



PRESENTATION TO THE TOWN COUNCIL'S PUBLIC PLANNING COMMITTEE
FEBRUARY 14, 2019

Project Schedule

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Task 1. Housing Needs & Market Assessment								
Task 2. Best Practices Review & Analysis								
Task 3. Local Capacity Assessment								
Task 4. Strategy Toolkit & Implementation Framework								
Task 5. Communication & Public Engagement								 

Deliverables 

Site visits 

Workforce Housing Project Update



Outreach & Public Engagement

Focus Groups (November 2018)

Community Meetings (February 2019)

Communication & Education Tools

Community Input

Strategy Development

Review of Best Practices

Principles & Parameters for a workforce housing strategy

Community Input



Focus Groups (November 2018)

Resort/Restaurant Employers

Community Service Employers

Developers/Realtors

General Managers and Board Presidents – Gated Communities

Affordable Housing Advocates

Gullah-Geechee Community/Ward 1 Residents

Employees

Anchor Institutions

Town Public Planning Committee (PPC)

Business Workforce Coalition

Key Findings: Focus Groups

- A lack of lower-cost housing on the Island is a **significant impediment to employers**.
- The lack of workforce housing and the inability to attract workers can lead to **declines in quality of service** on the Island.
- There is a need for a **broad range** of workforce housing options.
- **Transportation** needs to be part of the solution.
- The Town needs to consider options for using **Town-owned land** that is not dedicated to conservation for the development of workforce housing.
- There needs to be a lot of **education** around workforce housing and planning issues.

Community Input

Community Meetings (February 2019)

Wexford Plantation

Indigo Run

Palmetto Hall

Palmetto Dunes

Hilton Head Plantation

Port Royal Plantation

Shipyard

Sea Pines

Public Meeting, Hilton Head PSD

Public Meeting, Town Hall

Key Findings: Community Meetings

Do you know people who would benefit from more affordable housing options on the Island?

Do you have concerns about more workforce housing options on the Island?

Do you think there are ways the Town can sensibly support workforce housing options?

Communication & Education Tools

“Profiles” of Community Members

Myth vs. Reality Fact Sheets

Social Media Outreach

Open Town Hall Survey

Communication & Education Tools



HILTON HEAD ISLAND WORKFORCE HOUSING Myth vs. Reality

What do we know about the impacts of workforce housing?

Myth #1

Workforce housing will bring down my property value.

In fact, research has shown that workforce housing has *no negative impacts* on homeowners' property values.

According to a **Trulia** study of 20 metropolitan areas, the location of low-income housing has no impact on nearby home values.

University of North Carolina - Chapel Hill researchers found that the characteristics of the home (e.g. home size and age) were more important than the presence of lower-cost housing in influencing residential property values.

The **National Association of Realtors** found that workforce housing does not have negative effects—and sometimes has positive effects—on property values, particularly in higher-value neighborhoods.

For more information and links to research, visit www.hiltonheadislandsc.gov/projects/workforcehousing



HILTON HEAD ISLAND WORKFORCE HOUSING Myth vs. Reality

What do we know about the impacts of workforce housing?

Myth #2

Workforce housing will be a fiscal drain on Hilton Head Island.

The truth is, workforce housing tends to have the same fiscal impact as does market-rate housing.

The **National Association of Home Builders (NAHB)** found that building 100 workforce housing units creates more than 150 short-term and long-term jobs.

NAHB research also showed that a new workforce housing project results in the same one-time revenue to a community as does a market-rate project.

According to the **Russel Sage Foundation**, lower-cost homes do not have significantly more school-age children than do market-rate homes.

The **National Housing Conference** reported that having housing affordable to lower-income working families lowers the level of foreclosures which results in savings on spending by the local government for property maintenance, legal fees, and demolitions.

For more information and links to research, visit www.hiltonheadislandsc.gov/projects/workforcehousing



HILTON HEAD ISLAND WORKFORCE HOUSING Myth vs. Reality

What do we know about the impacts of workforce housing?

Myth #3

Workforce housing looks cheap.

Actually, workforce housing is commonly designed to be consistent with existing neighborhoods, often indistinguishable from market-rate housing.

Can you tell which home rents for \$800 per month and which home sold for \$800,000?

Good design and appropriate incentives result in great looking, lower-cost housing.



Old Town Alexandria, Virginia

For more information and links to project photos, visit www.hiltonheadislandsc.gov/projects/workforcehousing

Review of Best Practices

PRODUCTION STRATEGIES

Incentive-Based Inclusionary Zoning
Adaptive Reuse
Public Land
Transfer of Development Rights
Form-Based Code
Expedited Permitting
Fee Waivers

TOOLS FOR EXPANDING HOUSING ACCESS

First-time Homebuyer Programs
Local Housing Voucher
Employer-Assisted Housing

FINANCIAL TOOLS

Local Housing Trust Fund
National Housing Trust Fund
South Carolina Trust Fund
Opportunity Zone

COMMUNITIES

Bluffton, Greenville, Charleston, Savannah, Cape Cod, Telluride, Aspen, Williamsburg, Virginia Beach, Arlington, Charlotte, Asheville, Wilmington, Palm Beach

Workforce Housing Strategy: Principles & Parameters

PRINCIPLES

Hilton Head Island's solutions for workforce housing should be designed to **respect the Town's unique natural and cultural resources.**

The community should adopt policies that **promote a sense of community** as well as provide housing for workers on the island.

Hilton Head Island should **leverage partnerships** among the public, private and nonprofit sectors to promote workforce housing.

Workforce housing incentives should be applied in an **equitable** manner so that all property owners on Hilton Head Island can realize the economic value of their property.

The Town's workforce housing strategies should be adopted alongside **sensible transportation investments.**

Workforce Housing Strategy: Principles & Parameters

WORKFORCE HOUSING DEFINITIONS

Income targets: 30 to 80% AMI (rental)

30 to 100% AMI (homeownership)

FY2018 HUD Income Limits - Beaufort County, SC HUD Metro FMR Area

Income Group	Household Size			
	1-person	2-person	3-person	4-person
30% AMI	15,200	17,350	20,780	25,100
50% AMI	25,300	28,900	32,500	36,100
80% AMI	40,450	46,200	52,000	57,750
100% AMI	50,600	57,800	65,000	72,200

Workforce Housing Strategy: Principles & Parameters

WORKFORCE HOUSING DEFINITIONS

Priority Groups:

- Current Hilton Head Island workers
- Current Hilton Head Island residents
- New workers with documentation of acceptance of a position with an employer on Hilton Head Island.

Workforce Housing Strategy: Principles & Parameters

OTHER ISSUES

Numeric Targets: ~200 units per year

At least one-third workforce housing

Affordability Terms: Ownership units: 15-year affordability term, with the term reset upon resale

Rental units: 99-year affordability term

Administration: Partnerships with nonprofits, County Housing Authority, Town staff

Beginning the Workforce Housing Plan

A Workforce Housing Strategy for the Town of Hilton Head Island:

- Will set the right environment and incentives for private-sector development of workforce housing options,
- Does not involve the Town building housing,
- Must include multiple approaches,
- Will be incremental,
- Will include measurable milestones, and
- Will be most effective if adopted along with transportation investments/programs.

Beginning the Workforce Housing Plan

Financial Tools

Local housing trust fund
Opportunity zone
Fee/property tax rebates

Land Use Tools

Bonus density/voluntary IZ
Town-owned land/RFP process
Adaptive reuse/options
Mixed-use redevelopment
Setback, easement & other lot requirements
Accessory units
Communal housing

Other Tools

Employer rental voucher
Employer-delivered housing
Home sharing

Q&A

