund. The Town is also responsible for zoning entitlements, long-term programming support, and recording affordability covenants on the property to ensure Northpoint will be preserved for workforce housing in perpetuity.

Northpoint will be a best-in-class neighborhood for the Island's essential workforce and will include 157 high-quality rental units with a mix of one, two, and three-bedroom apartments. The first units are anticipated to be available for rent in early 2027.

Actions planned to reduce lead-based paint hazards

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

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

HUD regulations regarding lead-based paint apply to all federally assisted housing and the Town of

Hilton Head Island will comply, when necessary, with federal requirements for lead-based paint testing and abatement in projects financed with HUD-CDBG funds.

Actions planned to reduce the number of poverty-level families

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

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

Actions planned to develop institutional structure

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

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

In May 2023, the Town received a second-year noncompliance with timely expenditure requirement notice. An untimely expenditure notice is given when a grantee has more than 1.5 times its most recent entitlement grant. In June 2023, the Town had 3.96 times its most recent entitlement grant and submitted the required timeliness workout plan to HUD. The Town was in timeliness compliance for the next compliance tests, one in May 2024 and the other in May 2025.

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

program deadlines.

Strategies for overcoming gaps in capacity issues in the service delivery system may require more findings or changes in public policy. The Town of Hilton Head Island will continue to coordinate efforts and partnerships with state and local government entities such as Beaufort County, the Lowcountry Council of Governments, and various State of South Carolina agencies when necessary to carry out the priority needs listed in this Annual Action Plan.

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

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

Program Specific Requirements

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

Introduction:

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

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

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

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

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Trey Lowe, Interim Planning Director, Interim LMO Official
CC: Ben Brown, Interim Deputy Town Manager
Marc Orlando, ICMA-CM, Town Manager
DATE: April 7, 2026
SUBJECT: Consideration of an Ordinance to Amend Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Amend the Overlay Zoning District Standards for the Holiday Homes Neighborhood Character Overlay District (HH-NC-O), to Include the Following Section: 16-3-106.J, to Modify and Add Standards Related to Setbacks, Buffers, Impervious Coverage, Floor Area Ratio, Parking, Building Height, and Minimum Lot Size and Provide for Severability and Effective Date – First Reading

BACKGROUND:

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

In March and April of 2025, three building permits were submitted and approved for the construction of new single-family homes on Oleander Street in the Holiday Homes neighborhood. Each home complies with the standards of the Residential Single-Family - 6 Zoning District and the Holiday Homes Neighborhood Character Overlay District. Multiple residents of the neighborhood have expressed concerns with the effectiveness of the overlay to provide development outcomes that reflect the character of the neighborhood. As a result, neighborhood residents requested the Town amend the Holiday Homes Neighborhood Character Overlay District.

On December 15, 2025, the Community Development and Public Services (CDPS) Committee held a public meeting at which Town staff, along with members of the Holiday Homes community, held a discussion with the CDPS Committee seeking direction and support of a request for the Planning Commission to initiate an amendment to Title 16 of the Municipal Code, the Land Management Ordinance, specifically to amend section 16-3-106.J, Holiday Homes Neighborhood Character Overlay District (HH-NC-O), and the CDPS voted unanimously to direct staff to move the text amendment forward to the

Planning Commission for their consideration.

On January 21, 2026, the Planning Commission held a public hearing at which Town staff, along with members of the Holiday Homes community, presented a request for the Planning Commission to initiate an amendment to Title 16 of the Municipal Code, the Land Management Ordinance, specifically to amend section 16-3-106.J, Holiday Homes Neighborhood Character Overlay District (HH-NC-O), and the Planning Commission voted unanimously to initiate the text amendment.

On March 18, 2026, the Planning Commission held a public hearing at which Town staff presented a text amendment to amend Title 16 of the Municipal Code, the Land Management Ordinance, specifically to amend section 16-3-106.J, Holiday Homes Neighborhood Character Overlay District (HH-NC-O), and the Planning Commission voted unanimously to recommend approval to Town Council.

SUMMARY OF AMENDMENT:

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

The following table summarizes the current requirements of the Holiday Homes Neighborhood Character Overlay compared to the proposed resident requested amendments.

Code Requirement	Current	Resident Proposal	Change Proposed
Setbacks			
Rear	10 ft	10 ft	No
Side	10 ft ^{a,b}	10 ft ^a	Yes
Side Angles	20 ft ^c / 65 Degrees	20 ft ^c / 65 Degrees	No
Street	20 ft ^d	20 ft ^d	No
Folly Field Road	20 ft	20 ft	No
Buffers			
Street	20 ^d	20 ^d	No
Driveway Width (Total)	24 ft	22 ft	Yes
Folly Field Road	20 ft	20 ft	No
Max Impervious Coverage	50%	45%	Yes
Floor Area Ratio (FAR)	0.45	0.45	No
Max Gross Floor Area (GFA)	4,000 sq ft ^{e,f,g}	3,200 sq ft ^{e,g}	Yes
Parking			
First 2,000 sq ft GFA	2 spaces	2 spaces	No
Each Additional 1,000 sq ft GFA	1 space	1 space	No
Garage Parking	n/a	Max 2 spaces	Yes

Min Lot Size	7,260 sq ft ^h	7,260 sq ft ^h	No
Max Height	35 feet ⁱ	30 feet	Yes
Max Stories	n/a	2-1/2 stories	Yes

- a. May be reduced to 5 feet to preserve trees, sum must total 20 feet.
- b. A lot with less than 50 feet of street frontage or less than 0.15 acres in area shall be permitted to reduce side yard setbacks to a minimum of 5 feet.
- c. Measured 20 feet above 13 feet above mean sea level using the NAVD 88 vertical datum or pre-development grade, whichever is higher, at the setback line
- d. In the case of a corner lot, the required 20 feet adjacent street setback may be reduced to 10 feet for the street with the lower average daily trips (ADT)
- e. The gross floor area shall be calculated as all enclosed space with a ceiling height of seven feet or greater with the exclusions noted in f and g.
- f. Enclosed areas, where the floor level is located below the required base flood elevation (BFE), which are used solely for parking or storage are excluded from gross floor area.
- g. Attic space as defined by the latest adopted edition of the IBC are excluded from gross floor area.
- h. For the subdivision or recombination of any lot shown on a plat recorded prior to July 21, 1998.
- i. Established in the RSF-6 Zoning District.

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

1. *Side Setback.* No lots have less than 50 feet of street frontage or less than 0.15 acres of area. As a result, there would be no impact from the removal of this exception.
2. *Driveway Buffer Width.* Town staff have attempted to measure driveway buffer widths using aerial images. While this effort is significantly limited by tree canopy coverage limits, there is at least one driveway that will become non-conforming by the reduction in driveway buffer width.
3. *Impervious Coverage.* Based on available GIS data, there are approximately 14 properties that do not comply with the current 50% maximum impervious coverage amount. Reducing maximum impervious coverage to 45%, increases non-conforming properties to 21.
4. *Floor Area Ratio.* Currently all homes meet the floor area ratio. The proposed amendment would eliminate the exclusion of enclosed areas located below the base flood elevation used for parking or storage from the gross floor area calculation. If applicable, this change would increase the floor area ratio potentially making the home non-compliant. Given the age of the neighborhood, permit and elevation data are not available for many homes. However, based on GIS data, nearly all homes within the neighborhood appear to be below the base flood elevation, 13 feet mean sea level. This amendment could result in some homes becoming non-compliant with the floor area ratio.
5. *Maximum Gross Floor Area.* Currently all homes meet the maximum gross floor

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

6. *Garage Parking.* Although this is a private covenant restriction, this would be a new zoning requirement. Establishing a maximum number of 2 garage spaces would result in at least 3 homes becoming non-compliant.
7. *Maximum Building Height.* Based on available data, all homes appear to meet the maximum height requirement of 35 feet. However, it appears at least 6 homes will become non-compliant if the maximum building height were reduced to 30 feet.
8. *Maximum Number of Stories.* Although this is a private covenant restriction, this would be a new zoning requirement. Establishing a maximum number of 2-1/2 stories would result in 6 homes becoming non-compliant.

Any amendment to the Holiday Homes Neighborhood Character Overlay will apply to all lots in the neighborhood. The residents that have been in contact with Town Staff have coordinated with other property owners in the neighborhood. These residents have worked to communicate these changes to all 57 property owners, and they have collected signatures of support for the currently proposed amendments that include a majority (currently 42) of the property owners.

TOWN COUNCIL ACTION:

LMO Sec.16-2-103.B.2.e states that the Town Council shall review the application, staff report, and Planning Commission recommendation, and make a final decision on the application. If the applicant proposes a change or departure from the text amendment that is different than what was reviewed by Planning Commission the change or departure shall first be submitted to the Planning Commission for review and recommendation in accordance with State law. The Town Council's decision shall be one of the following:

1. Adopt an ordinance approving the Text Amendment; or
2. Adopt a resolution denying the Text Amendment.

If the applicant proposes a change or departure from the text amendment that is different from what was reviewed by the Planning Commission, the application shall be remanded to the Planning Commission for review, and a recommendation on the proposed changes and departures. The Planning Commission shall deliver its recommendation on the proposed changes and departures to the Town Council within 30 days after the remand; if the Planning Commission fails to do so, it is deemed to have recommended approval of the proposed changes and departures.

RECOMMENDATION:

Town staff recommends Town Council review and consider first reading of an

Ordinance to Amend Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to amend the Overlay Zoning District Standards for the Holiday Homes Neighborhood Character Overlay District (HH-NC-O), to include the following section: 16-3-106.J, to Modify and Add Standards Related to Setbacks, Buffers, Impervious Coverage, Floor Area Ratio, Parking, Building Height, and Minimum Lot Size and provide for severability and effective date.

ATTACHMENTS:

1. Ordinance
2. Holiday Homes Neighborhood Location Map
3. Land Management Ordinance Section 16-3-106.J. Holiday Homes Neighborhood Character Overlay (HH-NC-O) District
4. Holiday Homes Protective Covenants
5. Neighborhood Character Images
6. HH-NC-O District Proposed Amendment

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA**

ORDINANCE NO.: 2026-_____

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND TO AMEND
TITLE 16 OF THE MUNICIPAL CODE, THE LAND MANAGEMENT ORDINANCE
SECTION 16-3-106.J, HOLIDAY HOMES NEIGHBORHOOD CHARACTER
OVERLAY DISTRICT (HH-NC-O), TO MODIFY AND ADD STANDARDS RELATED
TO SETBACKS, BUFFERS, IMPERVIOUS COVERAGE, FLOOR AREA RATIO,
PARKING, BUILDING HEIGHT, AND MINIMUM LOT SIZE, AND TO PROVIDE
FOR SEVERABILITY AND EFFECTIVE DATE.**

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

Section 1. Findings and Determinations:

1. The Town Council for the Town of Hilton Head Island, South Carolina (herein, the “Town Council”), has identified a continued need for the adoption of Amendments to the Land Management Ordinance to address needs and issues in the Town as such are identified.
2. The Town Council finds that properties within the Holiday Homes neighborhood are zoned Residential Single-Family-6 (RSF-6) with the Holiday Homes Neighborhood Character Overlay District (HH-NC-O), the purpose of which is to provide additional zoning regulations that support the desired character of the neighborhood, including standards related to setbacks, buffers, impervious coverage, floor area ratio, parking, building height, and minimum lot size.
3. The Town Council finds that recent development activity within the Holiday Homes neighborhood has identified issues regarding the effectiveness of the existing standards in the Holiday Homes Character Overlay District (HH-NC-O) in maintaining the established character and scale of development within the Holiday Homes neighborhood.
4. The Town Council finds amendments to the Holiday Homes Character Overlay District (HH-NC-O) are needed to better align the Land Management Ordinance with long-standing neighborhood development patterns, neighborhood character and existing covenants and restrictions in the Holiday Homes neighborhood.
5. The Town Council finds that the proposed amendments to Section 16-3-106.J of the Land Management Ordinance, including modifications to maximum gross floor area, impervious coverage, building height, number of stories, and garage parking limitations, are intended to provide more consistent and predictable development outcomes that are consistent with and promote the historic character of the Holiday Homes neighborhood.
6. On January 21, 2026, the Planning Commission held a public hearing and held a public

and received a request to and voted unanimously to initiate a text amendment to Sec. 16-3-106.J of the Land Management Ordinance.

7. On March 18, 2026, the Planning Commission held a Public Hearing to consider the proposed amendment to Sec. 16-3-106.J of the Land Management Ordinance a copy of which is attached hereto as Exhibit “A” (herein, the “Proposed Amendments”).

8. At the Planning Commission’s March 18, 2026, Public Hearing, the public had an opportunity to comment on the Proposed Amendments, and the Planning Commission voted unanimously to recommend that Town Council approve the Proposed Amendments.

9. The Town Council finds it is in the best interest of the Town and the health, safety, and welfare of its citizens, residents, visitors, property owners and business owners to amend the Land Management Ordinance by amending Sec. 16-3-106.J of the Land Management Ordinance as described on Exhibit “A” to this Ordinance.

Section 2. Amendment Sec. 16-3-106.J of the Land Management Ordinance is amended as shown on Exhibit “A” to this Ordinance. Newly added language is illustrated with double underline, and deleted language is illustrated with a ~~strike through~~.

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 adoption by the Town Council of the Town of Hilton Head Island, South Carolina.

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

First Reading: _____, 2026

Second Reading: _____, 2026

Introduced by Council Member: _____



543

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WILLIAM HILTON PARKWAY
WILLIAM HILTON PARKWAY

560u

MATHEWS DRIVE
564

569

14

FOLLY FIELD ROAD

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SANDCASTLE COURT

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115 119 123 127 131
125 129

Town of Hilton Head Island
Holiday Homes Neighborhood Character Overlay



TOWN OF HILTON HEAD ISLAND
ONE TOWN CENTER COURT
HILTON HEAD ISLAND, SC 29928
PHONE: (843) 461-1400
WWW.HILTONHEADISLANDSC.COM



1:11,648



The information on this map has been compiled from a variety of sources and is intended to be used only as a guide. It is provided without any warranty or representation as to the accuracy or completeness of the information. The Town of Hilton Head Island is not liable for its accuracy or value.

Sec.16-3-106. Overlay Zoning Districts

J. Holiday Homes Neighborhood Character Overlay (HH-NC-O) District

1. Applicability and Purpose

The purpose of the Holiday Homes Neighborhood Character Overlay (HH-NC-O) District is to protect the **single-family** residential character of the district and in particular the **development** and redevelopment of **lots** within the district. All new **development** and changes to existing **development** are subject to the overlay district regulations, in addition to those listed in Sec. 16-3-104.D, Residential Single-Family-6 (RSF-6) District. Existing **nonconforming structures** and site features may be expanded as long as the site complies with the required floor area ratio (FAR) and maximum **impervious cover** listed in paragraph 3 below.

2. Approval

Compliance with these regulations shall be determined by the **Official** at the time the **Building Permit** is reviewed and shall be based upon the standards of Sec. 16-3-104.D, Residential Single-Family-6 (RSF-6) District.

3. Delineation of District

The Holiday Homes Neighborhood Character Overlay (HH-NC-O) District includes all **parcels** shown as hatched in Figure 16-3-106.J.3 below.



Figure 16-3-106.J.3: Holiday Homes Neighborhood Character Overlay (HH-NC-O) District.

4. District Regulations

a. Setbacks

In addition to the **single-family** setback requirements of Sec. 16-5-102, Setback Standards, the following setbacks shall be required:

- i. Rear yard setbacks shall be a minimum of ten feet.
- ii. Side yard setbacks shall be a minimum of ten feet; however, to preserve existing **trees**, any one side yard setback may be reduced to five feet provided the sum of the required side yard setbacks equals at least 20 feet.
 01. A **lot** with less than 50 feet of **street frontage** or less than 0.15 acres in area shall be permitted to reduce side yard setbacks to a minimum of five feet.
 02. Dwelling units that are nonconforming as to the side yard setbacks identified above are permitted to be expanded along the subject boundary line; however, **expansions** shall be constructed no closer than five feet from the side property line.
 03. Side yard setback angles shall be a minimum of 65 degrees measured from 20 feet above thirteen feet (13') above mean sea level using the NAVD 88 vertical datum or **pre-development grade**, whichever is higher, at the setback line. The illustration in Sec. 16-5-102.D, Adjacent Use Setback Requirements, can be referenced for an example of a setback angle.
- iii. In the case of a **corner lot**, the required 20-foot adjacent street setback may be reduced to ten feet for the **street** with the lower average daily trips (ADT).
- iv. **Lots** directly **adjacent** to Folly Field Road shall have a minimum adjacent street setback of 20 feet.

(Revised 3-7-2023 - Ordinance 2023-04)

b. Buffers

In addition to the buffer requirements of Sec. 16-5-103, Buffer Standards, the following buffers shall be required:

- i. A 20-foot street buffer and side and rear buffers equal to the setbacks above.
- ii. **Driveways** for **street access**, as permitted in Sec. 16-5-103.J, Development Within Required Buffers, shall be limited to a total width of 24 feet per **lot**.
- iii. In the case of a **corner lot**, the required 20-foot adjacent street buffer may be reduced to ten feet for the **street** with the lower average daily trips (ADT).
- iv. **Lots** directly **adjacent** to Folly Field Road shall have a minimum adjacent street buffer of 20 feet.

c. Impervious Coverage

Impervious cover of the **lot** shall not exceed 50 percent.

d. Floor Area Ratio

The maximum **gross floor area** is limited to 0.45 times the area of the **lot** containing the **single-family dwelling**, up to a maximum of 4,000 square feet. The **gross floor area** shall be calculated as all enclosed space with a ceiling height of seven feet or greater with the following exclusions:

- i. Enclosed areas, where the floor level is located below the required **base flood elevation** (BFE), which are used solely for parking or storage.
- ii. Attic space as defined by the latest adopted edition of the IBC.

e. Parking

Two parking spaces are required for up to 2,000 square feet of **gross floor area**. Thereafter, one additional space shall be required for each 1,000 square feet or less of **gross floor area**.

f. Minimum Lot Size

The **subdivision** or recombination of any **lot** shown on a plat recorded prior to July 21, 1998, shall not result in any **lot** having a gross area of less than 7,260 square feet.

(82)

HOLIDAY HOMES) STATE OF SOUTH CAROLINA) COUNTY OF BEAUFORT) WHEREAS, Holiday Homes is a corporation
 TO: PROTECTIVE COVENANTS) organized and existing under the laws of the State of South Carolina and is the owner of
) certain lands located on Hilton Head Island in Beaufort County, South Carolina, and
 WHEREAS, heretofore by an instrument dated April 5, 1956 and recorded in the office of the Clerk of Court for Beaufort
 County, South Carolina in Deed Book 78 at page 325, Block 1 of Section A of a subdivision on Hilton Head Island in Beau-
 fort County, South Carolina, known as Holiday Homes Subdivision, was made subject to certain protective covenants and
 it is now the desire of Holiday Homes to make the remaining portion of said section A of Holiday Homes Subdivision sub-
 ject to the same restrictions and protective covenants., NOW THEREFORE, Holiday Homes, a corporation as aforesaid, does
 hereby declare that all of Section A of a subdivision on Hilton Head Island in Beaufort County, South Carolina known as
 Holiday Homes Subdivision as shown on a plat recorded in the office of the Clerk of Court for Beaufort County, South
 Carolina on March 5, 1956 in Plat Book 10 at page 18, shall be subject to the following restrictions and protective
 covenants, to-wit: In addition to lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 which are included in Block
 1 of Section A referred to above, the remaining numbered lots in said Section A numbered 16 through 45 inclusive and
 51 through 63 inclusive shall be subject to the following restrictions and protective covenants.

1. All lots in said subdivision shall be used for residential purposes exclusively. No structure shall be erected,
 altered, placed or permitted to remain on any lot, other than (1) detached single family dwelling not to exceed two and
 one half (2½) stories in height and a private garage for not more than two cars (which may include servant' quarters)
 and other outbuildings incident to the use of one single family unit.

2. No building shall be erected, placed or altered on any lot in this subdivision until the building plans, specifica-
 tions, and plot plan showing the location of such building, have been approved in writing by HOLIDAY HOMES, its agents,
 successors, or assigns.

3. No building shall be located on any lot nearer than twenty (20) feet to the front line, nor nearer than ten (10)
 feet to any side streetline, nor nearer than (5) feet to any lot line.

4. No dwelling shall be permitted on any lot which structure shall have less than seven hundred fifty (750) feet of
 permanently enclosed space, exclusive of garages.

5. HOLIDAY HOMES hereby reserves unto itself, its successors and assigns, a perpetual, alienable and releasable ease-
 ment and right on, over and under the ground to erect, maintain and use electric and telephone poles, wires, cables,
 conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, telephone, gas,
 sewage, water or other public conveniences or utilities on, in, or over the rear five (5) feet of each lot and five (5)
 feet along one (1) side of said lots.

6. Prior to the occupancy of a residence on any lot in said subdivision, proper and suitable septic tank, or tanks,
 shall be constructed on such lot for the disposal of all sewage, and all sewage shall be emptied or discharged into such
 tank, or tanks.

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done therein which may be or
 may become an annoyance or nuisance to the neighborhood.

8. No livestock or live fowl shall be maintained on any lot without written consent of HOLIDAY HOMES, its successors
 or assigns.

9. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be
 used on any lot at any time as a residence either temporarily or permanently.

10. No lot shall be subdivided, or its boundary lines changed except with the written consent of HOLIDAY HOMES, its
 successors or assigns. However, HOLIDAY HOMES hereby expressly reserves to itself, its successors and assigns, the
 right to subdivide (by deed or otherwise) or replat any two (2) or more lots shown on the plat of said subdivision so
 as to create building plot or building plots each larger in size than any one of the lots so subdivided or replatted.
 When such a building plot is created, the restrictions and covenants herein apply to such building plot as a unit,
 and as to such building plot as a unit, and as to such building plot the word "lot" as used herein, shall be construed
 to mean "building plot".

11. These covenants shall run with the land and shall be binding on all parties and persons claiming under them for a
 period of twenty-five (25) years from date after which time said covenants shall be automatically extended for succes-
 sive periods of ten (10) years, unless an instrument signed by a majority of the then owners of said lots has been re-
 corded, agreeing to change said covenants and restrictions in whole or in part.

12. If the parties hereto, or any of them or their heirs, successors or assigns, shall violate or attempt to violate
 any of the covenants herein, it shall be lawful for any other person or persons owning any real property situate in
 said subdivision to prosecute any lawful proceedings at law or in equity against the person or persons violating or
 attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other
 dues for such violation.

13. Invalidity of any of these covenants by judgment or court order shall in no wise affect any of the other provisions
 which shall remain in full force and effect.

14. HOLIDAY HOMES may include in any contract or deed hereafter made additional covenants and restrictions that are not
 inconsistent with and which do not lower the standards of the covenants and restrictions set forth herein.

IN WITNESS WHEREOF, this instrument has been executed on behalf of HOLIDAY HOMES, a corporation, by its duly qualified
 officers this 23rd day of January, 1957. HOLIDAY HOMES (SEAL) By O. T. McIntosh, Jr., President Attest: W. S.
 McIntosh Witnesses: Jas. F. McIntosh Betty H. Armour.

STATE OF SOUTH CAROLINA) COUNTY OF BEAUFORT) PERSONALLY appeared before me James F. McIntosh who, on oath, says that
 he saw the within named HOLIDAY HOMES by O. T. McIntosh, Jr., its President sign the within Instrument, and W. S. McIntosh
 its Secretary attest the same, and the said corporation, by said officers, seal said instrument, and, as its act and
 deed, deliver the same, and that he with Betty H. Armour witnessed the execution thereof. Jas. F. McIntosh
 SWORN to before me this 23rd day of January, 1957. (SEAL) Betty H. Armour (L.S.) Notary Public for Chatham County, Ga.

My Commission Expires Sept. 28, 1959.

Recorded and certified this 28th day of January, 1957.

J. C. Ralston

Deputy Clerk of Court.

J. J. McNULTA, JR.) STATE OF SOUTH CAROLINA) COUNTY OF BEAUFORT) For value received, I, the undersigned, J. J.
 TO: ASSIGNMENT) McNULTA, JR. of the County of Beaufort and State of South Carolina, do hereby assign, set over
 J. J. McNULTA, SR.) and transfer unto J. J. McNULTA, SR. all my right, title and interest in and to that certain
 agreement executed and entered into by and between Lonel M. Henkle, J. J. McNulta and the undersigned J. J. McNulta, Jr.,
 which said agreement was dated May 20, 1952 and transferred to the undersigned and J. J. McNulta, Sr. all the right,
 title and interest of the said Lonel M. Henkle in and to his Contract of Sale between F. M. Craddock and his wife, Doris
 H. Craddock of Fairfax, South Carolina and Harry E. Carr and his wife, Gladys H. Carr, of Beaufort County, South Carolina,
 which said original Contract was dated July 6, 1949 and provided for the sale to Lonel M. Henkle his heirs and assigns
 of a tract of land containing 658.7 acres, more or less located in Beaufort County, South Carolina.

IN WITNESS WHEREOF, I have executed this instrument this 31st day of December, 1956. J. J. McNulta, Jr. Witnesses:
 G. G. Dowling Kathrine W. Wilson

STATE OF SOUTH CAROLINA) COUNTY OF BEAUFORT) PERSONALLY appeared before me Kathrine W. Wilson and made oath that
 she saw the within named J. J. McNulta, Jr., sign, seal and as his act and deed, deliver the within written Assignment
 and that she with G. G. Dowling witnessed the execution thereof. Kathrine W. Wilson SWORN to before me this 31st
 day of December, 1956. G. G. Dowling (L.S.) Notary Public for South Carolina.

Recorded and certified this 30th day of January, 1957.

J. C. Ralston

Deputy Clerk of Court.

Examples of Existing Homes in Holiday Homes Neighborhood



Sec.16-3-106. Overlay Zoning Districts

J. Holiday Homes Neighborhood Character Overlay (HH-NC-O) District

1. Applicability and Purpose

~~The purpose of the Holiday Homes Neighborhood Character Overlay (HH-NC-O) District is to protect the **single-family** residential character of the district and in particular the **development** and redevelopment of **lots** within the district.~~ The purpose of the Holiday Homes Neighborhood Character Overlay (HH-NC-O) District is to protect and preserve the single-family residential character of the neighborhood. The district is intended to guide the development and redevelopment of lots in a manner that maintains and enhances the area's architectural character and development intensity. All new **development** and changes to existing **development** are subject to the overlay district regulations, in addition to those listed in Sec. 16-3-104.D, Residential Single-Family-6 (RSF-6) District. Notwithstanding the requirements of Sec. 16-7-103 A, Existing **nonconforming structures** and site features may be expanded as long as the site complies with the required floor area ratio (FAR) and maximum **impervious cover** listed in paragraph 3 below, and if the expanded component of the **structure** is compliant with Sec. 16-3-104.D and all requirements of Sec. 16-3-106 J.

2. Approval

Compliance with these regulations shall be determined by the **Official** at the time the **Building Permit** is reviewed and shall be based upon the standards of Sec. 16-3-104.D, Residential Single-Family-6 (RSF-6) District.

3. Delineation of District

The Holiday Homes Neighborhood Character Overlay (HH-NC-O) District includes all **parcels** shown as hatched in Figure 16-3-106.J.3 below.



Figure 16-3-106.J.3: Holiday Homes Neighborhood Character Overlay (HH-NC-O) District.

4. District Regulations

a. Setbacks

In addition to the **single-family** setback requirements of Sec. 16-5-102, Setback Standards, the following setbacks shall be required:

- i. Rear yard setbacks shall be a minimum of ten feet.
- ii. Side yard setbacks shall be a minimum of ten feet; however, to preserve existing **trees**, any one side yard setback may be reduced to five feet provided the sum of the required side yard setbacks equals at least 20 feet.

~~01. A lot with less than 50 feet of **street frontage** or less than 0.15 acres in area shall be permitted to reduce side yard setbacks to a minimum of five feet.~~

~~02.1.~~ Dwelling units that are nonconforming as to the side yard setbacks identified above are permitted to be expanded along the subject boundary line; however, **expansions** shall be constructed no closer than five feet from the side property line.

~~03.2.~~ Side yard setback angles shall apply to all side yards and be a minimum of 65 degrees measured from 20 feet above thirteen feet (13') above mean sea level using the NAVD 88 vertical datum or **pre-development grade**, whichever is higher, at the setback line. The illustration in Sec. 16-5-102.D, Adjacent Use Setback Requirements, can be referenced for an example of a setback angle.

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- iii. In the case of a **corner lot**, the required 20-foot adjacent street setback may be reduced to ten feet for the **street** with the lower average daily trips (ADT).
 - iv. **Lots** directly **adjacent** to Folly Field Road shall have a minimum adjacent street setback of 20 feet.

(Revised 3-7-2023 - Ordinance 2023-04)

b. Buffers

In addition to the buffer requirements of Sec. 16-5-103, Buffer Standards, the following buffers shall be required:

- i. A 20-foot street buffer and side and rear buffers equal to the setbacks above.
- ii. **Driveways** for **street access**, as permitted in Sec. 16-5-103.J, Development Within Required Buffers, shall be limited to a total width of 2422 feet per **lot**. Horseshoe driveways with two connecting driveways for street access from the same lot shall be limited to a total width of 22 feet within required buffers.
- iii. In the case of a **corner lot**, the required 20-foot adjacent street buffer may be reduced to ten feet for the **street** with the lower average daily trips (ADT).
- iv. **Lots** directly **adjacent** to Folly Field Road shall have a minimum adjacent street buffer of 20 feet.

c. Impervious Coverage

Impervious cover of the **lot** shall not exceed 4550 percent.

d. Floor Area Ratio

The maximum **gross floor area** is limited to 0.45 times the area of the **lot** containing the **single-family dwelling**, up to a maximum of 4,0003,200 square feet. The **gross floor area** shall be calculated as all enclosed space with a ceiling height of seven feet or greater with the following exclusions:excluding

- i. ~~Enclosed areas, where the floor level is located below the required **base flood elevation** (BFE), which are used solely for parking or storage.~~
- ii. ~~Attic space as defined by the latest adopted edition of the IBC.~~

e. Parking

Two parking spaces are required for up to 2,000 square feet of **gross floor area**. Thereafter, one additional space shall be required for each 1,000 square feet or less of **gross floor area**. Garages shall not be used for more than two cars.

f. Minimum Lot Size

The **subdivision** or recombination of any **lot** shown on a plat recorded prior to July 21, 1998, shall not result in any **lot** having a gross area of less than 7,260 square feet.

g. Maximum Height and Stories

- i. Structures shall not exceed 30 feet in height in accordance with Sec. 16-10-102 C.1.

ii. **Buildings** shall not exceed two and one-half (2-1/2) stories in height. For the purpose of this section, a story is the portion of the building included between the surface of any floor and the surface of the floor next above it, or if there is no floor above it, then the space between the floor and the ceiling next above it. The topmost story of a building is counted as a half story when it is completely within the roof form of the building, less than 50 percent of the floor area has a clear height of more than seven and a half (7.5) feet, measured from the finished floor to the finished ceiling, and dormers do not exceed more than 25 percent of the front, rear or side building length.