

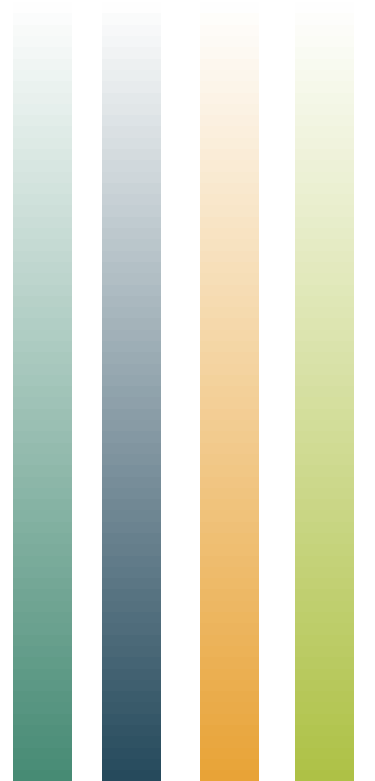
Workforce Housing Framework Workshop

Town of Hilton Head Island, South Carolina

October 25, 2022 – Town Hall

Introductions

Group



Welcome

Mr. Tom Lennox & Mr. David Ames



Purpose & Agenda

Kyle May, MKSK



Introductions



Kyle May

Senior Associate, MKSK

Facilitator



Tammie Hoy Hawkins

President / CEO, Together Consulting



Purpose & Agenda

Purpose: Present and discuss the draft Workforce Housing Framework

- ***Welcome & Introductions***
- ***Setting the stage***
- ***The HHI Workforce Housing Framework***
 - *The challenge, commitment, and experiment*
 - *What's needed? Why now?*
 - *The Housing Charrette*
 - *Examples from around the country*
- ***Touring the Framework DISCUSSION***
- ***Next steps***



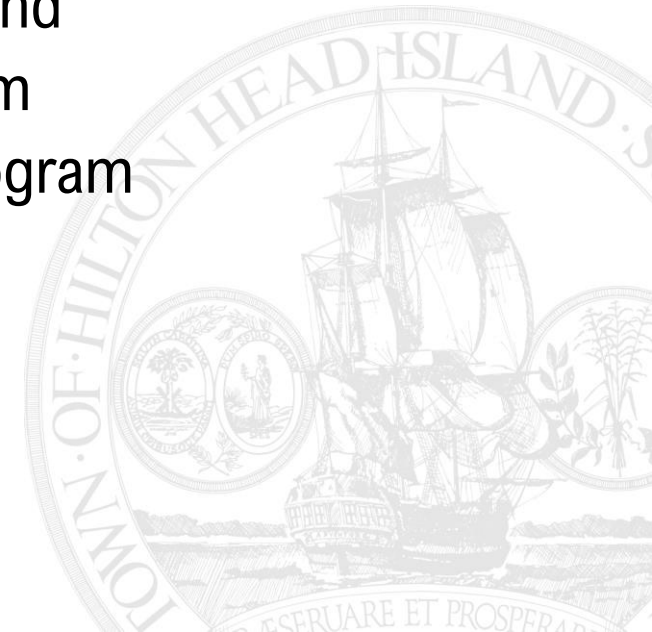
Finding Home
**A WORKFORCE HOUSING
FRAMEWORK**
For the Town of Hilton Head Island, SC

Setting the Stage

*Missy Luick,
Community Planning Manager, Town of Hilton Head Island*

Overview

- ❑ Housing Initiatives: Adopted Plans
 - Workforce Housing Strategic Plan
 - Our Plan
 - Town Strategic Action Plan
- ❑ Housing Initiatives: Policy & Programs
 - Workforce Housing Incentives
 - American Rescue Plan Funds
 - Regional Housing Trust Fund
 - Sewer Connection Program
 - Home Safety & Repair Program
- ❑ Community Profile
- ❑ Island Housing Options



HOUSING INITIATIVES

2019

Adoption of Workforce Housing Strategic Plan

2020

Adoption of Commercial Conversion Workforce Housing Incentive

Adoption of Our Plan

2021

Adoption of Density Bonus Workforce Housing Incentive

Programmed American Rescue Plan Funds for Housing Initiatives

Regional Housing Trust Fund Assessment

Adoption of Town's Strategic Action Plan

2022

February
Proposal to Advance Housing Initiatives

July
Launch Sewer Connection Program

July
Launch Home Safety & Repair Program

September
Regional Housing Trust Fund

November
Workforce Housing Framework



HOUSING INITIATIVES: ADOPTED PLANS

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Adoption of Workforce Housing Strategic Plan

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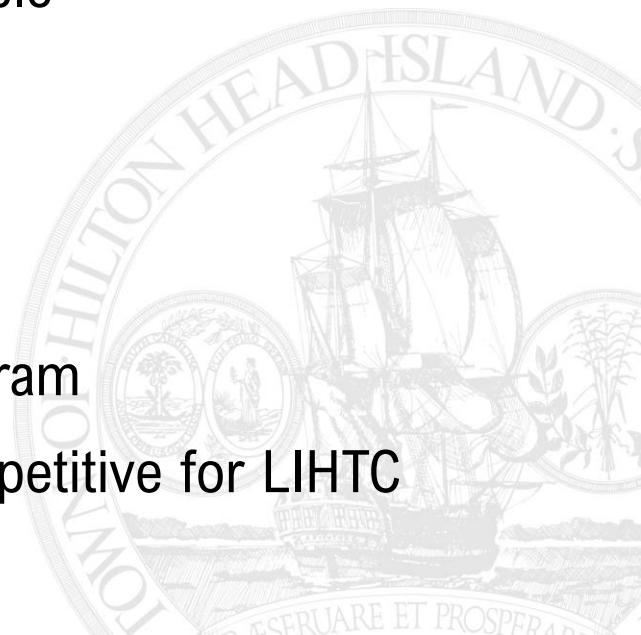


TOWN OF HILTON HEAD ISLAND
**WORKFORCE HOUSING
STRATEGIC PLAN**

Workforce Housing Strategic Plan

Recommendations from Strategic Plan

1. Housing Trust Fund
2. Commercial Reuse Policy
3. Make Town-Owned Land available
4. Density Bonus Program
5. Employer Assisted Housing
6. Tax & Impact Fee Rebates
7. Home Link/Home Sharing Program
8. Make rental projects more competitive for LIHTC

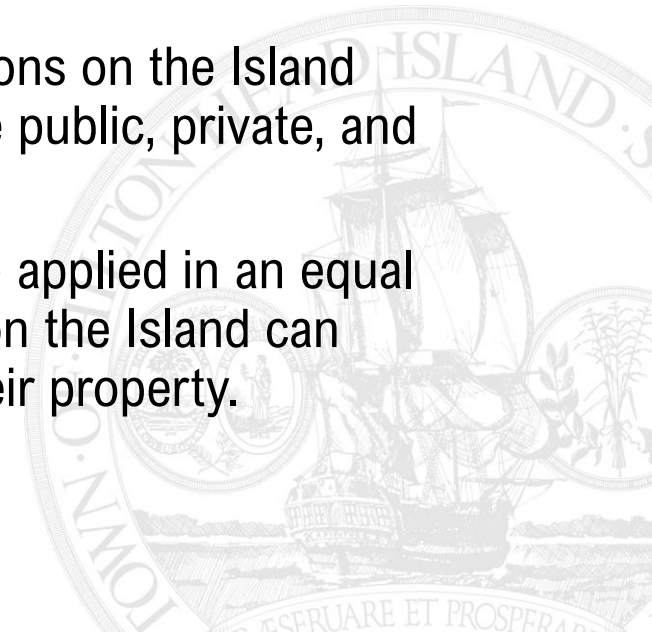




Workforce Housing Strategic Plan

Workforce Housing Principles

- Solutions for workforce housing should be designed to respect the Town's unique natural and cultural resources.
- Policies that not only provide housing for workers but also promote community on the Island.
- Creating a range of housing options on the Island requires partnerships among the public, private, and nonprofit sectors.
- Incentives for housing should be applied in an equal manner so all property owners on the Island can realize the economic value of their property.





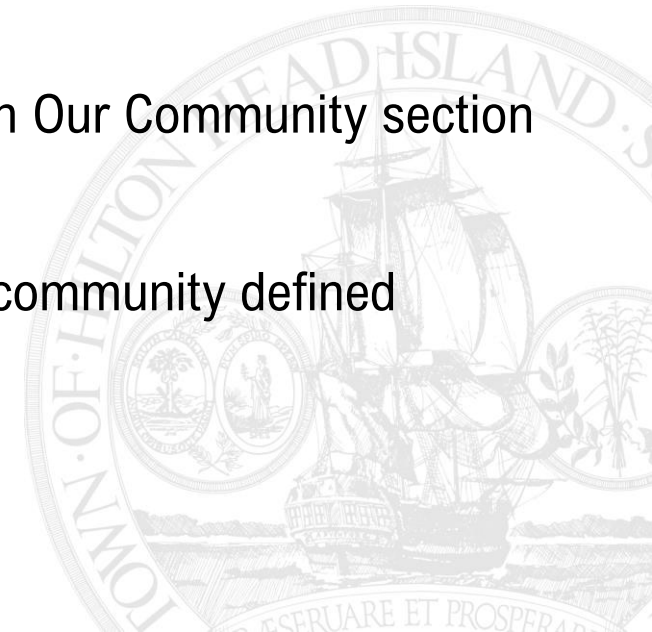
Our Plan

Hilton Head Island
South Carolina
2020 - 2040

Our Plan

Strong Foundation for Workforce Housing

- ❑ Foundational to directing the Town's focus and parameters for initiatives that affect the Island community now and into the future
- ❑ Data driven analysis represented in Our Community section Elements
- ❑ Extensive representation through community defined Goals, Strategies and Tactics



**Town of Hilton Head Island
Strategic Action Plan
FY 2021-2022**



Town Strategic Action Plan

- Implement American Rescue Plan Funding Appropriation
- Assess Creation of Regional Housing Trust Fund
- Implement Workforce & Affordable Housing Strategy



Adopted December 7, 2021

HOUSING INITIATIVES: POLICY & PROGRAMS

2019

Adoption of Workforce Housing Strategic Plan

2020

Adoption of Commercial Conversion Workforce Housing Incentive

Adoption of Our Plan

2021

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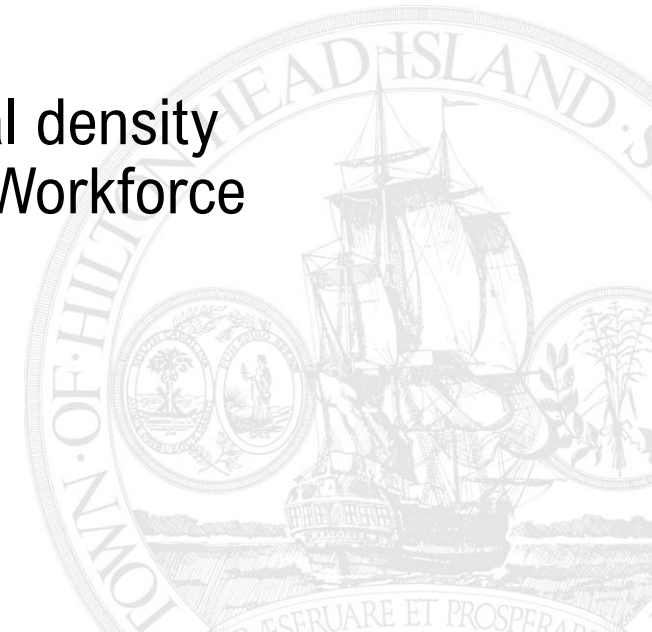
November
Workforce Housing Framework





Workforce Housing Incentives

- ❑ **Commercial Conversion** - Conversion of existing non-residential square footage to residential units
- ❑ **Density Bonus** - Additional density provided in exchange for Workforce Housing units



American Rescue Plan Funds



On August 19, 2021, Town Council approved the allocation of over \$5.2 million in American Rescue Plan Funds to address negative impacts caused by the public health emergency, invest in water, sewer, and broadband infrastructure, and target funding as follows:

- ❑ \$1,000,000 – Community Foundation of the Lowcountry Pandemic Impact Grants with \$500,000 in FY22 and \$500,000 in FY23
- ❑ \$1,000,000 – Town Hall Security and Technology Improvements with \$1,000,000 in FY22 and \$0.00 in FY23
- ❑ \$1,000,000 – Housing Development/Infrastructure with \$500,000 in FY22 and \$500,000 in FY23
- ❑ \$400,000 – Home Repair – Structural Safety/Removal of Unsafe and Uninhabited Structures Program with \$200,000 in FY22 and \$200,000 in FY23
- ❑ \$200,000 – Lateral Sanitary Sewer Connection Grants with \$100,000 in FY22 and \$100,000 in FY23
- ❑ \$1,627,178 – Public Infrastructure with \$300,000 in FY22 and \$1,327,178 in FY23

Total = \$5,227,178

Regional Housing Trust Fund

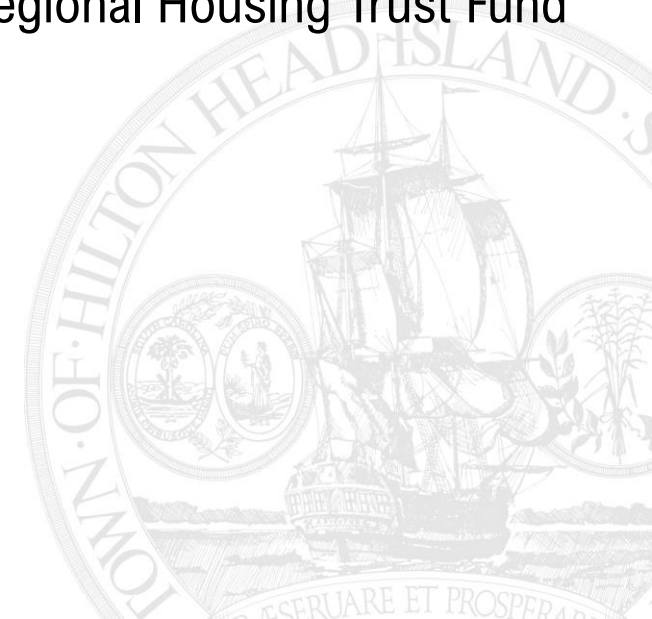
BEAUFORT-JASPER COUNTIES

HOUSING TRUST FUND PROPOSAL
AND IMPLEMENTATION PLAN



ASAKURA
ROBINSON

- ❑ Assessment process led to development of a Regional Housing Trust Fund Proposal and Implementation Plan
- ❑ **September 2022:** Town Council authorized execution of an Intergovernmental Agreement to participate in the Beaufort-Jasper Counties Regional Housing Trust Fund



Town of Hilton Head Island

SEWER CONNECTION PROGRAM



The Town of Hilton Head Island's Sewer Connection Program is a grant program to help income-qualified Hilton Head Island homeowners and renters connect to public sewer. If your household does not fully qualify for a sewer assistance grant from Project SAFE (Sewer Access for Everyone), you may be eligible for a Town sewer connection grant.

Eligibility

- » You must be a Hilton Head Island resident who owns or rents a home and you must occupy the residence.
- » You must apply for a Project SAFE grant. If you are ineligible for Project SAFE, you may qualify for the Town's Sewer Connection Program.
- » Your household income must not exceed 100% of the Area Median Income for Beaufort County, S.C., to be considered for the Town's program.

Apply Today

- » Request an application for Project SAFE from The Deep Well Project, 80 Capital Drive, HHI.
- » Complete and return the application to Deep Well for review.
- » Eligible applicants will be referred to the Town's Sewer Connection Program for consideration. Visit [hiltonheadislandsc.gov/programs/sewer/](https://www.hiltonheadislandsc.gov/programs/sewer/) for more details on this program.

This program is supported with funding from the American Rescue Plan Act.

For More Information, Contact:

The Deep Well Project at
(843) 785-2849



Sewer Connection Program

- Grant program funded by American Rescue Plan Act
- Helps income-qualified residents connect to public sewer



Town of Hilton Head Island

HOME SAFETY & REPAIR PROGRAM



GET HELP WITH HOME REPAIRS

Is your home in need of repairs that you just can't afford?

If you are an income-qualified homeowner living within the Town of Hilton Head Island, you may be eligible for the Town's Home Safety & Repair Program.

Eligible Repairs

This program will pay for up to \$15,000 of eligible repairs including:

- » Repairs to roofs, windows, doors and other parts of your home to help keep it safe and dry.
- » Demolition of uninhabited or unsafe structures on your property.
- » Removal or trimming of trees in danger of damaging your project.

Qualifications

To be considered for the Home Repair and Safety Program, homeowners must:

- » Apply to the Town of Hilton Head Island for assistance. Download an application from the Town's website at hiltonheadislandsc.gov/programs/homesafety/. Eligible homeowners will be contacted if their application is approved.
- » Have a household income at or below 60% of the Area Median Income for Beaufort County, S.C.
- » Provide proof of income and property ownership.

For More Information, Contact:

Missy Luick, Community Planning Manager
(843) 341-4693
MissyL@hiltonheadislandsc.gov

This program is supported with funding from
the American Rescue Plan Act.



Home Safety & Repair Program

- Funding through American Rescue Plan Act
- Helps income-qualified residents get home repairs
 - Roof, windows and door repairs
 - Demolition of uninhabited or unsafe structures
 - Removal or trimming of trees

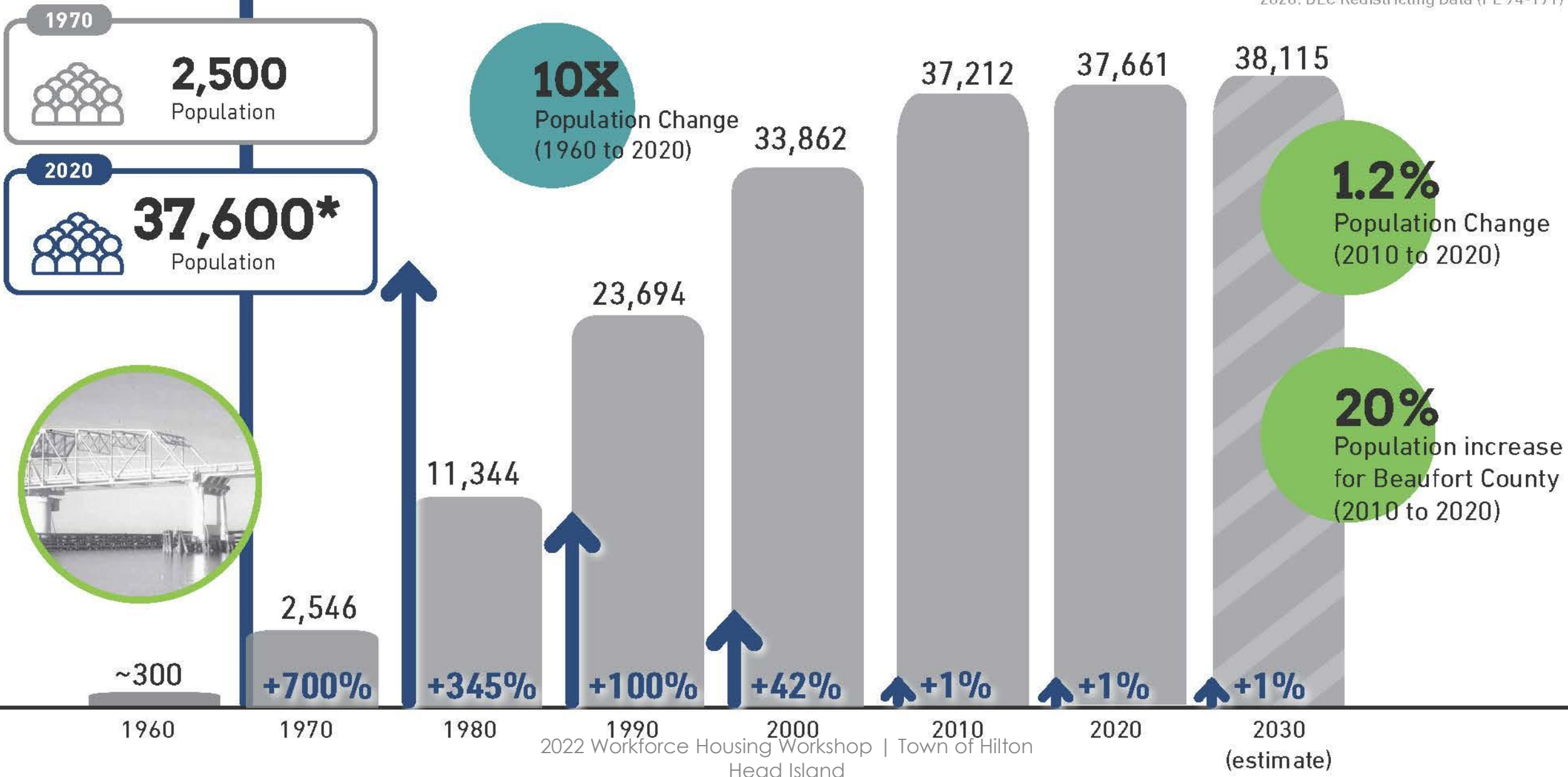


COMMUNITY PROFILE

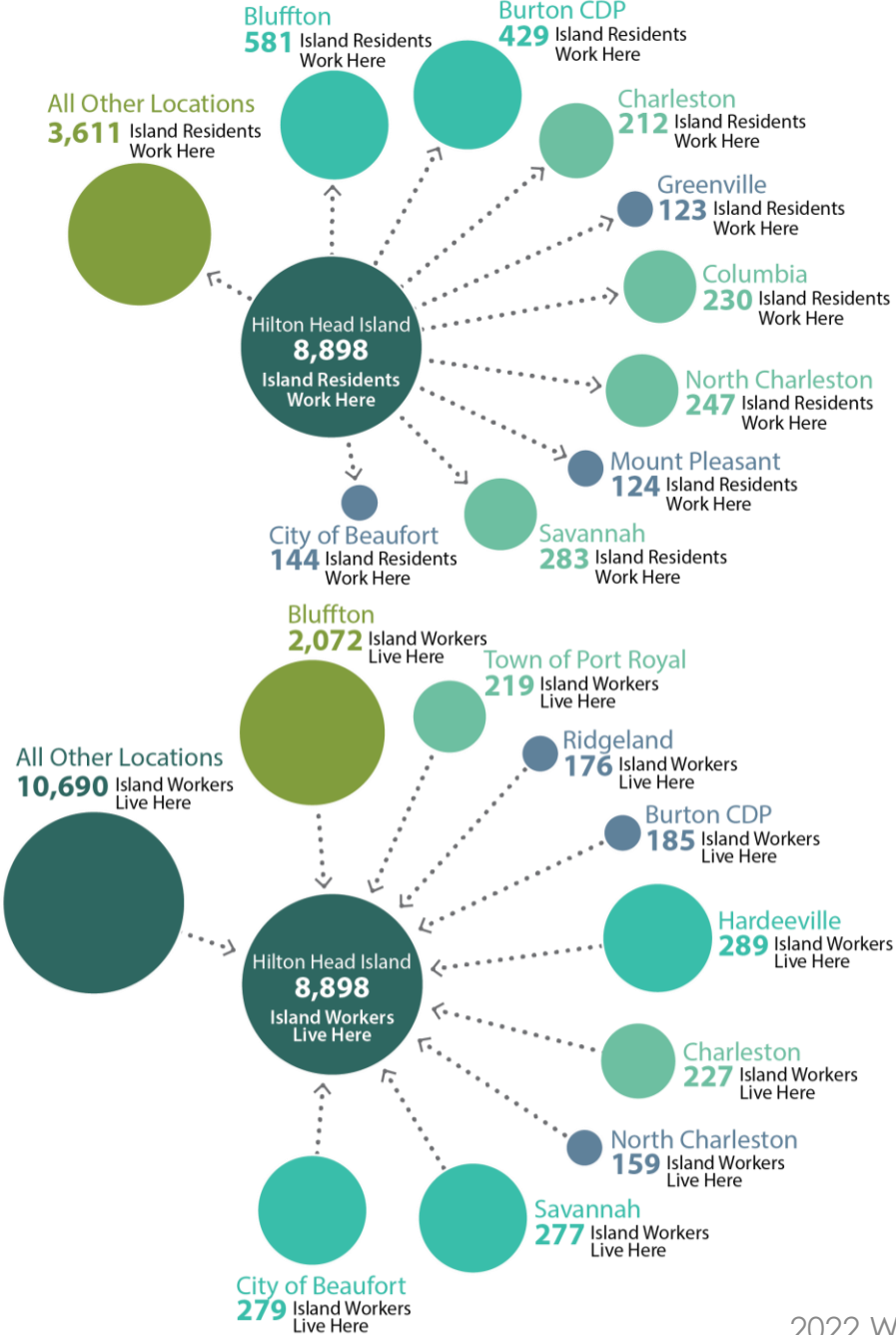
U.S. Census Bureau, Census 1970-2020

*U.S. Census Bureau, Census 2010. Esri Forecasts for 2021 and 2026

2020: DEC Redistricting Data (PL 94-171)



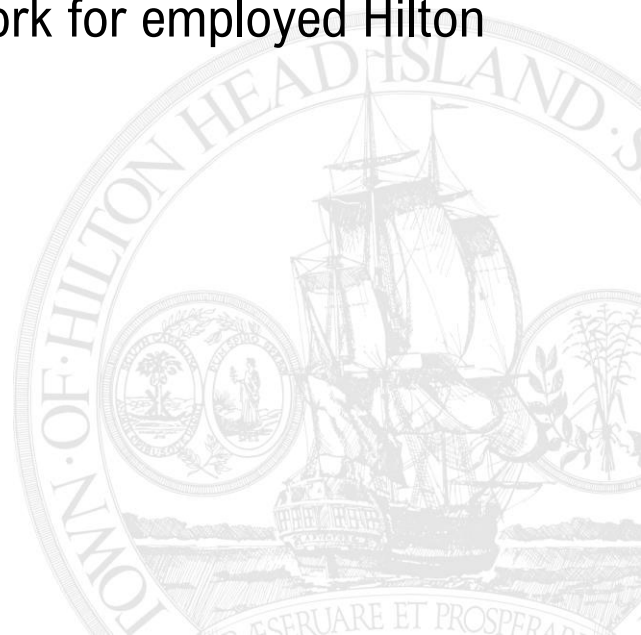
2017 Laborshed Analysis



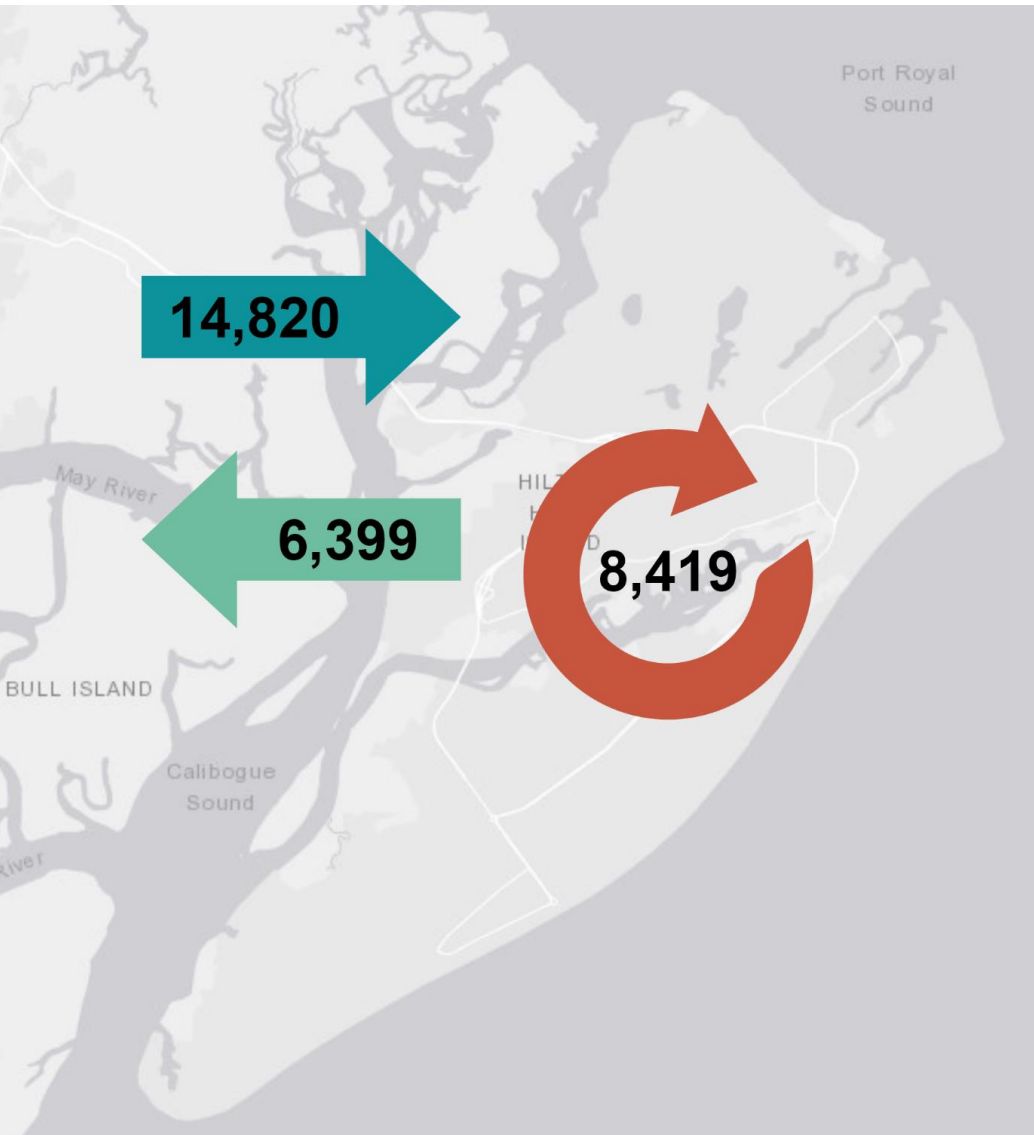
- ❑ Nearly 23,500 Island Jobs reported
- ❑ More than 14,500 people commuted daily onto Hilton Head Island for employment
- ❑ 5,984 employed residents commuted to work in other communities
- ❑ Nearly 8,900 employed residents live and work on the Island
- ❑ The most common locations of work for employed Hilton Head Island residents were:

- Hilton Head Island
- Bluffton
- Burton CDP
- Savannah
- North Charleston

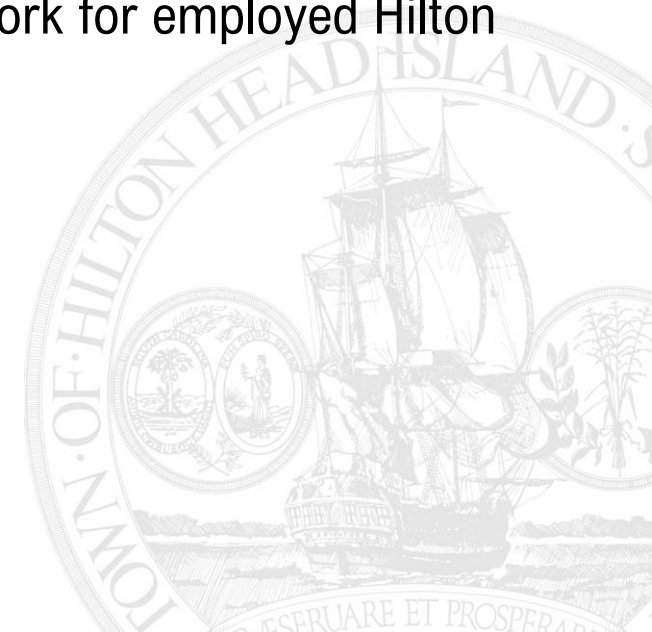
Data Source: US Census; LEHD On The Map



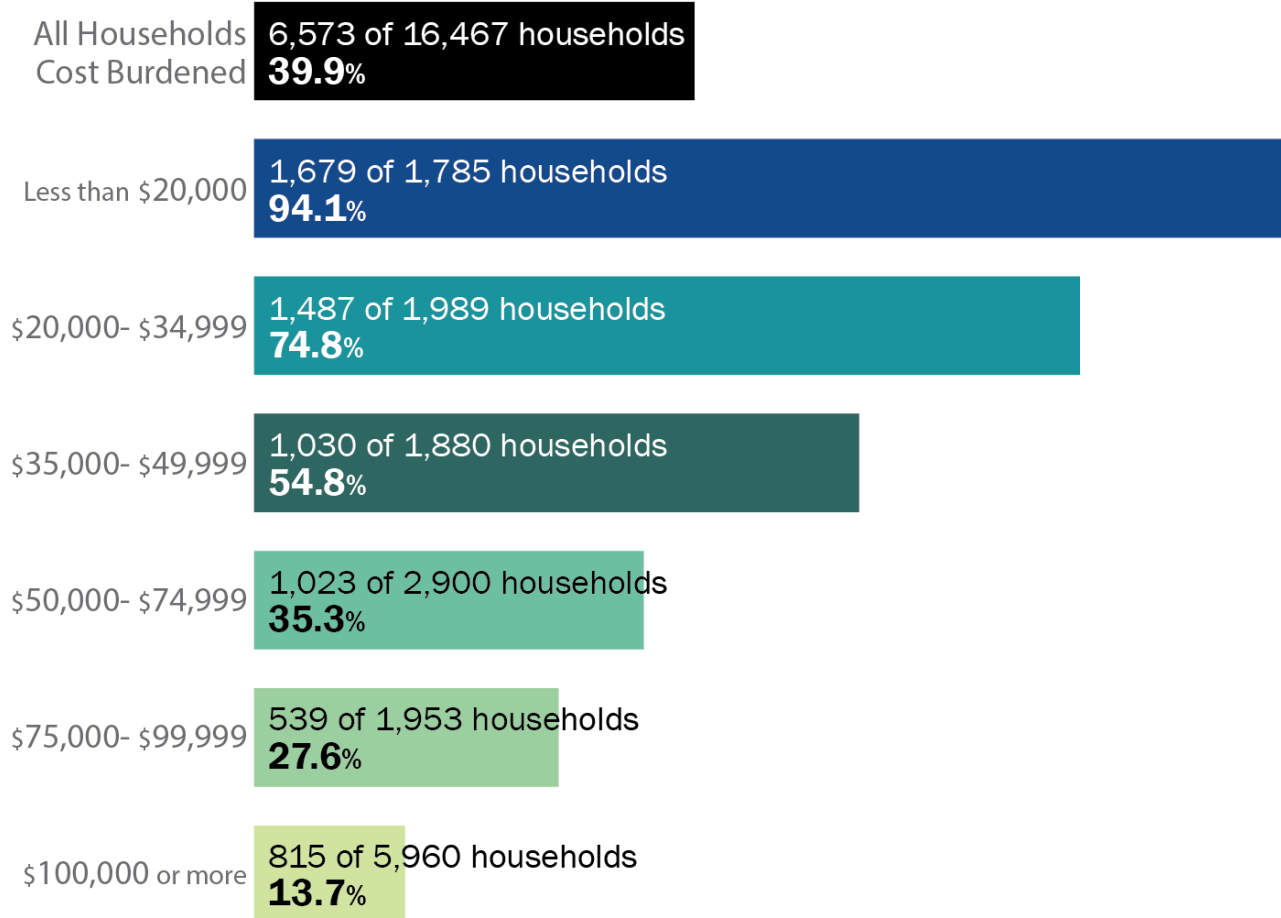
2019 Laborshed Analysis



- ❑ Just over 23,200 Island jobs reported
- ❑ More than 14,800 people commuted daily onto Hilton Head Island for employment
- ❑ 6,399 employed residents commuted to work in other communities
- ❑ Nearly 8,500 employed residents live and work on the Island
- ❑ The most common locations of work for employed Hilton Head Island residents were:
 - Hilton Head Island
 - Bluffton
 - Burton CDP
 - Savannah
 - North Charleston

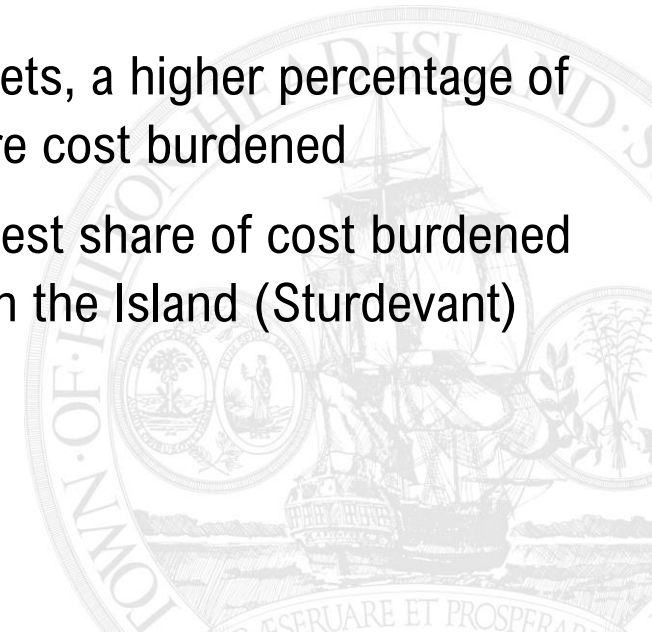


2016 Housing Cost Burden



- ❑ Definition: A household that spends 30 percent or more of their income each month on housing costs (Sturtevant)
- ❑ Out of 16,467 total occupied households, 6,573 were cost burdened
- ❑ In lower income brackets, a higher percentage of Island homeowners are cost burdened
- ❑ In the County, the largest share of cost burdened homeowners reside on the Island (Sturdevant)

Data Source: WFH Strategic Plan



ISLAND HOUSING OPTIONS

RESTRICTED			
	Name	Units	Restricted
1	55 Gardner	260	13
2	7 Lagoon	8	8
3	90 Dillon	48	48
4	Cedar Wells	24	24
5	Hilton Head Gardens	112	112
6	Sandalwood Terrace	145	145
7	Sylby Tub	18	18
8	The Glen	16	16

UNRESTRICTED		
	Name	Units
1	Allenwood	156
2	Chimney Cove	52
3	Cordillo Courts	72
4	Cotton Hope	132
5	Cotton Point	11
6	Fuller Point	7
7	Hedges	68
8	Marsh Point	140
9	Marshside	244
10	Palmetto Bay Lodges	16
11	Palmetto Commons	62
12	Point Comfort Club	35
13	Summer House	196
14	Summerfield	104
15	Tabby Walk	91
16	The Oaks	114
17	Wild Horse Court	37
18	Woodhaven	160



The Glen



Source: The Island Packet

The Town of Hilton Head Island donated over 14 acres to Hilton Head Habitat for Humanity in 2011 in exchange for construction of infrastructure to serve their units.

Two-phase single-family subdivision project located on Alex Patterson Road off Marshland Road.

- Phase 1:** 16 units
 - Completed
- Phase 2:** 16 units
 - Currently under construction



Hilton Head Gardens



- ❑ VITUS Development purchased Hilton Head Gardens in July of 2021 for \$14,350,000
- ❑ Beaufort Housing Authority assisted with financing by issuing Tax Exempt Multifamily Bonds, which was support by Town Council
- ❑ New owner has been rehabilitating the 112-unit property costing approximately \$50k per unit



Not Alone: Examples from like Communities

Tammie Hoy Hawkins, President / CEO, Together Consulting



Learning from other Communities: Review, Evaluate, Recommend and Replicate

Conducted extensive analysis of other affordable housing frameworks, tools and strategies. What makes sense for Hilton Head:

Small Resort Communities: Breckenridge, Martha's Vineyard

(Incentives, buy downs, zoning tools, increase long term rentals, deed restrictions, land banks & trusts)

Beach Communities: Virginia Beach, Key West, Juniper

(Zoning tools, mixed use, encourage rental, workforce housing programs for homeownership)

Southern Communities: Savannah, Charlotte

(Mixed income housing development planning, Bond financed HTF, revolving loans for housing)

South Carolina Communities: Charleston, Greenville

(Local funding commitments, bonds, housing trust funds, advocacy, Housing Coalition, Mayors Council on Homelessness and Affordable Housing)

Finding Home
**A WORKFORCE HOUSING
FRAMEWORK**
For the Town of Hilton Head Island, SC

Building a Framework

Kyle May, MKSK

Tammie Hoy Hawkins, President / CEO, Together Consulting

The Draft Workforce Housing Framework

- *What is our commitment to addressing the housing affordability shortage in the Town of Hilton Head Island?*
- *Starting with consensus on the Town's position and central promise*
- *Organizing around four, related pillars*



Finding Home

A WORKFORCE HOUSING FRAMEWORK

For the Town of Hilton Head Island, SC

DRAFT, Ver. 3.2 | October 25, 2022

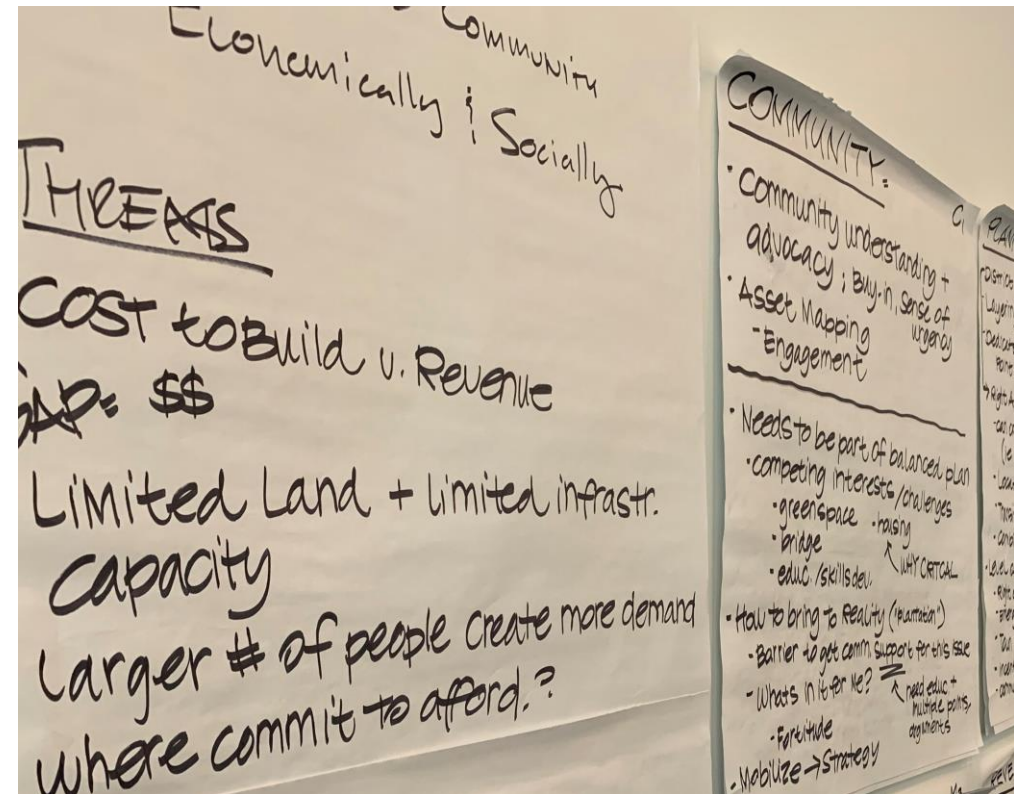
COST TO BUILD vs. Revenue
\$ vs \$
Limited Land + Limited Housing Capacity
Larger # of people creates more demand
Where commit to afford?



The 2022 Workforce Housing Charrette

Purpose:

- Convene to establish a framework for affordable housing on Hilton Head Island.
- Define a broad strategy statement that articulates the position of the Town with respect to the challenge.
- Set goals and determine strategies within the four “pillars” of the Framework: Community, Planning, Management, and Revenue
- Recommend a Framework to Town Council for consideration



The 2022 Workforce Housing Charrette

Results:

- *35 participants*
- *Broad cross-section of public, private, and philanthropic groups with a focus or interest in the Town's housing affordability challenges*
- *Ten hours of work over two days*
- *Elevation of the draft Framework goal, pillars, and strategies*



Finding Home
**A WORKFORCE HOUSING
FRAMEWORK**
For the Town of Hilton Head Island, SC

Touring the Framework

Discussion

Framework Structure

- *Working from broad to specific*
- *Starting with consensus on the Town's position and central promise*
- *Organizing around four, related pillars*
- *Critical First Steps, most specific projects, policies, or programs*



Our goal for Workforce Housing

The Town of Hilton Head Island shall ensure growing opportunities to provide more workforce housing options on the Island and participate – through real investments – in the local and regional solution.

To meet our goal, we commit to a Housing Framework supported by four foundational pillars: Community, Planning, Management, and Revenue. Collectively, these pillars establish the enabling structure to assign future policy, programs, organizational capacity, resources, and management. This in the pursuit of expanding workforce housing development opportunities in the Town.



I. COMMUNITY

Engaging and enabling action outside of Town Hall

Working with community groups and advocates

Building an ongoing dialogue



II. PLANNING

Ongoing project, program development

Right-sizing BMPs

Action plans; department integration

Ongoing evaluation



III. MANAGEMENT

Creating internal structure

Roles, responsibilities, and functions

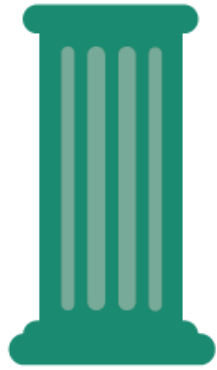
Partnerships and relationship maintenance (liaising)



IV. REVENUE

A sustainable stream of resources

Scaling to need; scaling to efficacy



Community

Goal for the Community pillar:

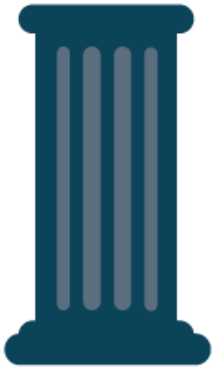
To engage, collaborate, and inform the community on housing challenges, solutions, and to identify community-led housing programs and solutions.

Strategies:

1. Commit to develop, maintain, and support partnerships with community organizations, as well as regional and state partners to collaboratively address local housing needs.
2. Commit to a Housing Action Committee to coordinate to coordinate with community groups in the housing space, cultivate an ongoing housing dialogue, and engage the community in housing education, planning, innovation and provide advice and recommendations.

Critical First Steps:

- ✓ Develop a Case for Housing communications campaign that plainly lays out the argument for Town action and is distributed through a multi-channel, multi-format campaign
- ✓ Distribute and regularly update an asked-rent survey to area renters and landlords
- ✓ Develop an asset map of local groups and individuals involved directly or indirectly with housing security or affordability



Planning

Goal for the Planning pillar:

To create a social, political, and economic environment that stimulates workforce housing that initiates planning, policy and programming.

Strategy:

1. Commit to create a multi-year workforce housing action plan that will include a range of prioritized housing tactics and tools.

Critical First Steps:

- ✓ Create a Workforce Housing tactic toolbox
- ✓ Develop and maintain a map and database of all naturally occurring affordable housing units





Management

Goal for the Management pillar:

To establish a management program and policies to advance workforce housing opportunities

Strategies:

1. Commit to adding dedicated staff to provide coordination and planning.
2. Commit to explore the creation of a professionally managed housing organization.
3. Commit to and maintain a dashboard of core metrics.

Critical First Steps:

- ✓ Develop an asset map of existing partners and players in the space of workforce housing
- ✓ Recruit and hire at least one staff person focused on implementing the housing action plans and playing a lead advocate for the Town's efforts





Revenue

Goal for the Revenue pillar:

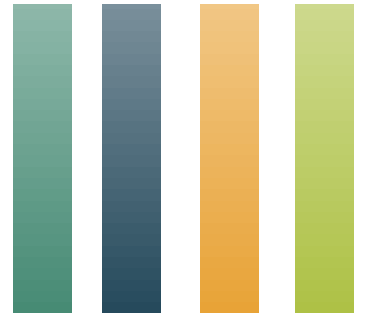
To provide a consistent, sustainable, and multi-sourced revenue model for funding of workforce housing initiatives and partnerships.

Strategy:

1. Commit to funding plan that meets the needs of the multi-year workforce housing action plan.

Critical First Steps:

- ✓ Establish recurring funding sources that are allocated for workforce housing
- ✓ Identify possible Town revenue sources for workforce housing program allocation
- ✓ Establish a network of potential financial partners including but not limited to private investors, philanthropic organizations, banks, etc. to support workforce housing initiatives



Finding Home

A WORKFORCE HOUSING FRAMEWORK

For the Town of Hilton Head Island, SC

Finding Home
**A WORKFORCE HOUSING
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Next Steps

Group