



Town of Hilton Head Island
TOWN COUNCIL MEETING
1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers
Tuesday, September 19, 2023, 3:00 PM

The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

1. **Call to Order**
2. **FOIA Compliance:** Public notification of this workshop 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 – The Venerable Dr. Father Kelly O’Lear (Fr. Kelly), Associate Rector, St. Luke’s Anglican Church**
5. **Adoption of the Agenda**
6. **Approval of the Minutes**
 - a. Strategic Planning Workshop Minutes of August 9, 2023
 - b. Regular Meeting Minutes of August 15, 2023
 - c. Special Meeting Minutes of August 29, 2023
7. **Presentations and Recognitions**
 - a. Report of the Town Manager
 - b. Recognition of Ben Franklin Award of Valor – Chris Blankenship, Fire Chief
 - c. Update on Environmentally Conscious Best Management Practices – Byran McIlwee, Director of Public Projects
8. **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

9. Appearance by Citizens: Citizens who wish to address the Town Council on the matters being discussed during the meeting may do so by submitting the [Request to Speak form](#) or by 12:00 PM the day of the meeting.

10. Unfinished Business

- a. Consideration of an Ordinance Authorizing and Directing the Town of Hilton Head Island to Enter into an Intergovernmental Agreement Relating to South Carolina Local Revenue Services; to Participate in one or more Local Revenue Service Programs; to Execute and Deliver one or more Participant Program Supplements; and Other Matters Relating Thereto – Second and Final Reading - John Troyer, Director of Finance

11. New Business

- a. Presentation by the Coastal Community Development Corporation – John Troyer, Director of Finance
- b. Consideration of a Resolution to Authorize Submittal of the CDBG Entitlement Program Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2022 to the U.S. Department of Housing and Urban Development – Marcy Benson, Senior Grants Administrator
- c. Consideration of a Resolution Extending the Term of the Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association – Josh Gruber, Deputy Town Manager

12. Executive Session

- a. 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
- b. 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. Old Welcome Center Town Owned Property Tract
 2. Ashmore Town Owned Property Tract
 3. Marshland Road Area
 4. Jenkins Road Area
- c. Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney- Client Privilege (Pursuant to the South Carolina Freedom of Information Act Section 30-4-7 [a][2]) related to:
1. Driessen Beach Park Pedestrian Access
 2. Mt. Calvary Missionary Baptist Church v Town of Hilton Head Island
 3. Jonesville Road Drainage
- d. Discussion of Personnel Matters [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][1]) related to:
1. Housing Action Committee
 2. Gullah Geechee Historic Neighborhoods CDC Board of Directors
 3. Parks and Recreation Commission
 4. Board of Zoning Appeals
- e. Discussion and Status Update on the Negotiations Incident to Proposed Contractual Arrangements for the Northpoint Public-Private Partnership Workforce Housing Project (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][2])

13. Action from Executive Session

14. Adjournment

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
STRATEGIC PLANNING WORKSHOP
Wednesday, August 9, 2023, 9:00 a.m.
MINUTES

Present from Town Council: Alan Perry, *Mayor*; David Ames, *Mayor Pro-Tempore*; Tamara Becker, Alex Brown, Steve Alfred, Glenn Stanford, Patsy Brison

Present from Town Staff: Marc Orlando, *Town Manager*; Josh Gruber, *Deputy Town Manager*, Angie Stone, *Assistant Town Manager*, Shawn Colin, *Assistant Town Manager – Community Development*; Justin Cunningham, *Deputy Fire Chief - Operations*; Ben Brown, *Sr. Advisor to the Town Manager*; Kimberly Gammon, *Town Clerk*; Lisa Stauffer, *Director of Human Resources*; John Troyer, *Finance Director*; Bryan McIlwee, *Director of Public Projects & Facilities*; Jennifer Ray, *Parks & Public Space Program Manager*; Zenos Morris; *Director of Built Environment*; Andrew Davis, *Marketing & Communications Director*; Carolyn Grant, *Communications Director*; Bob Bromage, *Public Safety Director*; Natalie Harvey, *Director of Cultural Affairs*; Tommy Sunday, *Technology & Innovation Director*; Renate McNulty, *Digital Marketing & Communications Specialist*

1. Call to Order

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

2. FOIA Compliance

Ms. Gammon confirmed compliance with FOIA.

3. Pledge to the Flag

4. Workshop Discussion

Mr. Orlando led a detailed discussion on the Fiscal Year 2023-2025 Strategic Action Plan and the prioritization of projects over the remainder of the current fiscal year. He affirmed the Strategic Action Plan contains strategies that will protect and preserve the Island's natural environment, manage growth, develop creative revenue sources to fund service delivery, and provide exceptional quality-of-life offerings in arts, culture, and recreation.

Each member of Town Council provided input regarding the Strategic Plan and commented on the progress made.

Mr. Alfred stated his support for a feasibility study regarding an Arts Campus in the Shelter Cove area noting the previous study enhances the plan creation. He said there is a need to address it when the Shelter Cove District Plan is reviewed and developed. He stated he is hopeful an element of the District Plan suggests how to go about implementing such a campus in the Shelter Cove area.

Ms. Brison reviewed a list of decision standards she prepared when making decision as a member of Town Council. The five elements of her standards are: 1) does it improve the safety of residents, workforce, and visitors; 2) does it respect and protect our natural environment; 3) does it make us good stewards of all our resources; 4) does it help with quality of life for all inhabitants; 5) and does it respect for and protect our heritage, especially the property and culture of Native Islanders? She followed with her list of priorities which are: 1) Growth Management; 2) Workforce Housing; (Ms. Brison noted 1 & 2 are equal in priority); 3) Safety for Pedestrians and Bicyclists which includes the corridor plan and the SCDOT corridor plan; 4) Resilience Plan; and 5) Beach Management.

Mr. Stanford noted the workshop is a meaningful process and stated Growth Management and District Planning are vitally important. He expressed concerns regarding implementation, particularly regarding zoning changes resulting in legal liabilities. He stated that for that reason advice and tools are needed to deal with the planning. He suggested there is a need to be stewards of the entire community's well-being by finding a way to support the hospital to meet staffing needs. Mr. Stanford concluded with his concern regarding solid waste on the Island. He said there is a need to encourage developers throughout the Island to adopt various move in days for visitors.

Ms. Becker stated that regarding Workforce Housing, the focus needs to be on the AMI and the need to make sure that opportunity is not limited. She expressed the need for more thought, care, and forward-thinking are needed to accomplish the goal. She added that an increased focus is needed for safety. Ms. Becker commended Hilton Head Island Fire Rescue noting they are first class and go above and beyond for all concerned.

Mr. Brown stated the need for Council to support the Town Manager and provide the adequate amount of resources to get the job done. He commended the process and the Strategic Plan, noting accountability is needed. He expressed the need to consider all citizens when making decisions and priorities. Mr. Brown pointed out that some priorities are scheduled for multiple years, and some have a shorter time frame for implementation. He noted the need for metrics regarding implementation.

Mr. Ames commented to need to choose priorities with the thought in mind as to what are the ones that would send the message that Town Council is on the right course and raise the level of confidence in businesses to invest even more dollars in the community. He stated his priorities are as follows: 1) Growth and Conservation; 2) Workforce Housing; 3) Resilience and 4) CIP (Capital Improvement Projects which represent Investment).

Mayor Perry commended staff on their hard work. He added that the purpose of the Workshop is direction for the Town Manager and staff. Mayor Perry noted that seven items on the list are underway. He concurred with Ms. Brison and Mr. Ames regarding priorities. Mayor Perry expressed the need for the LMO (Land Management Ordinance) to adapt to the current day. He noted that direction is needed from Town Council to define and pinpoint exactly what they want. He thanked all members of Council for their feedback.

Mr. Orlando thanked Council for their comments and support. He noted his job is to stay connected and aligned with Council's collective wishes. Mr. Orlando stated a good bit of time is spent in making sure Committee agendas are appropriate as well as the policy agenda coming forward. Mr. Orlando commented that growing and supporting the team is a priority and voiced his appreciation of the team stating he is very proud of the work they've accomplished. He suggested working as much as they can on the priorities between now and December 31 and when they return in January for review, they can look at how much has been accomplished.

5. Appearance by Citizens

Mr. Peter Geary addressed Council regarding pickleball requesting that Council act now, do it right, deliver what was promised in 2020. He questioned where pickleball stands on the list of capital projects and stated it must be more than a priority for discussion and there is a need to start building.

Melinda Tunner addressed Council regarding the measures of success. She stated transparency needs to be the focus when preparing the five-year CIP Plan so residents are aware of what projects cost and what the Town is spending for each one.

Frank Babel addressed Council expressing his appreciation for Town Staff. He requested Council focus on policy issues, relationships with other municipalities and government entities and the environment which all benefit the Town of Hilton Head Island.

Pamela Martin Ovens submitted her comments to the Town Clerk regarding the use of harmful chemicals in our parks, playgrounds, and beaches. She suggested the Town look into transitioning to non-harmful ways to kill weeds noting the decision would not only provide the Islanders with a better life but would make Hilton Head Island the gold standard for a chemical free life.

6. Adjournment

The workshop was adjourned at 3:30 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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

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**Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, August 15, 2023, 3:00 p.m.
MINUTES**

Present from Town Council: Alan Perry, *Mayor*; David Ames, *Mayor Pro-Tempore*; Tamara Becker, Alex Brown, Steve Alfred (excused at 7:00 p.m.), Glenn Stanford, Patsy Brison

Present from Town Staff: Marc Orlando, *Town Manager*; Josh Gruber, *Deputy Town Manager*, Angie Stone, *Assistant Town Manager*, Shawn Colin, *Assistant Town Manager – Community Development*; Chris Blankenship, *Fire Chief - Operations*; Ben Brown, *Sr. Advisor to the Town Manager*; Kimberly Gammon, *Town Clerk*; Lisa Stauffer, *Director of Human Resources*; John Troyer, *Finance Director*; Bryan McIlwee, *Director of Public Projects & Facilities*; Jennifer Ray, *Parks & Public Space Program Manager*; Zenos Morris; *Director of Built Environment*; Andrew Davis, *Marketing & Communications Director*; Carolyn Grant, *Communications Director*; Bob Bromage, *Public Safety Director*; Natalie Harvey, *Director of Cultural Affairs*; Tommy Sunday, *Technology & Innovation Director*; Renate McNulty, *Digital Marketing & Communications Specialist*

1. Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

2. FOIA Compliance

Ms. Gammon confirmed compliance with FOIA.

3. Pledge to the Flag

4. Rev. Edward B. Alston of Queen Chapel AME Church delivered the invocation.

5. Adoption of the Agenda

Mr. Ames moved for approval. Mr. Alfred seconded. Motion carried 7-0.

6. Approval of the Minutes

- a. Workshop Meeting Minutes of July 11, 2023
- b. Regular Meeting Minutes of July 18, 2023

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

7. Presentations and Recognitions

a. Report of the Town Manager

Mr. Orlando reported on items of interest including upcoming events regarding the 360/40 Anniversary Celebration for the Town of Hilton Head Island.

b. Sand Shark Week Proclamation – Mayor Perry

Tim Daniels, Assistant Vice Chancellor for Development and Alumni Relations was present to accept the Proclamation.

c. Planning Commission Biannual Update – Bruce Siebold, Chairman

Mr. Siebold updated Council on the previous six months activity of the Planning Commission. He referenced the memo included in the packet and went through the accomplishments of the Commission. Mr. Siebold stated the Planning Commission sees its role as being a helpful resource to the Town and hopes that as Council deliberates on various projects and proposals they have assisted.

d. Adaptive Traffic Signal Update – Bryan McIlwee, Director of Public Projects and Facilities

Bryan McIlwee conducted a detailed presentation and provided the update. He noted the following:

June-July, 2023

- Installation of additional pedestrian poles and FLIR thermal pedestrian detection at certain intersections to improve pedestrian safety and to meet ADA requirements.
- Adaptive software was installed and partially configured but significant lightning storms impacted detection equipment.
- It was determined grounding issues exist at most intersections where older signal cabinets and mast arm poles are located and the lightning strikes were causing damage to the new, sensitive electronic equipment.
- Town traffic engineering staff along with the Town's senior building inspector and signal contractors determined that resolving the grounding issue is a critical element in the progress of implementing the new adaptive system.
- The adaptive work is paused while the detection equipment configuration is being improved and storm related issues resolved including the grounding system being brought to current accepted industry standards.
- Grounding issues are being resolved
- Testing, and fine-tuning of the adaptive system operations and its

interaction with all the other signal equipment will occur before the adaptive operation is officially turned on.

Ms. Theresa McVey conducted a live viewing of the installed cameras to follow the traffic flow on the Island. Ms. McVey answered questions from Council

8. Reports from Members of Town Council

a. General Reports from Town Council

Ms. Becker read a letter from Hilton Head Regional Health Care which was sent to Town Council Members and the Town Manager regarding the challenging market for staffing. The letter is in support of the Islander Mixed Use Text amendment.

b. Report of the Lowcountry Area Transportation Study – Glenn Stanford

Mr. Stanford stated the group is determining a long-range traffic plan and highway plans ranging out 10-15 years. He stated it is vital that the Town's roadways are be incorporated into the long-range plan.

c. Report of the Lowcountry Council of Governments – Tammy Becker

No report.

d. Report of the Beaufort County Airports Board – David Ames

No report.

e. Report of the Southern Lowcountry Regional Board – Glenn Stanford

No report.

f. Report of the Island Recreation Association Board – Alex Brown

Mr. Brown stated the Board will hold its annual planning session on Friday, August 18 at 8:00 a.m.

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

Ms. Becker stated the Committee met on August 7 and received an overview of the parking management system. She encouraged residents to contribute input for the project. Ms. Becker added the Committee met in Executive Session to select candidates for vacancies on Boards and Commissions and will be scheduling interviews soon.

h. Report of the Public Planning Committee – David Ames

Mr. Ames stated the Committee met on August 10 and received the monthly update on District Planning and will receive the Bridge to the Beach District Plan at their next meeting. He stated the Committee also considered LMO amendments related to parking requirements for single family dwellings and floor area ratios for single family dwellings. The Committee forwarded the staff recommendations with changes to Town Council for consideration of approval.

i. Report of the Finance and Administrative Committee – Alex Brown

Mr. Brown reported the Committee met earlier in the day and discussed revenue bonding and requested staff provide additional information regarding a potential list of projects and resources that would assist with funding. He added that the Committee forwarded the request from the Coastal Community Development Corporation on to Town Council for consideration. Mr. Brown concluded his report noting the Committee forward a resolution for consideration to Town Council for authorization to submit the Community Development Block Fund (CDBG) Entitlement Program Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2022 to the U.S. Department of Housing and Urban Development.

9. Appearance by Citizens

David Plumb, President of the Forest Beach Villas Association addressed Council regarding the lagoon near their villas decreasing water table due to the construction of Lowcountry Celebration Park and voiced his concerns regarding the proposed agreement. He requested Council follow through and assist the Association.

Lee Wilwerding, Chair, Greater Island Council addressed Council correcting the comment that the GIC had no right to submit a resolution and only Town Council could do so. He cited the Miriam-Webster definition of a resolution confirming they could do so. He also stated there was an incorrect comment stating the GIC is a 501(c)(3). He stated the GIC is not and never has been a 501(c)(3) as they do not qualify. He stated they are a 501(c)(4) and by IRS rules they can engage in attempts to influence legislation.

Skip Hoagland addressed Council regarding his concerns with corruption, missing tax funds, illegal use of tax funds, fraudulent audits and budgets, and federal law violations.

Mr. Hoagland stated he would address Council on Ms. Greeley's behalf. Mayor Perry stated he could not do that, and if he did, he would be subject to a fine. Mr. Hoagland stated he welcomed a citation. He went on to speak against numerous government officials. He stated the entire political system is corrupt and voiced concerns over transparency. He asked that all taxpayers take back control of finances and request a forensic audit.

Peter Kristian addressed Council regarding the Green Space Advisory Committee and stated they sent enabling legislation for first reading to the Beaufort County Council

which has since passed with second reading to be in the near future. He encouraged the Town participating in the program. He spoke in favor of the Islander Mixed Use text amendment cautioning Council not to set the criteria too high which would result in no one wanting to invest their money in something so desperately needed.

10. Unfinished Business

- a. Consideration of Proposed Ordinance 2023-07 Amending Sections Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Create a New Use Called Island Mixed-Use with the Sea Pines Circle District – First Reading – Shawn Colin, Assistant Town Manager, Community Development

Shawn Colin provided a detailed presentation regarding the Proposed Ordinance and answered questions from Council. Mr. Josh Tiller and David DeSpain participated in a detailed presentation and Mr. Dillon Turner clarified the results of the traffic study noting it was completed without taking into account other modes of transportation such as biking and walking. Upon the conclusions of presentations, Mr. Colin and Mr. Tiller heard comments and answered questions from Town Council members.

Mayor Perry asked for Public Comment.

Steve Robbins addressed Council inquiring as to what the corporations are giving to the developer and expressed concern regarding the Town's infrastructure and capabilities of sustaining such a project.

Angie Hutchins addressed Council and spoke in support of the project as well as expressing concern over the delays and stated the project needs to move forward.

Melinda Tunner addressed Council and spoke in support of the text amendment stating it is a creative approach to find a mutually beneficial solution to redevelop dilapidated land.

Ashley Phillips addressed Council regarding the Office Way Project and noted it is workforce housing. She added that transportation on and off the Island also needs addressed along with a park and ride system.

David Ellis, Chair of Sea Pines Community Services Association. addressed Council on behalf of the Board of Directors stating they are in support of workforce housing. He voiced concerns regarding the effect the text amendment will have on the entire district. He asked Council to try to view the effect on the district in 5 to 10 years and review wording within the proposal that can lead to potential problems and take them into consideration.

Jay Wiendl addressed Council on behalf of the Beach House in support of the project and thanked Council for all they do.

Mike Wagner of Shore Beach Services addressed Council in support of the text amendment stating the need to provide housing for their employees.

Sherry Mikrut addressed Council in support of the developer and voiced her concerns regarding Section 8 Housing. She stated she feels the developer has made many concessions and asked Council to vote in favor of the text amendment.

Matt Sweeney addressed Council in support of the text amendment which would result in housing for young professionals with families that will stay on the Island. He encouraged Council to look at the merits of the new use and the move the project along.

Xiaodan Li addressed Council in support of the Text amendment stating the U.S. Census data is far better than others accessed for information and stated the need for the amendment and asked for support of such.

Cherry Norris addressed Council stating her support for the text amendment noting it is a great opportunity to repurpose dilapidated building without government money. She added that free market system should be the solution.

Susan Wierzbicki addressed Council in support of the text amendment stating this privately funding housing project pays for everything and takes all the risks.

Daniel Anthony addressed Council and spoke in support of the text amendment and asked Council to move it forward.

Kathleen Redman addressed Council in support of the text amendment citing the need is there and it should move forward.

George Paletta addressed Council in support of the text amendment noting it is a private development which will generate tax dollars.

Gray Smith addressed Council stating this project is a win-win-win proposition which benefits workers, employees and USCB students.

Brendan Reilley addressed Council regarding his concern for the need for off-site parking and the increase in density and stated he was against the project for those reasons.

Skip Hoagland addressed Council noting if the Island had not been overdeveloped and a master plan was in place 45 years ago, this would not be an issue.

Lynn Bullard addressed Council reminding them that USCB was built with TIF Funds and stated Council should support the text amendment with the students in mind.

Beth Patrick, USCB, Vice Chancellor for Finance and Operations, addressed Council in support of the Text amendment stating it is critical to the growth of the Hospitality Management Program and the success of the campus.

Unidentified resident addressed Council in support of the text amendment stating he is glad to see something done for the residents as opposed to the tourists.

Ken Campbell addressed Council stating he does not feel the project accomplishes long-term workforce housing and there is no restriction included in the proposal that guarantees such.

Chris Raffner addressed Council noting the largest employers is in support of the project and why would they support it if it wasn't workforce housing.

Bonnie Conova addressed Council asking that they move forward and approve the text amendment. She expressed her disappointment in Council for not moving forward in a timely manner.

Eva Smith, Department Chair of Hospitality Management Program at USCB addressed Council to clarify that USCB is not making any money on the project and the only perk is that it is a recruitment tool for the program. She noted they have the right of first refusal on 64 rooms and should they not fill them, they will be opened up to others.

After lengthy discussion, Ms. Becker moved for approval with the following amendments:

- Change the percentage of units utilized for workforce housing from 15% to 20%;
- Decrease the AMI from 130% to 120%; and
- Agree to increase the number of units tied to housing for local employers from 10 years to 15 years.

Mr. Alfred seconded.

Mr. Ames moved to approve the Islanders Mixed Use Text amendment with the following amendment:

In Islander Mixed Use there shall be three housing types: (a) *Student Housing* units, (b) *Workforce Housing* units, and (c) *Islander Mixed Use* units.

(a) *Student Housing* units shall only be required if a project has a shared parking agreement with any education use.

(b) *Student Housing* units are a separate category and are counted separately from *Workforce Housing* units and *Islander Mixed Use* units.

20% of the total of *Workforce Housing* units and *Islander Mixed-Use* units shall be *Workforce Housing* units rented to households earning up to 90% of the Area Median Income (AMI) for *Beaufort County as defined by the Department of Housing and Urban Development (HUD)*.

Of the remaining 80% of the total Workforce Housing and Islander Mixed Use units, 75% must be rented to households with at least one resident of the Town of Hilton Head Island who is employed full time on in the Town of Hilton Head Island, following the guidelines specified in the Islander Mixed-Use Workforce Housing Agreement requirements.

Workforce Housing units and Islander Mixed Use units must adhere to the requirements in the Islander Mixed-Use Workforce Housing Agreement for a minimum of 20 years from the date of the certificate of occupancy for the completion of construction the project that includes

Workforce Housing units and Islander Mixed Use units. These requirements shall be evidenced by restrictive covenants or other documents recorded in the office of Beaufort County Register of Deeds. Annual verification of the workforce housing and island employee requirements is required,

Motion failed for a lack of a second.

Ms. Brison moved to amend the motion on the floor to provide that the shared parking on the education use property is only for so long as the property is used for education use and is limited to the same number of parking spaces as the number of beds provided in the student housing for education use. In addition, that the Workforce Housing units be rented to households earning up to 120% for a minimum of 20 years.

Motion failed for lack of a second.

Mayor Perry called for a vote on Ms. Becker's original motion with amendments. Motion failed 3-4-0 (Stanford, Ames, Brison and Brown against.)

Mr. Stanford moved to reconsider the action regarding Ms. Becker's original motion with amendments due to his misunderstanding during the vote. Mr. Alfred seconded. Motion carried 4-3-0 (Ames, Brison and Brown against.)

At the conclusion of Unfinished Business, Councilmember Alfred was excused and left the dais (7:00 p.m.) due to a previous engagement and did not return to the meeting. The remainder of votes were with a quorum of 6.

11. New Business

- a. Consideration of a Resolution of the Town of Hilton Head Island Approving the Technology and Innovation Strategic Plan – Tommy Sunday, Director of Technology and Innovation

Tommy Sunday referenced the packet materials describing the plan and stated he was available for questions and/or comments regarding such. It was noted by Mayor Perry that the agenda packet contained detailed information and the plan went through

Committee with a recommendation Council approve. Mr. Ames moved for approval. Ms. Brison seconded. Motion carried 6-0.

- b. Consideration of a Resolution of the Town of Hilton Head Island, South Carolina to Support the Town's Renewal Application to the League of American Bicyclists for the Bicycle Friendly Community Award – Shawn Colin, Assistant Town Manager, Community Development

Shawn Colin explained the resolution is officially allowing submission of the application on behalf of the Town. Mayor Perry noted all materials were included in the packet for review by Town Council members prior to the meeting. Ms. Brison moved to approve. Mr. Stanford seconded. Motion carried 6-0.

- c. Consideration of an Ordinance Authorizing and Directing the Town of Hilton Head Island to Enter into an Intergovernmental Agreement Relating to South Carolina Local Revenue Services; to Participate in one or more Local Revenue Service Programs; to Execute and Deliver one or more Participant Program Supplements; and Other Matters Relating Thereto – First Reading - John Troyer, Director of Finance

John Troyer confirmed the resolution was presented to the Finance and Administrative Committee and they forwarded it to Town Council with a recommendation of approval. Mr. Ames moved to approve. Ms. Brison seconded. Motion carried 6-0.

- d. Consideration of Proposed Ordinance No. 2023-18 Amending the Millage Rate of the Town of Hilton Head Island General Fund and Debt Service Fund for the Fiscal Year Ending June 30, 2024, so as to Perform Required Rollback of Millage Pursuant to South Carolina Code of Laws Section 12-37-251 – First Reading – John Troyer, Finance Director

John Troyer stated Beaufort County has undertaken Reassessment which will be implemented in tax year 2023; and pursuant to 12-37-251 (E) of the Code, the number of mills levied for tax year 2023 must be decreased or "rolled back".

He added that with Ordinance No. 2023-07 on June 6, 2023, Town Council enacted a budget for the fiscal year ending June 30, 2024. He said stated in Section 2 of the Ordinance, the budget was initially based on a tax rate of 23.1 mills, and the millage rate would be reduced to offset the effects of implementation of new property values from the County's reappraisal process to achieve a revenue neutral outcome.

Mr. Troyer explained there is a calculation format that is followed to come up with the millage rate. He confirmed that as a Town we are not going to benefit from the appraisal due to the reduction. M. Ames moved to approve. Mr. Stanford seconded. Motion carried 6-0.

- e. Consideration of a Resolution to Appoint a Town of Hilton Head Island Representative to the Beaufort County Sales Tax Advisory Committee – Josh Gruber, Deputy Town Manager

After discussion, Ms. Becker moved to table the item until consulting with legal counsel. Ms. Brison seconded. Motion carried 6-0.

12. Executive Session

- a. Discussion of Personnel Matters [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][1)] related to:
 1. Beaufort County Sales Tax Advisory Committee
- b. Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney-Client Privilege (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][2]) related to:
 - Mount Calvary Missionary Baptist Church of HHI, et al vs Town of HHI, et al
 - Forest Beach Villas
 - Jonesville Road Drainage
 - Town of Hilton Head Island v Beaufort County Re: Law Enforcement Fee
- c. 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:
 - Main Street Area
 - Pope Avenue Area
 - Shelter Cove Area
 - Archer Road Area
- d. Discussion and Status Update on the Negotiations Incident to Proposed Contractual Arrangements for the Northpoint Public-Private Partnership Workforce Housing Project (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][2])
- e. Discussion of Employment, Appointment, Compensation, Promotion, Demotion, Discipline or Release of an Employee, or a Person Regulated by a Public Body (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][1] and [2]) related to:
 - Town Attorney Contract

Mr. Orlando stated the need to go into Executive Session for the purposes listed above. At 7:24 p.m., Mr. Ames moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Stanford seconded. Motion carried 7-0.

13. Action from Executive Session

Upon return from Executive Session at 9:10 p.m. Mayor Perry asked if there was any action to be addressed as a result of Executive Session.

Mr. Ames moved that the Town Council authorize the Mayor and Town Manager be authorized to execute and deliver the agreement by and between the Town of Hilton Head Island, South Carolina, and Coligny Plaza Limited Partnership, for the purchase and sale of 1.80 acres, more or less, on Pope Avenue, and to take such other and further actions as may be necessary to complete the transaction described in the agreement. Councilmember Stanford seconded. Motion carried 5-1. (Becker opposed/Alfred – absent - left the meeting at 7:00 p.m.)

Mr. Ames moved that the Mayor be authorized to execute and deliver a contract by and between the Town of Hilton Head Island, South Carolina, and Curtis L. Coltrane for the engagement of Curtis L. Coltrane as Town Attorney. Councilmember Stanford seconded. Motion carried 6-0 (Alfred absent - left the meeting at 7:00 p.m.)

14. Adjournment

The meeting adjourned at 9:13 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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



Town of Hilton Head Island
TOWN COUNCIL
SPECIAL MEETING
Tuesday, August 29, 2023, 10:00 a.m.
MINUTES

Present from Town Council: Alan Perry, *Mayor*; David Ames, *Mayor Pro-Tempore*; Patsy Brison, Steve Alfred, Glenn Stanford

Absent from Town Council: Alex Brown, Tamara Becker

Present from Town Staff: Marc Orlando, *Town Manager*; Josh Gruber, *Deputy Town Manager*; John Troyer, *Finance Director*; Kimberly Gammon, *Town Clerk*

1. Call to Order

Mayor Perry called the meeting to order at 10:00 a.m.

2. FOIA Compliance

Ms. Gammon confirmed compliance with FOIA.

3. Adoption of the Agenda

Mr. Stanford moved to approve. Mr. Alfred seconded. Motion carried 5-0.

4. Appearance by Citizens

None.

5. Unfinished Business

- a. Consideration of Proposed Ordinance No. 2023-18 Amending the Millage Rate of the Town of Hilton Head Island General Fund and Debt Service Fund for the Fiscal Year Ending June 30, 2024, so as to Perform Required Rollback of Millage Pursuant to South Carolina Code of Laws Section 12-37-251 – Second and Final Reading – John Troyer, Finance Director

John Troyer addressed Council regarding second reading of the proposed ordinance noting he was available for any questions. Mr. Ames moved to approve. Mr. Stanford seconded. Motion carried 5-0.

6. Executive Session

- a. Discussion of Personnel Matters [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a][1)] related to:

1. Beaufort County Sales Tax Advisory Committee

- b. Discussion and Status Update on the Negotiations Incident to Proposed Contractual Arrangements for the Northpoint Public-Private Partnership Workforce Housing Project (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70[a][2])

Mr. Orlando stated the need to go into Executive Session for the purposes listed above. At 10:03 a.m., Mr. Ames moved to go into Executive Session for the reasons stated by the Town Manager. Mr. Alfred seconded. Motion carried 5-0.

7. Action from Executive Session

Upon return from Executive Session at 10:53 a.m. Mayor Perry asked if there was any action to be addressed as a result of Executive Session.

Mr. Ames moved that the Town Council for the Town of Hilton Head Island appoint Mr. Morris Campbell to serve as the Town's representative on the Beaufort County Sales Tax Advisory Committee in connection with a potential sales tax referendum in November of 2024. Mr. Stanford seconded. Motion carried 5-0.

8. Adjournment

The meeting was adjourned at 10:55 a.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
FROM: John Troyer, Finance Director
CC: Marc Orlando, Town Manager
DATE: August 30, 2023
SUBJECT: Ordinance Authorizing and Directing the Town of Hilton Head Island to Enter into an Intergovernmental Agreement Relating to South Carolina Local Revenue Service Programs; to Execute and Deliver One or More Participant Program Supplements; and Other Matters Relating Thereto

RECOMMENDATION:

Town Council adopt the proposed ordinance amending Title 10, Sec. 10-1-220, and Sec. 10-1-230, of the Municipal Code of the Town of Hilton Head Island updating the ordinances and agreements by which the Town may participate in the Municipal Association's Local Revenue Service collection programs on second reading.

BACKGROUND:

For many years the Town has participated in the Municipal Association's collection programs for certain business license taxes. These programs include the Insurance Tax Collection Program, the Brokers Tax Collection Program, and the Telecommunications Tax Collection Program. The Municipal Association has collectively rebranded these program as Local Revenue Services and has renamed the three business license programs as the Insurance Tax Program (ITP), the Brokers Tax Program (BTP), and the Telecommunication Tax Program (TTP).

In addition, by Act 176 of 2020 (The Business License Standardization Act, found at S.C. Code Sec. 6-1-400 to -420), the General Assembly standardized business licensing in the State of South Carolina. Following the adoption of this Act, the Municipal Association provided a revised business license ordinance based on Act 176 and the new model ordinance.

As a result of the Local Revenue Services rebranding and the adoption of new local business license ordinances under Act 176, the Association is required to update the ordinance and agreement by which the Town may participate in Local Revenue Services.

SUMMARY:

The updated ordinance, agreement, and supplement will not substantially change the operation of the Local Revenue Services programs for the Town. The Municipal Association will continue to administer and collect business license taxes within ITP, BTP, and TTP. The rates for the Municipal Association's services will remain the same as they are now. The distributions of collected amounts will be made in the same manner and at approximately the same times as they are now.

The substantial changes to the Local Revenue Services programs are as follows:

- The new agreement is an intergovernmental agreement among all the participating governments, rather than a series of standalone agreements.
- Local Revenue Services will act in its own name as a division of the Municipal Association and will be governed by a committee of the Municipal Association's Board of Directors.
- The terms on which the Municipal Association is delegated the authority to resolve litigation on behalf of its members have been clarified.
- An appeals process, as required by and consistent with Act 176, has been formally adopted.

A presentation will be provided.

ATTACHMENTS:

1. Proposed Ordinance
2. Local Revenue Services Agreement
3. Local Revenue Services Participant Program Supplement
4. Presentation

AN ORDINANCE

AUTHORIZING AND DIRECTING THE TOWN OF HILTON HEAD ISLAND TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT RELATING TO SOUTH CAROLINA LOCAL REVENUE SERVICES; TO PARTICIPATE IN ONE OR MORE LOCAL REVENUE SERVICE PROGRAMS; TO EXECUTE AND DELIVER ONE OR MORE PARTICIPANT PROGRAM SUPPLEMENTS; AND OTHER MATTERS RELATING THERETO.

WHEREAS, the Town of Hilton Head Island (the "Municipality") is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income;

WHEREAS, under State law, certain business license taxes are applicable in a manner or at a rate that applies throughout the State ("Statewide Business License Taxes");

WHEREAS, such Statewide Business License Taxes include without limitation the business license taxes applicable to insurers under Title 38, Chapter 7 of the S.C. Code; to brokers under Title 38, Chapter 45 of the S.C. Code; and to telecommunications companies under Title 58, Chapter 9, Article 20 of the S.C. Code;

WHEREAS, the Municipal Association of South Carolina (the "Association") has previously established local revenue service programs in which the Association administers Statewide Business License Taxes on behalf of and for the benefit of participating municipalities;

WHEREAS, such local revenue service programs include a program known as the Insurance Tax Program ("ITP") that administers business license taxes applicable to insurers under Title 38, Chapter 7 of the S.C. Code; a program known as the Brokers Tax Program ("BTP") that administers business license taxes applicable to brokers under Title 38, Chapter 45 of the S.C. Code; and a program known as the Telecommunications Tax Program ("TTP") that administers business license taxes applicable to telecommunications companies under Title 58, Chapter 9, Article 20 of the S.C. Code;

WHEREAS, the Municipality currently participates in ITP, BTP, and TTP;

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the "Standardization Act"), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes;

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2021-16 on September 21, 2021, in order to comply with the requirements of the Standardization Act (the "Current Business License Ordinance");

WHEREAS, in connection with the enactment of the Standardization Act and the adoption of locally compliant business license ordinances, the municipalities of the State have determined that it would be advisable and prudent to update the existing local revenue service programs;

WHEREAS, in particular, the municipalities of the State have determined to establish and join

South Carolina Local Revenue Services (“LRS”) by intergovernmental agreement, which among other things will administer Statewide Business License Taxes on behalf of its participants, including but not limited to by continuing to offer the services provided by the ITP, BTP, and TTP;

WHEREAS, Article VIII, Section 13(A) of the South Carolina Constitution provides that “(a)ny county, incorporated municipality, or other political subdivision may agree with the State or with any other political subdivision for the joint administration of any function and exercise of powers and the sharing of the costs thereof;”

WHEREAS, the Town of Hilton Head Island Council of the Municipality (the “Council”) now wishes to authorize and direct the Municipality to join LRS and to participate in one or more local revenue service programs;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Hilton Head Island, as follows:

SECTION 1. Direction to Apply to and Join LRS. The form of the Local Revenue Services Agreement (the “Agreement”) pursuant to which a municipality may request to participate in LRS and, if approved, become a participant is attached hereto as Exhibit A. The Town Manager (the “Executive Officer”) is hereby authorized and directed to apply to participate in LRS. If the Municipality’s application is approved by LRS, then the Executive Officer shall execute and deliver a counterpart to the Agreement in substantially the form attached hereto. The Council hereby approves the terms and conditions of and agrees to comply with the Agreement upon the execution and delivery thereof by the Executive Officer.

SECTION 2. Participation in Local Revenue Service Programs. The Council determines that, if admitted to LRS, the Municipality will participate in the ITP, the BTP, and the TTP. The Executive Officer is hereby authorized and directed to execute and deliver any required Participant Program Supplements (as such term is defined in the Agreement) as may be necessary to participate in such local revenue service programs.

SECTION 3. Business License Taxes Applicable to Insurance Companies. Notwithstanding anything in the Current Business License Ordinance to the contrary, the following provisions shall apply to insurance companies subject to Title 38, Chapter 7 of the S.C. Code.

- a) Except as set forth below, “gross premiums” for insurance companies means gross premiums written for policies for property or a risk located within the municipality. In addition, “gross premiums” shall include premiums written for policies that are sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by (1) the insurance company’s office located in the municipality, (2) the insurance company’s employee conducting business within the municipality, or (3) the office of the insurance company’s licensed or appointed producer (agent) conducting business within the municipality, regardless of where the property or risk is located, provided no tax has been paid to another municipality in which the property or risk is located based on the same premium.

- b) As to fire insurance, “gross premiums” means gross premiums (1) collected in the municipality, and/or (2) realized from risks located within the limits of the municipality.
- c) As to bail bonds, “gross premiums” shall exclude any amounts retained by a licensed bail bondsman as defined in Title 38, Chapter 53 of the S.C. Code for authorized commissions, fees, and expenses.
- d) Gross premiums shall include all business conducted in the prior calendar year. Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums, or deposit.
- e) Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute conducting business within the municipality, regardless of whether or not an office is maintained in the municipality.
- f) The business license tax for insurance companies under Title 38, Chapter 7 of the S.C. Code shall be established at the rates set forth below. Declining rates shall not apply.

NAICS Code

524113 **Life, Health, and Accident.** 0.75% of Gross Premiums.

524126 **Fire and Casualty.** 2% of Gross Premiums.

524127 **Title Insurance.** 2% of Gross Premiums.

- g) License taxes for insurance companies shall be payable on or before May 31 in each year without penalty. The penalty for delinquent payments shall be 5% of the tax due per month, or portion thereof, after the due date until paid.

SECTION 4. Business License Tax Applicable to Brokers. Title 38, Chapter 45 of the S.C. Code (the “Brokers Act”) establishes a blended premium tax rate applicable to brokers of 6 percent, comprising a 4 percent State premium tax and a 2 percent municipal premium tax, each to be collected by the South Carolina Department of Insurance. Pursuant to §§ 38-45-10 and 38-45-60 of the Brokers Act, the Municipal Association of South Carolina is designated the municipal agent for purposes of administration of the municipal broker’s premium tax.

SECTION 5. Business License Taxes Applicable to Telecommunication Companies.

- a) Notwithstanding any other provisions of the Current Business License Ordinance, the business license tax for “retail telecommunications services,” as defined in S. C. Code Section 58-9-2200, shall be at the maximum rate authorized by S. C. Code Section 58-9-2220, as it now provides or as provided by its amendment. Declining rates shall not apply.
- b) The business license tax year for retail telecommunications services shall begin on January

1 of each year. The business license tax for retail telecommunications services shall be due on January 1 of each year and payable by January 31 of that year, without penalty. The delinquent penalty shall be five percent (5%) of the tax due for each month, or portion thereof, after the due date until paid.

- c) In conformity with S.C. Code Section 58-9-2220, the business license tax for “retail telecommunications services” shall apply to the gross income derived from the sale of retail telecommunications services for the preceding calendar or fiscal year which either originate or terminate in the municipality and which are charged to a service address within the municipality regardless of where these amounts are billed or paid and on which a business license tax has not been paid to another municipality. The measurement of the amounts derived from the retail sale of mobile telecommunications services shall include only revenues from the fixed monthly recurring charge of customers whose service address is within the boundaries of the municipality. For a business in operation for less than one year, the amount of business license tax shall be computed on a twelve-month projected income.
- d) Nothing in this Ordinance shall be interpreted to interfere with continuing obligations of any franchise agreement or contractual agreement. All fees collected under such a franchise or contractual agreement shall be in lieu of fees or taxes which might otherwise be authorized by this Ordinance.

SECTION 6. No Exemption for Interstate Commerce. Properly apportioned gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

SECTION 7. LRS to Appoint Business License Official and to Designate Appeals Board. Pursuant to the Agreement, LRS is hereby authorized to appoint one or more individuals (each, an “LRS Business License Official”) to act as the Municipality’s business license official for purposes of administering Statewide Business License Taxes. In addition, LRS is hereby authorized pursuant to the Agreement to designate an appeals board (the “Appeals Board”) for purposes of appeals arising with respect to such taxes. The LRS Business License Official so appointed and the Appeals Board so designated shall have all of the powers granted to the Municipality’s business license official and appeals board under the Current Business License Ordinance, except as may be modified by this ordinance.

SECTION 8. Appeals Process. With respect to the calculation, assessment, and collection of Statewide Business License Taxes, in lieu of the appeals process described in the Current Business License Ordinance, the following appeals process required by S.C. Code Section 6-1-410 shall apply:

- a) If a taxpayer fails or refuses to pay a Statewide Business License Tax by the date on which it is due, the LRS Business License Official may serve notice of assessment of the Statewide Business License Tax due on the taxpayer by mail or personal service. Within thirty days

after the date of postmark or personal service, a taxpayer may request, in writing with reasons stated, an adjustment of the assessment. An informal conference between the LRS Business License Official and the taxpayer must be held within fifteen days of the receipt of the request, at which time the taxpayer may present any information or documents in support of the requested adjustment. Within five days after the conference, the LRS Business License Official shall issue a notice of final assessment and serve the taxpayer by mail or personal service with the notice and provide a form for any further appeal of the assessment by the taxpayer.

- b) Within thirty days after the date of postmark or personal service, the taxpayer may appeal the notice of final assessment by filing a completed appeal form with the LRS Business License Official, by mail or personal service, and by paying to LRS in protest at least eighty percent of the business license tax based on the final assessment. The appeal must be heard and determined by the Appeals Board. The Appeals Board shall provide the taxpayer with written notice of the hearing and with any rules of evidence or procedure prescribed by the Appeals Board. The hearing must be held within thirty days after receipt of the appeal form unless continued to another date by agreement of the parties. A hearing by the Appeals Board must be held at a regular or specially called meeting of the Appeals Board. At the appeals hearing, the taxpayer and LRS have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The hearing must be recorded and must be transcribed at the expense of the party so requesting. The Appeals Board shall decide the assessment by majority vote. The Appeals Board shall issue a written decision explaining the basis for the decision with findings of fact and conclusions and shall inform the taxpayer of the right to request a contested case hearing before the Administrative Law Court. The written decision must be filed with the LRS Business License Official and served on the taxpayer by mail or personal service. The decision is the final decision of LRS on the assessment.
- c) Within thirty days after the date of postmark or personal service of LRS's written decision on the assessment, a taxpayer may appeal the decision to the Administrative Law Court in accordance with the rules of the Administrative Law Court.

SECTION 9. Repealer, Effective Date. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective on the date of final reading.

ENACTED IN REGULAR MEETING, this ____ day of _____, 20 ____.

Mayor

ATTEST:

Clerk

First reading: _____

Final reading: _____

LOCAL REVENUE SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____ A.D., 20____, by and among the Municipal Association of South Carolina (the "Association") and all the parties who are now or may hereafter become participants ("Participants") in South Carolina Local Revenue Services, a division of the Association ("LRS"),

WITNESSETH:

WHEREAS, certain governmental functions may be more efficiently and effectively provided in cooperation with other governments, particularly when the sharing of such functions may deliver economies of scale, avoid redundancies in staffing, facilitate intergovernmental communication and coordination, benefit the citizens and taxpayers of the State by offering single points of contact, and allow retention of highly trained and specialized staff or private contractors in situations in which it would not be cost effective for a single government to retain such professionals;

WHEREAS, Article VIII, sec. 13 of the South Carolina Constitution provides that any incorporated municipality "may agree with . . . any other political subdivision for the joint administration of any function and exercise of powers and the sharing of the costs thereof," and that "[n]othing in this Constitution may be construed to prohibit the State or any of its counties, incorporated municipalities, or other political subdivisions from agreeing to share the lawful cost, responsibility, and administration of functions with any one or more governments, whether within or without this State;"

WHEREAS, S.C. Code § 4-9-41(A) provides that any "incorporated municipality ... may provide for the joint administration of any function and exercise of powers as authorized by Section 13 of Article VIII of the South Carolina Constitution;"

WHEREAS, certain municipalities in the State have determined that it would be effective and efficient to jointly perform certain functions, including without limitation the business license functions more fully described below;

WHEREAS, LRS is a division of the Association and a committee of the board of directors of the Association and will establish or continue one or more Revenue Service Programs (as hereinafter defined); and

WHEREAS, the Participants, through action of their respective governing bodies, have elected to comply with the conditions of this Agreement and to authorize LRS to perform the functions and exercise the powers herein described;

NOW, THEREFORE, for and in consideration of the mutual covenants, promises, and obligations herein contained, which are given to and accepted by each signatory hereof to the other, the parties hereto agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- (a) "Appeals Board" means the board created pursuant to Section 8 hereof for purposes of hearing and determining appeals under this Agreement.
- (b) "Association" means the Municipal Association of South Carolina.
- (c) "Gross Proceeds" means, with respect to any Revenue Service Program and for any period of calculation, the total amount of Impositions collected by LRS during such period.
- (d) "Imposition" means any tax, fee, rate, charge, fine, penalty, or interest charge that has been lawfully imposed by a Participant and for which a Revenue Service Program has been established. Such Impositions include, without limitation, Statewide Business License Taxes.
- (e) "LRS" means South Carolina Local Revenue Services, established by this Agreement.
- (f) "LRS Board of Directors" means the board of directors of LRS.
- (g) "LRS Business License Official" shall mean the person designated from time to time by the LRS Board of Directors to act as the business license official (as such term is used in S.C. Code §§ 6-1-400 to -420) with respect to one or more Revenue Service Programs. The LRS Board of Directors may, but need not, designate different persons as the LRS Business License Official for different Revenue Service Programs.
- (h) "Participant" means a local government that has become a participant in LRS by applying to LRS for admission and, if approved, accepting the terms of participation in LRS by ordinance and signing this Agreement in counterpart.
- (i) "Net Proceeds" means, with respect to any Revenue Service Program and for any period of calculation, the amount of Gross Proceeds that remain for distribution to Participants after the payment of operation and maintenance expenses (including, without limitation, LRS's compensation) for such period.
- (j) "Revenue Service Programs" means any one or more programs established or continued by LRS to administer, assess, collect, and enforce Impositions. Such Revenue Service Programs may include, without limitation, programs for the administration, assessment, collection, and enforcement of Statewide Business License Taxes.
- (k) "S.C. Code" means the South Carolina Code of Laws of 1976, as amended.
- (l) "State" means the State of South Carolina.
- (m) "Statewide Business License Taxes" means business license taxes that, pursuant to the S.C. Code, are applicable in a manner or at a rate that applies throughout the State. Such business license taxes include without limitation the business license taxes applicable to insurers under Title 38, Chapter 7 of the S.C. Code; to brokers under Title 38, Chapter 45 of the S.C. Code; to telecommunications companies under Title 58, Chapter 9, Article 20 of the S.C. Code; and such other business license taxes as may now or hereafter be made

applicable throughout the State in a manner or at a rate that has been established by State law.

Section 2. Authorization of LRS. The municipalities that are initial signatories hereto do hereby establish LRS and authorize it to perform the functions and exercise the powers described in this Agreement. The functions to be performed hereunder are more specifically described in Section 5 below and the powers to be exercised are more specifically described in Section 6 below. The Participants, regardless of their respective dates of admission to LRS, further agree as follows:

- (a) The functions and powers described in this Agreement would be more efficiently and effectively performed and exercised in cooperation with other governments through LRS;
- (b) The Participants shall comply with the conditions of this Agreement and, by joining LRS, shall jointly perform the functions and exercise the powers herein described by contract with LRS.

Section 3. Participation. The right to participate in LRS shall be limited to local governments within the State. A qualifying entity may become a Participant by applying to LRS for admission and, if approved, accepting the terms of participation in LRS by ordinance and signing this Agreement in counterpart. LRS shall be sole judge of whether an applicant shall be admitted as a Participant. A Participant may be suspended or expelled by the LRS Board of Directors from LRS, provided that such suspension or expulsion shall not be effective until 30 days after written notice of suspension or expulsion has been mailed to it.

Section 4. LRS Board of Directors. LRS shall be governed by a Board of Directors containing five Directors. The members of the Association's Executive Committee (comprising the President, First Vice President, Second Vice President, Third Vice President, and Immediate Past President of the Association) shall serve *ex officio* as Directors of LRS, with terms of office coterminous with their terms as officers of the Association. The President of the Association, or in his or her absence the First Vice President of the Association, shall serve as chair at meetings of the LRS Board of Directors. With respect to LRS's officers, the members of the LRS Board of Directors shall occupy the same offices as they do with respect to the Association.

Section 5. Functions of LRS. LRS may, and at the direction of and subject to the control of the LRS Board of Directors shall, establish or continue one or more Revenue Service Programs including, without limitation, for the administration, assessment, collection, and enforcement of Statewide Business License Taxes and other Impositions related to Statewide Business License Taxes. LRS's functions with respect to the Revenue Service Programs shall include, without limitation, training employees; developing resources to assist business license functions; making necessary investigations into entities or individuals subject to Impositions; developing databases for the application, calculation, allocation, and distribution of Impositions; establishing procedures for determining and calculating the amounts due as Impositions; communicating with entities or individuals subject to Impositions; collecting current and delinquent Impositions; initiating, defending, managing, resolving, and settling disputes or litigation matters that affect more than

one Participant; and acquiring, licensing, developing, improving, maintaining, and protecting software and other information technology infrastructure.

Section 6. Powers of LRS. LRS shall have the following powers:

- (a) adopt bylaws for the regulation of its affairs and the conduct of its business and prescribe rules and policies and promulgate regulations in connection with the performance of its functions and duties;
- (b) adopt an official seal and alter it at its pleasure;
- (c) maintain an office at a place it determines;
- (d) sue and be sued in its own name and plead and be impleaded;
- (e) require documentation of amounts due from taxpayers, including without limitation by requiring reconciliation reports in which the taxpayer provides sufficient information to verify whether revenues of the taxpayer are appropriate for exclusion as non-municipal revenues and to determine the proper allocation of Impositions among Participants;
- (f) receive, administer, and comply with the conditions and requirements of a gift, grant, or donation of property or money;
- (g) acquire by purchase, lease, gift, or otherwise, or obtain options for the acquisition of, any property, real or personal, improved or unimproved, including an interest in land less than the fee thereof in conformity with state law;
- (h) sell, lease, exchange, transfer, mortgage, or otherwise dispose of, or grant options for any such purposes with respect to, any real or personal property or interest therein in conformity with state law;
- (i) make and execute contracts, agreements, or other undertakings with such agents, service contractors, persons, firms, corporations, and attorneys as it deems appropriate to perform its functions and exercise its powers;
- (j) acquire, license, develop, improve, maintain, and protect software and other information technology infrastructure;
- (k) employ professionals, support staff, attorneys, appraisers, financial advisors, and other consultants and employees as required in the judgment of LRS and fix and pay their compensation from funds available to LRS for that purpose;
- (l) transact any lawful business that will aid the purposes and functions of LRS;
- (m) make payments or donations, or do any other act, not inconsistent with law, that furthers the business and affairs of LRS; and
- (n) do all things necessary or convenient, not inconsistent with law, to further the activities and affairs of LRS

Section 7. Attorney-in-Fact Designation; Dispute Resolution and Conduct of Litigation. Each Participant hereby appoints LRS and its designees as its agent and attorney-in-fact to act on its behalf with respect to Impositions. As agent and attorney-in-fact, LRS shall be fully empowered to initiate, defend, manage, resolve, and settle any disputes or litigation (whether in its own name or in the name of the Participants) relating to Impositions owing or payable to one or more Participants; to pay all expenses, costs, and judgments that might be incurred against LRS when acting on behalf of its Participants for communication, investigation, negotiation, enforcement, defense, or settlement with respect to Impositions; and to take all other actions as may be necessary to administer, collect, investigate, enforce, and implement the Revenue Service Programs. Each Participant, pursuant to Rule 17 of the S. C. Rules of Civil Procedure and Rule 17 of the Federal Rules of Civil Procedure, specifically acknowledges the standing of LRS to prosecute a civil action for collection in its behalf and hereby ratifies any such action that LRS may commence.

The LRS Board of Directors may, by majority vote, authorize a third party (including without limitation the Association) to act as attorney-in-fact to the same extent as set forth in this section on behalf of the Participants.

LRS's authority to initiate, defend, manage, resolve, and settle disputes and litigation shall be subject to the following terms and conditions:

- (a) If, with respect to any particular dispute, a proposed compromise or settlement would reduce the amount asserted by LRS to be payable to an individual Participant by more than ten percent (10%) of the total amount remitted by LRS to such Participant in the immediately preceding year for the relevant Revenue Service Program, then, notwithstanding subsections 7(b) and 7(c) below, LRS shall be required to secure the written consent of such Participant before compromising or settling such dispute with respect to such Participant. Otherwise, LRS shall be entitled to compromise or settle such dispute on behalf of each Participant without further authorization by such Participants beyond that contained herein.
- (b) Any proposed compromise or settlement that would result in a reduction of \$100,000 or less from the amount originally claimed to be due and owing by LRS may be approved or denied by LRS without separate approval by the LRS Board of Directors. The LRS Board of Directors shall, by appropriate action from time to time, designate one or more staff members or contractual counterparties who are authorized to compromise or settle such disputes.
- (c) Any proposed compromise or settlement that would result in a reduction of more than \$100,000 from the amount originally claimed to be due and owing by LRS must be approved or denied by the LRS Board of Directors.

- (d) Any proposed compromise or settlement that would result in a waiver of penalties, interest, late charges, or other amounts owing due to late payment of an Imposition must be approved or denied by the LRS Board of Directors.

Section 8. Appeals Process. The Participants acknowledge that, pursuant to local ordinances, regulations, and rules, each Participant has its own procedures by which matters relating to the calculation, assessment, and collection of business license taxes may be appealed. With respect to Impositions subject to this Agreement, however, each Participant has enacted a local ordinance by which appeals relating to such Impositions are excluded from the otherwise applicable local ordinance. Each Participant agrees that the appeals process described in this Section shall apply to all appeals relating to Impositions subject to this Agreement. Each Participant hereby consents to the adoption of the appeals process described in this Section; specifically declares its intention that such appeals process shall be deemed an exception to its otherwise applicable local ordinances, regulations, and rules; and agrees that it has or will approve such appeals process by appropriate local action.

- (a) There is hereby created a board for purposes of hearing appeals pursuant to this Section (the "Appeals Board"). The Appeals Board shall contain three members. The President of the Association, the Executive Director of the Association, and the President of the South Carolina Business Licensing Officials Association ("BLOA") shall each serve *ex officio* as members of the Appeals Board, with terms of office coterminous with their terms as officers of the Association or BLOA, as appropriate. The President of the Association, or in his or her absence the Executive Director of the Association, shall serve as chair at meetings of the Appeals Board.
- (b) With respect to the calculation, assessment, and collection of Impositions, the following appeals process, as required by Section 6-1-410, shall apply.
 - (1) If a taxpayer fails or refuses to pay an Imposition by the date on which such Imposition is due, the LRS Business License Official may serve notice of assessment of the Imposition due on the taxpayer by mail or personal service. Within thirty days after the date of postmark or personal service, a taxpayer may request, in writing with reasons stated, an adjustment of the assessment. An informal conference between the LRS Business License Official and the taxpayer must be held within fifteen days of the receipt of the request, at which time the taxpayer may present any information or documents in support of the requested adjustment. Within five days after the conference, the LRS Business License Official shall issue a notice of final assessment and serve the taxpayer by mail or personal service with the notice and provide a form for any further appeal of the assessment by the taxpayer.
 - (2) Within thirty days after the date of postmark or personal service, the taxpayer may appeal the notice of final assessment by filing a completed appeal form with the LRS Business License Official, by mail or personal service, and by paying to LRS

in protest at least eighty percent of the business license tax based on the final assessment. The appeal must be heard and determined by the Appeals Board. The Appeals Board shall provide the taxpayer with written notice of the hearing and with any rules of evidence or procedure prescribed by the Appeals Board. The hearing must be held within thirty days after receipt of the appeal form unless continued to another date by agreement of the parties. A hearing by the Appeals Board must be held at a regular or specially called meeting of the Appeals Board. At the appeals hearing, the taxpayer and LRS have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The hearing must be recorded and must be transcribed at the expense of the party so requesting. The Appeals Board shall decide the assessment by majority vote. The Appeals Board shall issue a written decision explaining the basis for the decision with findings of fact and conclusions and shall inform the taxpayer of the right to request a contested case hearing before the Administrative Law Court. The written decision must be filed with the LRS Business License Official and served on the taxpayer by mail or personal service. The decision is the final decision of LRS on the assessment.

- (3) Within thirty days after the date of postmark or personal service of LRS's written decision on the assessment, a taxpayer may appeal the decision to the Administrative Law Court in accordance with the rules of the Administrative Law Court.

Section 9. LRS May Be Separately Organized. Hereafter, the LRS Board of Directors may determine, for corporate governance, recordkeeping, and operational purposes, that LRS should be established as a separate entity, either under the South Carolina Nonprofit Corporation Act, currently codified at Title 33, Chapter 31 of the S.C. Code, or otherwise. If the LRS Board of Directors so determines, it may take all such actions as may be necessary to organize LRS as a separate entity without further approval by the Participants, provided that such organization shall not otherwise vary or modify the terms of this Agreement except to the extent necessary to reflect the new organizational structure of LRS.

Section 10. Participation in a Revenue Service Program. A Participant may elect to participate in a Revenue Service Program by signing and delivering a separate supplement to this Agreement with respect to such Revenue Service Program (each, a "Participant Program Supplement"). The Participant Program Supplements shall be substantially identical within each Revenue Service Program. The form of the Participant Program Supplement is attached hereto as Appendix A.

Section 11. Collection of Impositions; Distributions; Payment for Services; Prohibition on Lobbying Activity.

- (a) LRS shall collect, subject to the Participant Program Supplements, all Impositions subject to this Agreement.

- (b) The Participants will compensate LRS for its services. Initially, such compensation shall be in the amount of four percent of Gross Proceeds collected for the benefit of each Participant within each Revenue Service Program, subject to any volume discount approved from time to time by the LRS Board of Directors, together with any interest earned on funds held on deposit prior to disbursement. The Participants acknowledge that this amount represents operating expenses payable to LRS for services rendered. For accounting and recordkeeping purposes, LRS will apply this rate to each Participant separately within each Revenue Service Program. Hereafter, and notwithstanding Section 13 below, the LRS Board of Directors by majority vote may amend the compensation method by giving notice to all participating Participants at least ninety days prior to the effective date of such amendment. Such amendment shall become effective after the ninety-day notice period with respect to each Participant without further action by such Participant, provided that such Participant may withdraw from participation at any time within ninety days after notice of the amendment is provided.
- (c) LRS will regularly, and not less than once in each calendar quarter, distribute the Net Proceeds to Participants.
- (d) No funds or personnel of LRS may be used or employed to influence any election; support or oppose any partisan organization; support or oppose the enactment, repeal, or modification of any federal or state legislation; or seek to influence any federal or state local government officials in the discharge of their official functions.

Section 12. Fiscal Year. LRS shall operate on a fiscal year from 12:01 a.m. January 1 of each year to 12:00 midnight December 31 of the succeeding year (the “LRS Year”). Application for participation, when approved in writing by LRS shall constitute a continuing contract for each succeeding LRS Year unless cancelled by LRS.

Section 13. Amendment. This Agreement may be amended by an agreement executed by those Participants constituting a majority of the Participants in LRS during the current LRS Year. In lieu of this amendment procedure, the Participants hereby appoint a 4/5 majority (i.e., at least four Directors) of the LRS Board of Directors agents to make any amendments to this Agreement that would not fundamentally alter the contemplated arrangement. Written notice of any amendment proposed for adoption by the LRS Board of Directors shall be mailed to each Participant not less than 30 days in advance. Written notice of amendments finally adopted by the LRS Board of Directors shall be mailed to each Participant not more than 30 days after adoption.

Section 14. Terms Applicable on Admission. Any entity that formally applies to participate in LRS and is accepted by LRS shall thereupon become a party to this Agreement and be bound by all of the terms and conditions hereof. A Participant may withdraw from participation by delivery of written notice of withdrawal at least 90 days prior to the end of an LRS Year, to be effective as of the end of such LRS Year.

Section 15. Term; Dissolution. LRS has been established with the bona fide intention that it shall be continued in operation indefinitely and that the contributions to LRS shall continue for an indefinite period. However, the LRS Board of Directors reserves the right at any time to terminate LRS by a written instrument to that effect executed by at least four-fifths (4/5) of the members of the LRS Board of Directors. Such written termination notice shall be delivered to each Participant no less than 120 days prior to the effective date of termination. In the event of such termination, Participant contributions shall cease as of the date of termination and the assets then remaining in the fund shall continue to be used and applied, to the extent available, for the (a) payment of claims arising prior to such termination and (b) payment of reasonable and necessary expenses incurred in such termination. Any monies or other assets thereafter remaining in LRS shall be distributed pro rata to the Participants in LRS as of the day of termination. In no event shall any such assets be returned or distributed to any individual. Upon such termination, the LRS Board of Directors shall continue to serve for such period of time and to the extent necessary to effectuate termination of LRS.

[signatures appear on following page]

IN WITNESS WHEREOF, the Participants listed below acknowledge their participation in LRS and acceptance of obligations thereunder, by the due execution hereof, following appropriate governmental body approval, by its mayor or other duly authorized official. Further, LRS has caused these presents to be signed by its President and attested by its Vice President.

MUNICIPAL ASSOCIATION OF SOUTH CAROLINA

B. Todd Glover, Executive Director

**LOCAL REVENUE SERVICES, A DIVISION OF THE
MUNICIPAL ASSOCIATION OF SOUTH CAROLINA**

Mayor Rick Osbon, President of LRS

ATTEST:

Mayor Barbara Blain-Bellamy, Vice President of LRS

PARTICIPANT SIGNATURE PAGE

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

Name: Alan Perry

Title: Mayor Town of Hilton Head Island

ATTEST:

Name: Kimberly Gammon

Title: Town of Hilton Head Island Town Council Clerk

APPENDIX A: FORM OF PARTICIPANT PROGRAM SUPPLEMENT

WHEREAS, the Town of Hilton Head Island (the "Municipality") has applied for and been approved to participate in South Carolina Local Revenue Services ("LRS");

WHEREAS, the Municipality has executed a counterpart of the Local Revenue Services Agreement (the "Agreement") by and among itself and all other participants in LRS;

WHEREAS, capitalized terms used and not otherwise defined herein have the meaning given to such terms in the Agreement;

WHEREAS, pursuant to the Agreement, LRS has established Revenue Service Programs for Statewide Business Licenses and other Impositions; and

WHEREAS, the Municipality now desires to agree to participate in one or more Revenue Service Programs;

NOW, THEREFORE, the Municipality hereby agrees with LRS as follows:

Section 1. Participation in Revenue Service Programs. The Municipality hereby elects and agrees to participate in the following Revenue Service Programs: ITP / BTP / TTP.

Section 2. Term. This Participant Program Supplement is effective until December 31, 2023, and shall continue from year-to-year thereafter until terminated by either party upon notice delivered in writing given at least 90 days prior to the next upcoming December 31.

Section 3. Payment for Services. The Municipality agrees that it will compensate LRS for its services as set forth in the Agreement. Initially, such compensation shall be in the amount of four percent of Gross Proceeds collected for the benefit of the Municipality within each Revenue Service Program, subject to any volume discount approved from time to time by the LRS Board of Directors, together with any interest earned on funds held on deposit prior to disbursement. The Municipality acknowledges that this amount represents operating expenses payable to LRS for services rendered. For accounting and recordkeeping purposes, LRS will apply this rate to the Municipality separately within each Revenue Service Program.

Section 4. Expenses; Fund Accounting. (a) The rate for services established herein shall be inclusive of all administrative expenses of LRS, except legal expenses incurred in connection with the services rendered. Legal expenses incurred by LRS are not included in the base rate and shall be prorated to all Participants in direct relationship to the disbursements of the Revenue Service Program to which the legal expenses relate.

(b) LRS will deposit all funds received in an appropriate account for which accurate records will be maintained. Business license taxes collected for the Municipality, less the service charge herein agreed to, will be disbursed to the Municipality on or before March 1 of each calendar year and thereafter as remaining collections permit.

Section 5. Special Provisions for BTP. (a) Pursuant to Title 38, Chapter 45 of the South Carolina Code of Laws (the "Brokers Insurance Statute"), the Municipality designates the Municipal

Association of South Carolina as the municipal agent to act on behalf of the municipality for the purposes of the Brokers Insurance Statute.

(b) The Brokers Insurance Statute governs the receipt from the South Carolina Department of Insurance (“DOI”) and distribution to the Municipality of all municipal premium taxes from brokers for non-admitted surplus lines insurance. Upon receipt of the taxes from the DOI, LRS will deposit all funds received in an appropriate account for which accurate records will be maintained. Taxes will be disbursed to the Municipality, less the service charge herein agreed to, as collections permit.

PARTICIPANT PROGRAM SUPPLEMENT

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WHEREAS, the Municipality has executed a counterpart of the Local Revenue Services Agreement (the "Agreement") by and among itself and all other participants in LRS;

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Association of South Carolina as the municipal agent to act on behalf of the municipality for the purposes of the Brokers Insurance Statute.

(b) The Brokers Insurance Statute governs the receipt from the South Carolina Department of Insurance (“DOI”) and distribution to the Municipality of all municipal premium taxes from brokers for non-admitted surplus lines insurance. Upon receipt of the taxes from the DOI, LRS will deposit all funds received in an appropriate account for which accurate records will be maintained. Taxes will be disbursed to the Municipality, less the service charge herein agreed to, as collections permit.

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

Name:
Title:

ATTEST:

Name:
Title:



Town Council Meeting September 19, 2023

Municipal Association's Local Revenue
Service Collection Programs

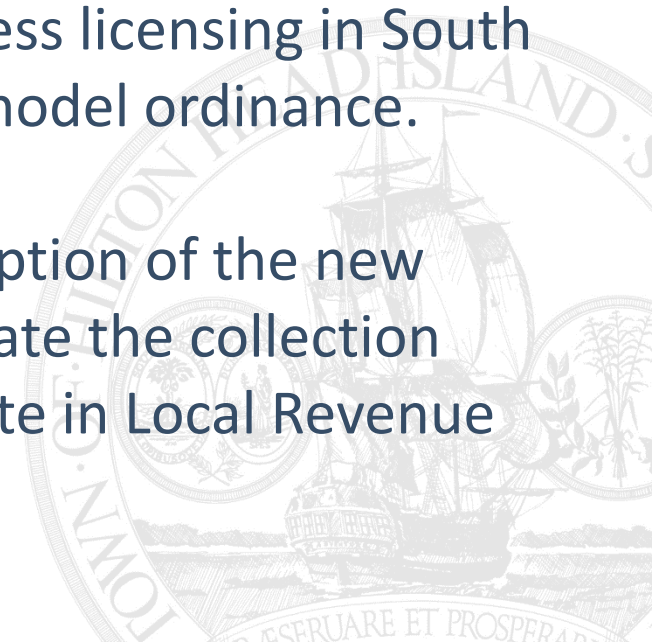
Town of Hilton Head Island

- ❖ The Town has participated in the Municipal Association's Collection Programs for many years for certain business license taxes.
- ❖ These programs include:
 - ✓ Insurance Tax Collection Program
 - ✓ Brokers Tax Collection Program
 - ✓ Telecommunications Tax Collection Program
- ❖ The Town has collected nearly \$4,000,000 in revenue in 2023 through the Association's Collection Programs.



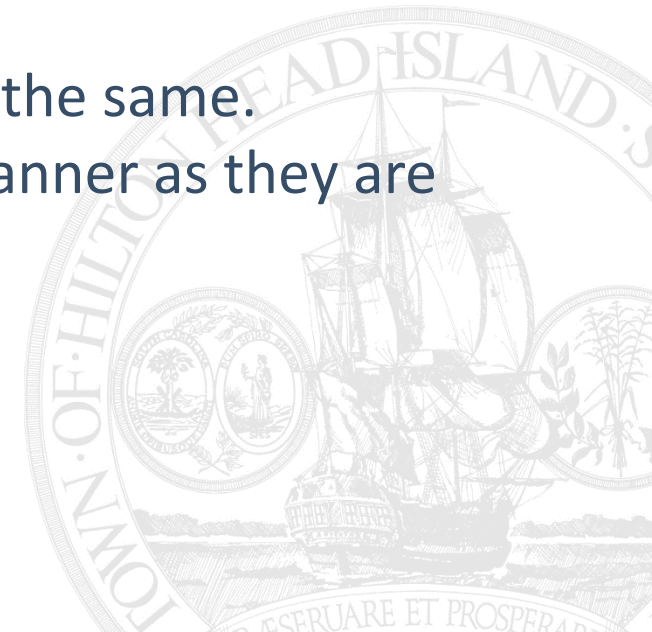
Town of Hilton Head Island

- ❖ The Municipal Association has collectively rebranded these programs as Local Revenue Services and renamed the three business license programs to:
 - ✓ Insurance Tax Program (ITP)
 - ✓ Brokers Tax Program (BTP)
 - ✓ Telecommunications Tax Program (TTP)
- ❖ Following the adoption of Act 176 of 2020 which standardized business licensing in South Carolina, the Town was required to adopt the new business license model ordinance.
- ❖ The rebranding of the Association's Collection Programs and the adoption of the new Business License Model Ordinance in 2021 requires the Town to update the collection program ordinance and agreement by which the Town may participate in Local Revenue Services.



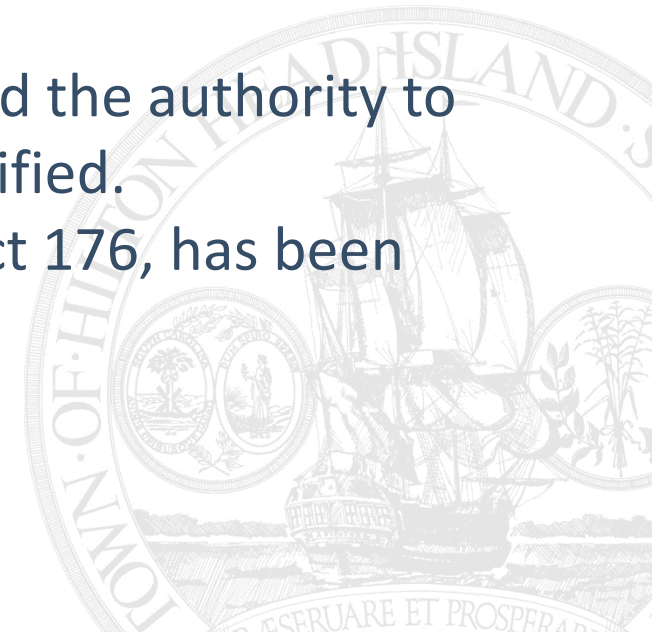
Town of Hilton Head Island

- ❖ The updated ordinance, agreement, and supplement will not change the operation of the Local Revenue Services Collection Programs for the Town.
 - ✓ The Municipal Association will continue to administer and collect business license taxes within ITP, BTP, and TTP.
 - ✓ The rates for the Municipal Association's services will remain the same.
 - ✓ The distributions of collected amounts will be made in the manner as they are now.



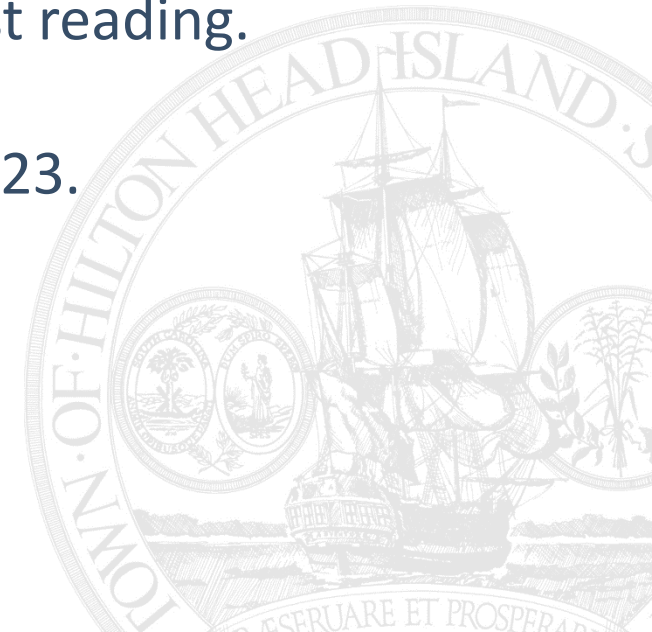
Town of Hilton Head Island

- ❖ The changes to the Local Revenue Services Collection Programs are as follows:
 - ✓ The new agreement is an intergovernmental agreement among all participating governments, rather than a series of standalone agreements.
 - ✓ Local Revenue Services will act in its own name as a division of the Municipal Association's Board of Directors.
 - ✓ The terms on which the Municipal Association is delegated the authority to resolve litigation on behalf of its members have been clarified.
 - ✓ An appeals process, as required by and consistent with Act 176, has been formally adopted.



Town of Hilton Head Island

- ❖ Finance and Administrative Committee recommends Town Council consider the proposed ordinance and agreements by which the Town may participate in the Municipal Association's Local Revenue Services Collection Programs and forward a recommendation to Town Council.
- ❖ First reading of ordinance occurred in August 2023 and passed on first reading.
- ❖ Second and final reading of ordinance is scheduled September 19, 2023.



QUESTIONS?



**Town Council Meeting
September 18, 2023**

Municipal Association's Local Revenue
Service Collection Programs



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: John M. Troyer, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: August 30, 2023
SUBJECT: Presentation of Coastal Community Development Corporation

RECOMMENDATION:

The Finance and Administrative Committee recommends Town Council hear and discuss the presentation of the Coastal Community Development Corporation (CCDC). This organization and initiative may be a candidate to consider for funding through the Affiliated Agency process.

BACKGROUND:

The Coastal Community Development Corporation (CCDC) is seeking to address workforce housing needs on and off the Island. The CCDC would like to share their story with the Town's Finance and Administrative Committee. The CCDC would like the Town to consider a partnership and/or the Town's participation and support for their proposed endeavors to address workforce housing. The CCDC is seeking support from other jurisdictions and organizations.

SUMMARY:

The CCDC will present information to the Finance and Administrative Committee to share their story and seek input on possible initial Town interest in either a partnership or support of these endeavors.

ATTACHMENTS:

1. CCDC letter of support to Town of Hilton Head Island
2. CCDC PowerPoint information for Town of Hilton Head Island

Coastal Community Development Corporation

4/25/2023

Town of Hilton Head Island
1 Town Center Court
Hilton Head Island, SC 29928
c/o Missy Luick
Assistant Community Development Director

Dear Missy:

The Coastal Community Development Corporation, a 501c3 applicant awaiting IRS safe harbor approval, is seeking to preserve local workforce housing by purchasing existing homes in the region to serve local residents with household incomes between 50% - 120% AMI. The CCDC will restrict the access to the units it owns through an application process that prioritizes workers in the area based on length of time working and or living in the region. The units the CCDC purchases will be deed restricted to satisfy the AMI requirements for a period of 99 years and will be managed by local long term rental companies who apply through an open application process.

The CCDC has identified 12 properties on Hilton Head Island that are currently for sale and is set to close on its first property on May 5, 2023 in the Woodlake community. We are seeking to purchase all 12 properties for a total of up to \$3,000,000 utilizing down payment equity of 40% or \$1.2 million, raised through private donations and community financing. The other 60% or \$1.8 million of capital will be provided through mortgages on each property with local banks on a fixed 30 year term.

CCDC BOARD OF DIRECTORS

KIM LIKINS – TONY ALFIERI – JOHN CAMPBELL – TIM ZWERNER – KEN CAMPBELL –
GEOFF BLOCK – ALAN WOLF

The CCDC would like The Town of Hilton Head Island to consider a public private partnership for this initial 12 property purchase in which the town would provide \$600,000, or 20% of the total purchase price, representing half of the equity needed to complete the purchase of all 12 units. The additional \$600,000 will be raised through local fundraising and community resources.

This important first step for the CCDC would allow us to preserve 12 units of existing housing for long term rental by local workers and families and include 22 bedrooms that would serve upwards of 40 local workers on Hilton Head Island. This step will also provide us an opportunity to present a proof of concept for additional investment and fundraising in the future. Each of the 12 units purchased in this first phase would prioritize workers who are currently employed on Hilton Head Island.

Additional support from The Town of Hilton Head Island could be provided by allowing the CCDC access to rental repair funds if available as well as consideration of waiving the real estate transfer fees associated with the purchases of these units as they will be owned and operated by a non-profit entity.

We thank the town council and staff for consideration of support in this partnership and are prepared to answer any questions or share any of our work to date on our model and how it helps solve the workforce housing challenge that our island faces.

Sincerely,



Alan P. Wolf Jr.
CCDC Board of Directors Chairman



Coastal Community Development Corporation 501c3 Non-Profit Update

3/29/23

Housing Needs Assessment

- Released in April 2018
- Identified the necessary 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 and require an alternative approach.



Coastal Community Development Corporations 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



Non profit must provide rents that serve 50%-120% AMI



Units will be deed restricted in line with funding source requirements



Application process will ensure workers have first access to CCDC owned or managed housing inventory



No short term rentals, i.e. AIR BnB

Organizational Design - Governance

- 7 Member Board of Directors to oversee the strategy and implementation of non-profit work
 - Board Chairman: Alan Wolf - President, SERG Restaurant Group
 - Kim Likins –Director, Boys & Girls Club of Hilton Head Island
 - Ken Campbell – Entrepreneur, Founder Planned Development Co.
 - Geoff Block – Entrepreneur, Manager RLB Squared Development
 - Timothy Zwerner – Partner, Burr-Forman LLP Law Firm
 - Tony Alfieri – Retired RBC Commercial LIHTC Banker
 - John Campbell – Real Estate Agent, Native Islander
- Advisory Board of community and regional leaders for development

Organizational Design - Governance

- Committees
 - Finance
 - Acquisitions
 - Development
 - Marketing

Organizational Design - Management

- Administration
 - Acting Executive Director: Cary Welker, SERG Restaurant Group
 - CFO
 - Seeking to hire part or full time CFO with finance and accounting experience
- Property Management
 - Outsourced to local long term management companies via RFP process
- Application Process
 - Utilizing model that Marc Orlando implemented in Bluffton
 - Scoring system for applicants that prioritizes workers that are AMI appropriately qualified
 - Prioritize working in community that units are available for rent in

Organizational Design – 501c3

A 501c3 Non Profit Organization in South Carolina can qualify for 0% property tax

- This conforms to the IRS Safe Harbor standards of a 501c3
- 501c3 must be the sole managing member of any properties it owns or manages
- Units must be rented at defined AMI's
 - 20% of units must be at 50% of AMI
 - 55% of units must can be up to 80% of AMI
 - 25% of units can be over 81% of AMI

Ratio for acquisition:

1:

2:

1:

Organizational Design – 501c3

- Property Ownership
 - Units and houses will be purchased and owned by the non-profit
 - Non-profit is incentivized to maintain as they own the property and the equity for resale
 - Ownership will prioritize sale to existing workers with covenant in place to recycle capital for purchasing additional inventory from market
- Joint Ventures
 - CCDC will be the sole managing member of any joint venture regardless of members of LLC involved in joint venture development
 - Private developers will enjoy the tax benefit of the CCDC and

Community Partners

- Community Foundation of The Lowcountry and other Local Non-Profits
- Banks
- Private Investment
 - Individuals
 - Family Offices
 - Trusts
 - Local Businesses
- Local Municipalities
- Affiliate Organizations
 - Habitat for Humanity
 - HH Homebuilders Association
 - Deep Well
 - Bluffton Self Help
 - HOME Coalition
 - Local Churches

Organizational Design - Stakeholders

Community Foundation of the Lowcountry

Opportunity to serve community in time of need

Donor Advised Funds

Conservative returns
- 2.5-5%

Banks

Opportunity to deploy Community Reinvestment Act Funds

Conservative returns
- 2.5-5%

Private Investment

Family Office and Targeted Investment Funds

Corporate Investment

Fixed Return
- 2.5-5%

Donations

Tax Exempt Donations

Companion Grants

Corporate Grants

Non-Profit Grants

Municipal Grants

State & Local Government Support

Municipality

- Waive real estate transfer fee
- Ensure we can rent just to workers
- ARPA funds
- Forthcoming HHI initiatives

County

- ARPA funds
- Impact fee support

Region

- Regional Housing Trust Fund Support

State

- Recognize tax rate 0% for tax exempt status

BHA non-profit pays towards county services by choice

- State Housing Programs

Phased Approach

Phase One

- Focus on purchase of Naturally Occurring Affordable Housing (NOAH)
 - This product is already in the market with high demand for rental units
 - Utilize local community partners in proof-of-concept effort

Phase Two

- Utilize local community partners and private investment in a Social Impact Fund
- Work towards increasing capital sources and begin purchasing existing apartment complexes, additional stand alone units and raw land for development

Phase Three

- Maximize balance sheet strength to seek out larger projects with more varied sources of capital
- Expand sources of capital through state, federal and private enterprise

Phase 1 Strategy

Overall

- Remove short term rental units from the market and return them to long term market
- Ensure long term rentals remain as such
- Stop the turnover of properties that drive workforce housing costs higher
 - This stops the cycle of buy, short term rent, resale at higher price, further expanding the gap in affordability

Hilton Head Island

- Purchase of existing condos and villas

Bluffton

- Purchase of existing condos and homes
- Price points in Bluffton and beyond offer balance to meet AMI requirements for non-profit status

Phase 1 Details: Hilton Head Island

Capitalization

Secure \$1.2m of seed money for 40% equity down payment

- **Requesting half of that, \$600K, from Town of Hilton Head Island**
- Community Stakeholders to fund the remaining \$600K

Utilize bank mortgage financing for additional \$1.7m for 60% of purchase price

- Bank to provide Guidance Line of Credit facility model with individual mortgages

Raise \$120,000 of donations to facilitate initial repairs for purchased units

Execution

Purchase 12 units on Hilton Head Island

- 22 total bedrooms that would serve up to 40 workers

Phase 1 Details: Hilton Head Island

	MLS	Community	Address	Address 2	BR	Full Bath	Half Bath	Year Built	Sale Price	Down Payment 40%	Mortgage 60%
1	432932	The Oaks	400 Wm Hltn Pkwy	#4	1	1	0		\$ 175,000.00	\$ 70,000.00	\$ 105,000.00
2	431720	Marsh Side	5 Gumtree Rd	#D8	1	1	0	1984	\$ 224,000.00	\$ 89,600.00	\$ 134,400.00
3	430181	Woodlake	96 Mathews Dr #216	#452B	2	2	1	1982	\$ 230,000.00	\$ 92,000.00	\$ 138,000.00
4	430729	Woodlake	96 Mathews Dr #207	#324B	2	2	0	1982	\$ 275,000.00	\$ 110,000.00	\$ 165,000.00
5	431526	Woodlake	96 Mathews Dr #74	#240C	2	2	1	1982	\$ 230,000.00	\$ 92,000.00	\$ 138,000.00
6	431692	Woodlake	96 Mathews Dr #45	#016B	2	2	0	1982	\$ 230,000.00	\$ 92,000.00	\$ 138,000.00
7	432685	Woodlake	96 Mathews Dr #154	#217A	2	2	0	1982	\$ 225,600.00	\$ 90,240.00	\$ 135,360.00
8	432978	Woodlake	96 Mathews Dr #114	#245C	2	2	0	1982	\$ 239,900.00	\$ 95,960.00	\$ 143,940.00
9	431351	Forest Cove	110 Broad Creek Lan	#110	2	2	0		\$ 255,000.00	\$ 102,000.00	\$ 153,000.00
10	433238	Forest Cove	110 Broad Creek Lan	#41	2	2	0		\$ 285,000.00	\$ 114,000.00	\$ 171,000.00
11	432325	Cotton Hope	155 Dillon Road #24	#2427	2	2	1	1979	\$ 249,000.00	\$ 99,600.00	\$ 149,400.00
12	432113	Marsh Side	5 Gumtree Rd	#M-17	2	2	0	1984	\$ 295,000.00	\$ 118,000.00	\$ 177,000.00
					22				\$ 2,913,500.00	\$ 1,165,400.00	\$ 1,748,100.00

	Proposed Monthly Rent	Annual Gross Rent	Rent/BR	Monthly Utility Cost	Annual Utility Cost	Annual AMI Rent Total	Monthly AMI Rent Total	MAX AMI	# In Family	Annual MGT Fee 10%
1	\$ 875.00	\$ 10,500.00	\$ 875.00	\$ 125.86	\$ 1,510.32	\$ 8,989.68	\$ 749.14	50%	1	\$ 1,050.00
2	\$ 975.00	\$ 11,700.00	\$ 975.00	\$ 125.86	\$ 1,510.32	\$ 10,189.68	\$ 849.14	50%	2	\$ 1,170.00
3	\$ 1,170.00	\$ 14,040.00	\$ 585.00	\$ 197.46	\$ 2,369.52	\$ 11,670.48	\$ 972.54	50%	3	\$ 1,404.00
4	\$ 1,575.00	\$ 18,900.00	\$ 787.50	\$ 197.46	\$ 2,369.52	\$ 16,530.48	\$ 1,377.54	80%	2	\$ 1,890.00
5	\$ 1,575.00	\$ 18,900.00	\$ 787.50	\$ 197.46	\$ 2,369.52	\$ 16,530.48	\$ 1,377.54	80%	2	\$ 1,890.00
6	\$ 1,750.00	\$ 21,000.00	\$ 875.00	\$ 197.46	\$ 2,369.52	\$ 18,630.48	\$ 1,552.54	80%	3	\$ 2,100.00
7	\$ 1,750.00	\$ 21,000.00	\$ 875.00	\$ 197.46	\$ 2,369.52	\$ 18,630.48	\$ 1,552.54	80%	3	\$ 2,100.00
8	\$ 1,925.00	\$ 23,100.00	\$ 962.50	\$ 197.46	\$ 2,369.52	\$ 20,730.48	\$ 1,727.54	80%	4	\$ 2,310.00
9	\$ 1,925.00	\$ 23,100.00	\$ 962.50	\$ 197.46	\$ 2,369.52	\$ 20,730.48	\$ 1,727.54	80%	4	\$ 2,310.00
10	\$ 2,275.00	\$ 27,300.00	\$ 1,137.50	\$ 197.46	\$ 2,369.52	\$ 24,930.48	\$ 2,077.54	120%	2	\$ 2,730.00
11	\$ 2,500.00	\$ 30,000.00	\$ 1,250.00	\$ 197.46	\$ 2,369.52	\$ 27,630.48	\$ 2,302.54	120%	3	\$ 3,000.00
12	\$ 2,750.00	\$ 33,000.00	\$ 1,375.00	\$ 197.46	\$ 2,369.52	\$ 30,630.48	\$ 2,552.54	120%	4	\$ 3,300.00
	\$ 21,045.00	\$ 252,540.00				Beaufort County 2022 AMI	\$ 95,600.00			\$ 25,254.00

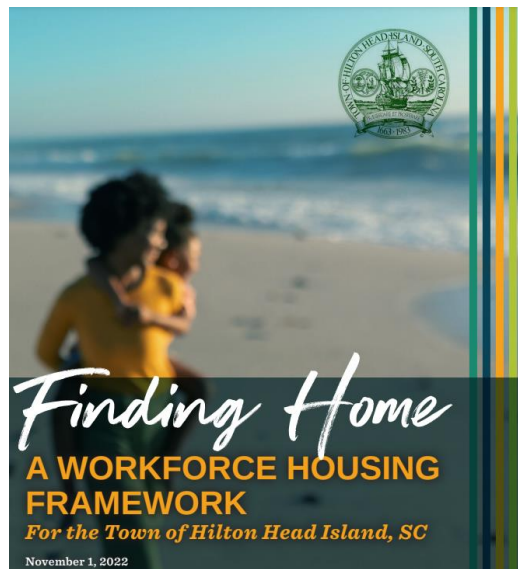
Phase 1 Hilton Head 12 Unit Model

				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Income														
Gross Rent	Increase	3.00%		\$ 252,540.00	\$ 260,116.20	\$ 267,919.69	\$ 275,957.28	\$ 284,235.99	\$ 292,763.07	\$ 301,545.97	\$ 310,592.35	\$ 319,910.12	\$ 329,507.42	
Realtor Donation		1.50%			\$ -	\$ -	\$ -	\$ -						
Grants / Donations				\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Income				\$ 372,540.00	\$ 260,116.20	\$ 267,919.69	\$ 275,957.28	\$ 284,235.99	\$ 292,763.07	\$ 301,545.97	\$ 310,592.35	\$ 319,910.12	\$ 329,507.42	
Expense														
MGT Fee	Fixed	10.00%		\$ 25,254.00	\$ 26,011.62	\$ 26,791.97	\$ 27,595.73	\$ 28,423.60	\$ 29,276.31	\$ 30,154.60	\$ 31,059.23	\$ 31,991.01	\$ 32,950.74	
CCDC Admin Fee	Fixed	1.00%		\$ 2,525.40	\$ 2,601.16	\$ 2,679.20	\$ 2,759.57	\$ 2,842.36	\$ 2,927.63	\$ 3,015.46	\$ 3,105.92	\$ 3,199.10	\$ 3,295.07	
Repairs & Maintenance	Fixed	12.00%		\$ 30,304.80	\$ 31,213.94	\$ 32,150.36	\$ 33,114.87	\$ 34,108.32	\$ 35,131.57	\$ 36,185.52	\$ 37,271.08	\$ 38,389.21	\$ 39,540.89	
Renters Insurance HO6 Units	Fixed	1.75%		\$ 4,419.45	\$ 4,552.03	\$ 4,688.59	\$ 4,829.25	\$ 4,974.13	\$ 5,123.35	\$ 5,277.05	\$ 5,435.37	\$ 5,598.43	\$ 5,766.38	
Property Taxes				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Regime	Increase	5.00%		\$ 73,992.00	\$ 77,691.60	\$ 81,576.18	\$ 85,654.99	\$ 89,937.74	\$ 94,434.63	\$ 99,156.36	\$ 104,114.17	\$ 109,319.88	\$ 114,785.88	
POA	Increase	5.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Homeowners Insurance	Increase	5.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Initial Unit Renovation	One Time			\$ 120,000.00	\$ -	\$ -	\$ -	\$ -						
Principal & Interest Payment	Rate	5.00%		\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	\$112,610.15	
Total Expense				\$ 369,105.80	\$ 254,680.51	\$ 260,496.45	\$ 266,564.56	\$ 272,896.29	\$ 279,503.63	\$ 286,399.13	\$ 293,595.93	\$ 301,107.78	\$ 308,949.11	
Cash Flow				\$ 3,434.20	\$ 5,435.69	\$ 7,423.24	\$ 9,392.72	\$ 11,339.70	\$ 13,259.44	\$ 15,146.84	\$ 16,996.42	\$ 18,802.33	\$ 20,558.31	\$ 121,788.90

Phase 1 HHI 12 Unit Model



Tie In with Local Efforts



Town of Hilton Head Recap

Grant Funding

- \$600K to purchase 12 units on Hilton Head Island
- Consideration of long term funding of 20% commitment of units purchased by CCDC

Policy

- Waive or donate Real Estate Transfer Fees associated with transactions
- Provide access to home repair funds for CCDC renters

Advocacy

- Support CCDC in efforts to access State Housing Funds, LIHTC Bonds and Federal Funds

Phase 1&2 Financial Support

Donors

Donations can earn a 50% state income tax credit once CCDC has qualified with State CDC Association

Impact Investors

Investment over 5 and 10 year horizon with 2.5-5% compounded return

- Structured as unsecured loans to CCDC

Investments can earn 33% state income tax credit once CCDC has qualified with State CDC Association

Lenders

Local and regional banks can earn up to 5% return on loans

Phase 2 Details

Capitalization

Secure \$6m of seed money in CCDC Social Impact Fund from local community stakeholders and private investment

Secure bank mortgage financing for additional \$9m

- Bank to provide Guidance Line of Credit facility model with individual mortgages

Execution

Purchase up to 50 units within target on HHI and in Bluffton

- 100 total bedrooms that would serve up to 200 workers

Phase 2 & 3 Capitalization

Work with local, state and federal organizations to secure expanded sources of capital including

- ARPA
- Town of HHI and Bluffton
- Regional Housing Trust Fund
- State Housing Fund
- HUD
- Community Works & Other Housing Development Corporations
- CDFI's
- Community Development Block Grants
- Low Income Housing Tax Credits

Progress Report

Exploratory meeting completed CFL and local municipalities

Tapped into Beaufort County Housing Authority and Greenville Housing Fund

Legal Documents being drafted to form 501c3 and secure tax exempt status with IRS

Modeled Phase 1 Hilton Head Proof-of-concept

Modeled Phase 2 Private Investment Social Impact Fund

Engaged Coastal States Bank for mortgages

Tammie Hoy Hawkins: Together Consulting

- Formerly worked with City of Charleston Housing & Community Works in Greenville

Next Steps

Finalize 501c3 status

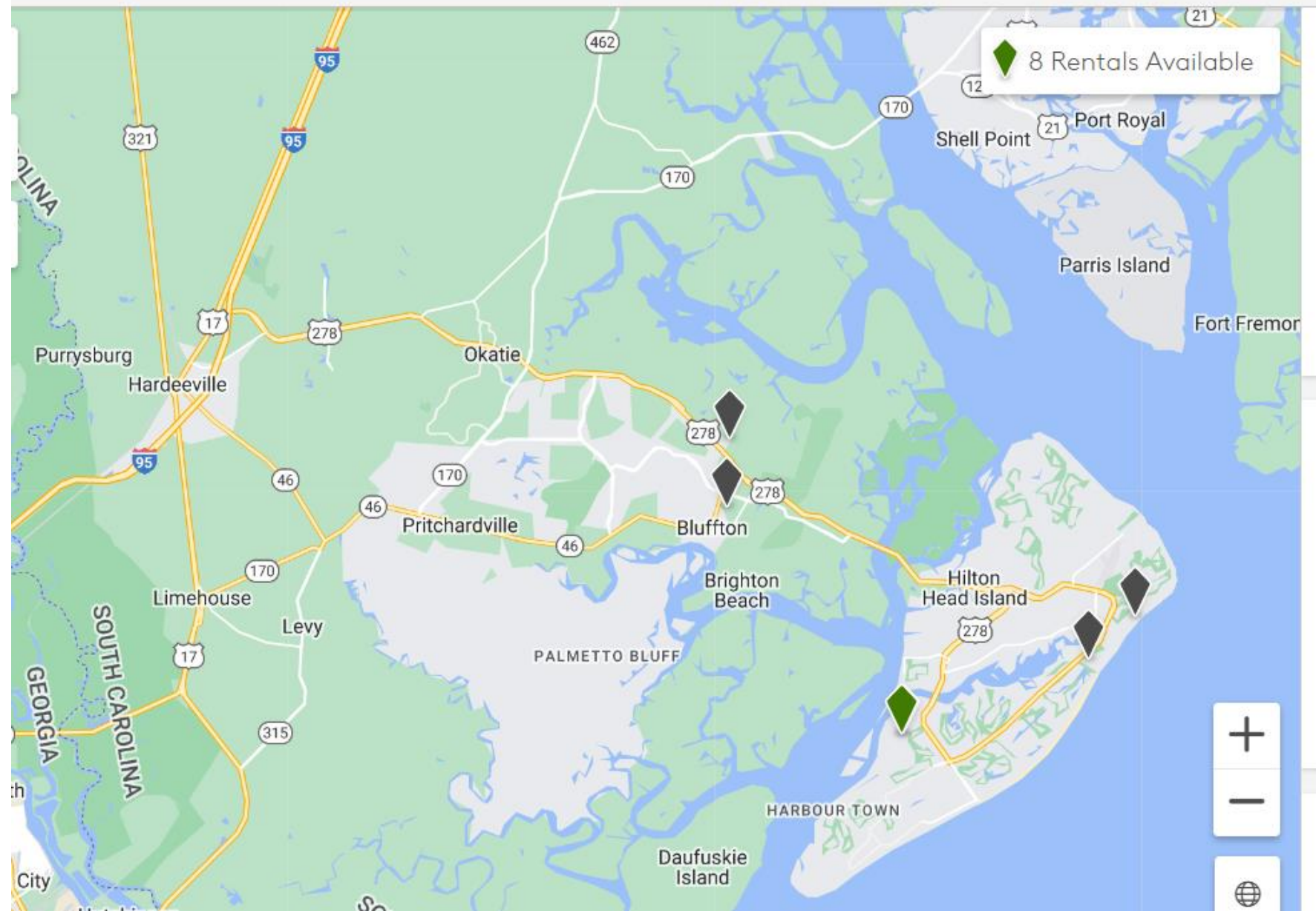
Finalize CCDC policies for procurement, management and implementation of mission

Begin securing phase 1 seed money and donations

Existing Rental Market

The following slides show examples of existing market rate rentals available on various platforms.

of Interest | Price ▼ | Beds ▼ | Type (1) ▼ × | Lifestyle ▼ | Move-In Date



Condos / South Carolina / Bluffton / 897 Fording Island Rd Unit 1811

3 Days Ago

897 Fording Island Rd Unit 1811



Bluffton, SC 29910

Bluffton

Monthly Rent

\$1,950

Bedrooms

2 bd

Bathrooms

2 ba

Square Feet

1,060 sq ft



27



Menu

English



Apartments.com™

31 Photos

Home / South Carolina / Bluffton / 158 State St

2 Weeks Ago

158 State St



158 State St, Bluffton, SC 29910

Bluffton

Monthly Rent

\$2,000

Bedrooms

1 bd

Bathrooms

1 ba

Square Feet

750 sq ft

2 Available Units

101

\$2,000

1 bed, 1 bath, 750 sq ft

12 Month Lease, \$2,000 deposit, Oct. 1

Tour This Floor Plan

Photos

Unit Details



Request to Apply

28

45 Folly Field Rd Unit 4L



Hilton Head Island, SC 29928

Hilton Head Island

Monthly Rent

\$1,950

Bedrooms

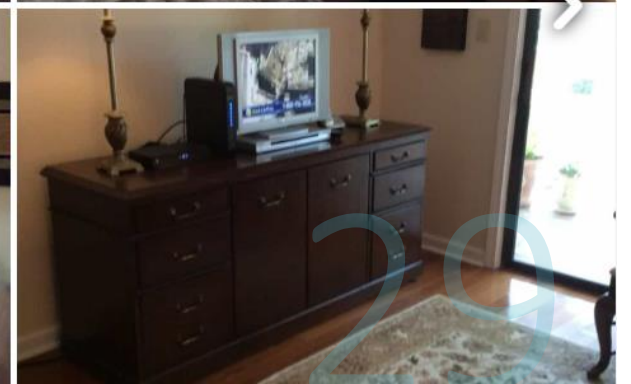
2 bd

Bathrooms

2 ba

Square Feet

843 sq ft



76 Forest Cove Unit 76



Hilton Head Island, SC 29928

Hilton Head Island

Monthly Rent
\$1,800

Bedrooms
2 bd

Bathrooms
2 ba

Square Feet
1,000 sq ft



663 William Hilton Pky Unit 4133



Hilton Head Island, SC 29928

Hilton Head Island

Monthly Rent
\$2,500

Bedrooms
2 bd

Bathrooms
2 ba

Square Feet
843 sq ft

Details

6 Month Lease, \$2,500 deposit, Available Now



21 Photos

neighborhood, or ZIP

For Rent

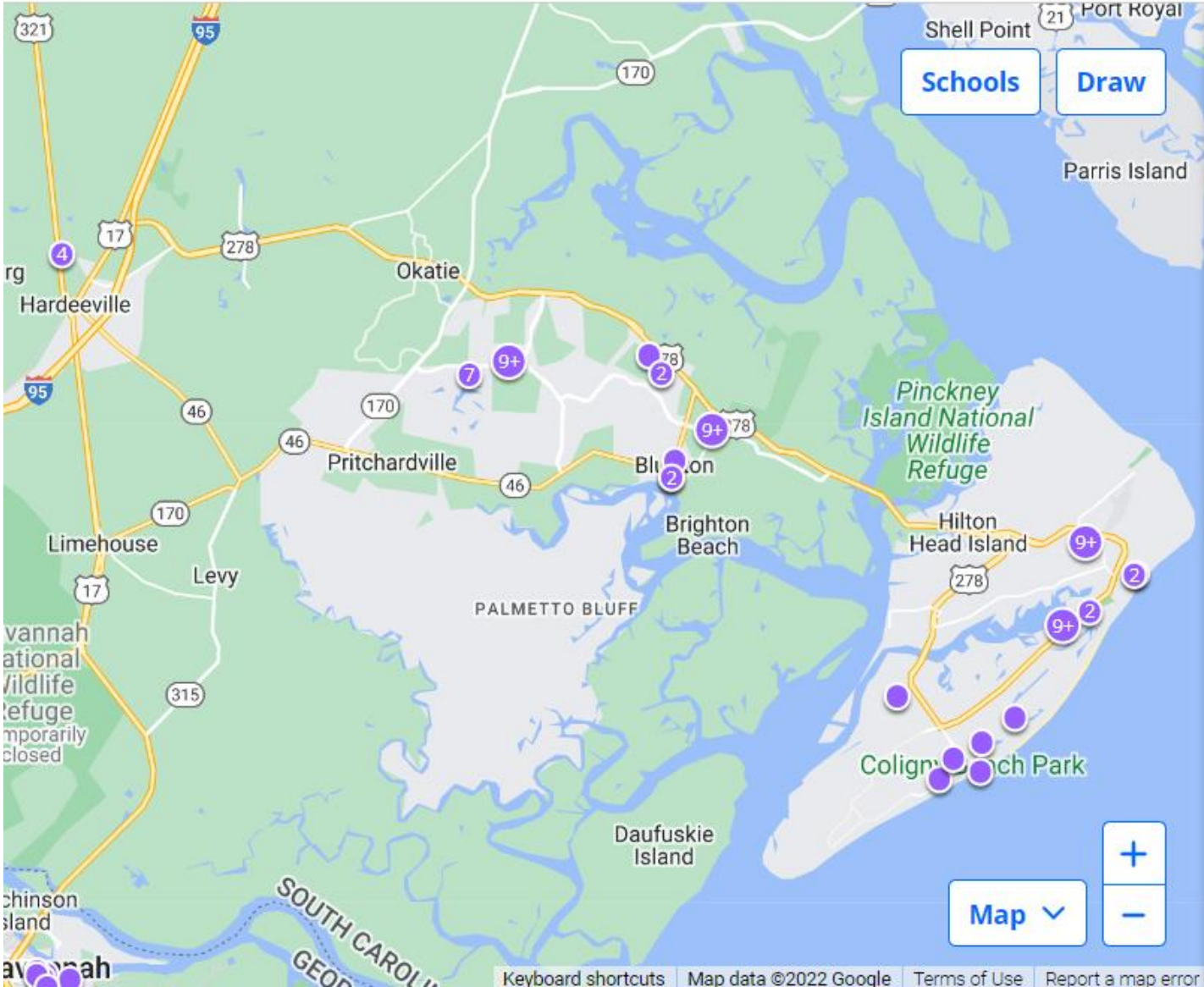
Price

Bed & Baths

Apartments/C...

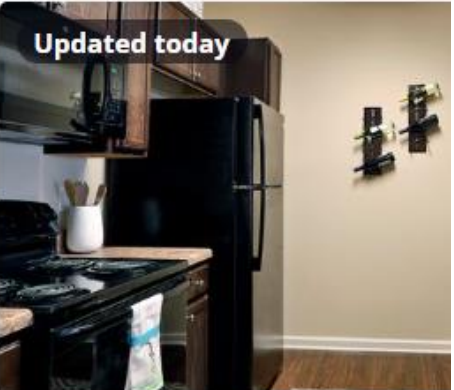
Move-In Date

More



Apartments For Rent

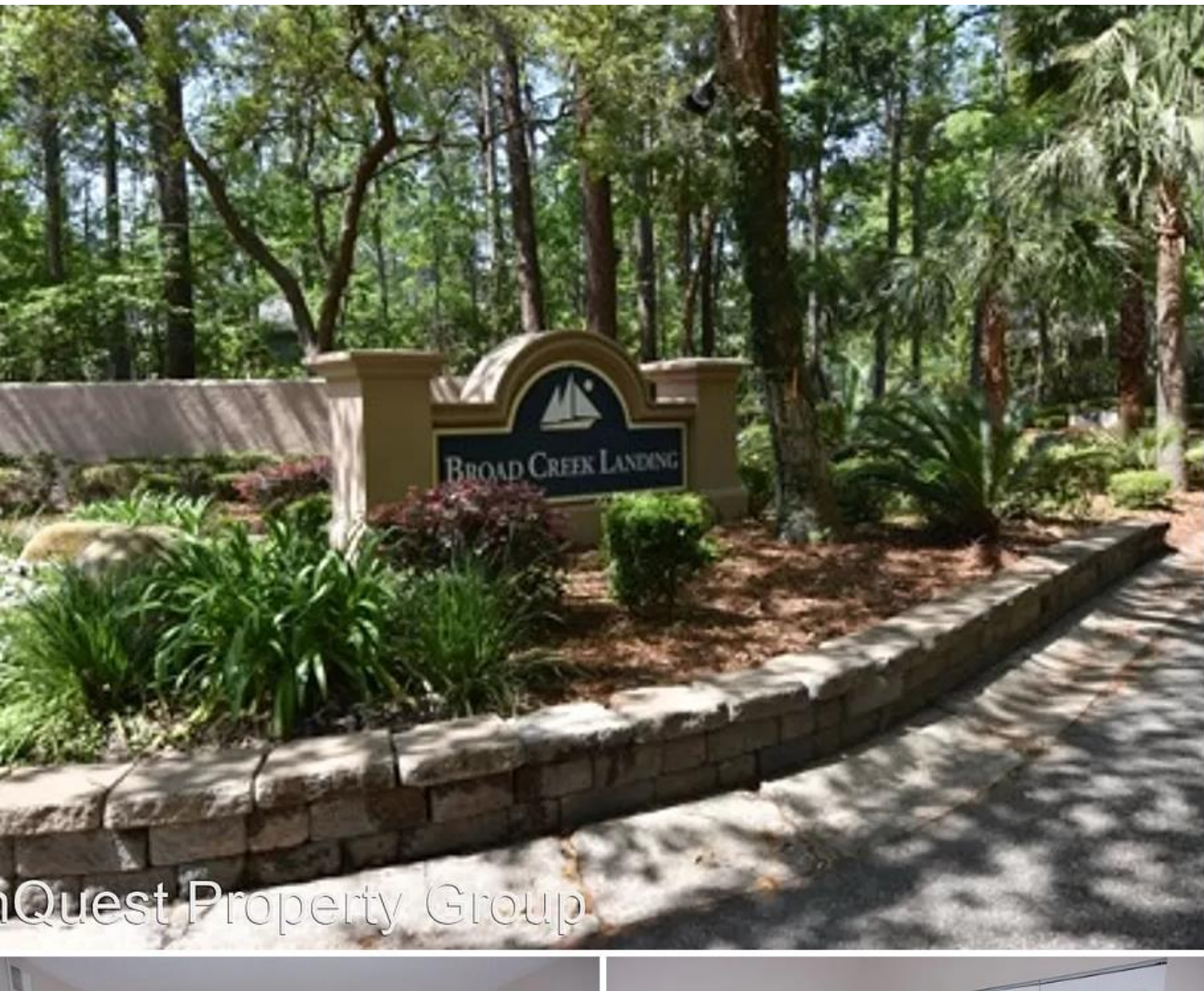
39 results



\$1,305+ 1 bd
 \$1,375+ 2 bds | \$2,005+ 3 bds
 The Columns at Coldbrook Sta



32



Quest Property Group



[Save](#) [Share](#) [More](#)

\$1,950/mo | 2 bd | 2 ba | 1,000 sqft

40 Point Comfort Rd #113, Hilton Head Island, SC 29928

● Apartment for rent

[Contact property](#)

[Overview](#) [Facts and features](#) [Rent Zestimate](#) [Price History](#) >

Date available: Available Now **Pets:** Contact manager

Type: Apartment **Parking:** Contact manager

Cooling: Contact manager

Laundry: Contact manager

Heating: Contact manager

Deposit & fees: \$1,950

33



\$2,750/mo 3 bd | 3 ba | 1,350 sqft

12 Valencia Rd APT 23, Hilton Head Island, SC 29928

● **Apartment for rent** | Rent Zestimate®: **\$4,150/mo**

Contact property

Apply now

Overview Facts and features Rent Zestimate Price History >

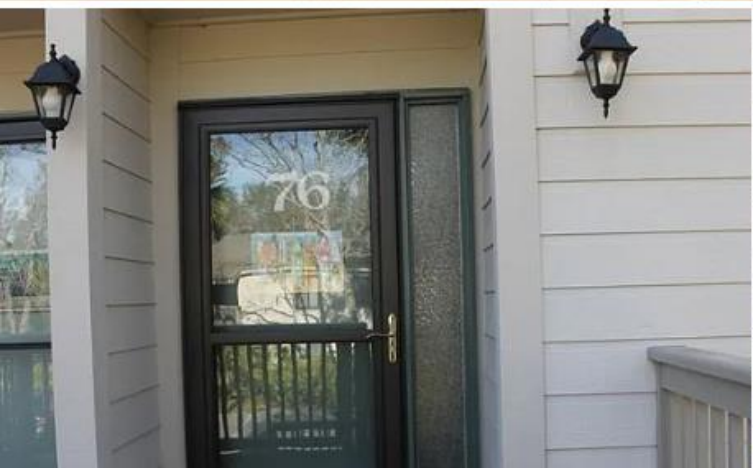
apply to as many participating properties as you want. Just \$29 for 30 days.

- Date available:** Available Now
- Pets:** No Pets
- Parking:** Off-street
- Type:** Apartment
- Laundry:** In Unit
- Cooling:** Other
- Deposit & fees:** \$1,500
- Heating:** Forced air

34



Coastal Long Term Rental Company, LLC



[Save](#) [Share](#) [More](#)

\$2,450/mo 2 bd | 2 ba | 885 sqft

125 Cordillo Pkwy APT 76, Hilton Head Island, SC 29928

● **Apartment for rent** | Rent Zestimate®: **\$2,705/mo**

[Contact property](#)

[Overview](#) [Facts and features](#) [Rent Zestimate](#) [Price History](#) >

- | | | | |
|------------------------|-----------------|----------------------------|-----------------|
| Date available: | Available Now | Pets: | No Pets |
| Type: | Apartment | Parking: | Contact manager |
| Cooling: | Contact manager | Laundry: | Contact manager |
| Heating: | Contact manager | Deposit & fees: | \$2,450 |

35



[Share](#) [Report](#)

663 William Hilton Pkwy

Hilton Head Island, SC 29928

[Units](#) [Map](#) [FAQ](#) [Nearby schools](#) [Neighborhood](#) [Local Lega](#)

Units

For Rent

All

2 Bed

3 Bed



\$2,400

2 bd | 2 ba | 831 sqft

For rent - Unit 4305



\$3,300

3 bd | 2 ba | 1,186 sqft

For rent - Unit 4330

36



Source: Unit B322



[Share](#) [Report](#)

40 Folly Field Rd

Hilton Head Island, SC 29928

[Units](#) [Map](#) [FAQ](#) [Nearby schools](#) [Neighborhood](#) [Local Lega](#)

Units

For Rent

1 Bed



\$2,100
1 bd | 1 ba | 575 sqft
For rent - **Unit B315**



\$2,380
1 bd | 1 ba | 540 sqft
For rent - **Unit B114**





Aquatera

55 Gardner Dr, Hilton Head Island, SC 29926

[Contact property](#)

[Units](#) [Map](#) [Overview](#) [Facts & Features](#) [Policies](#) [FAQ](#) [Near](#)

2 units - Available NOV 7 2022



A2
\$2,215 - \$2,365
1 bd | 1 ba | 904 sqft
3 units - Available now



A1
\$2,250 - \$2,350
1 bd | 1 ba | 890 sqft
3 units - Available Jan 16 2023



B1
\$3,025 - \$3,175
2 bd | 2 ba | 1,200 sqft
3 units - Available Nov 7 2022



38



The Bluestone

4921 Bluffton Pkwy, Bluffton, SC 29910

★★★★★ (1)

Contact property

Special offers Units Map Overview Facts & Features Policies



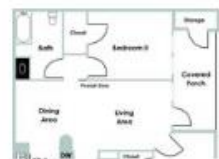
1 bd | 1 ba | 728 sqft
4 units - Available now



The Beaufort 1 Bedroom 1 Bath Renovated
\$1,779 - \$2,084
1 bd | 1 ba | 728 sqft
Unit 832 - Available now



The Savannah 2 Bedroom 2 Bath Renovated
\$1,839 - \$2,709
2 bd | 2 ba | 1,105 sqft
4 units - Available Oct 1 2022



The Savannah 2 Bedroom 2 Bath
\$1,845 - \$2,336
2 bd | 2 ba | 1.105 saft

39



[Share](#) [Report](#)

69 Calhoun St

Bluffton, SC 29910

[Units](#) [Map](#) [Facts & Features](#) [Policies](#) [FAQ](#) [Nearby schools](#) >

Units

For Rent

2 Bed



\$3,893

2 bd | 2 ba | 1,148 sqft

For rent - **Unit 202**



\$4,254

2 bd | 2 ba | 1,276 sqft

For rent - **Unit 200**

40



[Save](#) [Share](#) [Report](#)

Income Restricted ⓘ

Emerson Isles

20 Simmonsville Rd, Bluffton, SC 29910

★☆☆☆☆ (1)

[⚡ Book tour now](#)

[Contact property](#)

[Special offers](#) [Units](#) [Map](#) [Overview](#) [Facts & Features](#) [Reviews](#)



The Indigo

\$1,910

2 bd | 2 ba | 996 sqft



The Slate

\$1,964

3 bd | 2 ba | 1,090 sqft





[Save](#) [Share](#) [More](#)

\$2,500/mo | 2 bd | 2 ba | 970 sqft

100 Kensington Blvd APT 814, Bluffton, SC 29910

● Apartment for rent

[Contact property](#)

[Overview](#) [Facts and features](#) [Rent Zestimate](#) [Price History](#) >

- Date available:** Sat Oct 8 2022
- Parking:** Garage - Detached, Off-street
- Type:** Apartment
- Laundry:** In Unit
- Cooling:** Other
- Heating:** Forced air
- Deposit & fees:** \$2,500
- Pets:** No Pets

42



Mystic Bluff Apartments

103 Inspiration Ave, Bluffton, SC 29910

Contact property

Units Map Overview Facts & Features Policies FAQ Near



1 bd | 1 ba | 986 sqft
2 units - Available now



Barcolana
\$2,069 - \$2,269
1 bd | 1 ba | 807 sqft
2 units - Available now



Bay
\$2,189
1 bd | 1 ba | 986 sqft
Unit 8303 - Available Dec 1 2022



Cork
\$2,399 - \$2,499
2 bd | 2 ba | 1,240 sqft

43



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Marc Orlando, ICMA-CM, Town Manager
FROM: Marcy Benson, Senior Grants Administrator
VIA: Jeff Herriman, Treasurer
CC: John Troyer, Finance Director
DATE: September 1, 2023
SUBJECT: Consideration of a Resolution to Authorize Submittal of the CDBG Entitlement Program Consolidated Annual Performance Evaluation Report (CAPER) for Program Year 2022 to the U.S. Department of Housing and Urban Development.

RECOMMENDATION:

The Finance & Administrative Committee recommends Town Council approve a resolution to authorize submittal of the program year 2022 Community Development Block Grant (CDBG) Consolidated Annual Performance Evaluation Report (CAPER) as required by the U.S. Department of Housing and Urban Development (HUD) for participation in the CDBG Entitlement Program.

The Finance & Administrative Committee met on August 15, 2023, and voted unanimously to recommend approval authorizing submittal of the 2022 CAPER.

BACKGROUND:

In 2015 the Town of Hilton Head Island began participating in the HUD CDBG Entitlement Program. The HUD-required 2022 One Year Action Plan was approved by HUD in August 2022. To meet HUD requirements a CAPER must be prepared each year of program participation and public input must be solicited for the CAPER. The CAPER describes activities implemented and accomplishments related to the goals and objectives identified in the 2020 – 2024 Five Year Consolidated Plan and the 2022 Annual Action Plan.

On August 16, 2023 the CAPER was released to the public for a 15-day public comment period and a public meeting was held to present the CAPER and solicit public input on that day. No members of the public attended and no comments were received at the meeting. At the close of the 15-day public comment on August 31, 2023, no public comments were received. A summary of comments received is included in the CAPER.

Approval of the CAPER at the September 19, 2023, Town Council meeting will allow the report to be submitted by the September 28, 2023, HUD deadline.

SUMMARY:

The 2022 CAPER outlines how CDBG funds were spent, and the progress made towards the goals outlined in the Five-Year Consolidated Plan and the Annual Action Plan. The 2022 CAPER is a HUD requirement for participation in the CDBG Entitlement Program. The CAPER is submitted to HUD annually within 90 days after the close of the program year. The due date is September 28, 2023.

ATTACHMENTS:

1. Resolution
2. Program Year 2022 Consolidated Annual Performance Evaluation Report (CAPER)

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA TO APPROVE THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2022 CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT (CAPER)

WHEREAS, in August 2022 the Town of Hilton Head Island Community Development Block Grant (CDBG) One Year Annual Action Plan for program year 2022 detailing goals and objectives to be implemented to address community needs in low- and moderate-income areas within the Town’s jurisdiction was approved by the United States Department of Housing and Urban Development (HUD); and

WHEREAS, as an entitlement community, the Town must prepare and submit a CAPER to HUD within 90 days after the close of the program year; and

WHEREAS, the CAPER is an annual report of activities implemented and accomplishments of goals and objectives identified in the 2022 Annual Action Plan; and

WHEREAS, the Town has adhered to the public participation requirements set forth in the Citizen Participation Plan in the development of the 2022 CAPER by conducting a public meeting and 15-day comment period to solicit citizen input and review for the 2022 CAPER; and

WHEREAS, the Town Manager is authorized to submit the 2022 CAPER to HUD for 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 2022 CAPER as submitted in the attachment to this resolution be approved and submitted to HUD.

MOVED, APPROVED, AND ADOPTED ON THIS ___ DAY OF SEPTEMBER 2023.

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Council Clerk

APPROVED AS TO FORM:

Curtis Coltrane, Town Attorney

Introduced by Council Member: _____

Town of Hilton Head Island

2022

Consolidated Annual Performance Evaluation Report (CAPER)

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



~DRAFT~

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan.

91.520(a)

At the end of each program year, the Town of Hilton Head Island (Town) is required to prepare a Consolidated Annual Performance Evaluation Report (CAPER). This report must be submitted to HUD within 90 days after the close of the program year and includes information on the programmatic accomplishments under the CDBG program. This CAPER is for the third year of the 2020 – 2024 Five Year Consolidated Plan. The Town allocation for 2022 was \$204,430 and \$32,387 in unexpended funds from program year 2019 was carried over for use in program year 2022. In program year 2022 \$315 in 2021 funds were expended for administration activities; and \$66,221.61 in 2021 funds were expended for the program year 2021 Patterson Park project related to archeological studies and project design services. In program year 2022 CDBG resources available totaled \$588,174.11, which is a combination of the 2021 and 2022 program year funds and 2020 CDBG-CV funds available totaled \$102,899.

Administrative and Planning Activities:

The 2022 Annual Action Plan was submitted to HUD in June 2022. In August 2022 the Town was notified the 2022 Annual Action Plan was approved and a grant agreement for 2022 was executed. Five activities were conducted from August 2022 through June 2023 related to public notice requirements for the Taylor Family Neighborhood Park project, the 2021 CAPER and development of the 2023 Annual Action Plan. \$315 in program year 2021 funds, and \$1030 in program year 2022 CDBG funds have been expended for administrative services by the Town. This equals a total of \$1,345 for administrative services.

Non-Housing Community Development Activities.

The Patterson Park project was funded with \$118,792 of 2018 program year dollars and \$232,565 of 2021 program year dollars. The environmental review of this project was completed in June 2023. A total of \$66,221.61 was expended in program year 2022 for the completion of archaeological research and study services and project design services. In August 2022 the Town received a CDBG-CV reallocation award in the amount of \$102,899. A total of \$100,841 was expended during program year 2022 for public service activities related to prevention, preparation, and recovery efforts related to the COVID-19 pandemic. The remaining \$2,058 of these funds are designated for administration costs to carry out the disbursement of the CDBG-CV reallocation funds.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
COVID-19 Response and Recovery	Non-Housing Community Development	CDBG: \$ 238,313 CDBG-CV: \$634,987	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	37,099	18,917	100.00%	37,099	3,341	100.00%
Facilities, Housing, Public Svcs, Econ Dev. Yr. 2	Affordable Housing Non-Housing Community Development	CDBG: \$351,357	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	13,692	1,501	25.15%	1,733	1,501	25.15%
Facilities, Housing, Public Svcs, Econ Dev. Yr. 3	Affordable Housing Non-Housing Community Development	CDBG: \$236,817	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	13,692	4,445	0.00%	4,364	4,445	0.00%
Facilities, Housing, Public Svcs, Econ Dev. Yr. 4	Affordable Housing Non-Housing Community Development	CDBG: \$0.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	13,692	0	0.00%	0	0	0.00%
Facilities, Housing, Public Svcs, Econ Dev. Yr. 5	Affordable Housing Non-Housing Community Development	CDBG: \$0.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	13,692	0	0.00%	0	0	0.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The Town has used CDBG funds to address priority needs identified in the 2020 – 2024 Consolidated Plan and 2022 Annual Action Plan. Funds are being used for the needs listed as a high priority, which includes public facilities and improvements and administrative and planning. During program year 2022 funds expended for administrative and planning equaled \$1,345. Funds expended for public facilities and improvements related to the program year 2021 Patterson Park project equaled \$66,221.61. The environmental review process and project design services for the Patterson Park Project have been funded with CDBG dollars. The environmental review for the program year 2022 Taylor Family Neighborhood Park project has been completed and authorization for use of funds is expected in the next several weeks, and use of funds for design services is anticipated to begin in the next several months.

In August 2022 the Town received a CDBG-CV reallocation award in the amount of \$102,899. A substantial amendment was approved for the 2020 – 2024 Five Year Consolidated Plan and \$100,841 was expended during program year 2022 for public service activities related to prevention, preparation, and recovery efforts related to the COVID-19 pandemic. The remaining \$2,058 of these funds are designated for administrative costs to carry out the disbursement of the CDBG-CV reallocation funds.

CR-10 - Racial and Ethnic composition of families assisted.

Describe the families assisted (including the racial and ethnic status of families assisted).
91.520(a)

	CDBG
White	2,871
Black or African American	564
Asian	46
American Indian or American Native	0
Native Hawaiian or Other Pacific Islander	0
Total	3,481
Hispanic	986
Not Hispanic	3459

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

According to the U.S. Census the total population of the Town is 37,661. The population composition is as follows: 29,826 persons (79.19%) are White; 2,192 persons (5.82%) are Black or African American; 155 persons (0.41%) are American Indian or Alaska Native; 286 persons (0.76%) are Asian; 8 persons (0.02%) are Native Hawaiian and Other Pacific Islander; 2,680 persons (7.11%) are Some Other Race; and 2,514 persons (6.67%) are Two or More Races. The total Hispanic population of the Town is comprised of 5,358 persons which is 14.22% of the total Town population. It should be noted in Census data Hispanic is considered an ethnicity and not a race, for example, the race of a person may be White and their ethnicity Hispanic, or their race may be Black or African American and their ethnicity Hispanic.

The data represented in the table above for the Town Census Tract 105 does not reflect a racial and ethnic total for the categories “Some Other Race Alone” or “Two or More Races”. These two categories total 964 for Census Tract 105.

The table above represents the 2021 U.S. Census American Community Survey data population information for the Town Census Tract 105. This Census Tract is where 2022 CDBG program year funds were spent in 2022. The total population for Census Tract 105 is 4,445. The population composition for Census Tract 105 is as follows: 2,871 persons (64.58%) are White; 564 persons (12.68%) are Black or African American; 46 persons (1.03%) are Asian; no persons (0.00%) are American Indian or Alaska Native; no persons (0.00%) are Native Hawaiian or Other Pacific Islander; 424 persons (9.53%) are Some Other Race; and 540 persons (12.14%) are Two or More Races. The total Hispanic population of Census Tract 105 is comprised of 986 persons which is 22.18% of the total Census Tract population.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available.

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	\$588,174.11	\$67,566.61
CDBG-CV	public - federal	\$102,899	\$100,841

Table 3 - Resources Made Available

Narrative

During program year 2022 funds expended for administrative and planning equaled \$1,345. Funds expended for public facilities and improvements related to the program year 2021 Patterson Park project equaled \$66,221.61.

In August 2022 the Town received a CDBG-CV reallocation award in the amount of \$102,899. A substantial amendment was approved for the 2020 – 2024 Five Year Consolidated Plan and \$100,841 was expended during program year 2022 for public service activities related to prevention, preparation, and recovery efforts related to the COVID-19 pandemic. The remaining \$2,058 of these funds are designated for administration costs to carry out the disbursement of the CDBG-CV reallocation funds.

Identify the geographic distribution and location of investments.

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Census Tract 105	98%	1%	The funds for infrastructure improvements in Census Tract 105, which meets LMI requirements, are for program year 2022.
Census Tract 108	0%	0%	No CDBG funded projects were planned in Census Tract 108 for the 2022 program year
Census Tract 110	98%	25%	The funds for infrastructure improvements in Census Tract 110, which meets LMI requirements, are for program year 2021.
Census Tract 111	0%	0%	No CDBG funded projects were planned in Census Tract 111 for the 2022 program year.
Census Tract 113	0%	0%	No CDBG funded projects were planned in Census Tract 113 for the 2022 program year.
Town-Wide	2%	2%	Funds for program administration costs which meet HUD requirements.

Table 4 – Identify the geographic distribution and location of investments.

Narrative

Resources available to the Town during the 2022 program year included CDBG funds allocated to the Town from HUD for the 2021 and 2022 program years.

Program year 2021 CDBG funds expended for public facilities and improvements related to the Patterson Park project located in Census Tract 110 and equaled \$66,221.61. These expenditures included archaeological archival research, a phase I cultural resources study, phase II testing at the park site location, and park design services.

During program year 2022 CDBG funds expended for administrative and planning for 2021 activities equaled \$315, and for 2022 activities equaled \$1,030. These 2022 expenditures were related to the Taylor Family Neighborhood Park project located in Census Tract 105.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

While the CDBG program does not require leveraging, if project costs exceed the allocated CDBG funds other Town resources may be used in combination to leverage project costs over the CDBG allocation amount.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	6	8
Number of Special-Needs households to be provided affordable housing units	0	0
Total	6	8

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	6	8
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
Total	6	8

Table 6 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

In the third year (2022) of reporting on the 2020 – 2024 Five Year Consolidated Plan there was one goal to provide rental assistance to six households. This rental assistance is provided through the Beaufort Housing Authority, and not directly by the Town. The Beaufort Housing Authority provided eight households with rental assistance. For production of new units, rehab of existing units and acquisition of existing units there was no goal set in the 2020 – 2024 Five Year Consolidated Plan. These are not activities the Town typically undertakes with CDBG funds. The difficulty in setting affordable housing goals pertains to the high cost and limited availability of buildable property on a coastal barrier island with finite boundaries.

Discuss how these outcomes will impact future annual action plans.

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 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. 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.

In 2022 the Town approved a resolution establishing the Beaufort-Jasper Regional Housing Trust Fund (RHTF). This regional organization was created to address the need for affordable housing in Beaufort and Jasper Counties. Goals of the RHTF are to: create new housing units, or rehabilitate or preserve existing housing units for households at or below 120 percent of Area Median Income with a strong focus on households at or below 60 percent of Area Median Income; provide workforce housing for the growing Beaufort-Jasper economy; help households maintain financial stability and build wealth by reducing the amount of money spent on housing and transportation; strengthen relationships, build trust and engage partners and stakeholders, ensuring an organized and collaborative approach to regional housing challenges; increase awareness of existing and new financial products that serve the Beaufort-Jasper community; and leverage outside funding from banks, corporations, philanthropic institutions, and federal, state, and local governments.

In November 2022 the Town Council of the Town adopted a Workforce Housing Framework, which commits the Town to work with the community to plan, manage, and fund home initiatives. The resolution approving the Framework authorizes the Town manager to take necessary steps to develop, implement and carry out strategies identified in the Workforce Housing Framework. The resolution also directs the Town manager to make an annual allocation of \$1 million for workforce housing beginning in the 2023 fiscal year. The Workforce Housing Framework consists of four pillars, each with specific goals, strategies, and critical first steps necessary to accomplish the mission of the Framework. The four pillars include:

- Community: the goal is to engage, collaborate, and inform the community on housing challenges and identify community-led housing program solutions. Strategies include developing partnerships and relationships with community organizations and establishing a housing action committee.
- Planning: the goal is to create a social, political, and economic environment that stimulates workforce housing through planning, policymaking, and programming.
- Management: the goal is to establish a management program and policies to advance workforce housing opportunities. This includes adding dedicated Town staff for

planning and coordination and exploring the creation of a professionally managed housing organization.

- Revenue: the goal is to provide a consistent, sustainable, and multi-sourced revenue model for funding workforce housing initiatives and partnerships. Through this goal the Town commits to a funding a plan that meets the needs of a multi-year workforce housing action plan.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	0
Low-income	0	0
Moderate-income	3,431	0
Total	3,431	0

Table 7 – Number of Households Served

Narrative Information

The Town has been designated an exception grantee which results in a LMI area percentage of 49.56% and is applied to Census tracts and blocks to determine activity eligibility on an area basis. The Town locates CDBG funded projects in Census tracts which meet or exceed the 49.56% or higher low-and-moderate-income population requirement established by HUD. The public infrastructure improvement listed in this 2022 CAPER for the Taylor Family Neighborhood Park is located in one of the Census tracts that meets these criteria.

The table above represents demographic information for clientele receiving public services provided by 2020 CDBG-CV reallocated funds, which were disbursed during the 2022 program year. The Town funded local public service organizations aiding predominantly low-and-moderate-income clientele for COVID-19 response and recovery efforts. During the application process organizations had to verify their clientele was 51% or more low-and-moderate-income based on HUD published income levels.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

The most current South Carolina Interagency Council on Homelessness (SCICH) State of Homelessness Report available is from January 2022. The SCICH released the state-wide report that focused on Homeless Management Information System (HMIS) data. The South Carolina 2022 State of Homelessness Report indicated while the statewide count for 2022 shows a 15% reduction in persons counted on a single night (point in time count), when compared to 2020, the annual data shows an increase in individuals receiving homeless services in fiscal year 2021. Overall, males remained the dominate gender receiving homeless services across the state. More than 50% of those receiving services reported as Black or African American. Of the 13,399 persons receiving homelessness services three percent reported Hispanic/Latino ethnicity. Adults ages 55 to 64 made up 19% of those served, ages 45 to 54 made up 17% of those served, and ages 35 to 44 made up 17% of those served. The average age of adults receiving services was 45 and the average age of children receiving services was eight.

The Covid-19 Pandemic influenced the collection of data in 2021 and HUD provided a waiver permitting Continuums of Care across the country to modify or eliminate the 2021 point in time count due to health and safety concerns. This resulted in no consistency in data collection and reporting implemented by the Continuums of Care statewide in 2021.

Results of the 2020 point in time count indicated 12 persons experiencing homelessness interviewed in Beaufort County. 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 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.

Addressing the emergency shelter and transitional housing needs of homeless persons.

Currently there are no emergency shelter and transitional housing shelters operating in the Town. At this time there is no future plan to own or operate emergency shelters or transitional housing in the Town.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that

address housing, health, social services, employment, education, or youth needs.

The Town anticipates continued collaboration with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community's capacity to address societal needs. Through 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.

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 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.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing.

The Town does not own or operate any public housing developments or units. The Beaufort Housing Authority is the agency providing public housing and Section 8 vouchers to approximately 2,408 residents in Beaufort County, South Carolina and there are 293 public housing units located throughout the county. In the Town, the Beaufort Housing Authority operates 80 public housing units at the Sandalwood Terrace Apartments.

Actions taken 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, community garden clubs, and college scholarships for graduating high school student through the Housing Authority's professional associations.

Actions taken to provide assistance to troubled PHAs.

Not Applicable.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken 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. 91.220 (j); 91.320 (i)

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

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 taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Data for lead-based paint hazards in the Town. At this time actions to address lead-based paint hazards have not been identified.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

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.

The Town anticipates continued collaboration with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community's capacity to address societal needs. Through 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.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The Town has participated in the HUD CDBG Entitlement Program since 2015. During the eight 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 first seven years of program participation. In program year 2022 the Town received a timeliness noncompliance notice. A timeliness workout plan was submitted to the HUD Columbia field office in June 2023 and notification of plan acceptance is pending.

In April 2021 a remote monitoring session was conducted by the Columbia field office

representative. No findings were reported during this monitoring; however, two concerns were cited. The first concern identified the need for a local written policies and procedures manual for administration of the CDBG award. Town staff developed a local CDBG policy and procedures manual in response to this concern and submitted it to HUD staff in June 2022. The second concern identified the need for an oversight process for subrecipients of 2020 CDBG and CDBG-CV funds. Town staff immediately conducted seven monitoring reviews of randomly selected subrecipients of 2020 CDBG and CDBG-CV funds. All subrecipient monitoring reviews resulted in no findings or concerns. In 2019 a “No Findings or Concerns” report was issued by the Regional Environmental Officer at the completion of an 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.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The Town collaborates with the Beaufort County Human Services Alliance, which is an informal group whose purpose is to promote and sustain activities that improve the quality of life for all Beaufort County residents. This group provides organizational framework that contributes to our community’s capacity to address societal needs. Through 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.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The Analysis of Impediments to Fair Housing Choice (AI) acknowledged nine impediments to fair housing choice: housing affordability, high cost of housing, inventory, transportation, small urban area, shelter and homelessness limited facilities, financial illiteracy, discrimination, and other.

Actions to overcome the effects of impediments identified in the AI include:

- In coordination with the Community Foundation of the Lowcountry and Hilton Head Public Service District, the Town committed to \$10 million of sewer improvements which will connect lower income areas which rely on septic systems to treat wastewater.
- The Town has used CDBG entitlement funds to pave dirt roads located in low- and moderate-income areas.
- The Town donated town-owned property for a 10 home Habitat for Humanity development.
- In 2017 the Public Planning Committee of the Town Council and Town staff began to study the issue of availability of workforce and affordable housing.

- In 2017 the Town was a participant in the Beaufort County Housing Needs Assessment process.
- In 2017 affordable housing stakeholder meetings were held with local builders, developers, employers, and service organizations to solicit input on community affordable housing needs.
- In 2017 the Town Council of the Town adopted nine recommendations related to workforce and affordable housing.
- In 2018 Town staff developed a scope of work for research, analysis, and options for a Town affordable housing strategy.
- In 2018 the Town engaged Lisa Sturtevant & Associates and Clemson University to develop workforce housing strategic plan.
- In April 2019 the workforce housing strategic plan was completed. It identifies workforce housing needs on Hilton Head Island, defines workforce housing, makes strategy recommendations, and includes implementation steps and a workforce housing toolbox.
- In 2019 and 2020 in response to the workforce housing strategic plan Town staff and the Town Council's Public Planning Committee developed a workforce housing policy and proposed amendments to the Town Land Management Ordinance (LMO) which allows for workforce housing opportunities. The proposed amendments to the LMO outline incentives to promote development of workforce housing units.
- In 2020 the 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.
- On February 22, 2022, Town Council hosted a workshop focused on workforce housing. The Town Manager proposed a public-private partnership strategy to develop workforce housing on Town-owned property.
- In April 2022, the Town issued a Request for Qualifications for a private partner to develop 12.97 acres of Town-owned land into a vibrant neighborhood for working families and individuals.
- In November 2022 Town Council adopted a Workforce Housing Framework which commits the Town to work with the community to plan, manage, and fund home initiatives.
- In May 2023 Town Council authorized the creation of the Housing Action Committee, which will advise and recommend to the Town various housing strategies for consideration, adoption, and implementation.
- In June 2023 Town Council approved \$3.3 million to launch a new Housing Fund to support workforce housing initiatives within the Town.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

The Town Finance Department staff is responsible for ensuring CDBG program requirements and funds are managed and allocated in compliance with federal regulations and guidelines. Town staff adheres to the procurement requirements as stated in the Municipal Code of the Town of Hilton Head Island, South Carolina Title 11, Procurement and Purchasing. Monitoring of Town files is conducted on an as-needed basis.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

A public notice advertising the public meeting and 15-day public comment period for the 2022 CAPER was published in the newspaper with local circulation (The Island Packet) on Thursday, August 10, 2023, and posted at the Town Hall bullet board and website on Wednesday, August 9, 2023. In addition, the public meeting notice was sent via email notification to individuals who submitted email addresses requesting notification of public notices. The 15-day public comment period began on Wednesday, August 16, 2023, and ended Thursday, August 31, 2023. A public meeting was held on Wednesday, August 16, 2023, at 5pm at the Benjamin M. Racusin Council Chambers at the Town of Hilton Head Island Town Hall located at 1 Town Center Court, Hilton Head Island, South Carolina. No citizens attended the August 16, 2023, public meeting and there were no comments received at the public meeting. No comments were received during the 15-day public comment period. Following the public comment period, the draft 2022 CAPER will be presented at the Town of Hilton Head Island Town Council meeting on September 19, 2023, for review and comment. A comment summary is attached to this CAPER.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction’s program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The year reported in this CAPER (2022) was the third year of the Town 2020 – 2024 Five Year Consolidated Plan and the objectives in the plan to allocated CDBG funding for a public improvement project and program administration costs did not change.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided.

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding childcare.					
Assisted residents to apply for or attend community college or a four-year educational institution.					
Assisted residents to apply for or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 9 – Qualitative Efforts - Number of Activities by Program

Narrative

No construction contracts were awarded during the July 2022 – June 2023 reporting period. One non-construction purchase order during the July 2022 – June 2023 reporting period totaled \$46,069 and no new persons needed to be hired to complete the covered purchase order.

ATTACHMENTS

**NOTICE OF 15 DAY PUBLIC COMMENT PERIOD
AND PUBLIC MEETING
CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT
(CAPER)**

Notice is hereby given that the Town of Hilton Head Island prepared a draft of its 2022 Consolidated Annual Performance Evaluation Report (CAPER) required by the U.S. Department of Housing and Urban Development (HUD) to assess progress in carrying out its one-year action plan for the HUD funded Community Development Block Grant (CDBG) Entitlement Program. The 2022 CAPER will be available for review and comment for 15 days beginning **Wednesday, August 16, 2023.**

A public meeting to obtain comments on the 2022 CAPER will be held **Wednesday, August 16, 2023, at 5:00 pm** at the Hilton Head Island Town Hall, Benjamin M. Racusin Council Chambers, 1 Town Center Court, Hilton Head Island, South Carolina. Copies of the draft CAPER will be available for review at the meeting and Monday – Friday, 8:00 am – 4:30 pm at the Town of Hilton Head Island Town Hall, or may be accessed via the Town of Hilton Head Island website at: <https://hiltonheadislandsc.gov> beginning at 8:00 am, **Wednesday, August 16, 2023.**

Written comments on the 2022 CAPER are encouraged. They may be submitted via the website link, email to marcyb@hiltonheadislandsc.gov, or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Finance Department, 1 Town Center Court, Hilton Head Island, SC 29928. Comments will be accepted until **Thursday, August 31, 2023.**

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. Marcy Benson, Senior Grants Administrator, has been designated to coordinate compliance with the nondiscrimination requirements contained in the U.S. Department of Housing and Urban Development's regulations. She may be reached at the email address listed above or by phone at (843) 341-4689.

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AND PUBLIC MEETING
CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT
(CAPER)**

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Town of Hilton Head Island Website - Main Page
August 9, 2023
2022 CDBG Consolidated Annual Performance Evaluation Report (CAPER)
Public Meeting Notice

The screenshot shows the Hilton Head Island website with a dark blue header. The header includes the town logo, navigation links for Government, Business & Development, Our Island, Public Safety, and How Do I..., and utility links for Site en Español, Jobs, Contact Us, and Select Language. A search bar is also present. Below the header is a large landscape image of a marsh. The main content area is divided into three columns. The left column is titled 'News and Announcements' and features three news items. The middle column is titled 'Contact Info' and provides details for Carolyn Grant, Communications Director. The right column is titled 'Connect with Us' and lists social media handles and an e-subscription service. A vertical social media sidebar is visible on the right edge of the browser window.

News and Announcements

- Consolidated Annual Performance Evaluation Report (CAPER)**
Notice Of 15 Day Public Comment Period and Public Meeting
August 9, 2023
- REMINDER: Hilton Head Island Town Council to Hold Workshop on Progress of its Strategic Action Plan**
August 8, 2023
- NEWS RELEASE**
Town of Hilton Head Island Hosting Workshop on Applying for Accommodations Tax Grants
August 8, 2023

Contact Info

Carolyn Grant
Communications Director
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843-341-4618
CarolynG@hiltonheadislandsc.gov

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Town of Hilton Head Island Website
August 9, 2023
2022 CDBG Consolidated Annual Performance Evaluation Report (CAPER)
Public Meeting Notice Page

The screenshot shows the Hilton Head Island website's public notice page. At the top, there is a dark blue navigation bar with the town's logo and name on the left, and links for 'Sitio en Español', 'Jobs', 'Contact Us', and 'Select Language' on the right. Below the navigation bar is a large banner image of three sea turtles on a sandy beach. To the right of the banner is a vertical stack of social media icons for YouTube, Twitter, Instagram, Facebook, and Nextdoor. Below the banner, the page title 'Public Notice' is displayed in a large, bold, blue font. The main heading is 'Consolidated Annual Performance Evaluation Report (CAPER)' in bold black text, followed by a sub-heading 'Notice Of 15 Day Public Comment Period and Public Meeting' and the date 'August 9, 2023'. A small circular seal of the town is to the right of the sub-heading. The main body of the page contains several paragraphs of text. The first paragraph states that the town has prepared a draft of its 2022 CAPER report and that it will be available for review and comment for 15 days beginning on Wednesday, August 16, 2023. The second paragraph provides details about a public meeting to obtain comments on the draft report, scheduled for Wednesday, August 16, 2023, at 5:00 pm at the Hilton Head Island Town Hall. The third paragraph encourages written comments and provides contact information for Marcy Benson, Senior Grants Administrator, including a website link, email address, and phone number. The fourth paragraph is a disclaimer stating 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. At the bottom of the main content area, there is a 'Contact' section with Marcy Benson's contact information and a 'View More News' button. The footer of the page is a dark green bar with white text. It includes links for 'Sitio en Español', 'Website Policy', 'Social Media Use Policy', 'Employee Portal', and 'Contact Webmaster'. In the center, there is a large 'Hilton Head Island' logo with contact information: '1 Town Center Court, Hilton Head Island, SC 29928, 843-341-4600, 8 am - 4:30 pm Monday - Friday'. On the right side of the footer, there is a 'Stay Connected' section with social media icons for Facebook, Instagram, Twitter, YouTube, and Nextdoor. At the very bottom of the footer, there are two emergency hotlines: 'Short-Term Rental Nuisance Management Hotline - 843-341-6864' and 'Stormwater Hotline - 843-671-7240'.

Hilton Head Island
1 Town Center Court
Hilton Head Island, SC 29928
843-341-4600
8 am - 4:30 pm Monday - Friday

Short-Term Rental Nuisance Management Hotline - 843-341-6864
Stormwater Hotline - 843-671-7240

From: [Carolyn Grant](#)
To: [Marcy Benson](#)
Subject: FW: Bulletin Detail Report: Notice of 15-Day Public Comment Period and Public Meeting Consolidated Annual Performance Evaluation Report
Date: Wednesday, August 9, 2023 1:53:39 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Please see below. Let me know if you need a PDF.



Carolyn Grant
COMMUNICATIONS DIRECTOR
Office: (843) 341-4618
Mobile: (843) 715-1393
Website: hiltonheadislandsc.gov
Address: Town of Hilton Head Island
1 Town Center Court
Hilton Head Island, SC 29928

From: Town of Hilton Head Island <updates@secure.hiltonheadislandsc.gov>
Sent: Wednesday, August 9, 2023 1:51 PM
To: Carolyn Grant <carolyng@hiltonheadislandsc.gov>
Subject: Bulletin Detail Report: Notice of 15-Day Public Comment Period and Public Meeting Consolidated Annual Performance Evaluation Report

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Having trouble viewing this email? [View this report in your account.](#)



Report Generated: 08/09/2023 01:51 PM EDT

This report automatically generates after a bulletin is sent. [View the Bulletin Detail Report online](#) to see the most recent performance metrics for this bulletin.

Subject: Notice of 15-Day Public Comment Period and Public Meeting Consolidated Annual Performance Evaluation Report
Sent: 08/09/2023 09:51 AM EDT
Sent By: carolyng@hiltonheadislandsc.gov
Sent To: Subscribers of Legal Notices



3,413

Recipients

X SMS

X Facebook

X Twitter

✓ RSS

97.1%

Delivered



1% Pending

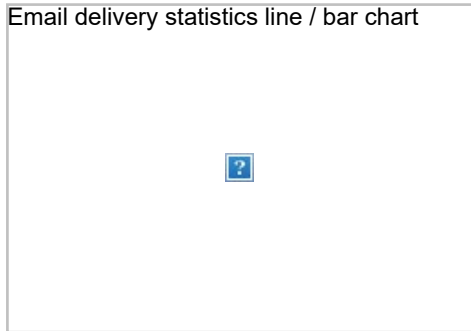
2% Bounced

29% Open Rate

1% Click Rate

Email Delivery Stats

Email delivery statistics line / bar chart



Minutes	Cumulative Attempted
3	99%
5	99%
10	99%
30	99%
60	99%
120	99%

Delivery Metrics - Details

3,413 Total Sent

3,313 (97%) Delivered

21 (1%) Pending

79 (2%) Bounced

0 (0%) Unsubscribed

Bulletin Analytics

1,259 Total Opens

967 (29%) Unique Opens

29 Total Clicks

29 (1%) Unique Clicks

11 # of Links

Delivery and Performance

Channel	Progress	Percent Delivered	Number of Recipients	Number Delivered	Opened / Unique	Bounced / Failed	Unsubscribed
Email Bulletin	Sending...	96.7%	2,994	2,894	967 / 33.4%	79	0
SMS Message	Delivered	0.0%	0	0	n/a	0	n/a

Bulletin Link Overview

Link URL	Unique Clicks	Total Clicks

https://hiltonheadislandsc.gov/news/news.cfm?NewsID=3057&utm_medium=email...	4	4
https://hiltonheadislandsc.gov?utm_medium=email&utm_source=govdelivery	3	3
https://www.flickr.com/photos/townofhiltonheadisland/?utm_medium=email&u...	3	3
http://public.govdelivery.com/accounts/SCHILTONHEAD/subscribers/new?pref...	3	3
https://content.govdelivery.com/accounts/SCHILTONHEAD/bulletins/369d3ad?...	3	3
https://subscriberhelp.govdelivery.com/	3	3
https://public.govdelivery.com/accounts/SCHILTONHEAD/subscriber/edit?pre...	2	2
https://hiltonheadislandsc.gov/contactus/?utm_medium=email&utm_source=go...	2	2
https://www.youtube.com/c/TownofHiltonHeadIslandSC?utm_medium=email&utm_...	2	2
https://twitter.com/townofhhi?utm_medium=email&utm_source=govdelivery	2	2
https://www.facebook.com/townofhiltonheadislandsc?utm_medium=email&utm_s...	2	2

Need more reports? [Additional reporting is available in your account.](#) If you want additional information on reporting, please visit the [reporting help menu.](#)

Want to learn more about these metrics and the best practices for improving results? Contact your dedicated Client Success Consultant! Not sure who that is? Send us an email at support@granicus.com and we'll help you find out.



STAY CONNECTED:





THE ISLAND PACKET

NOTICE OF 15 DAY PUBLIC COMMENT PERIOD AND PUBLIC MEETING CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT (CAPER)

Notice is hereby given that the Town of Hilton Head Island prepared a draft of its 2022 Consolidated Annual Performance Evaluation Report (CAPER) required by the U.S. Department of Housing and Urban Development (HUD) to assess progress in carrying out its one-year action plan for the HUD funded Community Development Block Grant (CDBG) Entitlement Program. The 2022 CAPER will be available for review and comment for 15 days beginning **Wednesday, August 16, 2023**.

A public meeting to obtain comments on the 2022 CAPER will be held **Wednesday, August 16, 2023, at 5:00 pm** at the Hilton Head Island Town Hall, Benjamin M. Racusin Council Chambers, 1 Town Center Court, Hilton Head Island, South Carolina. Copies of the draft CAPER will be available for review at the meeting and Monday – Friday, 8:00 am – 4:30 pm at the Town of Hilton Head Island Town Hall, or may be accessed via the Town of Hilton Head Island website at: <https://hiltonheadislandsc.gov> beginning at 8:00 am, **Wednesday, August 16, 2023**.

Written comments on the 2022 CAPER are encouraged. They may be submitted via the website link, email to marcyb@hiltonheadislandsc.gov, or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Finance Department, 1 Town Center Court, Hilton Head Island, SC 29928. Comments will be accepted until **Thursday, August 31, 2023**.

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. Marcy Benson, Senior Grants Administrator, has been designated to coordinate compliance with the nondiscrimination requirements contained in the U.S. Department of Housing and Urban Development's regulations. She may be reached at the email address listed above or by phone at (843) 341-4689.

Town of Hilton Head Island Website
August 16, 2023
2022 CDBG Consolidated Annual Performance Evaluation Report (CAPER)
Public Comment Period and Public Meeting Notice Page

Hilton Head Island

Sito en Español Jobs Contact Us Select Language

Government Business & Development Our Island Public Safety How Do I... Subscribe

Community Development Block Grant (CDBG) Program

The Community Development Block Grant (CDBG) program is a federal grant program administered by the U.S. Department of Housing & Urban Development (HUD). It provides annual grants on a formula basis to entitled cities and counties based on population data from the U.S. Census Bureau.

The Town of Hilton Head Island became a CDBG entitlement community in 2015.

- The annual amount of CDBG entitlement funding fluctuates each year of program participation and is calculated by HUD.
- Funds are to be used to benefit low-and-moderate income persons, based on HUD guidelines and U.S. Census data.
- The program supports community development activities that may address such needs as public improvements, public facilities, housing activities, other real property improvements, and public services.

Staff Contact

Marcy Benson
Senior Grants Administrator
✉ MarcyB@hiltonheadislandsc.gov
☎ 843-341-4689

2022 Consolidated Annual Performance Evaluation Report (CAPER)

Notice Of 15 Day Public Comment Period and Public Meeting

Notice is hereby given that the Town of Hilton Head Island prepared a draft of its 2022 Consolidated Annual Performance Evaluation Report (CAPER) required by the U.S. Department of Housing and Urban Development (HUD) to assess progress in carrying out its one-year action plan for the HUD funded Community Development Block Grant (CDBG) Entitlement Program. The 2022 CAPER will be available for review and comment for 15 days beginning **Wednesday, August 16, 2023**.

A public meeting to obtain comments on the 2022 CAPER will be held **Wednesday, August 16, 2023, at 5:00 pm** at the Hilton Head Island Town Hall, Benjamin M. Racusin Council Chambers, 1 Town Center Court, Hilton Head Island, South Carolina. Copies of the draft CAPER will be available for review at the meeting and Monday - Friday, 8:00 am - 4:30 pm at the Town of Hilton Head Island Town Hall, or may be accessed via the Town of Hilton Head Island website at <https://hiltonheadislandsc.gov> beginning at 8:00 am, **Wednesday, August 16, 2023**.

Written comments on the 2022 CAPER are encouraged. They may be submitted via the website link, email to MarcyB@hiltonheadislandsc.gov, or by mail to Marcy Benson, Senior Grants Administrator, Town of Hilton Head Island Finance Department, 1 Town Center Court, Hilton Head Island, SC 29928. **Comments will be accepted until Thursday, August 31, 2023.**

[Draft 2022 Consolidated Annual Performance Evaluation Report \(CAPER\)](#)

[Submit Comments](#)

Public Notices



Consolidated Annual Performance Evaluation Report (CAPER)
Notice Of 15 Day Public Comment Period and Public Meeting

August 9, 2023

TOWN OF HILTON HEAD ISLAND

2022 Consolidated Annual Performance Evaluation Report (CAPER)

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

August 16, 2023 5:00PM

AGENDA

- Welcome and Sign-in
- CDBG Entitlement Program & CAPER Overview
- Resources Available and Geographic Distribution
- Public Discussion
- Next Steps in CAPER Process

PLEASE SIGN IN:

NAME	MAILING ADDRESS	EMAIL ADDRESS

No Meeting Attendees

**Public Meeting Minutes
Public Meeting to Solicit Comments and Discuss
Community Development Block Grant (CDBG) Entitlement Program
2022 Consolidated Annual Performance Evaluation Report (CAPER)**

**Wednesday, August 16, 2023, 5:00pm
Benjamin M. Racusin, Council Chambers of the Town Hall
1 Town Center Court, Town of Hilton Head Island**

Present: See attached sign-in sheet.

Marcy Benson, Senior Town Grants Administrator was present in the Benjamin M. Racusin, Council Chambers of the Town of Hilton Head Island Town Hall at the noticed 5pm meeting start time. A PowerPoint presentation was prepared and ready for presentation describing the Town of Hilton Head Island Community Development Block Grant (CDBG) 2022 Consolidated Annual Performance Evaluation Report (CAPER). Copies of the 2022 CAPER were available for distribution at the meeting and via the Town of Hilton Head Island website. No members of the public attended this public meeting. No comments were received and the meeting adjourned at 5:16pm.

Public Comment Summary
For the Town of Hilton Head Island
2022 Consolidated Annual Performance Evaluation Report
(CAPER)

Public Comments Received During 15 Day Comment Period (August 16 - 31, 2023):

- **No comments received.**
-

Public Comments Received at the Public Meeting on August 16, 2023

- **No comments received.**
-



CDBG 2022 Consolidated Performance Evaluation Report (CAPER)

September 1, 2023, 8:39 AM

Contents

i.	Introduction	2
ii.	Summary of comments	3
iii.	Survey questions	4
iv.	Individual comments	5

CDBG 2022 Consolidated Performance Evaluation Report (CAPER)

The Town is accepting comments on the draft 2022 Consolidated Performance Evaluation Report (CAPER).

Introduction

Public Comment Period and Public Meeting Consolidated Annual Performance Evaluation Report (Caper)

The Town of Hilton Head Island prepared a draft of its 2022 Consolidated Annual Performance Evaluation Report (CAPER) required by the U.S. Department of Housing and Urban Development (HUD) to assess progress carrying out its one-year action plan for the HUD funded Community Development Block Grant (CDBG) Entitlement Program. The 2022 CAPER will be available for review and comment for 15 days beginning Wednesday, August 31, 2023.

A public meeting to obtain comments on the 2022 CAPER will be held Wednesday, August 16, 2023, at 5:00pm at the Hilton Head Island Town Hall, Benjamin M. Racusin Council Chambers, 1 Town Center Court, Hilton Head Island, South Carolina. Copies of the draft CAPER will be available for review at the meeting and Monday - Friday 8 am - 4:30 pm at the Town of Hilton Head Island Town Hall, or may be accessed via the Town of Hilton Head Island website a <https://hiltonheadislandsc.gov/cdbg/> beginning at 8 am, Wednesday, August 16, 2023.

Written comments on the 2021 CAPER 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 Executive Department, 1 Town Center Court, Hilton Head Island, SC 29928, Comments will be accepted until Thursday, August 31, 2023.

CDBG 2022 Consolidated Performance Evaluation Report (CAPER)

The Town is accepting comments on the draft 2022 Consolidated Performance Evaluation Report (CAPER).

Summary Of Comments

As of September 1, 2023, 8:39 AM, this forum had:		Topic Start	Topic End
Attendees:	10	August 16, 2023, 9:07 AM	August 31, 2023, 4:30 PM
Comments:	0		
Minutes of Public Comment:	0		

QUESTION 1

Name

No response

QUESTION 2

Do you have any comments regarding the Draft 2022 Consolidated Performance Evaluation Report (CAPER)?

No response

CDBG 2022 Consolidated Performance Evaluation Report (CAPER)

The Town is accepting comments on the draft 2022 Consolidated Performance Evaluation Report (CAPER).

Survey Questions

QUESTION 1

Name

QUESTION 2

Do you have any comments regarding the Draft 2022 Consolidated Performance Evaluation Report (CAPER)?

CDBG 2022 Consolidated Performance Evaluation Report (CAPER)

The Town is accepting comments on the draft 2022 Consolidated Performance Evaluation Report (CAPER).

Individual Comments



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council Members
FROM: Joshua Gruber, *Deputy Town Manager*
CC: Marc Orlando, *Town Manager*
DATE: September 11, 2023
SUBJECT: Consideration of a Resolution Extending the Term of the Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association

RECOMMENDATION:

Town Council should consider extending the existing Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association upon the existing terms and conditions while both entities work on finalizing a new Memorandum of Understanding.

BACKGROUND:

The Town of Hilton Head Island ("Town") and the Island Recreation Association ("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 back in July and began discussing the terms necessary to be included within a new Memorandum of Understanding. Both the Town and the Association have been active in preparing and reviewing materials related to crafting this document and are hopeful that a proposed document will be produced shortly for review by the Finance and Administrative Committee and ultimately, approval by Town Council.

In order to ensure the continued partnership of the Town and the Association during this time, staff is requesting that Town Council consider approving a Resolution extending the current Memorandum of Understanding on a monthly basis until such time as the new Memorandum of Understanding has been approved, or the existing agreement has been terminated.

A copy of the existing Memorandum of Understanding and a draft Resolution authorizing the extension of this document are enclosed as Attachments 1 and 2 respectively.

CONCLUSION

Town Council should consider extending the existing Memorandum of Understanding between the Town and the Association while both entities work on finalizing and executing a new Memorandum of Understanding outlining their continued partnership.

ATTACHMENTS:

1. Memorandum of Understanding with Island Recreation Association (07/17/2023)
2. Resolution Extending the Term of the Memorandum of Understanding between the Town of Hilton Head Island and the Island Recreation Association

C45-2018

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

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this 17 day of July, 2018, 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").

WHEREAS, the Town recognizes the need for providing for a recreational services and facilities throughout the Town; and

WHEREAS, the Town owns the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Green's Shell Park, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Coligny Park, Low Country Celebration Park, and the Cordillo Tennis Courts, all located within the Town; and

WHEREAS, the Town of Hilton Head Island and the Hilton Head Island Recreation Association desire to enter into an agreement wherein the Association will manage and operate the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green's Shell Park, Coligny Park, Low Country Celebration Park, and the Cordillo Tennis Courts.

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:

1. **Governing Document.** It is the intent of the parties 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 the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, and Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green's Shell Park, Coligny Park, Low Country Celebration Park, and the Cordillo Tennis Courts.

Exhibit A. Agreement which shall govern the management and operation of Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green's Shell Park, Coligny Park, Low Country Celebration Park, and the Cordillo Tennis Courts.

- Exhibit B.** Site Plans for Parks and Tennis Facilities.
- Exhibit C.** Covenants and Restrictions (Shelter Cove Park).
- Exhibit D.** Use and Assessments Agreement (Shelter Cove Park).
- Exhibit E.** Park Management Plan (Shelter Cove Park).
- Exhibit F.** Operation Plan for Tennis Courts.
- Exhibit G.** Fee Schedules for Parks and Tennis Courts.
- Exhibit H.** Lease with Beaufort County School District dated July 19, 2016.
- Exhibit I.** Memorandum of Understanding between Sandbox and Town of Hilton Head Island, with Conceptual Design Plan and Proposed Lease.
- Exhibit J.** Van Der Meer Agreement (Cordillo Tennis Courts).
- Exhibit K.** Sample Island Recreation Association Annual Metrics Report.

2. **General.**

a. The Town owns the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Chaplin Community Park, Coligny Park, Low Country Celebration Park, and the Cordillo Parkway Tennis Courts. The Association shall manage and operate the Recreation Center, Shelter Cove Community Park, Jarvis Creek Park, Crossings Park, Bristol Sports Arena, Barker Field Extension, Chaplin Community Park and Tennis Courts, Rowing and Sailing Center at Squire Pope Community Park, Green Shell Park, Coligny Park, Low Country Celebration Park, and the Cordillo Tennis Courts. Personnel of the Association shall not be employees of the Town.

b. The Association shall coordinate a schedule of programs that utilizes all areas at the Recreation Center, above mentioned Parks and Tennis Courts and those School District recreational facilities made available to the Town by the lease, Exhibit H. Programs shall be offered for all age groups. Access to facilities at the Recreation Center, Parks, and Tennis Court facilities shall be without regard to race, creed, disability, color, sex or national origin.

3. **Maintenance.** The Association shall maintain all buildings, facilities and grounds at the Recreation Center in a clean, safe manner and in good repair, normal wear and tear excepted. Maintenance of the Shelter Cove Community Park, Coligny Park, Low Country Celebration Park, Green's Shell Park, Jarvis Creek Park, Rowing and Sailing Center, Chaplin Community Park athletic fields and tennis courts, and the Cordillo tennis courts shall be through the Facilities

Management Division of the Town. Maintenance of the Crossings Park, Bristol Sports Arena, Barker Field Extension, and Chaplin Community Park (except for the tennis courts) shall be through Beaufort County.

4. **Programming.**

- a. The Recreation Center, excluding the swimming pool, shall be open daily, except during annual maintenance and the following holidays: Christmas Eve, Christmas, New Years Day, Thanksgiving Day, Easter Sunday, Memorial Day, July 4th and Labor Day. Unless otherwise listed in the Agreement, hours of operation shall be as follows:

Monday through Friday	8:00 am-9:00 pm
Saturday	10:00 am-3:00 pm
Sunday	12:00 noon-4:00 pm

- b. The Parks shall be open the following hours:

Shelter Cove Community Park	8:00 a.m. - 10:00 p.m.;
Coligny Park	8:00 a.m. - 10:00 p.m.;
Low Country 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. - 10:00 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.

- c. The Association may schedule programs or have facility rentals that occur outside the normal operating hours.
- d. The Association shall be authorized to provide supervised instruction for various recreation activities as part of its regular programming, which will include instruction for surfing classes, Adventure Camp, and paddle board lessons that may occur at the beach. These instructional classes will not be considered to be commercial activity upon the beach. The Association shall be authorized to utilize a golf cart or gator to access the beach and carry the equipment to and from the instruction areas on the beach.

5. **Swimming Pool.**

- a. 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 Years

Day, Easter Sunday, and Thanksgiving Day. The hours of operation shall be as follows:

Monday through Friday	9:00 am-7:00 pm
Saturday & Sunday	12:00 noon-4:00 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 anticipated use.

- b. In accordance with paragraph 14 of the Lease, exhibit H, the swimming pool shall also be open during dates and times mutually agreed upon between the Association and the Beaufort County School District purposes of teaching swimming and for 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.

6. **Operating Funds.**

- a. The Association shall submit an annual operating budget to the Town. The submission of this budget 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 in regard to the budgeting process.
- b. 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 all sources other than the Town General Fund commitment for the annual operating budget of the Center. The Association shall also be authorized to charge reasonable user fees for programs and services provided by the Center, Parks and Tennis Court facilities. Such fees shall be designed to offset applicable personnel, administrative and operating expenses allocable to the program or service.
- c. Other entities, public or private, may contribute to the annual operating budget of the Association.
- d. It is understood by the Association that the Town will not provide operating funds for the facility on Cordillo Parkway now known as the Island Art Academy, during the term of the Association's lease agreement with the Art League or any other entity.

7. **Accounting Services.** The Town shall provide timely accounting, check writing, payroll, audit and income tax preparation services to the Association. 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 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 reasonably acceptable to the Association and the Town.

8. **Bank Accounts, Checks, and Payments.**

- a. Bank accounts shall be maintained in such institutions as the Association shall determine appropriate. Checks shall be prepared by the Town 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.
- b. A separate checking account in an amount not to exceed Ten Thousand dollars (\$10,000.00), unless otherwise authorized in writing by the Town, shall be maintained by the Association to fund smaller ongoing cash needs. 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.
- c. The Association shall provide to 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.

9. **Procurement and Purchasing.** Unless otherwise authorized in writing by the Town, the Association will adhere to procurement and purchasing procedures of 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.

10. **Miscellaneous.**

- a. The Association shall provide the Town with current copies of all insurance policies of the Association relating to the Recreation Center, Parks, and Tennis Courts within thirty (30) days of signing of the Agreement and copy 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 in accordance with the Agreements in Exhibits A, B, and C relating to the Recreation Center, Parks, and Tennis Courts within thirty (30) days of receiving of 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.
- d. 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.

11. **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 record may be changed by written notice to the other party.

12. **Term.** The term of this Memorandum of Understanding shall be from the date of execution to September 30, 2023. Prior to September 30, 2023 the Memorandum of Understanding will be reviewed by the Town and the Association. Changes may be made only with the mutual consent of both parties.

13. **Termination.** In addition 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 parties hereto have affixed their signatures hereto the date first written hereinabove.

WITNESSES:

HILTON HEAD ISLAND RECREATION ASSOCIATION, INC.

Mary G. Hall

By:

J. Meza

Marta J. Kent

Attest:

[Signature]

WITNESSES:

TOWN OF HILTON HEAD ISLAND

[Signature]

By:

David Bennett

David Bennett, Mayor

[Signature]

Attest:

[Signature]

Stephen G. Riley, ICMA-CM, Town Manager

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

RESOLUTION NUMBER 2023-__

**A RESOLUTION BY THE TOWN OF HILTON HEAD ISLAND
AUTHORIZING AN EXTENSION OF THE EXISTING 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 management of most Town-owned recreational/park facilities; and

WHEREAS, the existing Memorandum of Understanding is set to expire on September 30, 2023; 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, in order to allow for the necessary amount of time that will be required to craft, review, and approve this document, it is appropriate to extend the existing Memorandum of Understanding upon its current terms and conditions; and

WHEREAS, such extension to continue until the execution of a new Memorandum of Understanding or the termination of the existing Memorandum of Understanding, whichever shall occur first.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Councilmembers of the Town of Hilton Head Island, in Council assembled, that the Town hereby authorizes an extension of the July 18, 2018, Memorandum of

Understanding with the Island Recreation Association on a monthly basis until such time as a new Memorandum of Understanding shall be executed by the parties or the current Memorandum of Understanding is terminated by either party.

THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ITS ADOPTION.

MOVED, APPROVED, AND ADOPTED ON THIS 19th DAY OF SEPTEMBER 2023.

**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: _____