

**TOWN OF HILTON HEAD ISLAND**  
**Public Planning Committee**  
**Minutes of the January 25, 2018 – 3:00 p.m. Regular Meeting**  
**Benjamin M. Racusin Council Chambers**

Committee Members Present: Chairman David Ames, Kim Likins, Bill Harkins

Committee Members Absent: None

Town Council Present: Mayor David Bennett, John McCann

Town Staff Present: Marcy Benson, Senior Grants Administrator; Shawn Colin, Deputy Director of Community Development; Teri Lewis, LMO Official; Jennifer Ray, Planning & Special Projects Manager; Teresa Haley, Senior Administrative Assistant

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**1. Call to Order**

Chairman Ames called the meeting to order at 3:00 p.m.

**2. Freedom of Information Act 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. Approval of Agenda**

The Public Planning Committee approved the agenda by general consent.

**4. Approval of the Minutes – October 26, 2017 Regular Meeting, November 30, 2017 Special Meeting, December 20, 2017 Special Meeting**

The Public Planning Committee approved the minutes of the October 26, 2017, November 30, 2017, and December 20, 2017 meetings by general consent.

**5. Unfinished Business – None**

**6. New Business**

**a. Review of Policy Questions and Responses Matrix**

Mr. Colin presented a brief review of the policy questions and responses matrix. Chairman Ames requested this be referred to as “preliminary” policy questions and responses matrix. There was general agreement among the Committee members.

**b. Review of Best Practices**

Ms. Benson and Ms. Lewis presented the best practices case studies of the following communities:

Aspen/Pitkin County, CO

Davidson, NC

Jackson/Teton County, WY

Montgomery County, MD

Steamboat Springs, CO

Virginia Beach, VA

Charleston, SC

Delray Beach, FL

Jupiter, FL

New Castle County, MD

Telluride, CO

Charlotte, NC

Greenville, SC

Key West, FL

Savannah, GA

Truckee, CA

The case studies comprised information on the various communities related to: the types of housing developed, who administers the program, the target area median income, deed restricted and for how long, bonus density offerings, employment verification, exactions, fee in lieu, inclusionary zoning, infill, regional efforts, resort community, and net worth/net income requirements.

The Committee discussed and made inquiries about the communities regarding:

- Types of housing developed
- Whether the housing is for sale or rent or other options
- Whether the term “affordable housing” is used
- How various aspects of the programs are managed, such as when a certain number of homes is required to be affordable
- If bond issues were explored
- Aspects of deed restricted properties
- Calculations for payments in lieu of units allowed
- The majority of the communities have a net worth or income requirement
- Funding sources
- Revenue sources (tax revenue, developer fees, exactions) used to supply workforce housing
- How much in terms of dollars do the communities contribute to the programs
- A program part of land development regulations which contain an inclusionary workforce housing requirement
- Public and private partners involved
- Offering bonus density and site development incentives, expedited reviews, and application fee waivers to workforce development project developers
- Requirements to participate in incentives
- Contributing to a trust fund for housing
- Regulatory mechanisms and restrictions

Staff presented potential candidate communities from the UNITE Summit that were invited to the Committee workshop:

Aspen/Pitkin County, CO

Delray Beach, FL

Jackson/Teton County, WY

Steamboat Springs/Yampa Valley, CO

Virginia Beach, VA

Jackson/Teton County and Steamboat Springs/Yampa Valley have confirmed. Staff recommends bringing in a representative from Charleston for the workshop. The Committee expressed wanting to hear from the communities: both the positive and the negative aspects they have experienced, as well as what they are contributing financially. The workshop will be the opportunity to gain this insight. The Committee expressed a consultant would be the ideal person to sort and analyze the information.

- c. Discussion of draft Request for Proposals (RFP) for an Affordable Workforce Housing Strategic Plan

Ms. Ray presented the current draft of the RFP. The Committee complimented Staff's work. The Committee expressed the desire to have a consultant that will:

- Explain "who is Hilton Head?"
- Use the Brown case study as a resource and apply it
- Demonstrate quality of analysis and how they approach problem solving
- Explain how they design safeguards against failure and potential pitfalls
- How they intend to engage the community (businesses, restaurants, constituents)
- Work out whether the solution is regional or local, or a combination of both
- Know the responsibility and who the type of people are that would be moving this forward
- Be familiar with or work closely with a firm familiar with applicable South Carolina laws
- Communicate effectively

The Committee emphasized the importance of the consultant's communication. The Committee and Staff agreed a consultant is needed. The output of Beaufort County's needs assessment study is unknown and not anticipated to include Jasper County. The expected future growth in Jasper County may warrant regional efforts. There was discussion on understanding affordable housing and further the dynamics of the broader housing market and trends. The consultant will need to be able to identify key information gaps and corrective action, using options in the toolkit, building a foundation of information, and doing a comprehensive diagnostic work up.

Chairman Ames shared remarks that the goal of affordable housing might be said to be strengthening community through housing. There may be unique opportunities in Hilton Head and should those be addressed in the RFP? For example, (1) the interest in redeveloping underperforming and vacant commercial buildings, (2) is there a connection to the condos here and affordable housing, and (3) there is a resistance here to gentrification and second-home demand. Affordable housing stock needs to be maintained over time because of the resort community.

The consultant has to provide information and articulate the Town's core principles in order to test these policies and strategies. It is important for the consultant to understand the uniqueness of Hilton Head Island and craft a package that is uniquely Hilton Head.

The Committee shared comments on the itemized list contained in the draft RFP as follows:

- *Summary of best practices.* The consultant needs to provide more than a summary. The discernment of the consultant for pros and cons of what they've experienced in those areas. A level of detail is needed.
- *Detailed toolkit for addressing affordable housing.* What has succeeded and failed in the past? Demonstrate experience and expertise with the tools they list.
- *Outline of strategies including financial impacts.* This is believed to be a "Phase 2" component. The options of strategies that would get narrowed down to two or three recommended strategies.
- *Expected absorption rate.* This should be done by segment.

Mayor Bennett complimented Staff on their work. Mayor Bennett presented supporting remarks regarding this effort as well as some concerns for consideration moving forward.

The process of approving the RFP was discussed. There is no requirement the RFP go through Town Council. The Committee consensus can direct Staff to move forward with putting out the RFP. The Committee was asked to submit any comments on the RFP to Staff. Then there was discussion on the processes and timeline for selection, scoring, and interviews. Once the RFP is authorized, it will take about sixty days to get to the interview portion. The solicitation is typically thirty days, but has been twenty one days. The Beaufort County assessment is currently on track for an early March delivery. The Committee expressed concerns that research may need to expand to include Jasper County, and whether Beaufort County would roll the existing contract and take this on. Staff indicated they will review the assessment first and report back.

**7. Committee Business – None**

**8. Appearance by Citizens**

Michelle Wicoff indicated the Chamber can provide information and documentation of case studies in additional communities discussed today.

Glenn Stanford complimented Staff and the Town on their work. Mr. Stanford noted the 9% tax credit available for affordable housing projects and urged it be included in the evaluation. Mr. Stanford indicated he would like to see more information on communities that have done repurposing projects for affordable housing.

**9. Adjournment**

The meeting was adjourned at 4:31 p.m.

Submitted by: Teresa Haley, Senior Administrative Assistant

Approved: February 22, 2018

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David Ames, Chairman