



Town of Hilton Head Island HOUSING ACTION COMMITTEE MEETING Monday, November 27, 2023, 10:00 AM Minutes

1. Call to Order

Chair Alderman called the meeting to order at 10:01 AM. Present were: Jack Alderman, Chair; Sandy West, Vice-Chair; Sarah Jones-Anderson; Ayaks Castellanos; Luana M. Graves Sellars; Stuart Bell; and Sandy Gillis.

2. Adoption of Agenda

There being no changes, a motion to approve the agenda as presented was unanimously carried.

3. Approval of the Minutes

a. Regular Meeting Minutes of October 4, 2023

There being no changes, Gillis moved to approve the Minutes. West seconded. The Minutes of October 4, 2023, were approved by a vote of 7-0.

4. Appearance by Citizens

Public comments concerning agenda items were to be submitted electronically via the Open Town Hall portal. No comments were received. One speaker, Melinda Tunner, made various comments and recommended updates of slides projecting available balances showing categories where the dollars are coming from. She also recommended that those submitting funding requests make it clear how many units would be made available for the dollars invested by the Town, and disclose if there are any restrictions on short-term rentals.

5. Unfinished Business

a. Workforce Housing Program progress updates

Chair Alderman discussed the relationship between the Committee and the Town, and indicated that the charge for the Committee would be maintained, which was not only to support Town Staff's efforts, but without giving up the voice of the Committee to make suggestions for different or better approaches. He noted that given the number of matters on the agenda today, with no further meeting scheduled until January 22, there is a need for another December meeting to be scheduled. After discussion of the availability of the members, a meeting was requested for December 13, 2023, with an agenda item later to be discussed about 2024 meeting dates.

Missy Luick, Director of Planning, announced that a preferred workforce housing Chief Housing Officer candidate accepted the position and would start in early January. She noted this person's talent and experience that will be brought to the table. She reported that several workforce housing presentations were delivered, including presentations to the SC Association of Planning, as well as the SC Association of Counties. She pointed out that the SC Association of Counties presentation was recorded and can be sent to the Housing Action Committee, and can qualify for continuing education credits. She also reported that some team members participated in the LowCountry Affordable Housing Partner Symposium held in October and summary notes will be sent to the Housing Action Committee. While this The Workforce Housing Action Plan draft will be discussed at the December meeting.

6. New Business

a. Overview of Act 57

Josh Gruber, Deputy Town Manager, provided an overview of Accommodation taxes and the recently adopted Act 57 regulations. He discussed the procedural steps required that will allow the use of Accommodation taxes for workforce housing purposes.

1. Attorney General Opinion

Gruber outlined the questions presented to the Attorney General, given this was recently adopted legislation with different interpretations that could be made. His presentation listed the various questions posed to the Attorney General, and the subsequent Opinions issued.

2. Utilization of ATAX Funding

Gruber reviewed in detail the material included in the agenda packet and shown in the presentation, including but not limited to, how accommodation taxes are imposed, the purpose and intent, and collection of these taxes. The current use of revenue from the local accommodation taxes was explained. If Town Council would like to allow the accommodation taxes to be used for workforce housing, then an update to Town Code is required, as well as a budget amendment. If funds are given to an external entity, then a MOU would need to be created to document how the funding would be utilized and insure that the requisite workforce housing standards are met. State accommodation tax provisions were outlined and a specific list was presented of how these funds are allocated. Gruber noted that Act 57 added the development of workforce housing, but the need for a Housing Impact Analysis by the Town is required. Procedural steps to be taken were outlined before state taxes could be used. Current Town accommodation tax availability and State Accommodation tax availability under the FY23-24 budgets were presented, and a critical path and timeline for implementation was outlined. Committee members clarified various points with Gruber, and a summary of available funding sources being provided to the Committee was requested.

b. Discussion of Housing Impact Analysis

Tammy Hoy Hawkins, Town Housing Consultant, presented a draft of the Housing Impact Analysis, which was included in the agenda packet, and briefly outlined the items required by statute to be in the Analysis and the process to implement the Analysis. Questions from the members of the Committee were answered and discussed. Missy Luick, Director of Planning, outlined various statistics that represent the challenge ahead.

c. Presentation Regarding Habitat for Humanity of the Lowcountry Funding Request to Support Workforce Housing

Brenda Dooley from Habitat for Humanity reviewed in detail a written packet given to the members of the Committee and presented a presentation. She explained how the homeowner program works, and cited the need for funding, volunteers, and land. She outlined the solutions that Habitat provides for the challenge of the severe shortage of workers and presented the 2023 Year in Review accomplishments. She asked that the Town consider a MOU with Habitat so that they can partner with the Town to make a difference in accomplishing workforce housing, and outlined how outside funding sources would help leverage any funds received from the Town. Dooley answered questions from Committee members. Member Castellanos noted he is a product of what Habitat has done in this area, as he is currently a resident at the Glen, and how it creates a lifetime change.

d. Presentation Regarding Coastal Community Development Corporation Funding Request to Support Workforce Housing

A presentation was made from the Coastal Community Development Corporation as outlined in the agenda packet. The mission of the Corporation was outlined, how it serves the workforce, the non-profit approach and cost-curve bending strategies it implements and the accomplishments it has achieved. It was noted that the Corporation was formed with a mission to seek to increase the availability of homes for the local and regional workforce by preserving existing housing, redeveloping existing properties and developing new properties to meet the demands of our region while serving local residents. He noted the commitment from Long Cove residents of \$1,100,000 to match monies from other sources, including the Town, County and State. Other sources of funding being pursued are grants and donations from foundations, business, and churches, and a funding request being made to the Town. Questions from the Committee members were answered.

The Chair noted that based on the two presentations made before the Committee, it would be appropriate to recommend to Town Council a resolution to support that MOU's be pursued for these organizations. A motion was made as outlined above by Sellars and seconded by West. The motion was unanimously carried.

e. Consideration of Rules of Procedure and Possible Adoption

It was agreed that this Item be deferred until the next meeting scheduled in December.

f. Discussion of 2024 Meeting Calendar

Staff suggested meeting dates within the window between Town Council meetings. It was determined that a poll would be sent to members for 2024 meeting dates and times, and this item will be deferred to the next meeting in December.

g. Discussion on Work Groups and Assignments

The Chair indicated if changes need to be made, to notify him. Discussion was deferred to the December meeting.

1. Draft List of Work Groups

It was decided that this agenda item be deferred to the next meeting in December.

7. Adjournment

The meeting was declared adjourned at 11:52 AM.

Submitted by: Lynn Buchman, Administrative Assistant

Approved: December 13, 2023

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