



Town of Hilton Head Island  
**Planning Commission**  
**Special Meeting**  
**Wednesday, October 21, 2020 – 2:00 p.m.**  
**AGENDA**

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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/>. Following the meeting, the video record will be made available on the Town's website at <https://www.hiltonheadislandsc.gov/>.

- 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. Roll Call**
- 4. Approval of Agenda**
- 5. Unfinished Business**
  - a. Review of Town Council's changes related to Workforce Housing LMO Amendments
- 6. New Business** – None
- 7. Commission Business**
- 8. Chairman's Report**
- 9. Committee Reports**
- 10. Staff Report**
- 11. Adjournment**

Public comments concerning agenda items can be submitted electronically via the Open Town Hall HHI portal at <https://hiltonheadislandsc.gov/opentownhall/>. The portal will close 2 hours prior to the start of the scheduled meeting. All comments submitted through the portal will be provided to the Commission for review and made part of the official record. Citizens who wish to comment on agenda items during the meeting by phone must contact the Commission Secretary at 843-341-4684 not later than 2 hours prior to the start of the scheduled meeting.

**Please note that a quorum of Town Council may result if four (4) or more of their members attend this meeting.**



# **TOWN OF HILTON HEAD ISLAND**

## *Community Development Department*

**TO:** Planning Commission  
**VIA:** Shawn Colin, *AICP, Director of Community Development*  
**VIA:** Jennifer Ray, *ASLA, Deputy Director of Community Development*  
**FROM:** Jayme Lopko, *AICP, Senior Planner*  
**CC:** Teri Lewis, *AICP, Deputy Director of Community Development*  
**DATE:** October 13, 2020  
**SUBJECT:** Workforce Housing LMO Amendments

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**Recommendation:** Staff recommends the Planning Commission review the proposed Workforce Housing (WFH) Land Management Ordinance (LMO) amendments and forward a recommendation to Town Council.

**Summary:** At the Town Council meeting on October 6, 2020, Council voted unanimously to adopt the Workforce Housing LMO amendments related to Commercial Conversion, further recommending that Town Council not adopt the amendments related to bonus density at this time.

Per State Code Section 6-29-760, if Town Council recommends a change to a proposed text amendment after the public hearing, then that text amendment must be reviewed again by the Planning Commission before the change can be adopted by Town Council.

**Background:** These amendments were brought forward to provide incentives for the development of Workforce Housing. A public hearing was held by the Planning Commission on August 19, 2020. At that time, the Planning Commission unanimously recommended approval of the complete set of Workforce Housing LMO Amendments.

**Attachments:**

- A. Workforce Housing LMO Amendments
- B. Location Map

# Attachment A

## Workforce Housing LMO Amendments

### Chapter 16-2: Administration

#### Section 16-2-103.G.2.b Development Plan Review (Minor or Major)

##### 2. Applicability

###### b. Minor or Major Development Plans

There are two types of Development Plans: Minor and Major.

- i. Approval of a Minor Development Plan is required for the following types of development, provided the development does not involve any wetland alteration:
  01. Accessory uses and structures;
  02. Temporary uses and structures, including temporary construction storage and staging; and
  03. Any other development that does not involve construction of a new building or addition, such as parking lot changes, new pools or decks, recreation fields or courts, or changes in general site design.
  04. Any nonresidential structure(s) that is converted to mixed-use or multifamily.
- ii. Approval of a Major Development Plan is required for all other development subject to Development Plan Review.

### Chapter 16-3: Zoning Districts

#### Section 16-3-105. Mixed-Use and Business Districts

Section 16-3-105.B Coligny Resort (CR) District, Section 16-3-105.G Marshfront (MF) District, Section 16-3-105.J Neighborhood Commercial (NC) District, and Section 16-3-105.L Resort Development (RD) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<i>Mixed-Use</i>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
3. Development Form Standards				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
Residential <sup>2</sup>				
<b>TABLE NOTES:</b>				
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable				
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.				

# Attachment A

## Workforce Housing LMO Amendments

### Section 16-3-105.C Community Commercial (CC) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<u>Mixed-Use</u> <sup>3</sup>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
<u>Multifamily</u> <sup>3</sup>	PC	Sec. 16-4-102.B.1.b	1 bedroom	1.4 per du
			2 bedrooms	1.7 per du
			3 or more bedrooms	2.0 per du
<u>Workforce Housing</u>	PC	Sec 16-4-102.B.1.d	See Sec. 16-5-107.D.2	
3. Development Form Standards				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
<u>Residential</u> <sup>2</sup>				
TABLE NOTES:				
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable				
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.				
3 The minimum number of off-street parking spaces for mixed-use or multifamily development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.				

### Section 16-3-105.D Light Commercial (LC) District, Section 16-3-105.F Main Street (MS) District, Section 16-3-105.M and Sea Pines Circle (SPC) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<u>Mixed-Use</u> <sup>3</sup>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
<u>Workforce Housing</u>	PC	Sec 16-4-102.B.1.d	See Sec. 16-5-107.D.2	
3. Development Form Standards				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
<u>Residential</u> <sup>2</sup>				
TABLE NOTES:				
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable				
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.				
3. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.				

# Attachment A

## Workforce Housing LMO Amendments

### Section 16-3-105.H Medical (MED) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<u>Mixed-Use</u> <sup>3</sup>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
<u>Multifamily</u> <sup>3</sup>	PC	Sec. 16-4-102.B.1.b	1 bedroom	1.4 per du
			2 bedrooms	1.7 per du
			3 or more bedrooms	2.0 per du
<u>Workforce Housing</u>	PC	Sec 16-4-102.B.1.d	See Sec. 16-5-107.D.2	
<b>3. Development Form Standards</b>				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
<u>Residential</u> <sup>2</sup>				
<b>TABLE NOTES:</b> P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <b>dwelling units</b> ; sf = square feet; GFA = <b>gross floor area</b> in square feet; ft = feet; n/a = not applicable <u>2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.</u> <u>3. The minimum number of off-street parking spaces for mixed-use or multifamily development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.</u>				

### Section 16-3-105.I Mitchelville (MV) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<u>Mixed-Use</u> <sup>2</sup>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
<u>Workforce Housing</u>	PC	Sec 16-4-102.B.1.d	See Sec. 16-5-107.D.2	
<b>3. Development Form Standards</b>				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
<u>Residential</u> <sup>1</sup>				
<b>TABLE NOTES:</b> P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <b>dwelling units</b> ; sf = square feet; GFA = <b>gross floor area</b> in square feet; ft = feet; n/a = not applicable <u>1. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.</u> <u>2. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.</u>				

# Attachment A

## Workforce Housing LMO Amendments

### Section 16-3-105.K Planned Development Mixed Use (PD-1) District

3. Principal Uses Restricted by Master Plan			
The Master Plans and associated text, as approved and amended by the Town, establish general permitted uses for the respective PUDs, except as may be modified by an overlay zoning district. Undesignated areas on these Master Plans shall be considered as <i>open space</i> . The following uses are restricted to locations where a Town-approved Master Plan or associated text specifically states such uses are permitted. In addition, the use-specific conditions referenced below shall apply to any new such use or change to the site for any existing such use.			
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES
<b>Residential Uses</b>			
<u>Mixed-Use</u>	PC	<u>Sec. 16-4-102.B.1.a</u>	<u>See Sec. 16-5-107.D.2</u>
<u>Workforce Housing</u>	PC	<u>Sec 16-4-102.B.1.d</u>	<u>See Sec. 16-5-107.D.2</u>
4. Development Area Densities			
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE
Residential <sup>1</sup>			
<b>TABLE NOTES:</b>			
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable			
<u>1. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.</u>			

### Section 16-3-105.O Waterfront Mixed-Use (WMU) District

2. Allowable Principal Uses			
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES
<b>Residential Uses</b>			
<u>Mixed-Use</u> <sup>4</sup>	PC	<u>Sec. 16-4-102.B.1.a</u>	Residential
			Nonresidential
<u>Workforce Housing</u>	PC	<u>Sec 16-4-102.B.1.d</u>	<u>See Sec. 16-5-107.D.2</u>
			1.125 per du
			1 per 650 GFA
3. Development Form Standards			
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE
Residential <sup>3</sup>			
<b>TABLE NOTES:</b>			
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <i>dwelling units</i> ; sf = square feet; GFA = <i>gross floor area</i> in square feet; ft = feet; n/a = not applicable			
<u>3. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.</u>			
<u>4. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.</u>			

# Attachment A Workforce Housing LMO Amendments

## Section 16-3-105.N Stoney (S) District

2. Allowable Principal Uses				
USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
<b>Residential Uses</b>				
<u>Mixed-Use</u> <sup>2</sup>	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 GFA
<u>Workforce Housing</u>	PC	Sec 16-4-102.B.1.d	See Sec. 16-5-107.D.2	
<b>3. Development Form Standards</b>				
MAX. DENSITY (PER NET ACRE)			LOT COVERAGE	
Residential <sup>2</sup>				
<b>TABLE NOTES:</b>				
P = Permitted by Right; PC = Permitted Subject to Use-Specific Conditions; SE = Allowed as a Special Exception; du = <b>dwelling units</b> ; sf = square feet; GFA = <b>gross floor area</b> in square feet; ft = feet; n/a = not applicable				
2. For development that converts nonresidential square footage to residential use refer to Sec. 16-10-102.B.1.				
3. The minimum number of off-street parking spaces for mixed-use development that contains workforce housing shall be calculated based on Section 16-5-107.D.2.				

## Chapter 16-4: Use Standards

TABLE 16-4-102.A.6: PRINCIPAL USE TABLE																				
P = Permitted by Right    PC = Permitted Subject to Use-Specific Conditions																				
SE = Allowed as a Special Exception    Blank Cell = Prohibited																				
USE CLASSIFICATION/ USE TYPE	SPECIAL DISTRICTS		RESIDENTIAL DISTRICTS						MIXED-USE AND BUSINESS DISTRICTS										USE-SPECIFIC CONDITIONS	
	CON	PR	RSF-3	RSF-5	RSF-6	RM-4	RM-8	RM-12	CR	SP	CC	MS	WMUS	MF	MV	NC	LC	RD		MED
<b>RESIDENTIAL USES</b>																				
Mixed-Use									PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	PC	Sec. 16-4-102.B.1.a
Multifamily						P	P	P	PC	P	PC	P	P	P	P	P	P	P	P	Sec. 16-4-102.B.1.b
<u>Workforce Housing</u>									PC	PC	PC	PC	PC	PC		PC		PC		Sec 16-4-102.B.1.d

# Attachment A

## Workforce Housing LMO Amendments

### B. Use-Specific Conditions for Principal Uses

#### 1. Residential Uses

##### Section 16-4-102.B.1.a

###### a. Mixed-Use

- i. Mixed-use development shall designate separate parking spaces for use by the residential units. The parking spaces designated for residential use shall not be included as part of a shared parking plan.
- ii. In the CR District, there shall be no dwelling units located on the first floor of any mixed-use development unless there are commercial services uses located between the street and the proposed dwelling units.
- iii. The density for the redevelopment/conversion of an existing nonresidential structure to mixed-use shall be based on the existing gross floor area and minimum unit sizes as described in Sec. 16-10-102.B.1.
- iv. Mixed-use development that includes workforce housing shall comply with the Workforce Housing Program as outlined in Sec. 16-4-105.

##### Section 16-4-102.B.1.b

###### b. Multifamily

- i. In the CR District, there shall be no dwelling units located on the first floor of any multifamily development unless there are commercial services uses located between the street and the proposed dwelling units.
- ii. Multifamily use in the CC and MED Districts shall only be permitted as part of a commercial conversion that includes WFH per Sec. 16-10-102.B.1.
- iii. Multifamily development that includes workforce housing shall comply with the Workforce Housing Program as outlined in Sec. 16-4-105.

##### Section 16-4-102.B.1.d

###### d. Workforce Housing

- i. Any development that includes workforce housing shall comply with the Workforce Housing Program as outlined in Sec. 16-4-105.
- ii. Workforce housing may be permitted in the PD-1 District through a Zoning Map Amendment in accordance with Sec. 16-2-103.C.
- iii. In the MS District, properties developed for WFH shall not be permitted on properties currently utilized as a school or fire station.



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## Workforce Housing LMO Amendments

- iv. In the S District, properties developed for WFH shall not have vehicular access to U.S. Route 278 (William Hilton Parkway).
- v. In the WMU District, properties developed for WFH shall not have vehicular access to Marshland Road.
- vi. In the LC District, properties developed for WFH shall not have vehicular access to U.S. Route 278 (William Hilton Parkway) between Wexford Drive and Singleton Beach Road.

### **Section 16-4-105. Workforce Housing (WFH) Program**

#### **A. Workforce Housing Density**

##### All Units:

- 1. Commercial conversion projects that include at least 20% workforce housing units will be eligible for incentives as described in Sec. 16-10-102B.1, including:
  - a. A reduction in minimum unit sizes by 30% and;
  - b. Up to 50% of the units in the development may be micro-efficiency and/or studio units.

#### **B. Standards for Workforce Housing Units**

##### All Units:

- 1. For development that contains both market-rate and workforce housing units, the workforce units shall be mixed with, and not clustered together or segregated in any way from, market-rate units. If the development contains a phasing plan, the phasing plan shall provide for the development of workforce units concurrently with the market-rate units.
- 2. The workforce housing units shall include a range of unit sizes, based on the number of bedrooms, which are comparable to units in the overall development.
- 3. The exterior appearance of workforce housing units must be compatible and comparable with the rest of the units in the development by providing similar architectural style and similar exterior building materials, finishes, and quality of construction.
- 4. Prior to the issuance of a building permit for any units in a workforce housing development, the applicant shall execute any and all documents required by the Town, including, without limitation, restrictive covenants, deed restrictions, and related instruments to ensure affordability of workforce housing units in accordance with this Section.

##### Owner-occupied Units:

- 1. Developers shall enter into a Workforce Housing Agreement with the Town of Hilton Head Island, or its designee. Following execution of the agreement by all parties, the

## Attachment A

### Workforce Housing LMO Amendments

- completed Workforce Housing Agreement, or memorandum thereof, shall be recorded and the conditions therefrom filed and recorded on the parcel or parcels designated for the construction of workforce housing units. The Workforce Housing Agreement shall be binding to all future owners and successors in interest. The agreement shall be in a form reviewed and approved by the Administrator.
- a. The agreement, at a minimum, shall establish the number of workforce housing units including their square footage, number of bedrooms, and location within the development. The agreement will also include terms and conditions of affordability, resale provisions, and other standards as set forth in Sec. 16-4-105.
  - b. Owner-occupied workforce housing units that are provided under Sec. 16-4-105 are subject to a Workforce Housing Agreement and shall remain as workforce housing for a minimum of 30 years from the date of initial certificate of occupancy.
  - c. A certificate of occupancy will not be issued until complete certified and recorded copies of the Workforce Housing Agreement have been provided to the Town.
2. Restrictive covenants for workforce housing units subject to the provisions of Sec. 16-4-105 shall be filed that require compliance with the following:
- a. Owner-occupied workforce housing units shall only be sold to households earning 80 to 100% of the most recently published HUD area median income (AMI) for Beaufort County.
  - b. Owner-occupied workforce housing units shall remain in the WFH Program for a minimum of 30 years from the date of the initial certificate of occupancy.
  - c. Prior to the sale of an owner-occupied workforce housing unit, the Town, or its designee, shall be notified of the owner's intent to place the unit for sale and a Certificate of Eligibility (COE) shall be submitted by the potential buyer.
  - d. The workforce housing unit may be subject to a homeowners association (HOA). HOA dues for workforce housing units shall be a maximum of 75% of the HOA dues owed by market-rate unit owners.

#### Rental Units:

1. The Town will not issue a certificate of occupancy for any building that contains both market-rate and workforce housing rental units unless the development has complied with the workforce housing provisions as outlined in this Section.
2. The designation of a rental workforce housing unit is not required to stay with the same unit over the 30 year affordability period so long as the minimum number and type of workforce units are provided within the development.
3. Developers shall enter into a Workforce Housing Agreement with the Town of Hilton Head Island, or its designee. Following execution of the agreement by all parties, the completed Workforce Housing Agreement, or memorandum thereof, shall be

## **Attachment A**

### **Workforce Housing LMO Amendments**

recorded and the conditions therefrom filed and recorded on the parcel or parcels designated for the construction of workforce housing units. The Workforce Housing Agreement shall be binding to all future owners and successors in interest. The agreement shall be in a form reviewed and approved by the Administrator.

- a. The agreement, at a minimum, shall establish the number of workforce housing units including their square footage, number of bedrooms, and location within the development. The agreement will also include terms and conditions of affordability, rental rate provisions, and other standards as set forth in Sec. 16-4-105.
  - b. The agreement shall include a provision requiring the owner(s) of rental workforce housing units to submit annually a sworn affidavit to the Town, or its designee, certifying that the rental rate(s) meets the requirements of Sec. 16-4-105.F.
  - c. Rental workforce housing units that are provided under Sec. 16-4-105 are subject to a Workforce Housing Agreement and shall remain as workforce housing for a minimum of 30 years from the date of initial certificate of occupancy.
  - d. A certificate of occupancy will not be issued until complete certified and recorded copies of the Workforce Housing Agreement have been provided to the Town.
4. Restrictive covenants for workforce housing units subject to the provisions of Sec. 16-4-105 shall be filed that require compliance with the following:
- a. Rental workforce housing units shall only be rented to households earning 60 to 80% of the most recently published HUD AMI for Beaufort County.
  - b. Rental workforce housing units shall remain in the WFH Program for a minimum of 30 years from the date of the initial certificate of occupancy.
  - c. Rental workforce housing units shall not be occupied for a period less than 90 days.

#### **C. Workforce Housing Income and Employment Regulations**

##### All Units

1. Eligible households shall meet the income requirements of this Section and have at least one person who is employed by a lawfully licensed business located within the Town of Hilton Head Island.

##### Owner-occupied Units:

1. The eligibility of a household for a potential owner-occupied workforce housing unit shall be determined upon submittal of a Certificate of Eligibility (COE) to the Town, or its designee, verifying that the applicable income and employment regulations of this Section are met.
2. Per Sec. 16-8-102, failure to submit the required documentation prior to change in ownership shall constitute a violation of the restrictive covenants, the conditions of

# Attachment A

## Workforce Housing LMO Amendments

the certificate of occupancy, and this Section, and is subject to code enforcement action by the Town per Sec. 16-8-106.

3. Failure to submit the required documentation prior to change in ownership shall be considered a breach of the restrictive covenants, conditions, and restrictions set forth in the Section and the Town shall be entitled to seek such remedies as may be available by law.

### Rental Units:

1. The property owner, or their designee, of a workforce housing unit shall upon lease renewal, but not less than annually, submit a COE to the Town, or its designee, verifying that the applicable income and employment regulations of this Section are met by all households occupying said workforce housing unit(s).
2. Upon lease renewal, eligible households shall include at least one person that is employed ten out of twelve months each year by a lawfully licensed business located within the Town of Hilton Head Island.
3. Per Sec. 16-8-102, failure to submit the required verification shall constitute a violation of the restrictive covenants, the conditions of the certificate of occupancy, and this Section, and is subject to code enforcement action by the Town per Sec. 16-8-106.
4. Failure to submit the required verification shall be considered a breach of the restrictive covenants, conditions, and restrictions set forth in the Section and the Town shall be entitled to seek such remedies as may be available by law.

## D. Occupancy and Eligibility Requirements

### Owner-occupied Units:

1. The household shall occupy the workforce housing unit as their sole residence.
  - a. If at any time the household no longer occupies the unit as their sole residence, the unit shall be sold.
2. Eligible households shall have an annual household income between 80 and 100% of the most recently published HUD AMI for Beaufort County.
3. Households must be eligible to purchase workforce housing units and obtain the appropriate COE from the Town, or its designee. A sales contract may not be executed before the household receives the COE.

### Rental Units:

1. The household shall occupy the workforce housing unit as their sole residence.
2. Eligible households shall have an annual household income between 60 and 80% of the most recently published HUD AMI for Beaufort County.

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### Workforce Housing LMO Amendments

3. Households must be eligible to rent workforce housing units and obtain the appropriate COE from the Town, or its designee. A rental agreement may not be executed before the household receives the COE.
  - a. A COE must be renewed prior to the anniversary of a lease renewal. A lease shall not be renewed unless the entire development meets the eligibility requirements outlined in this Section.
  - b. The owner of the rental unit(s) shall be required to submit a sworn affidavit on an annual basis to the Town or its designee, certifying that the workforce housing unit rental rate(s) meets the requirements of Sec. 16-4-105.F.1.
  - c. Per Sec. 16-8-102, occupancy of a rental unit not consistent with this Section shall constitute a violation and is subject to code enforcement action by the Town per Sec. 16-8-106.
  - d. Occupancy of a rental unit not consistent with this Section shall be considered a breach of the restrictive covenants, conditions, and restrictions set forth in the Section and the Town shall be entitled to seek such remedies as may be available by law.

#### **E. Workforce Housing Sale & Resale Price**

##### Owner-occupied Units:

1. The initial sale price of a workforce housing unit shall be determined by the most recently published HUD annual household income limits.
2. The resale price of a workforce housing unit shall not exceed the initial purchase price paid by the owner of the unit with the following exceptions:
  - a. Customary closing costs and costs of sale;
  - b. Costs of real estate commissions paid by the seller if a licensed real estate salesperson is employed;
  - c. Consideration of permanent capital improvements installed by the seller; and
  - d. An inflation factor, based on Consumer Product Index, to be applied to the initial sale price of the unit.
3. All restrictions affecting the workforce housing unit shall be recorded in the deed at the time of initial sale or conveyance and in any future sales or conveyances of the unit.
4. Resale of workforce housing units shall be limited by deed restriction to a purchaser who meets the requirements of 16-4-105.D during the affordability period of the unit.

#### **E. Workforce Housing Rental Rates**

##### Rental Units:

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## Workforce Housing LMO Amendments

1. Maximum monthly rental rates for workforce housing shall be calculated using 80% of the most recently published HUD AMI for Beaufort County, multiplying by 30% and dividing by 12.
2. Rental rates shall remain consistent throughout the term of the lease.

### Chapter 16-5: Development and Design Standards

#### Section 16-5-107. Parking and Loading Standards

##### D. Parking Space Requirements

##### 1. Minimum Number of Parking Spaces

TABLE 16-5-107.D.1: MINIMUM NUMBER OF PARKING SPACES		
USE CATEGORY/USE TYPE	MINIMUM NUMBER OF PARKING SPACES <sup>1,2,3,4</sup>	
	CR DISTRICT	ALL OTHER DISTRICTS
<b>RESIDENTIAL USES</b>		
<u>Workforce Housing*</u>	<u>See Sec. 16-5-107.D.2</u>	<u>See Sec. 16-5-107.D.2</u>

\*This includes Mixed-Use and Multifamily developments containing workforce housing units.

### Chapter 10: Definitions, Interpretation and Measurement

#### Section 16-10-102. – Rules of Measurement

##### B. Density

##### 1. Commercial Conversion

For conversion of non-residential square footage (commercial conversion) to residential or mixed-use development, density shall be based on the existing gross floor area and the minimum unit sizes established below:

##### Minimum Unit Sizes

<u>Unit Type</u>	<u>Market-Rate Conversion Minimum Unit Size</u>	<u>Workforce Housing Conversion Minimum Unit Size</u>
<u>Micro Efficiency</u>	<u>NA</u>	<u>280 square feet</u>
<u>Studio</u>	<u>NA</u>	<u>400 square feet</u>

# Attachment A

## Workforce Housing LMO Amendments

<u>1-bedroom</u>	<u>800 square feet</u>	<u>560 square feet</u>
<u>2-bedroom</u>	<u>1,075 square feet</u>	<u>750 square feet</u>
<u>3-bedroom</u>	<u>1,330 square feet</u>	<u>930 square feet</u>

- 2. Density**
- 3. Gross Floor Area**
- 4. Net Acre**

### Section 16-10-103. - Use Classifications, Use Types, and Definitions

#### A. Residential Uses

##### 1. Description

The Residential Uses classification is primarily characterized by the residential occupancy of a dwelling unit by a household. Such household living uses include single-family dwellings and multifamily dwellings (triplexes and other multifamily development, including townhouse development). The Residential Uses classification also includes group living uses (the residential occupancy of a group of living units by persons who do not constitute a single-family), as well as recreational vehicle (RV) parks (providing spaces for overnight accommodation of people in a recreational vehicle), and workforce housing. Accessory uses commonly associated with Residential Uses are recreational activities, raising of pets, hobbies, parking of the occupants' vehicles, and administrative offices in multifamily, group living, ~~and~~ recreational vehicle (RV) parks, and workforce housing developments. Home occupations are accessory uses that are subject to additional regulations (see Sec. 16-4-103.E.3, Home Occupation).

##### 2. Use Types and Definitions

###### Mixed-Use

Development that includes two or more different uses, which shall include multifamily or workforce housing use and one or more of the Office uses, as described in Sec. 16-10-103.F or one or more of the Commercial Services uses, as described in Sec. 16-10-103.G or some combination thereof. Such uses should be functionally integrated and share vehicular use areas, ingress/egress, and pedestrian access.

###### Workforce Housing

Housing that is affordable at 60-100% of the Area Median Income (AMI) for Beaufort County.

### Section 16-10-104. – Table of Abbreviations

# Attachment A

## Workforce Housing LMO Amendments

TABLE 16-10-104: ABBREVIATIONS	
ABBREVIATION	COMPLETE TERM
ac	Acre
AADT	Annual Average Daily Traffic
ACI	Adjusted Caliper Inches
ADA	Americans with Disabilities Act
ADT	Average daily trips
ANSI	American National Standards Institute
AASHTO	American Association of State Highway and Transportation Officials
<u>AMI</u>	<u>Area Median Income</u>
BFE	Base flood elevation
BMP	Best management practice
<u>COE</u>	<u>Certificate of Eligibility</u>
DBH	Diameter at breast height
DRB	Design Review Board
CIP	Capital Improvements Program
DHEC	South Carolina Department of Health and Environmental Control
du	Dwelling unit(s)
EV	Electric vehicle
FAA	Federal Aviation Administration
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
FIRM	Flood Insurance Rate Maps
ft	Feet
GFA	Gross floor area
HHI	Hilton Head Island
<u>HUD</u>	<u>U.S. Department of Housing and Urban Development</u>
IBC	International Building Code
IESNA	Illuminating Engineering Society of North America
ITE	Institute of Transportation Engineers
LMO	Land Management Ordinance
LOS	Level of service
MSL	Mean sea level
NAD	North American Datum
NAVD	North American Vertical Datum
NPDES	National Pollutant Discharge Elimination System
OCRM	(DHEC) Office of Ocean and Coastal Resource Management
PD	Planned development
PSD	Public Service District
PUD	Planned unit development
SC	South Carolina
S.C. Code of Laws	Code of Laws of South Carolina



# Attachment A

## Workforce Housing LMO Amendments

TABLE 16-10-104: ABBREVIATIONS	
ABBREVIATION	COMPLETE TERM
SCDOT	South Carolina Department of Transportation
sf	Square feet
USACOE	United States Army Corps of Engineers
WEC	Wind energy conversion
<u>WFH</u>	<u>Workforce Housing</u>

### Section 16-10-105. - General Definitions

#### Area Median Income (AMI)

The median income level for Beaufort County, as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, (HUD), adjusted for household size.

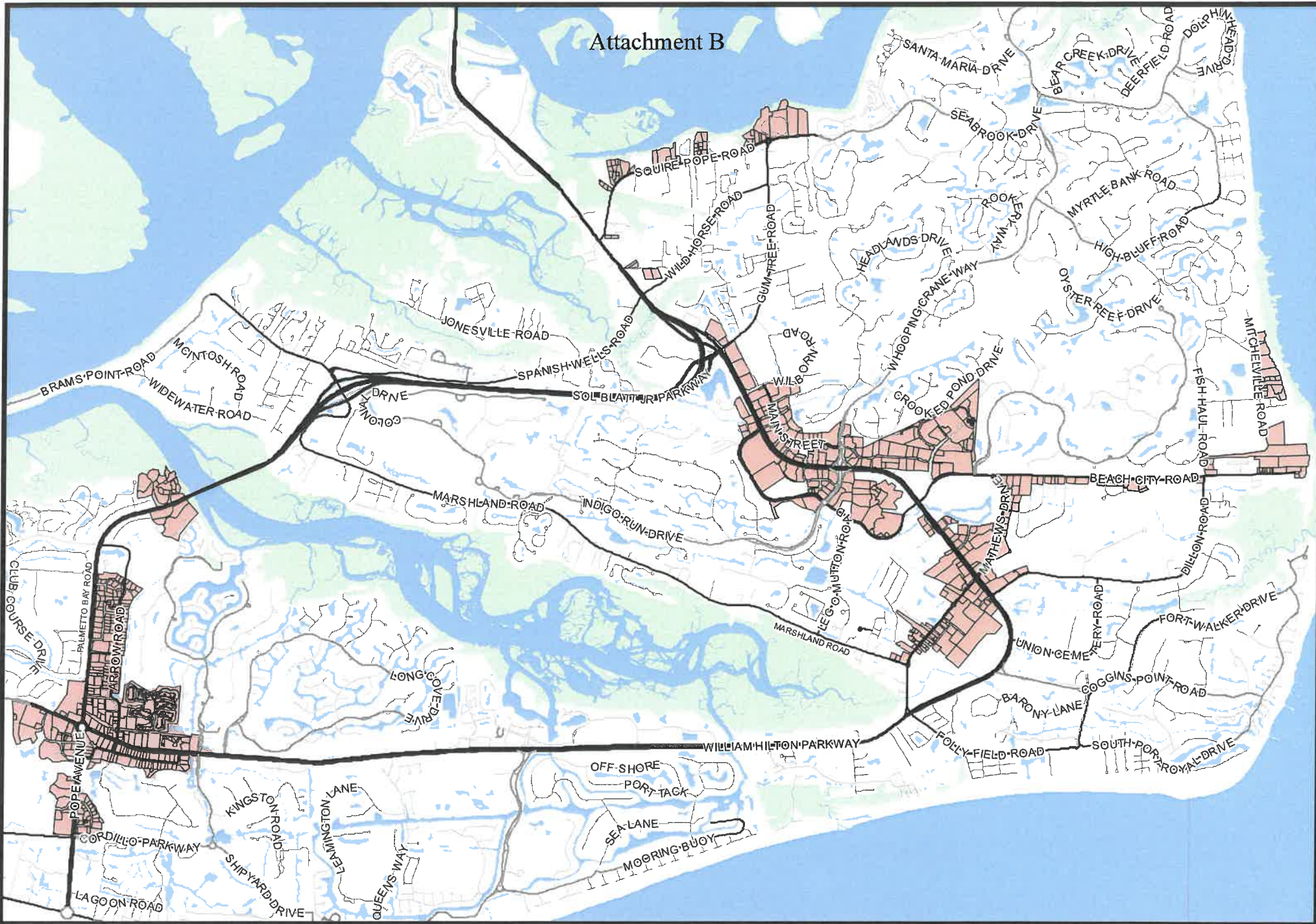
#### Household

One or more people who occupy (live in) the same dwelling.

#### Household Income

The aggregate total of income earned by every member of a household.

# Attachment B



## Town of Hilton Head Island

Workforce Housing Location Map



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