



SOUTHERN LOWCOUNTRY REGIONAL BOARD MEETING AGENDA

Hardeeville City Hall, 205 Main Street,
Hardeeville, SC 29927

Tuesday, January 24, 2023, 10:00 a.m.

I. CALL TO ORDER

II. NEW BUSINESS

1. Introduction of newly elected members
2. Legislative update by Scott Slatton from MASC
3. Discussion of the Hilton Head Island Transfer Tax and how a region wide transfer tax could be used for Greenspace and/or Transportation needs

III. OLD BUSINESS

IV. DISCUSSION

V. ADJOURNMENT

NEXT MEETING DATE:

Tuesday, February 28, 2023, at 10:00 a.m.

"FOIA Compliance – Public notification of this meeting has been published and posted in compliance with the Freedom of Information Act and the Town of Bluffton policies."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Bluffton will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. The Town of Bluffton Council Chambers are ADA compatible. Any person requiring further accommodation should contact the Town of Bluffton ADA Coordinator at 843.706.4500 or adacoordinator@townofbluffton.com as soon as possible but no later than 48 hours before the scheduled event.

Real Estate Transfer Fee The Town of Hilton Head Island Experience

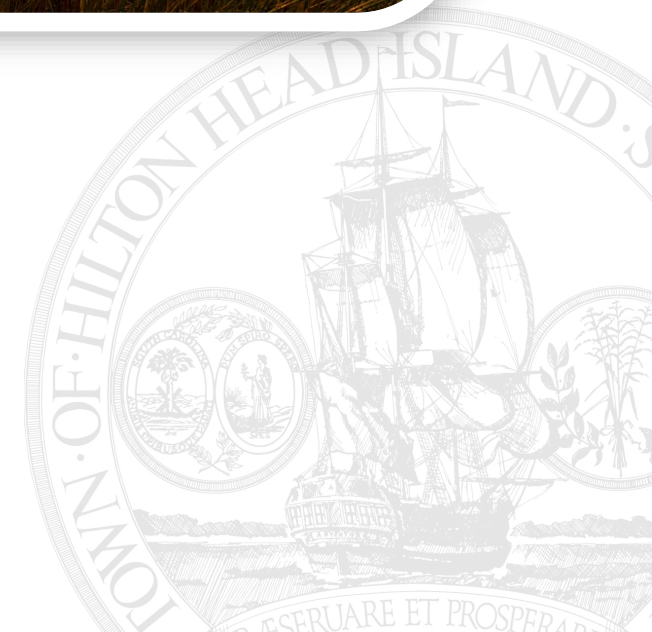
Presented to the Southern Lowcountry Regional Board | January 24, 2023



Overview

The Real Estate Transfer Fee (RETF). . .

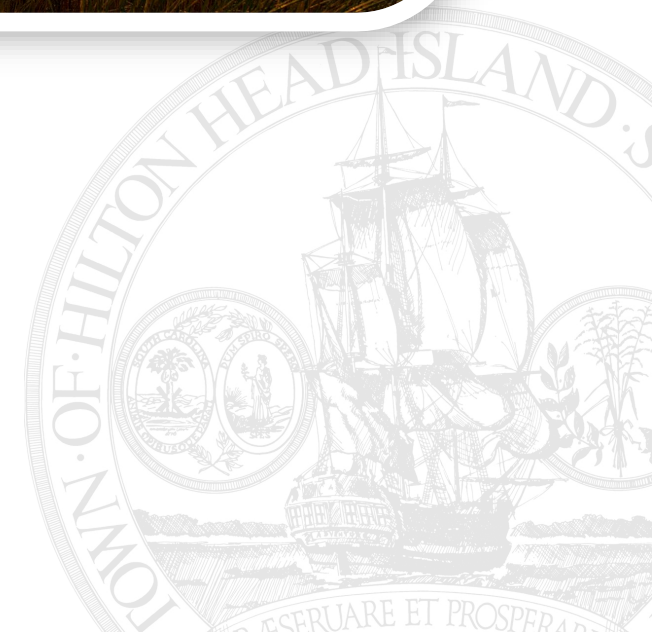
- We will:
 - *Give a quick history*
 - *Talk about the intent and purpose for the fee*
 - *Talk about past uses*
 - *Talk about possible future uses and why it is important*
 - *Talk about where do we go from here?*



A Little History

The Real Estate Transfer Fee . . .

- *What has it been used for?*
- *Primarily -- open spaces and the US 278 corridor.*



A Little History

The Real Estate Transfer Fee . . .

- The Fee was adopted by Town Council in 1990.



A Little History

The Real Estate Transfer Fee . . .



Sec. 4-5-30. - Intent.

Conservation efforts . . . maintenance of environmental quality . . . balanced growth. . .

majority of land set aside under this chapter shall be kept in perpetuity as close as possible in its natural state and it shall not be overly invaded with permanent structures.

A Little History

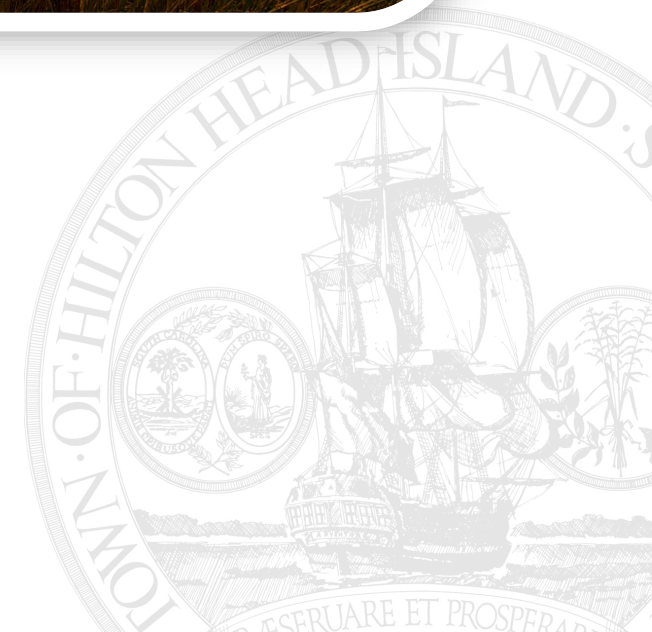
The Real Estate Transfer Fee . . .

Sec. 4-5-40. - Purpose.

To acquire . . .land . . .

to be held in perpetuity as wildlife preserves or . . .

needed by the public in the future for active and passive recreation uses and scenic easements . . .



A Little History

The Real Estate Transfer Fee . . .

Sec. 4-5-40. – Purpose continued . . .

To acquire . . . land . . . to convert its use to a public use,

to restore the property to open space,

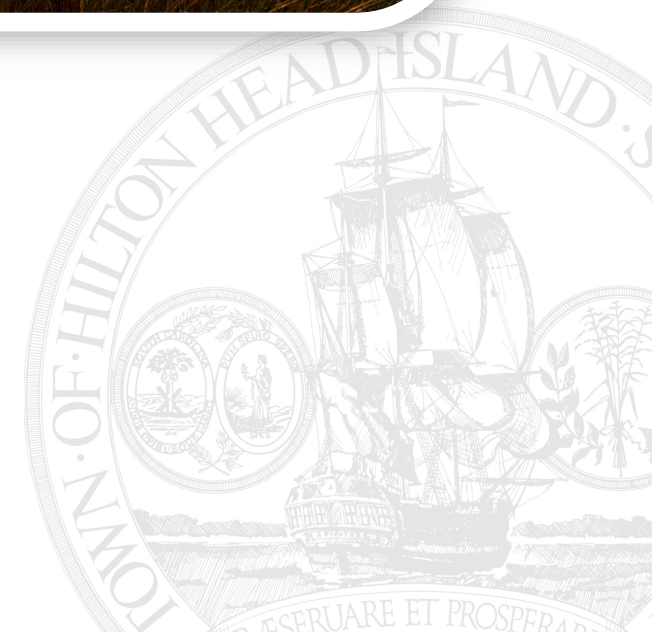
or to redefine that property in accordance with the town's current comprehensive plan and dispose of it as soon as possible.



A Little History

The Real Estate Transfer Fee . . .

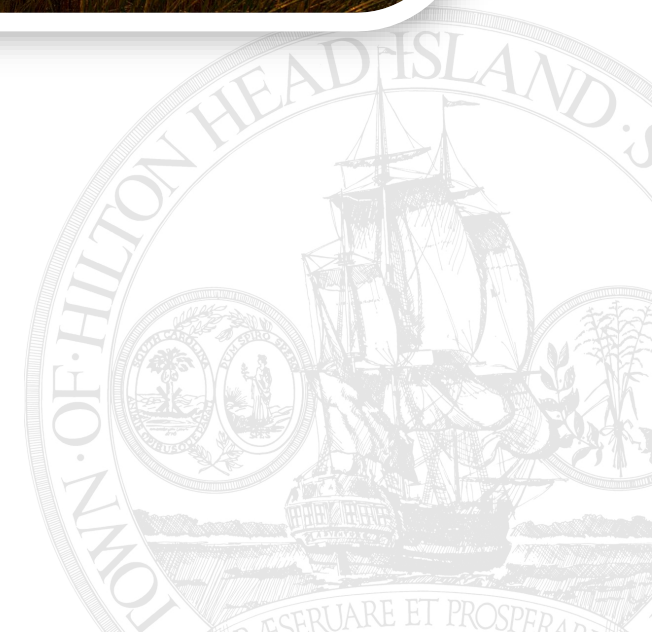
- Is set at 0.25 of 1% of the gross sale price of each real estate transaction within the municipal limits of the town.
- On the sale of a \$500,000 home the fee is \$1,250.



A Little History

The Real Estate Transfer Fee . . .

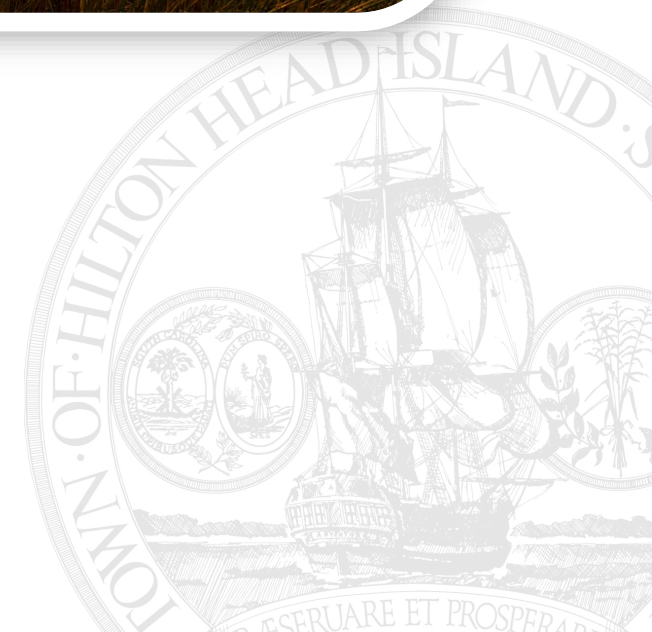
The fee is the liability of the ***purchaser*** at the time of recording . . .



A Little History

The Real Estate Transfer Fee . . .

The fee was set for twenty-four (24) years – ending December 31, 2024 . . .

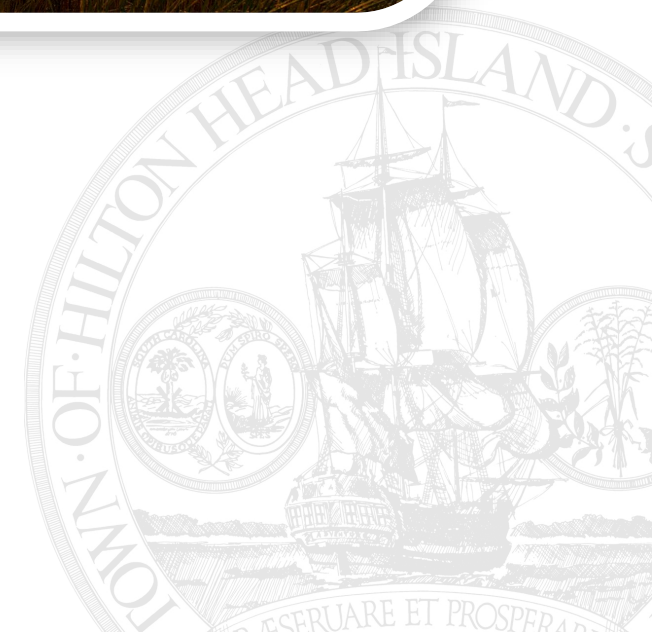


A Little History

The Real Estate Transfer Fee collections . . .

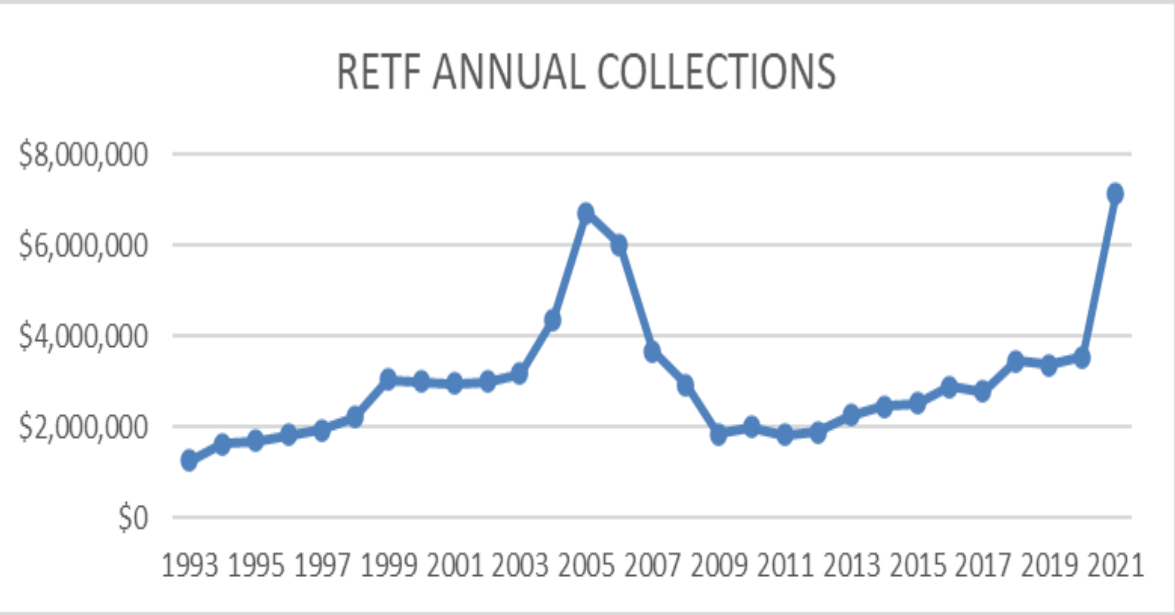
The Town has collected over \$87 million in RETF since 1990 . . .

. . . and keeps the fees in a separate fund just for that purpose.



A Little History

The Real Estate Transfer Fee collections . . .



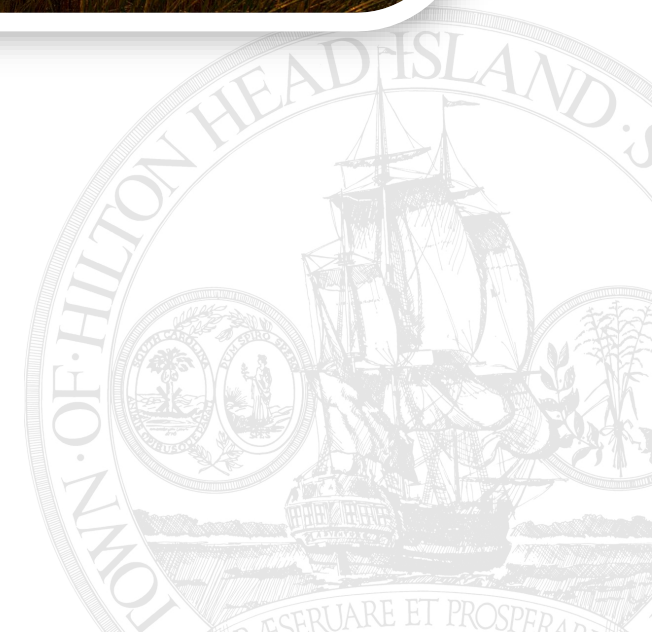
The Town has collected over \$94 million in RETf since 1990 . . .

The most recent year (2022) was \$6,957,245.

A Little History

The Real Estate Transfer Fee collections . . .

The Town has used over \$77 million in RETF since 1990 . . .



A Little History

The Real Estate Transfer Fee . . .

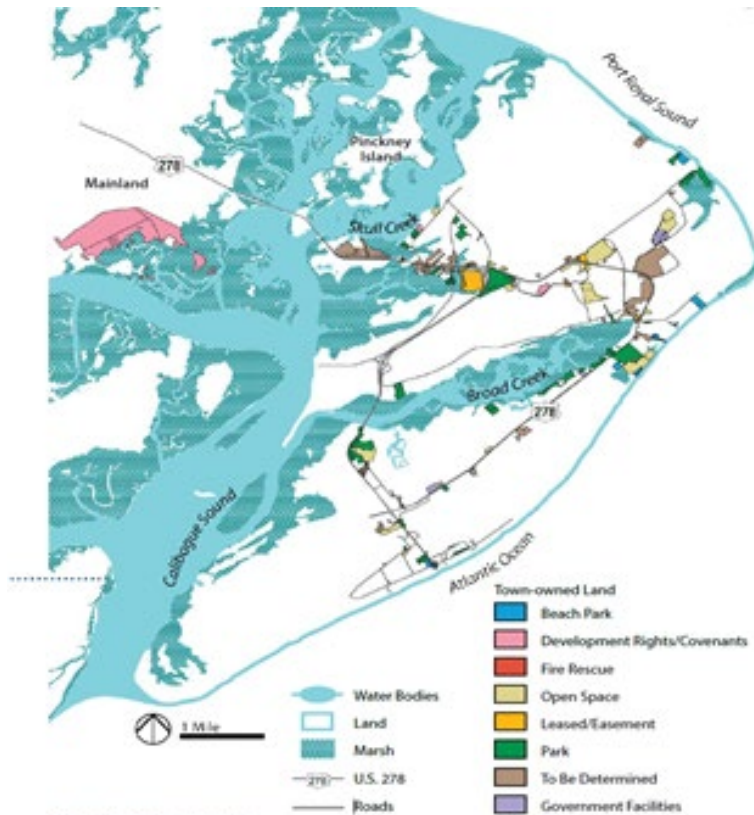


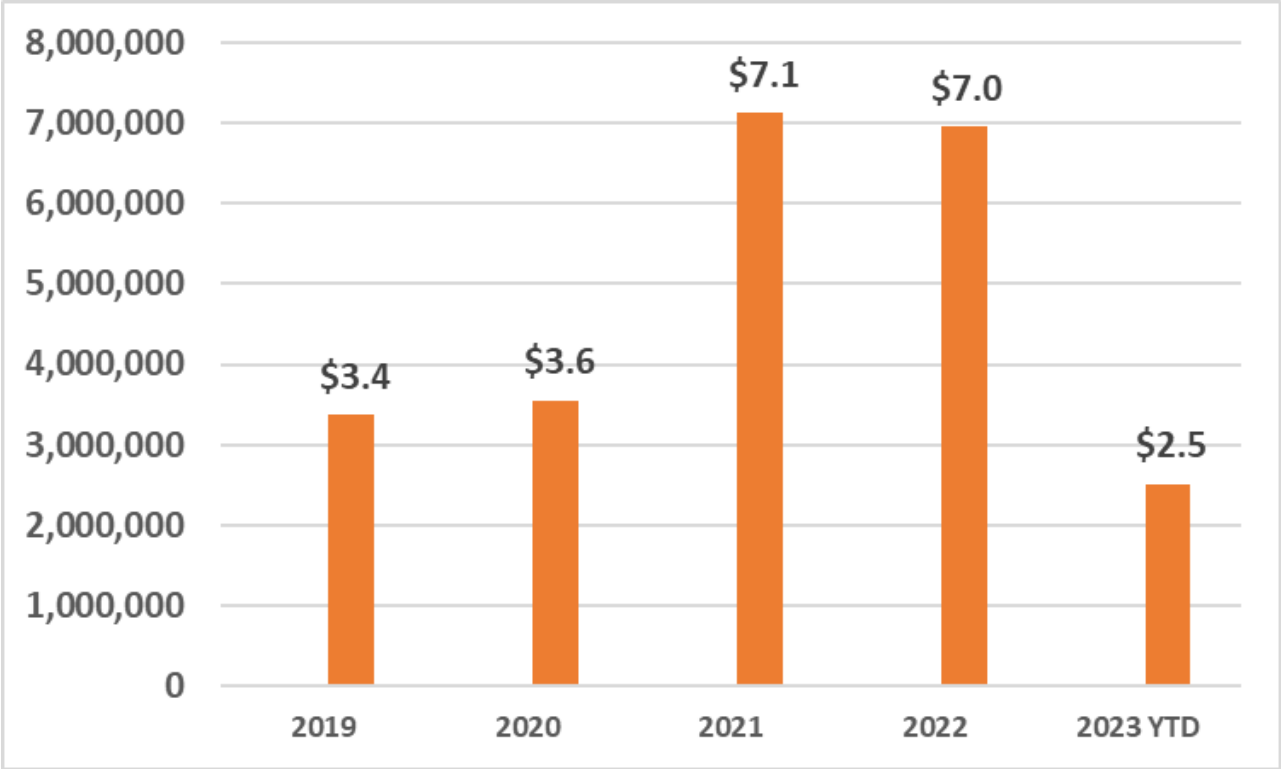
Figure 2-40, Town-owned Land



The fee has been used to purchase over 1,304 acres in locations all over the Island . . .

Real Estate Transfer Fee

Collections by year



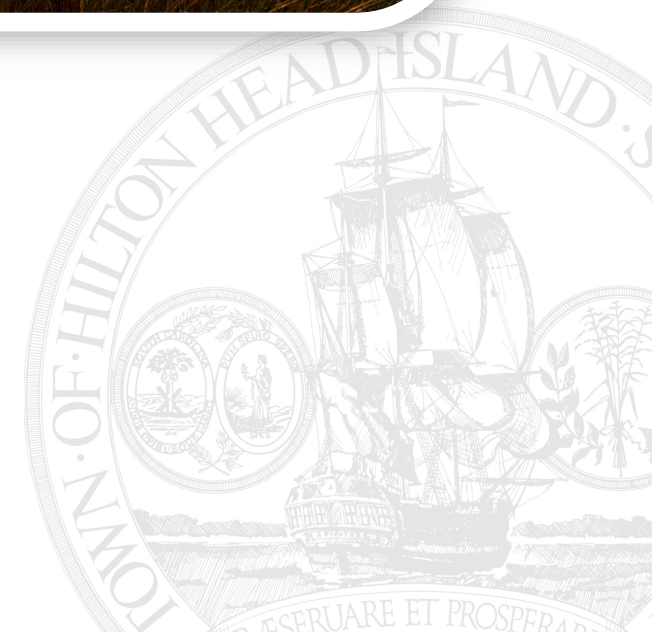
Six months into the year, collections are a bit slower than the pace of last year's very favorable amounts. The effects of higher interest rates seem to be impacting sales.

Key Issues

Is this all?

No: The RETF has been supplemented by:

1. General Revenues.
2. Voter Approved Referenda in '97, '98, '00, '03, and '08
3. Grants and Donations
4. CIP revenues

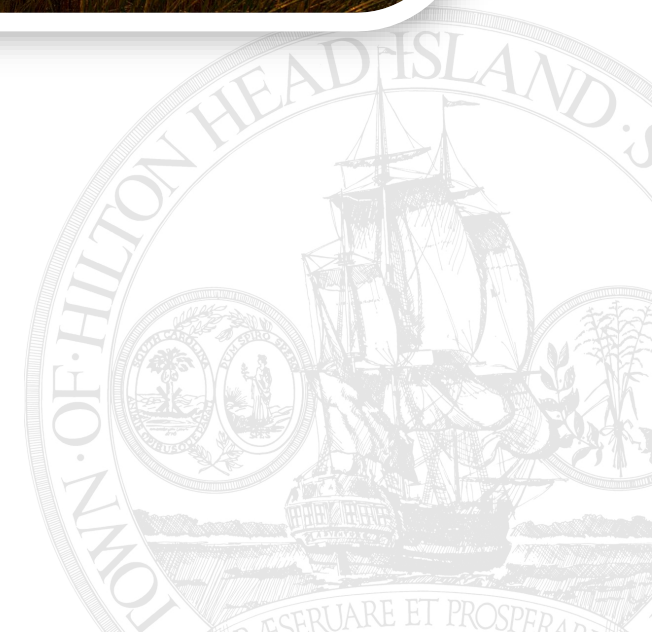


Benefits of RETF

Land Acquisition Improves Quality of Life in many ways.

Why do we need the funds?

1. Open Spaces and the 278 corridor
2. Resiliency is an integral part of the Strategic Plan – land acquisition helps in risk mitigation for our future
3. As we do improvements to the Island – the RETF can work with our efforts in roads, stormwater, water and sewer work for aesthetic purposes as well as functional

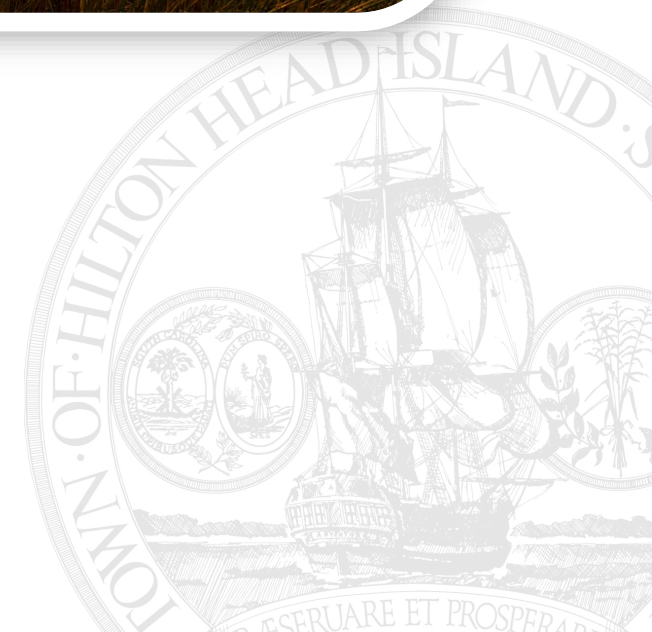


Benefits of RETF

Land Acquisition Improves Quality of Life in many ways.

The benefits of the RETF include:

1. Preservation of Open Space
2. Public Access and Views to our Waterways
3. Provides space for Passive and Active Recreational Needs
4. Preserves Wildlife Habitat
5. Protects Environmentally Sensitive Lands
6. Protects Culturally and Historically Significant Sites
7. Provides for Island resiliency through Stormwater protection
8. Provides Space for Capital Improvement Projects
9. Strengthens Demand for Property Values Island-wide
- 10.Reduces Demand for Other Public Facilities and Services
- 11.Reduces future traffic

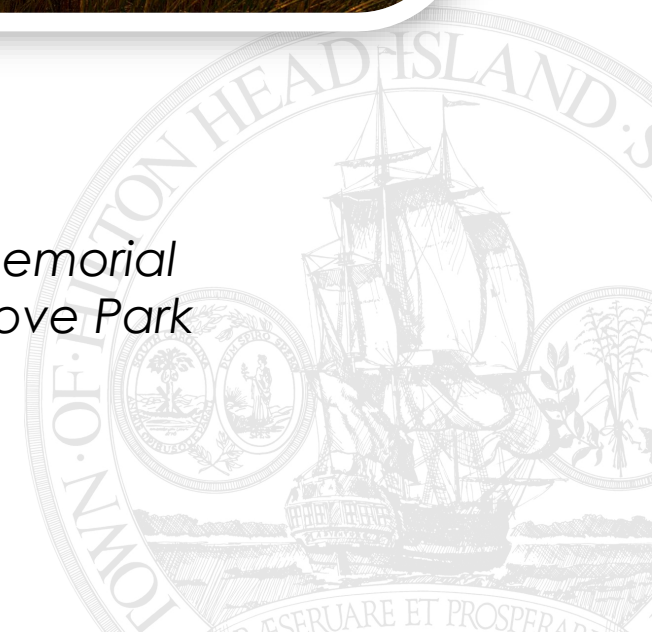


The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.

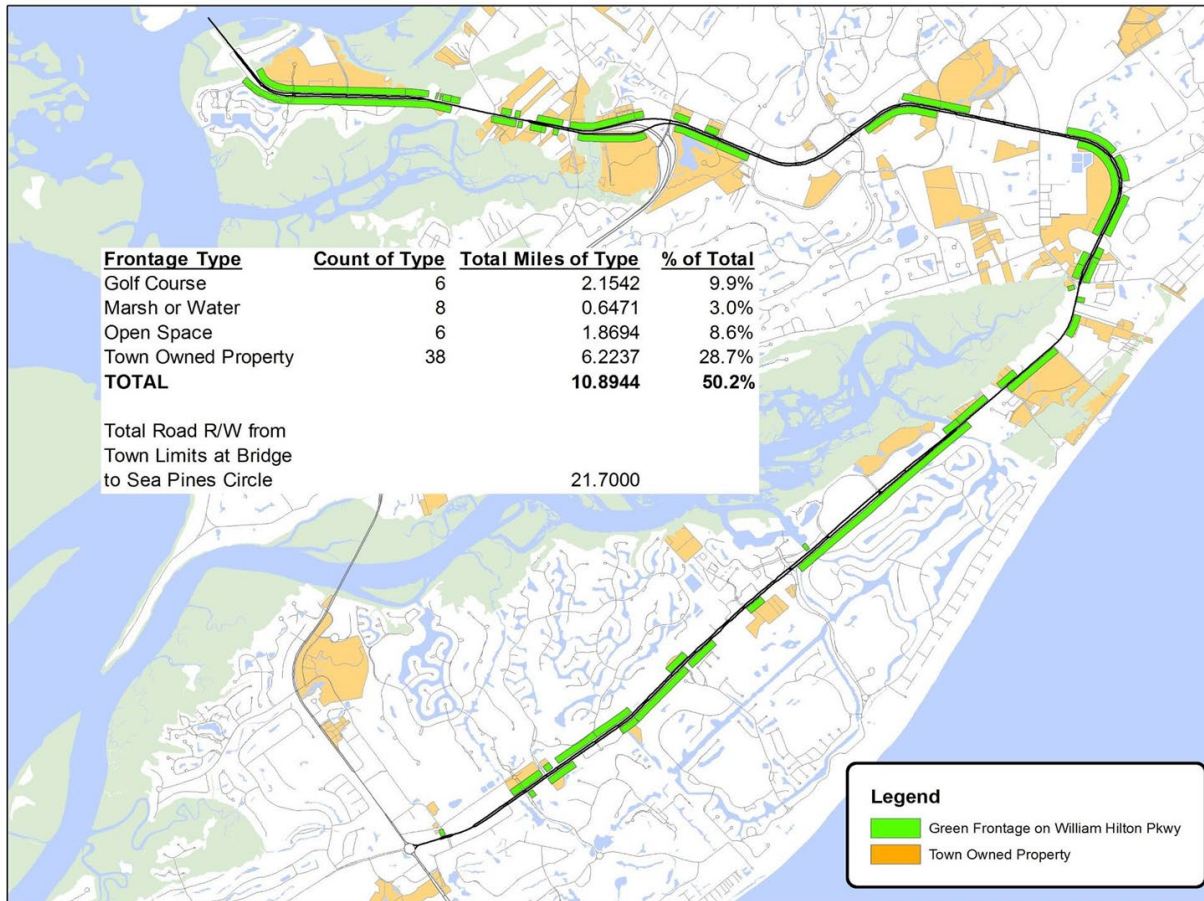


Veteran's Memorial
at Shelter Cove Park



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



William Hilton Parkway Green Corridor

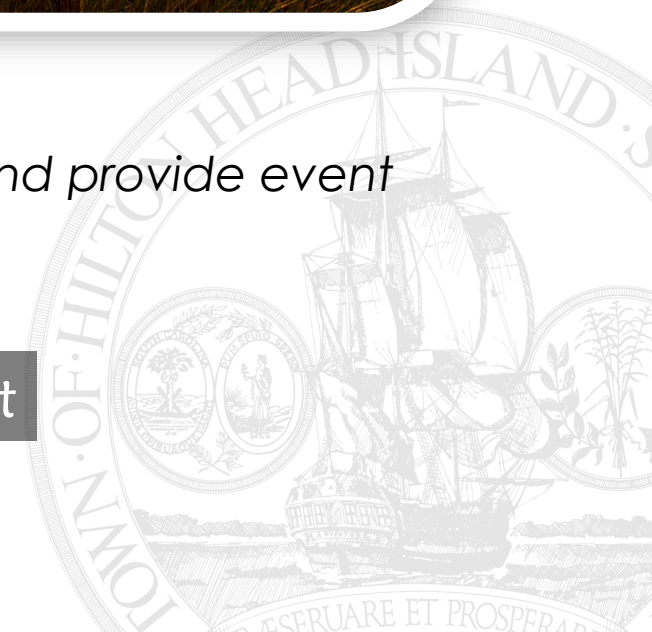
The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



To preserve history and provide event space . . .

Honey Horn Tract



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



For both residents and visitors to enjoy . . .

Fish Haul Creek Park



The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and provide event space . . .*

Shelter Cove Community Park

The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and improve the Island experience . . .*

Chaplin Waterfront

The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To improve aesthetics and
and provide space to enjoy the Island. ...*

Compass Rose Park

The Town's Land Acquisition Program began in the early 1990's

Land Acquisition Improves Quality of Life in many ways.



*To preserve views
and protect from flooding . . .*

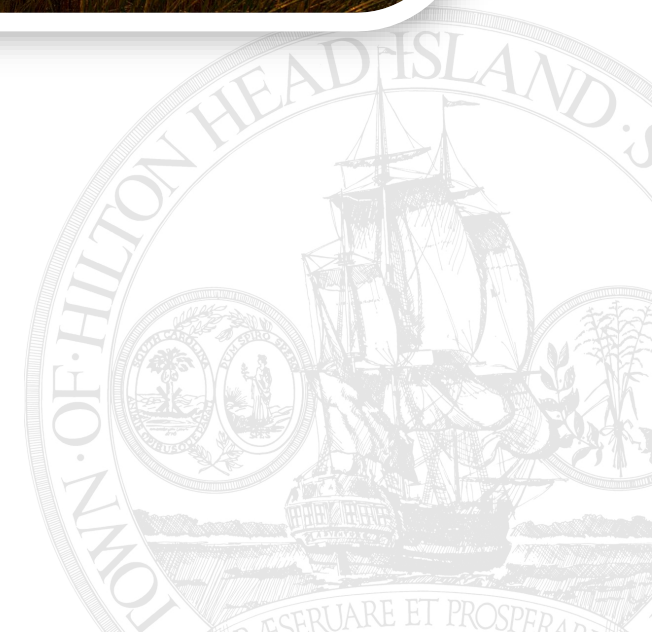
Yacht Cove Tract

Key Issues

What are the staff recommendations?

Staff Recommendations:

We need the funds for future open space opportunities and improve our Island's resiliency.

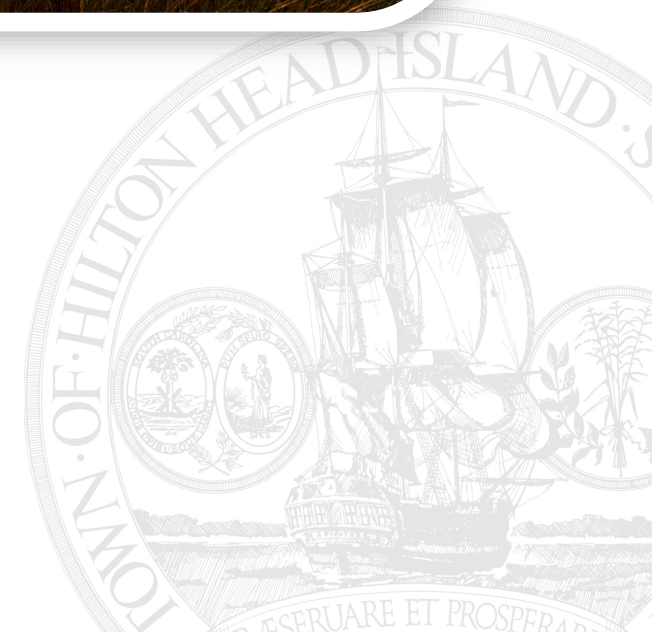


Key Issues

What are the staff recommendations?

Staff Recommendations:

1. Ask Town Council to extend the fee for 20 years.
2. Maintain the Fee at its existing rate.
3. Keep the allowed uses the same.
4. Act now to afford time to begin the planning process for strategically implementing the uses.



Key Issues

Has anyone else weighed in on this?

March 31, 2022

Hilton Head Island Town Council
One Town Center Court
Hilton Head Island, SC 29928

Dear Mayor McCann and members of Hilton Head Island Town Council,

Thank you and town staff for the multiple presentations and conversations concerning the extension of the real estate transfer fee beyond its sunset date of December 31, 2024. Through the presentations provided to our Legislative Committee, Board of Directors, and our membership, we see the value to the community in the extension of the fee at its existing rate for twenty years, and keeping the same allowed revenue uses.

We appreciate our working relationship with the Town and hope to collaborate again in the future.

Sincerely,



Kate Yachini
2022 President



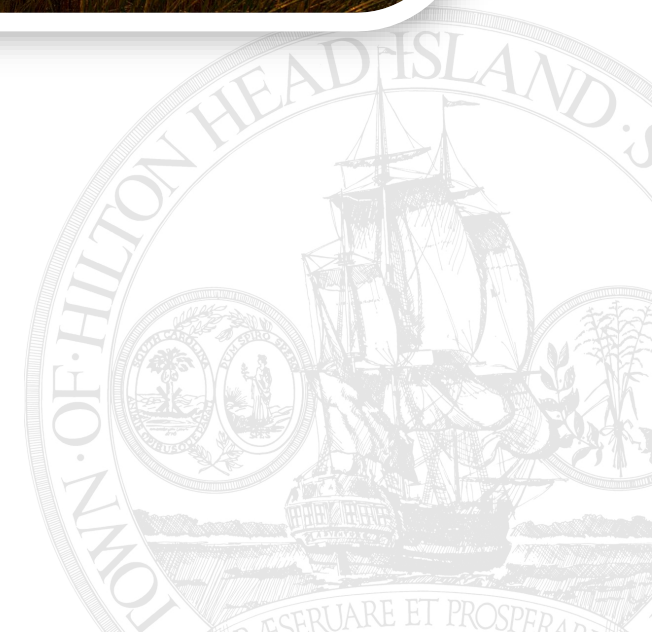
The Association of Realtors has written a letter of support recently.

Key Issues

What was the outcome?

Town Council voted in the extension for another 20 years:

1. Maintained the stability of an important revenue source.
2. Town Council kept the allowed uses the same.
3. Town Council voted to afford strategic planning on the future uses.



Comments or Questions?

?



Thank You



For more information, visit our website
at www.hiltonheadislandsc.gov





Consideration of a Resolution in Support of a Letter to Bluffton's Elected State Delegation Requesting the Introduction of Legislation to Allow Local Jurisdictions to Establish a Real Estate Transfer Fee

Presentation to Town Council

Chris Forster, Assistant Town Manager

January 10, 2023



Background

- Town of Hilton Head Island
 - Passed a Real Estate Transfer Fee in 1990.
 - It is set at 0.25 of 1% of the gross sale price.
 - Fee is the liability of the purchaser.
 - (On a sale of \$500,000 the fee is \$1,250)
 - The fee was extended twenty years to 12/31/2044 in May of 2022.



Background

- Intent
 - *"...It is intended that the majority of land set aside under this chapter shall be kept in perpetuity as close as possible in its natural state and it shall not be overly invaded with permanent structures."*



Background

- Purpose
 - *“To acquire fee and less than fee interest in Land while it is still available to be held in perpetuity as wildlife preserves or believed to be needed by the public in the future or active and passive recreation uses and scenic easements,...” “To acquire already developed land or development rights in order to convert its use to a public use, restore to open space, or redefine in accordance with town’s current comprehensive plan...”*



Background

- Performance of the Fee
 - The Town of HHI has collected over \$87 million since 1990.
 - The Town of HHI has used \$76 million since 1990 to purchase over 1,304 acres.



Background

- State Intervention
 - In 1994 the State enacted SC Code Section 6-1-70. Prohibition on real estate transfer fees.
 - Prohibits any government entity from imposing a fee on the transfer of real property.
 - Allowed existing fees enacted prior to January 1, 1991.



Discussion

- Town of HHI has identified the following benefits:
 - Preservation of Open Space
 - Public Access and Views to our Waterways
 - Provides Space for Passive and Active Recreational Needs
 - Preserves Wildlife Habitat
 - Protects Environmentally Sensitive Lands
 - Protects Culturally and Historically Significant Sites
 - Provides for Stormwater Filtration
 - Provides Space for Capital Improvement Projects
 - Strengthens Demand for Property Values Town wide
 - Reduces Demand for Other Public Facilities and Services



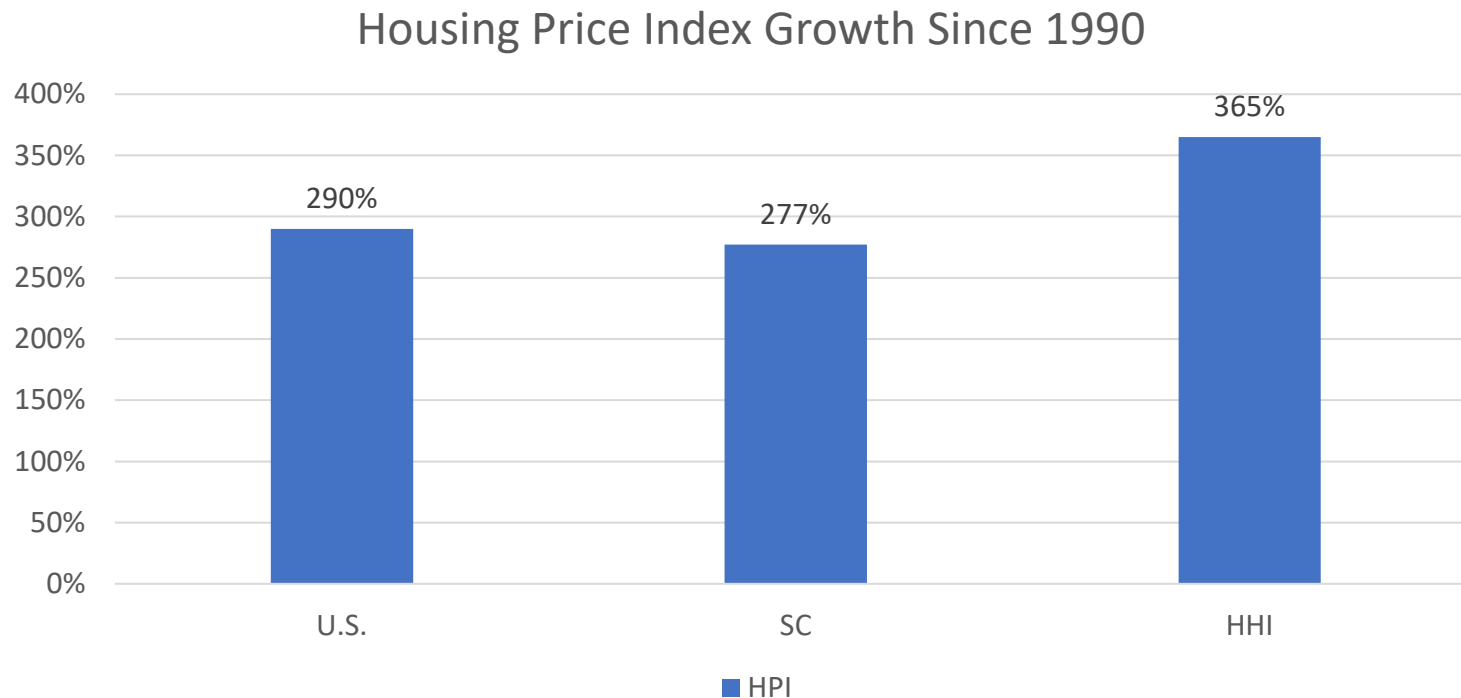
Discussion

- Potential Impact
 - Town of Bluffton would have collected \$15 million over the past five years if a real estate transfer fee was in place.
 - The fee would have generated \$5.7 million in 2021 alone.



Discussion

- Potential Impact
 - There has been no identifiable negative impact on HHI as a result of the fee:





Recommended Motion

“I make a motion to approve a resolution in support of a letter to Bluffton's elected State Delegation to request the introduction of legislation to allow local jurisdictions to establish a real estate transfer fee.”



Legislative Update

SoLoCo Board Meeting
January 24, 2023

Ashley Kellahan
Field Services Manager

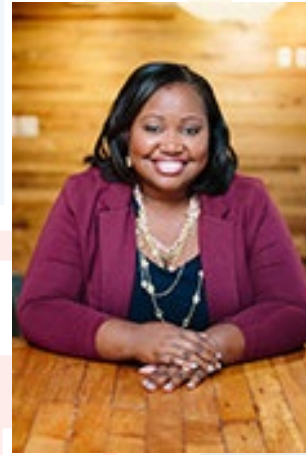
Advocacy Team



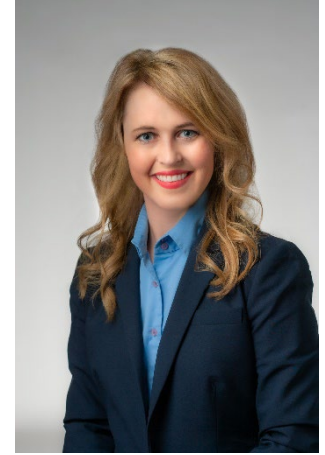
*Scott Slatton,
Director of
Advocacy and
Communications*



*Casey Fields,
Manager for
Municipal
Advocacy*



*Erica Wright,
Legislative and
Public Policy
Advocate*



*Joannie Nickel,
Legislative and
Public Policy
Advocate*



Municipal Association
of South Carolina

Current State of the Session

- 1st year of 2 year session
- 28 new House Members
- Matt Leber is the Caucus Chairman
- All but one standing committee has a new chairman
- Senate (Educational Vouchers, Healthcare Cert. of Need)
- Culture Wars Continue (Abortion, CRT, Constitutional carry)
- \$3 Billion in new money (\$700k of which is reoccurring)



MASC 2023-2024 Advocacy Initiatives include:

- Protecting Municipal Rights to Regulate STR's (H3253)
- Support Statewide Hate Crimes Legislation
- Annexation Reform (H3236)
- Create Municipal Capital Project Sales Tax
- Expand Local Development Economic Incentives
- "Less Than Audit"
- Support Traffic Safety Measures (squat trucks)
- Cities with No Property Tax Millage
- Stronger Penalties Fentanyl Trafficking & Distributing
- Appeals process for Census population counts



Other Issues:

- PTSD as Compensable for Worker's Comp
- Change in Tort Cap limits
- Return to work for retirees
- (S284) Affordable Housing as allowable use for ATAX / HTAX
- (H3734) Standardizing Municipal Election dates (March / July / Nov of odd years)



Resources:

- <https://www.masc.sc/advocacy-legislation/follow-legislation/legislative-tracking-system>
- HLAD – Feb. 7th

