



Town of Hilton Head Island

Planning Commission Meeting

Wednesday, January 17, 2024, 2:00 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. Adoption of the Agenda**
- 4. Approval of the Minutes**
 - a. Regular Meeting Minutes of November 15, 2023
- 5. Appearance by Citizens**
- 6. Unfinished Business**
- 7. New Business**
 - a. **Public Hearing**
Housing Impact Analysis Recommendation (HIA) - Consideration of a recommendation to Town Council that the Housing Impact Analysis be advanced as an amendment to the Town's Comprehensive Plan Housing Element
 - b. **Public Hearing**
STDV-001838-2023 - Request for a driveway name from Barbara Hudson, on behalf of Shrimpnana LLC, owner of R511 007 000 002B 0000, for an access driveway located at 175 Squire Pope Road
 - c. STDV-002173-2023 - Request for a new driveway name from Hilton Head Island Fire Rescue, on behalf of Alejandro Camposano, owner of R510 007 000 026C 0000, for a new access driveway located off Ned Court
- 8. Commission Business**

9. Chairman's Report

10. Staff Reports

11. 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 PLANNING COMMISSION MEETING Wednesday, November 15, 2023, 2:00 PM Minutes

1. Call to Order

Chairman Siebold called the meeting to order at 2:00 PM.

2. Pledge to the Flag

3. Adoption of the Agenda

A motion was made by Mr. Henz to adopt the Agenda as presented. A second was made by Mr. Lobaugh, and the motion was passed by a vote of 8-0.

4. Approval of the Minutes

a. Regular Meeting Minutes of October 18, 2023

A motion to approve the minutes of the meeting of October 18, 2023 was made by Mr. O'Neil and seconded by Mr. D'Arienzo. The motion was passed by a vote of 8-0.

5. Appearance by Citizens

No citizens spoke regarding items not on the Agenda. No comments were received on the Open Town Hall Portal.

6. Unfinished Business

7. New Business

a. STDV-000448-2023 - A new street name at 643 Spanish Wells Road

The Chairman introduced the item, and he declared the Public Hearing Open. Deputy Fire Chief Joheister Fister presented the new street name of Mary Lee Way memorializing Mary Lee Simmons, keeping with the tradition of naming streets for family members of the applicant. Staff recommended approval. Public comments were received. The Public Hearing was closed. A motion to approve the new street name was made by Mr. Lobaugh and seconded by Mr. Henz. The motion passed by a vote of 8-0.

b. STDV-001629-2023 - A new street name off Pauline Manor

Deputy Fire Chief Joheister Fister presented the new street name of Janis Manor, honoring the other of the owner of the property. Staff recommended approval. There were no public comments. A motion to approve the new street name was made by Mr. Henz and seconded by Mr. Mealer. The motion passed by a vote of 8-0.

c. STDV-001650-2023 - Two new street names at 592 William Hilton Parkway

The Chairman introduced the agenda item, and he declared the Public Hearing open.

Deputy Fire Chief Fister presented the new street names of Prince Brown Manor and Rachel Lane, both names requested by the families. Staff recommended approval. The Public Hearing was closed. A motion to approve the new street names was made by Mr. Lobaugh and seconded by Mr. D'Arienzo. The motion passed by a vote of 8-0.

d. STDV-001683-2023 - A new street name located at 339 Squire Pope Road

Deputy Fire Chief Fister presented the new street name of Marvin Lane off Squire Pope Road for existing and future development. She noted the name was selected in reference to the owner. Staff recommended approval. There were no public comments. A motion to approve the new street name was made by Ms. Whaley and seconded by Mr. Henz. The motion passed by a vote of 8-0.

e. STDV-001804-2023 - A new street name located off Miller Road

Deputy Fire Chief Fister presented the new street name of Juke Joint Lane. She noted the name chosen is from the Gullah language for juke joints. Staff recommended approval. There were no public comments. A motion to approve the new street name was made by Mr. Henz and seconded by Mr. Mealer. The motion passed by a vote of 8-0.

f. STDV-001938-2023 - A new street name located off Bligen Lane

The Chairman introduced the agenda item, and he declared the Public Hearing open.

Deputy Fire Chief Fister presented the new street name of Bligen Manor in general vicinity of Bligen Lane, chosen for family living on the street. Staff recommended approval. There were no public comments. The Public Hearing was closed. A motion to approve the new street name was made by Mr. Lobaugh and seconded by Mr. Henz. The motion passed by a vote of 8-0.

8. Commission Business

a. Approval of Proposed 2024 Meeting Dates

A motion to approve the 2024 Meeting Schedule was made by Ms. Whaley and seconded by Mr. Lobaugh. The motion passed by a vote of 8-0.

9. Chairman's Report

No report from Chairman.

10. Staff Reports

No further Staff report.

11. Adjournment

The meeting was adjourned at 2:35 PM.

Submitted by: Lynn Buchman, Administrative Assistant

Town of Hilton Head Island Planning Commission

Meeting Minutes

11/15/2023

APPROVED: _____

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



TOWN OF HILTON HEAD ISLAND

Planning Commission

TO: Planning Commission
FROM: Nichte Barrientos, Planner- Economic Development
VIA: Shea Farrar, Principal Planner
VIA: Tammie Hoy Hawkins, Together Consulting
VIA: Missy Luick, Director of Planning
VIA: Shawn Colin, Assistant Town Manager- Community Development
DATE: January 17, 2024
SUBJECT: Housing Impact Analysis Recommendation (HIA)

RECOMMENDATION:

Consideration of a recommendation to Town Council that the Housing Impact Analysis be advanced as an amendment to the Town's Comprehensive Plan Housing Element.

BACKGROUND:

The Town of Hilton Head Island was instrumental in the passage of Act 57 of the 2023 South Carolina General Assembly Legislative Session. This Act allows local governments to utilize a portion of either its state or local accommodations taxes, or both, to be utilized in the development of qualified workforce housing as a tourism related expenditure.

A key component of Act 57 necessary for the Town to utilize up to 15% of Accommodations Tax revenue for workforce housing is the requirement to complete a Housing Impact Analysis, which must be adopted by ordinance as an amendment to the Town's Comprehensive Plan Housing Element. As part of this process, the planning commission must solicit input for this analysis from homebuilders, developers, contractors, and housing finance experts when developing this element.

The Town worked with Together Consulting to draft the Town's Housing Impact Analysis. In addition to researching and compiling the data required for the Housing Impact Analysis from local, state, and national sources, Together Consulting also received information and data from the Hilton Head Island Realtors Association, Hilton Head Island Homebuilders Association, and local builders and developers.

Housing Impact Analysis (HIA) required by Act 57:

If local governments OPT to use ATAX for workforce housing needs, they will be required to prepare a Housing Impact Analysis (as outlined in Section 6-4-12 in the Act) prior to second reading of the ordinance allowing such usage. This analysis will help to define the

actual needs in their communities and how these funds will help solve the local workforce housing needs.

For the purposes of this Act, workforce housing has been defined below:

(4) "Workforce housing" means residential housing for rent or sale that is appropriately priced for rent or sale to a person or family whose income falls within thirty percent (30%) and one hundred twenty percent (120%) of the median income for the local area, with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD).

Steps Necessary:

1. Local Government's must complete a Housing Impact Analysis (by second reading of a local ordinance). The Housing Impact Analysis must include:

- 1) How the Housing Ordinance effects the following:
 - A. Cost of developing, constructing, rehabilitation, improving, maintaining, or owning single family or multifamily dwellings
 - B. The purchase price of new homes or the fair market values of existing homes
 - C. The cost and availability of financing to purchase or develop housing
 - D. Housing Costs:
 - a. Housing cost in dollar amounts
 - b. Include a summary or worksheet demonstrating the computations used in determining the dollar amount (if not possible to make an estimate in dollar amounts, then the analysis may include a statement setting forth the reason for the local government determination (income/ housing disparity).
 - c. The analysis must include descriptions of both (effect of the ordinance):
 - i. Immediate effect on housing cost (to the extent ascertainable),
 - ii. Long term effect on housing cost.
 - E. The density, location, setback, size, or height development on a lot, parcel, land development, or subdivision.
- 2) How the Housing Ordinance effects low to moderate income households
- 3) Impact analysis must be based on:
 - A. Cost associated with the development, construction, financing, purchasing, sale, ownership, or availability of median-priced single-family residence,
 - B. Analysis may include estimates for larger developments as an analysis of long-term effects of the ordinance.

2. The Housing Impact Analysis must be provided to the following bodies prior to the Department of Revenue allowing the release of any ATAX funds for the purposes of the development of workforce housing:
 - a. Members of the legislative body of the local government,
 - b. Department of Revenue, and
 - c. Tourism Expenditure Revenue Committee before the ordinance is considered by the legislative body.

“The Department of Revenue may not disburse any accommodations taxes to the local government for purposes of development of workforce housing unless and until the local government has provided the housing impact analysis to the parties required pursuant to this subsection 6-4-12 (F)” (mentioned above).

RECOMMENDATION:

Consideration of a recommendation to Town Council that the Housing Impact Analysis be advanced as an amendment to the Town’s Comprehensive Plan Housing Element.

ATTACHMENTS:

1. Town of Hilton Head Island Housing Impact Analysis (HIA)



THE TOWN OF HILTON HEAD ISLAND



HOUSING IMPACT ANALYSIS

DECEMBER 2023



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ACKNOWLEDGEMENTS

The information and resources within this Housing Impact Analysis was made possible thanks to several community partners .

Community Partners:

- Hilton Head Island Area REALTORS
- Jean Beck, CEO, Hilton Head Island Area REALTORS
- Hilton Head Island Area Home Builder Associations (HHAHBA)
- Meg James, Executive Director, HHAHAB
- Local Developers and Homebuilders
- Lowcountry Council of Governments

Town Staff:

- Marc Orlando, Town Manager
- Josh Gruber, Deputy Town Manager
- Shawn Colin, Assistant Town Manager, Community Development
- Ben Brown, Senior Advisor to the Town Manager
- Missy Luick, Director of Planning
- Katie Kabala, Customer Service Manager
- Shari Mendrick, Floodplain Administrator
- Nigte Barrientos, Planner-Economic Development

Town Council:

- Alan Perry, Mayor
- David Ames, Mayor Pro-Tem
- Alex Brown
- Patsy Brison
- Tamara Becker
- Steve Alfred
- Glenn Stanford



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EXECUTIVE SUMMARY



Housing Impact Analysis

EXECUTIVE SUMMARY



In November 2022, the Town of Hilton Head Island Town Council adopted the Town of Hilton Head Island's Workforce Housing Framework, *Finding Home*. The goal of the Framework is to provide the Town and municipal leaders with the specific strategies and defined actionable tactics that address both the need for housing preservation and new production of workforce housing. The foundation of the Framework was built on previous planning efforts and broad community engagement through a multi-day planning charrette. The Finding Home Framework is organized by prioritizing four core Pillars: Community, Planning, Revenue and Management. Each of the Pillars includes key strategies and critical first steps.

An essential part of the Framework will be the development of a Multiyear Housing Action Plan that includes broad community engagement and partnership development. To compliment the final Multiyear Housing Action Plan, the Town will also develop a funding plan to support the implementation of the strategies, tactics and action items defined within the plan.

The Town has already committed:

- Town-owned land to support the development of public private partnerships that will help to support and deliver newly constructed workforce housing units.
- \$3.3M in the Town's 2024 FY Budget to support workforce housing initiatives on the Island.
- Established a community-led Housing Action Committee that will provide advice and guidance on policies and programs the Town will consider for implementation to meet the Town's housing goals.
- Hiring a full time Chief Housing Officer who will lead, in partnership with Planning and Community Development leadership, the development and implementation of a Multiyear Housing Action Plan.

EXECUTIVE SUMMARY



CONTINUED

The passage of Senate Bill "S284 Development of Workforce Housing" (Act 57) led by state Senator Tom Davis, will enable the Town of Hilton Head Island to access a new funding source to support the Town's Workforce Housing Framework objectives. The passage of Act 57 enables local governments to use up to 15% of their Accommodations Tax (ATAX) revenue to support local workforce housing projects and programs, and for the Town, this could be as much as \$2M in new funding annually.

In order to designate any percentage of ATAX funds to workforce housing, the local government must prepare a Housing Impact Analysis (HIA) and provide a copy of that analysis to the South Carolina TERC, Department of Revenue and the members of the local government's legislative body for review prior to the second reading of the ordinance designating ATAX for the purposes of workforce housing. The Housing Impact Analysis must be developed along with the local government's comprehensive plan or be included as an amendment to the local government previously adopted comprehensive plan.

Over 25% of the Town of Hilton Head Island's workforce are employed in the hospitality and accommodation sectors. The growing demand for affordable housing for these households continues to be a focus for the Town and area employers. The availability of ATAX as a new funding source for workforce housing also aligns with the strategies and critical action steps defined in the Revenue Pillar in the 2022 Workforce Housing Framework, *Finding Home*. The following Housing Impact Analysis addresses the required questions outlined as part of Act 57 allowing the Town to utilize ATAX as an eligible funding source to support local workforce housing needs.

The following Housing Impact Analysis per Act 57 requirements includes:

- Current housing and employment trends on Hilton Head Island
- Local analysis of housing and development costs
- Market-rate housing prices
- Cost of available financing to purchase or develop housing.
- Local determination of need for workforce housing including income and housing disparities
- ATAX revenue impacts on short- and long-term housing costs

INTRODUCTION



Housing Impact Analysis

INTRODUCTION



The Hilton Head Island community is a key economic engine within Beaufort County and the broader region. Hilton Head Island is a big part of the economic growth and employment opportunities within the region. However, Island employers are increasingly competing with employers in Bluffton and other area communities for workers. A lack of workforce housing on the Island is an impediment to recruiting and retaining both private-sector and public-sector employees to meet the community's workforce demands.

There is a real risk that a lack of a qualified, stable workforce will lead to a decline in services and quality of life on the Island. Population shifts over the last 20 years show a significant increase in residents moving to these surrounding communities. The 65 and over population has seen the greatest increase on the Island, an 80% increase since 2000. This population would not necessarily be contributing to the workforce but more likely will want and need more services from the workforce including sectors like hospitality and health care.

The Lowcountry Council of Governments, *2022 People and the Economy Report* indicated 1.5% population growth for the Town of Hilton Head Island versus neighboring Town of Bluffton that has seen 113.6% increase in population.

	Census 2000	Census 2010	Census 2020	Estimates 2021	Percent Change 2000-2010	Percent Change 2010-2020
Beaufort County	120,937	162,233	187,117	186,007	34.1%	15.3%
City of Beaufort	12,950	12,361	13,607	12,899	-4.5%	10.1%
Town of Bluffton	1,275	12,978	27,716	27,596	917.9%	113.6%
Town of Hilton Head Island	33,862	37,099	37,661	38,068	9.6%	1.5%
Town of Port Royal	3,950	10,678	14,220	12,734	170.3%	33.2%

INTRODUCTION

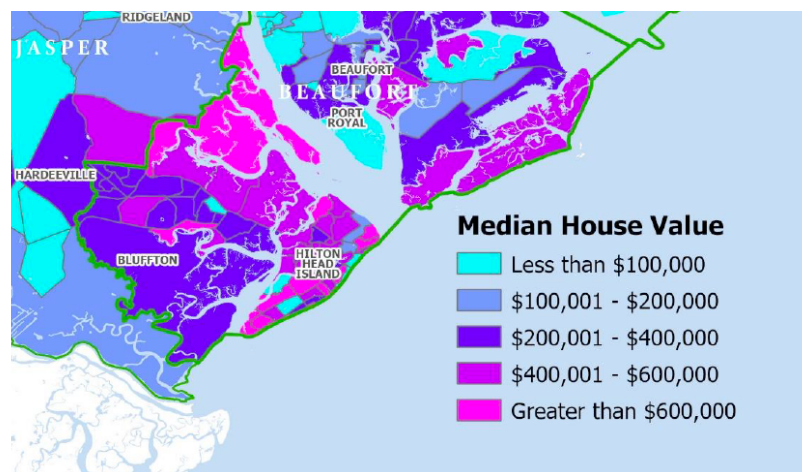
CONTINUED



The Hilton Head Island community is facing a growing challenge around ensuring there is a sufficient supply of affordable and appropriate housing to support its workforce. Employers are having a harder time recruiting and retaining workers for Island employment. Working individuals and families are increasingly being priced out of the community. Everyone on Hilton Head Island—from long-term, year-round residents to seasonal visitors—will feel the impact if the community cannot sustain a qualified workforce.

The ability to attract needed private- and public-sector workers partly depends on the ability of workers to afford housing near their jobs. The growth of employment centers in other parts of Beaufort County means that Hilton Head Island employers will have a more difficult time finding workers as there are more employment options off Island, closer to communities where housing is more affordable, and commutes are shorter. Without an intentional effort to expand workforce housing options on Hilton Head Island, both the economic sustainability and quality of life on the Island may be at risk. (*WFH Strategic Plan*) As shown in the map below from the Lowcountry Council of Governments, *2022 People and the Economy Report* median home values are almost double on Hilton Head Island versus neighboring communities off the Island.

The Town of Hilton Head Island is at a critical juncture to ensure the development and preservation of diverse housing options that are available and affordable for its workforce. Over the last few years, Town Council and Town leadership have consistently indicated this as a top strategic priority. Key recommendations and strategic direction have been defined in the Town's 2019 Workforce Housing Strategic Plan, the Town's Our Plan (Comprehensive Plan) and the recently adopted 2022 Workforce Housing Framework.



BACKGROUND



Housing Impact Analysis

BACKGROUND



In 2019, Town Council adopted the Workforce Housing Strategic Plan in an effort to advance policy that is favorable to address the housing needs of the Island. It includes a set of recommendations that are designed to address current and future workforce housing needs within the Town of Hilton Head Island.

On November 4, 2020, Town Council adopted amendments to the Town's Land Management Ordinance to create a Workforce Housing Program. This included incentives for the conversion of commercial square footage to residential units. On February 16, 2021, Town Council adopted amendments to the Town's Land Management Ordinance to allow for a housing density bonus provided in exchange for workforce housing units.

On February 22, 2022, Town Council held a special meeting where they discussed housing initiatives and proposed next steps. This resulted in three primary efforts that led to the execution of an intergovernmental agreement for participation in the Beaufort Jasper Housing Trust, the pursuit of a public private partnership to develop affordable/workforce housing on the Town-owned Northpoint Tract and the creation of two new public assistance programs for Home Safety and Repair Program and Sewer Connection Program.

On April 1, 2022, the Town released an RFQ seeking a Developer Partner for the Northpoint Tract project. Since that time, an advisory committee reviewed all submittals and the Town Manager announced a development partner in October 2023 and will negotiate a development agreement for Town Council review and consideration.



BACKGROUND

CONTINUED



An increased sense of urgency arose around this issue when an estimated 300 residents, most part of the Island's workforce, were issued eviction notices on August 12, 2022, and residents were only provided one month to move out. The property owner was pursuing plans to redevelop the site. In response to the rising concerns by the community, a special Town Council meeting was held on September 6, 2022, to discuss the status of current workforce housing initiatives. Town Council held a workshop on September 14, 2022 and directed staff to create a housing framework by November 1, 2022.

The Town held a multi-day charette in October 2022 with over 30 community stakeholders along with the Town's senior staff. These two days led to the creation of the Town's Workforce Housing Framework, *Finding Home* which was adopted by Town Council on November 1, 2022. The Framework recommendations are aligned by four pillars, Community, Planning, Management and Revenue with each Pillar defining very specific goals, strategies, and critical first steps for action. This framework outlines the Town's commitment to the creation and preservation of affordable workforce housing on the Island. Key to the implementation of the Framework will be the Revenue pillar, where the Town will define funding and financing sources to support projects and programs that deliver diverse affordable housing options on the Island.

The passage of South Carolina Senate Bill 284, now known as Act 57, provides a direct nexus between the Accommodations and Hospitality industry and the ability to support workforce housing opportunities. Local governments now have access to a new funding source to support the development of additional housing to meet the growing demand for workforce housing on the Island to support the local tourism economy. The recent escalation in housing cost on the Island has made this choice more difficult for this critical workforce.



EMPLOYMENT & HOUSING ANALYSIS



Housing Impact Analysis

The Lowcountry Council of Governments, *2022 People and the Economy Report* indicated Beaufort County as on one of the top tourist destinations in the state, with the Hilton Head Island community being a significant draw for visitors. With the increased cost of housing on the Island, employers are finding it more difficult to retain and recruit workers to these tourism related employment sectors.

Tourism Industry

Tourism is vital for the success of the region's economy. As reflected in Table 17, the region's expenditures had increased until 2019, then declined in 2020 due to the COVID-19 pandemic. Beaufort County, is considered one of the top tourism destinations in the state, having the greatest amount of visitor spending and the largest tourism-generated jobs. Colleton County, nationally recognized for the ACE Basin eco-tourism destination and several I-95 interchanges, ranks second for tourism expenditures and payrolls.

Table 17: Economic Impact of Visitors 2017-2020

	2017	2018	2019	2020	Percent Change 2017-2020
Beaufort County					
Tourism Employment	14,170	14,590	15,280	14,620	5.6%
Payroll from Tourism	\$261,570,000	\$270,780,000	\$294,880,000	\$307,230,000	23.1%
Expenditures by Visitors	\$1,374,800,000	\$1,433,990,000	\$1,539,740,000	\$1,379,800,000	5.8%

Despite this robust tourism economy, the increased cost of housing on the Island is having an impact on the ability for area employers to recruit and retain workers within the tourism-related employment sectors. Although many of these employers pay above median wages (over \$15/hour) for these positions, employees continue to be cost burdened as they balance other household expenses with the accelerating housing costs. Housing affordability is determined by the percentage of an individual's gross pay that is absorbed by housing costs. An "affordable" unit should cost no more than 30% of that individual's or family's total income. Households are considered "cost burdened" when their housing costs exceed this figure. A household is considered to be "extremely cost burdened" if they are spending over 50% of their income on housing.

There is already evidence of the workforce housing impact. Some local restaurant owners are closing down one day a week because they cannot find sufficient staff. Healthcare providers are having difficulty retaining key employees, like nurse technicians. Landscaping companies on the Island struggle to find enough people to mow lawns, trim trees and install and maintain landscaping. The public school system faces challenges with teacher recruitment and turnover. Employers consider housing availability and affordability on Hilton Head Island as essential for attracting and keeping qualified workers.

Many people working on Hilton Head Island commute from elsewhere in Beaufort County and beyond. **More than 14,000 workers commute onto the Island each day for work, with the number of in-commuters rising steadily each year.**

People who work on Hilton Head Island commute longer distances than those commuting to either Bluffton or Beaufort. **About 17 percent of workers on Hilton Head Island—or nearly 4,400 workers—commute 50 miles or more each way to get to work.** On their way to and from Hilton Head Island, those commuters will pass by growing areas in Bluffton, Hardeeville, Port Royal and other communities where employment opportunities are expanding. More job options in other parts of the county will make it less attractive for workers to continue to commute onto Hilton Head Island to work. (WFH Framework 2022)

EMPLOYMENT ANALYSIS

CONTINUED



Based on 2021 data, the largest employers on Hilton Head Island are mainly in the service industry and health care. These employment sectors' median salaries are between \$25,000 and \$57,000 depending on experience and tenure as reported by the Bureau of Labor Statistics, May 2022. Based on these salaries service workers in Hilton Head Island can afford to pay \$575 a month in rent while the median rent in Hilton Head Island as of 2020 was \$1,330, while health care employees can afford to pay \$1,250 which is still not enough to afford the median priced apartment on the Island.

In May 2022, a US Bureau of Labor Statistics Occupational Employment and Wages study indicated the following averages for Hilton Head Island employment sectors. Workers in the Hilton Head Island-Bluffton-Beaufort, SC Metropolitan Statistical Area **had an average (mean) hourly wage of \$22.21 in May 2022, 25 percent below the nationwide average of \$29.76.** Regional Commissioner Victoria G. Lee of BLS, noted that, after testing for statistical significance, wages in the local area were lower than their respective national averages in 21 of the 22 major occupational groups.

When compared to the nationwide distribution, Hilton Head Island area employment was more highly concentrated in 7 of the 22 occupational groups, including food preparation and serving related, sales and related, and building and grounds cleaning and maintenance. Thirteen groups had employment shares significantly below their national representation, including production, transportation and material moving, and business and financial operations.

One occupational group—food preparation and serving related—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Hilton Head Island had 12,450 jobs in food preparation and serving related, accounting for 16.0 percent of local area employment, significantly higher than the **8.5-percent share nationally.**

TOP ISLAND EMPLOYERS (2021)

EMPLOYER	EMPLOYEES
SERG GROUP RESTAURANTS	1,244
MARRIOTT VACATION CLUB INTL	580
SEA PINES RESORT	536
HILTON HEAD MEDICAL CENTER AND CLINICS	506
COASTAL RESTAURANTS AND BARS	500
BEAUFORT COUNTY SCHOOL DISTRICT	438

Source: Town of HHI Comprehensive Annual Financial Report

"WHAT'S AFFORDABLE?" BY WORKER SEGMENTS



Source: US Census Bureau, 2018 Workforce Housing Strategic Plan

EMPLOYMENT ANALYSIS

CONTINUED



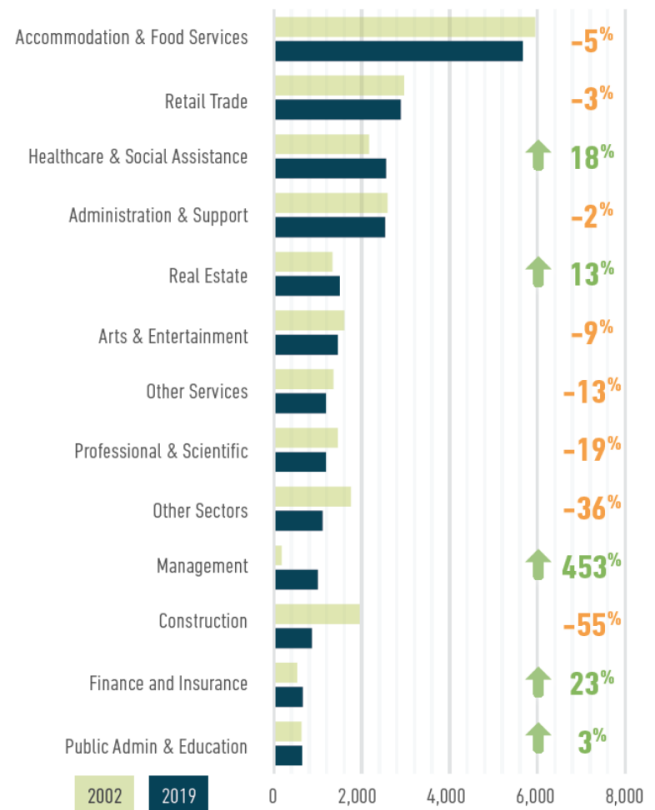
This chart based on the US Census Bureau data shows the size of the top employment sectors on the Island along with the percentage of change over time. Although accommodations and retail related positions have decreased slightly compared to other employment sectors, they remain the top two employment sectors with Healthcare and Administration within the top five. Accommodations and Food Service have the largest percentage of employment in the region.

The chart below indicates the top three employment sectors and their median wages for each from the 2022 Bureau of Labor Statistics for Hilton Head Island.

The chart shows average hourly wages and salaries for Accommodations and Food service, Retail, Healthcare and Administration employment sectors aligned with what would be considered affordable rents based on spending no more than 30% of an individual's or family's total income on housing. Rents would need to be below \$964.50 for most employment sectors to be considered affordable.

Households who spend over 50% of their income are considered extremely cost burdened.

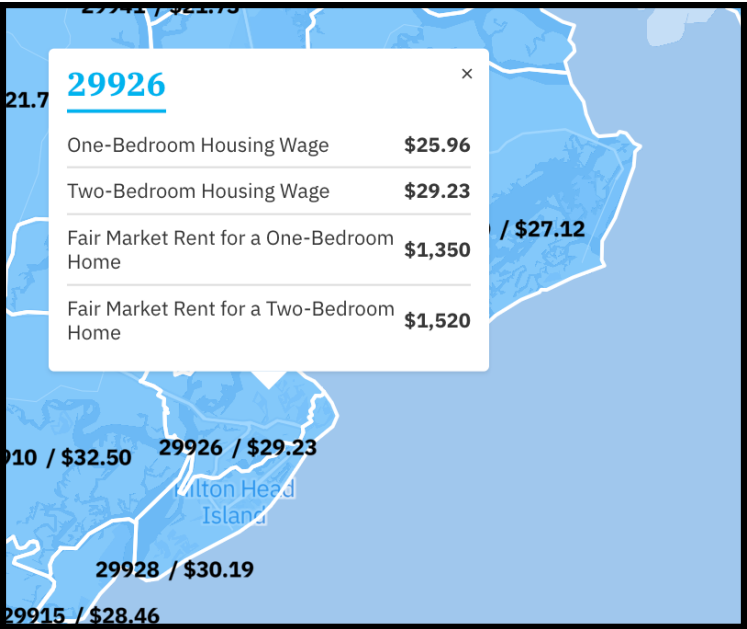
SECTOR SIZE & CHANGE, 2002-2019



Source: US Census Bureau, 2000 to 2021 Censuses

Employment and wage data for Top related occupations, Hilton Head Island metropolitan area, May 2022

Occupation	Levels	Hourly	Annual Salary	Housing Affordability (30%)	Cost Burden (50%)
Total Food preparation and serving related occupations	12,450	\$ 13.32	\$ 27,700.00	\$ 692.50	\$ 1,154.17
Total Office and Administrative Support Occupations	10,050	\$ 18.52	\$ 38,520.00	\$ 963.00	\$ 1,605.00
Total Sales and Related Occupations	9,450	\$ 18.55	\$ 38,580.00	\$ 964.50	\$ 1,607.50
Total Building and Grounds Cleaning and Maintenance Occupations	4,220	\$ 15.84	\$ 32,950.00	\$ 823.75	\$ 1,372.92
Total Personal Care and Service Occupations	2,910	\$ 15.38	\$ 31,980.00	\$ 799.50	\$ 1,332.50



Based on the 2023 National Low Income Housing Coalition's Out of Reach Data the following Zip Code data shows the hourly wage necessary to afford a market rate rental unit within 29926 and 29928 areas.

The median wages highlighted on previous page indicates Accommodations and Food Preparation for Hilton Head Island was \$13.32, while an employee must earn at least \$25.96 to afford a one-bedroom apartment on the Island as defined in the charts to the left as indicated by the National Low Income Housing Coalition's Out of Reach Data.

Based on this analysis, all major employment sector employees on the Island would be considered "Cost Burdened".

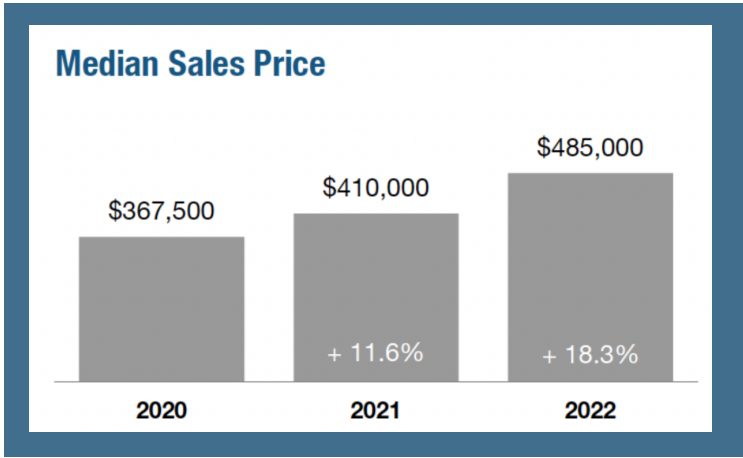
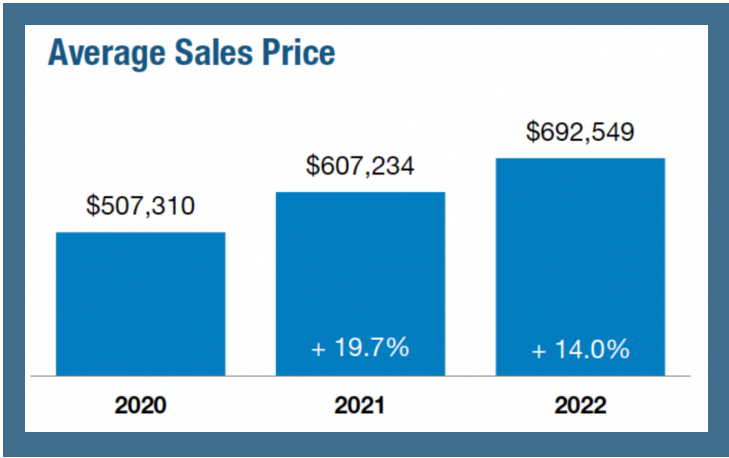


National Low Income Coalition Zip Code Analysis for Housing Wage

The dollar amount shown for each zip code is the two-bedroom Housing Wage, which are only available within metropolitan areas. Zip code-level Housing Wages are based on HUD's Small Area Fair Market Rents (FMRs) for Zip Code Tabulation Areas (ZCTAs) from the U.S. Census Bureau, which differ slightly from U.S. Postal Service zip codes.

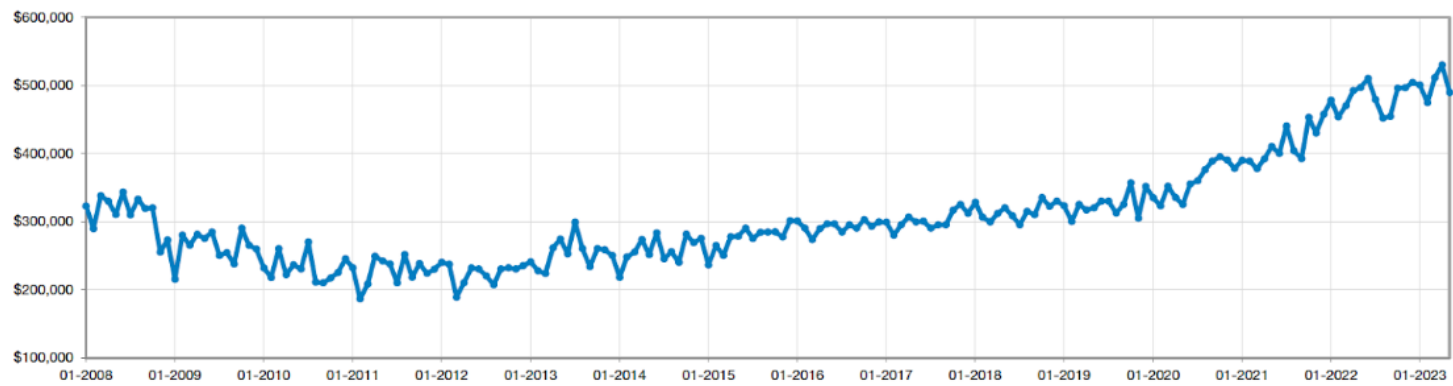
The Hilton Head Area REALTORS 2022 Year-end Market Trend Analysis indicated a significant increase in ownership housing costs on the Island in both single family attached and detached from 2021, and an even greater increase over the last five months of 2023.

The accompanying charts show these increases. From 2021 to 2022, the overall median sales price increased 18.3 percent to \$485,000 for the year. Detached home prices were up 15.0 percent compared to last year, and attached home prices were up 20.0 percent.



2022 Year-End Report Hilton Head Island Housing Market Report

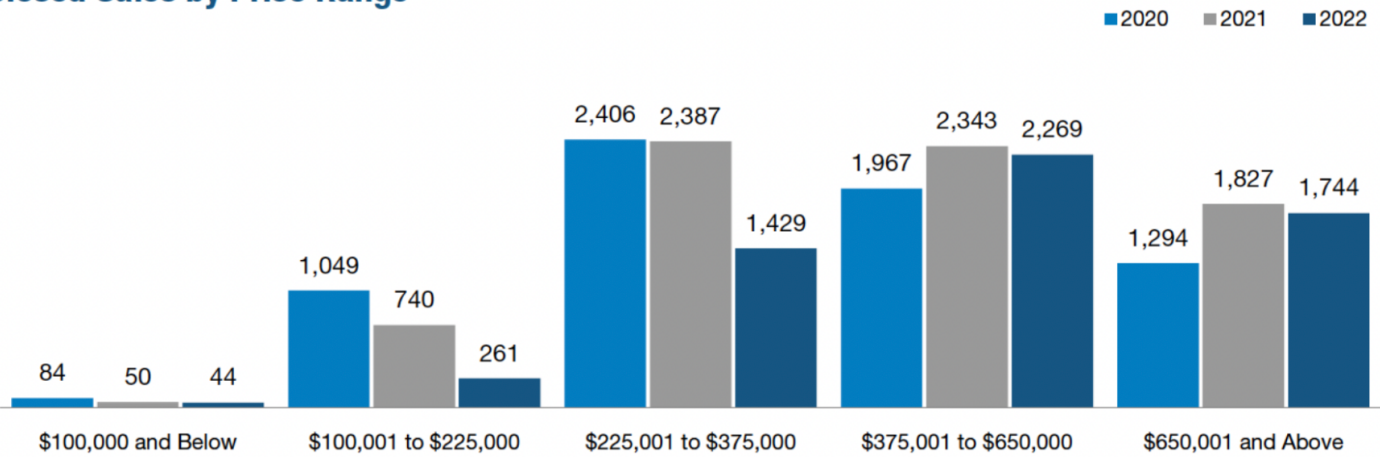
Historical Median Sales Price by Month



In addition, the number of housing units closed below \$225,000 has declined significantly over the last few years showing a huge loss in affordable inventory.

(See Sales closed by Price Range Chart below)

Closed Sales by Price Range



Recent data from May 2023 indicated historical housing affordability continuing to decline significantly on the Island. The chart below shows a continual trend as housing becomes less affordable based on average incomes on the Island. The lower the number the less affordable the community. Homeownership keeps getting tougher for potential buyers as average 30-year home-mortgage rates in the U.S. have risen from 3 percent in 2021 to over 7 percent. Those latest price and interest rate hikes, along with other forces, continue to push the typical cost of major ownership expenses up far faster than wages, resulting in declining home affordability.

Historical Housing Affordability Index by Month

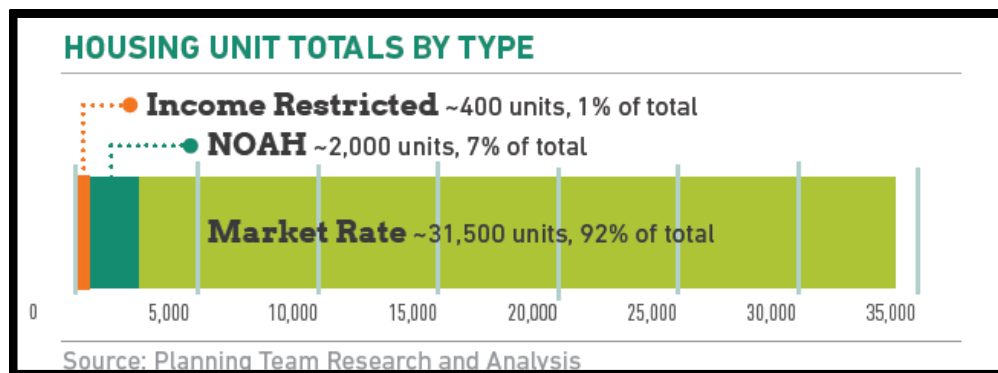


RENTAL MARKET DATA:

These trends are unsustainable to meet the growing demands for workforce housing on the Island. With increased costs in construction, labor, materials, insurance and interest rates, affordability of housing will play a huge role in the future population and workforce on the Island if the Town does not address these growing needs.

Preliminary housing analysis revealed only about 400 “protected” (meaning they are income restricted or deed restricted based on income) affordable housing rental units on the Island and about 2,000 “naturally occurring affordable housing” (NOAH) rental units. NOAH units are not income restricted or protected by income related deed restrictions; therefore, they are not protected from the possibility of large-scale rental hikes or future redevelopment into luxury or short -term rentals.

Many of these historically affordable housing units are at the greatest risk of being redeveloped into to higher end housing as the overall rental housing supply continues to remain low of the Island. Building permit data indicated only two multifamily rental communities have been built on the Island in the last 20 years both of which are market rate communities. Over the last decade, average monthly rents grew by almost 40%.



HOUSING MARKET CONDITIONS



Housing Impact Analysis

Factors in Housing Market Cost:

Although the South Carolina population continues to have strong population growth, building has not kept up with the growth. **The 2023 Palmetto State Housing Study** published by SC State Housing indicated that a decade of underbuilding has culminated in a shortage of housing inventory. South Carolina's population has grown steadily at an average annual rate of roughly 1.2% from 2002 to 2021 (compared to 0.8% for the overall US), yet the average annual growth rate in the number of new housing permits in South Carolina dropped by nearly half after the Great Recession of 2008. The decline includes both single and multi-family housing, therefore creating gaps in the supply and demand for housing and escalating the cost of housing due to the shortage of supply. **The lack of housing inventory in South Carolina is especially pronounced among lower price points.**

Although a lack of demand in the immediate aftermath of the Great Recession helped temporarily increase the availability of entry-level homes, **the number of homes sold in South Carolina for less than \$100,000 has decreased by 14.8 percent each year since 2014.**" (2023 Palmetto Study) The decrease in supply is most pronounced in coastal regions of South Carolina. **In 2022, the percentage of homes sold in South Carolina for under \$100,000 fell below 5 percent for the first time.**

Figure 6 – S.C. Multi-Family Housing Permits vs. Pop. Growth

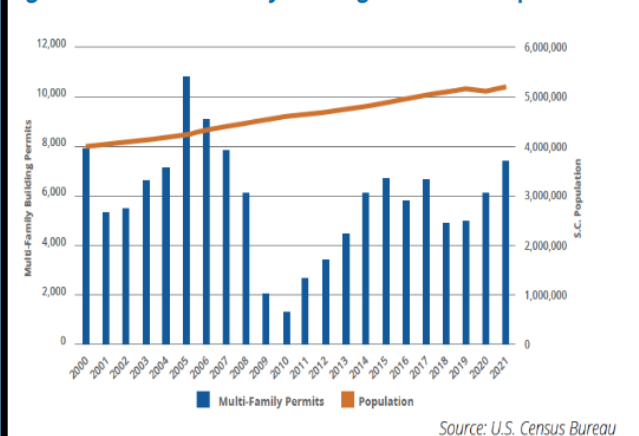
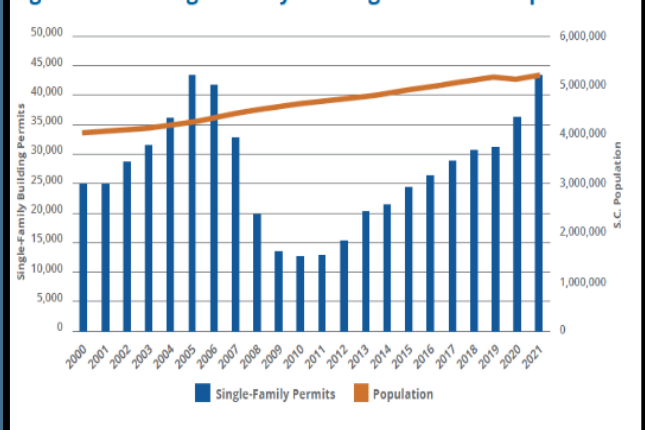


Figure 5 – S.C. Single-Family Housing Permits vs. Pop. Growth



HOUSING MARKET CONDITIONS

CONTINUED



The 2023 Palmetto Housing Study, as shown in the charts below, reveals that South Carolina's housing market is imbalanced due to high demand and low inventory levels. This imbalance has resulted in affordability challenges for many South Carolinians.

Housing affordability is usually measured by examining the extent to which families are considered to be housing cost burdened. **The U.S. Department of Housing and Urban Development (HUD) defines a cost burdened household as one that pays more than 30 percent of its income for housing.**

By this measure, approximately 50 percent of renting households and 25 percent of households with a mortgage are housing cost burdened in South Carolina. Examining housing cost burdens by county reveals that renters are most likely to be cost burdened in the Midlands and coastal regions of South Carolina. By contrast, households with mortgages are most likely to be cost burdened in the Pee Dee and coastal regions, as shown in **Figures 9 and 10. On average, housing cost burdens across the state are higher for renters than they are for households with mortgages.**

Figure 9 – Pct. of Households (with Mortgages) that are House Cost Burdened
Geographic Unit of Analysis: County

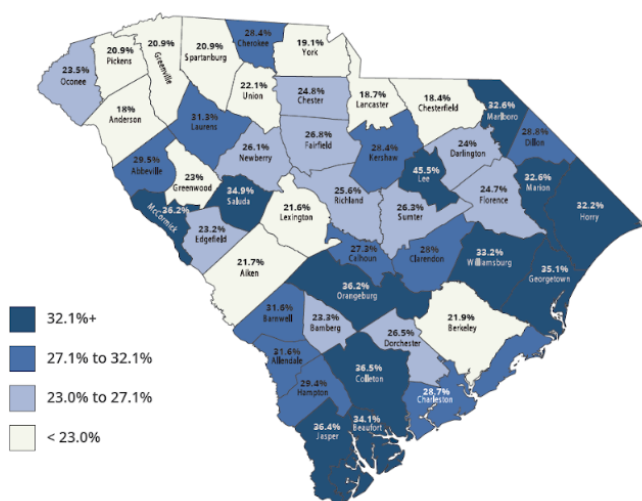
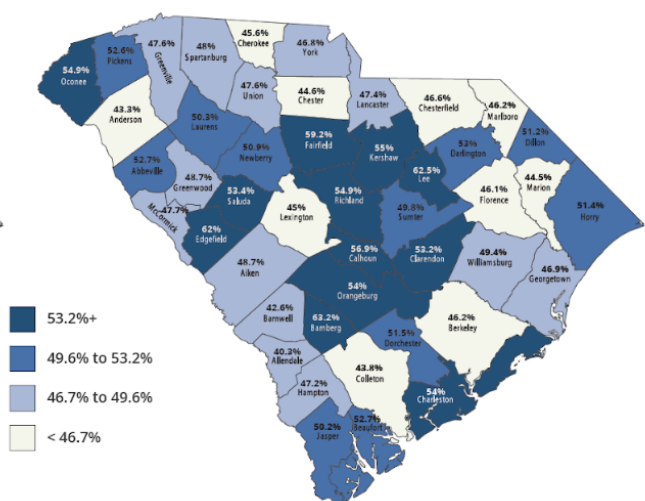


Figure 10 – Pct. of Households (Renters) that are House Cost Burdened
Geographic Unit of Analysis: County



HOUSING MARKET CONDITIONS

CONTINUED



Housing affordability is often considered to be a challenge that is either mostly or exclusively concentrated among households with lower income. Approximately 90% of South Carolina's lower income households, defined as those earning less than \$35,000 annually are estimated to be housing cost burdened based on the 2023 Palmetto Housing Study.

However, in South Carolina there is also a significant population base of middle-income households that also face affordability challenges. Specifically, this study estimates that more than one-third (34.5%) of households earning between \$35,000 and \$75,000 annually are also housing cost burdened by traditional measures.

Existing statewide workforce housing initiatives are often designed for this population.

The cost burden of this segment of the population is especially high in coastal South Carolina as shown in Figures 13 and 14. The data demonstrates that while housing affordability is nearly a universal challenge for lower-income households, it is also a significant strain on working-class families. **Policies directed at improving housing affordability should also include attainable housing programs and new inventory for middle-income families.** Individuals in these households are often employed as teachers, first responders, and health care support workers.

Figure 13 – Pct. of Households that are House Cost Burdened
Annual Household Income: Less than \$35,000

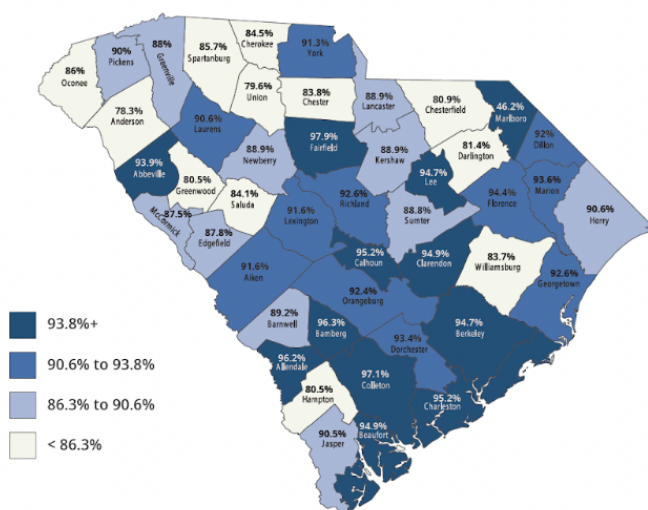
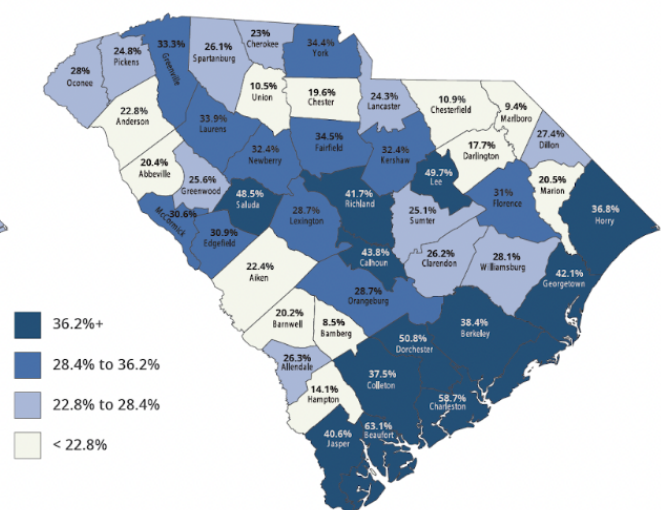


Figure 14 – Pct. of Households that are House Cost Burdened
Annual Household Income: \$35,000 - \$75,000



For Homeownership:

- **The average salary in Hilton Head Island is \$68,437.**
- **The median home cost in Hilton Head Island is \$724,900**

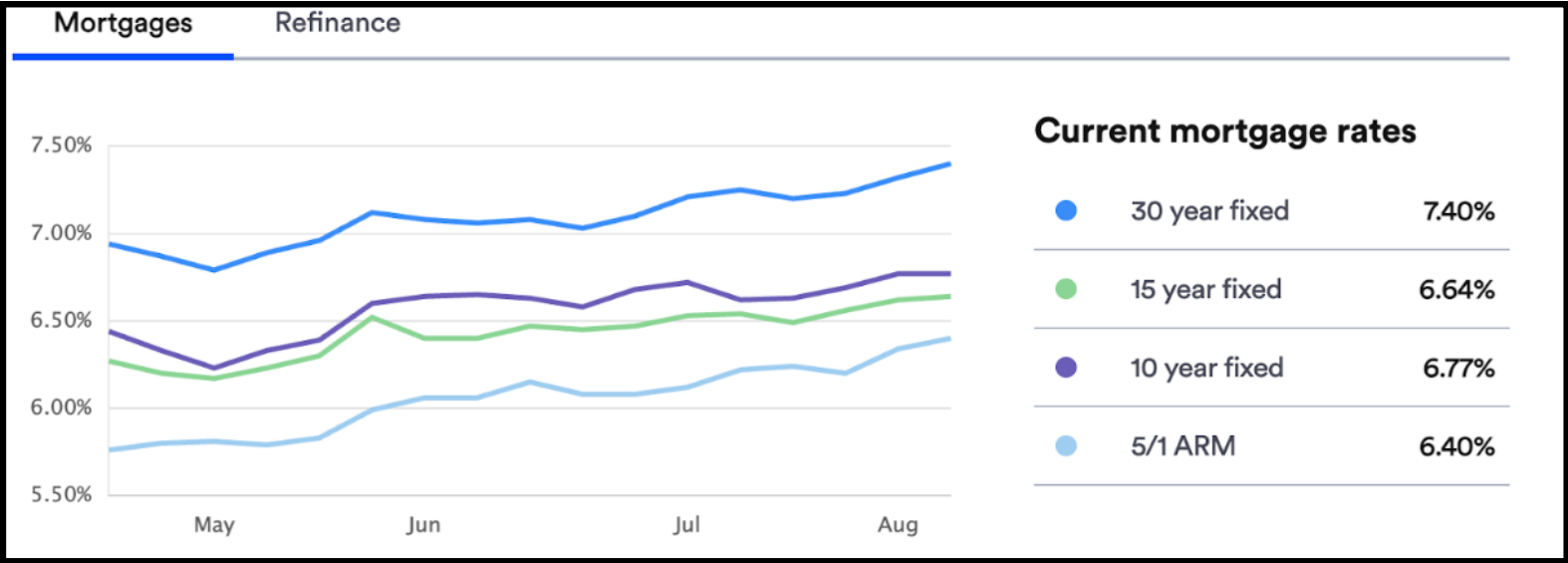
Based on the US Department of Housing and Urban Development (HUD) rule of thumb for defining “affordability,” a household should spend **no more than 3 times** their annual salary for their housing cost for ownership and **no more than 30% of household income** on rental housing. Based on the above-mentioned average salary in Hilton Head Island, **\$205,311** would be the maximum “affordable” home for a family in the Town of Hilton Head Island. Over \$500,000 less than the median priced homes on the Island.

Escalating real estate costs are not the only barrier to homeownership. Increased mortgage rates continue to limit affordable home buying opportunities for families. Since August 2023, interest rates have risen to as high as 8% depending on the loan type, the amount of down payment provided and also takes into consideration a varying credit score between 580-800. These variables make home buying more difficult for lower income households that have limited downpayment and may have lower credit scores.

For example depending on these variables, a **\$200,000 home** could cost a household anywhere between **\$1,222- \$1,444/month**. The lower monthly payment would be a VA or FHA type loan. This scenario also considers a 3% down payment and a credit score of 780. This monthly estimate does not include insurance, taxes, or any HOA fees.



The below chart shows a snapshot of mortgage rate options nationally for single family purchases.

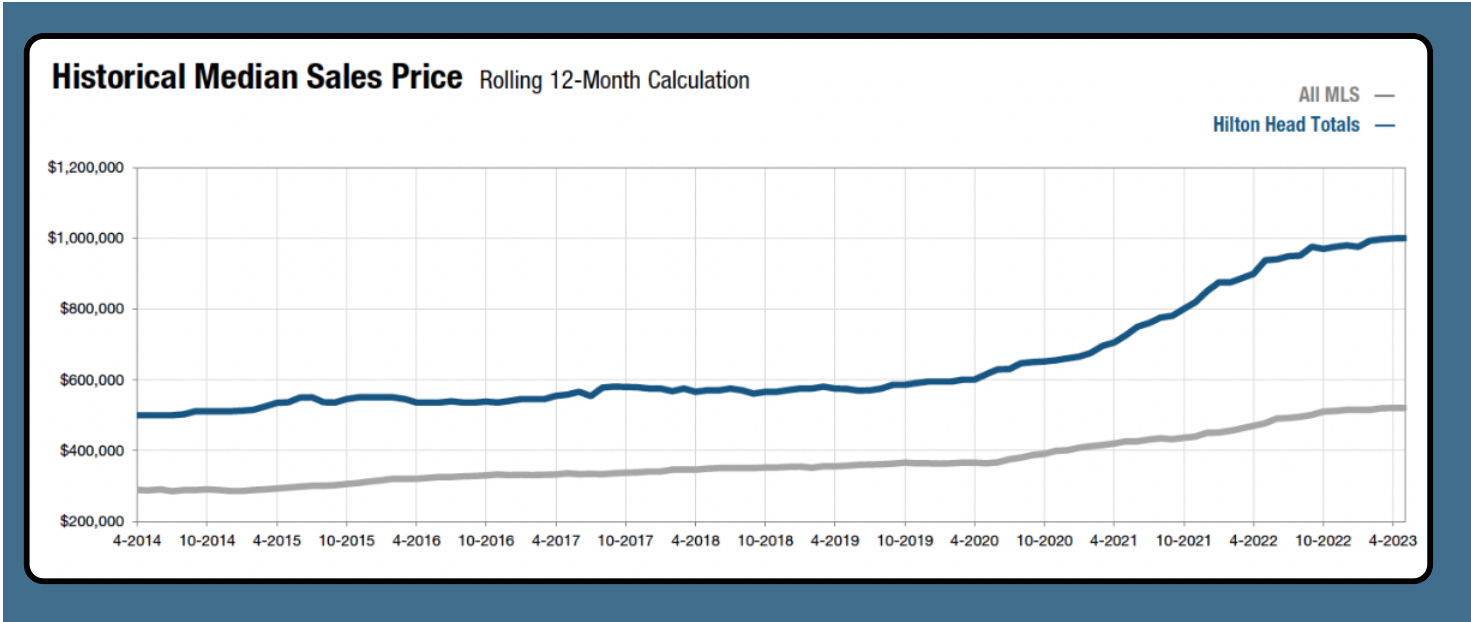


In a recent interview with the Hilton Head Area REALTORS, CEO, Jean Beck, indicated that there have been double digit increases in housing costs in both attached and detached housing. In 2018-2019 there was 26 month's worth of inventory, all of which has been sold.

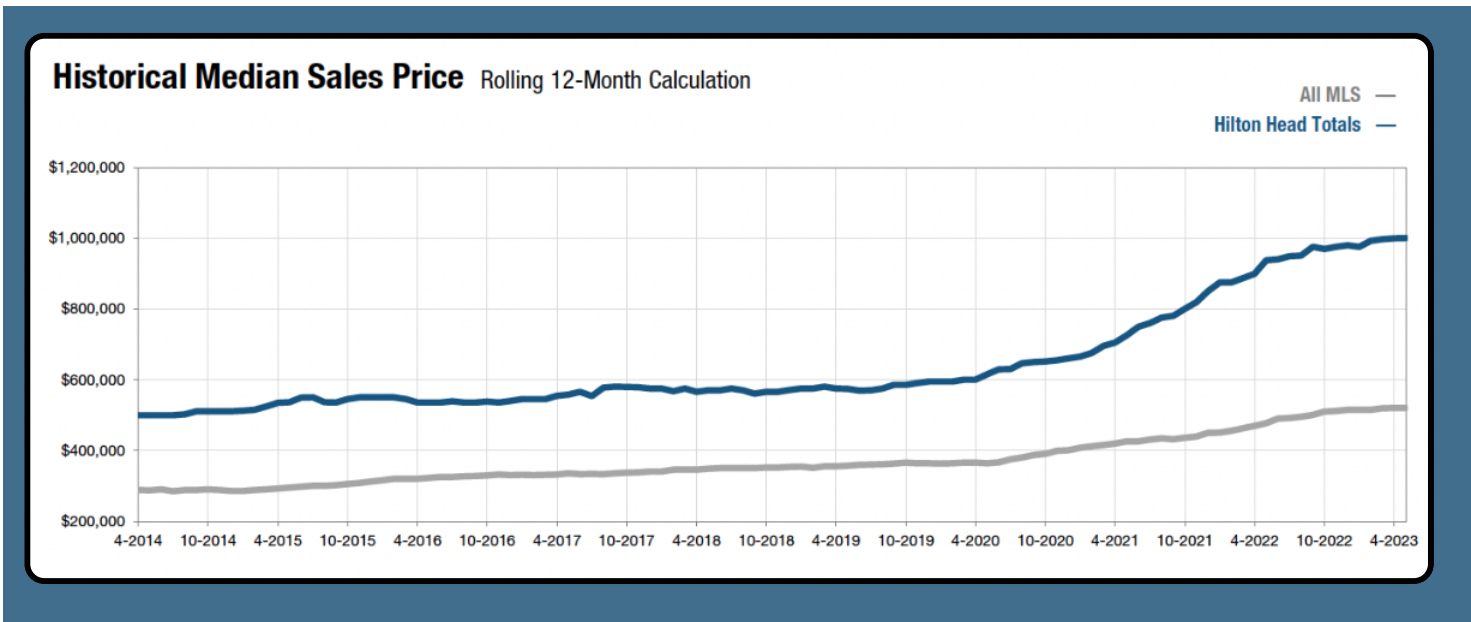
There are currently only 2 month's worth of inventory on the Island. The reports on the next page show almost double digit increases in all housing sectors from 2020 to 2023. From \$600,000 for detached single family homes to over \$1M and \$350,000 to over \$600,000 in attached (condo/villa) homes.



All Hilton Head Island Detached (Single Family Home)



All Hilton Head Island Attached (Condo/Villa)



HOUSING MARKET CONDITIONS

CONTINUED



The Market Reports on the previous pages from May 2023 shows year over year for Attached (Condo/Villas) and Detached (Single Family Homes) and include all Hilton Head Island properties. 70% of land on Hilton Head Island is located within a Planned Unit Development (PUD) limiting the amount of available and eligible land that could be used to support the demand for workforce housing.

Of the 30% of land outside of the PUD's, there is limited developable land due to various conservation easements, environmentally protected areas, wetland areas and tidal marsh.

The Hilton Head Area REALTORS 2023 General Reports includes listings and sales not included in housing units that are located within gated communities, in a PUD or in an established designated area or community, which would most likely be areas in which new workforce housing would be built. The charts on the following page show those area changes year over year.



The following General listings are NOT located in a PUD.

HH General

Detached Homes Only

Key Metrics	May			Year to Date		
	2022	2023	Percent Change	2022	2023	Percent Change
New Listings	20	22	+ 10.0%	86	51	- 40.7%
Closed Sales	17	8	- 52.9%	70	23	- 67.1%
Median Sales Price*	\$635,000	\$649,500	+ 2.3%	\$580,000	\$615,950	+ 6.2%
Percent of List Price Received*	99.5%	98.4%	- 1.1%	100.2%	98.0%	- 2.2%
Days on Market Until Sale	100	73	- 27.3%	98	70	- 28.6%
Inventory of Homes for Sale	27	32	+ 18.5%	--	--	--

* Does not account for sale concessions and/or downpayment assistance. † Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

HH General

Condos / Villas Only

Key Metrics	May			Year to Date		
	2022	2023	Percent Change	2022	2023	Percent Change
New Listings	44	29	- 34.1%	187	137	- 26.7%
Closed Sales	21	26	+ 23.8%	173	117	- 32.4%
Median Sales Price*	\$295,000	\$262,522	- 11.0%	\$280,000	\$292,500	+ 4.5%
Percent of List Price Received*	100.9%	97.9%	- 2.9%	100.0%	97.2%	- 2.8%
Days on Market Until Sale	57	56	- 2.2%	76	80	+ 5.0%
Inventory of Homes for Sale	42	37	- 11.9%	--	--	--

* Does not account for sale concessions and/or downpayment assistance. † Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

In addition to the limited land available to build new developments and the low inventory of existing housing units impacting the overall availability of affordable housing on the Island, increased cost in wind and flood insurance are also impacting overall households costs. In some cases, insurance costs have doubled for residential and commercial properties, pricing people out of their homes. For the rental market, insurance premiums are passed along to renters by apartment owners therefore increasing the cost of rent for many families on the Island, while incomes have not kept up with housing costs.

In some cases, rental property owners have converted their "previously affordable" rental properties into higher cost luxury apartments or short-term rentals, taking them out of the affordable housing inventory.

In addition to these accelerating housing costs along with low inventory, a recent 4 millage increase in property taxes for the school district will most dramatically impact properties that are already at a 6% tax rate. These increases are typically passed along to the end renters. Although the Town of Hilton Head Island recently reduced the millage rate for the Town, they do not have control over the school district increases.





Market Research and the Cost of Housing:

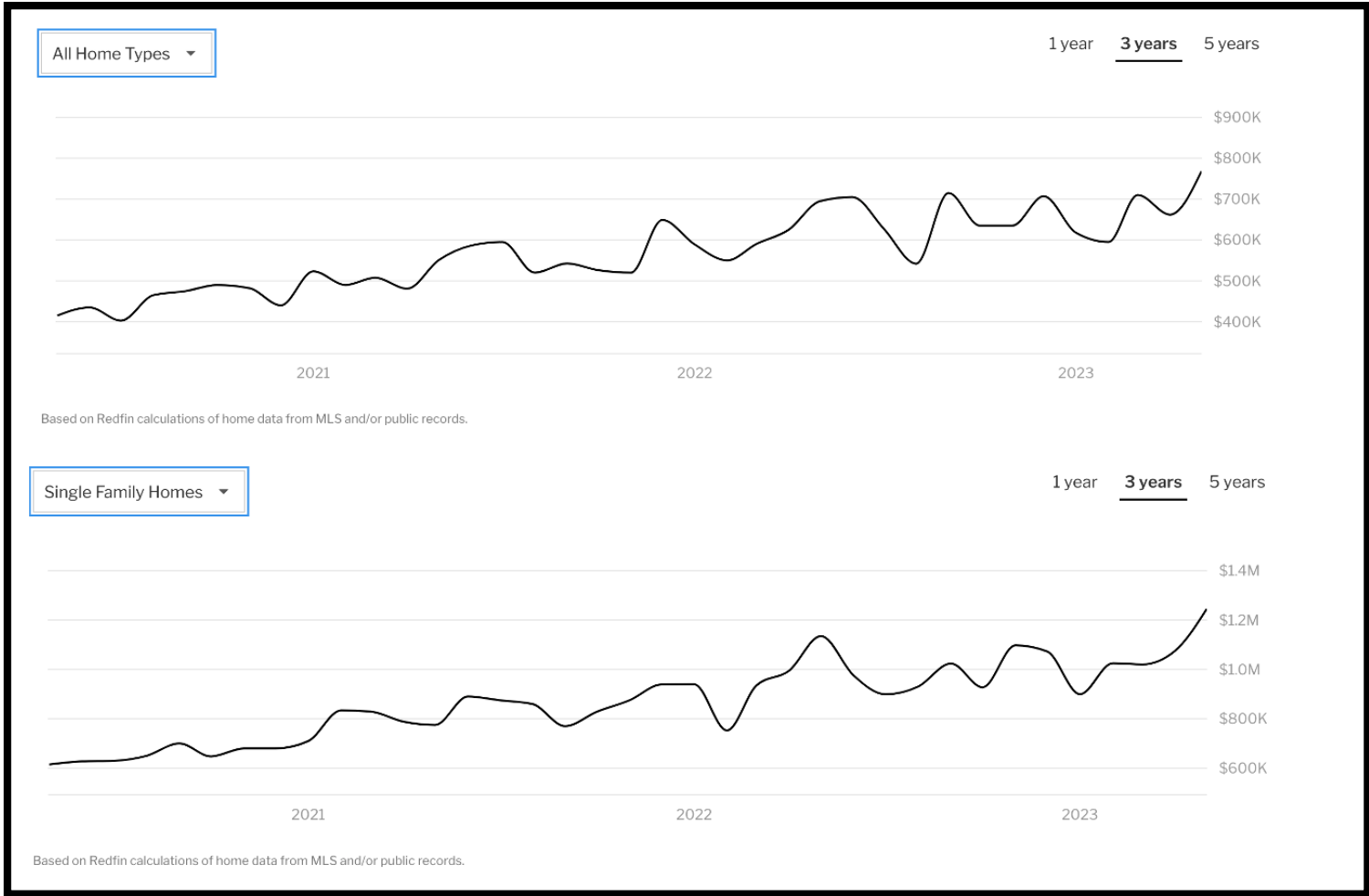
In May 2023, Hilton Head Island home prices were up 10.5% compared to last year, selling for a median price of \$768K. On average, homes in Hilton Head Island sell after 20 days on the market compared to 48 days last year. There were 176 homes sold in May this year, down from 185 last year. *(Redfin.com)*

Hilton Head Island is significantly higher compared to other South Carolina cities.

Location	Median Price	% Change from 2022 to 2023
Hilton Head Island	\$768,000	+10.5%
Charleston	\$563,500	+10.7%
Beaufort	\$390,000	+12.4%
Myrtle Beach	\$325,000	+10.6%
Greenville	\$377,500	-10.1%
Charlotte MSA	\$410,000	+1.5%

Based on recent data pulled from Redfin calculations of home data from MLS listings and public records the following charts show the continued rise in housing cost over the last 3-year. The Charts include 1) All Home Types listed (villas, condos, townhomes and detached) and 2) Single Family Homes separately.

The chart below shows overall housing types (condos, townhomes and single-family ownership) showing a trend of almost doubling the median sale price from 2020 to 2023. If we just look at single family homes, the median home price is over \$1M.



The overall cost of living in Hilton Head Island is 7% higher than the National average.

CONSTRUCTION AND DEVELOPMENT COSTS

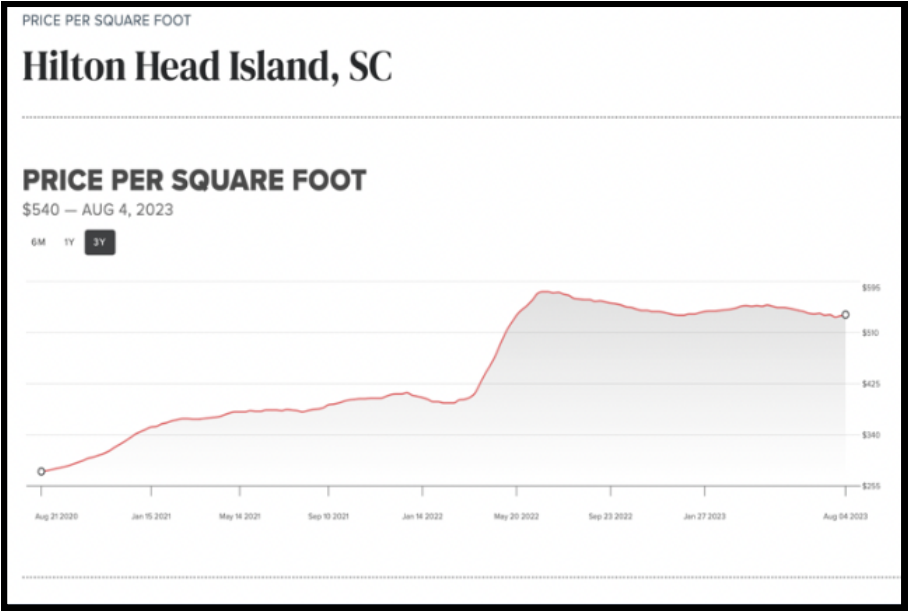


Ownership Market Costs

Construction costs have significantly increased the cost of housing on the Island over the past few years. As of June 2023, single family homes were selling on average for \$1.7M with about 100 days on market. The average price per square foot was \$541. Rate.com research indicated over \$261 per square foot increase from \$279/square foot to \$540/square foot from August 2021 to August 2023. For a 1,000 square foot house, this means the construction cost has risen from \$279,000 to \$540,000, not accounting for land, fees, insurance, and taxes.

Townhomes and condos sold on average for \$495,000 and spent 86 days on the market. The average price per square foot was \$542. As of June 2023, the median home price was \$454,300 and the median rent was \$1,330.

Based on these home averages, an employee on the Island would need to earn close to \$100,000 to afford a \$500,000 home. In August 2023, BankRate.com indicated to afford a \$500,000 house, you need to make a minimum of \$91,008 a year — and probably more to make sure you’re not house-poor and can afford day-to-day expenses, maintenance, HOA, taxes, and other debt, like student loans or car payments. One good guideline to follow is not to spend more than 30 percent of your income on housing.



Limited housing options within these price points make it difficult for working families to find affordable housing for both ownership and rent. Increases in short term rental on the Island has also impacted available inventory options. Around 7,000 units are actively permitted as short term rental.

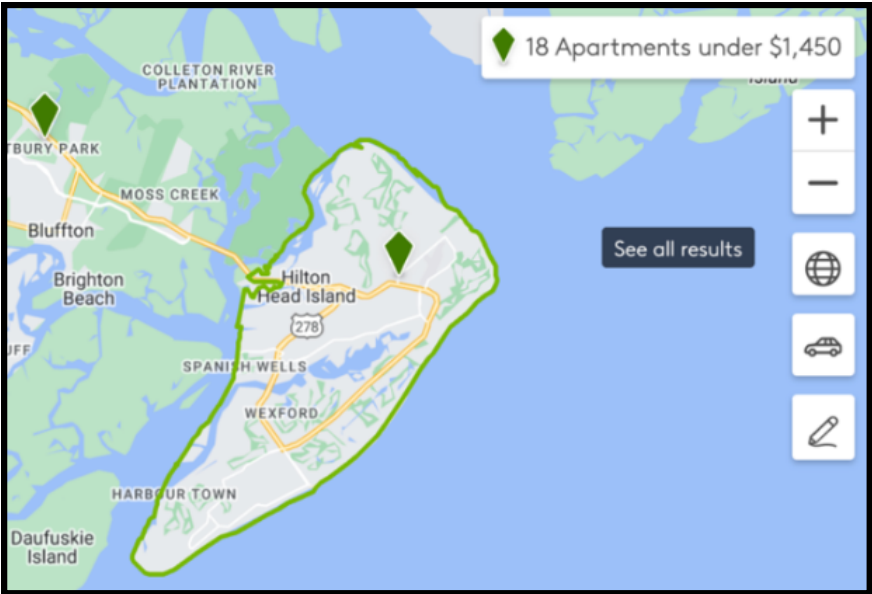
HOUSING BY PRODUCT TYPE



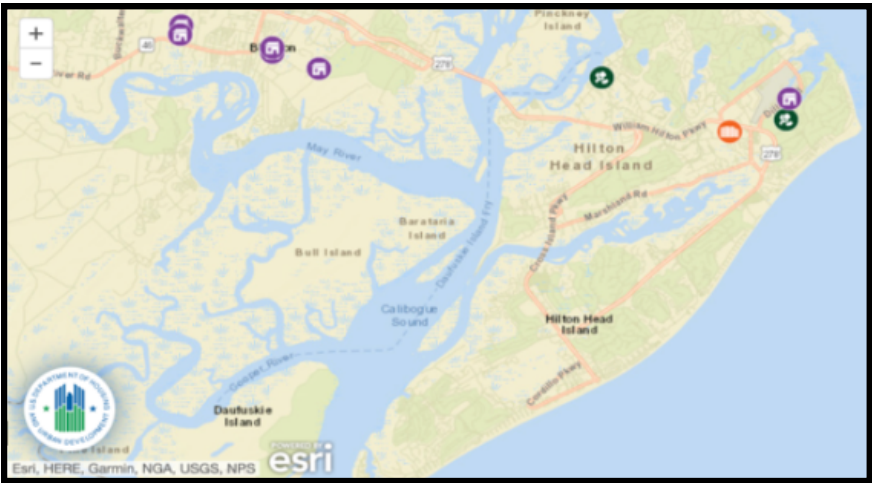
Source: US Census Bureau

Rental Market Costs

There is limited affordable inventory available on the Island to support workforce housing needs. Based on recent research on Apartments.com there was only one apartment listed for rent on the Island below \$1,450/month, a studio apartment. Other available apartments were in Bluffton.



There were only two properties that are listed on the HUD website as considered subsidized “affordable housing” on the Island. As mentioned earlier, there has been very limited apartment developments on Hilton Head Island over the past two decades. A 2022 market study for an apartment development in Bluffton, just over the bridge from the Island, indicates escalating rental prices across the region.



In a market study, conducted by RPRG for a proposed tax credit project in Bluffton, indicated market rents for: One-bedroom were on average \$1,608 per month. The average one-bedroom unit size was 735 square feet resulting in a net rent per square foot of \$2.19. Two-bedroom unit rents average \$1,747 per month. The average two-bedroom unit was 1,052 square feet resulting in a net rent per square foot of \$1.66.

CONSTRUCTION AND DEVELOPMENT COSTS



A recent rental development proposed for the Beaufort area (not on the Island) that would produce about 100 units of multifamily rental housing for households with income below 60% of the area median income, estimated total development costs (without land cost) would be over \$17M, approximately \$172,000/per unit. Depending on the project design requirements and number of units allowed based on zoning, a recent 3-story, 24 unit garden style apartment development cost approximately, \$145/square foot to build (not including land). Another project recently completed cost over \$213/square foot, approximately \$272,000/unit. All these examples are located in Bluffton or Oaktie area but highlights overall escalating construction and labor costs in the region without even including specific land costs.

Developers interviewed indicated land cost in southern Beaufort can be as much \$25,000/door or apartment in areas like Hilton Head Island where available, however developable land is extremely scarce. Other fees such as permit fees for the Town of Hilton Head Island and Beaufort County impact fees (water and sewer etc.) can also increase per unit cost to over \$3,000/unit. Parking requirements and site restrictions including setbacks, lot size requirements and lower densities allowed can significantly impact the cost of development. One multifamily developer interviewed indicated that as much as \$50/square per unit could be added to the costs of a project based on some of these limitations. For example, the need for podium parking (parking under the building structure) can increase the cost of a 100-unit development by as much as 18% in development costs. Design flexibility and developer incentives will be also important to implement as the Town looks to address it workforce housing needs, in addition to financing to support projects funding needs.



CONSTRUCTION AND DEVELOPMENT COSTS

Land Costs:

Land costs are extremely high on Hilton Head Island due to limited amount of land available on the Island. Over 70% of the land is in a planned unit development (PUD), minimizing the availability of land for affordable developments even further. For example, a recent search on Land Watch for vacant lots for sale on the Island showed one .11 acre lot in the Mid-Island area for \$359,000.



Recent property acquisitions by the Town indicates average land costs anywhere between \$500,000 and \$1M per acre including the Town's acquisition of 71 Shelter Cove Lane. The recent acquisition the old Wild Wings property was \$4M for 1.8 acres. Although the Town is making aggressive steps to acquire property for future development opportunities these opportunities are extremely scarce due to the overall limits on available land.

Land Management Ordinance (LMO):

In addition to land acquisition strategies that support workforce housing, the Town is also in the process of updating its Land Management Ordinance (LMO) as part of it's Comprehensive Plan update which will include a variety of planning and zoning tools that would encourage and incentive private developers to participate in building workforce housing. The Town already offers a density bonus for developers who include a percentage of workforce housing in larger developments. The Town also has a Commercial Conversion ordinance to support converting under-utilized retail or commercial space into workforce housing.

The Town has made workforce housing a priority as a part of the Housing Element within Our Plan (Town's Comprehensive Plan) and is currently planning on revisions to the LMO to ensure changes and adjustments will support workforce housing efforts.



CONSTRUCTION AND DEVELOPMENT COSTS



Development Fees:

Although development fees can vary depending on the type of development, the size and the location, these fees can add significant costs to the overall development of both single family and multifamily projects. For example, on Hilton Head Island, assuming a \$20M development with approximately 50 dwelling units, each unit about 2,500 sq. ft on 2 acres, the Town's fees could be as much as \$360,927 and does not include planning fees. This cost includes the demolition of an existing building and a pool. That is approximately, \$7,218.55 per unit in development fees. As part of the Town's Workforce Housing program the Town will be evaluating these fees as it relates to developing workforce housing. The reality is many of these fees are necessary to pay for the staffing and support needed to manage the development process. Also some of these impact and development fees are not controlled by the Town and are required to be paid based on state law and county requirements. This does include \$177,350 in impact fees to Beaufort County.

Insurance:

Dramatically rising insurance costs have hit owners, operators, and developers of rental housing hard in recent years. And in an environment of slower rent growth and rising interest rates, these costs have become increasingly tough for many rental housing providers to shoulder. As a result, many firms are in the difficult position of choosing whether to absorb the higher costs, knowing it means less reinvestment in other areas of their businesses or higher rents for residents, or find ways to scale back policies to mitigate the costs, raising their risk exposure. Continued uncertainty around costs and greater risk burdens creates negative repercussions for multifamily investment and development at a time when more housing is needed to meet an array of growing demand. Government policies intended to tackle the nation's housing shortage and address affordability challenges need to account for the structural problems in today's insurance markets.

A June 2023 article in the Island Packet indicated some insurance costs have increased by 500% from 2022. Several insurance policies for Island properties have doubled or tripled in the past two years.



CONSTRUCTION AND DEVELOPMENT COSTS

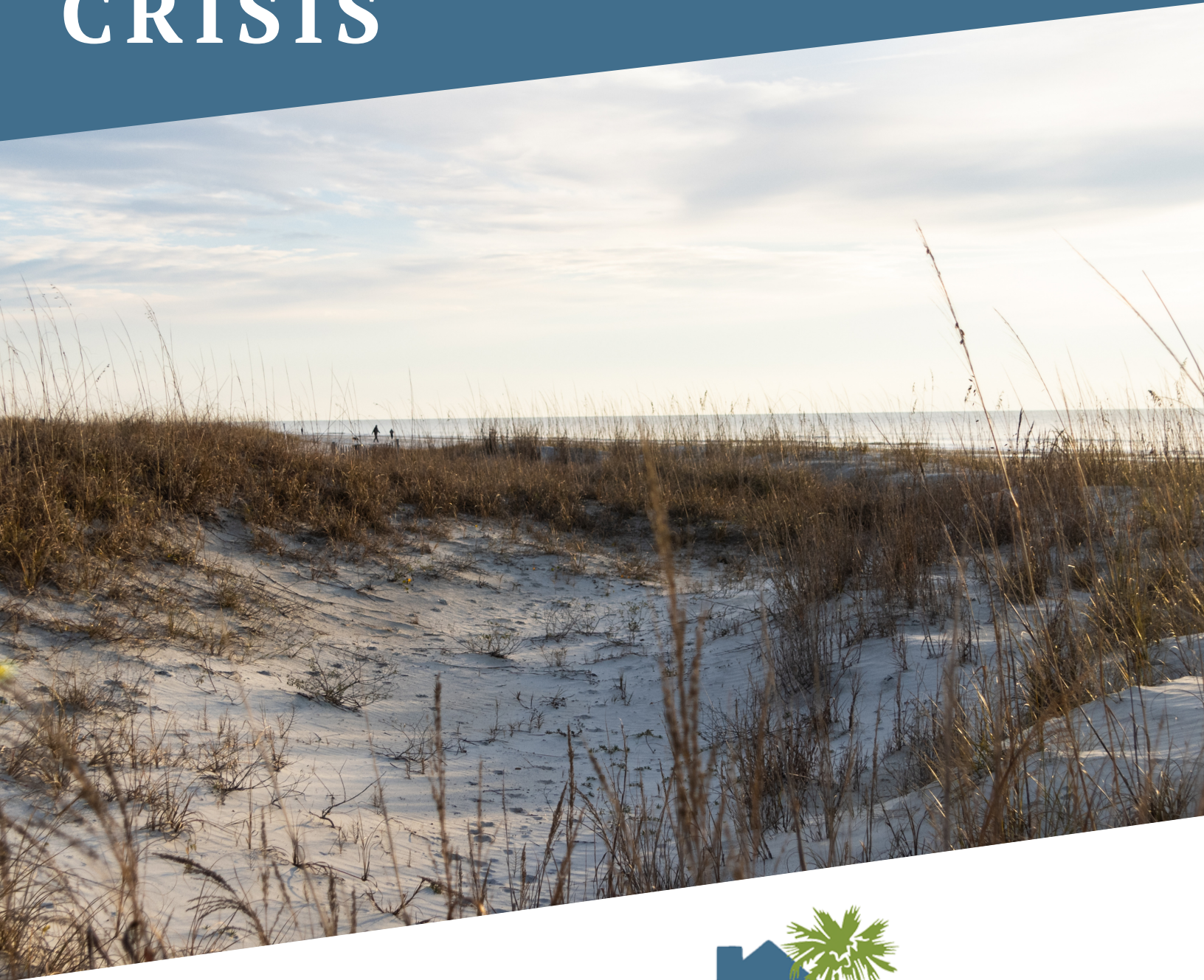


In the same Island Packet article, one homeowner in Sea Side Villas, indicated the master building insurance policy went from \$115,223 to \$690,000. Although this example is on the high side, condos owners across Beaufort County are seeing increases, according to several property management companies. Condos tend to be less expensive than single-family homes on the Island, so these increases largely impact more affordable housing options on the Island.

The Island Packet indicated in this same article, in May 2023, the average price of a condo on the island was \$452,500, less than half of the \$1,255,000 average home price, according to Hilton Head Area REALTORS market reports. For those with a smaller budget, looking to rent to make extra money or hoping to downsize, condos provide the opportunity to purchase property in a destination location. Not to mention owners aren't responsible for outside maintenance. Now, increasing insurance rates are adding thousands of dollars each year to the relatively cost-conscious option.



SOLVING THE ISLAND'S HOUSING CRISIS



Housing Impact Analysis

SOLVING THE ISLAND'S HOUSING CRISIS



Over the past five years, Town Council has made affordable workforce housing a number one priority for the future of the Island, recognizing the critical need to produce and preserve diverse housing options that can meet the workforce and community needs. In the Town of Hilton Head Island, over 69% of jobs are filled by non-locals, a 26% increase since 2002.

This trend is making it more difficult for sustainable economic growth as the Island's workforce is traveling through similarly paying and more proximate job centers on their way to work on the Island, causing even greater competition for labor on the Island. Increased regional competition for workers and the rising housing costs on the Island will continue to exacerbate the ability to attract and maintain a sustainable workforce on the Island. Additionally, the direct effect this level of daily commuters to and from the Island will have long term impacts on the overall community's quality of life due to increased traffic and infrastructure needs.

The Town is committed to solving its workforce housing challenges by supporting sustainable job growth opportunities and also by focusing on the preservation and production of diverse affordable housing options that meet the workforce needs. Maintaining tourism related employment and employees are core focus as part the Town's strategy.

The Town is unique among peer communities for its year-round population and relatively diverse local economy. Tourism and hospitality, however, drive all major sectors and have set records following the disruption caused by the COVID-19 pandemic.

SOLVING THE ISLAND'S HOUSING CRISIS



According to a 2021 Tourism Impact Report from the Hilton Head Island-Bluffton Chamber of Commerce, visitor expenditures generated a total of \$69.17 million in tax revenue in Hilton Head Island through the accommodations tax, the hospitality tax, and beach preservation fees.

To further support the implementation of the Town's Workforce Housing Framework, and with the adoption of the Housing Impact Analysis as an amendment to the Town's Comprehensive Plan, the Town can utilize up to 15% of its Accommodation Tax (ATAX) to support critical steps and strategies that will increase the production and preservation of workforce housing on the Island. Access to this new eligible source of funding could help leverage the Town's initial \$3.3M already committed to their housing program. The Town recognizes that funding alone cannot solve the workforce housing shortage and has also committed land for additional housing opportunities and has implemented a policy for commercial conversion and density bonus programs to encourage and incentivize developers to provide workforce housing inventory needs.

In addition, the Town will commit full time staff to the program and recently set up a citizen led Housing Action Committee to help provide local expertise and recommendations on new and innovative housing programs.

SOURCES



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- Best Places, Hilton Head Island, SC
https://www.bestplaces.net/jobs/city/south_carolina/hilton_head_island
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(mortgage rates)
- Rate.com, https://www.rate.com/research/hilton_head_island-sc/price-per-square-foot
- Bankrate.com, <https://www.bankrate.com/real-estate/income-needed-for-500k-home/>



TOWN OF HILTON HEAD ISLAND COMMUNITY DEVELOPMENT DEPARTMENT

One Town Center Court

Hilton Head Island, SC 29928

843-341-4757

FAX 843-842-8908

STAFF REPORT NEW STREET NAME

Case #	New Street Name	Public Hearing Date
STDV-001838-2023	Shrimpers Row	January 17, 2024

Location	Applicant	Agent
R511 007 000 002B 0000	Shrimpnana LLC, Owner	Joheida Fister Deputy Fire Chief Hilton Head Island Fire Rescue 40 Summit Drive Hilton Head Island, SC 29926

Application Summary

STDV-001838-2023: Request for a driveway name from Barbara Hudson, on behalf of Shrimpnana LLC, owner of R511 007 000 002B 0000, for a new access driveway located at 175 Squire Pope Road.

Staff Recommendation

Staff recommends the Planning Commission **approve** the application to name the subject access Shrimpers Row based on the review criteria outlined in Land Management Ordinance Section 16-2-103.O.4 and enclosed herein.

Background

The newly named driveway will serve the new restaurant, existing commercial space and possible future development . See Attachment A, Location Map, and Attachment B, Site Plan.

Shrimpnana LLC, owner, submitted multiple names for consideration. See Attachment C, Applicant's Narrative.

As set forth in LMO Section 16-2-103.O.3.d, Decision-Making Body Review and Decision, the Commission shall hold a public hearing and make a final decision on the application based on the standards in LMO Section 16-2-103.O.4, Street/Vehicular Access Easement Review Standards.

Summary of Facts and Conclusion of Law

Criterion A: No new street or vehicular access easement, or proposed modification of the name of an existing street or vehicular access easement, shall duplicate, be phonetically similar to, or in any way be likely to be confused with an existing street or vehicular access easement, despite of the use of prefixes or suffixes. (LMO Section 16-2-103.O.4.a).

Findings of Fact:

1. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Shrimpers Row is not duplicated within the Town or Beaufort County.
2. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Shrimpers Row is not phonetically similar to an existing street or vehicular access easement.
3. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Shrimpers Row will not likely be confused with an existing street or vehicular access easement.

Conclusion of Law:

1. The proposed street name, Shrimpers Row, **meets the requirements** of this criterion.

Summary of Facts and Conclusion of Law

Criterion B: Name(s) shall be simple, logical, easy to read and pronounce, and are clear and brief. Use of frivolous or complicated words or unconventional spellings in names shall not be approved. (LMO Section 16-2-103.O.4.b).

Findings of Fact:

1. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Shrimpers Row is simple, logical, easy to read and pronounce.
2. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Shrimpers Row is clear and brief.
3. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Shrimpers Row does not include frivolous or complicated words or unconventional spelling.

Conclusion of Law:

1. The proposed street name, Shrimpers Row, **meets the requirements** of this criterion.

Summary of Facts and Conclusions of Law

Criterion C: It is desirable to use names that have some association with Hilton Head Island and specifically with the immediate location of the street or place, such as reference to local history or physiographic features. (LMO Section 16-2-103.O.4.c).

Finding of Fact:

The proposed street name Shrimpers Row was selected because it has a reference to the owner of the land. See Attached Narrative

Conclusion of Law:

1. The proposed street name, Shrimpers Row, **meets the requirements** of this criterion.

Summary of Facts and Conclusion of Law

Criterion D: Use of a common theme is recommended for names of streets that are associated with one another, such as those within a residential development. (LMO Section 16-2-103.O.4.d).

Finding of Fact:

1. Shrimpers Row is the only street that provides access to the subject properties.

Conclusion of Law:

1. This criterion **does not apply** to this application.

Summary of Facts and Conclusion of Law

Criterion E: Streets or vehicular access easements that continue through an intersection should generally bear the same name, except where the street crosses a major arterial or where existing address points on a street require that the street be given a different name. (LMO Section 16-2-103.O.4.e).

Finding of Fact:

1. The proposed Shrimpers Row does not continue through an intersection.

Conclusion of Law:

1. This criterion **does not apply** to this application.

Summary of Facts and Conclusion of Law

Criterion F: A street or vehicular access easement making an approximate right-angle turn where there is no possibility of extending the street or vehicular access easement in either direction shall be considered to be continuous and continue the same name. Where there is a choice of direction or a possibility of extending either section in the future, such configuration shall be considered to be an intersection and the street/easement segments extending from the intersection shall bear different names. (LMO Section 16-2-103.O.4.f).

Finding of Fact:

1. The proposed Shrimpers Row would not make a right-angle turn.

Conclusion of Law:

1. This criterion **does not apply** to this application.

Summary of Facts and Conclusion of Law

Criterion G. New or modified street names should generally use Drive, Lane, Place, Road, Street, or Way as suffixes. The following street designations should only be used if the street design meets one of the following descriptions. This list is not intended to limit the use of other appropriate suffixes.

1. *Alley – A street providing vehicular access to the rear of lots or buildings, usually as a secondary means of access to a property.*
2. *Avenue – A street that is continuous.*
3. *Boulevard – A street with a landscaped median dividing the roadway.*
4. *Circle – A street with a complete loop on the end or a side street that intersects another street at two adjacent intersections.*
5. *Court – A street terminating in a cul-de-sac, not longer than 1,000 feet in length.*
6. *Extension – A section of street forming an additional length.*
7. *Parkway – A street designated as a collector or arterial road, with a landscaped median reflecting the parkway character implied in the name.*

(LMO Section 16-2-103.O.4.g).

Finding of Fact:

1. The proposed street name is Shrimpers Row.

Conclusion of Law:

1. The proposed street name, Shrimpers Row, **meets the requirements** of this criterion.

Summary of Facts and Conclusion of Law

Criterion H. The suffixes Manor, Trace, and Common shall typically be used to name vehicular access easements. (LMO Section 16-2-103.O.4.h).

Findings of Fact:

1. The subject access is not an easement.

Conclusion of Law:

1. This criterion **does not apply** to this application.

Summary of Facts and Conclusions of Law

Criterion I. Where natural barriers, intervening land uses, or developments that break an existing street into two separate streets that are not likely to be reconnected in the future, the streets shall be named in a manner that considers the potential economic impact of the number of address points and type of addresses impacted. (LMO Section 16-2-103.O.4.i).

Finding of Fact:

1. The subject street is not broken into two separate streets.

Conclusion of Law:

1. This criterion **does not apply** to this application.

PREPARED BY:

JF

Joheida Fister

Deputy Fire Chief

January 11, 2024

DATE

REVIEWED BY:

SF

Shea Farrar, *Principal Planner and
Planning Commission Coordinator*

January 11, 2024

DATE

ATTACHMENTS:

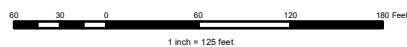
- A. Location Map
- B. Site Plan
- C. Applicant Narrative



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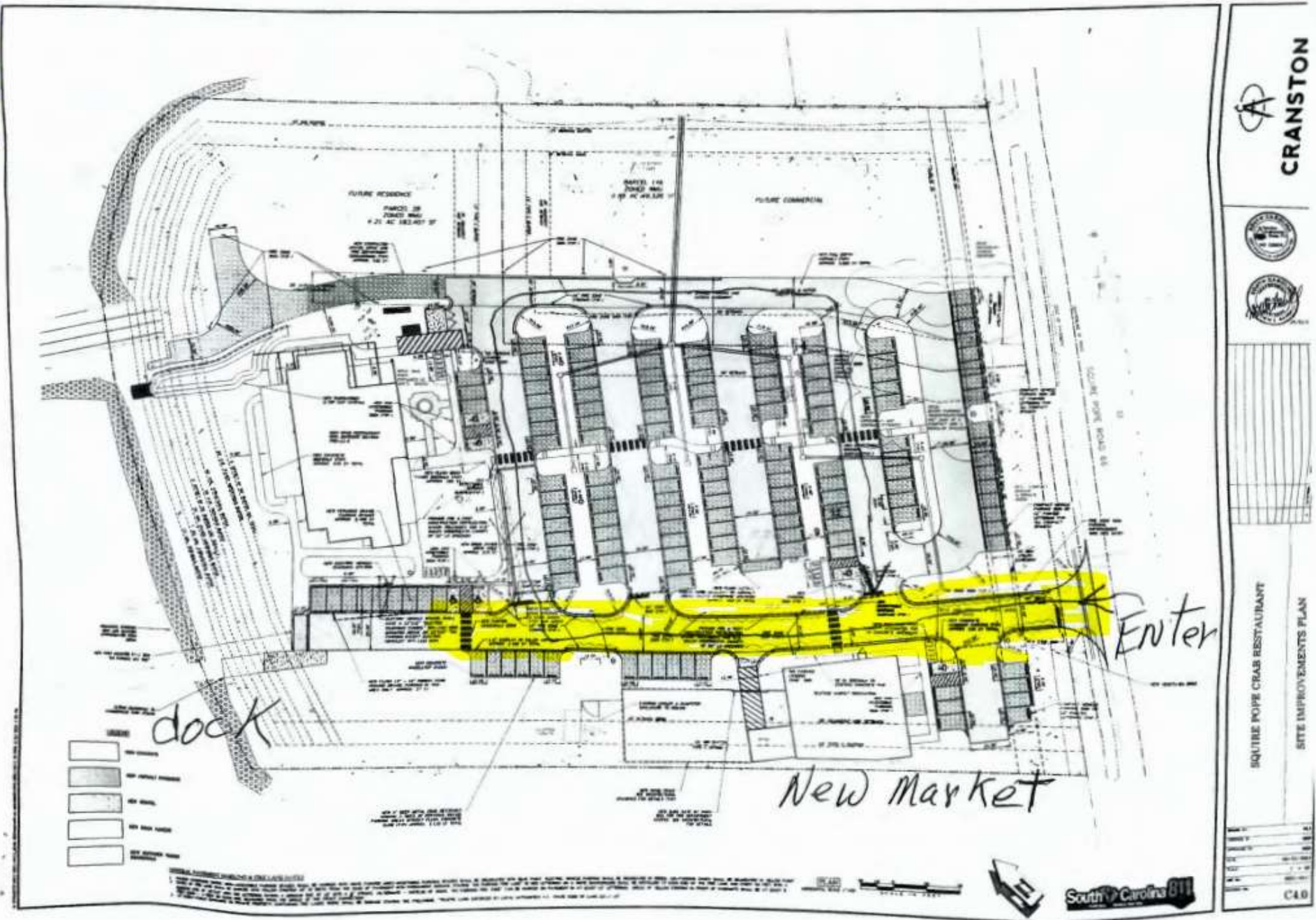
Location Map

December, 2023



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 data shown. The Town of Hilton Head Island assumes no liability for its accuracy or date of completion.

CRANSTON



CRANSTON



SQUIRE POPE CRAB RESTAURANT
SITE IMPROVEMENTS PLAN

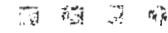
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Attachment C - Narrative

Find messages, documents, photos or people Advanced ▾

To Community Development Department

CC / BCC



Inbox

Unread

Starred

Drafts

Sent

Archive

Spam

Trash

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Views

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Folders

Hide

+ New Folder

AMEX

Chase

Comhole

Notes

untitled

untitled1

untitled2

untitled3

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untitled5

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Street names

Fisherman's Wharf - This name says it all. We not only sell fish but a great assortment of seafood raw from our new seafood market and cooked to perfection at our new rooftop restaurant. Stroll down the dock to see what fresh catch is unloaded today.

Shrimper's Row - For many years the rows of shrimp boats have lined our docks unloading the finest seafood anywhere. Our history in the seafood business goes back to the 1800 for the Hudson family. Stop by and see what is fresh today!

Captain's Landing - Each fishing season we welcome some of the finest boat captains to the low country calling our docks their home away from home. We are extremely proud of our local shrimpers who rank among the very best in the nation. All of these fishermen take pride in their work told by the quality of the product they produce.

Fisherman's pier

shrimper's way

captain's point

Barbara Hudson
 BH/S
 BH



TOWN OF HILTON HEAD ISLAND COMMUNITY DEVELOPMENT DEPARTMENT

One Town Center Court

Hilton Head Island, SC 29928

843-341-4757

FAX 843-842-8908

STAFF REPORT NEW STREET NAME

Case #	New Street Name	Public Hearing Date
STDV-002173-2023	Santy Place	January 17, 2024

Location	Applicant	Agent
R510 007 000 026C 0000	Alejandro Camposano, Owner	Joheida Fister Deputy Fire Chief Hilton Head Island Fire Rescue 40 Summit Drive Hilton Head Island, SC 29926

Application Summary

STDV-002173-2023: Request for a new driveway name from Hilton Head Island Fire Rescue, on behalf of Alejandro Camposano, owner of R510 007 000 026C 0000, for a new access driveway located off Ned Court.

Staff Recommendation

Staff recommends the Planning Commission **approve** the application to name the subject access Santy Place based on the review criteria outlined in Land Management Ordinance Section 16-2-103.O.4 and enclosed herein.

Background

The new access will provide direct access to three homes. See Attachment A, Location Map, and Attachment B, Site Plan.

Alejandro Camposano, owner, submitted multiple names for consideration. See Attachment C, Applicant's Narrative.

As set forth in LMO Section 16-2-103.O.3.d, Decision-Making Body Review and Decision, the Commission shall hold a public hearing and make a final decision on the application based on the standards in LMO Section 16-2-103.O.4, Street/Vehicular Access Easement Review Standards.

Summary of Facts and Conclusion of Law

Criterion A: No new street or vehicular access easement, or proposed modification of the name of an existing street or vehicular access easement, shall duplicate, be phonetically similar to, or in any way be likely to be confused with an existing street or vehicular access easement, despite of the use of prefixes or suffixes. (LMO Section 16-2-103.O.4.a).

Findings of Fact:

1. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Santy Place is not duplicated within the Town or Beaufort County.
2. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Santy Place is not phonetically similar to an existing street or vehicular access easement.
3. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch have determined Santy Place will not likely be confused with an existing street or vehicular access easement.

Conclusion of Law:

1. The proposed street name, Santy Place, **meets the requirements** of this criterion.

Summary of Facts and Conclusion of Law

Criterion B: Name(s) shall be simple, logical, easy to read and pronounce, and are clear and brief. Use of frivolous or complicated words or unconventional spellings in names shall not be approved. (LMO Section 16-2-103.O.4.b).

Findings of Fact:

1. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Santy Place is simple, logical, easy to read and pronounce.
2. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Santy Place is clear and brief.
3. Town staff, Fire Rescue Dispatch, and Beaufort County Dispatch determined Santy Place does not include frivolous or complicated words or unconventional spelling.

Conclusion of Law:

1. The proposed street name, Santy Place, **meets the requirements** of this criterion.

Summary of Facts and Conclusions of Law

Criterion C: It is desirable to use names that have some association with Hilton Head Island and specifically with the immediate location of the street or place, such as reference to local history or physiographic features. (LMO Section 16-2-103.O.4.c).

Finding of Fact:

The proposed street name Santy Place was selected because it has a reference to the owner of the land.

Conclusion of Law:

1. The proposed street name, Santy Place, meets the requirements of this criterion.

Summary of Facts and Conclusion of Law

Criterion D: Use of a common theme is recommended for names of streets that are associated with one another, such as those within a residential development. (LMO Section 16-2-103.O.4.d).

Finding of Fact:

1. Santy Place is the only street that provides access to the subject properties.

Conclusion of Law:

1. This criterion does not apply to this application.

Summary of Facts and Conclusion of Law

Criterion E: Streets or vehicular access easements that continue through an intersection should generally bear the same name, except where the street crosses a major arterial or where existing address points on a street require that the street be given a different name. (LMO Section 16-2-103.O.4.e).

Finding of Fact:

1. The proposed Santy Place does not continue through an intersection.

Conclusion of Law:

1. This criterion does not apply to this application.

Summary of Facts and Conclusion of Law

Criterion F: A street or vehicular access easement making an approximate right-angle turn where there is no possibility of extending the street or vehicular access easement in either direction shall be considered to be continuous and continue the same name. Where there is a choice of direction or a possibility of extending either section in the future, such configuration shall be considered to be an intersection and the street/easement segments extending from the intersection shall bear different names. (LMO Section 16-2-103.O.4.f).

Finding of Fact:

1. The proposed Santy Place would not make a right-angle turn.

Conclusion of Law:

1. This criterion does not apply to this application.

Summary of Facts and Conclusion of Law

Criterion G. New or modified street names should generally use Drive, Lane, Place, Road, Street, or Way as suffixes. The following street designations should only be used if the street design meets one of the following descriptions. This list is not intended to limit the use of other appropriate suffixes.

1. *Alley – A street providing vehicular access to the rear of lots or buildings, usually as a secondary means of access to a property.*
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7. *Parkway – A street designated as a collector or arterial road, with a landscaped median reflecting the parkway character implied in the name.*

(LMO Section 16-2-103.O.4.g).

Finding of Fact:

1. The proposed street name is Santy Place.

Conclusion of Law:

1. The proposed street name, Santy Place, meets the requirements of this criterion.

Summary of Facts and Conclusion of Law

Criterion H. The suffixes Manor, Trace, and Common shall typically be used to name vehicular access easements. (LMO Section 16-2-103.O.4.h).

Findings of Fact:

1. The subject access is not an access easement.

Conclusion of Law:

1. This criterion does not apply to this application.

Summary of Facts and Conclusions of Law

Criterion I. Where natural barriers, intervening land uses, or developments that break an existing street into two separate streets that are not likely to be reconnected in the future, the streets shall be named in a manner that considers the potential economic impact of the number of address points and type of addresses impacted. (LMO Section 16-2-103.O.4.i).

Finding of Fact:

1. The subject street is not broken into two separate streets.

Conclusion of Law:

1. This criterion does not apply to this application.

PREPARED BY:

JF

Joheida Fister
Deputy Fire Chief

January 11, 2023

DATE

REVIEWED BY:

SF

Shea Farrar, *Principal Planner and
Planning Commission Coordinator*

January 11, 2024

DATE

ATTACHMENTS:

- A) Location Map
- B) Site Plan
- C) Application Narrative

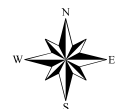


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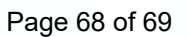
Town of Hilton Head Island

Location Map

December, 2023



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Attachment C - Narrative

CAMPOSANO
LAST NAME

