

TOWN OF HILTON HEAD ISLAND
Planning Commission
LMO REWRITE COMMITTEE MEETING

November 17, 2011 Minutes

1:00p.m. – Benjamin M. Racusin Council Chambers **APPROVED**

Committee Members Present: Chairman Tom Crews, David Ames, Irv Campbell, Jim Gant, Walter Nester, Councilwoman Kim Likins, *Ex-Officio*; and Charles Cousins, *Ex-Officio*

Committee Members Absent: Vice Chairman Gail Quick, David Bachelder and Chris Darnell

Planning Commissioners Present: David Bennett and Terence Ennis

Town Council Members Present: Mayor Drew Laughlin and Councilman Bill Ferguson

Town Staff Present: Jill Foster, Deputy Director of Community Development
Teri Lewis, LMO Official
Shawn Colin, Comprehensive Planning Division Manager
Kathleen Carlin, Administrative Assistant

- 1) **CALL TO ORDER**
Chairman Crews called the meeting to order at 1:00p.m.

- 2) **FREEDOM OF INFORMATION ACT**
Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and Town of Hilton Head Island requirements.

- 3) **APPROVAL OF THE AGENDA**
The agenda was approved as presented by general consent.

- 4) **APPROVAL OF THE MINUTES**
The minutes of the October 6, 2011 meeting were approved as presented by general consent.

- 5) **NEW BUSINESS**
 - A. Public Comment
Chairman Crews requested public comments from the audience and none were received.

 - B. Discussion - Priority and Reinvestment Areas
Chairman Crews presented opening statements. The committee will begin with a discussion of priority and reinvestment areas as they relate to location and boundaries, master planning and design standards, and coordination with the Economic Development authority entity. Chairman Crews presented brief background comments with regard to the Comprehensive Plan Committee and the Mayor’s Vision Task Force. Following these opening comments, Chairman Crews

asked, “How much of the island does the committee want to see as a priority area? What should the focus be?” As part of the discussion, a couple of committee members stated that it may be necessary to amend (or revise) the Request for Proposals (RFP) for the purpose of including a master plan for redevelopment. Should the RFP be revised to include a better understanding of the character of Coligny and Shelter Cove Mall? What is the character that the committee would like to see for these areas? How can the committee ask the consultant to provide them with standards for a priority area unless they first understand what the character of the area should be? The character of the area will dictate the standards for the area.

What standards would the committee like to see applied to Coligny? What standards would the committee like to see applied to Shelter Cove Mall? Because the goals for the redevelopment of these areas are different from one another, it makes sense that the design standards should be different as well. What should the ordinance look like? The consultant will need guidance from the committee to craft the ordinance.

The committee then discussed the need to narrow down their list of redevelopment areas. The redevelopment of Coligny and Shelter Cove Mall are the priorities given to the committee by Town Council. The committee is tasked with identifying other areas of the island. A couple of committee members stated that the LMO Rewrite Committee may not be the right group to decide what a priority area should be, or what a priority area should look like. The committee members stated that active participation by the stakeholders will be a vital part of the process. A number of public hearings with the stakeholders will be required. Should the committee look to the consultant to facilitate this process? How does the committee get to that point?

Mr. Cousins and the committee briefly discussed the conceptual plans for the redevelopment of Coligny and the Shelter Cove Mall (regarding the possibility of revising the RFP). Following their discussion, the committee decided that the design standards for Coligny and for the Shelter Cove Mall are sufficiently covered in the RFP. The committee stated that no revision to the RFP is necessary; the committee is satisfied with the content of the RFP, and they are ready to move forward with the process.

The committee did state that they would like to receive some additional direction from Town Council with regard to the selection of other properties on the island. It would be difficult for the committee to ‘pick and choose properties’ without first receiving some additional direction from Town Council.

Mr. Cousins and the committee returned to a discussion of the conceptual redevelopment plans for Coligny and Shelter Cove Mall. It will be interesting to follow the progress of this important redevelopment. The successful redevelopment of these two areas may help ‘lead the way’ for a successful format elsewhere. How will the committee mesh what is happening at Coligny and at Shelter Cove Mall with their efforts to rewrite the LMO?

Ms. Teri Lewis and the committee briefly discussed the number of consultants that have responded to the RFP. Ms. Lewis presented brief comments regarding their qualifications. Chairman Crews stated that the Selection Committee is evaluating the consultants’ qualifications at this time. A status update will be provided to the committee as soon as it is available.

Mr. Shawn Colin and the committee briefly discussed the LMO as it relates to conceptual redevelopment plans for Coligny and the Shelter Cove Mall.

C. Discussion - Affordable/Obtainable Housing

Chairman Crews presented introductory statements on the subject of affordable/obtainable housing on Hilton Head Island. Chairman Crews presented some background information regarding past efforts of the Comprehensive Plan Committee and the Housing Commission. Chairman Crews stated that the issue of affordable/obtainable housing on Hilton Head Island is an important one. Regrettably, a solution to the problem is not easy. Chairman Crews briefly reviewed some of the major obstacles to developing affordable housing on the island. The biggest barrier is the cost of land on Hilton Head Island.

Chairman Crews stated that Planning Commissioner David Bennett is present at today's meeting. Mr. Bennett would like an opportunity to discuss this important issue with members of the committee. The committee welcomed Planning Commissioner Bennett.

Planning Commissioner Bennett stated that he would very much like the committee to consider affordable/obtainable housing as one of their goals in rewriting the LMO. Mr. Bennett stated that he believes that a workable solution to this important issue should be fully explored by the Town. The importance of available affordable housing on the island cannot be over stated.

Mr. Bennett reviewed his own business experience in the development of affordable (rental) housing in other areas, including the Bluffton area. Mr. Bennett and the committee discussed several of the barriers to the development of affordable housing. Mr. Bennett reviewed a number of potential solutions including changes to zoning, taking advantage of available grants, taking advantage of tax incentives, waiver of impact fees, and property tax abatements. Mr. Bennett stated that it's important for everyone to come together now to put the necessary 'tools' in place so that when developers are ready, the Town's process will be in place.

A couple of committee members discussed the Town's Regional/Urban Design Assistance Team (R/UDAT). The committee discussed the need to relax some of the restrictions that currently exist in the LMO. Councilman Bill Ferguson presented statements in support of the need to provide affordable/obtainable housing. Mr. Ferguson stated that a solution to this problem is long overdue.

Mayor Drew Laughlin presented background information regarding the Town's previous efforts to address affordable/workforce housing. None of the programs that the Town has tried have been effective. Some programs have produced undesirable results. The Mayor stated that the committee needs to be careful of unintended consequences. Short of subsidies, it will be difficult to come up with a solution. Past experience has shown that land costs are the major issue. Changes to the ordinance are not that big of a problem.

The Mayor stated that a consultant's experience in other communities should be helpful to the committee because this problem cannot be unique to Hilton Head Island. A combined effort will be needed to tackle this complicated problem.

Mr. Cousins presented statements regarding past problems with the Affordable Housing Overlay Zone. Problems with the economy hurt the developers who participated in the program.

Planning Commissioner Terry Ennis presented statements regarding the economy and the demand for affordable housing on the island. Where is the supply and demand? Where is the energy to do something like this? There is more than one solution to this problem, and we need to investigate all of them. Mr. Ennis provided comments regarding the Comprehensive Planning Committee. At the completion of final comments, the committee stated that they would like to pursue this issue with the consultant. The committee agreed that affordable/obtainable housing should be one of their goals in rewriting the LMO.

The committee discussed some of the economic development incentives that they would like the consultant to address -- including setbacks, natural resources, and waivers on some of the existing requirements, impact fees, and incremental densities. The committee agreed that affordable/obtainable housing should be included in their efforts to rewriting the LMO.

Ms. Teri Lewis and the committee then discussed the committee's meeting schedule. Ms. Lewis stated that staff has no agenda items for the Thursday, December 8th meeting date. Chairman Crews approved the cancellation of this meeting. There will be no additional meetings in December. The committee will meet again in January 2012.

6. ADJOURNMENT

Following final comments, the meeting was adjourned at 2:45pm.

Submitted by:

Approved by:

January 31, 2012

Kathleen Carlin
Administrative Assistant

Tom Crews
Chairman