

TOWN OF HILTON HEAD ISLAND PUBLIC FACILITIES COMMITTEE

Date: March 23, 2015

Time: 10:00 A.M.

Members Present: Lee Edwards, Kim Likins, Tom Lennox

Members Absent: None

Staff Present: Scott, Liggett, Charles Cousins, Shea Farrar, Marcy Benson, Jayme Lopko, Shawn Colin

Others Present: Bill Harkins, *Councilman*

Media Present: None

1. Call to Order:

The meeting was called to order at 10:00 a.m.

2. FOIA Compliance:

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Committee Business:

Approval of Minutes: Mrs. Likins moved to approve the Minutes of November 5, 2014 meeting. Since Mrs. Likins was the only member of the Committee present at the November 5, 2014 meeting, there was no second to her motion.

Approval of Draft 2015 Committee Meeting Dates

Mrs. Likins moved to approve the Draft 2015 Committee Meeting Dates. Mr. Lennox seconded. The Draft 2015 Committee Meeting Dates were unanimously approved.

4. Unfinished Business: None

5. New Business

• **Request from Community Foundation of the Low Country regarding future site for Public Art.**

Jayme Lopko, Senior Planner, stated the Committee had before them a request from the Community Foundation of the Lowcountry to add another location for public art. We have 6 previous locations and this one is to allow the Veterans Memorial at Shelter Cove Community Park as a potential site for placement of public art on Hilton Head Island. If they choose a piece to be added there, it would come to Town Council and a specific location would be targeted. At this point it is just approving the actual land of the park as a possible location for art in the future.

After a brief discussion, Mrs. Likins moved the Public Facilities Committee approve the Veterans Park to be one of the sites for public art in the future. Mr. Lennox seconded. The motion was unanimously passed.

- **Request for recommendation to Town Council for approval of the Hilton Head Island Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program. The five year plan serves as the submission document for federal funds under the CDBG Program, includes strategies to carry out the Town's CDBG program and lists projects to be performed with CDBG funds.**

Marcy Benson, Senior Grants Administrator stated staff requests the Public Facilities Committee recommend to Town Council they approve by resolution the Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program.

In June 2014 Town staff was notified by the South Carolina office of HUD of the Town's eligibility status to participate in the CDBG Entitlement Program for federal fiscal year 2015. Eligibility in the program is a result of an increase in Town population based on Census data. The Town will receive \$202,347 for federal fiscal year 2015 directly from HUD to benefit low-to-moderate income (LMI) households. There is no local match requirement and the annual allocation can fluctuate each year depending on HUD calculations. A full five-year consolidated plan and one-year action plan must be submitted by May 15, 2015 and accepted by HUD prior to execution of a CDBG Entitlement Program grant agreement. If approved, program funds would be available effective as early as July 1, 2015.

Projects eligible for CDBG funding include but are not limited to: acquisition; public facilities & improvements; clearance and remediation; and public services. The projects do not have to go through a competitive selection process but they must be listed in the program-required five year consolidated plan. To meet minimum HUD requirements the consolidated plan should address community resources and include a housing market analysis, a housing needs assessment, a homeless needs assessment, housing activities, non-housing community development activities, goals & objectives, a citizen participation plan and an annual action plan, which must list the projects intended to be constructed with CDBG funds. Requirements for development of the consolidated plan include:

- Conduct a needs assessment public hearing.
- Draft a five year consolidated plan identifying HUD eligible projects in LMI areas.
- Conduct a 30 day public comment period for the draft consolidated plan.

To meet these requirements the Town held a needs assessment public hearing on November 13, 2014, results of which included many potential eligible activities. The draft plan was completed using the required format in the HUD developed eCon Planning Suite software program, with a recommendation to focus on dirt road paving projects. The 30 day public comment period began February 16, 2015 and comments were accepted through March 18, 2015. All public comments received were in support of the consolidated plan and have been reviewed for common and recurring themes. Public comments received during the comment period and a summary of the comments have been placed in the appendix section of the draft of the consolidated plan.

The consolidated plan was presented at the March 18th Planning Commission meeting. The Committee recommended approval by resolution of the Consolidated Plan. The Planning Commission also requested the execution team to work with the Public Service District on the coordination of sewers, where possible. An additional Planning Commission comment was to recommend coordinating any other utility construction projects with dirt road paving projects listed in the plan in order to maximize construction efforts within project areas. A final review of the consolidated plan is anticipated at an upcoming Town Council meeting to move the plan forward to meet the May 15, 2015 HUD submittal deadline.

Upon submission of the consolidated plan, HUD has 45 days to review the plan. HUD may accept or recommend revisions to the plan. When the plan is ultimately accepted, a grant agreement between HUD and the Town will be executed and funds would be available effective as early as July 1, 2015.

Mr. Edwards asked who made the decision that it would be the road paving and what are some of the other options that money can be used for. Marcy Benson stated when they were told the amount of funding was available to us by HUD, we looked at a variety of projects. Sewer and water projects can be funded with CDBG funds, street lighting, sidewalks, pathways or anything that will benefit LMI areas. They also have parts of the program that can fund programs that will benefit LMI users. That is a little bit different than construction projects. Anything that would be considered public improvement types of projects can be funded with CDBG dollars.

Mr. Lennox asked if there was more than one definition for LMI. Marcy Benson said not with HUD. HUD has one definition. They do break it out into three categories – they consider it extremely low which is 30% of the median county income. Then you have low which is 50% of the median county income and then moderate which is 80%. They have a very fixed definition but within that there are three levels – extremely low, low and moderate.

Mrs. Likins disclosed that she is the Director of the Boys and Girls Club, but wanted to have this conversation because the Boys and Girls Club is on the tract on Gum Tree Road. While I think paving roads is wonderful, I know that it affects a certain number of individuals. When you look at an organization that has a membership of 700, and the majority of those children qualify for free and reduced lunch and are in this category and live in this area, I just wonder if there might not be something program wise that we might consider. I know one of our strategies is an education strategy as far as a goal and we have talked about doing some different things. If this doesn't qualify, please let me know. I am just trying to see if there is a broader way that some of these funds might be able to be used to help accomplish some of the other things as a Council that we have talked about.

Mr. Edwards stated that tied into his question as to who decided on the paved roads and can it be used for other things. Who made the decision to make the paved roads the priority?

Marcy Benson advised that when we conducted the needs assessment meeting in November, there were approximately 25 attendees. During that meeting, we discussed the different types of projects that could be funded with CDBG. We listed them and those attendees voted what their top three were. Although paved roads came out kind of in the middle, sewer was in there and also drainage and stormwater types of projects. There were community facilities in there that were listed as well – a Community Room at Chaplin. There was nothing mentioned that discussed any type of neighborhood or community programming. HUD does fund those types of things. I would have to look more deeply into the exact types of those programs that are available for funding, but taking that list of needs that came out of that meeting into consideration along with the amount of funding available – that is how the dirt roads rose to the top as to what could be funded and what can set us up for success – to be able to complete the projects listed.

Mr. Edwards also mentioned Marcy Benson said it could be amended so if we do some paved roads the first year or two and then maybe shift focus down the road would that be a problem? Ms. Benson said no – even though this is a five year plan, HUD requires an annual report or annual plan to be submitted as well. Included in that annual plan process is the same process that we have taken up to this point – having public meetings, doing needs assessments, etc. If in future meetings it comes out that they want to have different types of projects funded, that could be implemented into the plan. Mrs. Likins asked if the plan could be amended for year one to add something. Ms. Benson said we could add something now since we have not submitted the plan. The plan gets submitted May 15th. If there is something that is needed to be added that can be done prior to submittal.

Mr. Edwards mentioned the Island Rec. Center is in that neighborhood – could improvements at the facilities there be considered or are recreational opportunities that could be used for the Grant at some point? Ms. Benson stated it can but has to be for LMI. Once you get into the programming part there are different ways to measure how you are capturing the beneficiaries instead of through census data. It is through income based surveys. The participants in whatever program you are funding may need to fill out income verification types of surveys so that we can assure that 51% or more of those users are falling into the LMI category. Mr. Edwards said paved roads are important, but as Kim said you affect a very small amount of people. It might be nice to spend some money on something that would affect a larger group.

Mrs. Likins said she agrees that if we have the opportunity to necessarily amend it maybe we want to take a little bit of time and look back at our priorities and see if there is anything we might want to change. Ms. Benson stated that HUD is moving to a soft ware based submittal so even though there is a paper print out, they have a soft ware program that everything must be entered in. This is the first time using the soft ware so I would recommend as early as possible prior to the May 15th deadline that we could have things finalized that would be appreciated.

Ms. Benson said we would submit our plan on May 15th, HUD has 45 days to review it and accept it or review it and send it back for revisions. I would like to anticipate that they accept it and as of July 1st we would have access to those funds. The federal fiscal

year ends September 30th. We then move into 2016. HUD knows that it is not realistic that we could complete a project even in a 12 month timeframe so they give you three years to complete the project. Those funds stay within that year unless an amendment is done to make changes.

Shawn Colin, Deputy Director of Community Development added the Town first became eligible for this Entitlement Program one year previous and Town Council at that point based on previous CDBG experience in giving our last grant back decided not to pursue the entitlement. This summer when it came back to us, Council decided it was time to move forward and pursue this. It does provide a dedicated source of funding every year and cumulatively it gets to be real money. When we were first notified the amount was \$181,000 it was an estimate. In January HUD released the final number of \$202,347. We do have a lot of needs, whether it be housing, sewer, drainage, community services. In previous grant applications where we competed in a competitive pool, we didn't have the qualifying census tract. That is when you had to go back in and do wage verification, income surveys and qualify particular areas. That is where we fell into trouble with the last grant where we had to return the money.

Looking at housing and sewer and some of these larger capital projects that go multiple years and have a much wider impact – they also have larger funding and we didn't want to create a situation where you couldn't fund the entire project with the funding to be had. Also in our meetings with the PSD, they mentioned that installation of sewer in areas that have dirt roads is problematic and unlikely that those areas would be sewered as long as dirt roads were in place. This is an opportunity to also partner with the PSD to make improvements to roads in areas that will serve LMI, but also provide the opportunity to partner with other utility installation in those areas.

Because of the timing, the HUD software program that Marcy mentioned wasn't populated fully until January so we have had a condensed period to get this plan to you. For the first year of meeting the May 15th deadline I would recommend we move forward with at least the first project on the list and then as the Town's needs change we can amend the plan and look at other opportunities for programming or other projects you deem appropriate for the use of these funds.

Mr. Edwards commented it makes sense to move forward with keeping in mind we can amend it if we need to.

Mr. Lennox moved the Public Facilities Committee recommend to Town Council approval of the Hilton Head Island Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program. The five year plan serves as the submission document for federal funds under the CDBG Program, includes strategies to carry out the Town's CDBG program and lists projects to be performed with CDBG funds. Mrs. Likins seconded but stated she wanted the motion to say that we accept it but we would also like for Town Council to consider looking at some additional projects as well. The motion unanimously passed.

- **Gumtree Sewer Project Easements**

Shea Farrar stated it is staff's recommendation that Town Council authorize the conveyance of permanent easement rights to Hilton Head Island Public Service District (HHPSD) for linear easements across Town property associated with the Gum Tree Sewer Project.

The Gum Tree Sewer Project will expand the availability of sewer service in the unserved area along Gum Tree Road. The new sewer line will be located in the road right-of-way where possible, but there is the need to cross the frontage of three Town-owned properties along Gum Tree Road. HHPSD has requested that the Town grant the conveyance of these permanent easement rights for access to the properties and for the installation and maintenance of sewer infrastructure.

Mr. Lennox moved the Public Facilities Committee recommend to Town Council they authorize the conveyance of permanent easement rights to Hilton head Island Public Service District (HHPSD) for linear easements across Town property associated with the Gum Tree Sewer Project. Mrs. Likins seconded. The motion unanimously passed.

6. Adjournment:

Mrs. Likins moved to adjourn. Mr. Lennox seconded the motion. The meeting was adjourned at 10:40 a.m.

Respectfully Submitted,

Karen D. Knox
Senior Administrative Assistant