

Town of Hilton Head Island TOWN COUNCIL MEETING Tuesday, May 3, 2022, 3:00 PM AGENDA

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 Public Meetings Facebook Page, the Beaufort County Channel and Spectrum Channel 1304.

- 1. Call to Order
- 2. FOIA Compliance Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.
- 3. Pledge to the Flag
- 4. Invocation Pastor Nathan Futrell Central Church
- 5. Roll Call
- 6. Approval of the Agenda
- 7. Approval of the Minutes
 - a. Regular Meeting April 19, 2022
- 8. Report of the Town Manager
 - a. Items of Interest
- 9. Reports of the Members of the Town Council
 - a. General Reports from Town Council
 - b. Report of the Lowcountry Council of Governments Councilwoman Becker
 - c. Report of the Southern Lowcountry Regional Board Councilman Lennox
 - d. Report of the Beaufort County Airports Board Councilman Ames
 - e. Report of the Community Services & Public Safety Committee Councilman Harkins
 - f. Report of the Public Planning Committee Councilman Ames
 - **g.** Report of the Finance & Administrative Committee Councilman Lennox

10. Appearance by Citizens Citizens who wish to address Town Council must contact the Town Clerk at 843.341.4701 no later than 12:00 p.m. the day of the meeting. Citizens may also submit comments on agenda items via the eComment portal at (Town Council Meeting Information)

11. Consent Agenda

- a. Second Reading of Proposed Ordinance 2022-13 Authorizing the Sale of 0.141 Acres of Real Estate Owned by the Town of Hilton Head Island, South Carolina, Under the Authority of SC Code Ann. Sec. 5-7-40 (Supp. 2021) and Sec. 2-7-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, (1983).
- b. Second Reading of Proposed Ordinance 2022-11 Authorizing the Town of Hilton Head Island, South Carolina to Execute a Lease of Four (4) Parcels of Land Along Beach City Road, Jointly Owned by The Town of Hilton Head Island and Beaufort County to Historic Mitchelville Freedom Park, Inc.

12. New Business

- a. Consideration of a Resolution Authorizing the Implementation of a Home Safety and Repair Program Including the Execution of a Memorandum of Understanding with the Lowcountry Council of Governments to Handle Income Certification
- b. Consideration of a Resolution Authorizing the Implementation of a Sewer Connection Program Including the Execution of a Memorandum of Understanding with Deep Well, the Lowcountry Council of Governments, and the Hilton Head Public Service District
- c. Consideration of a Resolution Authorizing the Town Manager to Enter into a Memorandum of Understanding with South Island Dredging Association to Provide Funding Assistance for the Dredging of Harbour Town Yacht Basin
- d. First Reading of Proposed Ordinance 2022-09, Amending Section 4-5-20 of the Municipal Code of the Town of Hilton Head Island, Extending the Expiration Date of the Real Estate Transfer Fee from December 31, 2024 to December 31, 2044
- e. First Reading of Proposed Ordinance 2022-10 Amending Sections 10-9-10 and 10-9-30 of the Municipal Code for the Town of Hilton Head, South Carolina, Regarding the Billing for Ambulance Services
- f. First Reading Proposed Ordinance 2022-06 Amending, Title 10 of the Municipal Code of the Town of Hilton Head Island, South Carolina, by Adding Chapter 2 Entitled "Short-Term Rentals"
- g. First Reading of Proposed Ordinance 2022-12 Amending the Budget for the Town of Hilton Head Island for the Fiscal Year Ending June 30, 2022 and Adopting the Budget for the Town of Hilton Head Island for the Fiscal Year ending June 30, 2023

13. Adjournment



Town of Hilton Head Island TOWN COUNCIL MEETING Tuesday, April 19, 2022, 3:00 p.m. MINUTES

Present from Town Council: John J. McCann, *Mayor;* Bill Harkins, *Mayor Pro-Tempore;* David Ames, Tamara Becker, Alex Brown, Tom Lennox, 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;* John Tuttle, *Technology & Innovation Director;* Carolyn Grant, *Communications Director;* Brad Tadlock, *Fire Chief;* Jennifer Ray, *Capital Program Manager;* Krista Wiedmeyer, *Town Clerk*

1. Call to Order

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

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

3. Roll Call

Attendance of Town Council was confirmed by way of a roll call.

4. Pledge to the Flag

5. Invocation – Belle McCartan – First Church of Christ, Scientist

Ms. McCartan delivered the invocation.

6. Approval of the Agenda

Mr. Harkins moved to approve. Mr. Stanford seconded. The motion carried 7-0

7. Approval of the Minutes

- a. Workshop April 5, 2022
- b. Regular Meeting April 5, 2022

Mr. Harkins moved to approve the minutes. Mr. Stanford seconded. The motion carried 7-0.

8. Report of the Town Manager

a. Items of Interest

Mr. Orlando reviewed various items of interest, including the Town being recently recognized as both Storm Ready and Tsunami Ready by the National Weather Service. He also announced the recognition of Taylor Ladd by the First Tee.

b. Capital Improvement Program Quarterly Status Update – Jennifer Ray, Capital Program Manager

Ms. Ray delivered the quarterly status report on the Town's Capital Improvement Program. She answered questions posed by the members of Town council.

9. Reports of the Town Council

a. General Repots from Town Council

Mayor McCann reported that at an upcoming Town Council meeting, he would be bringing forward a resolution for Town Council to consider. He said this would be to dedicate the fountain at Shelter Cove in the name of former Mayor Drew Laughlin.

b. Report of the Community Services & Public Safety Committee – Councilman Harkins

Mr. Harkins reported that he did not have anything to report.

c. Report of the Public Planning Committee – Councilman Ames

Mr. Ames reported that at their April 28, 2022 meeting, the Committee would review enhancements to the Palmetto Breeze Trolley service and discuss the proposed ordinance on e-bike regulations.

d. Report of the Finance & Administrative Committee – Councilman Lennox

Mr. Lennox reported that the Committee med earlier in the day where they considered several items. He noted the seven items that were considered, noting that they were all approved to move forward to Town Council to consider.

10. Proclamations and Commendations

a. Presentation of a Proclamation to Hopeful Horizons Recognizing Child Abuse Awareness Month.

Mayor McCann and Mr. Ames presented the proclamation to representatives of Hopeful Horizons.

11. Appearance by Citizens

Mary Johnson addressed the Mayor and Town Council on the short-term rental regulations ordinance.

Skip Hoagland addressed the Mayor and Town Council on various matters related to the Town and Chamber.

12. New Business

a. First Reading of Proposed Ordinance 2022-11 Authorizing the Town of Hilton Head Island, South Carolina to Execute a Lease of Four (4) Parcels of Land Along Beach City Road, Jointly Owned by The Town of Hilton Head Island and Beaufort County to Historic Mitchelville Freedom Park, Inc.

Mr. Harkins moved to approve. Mr. Stanford seconded. With no discussion from Town Council, the motion carried 7-0.

b. Consideration of a Resolution Approving the Fiscal Year 2023 Marketing Plan and Budget for the Hilton Head Island-Bluffton Chamber of Commerce Visitor and Convention Bureau, as Recommended by the Accommodations Tax Advisory Committee

Mr. Harkins moved to approve. Mr. Stanford seconded. With comments from both Mr. Lennox and Mr. Ames about the work of the Accommodations Tax Advisory Committee and Chamber of Commerce, the motion carried 7-0.

c. Consideration of a Resolution Authorizing the Execution and Delivery of an Agreement with Certain Owners and Contract Purchasers of Residential Lots in the Sandcastles by the Sea Subdivision and the Completion of the Transactions Described in the Agreement

Mr. Harkins moved to approve. Mr. Stanford seconded. With no discussion from Town Council, the motion carried 7-0.

d. First Reading of a Proposed Ordinance Authorizing the Sale of 0.141 Acres of Real Estate Owned by the Town of Hilton Head Island, South Carolina, Under the Authority of SC Code Ann. Sec. 5-7-40 (Supp. 2021) and Sec. 2-7-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, (1983)

Mr. Harkins moved to approve. Mr. Stanford seconded. With no discussion from Town Council, the motion carried 7-0.

e. Consideration of a Resolution from the Town of Hilton Head Island Planning Commission Recommending Hilton Head Island Town Council and Beaufort County Council Work Together in the Development of a New Long-Term Agreement that will Secure the Landfill and Recycling Needs of Hilton Head Island and Beaufort County

Mayor McCann called upon Peter Kristian to give an overview of this item. He answered questions posed to him from the members of Town Council. With no further discussion, Mr. Harkins made a motion for Town Council to support the resolution presented to them from the Greater Island Council. Mr. Stanford seconded. Motion carried unanimously.

13. Executive Session

a. Discussion of Personnel Matters Related to the Appointments to Boards and Commissions and the Island Recreation Association Board [pursuant to SC Freedom of Information Act Sec. 30-4-70(a)(1)]

At 3:45 p.m., Town Council recessed for Executive Session.

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

15. Adjournment

Town Council returned from Executive Session with no action and unanimously adjourned at 4:50 p.m.

Approved: May 3, 2022

Krista M. Wiedmeyer, Town Clerk

John J. McCann, Mayor

CONSENT AGENDA

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE SALE OF 0.141 ACRES OF REAL ESTATE OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, UNDER THE AUTHORITY OF S. C. CODE ANN. § 5-7-40 (SUPP. 2021), AND § 2-7-20, MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, the Town of Hilton Head Island, South Carolina, owns a parcel of real property known as R511-009-000-1196-0000, located on Folly Field Road, Hilton Head Island, South Carolina (the "Town Property"); and,

WHEREAS, the Town Property abuts fourteen residential lots in Sandcastles by the Sea Subdivision; and,

WHEREAS, The Town of Hilton Head Island, South Carolina, notified certain of the owners of the 14 lots that improvements on their lots were in violation of the Town Municipal Code and Land Management Ordinance; and,

WHEREAS, certain of the owners appealed the Town's determination to the Board of Zoning Appeals, which affirmed the Town's determination; and,

WHEREAS, certain of the lot owners have appealed the Board of Zoning Appeals' decision to the Court of Common Pleas for Beaufort County, South Carolina; and,

WHEREAS, The Town of Hilton Head Island, South Carolina has negotiated a Settlement Agreement that resolves the pending appeals, but also resolves the issues for all the owners and contract purchasers of lots abutting the Town Property; and,

WHEREAS, the Settlement Agreement was approved by the Town Council for The Town of Hilton Head Island, South Carolina, on April 19, 2022; and,

WHEREAS, the Settlement Agreement contemplates a conveyance of 0.141 acres to the Town Property; and,

WHEREAS, the Settlement Agreement is contingent on the Town Council for The Town of Hilton Head Island, South Carolina, adopting an ordinance authorizing the conveyance of Town Property; and,

WHEREAS, S. C. Code Ann. § 5-7-40 (Supp. 2018) and § 2-7-20, Code of the Town of Hilton Head Island, South Carolina, (1983), states that conveyance of real property owned by the Town of Hilton Head Island, South Carolina, must be authorized by Ordinance; and,

WHEREAS, the Town Council for The Town of Hilton Head Island, South Carolina, has determined that it is in the best interest of the Town and its citizens and residents to authorize the conveyance of 0.141 acres of the Town Property in accordance with terms and conditions of the Settlement Agreement.

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

Section 1. Execution of Lease Agreement and Conveyance Documents.

(a) The Mayor and the Town Manager are hereby authorized to execute and deliver
Deeds for 0.141 acres of real property owned by The Town of Hilton Head Island, South
Carolina the Deed in accordance with terms of the Settlement Agreement approved by the
Town Council for The Town of Hilton Head Island, South Carolina ,on April 19, 2022; and
(b) The Mayor and the Town Manager are hereby authorized to take such other and

further actions as may be necessary to complete the conveyance of the real property authorized by this Ordinance. Section 2. Severability.

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

Section 3. Effective Date.

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

PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS _____ DAY OF MAY, 2022.

John J. McCann, Mayor

ATTEST:

Krista W. Weidmeyer, Town Clerk

First Reading: April 19, 2022

Second Reading:_____

Approved as to form: _____ Curtis L. Coltrane, Town Attorney

Introduced by Council Member:_____



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:Marc Orlando, ICMA~CM, Town ManagerFROM:Anne Cyran, AICP, Interim Community Planning ManagerVIA:Shawn Colin, AICP, Assistant Town Manager – Community DevelopmentDATE:April 20, 2022SUBJECT:Beach City Road Parcels Lease to Historic Mitchelville Freedom Park, Inc.

At their meeting on April 19, 2022, Town Council reviewed and approved first reading of proposed Ordinance 2021-21 regarding the Beach City Road Parcels Lease to Mitchelville Freedom Park, Inc. At that meeting, Town Council made no changes to the proposed Ordinance.

Attachments:

- 1. Presentation
- 2. Ordinance
- 3. Ordinance Exhibit A: Long Term Lease
- 4. Ordinance Exhibit B: Legal Descriptions
- 5. Ordinance Exhibit C: Master Plan
- 6. Vicinity Map
- 7. Lease Request from Historic Mitchelville Freedom Park, Inc.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A LEASE REGARDING FOUR (4) PARCELS, LOCATED ALONG BEACH CITY ROAD, TO HISTORIC MITCHELVILLE FREEDOM PARK, INC., RELATED TO REAL PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND AND BEAUFORT COUNTY, SOUTH CAROLINA, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. SEC. 5-7-40 AND SEC. 2-7-20, CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town of Hilton Head Island, South Carolina ("Town") and Beaufort County ("County"), jointly own one or more parcels of real property along Beach City Road; and

WHEREAS, the Town has determined that it is in the best interests of the Town to provide for the preservation of these properties as part of the Historic Mitchelville Freedom Park ("Park"), and for the utilization of the Park as a cultural and historical museum; and

WHEREAS, on April 18, 2017, the Town adopted an ordinance, which entered into a Memorandum of Understanding and Lease with Historic Mitchelville Freedom Park, Inc. ("Mitchelville", formerly known as: Mitchelville Preservation Project, Inc.) for the operation of a cultural and historical museum in the Town of Hilton Head Island; and

WHEREAS, on August 18, 2020, the Town approved a Master Plan and Business Plan for the development of the Historic Mitchelville Freedom Park and this Master Plan outlined additional parcels not included in the previous lease with the Town; and

WHEREAS, the Town and County purchased the four (4) parcels along Beach City Road for preservation due to their historical significance and leasing these parcels to Mitchelville is consistent with this purpose; and WHEREAS, the Community Services & Public Safety Committee held a public meeting on March 28, 2022 at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed lease; and

WHEREAS, after consideration of the Staff presentation and public comments, the Community Services & Public Safety Committee voted unanimously to recommend Town Council authorize the execution of the lease; and

WHEREAS, the Town Council of the Town is authorized to enter into leases of Townowned land under the authority of S.C. Code Ann. Section 5-7-40 and Section 2-7-20, *Code of The Town of Hilton Head Island*, South Carolina (1983, as amended); and

WHEREAS, the Town Council for the Town has determined that it is in the best interests of the Town to authorize the execution and delivery of a Lease for four (4) parcels, jointly owned by the Town and Beaufort County and located along Beach City Road, which is described and attached hereto as Exhibit "B".

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

Section 1 - Execution, Delivery and Performance of Lease.

(a) The Mayor and/or Town Manager are hereby authorized to execute and deliver the Lease in substantial conformance with the attached Exhibit "A"; and

(b) The Town Manager is hereby authorized to take such other and further actions as may be necessary to complete the performance of the Town's obligations under the terms and conditions of the Lease.

Section 2 - Severability.

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

Section 3 - Effective Date.

This Ordinance shall be effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

PASSED AND APPROVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS ____ DAY OF _____, 2022.

ATTEST:

John McCann, Mayor

Krista Wiedmeyer, Town Clerk

First Reading: April 19, 2022

Second Reading:

Approved as to form: _______Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Marc Orlando, ICMA~CM, Town Manager
FROM:	Anne Cyran, AICP, Interim Community Planning Manager
VIA:	Shawn Colin, AICP, Assistant Town Manager - Community Development
DATE:	April 20, 2022
SUBJECT:	Home Safety and Repair Program

<u>Recommendation</u>: That Town Council review the proposed Home Safety and Repair Program and adopt a Resolution authorizing the Program for implementation, including the execution of a Memorandum of Understanding with the Lowcountry Council of Governments to perform the household income certification required to meet eligibility criteria.

The Finance and Administrative Committee met on April 19, 2022, and voted unanimously to forward a recommendation to Town Council to adopt a resolution authorizing the Program for implementation.

Summary: On August 19, 2021, Town Council approved expenditure recommendations for American Rescue Plan Funds received by the Town, including \$400,000 for a Home Repair/Removal of Unsafe and Uninhabited Structures Program (Home Safety and Repair Program). The funding allocation is programed over two years, with \$200,000 in Fiscal Year 2022 and \$200,000 in Fiscal Year 2023.

Approval of the Home Safety and Repair Program Resolution (Attachment 2) by Town Council will allow staff to formalize the procedure for executing the program. If approved, the Town will execute a communication plan to promote and refer households to the program.

As described in Exhibit A of the Resolution (Attachment 3), the Program will provide financial assistance to low-income homeowners and households earning up to 60% of the area median income (AMI) for Beaufort County for the following:

- 1. Repairs to the home to keep it safe and dry;
- 2. Abatement or demolition of uninhabited or unsafe structures; and
- 3. Trimming or removal of trees that pose a hazard to the home.

Qualified applicants may apply for multiple improvements to their property with total expenditures limited to \$15,000 per fiscal year, per applicant, unless an emergency arises and an exception to the \$15,000 limit is authorized by the Town Manager.

Approval of the Memorandum of Understanding (Attachment 4) will establish an agreement with the Lowcountry Council of Governments (LCOG) to ensure household income is certified prior to approval of an application to participate in the Program (Attachment 5).

The Home Safety and Repair Program is supported by Our Plan Inclusive Goal 3, Inclusive Strategy 5.4, Connected Goals 1 and 4, Connected Strategy 4.1, and Infrastructure Strategy 3.3. The Program is an inclusive planning process that considers the needs of different demographics of the Island and will provide residents a better quality of life while building resistance to environmental challenges.

Background: The intent of the Home Safety and Repair Program is to assist low-income homeowners and households on the Island with safety measures in and around their home.

Deep Well has a Livable Housing Program to assist residents with various home repairs, sewer/septic issues, and temperature control measures. Their program is available to owner-occupied units only; however, they will work with a landlord for projects related to a rental unit.

The Town's Home Safety and Repair Program will supplement the Deep Well Program by providing assistance for larger scale repairs that will allow Deep Well to focus their funds on other needs within the community.

The detailed program is outlined below:

Program Policy Statement

The Town of Hilton Head Island has established the Home Safety and Repair Program to assist low- income homeowners and households of the Island with property repairs and improvements that will help to improve the quality of life for all residents while creating a safer, more vibrant community that retains its character and provides for quality affordable housing.

Program Elements

The Home Safety and Repair Program is designed to assist low-income homeowners and households that live in the municipal boundaries of the Town of Hilton Head Island while ensuring that they have safe and dry living environments. Program elements are as follows:

- A. Home Repair Assist homeowners with repairs to the inside and/or outside of their home that will lead to a safer and drier home.
- B. Abatement/Demolition of Uninhabited or Unsafe Structures Assist with the abatement or demolition of unsafe structures on residential property in accordance with the procedures outlined in Title 9, Chapter 8 Uninhabited, Unsafe Buildings/Structures of the Municipal Code of the Town of Hilton Head Island (Attachment 8).
- C. Hazard Tree Trimming or Removal Assist with the trimming or removal of any tree that is dead, clearly diseased, or in any condition that would constitute a hazard to public health, safety, or welfare of the home, as determined by the Town or any person or firm contracted by the Town.
- D. Fees for building permits and any other Town of Hilton Head Island applications will be waived.

Some requested services may require additional Town reviews and/or approvals. Town Staff will assist the applicant in obtaining the necessary reviews.

04/07/2022 Page 3

Limits on Applications / Qualifications

Qualified applicants are homeowners or households with an annual income that does not exceed sixty percent (60%) of the Area Median Income (AMI) published each year for Beaufort County. Qualified applicants may apply for multiple improvements to their property with expenditures limited to a total of \$15,000 per Town fiscal year (July 1 – June 30) unless an emergency arises and an exception to the \$15,000 limit is authorized by the Town Manager.

Lowcountry Council of Governments (LCOG) Income Certification

Eligibility for the program is based on total income of all adults (18 years and older) living in the household and the number of household members. Income Certification is determined through an agreement with the LCOG (Attachment 6). To certify income, any (not all) of the following types of documentation must be submitted by the applicant and each adult living in the household.

- Three (3) consecutive payroll stubs; or
- A completed verification of employment form or, Social Security annual statement, Retirement statement or stub; or
- Bank statements-Deposit Snapshot from bank for social security income or income from other sources; or
- Current year tax return.

Required Applicant Forms and Documentation

The applicant is required to submit to the Town the following forms and documentation when requesting any of the services offered under this Program:

- 1. A complete application;
- 2. Adequate proof of an ownership interest in the home or property, whether by recorded title, court order, affidavit, or otherwise;
- 3. Income documentation for each adult member of the household; and
- 4. A Right-of-Entry (Attachment 7) which allows Town Staff and Town contractors' access to the property for the purpose of evaluating and performing work as described on the work specifications sheet.

Attachments:

- 1. Presentation
- 2. Resolution
- 3. Resolution Exhibit A: Home Safety and Repair Program
- 4. Resolution Exhibit B: Memorandum of Understanding
- 5. Program Application
- 6. LCOG Income Certification Form
- 7. Right of Entry Agreement
- 8. Municipal Code: Title 9, Chapter 8, Uninhabited, Unsafe Buildings/Structures



Town of Hilton Head Island Home Safety & Repair Program

Town Council

May 3, 2022





Recommendation

- Program Policy Statement
- Program Elements
- Limitations/Qualifications
- Income Certification
- Required Applicant Forms and Documents
- Program Execution
- Communication Strategy
- Next Steps



Recommendation

That the Finance and Administrative Committee review the proposed Home Safety and Repair Program and forward a recommendation to Town Council to adopt a Resolution authorizing the Program for implementation, including the execution of a Memorandum of Understanding with the Lowcountry Council of Governments to perform the household income certification required to meet eligibility criteria.



Program Policy Statement

The Town of Hilton Head Island has established the Home Safety and Repair Program to assist low-income homeowners and households of the Island with property repairs and improvements that will help to improve the quality of life for all residents while creating a safer, more vibrant community that retains its character and provides for quality affordable housing.



Program Elements

Home Repair

Repairs to inside or outside of home to keep it safe and dry

- Abatement/Demolition of Uninhabited or Unsafe Structures
 - Removal of structures determined to be unsafe per Town code
- Hazard Tree Trimming or Removal
 - Removal or trimming of trees determined to be a hazard to the home
- Town application and permit fees will be waived



Limitations/Qualifications

- Homeowners & households earning up to 60% AMI
- Total costs limited to \$15,000 per applicant, per Town Fiscal Year, unless an emergency arises and an exception to the \$15,000 limit is authorized by the Town Manager

6



Income Certification

Lowcountry Council of Governments (LCOG) Income Certification

- Eligibility for the program is based on total income of all adults (18 years and older) living in the household and the number of household members. Income Certification is determined through an agreement with the LCOG. To certify income, any (not all) of the following types of documentation must be submitted by the applicant and each adult living in the household.
 - □ Three (3) consecutive payroll stubs; or
 - □ A completed verification of employment form; or
 - Social Security annual statement, Retirement statement or stub; or
 - Bank statements-Deposit Snapshot from bank for Social Security income or income from other sources; or
 - Current year tax return.



Required Forms and Documents

The applicant is required to submit to the Town the following forms and documentation when requesting any of the services offered under this Program:

- A complete application;
- Adequate proof of an ownership interest in the home or property, whether by recorded title, court order, affidavit, or otherwise;
- Income documentation for each adult member of the household; and
- A Right-of-Entry which allows Town Staff and Town contractors' access to the property for the purpose of evaluating and performing work as described on the work specifications sheet.



Program Execution

- Application submitted to Town
- Lowcountry Council of Governments reviews documentation and certifies household income meets requirements
- Town staff performs site visit to verify safety concerns
- ► Town staff obtains at least 3 bids for scope of work
- Town awards contract & executes right of entry
- ► Town staff monitors work & pays invoice



Communication Strategy

- Town press release, social media posts
- Town flyer in English & Spanish
- Town to include information on website
- Coordinate with neighborhood ambassadors, faith-based organizations and other non-profits to increase awareness of the program.
- Public Service District to include information in their distributions
- Deep Well to include information on their website
- Coordinate with contractors



Next Steps

If Approved, begin Implementation of the Program, to include:

- Execution of Memorandum of Understanding with Lowcountry Council of Governments
- Execution of Communication Strategy
- Accept and process applications
- Complete projects
- Provide quarterly reports to Town Council



Town of Hilton Head Island Home Safety & Repair Program

Town Council

May 3, 2022

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, APPROVING THE CREATION OF A HOME SAFETY AND REPAIR PROGRAM TO ASSIST LOW-INCOME HOMEOWNERS AND HOUSEHOLDS LOCATED WITHIN THE TOWN OF HILTON HEAD ISLAND WITH PROPERTY REPAIRS AND IMPROVEMENTS TO ENSURE THEY HAVE SAFE AND DRY LIVING ENVIRONMENTS, FURTHER AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND THE LOWCOUNTRY COUNCIL OF GOVERNMENTS.

WHEREAS, on August 19, 2021, Town Council approved staff recommendations regarding the allocation of American Rescue Plan Funding Appropriations, which included \$400,000 for a Home Repair – Structural Safety/Removal of Unsafe and Uninhabited Structure Program (Home Safety and Repair Program) with \$200,000 in Fiscal Year 22 and \$200,000 in Fiscal Year 23; and

WHEREAS, on October 20, 2020, Town Council adopted Our Plan 2020-2040, the Town of Hilton Head Island Comprehensive Plan; and

WHEREAS, the Home Safety and Repair Program (Hereinafter referred to as the "Program") is supported by several goals and strategies from the adopted Our Plan; and

WHEREAS, the Town desires for the Program to be available to low-income homeowners and households in the Town of Hilton Head Island earning up to 60% of the area median income (AMI); and

WHEREAS, the Town and the Lowcountry Council of Governments desire to enter into a Memorandum of Understanding for the purpose of providing income certification based on the information provided by the Town through the Program application as contained in the Memorandum of Understanding; and

WHEREAS, the Finance and Administrative Committee held a public meeting on April 19, 2022 at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed Program and Memorandum of Understanding; and

WHEREAS, after consideration of the Staff presentation and public comments, the Finance and Administrative Committee voted 4 to 0 to recommend approval of the proposed Program and Memorandum of Understanding; and

WHEREAS, the Town Council of the Town of Hilton Head Island, South Carolina has determined that it is in the best interest of the Town of Hilton Head Island, South Carolina, to approve the creation of the Program to assist low-income homeowners and households on the Island with repairs and improvements to ensure they have safe and dry living environments; and

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to enter into such a Memorandum of Understanding; and

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

- 1. The Home Safety and Repair Program as submitted in Exhibit "A" to this resolution be approved.
- 2. The Memorandum of Understanding as submitted in Exhibit "B" to this resolution is authorized to be executed by the Mayor and Town Manager.

MOVED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2022.

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

John McCann, Mayor

ATTEST:

Krista Wiedmeyer, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:



Town of Hilton Head Island Community Development Department Home Safety and Repair Program

Policy Statement

The Town of Hilton Head Island has established the Home Safety and Repair Program to assist lowincome homeowners and households of the Island with property repairs and improvements that will help to improve the quality of life for all residents while creating a safer, more vibrant community that retains its character and provides for quality affordable housing.

Program Elements

The Home Safety and Repair Program is designed to assist low-income homeowners and households that live in the municipal boundaries of the Town of Hilton Head Island while ensuring that they have safe and dry living environments. Program elements are as follows:

- 1. Home Repair Assist homeowners with repairs to the inside and/or outside of their home that will lead to a safer and drier home.
- Abatement/Demolition of Uninhabited or Unsafe Structures Assist with the abatement or demolition of unsafe structures on residential property in accordance with the procedures outlined in Title 9, Chapter 8 Uninhabited, Unsafe Buildings/Structures of the Municipal Code of the Town of Hilton Head Island.
- 3. Hazard Tree Trimming or Removal Assist with the trimming or removal of any tree that is dead, clearly diseased, or in any condition that would constitute a hazard to public health, safety, or welfare of the home, as determined by the Town or any person or firm contracted by the Town.
- 4. Fees for building permits and any other Town of Hilton Head Island applications will be waived.
- 5. Some requested services may require additional Town reviews and/or approvals. Town Staff will assist the applicant in obtaining the necessary reviews.

Limits on Applications / Qualifications

Qualified applicants are homeowners or households with an annual income that does not exceed sixty percent (60%) of the Area Median Income (AMI) published each year for Beaufort County. Qualified applicants may apply for multiple improvements to their property with expenditures limited to a total of \$15,000 per Town fiscal year (July 1 – June 30) unless an emergency arises and an exception to the \$15,000 limit is authorized by the Town Manager.

Lowcountry Council of Governments (LCOG) Income Certification

Eligibility for the program is based on total income of all adults (18 years and older) living in the household and the number of household members. Income Certification is determined through an agreement with the LCOG. To certify income, any (not all) of the following types of documentation must be submitted by the applicant and each adult living in the household.

Home Safety & Repair Program

- Three (3) consecutive payroll stubs; or
- A completed verification of employment form or, Social Security annual statement, Retirement statement or stub; or
- Bank statements-Deposit Snapshot from bank for social security income or income from other sources; or
- Current year tax return.

Required Applicant Forms and Documentation

The applicant is required to submit to the Town the following forms and documentation when requesting any of the services offered under this Program:

- 1. A Complete Application;
- 2. Adequate proof of an ownership interest in the home or property, whether by recorded title, court order, affidavit, or otherwise;
- 3. Income documentation for each adult member of the household; and
- 4. A Right-of-Entry which allows Town Staff and Town contractors' access to the property for the purpose of evaluating and performing work as described on the work specifications sheet.

STATE OF SOUTH CAROLINA) OUNTY OF BEAUFORT)))

This Memorandum of Understanding (the "Memorandum") is entered into by and between the Town of Hilton Head Island (hereinafter referred to as the "Town,") and the Lowcountry Council of Governments (hereinafter referred to as "LCOG") to describe how certification of income of all participants in the Town's Home Safety and Repair Program (hereinafter referred to as "Program") will be accomplished.

- 1. <u>Purpose.</u> The Memorandum is acknowledged and agreed upon by and between the Town and LCOG. The purpose of this Memorandum is to define the roles of the Town and LCOG in the execution of the Program and to specify that the Town has provided funding to offer the Program to serve low-income homeowners and households of Hilton Head Island by providing financial assistance for home repairs, abatement or demolition of uninhabited or unsafe structures, and hazard tree trimming or removal.
- 2. <u>General.</u> The Town will collect required information from households applying for assistance in accordance with the guidelines of the Program. Once the Town is in receipt of a completed application including needed supporting documentation, all documents will be forwarded to LCOG. Within five (5) working days of receiving the completed application package, LCOG will certify household income based on the provided information and return the signed Income Certification form to the Town for its use and further processing.

3. <u>Miscellaneous</u>.

- a. The Town agrees to compensate LCOG at a rate of \$25 per application to be billed to the Town quarterly.
- b. All information received by LCOG will remain on file at LCOG for a period of one (1) year following the end of the fiscal year in which income is certified after which time it will be offered to the Town or destroyed in accordance with LCOG office procedures.
- 4. <u>Notices.</u> All notices required under this Memorandum shall be deemed to have been given if in writing, and
 - a. delivered personally; or

Attachment 4: Resolution Exhibit B

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

LOWCOUNTRY COUNCIL OF GOVERNMENTS

Executive Director PO Box 98 Yemassee, SC 29945

TOWN OF HILTON HEAD ISLAND

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

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

- 5. <u>Term.</u> The term of this Memorandum of Understanding shall be for a period of two (2) years from the date of execution, ______. Prior to ______, this Memorandum will be reviewed by the Town and LCOG. Changes may be made only with and by the mutual written consent of both parties.
- 6. <u>Termination</u>. In addition to any other rights of termination set forth in this Memorandum, each party shall have the right to terminate this Memorandum, by written notice to the other party, if the other party is in default of any term or provision of this Memorandum, and the defaulting party fails to cure or correct such default within fourteen (14) days of notice thereof from the non-defaulting party. A party may elect to disregard a default for the period of time without waiving its right to declare a default at a subsequent time or upon reoccurrence of the default.

(SIGNATURE PAGES FOLLOW)

Attachment 4: Resolution Exhibit B

IN WITNESS WHEREOF, Lowcountry Council of Governments has caused this

Agreement to be signed and sealed this _____ day of _____, 20____.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

LOWCOUNTRY COUNCIL OF GOVERNMENTS

	By:		
	Its:		
	Attest:		
	Print Name:		
STATE OF SOUTH CAROLINA)) ACKNOWLEDGEMENT)		
I, the undersigned Notary	Public, do hereby certify that		
perso	onally appeared before me this day and		
acknowledged the due execution of the foregoing instrument on behalf of the Lowcountry			
Council of Governments.			

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

Notary Public for South Carolina My Commission Expires:

Attachment 4: Resolution Exhibit B

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

sealed this _____ day of ______, 20____.

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

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

By:_____ John McCann, Mayor

Attest:

Marc Orlando, ICMA~CM Town Manager

STATE OF SOUTH CAROLINA COUNTY OF BEAUFORT

ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that John McCann and Marc Orlando personally appeared before me this day and acknowledged the due execution of

)

)

the foregoing instrument on behalf of the Town of Hilton Head Island, South Carolina.

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

Notary Public for South Carolina My Commission Expires: Attachment 5



Town of Hilton Head Island

Community Development Department One Town Center Court Hilton Head Island, SC 29928 Phone: 843-341-4757 Fax: 843-842-8908 www.hiltonheadislandsc.gov

FOR OFFICIAL USE ONLY
Date Received:
Accepted by:

Property Owner Name:	Property Address:		
Mailing Address:	City:	State:	Zip:
Telephone:	E-mail:		
Parcel Number [PIN]: R			
Zoning District:	Overlay District(s):		

Home Safety & Repair Program Application – Assistance Requested

Unsafe/Uninhabited	Structure Demolition
Chibare, Chimachea	

Home Repair

Hazard Tree Removal/Trimming

Please indicate the type of repair(s) you are requesting.

If not listed below, please include desired repair under the "other" category. The Safe & Dry Program is for home repairs to make homes safe and dry in accordance with the building code and to address weatherization needs.

Final determination of services will be made by the Town of Hilton Head Island staff and qualified contractors.

Roof Repair/Replacement	Ceiling Repair (Water Damage)	Wall Repair (Water Damage)	
Window Repair (seal from elements)	Ceiling Repair (Other)	Wall Repair (Other)	
Window Repair (Glass)	Door Repair (Locks)	Floor Repair (Tripping Hazard)	
Window Repair (Locks)	Door Repair (seal from elements)	Floor Repair (Water Damage)	
Deck/Stair Repair	Siding Repair	Floor Repair (Other)	
Kitchen/Bathroom (Leak Repair)	Insulation Repair	Other:	
Other:	Other:	Other:	
Provide narrative/description of project			

Are there recorded private covenants and/or restrictions that are contrary to, conflict with, or prohibit the proposed request? If yes, a copy of the private covenants and/or restrictions must be submitted with this application. \Box YES \Box NO

To the best of my knowledge, the information on this application and all additional documentation is true, factual, and complete and authorized by the property owner(s). I hereby agree to abide by all conditions of any approvals granted by the Town of Hilton Head Island. I understand that such conditions shall apply to the subject property only and are a right or obligation transferable by sale.

Attachment 6

LOWCOUNTRY COUNCIL OF GOVERNMENTS PO BOX 98, YEMASSEE, SC 29945 PHONE (843) 473-3990 FAX (843) 726-5165

CERTIFICATION OF INCOME RESULTS

Homeowner/Household: Address: Hilton Head Island, SC 299____

Approved Verification Source:

- ____ Three (3) consecutive payroll stubs
- ____ Completed verification of employment form
- ____ Social Security annual statement
- ____ Bank statement or Bank Deposit Snapshot showing deposits of social security income/other source income within 6 months of application
- ____ Current year income tax return
- ____ Notarized certification of income

The above income verification certifies to be at or below the 60% Local Area Household Median Income.

□QUALIFIED □NOT QUALIFIED

Documents checked for Town of Hilton Head Island Home Safety & Repair Program on ______, 2022 by Jessica Dailey, Community & Economic Development Specialist, Lowcountry Council of Governments

Jessica Dailey

BEAUFORT COUNTY								
MEDIAN HOUSEHOLD INCOME \$76,000	1 PERSON	2 PERSONS	3 PERSONS	4 PERSONS	5 PERSONS	6 PERSONS	7 PERSONS	8 PERSONS
30%	16,300	18,600	20,950	23,250	25,150	27,000	28,850	30,700
50%	27,150	31,000	34,900	38,750	41,850	44,950	48,050	51,150
60%	32,580	37,200	41,880	46,500	50,220	53,940	57,660	61,380
80%	43,400	49,600	55,800	62,000	67,000	71,950	76,900	81,850

)

)

)

STATE OF SOUTH CAROLINA

RIGHT OF ENTRY AGREEMENT

Comes now, ________ (the "Grantor"), and states that for and in consideration of the sum of One and no/100 (\$1.00) Dollar, the receipt and sufficiency at and before the execution and delivery of these presents is acknowledged, the Grantor has granted and delivered to **The Town of Hilton Head Island, South Carolina** ("Grantee") a Right of Entry on, over and across the following described Property as described in Exhibit "A".

This Right of Entry is granted by the Grantor, and accepted by Grantee, based on the following terms and conditions:

- This Right of Entry is granted to permit the Grantee, its agents, employees, contractors, and subcontractors the temporary right to enter upon or across the Property for the purpose of assessing requested repairs and performing the work described in the Home Safety and Repair Program Application, attached as Exhibit "B" (hereinafter "Work").
- 2. Grantee agrees to restore the Property to its preexisting condition including the removal of all equipment, materials, litter, debris, etc. upon conclusion of the Work.
- 3. Grantor shall indemnify and hold harmless the Town from and against any loss, damage, claim, expense, or cost associated or incurred, including reasonable attorney's fees including any such fees and costs incurred on appeal, arising from, out of, or associated with the Work performed on the Property.

4. This Right of Entry shall expire without further action upon complet	
repairs.	
This Right of Entry Agreement is entered into	o and effective this day of,
20 ("Effective Date").	
WITNESSES:	GRANTOR:
	By:
	Its:
	Dated:
WITNESSES:	GRANTEE:
	THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA
	By: Marc Orlando, ICMA-CM Town Manager
	Dated:

Chapter 8 UNINHABITED, UNSAFE BUILDINGS/STRUCTURES

Sec. 9-8-10. Generally.

- (a) All uninhabited buildings/structures regulated by this chapter which are structurally unsafe or not provided with adequate egress, or which constitute a fire hazard or are otherwise dangerous to human life, are for the purposes of this chapter unsafe. Any use of uninhabited buildings/structures constituting a hazard to safety, health or public welfare by reasons of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage or abandonment are for the purposes of this chapter unsafe uses. All such uninhabited, unsafe buildings/structures or appendages are hereby declared to be public nuisances and shall be abated by alteration, repair, rehabilitation, demolition or removal in accordance with the procedures set forth in this chapter.
- (b) It shall be unlawful for any owner or party in interest thereof to keep or maintain any building/structure or part thereof which is an uninhabited, unsafe building/structure as herein defined.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-20. Defined.

As used in this chapter, "uninhabited, unsafe building/structure" means any uninhabited building/structure which has been determined to be unsafe by the building official pursuant to article 1, Administration, of the Official Construction Code in section 115.1.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-30. Declared public nuisance.

All uninhabited, unsafe buildings/structures as defined herein are hereby determined to be public nuisances and shall be abated by alteration, repair, rehabilitation, demolition or removal in accordance with the procedures specified hereinafter.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-40. Condemnation proceedings.

The building official shall examine or cause to be examined every uninhabited building/structure or portion thereof reported as unsafe or damaged, and if such is found to be an uninhabited, unsafe building/structure as defined in this chapter, he shall commence proceedings to cause the alteration, repair, rehabilitation, demolition or removal of the building.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-50. Notice and order.

The building official shall issue a notice and order directed to the owner or party in interest of the uninhabited, unsafe building/structure stating the defects thereof. This notice shall require the owner or party in

interest of the uninhabited, unsafe building/structure or premises within sixty (60) days to commence either the required alterations, repairs, improvements, demolition or removal of the uninhabited, unsafe building/structure or portions thereof, and all such work shall be completed within such period of time as the building official shall determine to be reasonable to accomplish the work, which period shall be stated in the notice. If necessary, such notice shall also require the uninhabited, unsafe building/structure or portion thereof not to be used until the required repairs and improvements are completed, inspected and approved by the building official. If the building official concludes that the structure must be demolished, the cost of demolition shall be borne by the town if the owner or party in interest of the structure qualifies within eighty (80) percent of the median household income as defined by the United States Department of Housing and Urban Development for the county.

(Ord. No. 01-23, § 1, 11-20-01; Ord. No. 2002-39, § 1, 11-19-02)

Sec. 9-8-60. Service of notice and order.

Service of the notice and order shall be made upon the owner or party in interest either personally or by:

- (1) Mailing a copy of such notice and order, by certified mail, postage prepaid, return receipt requested, to each owner of or party in interest in the property as indicated by the records of the county tax assessor; or
- (2) If no address so appears or is known to the building official, a copy of the notice and order shall be mailed to the owner or party in interest at the address of the uninhabited, unsafe building/structure, and a copy of the notice shall also be posted in a conspicuous place on the uninhabited, unsafe building/structure.

The failure of any such person to receive such notice shall not affect the validity of any proceedings taken under this chapter. Service by certified mail in the manner herein provided shall be effective on the date of mailing. Proof of the service of the notice and order shall be by affidavits sworn to by the person effecting service, declaring time, date and the manner in which the service was made. The affidavit, together with any receipt card, return and acknowledgement of receipt by certified mail, shall be affixed to the copy of the notice and order retained by the building official.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-70. Posting of signs.

The building official shall cause to be posted at the main entrance of such an uninhabited, unsafe building/structure a notice to read: "DANGER—THIS BUILDING/STRUCTURE IS DECLARED UNSAFE." Such notice shall remain posted until the required repairs, demolition or removal is completed. Such notice shall not be removed without written permission of the building official, and no person shall enter this unsafe building/structure except for the purpose of making repairs required or demolition of the unsafe building/structure.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-80. Condemnation of uninhabited, unsafe building/structure.

If, at the expiration of any time limit and the notice provided for in section 9-8-50, the owner or party in interest has not complied with the requirements thereof, the building official may recommend abatement in accordance with the provisions set out hereinafter.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-90. Notice of public hearing.

Notwithstanding any other provision of this chapter, when the whole or any part of any uninhabited building/structure is found to be in a dangerous or unsafe condition, the building official, having ascertained that the time for providing a notice has expired and that the nuisance has not been abated, shall issue a notice to each owner of record or party in interest of record in whose name the property appears on the last local tax assessment record to appear at a hearing before the construction board of adjustments and appeals and show cause why the building/structure should not be demolished or otherwise made safe. Notice shall be given to the parties in the same manner as provided for in section 9-8-60 of this chapter to appear at the hearing on the date, time and place specified in the notice, which shall not be less than ten (10) days after the mailing of this notice. When the whereabouts of such persons are unknown and cannot be ascertained by the building official in the exercise of reasonable diligence, the building official shall make an affidavit to that effect; then the serving of such complaint upon or order upon such person shall be made by publishing it once every week for two (2) consecutive weeks in a newspaper of general circulation printed and published in the county. A copy of such complaint or order shall be filed with the clerk of court in the county in which the uninhabited, unsafe building/structure is located.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-100. Hearing.

After receipt of an answer, the board shall conduct the hearing at the time and location fixed by the complaint and notice.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-110. Failure to appear.

Failure of any person to appear at the hearing set in accordance with the provisions of this chapter shall constitute a waiver of his rights to the administrative hearing on the notice.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-120. Scope of hearing.

The hearing shall offer the owner or party in interest the opportunity to be heard on only those specified matters or issues raised by the notice of violation. The owner or party in interest may appear at the hearing in person or through his attorney or other designated representative.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-130. Staying of notice under appeal.

Any notice issued by the building official under the provisions of this chapter shall be held in abeyance during the course of an appeal.

(Ord. No. 01-23, § 1, 11-20-01)

Created: 2021-12-03 11:51:03 [EST]

Sec. 9-8-140. Provisions for hearing appeals.

- (a) *Rules.* A hearing shall not be required to be conducted in accordance with the technical rules regulating evidence and testimony prevailing in courts of law or equity. The board may grant continuances for good cause.
- (b) *Oaths, affirmations.* In any proceeding under this chapter, any member of the board shall have the power to administer oaths and affirmations and certify official acts.
- (c) *Evidence*. Relevant evidence shall be admitted if it is the type on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or evidence over objections in civil courts.
- (d) *Inspections.* The board may inspect any uninhabited, unsafe building/structure or premises involved in a hearing during the course of the hearing, provided the following are complied with:
 - (1) Notice of such inspection is given to the parties prior to making the inspection; and
 - (2) The parties are allowed to be present during inspection; and
 - (3) The inspector states for the record upon completion of the inspection the facts observed and any conclusions drawn therefrom.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-150. Recourse.

If the owner or party in interest is aggrieved by the decision of the construction board of adjustments and appeals, nothing in this chapter shall be construed as depriving him of seeking redress in civil or other applicable courts. Said appeal must be filed within thirty (30) days from the effective date of the board's final decision.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-160. Implementation.

Failure to commence work. Whenever the required repair, vacation or demolition is not commenced within ten (10) days after the effective date of the board's order, the building official may cause the uninhabited, unsafe building/structure to be repaired to the extent required to render it safe; or if the notice requires demolition, to cause the uninhabited, unsafe building/structure to be demolished and all debris be removed from the premises.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-170. Interference.

No person shall obstruct or interfere with the implementation of any act required by the final notice of the building official or the board. Any person found interfering or obstructing such action shall be prosecuted to the extent provided for by the law.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-180. Recovery of cost of repair or demolition.

If the owner or party in interest of any uninhabited building/structure which has been condemned as unsafe by the building official, after being notified by the building official in writing of the uninhabited, unsafe building/structure, shall permit it to stand or continue in that condition, he shall forfeit and pay a fine of not more than twenty-five dollars (\$25.00) for each day such uninhabited, unsafe building/structure continues in such condition after such notice. The costs of repair or demolition shall be borne by the owner or party in interest to the extent permitted by law.

(Ord. No. 01-23, § 1, 11-20-01)

Sec. 9-8-190. Buildings/structures creating immediate danger.

Notwithstanding any other provision of this chapter, any uninhabited building/structure that has been determined to be an immediate danger to life, health, safety or property shall be abated immediately in order to protect life, health, safety or property. The building official may take whatever steps are necessary to make the uninhabited, unsafe building/structure safe including, but not limited to, the demolition of the uninhabited, unsafe building/structure.

(Ord. No. 01-23, § 1, 11-20-01)



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Marc Orlando, ICMA~CM, Town Manager
FROM:	Anne Cyran, AICP, Interim Community Planning Manager
VIA:	Shawn Colin, AICP, Assistant Town Manager - Community Development
DATE:	April 20, 2022
SUBJECT:	Sewer Connection Program & Memorandum of Understanding

Recommendation: That Town Council review the proposed Sewer Connection Program and adopt a Resolution authorizing the Program for implementation, including the execution of a Memorandum of Understanding with Deep Well, the Lowcountry Council of Governments, and Hilton Head Public Service District to define roles in implementing the program.

The Finance and Administrative Committee met on April 19, 2022, and voted unanimously to forward a recommendation to Town Council to adopt a resolution authorizing the Program for implementation.

Summary: On August 19, 2021, Town Council approved expenditure recommendations for American Rescue Plan Funds received by the Town including \$200,000 for Lateral Sanitary Sewer Connection Grants. The funding allocation is programmed over two years, with \$100,000 in Fiscal Year 2022 and \$100,000 in Fiscal Year 2023.

Approval of the Sewer Connection Program Resolution (Attachment 2) by Town Council will allow staff to formalize the procedure for executing the program. As described in Resolution Exhibit A (Attachment 3), the Program will provide financial assistance to low- to moderateincome households earning up to 100% of the area median income (AMI), who do not qualify for Project SAFE grants or who qualify for partial Project SAFE grants, to connect their homes to sewer.

Approval of the Memorandum of Understanding (Attachment 4) will establish an agreement with Deep Well to refer households to the program and guide them through the application process, Lowcountry Council of Governments (LCOG) to certify household income requirements, and Hilton Head Public Service District (HHPSD) to coordinate sewer connections. If approved, the Town will finalize and execute a communication plan with Deep Well and other community service organizations to promote and refer households to the program. The Sewer Connection Program is supported by Our Plan Infrastructure Strategy 4.4: Continue to work together with the Hilton Head Public Service District and Project SAFE in support of sewer service connections where needed on the Island.

Background: Approximately 5% of the properties in HHPSD's service area are currently not connected to public sewer. The goal of HHPSD and the Town of Hilton Head Island is to connect 100% of the properties to public sanitary sewer.

The Community Foundation of the Lowcountry (CFL) administers the Project SAFE fund, which provides full or partial grants to low- to moderate-income property owners to fund sewer connections. Deep Well verifies eligibility for the grants and helps prepare their applications.

Project SAFE grants are only available to income-qualified homeowners who also own their property or who live on family-owned Heirs' Property. The Sewer Connection Program will cover gaps in the Project SAFE program, such as connections for residents renting or leasing their home, connections for residents renting or leasing the space upon which their home is located, and connections that receive no funding or partial grant funding from Project SAFE.

The partner organizations – Deep Well, CFL, LCOG, and HHPSD – reviewed the program and Memorandum of Understanding. HHPSD recommends the program also fund the installation of water lines for homeowners who want to relocate their home to a parcel they do not own that is currently undeveloped. Staff recommends reviewing the program after six months to assess the need to expand the program to include the installation of water lines.

The detailed program is outlined below:

Policy Statement

The Town of Hilton Head Island is establishing the Sewer Connection Program to assist low- to moderate-income Island households that do not qualify for Project SAFE (Sewer Access for Everyone) grants or qualify for partial Project SAFE grants to connect to public sanitary sewer.

Program Description

The Sewer Conversion Program will cover the costs associated with connection to sanitary sewer for low- to moderate-income households who live within the municipal boundaries of the Town of Hilton Head Island. To participate in the Program households may be homeowners or renters.

Qualifications

Applicants must occupy the home subject to connection and have an annual household income that does not exceed one hundred percent (100%) of the Area Median Income (AMI) for Beaufort County. Applicants may own or rent the home they occupy to participate in the Program.

<u>Limitations</u>

Households who would qualify for Project SAFE grants for the full cost of connection to sewer are not eligible for the program. Qualified households may only participate in the program once. For households relocating their homes within the municipal boundaries of the Town, the subject home must be located as close to the main sewer line as practical, as determined by Town staff, to reduce connection costs. The program will only cover costs required to connect the home to sewer, which will include capacity fees.

Application Prioritization

Applications will be prioritized in the following order:

- 1. Households who own the property and qualify for partial grants from Project SAFE.
- 2. Households with income that does not exceed 100% AMI, who own the property, and do not qualify for a Project SAFE grant.
- 3. Properties located in the Hilton Head Public Service District's service area.
- 4. Households renting/leasing a home or space for their manufactured home on property they do not own.
- 5. Households renting/leasing space for their manufactured home on property they do not own who are relocating their home within the municipal boundaries of the Town to property they do not own.

The Application Process

Hilton Head Island Deep Well Project (Deep Well) guides Project SAFE applicants through the application process, including collecting household income documents. Since Deep Well is performing similar services for Project SAFE, Deep Well has agreed to assist the Town in administering the program.

Deep Well will refer residents who do not qualify for Project SAFE grants and residents who qualify for partial grants from Project SAFE to the program and assist them with completing and submitting the application materials to the Town.

For residents who do not qualify for Project SAFE grants, Deep Well will provide verification to the Town that the resident does not qualify for a Project SAFE grant by including the household's Project SAFE notification letter with the application. For households who qualify

for partial grants from Project SAFE, Deep Well will provide to the Town the household's Project SAFE notification letter, verifying the household will receive a partial grant from Project SAFE and specifying the amount of the grant.

Deep Well will submit the applicant's household income certification materials to the Lowcountry Council of Governments, which will certify that the applicant's annual household income does not exceed one hundred percent (100%) of the AMI for Beaufort County. Town staff will review the application materials and coordinate with the Public Service District (the PSD) to discuss the connection requirements and estimated costs. The PSD will prepare an estimate for the connection; and the Town in approving the program application will generate an approval letter that commits the Town's program to covering the connection expenses, including capacity fees.

The PSD will coordinate the connection work, inspect the connection, and establish the new connection on a sewer service account. After the new connection is inspected and approved by the PSD, an invoice will be submitted to the Town for review. Town staff will verify completion of the work and authorize payment of the invoiced amount to the PSD.

Required Application Forms and Documentation

Applicants are required to submit the following forms and documentation when requesting funding under this program:

- 1. Sewer Connection Program application (Attachment 5);
- 2. Notarized Affidavit of Ownership and Hold Harmless Permission to Enter Property (Attachment 6);
- 3. Copy of the recorded title or registration, in the case of a manufactured home;
- 4. A Lowcountry Council of Governments Certification of Household Income (Attachment 7);
- 5. Income documentation for each adult member of the household; and
- 6. Verification from Deep Well, via the Project SAFE notification letter, that the applicant does not qualify for a Project SAFE grant; or
- 7. Verification from Deep Well, via the Project SAFE notification letter, that the applicant qualifies for a partial Project SAFE grant and the amount of the grant.

Attachments:

- 1. Presentation
- 2. Resolution
- 3. Resolution Exhibit A: Sewer Connection Program
- 4. Resolution Exhibit B: Memorandum of Understanding
- 5. Program Application
- 6. Affidavit of Ownership Form
- 7. LCOG Income Certification



Town of Hilton Head Island Sewer Connection Program

Town Council

May 3, 2022





- Recommendation
- Program Policy Statement
- Program Summary
- Qualifications
- Limitations
- Application Prioritization
- Program Process
- Income Certification
- Forms and Documentation
- Communication Strategy
- Next Steps



Recommendation

That the Finance and Administrative Committee review the proposed Sewer Connection Program and forward a recommendation to Town Council to adopt a Resolution authorizing the Program for implementation, including the execution of a Memorandum of Understanding with Deep Well, the Lowcountry Council of Governments, and Hilton Head Public Service District to define roles in implementing the program.



Sewer Connection Program Policy Statement

The Town of Hilton Head Island is establishing the Sewer Connection Program to assist low- to moderate-income households earning up to 100% of the area median income (AMI), who do not qualify for Project SAFE grants or who qualify for partial Project SAFE grants to connect to public sanitary sewer.



Program Summary

- Homeowners & households earning up to 100% AMI
- Vetting for Project SAFE through Deep Well
- Income certification through Lowcountry Council of Governments
- Sewer connection requirements, cost estimates, and connection installation through Hilton Head Public Service District
- Cost of installation paid through Town



Qualifications

- Applicants must occupy the home subject to connection and have an annual household income that does not exceed one hundred percent (100%) of the Area Median Income (AMI) for Beaufort County
- Applicants may own or rent the home they occupy to participate in the Program

6



Limitations

- Households who would qualify for Project SAFE grants for the full cost of connection to sewer are not eligible for the program
- Qualified households may only participate in the program once
- Households relocating their homes within the municipal boundaries of the Town must locate the home as close to the main sewer line as practical, as determined by Town staff, to reduce connection costs
- The program will only cover costs required to connect the home to sewer, which will include capacity fees
 7



Application Prioritization

- Applications will be prioritized in the following order:
 - Households who own the property and qualify for partial grants from Project SAFE
 - Households with income that does not exceed 100% AMI, who own the property, and do not qualify for a Project SAFE grant
 - Properties located in the Hilton Head Public Service District's service area
 - Households renting/leasing a home or space for their manufactured home on property they do not own
 - Households renting/leasing space for their manufactured home on property they do not own who are relocating their home within the municipal boundaries of the Town to property they do not own



Program Process

- Application submitted to Deep Well for Project SAFE
- If application denied or partially funded, Deep Well submits income information to Lowcountry Council of Governments to certify household income meets requirements
- If application meets income requirements, Deep Well submits application to Town
- Town reviews application, connection requirements, and estimated cost with Public Service District
- Town will issue an approval for the Public Service District to install the connection
- Public Service District will invoice the Town upon completion and inspection



Income Certification

Lowcountry Council of Governments (LCOG) Income Certification

- Eligibility for the program is based on total income of all adults (18 years and older) living in the household and the number of household members. Income Certification is determined through an agreement with the LCOG. To certify income, any (not all) of the following types of documentation must be submitted by the applicant and each adult living in the household.
 - □ Three (3) consecutive payroll stubs; or
 - □ A completed verification of employment form; or
 - Social Security annual statement, Retirement statement or stub; or
 - Bank statements-Deposit Snapshot from bank for Social Security income or income from other sources; or
 - Current year tax return.



Forms and Documentation

- Applicants are required to submit the following forms and documentation when requesting funding under this program:
 - Sewer Connection Program application;
 - Notarized Affidavit of Ownership and Hold Harmless Permission to Enter Property;
 - Copy of the recorded title or registration, in the case of a manufactured home;
 - A Lowcountry Council of Governments Certification of Household Income;
 - Income documentation for each adult member of the household; and
 - Verification from Deep Well, via the Project SAFE notification letter, that the applicant does not qualify for a Project SAFE grant; or
 - Verification from Deep Well, via the Project SAFE notification letter, that the applicant qualifies for a partial Project SAFE grant and the amount of the grant.



Communication Strategy

- Town press release, social media posts
- ► Town flyer in English & Spanish
- Town to include information on website
- Hilton Head Public Service District (PSD) to send postcards to unconnected properties
- Coordinate with neighborhood ambassadors, faith-based organizations and other non-profits to increase awareness of the program.
- PSD to include information on Connect Now page of their website
- Deep Well to include information on their website



Next Steps

If Approved, begin Implementation of the Program, to include:

- Execution of Memorandum of Understanding with Deep Well, Lowcountry Council of Governments, & Hilton Head Public Service District
- Execution of Communication Strategy
- Accept and process applications
- Complete projects
- Provide quarterly reports to Town Council



Town of Hilton Head Island Sewer Connection Program

Town Council

May 3, 2022

ATTACHMENT 2

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, APPROVING THE CREATION OF THE SEWER CONNECTION PROGRAM ТО ASSIST LOW- TO **MODERATE-INCOME** HOUSEHOLDS ON THE ISLAND WITH CONNECTING THEIR HOMES TO PUBLIC SANITARY SEWER AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, HILTON HEAD PUBLIC SERVICE DISTRICT, HILTON HEAD ISLAND DEEP WELL PROJECT, AND LOWCOUNTRY COUNCIL OF **GOVERNMENTS.**

WHEREAS, the Hilton Head Public Service District ("Hilton Head PSD") is a special purpose district that provides public water and sewer services to areas of Hilton Head Island; and

WHEREAS, in 2004, Hilton Head PSD embarked on a long-range project to provide public sewer access to 100% of the properties in its service area, guided by its Master Sewer Plan; and

WHEREAS, on September 20, 2005, Town Council adopted Resolution 2005-25 to Establish Policies and Action Strategies Regarding Island-Wide Sewer Service and expressing support the for Hilton Head PSD's Master Sewer Plan; and

WHEREAS, Sewer Policy 5 of the Town's 2005 Policies and Action Strategies Regarding Island-Wide Sewer Service states the Town would review Project SAFE (Sewer Access for Everyone) to assure that all those without means are able to tap into the sewer system through outright grants and that funding would come from a variety of public and private sources; and

WHEREAS, Project SAFE is a charitable fund that provides grants for low- to moderateincome homeowners to connect to the public sewer system; and

WHEREAS, as of October 2021, Hilton Head PSD has achieved 95% connection to its public sewer system; and

WHEREAS, on October 20, 2020, Town Council adopted Our Plan 2020–2040, the Town of Hilton Head Island Comprehensive Plan; and

WHEREAS, Our Plan Infrastructure Strategy 4.4 is to continue to work together with the Hilton Head PSD and Project SAFE in support of sewer service connections where there is need on the Island; and

WHEREAS, Hilton Head Island Deep Well Project ("Deep Well") is a nonprofit organization that, in coordination with Hilton Head PSD and the Community Foundation of the Lowcountry, guides qualified homeowners through the Project SAFE application process; and

WHEREAS, the Community Foundation of the Lowcountry, which administers the Project SAFE fund, cannot provide grants to low- and moderate-income households to connect to sewer if the applicant does not own the property on which the home is located, with the exception of family members living on Heirs' Property; and

WHEREAS, Deep Well confirmed some qualified applicants for Project SAFE grants do not accept the grants because they will provide only 50% or 85% of the total costs to connect to sewer ("partial grants"); and

WHEREAS, on August 19, 2021, Town Council approved staff recommendations regarding the allocation of American Rescue Plan Funding, which included \$200,000 for lateral sewer connections with \$100,000 in Fiscal Year 22 and \$100,000 in Fiscal Year 23; and

WHEREAS, the Sewer Connection Program ("Program") is a Town program to assist low- to moderate-income households earning up for 100% of the area median income (AMI), who do not qualify for Project SAFE grants or who qualify for partial Project SAFE grants to connect their homes to public sanitary sewer by covering part or all of the sewer connection costs, including capacity fees; and

WHEREAS, Lowcountry Council of Governments is a public agency that will provide household income certification for the Program; and

WHEREAS, the Town, Deep Well, Lowcountry Council of Governments, and Hilton Head PSD desire to enter into a Memorandum of Understanding for the purpose of formalizing each organization's role in the Program as contained in the Memorandum of Understanding; and

WHEREAS, the Finance and Administrative Committee held a public meeting on April 19, 2022, at which time a presentation was made by Staff and an opportunity was given for the public to comment on the proposed Program and Memorandum of Understanding; and

WHEREAS, after consideration of the Staff presentation and public comments, the Finance and Administrative Committee voted 4 to 0 to recommend approval of the proposed Program and Memorandum of Understanding; and

WHEREAS, the Town Council of the Town of Hilton Head Island, South Carolina has determined that it is in the best interest of the Town of Hilton Head Island, South Carolina, to approve the creation of the Program to reimburse the Hilton Head PSD for the costs associated with connecting the homes of low- to moderate-income residents on the Island who do not qualify for Project SAFE grants or who qualify for partial Project SAFE grants to public sanitary sewer; and

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to enter into such a Memorandum of Understanding with Hilton Head PSD, Deep Well, and Lowcountry Council of Governments.

ATTACHMENT 2

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

- 1. The Sewer Connection Program as submitted in Exhibit "A" to this Resolution be approved.
- 2. The Memorandum of Understanding with Hilton Head PSD, Deep Well, and Lowcountry Council of Governments as submitted in Exhibit "B" to this Resolution is authorized to be executed by the Mayor and Town Manager.

MOVED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2022.

THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

John McCann, Mayor

ATTEST:

Krista Wiedmeyer, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____



Town of Hilton Head Island Community Development Department Sewer Connection Program

Policy Statement

The Town of Hilton Head Island is establishing the Sewer Connection Program to assist low- to moderate-income Island households that do not qualify for Project SAFE (Sewer Access for Everyone) grants or qualify for partial Project SAFE grants to connect to public sanitary sewer.

Program Description

The Sewer Conversion Program will cover the costs associated with connection to sanitary sewer for low- to moderate-income households who live within the municipal boundaries of the Town of Hilton Head Island.

Qualifications

Applicants must occupy the home subject to connection and have an annual household income that does not exceed one hundred percent (100%) of the Area Median Income (AMI) for Beaufort County. Applicants may own or rent the home they occupy to participate in the Program.

Limitations

Households who would qualify for Project SAFE grants for the full cost of connection to sewer are not eligible for the program. Qualified households may only participate in the program once. For households relocating their homes within the municipal boundaries of the Town, the subject home must be located as close to the main sewer line as practical, as determined by Town staff, to reduce connection costs. The program will only cover costs required to connect the home to sewer, which will include capacity fees.

Application Prioritization

Applications will be prioritized in the following order:

- 1. Households who own the property and qualify for partial grants from Project SAFE.
- 2. Households with income that does not exceed 100% AMI, who own the property, and do not qualify for a Project SAFE grant.
- 3. Properties located in the Hilton Head Public Service District's service area.
- 4. Households renting/leasing a home or space for their manufactured home on property they do not own.
- 5. Households renting/leasing space for their manufactured home on property they do not own who are relocating their home within the municipal boundaries of the Town to property they do not own.

The Application Process

Hilton Head Island Deep Well Project (Deep Well) guides Project SAFE applicants through the application process, including collecting household income documents. Since Deep Well is performing similar services for Project SAFE, Deep Well has agreed to assist the Town in administering the program.

Deep Well will refer residents who do not qualify for Project SAFE grants and residents who qualify for partial grants from Project SAFE to the program and assist them with completing and submitting the application materials to the Town.

For residents who do not qualify for Project SAFE grants, Deep Well will provide verification to the Town that the resident does not qualify for a Project SAFE grant by including the household's Project SAFE notification letter with the application. For households who qualify for partial grants from Project SAFE, Deep Well will provide to the Town the household's Project SAFE notification letter, verifying the household will receive a partial grant from Project SAFE and specifying the amount of the grant.

Deep Well will submit the applicant's household income certification materials to the Lowcountry Council of Governments, which will certify that the applicant's annual household income does not exceed one hundred percent (100%) of the AMI for Beaufort County.

Town staff will review the application materials and coordinate with the Public Service District (the PSD) to discuss the connection requirements and estimated costs. The PSD will prepare an estimate for the connection; and the Town in approving the program application will generate an approval letter that commits the Town's program to covering the connection expenses, including capacity fees.

The PSD will coordinate the connection work, inspect the connection, and establish the new connection on a sewer service account. After the new connection is inspected and approved by the PSD, an invoice will be submitted to the Town for review. Town staff will verify completion of the work and authorize payment of the invoiced amount to the PSD.

Required Application Forms and Documentation

Applicants are required to submit the following forms and documentation when requesting funding under this program:

- 1. Sewer Connection Program application;
- 2. Notarized Affidavit of Ownership and Hold Harmless Permission to Enter Property;
- 3. Copy of the recorded title or registration, in the case of a manufactured home;
- 4. A Lowcountry Council of Governments Certification of Household Income;
- 5. Income documentation for each adult member of the household; and
- 6. Verification from Deep Well, via the Project SAFE notification letter, that the applicant does not qualify for a Project SAFE grant; or
- 7. Verification from Deep Well, via the Project SAFE notification letter, that the applicant qualifies for a partial Project SAFE grant and the amount of the grant.

Sewer Connection Program

STATE OF SOUTH CAROLINA) OUNTY OF BEAUFORT)))

This Memorandum of Understanding (the "Memorandum") is entered into by and between the Town of Hilton Head Island (hereinafter referred to as the "Town,"), Hilton Head Island Deep Well Project (hereinafter referred to as "Deep Well"), Lowcountry Council of Governments (hereinafter referred to as "LCOG"), and Hilton Head Island Public Service District (hereinafter referred to as "the PSD") to describe how the certification of income of all participants in the Town's Sewer Connection Program (hereinafter referred to as "Program") will be achieved and the roles of the Town and the PSD in the Program.

- 1. <u>Purpose.</u> The Memorandum is acknowledged and agreed upon by and between the Town, Deep Well, LCOG, and the PSD. The purpose of this Memorandum is to specify that the Town has provided funding to offer the Program to serve low- to moderate-income households of Hilton Head Island by providing funding for the costs associated with connecting to sanitary sewer service and to define the roles of the Town, Deep Well, LCOG, and the PSD in the execution of the Program.
- 2. General. Deep Well will collect required information from households applying for assistance in accordance with the guidelines of the Program. Once Deep Well is in receipt of a completed Income Certification Form including needed supporting documentation, all documents will be forwarded to LCOG. Within five (5) working days of receiving the completed Income Certification Form and supporting documentation, LCOG will certify the household income based on the provided information and return the signed Income Certification Form to Deep Well for its use and further processing. Deep Well will forward complete Sewer Connection Application forms to the Town for its use and further processing. The Town will assist Deep Well in collecting the required information to complete the Program application. The Town will coordinate with the PSD to discuss the connection requirements and estimated costs. The PSD will prepare an estimate for the connection. When approving a Program application, the Town will generate an approval letter that commits the Town to covering the connection expense. The PSD will coordinate the connection work, inspect the connection, and establish the new connection on a sewer service account. After the new connection is inspected and approved by the PSD, an invoice will be submitted to the Town for review. Town staff will verify completion of the work and authorize payment of the invoiced amount to the PSD.

3. <u>Miscellaneous</u>.

- a. The Town agrees to compensate LCOG at a rate of \$25 per application to be billed to the Town quarterly.
- b. All information received by Deep Well and LCOG will remain on file at Deep Well and LCOG for a period of one (1) year following the end of the fiscal year in which income is certified after which time it will be offered to the Town or destroyed in accordance with Deep Well and LCOG office procedures.
- 4. <u>Notices.</u> All notices required under this Memorandum shall be deemed to have been given if in writing, and
 - a. delivered personally; or
 - b. mailed first class, postage prepaid, to the address of record set forth below, in which case delivery shall be deemed to have occurred two calendar days after the date of postmark.

HILTON HEAD ISLAND DEEP WELL PROJECT

Executive Director 80 Capital Drive Hilton Head Island, SC 29926

LOWCOUNTRY COUNCIL OF GOVERNMENTS

Executive Director PO Box 98 Yemassee, SC 29945

HILTON HEAD PUBLIC SERVICE DISTRICT

General Manager 21 Oak Park Drive Hilton Head Island, Sc 29926

TOWN OF HILTON HEAD ISLAND

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

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

5. <u>Term.</u> The term of this Memorandum of Understanding shall be for a period of two (2) years from the date of execution, ______. Prior to ______, this Memorandum will be reviewed by the Town, Deep Well, LCOG, and the PSD. Changes may be made only with and by the mutual written consent of both parties.

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

(SIGNATURE PAGES FOLLOW)

Attachment 4: Resolution: Exhibit B

IN WITNESS WHEREOF, Hilton Head Island Deep Well Project has caused this

Agreement to be signed and sealed this _____ day of ______, 20_____.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

HILTON HEAD ISLAND DEEP WELL PROJECT

	By:
	Its:
	Attest:
	Print Name:
STATE OF SOUTH CAROLINA)) ACKNOWLEDGEMENT)
I, the undersigned Notary	Public, do hereby certify that
perso	onally appeared before me this day and
acknowledged the due execution of the for	regoing instrument on behalf of Hilton Head

Island Deep Well Project.

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

Notary Public for South Carolina My Commission Expires:

Attachment 4: Resolution: Exhibit B

IN WITNESS WHEREOF, the Lowcountry Council of Governments has caused

this Agreement to be signed and sealed this _____ day of ______, 20____.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

LOWCOUNTRY COUNCIL OF GOVERNMENTS

	By:						
	Its:						
	Attest:						
	Print Name:						
STATE OF SOUTH CAROLINA)) ACKNOWLEDGEMENT)						
I, the undersigned Notary	Public, do hereby certify that						
perso	onally appeared before me this day and						
acknowledged the due execution of the fore	going instrument on behalf of the Lowcountry						
Council of Governments.							

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

Notary Public for South Carolina My Commission Expires:

Attachment 4: Resolution: Exhibit B

IN WITNESS WHEREOF, Hilton Head Public Service District has caused this

Agreement to be signed and sealed this _____ day of ______, 20_____,

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

HILTON HEAD PUBLIC SERVICE DISTRICT

	By:
	Its:
	Attest:
	Print Name:
STATE OF SOUTH CAROLINA)) ACKNOWLEDGEMENT)
I, the undersigned Notary	Public, do hereby certify that

acknowledged the due execution of the foregoing instrument on behalf of the Hilton Head Island Public Service District.

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

personally appeared before me this day and

Notary Public for South Carolina My Commission Expires:

Attachment 4: Resolution: Exhibit B

IN WITNESS WHEREOF, the Town of Hilton Head Island has caused this Agreement

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

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

TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA

By:_____ John McCann, Mayor

Attest:

Marc Orlando, ICMA~CM Town Manager

STATE OF SOUTH CAROLINA **COUNTY OF BEAUFORT**

ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that John McCann and Marc Orlando personally appeared before me this day and acknowledged the due execution of

)

)

the foregoing instrument on behalf of the Town of Hilton Head Island, South Carolina.

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

Notary Public for South Carolina My Commission Expires: Attachment 5



Town of Hilton Head Island

Community Development Department One Town Center Court Hilton Head Island, SC 29928 Phone: 843-341-4757 Fax: 843-842-8908 www.hiltonheadislandsc.gov

FOR OFFICIAL USE ONLY	
Date Received:	
Accepted by:	

Property Address:	_ Parcel Number [PIN]: R		
Property Owner Name:			
Property Owner Mailing Address:	City:	State:	_Zip:
Property Owner Telephone:	Property Owner E-mail:		
Applicant Name, if different than Property Owner Name	:		
Applicant Mailing Address:	City:	State:	_Zip:
Applicant Telephone:	_ Applicant E-mail:		

Sewer Connection Program

Please submit the following items with this application form:

Notarized Affidavit of Ownership and Hold Harmless Permission to Enter Property form.

Copy of the recorded home title or registration, in the case of a manufactured home.

Lowcountry Council of Governments Certification of Household Income form.

Verification from the Deep Well Project that the applicant does not qualify for funding from Project SAFE; or

Verification from the Deep Well Project that the applicant will receive partial funding from Project SAFE and the amount of funding that will be provided.

Are there recorded private covenants and/or restrictions that are contrary to, conflict with, or prohibit the proposed request? If yes, a copy of the private covenants and/or restrictions must be submitted with this application. YES NO

To the best of my knowledge, the information on this application and all additional documentation is true, factual, and complete and authorized by the property owner(s). I hereby agree to abide by all conditions of any approvals granted by the Town of Hilton Head Island. I understand that such conditions shall apply to the subject property only and are a right or obligation transferable by sale.

SIGNATURE

DATE

Attachment 6

LOWCOUNTRY COUNCIL OF GOVERNMENTS PO BOX 98, YEMASSEE, SC 29945 PHONE (843) 473-3990 FAX (843) 726-5165

CERTIFICATION OF INCOME RESULTS

Homeowner/Household: Address: Hilton Head Island, SC 299____

Approved Verification Source:

- ____ Three (3) consecutive payroll stubs
- ____ Completed verification of employment form
- ____ Social Security annual statement
- Bank statement or Bank Deposit Snapshot showing deposits of social security income/other source income within 6 months of application
- ____ Current year income tax return
- ____ Notarized certification of income

The above income verification certifies to be at or below the 100% Local Area Household Median Income.

□QUALIFIED □NOT QUALIFIED

Documents checked for Town of Hilton Head Island Sewer Connection Program on ______, 2022 by Jessica Dailey, Community & Economic Development Specialist, Lowcountry Council of Governments

Jessica Dailey

2021 BE	2021 BEAUFORT COUNTY, SOUTH CAROLINA AREA MEDIAN INCOME (AMI) LIMITS								
Income	Number of Persons in Household								
Limits	One (1) Two (2) Three (3) Four (4) Five (5) Six (6)						Seven (7)	Eight (8)	
30%	16,300	18,600	20,950	23,250	25,150	27,000	28,850	30,700	
50%	27,150	31,000	34,900	38,750	41,850	44,950	48,050	51,150	
60%	32,580	37,200	41,880	46,500	50,220	53,940	57,660	61,380	
80%	43,400	49,600	55,800	62,000	67,000	71,950	76,900	81,850	
100%	54,300	62,000	69,800	76,000	83,700	89,900	96,100	102,300	

Attachment 7



Town of Hilton Head Island

Community Development Department One Town Center Court Hilton Head Island, SC 29928 Phone: 843-341-4757 Fax: 843-341-2087 www.hiltonheadislandsc.gov

FOR OFFICIAL USE ONLY
Date Received:
App. #:
Form revised 10-2012

AFFIDAVIT OF OWNERSHIP AND HOLD HARMLESS PERMISSION TO ENTER PROPERTY

The undersigned being duly sworn and upon oath states as follows:

- 1. I am the current owner of the property which is the subject of this application.
- 2. I hereby authorize _______ to submit this application for the **Town of Hilton Head Island Sewer Connection Program**. This authorization is valid for this application only.
- 3. All statements contained in this application have been prepared by me or my agents and are true and correct to the best of my knowledge.
- 4. The application is being submitted with my knowledge and consent.
- 5. Owner grants the Town, its employees, agents, engineers, contractors or other representatives the right to enter upon Owner's real property, located at _________(address),

R_____ (parcel ID) for the purpose of application review, for the limited time necessary to complete that purpose. Description of Work:

- 6. Owner agrees to hold the Town harmless for any loss or damage to persons or property occurring on the private property during the Town's entry upon the property, unless the loss or damage is the result of the sole negligence of the Town.
- 7. I acknowledge that the Town of Hilton Head Island Municipal Code requires that all construction in a Special Flood Hazard Zone be constructed in accordance with the following provisions that:
 - a. any enclosed area below the base flood elevation will be used solely for parking of vehicles, limited storage or access to the building. This space will never be used for human habitation without first becoming fully compliant with the Town's Flood Damage Controls Ordinance in effect at the time of conversion.
 - b. all interior walls, ceilings and floors below the base flood elevation will be constructed of flood resistant materials.
 - c. all mechanical, electrical and plumbing devices will be installed above base flood elevation.
 - d. walls of the enclosed area below base flood elevation will be equipped with at least two openings which allow automatic entry and exit of flood water. Openings will be on two different walls with at least one square inch of free area for every square foot of enclosed space and have the bottom of openings no more than a foot above grade.
 - e. the structure may be subject to increased premium rates for flood insurance from the National Flood Insurance Program.
- 8. I understand that failure to abide by Town permits, any conditions, and all codes adopted by the Town of Hilton Head Island deems me subject to enforcement action and/or fines.

Email:
, who is personally known to me or has nd who did not take an oath.
_day of, A.D., 2
My Commission expires: Please affix seal or stamp.
1



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Mayor & Town Council
FROM:	Joshua A. Gruber, Deputy Town Manager
VIA:	Marc Orlando, Town Manager
DATE:	April 27, 2022
SUBJECT:	Agreement with the South Island Dredging Association to Provide Funding Assistance
	for the Dredging of the Harbour Town Yacht Basin & Braddock Cove Creek

Recommendation:

Consider a Resolution authorizing the Town Manager to enter into an agreement (Exhibit "A" to the Resolution) with the South Island Dredging Association to assist in the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek.

Summary:

The South Island Dredging Association seeks financial assistance from the Town for its program of periodically dredging the Harbour Town Yacht Basin and Braddock Cove Creek. Both are used by the public for docking, sightseeing, navigation, and provide access to public and other amenities and other tourism-related activities. The agreement shall include a term of two years and the funds provided by the Town shall not exceed a cumulative total of \$600,000 from collected Hospitality Taxes. At their April 19, 2022 meeting the Finance and Administrative Committee unanimously approved forwarding the Resolution to Town Council for review and consideration.

Background:

In the Town's previous fiscal year Budgets for FY 2019, FY 2020, and FY 2021, the Town set aside budget funds from collected Hospitality Taxes in the amount of \$200,000 per year for a total cumulative amount of \$600,000 for allocation to the Association for the purpose of assisting with dredging of the Harbour Town Yacht Basin and Braddock Cove Creek. These funds have not yet been used and have rolled over into the Town's reserve accounts. The Town and Association have negotiated an agreement by which the Town will provide funding assistance in an amount not to exceed the budgeted funds for the dredging of the Harbour Town Yacht Basin. The Town Yacht Basin and Braddock Cove on a reimbursement basis. The Town took similar action in 2018, transferring reserved funds in the amount of \$600,000 to the Association for dredging purposes.

Page **2** of **2** South Island Dredging Association Funding Assistance Request

Attachments:

- Request from the South Island Dredging Association
- Draft Resolution
- Draft Agreement
- FY2019 Budget Ordinance
- FY2020 Budget Ordinance
- FY2021 Budget Ordinance

March 28, 2022

Jack Brinkley, President South Island Dredging Association 46 Gull Point Rd. Hilton Head Island, SC 29928

Marc Orlando, Town Manager Town of Hilton Head Island One Town Center Court Hilton Head Island, SC 29928

Re: Dredge Funding

Dear Mr. Orlando,

The purpose of this letter is to confirm the request by South Island Dredging Association for funding assistance for the planned South Island dredge event scheduled for November this year. It is our understanding that the Town has reserved \$400,000 to date and will reserve another \$200,000 in it's fiscal 2023 budget. The requested Town's support of \$600,000 is approximately 12% of the expected project costs.

Background

In 2001 the South Island Dredging Association (SIDA)was formed by the Sea Pines property owners to work on a collaborative basis to preserve waterway access in that portion of Hilton Head and conduct dredging on a program basis. Working with DHEC-OCRM and the Army Corps of Engineers, new dredging permits were obtained in 2013 to allow inland open water disposal at a site near the mouth of Calibogue Sound via pipeline. These are the only permits allowing open water disposal in South Carolina and are based on Calibogue Sounds unique characteristics that disperse the dredged material with no adverse impacts. The practical impact is that this technique substantially reduces dredging costs and eliminates impacts on Hilton Head itself such as upland disposal and potentially 1000's of truck trips taking the sediment off island.

In 2013/14 and in 2017/18 dredging activities were successfully completed as designed and in accordance with all permit requirements. Harbour Town Yacht Basin was dredged, including the entrance channel, fuel docks, ship's store, restaurants, and inner basin. Braddock Creek was also dredged, including its entrance and main channels and Gull Point and South Beach Marina, as well as allowing the water- focused commercial operators at South Beach to continue to serve the public. Approximately 240,000 cubic yards were removed and successfully transported to the authorized open water disposal site.

In 2017/18 146,956 cubic yards were removed and transported. Post dredging testing and evaluation by state and federal permitting on both projects confirmed the viability of the overall inland open water approach and the specific placement site.

Current Project Scope

Maintenance dredging is now required in these same venues to preserve access and maintain safe navigation at all tides. A competitive bidding process was managed by project consultant GEL Engineering LLC and the low bidder was determined to be Waterfront Property Services, LLC located in Clearwater FL. In accordance with the dredge permits, final contractor selection is subject to review and approval by the Army Corps of Engineers and the Corps' acceptance of detailed Dredge Plan. Project management and oversight will be provided by GEL Engineering who supervised the previous two dredge events. Preliminary surveys indicate 194,266 cubic yards require removal. The increase from 2017/18 includes the addition of Baynard Creek (52,790 cubic yards) who were unable to participate in the previous dredges. Dredging is scheduled to commence November 1, 2022 at Harbour Town and be completed no later than April 30, 2023 at South Beach Marina.

Project Costs based on preliminary volumes total \$4,619,788 for the contractor with mobilization and demobilization accounting for \$465,000 regardless of volume. Project costs at final volumes and including costs for full time project oversight and management will exceed \$5,000,000. Unfortunately, costs have increased substantially reflecting fuel costs and inflation. The current permits expire during 2023 and must be renewed to support future dredges.

Economic and Community Benefit

The Sea Pines Waterways are an integral component in maintaining Hilton Head Island as a highly desirable community and resort destination. Similar to our beaches, routine maintenance is required to maintain this public attraction. In the case of these waterways, the maintenance takes the form of dredging to offset siltation which can restrict navigation 12+ hours each day and block access to Calibogue Sound.

Conclusion

SIDA members will fund the remaining project costs (est. \$4,500,000) and proof of funds will be provided to ensure project completion. SIDA requests disbursement of \$600,000 which can be linked to staged completion. The 2017/18 dredge and Town disbursement of \$600,000 was managed as follows:

- 1. Pay \$180,000 after the first month of work after mobilization
- 2. Pay \$180,000 after the second month of work
- 3. Pay \$180,000 after the third month

4. Pay \$ 60,000 upon certification of the completed project from the project engineer. We appreciate your consideration of this request. Please contact me with any questions.

Sincerely, kley, President South Island Dredging Association

CC: John McCann, Mayor Thomas Lennox, Council Member, Ward 5, Hilton Head Island

TOWN OF HILTON HEAD ISLAND

RESOLUTION NO. 2022-

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE TOWN MANAGER TO ENTER INTO AN AGREEMENT WITH THE SOUTH ISLAND DREDGING ASSOCIATION TO PROVIDE FUNDING ASSISTANCE FOR THE DREDGING OF THE HARBOUR TOWN YACHT BASIN AND BRADDOCK COVE CREEK.

WHEREAS, the South Island Dredging Association (hereinafter, the "Association") has a maintenance program of dredging the Harbour Town Yacht Basin and Braddock Cove Creek located within the municipal limits of the Town of Hilton Head Island, South Carolina (hereinafter, the "Town"); and

WHEREAS, routine dredging is necessary in order to maintain navigability for vessels traveling to and from the Harbour Town Yacht Basin and Braddock Cove Creek; and

WHEREAS, the general public utilizes the Harbour Town Yacht Basin and Braddock Cove Creek for docking, sightseeing, navigation, access to public and other amenities and other tourism related activities and the routine dredging of these waterways is necessary to support this tourism related activity; and

WHEREAS, the Harbour Town Yacht Basin is utilized by, players, spectators, and corporate sponsors during the RBC Heritage Golf Tournament, which brings in over \$100 million in tourism related expenditures to the State of South Carolina's economy each year; and

WHEREAS, in the Town's previous fiscal year Budgets for FY2019, FY2020 and FY2021, the Town set aside budgets funds from collected Hospitality Taxes in the cumulative amount of \$600,000 Dollars for allocation to the Association, for the purpose of assisting with the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek, and those funds have not yet been used and have rolled over into the Town's reserve accounts; and

WHEREAS, the Town and the Association have negotiated an Agreement by which the Town will provide funding in an amount not to exceed the budgeted funds for the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek on a reimbursement basis along with other express terms and conditions and a copy of which is attached hereto as Exhibit "A" (hereinafter, the "Agreement"); and **WHEREAS**, the Town Council for the Town of Hilton Head Island finds that the proposed Agreement is in the best interest of and will provide benefits to the general health, safety, and welfare of the citizens of the Town of Hilton Head Island, South Carolina.

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

- 1. The Town Manager is hereby authorized to execute the attached Agreement between the Town of Hilton Head Island, South Carolina, and the South Island Dredging Association in a form and substance similar to the document attached hereto as Exhibit "A."
- 2 The Town Manager is hereby authorized to take all other and further actions as may be necessary to complete the obligations of the Town as set out in the Agreement, which is authorized hereby.

PASSED AND APPROVED BY THE TOWN COUNCIL ON THIS _____ DAY OF MAY 2022.

John J. McCann, Mayor

ATTEST:

Krista M. Wiedmeyer, Town Clerk

APPROVED AS TO FORM

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:_____

STATE OF SOUTH CAROLINA)))AGREEMENT)

The South Island Dredging Association (hereinafter, the "Association") and the Town of Hilton Head Island, South Carolina (hereinafter, the "Town") make this Agreement (hereinafter, the "Agreement") on this _____ Day of ______, 2022.

RECITALS

Whereas, the Association has historically undertaken a program of periodically dredging the Harbour Town Yacht Basin which includes areas of the entrance channel, fuel docks, and inner basin, and Braddock Cove Creek which includes the Gull Point and South Beach Marinas to ensure the safe public access and navigability of these waterways and the public amenities that are associated within these areas; and

Whereas, the Harbour Town Yacht Basin and Braddock Cove Creek are used by the general public for docking, sightseeing, navigation, access to public and other amenities and other tourism related activities; and

Whereas, the Town has historically provided funding to support these dredging activities through the identification of Hospitality Tax funds; and

Whereas, unless periodic dredging and maintenance of these waterways continues to occur, then the internationally recognized Harbour Town Marina and Braddock Cove Creek will lose their usefulness, reputation, and ability to generate significant tourism related economic activity for Hilton Head Island; and

Whereas, the Town Council has budgeted and set aside funding to support the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek in the Fiscal Year 2019, the Fiscal Year 2020 and Fiscal Year 2021 budgets in the amount of \$200,000 per year for a total set aside of funding in the amount of \$600,000; and

Whereas, the Town and Association desire to enter into this Agreement by which the Association will undertake the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek as described in this Agreement, and the Town will provide funding to assist in that work under the terms and conditions set out in this Agreement.

Now, therefore, for and in consideration of the sum of One Dollar, and the exchange and performance of the mutual promises, undertakings and covenants described in this Agreement, the receipt and sufficiency of which is acknowledged, the Town and the Association agree as follows:

1. The Association shall undertake a program of dredging the Harbour Town Yacht Basin including the areas of the entrance channel, fuel docks, and inner basin. Additionally

dredging may occur in Braddock Cove Creek including its entrance and main channels and the Gull Point and South Beach Marinas.

- (a) The funds to be delivered under this Agreement from the Town to the Association are public funds, and the Association must comply with the competitive sealed bidding requirements of the Town's procurement code [§ 11-1-111, *Municipal Code of the Town of Hilton Head Island* (1983)], for all contracts related to the dredging of the Harbour Town Yacht Basin and Braddock Cove Creek..
- (b) The Association must deliver documentation to the Town to verify that it has complied with the requirements of Article 11 of the Town procurement code [§ 11-1-111, *Municipal Code of the Town of Hilton Head Island* (1983)], including:
 - (i) A copy of the notice to bidders,
 - (ii) A copy of the log showing receipt of bids,
 - (iii) A copy of the document showing evaluation of the bids,
 - (iv) A copy of the notification and award to the successful bidder.
- (c) The Association must also deliver documentation to the Town to verify that the public funds were used only for the dredging of the above-described areas including the invoices to which any public funds were applied, and proof of payment of the invoices. All funding to be provided to the Association under this Agreement shall be made on a reimbursement basis with sufficient documentation described above first being submitted to the Town prior to any payments being made.
- (d) All documentation to be delivered to the Town under this Article 1 must be delivered to to Mr. John Troyer, Finance Director for the Town of Hilton Head Island, One Town Center Court, Hilton Head Island SC 29928, within thirty (30) days following:
 - (i) the award of any contract for all or any part of the dredging activities identified herein; or,
 - (ii) the payment of any invoice to which all or any part of the public funds will be applied.

2. The funds delivered by the Town to the Association as described and conditioned in this Agreement shall not exceed the total sum of Six Hundred Thousand (\$600,000.00) Dollars. The Association acknowledges that the funds delivered under this Agreement must be used by the Association solely for purposes of performing the dredging activities described herein.

3. The Term of this Agreement shall commence on the date this Agreement set out above, and the Term shall end on the date which is two (2) years from the date this Agreement set out above.

4. Any payments to be made by the Town under the terms of this Agreement shall be made from funds that were budgeted by the Town during prior fiscal years occurring prior to the Term of this Agreement and which have been rolled over into the following fiscal years' budgets. The Town and the Association intend that the payment obligations of the Town shall constitute a current expense of the Town and shall not in any way be construed to be a debt of the Town in contravention of any applicable constitutional or statutory limitations concerning indebtedness of the Town, nor shall anything contained herein constitute a pledge of general tax revenues, funds, money or credit of the Town.

5. The Association shall be responsible for providing both a cost-effective design and project schedule that are acceptable to the Town and that are permittable by all applicable regulating agencies.

7. The Association shall be responsible for obtaining and complying with all necessary local, state, and federal permits for the work associated with and to be completed with the public funds to be provided pursuant to this Agreement.

8. Should any part of this Agreement be rendered void, invalid, or unenforceable by any court of law, such a determination shall not render void, invalid, or unenforceable any other part of this Agreement.

9. This Agreement has been made and entered into in the State of South Carolina, and the laws of South Carolina shall govern the validity and interpretation of this Agreement in the performance due hereunder.

10. This Agreement may not be modified unless such modification is in writing and signed by both parties.

11. The Association may not assign this contract without the prior written approval of the Town.

12. The Association shall defend, indemnify, and hold harmless the Town, its officers, directors, agents, and employees from and against any and all actions, costs, claims, losses, expenses, and/or damages, including attorney's fees, whether incurred prior to the institution of litigation, during litigation, or on appeal arising out of or resulting from the conduct of any activity hereby authorized or the performance of any requirement imposed pursuant by this Agreement, however caused or occasioned, unless caused by the willful misconduct or gross negligence of the Town.

13. The parties hereto intend that no master/servant, employer/employee, or principal/agent relationship will be created by this Agreement. Nothing contained herein creates any relationship between the Town and the Association other than that which is expressly stated herein. The Town is interested only in the results to be achieved under this Agreement, and the conduct and control of the agents and employees of the Association and the methods utilized by the Association in

fulfilling its obligations hereunder shall lie solely and exclusively with the Association and its agents and employees shall not be considered agents or employees of the Town for any purpose. No person employed by the Association shall have any benefits, status, or right of employment with the Town.

14. The Association, by signing this Agreement, hereby certifies that Association shall comply with all applicable requirements of the South Carolina Illegal Immigration Reform Act, S.C. Code Ann. §41-8-10, *et seq.* (2021) (the "Act"), and that Association covenants and agrees as follows:

14.1. Association shall not knowingly or intentionally employ any unauthorized alien and, unless excluded from coverage of the "Act", shall verify the work authorization of all newly hired employees performing work under the contract by either:

(a) registering and participating in the Federal Work Authorization Program (E-verify) and verifying the work authorization of every new hired employee within five (5) business days after employing employee; or

- (b) employing only workers who, at the time of said employment:
 - possess a valid South Carolina driver's license or identification card; or are eligible to obtain a South Carolina driver's license or identification card by providing proof of name, social security number and date and place of birth;

or,

 (ii) possess a valid driver's license or identification card from another state deemed by the Executive Director Department of Motor Vehicles to have requirements at least as strict as those in South Carolina.

The Association may choose either option 1 (a) or option 1 (b) but acknowledges that the Association cannot use both.

14.2. The Association agrees to provide to the Town all documentation requested by it to establish either:

(a) the applicability of the South Carolina Illegal Immigration Reform Act to the Association,

or,

(b) compliance with the South Carolina Illegal Immigration Reform Act by the Association.

14.3. Association agrees to include in any contracts with its sub-contractors, language requiring its sub-Associations to:

(a) comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code

of Laws,

and.

(b) include in their contracts with the sub-contractors, language requiring the sub-contractors to comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws.

14.4. The Association acknowledges and agrees that it shall comply with requirements of the Immigration Reform and Control Act of 1986 including the non-discrimination provisions thereof and shall complete all required 1-9 documentation for all workers employed by it.

14.5. The Association certifies it shall comply with all state, federal, and local laws, rules, regulations, and orders applicable to it in performance of work under the contract.

In Witness whereof, the parties hereto have affixed their signatures hereto the date first written hereinabove.

WITNESSES:	SOUTH ISLAND DREDGING ASSOCIATION				
	By:				
	Its:				
WITNESSES:	THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA				
	By: Marc A. Orlando				
	Its: Town Manager				

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2019; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the <u>Code of Laws for South Carolina 1976</u>, as amended, and Section 2-7-20 of the <u>Municipal Code</u> of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds for an Operating Reserve to provide for emergency-related expenditures and to offset fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

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

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the Ordinance. Stricken Portions indicate deletions to the Ordinance.

<u>Section 1. Adoption of the Budget</u>. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2019.

Proposed Ordinance No. 2018-05 Page Two

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2018 through June 30, 2019, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Calendar 2018 is a property reassessment year. The Town's property values increased by 2.72% between 2013 and 2018 because of reappraisal. Therefore, in accordance with South Carolina law the Town must roll-back its millage rate by the percentage increase in property values (revenue neutrality). The exception is the disaster recovery millage rate which will remain the same. The Town's rolled-back millage rate was calculated by Beaufort County officials and approved by the State. It should be noted that the disaster recovery millage override is in the second year of a planned five years. The table below reflects the pre and post assessment millage rates.

	Millage Rate Pre-	Millage Rate Post-		
Fund	Reassessment	Reassessment		
General Fund	16.38	15.93		
Debt Service Fund	6.14	5.97		
Capital Projects Fund	0.84	0.82		
-	23.36	22.72		
Disaster Recovery millage override	5.00	5.00		
Total	28.36	27.72		

<u>Section 3. Establishment of Funds.</u> To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

<u>Section 4.</u> Acquisition of Rights of Way and Easements. The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects. Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

Proposed Ordinance No. 2018-05 Page Three

<u>Section 5 Severability.</u> If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 6. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

David Bennett, Mayor

ATTEST: Krista Wiedmeyer, Town Clerk

First Reading: May 1, 2018Public Hearing: MAC 12, 2018Revised First Reading: DMC 12, 2018Second Reading: DMC 10, 2018

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member:

Kimberly W. Likins

General Fund - FY 2019 Budget Summary

	1) Dudget Summa		indi y	2018		2019		
							<u>% ch</u>	ange
	2015	2016	2017	Adopted Budget	Estimated Actual	Budget	FY 2018 Budget	FY 2018 Est Actual
Revenues			,			Douger	_ buuget	Lat ictual
Property Taxes	11,894,284	12,647,166	12,971,590	13,473,000	13,703,850	13,840,888	3%	1%0
ATAX Local 1%	3,068,339	3,215,849	3,430,379	3,312,968	3,482,593	3,532,590	7%	2%
Business Licenses:								
Business Licenses - Town	3,941,652	3,866,698	3,929,882	4,620,576	4,555,079	4,600,000	o%	1%
Business Licenses - MASC	4,392,826	4,357,613	4,414,070	4,405,590	4 407 419	4,414,000	o %	o%
Franchise Fees:								
Cable	848,708	890,697	913,142	926,681	920,944	920,000	-1%	۵%
Beach Fee	27,352	28,430	32,588	30,160	35,086	35,000	16%	o%
Recycling		-	-	-		-	0%	o%
Permit Fees:								
Construction	552,722	1,189,212	561,565	592,076	881,916	560,000	-5%	-37%
Development	15,101	20,902	12,344	12,863	12,181	12,500	-3%	3%
Other	813,023	829,456	1,123,530	838,300	911,206	925,000	10%	2%
Intergovernmental	812,085	812,322	849,906	812,000	838,982	840,000	3%	%ە
Grants:								
Beaufort County - Hazmat	ц,6 77	11,677	11,677	11,677	11,677	11,680	0%	o%
Beaufort County - E911	132,041	135,083	128,729	132,000	132,000	132,000	o%	o%
DHEC			10,666	5.000	-		-100%	o%
Other	v		20,258	-	27,081		0%	0%
SC Regional	٨		*	đ	-	<i>μ</i>	o %	о%
Miscellaneous Revenue:								
Beach Services	239,358	229,643	249,688	230,000	251,291	350,000	9%	-1%
Donations	2,429	146	200	200	-	-	-100%	o%
Municipal Court	198,948	210,243	245,826	220,000	187,241	190,000	-14%	1%
Other	223,925	268,241	433,674	267,070	252,921	270,000	1%	7%
Public Safety - EMS	1,403,782	1,383,496	1,428,391	1,490,000	1,455,345	1,400 006	-6%	-4%
Public Safety - County D/T	55,721	53,781	52,512	54,000	51,995	52,000	-4%	%
Town Codes	46	10	20	200	30	30	-85%	o%
Fund Balance		-		560,642	y	569,851	2%	0%
Prior Year Funds			-	191,250	*	1	-100%	%ە
Victim's Assistance	34,399	37/134	38,525	38,000	30,346	35,000	-8%	15%
Transfers In:								
EDC		-	-		*	A*	o%	o%
Beach Fecs	1,111,138	1,111,138	1,111,138	1,361,138	1,361,138	1,361,140	o%	0% i
Special Revenue Federal		-	12,164	-	-		n%	0%
CIP - Ad Valorem		1,413,000	453,000	453,000	453,000	453.000	۵%	0%
CIP - Sunday Liquor	418,150	37,500	50,000	50,000	50,000	50,000	0%	%ە
CIP - Land	594,000	986,752	175,000	175,000	175,000	175,000	o%	0 %
CIP - Road Usage			658,135	1	-	10	σ ^α ώ	0%
Hospitality Fee	4,391,195	3,270,069	3,392,245	3,492,245	3.492,245	3,497,250	o%	o%
TIF	169,398	169,398	175,000	180,000	180,000	180,000	0 ⁰ %	۳%
ATAX Electric Error chico fee	1,338,188	1,596,057	1,696,220	1,565,900	1,565,900	1,565.900	o%	o%
Electric Franchise fee	311	87,878	90,000	90,000	90,000	90,000	o%	o%
Stormwater	94,258	94,258	95,000	125,000	125,000	125,000	o%	o%:
Lease/Other Investments	12,000 2,347	- 2,454	- 3,610	600,000 2,500	- 177,004	175,000	0% 5900%	0% ~1%
Total Revenues	36,799,403	38,956,303	38,770,674	40,319-036	39,818,470	40,257,829		
Increase/Decrease	2-1222402	2,156,900	(185,629)	1,548,362	1,047,796	139,359		
%		5.86%	-0.48%	3.99%	2 70%	+121122		

General Fund - FY 2019 Budget Summary

				24	018		2019		
								<u>% change</u>	
		2016		Adopted Budget	Estimated Actual	Decima	FY 2018	FY 2018	
Expenditures	2015	2010	2017	вцидег	Actual .	Budget	Budget	Est Actual	
General Government:									
Town Council	408,860	427,765	594,083	526,646	524,256	515.001	-04	-0/	
Town Council - Initiative	403,800	122,255	170,061	740,000	740,000	510.901	-3% -100%	-3% -100%	
Town Manager	638,030	653,768	641,165	566,124	635,216	- 619,833	-100%	-100% -2%	
Human Resources				-			-		
Total General Government	<u>537,289</u> 1,584,179	555,813 1,759,601	<u>549,556</u> 1,954,865	663,236 2,596,006	<u> </u>	633,331	-5% -32%	5%	
Total General Government	1,504,179	1,759,001	1,954,005	2,590,000	2,500,343	1,764,065	-32%	-29%	
Management Services:									
Finance									
Administration	291,907	291,019	302,132	319,757	322,990	329,264	3%	2%	
Accounting	606,567	606,998	542,740	693,463	631,248	724,5 ⁸ 3	4%	15%	
Procurement	-	-	-	-	-	206,347	100%	100%	
Revenue Services	606,206	604,859	606,193	844,274	741,025	797,152	-6%	8%	
	1,504,680	1,502,876	1,451,065	1,857,494	1,695,263	2,057,346	11%	21%	
Administrative Services									
Records Management	264,885	220,591	253,243	257,268	254.862	301,313	17%	18%	
Legal	495,858	465,729	470,845	545,918	479,205	553,354	10%	15%	
Office of Cultural Affairs	-			182,853	14 4 .867	179,393	-2%	24%	
Communications	95.	-	-	w		309,207	100%	100%	
Municipal Court	404,9U	413,928	386,734	398,872	381,474	386,930	-3%	10/0	
Information Technology	2,166,005	1,929,433	2,014,334	2,262,359	2,305,146	2,092,674	-8%	-9%	
	3,331,659	3,029,681	3,125,156	3,647,270	3,565,554	3,822,871	5%	7%	
Total Management Services	4,836,339	4,532,557	4,576,221	5.504,764	5,260,817	5.880,217	7%a	12%	
Community Services:									
Community Development									
Administration	469,752	479,077	538,333	513,950	499,650	636.956	24%	27%	
Comprehensive Planning	518,454	520,792	509,473	704,285	638,580	687,327	-2 ⁰ %	8%	
Development, Review and Zoning	613,114	688,858	601,484	815,183	778,740	784,407	-4%	1%	
Building	653,044	754,959	567,486	726 381	640,021	798,575	10%	25%	
CD Services	303,408	329,021	335-453	376,894	382,017	408,261	8%	7%	
	2,557,772	2,772,707	2,552,229	3,136,693	2,939.008	3,325,526	6%	15%	
Public Projects and Facilities									
Administration	254,895	263,379	251,524	289,604	264,989	292,015	1%	10%	
Engineering	924,937	923,622	1,235,129	1,071,992	1,075,650	1,019,466	-5%	-5%ó	
Facilities Management	3,500,999	3,858,960	3,741,656	4,363,163	4,388,813	4,425,485	1%	3%	
-	4,680,831	5,045,961	5,228,309	5,724,759	5,629,452	5,736,966	o%	2%	
Total Community Services	7,238,603	7,818,668	7,780,538	8,861,452	8,568,460	9,052,492	2%	6%	

General Fund - FY 2019 Budget Summary

				20	018		2019	
							% ch	апес
				Adopted	Estimated		FY 2018	FY 2018
	2015	2016	2017	Budget	Actual	Budget	Budget	Est Actual
Public Safety:								
Fire Resuce								
Administration	321,583	310,870	349,703	378,015	381,172	386,413	2%	1%
Operations	9,501,028	9,599,610	9,632,711	9,960 135	9,881,401	9,983,568	o%	1%
E-9n Communications	1,108,894	1,067,696	1,081,980	1,160,990	1,145 800	1,293.655	ц%	13%
E-911 Communications Support	257,640	284,158	286,042	234-439	234 201	249,490	6%	7%
Emergency Management	133,138	140,944	137,342	158,023	152,487	162,865	3%	7%
Fire Prevention	572,246	599,699	576,729	624,994	581.795	603,968	-3%	4%
Fleet Maintenance	538,316	547.936	512,305	595,463	500,708	600,493	1%0	20%
EMS Training	197,348	204,384	101,564	322,784	298 487	408,335	27%	37%
Support Services	1,340,866	951,155	1,556,084	712,941	662,201	765,395	7%	16%
Safety and Professional Development	713,425	726,861	712,784	654,358	649,075	685.719	5%	6%
Total Fire Rescue	14,684,484	14,433,313	14.947.244	14,805,142	14,487:417	15,139,901	2%	5%
Public Safety - Police Services	3,220,413	3,443,143	3,634,798	3,728,316	3,678.316	3,895,874	4%	6%
Townwide (non-departmental):								
Personnel	214,044	167,127	452,251	351,010	548,067	518,526	48%	-5%
Operating	1,380,033	1,402,859	1,443,213	2,117,811	1,609,791	2,176,344	3%	35%
Capital	41,635	30,012	32,000	789,000	789.000	204 000	-74%	-74%
Transfers Out		986,752	7,188,000		-	-	-	
Grants	2,285,747	2,780,166	1,609,754	1,552,535	1,562,535	1,626,410	4%	4%
Total Townwide (non-departmental)	3,921,459	5,366,916	10,725,218	4,820,356	4,599,393	4,525,280	-6%	0%
Total Expenditures	35,485,477	37,354,198	43,618,884	40,319,036	39,004,746	40,257,829	0%	3%
Net change in fund balances	1,313,926	1,602,105	(4,848,210)	-	813,724	-		
Fund balance - beginning	18,035,399	19,349,325	20,951,430	16,103,220	16,103,220			
Use of Fund Balance		-		_		<u> </u>		
Fund balance - ending	19,349,325	20,951,430	16,103,220	16,103,220	16,916,944	16,916,944		

Debt Service Fund - FY 2019 Budget Summary

				20	18		2019	
				Adopted	Estimated	FY 2019	<u>% ch</u> FY 2018	<u>inge</u> FY 2018
	2015	2016	2017	Budget	Actual	Budget		Est Actual
GOVERNMENTAL ACTIVITIES			· · ·					<u>Est ricida</u>
Revenues								
Property Taxes	5,084,193	5,136,244	5,229,221	5,337,600	5,375,874	5,429,633	1.7%	10%
Bonds Issued	-	-	27,885,000	-	-	-	0.0%	
Bond Premium	-	-	1,574,351	**	*		0 0%	0 0%
BABS Subsidy	168,051	163,656	79,889	169,870	163,000	-	-100.0%	
Investment Income	37,374	36,913	36,251	36,000	40,225	90,000	150 0%	
Transfers In:								27
Beach Preservation Fees	4,381,225	2,531,437	2,536,913	5,986,288	3,037,326	5,305,444	-11.4%	74 7%
Disaster Fund		~		4,200,000	4,375,000	3,536,565	0.0%	
Hospitality Fees	1,616,427	1,633,112	1,627,113	2,324,350	2,544,348	1,635,200	-29 6%	-35 7%
Tax Increment Financing	4,122,476		2	5,535,000	3,318,840	3,926,392	-29 1%	
Real Estate Transfer Fees	2,269,578	2,243,681	2,193,515	2,260,263	1,926,665	1,918,200	-15 1%	
Hospitality Tax Bond		-	-	-		-	0.0%	00%
Series 2013 GO Bonds		-				Ψ.	0 0%	0.0%
Lease Revenue	10,889	65,336	65,336	65,000	65,000	-	-100 0%	-100.0%
Total Revenues	17,690,213	11,810,379	41,227,589	25,914,371	20,846,278	21,841,434	-15.7%	4 8%
Expenditures								
Administrative	11,024	11,025	17,125	40,000	13,675	100,000	150 0%	631 3%
Payment to Escrow Agent		-	28,966,152	50,000	-	100,000	100 0%	100 0%
Contribution to Refunding	·w/			- -	_	-	0.0%	0.0%
Transfers	1,900,110	-	-	-	298,930	-	0.0%	-100 0%
Debt Issue Costs	-, ,	-	472,186	750,000		760,953	0.0%	100 0%
Principal	12,995,000	7,420,000	8,040,000	7,595,000	11,830,000	17,530,000	130 8%	48 2%
Interest	3,702,272	3,278,425	2,432,746	15,765,000	4,511,291	5,709,047	-63 8%	40 270 26 6%
Total Expenditures	18,608,406	10,709,450	39,928,209	24,200,000	16,653,896	24,200,000	<u>-030%</u> 00%	
iotal Dapenatures	10,000,400	10,709,450	29,920,209	24,200,000	10,075,090	24,200,000	0070	45 3%
Net change in fund balances	(918,193)	1,100,929	1,299,380	1,714,371	4,192,382	(2,358,566)		
Fund balance - beginning	8,404,034	7,485,841	_ 8,586,770	9,886,150	9,886,150	_14,078,532		
Fund balance - ending	7,485,841	8,586,770	9,886,150	11,600,521	14,078,532	11,719,966		

Capital Improvement Plan by Funding Source - FY 2019 New Projects

						THOUSAN	OS OF DOLL	ARS				
	FY 2019 Budget		FY 2019 Property Taxes	Funding Som ce as Identified	Beach Bond Beach Fees	GO Bond	Hospitahiv Tax Transfer In	1₽	Sunday Liquor Permit Fees	Road Usage Fei	Grants / Donations	Sale o Land
PATHWAY IMPROVEMENTS												
Pathway Accessibility & Safety Enhancement Projects	100						100					
TOTAL	100	Π	-	-	-	-	100	-	-	-	-	-
ROADWAY IMPROVEMENTS												
Intersection Improvements-W.B. 3rd Lane at Squire Pope – Impact fees	500	Π		500					<u> </u>			
Extension of Lagoon Road	675	┼┼		500	675							
Reconstruction of Nassau Street	400	Ħ			400				<u> </u>			
South Forest Beach Drive Improvements	400	\square			400							
Private Dirt Roads specific	375	Ľ								375		
Private Dirt Roads paving projects TBD	175	Í							<u> </u>	175		
Paving improvements Pope Avenue Resurfacing County Grant/impact	350	┞┼							 	350		
foe	850										850	
TOTAL	3,725		-	500	1,475	-			<u> </u>	90 0	850	
PARK DEVELOPMENT												
Cordillo area improvements Park Impact fees	400	\Box		400								
Parks Upgrades impact fees / Sunday Liquor fees	300			150					150			
TOTAL	700			550	u i	-	-		150	-	- 1	-
PUBLIC FACILITIES							,					
Town Hall Remodeling Fuel Truck Shed	100	$\left \right $					100		_			
· · · · · · · · · · · · · · · · · · ·	55	Ii. F 11	. <u> </u>				55		1			
TOTAL	155	1	-			-	155	-	<u>i -</u>	-	-	-
Sewer Service Projects	3,220	<u></u>				3,220			<u> </u>		I	
		\square				2,220						
Fire Hydrant Expansion Flyover/HTAX	100			33			67					
Emergency Operations Center Modifications - Flyove	150		l	150								
TOTAL	3,470		-	183	-	3,220	67	-	-	-	-	-
BEACH MAIN FEN ANCE												
Beach Management & Monitoring	500				500							
FOTAL	500		-	-	500	-	-	-		-	-	-
LAND												
Undefined Project / Legal Fees	20											
TOTAL	20		-	-	-	-		-	-	-]		2
OTHER CAPITAL EXPENDITURES												
Fire Rescue Capital Outlay from Flyover funds	102			102								
Cost of Issue	100					100						
Rec Center CIP - Impact fees	271	ЦГ		271								
Honey Hom CIP – Park Impact fees	55	\vdash		55								
Transfer to General Fund	678		453				i	;	50	l		17
	1.107		453	428	-	100	-	-	50	-	. 1	17
FOTAL	1,206	L E	400	420		100	- 1	-	30]	- 1	-	

 TOTAL FY 2019 BUDGET
 9,876
 453
 1,661
 1,975
 3,320
 322
 200
 900
 850

 *Beginning in FY 2018, Dirt Road Projects funded by the Community Development Block Grant (CDBG) are separate from the Capital Improvement Plan Budget.

195

*The remainder of the Blufton Flyover funding would be reallocated to the Fire Rescue Capital Outlay, the Fire Hydrant project and the EOC project.

Stormwater Fund - FY 2019 Budget Summary

				20	18	2019			
	2015	2016	2017	Adopted Budget	Estimated Actual	FY 2019 Budget	FY 2018	iange FY 2018 Est Actual	
Revenues									
Stormwater Fees	3,551,386	3,551,400	3,583,005	4,800,000	4,769,396	4,775,000	-0 52%	0 12%	
Fund Balance/Prior Year Funds	-	-		-	-	535,000	100 00%	100 00 [%]	
Federal Grant	25,764	44,272	-	-	-	-	0 00%	0.00%	
Bond Proceeds	-		-	3,100,000	3,100,000	yr.	o oo%	o 00%	
Interest	450	442	1,202	450	2,978	1,000	122 22%		
Total Revenues	3,577,600	3,596,114	3,584,207	7,900,450	7,872,374	5,311,000	-32 78%	-32 54%	
Expenses									
Personnel	317,575	358,116	283,155	544,000	544,043	563,000	3 49%	3 48%	
Operating	226,662	339,567	340,856	390,000	453,747	374,000	-4 10%		
Projects	1,919,697	1,072,181	799,316	5,653,000	5,381,113	2,619,000	-53 67%	-51 33%	
Capital	-	23,764	-	32,000	32,000	32,000	0 00%	0 00%	
Transfers	94,258	94,258	1,095,000	125,000	125,000	:25,000	0 00%	o oo%	
Debt Service/Other	(96,761)	961,510	1,433,596	1,154,000	1,514,000	1,598,000	38 47%	5 55%	
Total Expenses	2,461,431	2,849,396	3,951,923	7,898,000	8,049,903	5,31,000	-32 76%	-34 02%	
Net Change in Fund Balance	1,116,169	746,718	(367,716)	 2,450	(177,529)	-			
Beginning Fund Balance	5,291,577	6,407,746	7,154,464	6,786,748	6,789,198	6,611,669			
Ending Fund Balance	6,407,746	7,154,464	6,786,748	6,789,198	6,611,669	6,611,669			

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2020; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the <u>Code of Laws for South Carolina 1976</u>, as amended, and Section 2-7-20 of the <u>Municipal Code</u> of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds for an Operating Reserve to provide for emergency-related expenditures and to offset fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

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

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the Ordinance. Stricken Portions indicate deletions to the Ordinance.

Section 1. Adoption of the Budget. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2020.

Proposed Ordinance No. 2019-15 Page Two

Expenditure Type	2020 Budget	2021 Budget
Town Council	\$ 479,224	\$ 493,601
Town Manager	846,440	871,833
Human Resources	687,766	648,424
Administrative Services	3,957,269	4,073,649
Finance	1,992,406	2,052,125
Community Development	3,553,997	3,601,547
Public Projects and Facilities	5,642,043	5,911,304
Fire Rescue	15,499,346	15,897,377
Sheriff / Other Public Safety	3,813,237	3,927,634
Townwide	2,823,316	3,289,036
Community / Grants	 1,813,273	1,791,917
	\$ 41,108,317	\$ 42,558,447

The General Fund budgetary authority is adopted at the Departmental level as follows:

The Debt Service Fund and the Stormwater Fund are adopted at the Fund level. Capital Improvement Projects are adopted at the Project level. The Town Manager is authorized to transfer amounts up to \$100,000; larger transfers require Town Council approval.

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2019 through June 30, 2020, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Said tax levy shall be paid into the Town Treasury for the credit of the Town of Hilton Head Island for its corporate purposes, for the purpose of paying current operational expenses of the said municipality 17.13 mils, Debt Service 5.97 mils, and Disaster Recovery (millage override) 5.00 mils making the total levy of 28.10 mils.

<u>Section 3. Establishment of Funds.</u> To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

<u>Section 4. Acquisition of Rights of Way and Easements.</u> The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects. Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all

Proposed Ordinance No. 2019-15 Page Three

necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

<u>Section 5 Severability.</u> If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 6. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

PASSED, APPROVED, AN HILTON HEAD ISLAND ON THIS	D ADOPTED BY THE COUNCIL FOR THE TOWN OF S h DAY OF , 2019.
	John McCano, Mayor
ATTEST ATTEST Krista Wiedmeyer, Town Clerk	
First Reading: MM 7, 2019 Public Hearing: THE 2019 Revised First Reading: Second Reading: THE 4, 2019	
APPROVEDAS TOFORM	the
CVIZTIS L. COLTRAVE Town Attorney	
Introduced by Council Member:	WilliamHarkin

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2021; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the <u>Code of Laws for South Carolina 1976</u>, as amended, and Section 2-7-20 of the <u>Municipal Code</u> of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds for an Operating Reserve to provide for emergency-related expenditures and to offset fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council also desires to give the Town Manager authority to adjust revenue estimates as necessary to account for the economic impact of the COVID-19 Pandemic, without changing the total adopted budget. Any changes made under this section will be reported to Town Council on a quarterly basis; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

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

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the Ordinance. Stricken Portions indicate deletions to the Ordinance.

Section 1. Adoption of the Budget. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2021.

Proposed Ordinance No. 2020-12 Page Two

The General Fund budgetary authority is adopted at the Departmental level as follows:

	2020	2021
	Budget	Budget
Town Council	479,224	493,601
Town Manager	846,440	871,833
Human Resources	687,766	648,424
Administrative Services	3,957,269	4,073,649
Finance	1,992,406	2,052,125
Community Development	3,553,997	3,601,547
Public Projects and Facilities	5,642,043	5,911,304
Fire Rescue	15,499,346	15,897,377
Sheriff/Other Public Safety	3,813,237	3,927,634
Townwide	2,823,316	3,289,036
Community/Grants	1,813,273	1,791,917
Total	\$ 41,108,317	\$ 42,558,448

The Debt Service Fund and the Stormwater Fund are adopted at the Fund level. Capital Improvement Projects are adopted at the Project level. The Town Manager is authorized to transfer amounts up to \$100,000; larger transfers require Town Council approval.

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2019 through June 30, 2020, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Said tax levy shall be paid into the Town Treasury for the credit of the Town of Hilton Head Island for its corporate purposes, for the purpose of paying current operational expenses of the said municipality 17.2 mils, Debt Service 5.9 mils, and Disaster Recovery (millage override) 5.00 mils making the total levy of 28.1 mils.

Section 3. Establishment of Funds. To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

Section 4. Acquisition of Rights of Way and Easements. The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects.

Proposed Ordinance No. 2020-12 Page Three

Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

Section 5. Assignment of Funds for Future Use. Town Council continues to assign and reserve funds for its future dredging projects in the amount of \$200,000 of Hospitality Tax and \$100,000 for Pine Island renourishment from Stormwater funds in accordance with Town practice.

<u>Section 6. Severability.</u> If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 7. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2020.

John J. Mc arm, Mayor

ATTEST:

Krista M. Wiedmeyer, (Town Clerk

First Reading: MAM Public Hearing: JUM **Revised First Reading:** Second Reading: APPROVE OR

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Finance and Administrative Committee
FROM:	Joshua A. Gruber, Deputy Town Manager
VIA:	Marc Orlando, Town Manager
DATE:	April 20, 2022
SUBJECT:	Consideration of Proposed Ordinance 2022-09, Amending Chapter 5 of Title 4 of the Municipal Code to Extend the Expiration Date of the Real Estate Transfer Fee from December 31, 2024 until December 31, 2044

Recommendation:

Consider an Ordinance extending the expiration date of the Real Estate Transfer Fee (RETF) from December 31, 2024 until December 31, 2044.

Summary:

The RETF was adopted by Town Council in 1990 to maintain the environmental quality of the Island, to acquire lands for public ownership, maintain open space and environmental protection, acquire developed land or development rights in order to convert its use to a public use, restore previously developed property to open space, or to redefine and reuse previously developed property in accordance with the Town's current comprehensive plan.

The fee is set to expire on December 31, 2024. Proposed Ordinance 2022-09 will extend the fee for 20 years, expiring on December 31, 2044. The fee will remain at its existing rate, which is 0.25 of 1% of the gross sale price of each real estate transaction within the municipal limits of the Town. The allowable uses will remain the same. In order to continue limiting undesirable growth, preserve and protect existing natural parcels on the Island and continue its efforts in strategic land acquisition, the funds from the RETF are needed for future open space opportunities and improve the Island's resiliency.

Background:

The Town has collected over \$87 million in RETF funds since 1990 and maintains the fees in a separated account. The Town has used over \$76 million in RETR since 1990 to purchase over 1,300 acres of land in various locations throughout the Island. The RETF has been supplemented

by general revenues, voter approved referenda in 1997, 1998, 2000, 2003, and 2008, grants and donations, and CIP revenues. The benefits of the RETF include the following:

- Preservation of Open Space
- Public Access and Views to our Waterways
- Provides space for Passive and Active Recreational Needs
- Preserves Wildlife Habitat
- Protects Environmentally Sensitive Lands
- Protects Culturally and Historically Significant Sites
- Provides for Island Resiliency through Stormwater protection
- Provides Space for Capital Improvement Projects
- Strengthens Demand for Property Values Island-Wide
- Reduces Demand for Other Public Facilities and Services
- Reduces future traffic

By extending the RETF for an additional twenty years, this funding source will allow the Town to continue its strategic land acquisition program. Land acquisition improves the quality of life in many ways. The Town will use the RETF to continue preserving open space along the 278 corridor and as the Town does improvements to the Island, the RETF can work with the Town's efforts roads, stormwater, water and sewer work for aesthetic purposes as well as functional. Finally, resiliency is an integral part of the Strategic Plan and land acquisition will help in risk mitigation for the Island's future.

At its April 19, 2022, meeting, the Town Council Finance & Administrative Committee unanimously voted to recommend to Town Council approval of Proposed Ordinance 2022-09.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO. 2022- PROPOSED ORDINANCE NO. 2022-09

AN ORDINANCE TO AMEND CHAPTER 5 (REAL ESTATE TRANSFER FEE) OF TITLE 4 OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, TO AMEND SECTION 4-5-20, TO EXTEND THE EXPIRATION DATE OF DECEMBER 31, 2024, UNTIL DECEMBER 31, 2044; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Hilton Head Island did previously adopt Chapter Five (5) of Title 4 of the Municipal Code of the Town of Hilton Head Island establishing a Real Estate Transfer Fee to maintain the environmental quality of the Island, to acquire lands for public ownership, maintain open space and environmental protection, acquire developed land or development rights in order to convert its use to a public use, restore previously developed property to open space, or to redefine and reuse previously developed property in accordance with the town's current comprehensive plan;

WHEREAS, Section 4-5-20 of the Municipal Code of the Town of Hilton Head Island provided that the "Real Estate Transfer Fee" established in Section 4-5-10 would expire on December 31, 2024; and

WHEREAS, in order to continue limiting undesirable growth, preserve and protect existing natural are on the Island, and continue its efforts in strategic land acquisition, the Town of Hilton Head Island has implemented a long-term financing plan to pay for continued real property acquisitions through the collection of the Real Estate Transfer Fee; and

WHEREAS, the Town Council of the Town of Hilton Head Island has determined that it is in the best interest of the Town and its citizens to extend the expiration date within Section 4-5-20 of the Municipal Code of the Town of Hilton Head Island, and to continue collections of "Real Estate Transfer Fees" until December 31, 2044.

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

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the Ordinance. Stricken portions indicate deletions to the Ordinance.

Section 1. Amendment. That Section 4-5-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, be and the same hereby is amended to read as follows:

"Section 4-5-20. Real Estate Transfer Fee.

For a period of twenty-four (24) years <u>twenty (20) years</u>, ending on December 31, 2024 2044, a real estate transfer fee shall be paid by the purchaser, or any other person

by his direction, pursuant to the recording in Beaufort County of any deed, instrument or writing whereby any land, tenement, or other realty located within the corporate limits of the Town of Hilton Head Island is sold, granted, assigned, conveyed to, vested in, or otherwise transferred when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds one hundred dollars (\$100.00).

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

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

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2022.

John J. McCann, Mayor

Krista M. Wiedmeyer, Town Clerk

First Reading:

Second Reading:

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:







(843) 842-2421 FAX: (843) 842-6491 Info@HHRealtor.com 32 Office Park Road, Suite 124 • Hilton Head Island, SC 29928

March 31, 2022

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

Dear Mayor McCann and members of Hilton Head Island Town Council,

Thank you and town staff for the multiple presentations and conversations concerning the extension of the real estate transfer fee beyond its sunset date of December 31, 2024. Through the presentations provided to our Legislative Committee, Board of Directors, and our membership, we see the value to the community in the extension of the fee at its existing rate for twenty years, and keeping the same allowed revenue uses.

We appreciate our working relationship with the Town and hope to collaborate again in the future.

Sincerely

Kate Yachin

2022 President



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Town Council
FROM:	John M. Troyer, Director of Finance
VIA:	Marc Orlando, ICMA-CM, Town Manager
CC:	April Akins, Revenue Services Manager
DATE:	April 26, 2022
SUBJECT	Town of Hilton Head Ambulance Fee Schedule

Recommendation: The Finance and Administrative Committee and Town Staff recommends Town Council approve on first reading of Proposed Ordinance 2022-10, amending Chapter 9 of Title 10 (Fee Schedule for Billing Ambulance Services), Sec. 10-9-10 (General Fee Schedule) and Sec. 10-9-30 (Billing) to increase the Town of Hilton Head Island's ambulance fee schedule to meet industry standards set by the Centers for Medicare and Medicaid Services.

Summary: During an annual Account Performance Review with the Town's EMS billing contractor, EMS Management & Consultants (EMS/MC), it was recommended that the Town consider a rate increase to ensure that EMS revenue collections are optimal based on the industry standards. The Centers for Medicare and Medicaid Services issued CY 2022 Medicare Physician Fee Schedule effective January 1, 2022. Based on the fee schedule, EMS/MC recommended that the Town set ambulance rates at 150% or above of the Medicare's Physician Fee Schedule. The projected revenue from the rate increase is an estimated \$125,000 annually or approximately 7% increase in net EMS revenue collections.

In addition, since Medicare's Physician Fee Schedule is issued annually, staff recommends updating Chapter 9 of Title 10, Sec. 10-9-10 and Sec. 10-9-30, to include language that the Town's ambulance fee schedule will be set at 150% or above of the most recent Centers for Medicare and Medicaid Services (CMS) Physician Fee Schedule (PFS) and removing the ambulance fee table from the ordinance. Staff also recommends that the Town's ambulance fee schedule be published and available on the Town's website for the public.

Background: To ensure that the Town receives full reimbursement from insurance companies for ambulance services, the proposed amendments to Chapter 9 of Title 10, Sec. 10-9-10 and Sec. 10-9-30 should be adopted by Town Council to allow optimal EMS revenue collections.

Below is the analysis and recommendation for the Town of Hilton Head Island's ambulance fee schedule prepared by EMS/MC:

Level of Service	2022 Medicare Allowable (Urban)	TOHH Current Charge	Recommended 150% MFS	Notes
ALS Emergent	\$441.29	\$520.00	\$661.94	Round up to \$662
BLS Emergent	\$371.61	\$460.00	\$557.42	Round up to \$558
ALS 2 Emergent	\$638.71	\$1,010.00	\$1,010.00	No change
Treatment No Transport Fee	n/a	\$100.00	\$100.00	No change
Mileage Fee	\$8.02	\$7.50	\$12.03	Loss of \$.52 per mile. Round up to \$12.25
Specialty Care Transport	\$754.83	\$450.00	\$1132.25	Loss of \$304.83. Round down to \$1132.00
BLS Non-Emergent	\$232.26	\$460.00	\$460.00	No change
ALS Non-Emergent	\$278.71	\$520.00	\$520.00	No change

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

ORDINANCE NO.

PROPOSED ORDINANCE NO. 2022-10

AN ORDINANCE TO AMEND CHAPTER 9 OF TITLE 10 (FEE SCHEDULE FOR BILLING AMBULANCE SERVICES), OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, BY AMENDING SECTIONS 10-9-10 (GENERAL FEE SCHEDULE) AND 10-9-30 (BILLING); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town Council did previously adopt Chapter 9 of Title 10 of the Municipal Code of the Town of Hilton Head Island to provide for ambulance service fees; and

WHEREAS, during an annual account performance review with EMS Management & Consultants, the Town's EMS billing contractor, it was recommended that the Town of Hilton Head Island consider a rate increase at 150% or above the Centers for Medicare and Medicaid Services Physician Fee Schedule to ensure that EMS revenue collections are optimal based on industry standards; and

WHEREAS, the Town Council now desires to increase the Town of Hilton Head Island's ambulance service fee schedule to meet industry standards set by the Centers for Medicare and Medicaid Services and to include language in the Municipal Code of the Town of Hilton Head Island that the Town's ambulance service fees schedule is set at 150% or above the most recent Centers for Medicare and Medicaid Services Physician Fee Schedule.

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:

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the municipal code. Stricken portions indicate deletions to the municipal code.

<u>Section 1: Amendment.</u> That Sections 10-9-10 (General Fee Schedule) and 10-9-30 (Billing) of the Municipal Code of The Town of Hilton Head Island, South Carolina, are hereby amended as follows:

Sec. 10-9-10. General fee schedule.

Ambulance service rates will be based on the highest level of care provided and includes the following billing categories as identified by Medicare. <u>The Town's ambulance fee schedule is set at</u>

150% or above of the most recent Centers for Medicare and Medicaid Services (CMS) Physician Fee Schedule (PFS).

Billing Category		Rate
BLS	(Basic Life Support)	\$460.00 plus \$7.50 mileage rate
BLS	(Basic Life Support) Emergency	\$460.00 plus \$7.50 mileage rate
ALS-1	(Advanced Life Support level 1)	\$520.00 plus \$7.50 mileage rate
ALS 1	(Advanced Life Support level 1) Emergency	\$520.00 plus \$7.50 mileage rate
ALS-2	(Advanced Life Support level 2)	\$1,010.00 plus \$7.50 mileage rate
SCT	(Specialty Care Transports)	\$450.00 plus \$6.50 mileage rate

Sec. 10-9-20. Billing category descriptions.

The following descriptions are provided to assist in determining the appropriate billing category for ambulance services:

- (a) BLS (non-emergency) is a response to transport a patient to various locations (to hospital from doctor's offices, homes, etc.) with BLS skills being the highest level of service provided. This includes procedures like checking vitals, oxygen administration, etc., but with no IV initiated. These calls may include a minimal use of supplies. These will be mostly nonemergency transport patients who are routinely transported via Med-Trans Ambulance Service. The town's fire and rescue department rarely handles these calls and does so only in extreme circumstances.
- (b) BLS (emergency) is an emergency response for a patient who is transported to a hospital with BLS skills being the highest level of service provided. This includes procedures like checking vitals, oxygen administration, etc., but with no IV initiated. These calls may include a minimal to moderate use of supplies. These are emergency calls and BLS will be the highest level of service provided. The town's fire and rescue department routinely handles these BLS emergency transports.
- (c) ALS 1 (non-emergency) is a response for a patient who is transported and requires an ALS assessment or ALS skills such as IV initiation, cardiac monitoring, blood draws, BGL checks, or up to two (2) drugs administered. They will require a minimal to moderate use of supplies. These are mostly non-emergency transport calls that require an ALS assessment and/or the use of ALS procedures that are above the scope of BLS care. The town's fire and rescue department occasionally handles these ALS non-emergency transports.
- (d) ALS 1 (emergency) is an emergency response for a patient who is transported to a hospital and requires an ALS assessment or ALS skills such as IV initiation, cardiac monitoring, blood draws, BGL checks, or up to two (2) drugs administered. They will require a minimal to moderate use of supplies. These are emergency calls that require an ALS assessment and/or use of ALS procedures that are above the scope of BLS care. These are primarily patients suffering from seizure, diabetic emergencies, breathing problems, auto accidents, etc. The town's fire and rescue department routinely handles these ALS emergency transports.

- (e) ALS 2 is an emergency response for a patient who is transported to a hospital and requires an ALS assessment or ALS skills plus the administration of three (3) or more drugs and/or the use of any one of the following skills:
 - Manual defibrillation Cardio-version Cardiac pacing Endotracheal intubation Chest decompression Intraosseous line

These calls will require a maximum use of supplies and are primarily patients in cardiac or respiratory arrest, shock, or critical trauma patients. The town's fire and rescue department routinely handles these ALS 2 emergency transports.

(f) SCT is for a patient being transported from one (1) hospital to another hospital (inter-facility) requiring a specialized nurse riding in attendance to provide specialized skills above the scope of ALS. They will require a minimal to moderate use of supplies. The town's fire and rescue department occasionally handles these SCT transports.

Sec. 10-9-30. Billing.

- (a) The town's EMS billing department will classify each ambulatory service call into one of the six (6) billing categories listed above and bill accordingly. Classification will be based on the highest level of service provided regardless of the supplies used for each call.
- (b) A mileage rate of six dollars and fifty cents (\$6.50) per mile will be billed regardless of the billing category. <u>The Town's mileage rate per mile is set at 150% or above of the most</u> recent Centers for Medicare and Medicaid Services (CMS) Physician Fee Schedule (PFS).
- (c) A standard billing charge for response to calls requiring no transport will be set at one hundred dollars (\$100.00) per incident.

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

<u>Section 3: Effective Date.</u> This ordinance shall be effective upon adopting by the Town Council of the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND ON THIS ______ DAY OF _____, 2022.

By:___

John J. McCann, Mayor

ATTEST:

By:______Krista Wiedmeyer, Town Clerk
First Reading:______, 2022

Second Reading: _____

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

Introduced by Council Member:_____



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO:	Marc Orlando, ICMA~CM, <i>Town Manager</i>
FROM:	Anne Cyran, AICP, Interim Community Planning Manager
VIA:	Shawn Colin, AICP, Assistant Town Manager – Community Development
DATE:	April 27, 2022
SUBJECT:	Proposed Ordinance 2022-06: Short-Term Rental Performance Standards

Recommendation:

That Town Council adopt the proposed Short-Term Rental Ordinance.

On March 24, 2022, the Public Planning Committee voted to forward the proposed Short-Term Rental Ordinance to Town Council with a recommendation of approval subject to such revisions as may be agreed upon by Town Council at the time of the hearing.

Summary:

For nearly a year the Public Planning Committee has considered and discussed the impacts of short-term rentals on the Island, as described in the short-term rental project purpose statement: "As a resort area, Hilton Head Island has numerous short-term rental units. The lack of a Short-Term Rental ordinance has led to an imbalance between residential and resort districts and the elimination of some long-term single-family neighborhoods. The Town proposes to craft a Short-Term Rental ordinance to develop a fair, predictable, and balanced approach to manage short-term rental impacts on our neighborhoods, economy, housing stock, public facilities, and the quality of life of our residents and experiences of our visitors."

The proposed Short-Term Rental Ordinance would take a step toward addressing the impacts of short-term rentals on neighborhoods by establishing expectations for their management and operation, specifically regarding safety, trash, noise, and parking. Adoption of the proposed Ordinance will allow staff to execute an operational program to implement the Ordinance. This will include securing necessary software and equipment; recruiting, hiring, and training new employees; creating and testing application and complaint portals; and creating and executing an education and communications plan. Enforcement of the proposed Ordinance would begin on January 1, 2023, which will allow time to educate owners and agents of the new requirements and to review and issue short-term rental permits for 2023.

Attachment A, a presentation, provides the Public Planning Committee's recommendation; the project purpose statement; a summary of the short-term rental initiative to date; information

Stephen G. Riley Municipal Complex One Town Center Court + Hilton Head Island + South Carolina + 29928 www.hiltonheadislandsc.gov about short-term rental trends, their distribution, and complaints; a summary of options for safety inspections and staff's recommendation; the proposed Ordinance with revisions since the March 24 Public Planning Committee as recommended by the Town Attorney; the proposed permit fee and other communities' permit fees; the operational program to implement the proposed Ordinance; the next steps in the short-term rental initiative; and the Public Planning Committee's recommendation.

Attachment B is memo from Fire Rescue Chief Tadlock reviewing the options for safety inspections of short-term rental properties, as requested by the Public Planning Committee. Chief Tadlock recommends requiring property owners to be responsible for inspecting their properties and affirming they meet the safety requirements listed in the proposed Ordinance. Fire Rescue staff, supported by the Town's Building Inspections and Compliance division, will continue to respond to fire and building safety complaints regarding short-term rentals. Staff proposes hiring an additional full-time employee to assist with these investigations and to conduct spot inspections of short-term rental units for compliance with safety requirements. Fire Rescue recommends staff evaluate the feasibility of requiring annual inspections of all short-term rentals by a third party or by staff in the second quarter of 2023, once more information from the short-term rental program is available.

Attachment C, the proposed Ordinance, would establish standards for the operation of shortterm rental properties within the Town of Hilton Head Island. The Town Attorney revised the proposed Ordinance since it was presented to the Public Planning Committee on March 24, 2022, based on the direction of the Committee. In the proposed Ordinance, the text to be deleted is indicated with a strikethrough and the text to be added is indicated with a <u>double underline</u>.

The revisions include:

- adding two whereas statements; and
- adding a purpose and intent statement that states the Ordinance is not intended to regulate hotels, motels, hospitals, or interval occupancy uses (timeshares); and
- redefining the term "owner" to be more detailed; and
- adding a requirement that short-term rental permit applications for single-family detached residences must include a site plan showing compliance with the trash and parking regulations in the proposed Ordinance; and
- stating that a short-term rental permit shall be granted only if there are no outstanding citations for activities occurring at or connected with the short-term rental property; and
- stating that every person or business that acts as a short-term rental agent and submits an application for a permit must submit a complete application that has been signed by the owner; and

Subject: Proposed Ordinance 2022-06: Short-Term Rental Performance Standards

04/27/2022 Page 3

- specifying that required notifications to prospective lessees must be provided in writing; and
- removing the exemption for communities offering twenty-four-hour private security from meeting parking requirements; and
- adding the titles of the referred sections of the Municipal Code; and
- clarifying the language regarding the number of convictions for violations of the Municipal Code that will result in the suspension or revocation of a short-term rental permit; and
- stating the Ordinance will be effective on its adoption by Town Council, but the enforcement of the regulations set out in the Ordinance shall begin on January 1, 2023.

Attachment D includes the sections of the Land Management Ordinance and the Municipal Code that are referred to in the proposed Ordinance.

Attachment E, a list of Frequently Asked Questions, includes answers to questions about the short-term rental initiative; the proposed Ordinance; short-term rental permits; and short-term rental monitoring, complaints, and compliance.

Attachment F is a collection of public comments received between March 17 and April 26, 2022.

Background:

In spring 2021, Town Council identified the development of a Short-Term Rental Ordinance as a priority. Town Council and the public expressed several concerns related to short-term rentals, including impacts on residential neighborhoods, the environment, infrastructure, workforce housing, and an imbalance between residential and resort commercial districts.

During the June 2, 2021, Public Planning Committee meeting, staff presented their work to date, including discussing these concerns with stakeholders and researching other communities' short-term rental ordinances. Staff also presented a plan for the next steps in the initiative, including engaging additional stakeholders, updating business license regulations, and engaging a code writing consultant.

During the September 28, 2021, Public Planning Committee special meeting, members of the Town's code writing consulting team, White & Smith, reviewed a range of potential short-term rental standards, requested Committee input, and presented the next steps for the initiative. The Committee provided feedback and requested a problem statement to understand the issues related to short-term rentals.

04/27/2022 Page 4

In October 2021, the Public Planning Committee approved the following project purpose statement: "As a resort area, Hilton Head Island has numerous short-term rental units. The lack of a Short-Term Rental ordinance has led to an imbalance between residential and resort districts and the elimination of some long-term single-family neighborhoods. The Town proposes to craft a Short-Term Rental ordinance to develop a fair, predictable, and balanced approach to manage short-term rental impacts on our neighborhoods, economy, housing stock, public facilities, and the quality of life of our residents and experiences of our visitors."

From fall 2021 to winter 2022, staff continued to gather feedback on short-term rentals from stakeholders and the public through a series of in-person and online meetings and an online survey that received 3,680 responses.

During the October 28, November 18, and December 16, 2021, Public Planning Committee meetings, staff provided updates on the short-term rental initiative, including stakeholder engagement efforts and data on short-term rental trends.

During the January 27, 2022, Public Planning Committee meeting, staff presented preliminary policy framework recommendations to address the organization, character, expectations, and operations of short-term rentals, based on feedback and learnings to date. The Committee voted 3-1 to request that staff draft an Ordinance based on these recommendations.

During the March 9, 2022, Public Planning Committee meeting, staff presented the draft Ordinance and a list of prioritized topics for further review. The Committee requested staff revise the draft Ordinance to address concerns discussed by the Committee and provided feedback on the list of topics for further review.

During the March 24, 2022, Public Planning Committee meeting, staff presented the proposed Ordinance reflecting the revisions requested by the Committee, and a preliminary framework for the examination of high occupancy short-term rentals and high floor area ratio single-family structures. The Committee voted to forward the Short-Term Rental Ordinance to Town Council with a recommendation of approval. The Committee also provided feedback on the preliminary framework.

The proposed Ordinance is consistent with *Our Plan* Excellence Tactic 1.2.1 and Excellence Strategies 1.3 and 1.6, and with Economy Strategy 4.2.

Attachments:

- A. Presentation
- B. Memo Regarding Short-Term Rental Safety Inspections
- C. Proposed Ordinance 2022-06
- D. Land Management Ordinance and Municipal Code Sections
- E. Frequently Asked Questions
- F. Public Comments Received, March 17 to April 26

Attachment A



Town of Hilton Head Island Short-Term Rental Initiative Proposed Ordinance 2022-06

Town Council

May 3, 2022



Short-Term Rental Initiative Today's Presentation

- Recommendation
- Project Purpose Statement
- Summary of the Initiative To Date
- Short-Term Rental Trends, Distribution & Complaints
- Inspections
- Proposed Ordinance with Revisions
- Proposed Permit Fee & Other Communities' Fees
- Operational Program
- Next Steps
- Recommendation



Recommendation



Short-Term Rental Initiative Recommendation

On March 24, 2022, the Public Planning Committee recommended adoption of the proposed Short-Term Rental Ordinance to Town Council subject to such revisions as may be agreed upon by Town Council at the time of the hearing.



Project Purpose Statement



Short-Term Rental Initiative Project Purpose Statement

As a resort area, Hilton Head Island has numerous shortterm rental units.

The lack of a Short-Term Rental ordinance has led to an imbalance between residential and resort districts and the elimination of some long-term single-family neighborhoods.

The Town proposes to craft a Short-Term Rental ordinance to develop a fair, predictable, and balanced approach to manage short-term rental impacts on our neighborhoods, economy, housing stock, public facilities, and the quality of life of our residents and experiences of our visitors.



Summary of the Initiative To Date



- Spring 2021: In response to increasing complaints and concerns about short-term rentals, Town Council directed staff to develop an Ordinance to manage the impacts of short-term rentals.
- June 2021: Staff presented research on other communities' ordinances to Public Planning Committee and received feedback. Staff presented a plan to contract with a code writing consultant to assist with the initiative.



Summer 2021: Town executed a contract with a code writing consultant and developed a project framework.

September 2021: Staff and the consultant presented the project framework to the Public Planning Committee.



Fall and Winter 2021: Staff executed the project framework, including research, gathering data, and executing an extensive community engagement plan. Community engagement methods included 13 stakeholder meetings, 3 public open houses, a survey with 3,680 responses, and local media articles and interviews.



January 2022: Based on findings and learnings to date which showed strong support for an Ordinance to address the organization, character, expectations, and operations of short-term rentals, staff presented a preliminary policy framework to the Public Planning Committee. The policy framework included standards for property management; safety; noise; trash; and parking.

Staff suggested continuing to monitor and evaluate the effects of short-term rentals and short-term rental trends, as the next phase of the initiative.



March 9, 2022: Staff presented to the Public Planning Committee a proposed Ordinance with the elements of the preliminary policy framework. The Committee, the public, and stakeholders provided feedback, which staff used to revise the proposed Ordinance.

Staff presented a list of issues related to short-term rentals for further review, based on feedback from the Committee, stakeholders, and the public.



March 24, 2022: Staff presented to the Public Planning Committee the revised Ordinance. The Committee voted to recommend adoption of the proposed Ordinance to Town Council subject to such revisions as may be agreed upon by Town Council at the time of the hearing.

Staff presented the preliminary project framework for the next phase of the initiative: the examination of high occupancy short-term rentals; and high floor area ratio single-family structures.



Short-Term Rental Trends



Short-Term Rental Initiative Short-Term Rental Trends

- Hilton Head Island has had shortterm rentals for decades, but recently the number of units increased rapidly.
- Staff estimates a 31% increase in short-term rental listings between July 2019 and January 2022.
- Bids are due on April 28, 2022, for short-term rental monitoring software, which will provide more detailed data and trends over time by neighborhood.

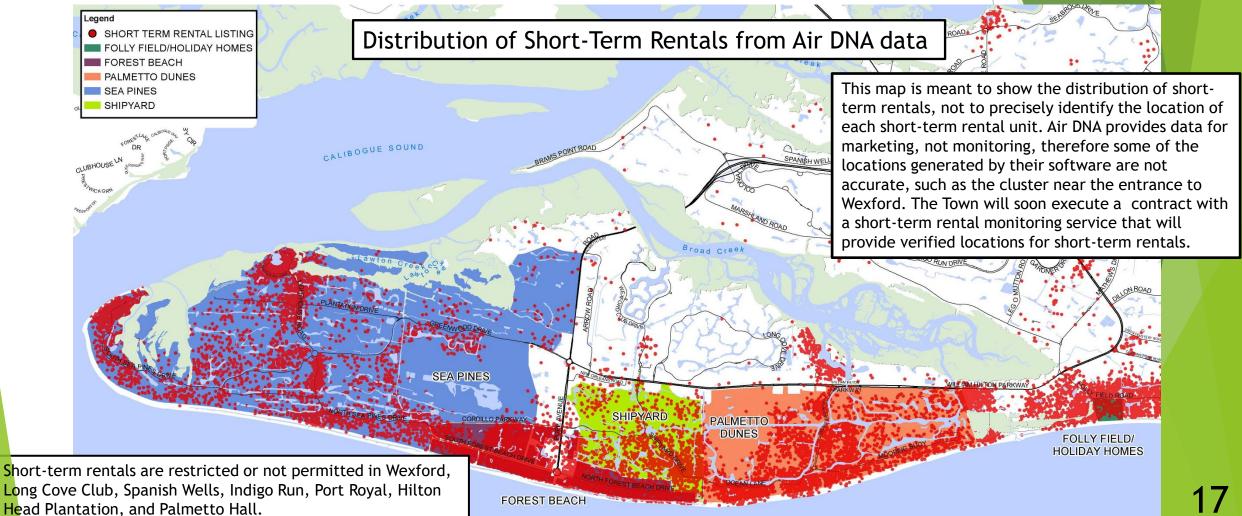




Short-Term Rental Distribution



Short-Term Rental Initiative Short-Term Rental Distribution





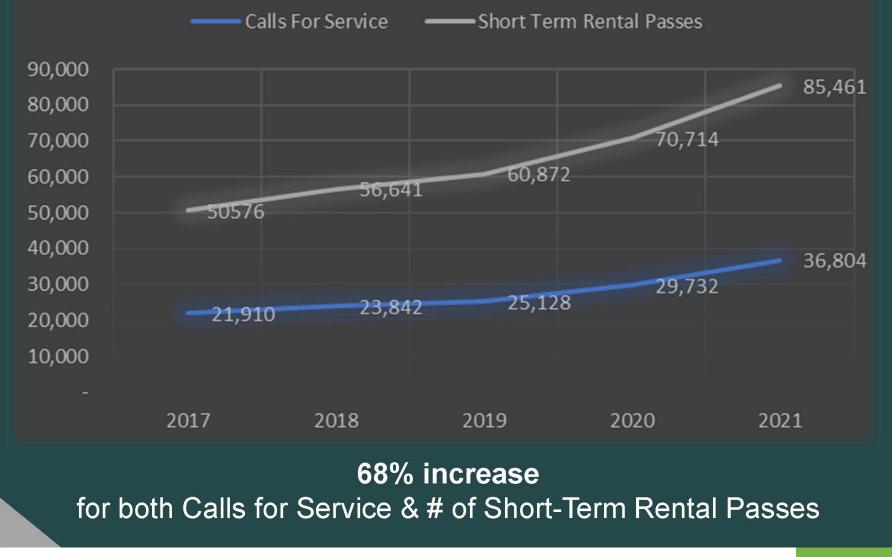
Short-Term Rental Complaints



Short-Term Rental Initiative Short-Term Rental Complaints

- Some neighborhoods, both in gated communities and nongated communities, have reported a sharp increase in the number of short-term rentals in recent years. Sea Pines provided data showing a rise in both short-term rental passes and calls for service between 2017 and 2021.
- The proposed Ordinance would facilitate the creation of a short-term rental program that would allocate additional resources to enforcement and provide additional enforcement options for non-compliant properties
- The short-term rental program will also allow the Town to acquire more detailed data to track short-term rental properties and monitor trends.

SHORT TERM RENTAL TREND ANALYSIS



Provided by Sea Pines Community Services Association



Inspections



Short-Term Rental Initiative Inspections

The Public Planning Committee asked staff to investigate the options for safety inspections of short-term rental units.

In a memo (Attachment B), Chief Tadlock reviews the options for safety inspections.

Option 1: Owners inspect and verify their properties meet safety requirements. Fire Rescue and Town Building Inspectors investigate complaints. A new inspector is hired to investigate complaints and perform spot inspections to ensure safety requirements are met.



Short-Term Rental Initiative Inspections (continued)

Option 2: Require a professionally credentialed home inspector to conduct an annual inspection of the short-term rental unit and provide documentation affirming the safety requirements are met.

Some local inspectors have expressed interest in providing this service, but without a more detailed discussion and examination, they are unable to determine whether offering the service would be profitable and whether the current number of inspectors in the area could inspect all short-term rental units annually.



Short-Term Rental Initiative Inspections (continued)

Option 3: Develop a comprehensive internal inspection program managed by Fire Rescue or the Town's Building Inspections and Compliance division that will complete annual inspections of the approximately 10,000 short-term rental units to verify compliance with the safety requirements outlined in the proposed Ordinance.

Option 3 would require a new division within the Town to manage an inspection program three times greater than the current program of 3,000 commercial occupancies. At current staffing levels, Fire Rescue cannot fully complete an inspection on each commercial property in a calendar year, highlighting that current staffing cannot absorb a residential inspection program.



Short-Term Rental Initiative Inspections (continued)

Option 3 (continued): The cost for Option 3 would be approximately \$1,950,000 to \$2,475,000, annually. The cost breakdown is in the memo (Attachment B).

Assuming the Town approves 10,000 short-term rental permits each year, the additional cost for the annual inspections would be an average of between \$195 to \$248 per short-term rental permit. If the Town implemented annual inspections by Town staff, Fire Rescue would recommend using a scale for the inspection fee based on the size of the unit.



Short-Term Rental Initiative Inspections (continued)

After considering these options, Chief Tadlock recommends Option 1, requiring property owners to be responsible for inspecting their properties and affirming they meet the safety requirements in the proposed Ordinance.

Fire Rescue and Building Inspections staff will continue to investigate fire and building safety complaints regarding short-term rentals.



Short-Term Rental Initiative Inspections (continued)

Staff recommends hiring an additional full-time inspector to assist with those investigations and to conduct spot inspections of short-term rental units for compliance with safety requirements.

Fire Rescue recommends staff evaluate the feasibility of requiring annual inspections of all short-term rentals by a third party or staff in the second quarter of 2024, once more information from the short-term rental program is available.



Proposed Ordinance with Revisions



Short-Term Rental Initiative Proposed Ordinance with Revisions

- The Town Attorney revised the proposed Ordinance since it was presented to the Public Planning Committee on March 24, 2022, based on the direction of the Committee.
- In the proposed Ordinance, the text to be deleted is indicated with a strikethrough and text to be added is indicated with a <u>double</u> <u>underline</u>.

Proposed Ordinance:

https://hiltonheadislandsc.gov/short-

termrentals/docs/STR-ProposedOrd2022-06.pdf



Questions about Proposed Ordinance with Revisions?



Proposed Permit Fee



Short-Term Rental Initiative Proposed Permit Fee

Staff recommends a \$250 annual fee for short-term rental permits. The fee will be used for expenses related to the short-term rental program:

- Software and equipment.
- Personnel.
- Support services.



Short-Term Rental Initiative Proposed Permit Fee

Estimated Short-Term Rental Permits 7,000 to 10,000	Recommended Fee \$250	Estimated Permit Fee Totals \$1,750,000 to \$2,500,000
Expense Category	Estimated Expenses	Notes
Software and Equipment Software Vehicles (4) IT Equipment	\$900,000 to \$1,200,000	
Personnel (9 Full Time Employees) Public Safety Director* (1 new) Code Enforcement** (4 new, 2 existing) Contract Manager (1 new) Inspector (1 new)	\$500,000 to \$600,000	*50% of position will be funded by permit fees **60% of positions will be funded by permit fees
Support Services IT Support Legal Public Safety & Beach Services*** Administration	\$250,000 to \$350,000	***5% of expenses will be funded by permit fees
Total Estimated Expenses	\$1,500,000 to \$2,150,000	

33



Other Communities' Permit Fees



Short-Term Rental Initiative Other Communities' Permit Fees

Community	Separate Business	Short-Term Rental Permit Fee
	License Required?	
Asheville	No	None
Aspen	Yes	None
City of Beaufort	Yes	\$100
Beaufort County	Yes	\$25
Town of Bluffton	Yes	\$325
City of Charleston	Yes	\$200
Charleston County	Yes	\$100 to \$300
Denver	No	\$100
Jackson Hole	Yes	\$107
Kiawah Island	Yes	\$200 to \$500
Key West	Maa	
(Monroe County)	Yes	\$490 initial fee; \$100 annual renewal
Laguna Beach	Yes	\$275
Mt. Pleasant	Yes	\$250
City of New Orleans	Yes	\$250 to \$1,000
City of Sarasota	Yes	\$250
City of Savannah	Yes	\$300 initial fee; \$100 annual renewal
Telluride	Yes	\$330 + \$44 per sleeping area
Tybee Island	Yes	\$200 + \$10 to \$20 per person fee
		\$225 average permit fee



Operational Program



Short-Term Rental Initiative Operational Program

- If the proposed Ordinance is approved, staff will execute an operational program to include:
 - Securing a contract for software and permitting services. The deadline for the Request for Proposals was April 28, 2022.
 - Finalizing and publishing an application form and support materials, including a Good Neighbor brochure.
 - Creating and testing a permitting portal, to begin accepting applications this fall in advance of the January 1, 2023, enforcement deadline.



Short-Term Rental Initiative Operational Program (continued)

- Recruiting, hiring, and training new employees:
 Public Safety Director; Code Enforcement Officers;
 Contract Manager; and Inspector.
- > Secure required equipment, including vehicles.
- Creating and executing an education and communications plan.
- After January 1, 2023, staff will begin enforcement efforts, including ensuring compliance with Ordinance requirements and spot inspections.



Questions about Proposed Permit Fee and Operational Program?



Next Steps



Short-Term Rental Initiative Next Steps

<u>Phase One</u>: Establish Performance Standards for Short-Term Rentals.

- If Town Council approves the Ordinance during the first reading, staff will present the Ordinance to Town Council for a second reading on May 17, 2022.
- Staff will execute the operational program as outlined.



Short-Term Rental Initiative Next Steps (continued)

<u>Phase Two</u>: Investigate Additional Issues and Monitor Short-Term Rental Numbers and Trends.

- Consider Short-Term Rental Advisory Committee.
- Examine High Occupancy Short-Term Rentals and High Floor Area Ratio Single-Family Structures.
- Occupancy limits based on the number of bedrooms?
- Pilot program to address Saturday check-ins?
- Examine the Impacts of the Increasing Number of Short-Term Rentals on the Island and the Implications of that Trend for the Future.



Questions about Next Steps?





Recommendation





Short-Term Rental Initiative Recommendation

On March 24, 2022, the Public Planning Committee recommended adoption of the proposed Short-Term Rental Ordinance to Town Council subject to such revisions as may be agreed upon by Town Council at the time of the hearing.



Hilton Head Island Fire Rescue

Office of The Fire Chief 40 Summit Drive Hilton Head Island, SC 29926 843.682.5153



TO:Marc Orlando, ICMA~CM, Town ManagerFROM:Brad Tadlock, Fire ChiefDATE:April 27, 2022SUBJECT:Short-Term Rental Safety Inspections

Recommendation

Fire Rescue recommends Option 1, as outlined below, which requires a signed affidavit from the property owner attesting to the presence of the required safety items as outlined within the Short-Term Rental Ordinance. Fire Rescue staff, supported by the Town's Building Inspections and Compliance division, will continue to respond to fire and building safety complaints for all properties, including short-term rentals. Fire Rescue supports the recommendation to hire an additional full-time employee to assist with these inspections and to conduct spot inspections of short-term rental units for compliance with safety requirements. Fire Rescue recommends staff evaluate the feasibility of requiring annual inspections of all short-term rentals by a third party or by staff in the second quarter of 2023, once more information from the short-term rental program is available.

<u>Summary</u>

Option 1: Completion of a safety checklist with signed affidavit from the property owner that affirms the short-term rental property has fully operable smoke and carbon monoxide detectors and fire extinguishers as required by the current building code, and that unobstructed escape routes are maintained. The safety checklist requirements would be clearly listed in plain language, with illustrative photos or diagrams, and provided with the short-term rental application form. Short-term rental property owners will be required to affirm annually that their property meets these requirements.

Option 2: Require a professionally credentialed home inspector to conduct an annual inspection of the short-term rental unit and provide documentation affirming the safety requirements are met. Require the documentation to be submitted with the short-term rental permit application. Some local inspectors have expressed interest in providing this service, but without a more detailed discussion and examination, they are unable to determine whether offering the service would be profitable and whether the current number of inspectors in the area could inspect all short-term rental units annually.

Option 3: Develop a comprehensive internal inspection program managed by Fire Rescue or the Town's Building Inspections and Compliance division that will complete annual inspections of



the approximately 10,000 short-term rental units to verify compliance with the safety requirements outlined in the proposed Ordinance.

Option 3 would require a new division within the Town to manage an inspection program three times greater than the current program of 3,000 commercial occupancies. At current staffing levels, Fire Rescue cannot fully complete an inspection on each commercial property in a calendar year, highlighting that current staffing cannot absorb a residential inspection program.

The cost for this initiative would be estimated at approximately \$1.95 to \$2.475 million annually based on the following:

- Average time for home inspection: 2 hours (scheduling, drive time, inspection, paperwork)
- Each inspector can accomplish 4-5 inspections per day, estimated 20-25 inspections per week and roughly 1,000 inspections per year as a full-time assignment.

Inspector costs: \$175,000 per inspector:

0	Salary \$60,000 + \$25,000 Benefits	\$85,000
0	Vehicle	\$35,000
0	Uniforms/Gear/Computer	\$20,000
0	Training Costs	\$10,000
0	Office Space Lease	\$25,000

This assumes ten inspectors would accomplish approximately 10,000 inspections per year. This is a conservative estimate that does not include re-inspections based on deficiencies found during the initial inspections. If one-third of short-term rental properties require a re-inspection, three additional inspectors will be required, which will cost an additional \$525,000.

An administrative position to oversee the new initiative/division/personnel: \$200,000 annually.

Assuming the Town approves 10,000 short-term rental permits each year, the additional cost for the annual inspections would be an average of between \$195 to \$248 per short-term rental permit. If the Town implemented annual inspections by Town staff, Fire Rescue would recommend using a scale for the inspection fee based on the size of the unit.

Background

The question was raised about the potential costs to have Fire Rescue or the Building Inspections and Compliance division inspect every short-term rental property that completes an application and operates within the Town.

Research indicated that an affidavit is the primary method used by communities to manage the requirements of local ordinances. Some communities do short-term inspections over a time span



of 1-3 years or conduct spot inspections. None of the communities identified a total number of rental units comparable to the Town and most were generally a few hundred units, making an inspection program realistic and achievable.



PROPOSED ORDINANCE NO. 2022-06 ORDINANCE NO. 2022-

AN ORDINANCE TO AMEND TITLE 10 OF THE MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA BY ADDING CHAPTER 2 ENTITLED "SHORT-TERM RENTALS"; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, on December 7, 2021, Town Council adopted the Town of Hilton Head Strategic Action Plan FY2021-2022 which includes an initiative to "Adopt & Implement Short-Term Rental Regulations"; and

WHEREAS, Town Council desires to add Chapter Two (2) Title 10 of the Municipal Code of the Town of Hilton Head Island to add short-term rental regulations; and

WHEREAS, under S. C. Code Ann. § 5-7-30 (Supp. 2021), the Town Council

is authorized to adopted ordinances on any subject which appears to it necessary and

proper for the security, general welfare, and convenience of the municipality or for

preserving health, peace, order, and good government in it; and,

WHEREAS, the Town Council finds that the regulations set out in this Ordinance are in the best interest of and promote the health, safety and general welfare of the citizens, residents and visitors of and to the Town.

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

Section 1 – Addition. Section 10-2-10 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-10. Purpose and Intent.

It is the purpose and intent of this Ordinance to establish regulations for privately owned residential property used as vacation homes and rented to transient occupants for periods of less than thirty days in the municipal limits of The Town of Hilton Head Island, South Carolina, so as to minimize the adverse effects of Short-Term Rental uses on surrounding residential properties and neighborhoods, and to preserve the character, integrity, and stability of residential neighborhoods in which Short-Term Rental Properties are located. This Chapter is not intended to regulate hotels, motels, hospitals or Interval Occupancy uses [as defined in § 16-10-103(D)(2), *Municipal Code* of The Town of Hilton Head Island, South Carolina (1983)].

Section 2 – **Addition.** Section 10-2-20 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-20. Definitions.

(1) In this Chapter, the following terms are defined terms and when capitalized in the text of this Chapter, mean:

(a) *Owner*: Any person who owns one or more Short-Term Rental Properties. Any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, who or which owns one or more Short Term Rental Properties.

(b) *Short-Term Lessee*: Any person occupying all or any part of a Short-Term Rental Property or any other property under any lease or other form of agreement for a period of less than thirty (30) days.

(c) *Short-Term Rental*: The leasing of any Short-Term Rental Property or permitting the occupancy of any Short-Term Rental Property or any other property by a lease or any other form of agreement.

(d) *Short-Term Rental Agent*: A person authorized by an Owner to act on the Owner's behalf in connection with any Short-Term Rental Property or Short-Term Rental.

(e) *Short-Term Rental Permit*: An annual permit that an Owner must obtain from The Town of Hilton Head Island, South Carolina for each of an Owner's Short-Term Rental Properties, described in Section 10-2-20 below. It is a violation of this Chapter to offer any Short-Term Rental Property or any other residential property in the municipal limits of The Town of Hilton Head Island, South Carolina, for Short-Term Rental without first obtaining a Short-Term Rental Permit from the Town of Hilton Head Island, South Carolina for any such property.

(f) *Short-Term Rental Property*: Any residential property in the municipal limits of the Town of Hilton Head Island, South Carolina, that, in

whole or in part, is offered for lease or occupancy under a lease or any other form of agreement, for periods of less than thirty (30) days.

(2) The defined terms include the plural of any term set out in this Sec. 10-2-20.

Section 3 - Addition. Section 10-2-30 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-30. Short-Term Rental Permit.

(1) Any Owner who offers any Short-Term Rental Property for Short-Term Rental must first obtain a Short-Term Rental Permit from The Town of Hilton Head Island, South Carolina.

(a) Short-Term Rental Permits shall be valid from January 1 to December 31 of any calendar year and shall only be valid for the calendar year during which the Short-Term Rental Permit is issued, irrespective of the date on which the Short-Term Rental Permit is issued.

(b) A Short-Term Rental Permit must be obtained for each Short-Term Rental Property that is offered for Short-Term Rental.

(c) Short-Term Rental Permits are non-transferrable and are only valid for the Short-Term Rental Property described in the Short-Term Rental Permit.

(d) It is the duty of the Owner to notify The Town of Hilton Head Island, South Carolina, of any changes to the contact information of the Owner and any Short-Term Rental Agent employed or engaged by the Owner for each Short-Term Rental Permit issued to the Owner.

(e) The application fee for a Short-Term Rental Permit shall be set each year by the Town Council in the annual Budget Ordinance.

(f) The application for a Short-Term Rental Permit shall be made on a form published by The Town of Hilton Head Island, South Carolina, and must be delivered with the application fee.

(i) <u>Any application for a Short-Term Rental Permit for a single-family</u> <u>detached residence must include a site plan showing compliance</u> <u>with the requirements of Section 10-2-40(3) and 10-2-40(4).</u>

(g) Review of an application for a Short-Term Rental Permit shall be conducted by the Town of Hilton Head Island, South Carolina, and the Short-Term Rental Permit shall be granted unless the Owner fails to meet the conditions and requirements of this Chapter, or otherwise fails to demonstrate:

(i) compliance with this Chapter; or

(ii) <u>there are no outstanding citations for any activities occurring at or</u> <u>connected with the Short-Term Rental Property; or</u>

(iii) any other Town Ordinance or any relevant state or federal law regarding activities at the Short-Term Rental Property.

Any false statements or inaccurate or untrue information in the application are grounds for revocation or suspension of the Short-Term Rental Permit and/or imposition of penalties, including denial of future applications.

(2) <u>Every person or business entity which:</u>

(a) <u>acts as a Short-Term Rental Agent, and</u>

(b) <u>submits an application for Short Term Rental Permit on behalf of any</u> <u>Owner, must submit a complete application that includes all the information</u> <u>required in the form of the application and which has been signed by the Owner.</u>

Section 4 - Addition. Section 10-2-40 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-40. Licenses, Permits, Payment of Fees and Taxes Fees Required.

(1) No Owner may offer any Short-Term Rental Property for Short-Term Rental without initially and on a continuing basis:

(a) Obtaining a valid and current Short-Term Rental Permit from The Town of Hilton Head Island, South Carolina; and

(b) Obtaining a valid and current business license for Short-Term Rental of property from The Town of Hilton Head Island, South Carolina; and

(c) Paying all applicable fees and taxes associated with any application for a Short-Term Rental Permit or business license, and all sales or other similar taxes in connection with any Short-Term Rental, paying all *ad valorem* taxes for any Short-Term Rental Property.

Section 5 - Addition. Section 10-2-50 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-50. Regulations for Short-Term Rentals and Short-Term Rental Properties.

(1) General Regulations: During any lease of any Short-Term Rental Property, the Owner, or the Short-Term Rental Agent:

(a) Shall be available during any Short-Term Rental Period to respond to a complaint or other matter related to the operation or behavior of any Short-Term Lessee of the Short-Term Rental Property; and

(b) Shall be available by telephone at all times during the Short-Term Rental Period and capable of being physically present at the Short-Term Rental Property, or taking other responsive action, within one (1) hour of notification of a complaint or other matter related to the Short-Term Rental Property; and

(c) Shall prominently display in the Short-Term Rental unit contact information for the Owner or Short-Term Rental Agent responsible for responding to complaints; and

(d) Shall maintain fully operable and building and fire code compliant smoke and carbon monoxide detectors in the Short-Term Rental Property as required by law; and

(e) Shall maintain at least one (1), or such other number as is required by any applicable building, fire or other applicable code, fully operable and charged fire extinguisher; and

(f) Shall maintain unobstructed escape routes from the Short-Term Rental Property in the event of fire; and

(g) Shall notify all prospective Short-Term Lessees <u>in writing</u> of the existence of any swimming pool or hot tub at the Short-Term Renal Property and any safety equipment related to the swimming pool or hot tub prior to making any agreement for any Short-Term Rental.

(2) Noise Regulations: During any lease of any Short-Term Rental Property, the Owner, or the Short-Term Rental Agent:

(a) Shall display the following information in a prominent location in the Short-Term Rental Property:

(i) In The Town of Hilton Head Island, South Carolina, it is unlawful to unreasonably disturb the peace and quiet of those in their homes and public places (Title 17, Chapter 4, Town Code); and

(ii) Quiet hours are between 10:00 PM and 7:00 AM, though Town noise regulations are in force twenty-four (24) hours each day

(Title 17, Chapter 4, Town Code).

(b) Shall communicate in writing <u>notify all prospective Short-Term Lessees in</u> writing of the provisions of (2)(a)(i)(ii) above to the Short-Term Lessee prior to prior to making any agreement for any Short-Term Rental.

(3) Trash Regulations: During any lease of any Short-Term Rental Property, the Owner, or the Short-Term Rental Agent:

(a) Shall maintain a designated trash storage area for use of Short-Term Lessees at the Short-Term Rental Property.

(i) The designated trash storage area shall be fenced or screened so that trash containers are not seen from public streets and neighboring property, except during designated pick-up times; and

(ii) The Owner shall prominently display instructions for managing trash disposal, including designated pick-up times and, if applicable, relevant property owner association requirements in the Short-Term Rental Property.

(iii) The Owner shall ensure any outdoor trash containers remain secured to avoid spills and pests.

(iv) The Owner shall ensure that trash containers are not placed curbside more than twenty-four (24) hours prior to scheduled pick-up times and will be removed no more than twenty-four (24) hours after pick-up.

(4) Parking Regulations. During any lease of any Short-Term Rental Property:

(a) For Short-Term Rental Properties not located in a community offering twenty-four (24) hour private security personnel available to resolve parking complaints and violations:

(a) The Owner must designate the number of vehicles allowed to be parked on the premises during any Short-Term Rental and designate the on-site areas available for parking of vehicles. The areas for parking of vehicles must be improved with either a pervious or impervious surface. Parking areas must include a space at least nine (9) feet by eighteen (18) feet for each vehicle allowed to be parked on the premises and improved with an impermeable or semi-impermeable surface. Areas for parking must comply with all applicable requirements of Sec. 16-1-101, et seq., *Municipal Code of The Town of Hilton Head Island, South Carolina* (1983).

- (b) The Owner must notify all prospective Short-Term Lessees <u>in writing</u> of the maximum number of vehicles permitted at the Short-Term Rental Property prior to making any agreement for any Short-Term Rental.
- (c) The Owner must ensure that no vehicles associated with the Short-Term Lessee will park off-site, including in adjacent rights-of-way, during the Short-Term Rental Lease.

(5) Miscellaneous Regulations: During any Short-Term Rental Lease of any Short-Term Rental Property:

(a) The Owner shall prominently display in any Short-Term Rental Property any Town-provided outreach and awareness materials related to applicable Town requirements.

(b) Short-Term Rental Properties must be properly maintained and regularly inspected by the Owner or Short-Term Rental Agent to ensure continued compliance with this Chapter and all other applicable zoning, building, health and life-safety code requirements.

(6) In addition to the requirements of this Chapter, any Short-Term Rental Property must also comply with all other statutes, ordinances, regulations or private covenants applicable to the Short-Term Rental Property. Nothing in this Chapter is intended to authorize waiver of or limitations on compliance with any such requirements.

Section 6 - Addition. Section 10-2-60 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-60. Violations.

(1) Violations: It shall be a violation of this Chapter to:

(a) Lease any Short-Term Rental Property for a Short-Term Rental without complying with the requirements of this Chapter.

(b) Advertise any residential property for a Short-Term Rental without first complying with the requirements of this Chapter.

(c) Fail to comply with any requirement of this Chapter.

(2) Violations of this Chapter are subject to the penalties and remedies available under Sec. 1-5-10 <u>– General penalty; continuing violation</u>, Sec. 10-1-150 <u>– Business and professional licenses; suspension or revocation of license</u>, Sec. 9-1-111 <u>– Public</u>

<u>nuisance</u>; <u>prohibition</u>, *et seq*. These remedies are in addition to any other remedies available at law or in equity for a violation.

Section 7 - Addition. Section 10-2-60 of the *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), be and the same hereby added as follows:

Sec. 10-2-70. Suspension or Revocation of Short-Term Rental Permit.

(1) When the Town determines:

(a) A Short-Term Rental Permit has been mistakenly or improperly issued or issued contrary to law; or,

(b) An Owner has breached any condition upon which the Short-Term Rental Permit was issued; or,

(c) An Owner has obtained a Short-Term Rental Permit through <u>any</u> fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the Short-Term Rental Permit application; or,

(d) An Owner is delinquent in the payment to the municipality of any tax or fee; or,

(e) The operation of a Short-Term Rental Property has been declared a nuisance; or,

(f) An Owner has been convicted of more than two (2) Violations of this Chapter in any 12-month period. More than two convictions for violations of the Municipal Code of the Town of Hilton Head Island, South Carolina, arising from any activities at, or connected with, a Short-Term Rental Property occur within any twelve (12) month period.

Then the Town may give written notice to the Owner that the Short-Term Rental Permit is suspended and may be revoked, pending a single hearing before Town Council for the purpose of determining whether the suspension should be upheld and whether the Short-Term Rental Permit should be revoked.

(2) The written notice of suspension and proposed revocation shall state the time and place at which the hearing before Town Council is to be held and shall contain a brief statement of the reasons for the suspension and proposed revocation and a copy of the applicable provisions of this Chapter. The written notice shall be delivered by personal service to the Owner or Short-Term Rental Agent, or by certified mail, return receipt requested, addressed to the Owner or Short-Term Rental Agent at the address for the Owner or Short-Term Rental Agent shown on the application for the Short-Term Rental Permit. The written notice will be deemed to have been delivered on the date of personal service of the written notice as documented on an affidavit of service, or on the date that the certified mail return receipt is signed for by, or on behalf of, the Owner or Short-Term Rental Agent.

(3) The hearing before Town Council on the suspension and proposed revocation of any Short-Term Rental Permit shall be held by Town Council within thirty (30) days after delivery of the written notice described in this Section 10-2-60. The hearing shall be held upon written notice at a regular or special meeting of Town Council. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by Town Council shall govern the hearing. Following the hearing, Town Council by majority vote of its members present, shall render a written decision setting out its findings of fact and conclusions. The written decision shall constitute the final decision of Town Council. The written decision shall be delivered to the Owner unless a different person and method of delivery is requested by the Owner at the hearing.

(4) The written decision of Town Council may be appealed in the same manner as appeals are made from the decisions of other administrative bodies of The Town of Hilton Head Island, South Carolina. An appeal, in and of itself, does not stay the effect of Town Council's decision

Section 8 - Severability.

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

Section 9 - Effective Date.

<u>This Ordinance shall be effective on its adoption by the Town Council for the Town</u> of Hilton Head Island, South Carolina, but the enforcement of the regulations set out in this Ordinance shall begin on January 1, 2023.

PASSED AND APPROVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS _____ DAY OF _____, 2022.

John J. McCann, Mayor

ATTEST:

Krista M. Wiedmeyer, Town Clerk

First Reading: _____

Second Reading: _____

Approved as to form: ______ Curtis L. Coltrane, Town Attorney

Introduced by Council Member: _____

Sec.16-5-107. - Parking and Loading Standards

Attachment D

A. Purpose and Intent

The purpose of this section is to ensure provision of parking and loading facilities in proportion to the generalized parking and loading demand of the different *uses* allowed by this *Ordinance*. The standards in this section are intended to provide for adequate off-street parking and loading while allowing the flexibility needed to accommodate alternative solutions. The standards are also intended to achieve *Town* policies of supporting *development* and redevelopment and avoiding excessive paved surface areas.

B. Applicability

- 1. All *development* shall provide off-street parking and loading areas in accordance with the standards of this section.
- 2. Any change in *use* of an existing *development* that does not involve *expansion* or remodeling subject to paragraph 3 below, shall comply with the standards this section as applied to the new *use*, to the *maximum extent practicable*.
- 3. Except as otherwise provided in <u>Sec. 16-7-105</u>, Nonconforming Site Features, any *expansion* or remodeling of an existing *use* or *structure* that results in an increase in the number of *dwelling units*, square feet, rooms, seats, or other unit on which calculation of the minimum number of required parking or loading spaces is based shall provide additional off-street parking and loading spaces as required by *application* of the standards of this section to such increase, to the *maximum extent practicable*.

C. Use of Parking and Loading Areas

Off-street parking areas required by this section shall be used solely for the parking of licensed motorized vehicles in operating condition. Required parking spaces and loading berths may not be used for the display of goods for sale, or the sale, lease, storage, dismantling, or service of any vehicles, boats, motor homes, campers, *mobile homes*, *building* materials, equipment, or supplies.

D. Parking Space Requirements

1. Minimum Number of Parking Spaces

Except as otherwise expressly provided elsewhere in this *Ordinance, development* shall provide the minimum number of off-street parking spaces in accordance with Table 16-5-107.D.1, Minimum Number of Parking Spaces, based on the *principal use(s)* involved and the extent of *development*. Required off-street loading spaces, spaces in *buildings* used for *auto repairs* or *car washes*, and stacking spaces in *driveways* serving *drive-through* and related *uses* shall not be counted as meeting parking space requirements.

TABLE 16-5-107.D.1: MINIMUM NUMBER OF PARKING SPACES			
USE CATEGORY/USE TYPE	MINIMUM NUMBER OF PARKING SPACES ^{1,2,3,4}		
	CR DISTRICT	ALL OTHER DISTRICTS	
RESIDENTIAL USES			

722, 10.30 AC		itori riedu Island, SC Land Manage	
Group Living		n/a	1 per 3 rooms
Mixed-Use	Residential	1.125 per du	1.5 per du
	Nonresidential	1 per 650 GFA	1 per 500 GFA
Multifamily	1 bedroom	1 per du	1.4 per du
	2 bedrooms	1.25 per du	1.7 per du
	3 or more bedrooms	1.5 per du	2 per du
Recreation Vehicle (RV) Parks		n/a	1 per 300 GFA of office and clubhouse
Single-Family		n/a	2 per du + 1 per 1,250 GFA over 4,000 GFA
Workforce Ho	ousing*	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
PUBLIC, CIVIC	, INSTITUTIONAL, AND ED	UCATIONAL USES	
Aviation and . Uses	Surface Transportation	n/a	See Sec. 16-5-107.D.2
Aviation Serv	ices Uses		
Cemeteries		n/a	1 per 225 GFA of office area + 1 pe 500 GFA of <i>maintenance</i> facilities
Community S	ervice Uses	1 per 525 GFA	1 per 400 GFA
Education Uses	Colleges and High Schools	7.5 per classroom	10 per classroom
	Elementary and Junior High/Middle Schools	3 per classroom	4 per classroom
	Other <i>Education Uses</i>	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
Government Uses	Fire Stations	3 per bay + 1 per 300 GFA of office space	4 per bay + 1 per 200 GFA of office area

//27/22, 10:36 Ac ilton Head Island, SC Land Management Ordinand		nent Ordinance c	
	Other	1 per 300 GFA of office area	1 per 200 GFA of office area
Major Utilities		1 per 2,000 GFA	1 per 1,500 GFA
Minor Utilitie	S	n/a	n/a
Public Parks		See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
Religious Institutions		1 per 4 seats in main assembly area	1 per 3 seats in main assembly area
	cation Antenna, Building Mounted	n/a	n/a
Telecommun	ication Towers, Monopole	1	1
HEALTH SERV	ICES		·
All Health Services	Hospitals	n/a	2 per bed + 1 per 200 GFA of office area
	Nursing Homes	n/a	1 per 3 beds
	Other	n/a	1 per 225 GFA
RESORT ACCC	OMMODATIONS		
Bed and Brea	kfasts	1 per 1.5 guest rooms	1 per guest room
Hotels		1 per 1.5 guest rooms	1 per guest room
Interval	1 bedroom	1 per du	1 per du
Occupancy	2 bedrooms	1.25 per du	1.25 per du
	3 or more bedrooms	1.5 per du	1.5 per du
COMMERCIAL	RECREATION		
Indoor Comm	nercial Recreation Uses	1 per 7 <i>persons</i> + 1 per 300 GFA of office or similarly used area	1 per 3 <i>persons</i> + 1 per 200 GFA of office or similarly used area

	1	-	1
<i>Outdoor</i> <i>Commercial</i> <i>Recreation</i> <i>Uses</i> Other than <i>Water</i> <i>Parks</i>	Golf Courses, Miniature Golf Courses, or Driving Ranges	1 per 2.5 holes	1 per hole
	Stadiums	1 per 5 spectator seats	1 per 4 spectator seats
	Other	1 per 4 <i>persons</i> max. occupancy + 1 per 300 GFA of office or similarly used area	1 per 3 <i>persons</i> max. occupancy + 1 per 200 GFA of office or similarly used area
Water Parks	, 	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
OFFICES			
Contractor Offices		1 per 450 GFA of office/administrative area	1 per 350 GFA of office/administrative area
Other Offices		1 per 500 GFA	1 per 350 GFA
COMMERCIAL SERVICES			
Adult entertainment uses		n/a	1 per 100 GFA
Animal Services		n/a	1 per 225 GFA
Bicycle Shops		1 per 250 GFA	1 per 200 GFA
Convenience Stores		1 per 250 GFA	1 per 200 GFA
Eating Establishments		1 per 150 GFA and outdoor eating area	1 per 100 GFA and outdoor eating area
Grocery Store	25	1 per 250 GFA	1 per 200 GFA
Landscape Businesses		n/a	1 per 200 GFA
Liquor Stores		1 per 250 GFA	1 per 200 GFA
Nightclubs or Bars		1 per 100 GFA	1 per 70 GFA
<i>Open Air Sales</i>		1 per 250 GFA of sales/display area	1 per 200 GFA of sales/display area

	,	nagement ordinance c
Shopping Centers	1 per 500 GFA	1 per 335 GFA
Tattoo Facilities	n/a	1 per 200 GFA
Other Commercial Services	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
VEHICLE SALES AND SERVICES		
Auto Rentals	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
Auto Repairs	n/a	2 per service bay + 1 per 200 GFA of office or waiting area
Auto Sales	n/a	See Sec. 16-5-107.D.2
<i>Car Washes</i>	n/a	10 per wash unit for automatic wash + 5 per bay for manual wash
Gas Sales	See Sec. 16-5-107.D.2	See Sec. 16-5-107.D.2
Taxicab Services	n/a	1 per 200 GFA of office or waiting area
<i>Towing Services</i> or Truck or Trailer Rentals	n/a	1 per 200 GFA of office or waiting area
Watercraft Sales, Rentals, or Services	n/a	1 per 200 GFA
INDUSTRIAL USES		
Grinding	n/a	1 per 1,300 GFA of indoor storage or manufacturing area + 1 per 350 GFA of office or administrative area
Light Industrial, Manufacturing, and Warehouse Uses	n/a	1 per 1,300 GFA of indoor storage or manufacturing area + 1 per 350 GFA of office or administrative area
Seafood Processing Facilities	n/a	1 per 1,300 GFA of indoor storage or manufacturing area + 1 per 350 GFA of office or administrative area

Self-Service Storage		n/a	1 per 15,000 GFA of storage and office area
<i>Waste-Related Services</i> Other than <i>Waste Treatment Plants</i>		n/a	1 per 2,500 GFA
Waste Treatment Plants		n/a	1 per 2,500 GFA
Wholesale Sales		n/a	1 per 1,000 GFA
OTHER USES			
Agriculture Uses	Stables or Riding Academies	n/a	1 per 5 stalls
	Other		n/a
<i>Boat Ramps, Docking Facilities</i> , and <i>Marinas</i>		n/a	1 per 200 GFA of enclosed floor space not used for storage + 1 per 3 wet slips + 1 per 5 dry storage slips

NOTES: du = *dwelling units*; GFA = square feet; n/a = not applicable

1. When computation of the number of required parking spaces results in a fraction, the result shall be rounded to the nearest whole number.

2. Where the minimum off-street parking space requirement is based on *persons* or seats, all computations shall be based on the maximum design capacity of the *building*, facility, or area, as determined by its occupant load as established in accordance with the *Building Code*.

3. Except as otherwise provided in this section, where the minimum off-street parking space requirement is based on *gross floor area*, any structured parking shall not be counted as part of the *gross floor area*.

4. The minimum required number of vehicle parking spaces may be reduced by up to 15 percent in the CR,

SPC, CC, and MS Districts, and 10 percent in all other districts, on demonstration to the *Official* that:

a. The reduction is consistent with the character of *development* on surrounding *land*;

b. *Development* resulting from the reduction is consistent with the purpose and intent of the parking standards;

c. The reduction either (1) is required to compensate for some unusual aspect of the site or the proposed *development*, or (2) results in improved site conditions for a *development* with *nonconforming site features* (e.g., allows the widening of an *adjacent* nonconforming buffer);

d. The reduction will not pose a danger to the public health or safety;

e. Any adverse impacts directly attributable to the reduction are mitigated;

f. The reduction, when combined with all previous reductions allowed under this provision, does not result in a cumulative reduction greater than a 15 percent in the CR, SPC, CC, and MS Districts or 10 percent in all other districts; and

g. At least one bicycle parking space is provided for every two vehicle parking spaces subtracted.

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

(Revised 12-5-2017 - Ordinance 2017-19; revised 8-18-2020 - Ordinance 2020-19; revised 11-4-2020 - Ordinance 2020-26)

2. Uses with Variable Parking Demand Characteristics and Unlisted Uses

For some listed *uses*, Table 16-5-107.D.1, Minimum Number of Parking Spaces, refers to this subparagraph because the *use* has widely varying parking and loading demand characteristics, making it difficult to establish a single appropriate off-street parking or loading standard. On receiving an *application* proposing such a *use*, or proposing a *use* not expressly listed in Table 16-5-107.D.1, Minimum Number of Parking Spaces, the *Official* is authorized to:

- a. Apply the minimum off-street parking space requirement specified in Table 16-5-107.D.1, Minimum Number of Parking Spaces, for the listed *use* that is deemed most similar to the proposed *use*; or
- b. Establish the minimum off-street parking space requirement by reference to standard parking resources published by the National Parking Association or the American Planning Association; or
- c. Establish the minimum off-street parking space requirement based on a parking demand study prepared by the *applicant* that estimates parking demand based on the recommendations of the latest edition of the Institute of Traffic Engineers (ITE) *Trip Generation Manual*, and that includes relevant data collected from *uses* or combinations of *uses* that are the same or comparable to the proposed *use* in terms of *density*, scale, bulk, area, type of activity, and location.

3. Multiple Use Development

Development containing more than one *principal use* shall provide parking spaces in an amount equal to the total of the requirements applied to all individual *principal uses*. This provision shall not limit the opportunity to reduce the minimum number of required off-street parking spaces through approval of an alternative parking plan that justifies the feasibility of *shared parking* (see Sec. 16-5-107.H.3, Shared Parking.)

4. Fleet Vehicle Storage

a. If the *Official* determines that normal operation of a *development* requires that a number of vehicles be stored on site at any one time—including, but not limited to, *taxicab service*, auto rental, *auto sales*, towing service, and tractor or truck rental—a sufficient number of spaces or a sufficient area for vehicle storage shall be provided.

ilton Head Island, SC Land Management Ordinance c

b. No area allocated to fleet vehicle storage may be used to satisfy the area requirements for off-street parking, nc portion of any off-street parking area be used to satisfy the area requirements for fleet vehicle storage.

5. Maximum Number of Off-Street Parking Spaces

The number of off-street parking spaces shall not exceed 120 percent of the minimum number required for any *eating establishment use*, or 105 percent of the minimum number required for any other *use*, except as may be allowed through approval of an alternative parking plan in accordance with Sec. 16-5-107.H.2, Provision over Maximum Allowed. Any parking spaces allowed above the maximum in accordance with this section shall be *pervious*.

6. Accessible Parking Spaces for Physically Disabled Persons

In each off-street parking area, a portion of the total number of off-street parking spaces shall be spaces specifically designated, located, and reserved for *use* by *persons* with physical disabilities ("accessible parking spaces"), in accordance with the standards of the latest adopted edition of the IBC and the Americans with Disabilities Act (ADA), as amended.

7. Parallel Parking Spaces

Up to 20 percent of the required number of off-street parking spaces may be designed as parallel parking spaces.

8. Compact Parking Spaces

Up to 20 percent of the required number of off-street parking spaces may be designed and designated as compact parking spaces. Compact parking spaces shall be grouped where possible and located where they can be readily identified by compact vehicle drivers, and designated by signage or pavement marking incorporating the word "COMPACT" with letters at least 12 inches high.

9. Temporary Parking for Passenger Drop-Off and Pick-Up

Uses that involve the frequent stopping of vehicles (including taxis, limousines, vans, and passenger vehicles) to drop-off or pick-up passengers (e.g., schools, recreation/entertainment facilities, *hotels*)—and especially *nightclubs*, bars, or *eating establishments* that serve alcohol—are encouraged to supplement required parking with a designated area for temporary parking and the dropping off or picking up of passengers. Such spaces shall comply with parking space dimension standards, but the *Official* may waive other parking standards as necessary to accommodate such areas.

10. Use of Parking Spaces as Electric Vehicle (EV) Charging Station

All *multifamily* and nonresidential *development* shall provide one *electric vehicle (EV) charging station* per *site*. If the development requires over 100 parking spaces, the electric vehicle (EV) charging station shall have a sign that states that only electric vehicles being charged can park in that particular parking space. If the square footage of an existing building on a site is being increased by more than 50% then the applicant will be required to provide an EV charging station on site.

(Revised 5-17-2016 - Ordinance 2016-07; revised 12-5-2017 -Ordinance 2017-19)

E. Parking Space and Aisle Dimensions

1. Parking Space Dimensions

The size of a parking space for one vehicle shall encompass a rectangular area having dimensions of not less than those shown in Table 16-5-107.E.1, Minimum Parking Space Dimensions, for the type and location of parking space.

TABLE 16-5-107.E.1: MINIMUM PARKING SPACE DIMENSIONS		
TYPE OF PARKING SPACE	WIDTH	LENGTH
Standard	9 ft ¹	18 ft
Compact	9 ft ¹	15 ft
Parallel	9 ft	22 ft

NOTES: ft = feet

1. 10 feet if the parking space adjoins a median that is located at the end of a parking bay or separates parking spaces within a row of parking.

2. Parking Bay Drive Aisle Width

- a. All parking bay *drive aisles* shall be at least 18 feet wide and no more than 22 feet wide where serving parking spaces at a 60 degree angle, and shall be at least 24 feet wide and no more than 30 feet wide if serving parking spaces at a 90 degree angle.
- b. The *Official* may require a wider *drive aisle* on determining that it is needed to facilitate the types of vehicles expected to use the *drive aisles*, or similar traffic demand requirements of the specific *development*.
- c. Parking bay *drive aisles* serving parking spaces placed at an angle of less than 90 degrees to the aisle shall be one-way unless the angle is placed so as to accommodate the direction of travel for each side of a two-way aisle.
- d. Width requirements for *drive aisles* that do not service parking are the same as outlined for *driveways* in Sec. 16-5-105.A.5.e.ii, Driveway Width.
- e. Parking spaces under buildings, where it is not feasible to provide a landscaped median on the end of a parking bay, shall be separated from adjoining parallel *drive aisles* by a painted area that is a minimum of four feet in width.

(Revised 5-17-2016 - Ordinance 2016-07)

F. Design of Parking Areas

1. Safe and Convenient Access

- a. Off-street parking areas shall be arranged for convenient vehicular *access* between an *adjacent street* and all parking spaces to facilitate ease of mobility, ample clearance, and safety of vehicles and pedestrians. Each off-street parking space shall have adequate and unobstructed means for the ingress and egress of vehicles.
- b. Except for parking areas serving single-family dwellings, off-street parking areas shall be arranged so a

ilton Head Island, SC Land Management Ordinance c

vehicle may be parked or unparked (including backing out of parking spaces) without having to encroach onto a public *street*, multi-purpose pathway, or sidewalk.

2. Markings

- a. Each required off-street parking area and space shall be identified by surface markings arranged to provide for orderly and safe parking of vehicles. Such markings shall be maintained so as to be readily visible at all times.
- b. Spaces in parking areas with concrete and asphalt surfacing shall be marked by durable painted white lines except where accessibility requirements require that spaces be delineated in blue.
- c. Spaces in gravel parking lots shall be delineated at the end of the space by an individual block, railroad tie, or timber.
- d. Parking spaces on lock pavers may be marked by contrasting color of pavers or by durable painted white lines. (Painted yellow lines are reserved for marking no parking areas.)

3. Curbs and Wheel Stops

- a. Permanently anchored wheel stops shall be provided at the end of all parking spaces that abut a sidewalk or walkway or are not bounded by curbing.
- b. The vehicle side of the wheel stop shall be no less than 18 inches from the end of the parking space.
 (Revised 12-5-2017 -<u>Ordinance 2017-19</u>)

G. Landscaping of Parking Lots

1. Purpose and Intent

The standards in this subsection are intended to mitigate the environmental and any visual impacts associated with a parking lot (including heat island effects, pollution, noise, and glare), and help manage stormwater runoff.

2. Applicability

Except for parking areas located within or under *structures, development* shall provide and maintain landscaped medians within the interior of parking lots in accordance with the standards in this subsection. Interior planting medians may be used for stormwater management purposes as long as they are designed as site amenities and comply with these parking lot landscaping standards.

3. Configuration and Landscaping

- a. Landscaped medians shall be provided:
 - i. To separate parking bays from each other;
 - ii. At the ends of each parking bay;
 - iii. Between a parking bay and an *adjacent* property line; and
 - iv. To separate parking spaces along a row of parking containing more than 15 parking spaces into groups of no more than ten spaces.
- Landscaped medians shall be at least 12 feet wide except those at the ends of a parking bay, which shall be at least 15 feet wide, and those between a parking bay and *adjacent* property line, which shall be at least six feet wide.
- c. Each landscaped median shall contain at least one overstory tree per 50 linear feet of median length, with

ilton Head Island, SMIaand nagement Ordinance c

the remainder of the median not used for pedestrian walkways or bicycle parking landscaped with *trees*, shrubs, or groundcover, and material such as mulch. Understory *trees* may be substituted for *overstory trees* in areas underneath overhead utilities or exterior lighting fixtures.

- d. Landscaped medians and required *overstory trees* shall be distributed and sited so as to maximize shading of pavement and pedestrian routes through the parking area.
- e. Existing *trees* and native understory vegetation shall be retained where possible. The *Official* may allow modification of the above standards as necessary to do so.

H. Off-Street Parking Alternatives

1. General; Alternative Parking Plan

The *Official* is authorized to approve an alternative parking plan that proposes alternatives to providing the minimum or maximum number of off-street parking spaces required by this section, in accordance with the standards listed below. The alternative parking plan shall be submitted with an *application* for Development Plan Review (Sec. 16-2-103.G), Small Residential Development Review (Sec. 16-2-103.H), or Corridor Review (Sec. 16-2-103.I), as appropriate.

2. Provision over Maximum Allowed

An alternative parking plan may propose to exceed the maximum number of off-street parking spaces allowed by Sec. 16-5-107.D.5, Maximum Number of Off-Street Parking Spaces, in accordance with the following standards:

a. Parking Demand Study

The alternative parking plan shall include a parking demand study demonstrating how the maximum number of parking spaces allowed by Sec. 16-5-107.D.5, Maximum Number of Off-Street Parking Spaces, is insufficient for the proposed *development*.

b. Limited to Minimum Amount Required

Additional off-street spaces allowed by this subparagraph shall be limited to the minimum number of additional spaces recommended as needed by the required parking demand study.

c. Extra Parking to Have Pervious Surfacing

Any additional parking spaces allowed under this subparagraph shall be constructed with *pervious* materials.

3. Shared Parking

An alternative parking plan may propose to meet a portion of the required minimum number of off-street parking spaces with *shared parking* in accordance with the following standards:

a. Maximum Shared Spaces

Up to 50 percent of the number of parking spaces required for a *use* may be used to satisfy the number of parking spaces required for other *uses*, provided the *uses* generate parking demands during different times of the day or different days of the week.

b. Location and Pedestrian Access

i. Shared parking spaces other than those serving development in the CR District shall be located no more

than 500 feet walking distance from the primary pedestrian entrance(s) to the *uses* served by the parking, as measured along sidewalks or other *pedestrian accessways* connecting the shared spaces and such entrance(s).

- ii. Adequate and safe pedestrian *access* shall be provided between the *shared parking* spaces and the primary pedestrian entrances to the *uses* served by the parking.
- iii. Shared parking spaces shall not be separated from the use they serve by an arterial street unless pedestrian access across the arterial street is provided by a grade-separated pedestrian walkway or appropriate traffic controls (e.g., signalized crosswalk).

c. Justification

The alternative parking plan shall include justification of the feasibility of *shared parking* among the proposed *uses*. Such justification shall address, at a minimum, the size and type of the *uses* proposed to share off-street parking spaces, the composition of their tenants, the types and hours of their operations, the anticipated peak parking and traffic demands they generate, and the anticipated rate of turnover in parking space use.

d. Shared Parking Agreement

- i. An approved *shared parking* arrangement shall be enforced through written agreement among all the owners of *lands* containing the *uses* proposed to share off-street parking spaces.
- ii. The agreement shall provide all parties the right to joint use of the *shared parking* area for as long the *shared parking* spaces are needed to comply with this *Ordinance*, and shall be binding on subsequent owners.
- iii. The agreement shall be submitted to the *Official* for review and approval before execution.
- iv. A Certified True Copy of an approved agreement that has been recorded in the Beaufort County Register of Deeds shall be delivered to the *Official* before issuance of a *Building Permit* or Certificate of Occupancy for any *use* to be served by the *shared parking* area.
- v. Any termination of the *shared parking* agreement does not negate the parties' obligations to comply with parking requirements and thus shall constitute a violation of this *Ordinance*. No *use* served by the *shared parking* may be continued if the *shared parking* becomes unavailable to the *use* unless substitute off-street parking spaces are provided in accordance with this section.

4. Off-Site Parking

An alternative parking plan may propose to meet a portion of the required minimum number of off-street parking spaces with *off-site* parking in accordance with the following standards.

a. Maximum Off-Site Spaces

Off-site parking may be used to satisfy up to 100 percent of the number of parking spaces required for a *use* in the CR District. *Off-site* parking may be used to satisfy up to 50 percent of the number of parking spaces required for a *use* in any other district.

b. Zoning

The zoning district classification of the *off-site* parking area shall be one that allows the *use* served by *off-site* parking (and thus off-street parking accessory to such *use*).

c. Location and Pedestrian Access

- Off-site parking spaces other than those serving *development* in the CR District shall be located no more than 500 feet walking distance from the pedestrian entrance(s) to the *uses* served by the parking, as measured along sidewalks or other *pedestrian accessways* connecting the shared spaces and such entrance(s).
- ii. Adequate and safe pedestrian *access* shall be provided between the *off-site* parking spaces and the primary pedestrian entrances to the *uses* served by the parking.
- iii. Off-site parking spaces shall not be separated from the use they serve by an arterial street unless pedestrian access across the arterial street is provided by a grade-separated pedestrian walkway or appropriate traffic controls (e.g., signalized crosswalk).

d. Off-Site Parking Agreement

- If *land* containing the *off-site* parking area is not under the same ownership as *land* containing the *principal use* served, the *off-site* parking arrangement shall be established in a written agreement between the owners or long-term lessees of *land* containing the *off-site* parking area and *land* containing the served *use*.
- ii. The agreement shall provide the owner of the served use the right to use the off-site parking area for as long the shared parking spaces are needed to comply with this Ordinance, and shall be binding on subsequent owners or long-term lessees.
- iii. The agreement shall be submitted to the *Official* for review and approval before execution.
- iv. An attested copy of an approved and executed agreement shall be recorded with the Beaufort County Register of Deeds before issuance of a *Building Permit* or Certificate of Occupancy for any *use* to be served by the *off-site* parking area.
- v. Any termination of an *off-site* parking agreement or transfer of *land* containing the *off-site* parking area does not negate the *developer's* obligation to comply with parking requirements and thus shall constitute a violation of this *Ordinance*. No *use* served by the *off-site* parking may be continued if the *off-site* parking becomes unavailable unless substitute off-street parking spaces are provided in accordance with this section and this *Ordinance*.

5. Deferred Parking

An alternative parking plan may propose to defer *construction* of up to 20 percent of the required minimum number of off-street parking spaces, in accordance with the following standards:

a. Justification

The alternative parking plan shall include an assessment demonstrating that because of the location, nature, or mix of *uses*, there is a reasonable probability the number of parking spaces actually needed to serve the *development* is less than the minimum required by the Minimum Number of Parking Spaces table in Sec. 16-5-107.D.1.

b. Reserve Parking Plan

The alternative parking plan shall include a reserve parking plan identifying the amount of off-street parking being deferred and the location of the area to be reserved for future parking, if future parking is needed.

c. Parking Demand Study

ilton Head Island, SC Land Management Ordinance c

- The alternative parking plan shall provide assurance that within 18 months after the initial Certificate of Occ for the proposed *development*, an off-street parking demand study evaluating the adequacy of the existing meeting the off-street parking demand generated by the *development* will be submitted to the *Official*.
- ii. If the *Official* determines that the study indicates the existing parking is adequate, then *construction* of the remaining number of parking spaces shall not be required and the areas reserved for future parking shall no longer be so reserved. If the *Official* determines that the study indicates additional parking is needed, such parking shall be provided consistent with the reserve parking plan and the standards of this section.

d. Maintenance of Reserve Areas as Open Space

As long as areas are reserved for future parking, they shall be maintained as *open space*, without any clearing of *trees*. During such time, the reserve areas shall not count as *open space* for purposes of complying with <u>Sec. 16-5-104</u>, Open Space Standards, and shall count as *impervious surface* for purposes of complying with <u>Sec. 16-5-109</u>, Stormwater Management and Erosion and Sedimentation Control Standards.

e. Deferred Parking Agreement

- i. A deferred parking agreement shall be included as part of any *development* approval which includes deferred parking. The agreement shall incorporate by reference the deferred parking plan and agreement by the owner to reserve a future parking area as *open space* consistent with the deferred parking plan, and assurances that a parking demand study will be completed in accordance with the terms of the *development* approval and this section, and additional parking provided, if determined necessary.
- ii. An attested copy of an approved and executed agreement shall be recorded with the Beaufort County Register of Deeds before issuance of a *Building Permit* or Certificate of Occupancy for any *use* subject to deferred parking.
- iii. Any termination of a deferred parking agreement does not negate the *developer's* and owner's obligation to comply with parking requirements of this *Ordinance*. Failure to comply shall constitute a violation.

6. On-Street Parking

An alternative parking plan may propose to meet a portion of the required minimum number of off-street parking spaces with on-street parking spaces, in accordance with the following standards:

- a. On-street parking may be used to satisfy up to 100 percent of the number of parking spaces required for a *use* in the CR District.
- b. The on-street parking spaces shall be located along the *development* site's *street frontage* or no more than 150 feet walking distance from the primary entrance(s) of the proposed *use*, as measured along sidewalks or other *pedestrian accessways* connecting the on-street spaces and such entrance(s).
- c. The on-street parking spaces are not counted towards meeting the off-street parking requirement for any other *development*; and
- d. There is no negative impact to existing or planned traffic circulation patterns.

7. Bicycle Parking

a. All *multifamily* and nonresidential *development* shall provide bike racks sufficient to accommodate the

ilton Head Island, SC Land Management Ordinance c

parking of at least four bicycles for every ten vehicle parking spaces required, or major fraction thereof except that once twenty bicycle parking spaces are provided, any required bicycle parking after that shall be required at a ratio of two bicycle parking spaces for every ten vehicle parking spaces, or major fraction, thereof. An *applicant* may use developer submitted data to demonstrate fewer bicycle parking spaces should be required. If a lower number of bicycle parking spaces is accepted, the applicant shall submit a *site plan* that includes a reserve parking plan identifying the amount of bicycle parking spaces being deferred and the location of the area to be reserved for future bicycle parking, if future bicycle parking is needed. If the proposed project does not reasonably connect to a Town multi-purpose pathway, then the required bicycle parking spaces can be reduced.

(Revised 5-17-2016 - Ordinance 2016-07)

b. The bike racks shall be located in visible, well-lit areas and shall be in an area maintained with an all weather surface. They shall be located where they do not interfere with pedestrian traffic and are protected from conflicts with vehicular traffic.

(Revised 5-17-2016 - Ordinance 2016-07)

- c. The required minimum number of vehicular parking spaces shall be reduced by one space for every ten bicycle parking spaces provided.
- d. If the square footage of an existing building on a site is being increased by more than 50% then the applicant will be required to meet the bicycle parking standards.

(Revised 12-5-2017 -<u>Ordinance 2017-19</u>)

8. Loading Areas

a. Minimum Number of Off-Street Loading Spaces

- i. Any *development* involving the routine vehicular delivery or shipping of goods, supplies, or equipment to or from the *development* shall provide a sufficient number of off-street loading spaces to accommodate the delivery and shipping operations of the *development's uses* in a safe and convenient manner.
- ii. Table 16-5-107.H.8, Minimum Number of Off-Street Loading Spaces, sets forth the minimum number of loading spaces that presumptively satisfies the loading area requirement in provision i above for the listed *principal uses*. For proposed *uses* not listed in Table 16-5-107.H.8, the requirement for a *use* most similar to the proposed *use* shall apply.
- iii. The *Official* may require more loading spaces or fewer loading spaces than indicated by Table 16-5 107.H.8 on determining that the characteristics of the particular *development* warrant such addition or reduction and the general standard is met. Such a determination may be based on information submitted by an *applicant* for *development* approval or by documented analyses or case studies.

TABLE 16-5-107.H.8: MINIMUM NUMBER OF OFF-STREET LOADING SPACES

GROSS FLOOR AREA (GFA)	MINIMUM NUMBER OF LOADING SPACES
Up to 25,000 sf	1

25,001 to 40,000 sf	2
40,001 to 100,000 sf	3
100,001 to 160,000 sf	4
Over 160,000 sf	4 + 1 per additional 80,000 GFA above 160,000 GFA
NOTES: sf = square feet	·

- iv. Where a *change of use* not involving the enlargement of a *structure* is proposed on a *lot* with insufficient area to practically accommodate an off-street loading area, the *developer* need only comply with these loading area standards to the *maximum extent practicable*.
- v. No area used to comply with loading area standards may be used to comply with the parking standards, nor shall any area used to comply with parking standards be used to comply with loading area standards.

b. Dimensional Standards for Loading Areas

- i. Each loading space shall be of sufficient size to accommodate the types of delivery/shipping vehicles likely to use the loading area.
- ii. A loading space that presumptively satisfies the needs of delivery/shipping vehicles shall be at least 12 feet wide and 40 feet long, and shall have at least 14 feet of vertical clearance. The *Official* may require larger or smaller loading spaces or lesser or greater vertical clearance on determining that the characteristics of the particular *development* warrant such a variation and the general standard in subparagraph a above is met.

c. Location and Design of Loading Areas

- i. Where possible, loading areas shall be located to the rear of the *building(s)* they serve.
- ii. The loading area shall be located *adjacent* to the *building's* loading doors, in an area that promotes its practical use.
- iii. The loading area shall be located and designed so vehicles using them can maneuver safely and conveniently to it from a public *street* and complete loading without obstructing or interfering with any public *right-of-way* or any parking space or parking lot *drive aisle*—provided, however, that a loading area may overlie a *drive aisle* if it is included as a condition of approval and the *applicant* provides a recorded memorandum of agreement that loading will not occur during normal business hours.

d. Buffering of Loading Areas

Loading areas shall be separated from *adjacent streets* and *uses* by a type D buffer in accordance with Table 16-5-103.F: Buffer Types.

- I. Vehicle Stacking Distance for Drive-Through and Related Uses
- 1. Required Stacking Distance

Driveways on which vehicles queue up to *access* a *drive-through* facility or similar service facility, or a drop-off or pick-up zone, shall provide at least the minimum stacking distance behind the facility or zone in accordance with Table 16-5-107.I.1, Minimum Stacking Distance for Drive-Through and Related Uses.

TABLE 16-5-107.I.1: MINIMUM STACKING DISTANCE FOR

DRIVE-THROUGH AND RELATED USES

	1	
USE OR ACTIVITY ¹	MINIMUM STACKING DISTANCE	MEASURED FROM
Automated teller machine (ATM)	60 ft	Center of the teller machine
Bank or financial Institution, with <i>drive-through</i> service	60 ft per lane	Center of the teller window
Car wash and auto detailing, automatic	40 ft per bay	Bay entrance
Car wash and auto detailing, self-service	20 ft per bay	Bay entrance
Drug store or pharmacy, with <i>drive-through</i> service	60 ft per lane	Center of the window
Dry cleaning or laundry drop-off establishment with <i>drive-through</i> service	60 ft per lane	Center of the window
Gas sales	20 ft	Each end of the outermost gas pump island
Gated <i>driveway</i> /entrance	40 ft	Gate
Nursing home	60 ft	Back end of the designated drop-off/pick- up zone
Oil change/lubrication shop	40 ft per bay	Bay entrance
Restaurant, with <i>drive-through</i> service ²	80 ft	Center of the order box
School, elementary or middle	1,500—2,000 ft	Back end of the designated drop-off/pick- up zone

Other

Uses not specifically listed are determined by the *Official* based on standards for comparable *uses*, or alternatively based on a parking demand study

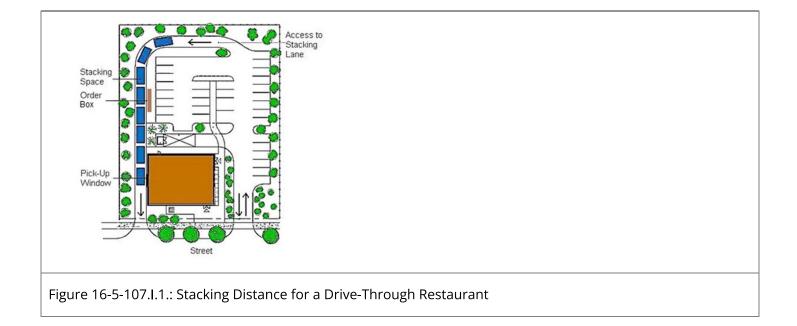
NOTES: ft = feet

1. See Chapter 16-4: Use Standards.

2. Restaurants with *drive-through* service shall provide at least 80 feet of stacking distance between the center

of the order box and the center of the pick-up window closest to the order box—see Figure 16-5-107.I.1:

Stacking Distance for a Drive-Through Restaurant.



(Revised 4-18-2017 - Ordinance 2017-05)

2. Layout and Design

- **a.** The minimum clear width for any *drive-through* aisle shall be ten feet.
- **b.** Driveways providing required stacking distance shall be designed so as not to impede onsite or offsite vehicular traffic movements into or out of off-street parking spaces, or onsite or offsite bicycle or pedestrian traffic movements.
- c. *Driveways* providing required stacking distance may be required to be separated from other internal *driveways* if deemed necessary for traffic movement and safety by the *Official*.

(Revised 5-17-2016 - Ordinance 2016-07)

Sec. 1-5-10. - General penalty; continuing violation. Attachment D

- (a) Whenever in this Code or in any ordinance any act is prohibited or is declared to be unlawful or an offense, or whenever in this Code or in any ordinance the doing of any act is required or the failure to do any act is declared to be unlawful, where no specific penalty is provided therefore, the violation of any such provisions of this Code or any such ordinance shall be punishable by a fine not exceeding five hundred dollars (\$500.00) or by imprisonment not exceeding thirty (30) days, or both.
- (b) In addition to any penalty imposed for a violation of this Code, the town shall have the right to pursue any legal remedy available to correct the violation.
- (c) Each day any violation of any provision of this Code shall continue shall constitute a separate offense unless otherwise specifically provided.

(Ord. No. 83-5, 9-26-83; Ord. No. 93-24, § 1, 9-20-93)

State Law reference— General limits on penalty, S.C. Code 1976, §§ 5-7-30, 14-25-65.

Sec. 10-1-50. - Registration required.

Attachment D

(a) The owner, agent, or legal representative of every business subject to this chapter, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year; provided, a new business shall be required to have a business license prior to operation within the municipality, and an annexed business shall be required to have a business license license within thirty (30) days of the annexation. A license for a bar (NAICS 722410) must be issued in the name of the individual who has been issued the corresponding state alcohol, beer, or wine permit or license and will have actual control and management of the business.

(b) Application shall be on the then-current standard business license application as established and provided by the Director of the South Carolina Revenue and Fiscal Affairs Office and shall be accompanied by all information about the applicant, the licensee, and the business deemed appropriate to carry out the purpose of this chapter by the license official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross receipts and gross revenue figures.

(c) The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported (or estimated for a new business) without any unauthorized deductions, and that all assessments, personal property taxes on business property, and other monies due and payable to the municipality have been paid. The applicant is also subject to compliance with the zoning ordinance, building code, electrical code, mechanical code, plumbing code, roofing code and other regulatory codes as adopted by the town council. With regard to registration of insurance companies and brokers for non-admitted insurance companies, the Municipal Association of South Carolina is designated as the exclusive agent of the town and is empowered to utilize all procedures and actions authorized by ordinance or state law.

(d) In addition to the municipality's existing online payment system, the municipality shall allow application, reporting, calculation, and payment of business license taxes through the business license tax portal hosted and managed by the South Carolina Revenue and Fiscal Affairs Office, subject to the availability and capability-thereof. Any limitations in portal availability or capability do not relieve the applicant or licensee from existing business license or business license tax obligations.

(e) Every business, which either 1) acts as an agent, broker or representative for any other person, or 2) has contractual arrangements with person, who are acting as independent contractors for it, shall supply the following information. The information required shall include the name, property address, telephone number, and estimated payments or premiums due to that person. Such information shall be supplied upon the request of the license inspector and shall be a condition to the obtainment of the license required under this chapter.

Hilton Head Island, SC Code of Ordinances

(f) Any person or entity that designs or installs irrigation systems ("landscape contractor") must be licensed to do so by the town. Prior to issuance or renewal of the license required herein, each landscape contractor or designated employee of said landscape contractor shall pass a certification test given by the town. Said license and certification must be shown at the annual renewal of the town business license. See <u>section 13-3-310</u> of the town Code for additional information regarding this requirement.

(g) Peddlers, solicitors, canvassers, door-to-door sales, direct retail sales of merchandise, vendors, participants at markets with regular activities require a business license. Regular activities are defined as more than two (2) sale periods of more than three (3) days per year.

(h) Promoters or coordinators of art and craft shows, markets or other specialty venues require a business license.

(Ord. No. 2021-16, 9-21-21)

Sec. 9-1-111. - Prohibition.

Attachment D

It shall be unlawful for any person or corporation to do any act which offends, endangers, injures or impairs the health, safety or life of any individual. Any such act is hereby declared a nuisance.

(Ord. No. 84-3, 2-6-84)



TOWN OF HILTON HEAD ISLAND Short-Term Rental Initiative Frequently Asked Questions

Questions about the Short-Term Rental Initiative

1. Does the Town have a short-term rental Ordinance or specific regulations for short-term rentals?

The Town does not currently have a short-term rental Ordinance, but Town Council will consider a proposed Ordinance on May 3, 2022.

2. Why is the Town proposing a short-term rental Ordinance?

As a resort area, Hilton Head Island has numerous short-term rental units. The lack of a short-term rental Ordinance has led to an imbalance between residential and resort districts and the elimination of some long-term singlefamily neighborhoods. The Town proposes an Ordinance to develop a fair, predictable, and balanced approach to manage short-term rental impacts on our neighborhoods, economy, housing stock, public facilities, and the quality of life of our residents and experiences of our visitors.

3. What is the definition of "short-term"?

The proposed Ordinance defines short-term as less than 30 days.

4. Are timeshares or hotels considered short-term rentals? The proposed Ordinance would not apply to timeshares or hotels.

5. Where are short-term rentals allowed?

The Town does not restrict the location of short-term rentals. Private homeowners' associations and property owners' associations may restrict or prohibit short-term rentals.

6. Where are short-term rentals located?

While most short-term rentals are concentrated near the beach and other traditional tourist areas, they are located throughout the Island. A map showing the distribution of short-term rentals on the south end of the Island is included in the May 3, 2022, Town Council meeting materials.

7. How many short-term rental properties are on the Island?

Town staff estimates that approximately 10,000 units are offered as a shortterm rental at some point during a calendar year, which is approximately onethird of the residential units within Town limits.

8. Has the number of short-term rentals increased recently?

Yes. Town staff estimates that the number of short-term rentals has increased by at least 30 percent between July 2019 and January 2022. Town staff will continue to monitor trends in short-term rentals using business license data and a short-term rental monitoring and compliance service.

9. What has the Town done to date?

At the direction of Town Council, Town staff began studying potential short-term rental regulations in spring 2021. Town staff interviewed stakeholders and gathered feedback from the public before recommending a policy framework for short-term rental standards. Based on the elements of the policy framework and with feedback from the Public Planning Committee and the public, Town staff drafted a proposed Ordinance. The proposed Ordinance was revised based on feedback from the public and at the direction of the Public Planning Committee. The information related to the project, including previous public meetings, stakeholder meetings, open houses, and survey results is available on the Town's short-term rental initiative page.

10.What is happening now?

On March 24, 2022, the Public Planning Committee discussed the proposed Ordinance and recommended that Town Council review the proposed Ordinance. An updated version of the proposed Ordinance will be published in the full agenda package for the May 3, 2022, Town Council meeting.

11. How can I comment on the proposed Ordinance?

Written comments can be submitted through Open Town Hall HHI.

12. What are the next steps in the short-term rental initiative?

On March 24, 2022, the Public Planning Committee approved a preliminary framework for the examination of short-term rentals and high floor area ratio single-family structures, which are relatively large single-family structures on relatively small lots. Town staff will provide updates to and receive direction

from the Public Planning Committee during the Committee's monthly meetings, and updates will be published on the Town's short-term rental initiative page.

13. How can I stay up to date on the Town's short-term rental initiative?

Please sign up for project updates to receive notifications of upcoming meetings and other notifications.

Questions about the Proposed Ordinance

14. How can I view the latest version of the proposed Ordinance?

The latest version of the proposed Ordinance is included in the full agenda package for the May 3, 2022, Town Council meeting.

15. What are the regulations in the proposed Ordinance?

The regulations include standards for the property owner or their agent's availability and responsiveness; requirements to notify prospective guests of short-term rental unit features such as parking and pool safety availability; requirements to post information such as noise standards and trash disposal in short-term rental units; and requirements for fire safety.

Please review the latest version of the proposed Ordinance, which is included in the full agenda package for the May 3, 2022, Town Council meeting.

16.Who can act as my agent?

The property owner can designate any person or business to act as their agent, assuming they agree to and can meet the requirements in the proposed Ordinance.

17. Does the proposed Ordinance restrict the number of nights per years that a home or villa can be rented? No.

18. Does the proposed Ordinance restrict the number of guests that can occupy a home or villa?

No.

19. Does the proposed Ordinance restrict the number of vehicles that can park at a short-term rental property?

No.

- 20. Does the proposed Ordinance restrict the number of homes on a certain street or in a particular neighborhood or complex or in a zoning district that can be offered as a short-term rental? No.
- 21.Does the proposed Ordinance require a sign to be posted outside each rental unit with the owner or agent's contact information? No.
- **22. Does the proposed Ordinance require parking passes for guest vehicles?** No.
- 23.Does the proposed Ordinance require a me to install a fence or screened enclosure around my pool or install a pool alarm? No.
- 24. Does an owner or their agent always have to be on-site within an hour of receiving a complaint?

An owner or their agent does not necessarily always have to be on-site within an hour of receiving a complaint. An owner or their agent may initially respond to a complaint by contacting the guest by telephone, by text, in person, or using another form of communication to request the guest take such action as is required to eliminate the problem that was the subject of the complaint.

25. What does "taking other responsive action" mean?

Aside from contacting the guest, taking other responsive action may also require the owner or their agent to visit the property if such action is necessary to attempt in good faith to eliminate the problem that was the subject of the complaint.

26.I own a property in a gated community with security services. Why would the proposed Ordinance apply to my property?

All properties within the Town's limits would be subject to the proposed Ordinance. Though the Town's code enforcement services may in some cases overlap with the security services provided by a gated community, the Town ensures all short-term rentals meet licensing requirements and provides enforcement services for all short-term rental properties. The Town can also

take enforcement actions, such as revoking the short-term rental permit, to address short-term rental properties that become nuisances.

27.I own a house that I live in during the winter, and I rent the house to guests during the rest of the year. Would the proposed Ordinance apply to my property?

If you rent your house for periods of less than 30 days, the proposed Ordinance would apply to your property.

28.I own a condo that I lease for less than 30 days once or twice a year. Would the proposed Ordinance apply to my property?

If you rent your property for less than 30 days, the proposed Ordinance would apply to your property, regardless of the total number of days per year or the number of times per year that you rent the property.

29. How is the proposed Ordinance different than what the Town does now?

The Town currently enforces standards in the Municipal Code for noise, trash, and parking. The proposed Ordinance creates expectations specifically for the operation of short-term rentals and establishes a program for the Town to ensure all short-term rental properties are licensed, remit taxes, and operate in a manner that will preserve the quality of life of their neighbors and the public. The proposed Ordinance will allow the Town to capture more specific data on short-term rental operations, and to monitor and respond to complaints.

30.What will happen if Town Council approves the proposed Ordinance?

If Town Council approves the proposed Ordinance during the first reading of the Ordinance on May 3, 2022, there will be a second reading of the proposed Ordinance during the May 17, 2022, Town Council meeting. If Town Council approves the proposed Ordinance during the second reading of the Ordinance, it will be enacted into law.

31.When would the proposed Ordinance take effect? What does that mean?

The proposed Ordinance would take effect on the date Town Council approves it, but enforcement of the Ordinance would begin on January 1, 2023. This means that by January 1, 2023, all short-term rentals would be required to have a short-term rental permit to advertise or operate as a short-term rental.

32. What will happen next if Town Council approves the Ordinance?

Town staff will begin to implement the short-term rental program, which

includes all aspects of administering the proposed Ordinance and informing the public and stakeholders of the program and its requirements. Town Council will review Town staff's proposed short-term rental permit fee during the Fiscal Year 2023 budget workshop. The Town will execute a contract with a short-term rental permitting, monitoring, and compliance service. Town staff will test and open a short-term rental permit application portal. Town staff will develop and implement a robust communications plan to inform stakeholders and the public of the standards in the short-term rental Ordinance and the upcoming registration process and deadlines. All information and updates will be published on the Town's short-term rental initiative page. Please sign up for project updates to receive notifications related to the project.

Questions about Short-Term Rental Permits

33. How would I obtain a short-term rental permit?

Property owners or their agents will be able to apply for a short-term rental permit via a portal on the Town's website. The Town anticipates opening the portal in the fall of 2022. The Town will announce when the portal is live and provide instructions on how to apply for a permit. Please sign up for project updates to receive notifications of upcoming meetings and to be notified when the portal is live.

34. What will the application requirements be?

To obtain a short-term rental permit, the owner will need to submit an application form with information about the property. The owner will need to affirm on the application form that their property meets the regulations in the proposed Ordinance.

35. Will the short-term rental permit be transferable?

The contact information of the property owner and management company can be updated, but the permit itself cannot be transferred to a different property or a different property owner.

36.What is the short-term rental permit fee and what will it be used for?

Town staff is proposing a \$250 fee for the 2023 calendar year. Town Council will discuss and approve the permit fee each year when the budget for the upcoming fiscal year is approved. South Carolina state law limits the use of fees to the provision of the service or program for which the fee was paid. In this

case, the fee can only be used for services related to short-term rentals, including monitoring and compliance software and personnel to administer the program.

37. If I have a short-term rental permit, do I still need a business license?

Yes. A short-term rental permit is different than a business license. A business license is required to operate a short-term rental.

Questions about Short-Term Rental Monitoring, Complaints, and Compliance

38.What is a short-term rental monitoring and compliance service?

Third party companies now offer a range of services related to short-term rentals. The Town is seeking a contract with such a company to identify, monitor, and permit short-term rental properties. The Town issued a Request for Proposals (RFP) on March 31, 2022. The deadline for submissions is April 28, 2022.

39. How will complaints about short-term rentals be handled?

The Town is proposing to contract with a third-party vendor to establish a 24 hour-a-day hotline and an online portal to receive complaints and route them to the point of contact listed by the owner on the short-term rental permit. The Town will announce when the hotline and portal are operational.

40. How can I make a complaint about a short-term rental now?

Until the hotline and portal are operational, please contact the Town's Code Enforcement officers at 843-341-4642 or 843-341-4643. For after-hours complaints about noise, please call the Beaufort County Sheriff's Office's nonemergency dispatch number: 843-524-2777.

41.Will every complaint result in a citation?

No. The purpose of the proposed Ordinance is to create a short-term rental program that establishes expectations for all short-term rental properties within the Town. Complaints that are resolved between the complainant, the owner or their agent, and their guests will not require further investigation or action by the Town. In the case that complaints are not resolved, Town staff will provide education to non-compliant owners, their agents, and their guests to ensure they have the opportunity to resolve issues voluntarily.

42. What will prevent people from abusing the complaint system?

The Town will work with the complaint hotline and portal contractor to resolve issues with repeated, unfounded complaints.

43.What happens if the owner or their agent makes a good faith attempt to resolve an issue, but the guest won't comply?

If the Town is aware of a complaint that hasn't been resolved, Town staff will discuss the complaint with the owner and their agent to determine what steps have been taken to resolve the issue. Town staff will use reason and good judgement in assessing the complaint and the efforts taken by the owner and their agent to resolve it.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 24, 2022 7:33 am 956696293

Your Name	Vivian Anderson
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I purchase my Villa due to short term rental to be able to supplement my retirement income. My Villa is only rented during the high season. I also enjoy spending time in my Villa during off season without worrying about how to pay my mortgage. My HHI Villa is my financial investment!



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 16, 2022 8:10 am 953853157

Your Name	Brian Arsnow
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

Good morning,

Thank you for taking the initiative to review the issues surrounding STR. My wife and I own a home at 16 Willow Oak Road in Sea Pines which we reside in most of the year and have planned on making it our permanent residence.

Our neighbors at 10 Willow Oak Road have a rental which is basically a party house accepting renters from one night and above.

Two nights ago the renters allowed their children to play lacrosse on the green behind us and last night they were again standing on the green in bathing suits and 9 irons playing golf with parents.

The music cranked up I called Sea Pines Security who was very helpful. They had to come back twice last night to achieve their goal. This is just the most recent of events at 10 Willow Oak Road to create havoc for us full time owners.

We had recently hired an architect and developed plans to invest \$450,000.00 in additions and renovations but are now not sure. Is this noisy " Motel 6 " environment what is wanted? Eventually you'll have non owner not well taken care of renters reducing the look of the landscape. I understand we all have a right to be here but the short term rentals are forcing the people with accumulated wealth out. What you will end up with is a low end resort.

We love the environment but need your support in stopping this madness. Please contact me with any questions.

Sincerely,

Brian G Arsnow 16 Willow Oak Road Sea Pines Hilton Head, SC 29928



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 4, 2022 1:21 pm 949088141

Your Name	Lori Bailey
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I'd like to know what the policy regarding complaints within a gated community and who would be handling these. I have a home in Sea Pines and I have concerns that they are already enforcing the ordinances proposed and they are proposing additional fees for short term rental properties in regard to the increase in number of short term rentals within Sea Pines. The town is also trying to impose a fee for enforcing the Short-Term Rental Ordinance. Would the town be coming into the gated communities and if not, shouldn't the fees be eliminated for areas there would be no enforcement by the town? I'm feeling double taxed for the same services. Thanks for your consideration. Lori Bailey



Short-Term Rental Ordinance April 22, 2022 1:37 pm 956225786

Your Name	Michelle Baines
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Please continue to allow Airbnb rentals. Many travelers are happy and consistently using Airbnb for all of their travel needs. This is a huge market. I have booked people from Arizona, Ohio and Texas who had never been to HHI before. I can see by their profiles that they are regular airbnbers. It goes without saying that everyone who goes to HHI falls in love with it! All of my guests have or plan to return. I have never had a single complaint about my guest. Please continue to allow airbnbers to enjoy HHI. Thank you!



Short-Term Rental Ordinance April 10, 2022 8:03 am 951412999

Your Name	Leigh Ann Bradey
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Why are you spending so much money trying to destroy the livelihood of so many people who have contributed so much to the island? It is already one of the most unique beaches is the US because it doesn't allow one high rise after another, like so many other beach towns. Being able to rent private homes and condos is what gives Hilton Head its charm. A big mistake was allowing Marriott to come to Cologny Plaza. This does not at all go with the charm of the island. By limiting rentals you will destroy what's left of the small mom and pop establishments that are there. Think about the impact it will have on retail, golf courses, restaurants, gas stations, bike rentals, grocery stores, liquor stores, activity companies, boat rentals, kennels, and many more. The money spent researching this could have helped so many people.



Short-Term Rental Ordinance April 6, 2022 10:53 am 949991951

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Marilyn Breitenstein
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We live in Palmetto Dunes, which has already determined the needs / rules they have related to short term rentals. The town of HHI should not be interfering or regulating in this process. Much of the Hilton Head economy is driven by short term rentals and businesses related to short term rentals. Party house elimination and rules and regulation need to be enforced. Otherwise, what's the point of all this regulation? We are specifically opposed to the need for permits and business licenses and the FEES. As someone else said in the comments, this is overreach by the town and simply a money grab. If this passes, we will immediately exit the rental market and not make our home available for rental through Island Getaway as we do now. That means less revenue for IG and the town and the other

businesses in the town. And we won't be the only ones. This will negatively impact the economy and likely impact overall property taxes. The island economy is built on tourism and you are going to suppress that economy

with this highly restrictive and unnecessary policy.



Short-Term Rental Ordinance March 29, 2022 9:39 pm 946967081

Your Name	Scott Brooks
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	This is double taxation. I just paid for a business license. I live at Hilton Head Resort, we already pay for a highly regulated, rule enforced condo regime that strictly enforces parking, trash disposal and noise complaints etc. We should be exempt because I am already paying for what this ordinance proposes. But I know the council justs wants the money, thats what this is really all about, the damn MONEY.

From:	Scott Brooks
То:	Cyran Anne
Subject:	Short term rentals
Date:	Tuesday, March 29, 2022 10:51:35 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Good morning Anne, this email is concerning the proposed new ordinance concerning the short term rentals. Im an owner at Hilton Head Resort and we already have an highly regulated and rule enforced regime that enforces our parking, trash disposal and any noise complaints etc. Our regime already does what this law is proposed to do, so I feel a Resort like ours should be exempt from this ordinance. Im already paying for what the town council proposes. Can you help with this or give me the contact info of anyone who can? Thanks for any help with this matter.......Scott

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi - Thank you for looking into the short term rentals issue.

Just if public comment is being accepted still - I would like to add that many short term rental properties are being used for weddings, family reunions, graduation parties etc and therefore blocking the street with additional people for an extended period of time and additional noise.

Please add that no residential home can be used for a wedding, family reunion or graduation party that includes more than 5-10 people that are already allowed to rent the home. This also distracts and takes aware money/business from commercial venues that could be used for weddings, graduations, family events.

Thank you -Dawn Bullock 16 Promontory Ct, Hilton Head Island, SC 29928



Short-Term Rental Ordinance April 22, 2022 12:55 pm 956209139

Your Name	Ashley Buran
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Short term rentals provide many benefits to the island. The money generated from tourism is the life-blood. It provides jobs, housing, and opportunity to the locals as well as increases home values. Placing strong restrictions or prohibitions on STRs would tank home values, and the tax dollars that accompany the sales as well as reduce jobs, sales tax revenue, and opportunities for locals. Additionally, placing these restrictions such that it is prohibitive of having STRs, inclusive of the number or location, is in direct conflict with the goals of the island. We are expanding the airport to be able to support an additional 500k air travelers - where will they stay? The island simply cannot afford to lose owners who have STR- the hotels alone cannot support the tourism. The government should not forget this. Without owner-operated STR, the number of tourists would dwindle. Revenue lost, opportunity lost, money needed to improve the island gone.



Short-Term Rental Ordinance March 30, 2022 10:11 am 947143450

Your Name	Patricia Cartwright
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	My husband and I heartily support the town's initiative related to short term rentals. Although rental landlords argue otherwise, a rental home with stacks of bunkbeds to sleep 16-20 people (with TV's in every room) has to use more water, sewer, electricity than a residence with 2-6 people in it. The increased rental population also increases demand on emergency services such as ambulance, security, and fire responders. As a tourist based economy, we do not want to penalize rental owners, but we feel strongly that they should pay their fair share to keep Hilton Head attractive and safe for both owners and renters. Please continue to move this initiative forward, as it definitely impacts the future viability of Hilton Head as a home and as a rental destination.



Short-Term Rental Ordinance March 21, 2022 1:59 pm 943612966

Your Name	Rich Caruso
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	 I have been a property owner on hilton head island for over 15 years. I have reviewed certain of the information that the township and others have provided and listened to the recent meeting video. It is hard to firmly comment on the topic without see an actual proposed ordinance, but here are some preliminary observations: 1. Although locals may be "inconvenienced" by the tourist, Hilton Head has built up a tremendous reputation by allowing both to exist without restrictive regulations of the type that is being proposed. The Island is consistently rated as one of the best family destinations. 2. As a property owner who opts to put my property into the rental pool, I pay something like 4X the property taxes of a similar valued house that does not enter the rental pool, so I take exception to the comments by council members who say that the community is not being compensated appropriately. If you are going to level property taxes, I may take a different view. 3. Many of the "non-economic" provisions are easy to support such as noise ordinances, registered contacts, parking that matches house capacity; while others are not justified such as having to have a license or permit, paying registration fees beyond what is already being paid, etc. I believe that the market is already making a statement by having certain POAs or subdivisions or plantations imposing their own restrictions. I would let the market continue to set the parameters and the last thing we need is more government interference.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 23, 2022 10:03 pm 956627148

Your Name	Debira Clements
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I feel it is just another tax without any return of service. Our STR is inside a gated communuty with it's own security. A say fine the offenders at the time of the infraction. Why does the country want to tax and stifle the very big income and job producing STR business. Are hotels also subject to these taxes and fines?



Short-Term Rental Ordinance April 6, 2022 1:47 pm 950078185

Your Name	Elizabeth Connelly
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am totally in support of the limitation of short term rentals on Hilton Head Island! I understand that this may have a negative effect on some issues, however, something must be done to stem the overwhelming and endless volume of tourists at any and every time of the year! It is ruining the way of life here for the residents of this island and something MUST be done to stop it!!!



Short-Term Rental Ordinance April 22, 2022 5:26 pm 956315011

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Karen Doohan
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative? I have been a STR guest many, many times over the last decade and know the immense value they are compared to hotels. We are also hosts of two homes in Hilton Head and find a sense of purpose in creating this value for our guests. It is a privilege to be able to have a small part in a family enjoying everything our special island has to offer. We are a small business but not in it for profit, we are in it to provide a service to our guests that they would not be able to receive at a large hotel. We also support other local small businesses. We have a cleaning person, handyman, landscaper, electrician, etc that are also small business people and we help them make a good wage and provide good working partnerships. In short, our small business helps support others, be it our guests, our partners or the Hilton head government that we pay tax to. We live in our homes part time and are friends with our neighbors. They support us and help us by watching out for our property when we physically aren't in town.

Lastly, we look forward to making Hilton head our full time home in the near future. We appreciate that there are plenty of options to own where STR are allowed and many where they are not. There already is a good balance in my opinion.

Please consider these things when you make these decisions that will impact the future of not only my small business but our beautiful island. Large resorts and hotels are not what bring people to HHI. The sense of community and beauty of our island does.

April 1, 2022

I was hoping to not have to write this email regarding the Short-Term Rental Ordinance; unfortunately, as the within the proposed Ordinance continues to change one constant within the process is the lack of supportive statistics.

The Ordinance as proposed is still not based on verifiable statistics. The number of STRs continues to be in flux with no concrete validation. The latest revision of the Ordinance is proposing to implement a \$250 permit fee per STR property annually. Let's look at this on the high side. Using the number quoted by Ms. Becker during the March 9th meeting of 9500 at \$250 that totals \$2,375,000. Of the "9500" STRs and as reflected in the Town's heat map and recent Survey, the majority reside behind the gates in Shipyard, Sea Pines and Palmetto Dunes. These communities already have rules and regulations that do not tax the resources of the Town of Hilton Head. If they do, then the Town needs to produce the statistics of the number and types of instances where Town resources were needed to resolve an issue and compare that to the complaints in totality.

Why should those behind the gates be forced to subsidize those who are not? We currently pay taxes each year to the Federal Government (income taxes), accommodations and beach taxes to the Town of HH, accommodations and sales taxes to the State of SC, transportation taxes to Beaufort County, property taxes to Beaufort County which includes funds for SC schools, intangible taxes to Beaufort County and now the required business license tax to the Town of HH as required by SC state government. Really? And now you want \$250 annually (not a fixed figure by the way) to cover the cost of the implementation and management of an Ordinance that has not been proven to be a necessity.

Using the stated "9500" and the percentage breakdown response from the Town Survey it is necessary to see who is carrying the burden of these costs. Question #6 of the Survey reflects:

Palmetto Dunes; Sea Pines; Shipyard	59.6% of 9500 = 5662 X \$250 = \$1,415,500
Folly Field; Forest Beach; Other	40.4% of 9500 = 3838 X \$250 = \$ 959,500

Where is the fair and equitable treatment of property owners on the island? It was stated by a Council Member that the implementation of a Code is important because it is needed outside of the gates. Then why not address what is needed and where it is needed and not hold those who have no control or impact in the troubled areas responsible

Additionally, upon reviewing the materials from the Public Planning Committee Meetings, March 24, 2022 and March 9, 2022, the concern for transparency continues to increase. Unfortunately, the generalizations and lack of facts continue to increase as well. The ambiguous statements made by Council Members on the Public Planning Committee have not been verified, proven, confirmed or validated. When Members of the Committee continually proceed with such statements as "... I took a survey of my own driving around, informally"; "many, many, many complaints reported"; "complaints we hear often"; "the complaints have already started for 2022"; "a lot of discussions I've read"; "neighborhoods being overrun by business enterprises"; "some STR advertising parking can occur in public areas"; "9500 STRs and growing"; "we have a big problem with abuse tenants and negative impacts on "island character" with the growth of STRs" ...but have no specifics, facts or verifiable statistics, records of complaints, types of complaints, locations of complaints being reported and/or recorded by law enforcement, one needs to question how such an Ordinance can legally be implemented.

The Public Planning Committee early in the process provided a means to sign up to receive electronic notifications of the Ordinance and updates. I, along with many of my neighbors, signed up to receive notifications but they stopped coming after the Town Hall Meetings. Transparency? Full disclosure? Representation of the broader Community? We signed up for these communications in good faith that the City would share pertinent information with us about the process.

So, what statistics are known? The results provided within the Short-Term Rental Initiative Survey that was published by the Town on February 1, 2022 and the VRMA Economic Impact of STRs provides the picture and the statistics. While there were a total of 17 survey questions the following reflects those who responded as <u>not</u> supporting the implementation of a Short-Term Ordinance.

Total Survey Responses: 3680

QUESTION 1: Ar	e you a	an Island resident?	
	Yes	55.0%	2019
	No	45.0%	1653

QUESTION 2: If you are a resident, do you live in a neighborhood with short-term rentals?

<mark>Yes</mark>	40.7%	<mark>1383</mark>
No	24.0%	818
N/A	35.3%	1201

QUESTION 4: Are you an owner of short-term rental(s)?

Yes	55.3%	<mark>2006</mark>
No	44.7%	1620

QUESTION 6: If you own short-term rentals, are they located in a large resort Planned Unit Development (such as Palmetto Dunes), or are they located in another area?

<mark>59.6%</mark>	1247	Palmetto Dunes; Sea Pines; Shipyard
40.4%	845	Folly Field; Forest Beach; other

QUESTION 9: The Town does not currently have a short-term rental ordinance. Is a short-term rental ordinance needed?

Yes	35.6%	1287
No	44.0%	<mark>1589</mark>
Undecided	20.4%	739
		3615

QUESTION 12: Should there be more, fewer, or the current number of short-term rentals units on the Island?

Answered 3,006

Interesting actual statistics were not provided for this question

QUESTION 13: Should there be a cap on the number of short-term rental units on the Island?

Yes	35.0%	1265
No	45.6%	<mark>1646</mark>
Undecided	19.4%	699

Information provided by VRMA in The Economic Impact of Short-Term Rentals In the State of South Carolina Winter 2022:

* 2% Accommodations Tax Revenue in Beaufort County 2021 \$1,358,700

* Direct 2021 STR Visitor Spending in Beaufort County \$549,040,000

* The direct spending by STR guests South Carolina in 2021 yielded a total impact of over \$4.8 billion in economic activity, value-add of more than \$2.7 billion, over \$1.4 billion in annual earnings, and in excess of 48,000 full-time, permanent jobs.

* Beaufort County 2021 (Figures in \$Millions)

Direct Spending	Output	Value-Add	Earnings	Jobs
\$549.0	\$750.5	\$442.5	222.9	8,322

I request that you and your constituents reconsider and recognize the following: **#1** not all of the needed statistical information has not been gathered to date to make an educated, informed decision of what type and where an Ordinance is needed **#2** where issues such as noise, parking, trash, etc. exist (?) Are they outside of the gated communities? This information <u>has not</u> been provided. **#3** to single out STRs as the problem perhaps the Town needs to revisit such issues as an Ordinance for those who do not have controls in place **#4** is a problem being created to provide a solution for isolated problem areas and/or individuals **#5** why are STRs being singled out when they are such a strong economic engine for the Island and the State **#6** what other types of controls could be implemented such as a review and revision of the Town's building permit process **#7** why are STRs being blamed for the lack of workforce housing when the Town of HH is the largest landowner on the Island **#8** STRs and the hospitality industry are what keep the lights on, on the Island **#9** why is this Ordinance being rushed and pushed through when delaying it until 2023 or later would provide the time to gather the pertinent information needed to determine if one is needed and how to address the problem areas **#10** many STR Owners have only one property that they hope to one day occupy as a fulltime resident (such is my case) and the only way to own such a property for retirement is to subsequently rent it as a STR

I ask each of you, the Town of HH Council, listen to the majority of what is being stated and documented by those each serves and wait until verifiable, quantifiable and confirmed statistics are known before proceeding with an Ordinance. Where are the facts?

The net that is being cast over the entire Island by the current proposed Ordinance is flawed at best, which leads one to question, "island character?".

Thank you for taking the time to read my email.

Kind regards, Paula Eardley



Short-Term Rental Ordinance March 30, 2022 12:45 pm 947228389

Your Name	Cecile Eck
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am the owner of a Short term rental company, doing business primarily in Shelter Cove. I understand the need for regulations and am happy to inform my owners and ensure that they comply with the new ordinances. I do not agree with the separate fee for short term rental owners. Our owners are now required to have a town business license, in addition to the other fees that non-owner occupied properties must pay. The additional \$250 is excessive. The majority of short term rentals in my area have been rentals for decades and are not causing the problems that began this process. I believe that this fee is not appropriate and should not be placed on these properties, but the regular licensing process should be sufficient to cover any related expenses.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 5, 2022 4:12 pm 949692075

Your Name	Greg Ellison
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

I work for Destination Vacation and have been following the STR Ordinance very closely. I appreciate that the pool alarms and fencing requirements seem to have been removed from the Ordinance, as well as exterior signage on rental homes.

I still have some objections to other rules that remain in the Ordinance, however, such as the 1-hour response time, which could be unreasonable under certain circumstances and the lack of protection from neighbors who file unnecessary or excessive complaints. There is a neighbor who lives next door to one of our rental homes and he calls Security all of the time, even when guests are rearranging vehicles in a driveway and using the street as a temporary holding area and bikes are being delivered to the rental house and the delivery guys have to park in the street while loading and unloading. He is not the only resident neighbor with unrealistic expectations and the lack of protection with this Ordinance against these types of neighbors is simply unfair to STR homeowners.

I also have a problem with the violation penalties and believe that violations should not be cumulative because each new guest is different from the previous guest. If a home has guests who violate a noise rule in the Spring, a trash rule in the Summer and we, as the agents for the home, don't resolve a complaint in less than an hour in the Fall, I don't believe it is fair to have the ability to revoke an owner's rental permit for completely unrelated violations, even though they have technically exceeded 2 violations in a 12-month period.

Bottom line, I don't believe that the Ordinance protects homeowners of STRs and although the Town could say that my examples wouldn't warrant a violation or revoking a permit since they are unrelated and non-recurring, there isn't any ground for a homeowner to stand on with the way the Ordinance is currently written. I know that the Ordinance says that homeowners can hire attorneys and fight violations, but why go down that road and get attorneys involved. In that case, the only winners in this whole situation are attorneys and it just means unnecessary time and expense to fight something that isn't really a problem.

Thank you for your time and consideration.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 11, 2022 2:09 pm 951850817

Your Name	Ellen Etheridge
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am a STR property owner with one 2 BR condo in Palmetto Dunes. In reading the proposed STR ordinance framework, I am dismayed at the inclusion of an annual \$250 registration fee. I feel strongly that any fees should be on a sliding scale based on the number of bedrooms or size of the property. Or possibly that there could be a slightly higher initial fee and a smaller annual fee. I believe Savannah has this structure - \$300 initial and \$150 annual.
	The larger property owners should bear a larger portion of the fees for this ordinance due to the fact that they create significantly more trash, disturbance, and parking issues. With all of the increasing fees that any property owner faces (whether resident or rental), tacking on a hefty annual fee is painful to many of us, especially when we just had to pay an annual business license fee. Please reconsider the structure of a proposed ordinance fee.
	Respectfully, Ellen Etheridge



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 29, 2022 10:56 am 946694495

Your Name	Dennis Gambon
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	How are you defining "short-term rentals? One week? Less than one week?

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hello Anne,

I am an owner of a STR rental in Palmetto Dunes. We are looking forward to part time retirement there in 7 years and are using the rental, like many, to defer the costs and help with much needed updates. That being said, I can see both sides of the problem. I plan to be spending November through May there every year once we retire and spend two weeks quarterly now. I set our maximum renters to a limit of 4 people and must be 25/years or older to rent.

I have listened to many of the live stream town hall meetings and spoke on the Zoom meeting you had a few months ago.

Last week's meeting and the one I spoke at both seemed to think that the biggest problem was the high occupancy rental houses.

Last week's meeting seem to have a lot of upset people who felt punished for such offenders, myself included. I plan to block off weeks for my Villa so if I am unreachable on a plane there shouldn't be a call because of renter issues because there won't be any. But this is my personal choice to be in compliance.

I am mentioning this to show I am trying to remain a neutral stance on the matter, as I will be in a more residential capacity at some point.

This being said, if the high occupancy houses are the biggest issue, could we possibly make the currently suggested rules for STR that renter to 10 people or more! I think you would have far less angry people and I am sure people like me in private communities with a private security team won't be as big of a problem.

Just trying to offer a helpful suggestion to ease the tensions and potential abuse of complaints. I firmly believe that people would be more accepting of the ordinance if it was targeting the private homes in private neighborhoods and the larger occupancy rentals instead of the private community with hotels and resorts mixed in beside them.

Thank you for your consideration, Sincerely, Lori Glasscock



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 30, 2022 12:03 am 946998116

Your Name	David Greenstein
Email	
What is your comment about the Short-Term Rental Ordinance Initiative?	You tax the short term rental income and you require us to have a business license. Why are you adding fees on to us that you don't tack on to other businesses.
	If your going to add any fee then recoup it from the renters and up the taxes. Don't add more paperwork and fees that have to be tracked every year.
	Just another place you can fine people who honestly forget o submit a form because of to much paperwork and collect an additional fee

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne, I couldn't find the feedback section on the website. So just wanted to pass on my opinion that these rules should not apply to the private resorts. One, they already address these on their own and don't have a problem, and two, they have their own governance to address as needed. We need diversity on the island and to blanket the community with one rule would take away from that. These rules are more basic but sets a precedence and future rules may not be as agreeable in the private resorts and further limit diversity. Thanks-Greg



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 12:40 pm 956202863

Your Name	Cyndi Grissom
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We own a one bedroom in HHBT. We plan to retire on HH in the next year or so. Until then, we enjoy renting our place through Airbnb and VRBO. We love sharing our favorite place with others! Renting for a few days to a week helps us with the cost until we move there full time.



Short-Term Rental Ordinance April 24, 2022 3:59 pm 956825559

Your Name	Alex Hoce
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	As a property owner in Hilton Head, having the ability to rent our home allows us to fulfill our dream of owning property at the beach. Without shirt-term rentals we would not be able to own our unit, and an additional tax-fee will mean that we will have to pass this expense on to our renters. Tourism is what has allowed Hilton Head to become the success that it is. If you continue to add taxes and fees onto owners, eventually you will make the prices for renting rooms, condos, and homes so exorbitant that the average traveler and family will no longer be able to, or want to make Hilton Head a vacation destination. This will have broader impacts than just property owners, because tourism is the lifeblood of the small business community in our area. Please do not make the dreams of many be affected by the financial desires of a few.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 29, 2022 2:12 pm 946795648

Your Name	Paul Hutchins
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	The proposal that an annual fee be assessed for a short term rental permit results in double taxation for the same set of services. The Town already requires short term rental property owners to obtain a business license with those fees closely tied to rental income.
	Should the Town proceed down this path, it exposes itself to a lengthy legal challenge.



Short-Term Rental Ordinance April 22, 2022 12:39 pm 956202550

Your Name	Donna Johnston
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am concerned that our unit will be impacted. Without star's in Hilton head there will be a negative impact to the local economy? Real estate values and the ability for the communities to improve the existing villas. I think certain communities do not want str's however my community of fiddlers cove is 90% short term rental so it can't be a one size fits all community. Perhaps proximity to the beach should be considered. If it's 15 minutes or less walk from the beach str should be permitted

From:	Kevin Johnson
То:	Cyran Anne
Subject:	Proposed short term rental rules for town of HHI
Date:	Tuesday, March 29, 2022 10:41:24 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hello

I own in a highly regulated and rule enforced regime of Hilton Head Resort. They already enforce parking regulations inside our private resort. They enforce rules about noise, trash disposal and complaints. We as owners are routinely fined when such incidents occur. These new rules proposed should NOT apply to highly regulated condo regimes like ours which are ALREADY ENFORCING more strict rules than even the town is proposing. I pay sales and accommodation taxes to the town, the new business license fee and now you want to propose even more fees when this new rule is targeted at the homes and rentals in non regulated by POA or condo Regime areas. I feel I am being punished for this house hotels the town has allowed to be built with 10 bedrooms and 10 baths. Fine those owners but not put more financial burden on me when my resort regime already enforces such rules. My condo regime is very strict and if you don't believe me I will send you our extensive rules and regulations. And I am sure most condo communities on this island have lots of rules and regulations as we do. Condos should be EXEMPT from these additional rules which are already enforced in our condo communities.

Kevin Johnson Owner Hilton Head Resort.

Broker, Realtor, Owner Homes of the South Inc.





Short-Term Rental Ordinance March 23, 2022 7:46 pm 944745410

Your Name	Andrew Kaplan
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	The Town should allow the communities to determine what, if any, restrictions can and should be placed for its homeowners. Limiting short-term rental owners would limit owners' income and serve no reasonable purpose. The Town could consider a grandfather clause for all current homeowners that excludes them from the Ordinance, if the Town approves same.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 2:35 pm 956250628

Your Name	JOHN Kelly
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I think short term rentals such as mine in the Hilton Head Beach and tennis resort are great for the economy by providing jobs at the resort from maintenance people, cleaning teams, restaurants and shopping in the area, and many other recreational activities that provide an economic boost to the town and residents



Short-Term Rental Ordinance April 6, 2022 10:26 am 949978984

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Lucy Kinney
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am VERY OPPOSED to the short term rental ordinance. All Hilton Head has to do is sit back and enjoy all of the taxes from the short term rentals instead of spending money to analyze and police the situation. I think it is

very greedy of the town to want an additional \$250 annually when owners are already paying a TON of fees to have properties in neighborhoods that allow short term rentals. If people are opposed to the short term rentals, they should opt for one of the MANY neighborhoods that do not allow short term rentals. This decision should be left up to the individual HOAs to vote on and decide and not some kind of mandate that is going to waste tax payer money when all the island has to do is sit back and collect all of the fees generated from the tourists. Short term rentals have put Hilton Head on the map as a destination and we can owe many of the numerous amenities on the island from the tourism. This kind of tourism would not exist if guests were just relegated to chain hotels. I am sure the chain hotels are VERY much in favor of these short term rental "initiatives." Hilton Head should watch out who it's really protecting with these proposed "initiatives." There are MANY places to live on the island, oftentimes less expensive, that do not allow it already. Leave it up to the HOAs please and spend this tax payer money on our police force! Thank you!



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 30, 2022 2:56 pm 947294347

Your Name	Kiersten Kleiber
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

As a newer owner December of 2020, it is nearly impossible to keep track of every tax, permit, license etc that keep getting pushed on us. I want to do the right thing and I want to pay all that I am required. The continuing laws and rules are making this very difficult.

I have been vacationing in HHI for many years and my family has owned in Palmetto Dunes since before many of the establishments we going to to spend the money to combat the issues being argued or stated in this ordinance rather just stating here are the issues.

1) I'd like to know specifically how many more trash and recycling bins and where the town will be adding placing them. (Because requiring the decal to use the existing recycling center seems to have been a step back in time) Not to mention hurts the ever so precious ecosystem and preservation of the island's beauty.

2)How many bicycle patrols will be added 24/7 for noise and disorderly guests?

3) How are you tracking who is violating and who is not? Specifically what is the protocol and regulation you will be using to cite and fine homeowners?

4) A proper business plan should be presented to show use of funds, where can we find this? This needs to be presented prior to charging the fee.

5) As an owner in a highly regulated, restricted and fined resort, I strongly feel this ordinance is a bit of an overreach. Our resort has approximately 100 CCTVs 24/7 watch patrol and regular trash pickup, maintenance and cleaning crew onsite daily to tend to everything the Town of Hilton Head is now going to charge us for again. Seems like more research needs to be done. Unless this fee is going to be used for the research or study.

6) How was the \$250 calculated? What formula was used to come to this number?

7) How many STR are there on HHI?

Thank you for allowing comments. I look forward to your specific and transparent reply and will share with our Board of Directors at the resort.

Best,

Kiersten Kleiber

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Does this ordinance include (I hope) Sea Pines?

Sent from my iPhone Lynda Laff



Short-Term Rental Ordinance March 15, 2022 8:54 pm 941593360

Your Name	Pat Laff
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I met with Terri Lewis and explained my concerns. I live in Greenwood Forest community of Sea Pinea. We have experienced significant turnovers of homes within the last 18 months at ever increasing prices most equal to over way over the initial asking prices, most recently a 1600 sq. ft. house with a 1 car garage with an outrageous. asking price of \$899k and sold the list day of over \$1,000k sight unseen! It was and continues to be a rental property. People looking to acquire property for relocation to Hhi to live ate being priced out of the market.other homes that were residential are now rental properties with little control of the numbers of occupants, cars and parking issued, pconcern for the permanent residents and removal of pet waste. During my meeting with her, I presented a copy of a ordinance in force in the Borough of Stone Harbor, NJ on the Jersey shore. This ordinance was developed and adopted to address all of the issues that we face here on HHI. It is comprehensive and fair to all concerned parties. I would be more than willing to share ot once again. Pat L are 23 Hollyberry Lane Greenwood Forest Community of Sea Pines



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 4:00 pm 956285160

Your Name	Robin Lant
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	This will not only be detrimental to our income for our villa that I own and should be able to do what I want with it, but it will also cause more traffic problems then there already is getting on and off the Island. Not allowing short term rentals is not going to fix the problems your referring to, but it will damage a lot of small business and homeowners.

From:Grant CarolynTo:Cyran AnneSubject:FW: Short term rental/ Parking issuesDate:Wednesday, March 30, 2022 10:05:49 AMAttachments:image001.png
image002.png
image004.png
image005.png

Good Morning Anne See the email below.



Carolyn Grant

COMMUNICATIONS DIRECTOR

Office: (843) 341-4618 Mobile: (843) 715-1393 Website: <u>hiltonheadislandsc.gov</u> Address: Town of Hilton Head Island 1 Town Center Court Hilton Head Island, SC 29928

From: Michele Lefond
Sent: Wednesday, March 30, 2022 9:26 AM
To: Grant Carolyn <carolyng@hiltonheadislandsc.gov>
Subject: Short term rental/ Parking issues

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

I do not feel that the parking issues at Queens Grant have been addressed. Short term renters are not really restricted with the number of cars they can park. So we still have not guarantee that we can find a parking place at our own home or that or car doors are not constantly dinged. We are not a mall with unlimited parking. Thanks for your efforts, all I see as a change is another registration and fee to owners.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 18, 2022 9:56 am 954326956

Your Name	Pam Lohbeck
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We, as Owners of a STR villa are working hard to support the vacation guests to Hilton Head Island and the income coming into the economy. We are forced to pay additional fees to SC and to the Town of HHI due to owning rental property. Now, the Town of HHI has implemented additional fees of annual fee; business license fee; retroactive gross rental income fee along with our property tax and accommodation taxes. I am not sure this is a partnership that is beneficial for all parties and disagree with your money making propositions as the Town of HHI.



Short-Term Rental Ordinance April 22, 2022 6:26 pm 956331816

Your Name	Lisa Manetti
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I feel that residential areas should not be allowed to have short term rentals only commercial areas. We have houses that do short term rentals where we live and they are constantly causing chaos with screaming and music and loud noises. It's not fair for the neighbors that have to pay thousands of dollars in these communities and have to tolerate disrespectful people. The should have an ordinance that IF the police is called to the same houses for any disturbance 3x they would be issued substantial fines and restrict from any more renting!



Short-Term Rental Ordinance April 22, 2022 12:25 pm 956197022

Your Name	Kevin Manley
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Hi, we love HHI! We are planning to retire here and to that end purchased 2 condos in 2021 which we currently rent on Airbnb and Vrbo in order to fund our future retirement home. We are Airbnb Superhosts with 4.9+ ratings, and we have introduced a lot of families to the island and helped them have amazing experiences here. We are responsible hosts and our guests are fine people who follow all our house rules, including respecting quiet times, respecting the local environment, and keeping HHI beautiful. Our two units are in Shipyard in HOAs where the bulk of the units are rented short term by owners similar to us. From our perspective everything is working well and we hope the town will see fit to let us continue what we're doing! Thanks for your consideration.

Comments submitted to Town Planning Committee Meeting 23Mar2022

We are very disappointed that mini-hotels have not been addressed in this proposal. Instead there is a proposal to do a study to determine whether another study is needed. By the time that is competed, there may not be any owneroccupied single family homes left in our community, even though it is zoned as single-family residential. That would be a great loss. Please do something about the problems resulting from the "mini hotels" in our neighborhood. We have lived in Folly Field part-time since 1980 and full-time since 2001. Many years ago we worked diligently with Marc Orlando and others in the town planning department along with John Safay, our Town Councilor at the time, to develop the Folly Field Neighborhood Character Overlay. Importantly, that overlay specified that Folly Field was a neighborhood of single-family residences. Sadly, many of those singlefamily residences have been bulldozed and replaced by "mini hotels" which week after week host parties of 20 or more people in holiday mood. They are often loudly partying outside around the pools and disturbing us as we try to enjoy sitting on our porch or even sleeping. We also occasionally hear fireworks on the beach, especially late at night on holidays. Sometimes there are as many as 8 or 10 cars in the driveways and parked on the lawns, not to mention adding to the traffic in our neighborhood. We love dogs, but many of the renters seem to think that our front lawn is there for the purpose of their dogs relieving themselves. Also, renters often go out for the day and leave their dogs in the houses or outside to bark for hours. We seldom have problems with the renters in the smaller homes in the neighborhood. They are generally quieter and respectful of our The absentee landlords say that we should just learn to live with it. I property. wonder how they would feel if a mini-hotel was built next to their permanent residence. Just because Hilton Head is a resort community doesn't mean that permanent residents shouldn't have the right to a quality lifestyle. THERE ARE MORE IMPORTANT THINGS IN LIFE THAN MONEY. QUALITY OF LIFE IS ONE OF THEM. Please help us to maintain what's left of the neighborhood character of Folly Field. Thank you.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 26, 2022 11:52 am 957614983

Your Name	robert martin
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I already submitted comments 1, 2,3 on the survey, but noticed my 4th point was omitted. Here it is. Regards,
	4. Is a Short Term Property ONLY DEFINED TO INCLUDE RESIDENTIAL PROPERTIES or is it ANY PROPERTY that is leased for less than 30 days? One could argue that for fairness, it should be ALL. In other words, the PD Dunes house, Port Royal Clubhouse, Any wedding venue, HH Brewery, etc should also be under the umbrella of the Ordinance since they are all doing short term rentals. These places would therefore need to get a PERMIT, pay the fees, obey the Quiet Hour rules, and so on. If a Condo owner is now being treated as a Business, then it stands to reason that all Businesses are treated fairly.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 25, 2022 8:35 am 957041108

Your Name	Sheila Martin
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I hope the town of HHI will allow homeowners the privilege to share their space from time to time with vacationers. It helps businesses flourish in the area. It also provides income to the owners so that they can continue to enjoy the area. I do not rent my place more than 5 times a year for a week at a time, but this enables me to have enough income to keep a place for my personal use. It supplements the costs of a vacation place.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 12, 2022 3:57 pm 952403170

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Sam McGraw
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

Hello,

I am reading through articles on this short term rental unit proposal and am not happy with it. We are third generation Hilton Head Island visitors from Ohio and have family that lives in the area. We bought a condo in HarbourTown early last year and have been renting it through VRBO and Airbnb on a part time basis. Although we have not been able to cover all of are costs through renting our plan is to continue to rent and eventually retire to HHI in the coming years. We have a local agent and I have received all 5 star reviews with no complaints on the property since we started renting it. Frankly, I don't see the need for additional fees and regulations especially in Sea Pines. We already have CSA security in sea pines and they do a fine job. I'm already paying the sea pines fees, HOA fees, short term lodging taxes, etc. If I have to pay additional fees to the city and have additional headaches through regulations I'll just sell the property. As a sole owner my time is limited and my tolerance for losses on the property is small. Frankly, as much as I like Hilton Head, if this new regulation passes I will probably sell and reinvest in a surrounding community with less overhead and headache. If a lot of people sell you'll see property values plummet especially in areas like Sea Pines which already have a high cost and fees to maintain.

Please do not pass this resolution as is or exempt small owners like myself. Your consideration is appreciated.



Short-Term Rental Ordinance March 29, 2022 4:07 pm 946850909

Your Name	Patrick McLaughlin
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	My wife and I have owned a condo at the Hilton Head Resort for over 32 years and I would like to comment on the Ordinance. We are in a HIGHLY REGULATED AND RULE ENFORCED CONDO regime that controls our parking, our trash disposal, our noise problems, etc. We need to be made exempt as most condos should be! Our regime already does all of what this law proposes and this is aimed at Single-family home rentals in outside regulated HOA communities. This should not apply to our Condo at the Hilton Head Resort. This move appears to be just a money-making plan for Hilton Head and nothing more. Please reconsider any plans to initiate and enforce this ordinance.

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

This is ridiculous for so many reasons-

Mandatory 1 HOUR response is not feasible for anyone whether you are full time resident or Not. It needs to be reasonable. The owner may be flying, sick, phone is dead, attending a wedding, in a business meeting or some other normal activity.

With your proposal -if there are two violations by our guests then it effects our ability to rent. You should fine the guests. am I responsible for everyone making a bad decision? For example; if you rent a car and drive too fast and get a ticket does Hertz pay for your ticket?

As a part time resident and short term rental owner- we pay taxes to city of Hilton Head and S.C. We expect our input to be considered equally. Having multiple meetings and then forcing this proposal through the city council is infuriating. Now HHI is collecting an additional fee for our rental. I guess that will off set the money the local businesses will lose by your stringent guidelines.

We purchased our condo in 2013 with the thought of it being both our home and a rental property. The property should be "grandfathered" in because that was the intent of our purchased. It may also effect the value of our beach home when we decide to <u>sell.It</u> seems we might have to seek legal assistance.

The idea of plastering my name over the condo for the guests to contact is ludicrous. We use a property manager company to avoid this contact.

I also am opposed to a 10:00 curfew for noise especially during the summer weekends.

Thanks

Sally Millard Sent from my iPad (5th generation)



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 28, 2022 9:43 am 946201767

Your Name	nancy morell
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

I'm all for the ordinance and holding the short renters responsible. Their carefree entitled attitude is ruining this beautiful island

I've been coming to the island for 30 years and have own for 13. I feel I was chased away due to my HOA's lack of action in regards to blatant improprieties. My concerns were met with the response that "they could not discriminate against the short term renters and the locals".

On Friday, May 14, 2020 I was forced to listen to a dog cry until 2AM while the new renters were out. The typical pattern of arrival, unloading your belongings into your unit, leaving your animal in a foreign place, leaving for hours on end is all too common.

My car has been damaged, litter and fecal matter not disposed of properly and the nasty cleaning personnel who go off on you when you ask if "going forward if they could not park in my parking assigned parking space" especially when the unit's parking space they are cleaning is available.

Sounds like I'm venting, but the island is losing it's charm with the trashy visitors. Especially the visitors who think it's okay to walk all through the dunes for pictures or better yet set the dunes on fire at Folly Field Beach on July 5th, because it was too windy on the beach for fireworks. SMH

I have a few living options, but the one I miss most is HHI. This island is very sentimental due to the fact my husband and I eloped to it 30 years ago. We were married on island by a real estate broker, Carl Schroeder.

Please help right the wrong. It breaks my heart to see the direction the island is going in.



Short-Term Rental Ordinance April 22, 2022 6:06 pm 956326703

Your Name	Theresa Pacheco
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We live in a gated community so I don't know how much this this concern's us but I feel that HHI is a family resort town and most people come to relax play golf or tennis most rentals are geared for family fun or sports if they want to party there are other places so I just don't understand why they are trying so hard to change what has been working for so long you want the tourism leave it be!!



Short-Term Rental Ordinance April 24, 2022 11:14 am 956748852

Your Name	Theresa Pacheco
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We live in a gated community so I don't know how much this this concern's us but I feel that HHI is a family resort town and most people come to relax play golf or tennis most rentals are geared for family fun or sports if they want to party there are other places so I just don't understand why they are trying so hard to change what has been working for so long you want the tourism leave it be!!



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 23, 2022 11:09 am 956498068

Your Name	Vincent Papi
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We believe that most owners are responsible people who watch over their rental property. As owners who rent we already pay higher property taxes as well as sales tax on rentals. We feel that these more than compensates for any issues.
	This additional fee is nothing more than a penalty for owners of rental properties in HH. HH business owners rely on the visitors and this will only get passed on tho guests in higher rentals. We should not be looked at as an endless revenue stream for HH.



Short-Term Rental Ordinance March 28, 2022 1:49 pm 946325389

Your Name	Elizabeth Petro
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Regarding the annual rental permits. Many guests re-book the same property while here each year for the next year and beyond. How will an annual rental permit affect these bookings should the permit not be re-newed?



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 29, 2022 11:35 am 946716784

Your Name	James Pierscionek
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Things can not get worse then this. How awful. The last thing this beautiful Island needs is more people making costly regulations and taxes to secure there needless jobs. A total waste of money in entertaining and creating more bureaucracy. Sad news.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 11, 2022 10:15 am 951730448

Your Name	Donald Platts
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

We own 2 condos which are on the short term rental market and both are managed by locally owned and staffed rental companies. I have several concerns with the proposed rules.

-Our villas are in condo buildings that have "always" had a very high percentage of units available for short term rental. While some neighboring property owners may have complained over the past 30 years, we don't know about those complaints. [Our biggest parking issue is that unauthorized beach goers try to use our parking lots.] Clearly, addressing the issue of residents complaints in the manner that you have chosen to take for the town will penalize the 90+% of rental owner who don't have problems, just so that you can deal with the very small minority of owners whose properties have generated complaints. Certainly, you could find a fairer way for you to accomplish addressing those complaints.

-The town already requires all rental owners to obtain a business license. Why is another permit required? You could impose penalties against that license just as easily as imposing them on a rental permit. There is no reasonable need for owners to get another permit and pay another fee. -If an owner has his rental permit suspended, what is the procedure for getting it re-instated? That requirement should be spelled out up front. If you intend to make the suspension permanent, by that action, you will force most owners to sell the property.

-The process that has been developed ignores existing laws that concern public conduct. If a renter violates ordinances about noise, parking or trash disposal, he should be held accountable. This proposal fails to do that, and instead tries to make the property owner responsible for the actions of other adults. I am not the legal guardian of any of those people.

They are responsible for their own conduct, and should be held accountable. If you intend to issue fines for bad behavior, the fine should be levied against the accused person.

-What protection does a rental property owner have against a neighbor who is, for example, adamantly opposed to rentals in his neighborhood, and who will file complains endlessly? Will complaints be verified as legitimate before any fines are levied, or other actions are taken against the owner? Who is responsible for making that determination? Is there any appeal process available to owners to ensure that the complaint was legitimate? -This proposal ignores the legal issue that the rental contract which the renter signs - is a contract with the rental company. The property owner never participates in that contract, and has no contact with the renter, and does not even have any contact info for them. While I am responsible for which rental company I work with, I don't have any contact, or contract, with the individuals who rent. This proposal makes me, the owner, responsible, when I was never involved with the person, or the incident that led to the complaint.

-If you suspend the rental permit of a property owner, you will by extension invalidate the contracts between future renters and the local rental company. Now you will be confiscating business from another unrelated entity.

It is clear to most rental owners that a lot of additional work is required before you develop a fair, lawful, and respectful ordinance.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 10, 2022 7:41 pm 951539011

Your Name	Jeni Powell
Email	
What is your comment about the Short-Term Rental Ordinance Initiative?	Why does this initiative not address occupancy limits? Smaller communities with less resources cannot accommodate the high number of persons being packed into units. The number of guests should not be allowed to be more than 2 people per bedroom. This change alone would eliminate many of the problems associated with short-term rentals. Instead, we have two bedroom units packing in up to ten guests and three bedroom units packing in up to twelve guests. This should not be allowable under local ordinance.



Short-Term Rental Ordinance March 29, 2022 12:13 pm 946737199

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Mary Pracht
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

First off, thank you for addressing this weekly rental issue that has become a bigger issue year after year. I have lived in the North Forest Beach area most of my 40 years living here. Living on Jacana has been a great place to live. However, the past several years with more and more of the homes turning into weekly rentals has changed the quality of living here for the permanent home owners. Between the noise from people being very loud, litter from over flowing trash areas, too many cars for the locations, etc. it has become very difficult to enjoy living here for about 10 months of the year. The rental companies need to do a better job of informing renters that they need to know that there are permanent people all around them that may work from home and go to bed early. I am on the land side of Jacana with only two rental homes. #10 is fine, but #12 is consistently a huge problem. I know they have a rental binder in the home that nobody reads. Something should be said to them at the time of renting, again when they check in, and something on the door leading to the pool where they cannot miss it. Currently on our side of North Forest Beach, we are getting 4 new rental homes. All large homes, added together will be an additional 24 bedrooms to fill with the same. It does not help to nicely ask the renters to dial back the noise. Their answer is that they paid a lot of money to be here and they will do what they want to do. Very frustrating!!!



Form Name:	
Submission Time:	
Unique ID:	

Short-Term Rental Ordinance April 4, 2022 2:40 pm 949131417

Your Name	Robert Quinn
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	A permit should nit be required fir rental of one week per year (or possibly two) to allow for Heritage and similar rentals when additional rental availability is needed.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 1:31 pm 956223666

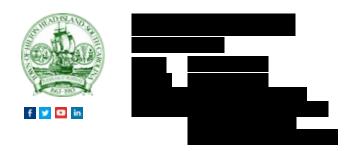
Your Name	Roy Ray
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I think it is a good thing in areas where the problem exists. I am totally against it in plantations and gated communities where security is present and paid for by the residents. This problem doesn't exist in Palmetto Dunes, Wexford, Shipyard and Sea Pines for example because it's not allowed. Don't broad-brush rentals. Install an ordinance that attacks the problem Thanks



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 8, 2022 12:29 pm 950968741

Your Name	Thomas Reilly
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Precisely for this week how many property owners and guest on the island, same for hotel guests, same for short term renters and guests, same for resort guests. ???? A proportionate share of infrastructure costs might be seen as fair.



On Apr 19, 2022, at 8:50 AM, wrote:

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Good morning Mr. Mayor,

I am writing to you today in regard to the Tier 1 str proposal which will be addressed at today's Council meeting.

Hilton Head is a special and unique place. My husband and I have been visiting since 2005 when I attended a professional conference in P as Palmetto Dunes. I feel in love

with the sheer beauty as well as the deep reverence of the community to maintain such a pristine natural environment. Hilton Head simply won my heart as I know it does for so many.

Last year we drew from our life savings to purchase a villa on PD that we have visited over the years. We wanted to be a part of a community that reveres the natural world. We're unable to be FT residents just yet because I'm still working in Florida so we are offering our lovely sanctuary for rent through a reputable and responsible management company. Though our plan is to retire in this beautiful place as soon as we are able to do so.

Because of our reverence for the Island we are very conscientious of protecting it and maintaining the peaceful oasis that it is. We communicate these standards to each and every guest as well as the management company and expect their compliance.

I feel it is a privilege to be able to own property on the island and we are most grateful for this blessing. As you know it is expensive to own property here however we have been willing to pay reasonable costs for the very upkeep of this wonderful place. However since he bought our place, there have been a number of price increases just in the past 10 months and we trying to be fair and reasonable with our guests regarding their rental fees so they can enjoy the beauty, relaxation, and healing of this space. With that said, I ask that you and the Council consider removing the proposed annual \$250.00 str owner's fee. The rationale for needing a proposal punctuating some degree of oversight is understandable as the idea is clearly to maintain the pristine quality of life here. However there are already so many fees that it does not seem reasonable to incur yet another one on the owners.

I do so appreciate that you took the time to read this email. I thought it was important for the Council to recognize that str owners do have the same vested interest in the care of this beautiful island. Thank you.

Sincerely, Dr. Jennie L. Robb



Short-Term Rental Ordinance March 28, 2022 1:03 pm 946303012

Your Name	pamela rodeheaver
Email	
What is your comment about the Short-Term Rental Ordinance Initiative?	I have heard that the town is considering restricting numerous aspects of the short term rental business on HHI, such as number of night per year that a property can be rented, the number of guests that can stay there, and the number of properties on a certain street than can be rented. THESE ARE ALL BAD IDEAS, plus I wonder about legality of these ideas. Owners who purchased may need to rent their property in order to keep that property. If implemented, the town could open itself up to lawsuits from property owners, who have purchased property for rental purposes without these restrictions. You should not change the rules now. Each regime can manage its own situation. The town does not need to get involved. The rental market pays a LOT of taxes, and provides a LOT of income to numerous local businesses, which keeps them afloat, and makes them available for both renters and owners. To stifle the rental market would serve to reduce amenities for everyone. I wonder what drove this initiative, what the facts actually are, and why now. Don't ruin a good thing for everyone.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 3, 2022 3:53 pm 948741463

Your Name	Cheryl Schroder
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I am against the Short-Term Rental Ordinance as it stands now. I currently have 1 short term rental on the island and 2 long-term rentals. The complex where my short-term rental is has an HOA and an onsite resident manager. Our HOA has a set of rules that ALL must abide by, and I have my own set of rules for anyone renting from me. Our complex has ample parking and requires parking passes for parking. Our trash goes to a compactor or for larger items, a dumpster on property.
	Placing a sign on the door to my unit stating it is a short term rental with my contact information not only goes against our HOA rules about signs, but would be an incentive for criminals as it acknowledges when the unit is occupied and when it is vacant.
	As I do rent my unit for more than 30 days in the off season, how would the rules apply to my rental then?
	As one of the council members stated, it is only a "few" bad apples that have created this problem. Why punish every short-term rental owner for the actions of that few? Why not go after the problem owners instead of ALL short-term rental owners?
	I have owned on the island since 1994 and have had a business license since 1997. I have paid the Accommodations Tax and Beach Preservation fee along with personal property tax and county real estate taxes every year since I have owned. I just did significant renovations to my villa which provided income to Hilton Head Island. If the initiative passes, I will stop renting my unit short term as the proposed rules, additional license, etc. will make renting my villa too difficult.

From:	Cheryl Schroder
То:	Cyran Anne
Subject:	Re: Town of Hilton Head Island - Short-Term Rental Initiative
Date:	Monday, April 11, 2022 12:11:23 PM
Attachments:	image001.png image002.png image003.png image004.png image005.png

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Good morning, Ann.

After reading the draft of the short term ordinance again, I still have a few questions/comments.

I think the council needs to consider how to handle some of the rules to be implemented IF the rental is in an HOA and has its own rules and regulations. Examples:

1)rule for trash storage area:

(3)(a)(iii) The owner shall ensure any outdoor trash containers remain secured to avoid spills and pests. $\sim\sim$

In my complex, the resident regime manager takes care of this, not the owners 2)Parking:

(4)(a)(i)Parking areas must include a space at least nine (9) feet by eighteen (18) feet for each vehicle allowed to be parked on the premises...

In my complex, we have outside parking and garage parking under the building. Our HOA and on site resident manager handles all parking issues. Any resident or renter must have a parking sticker or pass to park in our complex. I have no idea on the size of the parking spaces~they have been adequate for all the years I have owned there. We also have security cameras but do not have 24 hour private security personnel on site.

(4)(a)(iii) The owner must ensure that no vehicles associated with the Short-Term Lessee **will park off-site**, including in adjacent rights-of-way, during the Short-Term Rental Lease

If this is taken literally, the renters vehicle cannot leave the property and park somewhere public until the end of the rental period once they are at the rental. I know this is not what is intended, but that is the way it reads.

If the property is rented both short term and long term (over 30 days), how is this going to be monitored?

I still feel if the reason for the short term rental initiative is because of a "few bad apples", those instances should be handled without implementing a new ordinance. Punish the majority for the sake of a few seems overkill in my opinion. Regards,

Cheryl Schroder

CONFIDENTIALITY NOTICE: This email, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you received this email and are not the intended recipient, please inform the sender by email reply and destroy all copies of the original message.

From:	
To:	Cyran Anne
Cc:	
Subject:	Short term rental Initiative
Date:	Monday, April 04, 2022 11:46:36 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne. I was reading the April 2022 SPPOA Newsletter and wanted to share my view regarding the short-term rental initiative. I am the owner of 1754 Bluff Villas. This is a 3 BR unit on the 2nd floor. We rent this unit out using Sea Pines Resort as our property manager. I understand the need for a short-term rental policy.

My view is the short-term rentals must be allowed. Without the income for the rentals, we would be unable to own this property. We come down for about 2-3 months in the winter and 2-3 times for a week or 2 the remainder of the year. After reading the draft, limiting the usage does not appear to be an issue or the intent of the initiative. Thank you

I was not invited to participate in the survey. I've heard that one of the issues is parking. I understand the need to limit parking and base it on the number of Bedrooms or possibly the number of families that can use a unit. In Bluff, 1 or 2 families are the realistic occupancy, so max of 2 cars would be reasonable. Bluff Villas has a large parking lot that serves all its buildings. But the lot is not stripped to indicate a particular parking space. I do not know how this fits into the initiative.

It was mentioned that the town is looking at a licensing fee for short term rentals. We have been required to now register with the town as a small business owner and paying taxes directly to the town. I do not feel that adding another fee on top of this is a reasonable request.

After reviewing the draft, since I use Sea Pines Resort as my property manager, it appears they would be the entity that will need to communicate with the guests all requirements. I believe they are already doing this.

Thank you for your time. Please let me know or any other issues or progress on this initiative. We are not a full time resident and have not been able to participate in any of the past meetings.

Thank you

Bob Schubert

Phone:	
Email:	



Short-Term Rental Ordinance April 22, 2022 1:34 pm 956224531

Your Name	Carolyn Scott
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Inhibitions or additional fees may impact short term rentals. This business brings revenue to the island for families enjoying the experience on the island. The money spent on the rental pales in comparison with the monies spent on food, entertainment, and the amenities that Hilton Head offers. Please don't penalize small business owners with added fees. Hilton Head Resort management already provide strict guidelines for renters and responsibilities.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 18, 2022 12:28 pm 954397594

Your Name	Jack Shoaf
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	What is classified as a short term rental? Is this a unit rented solely by the week? And what is classified as a long term rental? And do long term rentals fall under the purview of the short term guidelines? Thanks



Short-Term Rental Ordinance April 24, 2022 11:11 am 956748306

Your Name	Donna Skaggs
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Hi my name is Donna Skaggs Short Term rental helps me ,in several ways . I have family that depends on me and ,earning additional income makes this happen. My unit stays booked which supporting small businesses is definitely a need in these times where most small businesses cant survive . OUR RESORT HAS STRICT RULES ALONG WITH AIRBNB WHICH MAKES healthy tourism, it's important that our legislators understand why protecting MY ability to make ends meet is tied to the economic success of local communities



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance March 29, 2022 1:14 pm 946767415

Your Name	Jim Skelton
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	The town can take over managing my property, after you take the fees for license, permit and taxation you can pay me what you think the town would deem reasonable, given time people will stop renting.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 11, 2022 7:37 pm 951996357

Your Name	Richard N Smith
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Short term rentals should be controlled by the individual plantations or other districts and not by the island as a whole. STR are a critical element to the financial well-being of HHI. If they are limited across the board, we might as well put a gate at the entrance to the island and restrict access to wealthy property owners. This idea has not been well conceived and needs to be abandoned.



Short-Term Rental Ordinance April 22, 2022 3:00 pm 956261053

Your Name	Michael Sullivan
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	We have always vetted potential guests using reviews posted on airbnb as well as other social media sites. We don't rent to anyone that doesn't pass muster. When a guest is accepted, they are given detailed instructions on the Do's and Don'ts of visiting the island, in particular our neighborhood. We've also interviewed our neighbors and they've had nothing but good things to say about the guests we rent to. We believe we provide a valuable to service people (mostly families) who want to experience the island. It also benefits the Town of Hilton Head through the taxes we remit as well as local businesses who benefit from our guests use of their goods and services.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 3:02 pm 956262239

Your Name	Judy Vanderveer
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I do not feel that gated condo communities should be included in the initiative. The HOA's for the condo communities already have rules in place to protect owners. I think the problems that have initiated the whole process is more to protect single family homes. I understand that something needs to be for those communities but condos do not need to be included.



Short-Term Rental Ordinance April 6, 2022 12:02 pm 950026987

Your Name	Donna VAUGHN
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I thank you from the bottom of my heart for this STR Ordinance Initiative! It addresses almost all of our concerns to help with overcrowding of our island, unruly and disruptive tenants/lessees, and owners who don't tend to their properties and renters properly. I would like to see a Minimum rental period (such as at least 3 days), to protect neighborhoods from properties becoming mini hotels with 1 night stays. Thank you, thank you, thank you!



Short-Term Rental Ordinance April 4, 2022 12:05 pm 949045785

Your Name	Mary Walker
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I highly favor this initiative. We have been part time residens in Harbout Town since 1996. We did rent our unit for a number of years especially for the golf tournament but quit because of the trash, noise and abuse of our residence. Over the years we have seen the peaceful winter months deteriorate into a perpetual traffic jam entering and leaving Sea Pines. We also witness jungle warfare over parking and bike ongestion in Harbour Town. The quality of life has taken a noticeable turn for the worse. Charles Fraser never envisioned a Hilton Head Island becoming a Coney Island. I view this initiative as a must for the long term health of the island. Thank you for this opportunity. Mary Walker



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 1:47 pm 956230541

Your Name	Clevetta Ward
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	I originally purchased my condo for my second home. After a few months my family wasn't wanting to visit as often. Short term rental has offset my cost which has made it possible to keep our second home.



Short-Term Rental Ordinance April 7, 2022 11:28 am 950465743

Your Name Rand	lall Warren
Email	
Phone	
Short-Term Rental Ordinance Initiative? mass the ri taxes rowd prope We a comr poter time value This More	e is no so-called "imbalance". Second-home owners already pay sively more taxes than full time residents. All owners should maintain ght to do as they please with their own property with no additional a. We already have laws that protect everyone from partying and y renters and the proposal does nothing to further those efforts. This osal is nothing but a cash grab, extra burden tax. Il want the value of our homes to go up. Which means we as a nunity need to be hospitable and welcoming to outsiders, including natial investors who may want to buy and rent. More investors and full home owners means more demand for your home and higher property es.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance April 22, 2022 3:52 pm 956282210

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Jack Williams
Email	
Phone	

What is your comment about the Short-Term Rental Ordinance Initiative?

I understand that consideration is being made regarding the implementation of a short-term rental ordinance. This new ordinance (minimum of 7 days) will negatively impact what is currently a great relationship between the town of Hilton Head and those of us who have purchased villas and leased them out over the course of the year. An ordinance of 4 or 5 days would be much more preferable and certainly not based on a Saturday start date. The benefits of owning a villa by non-resident owners are great! We get to occasionally use the villa while the fixed expense of owning the villa is partially offset by having guests lease it from us. Additionally, the property appreciates in value over time. Without the ability to offset the fixed expenses via leasing it would be difficult to continue ownership! The new proposed restriction would definitely impact our relationship.

The town of Hilton Head (and its permanent residents) also benefits greatly! Our guests spend a good deal of money on the many restaurants and businesses while they are in the area. Also, the owners of a villa pay Hilton Head 3% of our guest revenues to Hilton Head along with 7% to the State of South Carolina. We also pay much greater property taxes than the permanent residents of Hilton Head (while at the same time not receiving "local" rates at various golf courses). As a result, the permanent residents enjoy a high-quality lifestyle made possible by the monies our guests spend.

AirBnB does a great job in helping find and vet potential guests. AirBnB has also implemented various programs to minimize potential problem parties, insure villa cleaning meets Covid standards, and most importantly, provide a non-discriminatory environment. After having leased in Shipyard for over 20 years I have never had a problem with any guests. I can't say enough good things about AirBnB! Greater restrictions on short-term rentals does not seem to be the right answer.

Sincerely, Jack Williams Villa owner in Shipyard



Form Name: Submission Time: Unique ID: Short-Term Rental Ordinance March 27, 2022 10:13 am 945915255

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name	Andrew Wilson
Email	
Phone	
What is your comment about the Short-Term Rental Ordinance Initiative?	Please pass this new ordinance! The home next to me sold and turned into a short term rental and our way of life changed overnight in North Forest Beach. The second rental was to 15 college kids on spring break and they partied until 2am every night as college kids do. The noise was unacceptable for this family oriented island. We don't need another Daytona Or Miami beach. Rental companies and owners can make it clear in their agreements that there are noise ordnance's that can impact their rental income. Need some "teeth" behind this ordinance and your proposal gives everyone the leverage that is needed. We don't need to just rely on the local sheriffs office to handle this. They have more important safety matters to handle. Please pass this and don't bend to the almighty \$\$.



MEMORANDUM

TO: Town Council

- FROM: John M. Troyer, CPA, Director of Finance
- VIA: Marc Orlando, ICMA-CM, Town Manager

DATE: May 3, 2022

RE: First Reading of Proposed Ordinance No. 2022-12

Recommendation:

Staff recommends Council approve and affirm the first reading of Proposed Ordinance No. 2022-12. The ordinance establishes the fiscal year 2023 budgets for the General Fund, Capital Projects Fund, Debt Service Fund and Stormwater. The ordinance also amends the fiscal year 2022 budget to amend for the Fire Rescue trucks and to close out the fiscal year within budget.

The proposed tax rate at 23.1 is 5.0 mills less than FY 2022 rate of 28.1 mills. The reduction is a result of the expiration of the Disaster millage to restore reserves after Hurricane Matthew has completed the planned 5 years. There is a proposed ambulance fee increase in this budget as recommended by our third-party billing agent to meet market rates based on federal reimbursement standards.

The proposed FY 2023 total operating budget for the General Fund, Capital Projects Fund, Debt Service Fund, and Stormwater Fund at \$119,501,114 compared to last year's \$96,838,322.

		2022		
		Budget	20	023 Budget
General Fund		\$ 43,984,657	\$	48,621,804
Debt Service Fund		19,344,566		19,374,081
CIP		28,009,099		45,671,933
Stormwater Fund		5,500,000		5,833,296
	Total	\$ 96,838,322	\$	119,501,114

Summary:

According to Town Code, the Town Manager will present a budget for review by Town Council by the beginning of May. The Town Manager has met with all Town Council members as the budget was being crafted in order to have their input and guidance in the budget development process. The Town Manager provides this budget to fulfill his obligation under Town Code and he recommends this budget to Town Council for adoption for the Fiscal Year ending June 30, 2023.

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2023; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE, AND TO AMEND ORDINANCE

WHEREAS, Section 5-7-260(3) of the <u>Code of Laws for South Carolina 1976</u>, as amended, and Section 2-7-20 of the <u>Municipal Code</u> of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds to increase the Operating Reserve to provide for emergency-related expenditures, and to offset any fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council also desires to give the Town Manager authority to adjust revenue estimates as necessary to account for the economic impact of the COVID-19 Pandemic, without changing the total adopted budget. Any changes made under this section will be reported to Town Council on a quarterly basis; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

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

NOTE: <u>Underlined and bold-face typed</u> portions indicate additions to the Ordinance. Stricken Portions indicate deletions to the Ordinance.

<u>Section 1. Adoption of the Budget</u>. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, \$119,501,114 is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2023.

Proposed Ordinance No. 2022-12 Page Two

		2022	
		Budget	2023 Budget
Town Council		471,242	548,112
Town Manager		1,286,306	1,524,062
Human Resources		665,941	587,750
Administrative Services		4,986,821	5,502,527
Finance		1,916,176	2,199,100
Community Development		3,602,665	4,286,458
Public Projects and Facilitie	s	7,107,474	7,177,203
Fire Rescue		16,524,716	18,380,246
Sheriff/Other Public Safety		2,498,430	2,674,762
Townwide		2,450,459	3,449,994
Community Grants		2,224,427	2,291,590
Transfer to CIP		125,000	_
Transfer to Fund Blance		125,000	-
	Total	43,984,657	48,621,804

The General Fund budgetary authority is adopted at the Departmental level as follows:

The Debt Service Fund and the Stormwater Fund are adopted at the Fund level. Capital Improvement Projects are adopted at the Project level. The Town Manager is authorized to transfer amounts up to \$100,000; larger transfers require Town Council approval.

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2021 through June 30, 2022, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Said tax levy shall be paid into the Town Treasury for the credit of the Town of Hilton Head Island for its corporate purposes, for the purpose of paying current operational expenses of the said municipality 17.2 mils and Debt Service 5.9 mils making the total levy of 23.1 mils. {*Note: There is NO Disaster Millage override anymore as the 5 mills for 5 years has expired*.}

<u>Section 3. Establishment of Budgeted Funds.</u> To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

Proposed Ordinance No. 2022-12 Page Three

Section 4. Other Funds.

The Natural Disaster fund is limited to activity related to an officially declared emergency. This fund captures the financial activities from declared disasters, reimbursements from state and federal agencies and houses funds set aside for future emergencies. The federal stimulus funds approved in previous action by Town Council are authorized for receipt and expenditure in the Grants fund. This accounting treatment is for the most direct presentation and documentation to help facilitate the additional audit procedures required with receipt of these funds.

<u>Section 5. Acquisition of Rights of Way and Easements.</u> The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects.

Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

<u>Section 6. General Fund Operating Reserve Policy Updated.</u> Town Council changes its General Fund Operating Reserve policy from a lower limit of 35% of budget and an upper limit of 40% to a lower limit of 40% and an upper limit of 55%. This action recognizes Town Council's commitment to prudent operations, strong reserves, strong bond ratings and strong emergency preparedness. The Town is within these ranges today. This is another example of Town Council's prudence – that even when the economy is strong, Town Council is preparing for future storms or economic uncertainty.

<u>Section 7. Revised Holiday Schedule.</u> As part of the adoption of the Budget, Town Council approves a Holiday Schedule for 2023 in accordance with the attached schedules.

Section 8. Approval of State ATAX. The Town Budget is relying on State ATAX revenues for the operation of the Town in accordance with TERC guidelines in the amount of \$2,445,211. This amount includes amounts as provided by State Law formulas and Town approval to total \$2,445,211 and is hereby approved with this budget. Town Council also authorizes Tourist related capital projects from State ATAX in accordance with the TERC guidelines for pathways in the amount of \$3,109,000 in the Town's CIP for 2022-2023.

Proposed Ordinance No. 2022-12 Page Four

Section 9. Amendment of the Fiscal 2021-2022 budget for purchase of Fire Trucks in accordance with previous Town Council action of November 16, 2021 item 11.a.

		Original	First	Second	
			Amendment	Amendment	
			05-Oct-21	03-May-22	
		2022			
		Budget	2022 Budget	2022 Budget	
General Fund		\$ 43,984,657	\$ 44,204,613	\$ 44,204,614	
Debt Service Fund		19,344,566	19,344,566	19,344,566	
CIP		28,009,099	30,975,158	32,237,763	Price Increase on Fire Trucks \$1,262,605 from lease
Stormwater Fund		5,500,000	5,500,000	5,500,000	
	Total	\$ 96,838,322	\$ 100,024,337	\$ 101,286,943	

Town Council had authorized the amendment to the purchase price of the Fire Trucks on November 16, 2021 to ensure delivery in a difficult supply chain environment. The source of budget funds would be the increased lease proceeds for these Fire Trucks. This action amends the budget to correspond with the earlier Town Council action of November 16, 2021.

Section 10. Amendment of the current Fiscal 2021-2022 budget within the same totals. The Town underwent certain organizational changes from the initial budget within the current fiscal year which require slight adjustments to the categories of the budget but staying within the total budget already approved. These changes provide for reclassification of the current personnel budget while maintaining the same total for Fiscal Year 2021-2022. The changes are as follows:

	Original	Amended Oct. 2021					
	2022						
	Budget	2022 Budget	2022 Budget				
Town Council	471,242	446,242	446,242				
Town Manager	1,286,306	1,290,345	1,290,345				
Human Resources	665,941	665,941	665,941				
Administrative Services	4,986,821	4,986,821	4,986,821				
Finance	1,916,176	1,916,176	1,941,176	Reallocate	existing p	ersonnel	dollars
Community Development	3,602,665	3,591,001	3,266,001	Reallocate	existing p	ersonnel	dollars
Public Projects and Facilities	7,107,474	7,335,055	7,335,055				
Fire Rescue	16,524,716	16,524,716	16,824,716	Reallocate	existing p	ersonnel	dollars
Sheriff/Other Public Safety	2,498,430	2,498,430	2,498,430				
Townwide	2,450,459	2,450,459	2,450,459				
Community Grants	2,224,427	2,224,427	2,224,427				
Transfer to CIP	125,000	125,000	125,000				
Transfers to Fund Balance	125,000	150,000	150,000				
Total	43,984,657	44,204,613	44,204,613	No Change	e in total G	eneral Fu	nd

Proposed Ordinance No. 2022-12 Page Five

Section 11. Transfer of funds to the Capital Improvements Fund (CIP). On June 19, 2018, Town Council voted in item 12.b. to set aside funds for workforce housing and transportation. These funds have been included as "assigned fund balance" in the General Fund Balance since that time. The Finance Department is directed to transfer those funds from the General Fund Balance to the Capital Improvements Projects (CIP) fund balance by June 30, 2022 so that those funds are available for use in the new fiscal year under the same restrictions as directed before.

<u>Section 12. Financial Policies GFOA updates.</u> The Government Finance Officers Association publishes best practices financial policies. The Town reviews the applicability of those policies and incorporates many of those into the Town's policies. These are published annually in the budget document. Subjects addressed are:

- 1. Measurement Focus and Basis of Accounting
- 2. Fund Balance and Reserves
- 3. Grants
- 4. Debt Management
- 5. Investment
- 6. Accounting and Financial Reporting
- 7. Risk Management and Internal Controls
- 8. Procurement
- 9. Long-Term financial planning
- 10. Structurally balanced budget
- 11. Capital Assets
- 12. Capital Improvement Plan
- 13. Revenues
- 14. Expenditures
- 15. Operating Budget
- 16. Municipal Check Signing

It is our intent the substance of the policies will be included in the annual budget document and the annual comprehensive financial report and available for public inspection.

<u>Section 13. Severability.</u> If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

<u>Section 14. Effective Date.</u> This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

Proposed Ordinance No. 2022-12 Page Six

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2022.

ATTEST:

John McCann, Mayor

Krista Wiedmeyer, Town Clerk Proposed Ordinance No. 2022-12 Page Four

First Reading:	
Public Hearing:	
Revised First Reading:	
Second Reading:	

APPROVED AS TO FORM:

_____, Town Attorney

Introduced by Council Member:

TOWN OF HILTON HEAD ISLAND ADMINISTRATIVE STAFF 2023 HOLIDAY SCHEDULE

New Year's Day 2023 (observed)	January 2, 2023 (Monday)
Martin Luther King, Jr. Day	January 16, 2023 (Monday)
Presidents Day	February 20, 2023 (Monday)
Memorial Day	May 29, 2023 (Monday)
Independence Day	July 4, 2023 (Tuesday)
Labor Day	September 4, 2023 (Monday)
Veterans' Day (observed)	November 10, 2023 (Friday)
Thanksgiving Day	November 23, 2023 (Thursday)
Day after Thanksgiving	November 24, 2023 (Friday)
Christmas Day	December 25, 2023 (Monday)
Day after Christmas	December 26, 2023 (Tuesday)
New Year's Day 2024	January 1, 2024 (Monday)