



Town of Hilton Head Island

Town Council Meeting

**Tuesday, February 20, 2024, 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**
- 4. Adoption of the Agenda**
- 5. Approval of the Minutes**
 - a. Regular Meeting Minutes of January 16, 2024
 - b. Workshop Meeting Minutes of January 23, 2024
- 6. Presentations and Recognitions**
 - a. Report of the Town Manager
- 7. Reports from Members of Town Council**
 - a. General Reports from Town Council
 - b. Report of the Lowcountry Area Transportation Study – Glenn Stanford
 - c. Report of the Lowcountry Council of Governments – Tammy Becker
 - d. Report of the Beaufort County Airports Board – David Ames
 - e. Report of the Southern Lowcountry Regional Board – Glenn Stanford
 - f. Report of the Island Recreation Association Board – Alex Brown
 - g. Report of the Community Services and Public Safety Committee – Tammy

Becker

- h. Report of the Public Planning Committee – David Ames
- i. Report of the Finance and Administrative Committee – Alex Brown

8. Appearance by Citizens: Citizens who wish to speak on the matters being discussed during the meeting may do so by submitting the [Request to Speak form](#) no later than 12:00 PM the day of the meeting.

9. Unfinished Business

- a. Consideration of an Ordinance of the Town of Hilton Head Island Authorizing the Execution and Delivery of a Termination of a Drainage Easement Owned by the Town of Hilton Head Island Encumbering Property Located at 316 Squire Pope Road - Second and Final Reading - Josh Gruber, Deputy Town Manager

10. New Business

- a. Consideration of Approval of a Sponsorship Agreement with the Heritage Classic Foundation to Support the 2024 RBC Heritage Golf Tournament - Josh Gruber, Deputy Town Manager
- b. Consideration of a Resolution Approving a Memorandum of Understanding with the University of South Carolina Beaufort (USCB) Inclusive of the Island Ambassador Program - Josh Gruber, Deputy Town Manager
- c. Consideration of a Resolution Approving a Memorandum of Understanding with Island Recreation Association - Josh Gruber, Deputy Town Manager
- d. Consideration of a Resolution Authorizing the Execution of a Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity to Support Workforce Housing - Josh Gruber, Deputy Town Manager
- e. Consideration of a Resolution Authorizing the Execution of a Memorandum of Understanding with the Coastal Community Development Corporation to Support Workforce Housing - Josh Gruber, Deputy Town Manager
- f. Consideration of a Proposed Amendment to the 2021 Community Development Block Grant (CDBG) Annual Action Plan to Include Land Acquisition Costs as an Eligible Activity to be Funded with the 2021 Community Development Block Grant (CDBG) Allocation - Marcy Benson, Senior Grants Administrator
- g. 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 Floor Area Ratio Requirements within the Forest Beach Neighborhood Character Overlay District - First Reading - Missy Luick, Director of Planning

11. Executive Session

- a. Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property [Pursuant to

the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]related to:

1. Pembroke Drive Area
2. Muddy Creek Road Area

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

1. FY25 Beach Franchise Agreement Request for Proposals (RFP)

- c. Discussion of Matters Relating to the Proposed Location, Expansion, or the Provision of Services Encouraging Location or Expansion of Industries or Other Businesses in the area Served by the Public Body (Pursuant to South Carolina Freedom of Information Act Section 30-4-70(a)(5)) related to:

1. Project Cloud

12. Action from Executive Session

13. Adjournment

FOIA Compliance: Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:

"I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town."



Town of Hilton Head Island TOWN COUNCIL MEETING Tuesday, January 16, 2024, 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, David Ames, Ward 3, Mayor Pro-Tempore; Patsy Brison, Ward 2; Alex Brown, Ward 1; Tammy Becker, Ward 4; Steve Alfred, Ward 5; Glenn Stanford, Ward 6.

Invocation – Rabbi Brad Bloom, Congregation Beth Yam

Rabbi Bloom delivered the invocation.

Adoption of the Agenda

Mr. Ames moved to approve. Mr. Alfred second. Motion carried.

Approval of the Minutes

Regular Meeting Minutes of December 5, 2023

Mr. Stanford moved to approve. Mr. Alfred seconded. Motion carried 6-0-1 (Ms. Brison abstained as she was not at said meeting.)

Report of the Town Manager

Marc Orlando reported the consultant for the Land Management Ordinance (LMO) overhaul is under contract. He stated the name of the firm is Code Studio. He stated Code Studio and staff will be assisting in undertaking a significant review and amendment process for the LMO that will result in a full rewrite of the code including an applications manual.

Mr. Orlando commended the Martin Luther King Committee on organizing the Martin Luther King Jr. Walk. He thanked staff for their participation and all who contributed to the success of the event.

Mr. Orlando reported he is close to identifying a Finance Director for the Town.

Commendation Recognizing Second Helpings - Mayor Alan Perry

Representatives of Second Helpings were on hand to accept the Commendation. Mayor Perry noted what an asset the group is to the community and surrounding areas. He

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thanked them for their efforts.

Office of Cultural Affairs Update - Natalie Harvey, Director of Cultural Affairs

Natalie Harvey conducted a detailed update regarding the Office of Cultural Affairs Strategic Plan and past, present and future events. She noted they continue to promote Hilton Head Island's art, culture and history; increase the community's access to cultural, historical and artistic experiences; create and implement community-oriented programs, events, and experiences connected to arts and culture; public art projects, outreach, community engagement and special events; and the Crescendo and a Lantern Parade. She highlighted the marketing that took place, public art locations throughout the Town and where the pieces are located; she stated the poetry trail is completed with 26 sites which are businesses, not-for-profit organizations and sculptures being highlighted. She informed Council the long-awaited kiosk is going to be installed at the Rowing & Sailing Center at Squire Pope Community Park in the near future. She hesitated to give a date at this time but said they are getting closer every day. Ms. Harvey reviewed the activities held throughout the Crescendo and stated the Lantern Parade was a resounding success and meetings are being held on how to improve it for next year. She reviewed the 360/40 Celebration and the Hilton Head Jam noting next year's plans are in process. Ms. Harvey explained the year ended with the annual tree-lighting ceremony at Lowcountry Celebration Park. She further reviewed events and projects planned for 2024.

Town of Hilton Head Island Financial Audit Presentation for the Fiscal Year Ending June 30, 2023 - Trey Scott, Partner - Mauldin & Jenkins, LLC CPAs

Jeff Herriman introduced Mr. Scott noting the FY23 audit was the first year of a five-year contract with the firm. He thanked Mr. Scott and his staff for their work on the audit and comprehensive plan report.

Mr. Scott conducted a presentation regarding the following: introduction of Mauldin and Jenkins, and overview of the Independent Auditor's Report, Compliance Reports, and Financial Statements; a summary of required communications and offered to answer any questions from Council. He stated the Town goes above and beyond in required reporting, which includes additional sections – introductory and statistical and submitted to the GFOA's Certificate of Excellence in Financial Reporting program annually. Mr. Scott reported the firm issued the Town an Unmodified (Clean) Opinion which means the financial statements present fairly the financial position and the results of the Town's operations as of June, 2023. He stated it is the highest level of assurance the firm can present to the Town as the auditor. He continued with detailing some of the reports contained within the audit.

Discussion of a South Carolina Attorney General Opinion Pertaining to Act 57 of 2023 - Josh Gruber, Deputy Town Manager

Mr. Gruber conducted a presentation regarding the following:

How are State and Local Accommodation Taxes Collected?

Local Accommodation Tax = 3% (eff. 1% on HHI) charge on individuals staying in transient sleeping accommodations and must be used for tourism related infrastructure or the operations and maintenance of public-safety related services.

State Accommodation Tax = 2% Charge on individuals staying within transient sleeping accommodations and this revenue must be distributed pursuant to statute along with discretionary appropriations that constitute a “tourism related expenditure.”

Impacts from the adoption of Act 57 of 2023:

Act 57 of 2023 amended the statutory language for both State and Local Accommodation Taxes in similar, yet distinctly different ways.

Both statutes were amended to provide that the expenditure of funds for the development of workforce housing were to be considered as an authorized tourism related expenditure. Both statutes also placed a cap of 15% on the maximum amount of both State and Local Accommodation Taxes that can be expended for this purpose. And, both statutes set a sunset of this authorization at seven (7) years from the date of its adoption.

However, in order to expend State Accommodation Taxes for this purpose, a Housing Impact Analysis must be conducted, the results of which must be distributed to several identified entities, and it must be formally incorporated into a local jurisdiction’s Comprehensive Plan.

The use of Local Accommodation Taxes for this purpose does not require this same undertaking as a prerequisite action.

Timeline and Limitation on Uses of State and Local Accommodation Taxes:

In Section 6-4-10 of the South Carolina Code, State Accommodation Taxes have an identified time period for when these funds must be expended unless certain exceptions apply. Generally, these funds must be spent within two years of their receipt.

However, the time limit may be extended upon the recommendation of the local governing body of the county or municipality and approval of the oversight committee established pursuant to Section 6-4-35(TERC). However, such extension must include provisions that funds be committed for a specific project or program at the time the extension is announced.

Additionally, upon a two-thirds affirmative vote of the local governing body, a county or

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municipality may carry forward unexpended allocations beyond two years provided that the county or municipality commits use of the funds exclusively to the control and repair of waterfront erosion, including beach renourishment or development of workforce housing, which must include programs to promote home ownership. The county or municipality annually shall notify the oversight committee, established pursuant to Section 6-4-35(TERC), of the basic activity of the committed funds, including beginning balance, deposits, expenditures, and ending balance.

Current Uses of State and Local Accommodation Taxes:

The Town currently uses 100% of its Local Accommodation Taxes (\$6,948,465) to support the following governmental services:

- Fire and Rescue Operations
- Fire and Rescue Equipment/Capital Needs
- Emergency Preparedness/Response
- 911 Communications/Dispatch
- Public Facilities Operations

The Town currently uses a portion of its State Accommodation Taxes to support the following services:

- General Fund (FY24 = \$3,500,000)
- Capital Projects (FY24 = \$3,000,000)
- Land Acquisition (FY24 = \$2,000,000)

Discretionary Grants (FY24 = \$4,282,328)

Considerations on Public Funds for Private Use:

An elementary principle of South Carolina law is that all legislation must serve a public purpose. This comes from the requirements in Article X, Section 5 of the South Carolina Constitution which states that... [a]ny tax which shall be levied shall distinctly state the public purpose to which the proceeds of the tax shall be applied.

Although this requirement has been applied in many contexts, a precise definition of the term "public purpose" has proven elusive to the courts and is somewhat unsettled. Currently, the best guidance comes from the South Carolina Supreme Court in the case of *Nichols v. South Carolina Research Authority*.

That case established four questions for a local government to consider when deciding if an appropriate of public funds complies with the public purpose doctrine:

- (1) the ultimate goal or benefit to the public intended by the project;
- (2) whether public or private parties will be the primary beneficiaries;
- (3) the speculative nature of the project; and

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(4) the probability that the public interest will be served and to what degree.

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Although this requirement has been applied in many contexts, a precise definition of the term "public purpose" has proven elusive to the courts and is somewhat unsettled. Currently, the best guidance comes from the South Carolina Supreme Court in the case of Nichols v. South Carolina Research Authority.

That case established four questions for a local government to consider when deciding if an appropriate use of public funds complies with the public purpose doctrine:

- (1) the ultimate goal or benefit to the public intended by the project;
- (2) whether public or private parties will be the primary beneficiaries;
- (3) the speculative nature of the project; and
- (4) the probability that the public interest will be served and to what degree.

The use of State and Local Accommodations for workforce housing purposes is now specifically authorized by statute and therefore these public purpose questions are not applicable so long as all the other statutory requirements regarding the use of these funds have been met prior to their expenditure.

The Town has set aside funding in a designated "Housing Fund" which is contained within the Town's General Fund. This funding has been identified for the development of workforce housing and could be a source of funding for private entities seeking to also develop workforce housing. However, any expenditure of these General Funds in this manner will require that the four questions identified in the Nichols case have been clearly addressed as part of the legislative record clearly and establishes that the public purpose doctrine has been satisfied.

Any future Town-lead workforce housing projects that may also seek to draw from this same funding source could be impacted by this action as well.

Critical Path and Timeline for Funding Authorization – State Accommodation Taxes:

1. Complete the Housing Impact Analysis – Completed
2. Distribute Housing Impact Analysis to Required Entities – Completed
3. Adopt an Ordinance Updating/Ratifying the Town's Comprehensive Plan
 - a) Planning Commission – January 17, 2024
 - b) Public Planning Committee – February 8, 2024
 - c) Public Hearing by Town Council

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- i. First Reading – March 5, 2024
 - ii. Second Reading – March 19, 2024
- 4. Budget Amendment Ordinance (Depending on Source of Funding)
 - a) First Reading – March 5, 2024
 - b) Second Reading – March 19, 2024
- 5. Adoption of FY24-25 Budget
 - a) Affiliated Agency Presentations – March 12, 2024
 - b) Finance and Administrative Committee Recommendations – April 9, 2024
 - c) Town Council Approval
 - i. First Reading – May 7, 2024
 - ii. Second Reading – June 4, 2024

Clarification was made regarding the timeline to utilize funds from currently available Accommodations Taxes which can be concluded as early as March 19, 2024.

Reports from Members of Town Council

Mayor Perry recognized Darrin Shoemaker for his efforts in traffic control on the Island. He noted Darrin's mother recently passed away at the age of 99 and on the day she passed Darrin still assisted in solving a problem with traffic control. He extended his appreciation to Darrin and conveyed Council's thoughts and prayers regarding the loss of his mother. Mayor Perry also extended condolences to the families of Signe Gardo, Doug Corkern and Josephine Wright noting each one's significant contributions to the Community.

Ms. Brison thanked the Martin Luther King Committee for Justice for their efforts and celebration of Martin Luther King Day. She also thanked Congregation Beth Yam and Queens Chappel for the Community Services that were held.

Report of the Lowcountry Area Transportation Study – Glenn Stanford

No report.

Report of the Lowcountry Council of Governments – Tammy Becker

No report.

Report of the Beaufort County Airports Board – David Ames

Mr. Ames reported the Airport is in the first stage of construction on the planned renovations with a completion date earmarked for January of 2026.

Report of the Southern Lowcountry Regional Board – Glenn Stanford

No report.

Report of the Island Recreation Association Board – Alex Brown

No report.

Report of the Community Services and Public Safety Committee – Tammy Becker

At its meeting on January 8, 2024, the Community Services and Public Safety Committee proposed a recommendation to the Town Council concerning the Town's adoption and implementation of an Integrated Pest Management policy. The proposed Integrated Pest Management policy, as subsequently amended by the Committee, would address how the Town would implement a least toxic pest management strategy on its properties and facilities and how it would manage these efforts in an environmentally responsible manner that is protective of human health, economically viable, and accepted aesthetically. The Committee supported this recommendation on a 4-0 vote.

Report of the Public Planning Committee – David Ames

At its meeting on January 11 2024 staff presented the status and schedule of the LMO Overhaul and introduced the Conditions and Trends Assessment Report. At the same meeting the Committee voted to approve a 0.45 FAR in the Forest Beach area and forward it to Town Council for consideration of approval.

Report of the Finance and Administrative Committee – Alex Brown

At its meeting on November 14, 2023, the Finance and Administrative Committee adopted a resolution recommending Town Council approve a Memorandum of Understanding with the Island Recreation Association.

The proposed Memorandum of Understanding would provide for a new agreement between Town and the Island Recreation Association for the purposes of providing public recreational services and management of Town-owned recreational facilities. This recommendation was made by the Committee with a 4-0 vote.

At its meeting on December 19, 2023, the Finance and Administrative Committee adopted a resolution recommending Town Council approve a Memorandum of Understanding with the University of South Carolina Beaufort. The proposed Memorandum of Understanding would provide for a new agreement between the Town and the University of South Carolina Beaufort to continue providing the Island Ambassador program and other similar related services. This recommendation was made by the Committee with a 4-0 vote.

At its meeting on January 11, 2024, the Finance and Administrative Committee adopted the following items:

A resolution recommending the approval of Sponsorship Agreement with the Heritage Classic Foundation for the 2024 RBC Heritage Golf Tournament. The recommended

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Sponsorship Agreement provides for a financial commitment from the Town of \$400,000 and would allow the Town to continue and enhance its participation within the event's promotional materials, televisions broadcast, and would now include the use of designated space within the event area. The Committee made this recommendation with a 4-0 vote.

A resolution recommending Town Council approve a Memorandum of Understanding with the Coastal Community Development Corporation and provide \$600,000 in funding as a FY24 Affiliated Agency. The proposed Memorandum of Understanding would outline the roles and responsibilities of both the Town and the Coastal Community Development Corporation in using State Accommodation taxes to support the purchase and acquisition of workforce housing units located on Hilton Head Island. The Committee made this recommendation with a 4-0 vote.

At the same meeting, the Committee also considered a request by the Coastal Community Development Corporation to recommend funding as a FY24 Affiliated Agency with a recommended funding amount of \$600,000. The Committee made this recommendation with a 4-0 vote.

A resolution recommending Town Council approve a Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity and provide \$500,000 in funding as a FY24 Affiliated Agency. The proposed Memorandum of Understanding would outline the roles and responsibilities of both the Town and the Hilton Head Regional Habitat for Humanity in using State Accommodation Taxes to support the purchase of land and the corresponding design, layout, and development of workforce housing units under Habitat for Humanity's charitable programming. The Committee made this recommendation with a 4-0 vote.

At this same meeting, the Committee also considered a request by the Hilton Head Regional Habitat for Humanity to accept its request for funding as a FY24 Affiliated Agency with a recommended funding amount of \$500,000. The Committee made this recommendation with a 4-0 vote.

Appearance by Citizens

Melinda Tunner addressed Town Council regarding the William Hilton Parkway Gate Corridor Independent Review Committee meeting broadcast stating it is money well spent. She expressed concern with the scope of the project and stated it would be helpful to have clear understanding of what is and is not in the scope.

Skip Hoagland addressed Town Council regarding his opinion of the need for a full-time Mayor and his concern regarding misuse of funds inclusive of funds appropriated to the Hilton Head Island-Bluffton Chamber of Commerce.

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Skip Hoagland spoke on behalf of Lynne Greeley. The Mayor told Mr. Hoagland Council does not accept power of attorney for speaking and Mr. Hoagland would be fined if he continued. Mr. Hoagland disregarded the Mayor and continued to speak expressing his opinion for the need of an independent State Audit to ensure all tax funds are used for the public good.

Executive Session

Discussion of Legal Advice from Town Attorney on Matters Covered Under the Attorney - Client Privilege Related to Active and Pending Litigation (Pursuant to The South Carolina Freedom of Information Act Section 30-4-70 [a]) related to: State of South Carolina v. Calvin Coral Hoagland

Discussion of Negotiations Incident to the Proposed Contractual Arrangements Related to the William Hilton Parkway Gateway Corridor Project (Pursuant to South Carolina Freedom of Information Act Section 30-4-70 [a])

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a]) related to:

1. William Hilton Parkway Area
2. Cordillo Parkway Area
3. Marshland Road Area
4. Wild Horse Road Area
5. Muddy Creek Road Area
6. Squire Pope Road Area

Discussion of Personnel Matters Relating to Town Manager Performance Review (Pursuant to South Carolina Freedom of Information Act 30-4-70 [a])

Mayor Perry asked the Town Manager if there was a need to enter Executive Session. Mr. Orlando stated there was a need regarding the items listed above.

At 4:00 p.m. Mr. Ames moved to enter into Executive Session for the reasons cited by the Town Manager. Mr. Alfred seconded. Motion carried 7-0.

Action from Executive Session

At 5:40 p.m. Council returned to the dais and Mr. Ames moved to end the Executive Session and return to the regular meeting. Mr. Stanford seconded. Motion carried 7-0.

Mr. Ames moved that Town Council approve First Reading of an Ordinance authorizing the execution and delivery of a termination of a drainage easement for real property located at 316 Squire Pope Road, Hilton Head Island, South

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Carolina. Ms. Brison seconded. Motion carried 7-0

Mr. Ames moved to approve a Resolution authorizing execution and delivery of a third amendment to the employment contract by and between the Town of Hilton Head Island and Marc A. Orlando as follows:

- 1. The term of the contract shall be amended to terminate on February 21, 2028, unless otherwise extended by the parties.**
- 2. The current base compensation shall be increased by 4% effective as of December 5, 2023.**
- 3. A one-time bonus of \$15,000 is authorized to be paid on the first pay period following the execution of this amendment.**

Mr. Stanford seconded. Motion carried 7-0.

Adjournment

The meeting was adjourned at 5:42 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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



Town of Hilton Head Island TOWN COUNCIL WORKSHOP Tuesday, January 23, 2024, 1:00 PM Minutes

Call to Order

Mayor Perry called the WORKSHOP to order at 1:00 p.m.

Council Members present: Alan Perry, Mayor, David Ames, Ward 3, Mayor Pro-Tempore; Patsy Brison, Ward 2; Alex Brown, Ward 1; Tammy Becker, Ward 4; Steve Alfred, Ward 5; Glenn Stanford, Ward 6.

Adoption of the Agenda

Mr. Ames moved to approve. Mr. Stanford seconded. Motion carried 7-0.

Chaplin Park Master Plan

Shawn Colin conducted a detailed presentation with the plans with the suggested revisions received to date and invited feedback from Council.

Town Council provided initial comments and feedback at a workshop held in February 2023, which the project team then incorporated into a revised Preliminary Master Plan, which focused largely on retaining the existing tennis facility and the consideration of different options for pickleball and a potential pool facility. This revised plan was reviewed at a second Town Council Workshop that was held in June 2023.

Based on input from Town Council the project team made refinements to develop a Draft Master Plan, which includes:

- Construction of (6) pickleball courts.
- No consideration of a pool facility.
- Wider buffers along Singleton Beach Road and the proposed Beach Operations Facility.
- Viewshed windows from William Hilton Parkway into the park.
- Provision of a sidewalk on the residential side of Burke's Beach Road.
- Inclusion of more refined crosswalks along Burke's Beach Road in lieu of the standard "Continental" pavement markings.
- Connection of parking reservoirs at the proposed Multi-use Park Facility to increase circulation through the park.
- Centrally locate a large pavilion within the multi-use fields.
- Incorporate a drop-off near the Burke's Beach Road and Castnet Drive intersection.
- Include a small restroom building at the Burke's Beach access.

- Maintain Nature Trail access along the Folly.
- Exploration of different orientations of the multi-use fields to understand the impacts to parking and overall site design.

Beyond the Town Council Workshop to review the Draft Master Plan, the next steps include:

- Parks & Recreation Commission (PRC) Review – February 2024
- Refinements to plans - Based on PRC and Town Council feedback
- Town Council Approval – March 2024
- Final Design/Permitting – Spring through Fall 2024

Members of Council had questions, comments and discussion and concern regarding: the reduction of the number of pickleball courts and the need to keep the number at 24; inquiry as to whether there will be bleachers for public seating for tennis and pickleball; confirmation the site is limited and cannot hold all the items that were originally being requested; the need to keep the character of the site; the need to provide bike racks; concern regarding the connected parking and it turning into a thruway; the need to be considerate of the parking needed for beach access; the need to focus on the program elements and not get into the details of the operations as to where something ought to go as opposed to something else; the need to find a location for a pool; and a suggestion the plan move forward with the existing elements with a focus on looking for a home for 24 courts for pickleball.

Mayor Perry asked for comments regarding Chaplin Park excluding pickleball which will be discussed separately.

Frank Soule addressed Council and requested the following needs be considered: outdoor storage, public storage for Island Rec events; lighting on the fields with technology; restrooms near the pickleball courts and dog park; the need for two basketball courts; and the need to cover the playground with shade.

Jack Daly addressed Council regarding the need for artificial turf soccer fields at Barker Field which would alleviate the strain on the soccer fields at Chaplin Park.

Wayne Lilly addressed Council regarding the need for tennis courts in public parks due to continued growth in the sport.

John Parsons addressed Council regarding his concern Chaplin Park is the wrong location for a pickleball complex as it will draw hundreds of people to tournaments.

Frank Babel addressed Council regarding the need for bike racks at Chaplin Park and other locations as well as additional trolleys for transport to the areas.

Carl Britton addressed Council regarding the closure of a connection between Chaplin and Driessen Parks and requested access be restored for the residents.

Crossings Park Master Plan

Shawn Colin conducted a detailed presentation with the plans with the suggested revisions received to date and invited feedback from Council.

Town Council provided initial comments and feedback at a workshop held in February 2023, which the project team then incorporated into a revised Preliminary Master Plan, which focused largely on providing a second 300-foot ballfield and assessing the possibility of a 400-foot ballfield without impacting the existing wetland covenant. This revised plan was reviewed at a second Town Council Workshop that was held in June 2023.

Based on input from Town Council the project team has made refinements to develop a Draft Master Plan, that includes:

- Provision of (12) pickleball courts with parking located on Arrow Road.
- Consolidation of pump track and skate park at Bristol Sports Arena.
- Pursue SCDOT approval of angled parking along Helmsman Way.
- Provision of a multi-use pathway on the eastern side of Helmsman Way connecting the park to Palmetto Bay Marina
- Inclusion of crosswalks to connect spaces separated by Arrow Road.
- Exploration of alternate ballfield configurations and the impacts to parking areas, buffers and overall site design.

Beyond the Town Council Workshop to review the Draft Master Plan, the next steps include:

- Parks & Recreation Commission (PRC) Review – February 2024
- Refinements to plans – Based on PRC and Town Council feedback
- Town Council Approval – March 2024
- Final Design/Permitting – Spring through Fall 2024

Members of Council had questions, comments and discussion and concern regarding: caution and opposition of any encroachment into the preserved wetland areas; acknowledgement and appreciation for addressing bike parking needs; confirmation staff has worked with the local baseball association regarding needs; and concern over angled parking on Helmsman Way.

Mayor Perry asked for public comment.

Jim Hicks addressed Council regarding the lighting on the fields at night. He suggested the lights only operate during times when the fields are in use. He also suggested speakers be readjusted to face the stands rather than the neighborhood.

Alex Cruden addressed Council urging the Town to move forward with the plan.

Jack Daly addressed Council in support of the design and consolidation.

Mike Malecha addressed Council in support of pickleball courts noting the need for additional facilities with a minimum of 18-24 courts.

Marjorie Schramm addressed Council regarding pickleball and how great it is for older individuals.

Melinda Tunner addressed Council regarding the cost and funding sources for each park once the design is complete.

Judy Bastian addressed Council in support of pickleball asking what is the current cost of a pickleball court; is it more economical to build in one location at one time; how much space does it take for 24 courts; and how many council members are against a pickleball facility? She also inquired as to the cost of the pump track. She requested the questions be answered at the end of the workshop.

Trudy Chaille addressed Council in support of pickleball and encouraged them to move forward.

Carl Ceo addressed Council regarding the growth in pickleball and the need for courts.

Frank Babel addressed Council regarding the pathways and the need for alternative transportation.

Frank Soule addressed Council on various specifics of the plan and additional needs regarding lighting, fencing and the need to focus on hockey and other sports.

Charlie Quigg addressed Council regarding the bike path to the Cross Island Bridge and the need for improvement due to it being narrow and in poor condition. He addressed the cut-through that is an alternative but the sightlines are poor and there is a safety problem.

Members of Council had questions, comments and discussion and concern regarding: the need to ensure Island Recreation Association will be in charge of the programming at the park; the need to review suggestions from the public for consideration within the planning; the need to widen the turning radius coming off of US278 onto Adriana Lane; and the need to move all levels of recreation forward, not just one demographic.

Marc Orlando addressed Council noting the need to give final direction and conducted a summary of such which is listed below:

Staff will bring the Chaplin Park Master Plan to Parks and Recreation Commission in March and on to Town Council in April.

- FY25 – begin budgeting and CIP.
- Will continue to look for a 24 courts site with ample parking, seating and spectator stands.
- Will look at disaster recovery options.
- Will calibrate and balance parking along the way.
- Will have two middle school sized basketball courts and a final location.
- Will consider looking at a pool at a proper appropriate site.
- Site plan will be refined.
- Refinement of placement of restrooms and facilities.
- Traffic calming measures will be taken.
- Pricing will not be final but will be an engineer opinion of probable cost.

Staff will bring the Crossings Park Master Plan to Parks and Recreation Commission in

March and on to Town Council in April.

- FY25 – begin budgeting and CIP (inclusive of design and permitting phase which takes between four and five months to obtain a permit on works).
- Construction of a parking lot.
- Site Pan improvements (pedestrian, ADA and bike parking).
- Keep a light imprint on the wetland area.
- Less regimented vehicle parking.
- Study on street parking on Helmsman Way (angled vs. parallel).
- Pickleball Courts (increase as many as feasible).
- Addition of an outfield fence for improved playability.
- Lighting, speakers and technology improvements.

Mr. Orlando explained that once the Master Plan is approved, site planning is really the civil work and the civil work drives the permitting which drives the pricing, and it could be possible to have pickleball courts by December or this time next year if decisions can be made in April.

General Park Discussion

Shawn Colin noted with the Strategic Planning Workshop and budget development coming up in the next couple months there will be opportunities for Council to weigh in on priorities and where resources will be utilized.

He reported on completed projects and provided status reports on those that are in process.

Adjournment

The workshop was adjourned at 3:45 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Joshua Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of an Ordinance of the Town of Hilton Head Island Authorizing the Execution and Delivery of a Termination of a Drainage Easement Owned by the Town of Hilton Head Island Encumbering Property Located at 316 Squire Pope Road

RECOMMENDATION:

The Town Council should consider dissolving the Drainage Easement Agreement between Thomas C. Barnwell, Jr. and the Town involving the 3.263-acre parcel owned by Mr. Barnwell (R510-003-000-0018) located at 316 Squire Pope Road. The subject Drainage Easement Agreement and corresponding plat are attached respectively as Exhibit 1 and Exhibit 2.

BACKGROUND:

In 2007, the Town constructed a roundabout at the intersection of Squire Pope Road and Gum Tree Road. A project as-built survey is attached as Exhibit 3. Because both roads are owned by SCDOT, the project required an SCDOT Encroachment Permit. To complete the project, the Town acquired the subject easement to accommodate roadway and off-site drainage. The easement footprint encompassed an existing ditch and existing pipes that carried flow originating in the SCDOT ROW across the subject parcel owned by Mr. Barnwell from Gum Tree Road to a roadside ditch located in the Squire Pope Road ROW.

In February 2022, Mr. Barnwell contacted Town Staff, requesting that consideration be given to piping in the existing ditch within the easement on his property. Pursuant to this request, staff met with Mr. Barnwell on-site on several occasions to discuss the request and to consider potential alternative solutions. Staff determined that rerouting the off-site flow within the existing SCDOT ROW was feasible and represented a better long-term solution.

In October of 2022, Town staff completed a design to implement the alternative solution. The project was permitted and successfully constructed in the Spring of 2023. Drainage that previously ran through the easement ditch now runs instead through an improved system within SCDOT ROW.

On January 16, 2024, the Town Council voted unanimously to approve first reading of the Ordinance authorizing the termination of the Drainage Easement Agreement.

SUMMARY:

A Town project implemented in 2023 successfully rerouted drainage that previously relied on a ditch running through the middle of Mr. Barnwell's property located at the corner of Squire Pope Road and Gum Tree Road. Because the associated drainage now runs through ditches and pipes located within public rights-of-way, the 2007 Drainage Easement Agreement is no longer beneficial or necessary and Town Council should authorize that such actions be taken to terminate this easement and remove it from the necessary property records.

ATTACHMENTS:

1. Exhibit 1 – Drainage Easement Agreement recorded on 1/17/2008
2. Exhibit 2 – Ditch Easement Survey Plat recorded on 12/10/2007
3. Exhibit 3 – Draft Ordinance Terminating Drainage Easement

4-12-07
PB
afford

EXHIBIT 1

BEAUFORT COUNTY SC - ROD
BK 02673 PGS 0818-0821
FILE NUM 2008003300
01/17/2008 11:31:40 AM
REC'D BY P BAXLEY RCPT# 526841
RECORDING FEES 12.00

STATE OF SOUTH CAROLINA)
) DRAINAGE EASEMENT AGREEMENT
COUNTY OF BEAUFORT)

This Drainage Easement Agreement (the "Agreement") is made this 21st day of December, 2007, by and between Thomas C. Barnwell, Jr., (hereinafter referred to as the "Grantor"), and the Town of Hilton Head Island, South Carolina, having an address of One Town Center Court, Hilton Head Island, South Carolina 29928, (hereinafter referred to as the "Town").

WITNESSETH

WHEREAS, Grantor is the owner of a 3.263 acre parcel of real property, more or less, located in Hilton Head Island, South Carolina pursuant to that certain deed dated March 31, 1983 and recorded in the Office of the Register of Deeds for Beaufort County in Book 385 at Page 651 on January 4, 1984 (the "Property"); and

WHEREAS, the Town has planned and desires to undertake the Squire Pope Roundabout Project which involves creating a roundabout at the intersection of Squire Pope Road and Gumtree Road (the "Project"), which Project is for the benefit and use of the general public; and

WHEREAS, said Project will be located and/or traverse on, across and through the Property and may create and force additional storm and surface water-runoff into the existing drainage canal located on the Property; and

WHEREAS, to facilitate proper storm and surface water-runoff drainage created by the Project into the existing drainage canal located on the Property, Grantor has agreed to convey to the Town a perpetual, non-exclusive easement, for the maintenance and use of the aforementioned existing drainage canal, subject to the terms and conditions set forth herein.

NOW, THEREFORE, know all men by these presents, Grantor, for and in consideration of the sum of Ten and 00/100 (\$10.00) Dollars, the receipt and sufficiency whereof is acknowledged, has bargained, granted, and sold and by these presents does hereby bargain, grant, and sell to the Town of Hilton Head Island, South Carolina, its successors and assigns, a perpetual, non-exclusive

easement on, under, over and across that portion of the Property, which is described as follows:

All that certain piece, parcel or lot of land, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, consisting of .238 acres/10,408 sq. ft., more or less, shown and designated as "Existing Ditch" on a Plat entitled "Ditch Easement Survey containing 0.238 acre/ 10,408 sf Across Property of Thomas C. Barnwell, Jr." dated December 7, 2007, prepared by Gary J. Stroble, PLS #9323, which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Plat Book 123 at Page 119 (the "Easement Property").

The easement granted herein is for the purpose of permitting the Town to use, maintain and repair the Easement Property for the collection, conveyance and drainage of storm and surface water-runoff; such use and maintenance including the authority to maintain drains, embankments, ditches, culverts, pipes and any other improvements used or useful in the collection, conveyance and drainage of storm and surface water-runoff (hereinafter collectively referred to as the "Drainage Improvements").

SUBJECT TO , HOWEVER, the following terms and conditions:

- 1) This easement is conveyed subject to all other easements, licenses, and conveyances of record and is subject to the rights herein reserved by the Grantor, its heirs and assigns, to utilize the Property at any time, in any manner, and for any purpose, provided, however, that such use by the Grantor shall not be inconsistent with nor prevent the full utilization by Town of the rights and privileges granted herein.
- 2) The Town agrees to maintain and repair the Drainage Improvements and Easement Property, and further agrees that the use of, access to, and travel upon said Easement Property shall be under the exclusive control of the Town and that the Town shall at all times comply with all applicable laws, rules, codes, and regulations.
- 3) Town agrees it may use the Easement Property only for the purpose of using, maintaining and repairing the Easement Property and Drainage Improvements for drainage of storm and surface water-runoff. Town further agrees it will cause the Easement Property and Drainage Improvement to be maintained in accordance with the same standard of quality and care of the other easements and drainage improvements are maintained within the Town of Hilton Head Island, South Carolina, so as not to create a nuisance or waste on the Grantor's Property.
- 4) From the date of this Agreement, the Town shall bear the sole cost and expense of any construction or maintenance costs associated with this Agreement, including the obligation and duty to cause all timely cleaning, repair, renovation and all other improvements in general to the Drainage Improvements and the Easement Property as shall be or shall become necessary and/or prudent.

- 5) Grantor reserves the right to move the location of the Easement Property and Drainage Improvements within the Property from time to time as it decides is necessary in its sole discretion and at its sole expense, after advance written notice to the Town and reasonable opportunity by the Town to provide comment on such relocation, provided that such relocation shall not impair or diminish the rights of the Town granted hereunder. Further, Grantor will cause at its expense for a recordable survey to be prepared depicting the relocation of the Easement Property and will provide the survey to the Town.
- 6) The Town agrees to cause all work contemplated hereunder to be performed in a workmanlike fashion with minimal interference to the Grantor, its successors, assigns, invitees, guests, licensees, and agents. The Town further agrees to cause the work contemplated hereunder to be completed in an expeditious and timely fashion, that the Drainage Improvements shall at all times be maintained in a safe condition, and that all materials, debris, and construction materials shall be promptly removed. The Town shall restore any other part of the Grantor's Property which may be damaged as a result of the Town's exercise of the rights granted hereunder to its pre-existing state.
- 7) Town shall ensure that all contractors, subcontractors and all individuals employed by the Town to conduct any work on the Easement Property granted herein shall have adequate insurance coverage, which, at a minimum, shall protect the Town and Grantor from claims under worker's or workman's compensation acts and other employee benefit acts, claims for damages because of bodily injury, including death, and from claims for damages, to the work itself and to the Easement Property which may arise out of the Town's use of the Easement Property, whether such operations be by any contractors, subcontractors, or anyone directly or indirectly employed by any of them.
- 8) The Grantor, its heirs and assigns, shall not be liable for any damages, suits or liabilities whatsoever arising out of the Town's exercise of its easement rights hereunder, including the use and maintenance of the Easement Property, or arising out of the construction and maintenance of the Drainage Improvements or any other improvements constructed hereto. By granting the easement rights herein, the Grantor accepts no liability for any damages, claims, or liabilities whatsoever arising out of any party's use of the Easement Property.
- 9) In the event any provision hereof is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.
- 10) This Agreement contains the entire agreement and understanding between the parties. There are no oral understandings, terms or conditions, and neither party has relied upon any representation, express or implied, not contained in this Agreement. All prior understandings, terms, or

conditions, are deemed to be merged in this Agreement. This Agreement may not be modified except by written modification executed by all parties hereto.

- 11) In the event it is necessary for any party to this Agreement to initiate any legal proceeding whatsoever for the purpose of enforcing its rights under this Agreement, the prevailing party is entitled to recover any and all expenses, including but not limited to, court costs and reasonable attorney's fees incurred in connection therewith from the non-prevailing party.
- 12) This Agreement shall be construed, governed and interpreted in accordance with the laws of the State of South Carolina.
- 13) This Agreement shall run with the Property and shall be binding upon and shall inure to the benefit of the parties hereto their respective heirs, successors and assigns.

{remainder of page left intentionally blank}

In Witness whereof, the parties hereto have caused the within Drainage Easement Agreement to be executed on this 21st day of December, 2007.

WITNESSES:

Sara Huston
Signature of Witness #1

Sharon E. Potts
Signature of Notary Public

GRANTOR:

By Thomas C. Barnwell, Jr.
Thomas C. Barnwell, Jr.

STATE OF SOUTH CAROLINA)

COUNTY OF BEAUFORT)

) UNIFORM ACKNOWLEDGMENT
) S. C. CODE ANN. § 30-5-30 (SUPP. 2007)

I, the undersigned Notary Public do hereby certify that Thomas C. Barnwell, Jr. personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument.

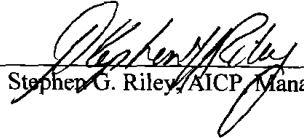
Sworn to and Subscribed before me
on this 21 Day of December 2007.

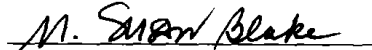
Sharon E. Potts
Notary Public for South Carolina
My Commission Expires: 6-27-2010

WITNESSES:

THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA


(Signature of Witness #1)

By: 
Stephen G. Riley, AICP, Manager


(Signature of Notary Public)

STATE OF SOUTH CAROLINA)

)

UNIFORM ACKNOWLEDGMENT

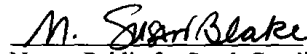
COUNTY OF BEAUFORT)

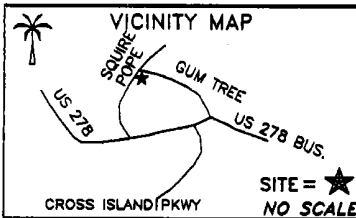
)

S. C. CODE ANN. § 30-5-30 (SUPP. 2007)

I, the undersigned Notary Public do hereby certify that Stephen G. Riley personally appeared before me on this day and duly acknowledged the execution of the foregoing instrument on behalf of The Town of Hilton Head Island, South Carolina.

Sworn to and Subscribed before me
on this 2nd Day of Jan., 2008


Notary Public for South Carolina
My Commission Expires: 1-29-12



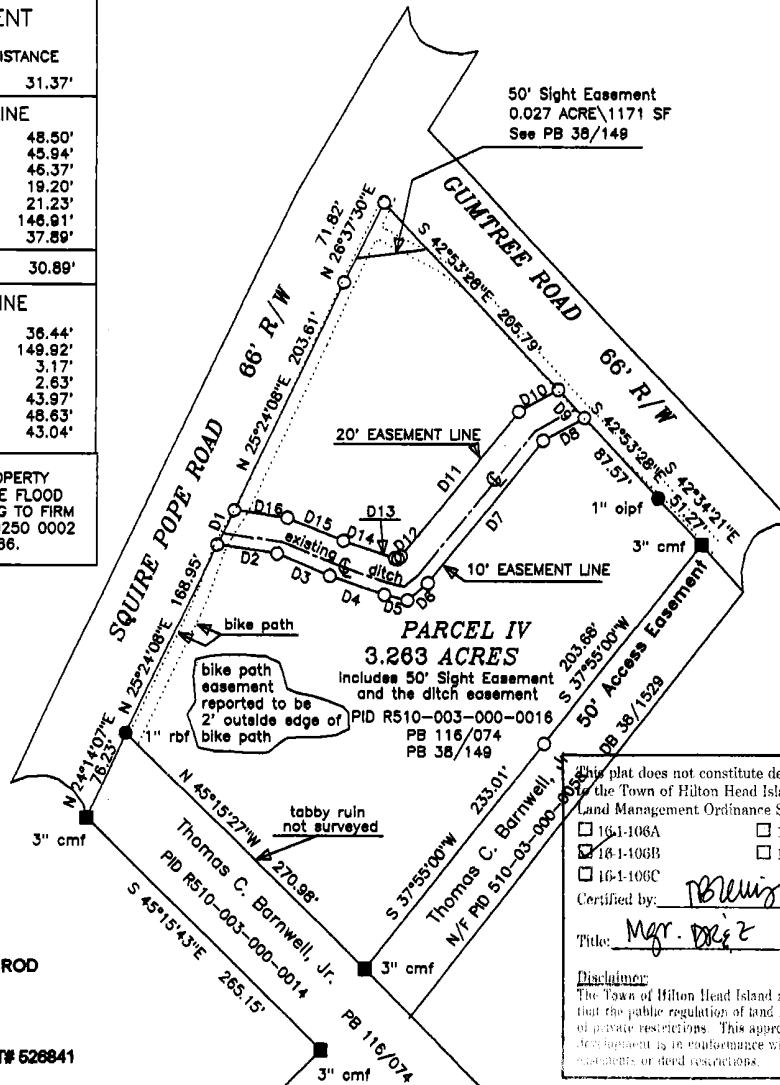
DECEMBER 07, 2007
BEAUFORT COUNTY
SOUTH CAROLINA

EXHIBIT 2

TOWN OF HILTON HEAD
ZONING DISTRICT RM-4

DITCH EASEMENT		
COURSE	BEARING	DISTANCE
D1	S 25°24'08"W	31.37'
10' EASEMENT LINE		
D2	S 81°34'10"E	48.50'
D3	S 87°31'57"E	45.94'
D4	S 71°22'34"E	46.37'
D5	S 78°41'46"E	19.20'
D6	N 49°38'47"E	21.23'
D7	N 38°38'07"E	146.91'
D8	N 60°52'21"E	37.89'
D9	N 42°53'28"W	30.89'
20' EASEMENT LINE		
D10	S 60°52'21"W	36.44'
D11	S 38°38'07"W	149.92'
D12	S 49°38'47"W	3.17'
D13	N 76°41'46"W	2.63'
D14	N 71°22'34"W	43.97'
D15	N 67°31'57"W	48.63'
D16	N 81°34'10"W	43.04'

From PB 38/149: THIS PROPERTY LIES IN FLOOD ZONE A7 BASE FLOOD ELEVATION OF 14' ACCORDING TO FIRM COMMUNITY PANEL NO. 450250 0002 D DATED SEPTEMBER 28, 1986.



BEAUFORT COUNTY SC - ROD
BK 00123 PG 0119
FILE NUM 2008003299
01/17/2008 11:31:40 AM
REC'D BY P BAXLEY RCPT# 526841
RECORDING FEES 10.00

This plat does not constitute development pursuant to the Town of Hilton Head Island, SC Land Management Ordinance Section:

- ☐ 16-1-106A ☐ 16-1-106D
- ☐ 16-1-106B ☐ 16-1-106E
- ☐ 16-1-106C

Certified by: *RB Lewis*

Title: *Mgr. Dir. 2* Date: *12/10/07*

Disclaimer:
The Town of Hilton Head Island makes an expressed declaration of policy that the public regulation of land is entirely separate from and independent of private restrictions. This approval in no way implies that the proposed development is in conformance with any restrictive covenants, private easements or deed restrictions.

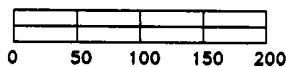
LEGEND (if applicable)	
●	pipe/pin fnd.
○	pipe/pin set
■	conc. mon. fnd.
oipf	open iron pipe fnd.
cipf	closed iron pipe fnd.
ogpf	open galv. pipe fnd.
cgpf	closed galv. pipe fnd.
rbf	rebar fnd.
rbs	No. 5 rebar set
*	power pole fnd.
-E-	aerial elec. line
○	calculated point

NOTES
A. NO ENVIRONMENTAL SURVEY.
B. NO SURVEY OF SUBSURFACE FEATURES.
C. NOT ALL IMPROVEMENTS SHOWN.
D. OTHERS TO CONSULT LAND USE AGENCIES.
E. NO ENCROACHMENTS OR PROJECTIONS OF TREES, SHRUBS, OR FLOWERS SHOWN.

DITCH EASEMENT SURVEY
containing 0.238 Acre/10,408 sf
ACROSS PROPERTY OF
THOMAS C. BARNWELL, JR.

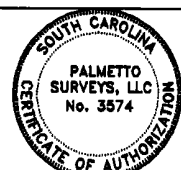
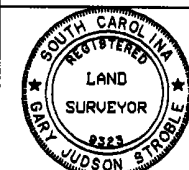
SURVEYED FOR
TOWN OF HILTON HEAD

SCALE: 1" = 100'



PROJ. 07-75
4" TOTAL STATION
COPYRIGHT © 2007

I hereby certify that to the best of my knowledge, information, and belief, the survey shown hereon was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class A survey as specified therein.



EMBOSSSED SEAL
Gary J. Stroble, PLS
SCRLS #3323
111 Fanwick Rd.
Walterboro, SC

COA EMBOSSSED SEAL

12-07-07
DATE

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

ORDINANCE 2024-___

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION AND DELIVERY OF A TERMINATION OF A DRAINAGE EASEMENT OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ENCUMBERING PROPERTY LOCATED AT 316 SQUIRE POPE ROAD, UNDER THE AUTHORITY OF S. C. CODE ANN. § 5-7-40 (SUPP. 2023) AND § 2-7-20, MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA (1983), AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Whereas, on December 21, 2007, Thomas C. Barnwell, Jr., granted a drainage easement to the Town of Hilton Head Island, South Carolina (the “Town”), encumbering property located as 316 Squire Pope Road, Hilton Head Island, South Carolina (the “Property”), in connection with stormwater drainage improvements to be located on the property; and,

Whereas, the easement granted by Thomas C. Barnwell was recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Official Record Book 2673 at Page 816 (the “Drainage Easement”); and,

Whereas, in 2023, the Town and the South Carolina Department of Transportation completed a series of stormwater drainage improvements on Squire Pope Road and Gumtree Road, negating the need for the Drainage Easement encumbering the Property; and,

Whereas, the Drainage Easement is no longer necessary to support stormwater drainage functions in this area, and Thomas C. Barnwell, Jr., as requested that the Town terminate the Drainage Easement;

Whereas, S. C. Code Ann. § 5-7-40 (Supp. 2023) and § 2-7-20, Municipal Code of the Town of Hilton Head Island, South Carolina (1983), require that the leasing,

conveyance or granting of an interest in any real property owned by the Town be authorized by an Ordinance.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA:

Section 1: Execution of Termination of Easement.

- (a) The Mayor and the Town Manager are hereby authorized to execute and deliver a Termination of the Drainage Easement recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Official Record Book 2673 at Page 816, in a form and substance as the “Termination of Easement” attached hereto as Exhibit “A”; and,
- (b) The Mayor and Town Manager re authorized to take such other and further actions as may be necessary to complete the transaction authorized by this Ordinance.

Section 2. Severability.

If any section, phrase, sentence, or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, the such section, phrase, sentence, or portion shall be deemed to be a separate, distinct, and independent term of this Ordinance and the invalidity thereof shall not affect any remaining term of this Ordinance.

Section 3. Effective Date.

This Ordinance shall become effective upon its adoption by the Town Council for The Town of Hilton Head Island, South Carolina.

**PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR
THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS ___
DAY OF FEBRUARY, 2024.**

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

First Reading: January 16, 2024

Second Reading: _____

Approved as to Form:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:_____

EXHIBIT “A” TO ORDINANCE 2024-____

STATE OF SOUTH CAROLINA)
) TERMINATION OF EASEMENT
COUNTY OF BEAUFORT)

WHEREAS, on December 21, 2007, Thomas C. Barnwell, Jr. granted a drainage easement to the Town of Hilton Head Island for property located at 316 Squire Pope Road, Hilton Head Island, South Carolina in connection with stormwater improvements to be located on this property (herein, the “Easement”); and

WHEREAS, the Easement given by Thomas C. Barnwell, Jr., was recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Deed Book 2673 at Page 816; and

WHEREAS, the Town of Hilton Head Island, South Carolina, has made additional improvements to the stormwater infrastructure in the area of 316 Squire Pope Road, Hilton Head Island, South Carolina, and has determined that the Easement is no longer needed by the Town of Hilton Head Island, South Carolina; and

WHEREAS, Thomas C. Barnwell, Jr., has requested that the Easement be terminated, and the Town of Hilton Head Island, South Carolina, has agreed to do so.

Now, therefore, for and in consideration of the sum of One Dollar, the receipt and sufficiency of which is acknowledged, the Town of Hilton Head Island, South Carolina, terminates the Easement that is recorded in the Office of The Register of Deeds for Beaufort County, South Carolina, in Official Record Book 2673 at Page 816.

In Witness whereof, The Town of Hilton Head Island, South Carolina, by and through Alan R. Perry and Marc A. Orlando, its duly authorized Mayor and Town Manager has executed and delivered this Termination of Easement on this ___ day of February, 2024.

WITNESSES:

THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA

By: _____
Alan R. Perry, Mayor

By: _____
Marc A. Orlando, Town Manager

STATE OF SOUTH CAROLINA	)	UNIFORM ACKNOWLEDGMENT
	)	
COUNTY OF BEAUFORT	)	S. C. CODE ANN. § 30-5-30 (Supp. 2023)

The undersigned Notary Public does hereby certify that Alan R. Perry, Mayor, and Marc A. Orlando, Town Manager, personally appeared before me on this day and duly acknowledged the execution of this Termination of Easement.

Sworn to and Subscribed before me
on this ___ Day of February, 2024.

Notary Public for South Carolina
My Commission Expires:



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Josh Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of Approval of a Sponsorship Agreement with the Heritage Classic Foundation for the 2024 RBC Golf Tournament.

RECOMMENDATION:

The Town Council should review the proposed Sponsorship Agreement with the Heritage Classic Foundation for the 2024 RBC Golf Tournament Presented by Boeing and provide policy direction regarding its support for this Agreement.

BACKGROUND:

The Town has historically been a sponsor of the RBC Golf Tournament. With recent developments within the PGA TOUR, the 2024 Tournament has been designated as a "Signature Event" and will be one of eight Signature Events with limited field sizes on the 2024 PGA TOUR schedule. Each of the eight Signature Events will feature an increased \$20 million purse, and five of the Signature Events, including the RBC Heritage, will feature a more limited playing but without players being cut.

On September 13, 2023 the Heritage Classic foundation wrote to the Town regarding a new Sponsorship Agreement for 2024. A copy of that correspondence is enclosed as Attachment 1. Due to the increased expenses of presenting a Signature Event, the Heritage Classic Foundation is requesting an increase in the Town's financial sponsorship from \$298,509.71 in 2023 to \$500,000 for this year's event. In exchange for this sponsorship, the Town will continue to receive recognition as a sponsor in many of the tournament's promotional materials. It has been estimated that the RBC Golf Tournament Presented by Boeing generates \$102 million in economic impact each year. The 2023 Tournament also brought more than 101,000 event attendees to Hilton Head Island over the course of the week.

The Town's Finance and Administrative Committee met to discuss this Sponsorship Agreement on October 17th and November 14th of 2023 and on January 11th of 2024. Following this last meeting in January, the Committee unanimously voted to amend the draft Agreement by setting forth the Town's financial participation at \$400,000 for the 2024 tournament and recommending this revised Sponsorship Agreement be approved by the Town Council.

Additionally, the Committee also asked if the Tournament could provide the Town with authorization to place a tent somewhere within the Tournament/Harbour Town grounds to provide an opportunity for community outreach and public engagement. This request was received favorably by the Tournament who has committed to working with Town staff to identify a specific location for this request closer to the tournament dates.

CONCLUSION:

The Town Council should review the revised Sponsorship Agreement with the Heritage Classic Foundation for the 2024 RBC Heritage Golf Tournament Presented by Boeing and enclosed as Attachment 2.

ATTACHMENTS:

1. Simon Fraser Letter of September 13, 2023
2. Revised 2024 RBC Heritage Presented by Boeing Sponsorship Agreement



Mr. Marc Orlando
Town Manager
Town of Hilton Head Island
1 Town Center Court
Hilton Head Island, SC 29928

September 13, 2023

Dear Marc,

I am writing you on behalf of the Heritage Classic Foundation for a couple of reasons. First is to thank the Town of Hilton Head Island for its support over the last twelve years, monetarily and otherwise. We feel our relationship with the Town has never been better and is the envy of all other PGA TOUR tournaments. Please convey our appreciation to the Town Council and all staff.

As you know, the RBC Heritage Presented by Boeing has been selected as a PGA TOUR Signature Event in 2024. Being a Signature Event will even further increase viewership of the telecast and entice new fans and sponsors from around the country and world. Our 2023 tournament was already one of the highest-rated telecasts across the entire 2022-23 PGA TOUR season that just ended with the TOUR Championship this past August. Expectations for 2024 are set incredibly high, climbing higher every day.

Becoming a Signature Event means being tasked to provide an enhanced experience for our patrons, sponsors and PGA TOUR professionals. While we believe the tournament has been elevated for many years, there are things we expect to enhance going into 2024 which will require spending more money. We do, therefore, respectfully request the Town to consider increasing its supporting sponsorship to an amount of \$500,000 for 2024. The additional funding will help provide a better experience ranging from transportation, security, and tournament operations for everyone on-site, in addition to aiding in our marketing budget which in turn benefits all of Hilton Head Island.

Again, we thank the Town for its past and continued support. Let me know if you need anything further from Steve Wilmot and the tournament staff or from me to consider this request.

We look forward to working with the Town as we prepare for the 2024 RBC Heritage Presented by Boeing, which we expect will be our best tournament to date.

Kindest Regards,

Simon Fraser
Chairman
Heritage Classic Foundation

TOWN OF HILTON HEAD ISLAND BEAUFORT COUNTY, SOUTH CAROLINA

**2024 RBC Heritage Presented by Boeing
Sponsorship Agreement**



TOWN OF HILTON HEAD ISLAND

***RBC Heritage Presented by Boeing
April 15-21, 2024***

THIS AGREEMENT made this _____ day of _____, 2023, by and among HERITAGE CLASSIC FOUNDATION (hereinafter referred to as “Heritage”), a South Carolina not-for-profit corporation and the TOWN OF HILTON HEAD ISLAND (hereinafter referred to as “TOWN”).

W I T N E S E T H

WHEREAS, Heritage contracts annually with the PGA TOUR, Inc. (hereinafter sometimes referred to as “PGA TOUR”) to conduct a PGA TOUR sanctioned golf tournament known as the RBC Heritage Presented by Boeing (the “Tournament”) on the Harbour Town Golf Links (the “Golf Course”) in Sea Pines Resort, Hilton Head Island, South Carolina, such contracts to be hereinafter referred to as the “PGA TOUR Agreement”;

WHEREAS, the Tournament provides significant economic impact and publicity to the Town of Hilton Head Island and;

WHEREAS, TOWN desires to become a non-named sponsor of the Tournament under the terms and conditions set forth herein.

NOW, THEREFORE for valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto agree as follows:

1. The above WHEREAS clauses are hereby incorporated into the body of this agreement.

2. DURATION

The Agreement shall begin upon the date of signing of this agreement and concluding December 31st, 2024; provided, however, in the event Heritage enters into an agreement with a title sponsor or with a title and presenting sponsor for more than one year, then the term shall be the same as that in the title/presenting sponsor agreements but not beyond 2024.

3. TOURNAMENT NAME AND LOGO

The Tournament shall be known as the “RBC Heritage Presented by Boeing.” As a condition of its association with the Tournament, TOWN is hereby required to refer to the Tournament solely as the “RBC Heritage Presented by Boeing” and to only use the OFFICIAL logo as supplied by the Tournament in any promotional or advertising materials wherein the Tournament is mentioned.

Promotional materials must be approved by the Heritage Classic Foundation before they are put into use, that include OFFICIAL Tournament mention. Such materials must be sent to the Heritage for approval at least 48 hours prior to scheduled production.

Heritage reserves the right to change the name of the Tournament and the official logo. If a change is made, TOWN agrees to refer to the Tournament by the new name and to use the new name from the date of being notified by Heritage of a change in name or official logo.

4. **PRIVILEGES**

Heritage accepts and designates TOWN as an Official sponsor of the Tournament for the term of this agreement.

Heritage will provide or cause to be provided to TOWN the following, upon request and without cost, for the use by TOWN personnel and their guests:

- a) TOWN will receive an upper tier logo placement in the Official Pairings Guide, Wednesday through Sunday of Tournament week;
- b) TOWN will receive one (1) full page four (4) color ad in the Official Pairings Guide;
- c) TOWN will receive a listing and link on the official website www.rbcheritage.com;
- d) TOWN will receive a listing on the Tournament's Official video boards, Tuesday through Wednesday of Tournament week;
- e) TOWN will receive an upper tier placement on the year-round Sponsor Board;
- f) TOWN will receive a listing in the Official Media Guide;
- g) TOWN will provide the Official Welcome Message on the Bus DVD's and placement of one (1) thirty (30) second commercial ad within the running time on the video boards located on the Heritage Lawn.

5. **FEE**

TOWN agrees to pay **Four** Hundred Thousand Dollars (\$400,000) due no later than April 1, 2024. The sponsorship fee for the Privileges listed in Item #4 above will support the operational needs of the Tournament, including but not limited to transportation and marketing. Further, this contract may be terminated and all the rights and privileges under this Agreement shall be forfeited if payment of the Sponsor fee is not paid within ten (10) days of being given written notice by Heritage that the Sponsor fee has not been paid. In addition to the forfeiture of all privileges, a default under this Agreement which is not timely cured shall also result in the forfeiture of all money paid to date as liquidated damages. Time shall be of the essence regarding the provisions of this section.

6. **INDEMNIFICATION**

Heritage agrees to hold harmless TOWN, its subsidiaries, successors and assigns from and against all claims, damages, issues and expenses including reasonable attorneys' fees, arising out of or resulting from the Tournament or any of its related activities, provided that any such claims, damages, loss or expense (1) is attributed to bodily injury or property damage, and (2) is caused in whole or in part by any negligent act or omission of Heritage and not proximately caused in whole or in part by TOWN.

TOWN agrees to hold harmless Heritage, from and against all claims, damages, issues and expenses, including reasonable attorney's fees, arising out of or resulting from TOWN use of the Tournament facilities and the skybox/tent or its related activities, provided that any such claims, damages, loss or expense (1) is attributable to bodily injury or property damage, or claims by suppliers, guest, or third parties of TOWN; and (2) is caused in whole or in part by any negligent act or omission of TOWN and not proximately caused by Heritage. Sponsor must show proof of insurance with a Certificate of

Insurance supplied to the Tournament prior to March 31, 2024 with a minimum of \$1,000,000 in Liability coverage per occurrence. The Tournament in turn will insure Sponsor under the Tournament's umbrella policy.

7. **WARRANTIES AND REPRESENTATIONS**

- (a) For the term of this Agreement, Heritage warrants and represents to TOWN:
- (i) Heritage has the authority to enter into this Agreement and has obtained all permissions and consents necessary to fulfill Heritage's obligations under this Agreement;
 - (ii) The Tournament will be sanctioned as a scheduled event on the PGA TOUR and televised live by The Golf Channel and CBS;
 - (iii) Heritage has a valid cosponsor Agreement with the PGA TOUR for the Tournament;
 - (iv) The Tournament will be held principally to raise proceeds for charity and a substantial majority of Tournament personnel will be volunteers.

8. **CANCELLATION OF THE TOURNAMENT**

In the event the Tournament or portions of the Tournament are cancelled due to inclement weather or other event (such as acts of God, earthquakes, tornadoes, hurricanes, malicious mischief, flood, insurrections, riots, labor disturbances, public enemy/terrorist activity, war, epidemics, pandemics, explosives, court orders or injunctions beyond the reasonable control of Heritage) during the Tournament or within thirty (30) days prior to the Tournament, Heritage shall have no obligation to refund any portion of the fee paid by TOWN to date.

Should TOWN cancel the Agreement at any time the following cancellation percentage will apply:

- Signing of Agreement to 120 Days of Tournament: 25% of Fee retained by Heritage
- Signing of Agreement to 90 Days of Tournament: 50% of Fee retained by Heritage
- Signing of Agreement to 60 Days of Tournament: 75% of Fee retained by Heritage
- Signing of Agreement to 30- 0 Days of the Tournament: 100% of Fee retained by Heritage

The cancellation percentage will also apply to multiple year Agreements.

9. **MISCELLANEOUS**

- (a) No person not a party to this Agreement shall have any equitable or other rights by virtue of this Agreement.
- (b) If any term or provision of this Agreement should be determined to be invalid or unenforceable, such term or provision shall, if possible, be changed to the most minor extent necessary to make it valid and enforceable and to carry out the intent of the parties. In such event, all remaining terms and provisions of this Agreement shall remain in full force and effect with such change or without the effected term or provision, as the case may be.
- (c) This Agreement constitutes the entire agreement of the parties and supersedes all prior written and all contemporaneous oral agreements, understandings, and negotiations between the parties.

- (d) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same documents.
- (e) This Agreement and any rights herein granted are personal to the parties hereto, and shall not be assigned, sublicensed, encumbered, or otherwise transferred by any party without the prior written consent of the parties. Any attempt at volatile assignment, sublicense, encumbrance, or other transfer, whether voluntary or by operation of law, shall be void and of no force and effect.
- (f) Failure of any party to complain of any act or omission on the part of any other party, no matter how long the same may continue, shall not be deemed to be a waiver by any party of its rights under this Agreement.
- (g) This Agreement shall be binding on the parties hereto, their successors, assigns and legal representatives.
- (h) Notice by any party is deemed given when personally delivered or mailed, postage prepaid, addressed to the other parties at the address appearing below.
- (i) In the event either party must resort to litigation to protect or enforce its rights hereunder, the prevailing party is entitled to recover its reasonable attorney's fees and costs.

**HERITAGE
CLASSIC
FOUNDATION**

Simon Fraser, Chairman
Heritage Classic Foundation
Post Office Box 3244
Hilton Head Island, SC 29928

TOWN OF HILTON HEAD ISLAND

(name) _____

(company) _____

(address) _____

(city, state, zip) _____

WITNESSETH WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

WITNESSES:

HERITAGE CLASSIC FOUNDATION

By: _____

Its: _____

Date: _____

Date: _____

WITNESSES:

TOWN OF HILTON HEAD ISLAND

By: _____

Its: _____

Date: _____

Date: _____



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Joshua Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of a Resolution Approving a Memorandum of Understanding with the University of South Carolina Beaufort (USCB) Inclusive of the Island Ambassador Program

RECOMMENDATION:

The Town Council should review the proposed Memorandum of Understanding with the University of South Carolina Beaufort for its operation of the Center for Lowcountry Hospitality Education, inclusive of the Island Ambassador Program and provide policy guidance on its support for this document.

BACKGROUND:

Beginning in 2011, the Town formed a partnership with the University of South Carolina Beaufort to support hospitality training, special event management, and volunteerism efforts on Hilton Head Island. A copy of the initial collaboration document is enclosed as Attachment 1. To fund these services, the Town incorporated into its Municipal Code a provision whereby 5% of the funding that the Town collected under its Local Accommodation Tax would be provided to the University for these purposes. A copy of Ordinance 2011-13 is enclosed as Attachment 2.

In recent years, the Town's rate of collections for both State and Local Accommodations Taxes have increased significantly. In response, the Town Council amended its Municipal Code and removed the automatic funding formula as a set percentage of collections in preference to having the University seek funding pursuant to an annually submitted budget as an Affiliated Agency of the Town. Staff were then directed to begin working on a draft Memorandum of Understanding that would serve to outline the roles of both entities and be the basis of any funding that might be provided as part of this annual budget process.

Staff met with representatives of the University and utilized the services contained within the provisions of the Town's Municipal Code as a starting point for a draft Memorandum of Understanding between the parties. Staff then worked with the University to reimaging the Island Ambassador program and bring it up to date with current Town expectations. Correspondingly, the University is seeking to establish consistent recurring funding that

will allow it to employ and retain the necessary professional services required to meet these objectives. As such, and similar to other existing Town Memorandums of Understanding, the University is requesting an annual funding amount of \$235,000 which would be adjusted annually by 3% to stay current with expected inflation levels. Any additional services beyond those outlined within the Memorandum of Understanding would require an Addendum that would need to be approved by both the Town and the University. For comparative purposes, the Town provided the Center funding authorizations in the amounts of \$238,985 in FY2024, \$190,094 in FY2023, \$186,367 in FY2022, and \$184,522 in FY2021.

The Finance and Administrative Committee met on November 14th and December 19th of 2023 to review this matter. During these meetings, the Committee members reinforced the need to obtain relevant metrics, demographic information, and other similar data demonstrating the effectiveness of the Island Ambassador program. This information has been included as an express requirement of the draft Memorandum. Additionally, the Committee requested the following amendments:

1. Revised the MOU term from 5 years to 2 years.
2. Added request to provide annual student enrollment/participation information.
3. Added request to provide copies of feedback that you receive from program participants.

The Committee unanimously voted to recommend approval of the revised MOU to the Town Council.

CONCLUSION:

The Town Council should review the new Memorandum of Understanding between the Town and the University of South Carolina Beaufort which has been enclosed as Attachment 3 and provide any comments or other feedback that it may have on this document. Once finalized, the Committee should forward the Memorandum of Understanding to the Town Council with a recommendation that it adopt a Resolution authorizing its execution.

ATTACHMENTS:

1. Collaboration Document Between the Town of Hilton Head Island and the University of South Carolina Beaufort
2. Town of Hilton Head Island Ordinance 2011-13
3. Draft Memorandum of Understanding between the Town of Hilton Head Island and the University of South Carolina Beaufort
4. Resolution Approving a Memorandum of Understanding with the University of South Carolina Beaufort
5. Center for Lowcountry Hospitality Education Budget Breakout

**Vision for the Future:
A collaboration between USC Beaufort and the
Town of Hilton Head Island**

Summary:

Since the inception of the Hospitality Management education program at the University of South Carolina Beaufort (USCB), the University's vision has encompassed delivery of world-class education to the Hospitality and Tourism industry. Hilton Head Island is an internationally known and recognized hospitality destination and the natural partner for the University in this vision. As the USCB program grows, there are natural synergies that would occur between the Island and a USCB College of Hospitality Management located on the island.

A successful hospitality industry is key to the future of Hilton Head Island. USCB proposes to collaborate with the Town to improve and enhance the hospitality industry through the establishment of the Center for Event Management and Hospitality Training. The Center will focus on two areas: Special Events Production and Volunteerism, and Hospitality Education. The Special Events component will assist in the establishment of new festivals attracting new tourists to Hilton Head Island and support special events and festivals that are currently held on the Island. The Education and Training component will provide training to employees, students and hospitality professionals, attracting tourists, professionals and students to the area to receive specialty training.

Vision 2025, as presented by the Mayor's Task Force on the Island's Future, set forth thirteen Stretch Goals for the community. The work of the Center will support five of those goals, namely

- Become the #1 hospitality and family-friendly, beach destination in the Southeast
- Become the #1 Cultural/Arts destination of choice in the Southeast
- Become the #1 ecotourism destination in the Southeast
- Broaden and Deepen the Economy
- Become a great learning Center destination.

Each component of the Center will result in a significant, positive economic impact to the community. Special event productions will help deepen the economy through their positive economic impact in the hospitality industry, estimated at \$5 million (budget attached). This will help to achieve vision element #4 economic diversification, tactic # 1 (page 17): to increase the economic impact of Hospitality by \$500,000,000 over 5 years. With events in the areas of arts, culture, ecotourism and sports, the Center will support the Island's goal of becoming the #1 destination in the Southeast. The learning opportunities available through the Center will help to make Hilton Head Island a learning center destination. Combined, the activities of the Center will help to bring about sustained growth in the hospitality industry of the Town of Hilton Head Island. As the

Center grows areas relating to Ecotourism and Sustainability will be natural areas of expansion.

Introduction:

The Department of Hospitality Management at USCB has a long established history of offering teaching, research and service to the Hilton Head Island community. The department has conducted survey research and provided student volunteers to assist at ATAX sponsored events since 1997. Since the University's move from the Hilton Head location to Bluffton in 2004, with the concomitant establishment of baccalaureate degree programs, the Hospitality Management Program has grown to become one of the largest degree programs at USCB, with 165 majors out of a total enrollment of approximately 1750 students. Students from the United States as well as international locations are choosing to study Hospitality Management in the Lowcountry at USCB. Many of the students who decide to study at USCB vacationed on Hilton Head Island while growing up. We expect that the extraordinary growth of enrollment in the Hospitality Management program will continue, given that the department has recently expanded academic offerings by adding certificates in Events Management, Hotel Management, Food and Beverage Management and Private Club Management.

Many of the Hospitality Management students currently work in Hilton Head Island businesses. They have also provided volunteer services at many of the area's local festivals and events. Students past and present have been involved in everything on the Island from The Heritage Golf Tournament to a reception for Governors' Conference attendees. The student volunteers majoring in hospitality provide a degree of professionalism, competence, and enthusiasm that assists Hilton Head Island by providing visitors, residents and future retiree residents with outstanding experiences at these local venues and events. In addition, past USCB graduates continue to be a part of the fabric of the island through their employment in hospitality operations or support services.

The Hospitality Management department would like to expand its presence on Hilton Head Island through the establishment of the USCB-Hilton Head Island Center for Events Management and Hospitality Training. As our program grows, we will offer students from around the globe the chance to study and participate in events that will give them valuable experience in a world-class destination. In addition, the center will enable Hilton Head Island to develop necessary support for current events and festivals as well as to source, expand, and develop other destination events.

Mission:

To provide specialized education and training that will enable Hilton Head Island to become known as an international destination for Events Management and Hospitality Training. The center will work to expand destination events and assist in the management of current local events through student volunteers and management when appropriate. In addition, the center will provide training to island workers, and individuals who are both degree seeking and non-degree seeking individuals, and be a hub for supporting the hospitality industry on Hilton Head Island. Programs will be developed for markets that include tourists, USCB students, local residents, local industry employees, community college students, and individuals who are interested in bettering themselves through education and training. The two components of the Center are explained below.

1) Special Events Management and Staffing

EVENT PRODUCTION: People want to celebrate! Whether licking their fingers at WingFest or shivering at Snow Day – people love a party. The special events industry is experiencing a growth phase as communities and companies learn of the positive economic impact these events can have. An Event Management Certificate Program was recently approved by USCB for its Hospitality Management Department, and one function of the Center would be to promote Hilton Head Island as an Event Destination.

Hilton Head Island has many successful special events; however, there is plenty of room for growth. In the Event Center, we envision the addition of at least three new special events that are currently being offered in other locations. The events would be marketed to attract new visitors to the Island and entice former visitor to come on back. The economic impact on Hilton Head Island of adding three additional special events could easily reach in excess of \$5 million. Attached is simple economic impact model for the proposed special events. The estimates used are conservative. In addition, a sample economic impact analysis for a Certification Course in Events is also included.

Examples of Special Events:

- **ARTS ALIVE!** : Arts Alive is just that – a festival bringing the arts alive to all of its attendees. The event would feature several staged areas for live performances including music, dance and drama, an expo for individuals displaying their art forms including sculpture, glass blowing, pottery, painting, sketching, jewelry making and photography, as well as exhibits for the culinary arts.
- **Distance Sporting Event:** Hilton Head is the prime location for a distance sporting event either a Marathon or a half iron distance triathlon. Kiawah Island currently offers an event weekend including a half marathon and marathon race. The marathon event almost always sells out early in the year, capping entrants at 2500 runners. If each runner stays the weekend, the economic impact for such an

event is over 1.2 million for just the marathon runners, not including those registered in the half marathon event. Hilton Head is also a perfect venue for a half distance ironman event. The sport of triathlon is one of the fastest growing sports in the nation. USA Triathlon reports that 67% of their members are business and community leaders between the ages of 30 and 50. Members have a median household income of \$126,000, and spent \$3.4 billion on goods and services in 2010. Again, an event of this nature can easily attract in excess of 2500 community leaders with income to spend. Hilton Head is currently under consideration by one major triathlon production group and is willing to work with this community.

- **GO GREEN –GO HHI:** The ecotourism festival would feature just that – ecotourism activities – kayak paddles, trail runs, beach sweeps, kite surfing, paddle surfing and oyster roasts. The history and culture of Hilton Head Island would be celebrated as well with information sessions and the performing arts.

All special events would be green events, practicing responsible festival production. Cans, bottle, glass and cardboard would be recycled, and land usage would be careful and protective. Hilton Head Island is a beautiful location for a festival and it needs to remain protected for future celebrations.

VOLUNTEER MANAGEMENT:

Special events cannot be successful without volunteers and USCB students have helped to make Island special events successful for years, including The Heritage Classic of Golf, the Concours d'Elegance, Hilton Head Wine and Food Festival, Wing Fest, Snow Day, Seafood Jazz and Brew and the Play Hard Sports Duathlon.

In addition, the Center stands ready to formally partner with key groups such as the Gullah Festival, Hilton Head Hospitality Association, and the Public Art Festival to deliver quality events.

The Center will enable the University to expand its volunteer program to allow more and more extensive student volunteer opportunities including but not limited to a practicum course in Events. This will benefit the students as they learn with a hands on approach, and will also benefit the event managers who will be assured a pool of qualified volunteers that will help ensure the success of the event.

Examples of Volunteer Positions:

- **Island Recreation Center:** The Island Recreation Center builds community and does so by its successful production of community events such as the Turkey Trot, the Oyster Roast, Wing Fest and Cajun Festival to name a few. Students will be placed as interns with Island Recreation to help with the production, marketing, budgeting, and promotion of such events.

- The Heritage Classic of Golf: USCB currently provides over 60 student volunteers during this prestigious PGA event. The Center will be able to allow the University to increase its volunteers and also develop an internship position with the Heritage Classic Foundation.
- Concours D'Elegance, Seafood Jazz and Brew, Hilton Head Wine and Food Festival: Students can assist with research and various volunteer positions.

2) Hospitality Training:

The Center will offer education opportunities in credit courses, non-credit courses, certificates, and training. Programs will be developed for markets that include: Tourists, USCB students, local residents, local industry employees, community college students, and individuals who are interested in bettering themselves through education and training.

Examples of programs could include:

- Island Knowledge and Island Customer Service Training: Non-credit certificates.
 - Target Market: Local hospitality industry employees who are in need of specific Hilton Head Island knowledge training, certifications, service training.
- USCB can partner with organizations such as the National Restaurant Association and the American Hotel and Lodging Association, to provide service training and skills training. Examples include certificates in areas such as Customer Service, Food Sanitation, and Alcohol Service Training.
 - Target Markets:
 - Local hospitality industry employees who are in need of specific certifications, service training, or Island knowledge training.
 - Managers and Industry leaders who will come to Hilton Head Island in order to become certified.
 - High School students who are currently working in or thinking of working in the hospitality industry in part-time positions.
- Two 3-Day Specialized Certification Courses offered to industry leaders, managers and business owners from international locations and the United States.
 - Target Market: Managers and Professional in the field of Hospitality.
 - Two 3-day schools, each related to a specific topic such as Event Planning and Management, Destination Wedding Management, Event Research. Participants would come to Hilton Head Island for a specific course of study at the Center and participate in Festivals and Events, stay in local hotels for 2-

3 nights, eat in local restaurants, and receive a USCB continuing education certificate or other national certifications in the area of Events Management.

- Continuing Education for Retirees and Island Residents. The Center for Events Management and Hospitality Training, in partnership with the Osher Lifelong Learning Center at USCB, will offer seminars and classes in the area of Food and Wine.
- Appropriate University Courses in Events Management
 - Target Market: Students enrolled in a baccalaureate degree. Students will assist at festivals and events on Hilton Head Island through such activities as volunteering, planning, marketing, conducting research, and other aspects of festival and event management that will allow current events to thrive and allow for the possibility of creating or attracting new events.
- 2-3 Day Culinary Programs.
 - Target Market: Tourists and Retirees
 - 1-3 day Cooking schools related to a specific topic. Tourists and residents would take a courses taught at local restaurants.
 - 1-3 day Wine and/or Spirits programs. Tourists and residents would participate in programs

Impact on Tourism

The Center will provide a platform for addressing training issues and challenges in the hospitality industry. More importantly, the programs will become a viable means of professional growth and career advancement for all local hospitality industry employees. This educational opportunity will have far reaching effects for the Island by increasing the visibility of our area while educating hospitality executives from all over the world. The following population segments will be impacted by the center: 1) tourists will benefit through better service in Hilton Head Island hotels, resorts, restaurants, and hospitality businesses, 2) hospitality employees will benefit through better education, 3) hospitality employees will benefit by understanding the Hilton Head environment and history, 4) employers will benefit through better educated employees, and 5) Hilton Head Island will benefit through national exposure as a destination for education and certificates, which will increase the number of visitors.

Benefit to the Community

Travel and tourism is one of the largest industries in the world, and is the largest industry on Hilton Head Island. However, Hilton Head Island and its tourism-related businesses are competing with high quality destinations throughout the world. This intense global competition for tourism dollars can be counteracted by maintaining and enhancing the

superior quality of service provided on Hilton Head Island as well expanding and supporting local events. By entering into this collaboration, the Accommodation tax funds will be reinvested by the Center to ensure that all who live here and visit here will an exceptional experience on Hilton Head Island. This seed money will allow USCB to re-establish a presence on the Island and grow programs that are integral to the continued success of Hilton Head Island as a world-class destination and community.

Special Event Economic Impact

Lodging	\$200
2 nights @ \$100	

Food and Beverage	150
3 Days @ \$50	

Shopping, Snacks, Misc.	\$75
3 Days at \$25	

Total Per Guest	\$425
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Attendees

2000	\$850,000
2500	\$1,062,500
3000	\$1,275,000
3500	\$1,487,500
4000	\$1,700,000
4500	\$1,912,500
5000	\$2,125,000

Special Event Education Certification Course Economic Impact

Lodging	
2 nights @ \$100	\$200

Food and Beverage	\$150
3 days @ \$50	

Shopping, Snacks, Misc.	\$75
3 days @ \$25	

Total per Student	\$425
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Students Annually	100
25 per quarter	

Total	\$42,500
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ORDINANCE NO.: 2011-__13

PROPOSED ORDINANCE NO.: 2011-13

AN ORDINANCE TO AMEND CHAPTERS 10 AND 13 OF TITLE 4 (FINANCE AND TAXATION), OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, BY AMENDING SECTION 4-10-70, PERMITTED USES OF LOCAL ACCOMMODATIONS TAX FUNDS; AMENDING SECTION 4-10-100, MANAGEMENT AND USE OF LOCAL ACCOMODATIONS TAX; AMENDING SECTION 4-13-80, PERMITTED USES OF FUNDS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on July 2, 1997, the Town Council amended the Code of the Town of Hilton Head Island, South Carolina, (1983), by adding a new chapter 10 of article 4, entitled "Local Accommodations Tax"; and

WHEREAS, on February 8, 2000, the Town Council amended the Code of the Town of Hilton Head Island, South Carolina, (1983), by adding a new chapter 13 of article 4, entitled "Local Hospitality Tax"; and

WHEREAS, Town Council desires to amend Section 4-10-70, (Permitted uses of local accommodations tax funds), in order to consistently provide for an advertising account in the General Fund in accordance with guidelines established in the Town Budget's accounting and financial policies; and

WHEREAS, Town Council desires to amend Section 4-10-100 (a), (Management and use of local accommodations tax), in order to abolish the Festival and Island Ambassador Program fund and replace it with an Event Management and Hospitality Training Program fund.

WHEREAS, Town Council desires to repeal Section 4-10-100 (b), (Reserve fund).

WHEREAS, Town Council desires to amend Sections 4-13-80, (Permitted uses of funds), in order to consistently provide for an advertising account in the General Fund in accordance with guidelines established in the Town Budget's accounting and financial policies; and

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

Section 1. **Amendment.** That the Code of the Town of Hilton Head Island, South Carolina, be, and the same hereby is, amended to read as indicated on the attached pages.

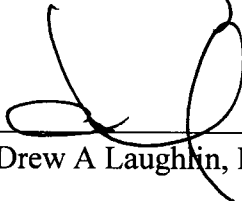
NOTE: New text is indicated by a double underline and deleted text is indicated by a ~~strike through~~.

Section 2. **Severability.** If any sections, 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 attest the validity of the remaining portions thereof.

Section 3. Effective Date. This Ordinance shall be effective upon its adoption by the Town Council for the Town of Hilton Head island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS 2nd DAY OF August 2011.


Drew A Laughlin, Mayor

ATTEST:

Cori Brock, Town Clerk

First Reading: July 5, 2011

Second Reading: August 2, 2011

APPROVED AS TO FORM:


Gregory M. Alford, Town Attorney

Introduced by Council Member: KENNETH S HEITZKE

LOCAL ACCOMODATIONS TAX

Sec. 4-10-70. - Permitted uses of local accommodations tax funds.

(a) The Town Council is hereby authorized to utilize the funds collected from the imposition and collection of the local accommodations tax and any other funds deposited into "The Town of Hilton Head Island, South Carolina, Local Accommodations Tax Account." The revenue generated by the local accommodations tax must be used exclusively for the following purposes:

- (1) Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
- (2) Tourism-related cultural, recreational, or historic facilities;
- (3) Beach access and renourishment;
- (4) Highways, roads, streets, and bridges providing access to tourist destinations;
- (5) Advertisements and promotions related to tourism development;
- (6) Water and sewer infrastructure to serve tourism-related demand; and,
- (7) The operation and maintenance of those items provided in (a)(1) through (a)(6) above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities;
- (8) For those purposes set forth in section 4-10-100.

(b) The Town shall set aside five (5) percent of the local accommodations tax collected hereunder, and shall deposit the same into an advertising account in the General Fund as identified in the Accounting and Financial Policies section of the annual budget as adopted by town council, with said funds to be utilized as provided therein.

~~(b)~~ (c) Authorization to utilize any funds from the "the town, Local Accommodations Tax Account," shall be by the annual budget ordinance duly adopted by the town council for the town.

Sec. 4-10-100.- Management and use of local accommodations tax.

(a) ~~Event Management and Hospitality Training Festival and Island Ambassador Program fund. The town shall set aside five (5) percent of this local accommodations tax for special events production and volunteerism and hospitality training. the promotion of festivals created after January 21, 1998, and promotion and sponsorship of the Island Ambassador Program and similar programs. The Town shall select one~~ (1) organization to manage and direct such fund expenditures. To be eligible for selection the organization must be local, organized as a nonprofit (501c), and be mission driven to promote tourism development. ~~whose membership consists of representatives from the lodging, restaurant, golf, tennis and related hospitality industry.~~ The organization must employ a full-time executive director and provide an annual audited financial report in accordance with generally accepted accounting

principles. The organization must not otherwise be designated as the official tourism agency by the town or any other governmental agency. The organization is required to submit an annual budget to the town's ~~accommodations tax advisory committee~~ prior to April 1 of each calendar year for inclusion in the town's proposed annual budget. ~~The accommodations tax advisory committee shall review and make recommendations to the town council by May 15 of each calendar year. The town council shall consider the budget and award the organization a reimbursable grant on a June 30 fiscal year basis. Funds shall be distributed to the designated organization on a quarterly basis no later than thirty (30) days after the end of the quarter.~~

- (b) ~~Reserve fund. The town shall set aside, in a separate account, five (5) percent of the one (1) percent local accommodations tax, as a reserve fund for disaster management communications-oriented programs. Fund expenditures shall be used to provide for post-disaster advertising, a communications link to emergency agencies, and media programs to provide public notice. Funds may be distributed upon authorization by the town manager.~~

(Ord. No. 98-05, § 1, 1-21-98; Ord. No. 00-06, § 1, 2-8-00; Ord. No. 2008-16, § 1, 6-17-08)

LOCAL HOSPITALITY TAX

Sec. 4-13-80. - Permitted uses of funds.

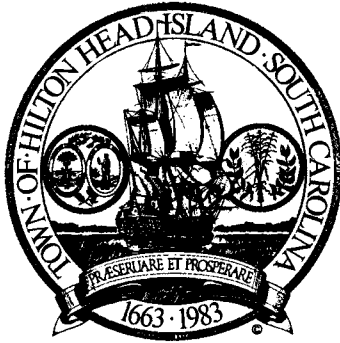
- (a) The town council is hereby authorized to utilize the funds collected from the imposition of the local hospitality tax and any other funds deposited into the town hospitality tax account for the following purposes, and no other:
- (1) To pay, in whole or in part for the current and future construction, enhancement, preservation and maintenance of:
- a. Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
 - b. Tourism-related cultural, recreational, or historic facilities;
 - c. Beach access and renourishment;
 - d. Highways, roads, streets, and bridges providing access to tourist destinations;
 - e. Advertisements and promotions related to tourism development; and,
 - f. Water and sewer infrastructure to serve tourism-related demand.
- (3) The town shall set aside two (2) percent of the local hospitality taxes collected hereunder, and shall deposit the same into ~~the disaster "reserve fund" heretofore established under the provisions of section 4-10-100(b),~~ an advertising account in the General Fund as identified in the Accounting and Financial Policies section of the annual budget as adopted by town council, with said funds to be utilized as provided therein.



Memorandum

TO: Town Council
FROM: Steve Riley, Town Manager
VIA: Susan Simmons, Director of Finance *SS*
DATE: July 6, 2011
RE: **Second Reading of Proposed Ordinance No. 2011-13**

There were no changes made to Proposed Ordinance #2011-13 during the first reading on July 5, 2011.



MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance 

DATE: June 24, 2011

RE: First Reading of Proposed Ordinance No. 2011-13

Recommendation:

Town Council approves first reading of Proposed Ordinance No. 2011-13 amending the Town Code for Local Hospitality Tax (Section 4-13-80) and Local Accommodations Tax (Sections 4-10-70 and 4-10-100) related to the restricted advertising account and USCB's Center for Event Management and Hospitality Training.

Summary:

Restricted Advertising Account. The ordinance will codify the proposed change to the Restricted Advertising Account (previously called the Disaster Advertising Reserve) to allow broader permitted uses of these funds. Previously, this account consisted of two subaccounts: (1) when fully funded, \$1 million was for Disaster Advertising and (2) any excess amount over \$1 million was accumulated for a General Reserve up to a max of 15% of the General Fund's operating revenues. Under the new proposal, the General Reserve portion of these funds will be eliminated and the newly structured Restricted Advertising Account may be used for:

- a "near miss" or a declared disaster (can take the Account below \$1 million),
- other such targeted advertising needs authorized by Town Council (cannot take the Account below \$1 million),
- supplemental annual tourism advertising distributed to the Town's designated tourism promotion agency when the Account balance at fiscal yearend exceeds \$1 million after distribution of approved uses above.

This ordinance amends the Town Code authorizing establishment and funding of the Account but the permitted uses will be addressed in the Accounting and Financial

Policies enacted each year with the Town's annual budget ordinance. Therefore, the policy change will require a budget amendment ordinance. In an unrelated matter, staff must also amend significant portions of the Accounting and Financial Policies to address the new requirements of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This ordinance will be proposed by staff in August or September. In the interim, the draft changes for only the Restricted Advertising Account are included as **Attachment 1** to this memo.

USCB's Center for Event Management and Hospitality Training (the Center). The proposed ordinance will codify changes necessary to implement action taken by Town Council on May 3, 2011 to establish the Center as the designated agency to receive funds to promote tourism through a two faceted program to provide Special Events Production and Volunteerism as well as Hospitality Education. The Center will reinstate USCB's presence on the Island.

Background:

Restricted Advertising Account. When originally established, the Town intended to use these funds primarily for natural disasters (such as hurricanes and tropical storms). It later realized that even a "near miss" could impact tourism and the economy. In the last couple of years' recession, the Town realized that economic disasters are just as likely to impact the Town's economy as natural disasters. The near loss of the Heritage and the necessity for the Town to support the Heritage to maintain it for the next five years will require sources of revenue to fund the Town's share, possibly funds from this Restricted Advertising Account. The permitted uses for this Account may also include development, production and similar costs related to advertising. In addition, the Island has lost ground to promote tourism when compared to its competing tourist markets. Staff believes that utilizing balances above \$1 million to promote tourism and help restore the Island's marketing presence would be a better use of funds than building up large reserves.

Note: Changes to the Restricted Advertising Account should not be confused with the Town's main Operating Reserve. The Town has a separate fully-funded Operating Reserve (minimum of 25% up to a maximum of 30% of the annual operating budget) which is not being eliminated or changed.

USCB's Center for Event Management and Hospitality Training (the Center). The Event Management and Hospitality Training Program will replace the Festival and Island Ambassador Program as a similar but expanded program. The Hilton Head Hospitality Association no longer qualifies to be the recipient organization to receive these funds and has in fact announced plans to disband. The changes to the Code will not impact the funding of this account which is 5% of the Local Accommodations Tax revenues.

The proposed ordinance will codify changes necessary to implement action taken by Town Council on May 3, 2011 to establish the USCB Center on the Island and make it the designated organization to receive funds to promote Island tourism through Event Management and Hospitality Training.

Attachment 1

Notes to Readers: Attachment 1 is a draft from the Accounting and Financial Policies of the Town's Annual Budget. In August or September, staff will propose a comprehensive budget amendment ordinance to amend the Policies to comply with GASB 54. This excerpt from the Policies is included here to represent the planned changes for the Restricted Advertising Account which is pertinent to this Proposed Ordinance 2011-13.

New text is indicated by a double underline and deleted text is indicated by a ~~strike through~~.

Disaster Planning Reserves/Policies

Advertising Reserve

~~The Town will set aside 2% of the 2% local hospitality tax and 5% of the 1% local accommodations tax revenues collected annually into a disaster advertising reserve account. These funds are held in reserve for disaster management communications oriented programs. The fund will be used to provide post disaster advertising, a communications link to emergency agencies, and media programs to provide public notice. Funds may be distributed upon authorization by the Town Manager. The total amount of funds to be deposited in the reserve for this purpose will not exceed \$1 million. Annual interest earned on funds in the reserve will also be deposited into the account.~~

General Reserve

~~Once the Disaster Advertising Reserve reaches \$1 million, the Town will set aside 2% of the 2% local hospitality tax and 5% of the 1% local accommodations tax revenues collected annually into a disaster general reserve account. These funds may be used for pre-disaster planning and post disaster recovery efforts (non-communication related activities or debt service payments). The total amount of funds held in reserve for this purpose will not exceed 15% of the General Fund's annual operating revenue.~~

Restricted for Advertising

The Town shall maintain a Restricted Advertising Account for the purpose of having ready access to funds for special advertising needs in cases of a) a near miss of a hurricane, b) for advertising in response to a declared disaster, c) for other such targeted advertising needs as determined by Council on a case-by-case basis, and d) for supplemental annual tourism advertising.

The Town shall deposit two percent (2%) of the local hospitality tax revenues and five percent (5%) of the local accommodations tax revenues collected annually into the Restricted for Advertising account. Annual interest earned shall be deposited into the account. The Town will maintain at least one million dollars in the account. Deposits into this account shall first be used to replenish the Restricted Advertising Account to a minimum of one million dollars if the account has fallen below that threshold.

Attachment 1 (continued)

Permitted Uses of Funds

Funds may be distributed as follows:

- A. The Town Manager may authorize advertising expenditures associated with responding to a near miss or declared disaster and are the only expenditures authorized to take the account below one million dollars.
- B. Following a vote of Town Council, funds may be distributed for other such targeted advertising needs as approved. In no case shall such a release of funds for such purposes take the account below one million dollars.
- C. At the end of each fiscal year, the Town Manager shall review the amounts deposited into and distributed from the account for that year. Any remaining amount above one million dollars shall be made available to the Town's designated tourism promotion agency for supplemental tourism advertising during the subsequent fiscal year.

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT) **MEMORANDUM OF UNDERSTANDING**
)

This Memorandum of Understanding (the “Memorandum”) is entered into by and between the Town of Hilton Head Island (hereinafter referred to as the “Town,”) a South Carolina Municipal Corporation, and the University of South Carolina Beaufort (hereinafter referred to as “USCB”), a South Carolina public education institution. When referred to collectively, these entities shall be known as the “Parties”.

1. **Governing Document and Statement of Purpose.** It is the intent of the Parties that this Memorandum shall serve to outline the various services that USCB will provide to the public on behalf of the Town and the corresponding financial support that will be provided by the Town in order to receive these services. Those services shall include, but not necessarily be limited to, supporting organizations in the development of special events, providing hospitality training, increasing volunteerism, continuing community education, and facilitating the Island Ambassador Program. This document is not intended in any way to impact or amend any other programming, facilities, or financial support documents that may already exist between the Town and USCB separate and apart from this Memorandum.
2. **Programming.**
 - a. To be eligible for funding under this Memorandum, USCB shall remain an agency of the state and be mission driven to support tourism development on Hilton Head Island through the Center for Lowcountry Hospitality Education.
 - b. USCB must employ a full-time executive director who will be responsible for overseeing the creation, development, and delivery of a hospitality training program which shall serve to educate Hilton Head Island residents and visitors as to the Island’s rich history, cultural resources and communities, Island operations/resources, environment, and ecology. The scope of services that USCB will provide related to the Island Ambassador Program are outlined in attachment “A” incorporated herein by reference to this Memorandum.
 - c. The Island Ambassador Program shall be offered to the public no less than five (5) times per calendar year at such dates and times as may be determined by USCB. Additionally, USCB may provide the Island Ambassador Program to select groups and organizations as it deems appropriate.
 - d. As part of the Island Ambassador Program, USCB shall provide participants with a meaningful opportunity to provide feedback on the quality of the Program materials, presenters, and other relevant information in order to provide ongoing evaluation as to the effectiveness of the program and any potential program modifications that may need to be considered. This

information shall be submitted to the Town with its annual budget request and its corresponding annual report. This report should detail information about program participation levels, accomplishments during that reporting period, and other relevant information to help inform the Town about the performance and effectiveness of the Island Ambassador Program.

- e. In addition to the Island Ambassador Program, USCB will also provide consultation to nonprofit organizations located on Hilton Head Island in the planning, development, and/or execution of special event production and associated volunteerism related activities.
 - f. USCB will provide an annual audited financial report in accordance with generally accepted accounting principles.
 - g. Upon request of the Town, USCB shall make its financial records associated with any grant funding provided herein available to the Town for review.
 - h. USCB will submit a proposed annual budget in conformity with the terms of this Memorandum to the Town prior to February 1st of each calendar year for consideration by the Town Council as an affiliated agency.
 - i. **USCB will provide an annual report to the Town containing information on the current number of enrolled students within the Center for Lowcountry Hospitality Education or who otherwise participate within the programs that are provided by the Center.**
 - j. **USCB will provide the Town with copies of any feedback that it shall receive from participants in the Island Ambassador Program or the Quality Management Program that is provided by the Center.**
3. **Funding.** In support of providing the services outlined herein on behalf of the Town of Hilton Head Island, the Town will provide USCB with funding in the amount of \$235,000 annually. This figure shall be subject to an annual inflation factor of three percent (3%) for each successive year under the Term of this Memorandum.
4. **Notices.** All notices required under this Memorandum shall be deemed to have been given if in writing and
- a. delivered personally; or
 - b. mailed first class, postage prepaid, to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark.

UNIVERSITY OF SOUTH CAROLINA BEAUFORT
Chancellor
One University Boulevard

Bluffton, SC 29909

TOWN OF HILTON HEAD ISLAND

Town Manager

One Town Center Court

Hilton Head Island, SC 29928

The address of record may be changed by written notice to the other party.

5. **Term.** The term of this Memorandum of Understanding shall be for a period of two (2) years from the date of execution. No less than six (6) months prior to the expiration of this Memorandum, it will be reviewed by the Town and USCB for purposes of determining if such Memorandum should be extended, terminated, or if modifications need to be made prior to the execution of any subsequent agreements. Changes to this document may be made only with and by the mutual consent of both parties.
6. **Termination.** In addition to any other rights of termination set forth in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for the period of time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default.

IN WITNESS WHEREOF, the Town and USCB has caused this Agreement to

be signed and sealed this _____ day of _____, 20_____.

**SIGNED, SEALED AND
DELIVERED IN THE PRESENCE
OF:**

**UNIVERSITY OF SOUTH CAROLINA
BEAUFORT**

By: _____
Dr. Al M. Panu
Chancellor

**SIGNED, SEALED AND
DELIVERED IN THE PRESENCE
OF:**

**TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA**

By: _____
Marc Orlando
Town Manager, ICMA-CM

ATTACHMENT A

ISLAND AMBASSADOR/HOSPITALITY TRAINING/COMMUNITY EDUCATION PROGRAM OUTLINE

1. Island Ambassador Program

- a. USCB will collect data from a variety of focus groups and Hilton Head Island stakeholders to completely redesign the Island Ambassador Program (“Program”).
- b. The Program is envisioned to be sorted into required content that is directly related to Hilton Head Island’s history, culture (including an emphasis on Gullah Geechee culture, native islander communities, and their importance to Hilton Head Island), natural resources and ecology, governance, economy, and additional a la carte content that takes a deeper dive into some or all of these areas, depending on audience. Local experts in these areas will be incorporated into the Program through videos, in-person presentations, or other meaningful methods.
- c. The program will include an introduction from the mayor speaking to those people participating in the Program who live and/or work on the island.
- d. Redesign the Island Ambassador (“IA”) “pin” and create a digital badge for use in the employee’s signature line.
- e. Schedule a minimum of five (5) Program sessions to occur annually on USCB’s Hilton Head Island campus with additional events to be scheduled with local industries and delivered on-site as determined by USCB.
- f. Develop and implement a pilot for a “junior ambassador” program targeting 4th graders on the island as 4th grade educational standards include South Carolina History.

2. Quality Management Program

- a. Refresh the quality management program; increase “secret shopper” program to local industries to continually improve the guest/tourist experience.

3. Continuing Education

- a. Survey needs of various industry partners and community stakeholders to identify potential continuing education program offerings.
- b. Offer relevant industry certifications (ex. AHLEI) that develop and recognize the expertise of local industry leaders.

4. Ecotourism

- a. Expand Finnegan's Sharing Shack to include other locations and create co-branding opportunities with beachfront resorts.
- b. Collaborate with the Town to minimize the carbon footprint of tourists and support other environmentally responsible strategies to preserve the natural beauty of the island.

5. Develop New and Improved Media Presence

- a. Demonstrate CEMHT's commitment to incorporating the Town Goals as outlined in the Town's *Our Plan*, as well as any current Strategic Action Plan.
- b. Overhaul the Program's website to reflect these items.
- c. Introduce use of social media for marketing purposes.

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

**A RESOLUTION BY THE TOWN OF HILTON HEAD ISLAND AUTHORIZING A
MEMORANDUM OF UNDERSTANDING WITH THE UNIVERSITY OF SOUTH
CAROLINA BEAUFORT**

WHEREAS, beginning in 2011, the Town formed a partnership with the University of South Carolina Beaufort to support hospitality training, special event management, and volunteerism efforts on Hilton Head Island; and

WHEREAS, to fund these services, the Town incorporated into its Municipal Code a provision whereby 5% of the funding that the Town collected under its Local Accommodation Tax would be provided to the University for these purposes; and

WHEREAS, in recent years, collections of both State and Local Accommodations Taxes have increased significantly thereby causing the Town to remove this automatic funding formula from its Municipal Code in favor of funding these services as an Affiliated Agency of the Town; and

WHEREAS, Town staff were directed to prepare a Memorandum of Understanding that would serve to outline the roles of both the Town and the University and be the basis of any funding that might be provided as part of the annual budget process; and

WHEREAS, the parties have completed their negotiations in developing a draft Memorandum of Understanding and the result of which is being presented to the Town Council for its consideration.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Councilmembers of the Town of Hilton Head Island, in Council duly assembled, that the Mayor and Town

Manager are hereby authorized to take such actions as may be necessary to enter into a Memorandum of Understanding enclosed with this Resolution as Attachment A.

MOVED, APPROVED, AND ADOPTED ON THIS ____ DAY OF _____, 2024.

**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

Introduced by Council Member: _____

CENTER FOR LOWCOUNTRY HOSPITALITY EDUCATION			
PERSONNEL	Staff	Total	Notes
	Personnel Subtotal	\$ 204,808	1 FT Director; 1 FT Program Assistant; Finnegan Sharing Shack Personnel x 13 weeks; Expert Consultants
OPERATIONS	Line Item		Notes
	Technology	\$ 7,800	Hardware and software to deliver and evaluate programming
	Marketing	\$ 11,500	Promotional Items, Media Ads, Web Support
	Printing and Supplies	\$ 7,942	IA pins, office supplies, etc
	Travel	\$ 2,950	Local travel to meet constituents
	Operations Subtotal	\$ 30,192	
TOTAL		\$ 235,000	REQUEST FOR FY25



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Joshua Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of a Resolution Approving a Memorandum of Understanding with the Island Recreation Association

RECOMMENDATION:

The Town Council should review the proposed Memorandum of Understanding with the Island Recreation Association and provide comments on any suggested modifications to this document. Once finalized, the Committee should make a recommendation to the Town Council on the adoption of this updated Memorandum of Understanding.

BACKGROUND:

The Town and the Island Recreation Association executed a Memorandum of Understanding on July 18, 2018. This document provided for the Association's programming, oversight, and management of most Town-owned recreational/park facilities and the corresponding compensation that the Town would provide both directly and indirectly for this purpose. The term of this agreement was for a period of time from the date of execution until September 30, 2023.

Representatives from the Town and the Association met over the course of the last several months and began discussing terms to be included within a new Memorandum of Understanding. Based upon these conversations, a new document has been prepared that incorporates all comments and feedback that have been received to date. A copy of the Town's updated Memorandum of Understanding is enclosed at Attachment 1.

At its October 2023 meeting, the Association's Board of Directors unanimously approved the draft Memorandum of Understanding as presented.

At its meeting on November 14, 2023, the Town's Finance and Administrative Committee discussed the draft Memorandum of Understanding and asked multiple questions of both Town and Association staff members. Following this discussion, the Committee voted unanimously to recommend approval of the Memorandum of Understanding to the Town Council as presented.

CONCLUSION:

The Town Council should review the new Memorandum of Understanding between the Town and the Island Recreation Association and provide any comments or other policy direction that it may have on this document. Once finalized, the Town Council should vote to approve the new Memorandum of Understanding with the Island Recreation Association thereby replacing the current agreement that is being continued on a month-to-month basis.

ATTACHMENTS:

1. Draft Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association.
2. Resolution Approving a Memorandum of Understanding with the Island Recreation Association.

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT) **MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this day of _____, 2024, by and between the Town of Hilton Head Island, South Carolina, (hereinafter referred to as the “Town”), and the Hilton Head Island Recreation Association, Inc., a South Carolina not-for-profit corporation (hereinafter referred to as the “Association”), when referred to collectively, the Town and the Association shall be referred to as the “Parties.”

WHEREAS, the Town and the Association have worked cooperatively to provide public recreational services to the residents and visitors of Hilton Head Island continuously since 1985; and

WHEREAS, the most recent Memorandum of Understanding between the Parties was set to expire on September 30, 2023; and

WHEREAS, the Parties recognize the ongoing need to provide public recreational services and facilities throughout the Town and therefore desire to enter into a new Memorandum of Understanding; and

WHEREAS, on October 20, 2020, the Town adopted its Comprehensive Plan, *Our Plan*, a component piece of which included a Parks and Recreation Master Plan; and

WHEREAS, the Town has adopted a stand-alone section in *Our Plan* specifically related to parks and recreational services because it represents a significant area of interest and investment falling within the Town's jurisdiction and scope of responsibility for the Island community; and

WHEREAS, within this section of *Our Plan*, the Town has adopted clear goals that it desires to achieve within the areas of public recreation and park facilities which include:

- A. **Community Value:** To continue to promote and prioritize the value parks and recreation add to the Island community.
- B. **Best-In-Class:** To provide best-in-class recreation facilities and programs in the Island's public parks.
- C. **Programming:** To celebrate the unique natural amenities and cultural assets of the Island through education facilities and programs in public parks.
- D. **Water:** To continue to improve and increase opportunities for water access.
- E. **Pathways:** To continue to improve and enhance the multi-use pathway network on the Island for recreation and transportation.
- F. **Sports:** To continue to provide opportunities for sports tourism on the Island.
- G. **Funding:** To generate sufficient funds to construct new, redevelop as needed, and maintain all parks in best-in-class condition.
- H. **Accessibility:** To promote multi-dimensional inclusion and access for all parks, facilities, and recreation programming; and

WHEREAS, the Town owns the Island Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green's Shell Park, Lowcountry Celebration Park, Mid Island Tract, Ashmore Tract, Taylor Family Park, Patterson Park, Barker Field and Barker Field Extension, Old School House Park, the Cordillo Tennis Courts, and the Hilton Head Island Senior Center at Shelter Cove; and

WHEREAS, the Parties desire to enter into an agreement wherein the Association will manage and operate all of the Town-owned recreational facilities and associated programming for those facilities identified above along with any other parks and recreation facilities developed during the terms of this agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, undertakings, and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by the Town and the Association, the parties hereto agree as follows:

A. **Governing Document.** The parties intend that this Memorandum of Understanding and the accompanying exhibits shall replace all previous documents entered into between the Town and the Association regarding the management and operation of all town-owned park or recreational facilities along with any other parks and recreation facilities developed during the terms of this agreement. This document shall serve as the nonexclusive authorization for the Association to occupy, utilize, and determine the programming and special event authorization for those parks and recreation facilities that are herein identified as follows:

- a. Island Recreation Center,
- b. Shelter Cove Community Park,
- c. Jarvis Creek Park,
- d. Crossings Park,
- e. Bristol Sports Arena,
- f. Chaplin Community Park and Tennis Courts,
- g. Rowing and Sailing Center at Squire Pope Community Park,
- h. Green Shell Park,
- i. Lowcountry Celebration Park,
- j. Mid Island Tract,
- k. Ashmore Tract,
- l. Taylor Family Park,
- m. Patterson Park,
- n. Barker Field and Barker Field Extension,
- o. Old School House Park,
- p. Cordillo Tennis Courts,
- q. Hilton Head Island Senior Center at Shelter Cove

The Association shall serve as the primary entity responsible for managing requests by the public to use these parks and recreation facilities either through a special event permit or otherwise. Such authorization shall be at the Association's discretion so long as any

such authorization does not contradict any rules, regulations, or policy instruction developed by either the Town or the Parks and Recreation Commission. To the extent that the town has entered into any agreement, covenant or restriction, or other similar legal requirements pertaining to the nature and use of a particular property, the Association shall ensure that its actions in managing such property shall maintain the Town's compliance with any such regulation or requirement.

- B. **Board of Directors.** The Town shall be authorized to make two (2) appointments to the Association's Board of Directors. One appointment shall be a member of the Town Council who shall serve in an ex-officio capacity without voting rights and whose term shall be for such time as the Town Council may determine until a replacement appointment of an alternative Town Council member has been appointed. One appointment shall be a resident of Hilton Head Island that is agreed upon by the Association's Board of Directors, who shall be a full voting member of the Board and whose terms shall run for a three (3) year period consistent with the Association's by-laws. If nominated and approved by the Board of the Association, the resident appointee can serve on the Executive Committee of the Association in accordance with the Association's by-laws.

- C. **Recreational Programming and Scheduling.** The Association shall be responsible for developing and coordinating a schedule of programs that utilizes all parks and recreation facilities identified within this document along with any other parks and recreation facilities developed during the terms of this agreement. It is the intent of the Town that the Association help to develop new programming opportunities as these future sites become available for such purposes. The programming of such activities shall be done in conformity with any directions that may have been set forth by the Town Council through the adoption of any policy directive such as a defined master plan for a particular park or recreation facility. The Association shall review its schedule of programs with the Parks and Recreation Commission on regular intervals to keep the Commission informed on the status of its programming delivery and usage by the public. Creative programming such as the possible development of traveling recreational programs that can be delivered within communities whose residents may have transportation limitations is an example of the types of diverse programming opportunities that the Town desires the Association to pursue. The Association shall gather such data and metrics as may be necessary to clearly understand the demographics, backgrounds, geographic location, and such other details of individuals participating in the Association's programming in order to evaluate the effectiveness of its programming, the development of new and expanded programming opportunities, and determine the overall return on investment to the community that the Association's programming provides. This data shall also include any metrics that may be developed or recommended by the National Parks and Recreation Association. This information shall be provided to the Commission on a regular periodic basis and shall also be presented to the Town's Finance and Administrative Committee, or if such entity is not available during the term of this agreement, to the Town Council, on a biannual basis.

Creation of New Programming. The Association is encouraged to develop new and expanded program offerings that are targeted to meet the needs of the Island’s youth, young families, seniors, and any other community demographic that may exist on Hilton Head Island. The Association shall present requests for new or expanded programming at facilities that have not previously been utilized for such activities to the Parks and Recreation Commission, who shall be responsible for reviewing and evaluating these proposals and making recommendations to the Town Council. Programs shall be developed and offered for all age groups. Access to all town-owned parks and recreation facilities shall be offered without regard to race, creed, disability, color, sex, or national origin.

- D. **Alignment of Schedules.** The Association shall be responsible for aligning its programming schedule in consideration of the maintenance needs of the Town’s parks and recreational facilities. The Association shall meet with designated Town staff to review these maintenance schedules and shall mutually agree upon the timing of all programming and maintenance-related activities.
- E. **Annual Report.** In addition to other data gathering and reporting requirements outlined within this document, the Association shall prepare and submit an annual report to the Town Council which shall coincide in timing with the development and submission of the Association’s annual budget request to the Town.
- F. **Maintenance.** The Association shall maintain all buildings, facilities, and grounds at the Island Recreation Center and shall ensure that they are clean, safe, and in good repair, with normal wear and tear excepted. Maintenance of the Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Green’s Shell Park, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green’s Shell Park, Lowcountry Celebration Park, Mid Island Tract, Ashmore Tract, Taylor Family Park, Patterson Park, Barker Field and Barker Field Extension, Old School House Park, the Cordillo Tennis Courts, and the Hilton Head Island Senior Center at Shelter Cove shall be maintained through the Facilities Management Division of the Town.
- G. **Availability.** The Island Recreation Center, excluding the swimming pool, shall be open daily, except during annual maintenance and the following holidays: Christmas Eve, Christmas Day, New Year’s Day, Thanksgiving Day, and Easter Sunday. Unless otherwise agreed to by the Parties, the hours of operation for the Island Recreation Center shall be as follows:

Monday through Friday	6:00 am-9:00 pm
Saturday	8:00 am-3:00 pm
Sunday	11:00 am-3:00 pm

During weekends, the Association may schedule programs or have facility rentals that occur outside these normal operating hours.

- H. **Hours of Operation.** The town-owned parks and recreation facilities shall be open for use by the public during such hours as the Town Council may designate within The Municipal Code of the Town of Hilton Head Island. In the absence of such designation, the following hours of operation shall apply:

Shelter Cove Community Park	8:00 a.m. - 10:00 p.m.;
Lowcountry Celebration Park	8:00 a.m. - 10:00 p.m.;
Green's Shell Park	dawn-dusk;
Jarvis Creek Park	dawn-dusk;
Rowing and Sailing Center	dawn-dusk;
Chaplin Tennis Courts	7:00 a.m. – 9:30 p.m.;
Cordillo Tennis Courts	7:00 a.m. - sunset ;
Crossings Park	8:00 a.m. - 10:00 p.m.;
Bristol Sports Arena,	8:00 a.m. - 10:00 p.m.;
Barker Field Extension	8:00 a.m. - 10:00 p.m.; and
Chaplin Community Park.	8:00 a.m. - 10:00 p.m.

The Association may schedule programs or have facility rentals that occur outside the normal operating hours so long as such programs and facility rentals do not otherwise conflict with the regulation set forth in The Municipal Code of the Town of Hilton Head Island.

- I. **Beach Activities.** The Association shall be authorized to provide supervised instruction for various recreation activities as part of its regular programming, which may include instruction for surfing classes and other water-related programs that may occur at the beach. This will not be considered to be commercial activity on the beach. The Association shall be authorized to utilize a golf cart or gator to access the beach and carry the equipment to the instruction areas on the beach.
- J. **Swimming Pool.** The swimming pool shall be open and staffed daily, except during inclement weather, periods of pool malfunction, installation and deflation of the Air Dome, and the following holidays: Christmas Eve, Christmas Day, New Year's Day, Easter Sunday, and Thanksgiving Day. The hours of operation shall be as follows:

Monday through Friday	5:30 am- 8:00 pm
Saturday	8:00 am to 3 pm
Sunday	11:00 am-3:00 pm

During weekends, the Association may schedule programs or have facility rentals that occur outside these normal operating hours.

The Association may also open the swimming pool at such hours as it shall determine are needed for special events, or during such additional periods as it determines are warranted by weather and public use. The swimming pool shall also be open during dates and times mutually agreed upon between the Association and the Beaufort County School District for purposes of teaching swim lessons and practices for swim meets for

the Hilton Head Island High School swimming teams. Staffing during these dates and times will be by appropriately certified Board of Education and Association personnel.

- K. **Operating Funds.** The Association shall submit its funding request to the Town annually. This request shall coincide with the Town's annual budget process. The Town Manager, or his designee, shall inform the Association of the procedures to be followed regarding the funding process.

The Association shall raise a minimum of fifty percent (50%) of its operating budget as shown on its operating account profit and loss statement from sources other than the Town General Fund commitment for the annual operating budget of the Association. The Association shall also be authorized to charge reasonable user fees for programs and services provided by the parks and recreational facilities. Such fees shall be designed to offset applicable personnel, administrative, and operating expenses allocated to its provision of programs or services. When developing and setting such fees, the Association should be mindful to avoid competition from private industries and businesses located on Hilton Head Island.

Any funding provided to the Association from the Town shall be used towards its operating expenses or capital improvement needs. At no time shall the funding provided to the Association by the Town be used to create or enlarge a reserve financial account. The Association should keep and maintain such an account, but funding for that account should come exclusively from sources other than those provided by the Town.

- L. **Accounting Services.** The Town shall provide the Association with timely accounting, check writing, payroll, audit, and income tax preparation services.

These services shall include:

- a. a monthly and annual balance sheet and profit and loss statement;
- b. a monthly and annual general ledger of transactions;
- c. monthly reconciliation of bank statements;
- d. preparation of checks, including payroll checks and payroll tax payments, including the filing of withholding, FICA, and similar state and federal reports;
- e. all audit and audit review preparation services necessary to comply with Town requirements; and
- f. annual state and federal income tax submissions.

Accounting reports shall be in a format that is acceptable to both the Association and the Town.

- M. **Bank Accounts, Checks, and Payments.** Bank accounts shall be maintained in such institutions as the Association shall determine appropriate. The Town shall prepare checks on the Association's check forms, normally based on a written request of the Association indicating the payee, account code, and invoice or other appropriate

reference data. Checks shall be signed by such person(s) as the Association shall determine.

The Association may maintain a separate checking account in an amount not to exceed Twelve Thousand Dollars (\$12,000.00) and fund its ongoing periodic cash needs unless otherwise authorized in writing by the Town. Checks drafted upon this account shall be prepared and signed by such person(s) as the Association shall determine. When the Association requests the Town to transfer additional funds to replenish this account the Association will provide to the Town adequate information regarding payees, account numbers, and invoice or reference data to permit the Association's accounting records to be maintained properly. The Association shall make requests for the Town to transfer additional funds to replenish this account on a not less than monthly basis.

The Association shall provide the Town schedules of pay rates of Association personnel, time sheets, and other information requested by the Town for proper payroll records. Such personnel shall not be deemed employees or agents of the Town.

The Association shall provide the Town with an annual independent audit report or audit review report. An annual audit report shall be submitted no less than every third year.

- N. **Procurement and Purchasing.** Unless otherwise authorized in writing by the Town, the Association will adhere to the procurement and purchasing procedures adopted by the Town in its purchase of materials and services for the Recreation Center, Parks, and Tennis Courts. This shall not be interpreted to mean that the Town must execute or approve such purchases, however, unless otherwise agreed upon between the parties. All such purchases shall be deemed direct transactions between the Association and the entity providing the materials or services.
- O. **Personnel.** Personnel of the Association shall not be employees of the Town.
- P. **Miscellaneous.**
 - a. The Association shall provide the Town with current copies of all insurance policies of the Association relating to all parks and recreation facilities within thirty (30) days of the signing of the Agreement and will provide a copy to the Town upon each renewal of said insurance policies.
 - b. The Association shall provide the Town with copies of all insurance policies the Association requires users to provide to the Association for the use of any parks or recreation facility within thirty (30) days of receiving the copy of the policy.
 - c. The Association shall remain a not-for-profit independent entity whose policies and procedures shall be determined by its Board of Directors.
- Q. **Notices.** All notices required under this Memorandum shall be deemed to have been given if in writing and (a) delivered personally; or (b) mailed first class, postage prepaid,

to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark. The address of the record may be changed by written notice to the other party.

- R. **Term.** The term of this Memorandum of Understanding shall be for a period of ten (10) years from the date of its execution. No later than one hundred and twenty (120) days prior to the expiration of this Memorandum of Understanding, the Parties agree that they will meet to review the terms of this document and discuss the development of any potential extensions, renewals, replacements, or termination thereof.
- S. **Amendments.** Changes to this document may be made only with the mutual written consent of both parties.
- T. **Termination.** In addition, any other rights of termination outlined in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for some time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures hereto the date first written hereinabove.

WITNESSES:

**HILTON HEAD ISLAND RECREATION
ASSOCIATION, INC.**

_____ By: _____

_____ Attest: _____

WITNESSES:

TOWN OF HILTON HEAD ISLAND

_____ By: _____
Alan Perry, Mayor

_____ Attest: _____
Marc Orlando, Town Manager

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

**A RESOLUTION BY THE TOWN OF HILTON HEAD ISLAND AUTHORIZING A
MEMORANDUM OF UNDERSTANDING WITH THE ISLAND RECREATION
ASSOCIATION**

WHEREAS, the Town of Hilton Head Island and the Island Recreation Association executed a Memorandum of Understanding on July 18, 2018, providing for the Association's programming, oversight, and special event management of most Town-owned recreational/park facilities; and

WHEREAS, the existing Memorandum of Understanding was set to expire on September 30, 2023; and

WHEREAS, on September 19, 2023, Town Council adopted a Resolution extending the existing Memorandum of Understanding until such time as a new agreement was entered into between the parties; and

WHEREAS, the Town and the Island Recreation Association have been engaged in ongoing discussions regarding the terms to be contained within a new Memorandum of Understanding; and

WHEREAS, the parties have completed their negotiations and the result of which is a new Memorandum of Understanding which provides for the continued recreational programming, oversight, and special event management of most Town-owned recreational/park facilities by the Association.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Councilmembers of the Town of Hilton Head Island, in Council duly assembled, that the Mayor and Town

Manager are hereby authorized to take such actions as may be necessary to enter into a new Memorandum of Understanding enclosed with this Resolution as Attachment A.

THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ITS ADOPTION.

MOVED, APPROVED, AND ADOPTED ON THIS ____ DAY OF _____, 2024.

**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

Introduced by Council Member: _____



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Joshua Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of a Resolution Approving a Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity

RECOMMENDATION:

The Town Council should review the proposed Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity and if it is supportive of providing funding to this organization for the purposes of providing workforce housing, what terms and conditions must be set forth concerning the manner in how this funding will be utilized.

BACKGROUND:

As part of the Fiscal Year 2024 Budget adoption process, the Hilton Head Regional Habitat for Humanity ("Habitat") applied to receive funding as an Affiliated Agency. Habitat's mission is to put God's love into action, and brings together people to build affordable homes, communities, and hope. Habitat partners with local families who are in need of a home of own and fosters a sense of stability, self-reliance, and a strong sense of community.

In its application, Habitat requested \$500,000 to be utilized towards the purchase of land on Hilton Head Island to build affordable homes. With this funding, Habitat hoped to be able to purchase a 1-acre plot and develop somewhere between 8-10 single-family homes for purchase by qualified individuals through the Habitat for Humanity program. To become a family partner (a homebuyer through Habitat), the family must go through an intensive application process, attend home-ownership classes, and perform at least 300 hours of sweat equity. At completion of the build, they purchase the home with a no-interest mortgage which has a monthly payment plan at 30% or less of their household income. To qualify, homeowners must earn between 30% and 70% of the average median household income for southern Beaufort and Jasper Counties.

Habitat did not receive any funding as a part of its Fiscal Year 2024 Affiliated Agency application. However, on May 19, 2023, Act 57 of 2023 was adopted by the South Carolina General Assembly. Shortly after this, staff were asked to create a draft Memorandum of Understanding associated with providing Habitat with funding to create affordable workforce housing.

At its December 19, 2023, meeting, the Finance and Administrative Committee reviewed the terms of the draft Memorandum and requested several revisions. Those revisions are identified as follows:

- Added language requiring active employment on Hilton Head Island as a condition of selection for any workforce housing unit created under the Memorandum.
- Inserted indemnification language to protect the Town from any liability arising under the Memorandum.
- Clarified that any funding authorized for these purposes will be provided to Habitat on a periodic draw down basis.
- Revised the applicable AMI ranges to match the existing program requirements offered by Habitat that range from 30% - 80% of AMI.

At its meeting on January 11, 2024, the Finance and Administrative Committee voted unanimously to recommend approval of the Memorandum of Understanding to the Town Council. A copy of the revised Memorandum of Understanding inclusive of all revisions is enclosed as Attachment 1.

CONCLUSION:

The Town Council should review the proposed Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity and provide any policy guidance that it determines to be appropriate if it is ultimately supportive of this request.

ATTACHMENTS:

1. Draft Memorandum of Understanding with the Hilton Head Regional Habitat for Humanity (Revised)
2. Critical Path Timeline on State Accommodation Tax Usage
3. State A-Tax Funding Summary

STATE OF SOUTH CAROLINA)
)
 COUNTY OF BEAUFORT)

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“Agreement”) is entered into this ____ day of _____, 2023, by and between the Town of Hilton Head Island (“Town”), a South Carolina Municipal Corporation, and Hilton Head Regional Habitat for Humanity (“Habitat”), a South Carolina nonprofit corporation. When referred to jointly, these entities shall be referred to as the “Parties.”

WHEREAS, the Town is committed to fostering a strong sense of community and well-being for all of its residents through the creation of affordable workforce housing; and

WHEREAS, within *Our Plan*, the Town of Hilton Head Island’s Comprehensive Plan, the Town has identified a specific goal of encouraging the development of workforce housing and home ownership through effective incentives; and

WHEREAS, one of the strategies identified within Comprehensive Plan is to support programs that are aimed at increasing workforce housing home ownership similar to the program that is offered by Habitat for Humanity; and

WHEREAS, Habitat is dedicated to the development of affordable workforce housing and has proven experience in both the construction and management of such projects on Hilton Head Island; and

WHEREAS, both parties support Habitat’s pursuit of financial support for workforce housing development through the Town’s adopted Affiliated Agency funding process; and

WHEREAS, both parties acknowledge the need for an effective partnership between the Town and Habitat to facilitate the development of affordable workforce housing within the municipal limits of Hilton Head Island.

NOW, THEREFORE, for and in consideration of the mutual promises, undertakings, and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by both the Town and Habitat, the Parties do hereby agree as follows:

1. Governing Document

It is the intent of the parties that this Memorandum shall only govern circumstances wherein the Town has provided funding to Habitat for the purposes of developing affordable workforce housing. Any additional capital and operating costs necessary for the development of qualified affordable workforce housing will be the responsibility of Habitat.

2. Funding

The Town will consider an annual financial contribution to Habitat through its Affiliated Agency funding process to support the acquisition of land, the creation of affordable workforce housing, and the oversight and management of the same. The balance of any capital or operating funding that may be necessary to accomplish this purpose above and beyond any amount appropriated by the Town shall be raised by Habitat from sources other than what has been provided by the Town through its Affiliated Agency funding.

3. Roles and Responsibilities

a. Habitat's Obligations:

- i. Approval of Plan and Budget. Prior to awarding any funding identified under this Agreement, Habitat shall submit annually through the Town's Affiliated Agency program. Among other program requirements, this submission shall include a detailed plan (the "Plan") and budget (the "Budget") for the development of workforce housing for which this funding will be utilized. The Town will provide Habitat with access to its staff to assist in the development of both the Plan and the Budget. The use of funding identified in this Memorandum is conditioned upon the Town taking such actions as may be necessary in order to satisfy the requirements outlined in Act 57 of 2023.
- ii. Use of Funding. Habitat may only use the above referenced funding for the purposes of acquiring real property, and/or designing and constructing single and/or multi-family workforce housing units within the municipal boundaries of Hilton Head Island.
- iii. Review of Plans. Habitat shall submit all conceptual, design, engineering, and site plans to the Town for review and approval consistent with the standard and ordinary development review and building construction process. The plans submitted by Habitat shall follow the Town's Land Management Ordinance as well as any other applicable laws and regulations.

- iv. Maintenance Plan. Within its Plan, Habitat shall provide information outlining how the affordable workforce housing units developed with the use of the Town's funding will be maintained in accordance with generally accepted maintenance standards. Habitat shall also identify how applicants will be screened and ultimately selected to own and/or occupy any units created under this Agreement. These screening and selection criteria shall include a mandatory requirement that at least one or more members of a household that qualifies to acquire any units created under this Memorandum shall be actively employed within the municipal boundaries of the Town of Hilton Head Island at the time that they are qualified and selected for such unit.
- v. Income Requirements. Within its submitted Plan, Habitat shall identify the Area Median Incomes ("AMI") applicable to the affordable workforce housing units that it seeks to create under this Agreement. The rental or conveyance of any workforce housing homes created under this Agreement shall be between thirty percent (30%) to eighty percent (80%) ~~not exceed 120%~~ of the AMI applicable to Hilton Head Island, South Carolina without the express prior written approval by the Town.
- vi. Ongoing Affordable Nature of Housing Units. Within its submitted Plan, Habitat shall identify the nature and extent to which the affordable workforce housing units it seeks to create under this Agreement shall be maintained and the duration of time, expressed in years, that it will ensure that the affordability standards for these units are maintained as stated in its submitted Plan. Additionally, within the submitted Plan, any units created under this agreement shall be restricted from being used for short-term rental purposes.
- vii. Accounting, Reporting, and Transparency. Any funding awarded under this Agreement shall be accounted for in a separate fund according to Generally Accepted Accounting Principles for governmental and non-profit entities. Habitat shall allow the Town to access all records related to the Grant funds upon seventy-two (72) hour written notice. To the extent that it should become necessary, Habitat agrees that it will provide the Town with any documentation that may be necessary to appropriately identify and account for any funding that it may receive. Habitat shall also work with the Town to provide any documentation that may be requested of any state or federal entity pertaining to this funding.

Habitat shall cause a financial statement to be prepared each year at the conclusion of Habitat's fiscal year by an entity independent of, and unconnected to, Habitat. Habitat shall deliver a copy of its financial statement to the Town within thirty (30) days of the completion of the financial statement each calendar year.

Habitat shall provide the Town with an annual independent audit report or review report prepared by a Certified Public Accountant (CPA) acceptable to the Town. An annual report shall be submitted no less than every third year.

Habitat shall prepare and submit an annual report to the Town identifying the manner in which any funding that it has received by the Town was utilized, the outcomes that it has created to support the development of workforce housing on Hilton Head Island, and any performance metrics that may be necessary to evaluate the overall effectiveness that this funding has had in addressing workforce housing issues on Hilton Head Island.

- viii. Insurance. Habitat shall provide a Certificate of Insurance covering all activities necessary in the carrying out of acquiring real property, and/or designing and constructing single and/or multi-family workforce housing units within the municipal boundaries of Hilton Head Island. The Town shall be named as an additional insured within this document.
- ix. Indemnification. Habitat shall defend, indemnify, and hold harmless the Town, its officers, directors, agents, and employees from and against any and all actions, costs, claims, losses, expenses, and/or damages, including attorney's fees, whether incurred prior to the institution of litigation, during litigation, or on appeal arising out of or resulting from the conduct of any activity hereby authorized or the performance of any requirement imposed pursuant by this Agreement, however caused or occasioned, unless caused by the willful misconduct or gross negligence of the Town.

b. Town Obligations:

- i. Support for Habitat Services: The Town will encourage and guide Habitat in the submission of any necessary procurement documentation that may be required in order to facilitate Habitat's participation as a qualified vendor in the Town's Home Safe and Repair program as well as any additional contracting opportunities that may be appropriate for Habitat's services in the home construction and home repair industry.
- ii. Staff Support: The Town will provide Habitat with access to its staff to support identifying opportunities within historic neighborhoods and the development of home ownership opportunities on all properties located within the Town of Hilton Head Island inclusive of Gullah land. This access to staff will include, but will not

be limited to, the Historic Neighborhoods Principal Planner, staff from the Gullah Geechee Historic Neighborhoods Community Development Corporation, and others as may be necessary to accomplish this purpose.

- iii. Development Support: The Town will work cooperatively with Habitat to assist in performing site selection, site design, building design, and construction related activities that support the creation of home ownership workforce housing on Hilton Head Island.
- iv. Processing of Permits. The Town agrees to work with Habitat to expeditiously process any requests that it may submit for development and/or building permits associated with the creation of affordable workforce housing called for under this Agreement.
- v. Project Assistance. The Town may assist and/or perform functions that aid in the acquisition, transfer, and/or development of affordable workforce housing properties for homeownership in a joint partnership with Habitat as provided for within Section 11-1-911 of the Municipal Code of the Town of Hilton Head Island, South Carolina.
- vi. Project Payments. The Town will provide any funding authorized under this Memorandum to Habitat based upon on a periodic draw down basis. The Town Manager shall be authorized to determine the appropriate amounts to be paid under each draw down request based upon the project progress that has been achieved at the time of the draw down request.
- vii. Future Funding Opportunities: The Town will work cooperatively with Habitat to jointly pursue external funding opportunities that support workforce housing development.

4. Specific Obligations

Because of the unknown nature of future Plans and Budget that may be submitted by Habitat, as a condition of any funding that may be awarded to Habitat through the Affiliated Agency funding process, the Town may require additional obligations that shall be consistent with the Plan and Budget approved by the Town Council. Any such specific obligations will be incorporated via separate agreement and shall identify the nature and scope to which such specific obligations shall apply.

5. Claw Backs

In the event Habitat materially breaches this Agreement, the Town reserves the right to claw back the entirety of the Grant funds, or a portion thereof, that it has provided to Habitat. Additionally, should any funding awarded under this Agreement not be utilized pursuant to the terms and conditions outlined herein, or any additional specific obligations that may be associated with any such award, then Habitat agrees to refund any such funding to the Town upon the receipt of a written demand by the Town to return such funding.

6. Notices

All notices required under this Memorandum shall be deemed to have been given if in writing and

- a. delivered personally; or
- b. mailed first class, postage prepaid, to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark.

HILTON HEAD REGIONAL HABITAT FOR HUMANITY

Executive Director
PO Box 2747
Bluffton, SC 29910

TOWN OF HILTON HEAD ISLAND

Town Manager
One Town Center Court
Hilton Head Island, SC 29928

The address of record may be changed by written notice to the other party.

7. Term

The term of this Memorandum of Understanding shall be for a period of five (5) years from the date of its execution. No less than one hundred and eighty (180) days prior to the conclusion of this Memorandum, the Town and Habitat shall meet to discuss any extensions, modifications, or terminations of the same. Changes to this Agreement may be made only with and by the mutual written consent of both Parties. This Agreement and any future requests for funding that are contemplated herein are subject to an annual budget appropriation by the Town Council as part of its Affiliated Agency funding program.

8. Termination

In addition to any other rights of termination set forth in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for the period of time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default. Additionally, either of the Parties may elect to terminate this Agreement for convenience by written notice to the other party, thirty (30) days in advance of such termination.

(SIGNATURE PAGES FOLLOW)

IN WITNESS WHEREOF, Habitat has caused this Agreement to be signed and sealed this _____ day of _____, 20_____.

**SIGNED, SEALED AND
DELIVERED IN THE PRESENCE
OF:**

**HILTON HEAD REGIONAL HABITAT
FOR HUMANITY**

By: _____
Brenda Dooley
Executive Director

Attest: _____

Print Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that Brenda Dooley and _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the Hilton Head Regional Habitat for Humanity, Inc.

Witness my hand and seal this _____ day of _____, 20_____.

Notary Public for South Carolina
My Commission Expires: _____

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Town of Hilton Head Island			
Calculation of State Accommodations Taxes (ATAX) & Available Funds			
As of January 16, 2024			
SC ATAX Funds Available on July 1, 2022, less 2023 ATAX Grant Requests			1,139,792
	FY23 ATAX Collections	13,344,903	
	FY23 Interest Earnings	371,636	
		13,716,539	
Total FY23 Available ATAX Funds Before Distributions			14,856,331
FY23 Required Distributions			
	General Fund	(25,000)	
	DMO 30% (after first \$25k)	(3,995,971)	
	General Fund 5%	(665,995.00)	
	Subtotal Required Distributions	(4,686,966)	
Town Council Allocations in the FY 2024 Budget:			
	General Fund Operations Budgets 2024	(3,515,021)	
	Capital Improvements Budget 2024	(3,000,000)	
	Total Town Council Allocations	(6,515,021)	
2024 ATAX Grant Application Awards		(4,282,328)	
FY24 Expected Activity (July - December 2023)			
	FY24 State ATAX Revenues - July-September 2023 (Actual)	5,148,616	
	FY24 State ATAX Revenues - October-December 2023 (Forecast)	1,612,716	
	FY24 ATAX Revenue Interest Earnings - July-December 2023 (Actual)	284,359	
	Total FY24 Revenues (July-December 2023)	7,045,691	
FY24 Required Distributions (July - December)			
	General Fund	(25,000)	
	DMO 30% (after first \$25k)	(2,020,900)	
	General Fund 5%	(336,817)	
	Subtotal Required Distributions	(2,382,717)	
Total FY24 Available ATAX Funds Before Additional Uses			4,034,990
Possible Uses of Available ATAX Funds			
	Planned Land Purchases (Pending Adoption of FY24 Budget Amendment)	(2,000,000)	
	Possible Workforce Housing (Pending Town Council Approval of F&A Committee Recommendation)	(1,200,000)	
	Total Possible Uses of Available ATAX Funds	(3,200,000)	
Total FY24 Available Balance After Additional Uses			834,990

State Accommodations Tax for Workforce Housing Critical Path

Housing Impact Analysis Adoption/Comprehensive Plan Amendment

December 17, 2023:	Legal ad in newspaper posting deadline.
December 18, 2023:	Housing Impact Analysis transmitted to all required entities.
January 17, 2024:	Planning Commission Public Hearing.
February 8, 2024:	Public Planning Committee Meeting.
February 20, 2024:	Town Council Meeting on MOU
March 5, 2024:	Town Council 1st Reading of Ordinance.*
March 19, 2024:	Town Council 2nd Reading of Ordinance.*

**First and second reading of the budget amendment ordinance to appropriate the available state a-tax funds could be done contemporaneously with both first and second reading of the Comprehensive Plan amendment.*

FY24-25 Affiliated Agency Timeline

January 2, 2024:	Affiliated Agency Applications are posted/distributed.
January 31, 2024:	Affiliated Agency Application Submissions are due.
March 12, 2024:	Affiliated Agency Presentations to the Finance and Administration Committee.
April 16, 2024:	Finance and Administration Committee Recommendations to Town Council.
May 7, 2024:	Town Council 1 st Reading of Budget Ordinance.
June 4, 2024:	Town Council 2 nd Reading of Budget Ordinance.



TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL

TO: Town Council Members
FROM: Joshua Gruber, Deputy Town Manager
CC: Marc Orlando, Town Manager
DATE: February 11, 2024
SUBJECT: Consideration of a Resolution Approving a Memorandum of Understanding with the Coastal Community Development Corporation

RECOMMENDATION:

The Town Council should review the proposed Memorandum of Understanding with the Coastal Community Development Corporation. If the Town Council is supportive of providing funding to this organization for the purposes of providing workforce housing, the Town Council should identify what terms and conditions must be set forth concerning the manner in how this funding will be authorized and ultimately, utilized.

BACKGROUND:

The Town was contacted by representatives of the Coastal Community Development Corporation (CCDC), a South Carolina nonprofit corporation, requesting funding in the amount of \$600,000 that would allow the organization to pursue the acquisition of various condominium units located on Hilton Head Island. These units would be utilized to provide dedicated affordable workforce housing.

The CCDC has stated that its goal is to increase the availability of homes for the local and regional workforce by preserving existing housing, redeveloping existing property and developing new property to meet the demand of our region while serving working residents. To accomplish this, the organization would purchase various condominiums and villas that would become available on the open market, acquire them, and record restrictive covenants that would limit the Area Median Income (AMI) requirements that could be applied to any rental of the property.

The CCDC made an initial presentation to the Town's Finance and Administrative Committee on August 15, 2023. At the conclusion of this meeting, staff was asked to prepare a Memorandum of Understanding that would outline the various roles and responsibilities of the parties would agree to perform should the Town authorize the requested funding. Staff worked with representatives of the CCDC to create this document and a copy was provided to all members of the Committee in advance of its December 19, 2023 meeting.

At that meeting, the Committee requested multiple revisions to the draft document. Those revisions included the following:

1. Clarification that the AMI ranges identified in the MOU would not be less than 30% nor greater than 120%.
2. A provision was inserted to state that monthly rents will not exceed 30% of the monthly household income of any applicant selected for unit occupancy.
3. Added an indemnification provision for any liability arising under the Memorandum.
4. Added language requiring submission of restrictive covenants as part of its annual plan/funding request.
5. Added language requiring active employment on Hilton Head Island as an express condition for selection to occupy any workforce housing unit.
6. Removed language regarding the development of workforce housing and restricted use of funds to acquisition of existing residential or multi-family housing units.
7. Added language to prohibit providing a preference to housing applicants based upon their employer or the nature of their employment.
8. Added language requiring the reinvestment of the proceeds from the sale of any unit acquired under this Memorandum into a comparable workforce housing unit.

The Town's Finance and Administrative Committee again met on January 11, 2024 to review the terms of the revised Memorandum of Understanding and answer questions concerning this document. Ultimately, the Committee voted unanimously to approve the revised Memorandum of Understanding with the following additional amendments:

1. Adding clarifying language that the requisite qualification and eligibility requirements for any units created under this Memorandum of Understanding will be recertified by Coastal no less than annually.
2. Revising the document to state that preference can be given to selection of qualified applicants in an effort to support private fundraising efforts so long as the number of units that are offered on a preferential basis shall be equal to the numbers of units that are offered to qualifying members of the general public.
3. Clarifying that any funding authorized under this Memorandum of Understanding will be issued on a draw down basis once the Town has confirmed that all requirements set forth under this agreement have been satisfied.

A copy of the revised Memorandum inclusive of all of these amendments is included as Attachment 1.

CONCLUSION:

The Committee should review the revised Memorandum of Understanding with the Coastal Community Development Corporation and determine if it is supportive of this funding request. If it is, then any corresponding amendments to the Memorandum of Understanding should be included in the recommendation that is sent to the Town Council for its consideration.

ATTACHMENTS:

1. Draft Memorandum of Understanding with the Coastal Community Development Corporation (Revised)
2. CCDC Presentation Materials
3. CCDC 2023 13 Unit Purchase Model
4. CCDC Villa Purchase Model
5. CCDC 2023 AMI & Rent Schedule
6. CCDC Rental Guidelines
7. Critical Path Timeline on Use of State Accommodation Tax Funds
8. State A-Tax Availability Summary

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“Agreement”) is entered into this ____ day of _____, 2024, by and between the Town of Hilton Head Island (“Town”), a South Carolina Municipal Corporation, and the Coastal Community Development Corporation (“Coastal”), a South Carolina nonprofit corporation. When referred to jointly, these entities shall be referred to as the “Parties.”

WHEREAS, the Town is committed to fostering a strong sense of community and well-being for all of its residents through the creation of affordable workforce housing; and

WHEREAS, within *Our Plan*, the Town of Hilton Head Island’s Comprehensive Plan, the Town has identified a specific goal of encouraging the development of workforce housing and home ownership through effective incentives; and

WHEREAS, one of the strategies identified within Comprehensive Plan is to support programs that are aimed at increasing workforce housing availability similar to the program that is offered by the Coastal Community Development Corporation; and

WHEREAS, Coastal is dedicated to the acquisition of affordable workforce housing and has presented a plan whereby it would acquire existing residential units on Hilton Head Island and restrict their future occupation and use to established affordable housing criteria; and

WHEREAS, both parties acknowledge the need for an effective partnership between the Town and Coastal to facilitate the acquisition of affordable workforce housing within the municipal limits of Hilton Head Island.

NOW, THEREFORE, for and in consideration of the mutual promises, undertakings, and covenants set forth herein, the receipt and sufficiency of which is acknowledged and affirmed by both the Town and Coastal, the Parties do hereby agree as follows:

1. Governing Document

It is the intent of the parties that this Memorandum shall only govern circumstances wherein the Town has provided funding to Coastal for the purposes of acquiring affordable workforce housing units.

2. Funding

The Town will consider an annual financial contribution to Coastal through its Affiliated Agency funding process to support the acquisition of properties, the creation of affordable workforce housing, and the oversight and management of the same. The balance of any capital or operating funding that may be necessary to accomplish this purpose above and beyond any amount appropriated by the Town shall be raised by Coastal from sources other than what has been provided by the Town through its Affiliated Agency funding.

Nothing in this document, or the Affiliated Agency funding process shall be deemed to require the Town to continue the Affiliated Agency funding process, or to otherwise be deemed a commitment of the Town to provide any future funding. The use of funding identified in this Memorandum is conditioned upon the Town taking such actions as may be necessary in order to satisfy the requirements outlined in Act 57 of 2023.

3. Roles and Responsibilities

A. Coastal's Obligations:

- i. Approval of Plan and Budget. Prior to awarding any funding identified under this Agreement, Coastal shall submit annually through the Town's Affiliated Agency program. Among other program requirements, this submission shall include a detailed plan (the "Plan") and budget (the "Budget") for the acquisition of workforce housing for which this funding will be utilized. The Town will provide Coastal with access to its staff to assist in the development of both the Plan and the Budget should it request such support.
- ii. Use of Funding. Coastal may only use the above referenced funding for the purposes of developing and/ or acquiring single and/or multi-family workforce housing units within the municipal boundaries of Hilton Head Island.
- iii. Maintenance Plan. Within its Plan, Coastal shall provide information outlining how the affordable workforce housing units acquired with the use of the Town's funding will be maintained in accordance with generally accepted maintenance standards.
- iv. Tenant Qualifications. Coastal shall also identify how applicants will be screened and ultimately selected to own, rent, and/or occupy any units created under this Agreement. In addition to verifying income criteria, these screening and selection criteria shall include a mandatory requirement that at least one member of a household that qualifies to rent any units created under this Memorandum shall be actively employed within the municipal boundaries of the Town of Hilton Head

Island at the time that they are qualified and selected for such unit. This selection criteria along with the applicable income verifications shall be recertified by Coastal no less than annually or at any such time as a new lease or other similar instrument is issued, whichever shall occur sooner so long as no period of recertification occurs in any frequency less than annually.

- v. Selection of Tenants. ~~Coastal shall offer the workforce housing units created or acquired under this Memorandum to any qualified individual meeting the terms and conditions outlined herein and shall not grant any preference to applicant based upon the identity of their employer or nature of their employment on Hilton Head Island.~~ Coastal shall develop selection criteria for its tenants that shall be in keeping with the terms expressed in this Memorandum of Understanding. Coastal shall be authorized to offer preferential selection of qualifying tenants as a means of raising funds from private, nongovernmental entities. The Town supports these efforts and therefore authorizes Coastal to offer this preferential treatment so long as such preference shall not exceed a ratio of units that are offered to any qualifying member of the general public in a ratio that is any less than one to one (1:1) with one preferential unit being available for every publicly available unit that is also created. When requested, Coastal shall provide the Town with written documentation identifying how it is conducting this application and selection process and shall include detailed information on its review and qualification of such applications. This information shall also include a detailed list of the individuals selected as preferred tenants of any workforce housing units and the waiting lists, if any, that it may maintain for future units.
- vi. Income Requirements. Within its submitted Plan, Coastal shall identify the Area Median Incomes (“AMI”) applicable to the affordable workforce housing units that it seeks to create under this Agreement. The rental or conveyance of any workforce housing homes created under this Agreement shall not be less than 30% nor greater than 120% of the AMI applicable to Hilton Head Island, South Carolina according to the latest figures available from the United States Department of Housing and Urban Development (HUD) without the express prior written approval by the Town. Additionally, the monthly rental amount to be charged on any unit that is created or acquired under this program shall not exceed thirty percent (30%) of the total household income identified at the time of qualification for such unit.
- vii. Ongoing Affordable Nature of Housing Units. Within its submitted Plan, Coastal shall identify the nature and extent to which the affordable workforce housing units it seeks to create under this Agreement shall be maintained and the duration of time, expressed in years, that it will ensure that the affordability standards for these units are maintained as stated in its submitted Plan. Coastal shall provide the Town with

copies of the restrictive covenants that will be created for these purposes which shall be provided as part of Coastal's annual Plan and Budget submission. Additionally, within the submitted Plan, any units acquired and/or created under this agreement shall be documented as being restricted from use as a short-term rental during any period of time to which the unit is limited to workforce housing purposes.

- viii. Limitations on sale. No units acquired or created under this agreement shall be sold by Coastal without the express written consent of the Town. The net proceeds of any such units that are authorized for sale shall be reinvested into acquiring comparable workforce housing units.
- ix. Annual Report. Coastal shall prepare and submit an annual report to the Town identifying the manner in which any funding that it has received by the Town was utilized, the outcomes that it has created to support the acquisition of workforce housing on Hilton Head Island, and any performance metrics that may be that may be necessary to evaluate the overall effectiveness that this funding has had in addressing workforce housing issues on Hilton Head Island.
- x. Insurance. Coastal shall provide a Certificate of Insurance covering all activities necessary in the carrying out of acquiring real property, and/or during any occupancy of either single and/or multi-family workforce housing units within the municipal boundaries of Hilton Head Island. The Town shall be named as an additional insured within this document. The insurance policies required by this agreement shall include:
 - a. Fire insurance with limits equal to the replacement cost of any structure covered by this agreement, unless already included by regime insurance;
 - b. General liability insurance with limits of no less than \$1million
- xi. Indemnification. Coastal shall defend, indemnify, and hold harmless the Town, its officers, directors, agents, and employees from and against any and all actions, costs, claims, losses, expenses, and/or damages, including attorney's fees, whether incurred prior to the institution of litigation, during litigation, or on appeal arising out of or resulting from the conduct of any activity hereby authorized or the performance of any requirement imposed pursuant by this Agreement, however caused or occasioned, unless caused by the willful misconduct or gross negligence of the Town.

B. Town's Obligations

- i. Staff Support: The Town will provide Coastal with access to its staff to support its activities provided for under this Agreement.
- ii. Processing of Permits. The Town agrees to work with Coastal to expeditiously

process any requests that it may submit for the renovation or repair of any residential units that it acquires or maintains, and the building permits associated with any workforce housing units provided for under this Agreement. We request waiving of any permit fees.

- iii. Release of Funding. The Town will provide any funding authorized to Coastal under this Agreement on a draw down basis. This shall mean that Coastal will submit to the Town documentation establishing satisfactory compliance with all criteria outlined above and only after such documentation has been verified as being sufficient, shall the Town issue funding to Coastal in the amount requested and verified as being compliant with this Memorandum of Understanding.

4. Specific Obligations

Because of the unknown nature of future Plans and Budgets that may be submitted by Coastal, as a condition of any funding that may be awarded to Coastal through the Affiliated Agency funding process, the Town may require additional obligations that shall be consistent with both the Plan and Budget approved by the Town Council. Any such specific obligations will be incorporated via separate agreement and shall identify the nature and scope to which such specific obligations shall apply.

5. Claw Backs and Dissolution

In the event Coastal materially breaches this Agreement, the Town reserves the right to claw back the entirety of the Grant funds, or a portion thereof, that it has provided to Coastal. Additionally, should any funding awarded under this Agreement not be utilized pursuant to the terms and conditions outlined herein, or any additional specific obligations that may be associated with any such award, then Coastal agrees to refund any such funding to the Town upon the receipt of a written demand by the Town to return such funding. We request a 10 year time frame for this restriction.

Should at any time in the future Coastal cease to exist or otherwise operate as a South Carolina nonprofit corporation, Coastal's assets shall be transferred to another similar entity, with the consent of the Town, who shall assume the ownership and responsibilities for the residential units outlined within this agreement and shall continue their occupation, maintenance, and management of these units under the same terms and conditions outlined herein or in any corresponding Plan or Budget that has been approved by the Town Council. Should a sufficient successor organization not be identified, the Town shall have the right to assume the ownership and responsibility for these units under the same terms and conditions outlined herein or in any corresponding Plan or Budget that has been approved by the Town Council.

6. Notices

All notices required under this Memorandum shall be deemed to have been given if in writing and

1. delivered personally; or
2. mailed first class, postage prepaid, to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark.

COASTAL COMMUNITY DEVELOPMENT CORPORATION

Executive Director
1000 Main Street Suite 100-B
Hilton Head Island, South Carolina 29926

TOWN OF HILTON HEAD ISLAND

Town Manager
One Town Center Court
Hilton Head Island, SC 29928

The address of record may be changed by written notice to the other party.

7. Term

The term of this Memorandum of Understanding shall be for a period of five (5) years from the date of its execution. No less than one hundred and eighty (180) days prior to the conclusion of this Memorandum, the Town and Coastal shall meet to discuss any extensions, modifications, or terminations of the same. Changes to this Agreement may be made only with and by the mutual written consent of both Parties. This Agreement and any future requests for funding that are contemplated herein are subject to an annual budget appropriation by the Town Council as part of its Affiliated Agency funding program.

8. Termination

In addition to any other rights of termination set forth in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for the period of time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default. Additionally, either of the Parties may elect to terminate this Agreement for convenience by written notice to the other party, thirty (30) days in advance of such termination.

(SIGNATURE PAGES FOLLOW)

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<https://ccdc-sc.org/>

WHO
We Are



WHAT
we are doing.



Coastal Community Development Corporation Mission

The Coastal Community Development Corporation (CCDC) seeks to increase the availability of homes for our local and regional workforce by preserving existing housing, redeveloping existing property and developing new property to meet the demand of our region while serving working residents.

Mechanisms to Serve Workforce



Targeted rents that serve 50%-150% AMI



Units will be deed restricted in line with funding source requirements



Application process will ensure workers have first access to CCDC owned housing inventory in the community they work in



No short term rentals, i.e. AIR BnB

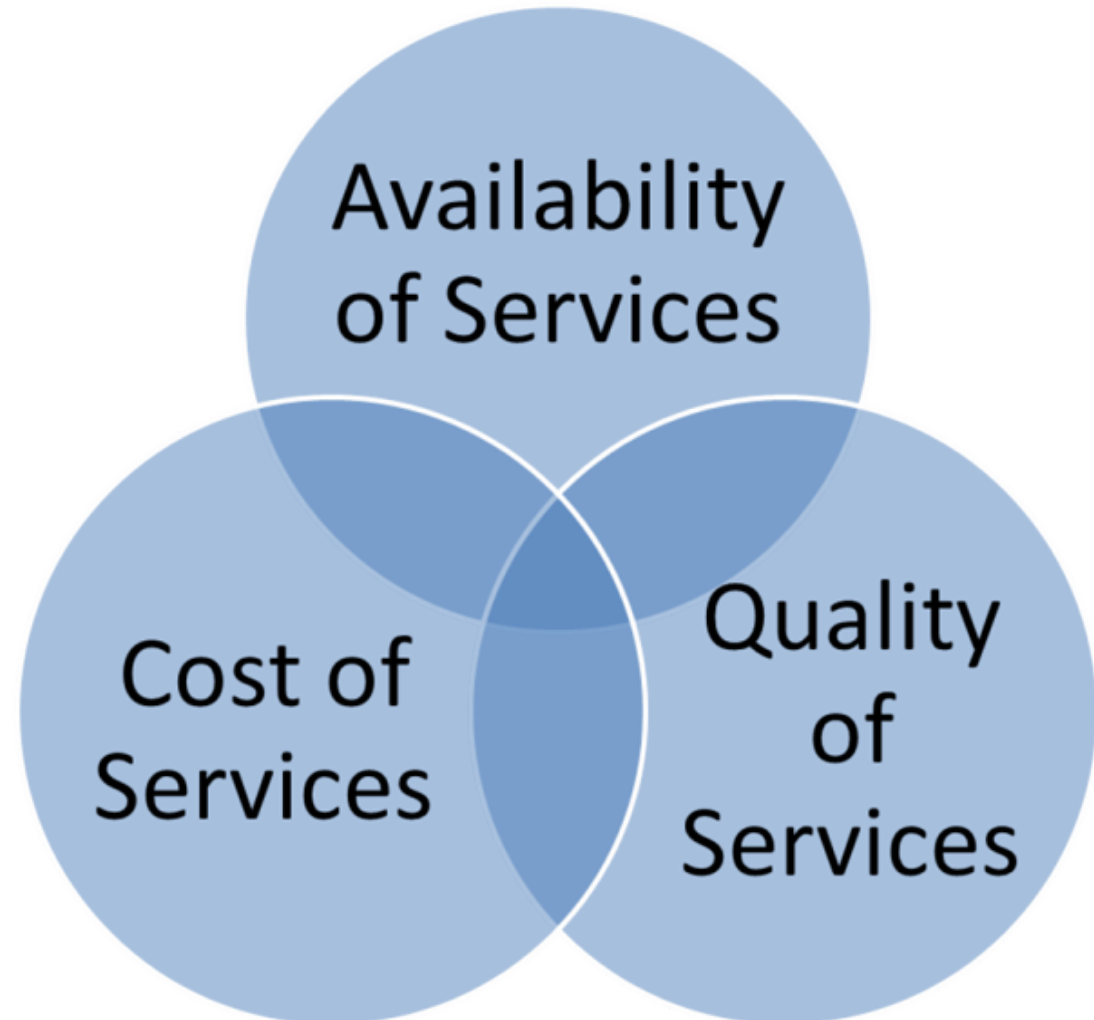


WHY
we are
doing it.

The Challenge:

Resident quality of life on Hilton Head Island and throughout the Lowcountry is at risk due to workforce housing.

Ensuring Resident Quality of Life



Housing Needs Assessment

- Released in April 2018
- Identified the necessary additional rental units in Beaufort County markets
- Broke out 2017-2022 and 2017- 2027 targets

Beaufort County, South Carolina Housing Needs Assessment



FINAL

Prepared For:

Beaufort County Purchasing Department
106 Industrial Village Road, Building #2
Beaufort, SC 29906-4291

Prepared By:

Bowen National Research
Author: Patrick M. Bowen, President
155 E. Columbus Street, Ste. 220
Pickerington, Ohio 43147
(614) 833-9300
patrickb@bowennational.com

Effective Date

April 6, 2018
Revised: May 24, 2018

Town of Hilton Head

Rental Units Needed	2017-2022	2017-2027
<\$20K/rent <\$500	138	152
\$20K-\$24K/rent \$500-\$874	88	29
\$35K-\$59K/rent \$875-\$1,474	494	733
\$60K-\$84K/rent \$1,475-\$2,099	446	706
\$85K+/rent \$2,100+	449	715

1,615 2,335

Town of Bluffton

Rental Units Needed	2017-2022	2017-2027
<\$20K/rent <\$500	16	11
\$20K-\$24K/rent \$500-\$874	78	105
\$35K-\$59K/rent \$875-\$1,474	228	317
\$60K-\$84K/rent \$1,475-\$2,099	281	432
\$85K+/rent \$2,100+	188	309

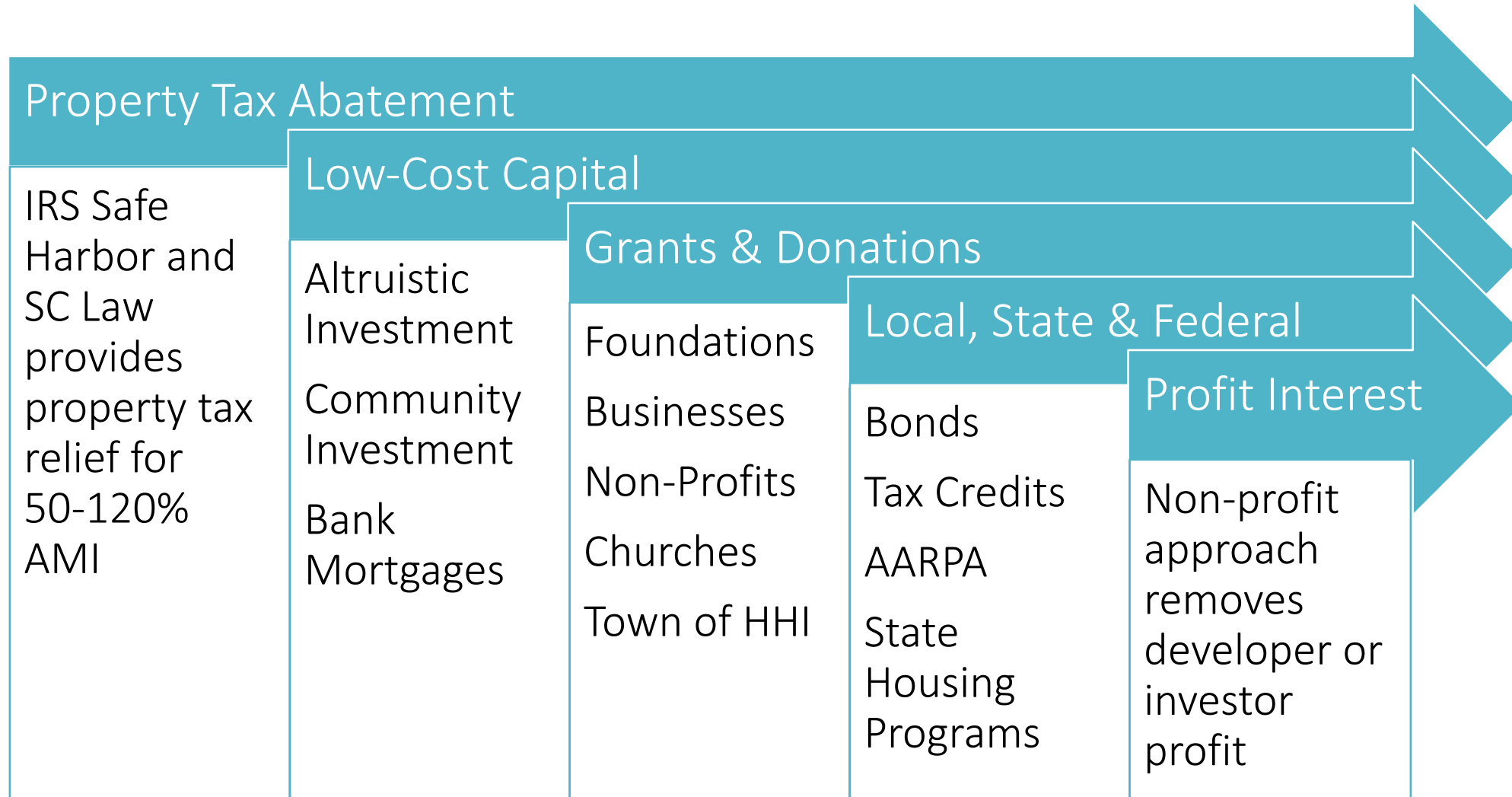
791 1,174

These numbers cannot be attained through development alone and require an alternative approach.



HOW
we are
doing it.

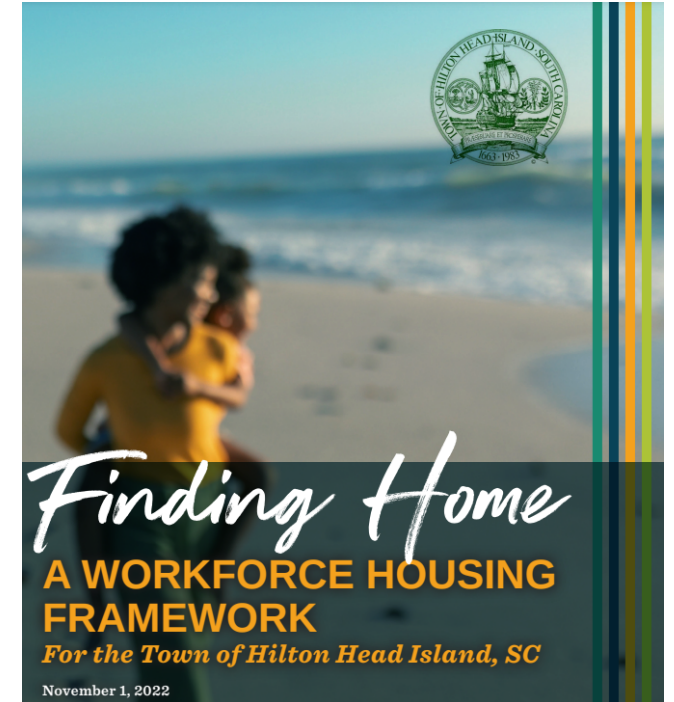
Cost Curve Bending Strategies



CCDC Phased Approach

Phase One – 13 Units on Hilton Head Island

- Submitted formal request for \$600K of funds
- Targeting 13 units on Hilton Head Island
- \$3.0m total budget for acquisition



Phase 1 Details: Hilton Head Island

	MLS	Community	Address	Address 2	BR	Full Bath	Half Bath	Year Built	List Price	Sale Price	Down Payment 40%	Mortgage 60%	Annual Loan Payment P&I
1	432932	The Oaks	400 Wm Hltn Pkwy	#4	1	1	0		\$ 175,000.00	\$ 166,250.00	\$ 66,500.00	\$ 99,750.00	\$6,425.75
2	431720	Marsh Side	5 Gumtree Rd	#D8	1	1	0	1984	\$ 224,000.00	\$ 212,800.00	\$ 85,120.00	\$ 127,680.00	\$8,224.97
3	430181	Woodlake	96 Mathews Dr #216	#452B	2	2	1	1982	\$ 230,000.00	\$ 218,500.00	\$ 87,400.00	\$ 131,100.00	\$8,445.28
4	430729	Woodlake	96 Mathews Dr #207	#324B	2	2	0	1982	\$ 275,000.00	\$ 261,250.00	\$ 104,500.00	\$ 156,750.00	\$10,097.61
5	431526	Woodlake	96 Mathews Dr #74	#240C	2	2	1	1982	\$ 230,000.00	\$ 218,500.00	\$ 87,400.00	\$ 131,100.00	\$8,445.28
6	431692	Woodlake	96 Mathews Dr #45	#016B	2	2	0	1982	\$ 230,000.00	\$ 218,500.00	\$ 87,400.00	\$ 131,100.00	\$8,445.28
7	432325	Cotton Hope	155 Dillon Road #242	#2427	2	2	1	1979	\$ 249,000.00	\$ 236,550.00	\$ 94,620.00	\$ 141,930.00	\$9,142.93
8	430215	Cordillo Courts	104 Cordillo Pkwy	#B5	2	1	1	1979	\$ 224,000.00	\$ 212,800.00	\$ 85,120.00	\$ 127,680.00	\$8,224.97
9	432685	Woodlake	96 Mathews Dr #154	#217A	2	2	0	1982	\$ 225,600.00	\$ 214,320.00	\$ 85,728.00	\$ 128,592.00	\$8,283.72
10	432978	Woodlake	96 Mathews Dr #114	#245C	2	2	0	1982	\$ 239,900.00	\$ 227,905.00	\$ 91,162.00	\$ 136,743.00	\$8,808.79
11	431351	Forest Cove	110 Broad Creek Land	#110	2	2	0		\$ 255,000.00	\$ 242,250.00	\$ 96,900.00	\$ 145,350.00	\$9,363.24
12	433238	Forest Cove	110 Broad Creek Land	#41	2	2	0		\$ 285,000.00	\$ 270,750.00	\$ 108,300.00	\$ 162,450.00	\$10,464.80
13	432113	Marsh Side	5 Gumtree Rd	#M-17	2	2	0	1984	\$ 295,000.00	\$ 280,250.00	\$ 112,100.00	\$ 168,150.00	\$10,831.99
					24				\$ 3,137,500.00	\$ 2,980,625.00	\$ 1,192,250.00	\$ 1,788,375.00	\$115,204.60

	MLS	Community	Address	Monthly Regime	Annual Regime	Proposed Monthly Rent	Annual Gross Rent	Rent/BR	MAX AMI	# In Family	Annual MGT Fee 10%
1	432932	The Oaks	400 Wm Hltn Pkwy	\$ 309.00	\$ 3,708.00	\$ 1,383.00	\$ 16,596.00	\$ 1,383.00	80%	1	\$ 1,659.60
2	431720	Marsh Side	5 Gumtree Rd	\$ 452.00	\$ 5,424.00	\$ 1,605.00	\$ 19,260.00	\$ 1,605.00	80%	2	\$ 1,926.00
3	430181	Woodlake	96 Mathews Dr #216	\$ 619.00	\$ 7,428.00	\$ 938.00	\$ 11,256.00	\$ 469.00	50%	2	\$ 1,125.60
4	430729	Woodlake	96 Mathews Dr #207	\$ 619.00	\$ 7,428.00	\$ 1,041.00	\$ 12,492.00	\$ 520.50	50%	3	\$ 1,249.20
5	431526	Woodlake	96 Mathews Dr #74	\$ 619.00	\$ 7,428.00	\$ 1,179.00	\$ 14,148.00	\$ 589.50	50%	4	\$ 1,414.80
6	431692	Woodlake	96 Mathews Dr #45	\$ 619.00	\$ 7,428.00	\$ 1,234.00	\$ 14,808.00	\$ 617.00	50%	5	\$ 1,480.80
7	432325	Cotton Hope	155 Dillon Road #2427	\$ 410.00	\$ 4,920.00	\$ 1,600.00	\$ 19,200.00	\$ 800.00	80%	2	\$ 1,920.00
8	430215	Cordillo Courts	104 Cordillo Pkwy	\$ 395.00	\$ 4,740.00	\$ 1,700.00	\$ 20,400.00	\$ 850.00	80%	3	\$ 2,040.00
9	432685	Woodlake	96 Mathews Dr #154	\$ 619.00	\$ 7,428.00	\$ 2,000.00	\$ 24,000.00	\$ 1,000.00	80%	4	\$ 2,400.00
10	432978	Woodlake	96 Mathews Dr #114	\$ 619.00	\$ 7,428.00	\$ 2,100.00	\$ 25,200.00	\$ 1,050.00	80%	5	\$ 2,520.00
11	431351	Forest Cove	110 Broad Creek Landir	\$ 402.00	\$ 4,824.00	\$ 2,400.00	\$ 28,800.00	\$ 1,200.00	120%	2	\$ 2,880.00
12	433238	Forest Cove	110 Broad Creek Landir	\$ 402.00	\$ 4,824.00	\$ 2,600.00	\$ 31,200.00	\$ 1,300.00	120%	3	\$ 3,120.00
13	432113	Marsh Side	5 Gumtree Rd	\$ 477.00	\$ 5,724.00	\$ 2,800.00	\$ 33,600.00	\$ 1,400.00	120%	4	\$ 3,360.00
				\$ 6,561.00	\$ 78,732.00	\$ 22,580.00	\$ 270,960.00				\$ 27,096.00

Sample of MLS listings of for sale units on Hilton Head Island over past 6 months.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Phase 1 Hilton Head 13 Unit Model														
2					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
3	Cash Receipts														
4		Gross Rent	Increase	4.17%	\$ 240,853	\$ 282,259	\$ 294,029	\$ 306,290	\$ 319,063	\$ 332,367	\$ 346,227	\$ 360,665	\$ 375,705	\$ 391,371	
5		Interest on Available Cash		2.00%		\$ -	\$ 142	\$ 200	\$ 168	\$ 223	\$ 368	\$ 608	\$ 947	\$ 1,390	
6	Total Cash Receipts				\$ 240,853	\$ 282,259	\$ 294,171	\$ 306,490	\$ 319,231	\$ 332,590	\$ 346,595	\$ 361,273	\$ 376,652	\$ 392,762	
7															
8	Cash Disbursements for Expenses														
9		MGT Fee	Fixed	10.00%	\$ 24,085	\$ 28,226	\$ 29,403	\$ 30,629	\$ 31,906	\$ 33,237	\$ 34,623	\$ 36,066	\$ 37,570	\$ 39,137	
10		CCDC Admin Fee	Fixed	2.00%	\$ 4,817	\$ 5,645	\$ 5,881	\$ 6,126	\$ 6,381	\$ 6,647	\$ 6,925	\$ 7,213	\$ 7,514	\$ 7,827	
11		Repairs & Maintenance	Fixed	12.00%	\$ 7,226	\$ 16,936	\$ 26,463	\$ 36,755	\$ 38,288	\$ 39,884	\$ 41,547	\$ 43,280	\$ 45,085	\$ 46,965	
12		(Y1@3%, Y2@6%, Y3@9%, Y4-Y10@12%)													
13		Owners Insurance Units	Increase	7.50%	\$ 8,436	\$ 9,069	\$ 9,749	\$ 10,480	\$ 11,266	\$ 12,111	\$ 13,019	\$ 13,996	\$ 15,045	\$ 16,174	
14		Regime	Increase	5.00%	\$ 78,732	\$ 82,669	\$ 86,802	\$ 91,142	\$ 95,699	\$ 100,484	\$ 105,508	\$ 110,784	\$ 116,323	\$ 122,139	
15		Principal & Interest Payment	Rate	5.00%	\$ 99,451	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	\$ 115,205	
16	Total Cash Disbursements for Expenses				\$ 222,747	\$ 257,749	\$ 273,502	\$ 290,336	\$ 298,745	\$ 307,568	\$ 316,827	\$ 326,544	\$ 336,742	\$ 347,447	
18	Cash Flow				\$ 18,106	\$ 24,511	\$ 20,670	\$ 16,154	\$ 20,486	\$ 25,022	\$ 29,768	\$ 34,729	\$ 39,910	\$ 45,315	\$ 274,669
20	Return to Investors (Annual Distribution at Year End)				3.00%	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 17,760	\$ 177,600
22	Net Available Cash After Return to Investors				\$ 346	\$ 7,096	\$ 10,006	\$ 8,400	\$ 11,126	\$ 18,388	\$ 30,396	\$ 47,365	\$ 69,514	\$ 97,069	
24	Principal Paydown				\$ 26,918	\$ 28,263	\$ 29,677	\$ 31,160	\$ 32,719	\$ 34,354	\$ 36,072	\$ 37,876	\$ 39,770	\$ 41,758	\$ 338,567
27	Housing Unit Appreciation				20 yr avg	4.17%	\$ 124,292	\$ 129,475	\$ 134,874	\$ 140,498	\$ 146,357	\$ 152,460	\$ 158,818	\$ 165,441	\$ 1,504,081

Phase 1 HHI 13 Unit Model

Phase 1 HHI 13 Unit Model

Source of Funds			
	Town of Hilton Head	\$	600,000
	Investors (CFL)	\$	592,000
	Bank Loan	\$	1,788,375
	Total	\$	2,980,375
Recapitalization Table at End of Year 10	Original Loan	\$	1,788,375
	Plus:		
	Principal Return to Investor	\$	600,000
	Appreciation Return to Investor	\$	131,397
	Less:		
	Principal Paydown	\$	(338,567)
	Available Cash	\$	(97,069)
	New Loan for Years 11-20	\$	2,084,135
Max Loan Amount End of Year 10 that Year 11 Can Find & Maintain Positive Cash Flow (Maintaining Working Capital Minimum of \$20K in Year 11)			\$ 2,200,000



- Matching Grant of \$100,000 from CFL along with \$125,000 in donations has provided administrative operating funds for first year.
- Closed on 3 units on Hilton Head Island
 - Two Woodlake 2 Bedroom Units
 - One Marshside 1 Bedroom Unit

[Tenant Testimonial Video](#)

WHAT
we have
accomplished.



Take a leadership role in our region by supporting our effort with grant request of \$600,000 to facilitate Phase 1 on HHI.

WHERE
do you fit in?

Why Partner with ?

- Immediate Preservation of Workforce Housing
- Strategy Supports Growth Management
- 99 Year Covenants Tied to AMI
- Prioritizes Home Ownership
- Community Solution



Long Cove Resident Altruistic Capital Model with Town Funds

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Cash Receipts	Initial Grant													
	Gross Rent	Increase	5.00%	\$ 250,644	\$ 263,176	\$ 276,335	\$ 290,152	\$ 304,659	\$ 319,892	\$ 335,887	\$ 352,681	\$ 370,315	\$ 388,831	
	Less Vacancies		5.00%	\$ 12,532	\$ 13,159	\$ 13,817	\$ 14,508	\$ 15,233	\$ 15,995	\$ 16,794	\$ 17,634	\$ 18,516	\$ 19,442	
	Net Rent			\$ 238,112	\$ 250,017	\$ 262,518	\$ 275,644	\$ 289,426	\$ 303,898	\$ 319,093	\$ 335,047	\$ 351,800	\$ 369,390	
Cash Disbursements for Expenses														
	MGT Fee	Fixed	8.00%	\$ 19,049	\$ 20,001	\$ 21,001	\$ 22,052	\$ 23,154	\$ 24,312	\$ 25,527	\$ 26,804	\$ 28,144	\$ 29,551	
	CCDC Admin Fee	Fixed	2.00%	\$ 4,762	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,789	\$ 6,078	\$ 6,382	\$ 6,701	\$ 7,036	\$ 7,388	
	Repairs & Maintenance	Fixed	12.00%	\$ 7,519	\$ 15,791	\$ 24,870	\$ 34,818	\$ 36,559	\$ 38,387	\$ 40,306	\$ 42,322	\$ 44,438	\$ 46,660	
	(Y1@3%, Y2@6%, Y3@9%, Y4-Y20@12%)													
	Owners Insurance Units	Increase	7.50%	\$ 8,436	\$ 9,069	\$ 9,749	\$ 10,480	\$ 11,266	\$ 12,111	\$ 13,019	\$ 13,996	\$ 15,045	\$ 16,174	
	Regime (10% Y2-3/5% Y4-20)	Increase	5.00%	\$ 78,753	\$ 86,628	\$ 95,291	\$ 100,056	\$ 105,058	\$ 110,311	\$ 115,827	\$ 121,618	\$ 127,699	\$ 134,084	
	Loan Origination Fee		1.00%	\$ 7,531										
	Principal & Interest Payment			\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$78,877	\$ 788,768
Total Cash Disbursements for Expenses				\$ 204,928	\$ 215,366	\$ 235,039	\$ 251,795	\$ 260,703	\$ 270,076	\$ 279,939	\$ 290,317	\$ 301,239	\$ 312,733	
Cash Flow				\$ 33,184	\$ 34,651	\$ 27,480	\$ 23,849	\$ 28,723	\$ 33,822	\$ 39,154	\$ 44,730	\$ 50,560	\$ 56,656	\$ 372,810
Return to Investors (Annual Distribution at Year End)	\$ 27,263		3.00%	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 27,263	\$ 299,889
Net Available Cash After Return to Investors				\$ 5,922	\$ 13,310	\$ 13,527	\$ 10,114	\$ 11,574	\$ 18,133	\$ 30,025	\$ 47,492	\$ 70,790	\$ 100,183	

Source of Funds	Total Purchase Price	\$ 2,546,888
	Municipal Grant	\$ 600,000
	Donations	\$ 110,000
	Altruistic Capital	\$ 908,755
	Owner Financed Loans	\$ 285,000
	Bank Loans	\$ 753,133
	Total	\$ 2,656,888
Recapitalization Table at End of Year 10	Original Loan	\$ 1,038,133
	Plus:	
	Principal Return to Investors	\$ 908,755
	Less:	
	Principal Paydown:	
	Owner Financed Loan	\$ (24,928)
	Bank Loan	\$ (164,518)
	Total Principal Paydown	\$ (189,446)
	Available Cash	\$ (100,183)
	New Loan for Years 11-20	\$ 1,657,259

	Community	BR	Full Bath	Half Bath	Purchase Price	Monthly Regime	Annual Regime	Monthly Rent	Annual Gross Rent	MAX AMI	# In Household
1	Woodlake	2	2	0	\$ 207,000	\$ 619	\$ 7,428	\$ 1,500	\$ 18,000	80%	4
2	Woodlake	2	2	0	\$ 197,328	\$ 619	\$ 7,428	\$ 1,600	\$ 19,200	80%	4
3	Marsh Side	1	1	0	\$ 208,545	\$ 452	\$ 5,424	\$ 1,600	\$ 19,200	80%	1
4	Woodlake	2	2	1	\$ 185,000	\$ 619	\$ 7,428	\$ 1,650	\$ 19,800	80%	3
5	The Hedges	2	1	1	\$ 235,000	\$ 728	\$ 8,736	\$ 2,000	\$ 24,000	80%	4
6	The Hedges	2	1	1	\$ 240,000	\$ 728	\$ 8,736	\$ 2,000	\$ 24,000	80%	4
7	The Oaks	2	1	1	\$ 254,283	\$ 431	\$ 5,169	\$ 2,300	\$ 27,600	120%	2
8	Palmetto Bay Villas	2	1		\$ 253,000	\$ 295	\$ 3,540	\$ 2,400	\$ 28,800	120%	3
9	Broad Creek Landing	2	2	0	\$ 239,575	\$ 402	\$ 4,824	\$ 2,300	\$ 27,600	120%	2
10	Woodlake	2	2	1	\$ 175,750	\$ 619	\$ 7,428	\$ 1,179	\$ 14,148	50%	4
11	Woodlake	2	2	1	\$ 166,500	\$ 619	\$ 7,428	\$ 1,179	\$ 14,148	50%	4
12	Cotton Hope	2	2	1	\$ 184,908	\$ 432	\$ 5,184	\$ 1,179	\$ 14,148	50%	4
		23			\$ 2,546,888	\$ 6,563	\$ 78,753	\$ 20,887	\$ 250,644		

CCDC Rent Calculations
Based on 2022 Beaufort County Area Median Income

Income Classification	Gross Income		Rental Housing @ 30% with utilities	Utilities Allowance HUD Rates SFH all Electric	Monthly Rent @30% before adding utilities	Rental Housing @ 30% with utilities	Utilities Allowance HUD Rates SFH all Electric	Monthly Rent @30% before adding utilities
Household of 1	Annual	Monthly	1 bedroom					
50% AMI= very low	\$ 39,000	\$ 3,250	\$ 975	\$ 176	\$ 799			
80% AMI= low	\$ 62,350	\$ 5,196	\$ 1,559	\$ 176	\$ 1,383			
100% AMI= median	\$ 77,950	\$ 6,496	\$ 1,949	\$ 176	\$ 1,773			
120% AMI= moderate	\$ 93,540	\$ 7,795	\$ 2,339	\$ 176	\$ 2,163			
150% AMI= high	\$ 116,925	\$ 9,744	\$ 2,923	\$ 176	\$ 2,747			
Household of 2	Annual	Monthly	1 bedrooms			2 bedrooms		
50% AMI= very low	\$ 44,550	\$ 3,713	\$ 1,114	\$ 176	\$ 938	\$ 1,114	\$ 212	\$ 902
80% AMI= low	\$ 71,250	\$ 5,938	\$ 1,781	\$ 176	\$ 1,605	\$ 1,781	\$ 212	\$ 1,569
100% AMI= median	\$ 89,050	\$ 7,421	\$ 2,226	\$ 176	\$ 2,050	\$ 2,226	\$ 212	\$ 2,014
120% AMI= moderate	\$ 106,860	\$ 8,905	\$ 2,672	\$ 176	\$ 2,496	\$ 2,672	\$ 212	\$ 2,460
150% AMI= high	\$ 133,575	\$ 11,131	\$ 3,339	\$ 176	\$ 3,163	\$ 3,339	\$ 212	\$ 3,127
Household of 3	Annual	Monthly	2 bedrooms			3 bedrooms		
50% AMI= very low	\$ 50,100	\$ 4,175	\$ 1,253	\$ 212	\$ 1,041	\$ 1,253	\$ 270	\$ 983
80% AMI= low	\$ 80,150	\$ 6,679	\$ 2,004	\$ 212	\$ 1,792	\$ 2,004	\$ 270	\$ 1,734
100% AMI= median	\$ 100,200	\$ 8,350	\$ 2,505	\$ 212	\$ 2,293	\$ 2,505	\$ 270	\$ 2,235
120% AMI= moderate	\$ 120,240	\$ 10,020	\$ 3,006	\$ 212	\$ 2,794	\$ 3,006	\$ 270	\$ 2,736
150% AMI= high	\$ 150,300	\$ 12,525	\$ 3,758	\$ 212	\$ 3,546	\$ 3,758	\$ 270	\$ 3,488
Household of 4	Annual	Monthly	2 bedrooms			3 bedrooms		
50% AMI= very low	\$ 55,650	\$ 4,638	\$ 1,391	\$ 212	\$ 1,179	\$ 1,391	\$ 270	\$ 1,121
80% AMI= low	\$ 89,050	\$ 7,421	\$ 2,226	\$ 212	\$ 2,014	\$ 2,226	\$ 270	\$ 1,956
100% AMI= median	\$ 111,300	\$ 9,275	\$ 2,783	\$ 212	\$ 2,571	\$ 2,783	\$ 270	\$ 2,513
120% AMI= moderate	\$ 133,560	\$ 11,130	\$ 3,339	\$ 212	\$ 3,127	\$ 3,339	\$ 270	\$ 3,069
150% AMI= high	\$ 166,950	\$ 13,913	\$ 4,174	\$ 212	\$ 3,962	\$ 4,174	\$ 270	\$ 3,904

CCDC Rent Calculations
Based on 2022 Beaufort County Area Median Income

Income Classification	Gross Income		Rental Housing @ 30% with utilities	Utilities Allowance HUD Rates SFH all Electric	Monthly Rent @30% before adding utilities	Rental Housing @ 30% with utilities	Utilities Allowance HUD Rates SFH all Electric	Monthly Rent @30% before adding utilities
Household of 5	Annual	Monthly	3 bedrooms			4 bedrooms		
50% AMI= very low	\$ 60,150	\$ 5,013	\$ 1,504	\$ 270	\$ 1,234	\$ 1,504	\$ 313	\$ 1,191
80% AMI= low	\$ 96,200	\$ 8,017	\$ 2,405	\$ 270	\$ 2,135	\$ 2,405	\$ 313	\$ 2,092
100% AMI= median	\$ 120,250	\$ 10,021	\$ 3,006	\$ 270	\$ 2,736	\$ 3,006	\$ 313	\$ 2,693
120% AMI= moderate	\$ 144,300	\$ 12,025	\$ 3,608	\$ 270	\$ 3,338	\$ 3,608	\$ 313	\$ 3,295
150% AMI= high	\$ 180,375	\$ 15,031	\$ 4,509	\$ 270	\$ 4,239	\$ 4,509	\$ 313	\$ 4,196

Household of 6	Annual	Monthly	4 bedrooms			5 bedrooms		
50% AMI= very low	\$ 64,600	\$ 5,383	\$ 1,615	\$ 313	\$ 1,302	\$ 1,615	\$ 364	\$ 1,251
80% AMI= low	\$ 103,300	\$ 8,608	\$ 2,583	\$ 313	\$ 2,270	\$ 2,583	\$ 364	\$ 2,219
100% AMI= median	\$ 129,150	\$ 10,763	\$ 3,229	\$ 313	\$ 2,916	\$ 3,229	\$ 364	\$ 2,865
120% AMI= moderate	\$ 154,980	\$ 12,915	\$ 3,875	\$ 313	\$ 3,562	\$ 3,875	\$ 364	\$ 3,511
150% AMI= high	\$ 193,725	\$ 16,144	\$ 4,843	\$ 313	\$ 4,530	\$ 4,843	\$ 364	\$ 4,479

Household of 7	Annual	Monthly	5 bedrooms		
50% AMI= very low	\$ 69,050	\$ 5,754	\$ 1,726	\$ 364	\$ 1,362
80% AMI= low	\$ 110,450	\$ 9,204	\$ 2,761	\$ 364	\$ 2,397
100% AMI= median	\$ 138,050	\$ 11,504	\$ 3,451	\$ 364	\$ 3,087
120% AMI= moderate	\$ 165,660	\$ 13,805	\$ 4,142	\$ 364	\$ 3,778
150% AMI= high	\$ 207,075	\$ 17,256	\$ 5,177	\$ 364	\$ 4,813

Household of 8	Annual	Monthly	5 bedrooms		
50% AMI= very low	\$ 73,500	\$ 6,125	\$ 1,838	\$ 364	\$ 1,474
80% AMI= low	\$ 117,550	\$ 9,796	\$ 2,939	\$ 364	\$ 2,575
100% AMI= median	\$ 146,950	\$ 12,246	\$ 3,674	\$ 364	\$ 3,310
120% AMI= moderate	\$ 176,340	\$ 14,695	\$ 4,409	\$ 364	\$ 4,045
150% AMI= high	\$ 220,425	\$ 18,369	\$ 5,511	\$ 364	\$ 5,147

Utility Allowances are based on all electric single family home

Coastal Community Development Corporation

Workforce Housing Rental Qualifications, Occupancy & Use and Application Guidelines

Key Points

Qualifications

- CCDC owned properties have an income limit of 150% of AMI
- No Asset limits
- One person in the household must work full-time for a Local Business (see definition below) (1,560 hours per year - an average of 30 hours/week)
- 75% of total household's income must be earned from a Local Business (see definition below) at time of rental and during occupancy
- May not own residential real estate within 50 miles of Beaufort County, South Carolina

Occupancy & Use

- There is no minimum household size for Workforce units.
- May not sublet/rent any rooms in the home or the home without prior approval of the CCDC.
- Must occupy the home for 80% of the lease term.
- Rental units must not be owner occupied and must remain rental units

Rental Preferences

- First priority is given to eligible households that have been or will be involuntarily displaced from the municipality or unincorporated county in which they resided or reside and work at a Local Business in, in which the available unit is located.
- Second priority is given to eligible households that work for CCDC financial partners.
- Third priority is given to eligible households that reside and work at a Local Business within the municipality or unincorporated county in which the available unit is located.
- Fourth priority is given to eligible households that work at a Local Business within the municipality or unincorporated county in which the available unit is located.
- Fifth priority is given to eligible households that reside and work at a Local Business within Beaufort or Jasper County, South Carolina.
- Sixth priority is given to eligible households that work at a Local Business within Beaufort or Jasper County, South Carolina.

Rental Process

- All tenants of Workforce rentals are selected by the CCDC via application process.
 - Application includes income qualification and Local Business work history documentation and proof thereof.
- Rental rates are capped at pre-determined rates tied to household size and Area Median Income of the county in which the property resides in.
 - For CCDC owned or managed units rental rates are capped at 150% of AMI.
- Units may not remain vacant for more than 60 days.
- The CCDC must qualify the household at time of application and requalify the household annually.
- The CCDC must keep verification records of tenants who qualify for at least 3 years.
- Income limits by household size and AMI used for qualification are listed below.

CCDC Workforce Housing Income Limits Based on 2022 Beaufort County AMI									
# In Family		1	2	3	4	5	6	7	8
Income Limit	50%	\$ 30,350.00	\$ 34,700.00	\$ 39,050.00	\$ 43,350.00	\$ 46,850.00	\$ 50,300.00	\$ 53,800.00	\$ 57,250.00
Monthly Income		\$ 2,529.17	\$ 2,891.67	\$ 3,254.17	\$ 3,612.50	\$ 3,904.17	\$ 4,191.67	\$ 4,483.33	\$ 4,770.83
Monthly Rent		\$ 758.75	\$ 867.50	\$ 976.25	\$ 1,083.75	\$ 1,171.25	\$ 1,257.50	\$ 1,345.00	\$ 1,431.25
Income Limit	80%	\$ 48,550.00	\$ 55,500.00	\$ 62,450.00	\$ 69,350.00	\$ 74,900.00	\$ 80,450.00	\$ 86,000.00	\$ 91,550.00
Monthly Income		\$ 4,045.83	\$ 4,625.00	\$ 5,204.17	\$ 5,779.17	\$ 6,241.67	\$ 6,704.17	\$ 7,166.67	\$ 7,629.17
Monthly Rent		\$ 1,213.75	\$ 1,387.50	\$ 1,561.25	\$ 1,733.75	\$ 1,872.50	\$ 2,011.25	\$ 2,150.00	\$ 2,288.75
Income Limit	100%	\$ 60,700.00	\$ 69,400.00	\$ 78,100.00	\$ 86,700.00	\$ 93,700.00	\$ 100,600.00	\$ 107,600.00	\$ 114,500.00
Monthly Income		\$ 5,058.33	\$ 5,783.33	\$ 6,508.33	\$ 7,225.00	\$ 7,808.33	\$ 8,383.33	\$ 8,966.67	\$ 9,541.67
Monthly Rent		\$ 1,517.50	\$ 1,735.00	\$ 1,952.50	\$ 2,167.50	\$ 2,342.50	\$ 2,515.00	\$ 2,690.00	\$ 2,862.50
Income Limit	120%	\$ 72,840.00	\$ 83,280.00	\$ 93,720.00	\$ 104,040.00	\$ 112,440.00	\$ 120,720.00	\$ 129,120.00	\$ 137,400.00
Monthly Income		\$ 6,070.00	\$ 6,940.00	\$ 7,810.00	\$ 8,670.00	\$ 9,370.00	\$ 10,060.00	\$ 10,760.00	\$ 11,450.00
Monthly Rent		\$ 1,821.00	\$ 2,082.00	\$ 2,343.00	\$ 2,601.00	\$ 2,811.00	\$ 3,018.00	\$ 3,228.00	\$ 3,435.00
Income Limit	150%	\$ 91,050.00	\$ 104,100.00	\$ 117,150.00	\$ 130,050.00	\$ 140,550.00	\$ 150,900.00	\$ 161,400.00	\$ 171,750.00
Monthly Income		\$ 7,587.50	\$ 8,675.00	\$ 9,762.50	\$ 10,837.50	\$ 11,712.50	\$ 12,575.00	\$ 13,450.00	\$ 14,312.50
Monthly Rent		\$ 2,276.25	\$ 2,602.50	\$ 2,928.75	\$ 3,251.25	\$ 3,513.75	\$ 3,772.50	\$ 4,035.00	\$ 4,293.75
Income Limit	180%	\$ 109,260.00	\$ 124,920.00	\$ 140,580.00	\$ 156,060.00	\$ 168,660.00	\$ 181,080.00	\$ 193,680.00	\$ 206,100.00
Monthly Income		\$ 9,105.00	\$ 10,410.00	\$ 11,715.00	\$ 13,005.00	\$ 14,055.00	\$ 15,090.00	\$ 16,140.00	\$ 17,175.00
Monthly Rent		\$ 2,731.50	\$ 3,123.00	\$ 3,514.50	\$ 3,901.50	\$ 4,216.50	\$ 4,527.00	\$ 4,842.00	\$ 5,152.50
Income Limit	200%	\$ 121,400.00	\$ 138,800.00	\$ 156,200.00	\$ 173,400.00	\$ 187,400.00	\$ 201,200.00	\$ 215,200.00	\$ 229,000.00
Monthly Income		\$ 10,116.67	\$ 11,566.67	\$ 13,016.67	\$ 14,450.00	\$ 15,616.67	\$ 16,766.67	\$ 17,933.33	\$ 19,083.33
Monthly Rent		\$ 3,035.00	\$ 3,470.00	\$ 3,905.00	\$ 4,335.00	\$ 4,685.00	\$ 5,030.00	\$ 5,380.00	\$ 5,725.00

Local Business Definition

To qualify as a Local Business, the business must meet all of 'A' below or all of 'B'.

- A.) (1) a business physically located within Beaufort or Jasper County, South Carolina, holding a business license with the Town of Hilton Head Island, Town of Bluffton, Town of Port Royal, Town of Hardeeville, Beaufort County or Jasper County, South Carolina or one that can provide other verification of business status physically located in Beaufort or Jasper County, South Carolina, and
 (2) A minimum of seventy-five percent (75%) of the business' clients or customers are physically

located in Beaufort or Jasper County, South Carolina, and (3) the employees/owners must work in Beaufort or Jasper County, South Carolina to perform their job.

Or

B.) A business physically located in Beaufort or Jasper County, South Carolina who employs two or more Qualified Employees, which qualified employees must work in Beaufort or Jasper County, South Carolina to perform their job.

State Accommodations Tax for Workforce Housing Critical Path

Housing Impact Analysis Adoption/Comprehensive Plan Amendment

December 17, 2023: Legal ad in newspaper posting deadline.
December 18, 2023: Housing Impact Analysis transmitted to all required entities.
January 17, 2024: Planning Commission Public Hearing.
February 8, 2024: Public Planning Committee meeting.
February 20, 2024: Town Council Meeting on MOU
March 5, 2024: Town Council 1st Reading of Ordinance.*
March 19, 2024: Town Council 2nd Reading of Ordinance.*^

**First and second reading of the budget amendment ordinance to appropriate the available state a-tax funds could be done contemporaneously with both first and second reading of the Comprehensive Plan amendment.*

FY24-25 Affiliated Agency Timeline

January 2, 2024: Affiliated Agency Applications are posted/distributed.
January 31, 2024: Affiliated Agency Application Submissions are due.
March 12, 2024: Affiliated Agency Presentations to the Finance and Administration Committee.
April 16, 2024: Finance and Administration Committee Recommendations to Town Council.
May 7, 2024: Town Council 1st Reading of Budget Ordinance.
June 4, 2024: Town Council 2nd Reading of Budget Ordinance.

Town of Hilton Head Island			
Calculation of State Accommodations Taxes (ATAX) & Available Funds			
As of January 16, 2024			
SC ATAX Funds Available on July 1, 2022, less 2023 ATAX Grant Requests			1,139,792
	FY23 ATAX Collections	13,344,903	
	FY23 Interest Earnings	371,636	
		13,716,539	
Total FY23 Available ATAX Funds Before Distributions			14,856,331
FY23 Required Distributions			
	General Fund	(25,000)	
	DMO 30% (after first \$25k)	(3,995,971)	
	General Fund 5%	(665,995.00)	
	Subtotal Required Distributions	(4,686,966)	
Town Council Allocations in the FY 2024 Budget:			
	General Fund Operations Budgets 2024	(3,515,021)	
	Capital Improvements Budget 2024	(3,000,000)	
	Total Town Council Allocations	(6,515,021)	
2024 ATAX Grant Application Awards		(4,282,328)	
FY24 Expected Activity (July - December 2023)			
FY24 State ATAX Revenues - July-September 2023 (Actual)		5,148,616	
FY24 State ATAX Revenues - October-December 2023 (Forecast)		1,612,716	
FY24 ATAX Revenue Interest Earnings - July-December 2023 (Actual)		284,359	
Total FY24 Revenues (July-December 2023)		7,045,691	
FY24 Required Distributions (July - December)			
	General Fund	(25,000)	
	DMO 30% (after first \$25k)	(2,020,900)	
	General Fund 5%	(336,817)	
	Subtotal Required Distributions	(2,382,717)	
Total FY24 Available ATAX Funds Before Additional Uses			4,034,990
Possible Uses of Available ATAX Funds			
Planned Land Purchases (Pending Adoption of FY24 Budget Amendment)		(2,000,000)	
Possible Workforce Housing (Pending Town Council Approval of F&A Committee Recommendation)		(1,200,000)	
Total Possible Uses of Available ATAX Funds		(3,200,000)	
Total FY24 Available Balance After Additional Uses			834,990



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Marc Orlando, ICMA-CM, Town Manager
FROM: Marcy Benson, Senior Grants Administrator
VIA: Jeff Herriman, Interim Finance Director
Shawn Colin, Assistant Town Manager – Community Development
DATE: January 23, 2024
SUBJECT: Consideration of a proposed substantial amendment to the 2021 Community Development Block Grant Annual Action Plan to include land acquisition costs as an eligible activity to be funded with the 2021 CDBG allocation.

RECOMMENDATION:

Staff requests Town Council support advancing a substantial amendment of the 2021 Community Development Block Grant (CDBG) Annual Action Plan to include land acquisition costs as an eligible activity.

BACKGROUND:

In the current 2021 Annual Action Plan, accepted by the U.S. Department of Housing and Urban Development (HUD), the Patterson Neighborhood Park is the project funded with the 2021 CDBG allocation. After preliminary park project design work began it was determined land acquisition costs for additional real property adjacent to the Town-owned Patterson parcel was needed to carry out the Patterson Neighborhood Park public improvement project. Because land acquisition activity was not included in the original 2021 Annual Action Plan a substantial amendment is required to add this activity to the plan. This substantial amendment will allow land acquisition activity to be funded with a portion of the Town of Hilton Head Island 2021 CDBG funding allocation. No other changes are proposed for this amendment.

SUMMARY:

According to HUD guidelines and the Town of Hilton Head Island CDBG Citizen Participation Plan, an amendment is considered substantial when an activity is to be added, deleted, or substantially changed in terms of purpose, scope, location, or beneficiaries. Because land acquisition was not included as an activity in the original 2021 Annual Action Plan, to use CDBG funds for land acquisition in this project, the plan must go through a substantial amendment process. This process includes a required separate public meeting and a 30-day public comment period to solicit feedback from the community on the amendment to the plan.

Upon completion of the public notice process a resolution will be presented to the Town Council for authorization to submit the amended plan to HUD. This resolution is planned for the April 2, 2024, Town Council meeting. Authorizing the amended plan submittal at this meeting will also allow a funding request for land acquisition for the Patterson Neighborhood Park project to be submitted to HUD. This funding request submittal will allow for compliance with HUD timely expenditure requirements. In consideration of CDBG program objectives, and this agenda item appearing at Town Council on February 20, 2024, staff requests an exception to appearing on a Town Council Finance and Administrative Committee meeting agenda prior to the April 2, 2024, full Town Council meeting.

ATTACHMENTS:

1. Exhibit A – Draft Amended 2021 Annual Action Plan

Town of Hilton Head Island

Program Year 2021

Annual Action Plan

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



~DRAFT~

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Amended Sections of 2021 Annual Action Plan

- AP-05 - Executive Summary, Pages 3 – 5
- AP-12 – Participation, Pages 14 -15
- AP15 – Expected Resources, Page 24
- AP20 – Annua Goals and Objectives, Page 25
- AP38 – Project Summary, Page 27
- AP50 – Geographic Distribution, Page 29

The Town of Hilton Head Island 2021 Annual Action Plan is being amended to include land acquisition costs, for additional real property adjacent to the Town-owned Patterson parcel, needed to carry out the Patterson Neighborhood Park public improvement project. This substantial amendment will allow land acquisition activity to be funded with the Town of Hilton Head Island 2021 CDBG funding allocation. No other changes are included in this amendment.

Executive Summary

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

1. Introduction

The program year 2021 Annual Action Plan represents the second year of the Town of Hilton Head Island's Consolidated Plan for the program years 2020 – 2024 (Con Plan) as amended and 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's application for the HUD Community Development Block Grant (CDBG) Entitlement Program and identifies the proposed project or projects to be funded during the Town's 2021 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 which 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 the LMI area benefit must meet the minimum threshold of 51% LMI qualified residents. However, according to the HUD issued program year 2020 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's CDBG program funds will be invested over the program year 2021 to achieve specific HUD objectives. It is important to note the 2020 – 2024 Consolidated Plan identified public facilities and improvements, public services, housing activities and economic development benefiting LMI persons as high priorities.

On May 18, 2021 the Town of Hilton Head Island received notification of an error in HUD's initial formula allocation for program year 2021 CDBG funds. A minor amendment to this Annual Action Plan was required due to this error. This amendment changed the Town of Hilton Head Island 2021 CDBG funding allocation from \$229,188 to \$232,565.

In January 2024 Town of Hilton Head Island staff recommended land acquisition costs for additional real property adjacent to the Town-owned Patterson property was needed to carry out the Patterson Neighborhood Park public improvement project. An amendment is considered substantial when an activity is to be added, deleted, or substantially changed in terms of purpose, scope, location, or beneficiaries. Because land acquisition activity was not included in the original 2021 Annual Action Plan a substantial amendment is required to add this activity to the most current HUD accepted 2021 Annual Action Plan. This substantial amendment will allow land acquisition activity to be funded with the Town of Hilton Head Island 2021 CDBG funding allocation. No other changes are included in this amendment.

2. Summarize the objectives and outcomes identified in the Plan

The Town's goals for the program year 2021 period focus on neighborhood revitalization efforts by providing a new neighborhood park on the Town owned Patterson property **and adjacent real property, to be acquired with 2021 CDBG funds**, located on Marshland Road in Census Tract 110. This census tract meets the 49.56% or higher LMI requirement. This Annual Action Plan provides a guide for the Town of Hilton Head Island's allocation of CDBG program funding for the program year 2021 planning period. The goals focus on priority needs and targets available resources designed to meet those needs. The needs include public improvements and facilities for LMI persons. The primary emphasis of the goals is the continuance of maintaining and improving the quality of life of LMI residents. The project selected for CDBG funding in this Action Plan will be managed efficiently and in compliance with program requirements.

3. Evaluation of past performance

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 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.

During the six years of program participation the Town met required program deadlines. Notifications of acceptable levels of program accomplishment were received from the HUD Columbia, South Carolina field office during the six years of program participation. A "No Findings of Concerns" report was issued by the Regional Environmental Officer during a 2019 onsite Environmental Review Procedures monitoring visit. 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.

4. Summary of Citizen Participation Process and consultation process

In the original 2021 Annual Action Plan the Town of Hilton Head Island conducted a virtual public meeting on March 4, 2021, to solicit input from citizens on community development needs. This meeting was conducted in observance of social distancing protocols. A public meeting notice was published in the local newspaper, The Island Packet, seven days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and distributed via email blast to all email addresses listed on the Town's E-subscription service list, which reached approximately 6,850 subscribers. Included in the public meeting notice was a link to a community needs survey posted on the Open Town Hall portal seeking input from citizens on needs and funding priorities for the 2021 Annual Action Plan. The Open Town Hall portal survey was open from February 24 through March 8, 2021.

At the March 4, 2021 virtual public meeting a presentation including an overview of the CDBG Entitlement Program, purpose of the Annual Action Plan, funding allocation amount, and a staff recommended project was presented to meeting attendees. A recording of the March 4, 2021 virtual public meeting has been posted to the Town of Hilton Head Island YouTube page and can be accessed on the Town of Hilton Head Island website through the meeting details on the calendar or the video on demand page at <https://hiltonheadislandsc.gov/boards/meetingvod.cfm?DetailID=TC>.

The staff proposed project listed in the 2021 Annual Action Plan was an item of discussion at the March 22, 2021, Town Council Community Services and Public Safety Committee meeting. In observance of social distancing protocols, this was a virtual meeting, and the committee discussed the proposed project for submittal in the Annual Action Plan. The committee approved a recommendation of approval to Town Council to select Patterson Park as the 2021 CDBG project for inclusion in the Town's 2021 CDBG Annual Action Plan.

A draft 2021 Annual Action Plan was released to the public on March 23, 2021, for a 30-day public comment period. There were no comments received. Following this public comment period, the draft Action Plan was presented at the Town of Hilton Head Island Town Council meeting on May 4, 2021, for review and comment. Public comments were solicited during this meeting and no comments were received.

In January 2024 Town of Hilton Head Island staff recommended land acquisition costs for additional real property adjacent to the Town-owned Patterson property was needed to carry out the Patterson Neighborhood Park public improvement project. Because land acquisition activity was not included in the original 2021 Annual Action Plan a substantial amendment is required to add this activity to the most current HUD accepted 2021 Annual Action Plan. This substantial amendment will allow land acquisition activity to be funded with the Town of Hilton Head Island 2021 CDBG funding allocation. No other changes are included in this amendment.

5. Summary of public comments

In preparation for the original March 4, 2021 virtual public meeting to solicit input for the program year 2021 Annual Action Plan Town staff developed a presentation describing the Community Development Block Grant Entitlement Program, the purpose of the Annual Action Plan, the funding allocation amount for program year 2021 and staff recommended project. During the virtual meeting there were 4 views noted on the Town of Hilton Head Island Public Meetings Facebook page and no comments were submitted during the meeting.

There was one (1) public comment received via the community needs survey posted on the Open Town Hall portal seeking input from citizens on needs and funding priorities for the 2021 Annual Action Plan. The one comment ranked public services and housing activities as high needs in the community. There were two comments submitted via direct email to the Senior Grants Administrator. One comment was a request for CDBG funds to be used for sidewalks and lighting around Southwood Park Drive and the other was a request to revive the community pool at Chaplin Park.

The 2021 Annual Action plan was an item of discussion at the March 22, 2021 Town Council Community Services and Public Safety Committee meeting. In observance of social distancing protocols, this was a virtual meeting, and the committee discussed the proposed project for submittal in the Annual Action Plan. One committee member expressed support for the project and asked if preliminary design has occurred for the proposed park project. Another committee member requested the location map for the Patterson Park be displayed for reference, and one committee member suggested replacing the broad projects listed in the Five-Year Consolidated Plan project list with more specific projects. No requests for public comments from citizens were submitted during the meeting.

Public comments were solicited during the 30-day public comment period from March 23, 2021, through April 22, 2021, and at the May 4, 2021 Town Council meeting. No comments were received during the 30-day public comment period. No comments were received at the May 4, 2021, Town Council meeting. After hearing no comments Town Council approved a resolution to authorize the Town manager to submit the program year 2021 Annual Action Plan to HUD.

A copy of the original March 4, 2021 public meeting minutes and a summary of all public comments received are attached to this Annual Action Plan.

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

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

7. Summary

The Town of Hilton Head Island Annual Action Plan outlines priorities by which the Town's CDBG program funds will be invested over the program year 2021 to achieve specific HUD objectives. The Town may use CDBG program funds to leverage other public investment to address the Town's priority need to provide public improvements for primarily LMI income neighborhoods.

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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
Lead Agency	Town of Hilton Head Island	
CDBG Administrator	Town of Hilton Head Island	Community Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The Town of Hilton Head Island incorporated as a municipality in 1983 and has a Council-Manager form of government. The Town of Hilton Head Island is comprised of an Administrative/Legal Division, Administrative Services, Community Development, Executive, Finance, Fire Rescue, Human Resources, and Public Projects & Facilities departments.

The Town of Hilton Head Island Community Development Department will be the lead department for the preparation, submission, and administration of this Annual Action Plan and the Town's CDBG program. Town staff has been an integral part of development of this Annual Action Plan by assessing the CDBG Program, reviewing materials, regulations and documentation on the Annual Action Plan process. The Town Manager, Town Director of Community Development, Town Director of Public Projects and Facilities, and Town Deputy Director of Community Development will oversee the preparation and administration of the Annual Action Plan.

Consolidated Plan Public Contact Information

Town of Hilton Head Island Community Development Department
Marcy Benson, Senior Grants Administrator
1 Town Center Court
Hilton Head Island, SC 29928
Telephone: (843)341-4689
FAX: (843) 842-8908
Email: marcyb@hiltonheadislandsc.gov

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

1. Introduction

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(l))

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 participates in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects, and foster interagency cooperation. With support from 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.

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 2021 Annual Action Plan intends to use U.S. Department of Housing and Urban Development (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

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 email correspondence and during Lowcountry.
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 and email correspondence.

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

What section of the Plan was addressed by Consultation?	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
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lowcountry Council of Governments was consulted on housing, homeless and non-housing community development needs via online data gathering.

Table 2 – Agencies, groups, organizations who participated

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

Efforts were made to consult as broadly as possible with community stakeholders. No particular agency types were excluded from participation. Those that did not participate did so of their own volition.

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.
Our Plan: 2020 to 2040 Comprehensive Plan for the Town of Hilton Head Island, South Carolina	Town of Hilton Head Island	Developed Consolidated Plan goals in conjunction with elements of the Town of Hilton Head Island Comprehensive 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 Community Development department staff work closely with the Town's Public Projects and Facilities department 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

During the original 2021 Annual Action Plan process, the Town of Hilton Head Island conducted a virtual public meeting on March 4, 2021, to solicit input from citizens on community development needs. This meeting was conducted in observance of social distancing protocols. A public meeting notice was published in the local newspaper, The Island Packet, seven days preceding the public meeting. The meeting notice was also posted on the Town of Hilton Head Island website and distributed via email blast to all email addresses listed on the Town's E-subscription service list, which reached approximately 6,850 subscribers. Included in the public meeting notice was a link to a community needs survey posted on the Open Town Hall portal seeking input from citizens on needs and funding priorities for the 2021 – 2022 Annual Action Plan. The Open Town Hall portal survey was open from February 24 through March 8, 2021.

At the March 4, 2021 virtual public meeting a presentation including an overview of the CDBG Entitlement Program, purpose of the Annual Action Plan, funding allocation amount, and a staff recommended project was presented to meeting attendees. A recording of the March 4, 2021 virtual public meeting has been posted to the Town of Hilton Head Island YouTube page and can be accessed on the Town of Hilton Head Island website through the meeting details on the calendar or the video on demand page at <https://hiltonheadislandsc.gov/boards/meetingvod.cfm?DetailID=TC>.

The staff proposed project listed in the 2021 Annual Action Plan was an item of discussion at the March 22, 2021 Town Council Community Services and Public Safety Committee meeting. In observance of social distancing protocols, this was a virtual meeting and the committee discussed the proposed project for submittal in the Annual Action Plan. The committee approved a recommendation of approval to Town Council to select Patterson Park as the 2021 CDBG project for inclusion in the Town's 2021 CDBG Annual Action Plan.

The original draft 2021 Annual Action Plan was released to the public on March 23, 2021 for a 30 day public comment period. There were no comments received. Following this public comment period, the draft Action Plan was presented at the Town of Hilton Head Island Town Council meeting on May 4, 2021 for review and comment. Public comments were solicited during this meeting and no comments were received.

In January 2024 Town of Hilton Head Island staff recommended land acquisition costs for additional real property adjacent to the Town-owned Patterson property was needed to carry out the Patterson Neighborhood Park public improvement project. Because land acquisition activity was not included in the original 2021 Annual Action Plan a substantial amendment is required to add this activity to the most current HUD accepted 2021 Annual Action Plan. This

substantial amendment will allow land acquisition activity to be funded with the Town of Hilton Head Island 2021 CDBG funding allocation. No other changes are included in this amendment.

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Citizen Participation Outreach

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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	The Open Town Hall Portal survey was announced via posting on the Town of Hilton Head Island website and via email blast to all email addresses listed on the Town's E-subscription service list on Feb. 24, 2021. Comments were accepted until March 8, 2021. There was 1 response to the survey. There were 2 comments submitted via direct email to the Senior Grants Administrator.	The one comment ranked public services and housing activities as high needs in the community. The two comments submitted via direct email were a request for funds to be used for sidewalks and lighting around Southwood Park Drive and a request to revive the community pool at Chaplin Park.	All comments were accepted.	

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)
2	Public Meeting	Non-targeted/ broad community	At the March 4, 2021 Annual Action Plan virtual public meeting presentation there were 4 views noted on the Town of Hilton Head Island Public Meetings Facebook page, no comments were submitted, and no citizens called in to comment.	No comments received at the March 4, 2021 virtual public meeting.	No comments received at the March 4, 2021 virtual public meeting.	

3	Public Meeting	Non-targeted/broad community	The staff proposed project listed in the 2021 Annual Action Plan was an item of discussion at the March 22, 2021 Town Council Community Services and Public Safety Committee meeting.	One committee member expressed support of the project and asked if preliminary design has occurred for the proposed park project. Another committee member requested the location map for the Patterson Park be displayed for reference, and one committee member suggested replacing the broad projects listed in the Five-Year Consolidated Plan project list with more specific projects. No requests for public comments from citizens	All comments were accepted.	
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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)
				were submitted during the meeting.		

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4	Internet Outreach	Non-targeted/ broad community	The draft 2021 Annual Action Plan was posted on the Town of Hilton Head Island website from March 23, 2021 through April 22, 2021. A dedicated public comment link was posted on the front page of the website where the public could directly submit comments. A notification of the Annual Action Plan 30 day public comment period was sent via email blast to all email addresses listed on the Town's E-subscription service list. No comments were received in this format.	No comments were received.	No comments were received.	
5	Public Meeting	Non-targeted/ broad community	The draft 2021 Annual Action Plan	No comments	No comments	

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)
			and resolution to approve plan and authorize submittal to HUD appeared on the agenda of the regular Town of Hilton Head Island Town Council meeting on May 4, 2021.	were received.	were received.	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The following table outlines the expected resources from the HUD Community Development Block Grant (CDBG) program the Town of Hilton Head Island expects to have available during the 2021 program year covered by this Annual Action Plan. The distribution of allocated funds will be in the following two use categories: program administration will be allocated \$5,000 and public improvements and facilities will be allocated all remaining funds.

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	\$232,565	\$0.00	\$118,792.11	\$351,357.11	\$697,695	The HUD/CDBG funding amount authorized in the 2021 program year was used to estimate the allocation amount for the remaining years 3-5 of the Con Plan

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 publicly 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 the Patterson property located on Marshland Road, which is currently a vacant parcel. The neighborhood park identified as a public improvement need in this plan will be developed on this property. This property is located in Census Tract 110 which has a LMI household percentage above 49.56%. One of the community needs identified during a previous needs assessment meeting was public improvements and facilities. This neighborhood park public improvement project was one of two projects listed in the 2018 Annual Action Plan and it has not started. It is anticipated the remaining funds in the 2018 CDBG allocation coupled with the 2021 CDBG allocation will provide leverage for project completion.

During preliminary park project design work, it was determined land acquisition costs for additional real property adjacent to the Town-owned Patterson parcel was needed to carry out the Patterson Neighborhood Park public improvement project. Because land acquisition activity was not included in the original 2021 Annual Action Plan a substantial amendment is required to add this activity to the Plan. This substantial amendment will allow land acquisition activity to be funded with the Town of Hilton Head Island 2021 CDBG funding allocation.

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, Housing, Public Svcs., Econ Dev. Yr. 2	2021	2022	Non-Housing Community Development or Affordable Housing	Census Tract 110	Public Facilities & Improvements Including Land Acquisition Activities	\$351,357.11	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,733

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Facilities, Housing, Public Svcs., Econ Dev. Yr. 2
	Goal Description	Provide funding for public facilities & improvements including land acquisition activities, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

At this time the Town of Hilton Head Island does not have the capacity to provide affordable housing units, to extremely low income, low income and moderate-income households. However, public facilities and improvements in census tracts with 49.56% or higher LMI households may be accomplished with Community Development Block Grant (CDBG) funds.

Projects

AP-35 Projects – 91.220(d)

Introduction

Town of Hilton Head Island activities funded by the 2021 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 2021 program year covered by this Action Plan.

Projects

#	Project Name
1	Patterson Property Neighborhood Park
2	Program Administration

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 2021 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 Property Neighborhood Park
	Target Area	Census Tract 110
	Goals Supported	Facilities, Housing, Public Svcs., Econ Dev. Yr. 2
	Needs Addressed	Public Facilities & Improvements
	Funding	CDBG: \$346,357.11
	Description	Provide funding for public facilities & improvements including land acquisition activities, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated approximately 1,733 persons living in Census tract 110 will benefit from the proposed activity.
	Location Description	Town owned property at 23 Marshland Road, Hilton Head Island, SC (former Patterson property)
	Planned Activities	Neighborhood Park
2	Project Name	Program Administration
	Target Area	Town-Wide
	Goals Supported	Facilities, Housing, Public Svcs., Econ Dev. Yr. 2
	Needs Addressed	Administrative and Planning
	Funding	CDBG: \$5,000
	Description	Program Administration
	Target Date	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	All town residents and families will benefit from the proposed activity.
	Location Description	Town of Hilton Head Island Town Hall.
	Planned Activities	Drafting and submitting the Annual Action Plan, CAPER, related reports and program administration.

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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 area within the Town of Hilton Head Island where assistance will be directed is Census Tract 110. Community development activities may include infrastructure improvements, new or improved public facilities including land acquisition activities, housing activities, economic development, or public services in LMI neighborhoods.

Geographic Distribution

Target Area	Percentage of Funds
Census Tract 105	0
Census Tract 108	0
Census Tract 110	98
Census Tract 111	0
Census Tract 113	0
Town-Wide	2

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Community Development Block Grant (CDBG) funds will be used to address the needs of low- and moderate-income areas. These areas are determined using Census Tracts which have a low- and moderate-income population of 49.56% or higher. CDBG funds will be designated for use on a project located in the low- and moderate-income Census Tract 110 within the boundaries of the Town of Hilton Head Island.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

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 program is tenant-based therefore eligible families receive assistance based on income for housing units meeting general program requirements. There are currently nine units within the Town of Hilton Head Island participating in the voucher program which are scattered throughout the Town. Tenants identify and choose their own units and the landlord agrees to participate in the housing choice voucher program.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	9
Special-Needs	0
Total	9

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	9
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	9

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

AP-60 Public Housing – 91.220(h)

Introduction

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. The Beaufort Housing Authority is the agency providing public housing to approximately 2,429 residents in Beaufort County, South Carolina and there are 293 public housing 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.

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 promote 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, and community garden clubs. Due to social distancing protocols related to the COVID-19 pandemic during 2020 the Beaufort Housing Authority conducted virtual resident council meetings. In addition to resident council meetings being conducted virtually other programming services such as parenting classes and poster contests for resident children have taken place via virtual connections.

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 the January 22, 2020 count. The number of homeless counted in Beaufort County was 12 persons. Of the 12 persons interviewed in January 2020, there was one (1) living unsheltered and 11 living in shelters. Of the 12 persons none were veterans and one (1) was chronically homeless. 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 homeless persons counted in Beaufort County, South Carolina, and are not specific to the Town of Hilton Head Island.

Results of the 2019 point in time count indicated 28 persons experiencing homelessness interviewed in Beaufort County. The 2020 point in time count results showed a decrease of 16 persons, for a total of 12 persons experiencing homelessness in Beaufort County. Although state-wide point in time count data shows an increase in number of persons counted in 2020 compared to 2019 the reverse was indicated for Beaufort County. The lower count number for Beaufort County may be due to the area of the Lowcountry Continuum of Care being geographically smaller than the other three South Carolina continuums of care that participate in the annual point in time count process.

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 is a coalition of Beaufort County churches assisting homeless families through a 60-90 day program. The program provides evening accommodations for program participants at host churches and daytime transportation to school for children and educational programs for parents.

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 participation in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

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

Introduction:

A variety of barriers exist which make increasing affordable housing stock in the Town of Hilton Head Island difficult. The following list highlights some affordable housing 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 which continue to increase are a factor in development of affordable housing.
- Much of the housing located in the Town of Hilton Head Island and land available for housing is subject to floodplain insurance requirements in addition to other insurance requirements, such as wind and hail.
- Marketability and potential profit is a factor 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 within the Town of Hilton Head Island.

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

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

In addition to participation in the Lowcountry Affordable Housing Coalition, monitoring relevant public policies for changes which may constitute barriers to affordable housing may be conducted. 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 housing to the local workforce. In 2018 strategies were developed to further

address fostering affordable housing within the Town of Hilton Head Island. 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 strategic plan and the Town Council Public Planning Committee made a recommendation to Town Council to adopt the strategic plan. In 2020 Town staff developed workforce housing amendments for the Town of Hilton Head Island Land Management Ordinance (LMO). The amendments created a policy which uses incentives to promote conversion of commercial space into workforce housing units. These amendments moved through the approval process and the commercial conversion LMO amendment was adopted by Town Council on November 17, 2020. In December 2020 a consultant was hired through a partnership with area counties and municipalities and research for developing a housing trust fund was underway. On February 16, 2021 a second set of LMO amendments related to work force housing were adopted by Town Council allowing bonus density for work force housing units under certain conditions.

AP-85 Other Actions – 91.220(k)

Introduction:

The Town of Hilton Head Island anticipates taking the following actions throughout the program year 2021 to address the challenges listed below.

Actions planned to address obstacles to meeting underserved needs

As part of the 2021 program year, the Town of Hilton Head Island will determine where underserved populations are located through analysis Census data and community input. To reduce the number of obstacles in meeting the needs of the underserved populations Town staff may assist with facilitating collaborations with area service organizations which spearhead community-wide solutions to local needs.

Actions planned to foster and maintain affordable housing

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition, which is under the auspices of Together for Beaufort County and the Beaufort County Human Services Alliance. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

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consultant was hired through a partnership with area counties and municipalities and research for developing a housing trust fund was underway.

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. At this time action to address lead-based paint hazards have not been identified.

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 Beaufort Housing Authority also operates a homeownership program, which assists residents in their programs pay a mortgage rather than a rental payment. Recently one resident successfully completed this program and purchased a home in Beaufort County using this assistance.

The Town of Hilton Head Island anticipates continued participation in the Lowcountry Affordable Housing Coalition. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

Actions planned to develop institutional structure

The Town of Hilton Head Island has participated in the HUD CDBG Entitlement Program since 2015. During the six years of program participation the Town met required program deadlines. Notifications of acceptable levels of program accomplishment were received from the HUD Columbia, South Carolina field office during the six years of program participation. A “No Findings of Concerns” report was issued by the Regional Environmental Officer during a 2019 onsite Environmental Review Procedures monitoring visit. 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 offices 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 participation in the Lowcountry Affordable Housing Coalition. This coalition consists of governmental entities, non-profit and private organizations striving to make housing more affordable in the Beaufort County area. The coalition has a focus on assisting residents of Beaufort County and serves as a forum for member organizations to share ideas, coordinate projects and foster interagency cooperation. With support from the Beaufort County Human Services Alliance resources are pooled and community needs are addressed in the areas of economy, education, poverty, and health/environmental issues.

Program Specific Requirements

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

Introduction:

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(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.	98%

ATTACHMENTS

DRAFT

**NOTICE OF PUBLIC MEETING
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FISCAL YEAR 2021-22 ANNUAL ACTION PLAN**

Notice is hereby given that on **THURSDAY, MARCH 4, 2021 at 5:15 p.m.**, the Town of Hilton Head Island will hold a virtual public meeting to solicit input on needs and funding priorities related to the Community Development Block Grant (CDBG) program fiscal year 2021-2022 Annual Action Plan. In accordance with the Town of Hilton Head Island Municipal Code Section 2-5-15, this meeting is being conducted virtually and can be viewed live on the Town's Public Meeting Facebook Page at <https://www.facebook.com/townofhiltonheadislandmeetings/>. Public comments can be submitted electronically via the Town's Open Town Hall HHI portal at <https://hiltonheadislandsc.gov/opentownhall/>. **The portal will close 2 hours prior to the start of the scheduled meeting.** Citizens who wish to comment during the meeting by phone must contact Marcy Benson at (843) 341-4689 no later than two hours before the meeting. Following the meeting, the video record will be made available on the Town's website at <https://www.hiltonheadislandsc.gov/>.

As required by the U.S. Department of Housing and Urban Development (HUD), the Town of Hilton Head Island is developing its Annual Action Plan for the period of 2021-2022. The Annual Action Plan outlines community development needs and provides a one-year action plan for how the Town of Hilton Head Island intends to use its federal funds in order to address those needs.

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Beaufort County drops plan to reinstate hospital trustee after Beaufort Memorial suit

BY KACEN BAYLESS
kbayless@islandpacket.com

Beaufort County Council agreed Monday night to stop trying to reappoint a controversial member to the hospital board after getting sued by the area's largest medical facility.

Monday's decision came four days after Beaufort Memorial Hospital sued the county for "unlawfully" trying to reinstate Kathleen Cooper to the hospital's board of trustees. Cooper previously resigned from the board after she urged the council not to pass a mandatory face mask ordinance, according to the lawsuit.

The group of 11 council members discussed the lawsuit in executive session Monday before voting to take the issue off the agenda. Vice Chair Paul Sommerville, the council's liaison for the hospital board and chair of the committee that initially voted for Cooper's reinstatement, made the motion.

Sommerville said the council could not appoint Cooper to her third term because she was not nominated by the hospital. That's the very point the hospital argued in its lawsuit against the county.

He added that the council needs to "review" all of its boards' and agencies' protocols, along with the ordinances that create those boards.

Asked after the meeting to elaborate, Sommerville said the county has "some really screwy ordinances." For example, he cited boards where some members have different term limits than others. He said the council wants to

THE COUNCIL COULD NOT APPOINT COOPER TO HER THIRD TERM BECAUSE SHE WAS NOT NOMINATED BY THE HOSPITAL.

"clean up" the legislation that enables those boards.

In addition to the Beaufort Memorial Hospital Board of Trustees, the county has 28 other council-appointed boards and commissions.

Asked if the council was reviewing the ordinances to allow the county nominating capabilities for the hospital board — the main focus of the lawsuit — Sommerville said the council was going to "take a look at it."

Asked whether the council would then consider reinstating Cooper to the board, Sommerville said he "wouldn't rule out anything."

"The [hospital] board, under the current rules, has to nominate her, and they've made it clear they're not going to," he said.

After the meeting, Council member Logan Cunningham told a reporter that David House, who chairs the hospital board, "overextended his authority" when he asked Cooper to resign.

Beaufort Memorial Hospital, in the lawsuit filed on Thursday, accused Beaufort County Council of usurping its authority and breaking S.C. law by unilaterally attempting to reinstate Cooper to the hospital's

board despite the hospital's assertion that she resigned and was not nominated.

Cooper was asked to resign after she emailed County Council members before they voted on a county-wide mask ordinance, claiming that mask-wearing was "ineffective" at stopping the coronavirus based on "personal research," according to the lawsuit.

The suit illustrated a back-and-forth power struggle between the county government and the area's publicly owned nonprofit hospital.

At the center of the lawsuit was a disagreement over whether Beaufort County Council had the power to appoint a hospital board member who was not nominated by the hospital. The county's ordinance that creates the hospital board states that vacancies on the board "shall be filled by the county council from nominees submitted by the board."

The lawsuit asks the court to prohibit the county from attempting to reinstate hospital board members who resign or whose terms have expired. It also wants to prohibit the county from trying to appoint a board member without a formal nomination from the hospital.

Sommerville told a reporter Monday night he "would assume" that the council's decision to remove Cooper's reinstatement from consideration would satisfy the hospital's attorneys.

Kacen Bayless:
843-706-8126, @Kacen

Iran officially curbs UN nuclear inspections

Iran officially started restricting international inspections of its nuclear facilities Tuesday, a bid to pressure European countries and U.S. President Joe Biden's administration to lift economic sanctions and restore the 2015 nuclear deal. World powers slammed the restrictions as a "dangerous" move.

It came as the International Atomic Energy Agency reported in a confidential document seen by The Associated Press that Iran had added 38.8 pounds of uranium enriched to 20% to its stockpile as of Feb. 16.

It was the first official confirmation of plans Iran announced in January to enrich to the greater purity, which is just a technical step away from weapons-grade levels.

— ASSOCIATED PRESS

Many Confederate symbols taken down in 2020

When rioters tore through the U.S. Capitol last month, some of them gripping Confederate battle flags, they didn't encounter a statue of the most famous rebel general, Robert E. Lee.

The Lee statue, which represented the state of Virginia as part of the National Statuary Hall Collection for 111 years, had been removed just weeks before — one of at least 160 public Confederate symbols taken down or moved from public spaces in 2020, according to a new count the Southern Poverty Law Center shared with The Associated Press ahead of releasing it later Tuesday.

The SPLC says there are 704 Confederate monuments still standing across the United States.

— ASSOCIATED PRESS

Wife of drug kingpin 'El Chapo' to stay in jail

A federal judge has ordered the wife of Mexican drug kingpin Joaquín "El Chapo" Guzmán to remain temporarily jailed after she was arrested and accused of helping her husband run his multibillion-dollar cartel and plotting his audacious escape from a Mexican prison in 2015.

Emma Coronel Aispuro, 31, appeared by video conference before a federal magistrate judge in Washington, D.C.

Prosecutor Anthony Nardozi said Coronel should remain jailed, arguing that she "worked closely with the command-and-control structure" of the Sinaloa cartel, particularly with her husband. Nardozi said she conspired to distribute large quantities of drugs.

— ASSOCIATED PRESS

NOTICE OF PUBLIC MEETING COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FISCAL YEAR 2021-22 ANNUAL ACTION PLAN

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MEMORY MATTERS BRAIN HEALTH SUMMIT 4

Live-stream via Zoom

March 10, 2021 • 9a – 12p

'Unmasking Your Brain's Resiliency'



**Good Anxiety:
Harnessing the Power
of the Most Misunderstood Emotion**
Keynote

WENDY SUZUKI, PHD

World-renowned Neuroscientist, author,
TED Talk speaker, and Professor at NYU



Sleep: Medicine for Your Brain
PETER MANOS, MD

Palmetto Pulmonary Medicine, Beaufort, SC
Board Certified Internal Medicine,
Pulmonary Medicine, Critical Care Medicine,
and Sleep Medicine



**Unwinding Anxiety Cycles
& Breaking Bad Habits**
JUDSON A. BREWER, MD, PHD

Associate Professor, Director of Research
& Innovation, Mindfulness Center,
Departments of Behavioral & Social Sciences,
and Psychiatry Brown University



Special Guest, Tina Tyus-Shaw
News Anchor, WSAV-TV

Presenting Sponsor:
Dave and Patty Ekedahl

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NOTICE OF PUBLIC MEETING

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FISCAL YEAR 2021-22 ANNUAL ACTION PLAN

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Benson Marcy

From: Phillips Rene
Sent: Wednesday, February 24, 2021 5:11 PM
To: Benson Marcy
Subject: FW: Courtesy Copy: Public Meeting for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

René Phillips, CGDSP, CIW
Website Administrator
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928
843-341-4792
www.hiltonheadislandsc.gov

From: Town of Hilton Head Island [mailto:updates@secure.hiltonheadislandsc.gov]
Sent: Wednesday, February 24, 2021 5:10 PM
To: Phillips Rene <renep@hiltonheadislandsc.gov>; Spinella Kelly <kellys@hiltonheadislandsc.gov>; Grant Carolyn <carolyng@hiltonheadislandsc.gov>
Subject: Courtesy Copy: Public Meeting for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

This is a courtesy copy of an email bulletin sent by Rene Phillips.

This bulletin was sent to the following groups of people:

Subscribers of General Announcements or Legal Notices (6854 recipients)



Notice of Public Meeting for the Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

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Grants Administrator, 1 Town Center Court, Hilton Head Island, SC 29928 via e-mail at marcyb@hiltonheadislandsc.gov or phone at 843-341-4689.



www.hiltonheadislandsc.gov

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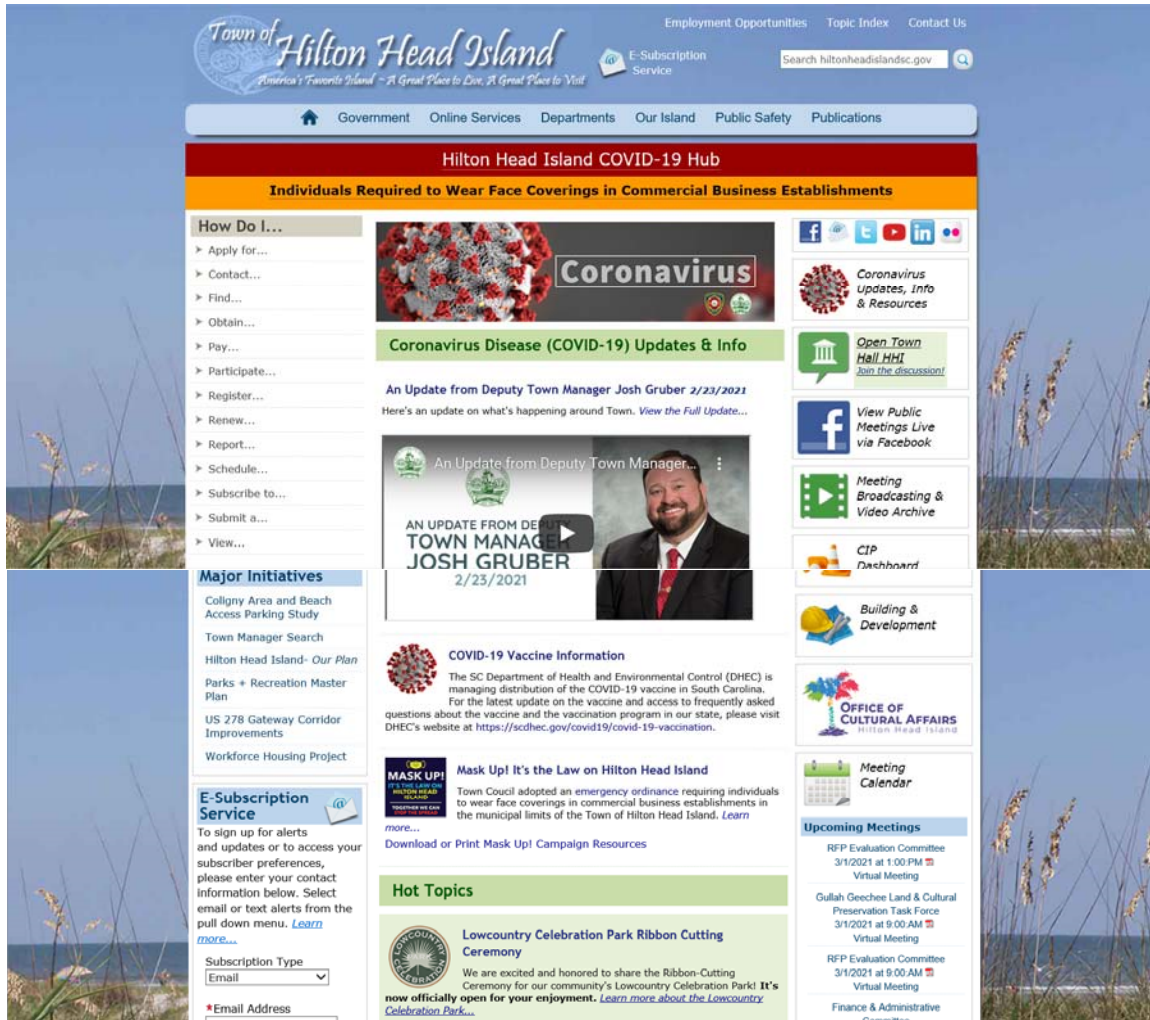
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Town of Hilton Head Island Website - Main Page
February 24, 2021
2021 – 2022 CDBG Annual Action Plan
Public Meeting Notice



 **Seasonal Safety Tips**



Parks + Recreation Master Plan

Our master plan for parks and recreation continues to evolve. Now it is time to begin the Parks + Recreation Master Plan Part 3, prioritizing the recommendations and action items. [Learn more...](#)



We Already Pay!

Beaufort County passed an ordinance to impose a law enforcement charge and uniform user fee to generate \$4.4 million in surplus revenue for the Beaufort County Sheriff's Office. [Learn more...](#)

News Releases and Notices

Town of Hilton Head Island's Mid-Island Tract Open for Visitors - 2/25/2021

Maintenance and Repaving Work Scheduled to Take Place Around Hilton Head Island Next Week - 2/25/2021

Notice of Public Meeting for the Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan - 2/24/2021

Repaving Work Scheduled for Sea Pines Circle - 2/24/2021

Town of Hilton Head Island to Perform Maintenance Work on Pathway and Pump Station Beginning Monday, February 22 - 2/18/2021

Town of Hilton Head Island Earns SCAPA Outstanding Award for New 2020-2040 Comprehensive Plan - 2/17/2021

Penn Center's Land Preservation Assistance Program Offers Aid to Beaufort County Property Owners - 2/16/2021

Be Aware: Training Exercises Planned for Law Enforcement and Emergency Teams - 2/11/2021

New Fire Hydrants Installed to Offer Greater Protection in Hilton Head Island Neighborhoods - 2/8/2021

South Carolinians Aged 65 and Older Can Schedule COVID-19 Vaccine Appointments Beginning Monday, February 8 - 2/3/2021

SCDOT to Discontinue Toll Collections on Hilton Head's Cross Island Parkway June 30, 2021 - 2/2/2021

[View More News and Media Releases](#)

Announcements



Town Offices Reopened - Public Access is Limited

The public is encouraged to conduct business with the Town by phone, e-mail or online, when possible. Members of the public that need assistance in person will be allowed to enter Town office buildings by appointment only. Please call ahead to schedule a visit. [Learn more...](#)

The classroom at Fire Rescue headquarters at 40 Summit Drive, and the fire stations and conference rooms remain closed to the public.

[View Additional Announcements and Reminders...](#)

[View our Frequently Asked Questions Page](#) for more information...

Recent Publications

New Town Manager Comes with Local Knowledge and Experience - February 2021 (Mayor McCann's Article as seen in *Celebrate Hilton Head Magazine*)

New Town Manager will help lead us toward future - February 2021 (Mayor McCann's Article as seen in *The Hilton Head Sun*)

2019 Fire Rescue Annual Report



Committee
3/2/2021 at 2:00 PM
Virtual Meeting

Town Council
3/2/2021 at 4:00 PM
Virtual Meeting

Parks & Recreation Commission
3/3/2021 at 3:00 PM
Virtual Meeting

Planning Commission
3/3/2021 at 9:00 AM
Virtual Meeting

CDBG Program FY 2021-2022
Annual Action Plan
3/4/2021 at 5:15 PM
Virtual Meeting

RFP Evaluation Committee
3/5/2021 at 1:00 PM
Virtual Meeting

RFP Evaluation Committee
3/5/2021 at 6:00 AM
Virtual Meeting



**Boards,
Committees,
Commissions**



**Sustainability on
Hilton Head
Island**

Town of Hilton Head Island Website
February 24, 2021
2021 – 2022 CDBG Annual Action Plan
Public Meeting Notice Page

The screenshot shows the Town of Hilton Head Island website. The header includes the town's logo, navigation links (Employment Opportunities, Topic Index, Contact Us), an E-Subscription Service icon, and a search bar. A secondary navigation bar lists Government, Online Services, Departments, Our Island, Public Safety, and Publications. A red banner reads "Hilton Head Island COVID-19 Hub", followed by an orange banner stating "Individuals Required to Wear Face Coverings in Commercial Business Establishments". The main content area features a "Public Notice" section with a "Text Size: A A A" link. The notice title is "Notice of Public Meeting for the Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan". The release date is February 24, 2021. Contact information for Marcy Benson, Senior Grants Administrator (843-341-4689), is provided. The notice text states that a virtual public meeting will be held on Thursday, March 4, 2021, at 5:15 p.m. to solicit input on the 2021-2022 Annual Action Plan. It mentions that the meeting is conducted virtually and can be viewed live on the Town's Public Meeting Facebook Page at <https://www.facebook.com/townofhiltonheadislandmeetings/>. Public comments can be submitted electronically via the Town's Open Town Hall HHI portal at <https://hiltonheadislandsc.gov/opentownhall/>. The portal will close 2 hours prior to the start of the scheduled meeting. Citizens wishing to comment during the meeting by phone must contact Marcy Benson at 843-341-4689 no later than two hours before the meeting. Following the meeting, the video record will be made available on the Town's website at <https://www.hiltonheadislandsc.gov/>. A paragraph explains that as required by the U.S. Department of Housing and Urban Development (HUD), the Town is developing its Annual Action Plan for 2021-2022, outlining community development needs and providing a one-year action plan for how the Town intends to use its federal funds. A final paragraph states that the Town does not discriminate on the basis of age, color, religion, sex, national origin, familial status or disability in the admission or access to, or treatment or employment in its federally assisted programs or activities. Assistance will be provided to accommodate the special needs of disabled persons and persons with limited English language proficiency. If auxiliary aids are required, please make arrangements 72 hours prior to the meeting by contacting Marcy Benson, Senior Grants Administrator, 1 Town Center Court, Hilton Head Island, SC 29928 via e-mail at marcyb@hiltonheadislandsc.gov or phone at 843-341-4689. The footer contains a comprehensive list of navigation links: Government, Online Services, Departments, Our Island, Public Safety, Publications, Contact Us, Home, Town of Hilton Head Island, One Town Center Court, Hilton Head Island, South Carolina 29928, (843) 341-4600, Employee Portal, Website Policies, Social Media Public Use Policy, and Contact Webmaster.

Town of Hilton Head Island
America's Favorite Island - A Great Place to Live, A Great Place to Visit

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Government Online Services Departments Our Island Public Safety Publications

Hilton Head Island COVID-19 Hub

Individuals Required to Wear Face Coverings in Commercial Business Establishments

Public Notice Text Size: A A A

Notice of Public Meeting for the Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

Release Date: February 24, 2021

Contact Information:
[Marcy Benson](#) 📞, Senior Grants Administrator, 843-341-4689

Notice is hereby given that on **THURSDAY, MARCH 4, 2021 at 5:15 p.m.**, the Town of Hilton Head Island will hold a virtual public meeting to solicit input on needs and funding priorities related to the Community Development Block Grant (CDBG) program fiscal year 2021-2022 Annual Action Plan. In accordance with the Town of Hilton Head Island Municipal Code Section 2-5-15, this meeting is being conducted virtually and can be viewed live on the Town's Public Meeting Facebook Page at <https://www.facebook.com/townofhiltonheadislandmeetings/>. Public comments can be submitted electronically via the Town's Open Town Hall HHI portal at <https://hiltonheadislandsc.gov/opentownhall/>. **The portal will close 2 hours prior to the start of the scheduled meeting.** Citizens who wish to comment during the meeting by phone must contact Marcy Benson at 843-341-4689 no later than two hours before the meeting. Following the meeting, the video record will be made available on the Town's website at <https://www.hiltonheadislandsc.gov/>.

As required by the U.S. Department of Housing and Urban Development (HUD), the Town of Hilton Head Island is developing its Annual Action Plan for the period of 2021-2022. The Annual Action Plan outlines community development needs and provides a one-year action plan for how the Town of Hilton Head Island intends to use its federal funds in order to address those needs.

The Town of Hilton Head Island does not discriminate on the basis of age, color, religion, sex, national origin, familial status or disability in the admission or access to, or treatment or employment in its federally assisted programs or activities. Assistance will be provided to accommodate the special needs of disabled persons, and persons with limited English language proficiency. If auxiliary aids are required please make arrangements 72 hours prior to the meeting by contacting Marcy Benson, Senior Grants Administrator, 1 Town Center Court, Hilton Head Island, SC 29928 via e-mail at marcyb@hiltonheadislandsc.gov or phone at 843-341-4689.

Government ~ Online Services ~ Departments ~ Our Island ~ Public Safety ~ Publications ~ Contact Us ~ Home
Town of Hilton Head Island ~ One Town Center Court, Hilton Head Island, South Carolina 29928 ~ (843) 341-4600
Employee Portal ~ Website Policies ~ Social Media Public Use Policy ~ Contact Webmaster 📧

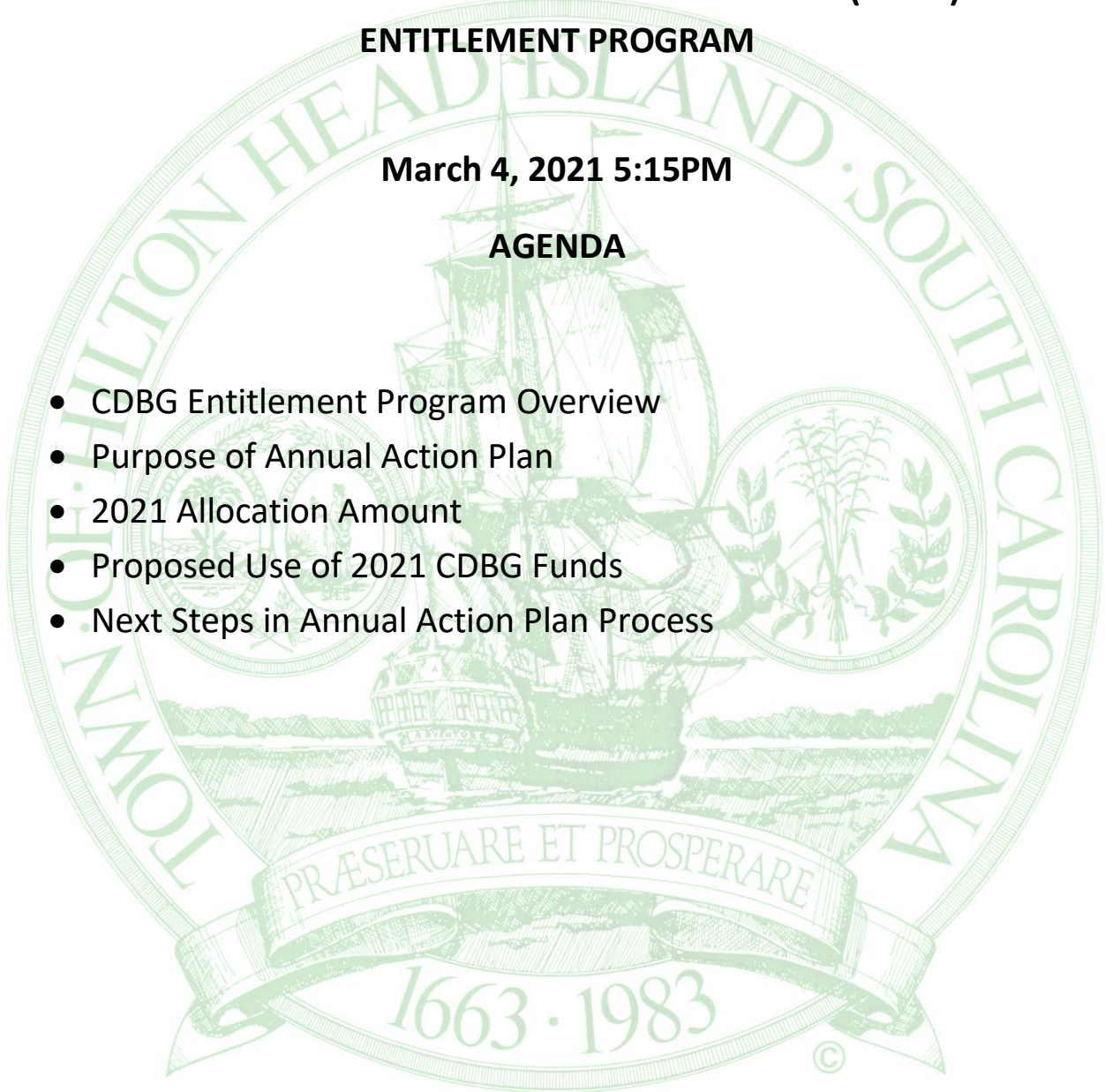
TOWN OF HILTON HEAD ISLAND
ANNUAL ACTION PLAN FISCAL YEAR 2021-2022

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ENTITLEMENT PROGRAM**

March 4, 2021 5:15PM

AGENDA

- CDBG Entitlement Program Overview
- Purpose of Annual Action Plan
- 2021 Allocation Amount
- Proposed Use of 2021 CDBG Funds
- Next Steps in Annual Action Plan Process





Town of Hilton Head Island

Community Development Block Grant (CDBG)

2021 – 2022 Annual Action Plan

Public Meeting
Thursday, March 4, 2021

Marcy Benson
Senior Grants Administrator

Agenda

- CDBG Entitlement Program Overview
- Purpose of Annual Action Plan
- 2021 Allocation Amount
- Proposed Use of 2021 CDBG Funds
- Next Steps in Annual Action Plan Process



Community Development Block Grant Entitlement Program (CDBG)

- Federal grant program administered by HUD
- Provides annual grants on a formula basis
- Program Year 2021 allocation is **\$229,188**
- Annual amount fluctuates each year
- Benefit low and moderate income persons
- Next Annual Action Plan is due in May



Low and Moderate Income (LMI) Definitions

- Low and moderate income households = less than 80% of the area median income
- Low Income = equal to or less than 50% of the area median income
- Moderate Income = equal to or less than 80% of area median income



LMI Example

FY2020 Income Limit Summary

FY 2020 Income Limit Area	Median Family Income	Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Beaufort County, SC HUD Metro FMR Area	\$81,500	50% Income Limit (Low)	28,550	32,600	36,700	40,750	44,050	47,300	50,550	53,800
		80% Income Limit (Moderate)	45,650	52,200	58,700	65,200	70,450	75,650	80,850	86,100

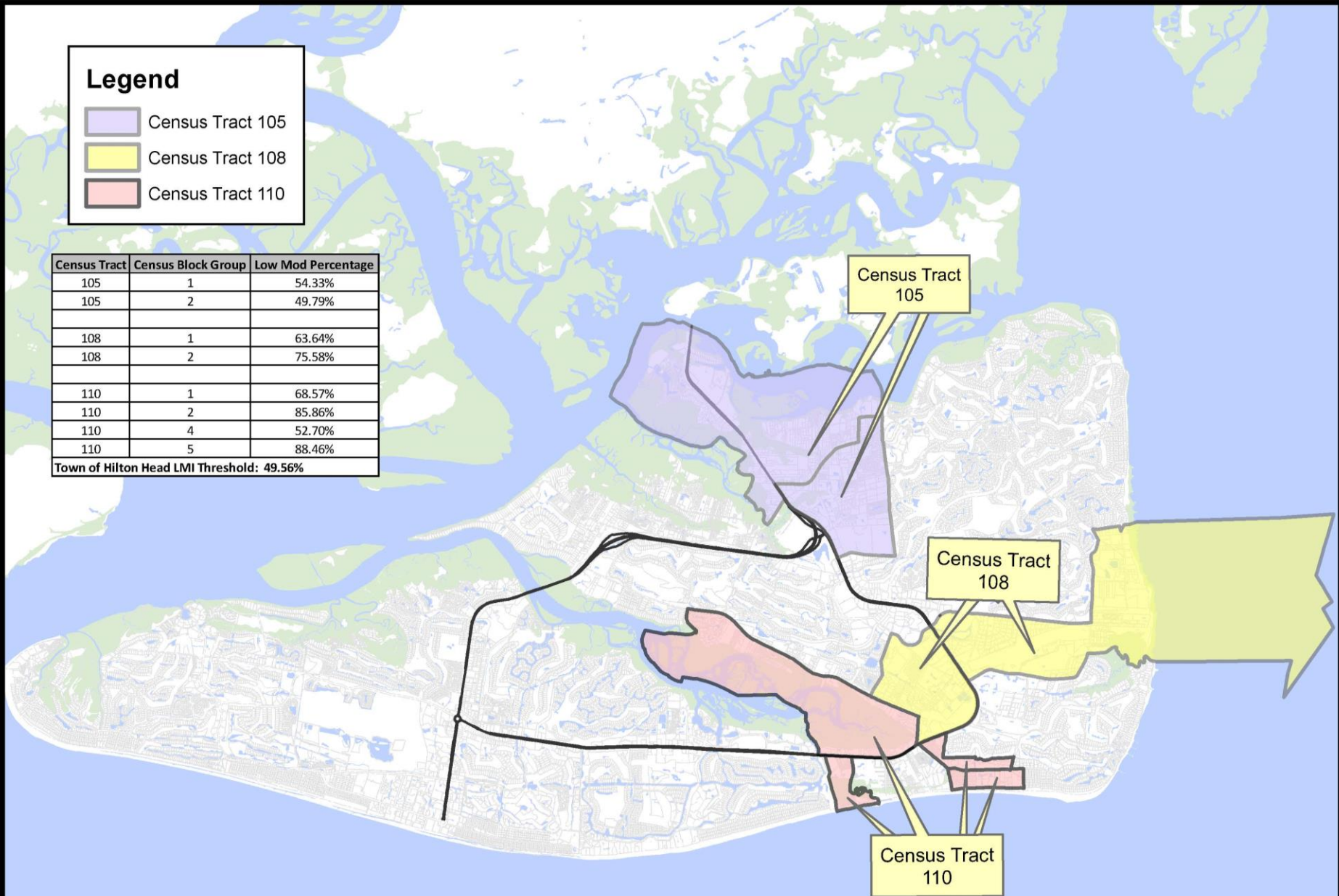
Source: HUD User Website, Office of Policy Development and Research (PD&R)
<https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>



Legend

- Census Tract 105
- Census Tract 108
- Census Tract 110

Census Tract	Census Block Group	Low Mod Percentage
105	1	54.33%
105	2	49.79%
108	1	63.64%
108	2	75.58%
110	1	68.57%
110	2	85.86%
110	4	52.70%
110	5	88.46%
Town of Hilton Head LMI Threshold: 49.56%		



Town of Hilton Head Island

LMI Census Tracts and Blocks



Annual Action Plan Purpose

- Provides summary to HUD
- 1 Year Plan with Goals & Objectives
- Allocates Funds for Program Year 2021
- Improve quality of life



2020 – 2024 Consolidated Plan Projects List

#	Program Year	Project Name	Project Description	Estimated Amount	Annual Goals Supported	Target Area	Priority Need Addressed	Goal Outcome Indicator
1	2020	COVID-19 Response and Recovery	Provide grant funding for the purchase of equipment, or supplies, or materials necessary to carry-out response and recovery due to COVID-19.	\$770,401	COVID-19 Response & Recovery	Town-Wide	Non- Housing Community Development – Public Services; and Administration & Planning	Public service activities other than low/moderate-income housing benefit
2	2021	Facilities, Housing, Public Services, Economic Development Year 2	Provide funding for public facilities & improvements, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.	\$238,313	Facilities, Housing, Public Services, Economic Development Year 2	Census Tract 105, 108, 110, 111, or 113	Non- Housing Community Development – Public Improvements; Public Services; Housing Activities; Economic Development; Administration & Planning	Public facility or infrastructure activities other than low/moderate-income housing benefit
3	2022	Facilities, Housing, Public Services, Economic Development Year 3	Provide funding for public facilities & improvements, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.	\$238,313	Facilities, Housing, Public Services, Economic Development Year 3	Census Tract 105, 108, 110, 111, or 113	Non- Housing Community Development – Public Improvements; Public Services; Housing Activities; Economic Development; Administration & Planning	Public facility or infrastructure activities other than low/moderate-income housing benefit
4	2023	Facilities, Housing, Public Services, Economic Development Year 4	Provide funding for public facilities & improvements, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.	\$238,313	Facilities, Housing, Public Services, Economic Development Year 4	Census Tract 105, 108, 110, 111, or 113	Non- Housing Community Development – Public Improvements; Public Services; Housing Activities; Economic Development; Administration & Planning	Public facility or infrastructure activities other than low/moderate-income housing benefit
5	2024	Facilities, Housing, Public Services, Economic Development Year 5	Provide funding for public facilities & improvements, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.	\$238,313	Facilities, Housing, Public Services, Economic Development Year 5	Census Tract 105, 108, 110, 111, or 113	Non- Housing Community Development – Public Improvements; Public Services; Housing Activities; Economic Development; Administration & Planning	Public facility or infrastructure activities other than low/moderate-income housing benefit



2020 – 2024 Consolidated Plan

Program Year 2 Project

#	Program Year	Project Name	Project Description	Estimated Amount	Annual Goals Supported	Target Area	Priority Need Addressed	Goal Outcome Indicator
2	2021	Facilities, Housing, Public Services, Economic Development Year 2	Provide funding for public facilities & improvements, or housing activities or economic development initiative, or public services in LMI neighborhoods or to LMI clientele.	\$238,349	Facilities, Housing, Public Services, Economic Development Year 2	Census Tract 105, 108, 110, 111, or 113	Non- Housing Community Development – Public Improvements; Public Services; Housing Activities; Economic Development; Administration & Planning	Public facility or infrastructure activities other than low/moderate-income housing benefit

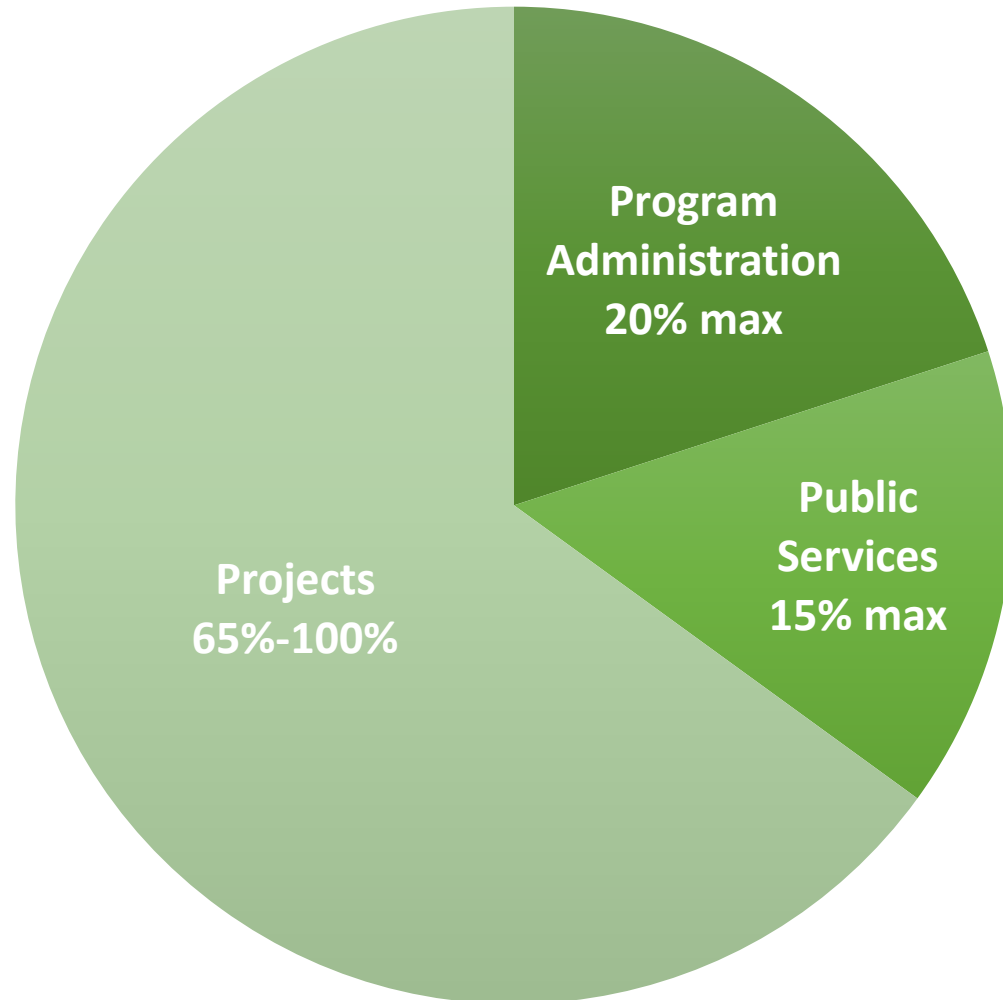


What We've Done 2015 - 2020

- Two dirt road paving projects
- Two playground installation projects
- One parking expansion project
- One pavilion construction project
- 15 public services organizations



2021 Allocation \$229,188



Proposed Use of 2021 CDBG Funds

- Public Improvement Project
 - Neighborhood park at the Patterson Town owned property



We Want to Hear From You

- Public Improvements?
- Public Facilities?
- Housing Activities?
- Other Real Property Improvements?
- Public Services?



We Want to Hear From You Survey on Open Town Hall

<https://hiltonheadislandsc.gov/opentownhall/>

The screenshot shows the homepage of the Town of Hilton Head Island website. At the top, the logo for the Town of Hilton Head Island is displayed with the tagline "America's Favorite Island ~ A Great Place to Live, A Great Place to Visit". Navigation links include "Employment Opportunities", "Topic Index", and "Contact". A search bar is present with the text "Search hiltonheadislandsc.gov". Below the navigation bar, a red banner reads "Hilton Head Island COVID-19 Hub" and an orange banner below it reads "Individuals Required to Wear Face Coverings in Commercial Business Establishments". In the lower left, a green speech bubble icon with a white building icon is next to the text "Open Town Hall HHI". To the right, there is a blue box with an email icon and the text "Subscribe to Email Notifications for New Topics". Further right, the text "Text Size: A A A" is visible.



Next Steps

- Annual Action Plan will be drafted
- 30 day public comment period
- Town Council approval to submit Plan
- Submittal to HUD





Thank you!

Marcy Benson
Senior Grants Administrator
Marcyb@hiltonheadislandsc.gov

Public Meeting Minutes
Public Meeting to Solicit Input and Discuss
Community Development Block Grant (CDBG) Entitlement Program
Annual Action Plan Fiscal Year 2021-2022 (Program Year 2021)

Thursday, March 4, 2021 – 5:15pm
Virtual Public Meeting via
Town of Hilton Head Island Public Meeting Facebook Page

Attendance: Four views noted during live meeting.

Marcy Benson, Senior Town Grants Administrator, began the virtual public meeting at 5:15pm via the Town of Hilton Head Island Public Meeting Facebook Page at <https://m.facebook.com/townofhiltonheadislandmeetings/>

A PowerPoint presentation was given describing the Community Development Block Grant (CDBG) Entitlement Program, the CDBG funding allocation amount available for program year 2021 and staff recommended project for the fiscal year 2021-2022 annual action plan. Four views were noted on the Town of Hilton Head Island Public Meeting Facebook Page during the live meeting.

No public comments were made via the comments section of the Facebook page during the meeting and no citizens called in prior to the meeting to request time to make comments.

The meeting concluded with Town staff stating the next step for the fiscal year 2021-2022 annual action plan will include a 30 day public comment period and recommended comments be submitted via the Town website. Attendees interested in submitting a comment directly to staff were directed to send an email to Marcy Benson, Senior Town Grants Administrator at MarcyB@Hiltonheadislandsc.gov . Attendees were thanked for participating and the public meeting adjourned at approximately 5:26pm.



FY21 CDBG Annual Action Plan

March 9, 2021, 9:50 AM

Contents

i.	Introduction	2
ii.	Summary of comments	3
iii.	Survey questions	5
iv.	Individual comments	6

FY21 CDBG Annual Action Plan

We are accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan

Introduction

Welcome. Thank you for joining the Town of Hilton Head Island's Virtual Open Town Hall comment portal.

As a Community Development Block Grant (CDBG) Entitlement Community the Town of Hilton Head Island receives an annual allocation from the U.S. Department of Housing and Urban Development (HUD) to fund projects which benefit the community needs of low and moderate income residents. The 2021 -2022 funding allocation is estimated to be approximately \$200,000. The Town is accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan.

FY21 CDBG Annual Action Plan

We are accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan

Summary Of Comments

As of March 9, 2021, 9:50 AM, this forum had:

Attendees: 6
Comments: 1
Minutes of Public Comment: 3

Topic Start

February 24, 2021, 4:12 PM

Topic End

March 9, 2021, 9:50 AM

QUESTION 1

How important are these services (1=not important, 5=very important)?

Public Improvements such as streets, sidewalks, water and sewer infrastructure, parks, or drainage improvements

		%	Count
1		100.0%	1

Public Facilities such as neighborhood or community facilities or facilities for persons with special needs

		%	Count
3		100.0%	1

Housing Activities such as rehabilitation of owner-occupied homes for energy improvements, water and sewer efficiency improvements, or lead-based paint testing and abatement

		%	Count
3		100.0%	1

Other Real Property Improvements such as acquisition, clearance/demolition, code enforcement, historic preservation, renovation of closed buildings, or handicapped accessibility

		%	Count
5		100.0%	1

Public Services such as employment services, crime prevention and public safety, child care, health services, fair housing counseling, education programs, or services for senior citizens.

FY21 CDBG Annual Action Plan

We are accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan

		%	Count
5		100.0%	1

QUESTION 2

Please tell us a specific project you would like to see in the three highest ranking categories you selected

Answered	1
Skipped	0

QUESTION 3

You've got 10 dots to 'spend'. Tell us how you would allocate \$200,000 in any of the project categories

		%	Count
Housing Activities		50.0%	5
Public Services		50.0%	5

QUESTION 4

Do you have any additional comments?

Answered	1
Skipped	0

FY21 CDBG Annual Action Plan

We are accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan

Survey Questions

QUESTION 1

How important are these services (1=not important, 5=very important)?

Row choices

- Public Improvements such as streets, sidewalks, water and sewer infrastructure, parks, or drainage improvements
- Public Facilities such as neighborhood or community facilities or facilities for persons with special needs
- Housing Activities such as rehabilitation of owner-occupied homes for energy improvements, water and sewer efficiency improvements, or lead-based paint testing and abatement
- Other Real Property Improvements such as acquisition, clearance/demolition, code enforcement, historic preservation, renovation of closed buildings, or handicapped accessibility
- Public Services such as employment services, crime prevention and public safety, child care, health services, fair housing counseling, education programs, or services for senior citizens.

Column choices

- 1
- 2
- 3
- 4
- 5

QUESTION 2

Please tell us a specific project you would like to see in the three highest ranking categories you selected

QUESTION 3

You've got 10 dots to 'spend'. Tell us how you would allocate \$200,000 in any of the project categories

- Public Improvements
- Public Facilities
- Housing Activities
- Other Real Property Improvements
- Public Services

QUESTION 4

Do you have any additional comments?

FY21 CDBG Annual Action Plan

We are accepting comments on needs and funding priorities for the CDBG program year 2021-2022 Annual Action Plan

Individual Comments

inside Town Limits

March 5, 2021, 3:00 AM

Question 1

Public Improvements such as streets, sidewalks, water and sewer infrastructure, parks, or drainage improvements: 1

Public Facilities such as neighborhood or community facilities or facilities for persons with special needs: 3

Housing Activities such as rehabilitation of owner-occupied homes for energy improvements, water and sewer efficiency improvements, or lead-based paint testing and abatement: 3

Other Real Property Improvements such as acquisition, clearance/demolition, code enforcement, historic preservation, renovation of closed buildings, or handicapped accessibility: 5

Public Services such as employment services, crime prevention and public safety, child care, health services, fair housing counseling, education programs, or services for senior citizens.: 5

Question 2

Public Service needs have not been much of a priority on the Island in the past. Workforce housing a major issue. The Towns Workforce housing project is fantastic and is finally growing some legs. We need some sort of temporary housing to support the workforce that are continuously losing homes to vacation rentals and the impact of Covid-19. Temporary emergency funding has been virtually impossible to get during the pandemic and the homeless issue continues to rise due to no fault of the individual. I suggest on trying to find a way to offer help before there is no one left to work on our island. An outreach program or task force needs to be implemented immediately and HUD funds should be allocated to this sooner than later.

Question 3

- Housing Activities (5)
- Public Services (5)

Question 4

I would be willing to work with any outreach program currently or in the future to help with the immediate needs to our workforce homelessness concern.

**NOTICE OF 30 DAY PUBLIC COMMENT PERIOD
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FISCAL YEAR 2021-22 ANNUAL ACTION PLAN**

Notice is hereby given that the Town of Hilton Head Island has prepared a draft of its fiscal year 2021 – 2022 (program year 2021) Annual Action Plan required by the U.S. Department of Housing and Urban Development (HUD) to receive Community Development Block Grant Entitlement Program funding. The Plan will be available for review and comment for 30 days beginning Tuesday, March 23, 2021 through Thursday, April 22, 2021. A copy of the Plan will be available for review via the Town of Hilton Head Island website at:

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FROM PAGE 1A

ASIA

tionships among them,” said Sung Kim, who is the top U.S. diplomat for Asia. For all of Biden’s suggestions that he will re-

verse Trump’s overt hostility to China, Biden has yet to countermand a single one of his predecessor’s policies. He has,

in fact, reaffirmed several of them, including maintaining sanctions in response to human rights abuses in western Xinjiang and Hong Kong and restating a Trump-era decision to reject outright nearly all of China’s maritime claims in the South

China Sea. Many of China’s policies that the U.S. finds objectionable – including its crackdown in Hong Kong, stepped up rhetoric against Taiwan and actions in the South China Sea – began during the Obama administration.

The previous Democratic administration took office promising a “pivot to Asia” after a period of what many saw as American neglect of the region during George W. Bush’s presidency. After wrapping up the stop in Seoul, Blinken will

fly back to Washington via Anchorage, Alaska, where he and Sullivan will meet with senior Chinese officials. Austin will go from Seoul to New Delhi for meetings with Indian leaders.

FROM PAGE 1A

FUNERALS

has during the COVID-19 pandemic, fighting against an unseen virus that now, a year after it was first found in South Carolina, medical experts still don’t know everything about how to be safe around it. Johnson, who contracted COVID last fall, said others who work for him have gotten it as well. He was out of work for two weeks with moderate symptoms.

And he got it even with the extreme safety measures the funeral home has put in place. No longer is there open visitation. No setting up the house with chairs and funeral books and wreaths. No family cars. No hugging. That’s the part that bothers him most.

“I can’t hug people I’ve known all my life and loved,” he said. Johnson said many families have elected to have a graveside service only, something unthinkable pre-COVID. Very few are gathering in a church, and some pastors are not allowing funerals in their churches, many of which still are not having regular in-person services. He thinks about recent funerals that were a shadow of what they would have been in ordinary times, such as Deacon Calvin “Chip” Jackson, a Richland County Council member. Probably 2,500 people would have attended Jackson’s funeral, John-

son estimated. Instead, people watched a live-stream video on Facebook. The crush of funerals is so great, Leevy’s has two pages on Facebook where people can watch funerals online.

“He did not get the send-off he deserved,” Johnson said. Johnson described his business as a sacred ministry.

Mourners have suffered from it. Where they would normally go to a home or church for a home-cooked meal provided by friends and fellow parishioners to honor and remember the person who died, now they and their family members go home to grieve alone.

“It’s very hurtful,” Johnson said.

In January — usually the worst month for deaths in any year, COVID or not — Leevy’s Funeral Home held 80 funerals.

“I felt like a zombie,” Johnson said. Recently, he arranged the funeral for a man, and the man’s wife died the next day.

Johnson will not turn a family away. In Black culture, funerals must be done well, or the spirit does not rest, Johnson said.

THE WOOD MORTUARY

Jones, who runs Wood Mortuary in the small Upstate city of Greer, said he handles a COVID death at least weekly, and



TRACY GLANTZ tglantz@thestate.com

Safety protocols to help prevent the spread of the coronavirus are in place during a funeral at Progressive Church of our Lord Jesus Christ in Columbia.

some weeks daily. Once, they had seven funerals in one day.

The pressure is immense, from safety to serving families properly to running a business with new and unexpected expenses such as personal protective equipment.

Employees wear protective gear from the hearse to wherever the body is — at home, a nursing home or hospital.

Jones said a year ago, when the pandemic began, he gathered his staff and brainstormed everything they needed to do.

“We had to figure this out on our own,” he said.

They stopped having families come into the office but at the same time had to make the families feel like nothing had changed. That hometown feel was developed 120 years ago by John D. Wood, and losing it was non-negotiable.

Generations of families

have turned to Wood.

Jones said the funeral home suspended visitation, although people could come in and sign the guest book. Attendance at services was limited to 50 people in the chapel.

Many families decided to wait until the pandemic is over to have a formal service. After all, Jones said, “We all thought this was going to be over in two weeks.”

Others waited and then decided the wait was too long and went ahead with the service.

“We’re wondering about a wave of memorial services in the future,” he said.

The number of cremations, which once was not a consideration for most Southern families, has increased through the years, but COVID forced people to choose cremation even more.

Besides the size of serv-

“IT IS HARD TO OFFER A MINISTRY OF COMFORT BY BEING DISTANT.”

I.S. Leevy Johnson, Chris Leevy Johnson’s father

ices, there is the concern about keeping everything clean. Even with a limited number of people entering the mortuary, workers fog rooms every day with a disinfecting spray. They wipe all surfaces, including handrails and door knobs.

Jones has seen husbands and wives and multiple members of a single family die of COVID within a short period of time. “Most people have been touched,” he said.

LIVESTREAMED AND DISTANT

At Mother Ashe’s funeral at the end of February, much of what could be considered traditional happened. Gospel music rang through the church. Pastors she had helped in the beginning of their ministry preached rousing, fiery messages. She wore a fine hat and a lovely dress, with her hair and makeup done just so.

Bishop Theodore Jenkins reminded people that Ashe had sacrificed much in service of her Lord.

I.S. Leevy Johnson, Chris Leevy Johnson’s father who served for 10 years in the state House of Representatives, said, “I am who I am today because Mother Ashe loved me.”

Columbia Fire Chief

Aubrey Jenkins presented the family with a proclamation naming that day Laura Ashe Day in Columbia.

Her daughter Frances Ashe-Goins told of her mother’s love to shop, especially at Dillard’s and Belk, and times the family spent on Sandy Island, where Ashe spent part of her childhood.

What was markedly different were the cameras recording the service. The video was streamed on Facebook, where more than 300 people watched. Many commented on Ashe’s life and sent messages in the chat room to family members.

And in the pews, friends and family collected in pods, with gaps between them.

“It is hard to offer a ministry of comfort by being distant,” Johnson said.

Summer Bodies are made in the winter

Relationship Status:
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NOTICE OF 30 DAY PUBLIC COMMENT PERIOD COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FISCAL YEAR 2021-22 ANNUAL ACTION PLAN

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TONY-AWARD WINNING PLAY OF MARK ROTHKO'S
ART AND HIS SHADES OF GENIUS!

RED

BY JOHN LOGAN

APRIL 8 - 11

**“INTENSE AND EXCITING”...
- THE NEW YORK TIMES**

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EVENT SAFETY

- FACE COVERINGS
- PHYSICAL DISTANCE
- 50% THEATER OCCUPANCY
- TEMPERATURE SCREENINGS

Mature themes and language. Though theatrical works do not offer a rating guidance system, we recommend this production for ages 15+, parental guidance advised.
KURT RHOADS AND LAURIE ROACH IN RED BY JOHN LOGAN, PHOTOGRAPHY PROVIDED.

Viewed through the lens of his youthful new assistant, Ken, we witness Rothko at the pinnacle of his creativity, but struggling through the creation of a series of commissioned paintings, to be featured in New York’s stylish new Four Seasons Restaurant.

Just as Rothko’s paintings are about tension between blocks of color, so the play itself is about opposing views of art.

Based on a series of real events, RED is the thrilling story of one of the world’s greatest expressionists, balancing the colors of his brilliance and his demons.

NOTICE OF 30 DAY PUBLIC COMMENT PERIOD COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FISCAL YEAR 2021-22 ANNUAL ACTION PLAN

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Benson Marcy

From: Phillips Rene
Sent: Monday, March 15, 2021 9:02 AM
To: Benson Marcy
Subject: FW: Courtesy Copy: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

René Phillips, CGDSP, CIW
Website Administrator
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928
843-341-4792
www.hiltonheadislandsc.gov

From: Town of Hilton Head Island [mailto:updates@secure.hiltonheadislandsc.gov]
Sent: Monday, March 15, 2021 9:01 AM
To: Phillips Rene <renep@hiltonheadislandsc.gov>; Spinella Kelly <kellys@hiltonheadislandsc.gov>; Grant Carolyn <carolyng@hiltonheadislandsc.gov>
Subject: Courtesy Copy: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

This is a courtesy copy of an email bulletin sent by Rene Phillips.

This bulletin was sent to the following groups of people:

Subscribers of Legal Notices (2915 recipients)



Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

Notice is hereby given that the Town of Hilton Head Island has prepared a draft of its fiscal year 2021 - 2022 (program year 2021) Annual Action Plan required by the U.S. Department of Housing and Urban Development (HUD) to receive Community Development Block Grant Entitlement Program funding. The Plan will be available for review and comment for 30 days beginning Tuesday, March 23, 2021 through Thursday, April 22, 2021. A copy of the Plan will be available for review via the Town of Hilton Head Island website at www.hiltonheadislandsc.gov beginning March 23, 2021. Written comments on the Plan are encouraged and may be submitted via the website link, or email to marcyb@hiltonheadislandsc.gov or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Community Development Department, 1 Town Center Court, Hilton Head Island, SC 29928. Comments will be accepted until April 22, 2021. Comments received and responses will be posted on the Town of Hilton Head Island website on Friday, April 23, 2021.

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www.hiltonheadislandsc.gov



Questions for the Town of Hilton Head Island? [Contact Us](#)

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30 Day Public Comment Period Notice

[Employment Opportunities](#) [Topic Index](#) [Contact Us](#)



Town of Hilton Head Island

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Hilton Head Island COVID-19 Hub

Individuals Required to Wear Face Coverings in Commercial Business Establishments

How Do I...

- > Apply for...
- > Contact...
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- > Obtain...
- > Pay...
- > Participate...
- > Register...
- > Renew...
- > Report...
- > Schedule...
- > Subscribe to...
- > Submit...
- > View...



Coronavirus Disease (COVID-19) Updates & Info

An Update from Deputy Town Manager Josh Gruber 3/12/2021

Here's an update on what's happening around Town.

It's been a year since South Carolina faced suspected cases of COVID-19 in our state and since we embarked on our journey to keep you informed during this unprecedented global pandemic. We agree with everyone in saying it's been a challenging time, but we remain hopeful as we have come through months of testing, mandates, and now vaccine phases. We thank everyone for taking actions to help end this pandemic. We are hearing good reports from the S.C. Department of Health and Environmental Control. Assistant State Epidemiologist, Dr. Jane Kelly, shared this update with us this week: [View the Full Update...](#)

Major Initiatives

- Coligny Area and Beach Access Parking Study
- Town Manager Search
- Hilton Head Island- Our Plan
- Parks + Recreation Master Plan
- US 278 Gateway Corridor Improvements
- Workforce Housing Project



COVID-19 Vaccine Information

The SC Department of Health and Environmental Control (DHEC) is managing distribution of the COVID-19 vaccine in South Carolina. For the latest update on the vaccine and access to frequently asked questions about the vaccine and the vaccination program in our state, please visit DHEC's website at <https://sdhec.gov/covid19/covid-19-vaccination>.



Mask Up! It's the Law on Hilton Head Island

Town Council adopted an emergency ordinance requiring individuals to wear face coverings in commercial business establishments in the municipal limits of the Town of Hilton Head Island. [Learn more...](#)

[Download or Print Mask Up! Campaign Resources](#)

E-Subscription Service

To sign up for alerts and updates or to access your subscriber preferences, please enter your contact information below. Select email or text alerts from the pull down menu. [Learn more...](#)

Subscription Type

*Email Address

Lowcountry Celebration Park Ribbon-Cutting Ceremony



Lowcountry Celebration Park Ribbon-Cutting

December 10, 2020



Parks + Recreation Master Plan

Our master plan for parks and recreation continues to evolve. Now it is time to begin the Parks + Recreation Master Plan Part 3, prioritizing the recommendations and action items. [Learn more...](#)



Seasonal Safety Tips



We Already Pay!

Beaufort County passed an ordinance to impose a law enforcement charge and uniform user fee to generate \$4.4 million in surplus revenue for the Beaufort County Sheriff's Office. [Learn more...](#)



CIP Dashboard



Building & Development



OFFICE OF CULTURAL AFFAIRS

Hilton Head Island



Meeting Calendar

Upcoming Meetings

Finance & Administrative Committee	3/16/2021 at 2:00 PM	Virtual Meeting
Town Council	3/16/2021 at 4:00 PM	Virtual Meeting
Board of Zoning Appeals	3/22/2021 at 2:30 PM	Virtual Meeting
Community Services & Public Safety Committee	3/22/2021 at 9:00 AM	Virtual Meeting
Design Review Board	3/23/2021 at 1:15 PM	Virtual Meeting



Boards, Committees, Commissions



Sustainability on Hilton Head Island

News Releases and Notices

Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan - 3/15/2021

Repair Projects Scheduled to Take Place Around Hilton Head Island Next Week - 3/12/2021

Get Involved! Volunteer for a Town Board or Commission. Application Deadline is March 21. - 3/9/2021

Repair and Maintenance Projects Scheduled to Take Place Around Hilton Head Island Next Week - 3/3/2021

South Carolina to Move to Phase 1b of COVID-19 Vaccination Plan on March 8, 2021 - 3/2/2021

Repaving Work Scheduled for Sea Pines Circle - 3/1/2021

Gov. Henry McMaster to Lift 'Last Call' Order, Large Gatherings Approval Process - 2/26/2021

Town of Hilton Head Island's Mid-Island Tract Open for Visitors - 2/25/2021

Town of Hilton Head Island Earns SCAPA Outstanding Award for New 2020-2040 Comprehensive Plan - 2/17/2021

Penn Center's Land Preservation Assistance Program Offers Aid to Beaufort County Property Owners - 2/16/2021

Be Aware: Training Exercises Planned for Law Enforcement and Emergency Teams - 2/11/2021

[View More News and Media Releases](#)

Announcements



Town Offices Reopened - Public Access is Limited

The public is encouraged to conduct business with the Town by phone, e-mail or online, when possible. Members of the public that need assistance in person will be allowed to enter Town office buildings by appointment only. Please call ahead to schedule a visit. [Learn more...](#)

The classroom at Fire Rescue headquarters at 40 Summit Drive, and the fire stations and conference rooms remain closed to the public.

[View Additional Announcements and Reminders...](#)

[View our Frequently Asked Questions Page for more information...](#)

Recent Publications

New Town Manager Comes with Local Knowledge and Experience - February 2021 (Mayor McCann's Article as seen in *Celebrate Hilton Head Magazine*)

New Town Manager will help lead us toward future - February 2021 (Mayor McCann's Article as seen in *The Hilton Head Sun*)

2019 Fire Rescue Annual Report



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Town of Hilton Head Island Website
March 15, 2021
2021 – 2022 CDBG Annual Action Plan
30 Day Public Comment Period Notice Page

The screenshot shows the Town of Hilton Head Island website. At the top, there is a navigation bar with links for Employment Opportunities, Topic Index, and Contact Us. Below this is a search bar and a link to E-Subscription Service. The main navigation menu includes Government, Online Services, Departments, Our Island, Public Safety, and Publications. A red banner at the top of the main content area reads "Hilton Head Island COVID-19 Hub". Below this is an orange banner that says "Individuals Required to Wear Face Coverings in Commercial Business Establishments". The main content area features a "Public Notice" section with the title "Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan". The notice includes the release date (March 15, 2021) and contact information for Marcy Benson, Senior Grants Administrator. The notice text states that the Town of Hilton Head Island has prepared a draft of its fiscal year 2021 - 2022 (program year 2021) Annual Action Plan required by the U.S. Department of Housing and Urban Development (HUD) to receive Community Development Block Grant Entitlement Program funding. The Plan will be available for review and comment for 30 days beginning Tuesday, March 23, 2021 through Thursday, April 22, 2021. A copy of the Plan will be available for review via the Town of Hilton Head Island website at: www.hiltonheadislandsc.gov beginning March 23, 2021. Written comments on the Plan are encouraged and may be submitted via the website link, or email to marcyb@hiltonheadislandsc.gov or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Community Development Department, 1 Town Center Court, Hilton Head Island, SC 29928. Comments will be accepted until April 22, 2021. Comments received and responses will be posted on the Town of Hilton Head Island website on Friday, April 23, 2021. The notice also includes a statement of non-discrimination. At the bottom of the page, there is a footer with links to various services and contact information.

Town of Hilton Head Island
America's Favorite Island - A Great Place to Live, A Great Place to Visit

Employment Opportunities Topic Index Contact Us

E-Subscription Service

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Hilton Head Island COVID-19 Hub

Individuals Required to Wear Face Coverings in Commercial Business Establishments

Public Notice Text Size: A A A

Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

Release Date: March 15, 2021

Contact Information:
Marcy Benson 📧, Senior Grants Administrator, 843-341-4689

Notice is hereby given that the Town of Hilton Head Island has prepared a draft of its fiscal year 2021 - 2022 (program year 2021) Annual Action Plan required by the U.S. Department of Housing and Urban Development (HUD) to receive Community Development Block Grant Entitlement Program funding. The Plan will be available for review and comment for 30 days beginning Tuesday, March 23, 2021 through Thursday, April 22, 2021. A copy of the Plan will be available for review via the Town of Hilton Head Island website at: www.hiltonheadislandsc.gov beginning March 23, 2021. Written comments on the Plan are encouraged and may be submitted via the website link, or email to marcyb@hiltonheadislandsc.gov or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Community Development Department, 1 Town Center Court, Hilton Head Island, SC 29928. Comments will be accepted until April 22, 2021. Comments received and responses will be posted on the Town of Hilton Head Island website on Friday, April 23, 2021.

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Employee Portal ~ Website Policies ~ Social Media Public Use Policy ~ Contact Webmaster 📧

Benson Marcy

From: Marina [REDACTED]
Sent: Monday, March 15, 2021 9:12 AM
To: Benson Marcy
Subject: Fw: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hello, I was not able to comment via the link.

Please consider reviving the community pool in the Chaplin park project.
Hilton Head should have a community pool.

Many thanks, Marina

----- Forwarded Message -----

From: Town of Hilton Head Island <updates@secure.hiltonheadislandsc.gov>
To: "marina1768@yahoo.com" <marina1768@yahoo.com>
Sent: Monday, March 15, 2021, 09:01:43 AM EDT
Subject: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan



**Notice of 30 Day Public Comment Period Community
Development Block Grant Program Fiscal Year 2021-22
Annual Action Plan**

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This email was sent to marina1768@yahoo.com using GovDelivery Communications Cloud on behalf of the Town of Hilton Head Island - One Town Center Court, Hilton Head Island, SC 29928 - 843-341-4600

Benson Marcy

From: Phillips Rene
Sent: Tuesday, March 23, 2021 9:27 AM
To: Benson Marcy
Subject: FW: Courtesy Copy: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan



René Phillips, CGDSP

DIGITAL COMMUNICATIONS ADMINISTRATOR

Office: (843) 341-4792

Website: hiltonheadislandsc.gov

Address: Town of Hilton Head Island
1 Town Center Court,
Hilton Head Island, SC 29928

From: Town of Hilton Head Island [mailto:updates@secure.hiltonheadislandsc.gov]

Sent: Tuesday, March 23, 2021 9:26 AM

To: Phillips Rene <renep@hiltonheadislandsc.gov>; Spinella Kelly <kellys@hiltonheadislandsc.gov>; Grant Carolyn <carolyng@hiltonheadislandsc.gov>

Subject: Courtesy Copy: Public Comment Period for the CDBG Program Fiscal Year 2021-22 Annual Action Plan

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Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

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[DRAFT CDBG Program Fiscal Year 2021-2022 Annual Action Plan](#)

Submit a comment online at <https://services.hiltonheadislandsc.gov/publiccomment/>



www.hiltonheadislandsc.gov

STAY CONNECTED:



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Town of Hilton Head Island Website
March 23, 2021
2021 – 2022 CDBG Annual Action Plan
30 Day Public Comment Period Notice Page

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Public Comment

The following topics are currently open for public comment. To submit a comment online, please select the button below and then select your topic and complete the provided comment form.

Notice of 30 Day Public Comment Period Community Development Block Grant Program Fiscal Year 2021-22 Annual Action Plan

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[DRAFT - CDBG Program Fiscal Year 2021-2022 Annual Action Plan](#)

[Submit Comment Online](#)

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Public Comment Summary
For the Town of Hilton Head Island
Community Development Block Grant (CDBG)
2021 Annual Action Plan

Public comments received from Open Town Hall Portal CDBG survey (February 24 – March 8, 2021)

Comment #1: The comment ranked public services and housing activities as high needs in the community

Response #1: The comment will be included with the plan submittal to the U.S. Department of Housing and Urban Development.

Public comments received via direct email

Comment #1: Request for funds to be used for sidewalks and lighting around Southwood Park Drive.

Response #1: The comment will be included with the plan submittal to the U.S. Department of Housing and Urban Development.

Comment #2: One comment was request to revive the community pool at Chaplin Park.

Response #2: The comment will be included with the plan submittal to the U.S. Department of Housing and Urban Development.

Public Comments Received at Virtual Public Meeting (March 4, 2021)

- No comments received.
-

Public Comments Received From Town Council Community Services and Public Safety Committee Meeting (March 22, 2021)

Comment #1: Expressed support of the project and asked if preliminary design has occurred for the proposed park project.

Response #1: The comment will be included with the plan submittal to the U.S. Department of Housing and Urban Development. Town staff has done a preliminary review of the site to ascertain appropriate features to include in the park design.

Comment #2: Requested the location map for the Patterson Park be displayed for reference.

Response #2: Map was provided during meeting for location reference.

Comment #3: Suggestion to replace the broad projects listed in the Five Year Consolidated Plan project list with more specific projects.

Response #3: The comment will be included with the plan submittal to the U.S. Department of Housing and Urban Development. Broad projects were listed in the 2020 – 2024 Five Year Consolidated Plan to allow for flexibility when developing the annual action plans for years 2021 through 2024.

- No requests for public comments from citizens were submitted during the meeting.

Public Comments Received during 30 Day Public Comment Period (March 23 – April 22, 2021)

- No comments received.

Public Comments Received at Town Council Meeting (May 4, 2021)

- No comments received.



Town of Hilton Head Island **TOWN COUNCIL MEETING** Tuesday, May 4, 2021, 4:00 p.m. **AGENDA**

In accordance with the Town of Hilton Head Island Municipal Code § 2-5-15, this meeting is being conducted virtually and can be viewed on the [Town of Hilton Head Island Public Meetings Facebook Page](#) or the [Beaufort County Channel](#) as well as Hargray channels 9 and 113.

- 1. Call to Order**
- 2. 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.
- 3. Pledge to the Flag**
- 4. Invocation – Associate Pastor Steve Salvas – Grace Community Church**
- 5. Approval of the Agenda**
- 6. Approval of the Minutes**
 - a. Workshop – April 19, 2021
 - b. Regular Meeting – April 20, 2021
- 7. Report of the Town Manager**
 - a. Items of Interest
- 8. Reports from the Members of Council**
 - a. General Reports from Council
 - b. Report of the Community Services & Public Safety Committee – Councilman Harkins
 - c. Report of the Public Planning Committee – Councilman Ames
 - d. Report of the Finance & Administrative Committee – Councilman Lennox
- 9. Proclamations/Commendations - NONE**
- 10. Appearance by Citizens**

*Citizens who wish to address Town Council during the meeting by phone must contact the Town Clerk at 843.341.4701 no later than **12:00 p.m. the day of the meeting**. Citizens speaking during the meeting will limit their comments to no longer than three (3) minutes and will conduct themselves in a manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, threatening, or obscene language.*

11. Unfinished Business – NONE

12. Consent Agenda

Town Council may approve the Consent Agenda in its entirety, with all noted items; or a member of Council may request to have an item or items removed for further review and discussion.

a. Second Reading of Proposed Ordinance 2021-11 – Volunteers in Medicine Parking

Second Reading of Proposed Ordinance 2021-11 authorizing the execution of a lease with Volunteers in Medicine, related to real property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2012), and Sec. 2-3-30, Code of the Town of Hilton Head Island, South Carolina (1983); and, providing for severability and an effective date.

b. Second Reading of Proposed Ordinance 2021-12 – Northridge Conservation Easement Modification

Second Reading of Proposed Ordinance 2021-12 authorizing the modification of a conservation easement to the benefit of Hilton Head Island Land Trust, related to real property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2012), and Sec. 2-3-30, Code of the Town of Hilton Head Island, South Carolina (1983); and, providing for severability and an effective date.

13. New Business

a. Consideration of Proposed Emergency Ordinance 2021-16 - Requirement of Face Covering

Consideration of Proposed Emergency Ordinance 2021-16 to require individuals to wear face coverings in certain circumstances and locations in the Municipal Limits of the Town of Hilton Head Island, South Carolina, and providing for severability and an effective date.

b. Consideration of a Recommendation from the Accommodations Tax Advisory Committee – Approval of the FY2022 Marketing Plan & Budget for the Chamber of Commerce Visitor and Convention Bureau.

Consideration of a Recommendation from the Accommodations Tax Advisory Committee to the Town Council of Hilton Head Island requesting approval of the FY2022 Marketing Plan and Budget for the Chamber of Commerce Visitor and Convention Bureau as required by State law and Town of Hilton Head Island Municipal Code for the VCB to continue as the Town's Designated Marketing Organization for State Accommodations Tax purposes.

c. Consideration of a Resolution – Community Development Block Grant Entitlement Program 2021 Annual Action Plan Request

Consideration of 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 Annual Action Plan for Program Year 2021

d. First Reading of Proposed Ordinance 2021-14 – Town of Hilton Head Island FY2022 Municipal Budget

First Reading of Proposed Ordinance 2021-14 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year ending June 30, 2022; to establish a Property Tax Levy; to establish funds; to establish policy and acquisition of rights of way and easements; and providing for severability and an effective date.

14. Executive Session

- a. Receipt of legal advice related to pending, threatened, or potential claim related to the Beaufort County Law Enforcement Fee [pursuant to S.C. Freedom of Information Act § 30-4-70(a)(2)].

15. Possible actions by Town Council concerning matters discussed in Executive Session

16. Adjournment

Public comments concerning agenda items can be submitted electronically via the [Town's Virtual Town Hall Portal](#). The portal will close at **2:00 p.m.** the day of the scheduled meeting. All comments submitted to the portal will be provided to Town Council for review and made part of the official record.

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 2021 ANNUAL ACTION PLAN

WHEREAS, in July, 2020 the Town of Hilton Head Island CDBG Five Year Consolidated Plan for program years 2020-2024 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, in October, 2020 and January, 2021 the Town of Hilton Head Island CDBG Five Year Consolidated Plan for program years 2020-2024 was amended and 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 2021 to address goals and objectives outlined in the amended Five Year Consolidated Plan; and

WHEREAS, for program year 2021 the Town will receive a CDBG award totaling \$229,188 to carry out activities that meet one of three National Objectives, as described by HUD; and

WHEREAS, the program year 2021 Annual Action Plan is compatible with the HUD approved amended Five Year Consolidated Plan for program years 2020 - 2024; 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 2021 Annual Action Plan; and

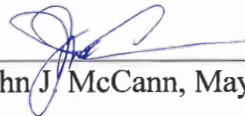
WHEREAS, a public engagement and 30 day public comment period for the program year 2021 Annual Action Plan were conducted for citizen input and review; and

WHEREAS, the Town Manager is authorized to submit this program year 2021 Annual Action Plan to HUD for their review and acceptance;

NOW, THEREFORE BE IT, AND IT HEREBY IS RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, THAT The Community Development Block Grant Entitlement Program 2021 Annual Action Plan as submitted in the attachment to this resolution be approved and submitted to HUD.

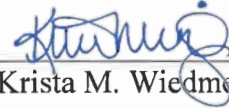
(SIGNATURE PAGE FOLLOWS)

MOVED, APPROVED, AND ADOPTED ON THIS 4TH DAY OF MAY 2021.

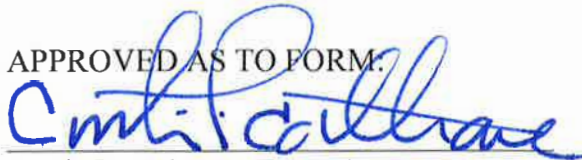


John J. McCann, Mayor

ATTEST:



Krista M. Wiedmeyer, Town Clerk

APPROVED AS TO FORM:


Curtis L. Coltrane, Town Attorney

Introduced by Council Member: William D. Harkins

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- ☐ Preapplication
☐ Application
☒ Changed/Corrected Application

*** 2. Type of Application:**

- ☐ New
☐ Continuation
☒ Revision

*** If Revision, select appropriate letter(s):**

*** Other (Specify):**

*** 3. Date Received:**

05/20/2021

4. Applicant Identifier:

5a. Federal Entity Identifier:

57-0752325

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

Town of Hilton Head Island

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

57-0752325

*** c. Organizational DUNS:**

1144158540000

d. Address:

*** Street1:**

1 Town Center Court

Street2:

*** City:**

Hilton Head Island

County/Parish:

*** State:**

SC: South Carolina

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

29928-2701

e. Organizational Unit:

Department Name:

Community Development

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Ms.

*** First Name:**

Marcy

Middle Name:

*** Last Name:**

Benson

Suffix:

Title:

Senior Grants Administrator

Organizational Affiliation:

Town of Hilton Head Island

*** Telephone Number:**

843-341-4689

Fax Number:

843-842-8909

*** Email:**

Marcyb@Hiltonheadislandsc.gov

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

CFDA Title:

* 12. Funding Opportunity Number:

14218

* Title:

Community Development Block Grants/Entitlement Grants. Community Development Block Grant program for Entitlement Communities.

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Fiscal Year 2021 - 2022 (Program Year 2021) Annual Action Plan and Public Improvement Project for Fiscal Year 2021 - 2022 for Low and Moderate Income residents in the Town of Hilton Head Island, SC.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)**17. Proposed Project:*** a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	232,565.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	232,565.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

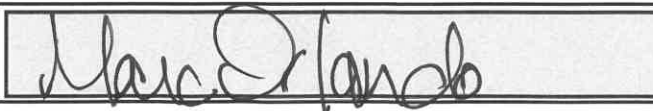
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:

* Title: * Telephone Number: Fax Number: * Email:

* Signature of Authorized Representative:

* Date Signed:

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Town Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
Town of Hilton Head Island	05/19/2021

SF-424D (Rev. 7-97) Back

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

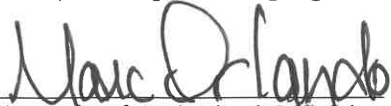
Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.


Signature of Authorized Official

05/19/2021
Date

Town Manager
Title

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) _____ [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.


Signature of Authorized Official

05/19/2021

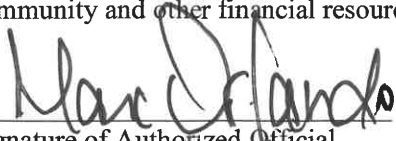
Date

Town Manager
Title

OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.



Signature of Authorized Official

05/19/2021
Date

Town Manager

Title

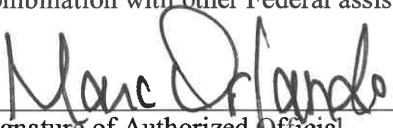
Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy layering -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



Signature of Authorized Official

05/19/2021
Date

Town Manager
Title

This certification does not apply to the Town of Hilton Head Island

Emergency Solutions Grants Certifications

The Emergency Solutions Grants Program recipient certifies that:

Major rehabilitation/conversion/renovation – If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for these individuals.

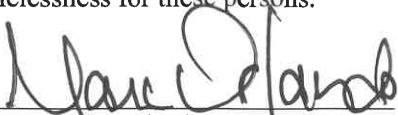
Matching Funds – The recipient will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the recipient undertakes with assistance under ESG are consistent with its consolidated plan.

Discharge Policy – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.



Signature of Authorized Official

05/19/2021

Date

Town Manager

Title

This certification does not apply to the Town of Hilton Head Island

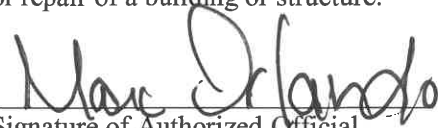
Housing Opportunities for Persons With AIDS Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For a period of not less than 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.


Signature of Authorized Official

05/19/2021

Date

Town Manager

Title

This certification does not apply to the Town of Hilton Head Island

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Melissa Paul-Leto, Principal Planner
VIA: Aaron Rucker, Community Planning Manager
VIA: Missy Luick, Director of Planning
VIA: Shawn Colin, AICP, Assistant Town Manager – Community Development
CC: Marc Orlando, Town Manager
DATE: February 20, 2024
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 Floor Area Ratio Requirements within the Forest Beach Neighborhood Character Overlay District.

RECOMMENDATION:

That the Town Council consider a proposed Ordinance Amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Amend Floor Area Ratio Requirements within the Forest Beach Neighborhood Character Overlay District.

BACKGROUND:

The purpose and intent of the Land Management Ordinance (LMO) is outlined in Section 16-1-103 and states, “the purpose and intent of the LMO is to guide the development and use of property in accordance with the Town’s Comprehensive Plan and existing and future needs of the Town in order to protect, promote, and improve the public health, safety, morals, convenience, order, appearance, prosperity, and general welfare of the landowners and residents of the Town...protect designated corridors, natural resource areas, historic areas, scenic areas, and the Town’s general aesthetic by establishing conservation and corridor overlay zoning districts, as appropriate, and regulations related to ensure maintenance of quality aesthetics and environmental standards; and assist to achieve the goals, objectives, and policies of the Town of Hilton Head Island Comprehensive Plan.”

The purpose of the Forest Beach Neighborhood Character Overlay (FB-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 FB-NC-O District was officially adopted in April of 2001 establishing a floor area ratio (FAR) of 0.65. No FAR existed previously.

According to a 2003 Town staff report regarding the FB-NC-O District, it was noted that since the adoption of the Forest Beach Overlay in 2001 there was little to no effect on reducing the size of re-development in the area. The size of homes being constructed dominated the existing homes even though they met the size and height restrictions. In most all cases, the structures being constructed were using the entire buildable area leaving only the 5-foot side and rear yard setbacks and 20-foot street side setback. Whatever space remained on the lot simply was not enough space left to preserve trees or control drainage.

On August 5, 2003, the FB-NC-O District FAR regulations were reduced from 0.65 to 0.55 additional regulations were added, as outlined below:

- Increasing setback and buffers from 5-feet to 10-feet with some flexibility to save existing trees.
- Requiring a buffer landscape plan for lots in the Corridor Overlay District.
- Limiting the amount of impervious paving.
- Reducing the Floor Area Ratio from 0.65 to 0.55, with a maximum limit of 5,000 square feet.
- Adding a minimum lot size of 7,000 square feet and a minimum lot width of 70-feet for any further subdivision of existing lots.
- Provided for increase parking requirements based on the number of bathrooms.
- Revised the definition of dwelling units to account for guest suites.

The FB-NC-O District was subsequently amended in 2016 and 2017.

The Town of Hilton Head Island conducted a critical review of the Land Management Ordinance (LMO) in a code assessment in January 2023. The code assessment identified core strengths, weaknesses, opportunities, and threats of existing code regulations. Following the code assessment, the Town Council identified prioritization of LMO Amendments to address development and design standards to address single-family development mass, scale, and parking.

Code amendments were drafted to address single-family dwelling parking and floor area ratio. These amendments have been under public review and consideration since July 2023.

On January 11, 2024, the Public Planning Committee discussed amendments to the Land Management Ordinance related to parking, FAR, and mass and scale for single family dwellings. Concluding discussion, the Public Planning Committee voted 4-0 to amend Section 16-3-106.H.4.d for the Forest Beach Neighborhood Character Overlay District to reduce the FAR from 0.55 to 0.45 to address single-family development mass and scale (see Attachment 4 – Forest Beach Neighborhood Character Overlay District Map).

The purpose of the proposed FAR amendment is to regulate the volume and bulk of homes more effectively based on the ratio of the structure's size in relation to the size of the property. The proposed amendment reduces the current FAR from 0.55 to 0.45 and

would limit the gross floor area that a single-family residence could have on a parcel of land affecting the mass and scale of development in the Forest Beach Neighborhood.

The proposed Ordinance and amendment have been drafted for consideration by the Town Council (Attachments 1 & 2).

FLOOR AREA RATIO ANALYSIS:

The existing LMO definition for floor area ratio within the Forest Beach Neighborhood Character Overlay District is defined below:

The maximum **gross floor area** is limited to 0.55 times the area of the **lot** containing the **single-family** residence up to a maximum of 5,000 square feet. The **gross floor area** shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

- i. Areas beneath the structure utilized solely for parking and storage. All such areas must be hydrostatically vented if required by the Building Official.
- ii. The first 600 square feet of covered porches.
- iii. Attic space as defined by the latest adopted edition of the International Building Code (IBC).

The amendment proposes reducing the maximum FAR from 0.55 to 0.45 for single-family homes within the Forest Beach Neighborhood Character Overlay District. A FAR of 0.45 is consistent with existing FAR requirements in the current Land Management Ordinance (LMO) for the other two Neighborhood Character Overlay Districts of Folly Field and Holiday Homes.

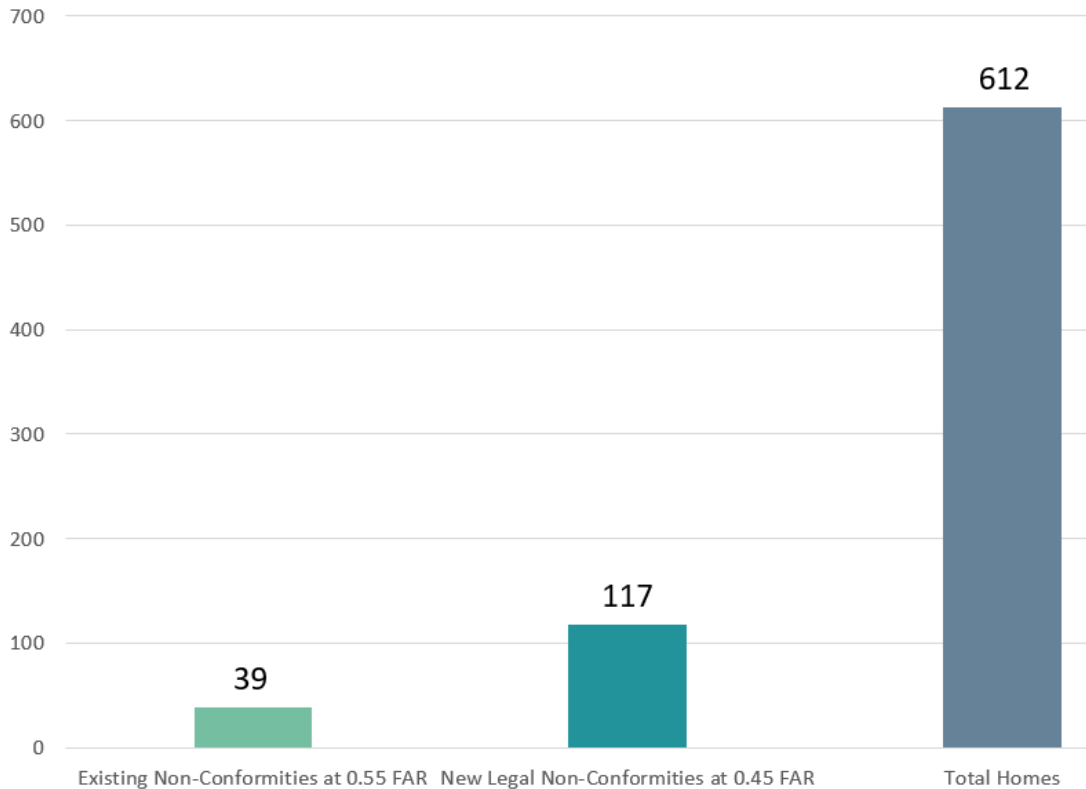
NONCONFORMING STRUCTURES:

Chapter 16-7 provides standards for nonconformities. The purpose statement of the Nonconformities Chapter reads as follows, “the zoning regulations and development standards established by this Ordinance are designed to guide the future development and redevelopment of land within the Town by encouraging and regulating site development and appropriate groupings of compatible and related uses that promote and protect the public health, safety, and general welfare. While the Town recognizes the continued existence of nonconformities is generally inconsistent with the purpose and intent of this Ordinance, it also recognizes this Ordinance needs to provide flexibility to encourage redevelopment of nonconforming development if it lessens the degree of the nonconformity and if redevelopment is consistent with the goals of the Comprehensive Plan and the district in which the development is located. This Chapter provides for the regulation of nonconforming uses, structures, signs, and site features, and specifies those circumstances and conditions under which such nonconformities are allowed to continue and redevelop.”

If a structure is legally nonconforming, to redevelop, expand or relocate, it must meet the requirements of Chapter 16-7 or Chapter 16-9 Disaster Recovery.

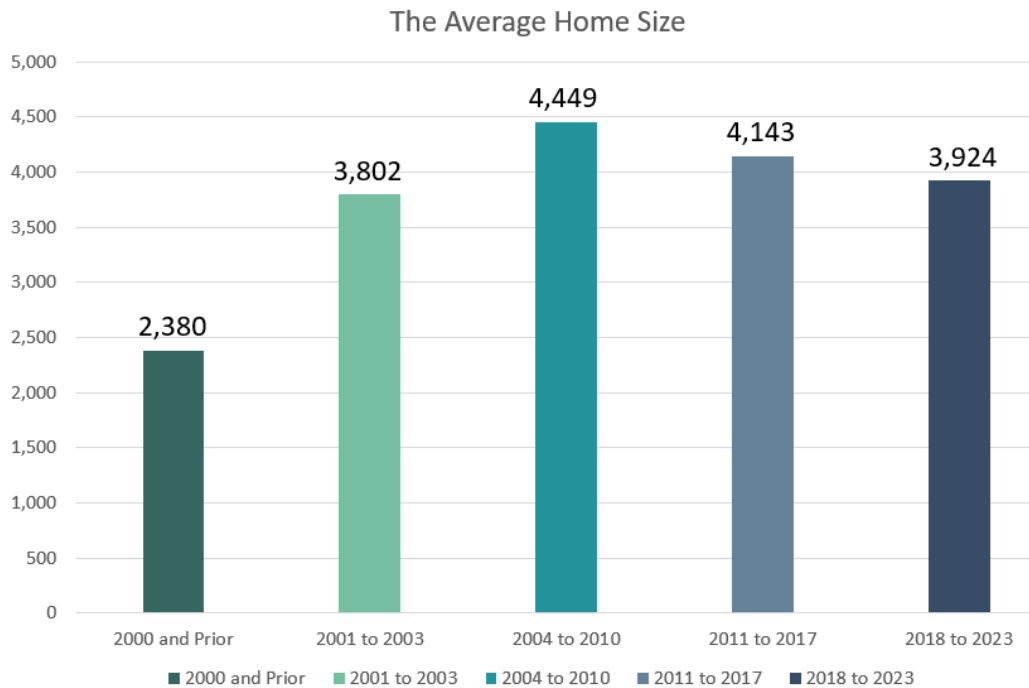
DATA ANALYSIS:

Town data shows that at the current 0.55 FAR there are thirty-nine (39) existing non-conforming properties within the FB-NC-O District. Reducing the FAR to 0.45 would result in approximately one hundred seventeen (117) additional legal nonconforming properties. The total number of homes in FB-NC-O is six hundred twelve (612) (see graph below):

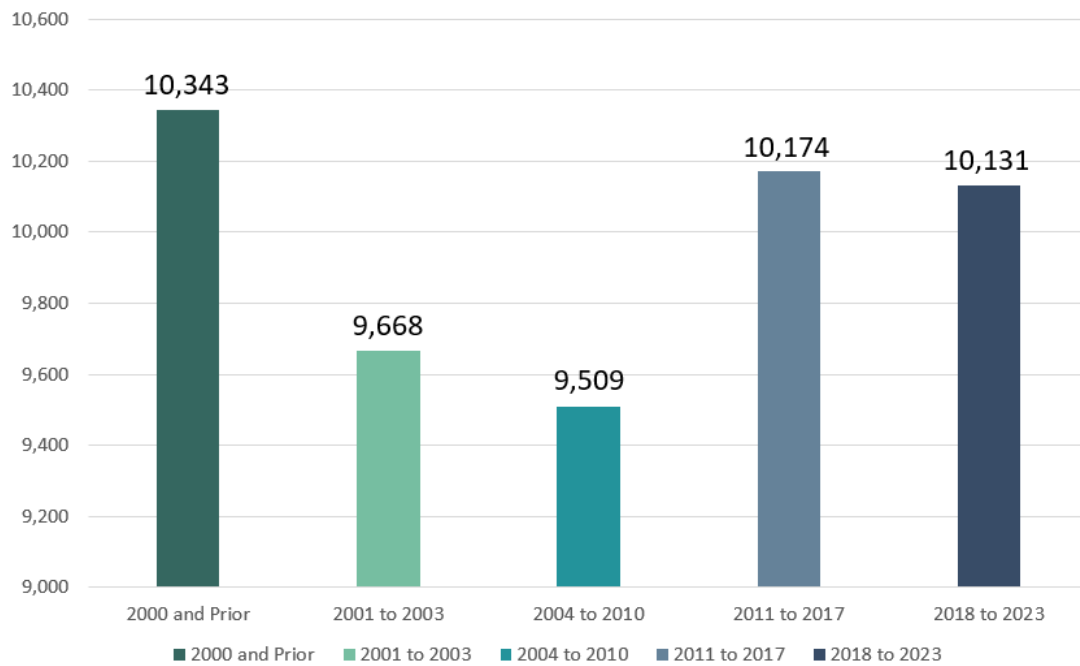


Of the six hundred twelve (612) homes, four hundred forty-five (445) homes or 72.7% of the total homes were built before 2001, the year when the FB-NC-O District was created.

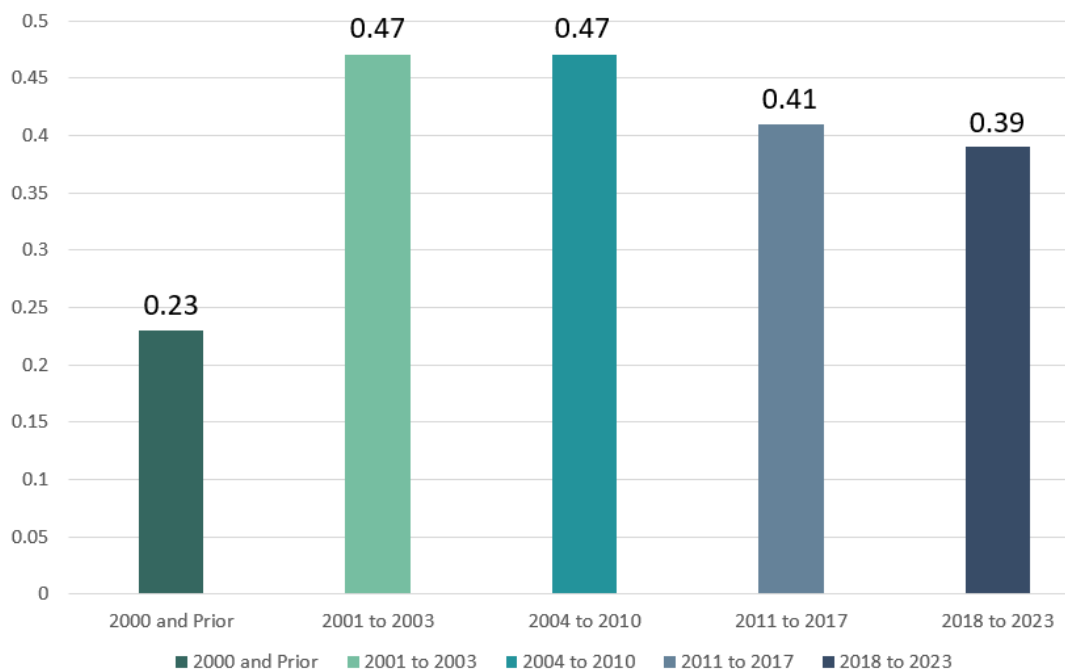
The analysis also shows the average home size in the Forest Beach Neighborhood Character Overlay District between 2000 and prior, 2001-2003, 2004-2010, 2011-2017, 2018-2023 have changed over time (see graphs below):



The Average Lot Size



The Average FAR



The charts above illustrate that the average FAR from 2011 to present is .41 or less, but during the same period the average lot size increased resulting in greater mass and scale of the built environment within the neighborhood.

REVIEW STANDARDS:

Section 16-2-103.B.3 provides text amendment review standards that may be considered when determining to adopt or deny a proposed text amendment. Those factors are listed below:

- In accordance with *Our Plan*, the Town's Comprehensive Plan;
- Required by changed conditions;
- Addresses a demonstrated community need;
- Consistent with the purpose and intent of the zoning districts in this ordinance, or would improve compatibility among uses and ensure efficient development within the Town;
- Would result in a logical and orderly development pattern; and
- Would not result in significant adverse impacts on the natural environment, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.

The proposed amendment would result in a logical and orderly development pattern already represented within the community and demonstrates the evolving community needs and preferences. There is a demonstrated community need, as the Forest Beach Property Owners Association (POA) is in support of the proposed amendment (Attachment 3). Reducing the FAR in the Forest Beach Neighborhood Character Overlay District would also make the district consistent with the Folly Field and Holiday Homes Neighborhood Character Overlay Districts which both have 0.45 FAR.

Throughout *Our Plan*, given the nature of interrelated ideas around common topics or areas of concern, there is overlap in key ideas or the scope of the goals. The proposed text amendment to reduce Forest Beach Neighborhood Character Overlay's FAR from 0.55 to 0.45 should be further based upon the *Our Plan* goals and themes as discussed below.

- **The Pursuit of Excellence**
 - Connected Strategies include providing appropriate modifications to the zoning designations and land use regulations to meet community needs while maintaining island character (p.116).
- **The Environment and Sustainability**
 - Opportunities for the Environment include interpreting the future climate or environment that could impact the human footprint and presence on the Island (p.124).
 - Economic Strategies include encouraging and offering options for sustainable development of structures and sites (p.127).

SUMMARY:

The proposed amendment reduces the FAR from 0.55 to 0.45 within the Forest Beach Neighborhood Character Overlay District. This amendment aims to address concerns regarding single-family development mass and scale. The Public Planning Committee voted 4-0 to support a reduction in FAR to 0.45. The proposed reduction aligns with existing FAR requirements in other overlay districts and reflects *Our Plan* goals, emphasizing modification of the zoning designation reflecting community input to maintain island character as represented in the Forest Beach POA and response. The human footprint is also reduced, resulting in more pervious surface, greater open space, and provides a mechanism for achieving more sustainable development patterns.

The Planning Commission also supported reducing FAR within all single-family neighborhoods to .45 on July 27, 2023.

ATTACHMENTS:

1. Proposed Ordinance
2. Exhibit A - Amendment
3. Letters to Forest Beach POA's and Responses
4. Forest Beach Neighborhood Character Overlay District Map
5. Forest Beach 2003 Overlay
6. Presentation

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND TO AMEND CHAPTER 16 OF THE MUNICIPAL CODE, THE LAND MANAGEMENT ORDINANCE, TO AMEND FLOOR AREA RATIO REQUIREMENTS WITHIN THE FOREST BEACH NEIGHBORHOOD CHARACTER OVERLAY DISTRICT OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on April 3, 2001, the Town Council for the Town of Hilton Head Island, South Carolina, adopted Ordinance 2003-19, by which the then existing Land Management Ordinance by, among other things, adopting the “Forest Beach Neighborhood Overlay District”; and,

WHEREAS, among other things, the “Forest Beach Neighborhood Overlay District” was intended to protect the single family residential character of the Forest Beach Area; and,

WHEREAS, the “Forest Beach Neighborhood Overlay District” imposed setbacks and buffers a Floor Area Ratio of .65 on property in the “Forest Beach Neighborhood Overlay District,”

WHEREAS, on August 5, 2003, the Town Council for the Town of Hilton Head Island, South Carolina, adopted Ordinance 2003-19 which amended the “Forest Beach Neighborhood Overlay District,” and re-named it the “Forest Beach Neighborhood Character Overlay District”; and,

WHEREAS, among other things, Ordinance 2003-19 included findings that the existing “Forest Beach Neighborhood Overlay District” regulations had proven insufficient to prevent the detrimental effects of development of disproportionate sized residences in the area, and were insufficient to prevent the detrimental effects of such disproportionate sized residences on the residential single family character of the Forest Beach neighborhood; and,

WHEREAS, among other things, the “Forest Beach Neighborhood Character Overlay District” was intended to protect the single family residential character of the Forest Beach Area; and,

WHEREAS, the Town Council Finds that the “Forest Beach Neighborhood Overlay Character District” regulations have been demonstrated to be insufficient to address the detrimental effects of the construction of large residences on proportionately small lots, and the large residences have continued to be built; and,

WHEREAS, the construction of such disproportionately large residences has continued to create detrimental effects on the residential character of the Forest Beach Neighborhood, including overcrowding, with attendant noise and trash, lack of adequate parking on the property where such structures exist; drainage issues resulting from impervious coverage on lots in the Forest Beach neighborhood; and,

WHEREAS, the Town of Hilton Head Island, South Carolina, finds that further amendments to the “Forest Beach Neighborhood Character Overlay District” are needed to address the detrimental effects of disproportionately large residences; and,

WHEREAS, the Town of Hilton Head Island conducted a critical review of the Land Management Ordinance in a code assessment in January 2023. The code assessment identified core strengths, weaknesses, opportunities, and threats of existing code regulations; and,

WHEREAS, the Town Council identified a continued need for the adoption of LMO Amendments to address development and design standards to address single-family development mass, scale, and parking, to address the detrimental effects that have been experienced in the “Forest Beach Neighborhood Character Overlay District” to date; and,

WHEREAS, on January 11, 2024, the Public Planning Committee discussed amendments to the Land Management Ordinance and voted 4-0 to amend Floor Area Ratio (FAR) regulations in the Forest Beach Neighborhood Character Overlay (FB-NC-O) District from 0.55 to 0.45; and,

WHEREAS, on April 17, 2024, the Planning Commission held a Public Hearing to consider an amendment to the LMO to reduce the FAR regulations in the FB-NC-O District from 0.55 to .045 and the public had an opportunity to comment on the proposed ordinance; and,

WHEREAS, the Town Council finds it is in the best interest of the Town and its citizens, residents and visitors to amend the “Forest Beach Neighborhood Character Overlay District” to establish a floor area ratio of .45 within the overlay district.

NOW, THEREFORE, 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 BY AND UNDER AUTHORITY OF SAID TOWN COUNCIL, AS FOLLOWS:

Section 1. Amendment. That the LMO Amendment is adopted and 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 ~~strikethrough~~.

Section 2. 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 3. 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 _____, 2024.**

THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

First Reading:

Second Reading:

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

EXHIBIT “A”

FLOOR AREA RATIO

16-3-106 Overlay Zoning Districts

**H. Forest Beach Neighborhood Character Overlay (FB-NC-O)
District**

4. District Regulations

d. Floor Area Ratio

The maximum *gross floor area* is limited to ~~0.55~~ 0.45 times the area of the *lot* containing the *single-family* residence up to a maximum of 5,000 square feet. The *gross floor area* shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

- i. Areas beneath the *structure* utilized solely for parking and storage. All such areas must be hydrostatically vented if required by the Building *Official*.
- ii. The first 600 square feet of covered porches.
- iii. Attic space as defined by the latest adopted edition of the IBC.

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

(843) 341-4600 Fax (843) 842-7728

www.hiltonheadislandsc.gov

Alan R. Perry
Mayor

David Ames
Mayor Pro Tem

Council Members

Alexander Brown, Jr.
Patsy Brison
Tamara Becker
Steve Alfred
Glenn Stanford

Marc Orlando
Town Manager

December 19, 2023

Mr. Jack Daly
Forest Beach Owners Association President
PO BOX 6442
Hilton Head Island, SC 29928

Dear Mr. Daly,

We are reaching out to all property owner associations (POA's) within the Town's Forest Beach Neighborhood Character Overlay (FBNCO) District and asking for your input concerning the mass and scale of single-family homes built within the FBNCO District. The current single-family regulations in Sec. 16-3-106.4.d, Floor Area Ratio, state that the maximum gross floor area is limited to 0.55 times the area of the lot up to a maximum of 5,000 square feet with certain exceptions. I have included an excerpt of the existing regulations below for your information.

There have been community concerns raised to Town Council regarding single-family home mass and scale within the Forest Beach Neighborhood. The Town is exploring a possible amendment to the Floor Area Ratio standards including a possible reduction to the Floor Area Ratio from 0.55 to 0.45 within the FBNCO boundary. Please provide the Town with your interest and position on the existing Floor Area Ratio of 0.55 and possible reduction of Floor Area Ratio to 0.45 by January 12, 2024.

Sec 16-3-106.4.d. Floor Area Ratio

The maximum **gross floor area** is limited to 0.55 times the area of the **lot** containing the **single-family** residence up to a maximum of 5,000 square feet. The **gross floor area** shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

- i. Areas beneath the **structure** utilized solely for parking and storage. All such areas must be hydrostatically vented if required by the Building **Official**.
- ii. The first 600 square feet of covered porches.
- iii. Attic space as defined by the latest adopted edition of the IBC.

Please feel free to contact me at 843-341-4693 or missyl@hiltonheadislandsc.gov if you have questions.

Sincerely,



Missy Luick
Director of Planning

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

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www.hiltonheadislandsc.gov

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Marc Orlando
Town Manager

December 15, 2023

Ms. Elizabeth Mead
Hilton Head Beach Assets Number 2
82 Dune Lane
Hilton Head, SC 29938

Dear Ms. Mead,

We are reaching out to all property owner associations' (POA's) within the Town's Forest Beach Neighborhood Character Overlay (FBNCO) District and asking for your responses concerning the mass and scale of the single-family homes that have been built within the FBNCO District. The current single-family regulations in Sec. 16-3-106.4.d state that the maximum gross floor area is limited to 0.55 times the area of the lot up to a maximum of 5,000 square feet with certain exceptions. Does the Hilton Head Beach Assets desire to modify the ratio from 0.55 to 0.45 with existing exceptions? I have included an excerpt of the existing regulations below for your information.

Sec 16-3-106.4.d. Floor Area Ratio

The maximum **gross floor area** is limited to 0.55 times the area of the **lot** containing the **single-family** residence up to a maximum of 5,000 square feet. The **gross floor area** shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

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Please feel free to contact me if you have any questions.

Sincerely,

Missy Luick,
Director of Planning

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

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Council Members

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Steve Alfred
Glenn Stanford

Marc Orlando
Town Manager

December 15, 2023

Mr. James Guscio
Property Research Holding Inc
PO BOX 7432
Hilton Head, SC 29938

Dear Mr. Guscio,

We are reaching out to all property owner associations' (POA's) within the Town's Forest Beach Neighborhood Character Overlay (FBNCO) District and asking for your responses concerning the mass and scale of the single-family homes that have been built within the FBNCO District. The current single-family regulations in Sec. 16-3-106.4.d state that the maximum gross floor area is limited to 0.55 times the area of the lot up to a maximum of 5,000 square feet with certain exceptions. Does the Property Research Holding Inc. desire to modify the ratio from 0.55 to 0.45 with existing exceptions? I have included an excerpt of the existing regulations below for your information.

Sec 16-3-106.4.d. Floor Area Ratio

The maximum **gross floor area** is limited to 0.55 times the area of the **lot** containing the **single-family** residence up to a maximum of 5,000 square feet. The **gross floor area** shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

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Please feel free to contact me if you have any questions.

Sincerely,

Missy Luick,
Director of Planning

From: [jack daly](#)
To: [Missy Luick](#); [David Ames](#)
Subject: FBOA - Parking and FAR
Date: Tuesday, January 9, 2024 1:41:47 PM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Missy, the FBOA met last night and we voted on FAR and parking. We voted unanimously for the following:

1. .45 FAR
2. Maximum of 5000 sq ft
3. Current owners at date of code change are grandfathered in at the previous FAR of .55 with 5000 sq ft maximum
4. Change in ownership means property is no longer grandfathered in at older code

Obviously Council will do what they wish. But that's how we voted.

Public Planning Committee 1/11 Meeting

We also offer the following responses to the issues that will be considered in the meeting.

Parking:

1. Do you believe parking is an issue for all single-family homes Island-wide?

yes, but maybe not island-wide

2. Do you believe parking is an issue for single-family homes within planned development communities?

yes, in gated communities

3. Do you believe parking is an issue for single family homes that are short-term rentals?

yes.

Mass and Scale:

4. Do you believe the mass and scale of single-family homes is an issue Island-wide?

Yes, but some board members disagree

5. Do you believe the mass and scale of single-family homes is an issue within planned development communities?

yes.

6. Do you believe the mass and scale of single-family homes is an issue for new development or existing single-family

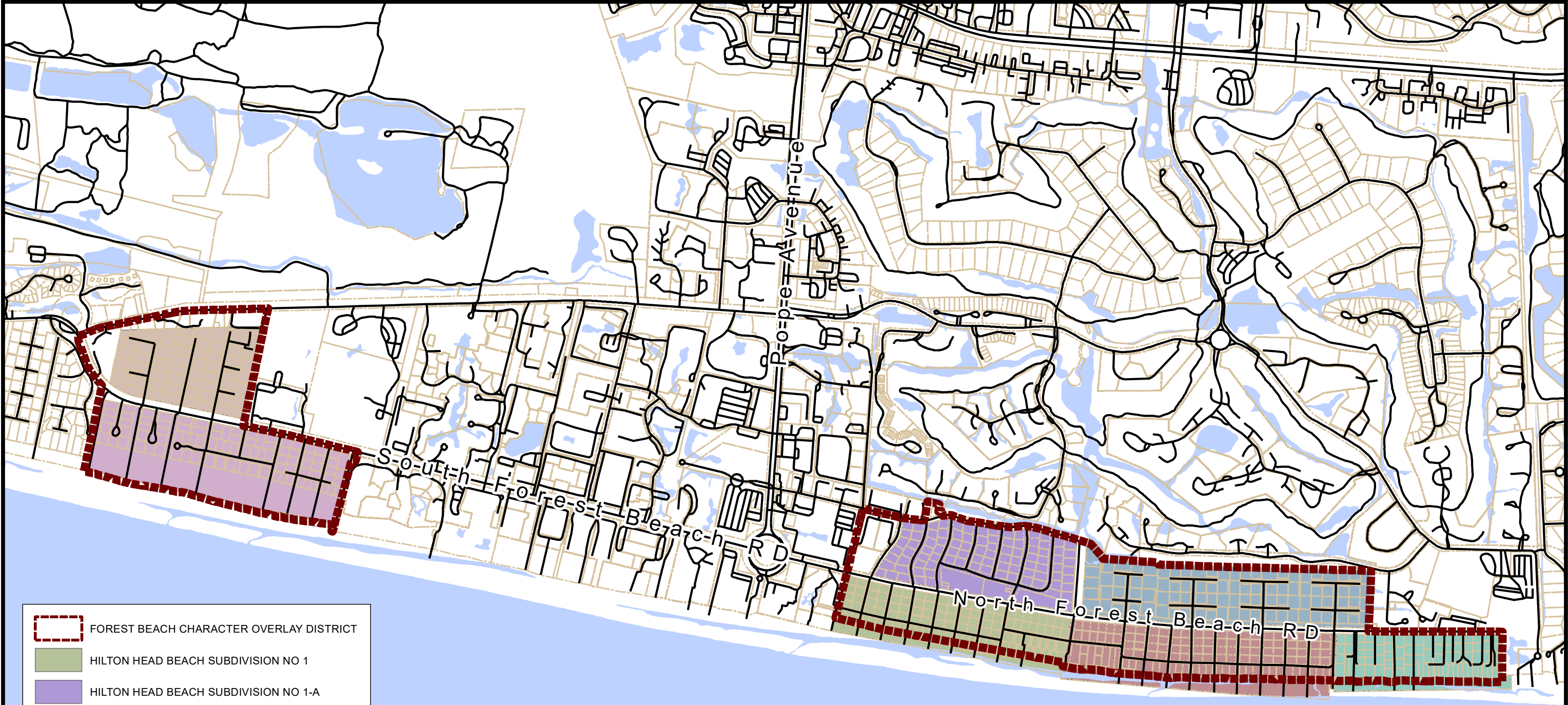
development?

yes.

7. Do you believe the mass and scale of single-family homes should be a uniform standard applied Island-wide or be calibrated by neighborhood type or zoning district?

calibrated differently

Jack



- FOREST BEACH CHARACTER OVERLAY DISTRICT
- HILTON HEAD BEACH SUBDIVISION NO 1
- HILTON HEAD BEACH SUBDIVISION NO 1-A
- HILTON HEAD BEACH SUBDIVISION NO 2
- HILTON HEAD BEACH SUBDIVISION NO 2-A
- HILTON HEAD BEACH SUBDIVISION NO 3
- LAWTON BEACH SUBDIVISION NO 1
- PALM FOREST SUBDIVISION
- PARCEL

From: [jack daly](#)
To: [Missy Luick](#); [David Ames](#)
Subject: FBOA - Parking and FAR
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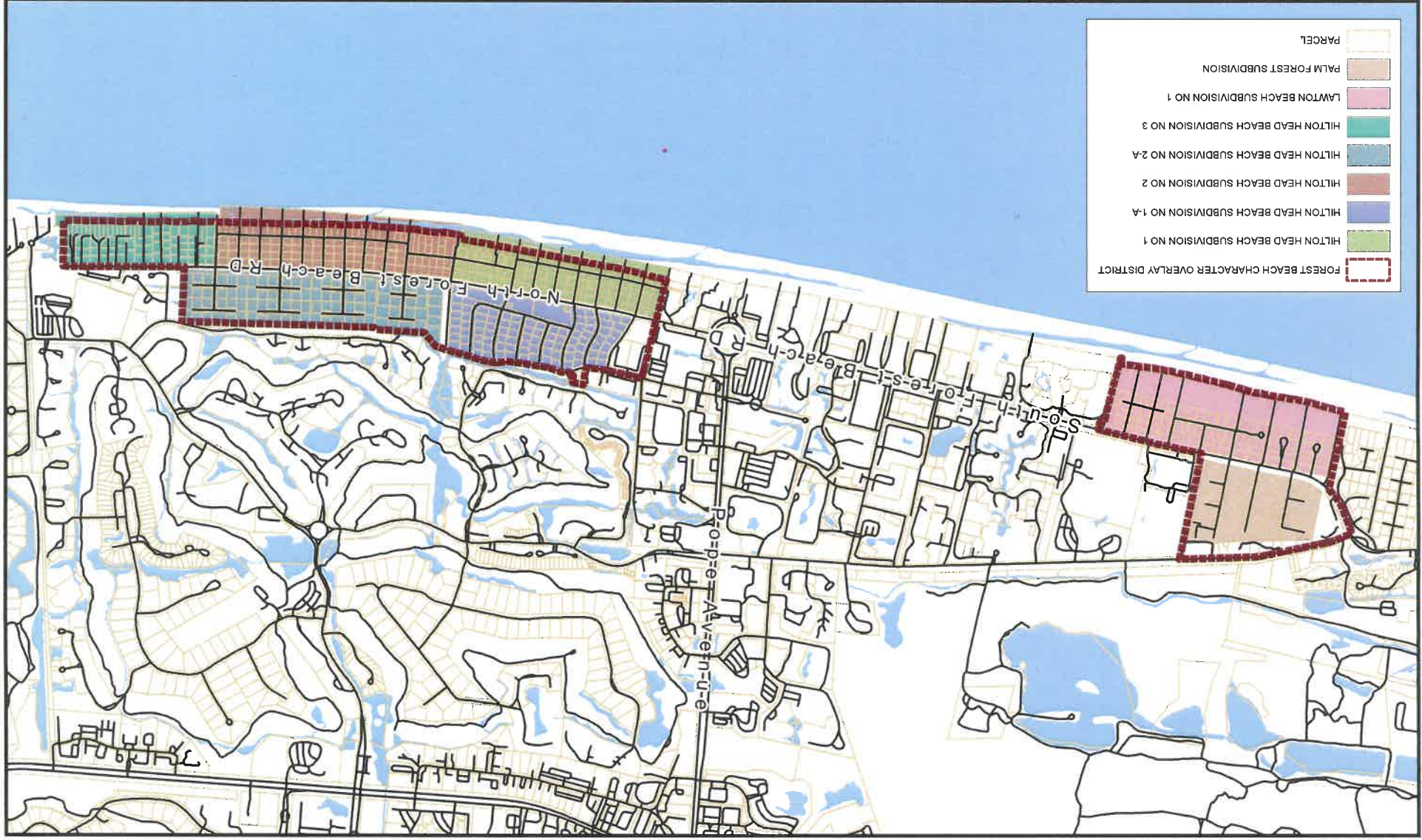
calibrated differently

Jack

Town of Hilton Head Island
Forest Beach Character Overlay District w/ Subdivisions
 November 2023



-  FOREST BEACH CHARACTER OVERLAY DISTRICT
-  HILTON HEAD BEACH SUBDIVISION NO 1
-  HILTON HEAD BEACH SUBDIVISION NO 1-A
-  HILTON HEAD BEACH SUBDIVISION NO 2
-  HILTON HEAD BEACH SUBDIVISION NO 2-A
-  HILTON HEAD BEACH SUBDIVISION NO 3
-  LAWTON BEACH SUBDIVISION NO 1
-  PALM FOREST SUBDIVISION
-  PARCEL



AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO.: 2003-19

PROPOSED ORDINANCE NO.: 2003-23

AN ORDINANCE TO AMEND TITLE 16 OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, THE LAND MANAGEMENT ORDINANCE BY AMENDING CHAPTER 4, ARTICLE VII, FOREST BEACH NEIGHBORHOOD OVERLAY DISTRICT; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on July 21st, 1998, the Town Council of the Town of Hilton Head Island, South Carolina did adopt Title 16 of the Municipal Code of the Town of Hilton Head Island by enacting a new Land Management Ordinance; and

WHEREAS, the Town Council adopted the Forest Beach Neighborhood Overlay District April 3, 2001 to protect the single family residential character of the District; and

WHEREAS, the Town Council now finds that, upon further review, that the overlay district provisions have not had the desired effect and that it is in the public interest to amend Chapter 4, Article VII to provide for better control of disproportionate size residences; and

WHEREAS, these amendments are consistent with the Comprehensive Plan's Implementation Strategy #4 of its Land Use Element and are they in compliance with the Land Management Ordinance's Character and Purpose Statement for the District.

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

Section 1. Amendment. That the Land Management Ordinance (LMO) of the Town of Hilton Head Island, South Carolina, be, and the same hereby is, amended to read as indicated on the attached pages.

NOTE: New text is indicated by a double underline, deleted text is indicated by ~~strike through~~.

Section 2. Severability. If any sections, 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 attest the validity of the remaining portions thereof.

Section 3. Effective Date. This Ordinance shall be effective upon its adoption by the Town Council for the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS 5th DAY OF August, 2003.


Thomas D. Peeples, Mayor


Sandi Santaniello, C. M. C., Town Clerk

Public Hearing: July 2, 2003
First Reading: July 15, 2003
Second Reading: August 5, 2003

ARTICLE VII. FOREST BEACH NEIGHBORHOOD CHARACTER OVERLAY DISTRICT

Sec. 16-4-701. Applicability and Purpose

The purpose of the Forest Beach Neighborhood Character Overlay District is to protect the single-family residential character of the ~~area~~ district and in particular the development and re-development of lots within the district. All new development and changes to existing development in the district are subject to the overlay district regulations in addition to those listed in Section 16-3-302.D.

Sec. 16-4-702. Delineation of the District

The Forest Beach Neighborhood Character Overlay District includes all parcels in the RS-5 Detached Single Family Zoning District.

Sec. 16-4-703. District Regulations

- A. Setbacks.** In addition to the single family setback requirements of Chapter 5, Article VII, a ~~5~~ 10 ft./65 degree side and rear adjacent use setback shall be required. Setbacks shall comply with the standards of Chapter 5, Article VII except that the setback angle shall be measured from 15 ft. above base flood elevation. The following exceptions are allowed:
1. The 10 ft. side setback may be reduced to 5 ft. for up to 30% of the side elevation in order to preserve trees provided the total of both side setbacks equals 20 ft.
 2. For lot widths of 65 ft. or less the side setbacks may be reduced to 5 ft.
- B. Buffers.**
1. A 20 ft. ~~front~~ street buffer and a 5-ft. side and rear buffer equal to the setbacks above shall be required. In the case of a corner lot only a 10 ft. buffer is required on the street with the lowest ADT unless the street with the higher ADT is approved by the Administrator for the 10 ft. setback in order to preserve trees. The 20 ft. buffer shall then apply to the street with the lower ADT. In the case where both streets have the same ADT the 20 ft. buffer shall apply to the street that will preserve the more significant tree coverage to be determined by the Administrator. Buffers shall comply with the standards of Chapter 5, Article VIII except that street access as permitted in Sec. 16-5-808 shall be limited to a total width of 20 ft for all driveways.
 2. Lots in the Corridor Overlay District shall submit a buffer landscape plan as required in Sec. 16-3-304 to show compliance with the guidelines as determined by the Administrator.
- C. Impervious Coverage.** All site paving shall be pervious with the exception of a swimming pool and deck not to exceed 500 sq. ft. unless the site complies with the maximum impervious coverage requirements of Section 16-4-1005. Spaced wood decking is considered pervious.
- D. Floor Area Ratio.** The maximum gross floor area is limited to ~~0.65~~ 0.55 times the area of the lot containing the single-family residence up to a maximum of 5,000 sq. ft. The gross floor area shall be calculated as all habitable ~~enclosed~~ enclosed conditioned space. Enclosed parking areas not located beneath the residence are included. Parking areas located beneath the residence and covered porches less than 500 sq. ft. are not included.

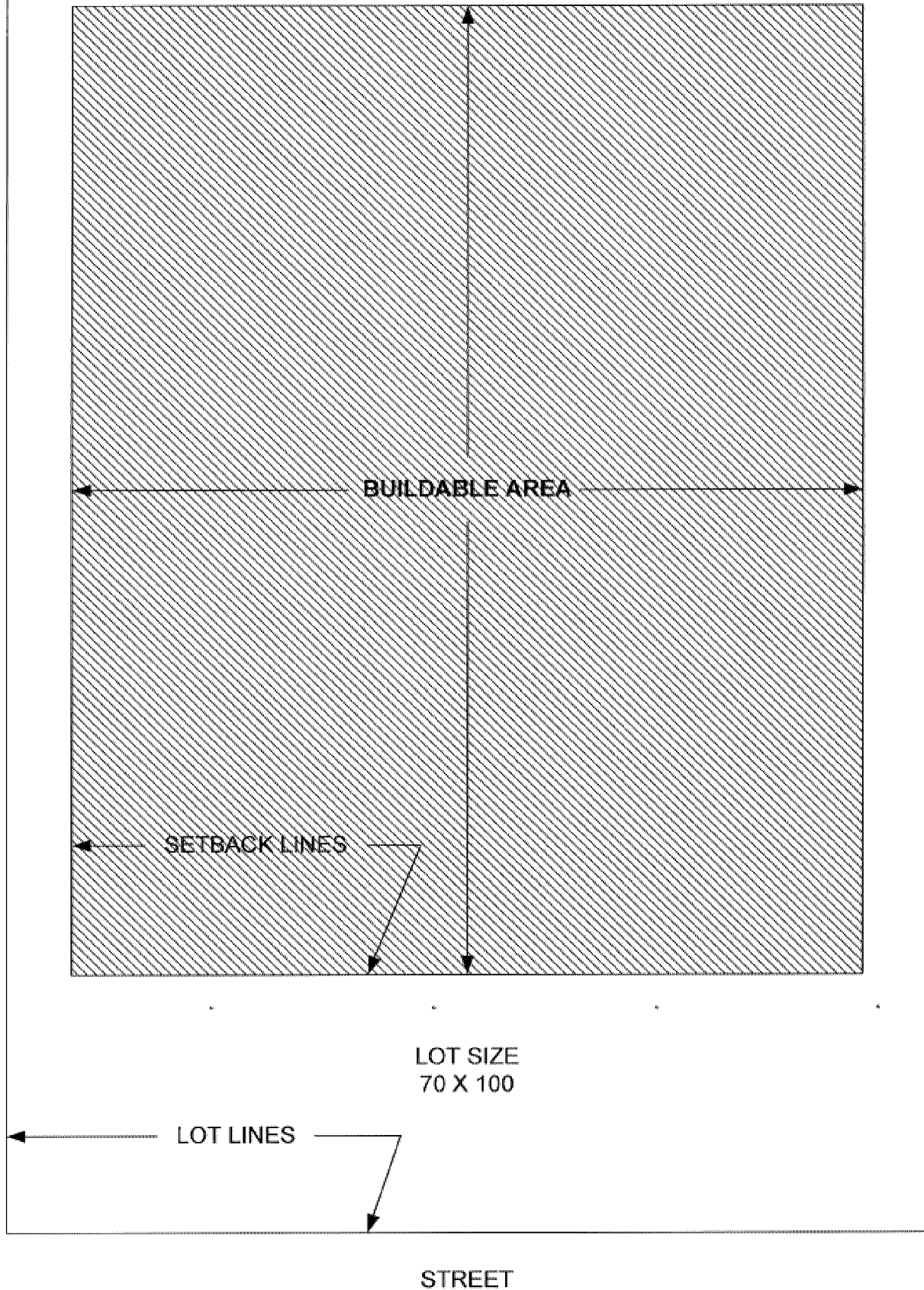
- E. **Minimum Lot Size and Width.** The subdivision or recombination of lots platted and recorded as of <effective date> shall not result in any lot less than 7,000 sq. ft. in size or 70 ft in width.
- F. **Parking.** A minimum of two parking spaces are required. In addition one space is required for every bathroom and half bathroom above three and a half. Driveways may be used for up to two parking spaces.

REAR

CURRENT REGULATIONS

SIDE

SIDE



REAR

PROPOSED REGULATIONS

SIDE

SIDE

BUILDABLE AREA

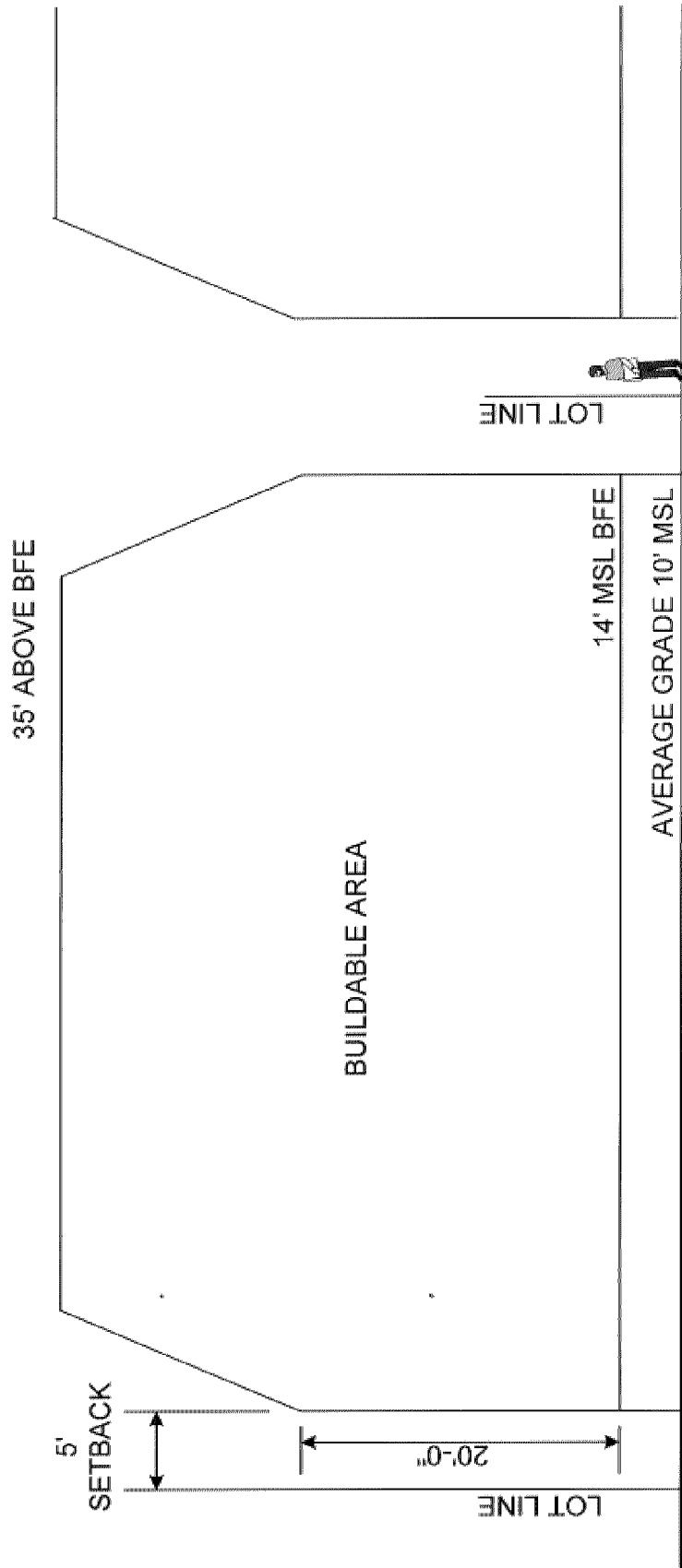
SETBACK
LINES

LOT SIZE
70 X 100

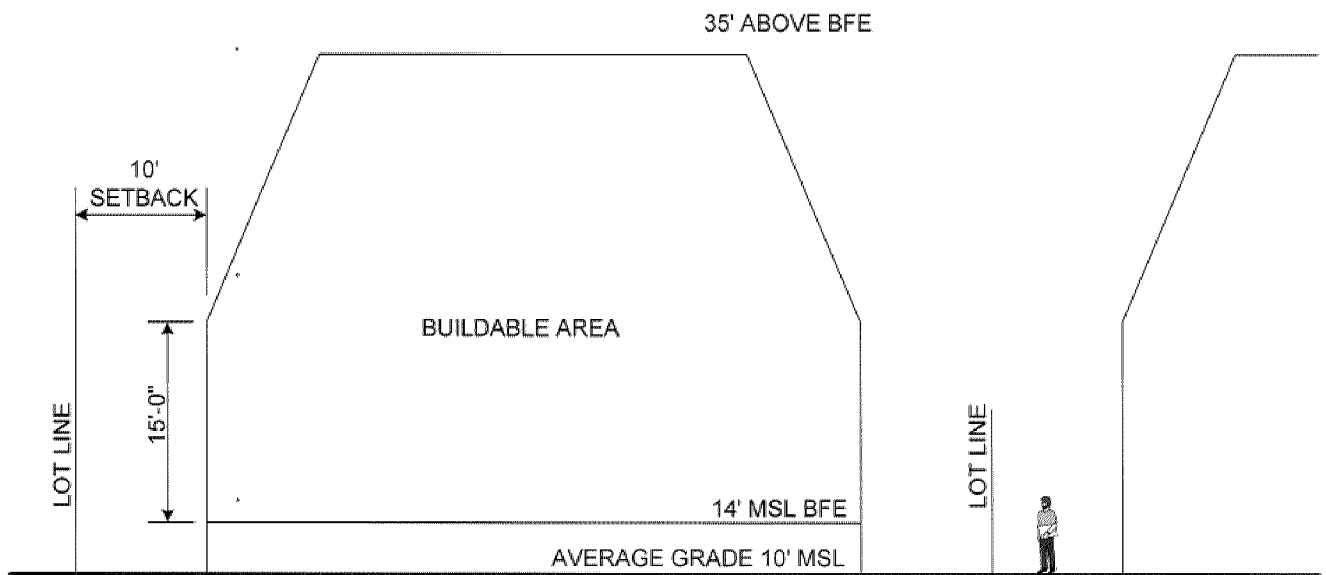
LOT LINES

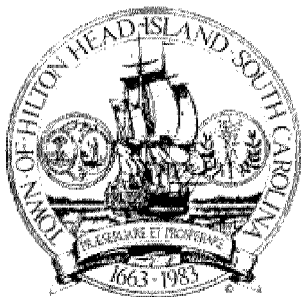
STREET

CURRENT REGULATIONS



PROPOSED REGULATIONS





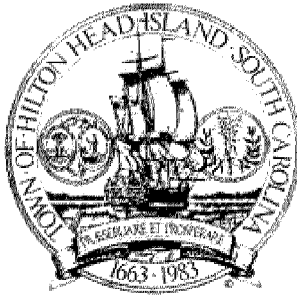
TOWN OF HILTON HEAD ISLAND

Planning Department

TO: Stephen G. Riley, *AICP, Town Manager* *R*
VIA: Charles F. Cousins, *AICP, Director of Planning* *CFC*
FROM: Edwin B. Drane, *AIA, AICP, Town Urban Designer* *ED*
DATE: July 23, 2003
SUBJECT: Proposed Ordinance 2003-23

Recommendation: The staff recommends approval on second reading of proposed ordinance 2003-23, LMO amendments to the Forest Beach Neighborhood Overlay District.

Summary: Town Council approved on first reading at its July 15, 2003 meeting proposed ordinance 2003-23 with the deletion of the revisions to the definition of dwelling and dwelling unit. These changes are reflected in the attached document.



TOWN OF HILTON HEAD ISLAND

Planning Department

TO: Stephen G. Riley, *AICP, Town Manager*
VIA: Charles F. Cousins, *AICP, Director of Planning* CFC
FROM: Edwin B. Drane, *AIA, AICP, Town Urban Designer* EBD
DATE: June 3, 2003
SUBJECT: LMO Revisions to Forest Beach Overlay District

Recommendation: The staff recommends the Town Council adopt on first reading proposed ordinance 2003-23, LMO Revisions to Forest Beach Overlay District.

Summary: Staff has been asked to look into the problem of "monster homes" and ways to control their size and use. These homes are generally defined as homes significantly out of scale with existing structures in a neighborhood. The major problems they are creating are increased storm water runoff, amount of parking needed, excessive tree removal and destroying the character of the neighborhood. The proposed revisions to the Forest Beach Overlay District are meant to keep new residences more closely in size and scale to the existing structures in the neighborhood thereby reducing there impact.

Background: Since the adoption of the Forest Beach Neighborhood Overlay District in April of 2001 the average new home in the district was over 4,500 sq. ft. of heated area. By comparison the national average is 2,200 sq. ft. Of the 27 homes permitted during this time period 9 exceeded 5,000 sq. ft. with the largest being 6,300 sq. ft. An application has been received for a 12 bedroom, 12 bath residence with over 9,500 sq. ft. of heated area. The effect in an older developed neighborhood, like Forest Beach, has been to alter their character by demolishing existing homes and constructing dramatically larger homes with the related removal of existing mature trees, increased drainage problems and parking problems. Many of these are on the short term rental market and are utilized by multiple families each week creating "mini hotels."

The adoption of the Forest Beach Overlay District in 2001 has had little to no effect on reducing the size of re-development in the area. The size of homes being constructed dominates the existing homes even though they meet the size and height restrictions. In most all cases the structures are being constructed using the entire buildable area leaving only the 5 ft. side and rear yard setbacks and 20 ft. street setback. This is simply not enough space left to preserve trees or control drainage.

The proposed revisions include:

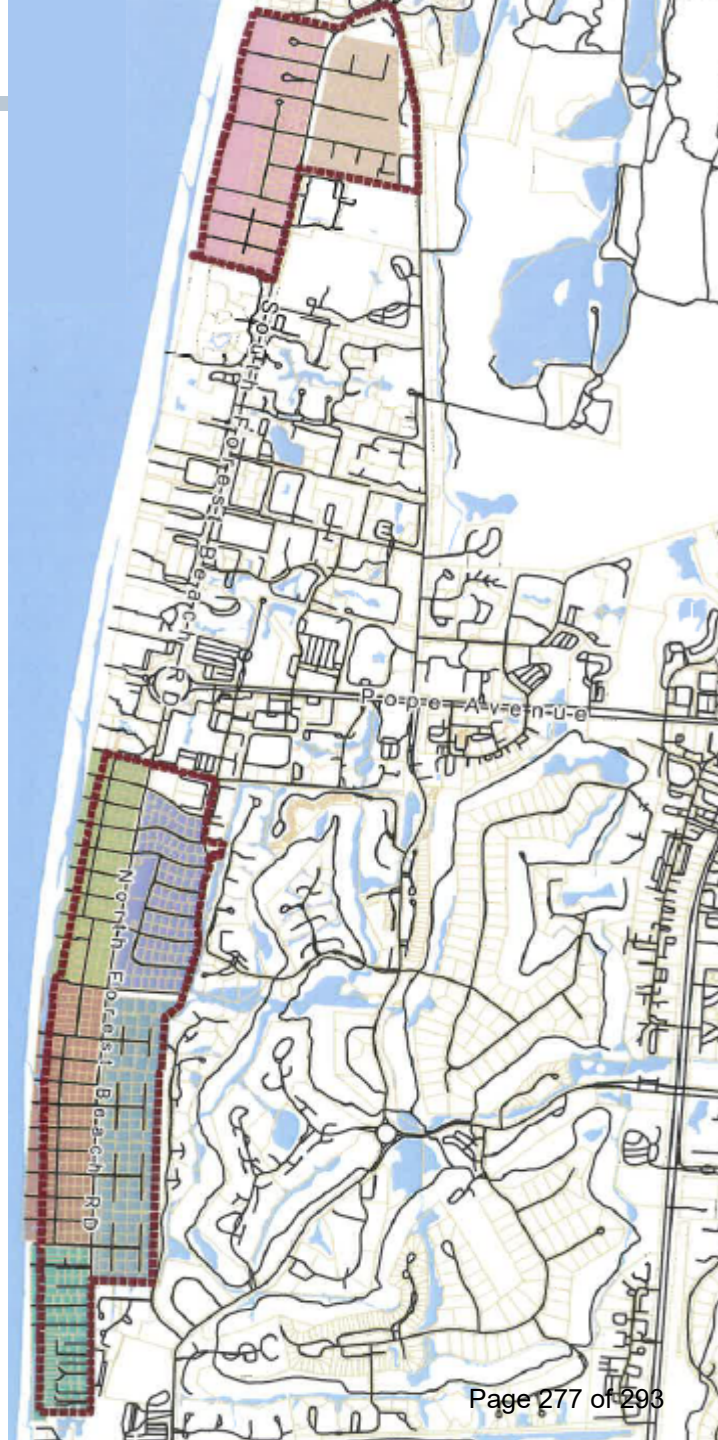
- Increasing setback and buffers from 5 ft. to 10 ft. with some flexibility in order to save existing trees.
- Requiring a buffer landscape plan for lots in the Corridor Overlay District.
- Limiting the amount of impervious paving.
- Reducing the Floor Area Ratio from .65 to .55 and maximum add a limit of 5,000 sq. ft.
- Adding a minimum lot size of 7,000 sq. ft. and a minimum lot width of 70 ft. for any further subdivision of exiting lots.
- Providing for increase parking requirements based on the number of bathrooms.
- Revising the definition of dwelling unit to account for guest suites.

On July 2, 2003 the Planning Commission held a public hearing on proposed ordinance 2003-23. After much discussion and comment from the public they voted to recommend that Town Council adopt the ordinance on first reading and that prior to second reading a task force of residents and design professionals be appointed to review its provisions to determine if any further refinement is necessary. A letter from Planning Commission Chairman, Harry Shutt, will be sent to Town Council members offering suggestions as to what provisions the Planning Commission thinks should be included in the Task Force review.

The Planning and Development Standards Committee will not meet to review these amendments until July 9, 2003. Staff will update the Town Council members on the results of that meeting prior to the July 15 Town Council meeting.

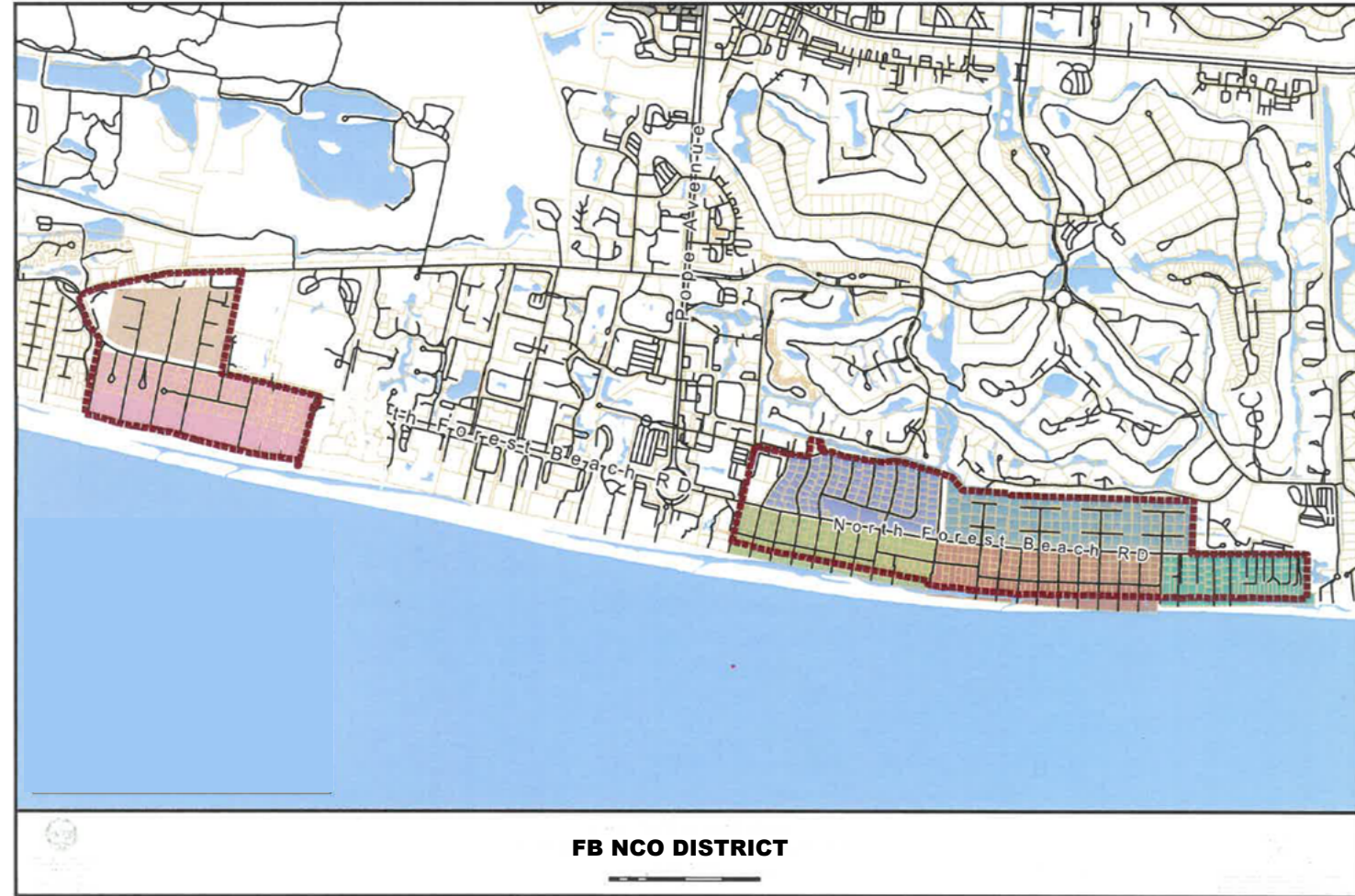
Town of Hilton Head Island's Town Council – February 20, 2024

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 Floor Area Ratio Requirements within the Forest Beach Neighborhood Character Overlay District.



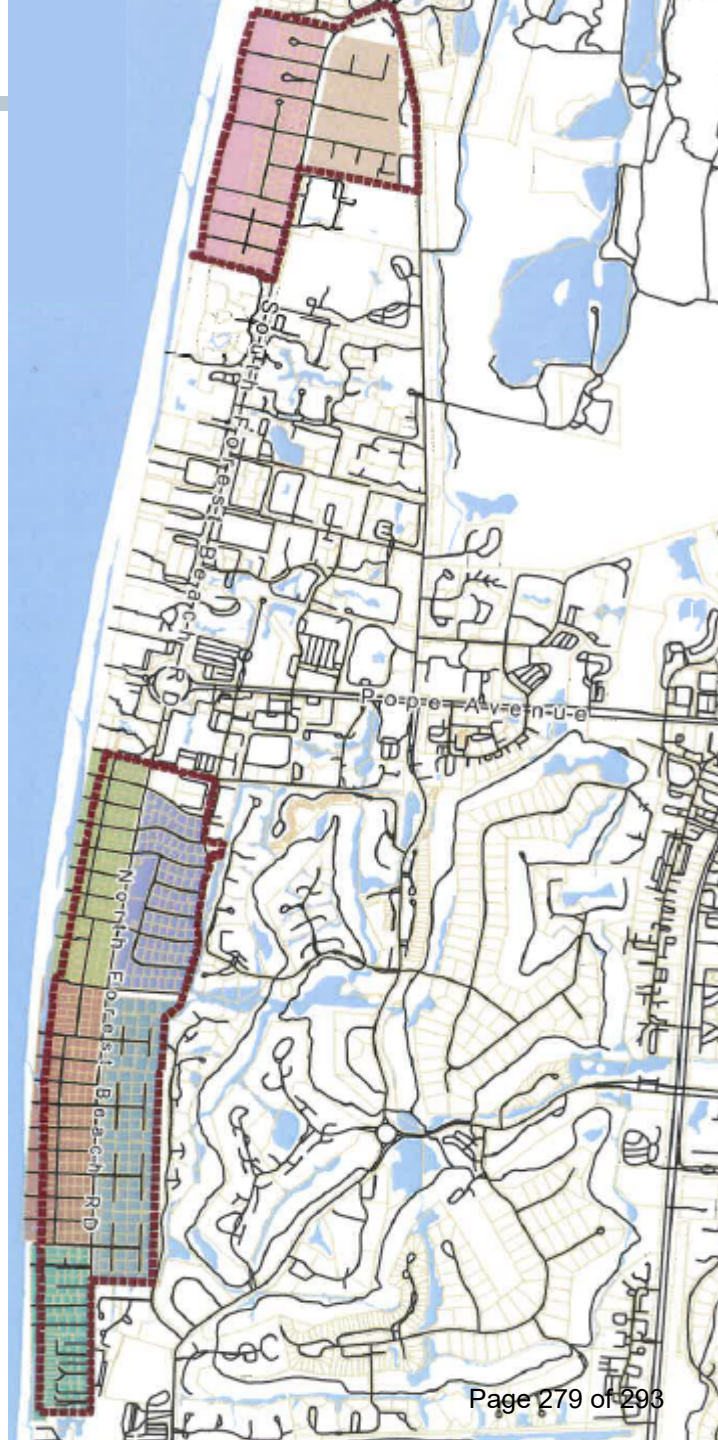
RECOMMENDATION:

That the Town Council consider a proposed ordinance amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Amend Floor Area Ratio Requirements within the Forest Beach Neighborhood Character Overlay District.



BACKGROUND:

The purpose and intent of the Land Management Ordinance (LMO) is outlined in Section 16-1-103 and states, “the purpose and intent of the LMO is to guide the development and use of property in accordance with the Town’s Comprehensive Plan and existing and future needs of the Town in order to protect, promote, and improve the public health, safety, morals, convenience, order, appearance, prosperity, and general welfare of the landowners and residents of the Town...protect designated corridors, natural resource areas, historic areas, scenic areas, and the Town’s general aesthetic by establishing conservation and corridor overlay zoning districts, as appropriate, and regulations related to ensure maintenance of quality aesthetics and environmental standards; and assist to achieve the goals, objectives, and policies of the Town of Hilton Head Island Comprehensive Plan.”

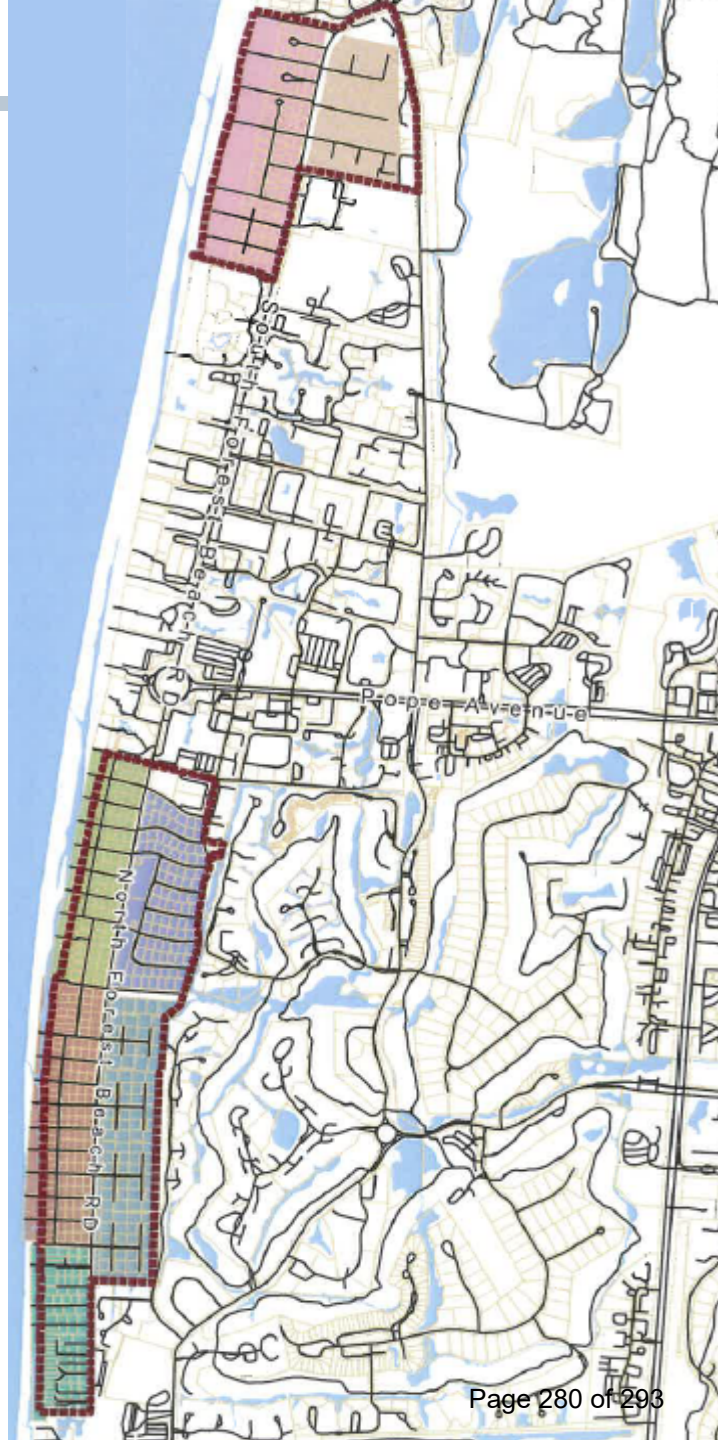


BACKGROUND:

The purpose of the Forest Beach Neighborhood Character Overlay (FB-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 FB-NC-O District was officially adopted in April of 2001 establishing a floor area ratio (FAR) of 0.65. No FAR existed previously.

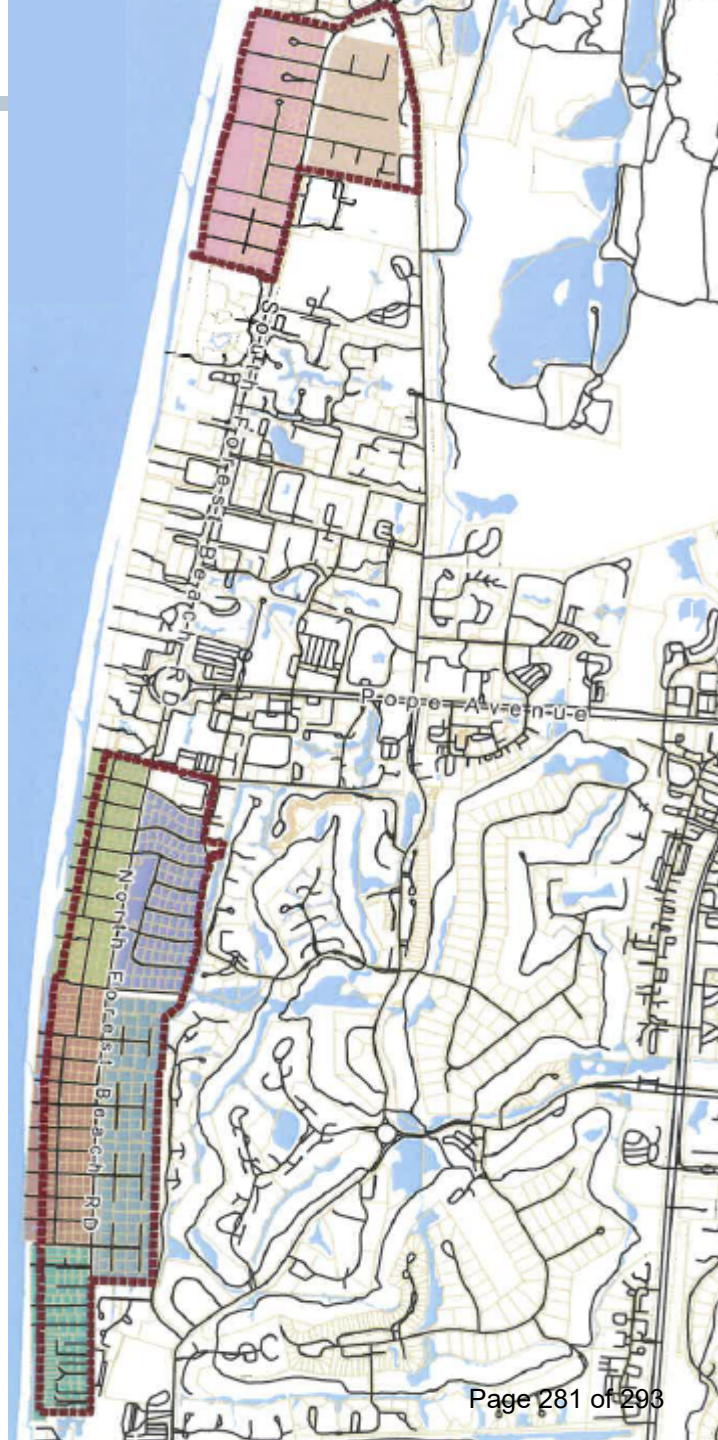
According to a 2003 Town staff report regarding the FB-NC-O District, it was noted that since the adoption of the Forest Beach Overlay in 2001 there was little to no effect on reducing the size of re-development in the area. The size of homes being constructed dominated the existing homes even though they met the size and height restrictions. In most all cases, the structures being constructed were using the entire buildable area leaving only the 5-foot side and rear yard setbacks and 20-foot street side setback. Whatever space remained on the lot simply was not enough space left to preserve trees or control drainage.



BACKGROUND:

On August 5, 2003, the FB-NC-O District FAR regulations were reduced from 0.65 to 0.55 additional regulations were added, as outlined below:

- Increasing setback and buffers from 5-feet to 10-feet with some flexibility to save existing trees.
- Requiring a buffer landscape plan for lots in the Corridor Overlay District.
- Limiting the amount of impervious paving.
- Reducing the Floor Area Ratio from 0.65 to 0.55, with a maximum limit of 5,000 square feet.
- Adding a minimum lot size of 7,000 square feet and a minimum lot width of 70-feet for any further subdivision of existing lots.
- Provided for increase parking requirements based on the number of bathrooms.
- Revised the definition of dwelling units to account for guest suites.

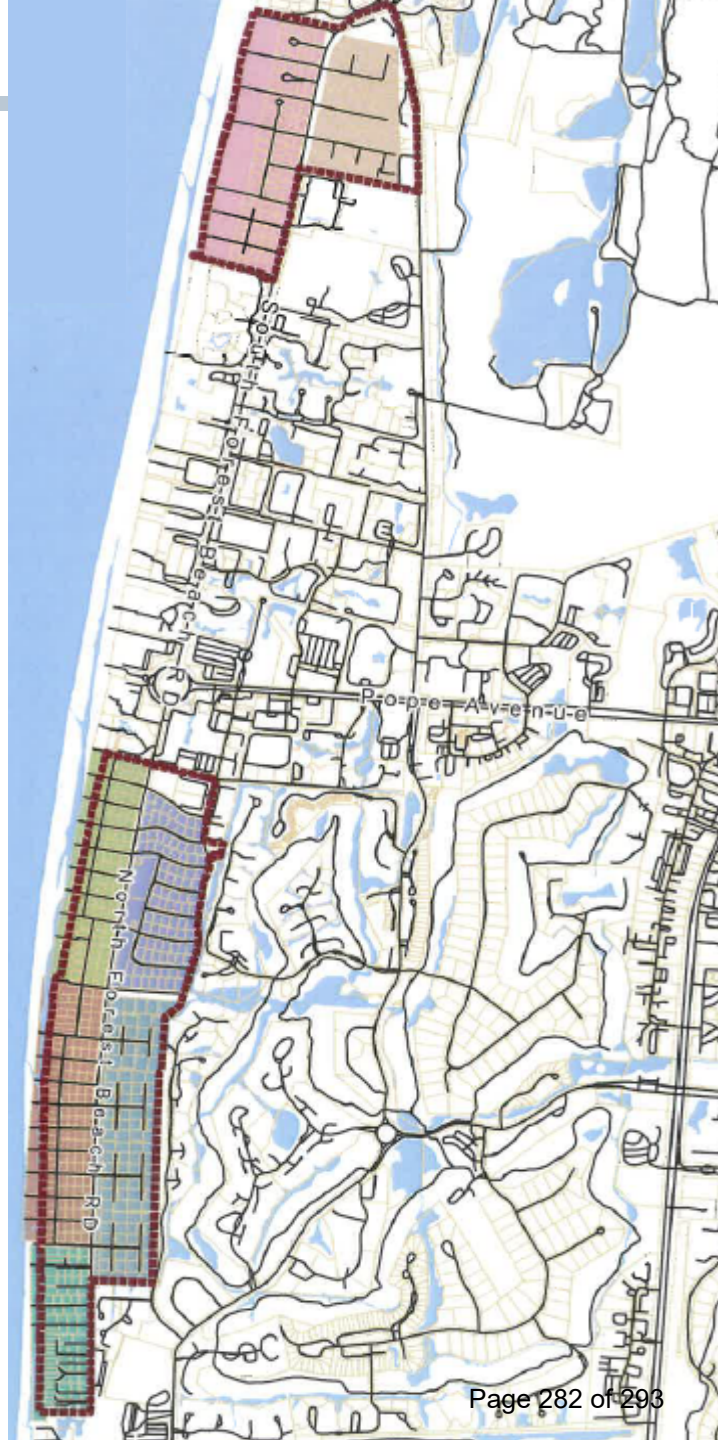


BACKGROUND:

The FB-NC-O District was subsequently amended in 2016 and 2017.

The Town of Hilton Head Island conducted a critical review of the Land Management Ordinance (LMO) in a code assessment in January 2023. The code assessment identified core strengths, weaknesses, opportunities, and threats of existing code regulations. Following the code assessment, the Town Council identified prioritization of LMO Amendments to address development and design standards to address single-family development mass, scale, and parking.

Code amendments were drafted to address single-family dwelling parking and floor area ratio. These amendments have been under public review and consideration since July 2023.

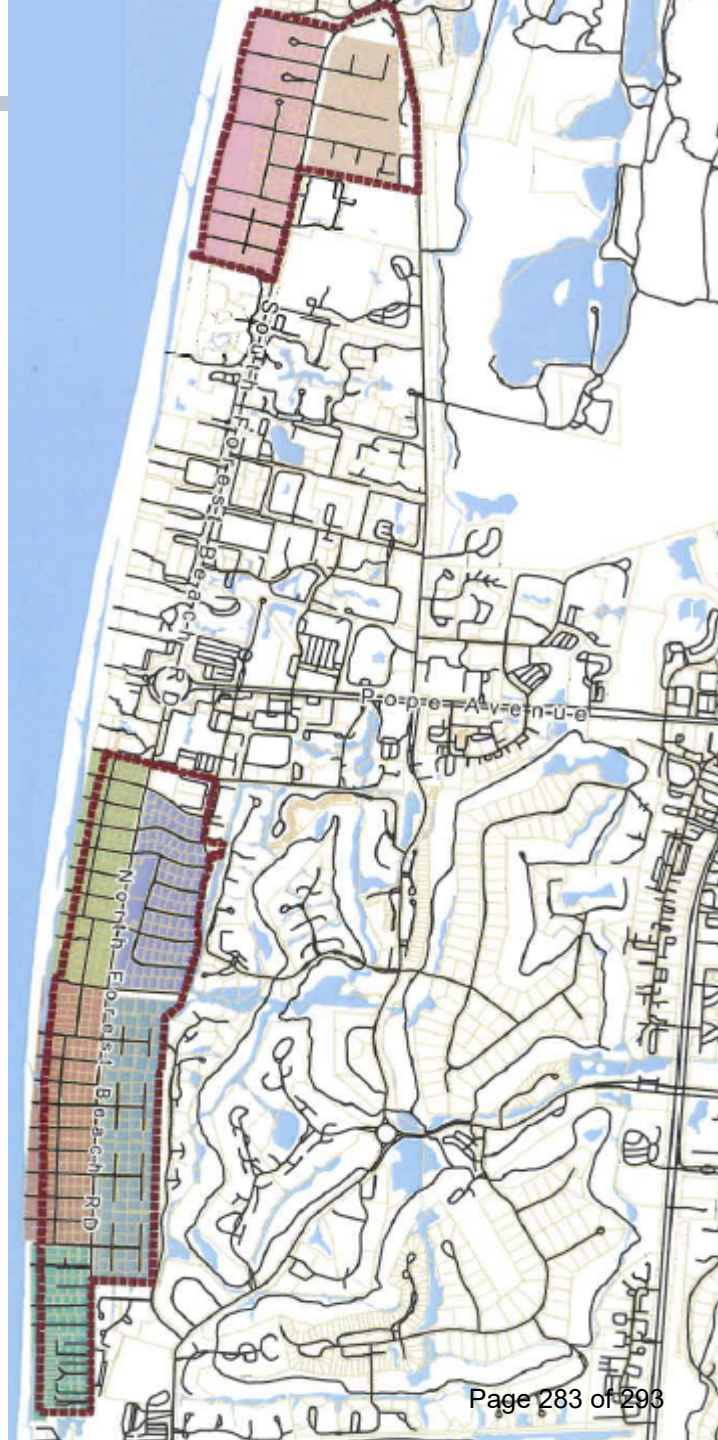


BACKGROUND:

On January 11, 2024, the Public Planning Committee discussed amendments to the Land Management Ordinance related to parking, FAR, and mass and scale for single family dwellings. Concluding discussion, the Public Planning Committee voted 4-0 to amend Section 16-3-106.H.4.d for the Forest Beach Neighborhood Character Overlay District to reduce the FAR from 0.55 to 0.45 to address single-family development mass and scale (see Attachment 4 – Forest Beach Neighborhood Character Overlay District Map).

The purpose of the proposed FAR amendment is to regulate the volume and bulk of homes more effectively based on the ratio of the structure's size in relation to the size of the property. The proposed amendment reduces the current FAR from 0.55 to 0.45 and would limit the gross floor area that a single-family residence could have on a parcel of land affecting the mass and scale of development in the Forest Beach Neighborhood.

The proposed Ordinance and amendment have been drafted for consideration by the Town Council (Attachments 1 & 2).



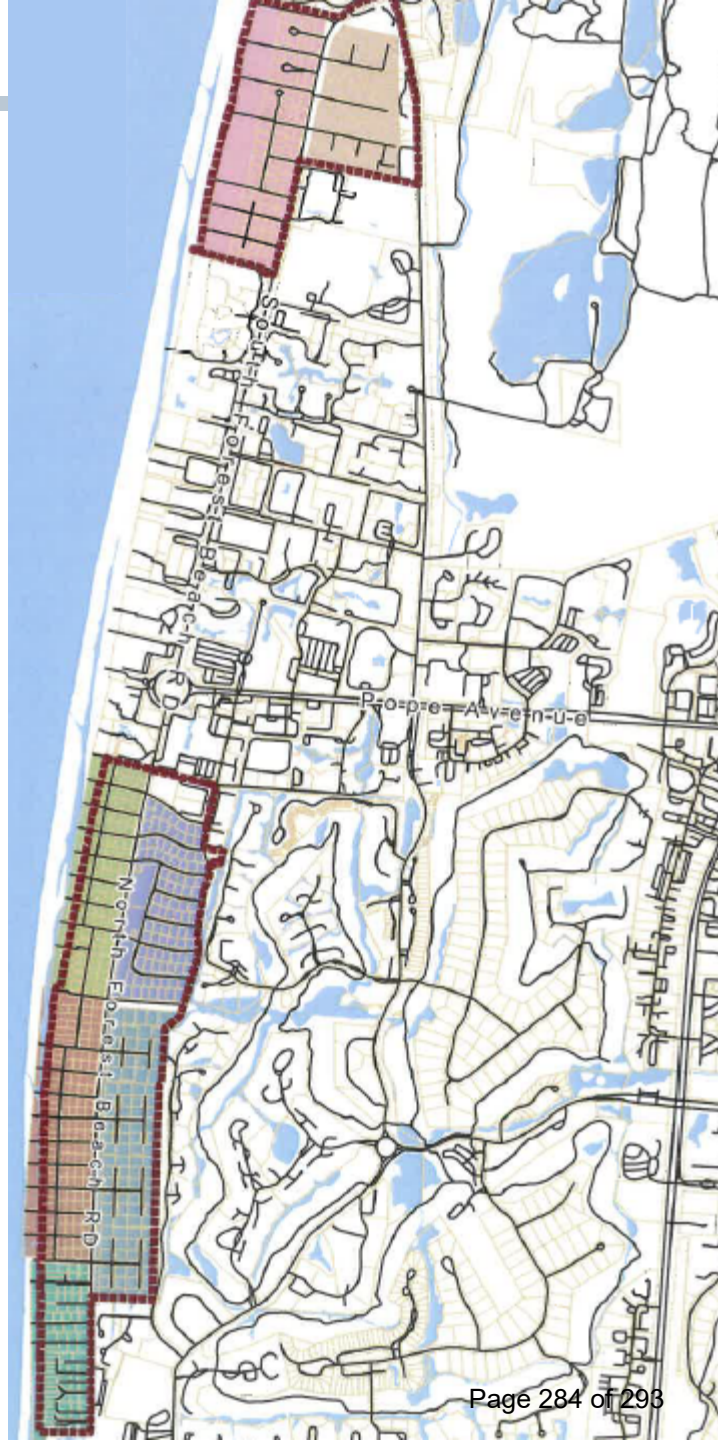
FLOOR AREA RATIO ANALYSIS:

The existing LMO definition for floor area ratio within the Forest Beach Neighborhood Character Overlay District is defined below:

The maximum **gross floor area** is limited to 0.55 times the area of the **lot** containing the **single-family** residence up to a maximum of 5,000 square feet. The **gross floor area** shall include covered porches and all enclosed space with a ceiling height of seven feet or greater except as follows:

- i. Areas beneath the structure utilized solely for parking and storage. All such areas must be hydrostatically vented if required by the Building Official.
- ii. The first 600 square feet of covered porches.
- iii. Attic space as defined by the latest adopted edition of the International Building Code (IBC).

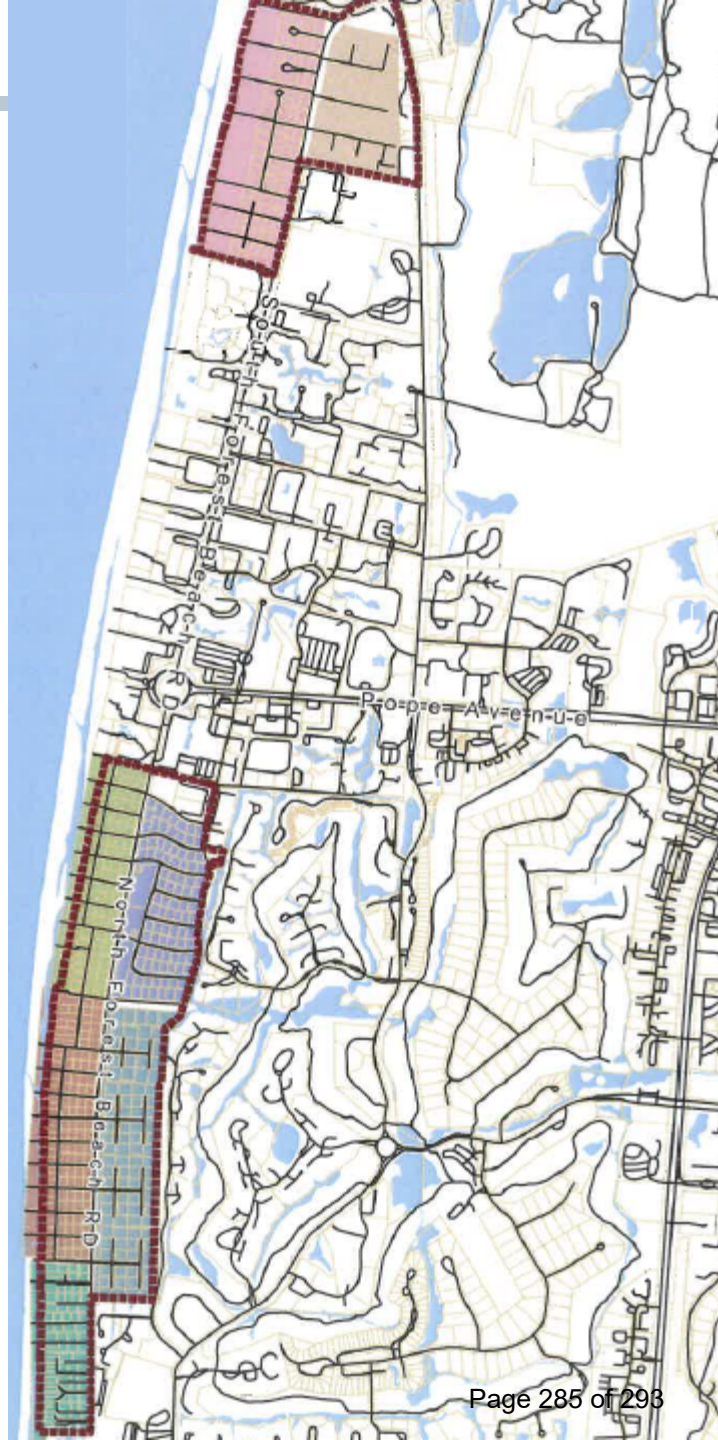
The amendment proposes reducing the maximum FAR from 0.55 to 0.45 for single-family homes within the Forest Beach Neighborhood Character Overlay District. A FAR of 0.45 is consistent with existing FAR requirements in the current Land Management Ordinance (LMO) for the other two Neighborhood Character Overlay Districts of Folly Field and Holiday Homes.



NONCONFORMING STRUCTURES:

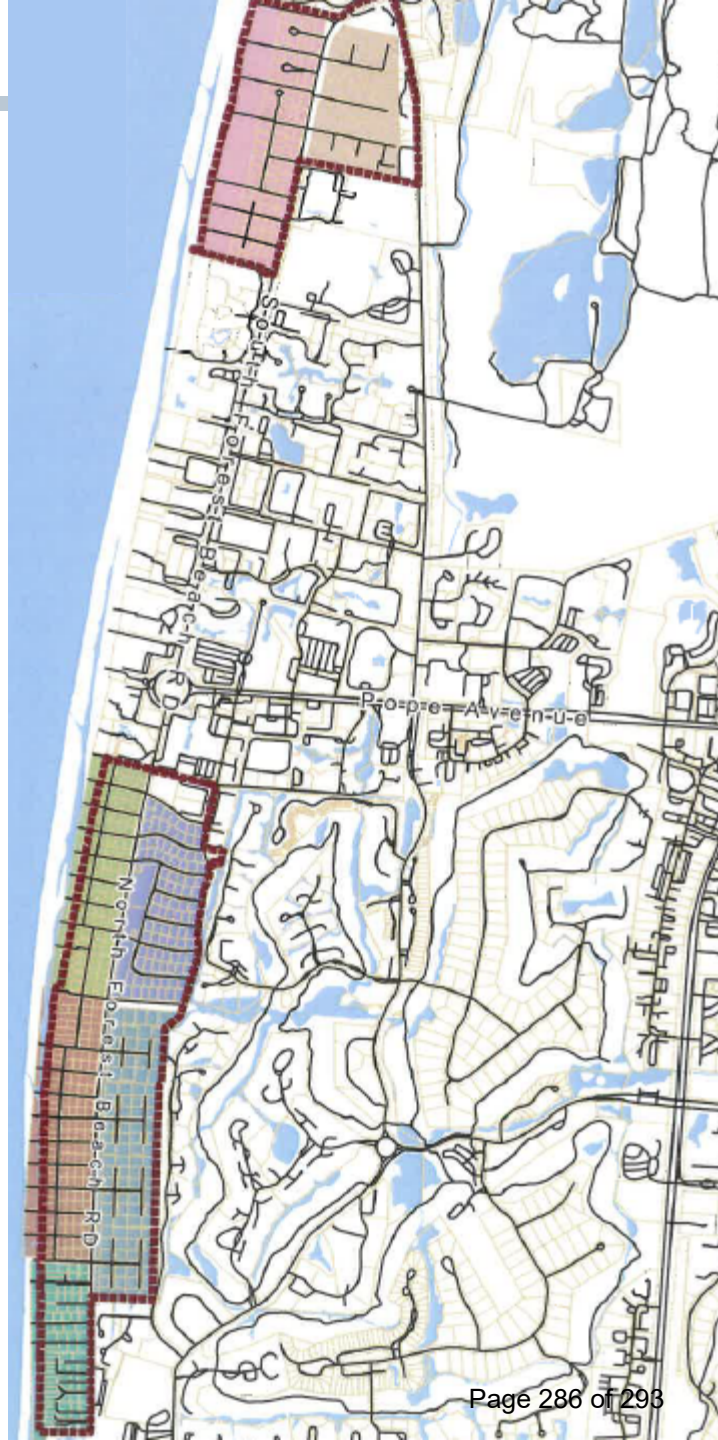
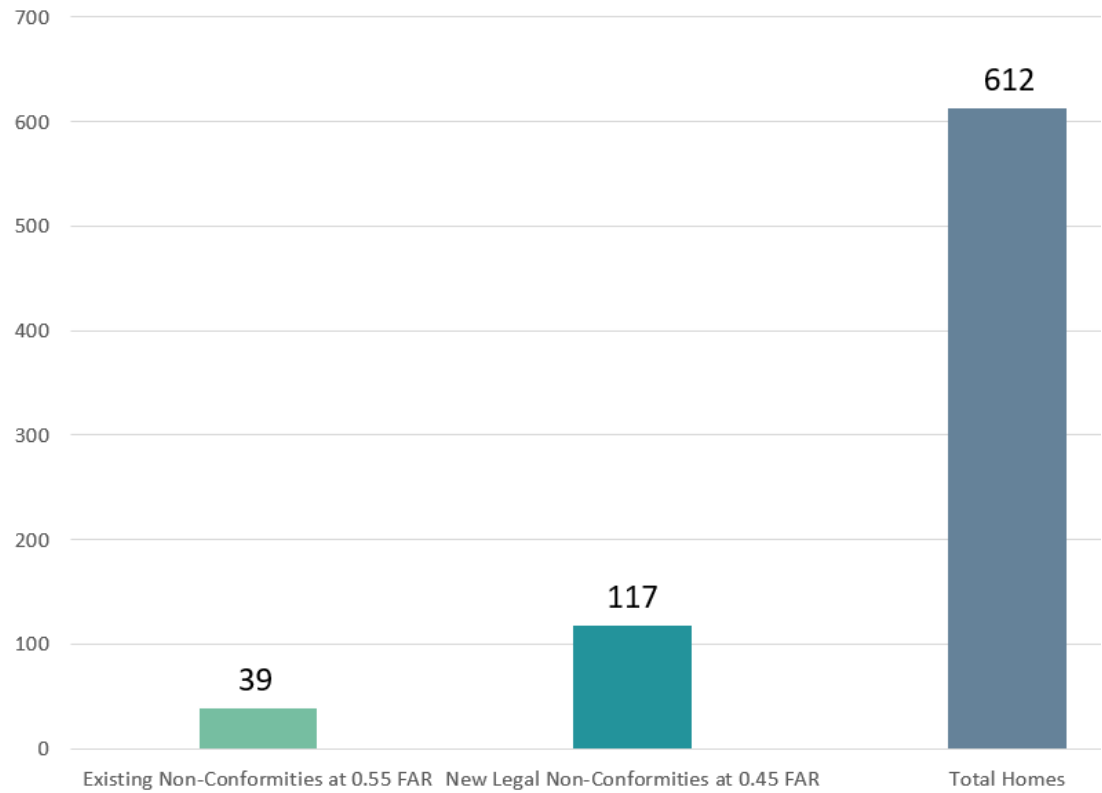
Chapter 16-7 provides standards for nonconformities. The purpose statement of the Nonconformities Chapter reads as follows, “the zoning regulations and development standards established by this Ordinance are designed to guide the future development and redevelopment of land within the Town by encouraging and regulating site development and appropriate groupings of compatible and related uses that promote and protect the public health, safety, and general welfare. While the Town recognizes the continued existence of nonconformities is generally inconsistent with the purpose and intent of this Ordinance, it also recognizes this Ordinance needs to provide flexibility to encourage redevelopment of nonconforming development if it lessens the degree of the nonconformity and if redevelopment is consistent with the goals of the Comprehensive Plan and the district in which the development is located. This Chapter provides for the regulation of nonconforming uses, structures, signs, and site features, and specifies those circumstances and conditions under which such nonconformities are allowed to continue and redevelop.”

If a structure is legally nonconforming, to redevelop, expand or relocate, it must meet the requirements of Chapter 16-7 or Chapter 16-9 Disaster Recovery.



DATA ANALYSIS:

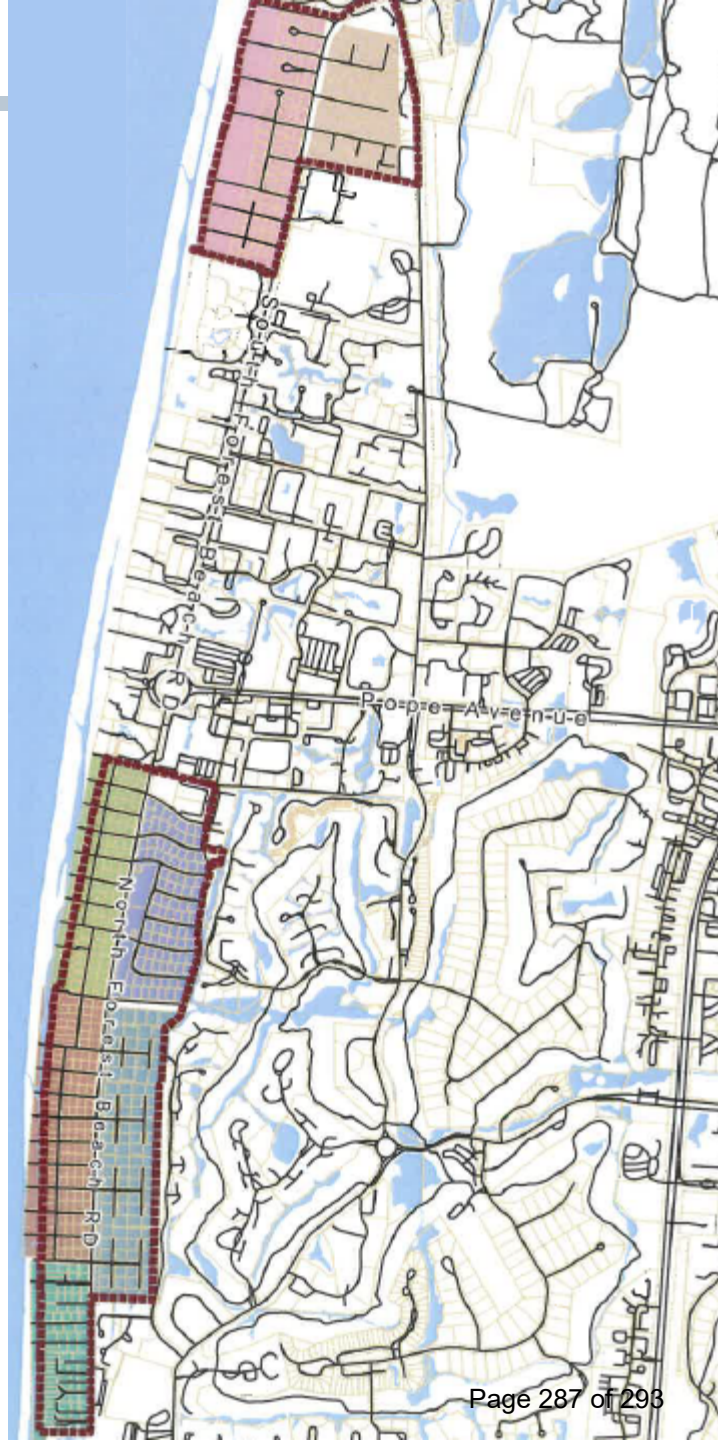
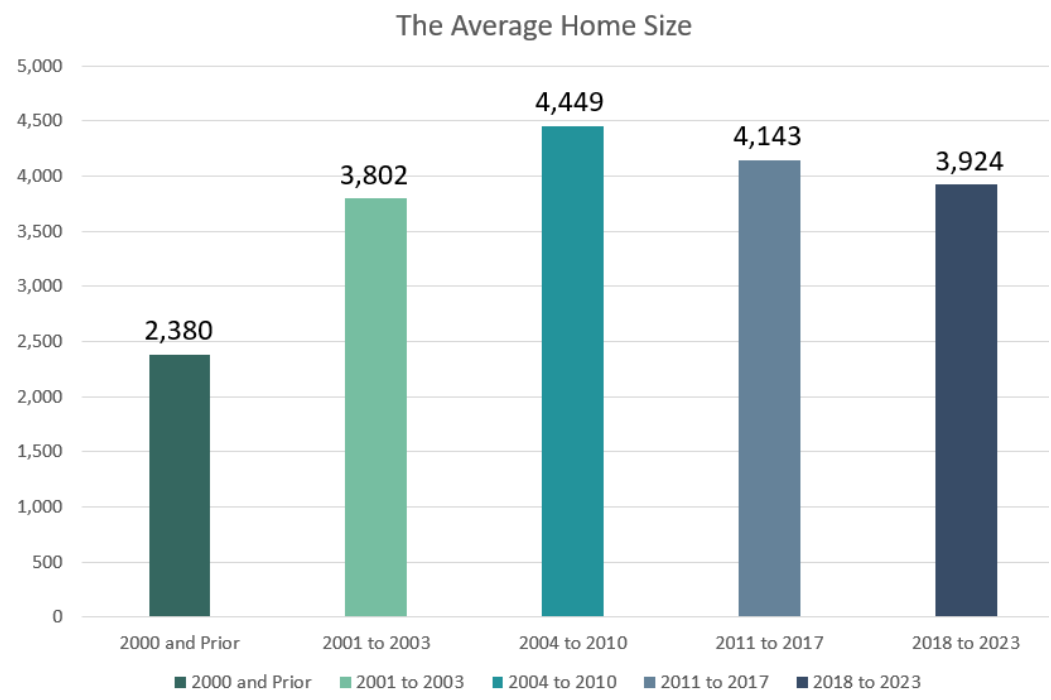
Town data shows that at the current 0.55 FAR there are thirty-nine (39) existing non-conforming properties within the FB-NC-O District. Reducing the FAR to 0.45 would result in approximately one hundred seventeen (117) additional legal nonconforming properties. The total number of homes in FB-NC-O is six hundred twelve (612) (see graph below):



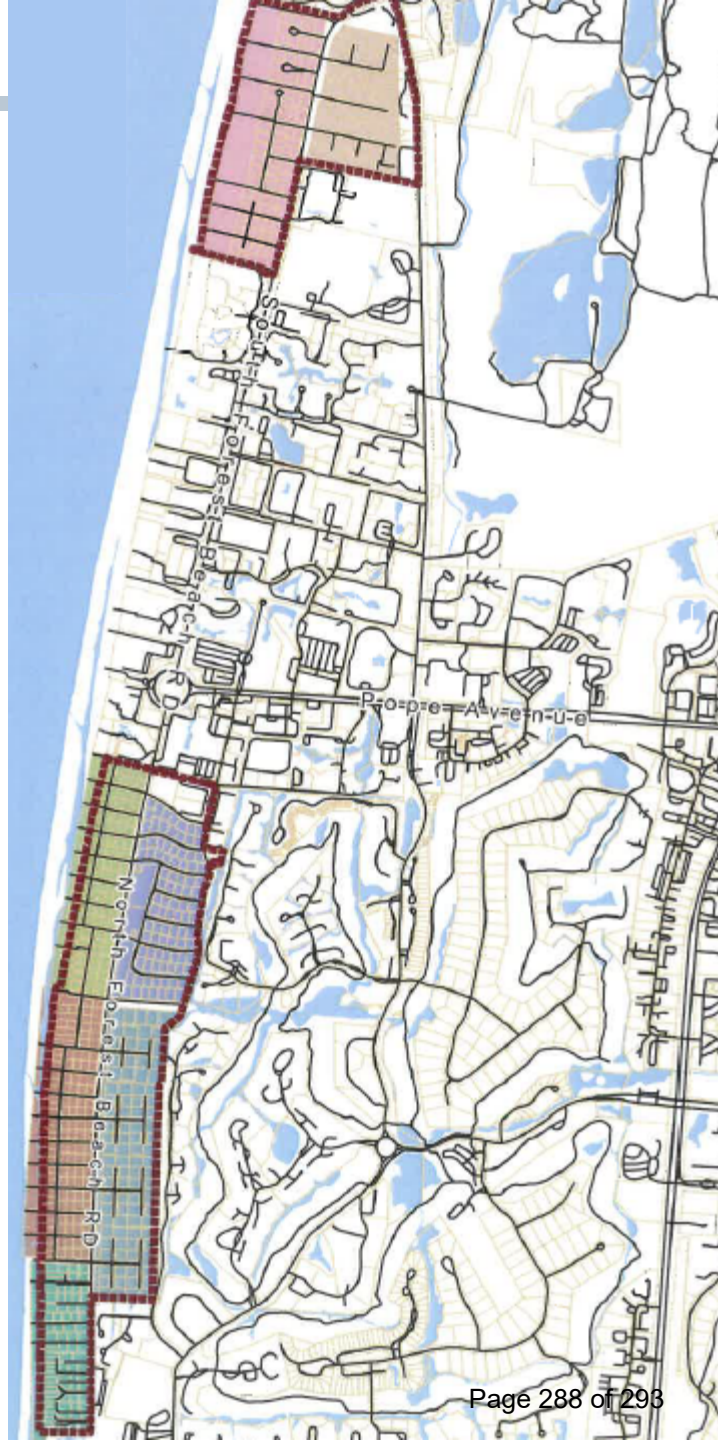
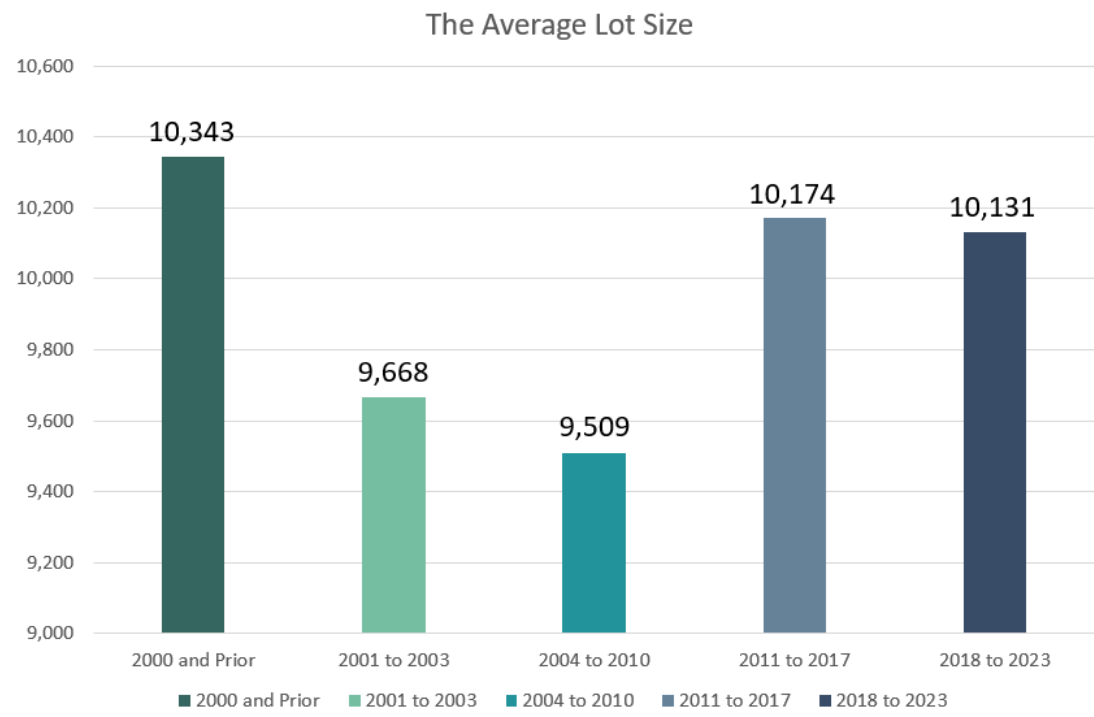
DATA ANALYSIS:

Of the six hundred twelve (612) homes, four hundred forty-five (445) homes or 72.7% of the total homes were built before 2001, the year when the FB-NC-O District was created.

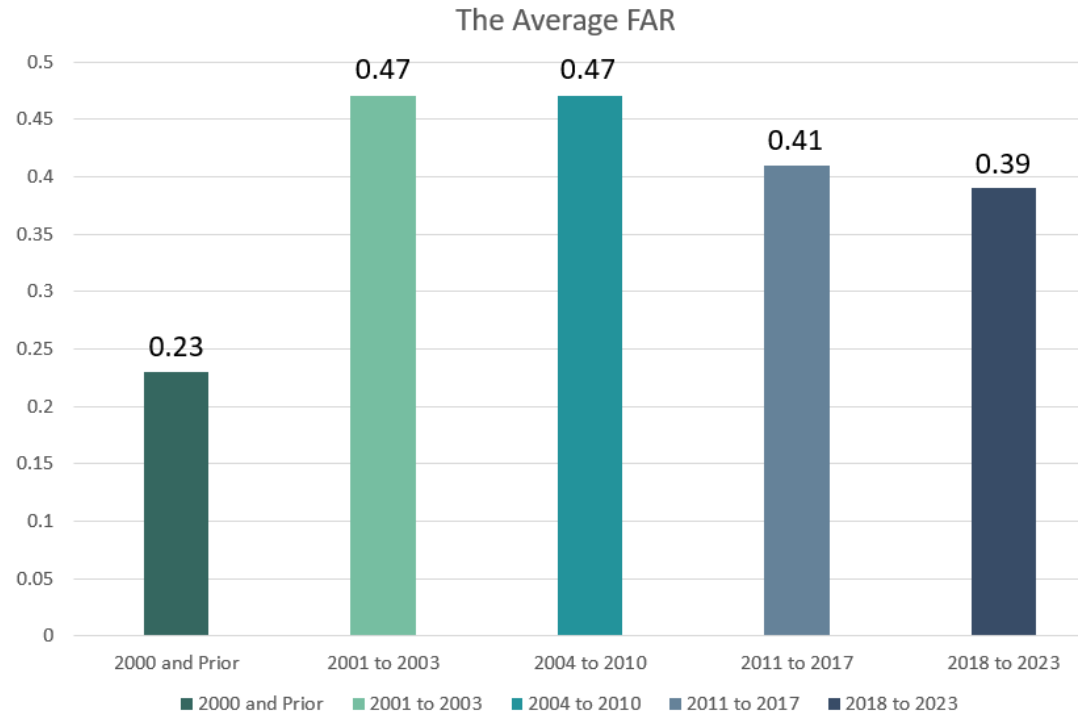
The analysis also shows the average home size in the Forest Beach Neighborhood Character Overlay District between 2000 and prior, 2001-2003, 2004-2010, 2011-2017, 2018-2023 have changed over time (see graphs below):



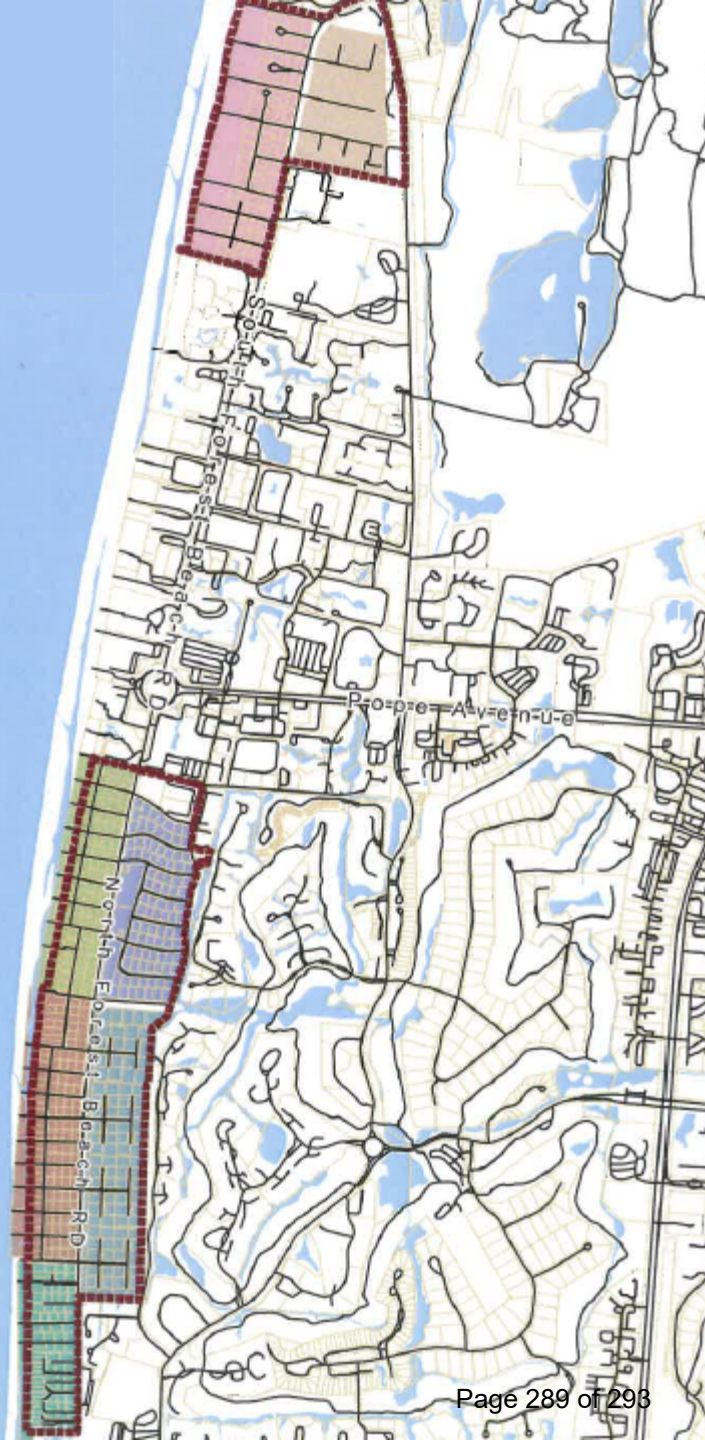
DATA ANALYSIS:



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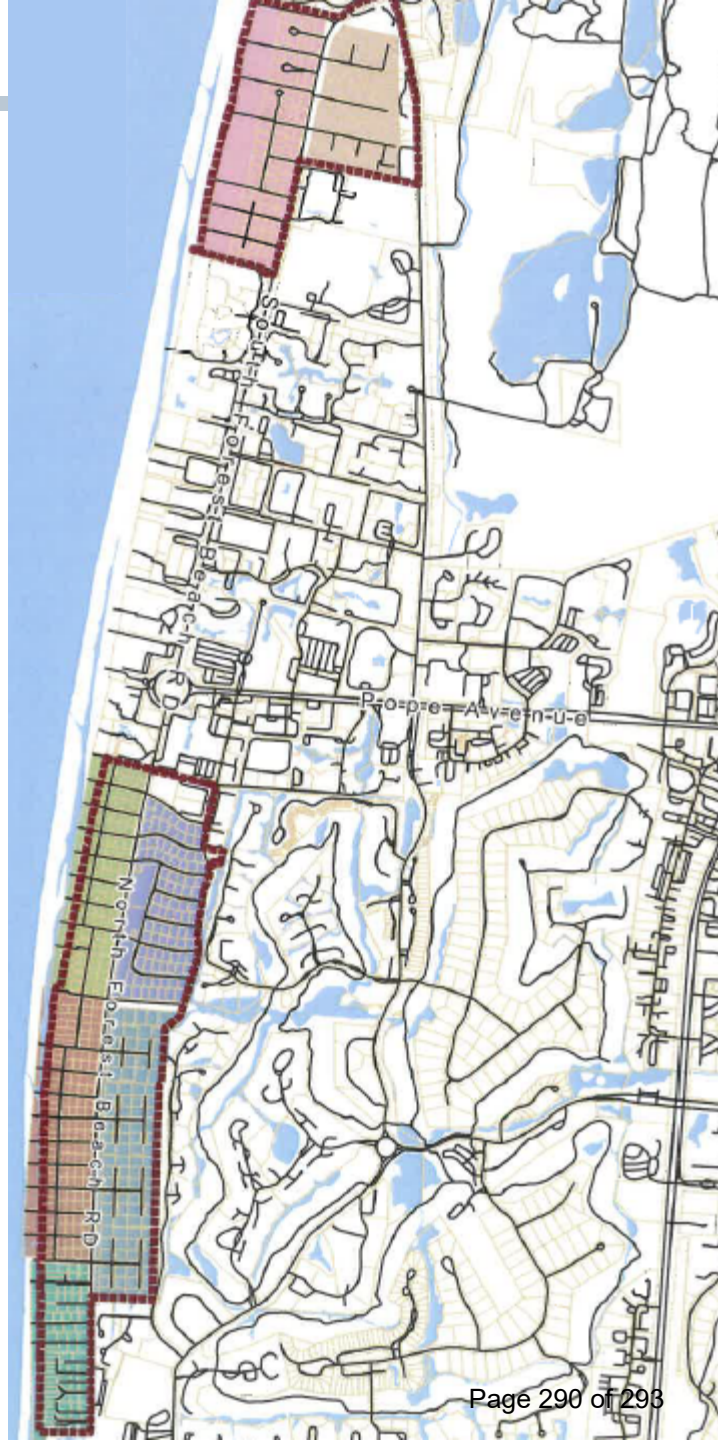
The charts above illustrate that the average FAR from 2011 to present is .41 or less, but during the same period the average lot size increased resulting in greater mass and scale of the built environment within the neighborhood.



REVIEW STANDARDS:

Section 16-2-103.B.3 provides text amendment review standards that may be considered when determining to adopt or deny a proposed text amendment. Those factors are listed below:

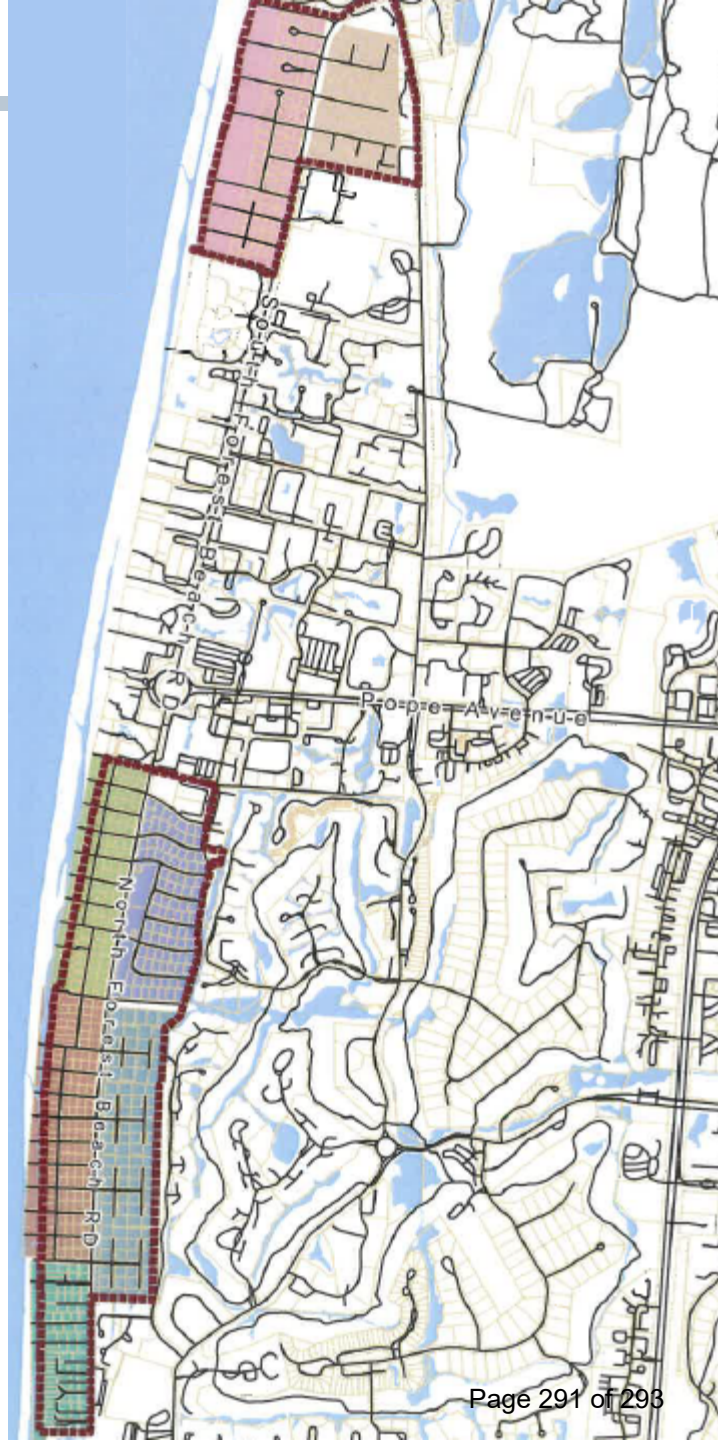
- In accordance with *Our Plan*;
- Required by changed conditions;
- Addresses a demonstrated community need;
- Consistent with the purpose and intent of the zoning districts in this ordinance, or would improve compatibility among uses and ensure efficient development within the Town;
- Would result in a logical and orderly development pattern; and
- Would not result in significant adverse impacts on the natural environment, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.



REVIEW STANDARDS:

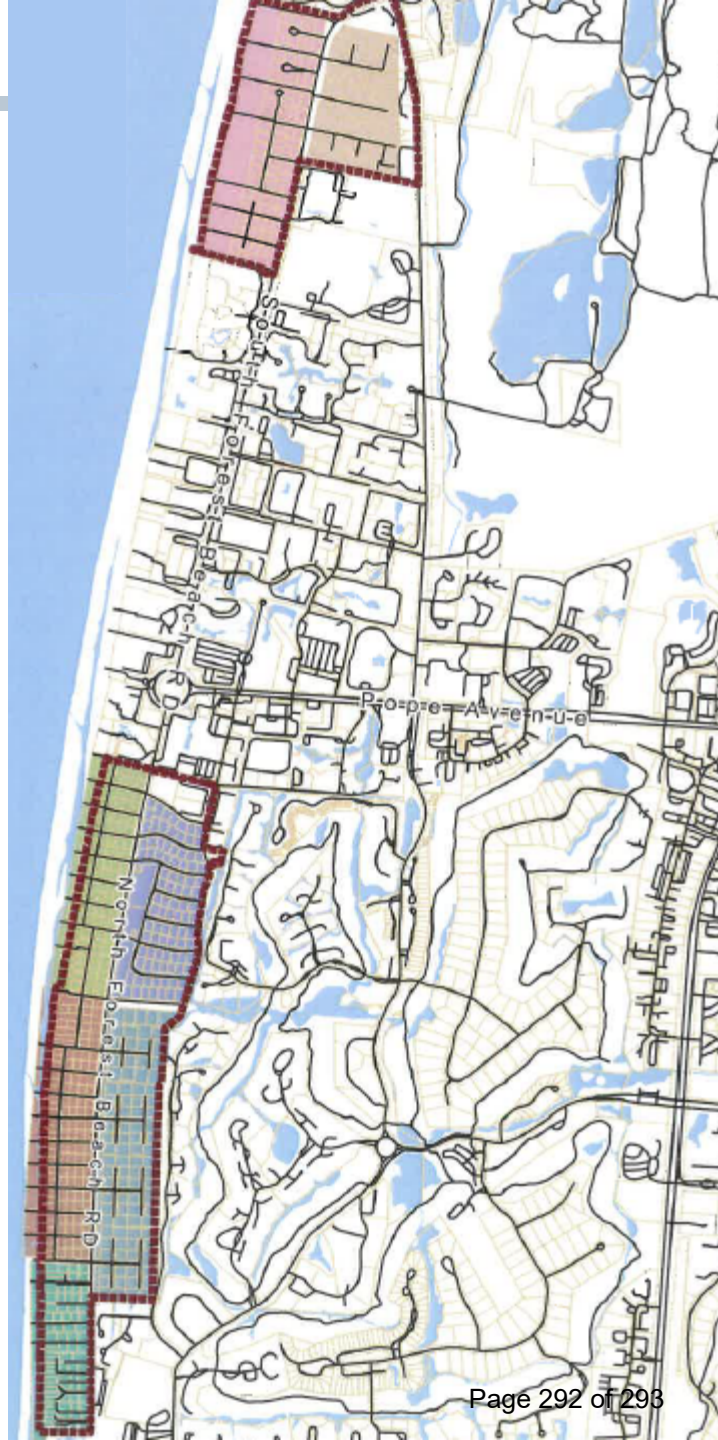
The proposed amendment would result in a logical and orderly development pattern already represented within the community and demonstrates the evolving community needs and preferences. There is a demonstrated community need, as the Forest Beach Property Owners Association (POA) is in support of the proposed amendment (Attachment 3). Reducing the FAR in the Forest Beach Neighborhood Character Overlay District would also make the district consistent with the Folly Field and Holiday Homes Neighborhood Character Overlay Districts which both have 0.45 FAR.

Throughout *Our Plan*, given the nature of interrelated ideas around common topics or areas of concern, there is overlap in key ideas or the scope of the goals. The proposed text amendment to reduce Forest Beach Neighborhood Character Overlay's FAR from 0.55 to 0.45 should be further based upon the *Our Plan* goals and themes as discussed below.



REVIEW STANDARDS:

- **The Pursuit of Excellence**
 - Connected Strategies include providing appropriate modifications to the zoning designations and land use regulations to meet community needs while maintaining island character (p.116).
- **The Environment and Sustainability**
 - Opportunities for the Environment include interpreting the future climate or environment that could impact the human footprint and presence on the Island (p.124).
 - Economic Strategies include encouraging and offering options for sustainable development of structures and sites (p.127).



SUMMARY:

The proposed amendment reduces the FAR from 0.55 to 0.45 within the Forest Beach Neighborhood Character Overlay District. This amendment aims to address concerns regarding single-family development mass and scale. The Public Planning Committee voted 4-0 to support a reduction in FAR to 0.45. The proposed reduction aligns with existing FAR requirements in other overlay districts and reflects *Our Plan* goals, emphasizing modification of the zoning designation reflecting community input to maintain island character as represented in the Forest Beach POA and response. The human footprint is also reduced, resulting in more pervious surface, greater open space, and provides a mechanism for achieving more sustainable development patterns.

The Planning Commission also supported reducing FAR within all single-family neighborhoods to .45 on July 27, 2023.

