

Town of Hilton Head Island Real Estate Transfer Fee Update

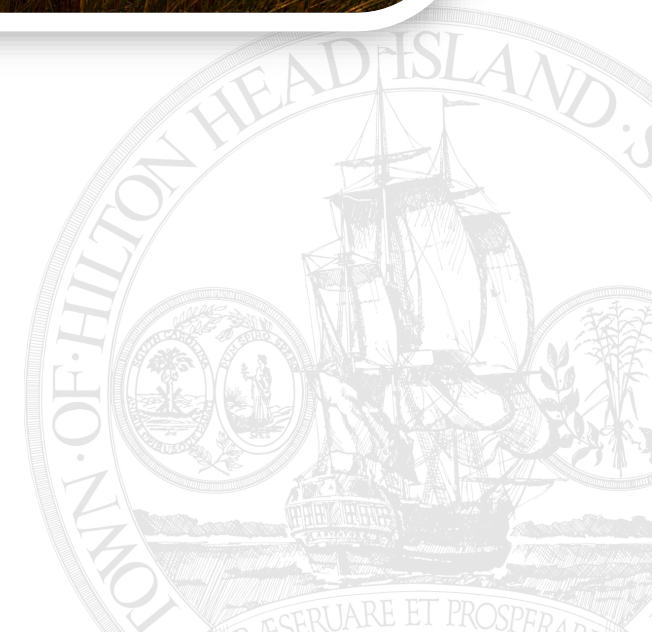
Hilton Head Area Association of Realtors | March 17, 2022



Overview

The Real Estate Transfer Fee . . .

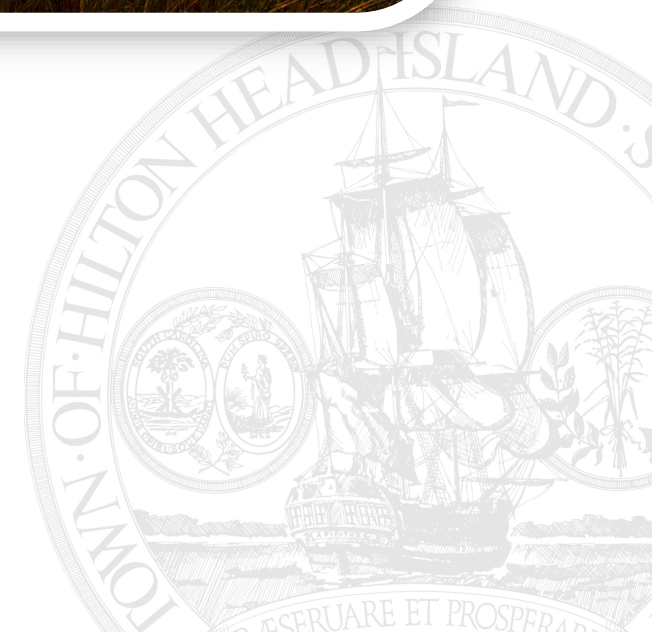
- We will:
 - Give a quick history
 - Talk about the intent and purpose for the fee
 - Talk about past uses
 - Talk about possible future uses and why it is important
 - Talk about where do we go from here?



A Little History

The Real Estate Transfer Fee . . .

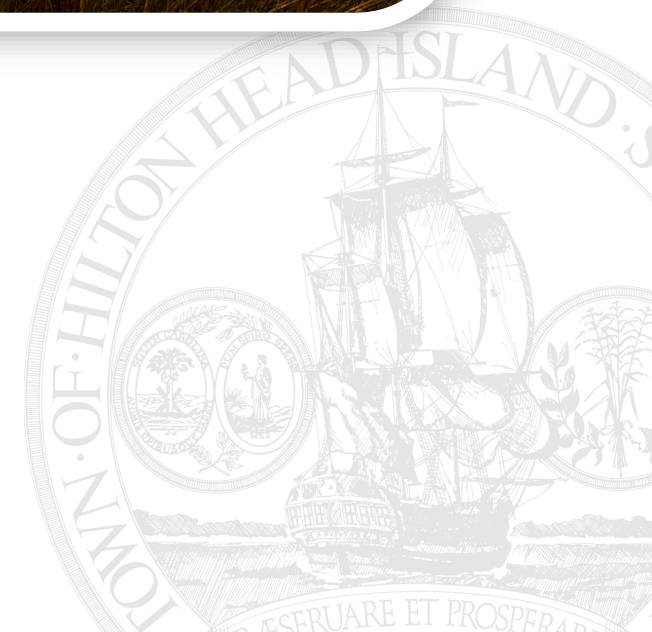
- *What has it been used for?*
- *Primarily -- open spaces and the US 278 corridor.*



A Little History

The Real Estate Transfer Fee . . .

- The Fee was adopted by Town Council in 1990.



A Little History

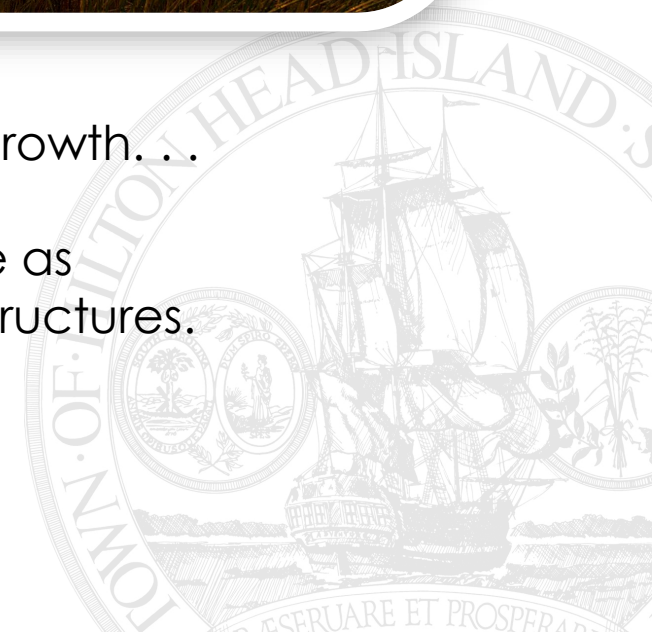
The Real Estate Transfer Fee . . .



Sec. 4-5-30. - Intent.

Conservation efforts . . . maintenance of environmental quality . . . balanced growth. . .

majority of land set aside under this chapter shall be kept in perpetuity as close as possible in its natural state and it shall not be overly invaded with permanent structures.



A Little History

The Real Estate Transfer Fee . . .



Sec. 4-5-40. - Purpose.

To acquire . . .land . . .

to be held in perpetuity as wildlife preserves or . . .

needed by the public in the future for active and passive recreation uses and scenic easements . . .



A Little History

The Real Estate Transfer Fee . . .

Sec. 4-5-40. – Purpose continued . . .

To acquire . . . land . . . to convert its use to a public use,

to restore the property to open space,

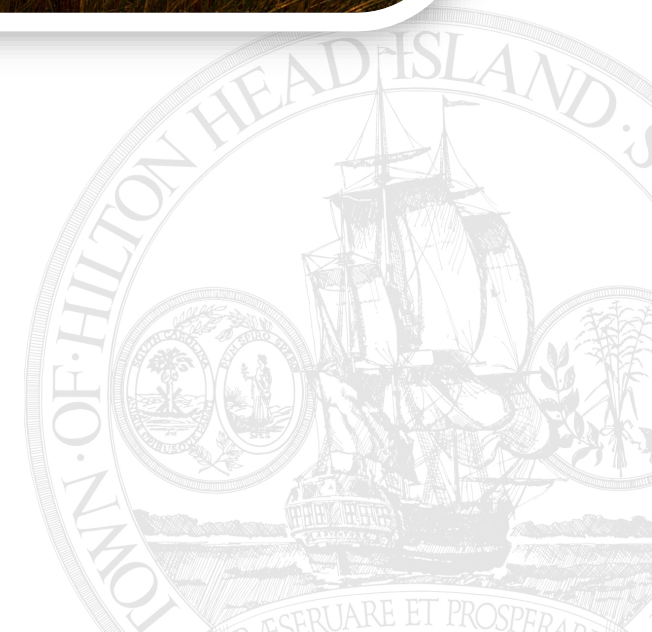
or to redefine that property in accordance with the town's current comprehensive plan and dispose of it as soon as possible.



A Little History

The Real Estate Transfer Fee . . .

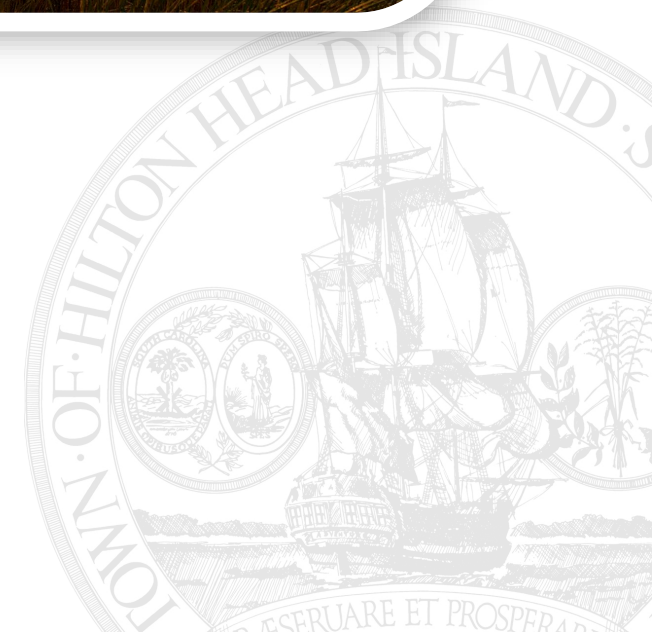
- Is set at 0.25 of 1% of the gross sale price of each real estate transaction within the municipal limits of the town.
- On the sale of a \$500,000 home the fee is \$1,250.



A Little History

The Real Estate Transfer Fee . . .

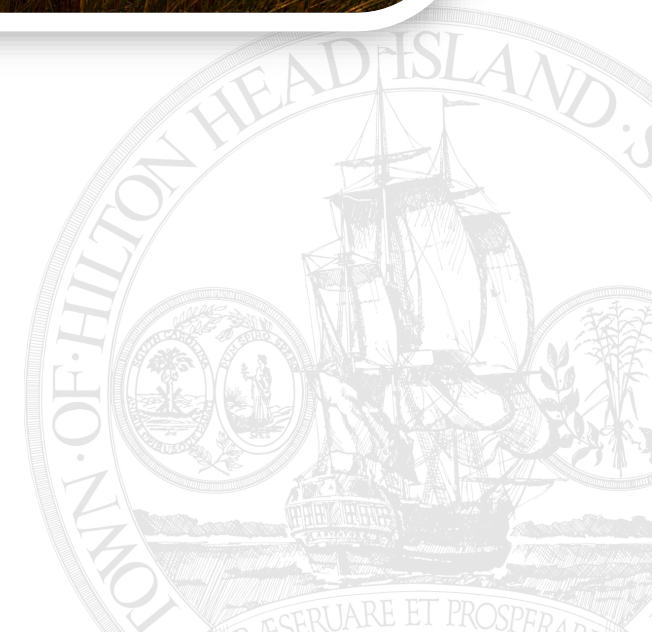
The fee is the liability of the ***purchaser*** at the time of recording . . .



A Little History

The Real Estate Transfer Fee . . .

The fee was set for twenty-four (24) years – ending December 31, 2024 . . .

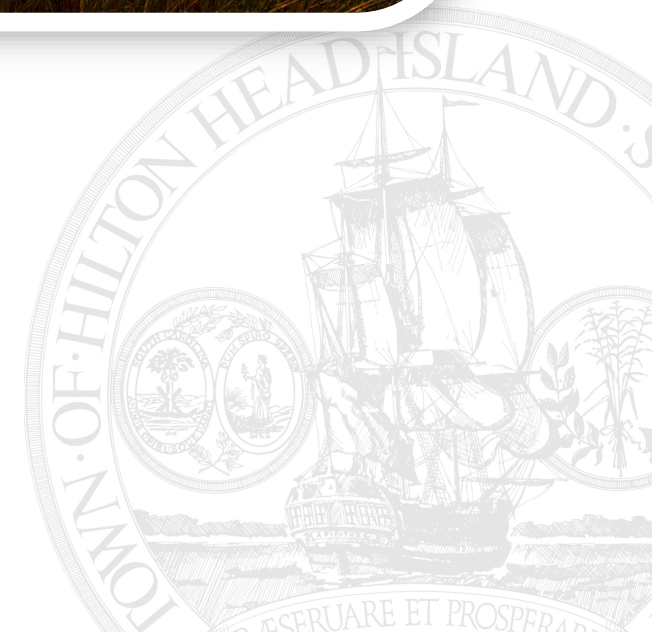


A Little History

The Real Estate Transfer Fee collections . . .

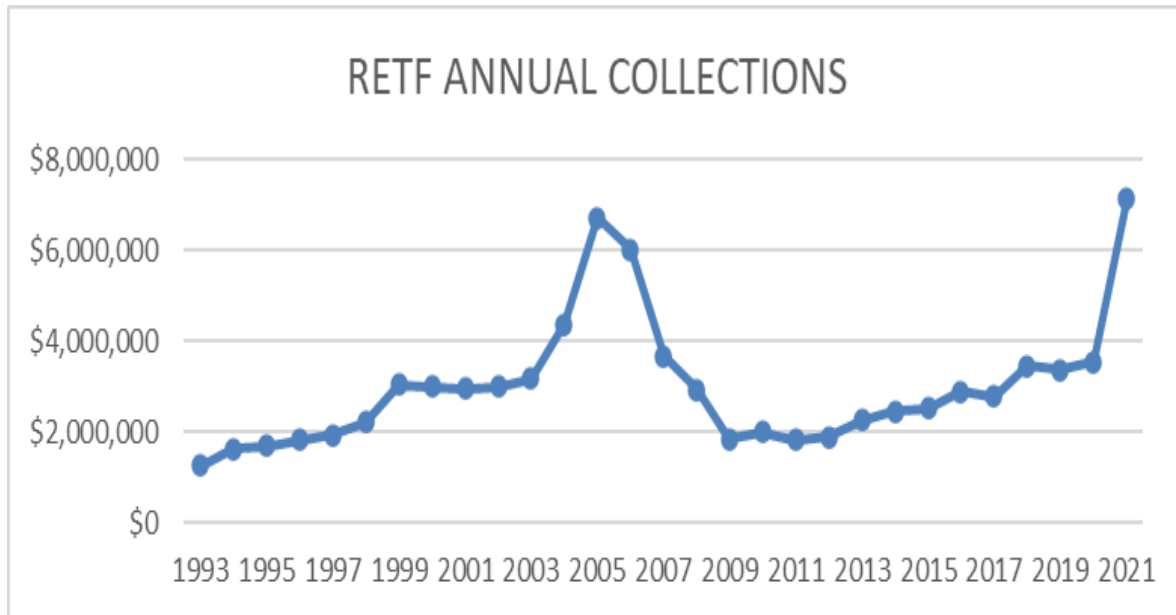
The Town has collected over \$87 million in RETF since 1990 . . .

. . . and keeps the fees in a separate fund just for that purpose.



A Little History

The Real Estate Transfer Fee collections . . .



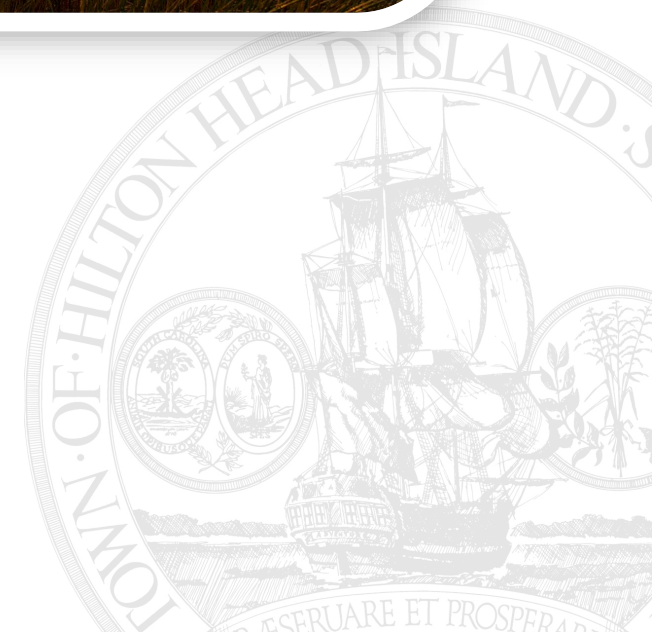
The Town has collected over \$87 million in RETf since 1990 . . .



A Little History

The Real Estate Transfer Fee collections . . .

The Town has used over \$76 million in RETF since 1990 . . .

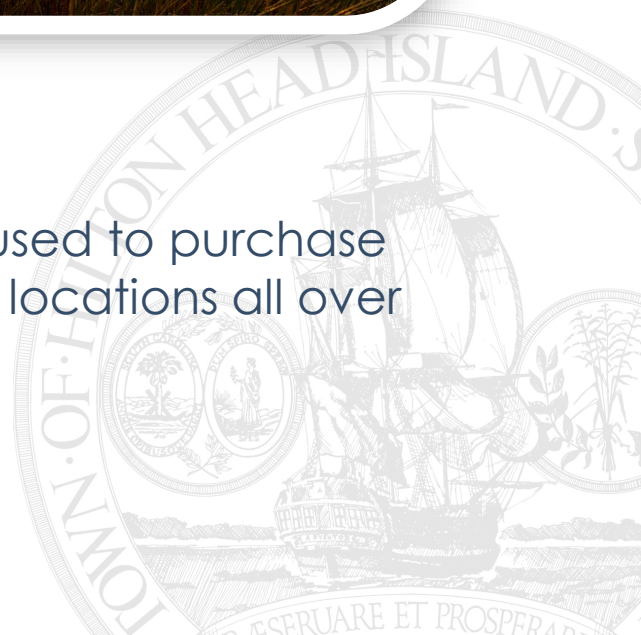


A Little History

The Real Estate Transfer Fee . . .

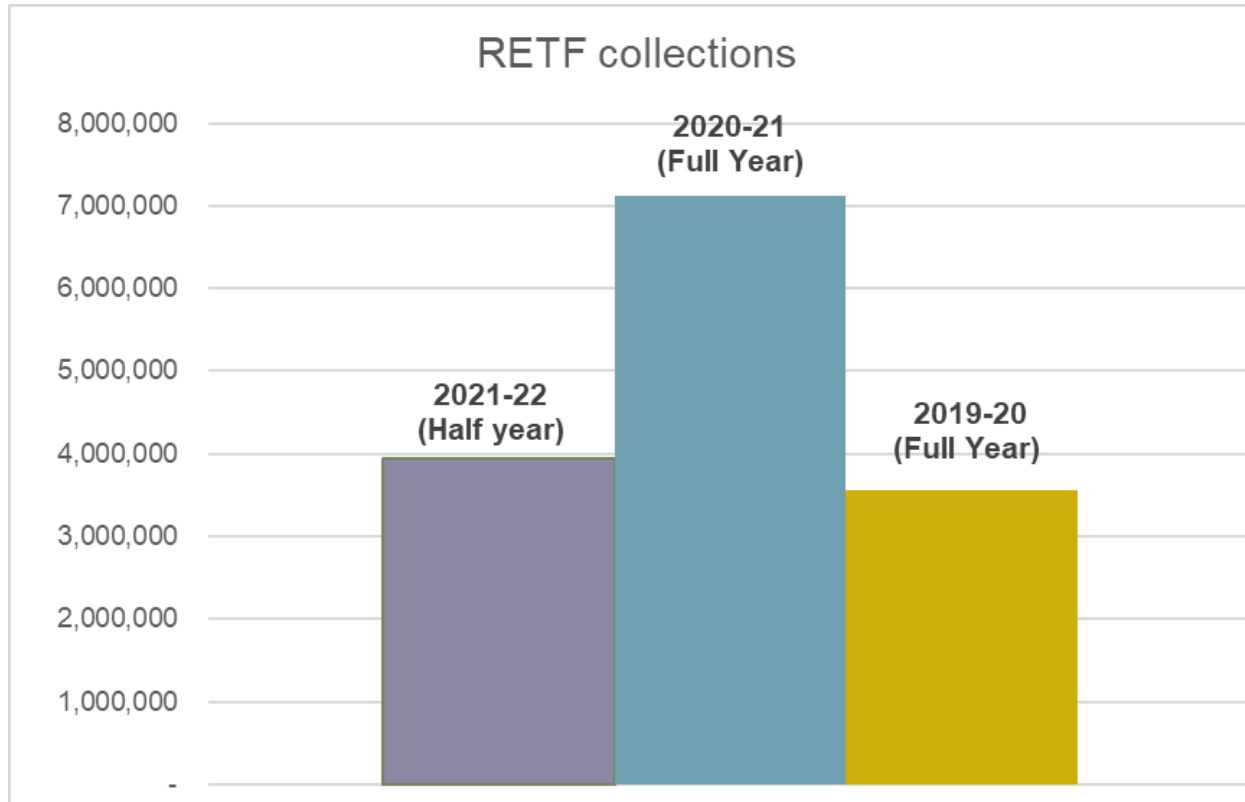


The fee has been used to purchase over 1,304 acres in locations all over the Island . . .

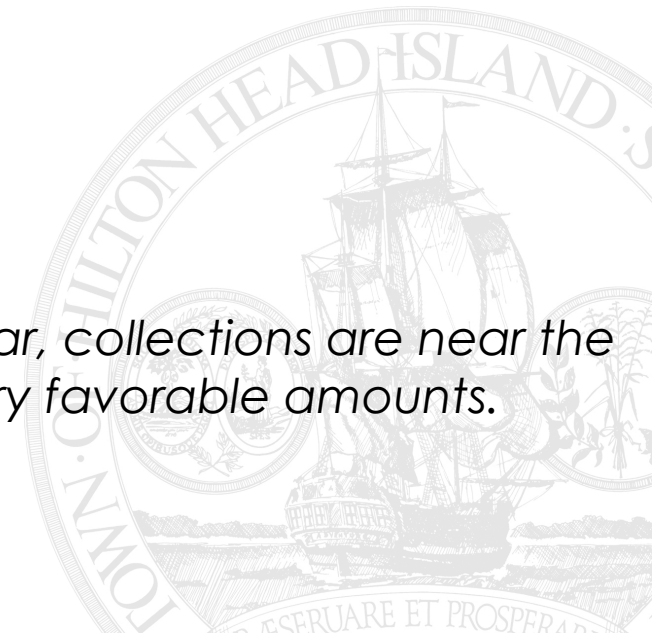


Real Estate Transfer Fee

Collections by year



Six months into the year, collections are near the pace of last year's very favorable amounts.

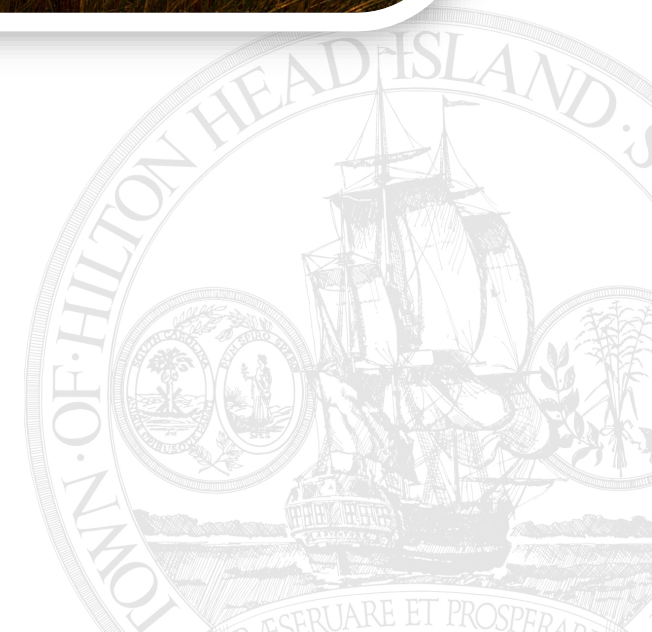


Key Issues

Is this all?

No: The RETF has been supplemented by:

1. General Revenues.
2. Voter Approved Referenda in '97, '98, '00, '03, and '08
3. Grants and Donations
4. CIP revenues

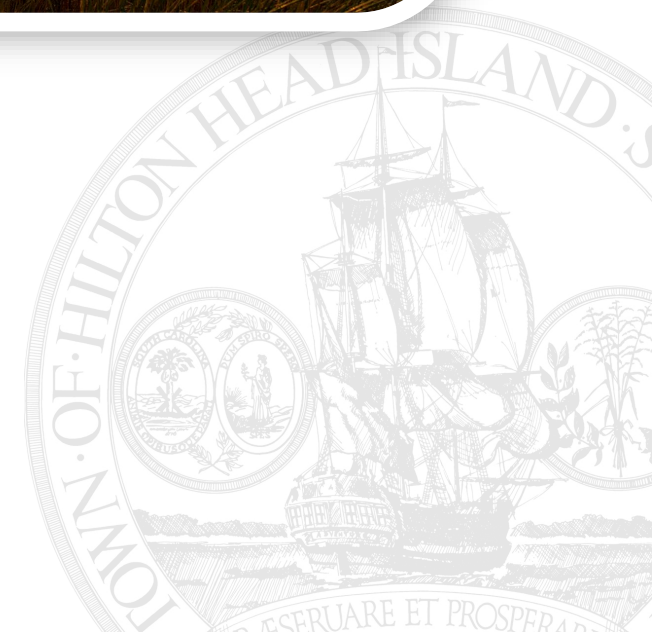


Benefits of RETF

Land Acquisition Improves Quality of Life in many ways.

Why do we need the funds?

1. Open Spaces and the 278 corridor
2. Resiliency is an integral part of the Strategic Plan – land acquisition helps in risk mitigation for our future
3. As we do improvements to the Island – the RETF can work with our efforts in roads, stormwater, water and sewer work for aesthetic purposes as well as functional

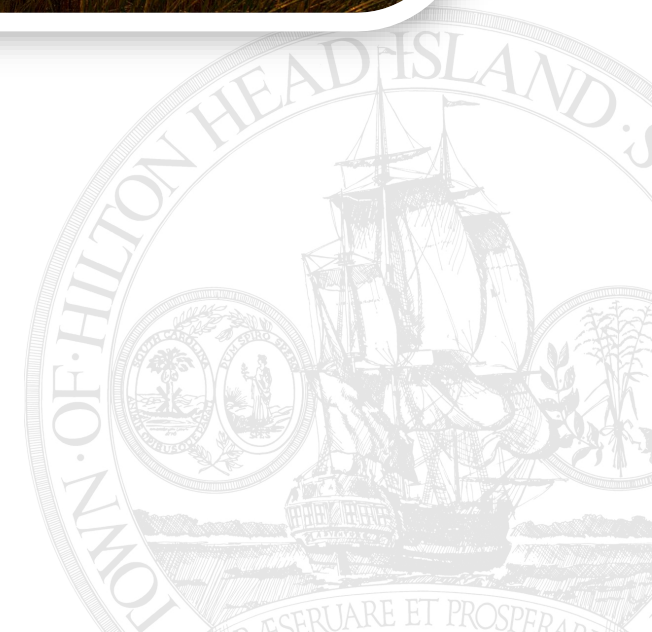


Benefits of RETF

Land Acquisition Improves Quality of Life in many ways.

The benefits of the RETF include:

1. Preservation of Open Space
2. Public Access and Views to our Waterways
3. Provides space for Passive and Active Recreational Needs
4. Preserves Wildlife Habitat
5. Protects Environmentally Sensitive Lands
6. Protects Culturally and Historically Significant Sites
7. Provides for Island resiliency through Stormwater protection
8. Provides Space for Capital Improvement Projects
9. Strengthens Demand for Property Values Island-wide
10. Reduces Demand for Other Public Facilities and Services
11. Reduces future traffic

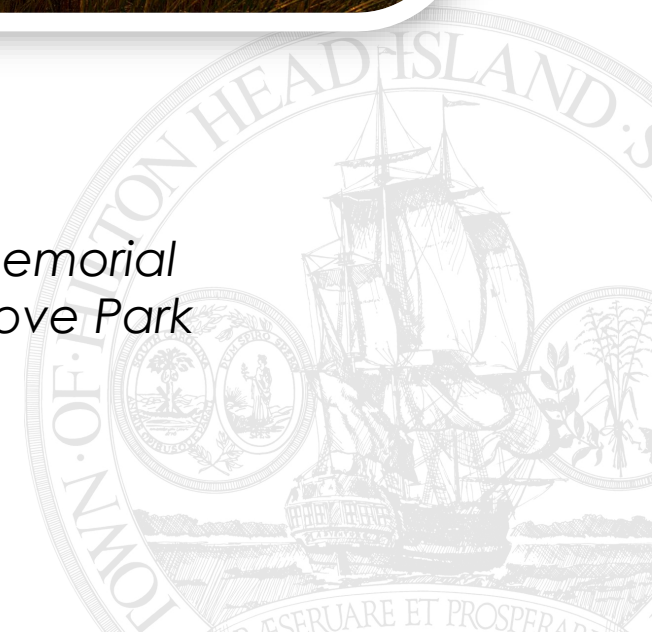


The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.

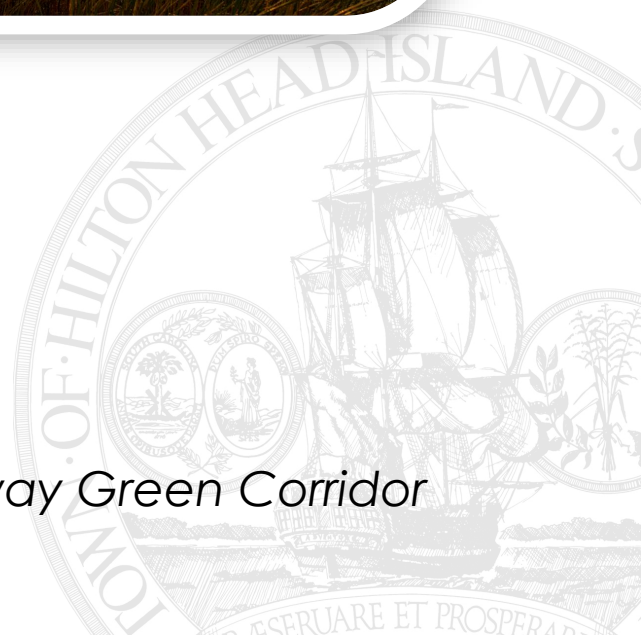
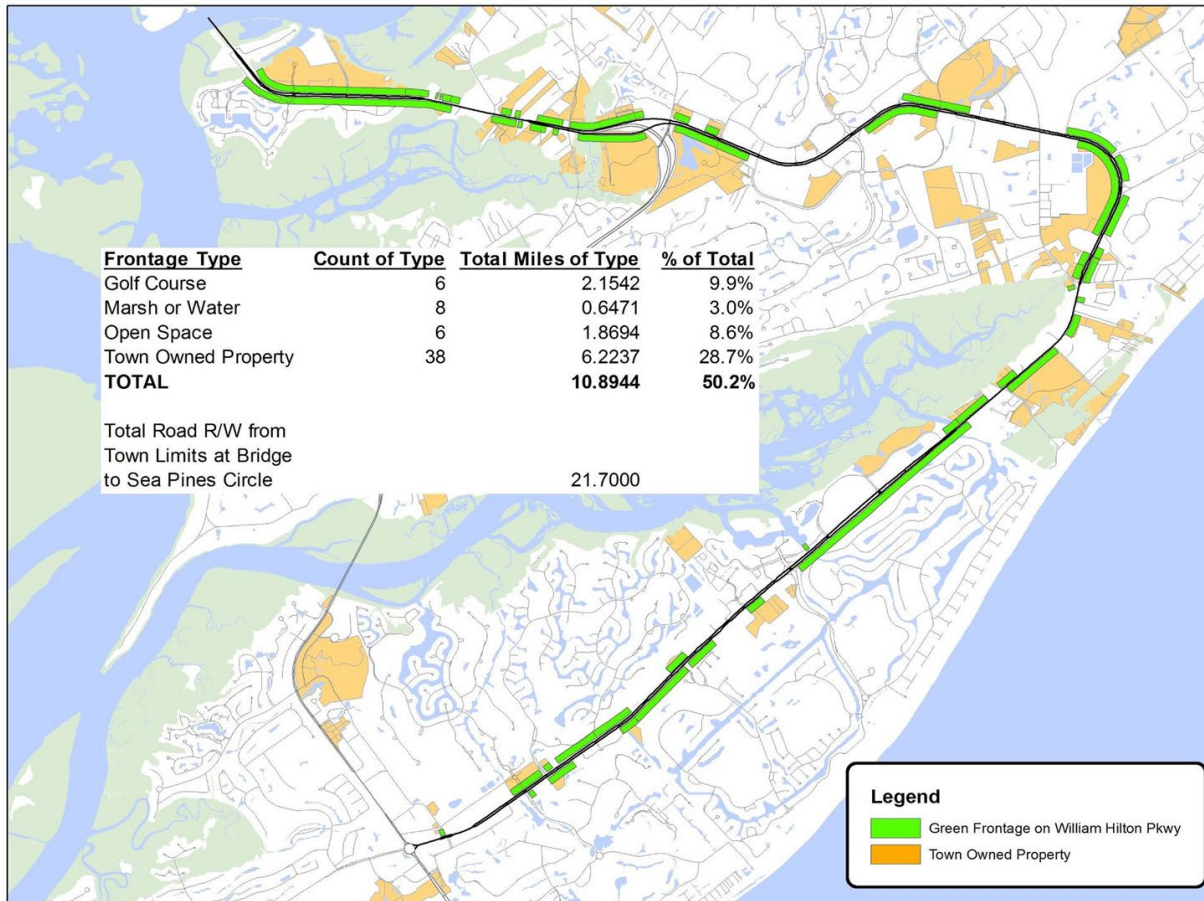


*Veteran's Memorial
at Shelter Cove Park*



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Land Acquisition Improves Quality of Life in many ways.



William Hilton Parkway Green Corridor

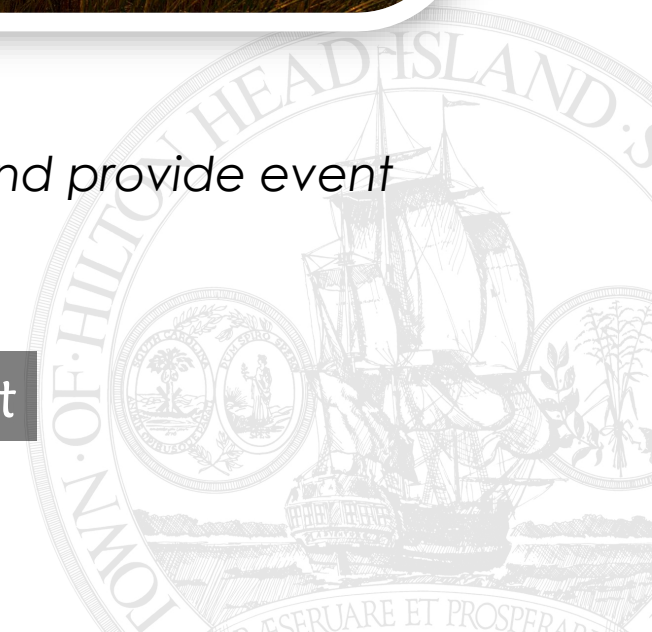
The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



To preserve history and provide event space . . .

Honey Horn Tract



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



For both residents and visitors to enjoy . . .

Fish Haul Creek Park



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and provide event space . . .*

Shelter Cove Community Park



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and improve the Island experience . . .*

Chaplin Waterfront



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To improve aesthetics and
and provide space to enjoy the Island. . .*

Compass Rose Park

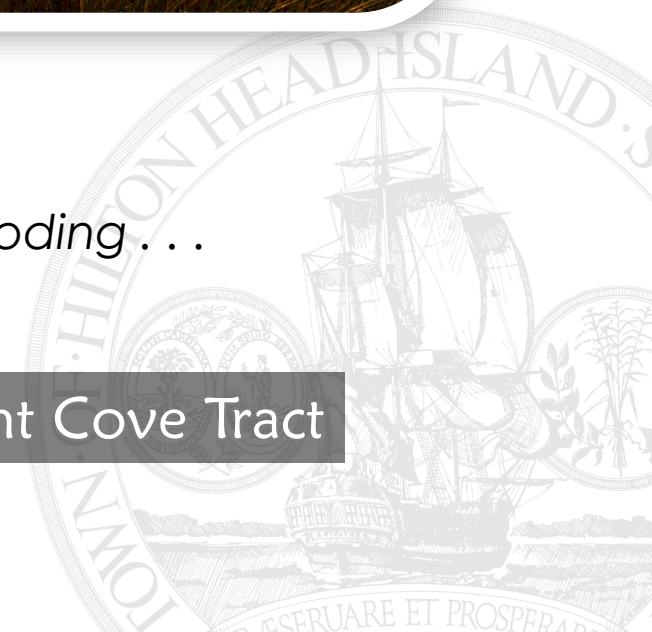
The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and protect from flooding . . .*

Yacht Cove Tract

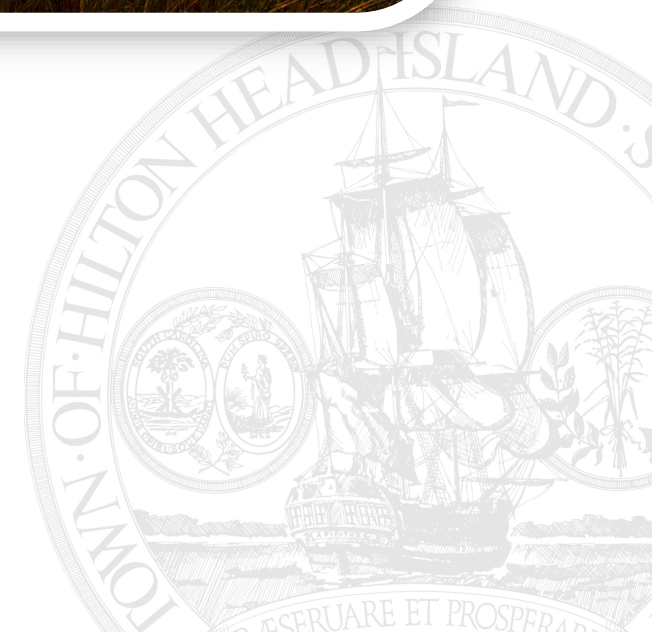


Key Issues

What are the staff recommendations?

Staff Recommendations:

We need the funds for future open space opportunities and improve our Island's resiliency.

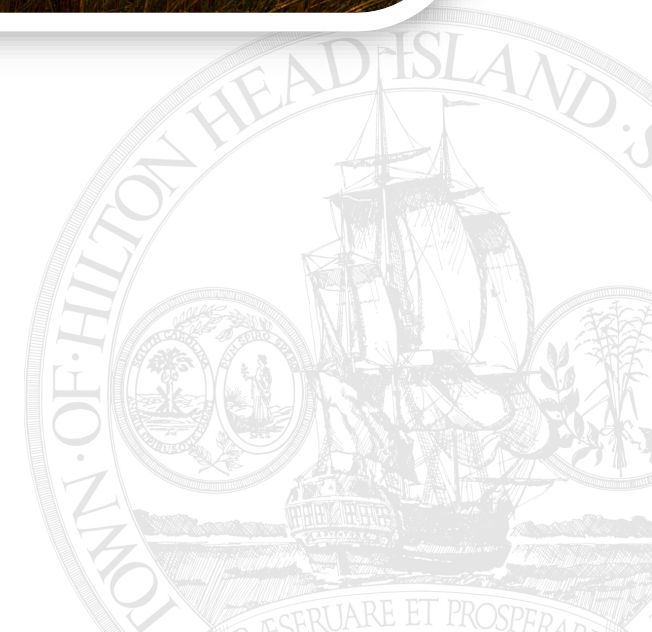


Key Issues

What are the staff recommendations?

Staff Recommendations:

1. Ask Town Council to extend the fee for 20 years.
2. Maintain the Fee at its existing rate.
3. Keep the allowed uses the same.
4. Act now to afford time to begin the planning process for strategically implementing the uses.

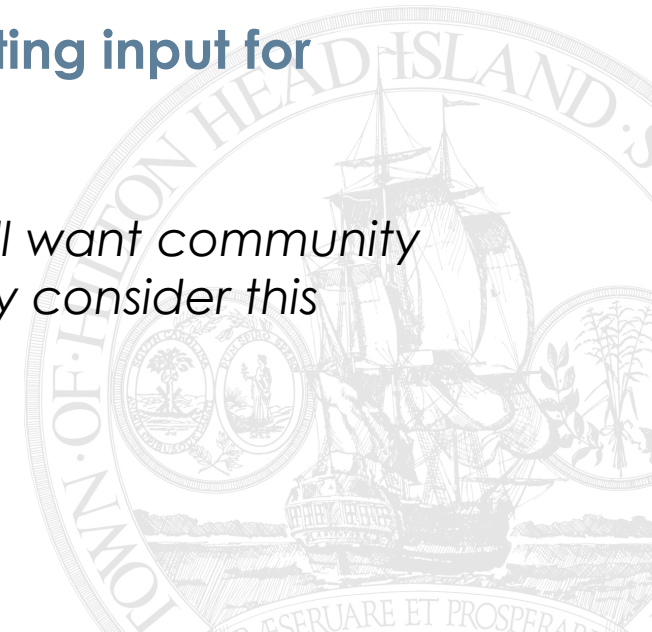


Comments or Questions?



**We are collecting input for
Town Council**

*Town Council will want community
input before they consider this
proposal.*



Thank You



For more information, visit our website
at www.hiltonheadislandsc.gov

