



Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, May 16, 2023, 3:00 PM
AGENDA - REVISED

The Town Council meeting will be held in-person at Town Hall in the Benjamin M. Racusin Council Chambers. The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

Please Note: Item 12b. was removed from executive session and added under new business, it now is listed as 11c.

- 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. Roll Call**
- 4. Pledge to the Flag**
- 5. Invocation – Pastor Louis Johnson – Central Oak Grove Missionary Baptist Church**
- 6. Civility Pledge**
- 7. Approval of the Minutes**
 - a. Regular Meeting Minutes of May 2, 2023
- 8. Report of the Town Manager**
 - a. Items of Interest
 - b. Beaufort Jasper Housing Trust – Tony Alfieri, Town of Hilton Head Island Board Representative
 - c. Hilton Head Island – Bluffton Chamber of Commerce Leadership Class Project Update - Cary Welker, Leadership Class of 2023
 - d. Gullah Geechee Task Force Biannual Update – Lavon Stevens, Chairman, Gullah Geechee Task Force
 - e. Gullah Geechee Work Plan Quarterly Update – Krishana Perry, Principal Planner, Historic Neighborhood Preservation
 - f. Workforce Housing Program Monthly Update – Missy Luick, Assistant Community Development Director
 - g. Home Safety & Repair Program Quarterly Update – Missy Luick, Assistant Community Development Director
 - h. Sewer Connection Program Quarterly Update – Missy Luick, Assistant Community Development Director
 - i. Prior Month Public Comment Follow Up on Beach City Road Cat Sanctuary

– Josh Gruber, Deputy Town Manager

9. 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

10. Appearance by Citizens: Citizens who wish to address Town Council on the matters being discussed during the meeting may do so by contacting the Town Clerk at 843.341.4701 no later than 12:00 p.m. Tuesday, May 16, 2023. Written comments concerning items on the agenda may be submitted at the [Open Town Hall Portal](#).

11. New Business

- a. First Reading of Proposed Ordinance 2023 – 13 Amending Provisions of Title 11, Chapter 1 of the Municipal Code for the Town of Hilton Head Island to Provide for a Small and Minority-Owned Disadvantaged Business Enterprise Utilization Program and a Corresponding Good Faith Effort Program
- b. First Reading of Proposed Ordinance 2023 – 14 to Amend the Franchise Agreement between the Town of Hilton Head Island and Shore Beach Services, Inc. Concerning the Allocation of Lifeguard Personnel
- c. Consideration of a Resolution Authorizing the Creation of the Housing Action Committee for the Town of Hilton Head Island

12. Executive Session

- a. 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:
 1. Mount Calvary Missionary Baptist Church of HHI, et al vs Town of HHI, et al
 2. Mitchelville Road Dirt Road Paving
 3. Main Street Right of Way Acquisition
- 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)]

- c. Discussion of Negotiations Incident to Proposed Contractual Arrangements for a Beach Franchise Agreement [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70(a)(2)]
- d. 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)] Related to:

- 1. Town Attorney Contract

13. Possible Action by Town Council Concerning Matters Discussed in Executive Session

14. Adjournment



Town of Hilton Head Island
TOWN COUNCIL MEETING
Tuesday, May 2, 2023, 3:00 PM
Minutes

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

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*; Ben Brown, *Sr. Advisor to the Town Manager*; Kimberly Gammon, *Town Clerk*; John Troyer, *Finance Director*; Erica Madhere, *Budget Analyst*; Bryan McIlwee, *Assistant Community Development Director*; Missy Luick, *Assistant Community Development Director*; Zenos Morris, *Assistant Community Development Director*; Carolyn Grant, *Communications Director*; Kelly Spinella, *Social Media and Marketing Manager*; Bob Bromage, *Public Safety Director* Jeff Buckalew, *Town Engineer*; Jeff Shumaker, *Community Code Enforcement Officer*; Cindaia Ervin, *Assistant Town Clerk*

1. Call to Order

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

2. FOIA Compliance

Ms. Ervin affirmed compliance with FOIA.

3. Roll Call

Attendance was confirmed by way of roll call.

4. Pledge to the Flag

5. Invocation – Pastor Brett Myers – First Baptist Church Hilton Head Island

Pastor Brett Myers delivered the invocation.

6. Civility Pledge

7. Approval of the Minutes

a. Regular Meeting – April 18, 2023

Mr. Ames moved to approve. Mr. Alfred seconded. Ms. Brison moved to amend the minutes with the following: Agenda Item 7.a. - Page 2, *correct number of Senate Bill to 0284 and delete House Bill 4213*. Agenda Item 11.c. – Page 4, add the following

sentence before public comments: *Ms. Brison stated she could not support the motion as amended since her constituents request the additional pathway be installed on the northern boundary.* Ms. Becker seconded. Motion carried 7-0. The minutes as amended were approved. Motion carried 7-0.

8. Report of the Town Manager

a. Items of Interest

Marc Orlando reported that Town Council Budget Workshops are scheduled for May 9 and May 10, 2023. He noted there would be an update regarding the Cat Sanctuary located on Beach City Road at the May 16, 2023 regular meeting. He added that the Strategic Action Plan will be presented at the June 6, 2023 regular meeting of Town Council along with second reading of the proposed budget for FY2024.

9. Appearance by Citizens

Bob Soltys addressed Council regarding the need for a world-class pickleball facilities on Hilton Head Island and the need to designate funds for improvements at the Adrianna pickleball courts; expansion of the Adrianna facility to 12 courts; and the need to commit 2024 funds to finalize the design of a 24-court pickleball complex.

Freida Hansburg spoke in favor of and the need for the expansion of pickleball facilities on the Island. She emphasized the importance of the sport and the socialization it provides.

Judy Bastian addressed Council regarding support of and the need for improved pickleball facilities.

Lori Miller addressed Council regarding the need for improved pickleball facilities which would in turn make Hilton Head Island a world-class pickleball vacation destination.

Jeff Conradi, District Ambassador for USA Pickleball, South Carolina addressed Council providing statistics regarding pickleball and the need for public courts.

Rick Hobson addressed Council provided statistics regarding pickleball and the need for improved and additional pickleball courts. He added the sport provides much needed socialization.

Liz Dunn addressed Council regarding the ongoing problem with cats at the Spa on Port Royal Sound neighborhood and asked for assistance from Town Council to remedy the problem.

Susan Halpert addressed Council in support of the Cat Sanctuary.

Sheree Capello addressed Council in support of All About Cats and the Cat

Sanctuary stating the cats at the Spa are not cats from the Cat Sanctuary.

Theresa Coco addressed Council suggesting the Cat Sanctuary be relocated.

Sam Einfelt addressed Council regarding the cat problem at the Spa on Port Royal Sound and conversations with the owner of All About Cats regarding the problem.

Elise Upperman addressed Council regarding cats at the Spa on Port Royal Sound stating she did not think the cats were coming to the Spa from the Cat Sanctuary and spoke in support of All About Cats and the services they provide.

Lauren Albrecht addressed Council in support of All About Cats and the services they provide.

Dee Lamprecht addressed Council and defined the services provided by All About Cats and noted the cats at the Spa are not cats from All About Cats.

Colleen Bailey addressed Council in support of All About Cats and the Cat Sanctuary.

Brenda Manning addressed Council in support of the Cat Sanctuary noting the assistance given to rescue cats from the Spa.

Dena Drennen registered to address Council but was not present when called upon.

Dr. Kimberly Dudas, a representative from the University of South Carolina – Beaufort, addressed Council regarding opposition to Proposed Ordinance 2023-11. She stated that the University has been fiscally responsible with the funding and cannot support the proposed ordinance with no sustainable budget model provided. Dr. Dudas informed Council the University will step aside if the Proposed Ordinance is approved.

Skip Hoagland addressed Council and showed a Power of Attorney to speak on behalf of Lynne Greeley. He stated he would waive his three minutes that he registered for to speak on her behalf. Mayor Perry advised Mr. Hoagland that Council does not accept Power of Attorney for citizens to speak on behalf of another person. Mr. Hoagland continued to address Council regarding the Hilton Head Island – Bluffton Chamber of Commerce and requesting compliance with Mr. Hoagland's FOIA request regarding such.

Daniel Anthony addressed Council regarding LMO amendments and overdevelopment.

Peter Kristian addressed Council regarding proposed legislature pertaining to short-term rental regulations and encouraged the Town to track the bill. In addition,

he addressed Council regarding the USBC campus on Hilton Head Island and his support of development of a Community Management program.

10. Public Hearing

- a. First Reading of Proposed Ordinance 2023-10 Adopting the Municipal Budget for the Town of Hilton Head Island for Fiscal Year 2024 Ending June 30, 2024.

Mr. Orlando delivered a presentation to Town Council providing an overview of the proposed Fiscal Year 2024 budget of \$129.95 million. He reviewed projected revenue along with details of expenditures and fundings sources for such. Mr. Orlando stated the budget addresses community priorities such as growth management; workforce housing; traffic solutions; infrastructure enhancement; economic development; resiliency; recreation; and public safety with no increase in taxes. He noted the May 9 workshop will address all funds apart from the Capital Improvement Fund which will be addressed at the May 10 Workshop.

Mr. Ames moved to approve. Ms. Brison seconded. Council Members asked questions and provided input regarding: the increase in grant funding and appreciation to staff for applying for the available funding; the need for fiscal responsibility; concern with the number of new hires and expansion of government; the need to look for places to take tax dollars and return them to taxpayers; appreciation for the thorough presentation and preparation for the upcoming workshops; the alignment of the budget with Town Council priorities; appreciation regarding the same millage rate but an improvement of services; the clarity provided by having separate funds for ; and notice of the strategic commitment to raising the quality of life for residents; notice of the establishment of revenue sources that do not lean on property taxes of residents; and the need to reinvest in the community to achieve sustainability. Mayor Perry asked for public comment. Skip Hoagland made comments against the budget calling for an independent audit. Xiaodan Lee posed questions regarding ATAX, CPI and workforce housing funds and overdevelopment. Alex Krug addressed Council and commended the Town Manager on the thoroughness of the proposed budget. Peter Kristian addressed Council regarding the need for concern on how new residents and tourists get here and the need for Council to consider increasing the merit percentage for staff. Ms. Becker stated she was in opposition because of her concern with the number of new hires and expansion of government; expectations of the readjustment in millage from the reassessment; the need to look for places to take dollars and return them to the taxpayers. Motion carried 6-1 (Becker opposed).

11. Unfinished Business

- a. Second Reading of Proposed Ordinance 2023-09 Amending Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to Remove Divisible Dwelling Units as an Accessory use and to Modify Multifamily and Single-Family Definitions.

Missy Luick provided an overview regarding the item and defined the changes. Mr. Ames moved to approve. Ms. Becker seconded. Skip Hoagland addressed Council in favor of the amendments. Motion carried 7-0.

12. New Business

- a. Consideration of Resolution Approving the 2023-2024 Hilton Head Island Destination Marketing Organization (DMO) Marketing Plan & Budget.**

Josh Gruber provided a brief overview of the requirements of the DMO noting a budget is required to be submitted and introduced Arianna Pernice, Vice President of the Visitor and Convention Bureau of the Hilton Head Island-Bluffton Chamber of Commerce to address Council. Ms. Pernice provided a detailed presentation regarding the budget and the additional request of \$400,000.

At the conclusion of the presentation, Mr. Ames moved Town Council approve the resolution approving the Town's Destination Marketing Organization 2023-24 Marketing Plan with an Approved Budget not to Exceed \$4.1 million representing the anticipated funding level of 30% of the Town's State Accommodation Taxes; And to the extent that additional funding has been requested above and beyond that figure, that Town Council defer action on this request for a period not to exceed 90 days. Mr. Stanford seconded. Council Members asked questions and provided input regarding: the need for the resident to be focused on in the reporting; discussion and concern regarding the impact of tourism on residents; clarification and the need for explanation and detail regarding funding requests over and above the 30%; review of survey metrics; a question as to whether performance should be measured based on the number of visitors but scattered throughout the year; conflicting information regarding times of marketing; clarification needed as to specific times of year when there is an increase in visitors; and appreciation for the focuses on eco-tourism and heritage and cultural tourism; and wellness tourism. Ms. Brison stated she is concerned about the impact on the community and cannot support an increase at this time. She added that she was not even sure she would support the motion because she doesn't want to come back in 90 days to look at the request again.

Mayor Perry asked for public comment. Skip Hoagland addressed Council regarding his opposition to the marketing plan and to funding the Hilton Head Island-Bluffton Chamber of Commerce as the DMO. Risa Prince addressed Council regarding opposition to an increase in funding for the DMO. Peter Kristian addressed Council in support of the DMO. Motion carried 6-1 (Brison opposed).

- b. Consideration of a Resolution Supporting the Proposed Approach to Complete a Strength, Weakness, Opportunities, and Threats (SWOT) Assessment for Solid Waste and Recycling for Hilton Head Island.**

Jeff Buckalew provided a brief overview of the item. He explained the resolution was reviewed and approved to move forward to Town Council for consideration by the

Community Services Public Safety Committee on April 17, 2023. He referenced the outline included in the packet and stated that upon approval staff will complete negotiations on a contract and move forward. He concluded that he sees the report coming back to Council at a workshop with the recommendations and strategies. Mr. Ames moved to approve. Mr. Alfred seconded. Mayor Perry asked for public comment. Skip Hoagland addressed Council in opposition to the resolution. Peter Kristian spoke in support of the resolution. Motion carried 7-0.

- c. First Reading of Proposed Ordinance 2023-11 Amending Section 4-10-100 (Management and Use of Local Accommodation Taxes) of the Town of Hilton Head Island Code of Ordinances Pertaining to the Event Management and Hospitality Training Program Fund.

Josh Gruber provided a brief overview of the proposed ordinance and explained the request was forwarded from the Finance and Administrative Committee to remove a mathematical formula for the funding and replace it with the submission of an annual budget and go through the affiliated agency process. Mr. Ames moved to approve. Mr. Alfred seconded. Mr. Brown explained the reasoning behind the change was to align all affiliated agencies with the same requirements. He emphasized the Finance and Administrative Committee supports the program. Mayor Perry asked for public comment. Skip Hoagland spoke regarding the need for a forensic audit of accommodations tax funds. Dr. Eva Smith, Chair of the Hospitality Management Program at USCB addressed Council regarding her support of the Event Management and Hospitality Training Program Fund. She voiced concerns regarding funding for a full-time director and the need for more clarity regarding providing services and funding. Mr. Brown suggested the development of a memorandum of understanding with USCB to alleviate those concerns. After discussion, the motion carried 7-0.

13. Executive Session

- a. Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property [pursuant to the South Carolina Freedom of Information Act Section 30-4-70(a)(2)] Related to:
 - 1. Bryant Road Area
 - 2. Pope Avenue Area
 - 3. Shelter Cove Area

At 6:49 p.m. Mr. Orlando stated the need to enter Executive Session for the reasons listed above. Mr. Ames moved to enter Executive Session for the reasons cited by the Town Manager. Mr. Stanford seconded. Motion carried 7-0.

14. Possible Action by Town Council Concerning Matters Discussed in Executive Session

Upon return to the dais at 7:20 p.m. Mayor Perry asked if there was any action to be taken concerning Executive Session.

Mr. Ames moved that Town Council authorize the Mayor and Town Manager to execute and deliver the agreement by and between the Town of Hilton Head Island, South Carolina, and HHSC, LLC for the purchase and sale of 7.19 acres, more or less, on Bryant Road, and to take such other and further actions as may be necessary to complete the transaction described in the agreement. Ms. Brison seconded. Motion carried 7-0,

15. Adjournment

The meeting was adjourned at 7:21 p.m.

Approved:

Kimberly Gammon, Town Clerk

Alan R. Perry, Mayor

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



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Cary Welker, Hilton Head Island-Bluffton Chamber of Commerce Leadership Program, Class of 2023
CC: Marc Orlando, Town Manager
DATE: May 11, 2023
SUBJECT: Hilton Head Island-Bluffton Chamber of Commerce Leadership Class Project Update

RECOMMENDATION:

None at this time.

BACKGROUND:

For Over 37 years, the Hilton Head Island-Bluffton Chamber of Commerce Leadership program, participants get a deep dive into the social, economic, government, culture, and educational aspects of southern Beaufort County while completing a project that meets a need in the community. It was designed to cultivate leadership resources within the community by giving participants the opportunity to study and experience the Hilton Head Island, Bluffton, Okatie and Daufuskie Island communities, including their history, government, economy, human services, and culture. The Leadership class is open to professionals living and working in southern Beaufort County and runs from August through May with a graduation ceremony in June.

SUMMARY:

The curriculum of the program provides broad-based leadership perspectives to familiarize participants with the area's challenges, opportunities, and resources. It also includes a class-initiated community project challenging participants to explore current needs and issues first hand. The projects stay a part of the community long after graduation.

ATTACHMENTS:

1. HHI-Bluffton Chamber of Commerce Leadership Program Class Project PowerPoint



HILTON HEAD ISLAND-BLUFFTON
CHAMBER OF COMMERCE
L**P** LEADERSHIP
PROGRAM

CLASS OF 2023

CAPSTONE
PROJECT

PRESERVE AND PROTECT OUR LOW COUNTRY HOME



Each year, more than 100,000 marine mammals die from ingesting debris or becoming entangled in fishing lines, nets, and other types of derelict fishing gear.



Proper disposal of monofilament keeps it out of the water and shoreline and reduces the threat to wildlife.



Beaufort County Reel In & Recycle

Mission Statement:

Provide monofilament receptacles and monofilament recycling services throughout Beaufort County in order to better protect the wildlife that inhabits our beaches and waterways and to promote responsible environmental stewardship



GENERAL CONCEPT

Install recycling receptacles at boat ramps and fishing areas managed by Beaufort County and key locations throughout Hilton Head Island

Develop and implement a plan that will cover management of the receptacles and the process steps needed to ensure delivery of the collected materials to an accredited recycler

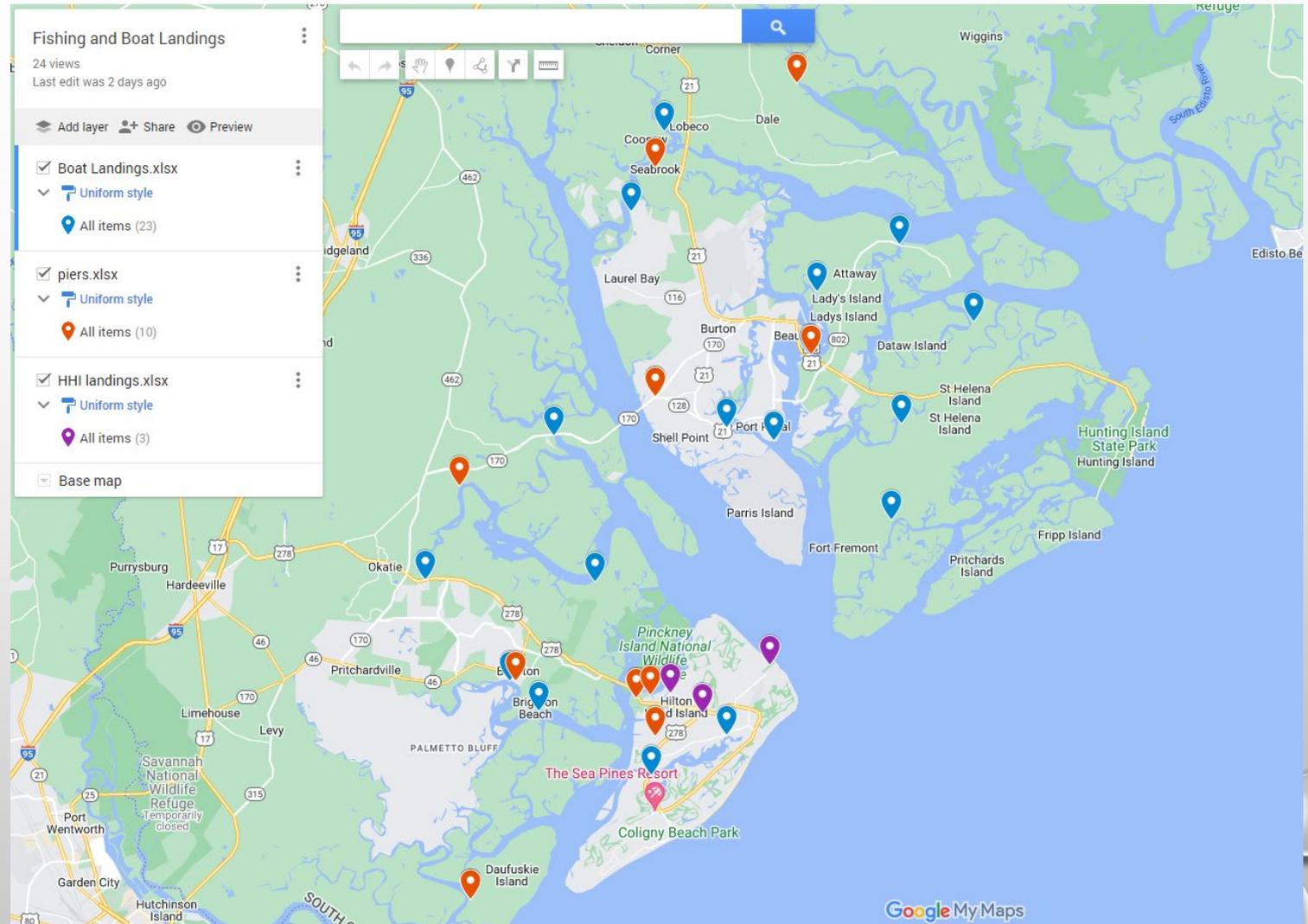


LOCATIONS

30 total locations
across Beaufort
County

27 sites managed by Beaufort
County

3 sites managed by the Town of
HHI



DESIGN, BUILD AND INSTALLATION

Simple
construction
consisting of
PVC pipe and
fittings



RECYCLING

Since 1990, the Berkley Conservation Institute, with the help of anglers everywhere, has recycled more than 9 million miles worth of fishing line.

They have a pre-posted mail in recycling program.

Construct Fish-Hab



EDUCATION

Educational components
to signage on the
receptacles

Enhanced Digital
Presence with links to
SCDNR/Palmetto Pride
website

Beaufort County Reel In & Recycle



Fishing Line Recycling Bin



Monofilament fishing line is incredibly strong, durable, and long lasting and isn't biodegradable. It can remain in the marine environment for over 600 years. That's more than six centuries of potential damage to boats, wildlife, and the environment.

What You Can Do:

- *Protect your favorite fishing spot by putting used fishing line in a monofilament recycling bin.*
- *Dispose of lures, bait, and other trash in garbage cans.*
- *If this bin needs maintenance please contact The Town of Hilton Head Island (843) 342-4580*

Don't Leave Your Line Behind

Learn more by scanning the QR code:



Heuser

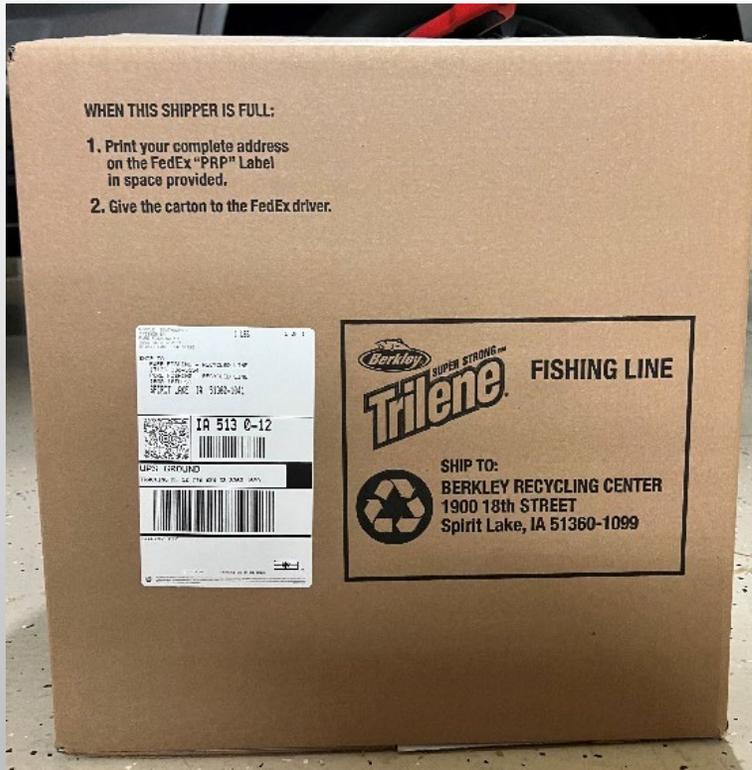
**ACE
Hardware**

MANAGEMENT

Collection of disposed fishing line

Packaging and shipping of line to Berkley Recycling

Site management



PROJECT SUPPORT

Heuser

ACE
Hardware



Carolina Rides
We Electrify Fun



PROJECT COMPLETION

Ribbon Cutting for the project was held on May 9th at the Cross Island Boat Landing.



Fish Haul Beach Park



Rowing and Sailing Center



Jarvis Creek Park







TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Lavon Stevens, Gullah Geechee Land and Culture Preservation Task Force
VIA: Krishana Jackson Perry, Principal Planner – Historic Neighborhood Preservation
VIA: Missy Luick, Assistant Community Development Director
VIA: Shawn Colin, Assistant Town Manager – Community Development
CC: Marc Orlando, Town Manager
DATE: May 16, 2023
SUBJECT: Biannual Gullah Geechee Task Force Report- Lavon Stevens, Chairman, Gullah Geechee Task Force

RECOMMENDATION:

None at this time.

BACKGROUND:

The Gullah Geechee Land and Cultural Preservation Task Force (Task Force) presents a biannual report to Town Council. This report summarizes activities and highlights from January thru April 2023.

SUMMARY:

Regular Task Force Meetings

The Task Force did not hold a regular meeting in January, and no special meetings or workshops have been called this year. Below are highlights from regular meetings during the months of February thru April. Staff continues to provide monthly updates on the status of the Sewer Connect, Home Safety and Repair, and Historic Neighborhood Permitting & Design Studio Program.

February

Staff provided an update from the Town's business license office to provide clarity around Town requirements for business licenses and special events. The Task Force was introduced to the Town's new Special Events Manager. There was a discussion on accomplishments reflection thus far in the implementation of the Gullah Geechee Culture Preservation Project Report (Report) and prioritizing goals for this year. Some items that staff and the Task Force celebrated are:

- Creating an economic and community resources page with information for services from the business sector, heirs' property service providers, land use and Gullah Geechee Culture.
- Adoption of Family Subdivision and Family Compound regulations
- Adopted Dirt Road Paving program regulations
- Adopted Gullah History and Cultural Education Program
- Adopted Mid-Island District Plan with recommendations for the 5 Historic Neighborhoods within the district boundaries
- Launched Historic Neighborhood Permitting & Design Studios

Priority goals for implementing the remaining 3 of the 16 Top Priority Projects are:

- Fully implementing the Gullah History and Cultural Education Program;
- Addressing the Historic Overlay District through the Town's District Planning; efforts, and
- Refining the online and physical resource center.

March

Staff provided opportunity for further discussion of specific aspects to include in the resource center and cultural education program from the Gullah Geechee Culture Preservation Project Report. During the meeting, we received comments from a member of the community regarding historic Gullah cemeteries upkeep, access (to those in PUDs), and signage.

April

Staff introduced Low Country Gullah foundation as a community partner in the Town's historic Gullah land-ownership preservation efforts around heirs' property and delinquent tax support. During the meeting, we received comments from a member of the community asking for clarification of the Historic Neighborhood Permitting & Design Studio process.



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Krishana Jackson Perry, Principal Planner – Historic Neighborhood Preservation
VIA: Missy Luick, Assistant Community Development Director
VIA: Shawn Colin, Assistant Town Manager – Community Development
CC: Marc Orlando, Town Manager
DATE: May 16, 2023
SUBJECT: Gullah Geechee Work Plan Quarterly Update

RECOMMENDATION:

None at this time.

BACKGROUND:

In 2019, Town Council accepted the Gullah Geechee Culture Preservation Project Report (Report), which included 35 recommendations, and the Gullah Geechee Land & Cultural Preservation Task Force's (Task Force) two additional recommendations. Also in 2019, Town Council approved 16 Top Priority Projects from the Report that were identified by the Task Force to begin work on immediately.

SUMMARY:

For the first quarter of 2023 focus has been on onboarding the new Historic Neighborhood Preservation Principal Planner to ensure an effective transfer of responsibilities.

Staff and the Task Force established a renewed focus on the remaining 3 of the Top 16 Priority Projects, which includes:

- Gullah History and Cultural Education Program;
- Addressing the Historic Overlay District through the Town's District Planning efforts; and
- Refining the online and physical resource center.

13 of the Top 16 Priority Projects have been implemented through projects, policy, and/or integration into Town operations. Of the completed projects reported, staff will focus on continuously improving processes and service delivery.

Continued implementation of the Report should include increased emphasis on community-driven and collaborative partnership approach that further outlines the critical path, long term outlook with benchmarks, and a vision of what the successful implementation of this report would look like in our community. This will include pursuing a collaborative partnership approach both internally and externally with community partners, to implement the remaining

recommendations from the Report. Staff remain committed to facilitating collaboration and agreement with the Task Force regarding the completed and remaining recommendations.

Staff's Priority Next Steps:

- 1) Fully implement the Gullah History and Cultural Education Program to occur in third quarter 2023. Staff has made progress compiling Gullah-owned cultural resources to utilize for course content, drafting the course outline, and coordinating internally with Human Resources and the Office of Cultural Affairs.
- 2) Continue implementation of the full report and secure partnerships across existing community and cultural resources to carry out the full implementation of the report. Examples of action steps will include, but not be limited to:
 - Utilizing the Report recommendations to inform District Planning and LMO amendments. These efforts will be the mechanism through which we implement some of the public policy recommendations. Staff currently gives the Task Force a monthly update on District Planning efforts and progress;
 - Refinement of resource page and Town Hall location for heirs' property organizations and assistance programs;
 - Creation and refinement of standard operating procedures documents to ensure ongoing programs (such as, but not limited to Design Studio, education programs, outreach with Gullah churches, resource center, and temporary sign programming); and
 - Cooperative agreements with partner organizations.

Staff will discuss the critical path action step workplan monthly with the Task Force, and involve community organizations, resources, and partners to collaborate on implementation of specific recommendation projects.

ATTACHMENTS:

1. Status of the Gullah Geechee Report 16 Top Priority Recommendations

Attachment A

**Town of Hilton Head Island
Status of the Gullah Geechee Report
16 Top Priority Recommendations**



May 2023

Status of the Gullah Geechee Report

16 Top Priority Project Recommendations

May 2023



Page #	Priority #	Title
3	CP-7	Educate Town Officials and Employees
4	PP-4	Establish an Overlay District
5	PP-5	Family Compound/Subdivision
6	PP-6	Allow Site Design Flexibility
7	PP-2	Fast Track FC/FS Applications
8	PP-3	Permitting and Design Studio
9	PP-11	Fund for Delinquent Taxes
10	PP-12	Educational Meetings and Workshops
11	CP-1	Promote the Heritage Library
12	CP-17	Outreach with Gullah Churches
13	HP-1	Heirs' Property Family Research Project
14	HP-2	Coordinate with Heirs' Prop. Orgs.
15	HP-3	FCHPP Satellite Office
16	HP-4	Fund to Clear Property Titles
17	CP-14	Establish Open-Air Gullah Market
18	PP-14	Temporary and Seasonal Signs



CP-7: Educate Town Officials & Employees

Develop education programs on Gullah history, culture, development standards challenges, and land use policies for Town officials, employees, and Board and Commission members.

- Provide quarterly orientation on Gullah history and culture.
- Offer engaging, ongoing learning opportunities such as panel discussions, site visits, and mobile tours.

Overview

- Gullah History and Cultural Education Program for new hires, newly elected officials, and Board and Commission members.
- Town Council and Task Force approved syllabus in September 2022.
- Compiling Gullah-owned cultural resources to utilize for course content.
- Coordinating internally with Human Resources, Communications, and the Office of Cultural Affairs for course content and delivery.
- Finalizing the course outline to include the creation of an orientation video and required enrichment opportunities. There will be ongoing opportunities, as well.
- Presenting outline to Task Force.
- Program will be folded into the Town's ongoing operations as part of the onboarding process.



PP-4: Establish an Overlay District

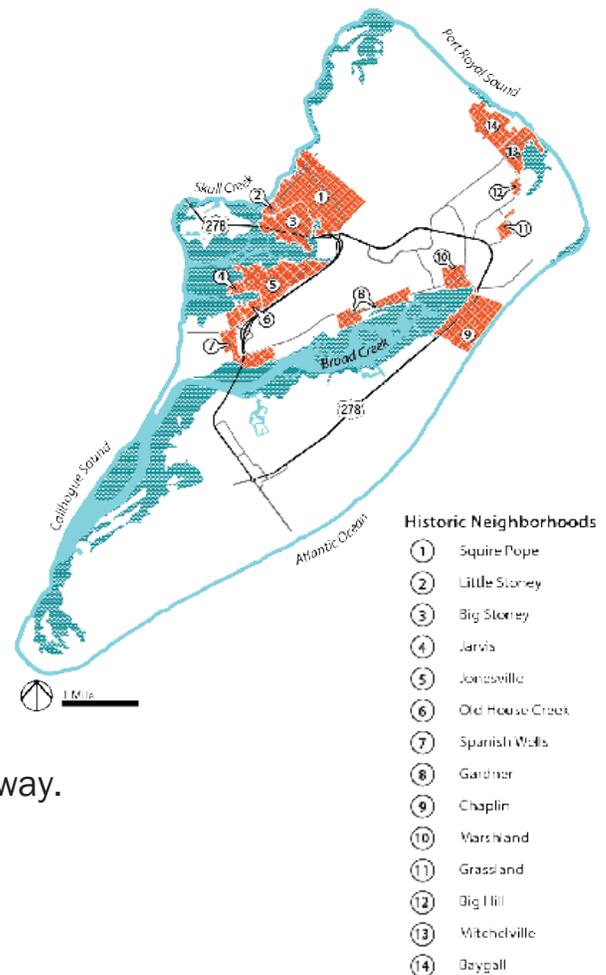
Establish a Historic Neighborhoods Preservation Overlay District.



- Preserve the character and integrity of the Historic Neighborhoods.
- Encourage the preservation of Gullah-owned land by amending development standards that limit development, particularly for traditional family living patterns.
- Examine additional development challenges identified by property owners and the Gullah Task Force.

Overview

- Family Compounds; Family Subdivisions; reduced buffer, setback, right-of-way, and access easement widths; and creating rights-of-way without reducing density.
- Reviewed by Gullah Geechee Task Force, LMO Committee, Planning Commission, Public Planning Committee, and Town Council.
- Town Council approved elements of the overlay district in July 2021.
- Examine additional challenges to development in Historic Neighborhoods and include possible solutions for consideration in the LMO Amendments Project currently underway.
- Revisit additional code modifications upon completion of the Conditions and Trends Assessment and the creation of the Growth Framework and Island Master Plan, currently underway.



PP-5: Family Compound/Family Subdivision

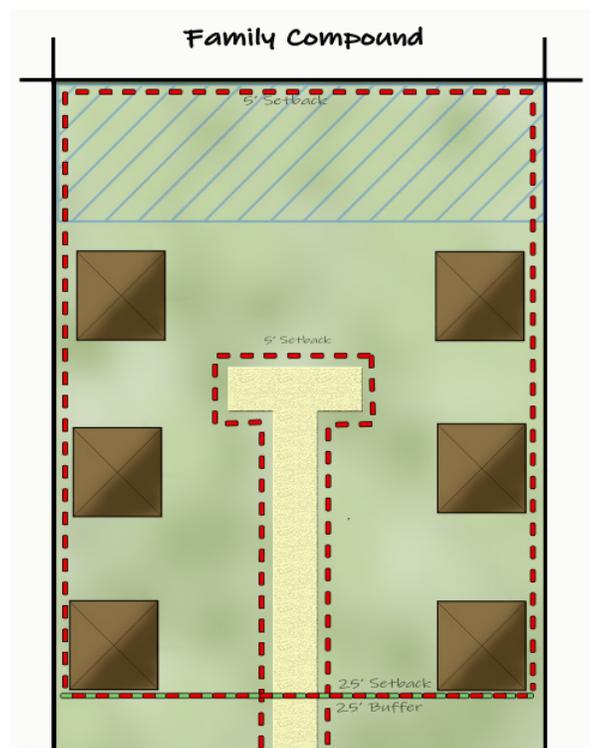
Revise the Land Management Ordinance (LMO) to allow Family Compound and Family Subdivision developments on properties in the Historic Neighborhoods.



- **Preserve family land for future generations.**
- **Honor communal living traditions.**
- **Subdivide without prohibitive expenses.**

Overview

- Family Compound and Family Subdivision LMO amendment language drafted.
- Reviewed by the Gullah Geechee Task Force, LMO Committee, Planning Commission (including two public hearings), and Public Planning Committee.
- Adopted by Town Council in July 2021.
- Implemented a communication plan to inform stakeholders, churches, and community organizations of the Family Compound/Family Subdivision LMO amendments, including a news release and social media posts.
- Folded into the Town's ongoing operations through development review standard procedures.
- Revisit code modifications for possible code improvements for consideration with the LMO Amendments Project.





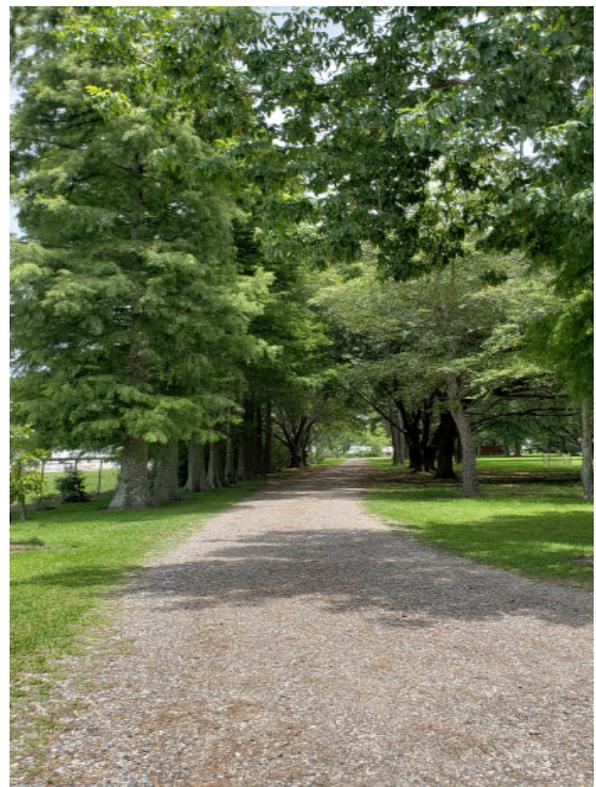
PP-6: Allow Site Design Flexibility

The Family Compound/Family Subdivision and Dirt Road LMO amendments allow flexibility for development in Historic Neighborhoods.

- **Reduces buffer, setback, right-of-way, and access easement minimums.**
- **Creates rights-of-way without reducing density.**
- **Applies to properties in Historic Neighborhoods.**

Overview

- Wrote the amendments using input from property owners.
- Notified stakeholders and the public. Discussed the amendments with property owners and families and made presentations to community groups.
- Reviewed and recommended for approval by Gullah Geechee Task Force, LMO Committee, Planning Commission, and Public Planning Committee.
- Town Council adopted Dirt Road LMO amendments in November 2020.
- Town Council adopted Family Compound/Family Subdivision LMO amendments in July 2021.
- Folded into the Town's ongoing operations through implementation of these amendments.



PP-2: Fast Track Family Compound/Family Subdivision Applications

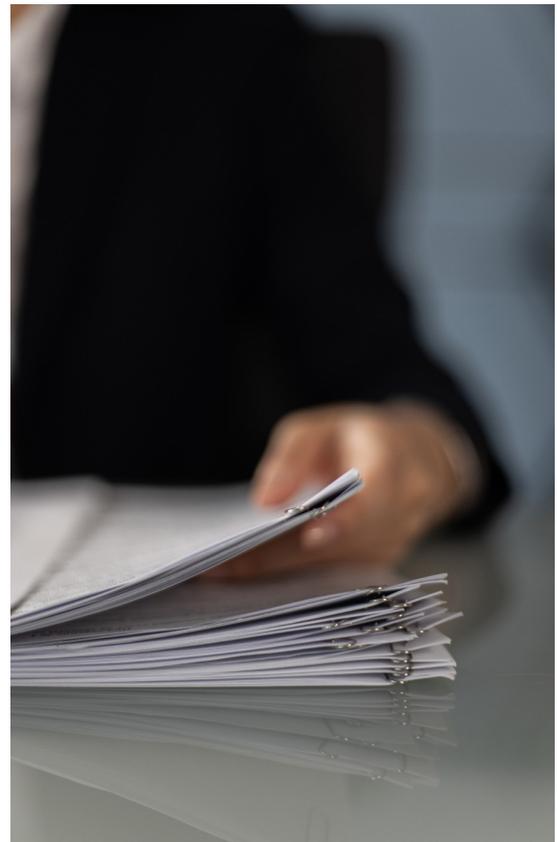
Town staff prioritizes the review of Family Compound and Family Subdivision applications and related building permits.



- **Family Compound/Family Subdivision applications are reviewed before other applications.**
- **Related building permits are fast tracked.**

Overview

- Review of Family Compound and Family Subdivision applications and related building permits prior to other submittals, as specified in the LMO amendments.
- Noted on the Town webpage and application forms the applications will be fast tracked.
- Notified applicants that applications will be prioritized for review.
- Implemented a communication plan to inform stakeholders, churches, and community organizations of the Family Compound/Family Subdivision LMO amendments, including a news release and social media posts.
- Folded into the Town's ongoing operations by incorporating into development review standard procedures.



PP-3: Historic Neighborhood Permitting & Design Studio

A resource to assist property and business owners in navigating the Town's land use and development standards, preparing development applications, and resolving related issues.



- Provide personalized guidance.
- Current Planning, Urban Design, Fire Rescue, Infrastructure, and Business License assistance.
- Reduce barriers to property preservation and development.

Overview

- Provides assistance to property and business owners in the Historic Neighborhoods on a variety of issues, including subdivisions; buffers and setbacks; easements and rights-of-way; property access; dirt roads; mobile home placements; building permit issues; addressing; fire hydrants; and code enforcement issues.
- Offers conceptual site design services and business license assistance.
- Implemented a communication plan to inform stakeholders, churches, and community organizations of the Historic Neighborhoods Permitting and Design Studio and that staff is available to provide information and assistance.
- Design Studio activities help to identify case studies that highlight property development challenges, which can support considerations for possible land use policy amendments.
- Folded into Town's ongoing operations.



PP-11: Fund for Delinquent Taxes

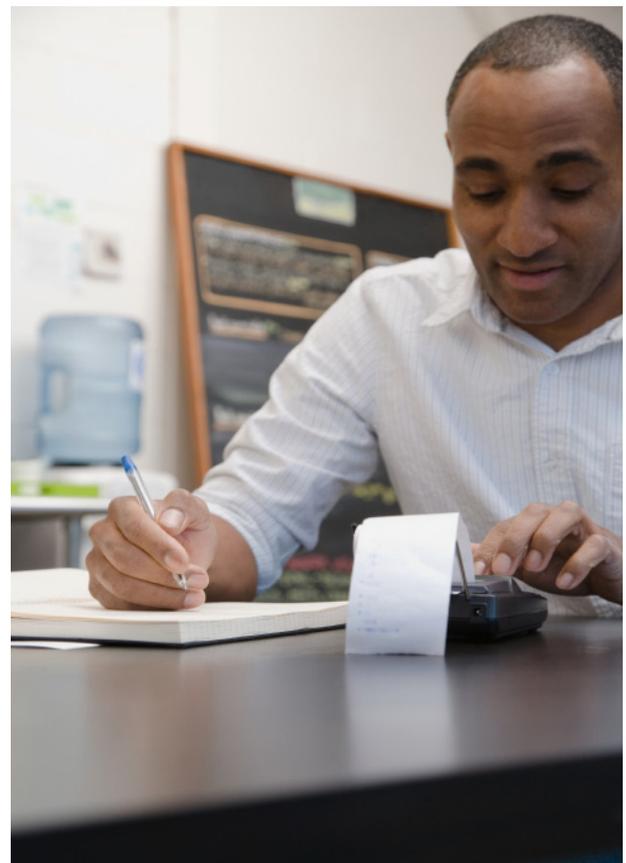
Establish a fund to help Heirs' Property owners avoid losing their property to delinquent tax sales.



- **Recommend the Native Island Business and Community Affairs Association consider creating a fund with the Community Foundation of the Lowcountry.**
- **Coordinate with related organizations to identify at-risk properties.**
- **Prevent properties from becoming delinquent.**

Overview

- Met with the lead organizations –the Community Foundation of the Lowcountry and the Native Island Business and Community Affairs Association (NIBCAA) – to discuss establishing a fund.
- Coordinated with Beaufort County to identify properties that are delinquent and at risk of being lost and provided that information to community organizations that support property owners.
- Promoted Penn Center’s Land Preservation Assistance Program.
- Promoted the Pan African Family Empowerment and Land Preservation Network and Lowcountry Gullah, which pay owners’ delinquent taxes.
- A fund has not been established. Helping the establishment of a fund remains an active recommendation; staff will continue to explore partnership opportunities.





PP-12: Educational Meetings & Workshops

Host educational meetings and workshops on issues that impact Gullah residents, such as Heirs' Property, development standards, and property taxes.

- Offer quarterly educational opportunities for Gullah community.
- Address Town development standards and challenges that impact Historic Neighborhoods.

Overview

- Held educational outreach programs on topics such as Gullah history and culture, development standards in Historic Neighborhoods, Addressing policies, etc.
- Had community outreach on Family Compounds, Family Subdivisions, heirs' property and wills.
- Worked with The Links, Inc. to promote education from the Center for Heirs' Property Preservation on heirs' property, forestry, and wills.
- Held small group meetings to update community members on development standards, including Family Compounds and Family Subdivisions.
- Contracted with the Lowcountry Gullah Foundation beginning March 2023 to provide education, outreach, and services to the community for Gullah land preservation.



CP-1: Promote Heritage Library

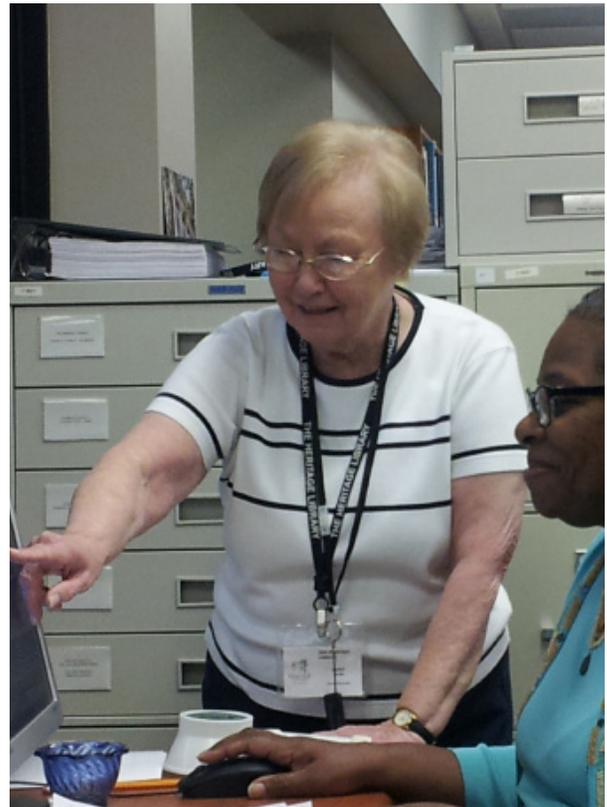
Promote the use of the Heritage Library's resources for the Island's Gullah people to research their history and genealogy.



- Increase awareness of the Heritage Library's resources and services.
- Foster knowledge about Gullah history and genealogy.

Overview

- Promote Heritage Library on Town's website.
- Notified Gullah community of Heritage Library events.
- Established the Heirs' Property Family Research Project.
- Implemented a sustainable communications plan to inform stakeholders, churches, and community organizations of the Heritage Library's resources and of the Family Research Project.
- Partner with Heritage Library as one of the Town's referral partners for heirs' property inquiries.



CP-17: Outreach with Gullah Churches

Work with Gullah churches to gather information, assess needs, and disseminate information.



- **Update churches, community organizations, and stakeholders on Gullah-related meetings and initiatives.**

Overview

- Established Historic Neighborhoods Preservation Principal Planner as point of contact for the Town for all Island Gullah churches.
- Communicates regularly on Gullah Geechee initiatives, such as the Family Compound/Family Subdivision LMO amendments.
- Provides updates regarding Town meetings addressing relevant topics.
- Receives referrals from churches of community members who need assistance.
- Principal Planner was introduced personally to Gullah churches upon hiring.
- Principal Planner to establish regular communication with Gullah churches as part of liaison role.



HP-1: Heirs' Property Family Research Project

Develop a program with the Heritage Library Foundation to provide genealogy research assistance for Gullah families seeking to clear Heirs' Property titles.



- Established the Heirs' Property Family Research Project.
- Partnered with Heritage Library and USCB Hilton Head Island.
- Identify heirs using genealogy research.

Overview

- Established the Heritage Library criteria to accept client referrals.
- Worked with the Heritage Library to define available services.
- Partnered with USCB Hilton Head Island to create a dedicated office with equipment and software.
- Provided the required equipment and software.
- Held a ribbon cutting ceremony at the Heirs' Property Family Research Project office on the USCB Hilton Head Island campus in August 2021.



HP-2: Coordinate with Heirs' Property Organizations

Connect with organizations that can provide legal assistance and/or education for property owners seeking to clear Heirs' Property.



- Understand services provided by Heirs' Property organizations.
- Establish relationships with those organizations.
- Direct Heirs' Property owners to the appropriate resources.

Overview

- Established connections with South Carolina Legal Services, South Carolina Applesseed Legal Justice Center, Black Belt Justice Center, Black Family Land Trust, and the Center for Heirs' Property Preservation.
- Created a summary of the services each organization provides for reference and distribution to the Gullah community on the Town's website.
- Continue to refer Heirs' Property owners to the appropriate organization to meet their needs.
- Partnering with Lowcountry Gullah Foundation for the Town's land preservation efforts.



HP-3: Create Center for Heirs' Property Preservation Satellite Office on Hilton Head Island

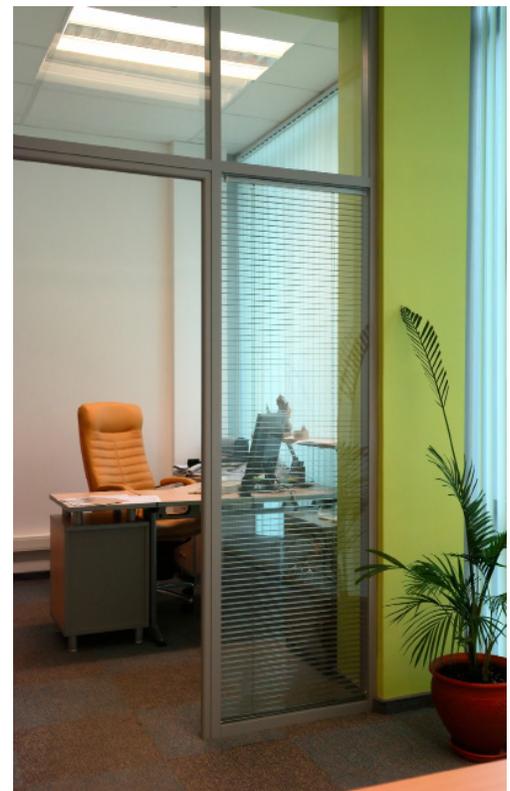


Provide information and assistance to Heirs' Property owners regarding the Center for Heirs' Property Preservation. Explore establishing a satellite office on Hilton Head Island.

- **Promote Center for Heirs' Property Preservation services to qualified heirs' property owners.**
- **Facilitate consultations with Center for Heirs' Property Preservation for Island clients.**

Overview

- Discussed the possibility of establishing a satellite office with the Center for Heirs' Property Preservation's Chief of Operations.
- The Center declined establishing a satellite office at this time. The Center provides services for 22 counties, and there aren't enough property owners on the Island who need their services to provide a satellite office.
- Staff will revisit the idea of a satellite office with the Center if the need arises.
- Promotes Center for Heirs' Property Preservation services to qualified property owners.
- Partner with Lowcountry Gullah Foundation to bring Center for Heir's Property Preservation services to the Island as scheduling permits.



HP-4: Fund to Clear Property Titles

Establish a fund to help Heirs' Property owners clear the title to their land.



- **Recommend the Native Island Business and Community Affairs Association consider creating a fund with the Community Foundation of the Lowcountry to clear Heirs' Property titles.**
- **Preserve family land by preventing sales by non-resident owners.**

Overview

- Met with the lead organizations – the Community Foundation of the Lowcountry and the Native Island Business and Community Affairs Association (NIBCAA) – to discuss establishing a fund.
- If NIBCAA creates a fund, staff will assist with communications.
- Held Community Education Programs on Heirs' Property challenges and resources.
- Providing education on Heirs' Property and promoting organizations that can assist Heirs' Property owners is folded into the Town's ongoing operations.



CP-14: Establish Open-Air Gullah Market

Work with stakeholders to establish an open-air market to promote Gullah Culture and create economic opportunities.



- **Assist the Native Island Business and Community Affairs Association (NIBCAA) as they establish an open-air Gullah market.**
- **Promote the market to the Gullah community and the public.**
- **Consider providing a new location for the market on the north end when the US 278 Gateway Corridor project is complete.**

Overview

- Gathered input from local vendors.
- Drafted a business plan.
- Coordinated with NIBCAA, the Gullah Task Force, and Culture HHI to consider Town-owned sites for the market. NIBCAA selected Lowcountry Celebration Park.
- Evaluate the success of the market and consider providing an alternative location on the north end of the Island, if desired by NIBCAA.
- Town will convene stakeholders to discuss an ongoing market.



PP-14: Temporary and Seasonal Signs

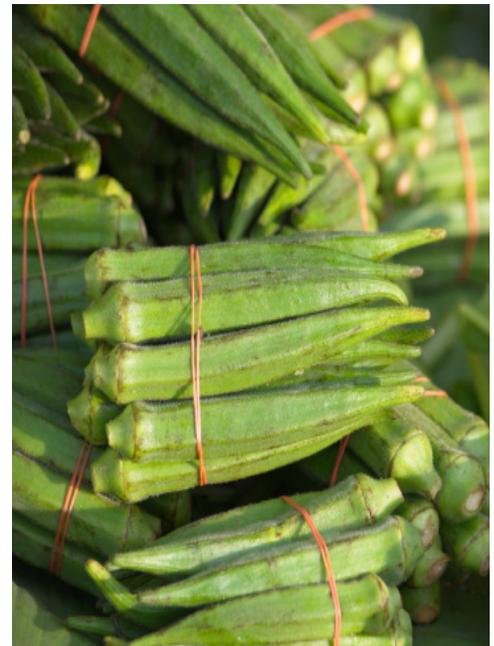
Establish a program to provide temporary and seasonal signs for Gullah businesses in Historic Neighborhoods.



- **Identify Gullah businesses with shared signs.**
- **Expand opportunities for Gullah residents and businesses.**

Overview

- The Task Force identified ten Gullah businesses that could potentially benefit from signs with a uniform design to be used within Historic Neighborhoods.
- Staff will work with the Native Island Business and Community Affairs Association (NIBCAA) to inform Gullah-owned businesses how they can purchase and display LMO compliant portable signs.



HOME SAFETY & REPAIR

PROGRAM UPDATE / MAY 11, 2023



PROGRAM OVERVIEW

- » Town Council approved \$400,000 of the funds it received from the American Rescue Plan Act to support the Home Safety & Repair Program. It is allocated over two years.
- » The program launched on 7/5/22.
- » Recommending \$200,000 of funding in the proposed budget for FY24.
- » The program provides grants of up to \$15,000 to homeowners for:
 - » Home repairs to keep a home safe and dry.
 - » Demolition of an unsafe or uninhabited structure.
 - » Hazardous tree removal.
- » The household income qualification for the program is 60% AMI.
- » Qualified applicants may apply for multiple improvements to their home.
- » Interested homeowners may stop by the Information Desk at Town Hall and request an application package or download application materials from the Town's website.
- » Program web page link: <https://hiltonheadislandsc.gov/programs/homesafety/>

PROGRAM ACTIVITY

- » 107 applications received.
 - » 76 approved applications
 - » 18 site visits completed, Right of Entry signed, awaiting contractor bidding.
 - » 45 site visits scheduled or to be scheduled.
 - » 13 under contract at a value of \$188,625.
 - » 18 applications need additional application materials and have been notified.
 - » 7 of these applications are income qualified.
 - » 8 applications did not meet the income qualifications.

IMPLEMENTATION

- » Develop materials and communication strategies.
 - » Dedicated web pages – English and Spanish
 - » English and Spanish marketing materials (Flyers, Rack cards/door hangers)
- » Monitor and evaluate the program.
 - » Continuously update applicants on the status of their applications by calling, emailing, and mailing letters.
 - » Work closely with contractors to obtain bids.
- » Continuously improve the program.
 - » Update internal process as needed

For more information, please contact Nicté Barrientos, Assistant Planner at
(843) 341-4695 • NicteB@hiltonheadislandsc.gov



Town of Hilton Head Island

SEWER CONNECTION

PROGRAM UPDATE / MAY 11, 2023



PROGRAM OVERVIEW

- » Town Council approved \$200,000 of the funds it received from the American Rescue Plan Act to support the Sewer Connection Program. It is allocated over two years.
- » The program launched on 7/5/22.
- » Recommending \$100,000 of funding in the proposed budget for FY24.
- » This is a partnership program with Deep Well Project, Hilton Head Public Service District and Lowcountry Council of Governments.
- » The program is supplemental to the Project SAFE program which serves property owners meeting household income qualification of 50-90% AMI.
- » The Town's Sewer Connection Program serves property owners or renters.
- » The household income qualification for the Town's program is 100% AMI.
- » Applicants can apply by going to the Deep Well Project office or by calling (843) 785-2849 to assess their eligibility for Project SAFE. Applicants may be referred to the Town's Sewer Connection Program if they partially qualify or are ineligible for Project SAFE.
- » Program web page link: <https://hiltonheadislandsc.gov/programs/sewer/>

COMMUNICATIONS EFFORTS

- » 25 applications received:
 - » 18 applications have a Town letter of approval for connection estimate.
 - » 14 connections have been made at a value of \$76,715.
 - » 7 applications have been sent to PSD for connection estimate.

IMPLEMENTATION

- » Develop materials and communication strategies.
 - » Dedicated web pages – English and Spanish
 - » English and Spanish marketing material (Flyers, Rack cards/ door hangers)
- » Monitor and evaluate the program.
 - » Update applicants on the status of their application.
 - » Work closely with HH PSD and Deep Well to track application inflow and connections made.
- » Continuously improve the program.
 - » Update internal process as needed

For more information, please contact Nichte Barrientos, Assistant Planner at

(843) 341-4695 • NichteB@hiltonheadislandsc.gov





TOWN OF HILTON HEAD ISLAND

Town Council

TO: Town Council
FROM: Rich Groth, Procurement Officer
VIA: John Troyer, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
Joshua Gruber, Deputy Town Manager
DATE: May 16, 2023
SUBJECT: First Reading of Proposed Ordinance 2023-13 Amending Provisions of Title 11, Chapter 1 of the Municipal Code for the Town of Hilton Head Island to Provide for a Small, Women-Owned and Minority-Owned Disadvantaged Business Enterprise Utilization Program and Corresponding Contractor Good Faith Effort Program.

RECOMMENDATION:

That Town Council adopt Proposed Ordinance 2023-13 amending Title 11, of the Municipal Code for the Town to Provide for a Small, Women-Owned and Minority-Owned Disadvantaged Business Enterprise Utilization Program and Corresponding Contractor Good Faith Effort Program.

BACKGROUND:

Historically, local, small, and minority-owned disadvantaged businesses have faced barriers that have limited their ability to compete fairly and equitably in procurement processes. Town Administration was approached by members of the Finance & Administrative Committee about pursuing an initiative to foster a more inclusive procurement process that affords the best opportunity for these disadvantaged businesses to compete for Town contracts, and to provide goods and services to the Town of Hilton Head Island.

On January 17, 2023 a proposed Small and Minority-Owned Disadvantaged Business Enterprise Utilization Program and Corresponding Contractor Good Faith Effort Program was presented to the Finance & Administrative Committee for discussion. As a result, the Committee recommended that some revision be made to the program to include a purpose statement and summarize the local vendor preference already established in Title 11.

On April 4, 2023, Finance & Administrative Committee voted unanimously to approve the Small and Minority-Owned Disadvantaged Business Enterprise Utilization Program and Corresponding Contractor Good Faith Effort Program as revised.

SUMMARY:

As a result of the Finance & Administrative Committee approval, the attached draft Ordinance 2023-13 has been prepared and is being presented to Town Council for consideration.

ATTACHMENTS:

1. Proposed Ordinance 2023-13
2. Small and Minority-Owned Disadvantaged Business Enterprise Utilization Program
3. Contractor Good Faith Effort Program

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO. _____

PROPOSED ORDINANCE NO. 2023-13

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND ESTABLISHING A NEW ARTICLE 10, CHAPTER 1, TITLE 11 UNDER THE TOWN’S PROCUREMENT CODE MANDATING A UTILIZATION PLAN FOR PROCUREMENT INCLUSIVITY FOR LOCAL, SMALL & MINORITY-OWNED DISADVANTAGED BUSINESSES OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA.

WHEREAS, the Town of Hilton Head Island recognizes the importance of local, small, and minority-owned disadvantaged businesses in contributing to the economic vitality and overall well-being of the community; and

WHEREAS, the Town Council acknowledges that a diverse supplier base drives innovation, promotes competition, and enhances economic growth within the Town of Hilton Head Island; and

WHEREAS, it is the intent of the Town Council to foster an inclusive procurement process that affords opportunities for local, small, and minority-owned disadvantaged businesses to compete for contracts and to provide goods and services to the Town of Hilton Head Island; and

WHEREAS, historically, local, small, and minority-owned disadvantaged businesses have faced barriers that have limited their ability to compete fairly and equitably in procurement processes; and

WHEREAS, the Town Council seeks to address these disparities by mandating that the Town of Hilton Head Island establish a Utilization Plan for Procurement Inclusivity that will provide support, resources, and guidance to ensure the equitable participation of local, small, and minority-owned disadvantaged businesses for the Town of Hilton Head Island’s procurement process; and

WHEREAS, the Town Council acknowledges that the successful implementation of the Utilization Plan for Procurement Inclusivity will require the cooperation and commitment of all Town of Hilton Head Island departments.

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

Section 1. Amendment. Article 10 entitled Local, Small, and Minority-Owned Businesses is hereby adopted and incorporated under Title 11, Chapter 1 of the Municipal Code of the Town of Hilton Head Island South Carolina as set forth below in Exhibit A.

Section 2. Severability. If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING. SIGNED, SEALED AND DELIVERED THIS _____ DAY OF _____, 2023.

By: _____
Alan R. Perry, Mayor

ATTEST:

By: _____
Kimberly Gammon, Town Clerk

First Reading: _____, 2023

Second Reading: _____, 2023

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

EXHIBIT A

Sec. 11-1-1011. Purpose of Utilization Plan for Procurement Inclusivity.

Purpose. The purpose of this Article is to promote the economic vitality and growth of the Hilton Head Island by fostering an inclusive procurement process that provides opportunities for local, small, and minority-owned disadvantaged businesses to compete for contracts and to supply goods and services to the Town of Hilton Head Island. By adopting and implementing this Article, the Town of Hilton Head Island seeks to address disparities and ensure equitable participation of such businesses in the Town of Hilton Head Island's procurement processes.

Sec. 11-1-1012. Establishment of a Utilization Plan for Procurement Inclusivity.

The Town Manager is hereby directed to establish a Utilization Plan for Procurement Inclusivity for Local, Small, and Minority-Owned Disadvantaged Businesses ("Utilization Plan"). The Utilization Plan shall be developed in consultation with all Town of Hilton Head Island departments, and shall include policies, procedures, and strategies aimed at achieving the purpose and objectives set forth in this Article. The Utilization Plan shall be transmitted to the Town Council annually for review.

Sec. 11-1-1013. Annual Reporting.

The Town Manager shall provide an annual report to the Town Council detailing the progress and impact of the Utilization Plan. The report shall include, but not be limited to, the percentage of total combined Town procurements awarded to local, small, and minority-owned disadvantaged businesses during the reporting period.

Town of Hilton Head Island
Proposed Utilization Plan for Procurement Inclusivity for
Local, Small & Minority-Owned Businesses

Purpose Statement: The Town of Hilton Head Island is committed to inclusivity for: (a) “Local” businesses, (b) Small Business Enterprises, and (c) Minority Business Enterprises in its procurement process.

The Town’s Procurement Code currently provides a preference to any qualified local vendors meeting the criteria outlined in the Code with the primary criteria being that an office within the legally defined boundaries of the town and have a majority of full-time employees, chief officers and managers regularly conducting work and business from this office. Any vendor who is a certified Local vendor will have their bid/proposal price reduced for scoring/evaluation purposes only, by five percent (5%), not to exceed a maximum reduction of \$10,000.

The Town is also committed to ensuring that Small and Minority-Owned Businesses enterprises (collectively SMBEs) are afforded every opportunity to fully and fairly participate in the Town’s procurement process for goods and services. Town’s SMBE Utilization Plan was developed for this purpose.

Utilization Plan for Small Business Enterprises (SBEs) and Minority Business Enterprises (MBEs).

- (A) Town Council finds and declares it to be in furtherance of sound procurement practices that all business entities be accorded a real and equitable opportunity to participate in Town procurements. Town Council further finds that it is in the best interests of the Town and its residents that a program be developed to ensure that small businesses and businesses owned and controlled by minorities have a real opportunity to compete for Town procurements to provide for a balanced and healthy economy and to foster open and competitive procurement within the Town.

- (B) There is hereby established a plan for the utilization of Small Business Enterprises (SBEs) and Minority Business Enterprises (MBEs) (collectively SMBEs), which plan shall be administered by the Procurement Officer or by such other individual(s) as the Town Manager may, from time to time, appoint. It shall be the responsibility of the Procurement Officer to formulate and publish the necessary rules, guidelines and to implement this plan so as to ensure that the benefits of this plan inure to SMBEs, provided however, that such rules and regulations shall be submitted to Town Council for approval. The Procurement Officer shall also be charged with compiling, updating and distributing a directory of available SMBEs for use by Town personnel in achieving the goals of this plan, and further, shall formulate and publish guidelines to be utilized by the Town in assessing whether a procurement qualifies as a SMBE

Town of Hilton Head Island
Proposed Utilization Plan for Procurement Inclusivity for
Local, Small & Minority-Owned Businesses

procurement. Further, the Procurement Officer shall compile data regarding the level of participation in Town procurements by SMBEs and present them to Council upon request for analysis of the program.

- (C) As utilized herein, the following terms shall have the meaning as designated, to wit:
- (1) *Controllable dollars* means funds other than those budgeted for salaries of employees, fringe benefits, utility expenses, rents, taxes and any items which may be procured only from special identified sources.
 - (2) *Construction* means the process of building, altering, repairing, improving or demolishing any public structure, building or roadway, or any other improvement of any kind to any public real property. Construction does not include the routine operation, repair or maintenance of existing structures, buildings or real property or any such routine work undertaken by Town employees on public property.
 - (3) *A minority business enterprise (MBE)* shall mean a business enterprise that is verified by the Procurement Officer, or by such other individual(s) as the Town Manager may, from time to time, appoint, to have a valid MBE certification from any federal, state or local governmental entity.
 - (4) An *emergency purchase* is a procurement undertaken from a sole source where circumstances require an immediate procurement to protect the physical well-being of the public or of any Town employee, or where the appropriate and efficient functioning of government is threatened without such purchase.
 - (5) *Procurement* means buying, purchasing, renting, leasing or otherwise acquiring any supplies, services or construction.
 - (6) *Services* means furnishing of labor, time or effort by one who is not under the regular employ of the Town. This term includes "professional services," but does not include employment agreements or collective bargaining agreements.
 - (7) *Minority individual* is presumed to include, which presumption may be rebutted, a citizen of the United States (or lawfully admitted permanent residents) who is Black, African American, Hispanic American, Native American, Asian American, Indian American, or a woman; provided however, that the Town may, on a case-by-case basis,

Town of Hilton Head Island
Proposed Utilization Plan for Procurement Inclusivity for
Local, Small & Minority-Owned Businesses

- determine that an individual who is not a member of any of the aforementioned groups is a minority.
- (8) *Supplies* means property including, but not limited to, equipment, materials, printing, and the like, but excluding land or a permanent interest in land.
- (9) *A small business enterprise (SBE)* shall mean a business enterprise that is verified by the Procurement Officer, or by such other individual(s) as the Town Manager may, from time to time, appoint, to have a valid SBE certification from any federal, state or local governmental entity.
- (D) (1) In any procurements sought through public advertisement, the Procurement Officer shall proactively solicit SMBEs utilizing known and available listings of certified SBEs and certified MBEs maintained by the Town, and/or any federal, state or local governmental entity.
- (2) In construction procurements sought through public advertisement, offerors shall be required to complete and submit the documentation required by the Town's SMBE Good Faith Effort Program, whereby the offeror shall either: (a) attest that they will be 100% self-performing, or (b) if utilizing subcontractors, provide the necessary documentation summarizing the offeror's good faith efforts to include SMBEs in their bid/proposal.
- (3) In all other procurements, except emergency procurements, it shall be the responsibility of the Procurement Officer to make affirmative efforts to ensure that SMBEs are provided an equal opportunity to compete for, or participate in Town procurements. On an annual basis, the Procurement Officer, other than for emergency procurements, shall submit to the Town Manager (or his/her designee) the following information:
- a. The total number of procurements awarded;
 - b. The total monetary value of procurements awarded;
 - c. The type of procurements awarded;
 - d. The total monetary amount of the procurements awarded to SMBEs;
 - e. The percentage of total combined Town procurements awarded to SMBEs.
- (E) The Town Manager shall report to Town Council annually, the percentage of total combined Town procurements awarded to SBEs and MBEs and a description of the procurement

Town of Hilton Head Island
Proposed Utilization Plan for Procurement Inclusivity for
Local, Small & Minority-Owned Businesses

categories represented thereby. Such reports shall be utilized to assist Town Council in evaluating the effectiveness of its attempts to ensure that all businesses have an opportunity to participate in the Town's procurement program and in establishing reasonable and realistic goals for the program.

- (F) Nothing herein shall be construed as having established any set-aside for any group for any procurement or as having bound the Town or any department thereof to accept any procurement offer not in its best interests.

Town of Hilton Head Island Good Faith Effort Program for Small and Minority Business Participation



**PLEASE REVIEW THIS SECTION CAREFULLY,
PAYING PARTICULAR ATTENTION TO “PRE-AWARD
DOCUMENTS” DUE WITH THE BID/PROPOSAL, .
THE “GOOD FAITH EFFORTS CHECKLIST”,
AND EXHIBITS 1-3.**

**FAILURE TO FOLLOW THE PROGRAM REQUIREMENTS
AND/OR FURNISH THE REQUESTED DOCUMENTS MAY
RESULT IN THE REJECTION OF YOUR BID/PROPOSAL.**

Small and Minority Business Participation Program Documents Overview*

PRE-AWARD DOCUMENTS		
<i>Item/Form</i>		<i>Submission Requirements</i>
1	Program Overview	n/a
2	Self-Performance Affidavit Indicates intention to perform work and/or provide services with own current workforce.	Due with bid/proposal only if self-performing 100%.
If Not 100% Self-Performing, Items 3-8 Below Must Be Completed and Submitted With Your Bid or Proposal		n/a
3	Good Faith Efforts Checklist Indicates the actions undertook to recruit and solicit small and minority businesses for this project.	Due with bid/proposal.
4	Good Faith Agencies Distribution List Indicates agencies that should receive notice of solicitation to small and minority businesses for this project.	Copy of notice sent to good faith agencies due with bid/proposal.
5	Outreach Written Notice Example Sample of notice to be sent to small and minority businesses soliciting their participation for this project.	Copy of notice sent to small and minority businesses due with bid/proposal.
6	Non-Discrimination Statement – Exhibit 1 Certification that this project is open to all businesses and persons and that no business or person shall be excluded from participating in the Town of Hilton Head Island procurement process.	Due with bid/proposal.
7	Outreach Documentation Log – Exhibit 2 Documents solicitation efforts to obtain small and minority business participation for this project.	Due with bid/proposal.
8	Proposed Utilization Plan – Exhibit 3 Listing of the small and minority businesses that will participate on this project and their proposed contract dollar amounts.	Due with bid/proposal.
POST-AWARD DOCUMENTS		
<i>Item/Form</i>		<i>Submission Requirements</i>
9	Compliance Efforts This document indicates the actions required of the offeror to earnestly carry out the small and minority business utilization plan and document payments thereof.	n/a
10	Monthly Compliance Status Report – Exhibit 4 Certifies monthly usage and payments to small and minority businesses.	Due monthly after work commences throughout the life of the contract.

* **NOTE:** Projects involving Federal funds may have Disadvantaged Business Enterprise (DBE) participation goals and requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation (USDOT), or other Federal requirements prescribed by the U.S. Department of Agriculture (USDA) or U.S. Department of Housing and Urban Development (HUD). Contractors submitting bids on such projects will also have to meet any outlined DBE Program requirements listed in the bid documents and submit items, including but not limited to, the following: (1) Certification of Contractor to Comply with DBE Requirements; (2) DBE Letter of Intent and Affirmation; (3) DBE Contract Totals and Percentage; and (4) Bidder’s List Questionnaire. For a current list of South Carolina DBE firms, please visit www.scdot.org and go to “Doing Business with SCDOT”, then see “Office of Business Development and Special Programs” and click on “DBE Directory”. Likewise, any USDA and/or HUD requirements must be met in addition to Town of Hilton Head Island’s requirements.

PROGRAM OVERVIEW

Introduction

The Town of Hilton Head Island (Town) recognizes that the South Carolina General Assembly, in South Carolina Code of Laws Section 11-35- 5210*, has declared that businesses owned and operated by minority persons have been historically restricted from full participation in our free enterprise system to a degree disproportionate to other businesses; and that it is in the state's best interest to assist minority-owned businesses to develop fully as a part of the state's policies and programs which are designed to promote balanced economic and community growth throughout the state. Therefore, the Town wishes to ensure that those businesses owned and operated by minorities are afforded the opportunity to fully participate in its overall procurement process for goods and services. Further, the Town seeks to ensure that small businesses are likewise afforded the same participation opportunity as minority businesses. Consequently, attention of all bidders and proposers is called to contract conditions contained herein pertaining to the Town's "**Small and Minority Business Participation Program**".

Definitions

Small Business means a for-profit concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, and qualified as a small business under the criteria and size standards in the Code of Federal Regulations, Title 13, Part 121, as amended. The Town refers to these businesses as **Small Business Enterprises** or "**SBEs**".

Minority Business means a concern at least fifty-one percent (51%) owned by a person determined to be socially and economically disadvantaged. *Socially disadvantaged* means those persons who have been subject to racial or ethnic prejudice or cultural bias because of their identification as members of a certain group without regard to their individual qualities. Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans (including American Indians, Eskimos, Aleuts and Native Hawaiians), Asian Pacific Americans, women and other minorities to be designated by the Town Council. *Economically disadvantaged* means those socially disadvantaged persons whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area that are not socially disadvantaged. The Town refers to minority businesses as **Minority Business Enterprises** or "**MBEs**".

Small and Minority Business Enterprises will be abbreviated as "SMBEs".

Provisions

The successful bidder or proposer, hereafter referred to as "Contractor", is required to (1) make specific **Pre-Award "Good Faith Efforts"** to recruit SMBEs and (2) **Post-Award "Compliance Efforts"** of its labors to utilize SMBEs, unless self-performing one hundred percent (100%) of the contract work. Falsification of any pre-award or post-award documents will be considered a serious breach of public trust and funds.

* SOUTH CAROLINA CODE OF LAWS, CHAPTER 35 "SOUTH CAROLINA CONSOLIDATED PROCUREMENT CODE, SUBARTICLE 1 "ASSISTANCE TO MINORITY BUSINESSES"

SELF-PERFORMANCE AFFIDAVIT

If self-performing 100% sign below and return this page with your bid/proposal.

I hereby certify my company's intent to perform one hundred percent (100%) of the work required for:

Project Name: _____

Bid/Proposal Number: _____

By signing this affidavit, I further certify that my company has the capability to perform and will perform all elements of the work on the project referenced above with my company's employees.

I further agree to provide additional information or documentation requested by the Town of Hilton Head Island in support of the above statement.

If a need to subcontract all and/or some of my company's work on this project arises, I will notify the Town of Hilton Head Island Procurement Office in writing within three (3) business days.

Name of Company

Authorized Representative Name

Signature

Title

Date

State of _____ County of _____

Subscribed and sworn to before me this _____ day of _____ 20__

Notary Public _____ My Commission Expires: _____

GOOD FAITH EFFORTS CHECKLIST (PRE-AWARD)

Pre-award efforts include the following “good faith efforts” for Contractors intending to use subcontractors, or the bid/proposal may be rejected.

If using subcontractors, return this page (and required supporting documents) with your bid/proposal.

- Divide and/or combine scope of work packages into economically feasible units, **if possible**.
- You can find directories of SMBEs by going to the following websites:
<http://dbw.scdot.org/dbesearch/DirectoryQuery.aspx>
<https://osmba.sc.gov/directory.html>
- Send a written notice **at least ten (10) business days prior** to the bid/response due date of your intent to submit a bid/response, and express interest in receiving quotes thereof to (1) potential SMBEs **and** (2) “good faith agencies”:
 - ✓ The written notice should contain the Contractor’s name and contact information; project name; project number; scope of work/bid packages available for subcontracting; information on availability of plans and specifications; and the Contractor’s company policy regarding insurance, bonding, and financial requirements, if any.
- Submit with the bid/proposal, copies of the written notice sent specifically to SMBEs, along with the fax transmittal confirmation slips (if sent by fax), copies of the e-mails (if e-mailed), and/or copies of metered or stamped envelopes (if sent by mail).
- Submit with the bid/proposal, copies of the written notice sent specifically to the “good faith agencies”, along with the fax transmittal confirmation slips (if sent by fax), copies of the e-mails (if e-mailed), and/or copies of metered or stamped envelopes (if sent by mail).
- Complete and submit Exhibits 1-3 with all requested supporting documentation (where applicable):
 - ✓ Exhibit 1: Non-Discrimination Statement
 - ✓ Exhibit 2: Outreach Documentation Log
 - ✓ Exhibit 3: Proposed Utilization Plan

The undersigned acknowledges making a good faith effort to comply with the above areas checked:

Name of Company

Authorized Representative Name

Signature

Title

Date

GOOD FAITH AGENCIES DISTRIBUTION LIST

Send written notice at least ten (10) business days prior to the bid/response due date to all the agencies listed below and do the following: (1) indicate your company's intent to submit a bid/response and (2) request their assistance in the recruitment of small and minority businesses. You may mail OR e-mail the notice.

Submit notice copy with the bid/proposal. copies of the written notices sent to these agencies.

- Beaufort County Black Chamber of Commerce**
Attention: Mr. Larry Holman, President
711 Bladen Street
Beaufort, SC 29902
EMAIL: president@bcbcc.org

- Beaufort Regional Chamber of Commerce**
Attention: Ms. Susan Fogelman, Director of Membership
Post Office Box 910
Beaufort, SC 29901
EMAIL: Susan@BeaufortChamber.org

- Hilton Head Island-Bluffton Chamber of Commerce**
Attention: Ms. Michelle Pivik, Director of Membership
Post Office Box 5647
Hilton Head Island, SC 29938
EMAIL: michelle@hiltonheadisland.org

- SCDOT Disadvantaged Business Enterprise Program**
Attention: Mr. Greg Davis
955 Park Street
Columbia, SC 29201
EMAIL: davisg@scdot.org

- Small Business Administration**
Attention: Ms. Angela Brewer
1835 Assembly Street, Suite 1425
Columbia, SC 29201
EMAIL: angela.brewer@sba.gov

OUTREACH WRITTEN NOTICE EXAMPLE

Send written notice at least ten (10) business days prior to the bid/response due date to potential small and minority businesses and provide notice of the following: (1) intent to submit a bid/response and (2) interest in receiving quotes from small and minority businesses.

You may mail OR e-mail the notice.

Submit all notices with the bid/proposal. Copies of the written notices sent to these agencies.

Example

No Name Company
Post Office Box 1234
Any Town, US
(123) 555-7777 Telephone
(123) 555-8888 Fax

Date

Subcontractor Company Name
Subcontractor Mailing Address
Subcontractor City, State, Zip

Dear Subcontractor Company Name:

No Name Company is pursuing work with the Town of Hilton Head Island, South Carolina and intends to submit a bid/proposal for Town IFB/RFP # 000-00000.

We have the following opportunities for subcontracting on this project:

- Describe Bid Package 1
- Describe Bid Package 2
- Describe Bid Package 3
- Etc...

Plans and specifications are available at our office and at _____ and _____.

It is the policy of No Name Company that _____ (state policy concerning W-4, insurance, credit lines, and assistance in obtaining bonds, etc.)

The IFB/RFP closing date is _____ at 3:00 pm and therefore, we must receive your quote/proposal into our office no later than _____ pm.

If you have any questions, please contact Mr. /Ms. _____ at our company.

We look forward to hearing from you.

Sincerely,

Title
No Name Company

Sign below and return this page with your bid/proposal.

EXHIBIT 1
Non-Discrimination Statement

The bidder/proposer certifies that:

- 1) No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, or gender in connection with any IFB/RFP submitted to the Town of Hilton Head Island or the performance of any contract resulting thereof;
- 2) That it is and shall be the policy of this Company to provide equal opportunity to all business persons seeking to contract or otherwise interested in contracting with this Company for Town of Hilton Head Island contracts, including those companies owned and controlled by socio-economic and racial minorities;
- 3) In connection herewith, we acknowledge and warrant that this Company has been made aware of, understands and agrees to take affirmative action to provide such companies with the maximum practicable opportunities to do business with this Company;
- 4) That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in full force and effect without interruption throughout the life of the referenced contract with the Town of Hilton Head Island;
- 5) That the promises of non-discrimination as made and set forth herein shall be and are hereby deemed to be made a part of and incorporated by reference into any contract or portion thereof which this Company may hereafter obtain and;
- 6) That the failure of this Company to satisfactorily discharge any off the promises of non-discrimination as made and set forth herein shall constitute a material breach of contract entitling the Town of Hilton Head Island to declare the contract in default and to exercise any and all applicable rights and remedies including, but not limited to cancellation of the contract, termination of the contract, suspension and debarment from future contracting opportunities, and withholding and/or forfeiture of compensation due and owing on a contract.

Name of Company

Authorized Representative Name

Signature

Title

Date

Return this page with your bid/proposal

**EXHIBIT 2
Outreach Documentation Log**

Bidder/Proposer Name: _____

IFB/RFP No.: _____

IFB/RFP Date: _____

Project Name: _____

LIST INFORMATION FOR THE S/MBEs YOU CONTACTED FOR INTEREST AND POTENTIAL PARTICIPATION

(Use additional sheets if necessary and mark "Exhibit 2 Attachment")

Name of SMBE	Firm Type	Address	Telephone Number	Trade/Commodity	Letter Sent (Y/N)	Response (No Response / Will Quote / Will Not Quote)	Result (If Submitting Quote)

The undersigned proposes to enter into a formal agreement with the SMBEs identified herein for work, schedule and value listed in this schedule conditioned upon execution of a contract with the Town of Hilton Head Island.

Name: _____ Signature: _____ Title: _____

Return this page with your bid/proposal

**EXHIBIT 3
Proposed Utilization Plan**

Bidder/Proposer Name: _____

IFB/RFP No.: _____

IFB/RFP Date: _____

Project Name: _____

LIST INFORMATION FOR THE SMBEs YOU INTEND TO UTILIZE
(Use additional sheets if necessary and mark "Exhibit 3 Attachment")

Name of SMBE	Firm Type	Address	Telephone Number	Point of Contact	Trade/Commodity	Contract / PO Amount

Total Anticipated Small Business Enterprise Participation Dollar Value: \$ _____

Total Anticipated Minority Business Enterprise Participation Dollar Value: \$ _____

The undersigned proposes to enter into a formal agreement with the SMBEs identified herein for work, schedule and value listed in this schedule conditioned upon execution of a contract with the Town of Hilton Head Island.

Name: _____ Signature: _____ Title: _____

COMPLIANCE EFFORTS (POST-AWARD)

The successful Contractor is required to fulfill any Small and Minority Business Enterprise (SMBE) commitments made in conjunction with the “Pre-Award Good Faith Efforts”, unless good cause is demonstrated for any failure to fulfill such commitment.

If the Contractor intends to make any substitutions for any reasons, the Town of Hilton Head Island Procurement Office must be notified in writing within ten (10) business days for discussion and approval. No Contractor shall enter into an agreement with any SMBE that would in any manner limit the SMBE from selling or acting as a subcontractor to any other party.

The Town of Hilton Head Island shall have the right to inspect the Contractor’s records related to activity and expenditures to SMBE utilized on its projects, to include related contracts/purchase orders and payment records, such as cancelled check copies. Further, designated Town of Hilton Head Island personnel are permitted access to all work sites. Contractors and their staff should take measures to cooperate fully with all Town of Hilton Head Island staff, including, but not limited to the Procurement Officer.

“Post-Award Compliance Efforts” require the Contractor to not only provide monthly reports regarding activity and expenditures to SMBE, but also to maintain related records throughout the life of the project regarding its efforts to comply with the Small and Minority Business Participation Program. The “Monthly Compliance Status Report” must be submitted to the Procurement Office until the project ends, by the fifth (15th) day, reflecting the activity of the previous month.

All questions regarding “Post-Award Compliance Efforts” should be directed to the Procurement Office via e-mail at richg@hiltonheadislandsc.gov or (843) 341-4711.

EXHIBIT 4



MONTHLY COMPLIANCE STATUS REPORT

Small and Minority Business Participation

Completed reports must be submitted by mail or email as follows:
 Town of Hilton Head Island
 Procurement Office
 One Town Center Court
 Hilton Head Island, SC 29928
 E-Mail: richg@hiltonheadislandsc.gov

Prime Contractor Name: Project Name: <input type="checkbox"/> Monthly <input type="checkbox"/> Final Type of Report: Report Number: For the Period Of:

Until the project ends, the Prime Contractor shall submit monthly reports to the Procurement Office by the 15th of each month, reflecting activity of the previous month.

Original Prime Contract Amount:
Change Orders to Date:
Current Prime Contract Amount:

Name of S/MBE	Firm Type	Quote Amount	Date of Contract/PO	Dollar Amount of Actual Contract/PO	Dollar Amount Paid This Month	Check Number	Dollar Amount Paid to Date

SBE Expenditure to Date:

MBE Expenditure to Date:

SMBE Total Expenditure to Date:

I certify that contracts/purchase orders have been executed with the above firms, amounts listed are accurate, and payments were made in accordance with contractual obligations. Cancelled checks to S/MBEs working on this project and/or supporting documentation for the information presented in this report will be made available to Town of Hilton Head Island officials upon written request.

Name: _____ Title: _____

Signature: _____ Date: _____



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Mayor Alan R. Perry & Town Council
FROM: Joshua Gruber, *Deputy Town Manager*
CC: Marc Orlando, *Town Manager*
DATE: May 11, 2023
SUBJECT: First Reading of Proposed Ordinance 2023-14 to Amend the Franchise Agreement between the Town of Hilton Head and Shore Beach Services, Inc. Concerning the Allocation of Lifeguard Personnel

RECOMMENDATION:

The Legal Department has not identified any legal concerns in connection with the request from Shore Beach Services, Inc. ("SBS") to amend the Franchise Agreement. Approval is recommended.

BACKGROUND:

SBS provides lifeguard and beach rental equipment services to the Town under a Franchise Agreement dated May 24, 2019. On March 28, 2023, SBS submitted a letter to the Town's Legal Department requesting a modification to the Franchise Agreement (refer to the attachment). In summary, SBS seeks to amend the Franchise Agreement by (1) replacing the term "Rental Lifeguard" with "Rental Attendant," and (2) defining the responsibilities of Rental Attendants in offering supplementary support for beach patrol and emergency services.

SUMMARY:

With the proposed amendment to the Franchise Agreement, Rental Attendants would not have a primary obligation of beach monitoring as lifeguards. However, all Rental Attendants currently possess and will maintain lifeguard certification, enabling them to provide assistance to on-duty lifeguards when necessary. On April 10, 2023, the Community Services and Public Safety Committee voted unanimously to approve the requested amendments to the Franchise Agreement.

ATTACHMENTS:

1. Proposed Ordinance 2023-14

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO. 2023-

PROPOSED ORDINANCE NO. 2023- 14

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND TO AMEND SECTION 10-5-50 ENTITLED *COMMERCIAL ACTIVITIES FRANCHISE GRANTED TO SHORE BEACH SERVICES, INC.* OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE TOWN MANAGER TO MODIFY THE FRANCHISE AGREEMENT BETWEEN THE TOWN OF HILTON HEAD ISLAND AND SHORE BEACH SERVICES, INC.

WHEREAS, Section 5-7-30 of the Code of Laws of South Carolina 1976 (Annotated), as amended, provides that the municipal government within the State of South Carolina may “grant franchises for the use of public streets and make charges for them”; and

WHEREAS, the Town Council of the Town of Hilton Head Island did previously adopt Section 10-5-50 of the Municipal Code of the Town of Hilton Head Island on November 15, 1994, granted Shore Beach Services, Inc. a non-exclusive franchise for the purpose of conducting certain commercial activities within specified public beach areas on Hilton Head Island (“Franchise Agreement”); and

WHEREAS, on May 21, 2019, the Town Council of the Town of Hilton Head Island adopted Ordinance No. 2019-12, effectively renewing the Franchise Agreement for an additional five year period; and

WHEREAS, on March 28, 2023, Shore Beach Services, Inc. requested certain modifications to the Franchise Agreement in order to clarify the roles and responsibilities pertaining to “Rental Lifeguards” and “Rental Attendants”; and

WHEREAS, on April 17, 2023, the Town of Hilton Head Island Community Services and Public Safety Committee unanimously voted to recommend approval of the modifications and forward said request to Town Council for review; and

WHEREAS, the Town Council now desires to amend Section 10-5-50 related to commercial activities franchise granted to Shore Beach Services, Inc. of the Municipal Code of the Town of Hilton Head Island by authorizing the Town Manager to modify the Franchise Agreement as set forth in Exhibit A; and

WHEREAS, the Town Council has the authority to amend its Code of Ordinances when deemed to be in the best interest of the citizens of the Town, and now desires to do act with respect to the subjects referenced above by enacting the amendments set forth below.

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

Section 1. Amendment. Section 10-5-50 of the Municipal Code of the Town of Hilton Head Island, South Carolina, is hereby amended as follows:

“Section 10-5-50. Commercial activities franchise granted to Shore Beach Services, Inc.

A non-exclusive franchise is granted to Shore Beach Services, Inc. to conduct, within specified public beach areas, certain commercial activities pursuant to the terms and conditions of the attached franchise agreement, as amended, which is attached hereto and made a part hereof, is hereby renewed.

Section 2. Amendments. Any amendments to the Franchise Agreement shall clearly denote new language and deleted language. New language shall be shown as bold and double underlined. Deleted language shall be shown with a strikethrough.

Section 3. Severability. If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING. SIGNED, SEALED AND DELIVERED THIS _____ DAY OF _____, 2023.

By: _____
Alan R. Perry, Mayor

ATTEST:

By: _____
Kimberly Gammon, Town Clerk

First Reading: _____, 2023

Second Reading: _____, 2023

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

EXHIBIT A

The amendment to the Services Agreement, specifically Section III of Exhibit 1, which is incorporated as Exhibit B in the Franchise Agreement, is hereby authorized to be modified as follows:

III. NON-BILLABLE BEACH PATROL SERVICES

Contractor will provide the following Beach Patrol Services, which may vary due to weather conditions, at no cost to the Town:

A. **Lifeguard Personnel Duties & Assignment** - Contractor is responsible for deploying lifeguard personnel throughout the areas of operations. Lifeguard personnel shall consist of highchair lifeguards and rental lifeguards **attendants**.

1. **Highchair Lifeguards.** The primary duty of highchair lifeguards is water surveillance, therefore, they shall not conduct commercial activities. It is mandatory that the highchair lifeguard's attention be focused on this duty; therefore, highchair lifeguards shall not:
 - (a) Sit or lean on anything other than their stands;
 - (b) Conduct lengthy conversations with persons in a manner or in such a fashion as to impair the performance of safety duties;
 - (c) Permit persons at the stand other than agents of the Town, Beach Patrol personnel employed by the Contractor, persons seeking first aid, and persons transacting equipment rental business;
 - (d) Read while on duty;
 - (e) Turn his/her back on the ocean or permit others to stand so that his/her view of the ocean is obstructed;
 - (f) Allow the immediate stand area to be littered at any time while on duty.

2. **Rental Lifeguards Attendants.** The primary duty of rental lifeguards **attendants** is conducting commercial activities, however, when not so doing they shall be responsible for assisting in water surveillance **aware of the needs of beachgoers and available to assist other beach patrol personnel with their duties.** Furthermore, in the event of an emergency in their area rental lifeguards **attendants** shall cease conducting commercial activities and respond to said emergency. It is mandatory that the rental lifeguard's **attendant's** attention be focused on these duties; therefore, rental lifeguards **attendants** shall not:



TOWN OF HILTON HEAD ISLAND

Town Council

TO: Hilton Head Town Council
FROM: Missy Luick, Assistant Community Development Director
VIA: Shawn Colin, Assistant Town Manager – Community Development
CC: Marc Orlando, Town Manager
DATE: May 16, 2023
SUBJECT: Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, approving a Housing Action Committee

RECOMMENDATION:

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, approving a Housing Action Committee.

BACKGROUND:

Town Council as part of the adoption of the 2022 Workforce Housing Framework, Finding Home, defined a critical first step to meet the goals outlined in the Framework was to establish a Housing Action Committee (HAC). The goal of this Committee would be to provide advice, guidance, and support to help the Town develop and implement its affordable workforce housing goals and objectives. Following Council's direction at a November 1, 2022, adoption of the Framework, this ordinance has been prepared to authorize the creation of this new action committee.

After the attempted sale of Chimney Cove Apartments, which would have displaced over 300 tenants from their homes, Town Council held a special meeting on September 14th, to consider immediate action opportunities for workforce housing. At this meeting Town Council directed Council Members David Ames and Tom Lennox to work with Town Manager, Marc Orlando, and staff to prepare a formal Workforce Housing Framework that would be brought before Town Council for consideration no later than November 1, 2022.

As a result of this, a two-day Housing Charrette was facilitated by MKSK Studios and Together Consulting in October where a multi-disciplinary team of housing stakeholders shared critical information about housing trends in the Town and reviewed major goals and strategies for a housing framework and to generated ideas for specific tactics. The Workforce Housing Framework included with this memo contains the results of this charette and outlines a housing framework structure based on four pillars that will support comprehensive sustainable housing strategies that identifies long-term solutions to

address affordable workforce housing on Hilton Head Island. The pillars are Community, Planning, Management, and Revenue.

Critical first steps were laid out under each Pillar for the Town to consider for 2023 implementation. In January 2023, the Town committed \$1M toward workforce housing as part of the budget process, a key step toward meeting the goals outlined in the Revenue Pillar. Also in January, as part of the Management Pillar of the Workforce Housing Framework, the Town created a new position and began recruiting for a Workforce Housing Program Manager who will be tasked with leading the implementation of the Town's Workforce Housing goals. The Town also extended its contract with Together Consulting to provide staff support in planning and the development of other critical first steps outlined in the Framework, to include but not limited to the formation of a Housing Action Committee, which was a key recommendation within the Community Pillar.

To take this critical first step Town Council is presented with a Resolution for the establishment of a Housing Action Committee, made up of no more than nine (9) appointed community representatives with varying backgrounds and expertise relating to housing and community development. Council should consider the following member representation in their recommendations for Committee appointment: (1) general home building, (2) banking/finance, (3) affordable workforce housing developer (for-profit), (4) affordable workforce housing developer (non-profit), (5) community representative (concerned citizen), (6) affordable housing tenant or homeowner, (7) employment sector representative, (8) realtor or real estate professional and (9) workforce housing advocate (or social service representative). The primary role of this group of action committee members will be to advise the Town Manager and Council on strategies, ideas and recommendations that address issues on housing affordability.

SUMMARY:

Together Consulting, researched 20 different Housing Action Committee (HACs) from across the country, 16 of these were reviewed for specific recommendations and structure. Examples included national, regional and South Carolina HACs including those in resort and beach communities. Based on this extensive research and analysis the following resolution outlines the recommendation for the Town's Housing Action Committee.

ATTACHMENTS:

1. Resolution
2. Housing Action Committee Brochure
3. Finding Home- A Workforce Housing Framework

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

RESOLUTION NO. _____

**A RESOLUTION OF THE TOWN COUNCIL AUTHORIZING THE
CREATION OF THE HOUSING ACTION COMMITTEE FOR THE TOWN
OF HILTON HEAD ISLAND**

WHEREAS, on November 5, 2019, Town Council accepted the Workforce Housing Strategic Plan prepared by Lisa Sturtevant & Associates, LLC and approved a policy framework for a workforce housing program on the Island; and

WHEREAS, on October 20, 2020, Town Council adopted Our Plan 2020-2040, the Town of Hilton Head Island Comprehensive Plan, which includes Housing Goals, Strategies, and Tactics; and

WHEREAS, on December 7, 2021, Town Council adopted the Town of Hilton Head Island Fiscal Year 2021-2022 Strategic Plan, which included strategic action items on housing initiatives; and

WHEREAS, on February 22, 2022, Town Council discussed an update on current housing initiatives and proposed next steps, which resulted in the advancement of initiatives related to sewer connections, home safety and repair, advancement of an RFQ for a workforce housing public-private partnership on town-owned property, formation of a development corporation and participation in a regional housing trust fund; and

WHEREAS, Town Council directed Council Members David Ames and Tom Lennox to work with the Town Manager, Marc Orlando, and his staff to prepare a formal Workforce Housing Framework that would be brought before Town Council for consideration no later than November 1, 2022; and

WHEREAS, the Workforce Housing Framework was adopted by Town Council on November 1, 2022 and represented a cumulation of input from the public and Town Council; and

WHEREAS, four pillars were identified as structural to the foundation of the Workforce Housing Framework that consisted of Community, Planning, Management, and Revenue; and

WHEREAS, the adopted Workforce Housing Framework outlines several critical first steps within each pillar which would support the Town’s goal to increase access and opportunities for the preservation and production of workforce housing to meet the growing needs for Town residents and workforce; and

WHEREAS, the Community pillar outlined a recommendation that the Town “engage, collaborate, and inform the community on housing challenges, and to identify community-led housing programs and solutions”; and

WHEREAS, one of the key strategies recommended under the Community pillar of the Workforce Housing Framework was to create and commit to a Housing Action Committee;

NOW, THEREFORE, BE IT, AND HEREBY IT IS, RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA AS FOLLOWS:

- (1) The Town of Hilton Head Island hereby adopts the formation of a Housing Action Committee with the sole purpose to advise and recommend to the Town various workforce housing strategies for their consideration, adoption, and implementation.
- (2) The Housing Action Committee is hereby created, and its membership shall consist of: no more than nine (9) appointed community representatives with varying backgrounds and expertise relating to housing and community development. Members shall represent the following areas of expertise and background: (1) general home building, (1) banking/finance, (1) affordable workforce housing developer (for-profit), (1) affordable workforce housing developer (non-profit), (1) community representative (concerned citizen), (1) affordable housing tenant or homeowner, (1) employment sector representative, (1) realtor or real estate professional and (1) workforce housing advocate (or social service representative).
- (3) The Housing Action Committee shall review the Town's Workforce Housing Strategic Plan, the Housing Element of the Town's Our Plan, the Workforce Housing Framework and any and all other plans that may be created and adopted to address the Town's Workforce Housing needs and thereafter will make recommendations and suggestions for implementation.
- (4) Additionally, the Housing Action Committee shall assist the Town in determining relevant housing policies that will be necessary to accomplish the identified goals and objectives outlined in the plans mentioned above and provide recommendation on any new or innovative ideas as part of a Town adopted Housing Tool Kit that might help the Town accomplish its workforce housing goals.
- (5) The Town Manager is hereby authorized and empowered to take such actions as may be necessary in order to develop, implement, and carry into action the necessary tactics to form and implement the Housing Action Committee.

**MOVED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2023.**

THE TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

Alan Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

Housing Action Committee

Town of Hilton Head Island

Contribute Your Voice, Leadership and Expertise

Apply to serve on the Town of Hilton Head Island's Housing Action Committee

As part of the Town's adoption of the Workforce Housing Framework, November 2022, the Town seeks to appoint a diverse group of community leaders and concerned citizens to serve on the newly formed Housing Action Committee.

The Workforce Housing Framework is focused on four core Pillars: Community, Planning, Management, and Revenue. The goal of the community pillar encourages the Town to engage, collaborate and inform the community on housing challenges, and identify community-led housing programs and solutions.

A critical first step in implementing the goals and strategies within the Community Pillar is engaging community leaders' voice and expertise.



The Housing Action Committee will consist of nine (9) members with backgrounds in housing and community development. Committee representation should include the following expertise and experience:

- General Homebuilding
- Banking/Finance
- Non-profit Affordable Workforce Housing Developer
- For-profit Affordable Workforce Housing Developer
- Community Representative (Concerned Citizen)
- Affordable Housing Tenant or homeowner
- Employer representative
- Realtor and Real Estate professional
- Workforce Housing Advocate (or social service)

Purpose of the Housing Committee

The primary role of this Action group will be to advise the Town Manager and Council on strategies, ideas and recommendations that address issues on housing affordability to include but not limited to supporting the implementation of the Town's goals and objectives outlined in Workforce Housing Framework.

Those individuals interested in serving on the Housing Action Committee and possess one or more of the above expertise can apply at XXXX.

**For more about the Committee please contact
XXXX**



Finding Home

A WORKFORCE HOUSING FRAMEWORK

For the Town of Hilton Head Island, SC

November 1, 2022

COST to build v. Revenue
\$\$\$
Limited Land + Limited infrastr.
Capacity
Larger # of people create more demand
Where commit to afford.?







This moment ...

This is an important moment for the communities of our Island. We've experienced decades of strong growth and expanding prosperity. We're a destination for visitors, a community of choice for residents, and a strong market for businesses. By so many measures, Hilton Head Island is a strong island. But despite all this success, we're threatened by a growing trend.

Housing affordability in Hilton Head Island is rapidly declining and affecting all aspects of our community. This trend accelerated through the COVID-19 Pandemic and is actively threatening our families, our workforce, and our reputation as a complete community. Without some intervention, we'll all inherit the consequences.

But segments of our community are bearing the brunt. I worry about our working families, and those who aspire to raise children on the Island. I worry about our employers and their ability to find employees. But most of all, I worry about what we'll lose when we lose this first rung of the housing ladder. If we can make a difference, shouldn't we?

This Framework is a promise to do just that. As leaders, we can't sit by and watch these trends play out. The stakes are too high and the impacts too profound. If we're committed to the sustainability of our community, we're committed to housing affordability. We have a unique opportunity at this moment to take advantage of the community's alignment on the issue and invest in a multi-faceted program to address the challenge. The work ahead is complicated and difficult, but I'm confident in our community's ability to make change.

With warm regards,

John McCann, Mayor

ACKNOWLEDGMENTS

The Town of Hilton Head Island Workforce Housing Framework is the product of a collaborative effort between Town leadership, staff, and community members. The following is a list of key contributors.

Town Council

- » John McCann, Mayor
- » Bill Harkins, Mayor Pro-tem, Ward 2
- » Alex Brown, Ward 1
- » David Ames, Ward 3
- » Tamara Becker, Ward 4
- » Tom Lennox, Ward 5
- » Glenn Stanford, Ward 6

October 2022 Housing Charrette Participants

- » Cliff McMackin, Sea Pines Resort
- » Steve Birdwell, Sea Pines Resort
- » Tony Alfieri, RBC Capital Markets
- » Sarah Jones-Anderson, Greystone Affordable Development
- » Kumar Viswanathan, Asset Management Associates
- » Scott Wierman, Community Foundation of the Lowcountry
- » Risa Sreden Prince, Community Advocate
- » Tony Malagrino, University of South Carolina Beaufort
- » Brenda Dooley, Hilton Head Regional Habitat for Humanity
- » Mike Manesiotis, Hilton Head Long-Term Rentals
- » Eric Turpin, Native Island Business & Community Affairs Association
- » Jean Beck, Hilton Head Area REALTORS
- » John O'Toole, Beaufort County Economic Development Corporation
- » Meg James, Hilton Head Area Home Builders Assoc.
- » Stephanie Rossi, Lowcountry Council of Governments
- » Alan Wolf, SERG Restaurant Group
- » Brendan Reilley, Coastal Restaurants and Bars
- » Angela Childers, Beaufort Housing Authority
- » John DeRiggi, Putnam Atlantic Properties, LLC
- » Brian Esposito, Esposito Construction, Inc
- » Ray Deal, HHI-Bluffton Chamber of Commerce
- » Roselle Wilson, Native Island Business & Community Affairs Association
- » Jeffrey A. Ernico, Abom & Kutulakis, LLC

Town Staff

- » Marc Orlando, Town Manager
- » Shawn Colin, Assistant Town Manager - Community Development
- » Missy Luick, Community Planning Manager
- » Jennifer Ray, Capital Program Manager
- » Shea Farrar, Senior Planner
- » Nicté Barrientos, Assistant Planner - Economic Development
- » Ben Brown, Senior Advisor to the Town Manager

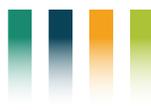
Consulting & Facilitation Team

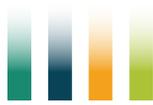
- » MKSK Studios
- » Together Consulting



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PART I: SETTING THE STAGE

OUR PURPOSE

Workforce housing affordability has been a growing challenge on Hilton Head Island. The trend accelerated through the last five years and the impacts are difficult to ignore. Now is the time for deliberate action. Otherwise, the Town will continue to lose its valuable share of workforce housing, home-by-home, or family-by-family. The Workforce Housing Framework is a commitment to preserve and expand workforce housing options on Hilton Head Island.

Community leadership, Town commitment, and staff support are critical for the successful implementation of the recommendations in this Framework. Furthermore, buy-in and commitment from these stakeholders and Town residents will be essential for substantive and lasting change. Over the past five years, there have been several housing plans, reports, and studies completed for the Town, including the 2019 Strategic Workforce Housing Plan, the Town’s 2020 Our Plan and most recently the focus on Strategic Workforce Housing in the 2022 Town’s Strategic Plan.

All these plans have pointed to the lack of workforce housing and its potential impact to the qualities of life and opportunity. Each identifies a growing housing crisis, lays out a series of strategies and recommendations, and in some cases, provides the number of units needed over the next 10 years. The 2019 Strategic Workforce Housing Plan indicated that housing on Hilton Head Island should target households with incomes between 30 and 80 percent of area median income (AMI) for rental housing and up to 100 percent of AMI for for-sale housing.

In this 2022 Workforce Housing Framework, the Town is committing to address workforce housing needs. This Framework is meant to complement existing plans by laying out critical first steps and strategies to address the growing demand for affordable housing. Housing affordability has been an important issue for the Town for many years, but never has there been such urgency. As the Town experiences more in-migration on the island post-COVID-19, along with an increase in short-term rentals (Airbnb, VRBO, etc), and competition for more housing units, working families are facing increasing competition for their homes and the valuable land underneath. .

The overarching goal of this Workforce Housing Framework is to provide the Town and municipal leaders with specific strategies and defined actionable tactics that address both the need for housing preservation and new production. The Workforce Housing Framework will serve as the foundational document pulling from the 2019 Strategic Workforce Housing Plan and the Town’s 2020 Our Plan to uplift specific strategies that can be prioritized and implemented over the next 24 months. The Framework is focused on four core Pillars: Community, Planning, Management, and Revenue, with the goal to outline key actions within each pillar to address the growing housing crisis.





Hilton Head Island is not alone in facing this urgency to address workforce housing.

Nationally, many communities are struggling to provide adequate workforce housing that aligns with the socio-economic make-up of their workforce. The increased demand for housing on the Island has put significant pressure on existing properties. Several older apartment communities and individual single-family homes are at risk of being absorbed by investors for renovation into higher-end housing and/or short-term rentals. These units are referred to as “Naturally Occurring Affordable Housing” or NOAH. They are housing communities that have traditionally been naturally affordable but not government subsidized or restricted, making them fair game to open market investors to repurpose into higher-end housing to meet growing demand for market rate housing.

The recent issue with Chimney Cove Village is an example of growing friction in the housing market.

The potential acquisition of this property and displacement of 300 tenants would have been devastating for the working families that live at Chimney Cove and for the entire Island with the loss of one of the few affordable rental communities. Business owners and employers have already indicated difficulty in recruiting and retaining employees to the Island, citing housing affordability as a key factor. This situation, along with the growing demand for new units to meet population and workforce growth as outlined in the 2019 Strategic Workforce Housing Plan, has accelerated the Town’s urgency to define immediate actionable strategies to support the production and preservation of workforce housing on the Island. The 2022 Workforce Housing Framework analyzes key recommendations in the Town’s previous plans and best practice models from other similar communities to provide a foundation for action. The goal of the framework is to build off these plans, define a specific toolbox of strategies, and lay out first steps toward addressing the immediate housing crisis.



Source: Island Packet

A catalyst for change: The Chimney Cove Village planned evictions

In mid-August eviction notices were issued to roughly 300 residents of the Chimney Cove Village apartment complex on Hilton Head Island. Residents were given 30 days notice before their leases would end early and the complex sold to a developer. Most of the residents work on the Island, with 100 children also living in the complex.

The apartments are some of the few affordable units on the island, making re-housing difficult. Resident Edolena Baelon worried about where she would go, saying “when my 7-year-old asked where we are going, I said I didn’t know” (Island Packet).

Eviction notices were rescinded on August 31st, but the ordeal left the Town and its residents shaken. Mayor John McCann issued a statement assuring the Town’s commitment to being part of the solution, and the Town Council called a special meeting to address the evictions and collaborate with community stakeholders on solutions.

This is one example of a housing crisis trend on the Island. A 2018 housing options assessment on Hilton Head Island showed that the fastest-growing income brackets were those making more than \$150,000 annually, and those making less than \$25,000. Those higher-income households have the potential to push rent up, displacing hundreds of island workers if no intervention is taken. This could come in the way of developing more affordable units, or protecting the Island’s naturally occurring affordable housing.

WORKFORCE HOUSING INDICATORS

Recent plans and studies specific to the Island and the region have revealed stark trends with the Town’s housing environment. The data points to decreasing affordability for workforce housing and a host of secondary impacts affecting families, workers, and the community’s broader quality of life. This section presents that case and additional information with respect to the specific conditions and trends on Hilton Head Island, and quotes key findings from the 2019 Workforce Housing Strategic Plan.

Population growth has slowed, but housing demand is pushing all time highs. After decades of tremendous growth, the Island’s population increase

slowed down dramatically between 2010 and 2020. With a rate of change of just 1.2 percent, the Island’s permanent population has plateaued at just under 40,000 residents. But with strong regional growth – including a 20 percent increase for surrounding counties – the demand for housing in the Lowcountry remains very strong. The slowdown in population growth on the Island is not about preference to live

elsewhere; it points to an inability by the Town to add housing. This, coupled with record demand, continues to drive prices higher.

In recent years, the fastest growing income groups on Hilton Head Island have been those with incomes below \$25,000 and those with incomes of \$150,000 and above. The community has experienced a fairly significant hollowing out of middle-income households which has important implications for housing. Higher-income households can put upward pressure on prices and rents, putting housing further out of reach of those with more modest incomes.

Working households have an increasingly hard time finding housing they can afford. For example, there are an estimated 5,000 workers on Hilton Head Island in the Accommodation & Food Services industry. The

median wage for workers in this sector is \$22,622 annually. A single person earning this wage could afford rent of no more than \$566 per month. A couple (e.g., married couple or two roommates) could afford rent of no more than \$1,132 per month; they could afford to purchase a home priced at no more than about \$158,000.

There is already a significant housing affordability challenge among current Hilton Head Island residents. About 40 percent of all Hilton Head Island households—including 37 percent of homeowners and nearly half of renters—are housing cost burdened, spending 30 percent or more of their income each month on housing costs. When individuals and families spend a disproportionately high share of their income on housing, there can be too little left over for other necessities, including food, health care, transportation, and clothing. There is also less left over to spend on goods and services in the local economy.

Population Change

(2010 - 20)

+1%

Permanent resident growth has plateaued, regional growth intensifying

Affordable Rent

\$566

For a 1-person household working in accomodation & food service, of which there are more than 5,000 employees on the Island





Many people working on Hilton Head Island commute from elsewhere in Beaufort County and beyond. More than 14,000 workers commute onto the Island each day for work, with the number of in-commuters rising steadily each year. People who work on Hilton Head Island commute longer distances than those commuting to either the Town of Bluffton or City of Beaufort. About 17 percent of workers on Hilton Head Island—or nearly 4,400 workers—commute 50 miles or more each way to get to work. On their way into and home from Hilton Head Island, those commuters will pass by growing areas in Bluffton, Hardeeville, Port Royal and other communities where employment opportunities are expanding. More job options in other parts of the county will make it less attractive for workers to continue to commute onto Hilton Head Island to work.

Hilton Head Island is increasingly competing with Bluffton and other communities for workers. Many of these workers have wages that, while competitive for the industry, are at levels that make it very challenging to find affordable housing on Hilton Head Island.

Hilton Head Island’s housing market is atypical as it includes a significant number of housing units that are occupied on a seasonal basis. About half of the Island’s nearly 34,000 housing units are defined

as “vacant” without a year-round occupant. In a recent study to better understand the proliferation of short-term rental units on the Island, more than 10,000 properties were identified. The revenue potential of this service is significant and adds to the upward pull of property values.

Est. Short Term Rentals

10k

Roughly one third of the Island’s housing stock

If you’d like to learn more, please reference the Town’s recent studies on the topic. The Workforce Housing Strategic Plan, in particular, was adopted in 2019, and includes a deep accounting of the community’s housing product, market segments, affordability, and other critical data.

A regional challenge; growing regional cooperation

Housing in-affordability is a growing phenomenon in the South and in South Carolina, as many households post-pandemic have gained flexibility in where they live and work, and northern communities have sought a different way of life in the coastal communities like South Carolina and Florida. South Carolina is one of the top five states with the highest number of in-migration. Communities like Charleston, Greenville, and coastal resort areas like Hilton Head Island have seen the highest growth in SC. According to the 2021 National Van Lines Moving Study, when the reason for moving is “cost of living,” “retirement,” or “lifestyle change,” the state of South Carolina ranks 1, 2, and 6, respectively, when considering in-bound moves across all 50 states.

Unlike other communities in South Carolina, however, available and developable land in Hilton Head Island is scarce. Unique design standards, environmental, and conservation policies that make Hilton Head Island such a desirable place to live also create barriers to certain types of development options. Continued increases in construction and labor costs nationally and the unique development requirements of the Island have further increased the cost of housing production.

The Town is actively aligning with regional housing strategies to address the challenge in concert with surrounding communities. The Beaufort County Housing Trust Fund was officially launched in the fall of 2022 as a response to County’s shared issues around growing in-affordability. Joining seven other cities and towns on the mainland and the County, the fund is expected to generate more than \$10 million in the next decade to fund regional workforce housing projects and initiatives. This unique coalition reflects the shared nature of the housing challenges around the Lowcountry and is one of the first regional entities in the Southeast.

PREVIOUS WORK

The Housing Framework is the product a long discussion in the community spanning several years. The following presents a timeline of this work and a summary of the specific policies and programs enacted by the Town to date.

Recent Housing Plans & Initiatives

YEAR	PLAN / INITIATIVE
2019	Adoption of Workforce Housing Strategic Plan
2020	Adoption of Commercial Conversion Workforce Housing Incentive Conversion of existing non-residential square footage to residential units Adoption of Our Plan, a comprehensive plan for the Town
2021	Adoption of Density Bonus Workforce Housing Incentive; additional density provided in exchange for Workforce Housing units Dedicated American Rescue Plan Funds for Housing Initiatives Assessment of Regional Housing Trust Fund Participation Adoption of Town's Strategic Action Plan
2022	Authorized RFQ for Public Private Partnership for affordable workforce housing on Town property Launched Sewer Connection Program Launched Home Safety & Repair Program Executed an Agreement to participate in the Regional Housing Trust Fund Directed by the Mayor, Councilmen Ames and Lennox were charged with bringing a Workforce Housing Framework to Town Council by November 1 Workforce Housing Framework Charrette

Setting priorities for housing

Solutions for workforce housing should be designed to respect the Town's unique natural and cultural resources.

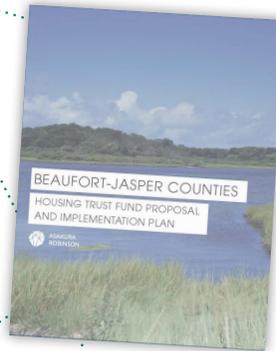


Establishing a broad policy

The Comprehensive Plan is foundational to directing the Town's focus and parameters for initiatives that affect the Island community now and into the future. The plan was built from robust community engagement.

A regional strategy

The Town performed an assessment process leading to development of a Regional Housing Trust Fund Proposal and Implementation Plan and agreement. The Town formally joined the coalition in the fall of 2022.



Strategic direction

A plan to implement American Rescue Plan funding appropriation and assess creation of Regional Housing Trust Fund.





2022 HOUSING CHARRETTE

Town Staff convened a multi-disciplinary team of housing stakeholders to participate in a two-day charrette in October of 2022. The purpose of the meeting was to share critical information about housing trends, test and refine major directional statements of the Framework (including goals and strategies), and generate ideas for specific tactics. After over ten hours of facilitated conversation, the team affirmed major components of the Framework, advancing the strategy to Town Council for adoption.

The 35 participants at the charrette represent a broad cross-section of public, private, and philanthropic groups with a focus or interest in the Town’s housing affordability challenges. These individuals capture the complexities of the housing challenge on Hilton Head Island, both in terms of their professional experience and their personal expertise. The conversation was impassioned and fruitful. A full list of participants is provided in the document acknowledgments inside the front cover.

Participants

35

Leaders from around the Island volunteered 10 hours to the Housing Charrette

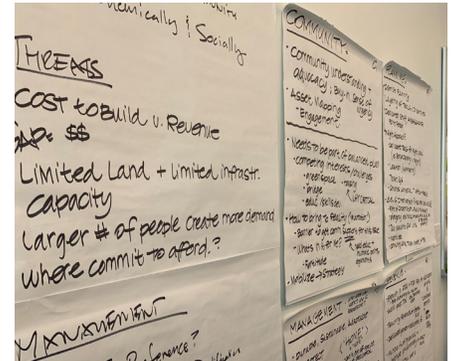
Major themes and outcomes from the charrette included:

- » Participants approved the broad goal for housing and the pillar-by-pillar goals and high-level strategies. The group discussed each of these statements in turn, providing feedback, reactions, and small refinements.
- » Communication, messaging, and calls to action are as important as the actions themselves. If the community is unaware of the consequences of inaction, they are very unlikely to support the funding and execution of future actions.
- » The messaging should come from a “large boat” group of community leaders who are trusted, respected, and can carry the weight of the movement to their networks and connect where they have interests.
- » There is a need for full time, full-focus staff inside Town Hall committed to working on implementing the Framework and the execution of future tactical plans. This staff position or positions will be charged with initiating the Town’s tactical response and identifying needs in terms of resources, capacity, coordination, etc.
- » The situation is complicated and multi-variable. Initial planning action should be committed to better understanding the system (Strengths, Weaknesses, Opportunities, Threats), identifying potential projects, policies, and/or programs, and developing a tactical action plan. This should be organized around immediate, mid-term, long-term and ongoing investments.
- » The need for predictable, ongoing funding is critical. An initial millage raise could be tied to affordable & workforce housing and would not need to be tied to a referendum. The broader funding model, however, needs to evolve to be multi-streamed and multi-sourced.
- » Participants approved strategies within each of the Framework pillars (Community, Planning, Management, and Revenue). These changes are captured in this Framework.





PART II: THE WORKFORCE HOUSING FRAMEWORK



Finding Home A WORKFORCE HOUSING FRAMEWORK

The work to develop the Town of Hilton Head Island’s Workforce Housing Framework began in the fall of 2022 as a result of growing trends around workforce housing. Town leadership committed to a process to develop the Framework through a collaborative process with the community. This framework is a structure, around which policies and more specific action can be affixed and expanded.





STRUCTURE

The Town of Hilton Head Island’s Workforce Housing Framework is a broad commitment by the Town to address the growing challenges around workforce housing. Without deliberate action, these challenges will continue to mount and the impacts to families, businesses, and the quality of life on the Island will compound. Town leaders believe there is opportunity to make a difference.

Peer communities have made progress on the issue when there is strong alignment, clear responsibility and oversight, and real resources applied. Based on the conclusions from the October 2022 Workforce Housing Charette, 2019 Workforce Housing Strategic Plan, 2020 Our Plan, 2021 Town Strategic Plan and the 2018 Beaufort County Housing Needs Assessment, now is the time for a commitment. The following section presents these commitments by the Town of Hilton Head Island to addressing the workforce housing crisis in the short- and long-term.

By adopting this Framework, Town Council is charging Staff to interpret the broad direction into a set of actionable and fundable projects, policies, and programs. This action planning is forthcoming, but critical “first steps” are provided throughout the Framework. The Framework is organized from broad direction to specific action. Each statement was reviewed and refined during the October 2022 Workforce Housing Charrette. Definitions for each component are provided by the figure on the right.

Framework Structure



Goals

A commitment statement to address workforce housing by the Town.

Pillars

Provide structure to support a comprehensive, sustainable housing strategy that identifies long-term solutions to address workforce housing on Hilton Head Island. The pillars are Community, Planning, Management, and Revenue.

Strategies

How are we going to accomplish our goals.

Critical First Steps

Direction to initiate movement.

WHY NOW?

Hilton Head Island is a community of choice. The demand for housing is constant and, as a result, the prices for real estate increase. With the market pulling prices higher, there is a resulting impact across all price points along the housing spectrum. No segment, or type, is immune. This process intensified through the COVID-19 Pandemic and related economic shutdowns. Communities like Hilton Head Island experienced a wave of interest and investment as prospective residents quickly consumed available properties.

The result is a less affordable housing system. While this impacts all residents, the effects are especially pernicious for the Island's local workforce. Affordable homes are endangered and the process to add to this stock is slow, complicated, and costly. At the same time, competition for labor is intensifying across the Lowcountry. The Town's population grew relatively slowly (just over one percent) between 2010 and 2020 after decades of rapid increase. Regionally, however, Beaufort County grew by more than 20 percent. The Island finds itself in growing competition with the mainland for workers and its lack of workforce housing options adds to the challenge.

The impact on working class families is tangible. The trends within the Island's housing system either push workers further and further afield as they "commute to compete" or incentivize other opportunities on the mainland, further shrinking the labor pool for Island businesses. For those workers who can find local housing, the latent threat of displacement is impossible to ignore.

Collectively, this is an unstable system. Without intervention, everyone who cares about the future of the Island will feel the impact of this trend. Now is the time for a strong commitment and real action.

This section lays out the central promise of the Town of Hilton Head Island's Workforce Housing Framework. The statement captures the Town's spirit, urgency, and commitment to action to address workforce housing now and in the future.

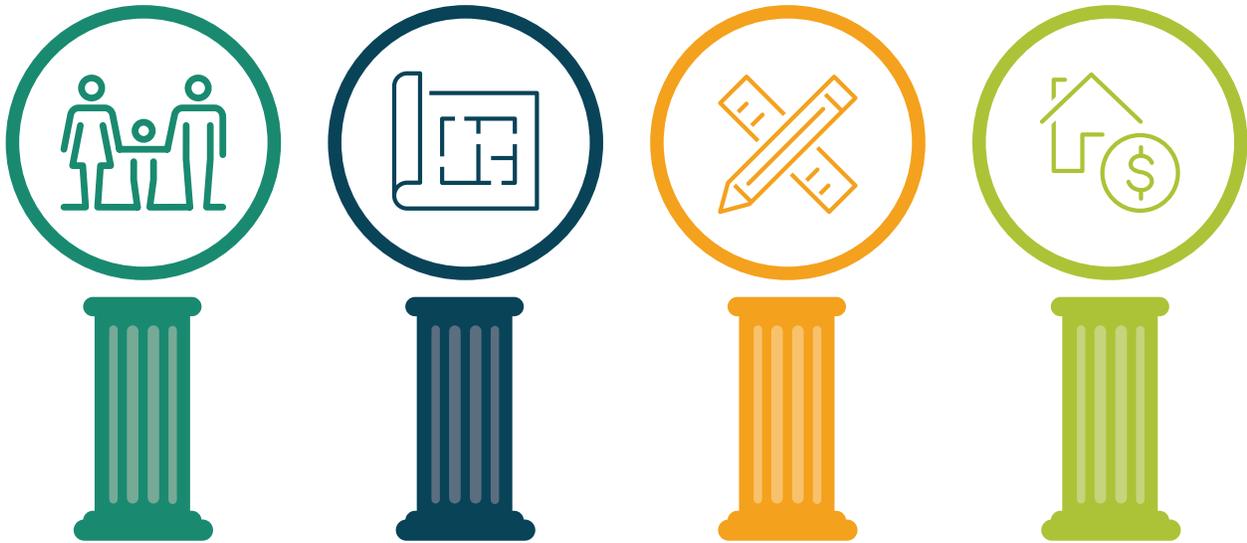


OUR GOAL FOR WORKFORCE HOUSING

The Town of Hilton Head Island shall ensure growing opportunities to provide more workforce housing options on the Island and participate – through real investments – in the local and regional solution.

To meet our goal, we commit to a Workforce Housing Framework supported by four foundational pillars: Community, Planning, Management, and Revenue. Collectively, these pillars establish the enabling structure to assign future policy, programs, organizational capacity, resources, and management. This in the pursuit of expanding workforce housing development opportunities in the Town.





Finding Home

THE PILLARS OF AFFORDABILITY

Based on the Town's fundamental commitment to action, leadership should pursue a wide range of partnerships, projects, policies, and other measures to determine which path has the most promise. The Pillars are a way of organizing this action into an encompassing set of Town-owned and/or Town-supported strategies. This section presents the four pillars: Community, Planning, Management, and Revenue.



COMMUNITY

The Community pillar is an acknowledgment that the Town can only go so far without the fundamental support of advocates, business owners, and neighbors. These voices are the most important. The systemic nature of this challenge also creates a shared responsibility among community members to participate in the solution. But this “community” needs information and a central call to action to advocate for specific projects as they materialize.

The Community pillar is important to address workforce housing because:

- » The reach and efficacy of the Framework can only benefit through the collaboration and alignment of non-Town organizations and groups
- » Successful models from around the country are built around a broad community coalition and regularly course-correct based on feedback and reporting
- » Building a sustainable and effective strategy requires a feedback loop from community stakeholders
- » Communication is key to fostering engagement and understanding

Goal for the Community pillar:

To engage, collaborate, and inform the community on housing challenges, and to identify community-led housing programs and solutions.

Strategies:

1. Commit to develop, maintain, and support partnerships and relationships with community organizations, as well as regional and state partners to collaboratively address local workforce housing needs.
2. Commit to a Housing Action Committee to coordinate with community groups in the housing space, cultivate an ongoing housing dialogue, and engage the community in housing education, planning, innovation and provide advice and recommendations.

Critical First Steps:

- ✓ Develop a island-wide housing communications campaign that plainly lays out the argument for Town action and is distributed through a multi-channel, multi-format campaign
- ✓ Distribute and regularly update a rent survey to area renters and landlords
- ✓ Develop an asset map of local groups and individuals involved directly or indirectly with housing security and/or affordability





PLANNING

The Town of Hilton Head Island is unique in many ways. This distinct character contributes to the Town’s high quality of life and quality of place. It’s also what makes the process of policy development on issues like housing affordability so challenging. There are simply few communities like Hilton Head Island. Strategies need to be closely tailored to the Island’s geography, economy, and – perhaps most important – culture. Finding the right set of tactics to reverse the trends on affordability will require significant time and capacity from Staff and leadership. But a commitment to planning is not a commitment to inaction. Rather, the Planning Pillar is crucial to the success of the Workforce Housing Framework as it establishes the freedom and the importance of ongoing policy development, project identification, and evaluation of the efficacy of initiatives.

The Planning pillar is important to address workforce housing because:

- » There is a need to study the housing system more deeply to better understand trends and identify potential overlaps between like-communities
- » The Town must move to a fundable action plan and identify the right set of initial investments
- » Planning requires time, capacity, and resources
- » Approaching the tactical work as experimentation pulls pressure from the platform and acknowledges the complexity of the challenge and the need to arrive at a community-owned solution
- » Evaluation of initiatives is crucially important in determining where the Town should continue to invest or move resources in a new direction

Goal for the Planning pillar:

To create a social, political, and economic environment that stimulates workforce housing through planning, policy-making, and programming.

Strategy:

1. Commit to create a multi-year workforce housing action plan that will include a range of prioritized housing tactics and tools.

Critical First Steps:

- ✓ Create a Workforce Housing tactic toolbox
- ✓ Develop and maintain a map and database of all workforce housing units



MANAGEMENT

The complexity of the housing issue and the potential intervention strategies by the Town, demand direction, oversight, and evaluation. This management is essential to the success of the Framework. Communities like Hilton Head Island that have made progress on the issue started with staffing. The focus that this new capacity enables allows the Town to deepen its understanding of the challenge, identify internal and external partners, research applicable policy, and potentially assist related organizations.

The Management pillar is important to address workforce housing because:

- » The Town needs staff who are solely focused on the issues of housing affordability and security
- » Management is an active and ongoing process involving numerous parties
- » Initiating and maintaining action at scale requires expertise, commitment, and oversight
- » Maintaining the Town’s stock of workforce housing also assumes significant compliance work
- » The Town can extend the efficacy of its programs and investments by enabling outside structures

Goal for the Management pillar:

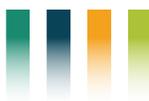
To establish a management program and policies to advance workforce housing opportunities.

Strategies:

1. Commit to adding dedicated staff to provide coordination and planning.
2. Commit to explore the creation of a professionally managed housing organization.
3. Commit to and maintain a dashboard of core metrics.

Critical First Steps:

- ✓ Develop an asset map of existing partners and players in the space of workforce housing
- ✓ Recruit and hire at least one staff person focused on implementing the housing action plans and playing a lead advocate for the Town’s efforts





REVENUE

A sustainable revenue model for workforce housing must have multiple streams and recurring funding. A predictable and significant revenue source will generate action around workforce housing locally. Without this, there's little hope of generating action around workforce housing. Even with regional, state, and federal funding sources fully leveraged, there is still a need to provide gap funding at the local level. Based on the Town's commitment, this funding promise is significant. In 2022, the Town joined partners from around the county to fund one of the State's first Regional Housing Trust Funds made up of eight different jurisdictions. This financial commitment by the Town represents a first and important signal of leadership's willingness to invest in a housing initiative. But the Town is also committing to sharing in the solution through local initiatives.

The Revenue pillar is essential to meet workforce housing because:

- » Land and real estate costs are rising precipitously on the Island
- » The regional trust fund initiative is important, but the next critical step to securing workers and families long-term is developing an adequate recurring workforce housing funding model for projects on the island
- » Without proper funding, the projects identified through community conversation or planning efforts may not materialize

Goal for the Revenue pillar:

To provide a consistent, sustainable, and multi-sourced revenue model for funding workforce housing initiatives and partnerships.

Strategy:

1. Commit to a funding plan that meets the needs of the multi-year workforce housing action plan.

Critical First Steps:

- ✓ Establish a dedicated and recurring funding sources that are allocated for workforce housing
- ✓ Identify possible Town revenue sources for workforce housing program allocation
- ✓ Establish a network of potential financial partners including but not limited to private investors, philanthropic organizations, banks, etc. to support workforce housing initiatives



Finding Home

A WORKFORCE HOUSING FRAMEWORK

Hilton Head Island, SC

OUR GOAL

The Town of Hilton Head Island shall ensure growing opportunities to provide more workforce housing options on the Island and participate – through real investments – in the local and regional solution.

To meet our goal, we commit to a Workforce Housing Framework supported by four foundational pillars: Community, Planning, Management, and Revenue. Collectively, these pillars establish the enabling structure to assign future policy, programs, organizational capacity, resources, and management. This in the pursuit of expanding workforce housing development opportunities in the Town.



THE PILLARS OF AFFORDABILITY



The Pillars organize our action related to workforce housing affordability into an encompassing set of Town-owned and/or Town-supported strategies.

COMMUNITY

Goal:

To engage, collaborate, and inform the community on housing challenges, and to identify community-led housing programs and solutions.

Strategies:

1. Commit to develop, maintain, and support partnerships and relationships with community organizations, as well as regional and state partners.
2. Commit to a Housing Action Committee.

PLANNING

Goal:

To create a social, political, and economic environment that stimulates workforce housing through planning, policy-making, and programming.

Strategy:

1. Commit to create a multi-year workforce housing action plan that will include a range of prioritized housing tactics and tools.

MANAGEMENT

Goal:

To establish a management program and policies to advance workforce housing opportunities.

Strategies:

1. Commit to adding dedicated staff to provide coordination and planning.
2. Commit to explore the creation of a professionally managed housing organization.
3. Commit to and maintain a dashboard of core metrics.

REVENUE

Goal:

To provide a consistent, sustainable, and multi-sourced revenue model for funding workforce housing initiatives and partnerships.

Strategy:

1. Commit to a funding plan that meets the needs of the multi-year workforce housing action plan.

Next Steps?

As a forthcoming component of the Framework, Town Staff will work collaboratively with Council and a multi-disciplinary advisory body to develop – in an ongoing way – a critical investment package.