



Town of Hilton Head Island
Community Services & Public Safety Committee

Monday, February 22, 2021 at 9:00 am

MEETING MINUTES

Present from the Committee: William Harkins, David Ames, Tom Lennox, Tamara Becker

Present from Town Council: Alex Brown

Present from Town Staff: Josh Gruber, Jennifer Ray, Cindaia Ervin, Karen Knox

Others Present: Lt. Andres Florencio, *BCSO*, Angela Childers, *Executive Director Beaufort County Housing Authority*, Ronald Ianoale, *Board of Directors, Beaufort County Housing Authority*

Present from Media: None

1. Call to Order

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

3. Roll Call – All members were present.

4. Approval of Minutes January 25, 2021

Council Member Lennox moved to approve the Minutes of January 25, 2021. Council Member Ames seconded. The Minutes of January 25, 2021 were unanimously approved.

5. Citizen Comments

Public comments concerning today's Agenda items were to be submitted electronically via the Town's Open Town Hall Portal. The public comment period closed Friday, February 19, 2021 at 4:30 pm. At the conclusion of the Open Town Hall, there were no citizen comments. Citizens who wished to speak at the Meeting had to call in no later than noon on Friday, February 19, 2021 at noon. No citizens signed up to speak at the meeting.

6. New Business

a. Cross Island Parkway Right of Way Transfer

Chairman Harkins said as we all know; the toll booth is coming down and the highway is reverting to the Town. There will be an administrative requirement for us to make a motion on this transaction. Jennifer Ray stated when the toll comes down, there is an opportunity to remove sections of roadway and to add significant landscaping so that this non-toll roadway is more consistent with Island character and what we are used to around the Island. Staff recommends the Community Services & Public Safety Committee consider inclusion of modifications to the Cross Island Parkway in the scope of work to be prepared by the South Carolina Department of Transportation (SCDOT) and recommend Town Council execute a resolution authorizing the construction and improvements to the Cross Island Parkway.

Approval of a Resolution by Town Council will authorize the construction and improvements to the Cross Island Parkway by SCDOT. This construction will allow opportunities to reduce the amount of pavement, to add landscaped medians, and to modify the existing pathway segment adjacent to the toll plaza.

Council Member Ames asked if we were approving a concept or a detailed plan today. Jennifer Ray said we will not have a detailed plan to approve. We are approving this concept that we have been asked by SCDOT to share our thoughts as they put together the detailed plans. The bigger part of the puzzle that we need you to approve is this agreement between the Town and SCDOT for them to be able to do the work.

After a brief discussion, Council Member Lennox motioned that the Community Services & Public Safety Committee recommend Town Council execute a Resolution authorizing the construction and improvements to the Cross Island Parkway. Council Member Ames seconded. The motion was unanimously approved.

b. 4th Quarter BCSO Crime Statistics

Lt. Andres Florencio, BCSO reviewed the 4th Quarter Crime Statistics with the Committee. Of concern is still the Crimes Against Property Stats. When you go back to the Larceny portion of the Stats – we had 159 which is an uptick from last year. The majority of those are thefts from motor vehicles. We are having a rash of an increase in car break ins. It is just not on Hilton Head Island – it is all over the County. I want to share some numbers with you. From November, December and January, we had 92 break ins on Hilton Head. From those 92, 66 were from unlocked vehicles, 11 were from vehicles that someone actually made forced entry to, 14 were unknown, but had no signs of forced entry but the victims could not tell us 100% if they locked it or not and one was not entered. The point I am trying to make is that even though we have had an uptick, a lot of these could have been prevented if people had locked their vehicles. We meet regularly with the Chiefs of Security and had a meeting last month to specifically address the vehicle break ins and how we can proceed to try and prevent these. Another thing that BCSO has started is we have these post cards PARK, TAKE AND LOCK that we have been sending out. We have also done public safety announcements on the County Channel addressing it. If there is any way we could assist the Town with getting the word out there would also be great. The main problem is people leaving their vehicles unlocked.

Council Member Becker thanked Lt. Florencio for everything the BCSO does here on Hilton Head and throughout the County. Mrs. Becker questioned about the homeless situation on the Island. It seems to me increasingly we have a population of folks who are homeless and making their residence in parks, etc. Mrs. Becker asked if BCSO were aware of these situations and any thoughts on that. Lt. Florencio said obviously our patrol deputies that patrol the streets of Hilton Head daily and nightly are aware of the homeless population. If there is anyone who sees anyone sleeping in the parks, the best way to handle that is to call us. We do not have any homeless shelters and we routinely refer anybody either to a local Church, Deep Well, etc. to see if they can get some help.

Chairman Harkins stated that a meeting in the not too distant future, Mr. Gruber has invited for our Committee a presentation from Mr. Fred Leyda. Mr. Gruber said Mr. Leyda works with a number of non profit organizations as a coordinator. He is employed by Beaufort County but works through the University of South Carolina Beaufort. He is part of doing the annual homeless count in Beaufort County. They track the population and understand what is going on. They also understand what resources are available in the Community. He is going to give a comprehensive discussion of what that picture looks like and then as well as some suggestions that he has for our Community, the County and other municipalities to potentially collaborate on some things that can be done to improve the situations. Lt. Florencio said if they could be part of that meeting it would be very helpful for us.

Chairman Harkins thanked Lt. Florencio for his report.

7. Unfinished Business

a. Sandalwood Apartments and Beaufort County Housing Authority Discussion

Chairman Harkins said that Angela Childers has graciously accepted an invitation to come here today. We also have the pleasure of a member of her Board, Mr. Ron Ianoale. Chairman Harkins said in a recent discussion I had with Ms. Childers, I asked if she would kindly develop in her mind an activity chart designed in sequential format that would enable us to understand the myriad of tasks and steps that she needs to take to address a situation at Sandalwood leading hopefully to some day where the housing product there could in a very organized way be replaced with something new. I think we all realize that we do not have jurisdiction if you will in this area, however, this is our Island and we like to embrace everyone on the Island and do what we can to be helpful. I think this can lead to an understanding of the tasks before Angela and hopefully it can identify areas of opportunity for the Town, perhaps in its bully pulpit to come forward and be supportive. That can be a sole initiative on the part of the Town. We might be able to reach out to our political delegation to be supportive and we might be able to advance positive and supportive thinking at all levels that involve the housing authority.

Ms. Childers said she emailed to everyone the key steps that we have for repositioning. Ms. Childers said currently one of the things that we had to do to begin Phase I is to evaluate our existing public housing portfolio to determine if our single-family homes will meet the requirements and the qualifications to remove them from public housing inventory. If and we feel that they do. We began to complete environmentals on all of our public housing single-family homes. Once they are complete, we will submit an application to HUD to remove our single-family homes from the public housing inventory and to allow them to become project based vouchers so that the tenants in those homes do not lose their subsidy and they do not lose their housing. The application requires letters of support from our municipalities. In Phase I, that would include the City of Beaufort and the County. A way that the Town could get involved in that Phase I portion is if we need assistance with the City or the County they could contact their counterparts. At this point we do not feel that we will need that assistance because I do believe that the City and the County of Beaufort are on board so far with our repositioning plan. Additionally for some reason that HUD rejects our plan then that might be a time that the Town could get involved and contact their political connections to help us move that forward. If approved, we will then remove those single-family homes from our public housing inventory and we can begin Phase II.

Chairman Harkins asked if Ms. Childers could share the rationale for those of us who are not experts in your space the rationale behind “evaluate existing public housing portfolio to determine if single homes will meet the qualifications to remove them from public housing.” Ms. Childers said HUD has offered a way for Public Housing Authorities to reposition their inventory and one of those ways is to have our single-family homes removed based on their distance between each other. We evaluated our stock to say yes, we feel that we meet the qualifications and that by removing them from the public housing inventory and therefore they become project-based vouchers we can then access different funds to renovate those units. Council Member Ames asked how does this impact our discussion on Sandalwood. Ms. Childers said the repositioning plan that HUD has released only allows you to reposition large tracts such as the Sandalwood Terrace project if you are below 250 units. Currently we are not below 250 public housing units. That is why we would have to complete Phase I first in order to begin Phase II which the Sandalwood Terrace project would be part of. Chairman Harkins asked what is the numeric opportunity under Step I, Phase I. Ms. Childers said at this point we are going to apply to remove 48 public housing units. If they are all approved that will take us below the 250 mark and we can then move forward. If they are not approved or if only some of them are approved, we will have to evaluate at that point. Council Member Becker asked if there are

any single-family homes under your program. Ms. Childers said we have 80 units on Hilton Head, all in one community with no single-family homes.

Ms. Childers said once we drop below the 250 number for public housing, we can then reapply to HUD to begin to convert the remaining public housing inventory to project based vouchers. You would think why project-based vouchers again. It is so that none of our tenants are displaced and no one loses their subsidy. At that point we would require a letter from the Town of Hilton Head in support of the repositioning. We would then submit the application again if the application is denied we would ask for assistance politically that way. If approved we can then remove those units from the public housing inventory and begin renovation or rebuilding of public housing inventory. You might ask why would you want to do that – that will allow us to access different funding sources in order to rebuild or renovate our public housing stock. If for some reason that application is denied or we are not transferred to public based vouchers, then we will just continue with the renovation of our public housing inventory.

Chairman Harkins said given the age and the condition as is situation in Sandalwood at least from a business perspective it begs the question is it worth it to try to renovate vs. remove and rebuild. Ms. Childers said we agree with you, unfortunately that is not our decision at this point. That is HUD's decision. If during this application process if they deny that is when we would ask all of you to get involved and help us to convince them that this was the best course of action for Sandalwood Terrance and for Hilton Head. Chairman Harkins asked in the event we are blessed with the opportunity to go into Sandalwood and remove and rebuild or substantially renovate, what happens to the people that are in those units now. Ms. Childers said that is why they are requesting the project-based vouchers. If we had to relocate them of course they would get first right to return so they would never be displaced and we would not throw them out without offering to relocate them for a very short period of time and then bring them back. Mr. Ianoale said if we had to demolish and rebuild Sandalwood, you are talking at least 18 months to two years. Ms. Childers said we might do it in phases. We have 13 buildings so it might be that we tear one building down and do that and then move forward. Mr. Ianoale asked how many units are in each building. Ms. Childers said they are different. They can range from 8 to 16 to 2. Mr. Ianoale said we would be relocating anywhere from 8 to 15 families at a time.

Council Member Ames asked in the sequence that you are presenting, is this focused entirely on Sandalwood or are there other applications throughout the County that you might be trying to do the same thing at the same time. Ms. Childers said we are actually trying to do this with all of our public housing units, however, we do have Sandalwood earmarked as the first project that we plan to renovate or rebuild in Phase II.

Chairman Harkins asked Mr. Ianoale for his thoughts. Mr. Ianoale said anecdotally I would just like to demolish Sandalwood and build something new somewhere on the Island. I think that would be the best situation for the residents and for the Island. We are just not there yet and I am going to defer to Ms. Childers as to the timing. That would be the best solution – the buildings are old; the systems are old and I think there are some mold and water problems there. I do not know if we need to continue to invest money in there. We need to wait for the HUD assessment.

Council Member Lennox said it is his understanding that the benefit of repositioning is access to additional sources of capital. Ms. Childers said that is correct. Council Member Lennox said in the repositioning process and once these homes are removed from the inventory, do we lose support from HUD? Ms. Childers answered no – the project-based voucher program is also a HUD Program. It just changes funding sources. Council Member Lennox said the net would be positive through the additional sources of capital in addition to the HUD support. Ms. Childers said that is correct – it would allow us to then apply to a bank for a conventional loan if need be or to apply maybe to the Federal Home Loan Bank for additional money to help us

or we could even use tax credits if we had to or bond financing which is another thing we are looking into in order to bring capital and allow us to use it in the renovation or rebuilding. Council Member Lennox said and all through the process ownership of the land and buildings remains the same with the Beaufort County Housing Authority. Ms. Childers said there is always the potential that if we decided to go with tax credits that we might relinquish that first level of ownership to a developer with us having first right of refusal after the end of the tax credit period, but that is not our primary goal. We would want to retain ownership and control but if we find that it might financially work better not to do that, that would be something that we would consider.

Council Member Brown asked whether we have an estimated timeline as to how long it would take and are we currently in progress. Ms. Childers advised yes, we are currently in the process of completing the environmental in Phase I. We had started this process before Covid, but we could not get the environmental completed because of Covid. Hopefully they are completed and we are finishing the paperwork with them. That is not something we can do. We have to hire a company to do that and hopefully they are being completed and the paperwork will be finalized very shortly and then we will begin the application process. As far as how long it will take, we will work expeditiously on our end as soon as the ball is back in our court to submit that application. Once we submit it to HUD, they may have a very short turnaround time, or they can turn around and say no, we reject your application and we need you to correct these four things and resubmit. Unfortunately I can only tell you that when the ball is in our court, we will do everything we can to move it as quickly as possible. When it is not in our court we may look to you to help us move it as quickly as possible by using your political connections.

Ms. Childers advised the Committee that all the repairs that were initiated by the newspaper article are completed. We are also in the process of installing all the fire extinguishers. We have installed the majority of them and believe we have approximately 15-20 more to install and that will be complete as well.

Mr. Ianoale asked Ms. Childers if she had been listening to the conversation about homelessness. Ms. Childers said yes, she was. Mr. Ianoale asked if she had anything to add to it. Ms. Childers said the HUD Web Page has just opened a "Find Shelter" "Find Food Banks" and it is right on the beginning of the HUD Web Page. I know Mr. Leyda will most likely give you this information as well. It will tell you the available shelters. There are a few on this side of the Broad River. They are a little bit smaller – they help specific populations such as domestic violence or alcohol or drug abuse. There are a few, but they are small. I am not sure what the bed size is, but that list is available on the HUD Web Page.

Council Member Ames said he is trying to simplify this in his head because I am not an expert in this area. It seems that at the top there are programs and physical facilities that we are struggling with at Sandalwood. I would like to focus on the physical aspects because that is where my background is. Ms. Childers you didn't answer Mr. Brown's question regarding the timing of the HUD Assessment when we get that information back. If you add to that unknown, the time it would take for Beaufort Housing Authority Project to be planned and kicked off – I am concerned with the timeline. I can see that being extended three years or maybe longer. We have a situation where it is an undesirable environment today and we have an unknown timeline. My inclination is figuring out a way to expedite that, accelerate the timeline in a way and that gets me to the second part where my mind is what are the alternative strategies that would allow the private sector or non-profits to get involved on this project in an almost contractual arrangement perhaps with the Beaufort Housing Authority so that the advantages of tax credits would be available. There are developers who are knocking on our doors with expertise saying what's available on Hilton Head Island. I really think that the partnership opportunities are something that we ought to be talking about. I think that is an opening that we have to look at very carefully.

Council Member Becker asked for clarification regarding the environmental study – what does that contain. What is it that is being studied? Ms. Childers said every property that we own has had an environmental before we purchase it. However, it is a requirement that they have another one. They look at everything from are there underground gas tanks buried under the property to are there any endangered species that might be harmed if they sell the property or transfer the property to a project-based voucher and everything in between. They would check is it in a fly zone, etc. They check everything they normally check on an environmental just to see if anything has changed from the time that we purchased the property until now. Ms. Becker said in thinking about the next steps, I would assume then that the idea of being able to deconstruct a building at a time and reconstruct them would provide a quality of life and an environment that is suitable for all of the people over there, much less anyone. My concern is of all of these plans, one of the things that I want to hear more about is how Sandalwood got to the state of disrepair that it was in and how would it be prevented in the future. Bottom line is we can talk and go back and forth in terms of how to make things better and that is the positive aspect of it, but I am interested in hearing about what the failures were and the corrections to those failures that led to the conditions and improvement for the future. Ms. Childers said that is a great question and it all starts with poor design. Public housing was very poorly designed when it was built in the 80s. At that point, just to name the basic one – air conditioning was not permitted. You could have window units, but could not have central air. It is just simple things like that that when we redevelop we will be able to do those things from the very beginning that will just make for better communities and better living. Ms. Becker said Beaufort Housing Authority owns the property and owns the building and has the responsibility to the residents. That is the piece with regard to planning for the future that I am concerned about. I think it is a point well taken that in addition to just the roof over someone's head, that the appropriate type of programming is available on site within arms distance taking advantage of the non-profits on our Island. We are a limited government so this isn't what Hilton Head Island Government does. We have the resources on the Island. What needs to happen is the connection between the Housing Authority and those non-profits to provide the type of resources that help people get their next foot in the ground so that they can move forward. Beaufort County Housing Authority is not supposed to be permanent. None of these agencies are supposed to be permanent. We want to help people move forward.

Chairman Harkins said there seems to be two paths available to us. Exhaust every opportunity working with in particular HUD and the other alternative is that we touched on lightly is developing a clear understanding of the tax break opportunities for the private sector and asking the question what can we do as a Town to encourage another alternative path concurrent with what we are doing. Council Member Ames asked Ms. Childers if the private sector were to get involved and the Town were to provide additional density on that piece of ground, would HUD allow that additional density or is it required to remain at 80 units. Ms. Childers said if we were approved to remove them from the public housing inventory, then HUD has no requirement on the density and we could do the additional density. I have actually spoken with the Architectural and Engineering Firm that is designing the Hilton Head Christian Academy property. If approved we would increase the density just slightly.

Chairman Harkins said he thinks we should meet with the Mayor and our new Town Manager and include this item on the workshop coming forward on workforce housing in the very near future and could put this on the agenda. Ms. Childers and Mr. Ianoale you would be graciously invited to participate.

Chairman Harkins thanked both Ms. Childers and Mr. Ianoale for coming and sharing what you are doing. Please leave this conversation with the clear understanding that anything we can do to help you, we are here to do that. I think we, speaking on behalf of our colleagues at this

meeting and the Town Council itself we have more thinking and discussion to engage in as a Town Council to try and forge a direction that can be helpful here.

8. Adjournment

Council Member Ames moved to adjourn. Council Member Lennox seconded. The meeting was adjourned at 10:30 a.m.

Submitted by:

Karen D. Knox

Approved: March 22, 2021