



RED FIELDS TO
green fields

Coastal Parks & Pathways
Water, Wildlife, and Recreation



Introduction

The Town of Hilton Head Island has a rich history, beautiful beaches, pristine waterways, abundant wildlife and native vegetation, giving it national and international recognition as a highly desirable place to visit, live and retire. It is the Town's desire to retain its reputation as a quality residential-resort area, maintain a sustainable economy, protect the island's cultural and natural resources, and provide for the efficient delivery of public services in a fiscally responsible manner. The central issue now is how to sustain this economic system as the Town transitions from a successful growth pace to relative maturity while preserving the natural settings, fragile ecology, amenities and infrastructure that will continue to attract and retain retirees and visitors.

The change in economic conditions over the past several years has not impacted Hilton Head Island as much as larger cities. However, the Town has not been immune to the downward turn of the economy. Property values have declined and properties are being sold below historical market values. There are many commercial properties that are vacant, underutilized, or are underperforming.

The Town intends to allocate its resources wisely within economic constraints and prevailing priorities to develop and manage capital resources in the following key areas:

- Preserve, protect and enhance economic prosperity
- Maintain competitiveness in the marketplace
- Protect quality of life
- Protect natural resources
- Create a sense of place

A "Red Field" property can be physically or financially distressed, or both, and has negative value -- civically, environmentally and economically. Red Fields can be brownfields -- sites impacted by environmental concerns, such as asbestos containing materials, underground storage tanks, or contaminated soil or water.

What if we invest \$300 million into Hilton Head Island to convert Red Fields to Green Fields and thereby produce much needed jobs and make a Return on Investment (ROI) for properties that are otherwise losing money?



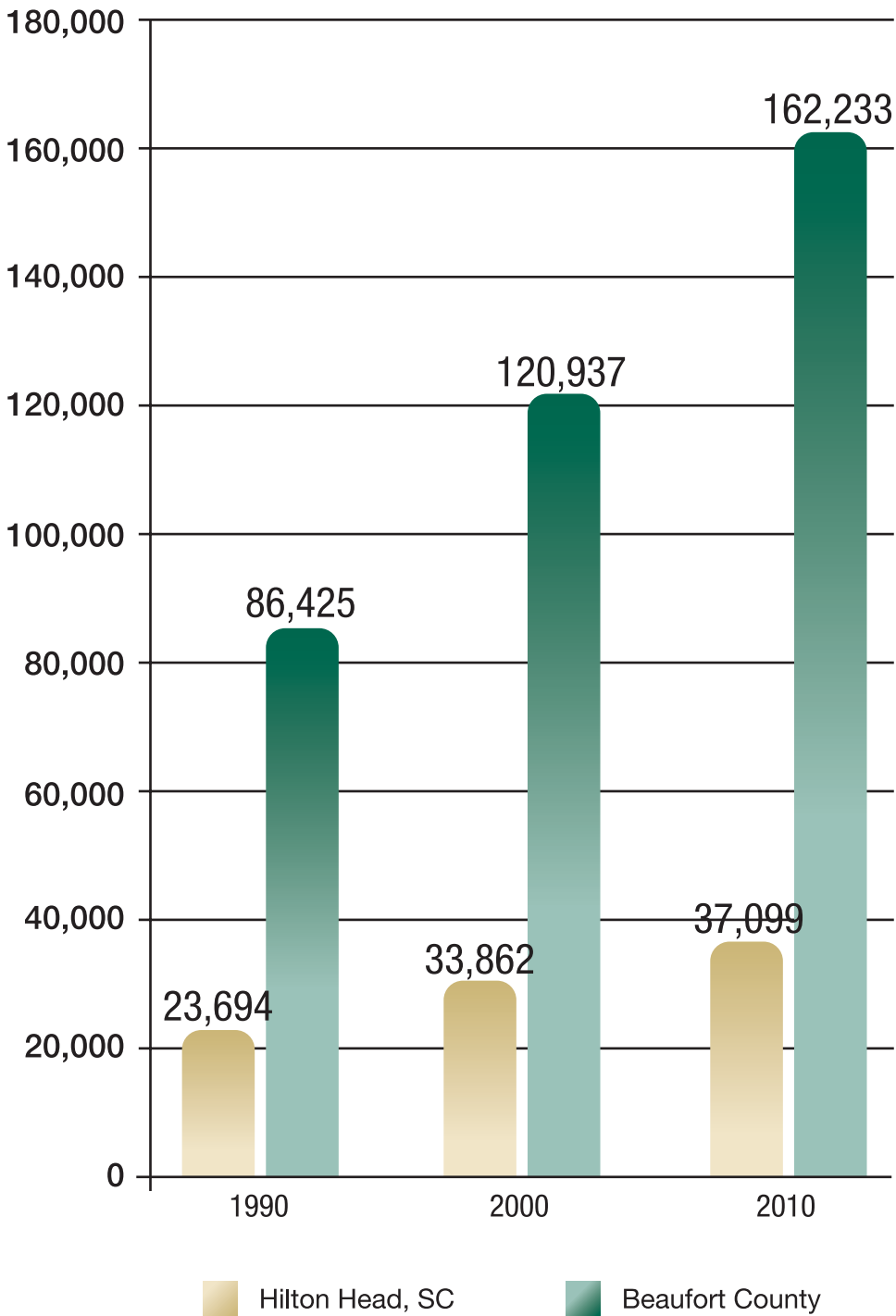
Problem #1:
Maintain Quality of Life

Quality of Life: Population Growth

- Hilton Head Island maintains a steady population growth and retained the largest portion of county residents over the past decade, but if properties continue to decline in value and sell below their market value, the quality of life for its residents and visitors will diminish.



Population Growth



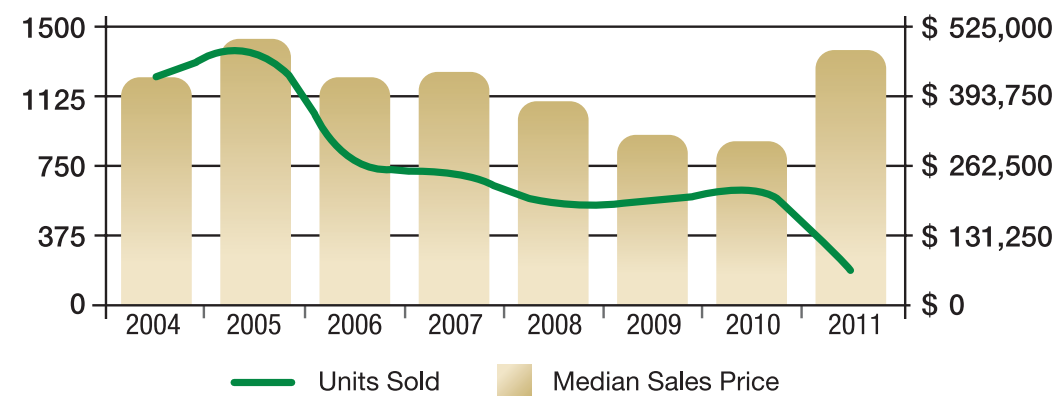
Quality of Life: Vacant, Underutilized, or Underperforming Properties

As more properties are acquired and redeveloped with integrated public spaces, the island will improve the local economic conditions and improve the quality of life, making it more inviting to residents, second home owners, visitors, and retirees.

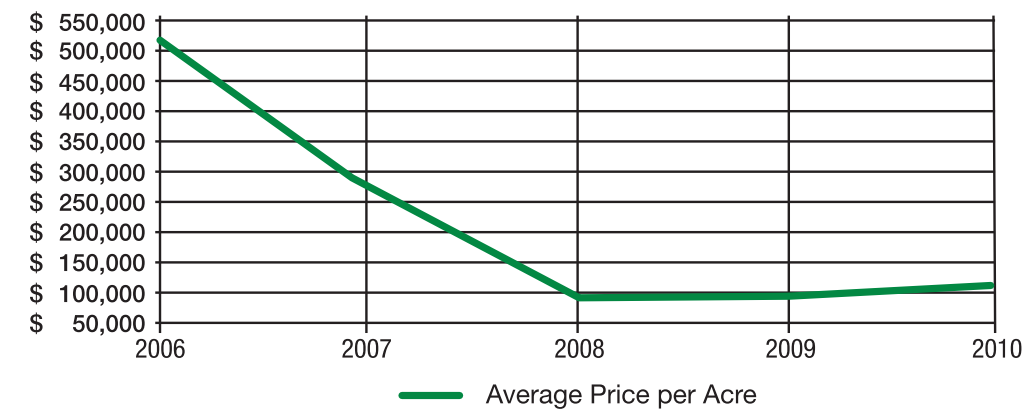
(Initial Red Fields to Green Fields Study, Town of Hilton Head Island)



Declining Land Values: Residential Properties on Hilton Head Island



Declining Land Values: Commercial Properties in Beaufort County

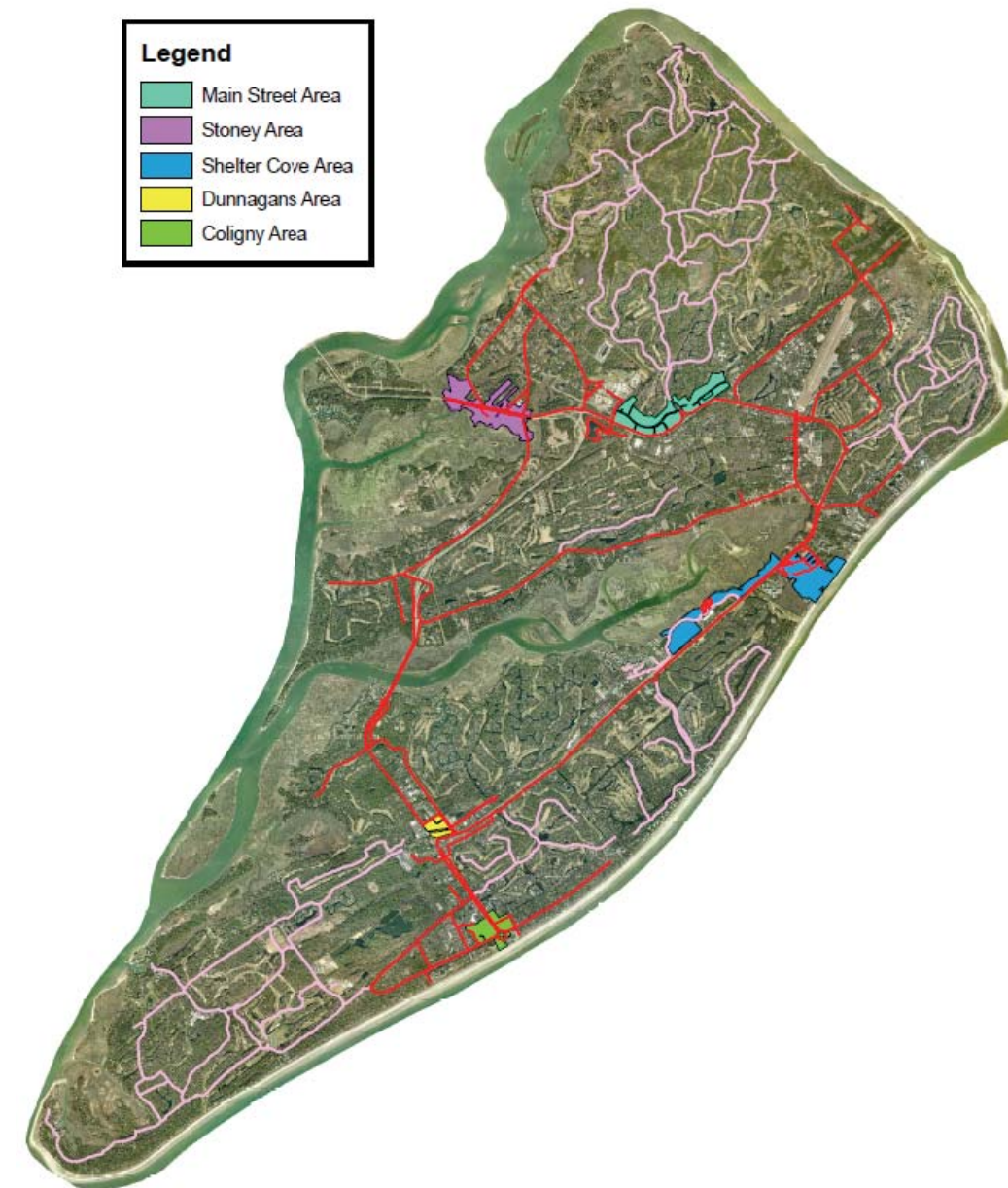


- There are 170 commercial properties currently for sale in Beaufort County, SC for a total of \$377 million.

Quality of Life: Vacant, Underutilized, or Underperforming Properties

Redevelopment Opportunities

- High School to Hospital Corridor
 - There is an opportunity to catalyze redevelopment of this site and district by converting some of the underperforming parcels into Green Fields and parks.
- Stoney-Squire Pope
 - The Island's pathway network could be enhanced in this area by providing a link to the bridge to the mainland in anticipation that other jurisdictions will connect pathway facilities on the mainland.
- Coligny-Pope Avenue
 - The Coligny area is a largely commercial area with over 5,000 beds within a quarter mile walk. The problem is that very few people are walking to or through this area today.
- Shelter Cove Mall
 - This project would create a link of multiple marine environments as well as a continuous link between the Mall and the beach via an existing park, a proposed linear park, and an existing sports and recreational park.
- Dunnagans Alley
 - The need in this area is to reduce the amount of development and impervious coverage to provide more open space and improve the environment.



Problem #2:

Vacant, underutilized, or underperforming properties impede economic growth



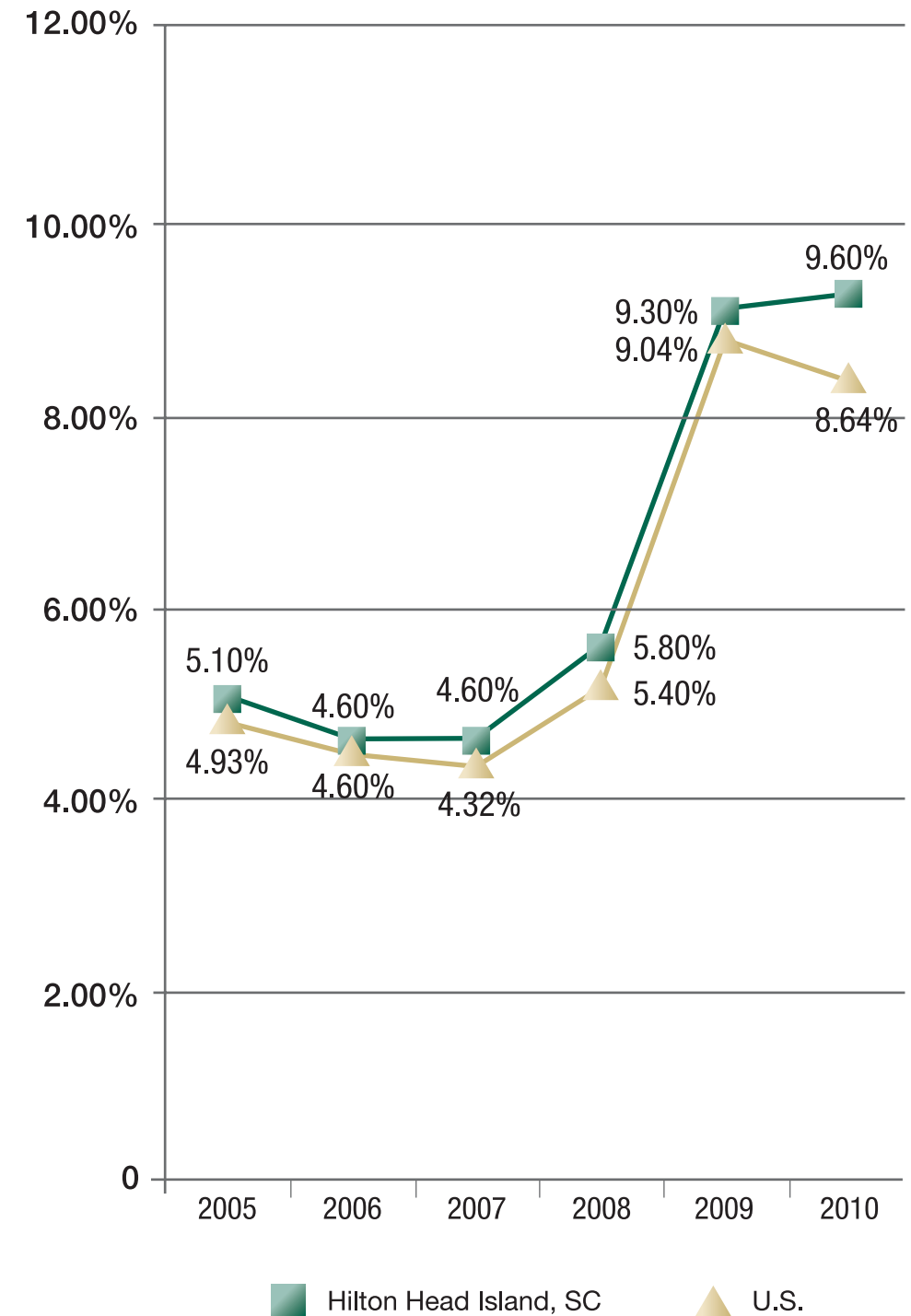
Economic Growth: Job Creation

Total Number of Jobs

- 15,954 people, 54% of the Town's total population, is considered part of the labor force.
- The 5 leading industries of employment are:
 1. Arts, Entertainment, Recreation, Accommodation and Food Services
 2. Professional, Scientific, Management, Administrative and Waste Management Services
 3. Educational Services, Health Care and Social Assistance
 4. Retail Trade
 5. Construction



Unemployment



Economic Growth: Taxable Sales

- Gross taxable sales have been declining since 2006 (Hospitality and Retail)
- Facts:
 - Hospitality, tourism, and retail are at the heart of the economy in Hilton Head Island.
 - The gross sales and taxable sales in the community rely heavily on the demand for these service industries.
 - Recently, University of South Carolina Beaufort (USCB) research directly linked the health of the hospitality, tourism, and retail sectors to gross sales and taxable sales.



2004-2010 Gross Taxable Sales



Economic Growth: Tourism

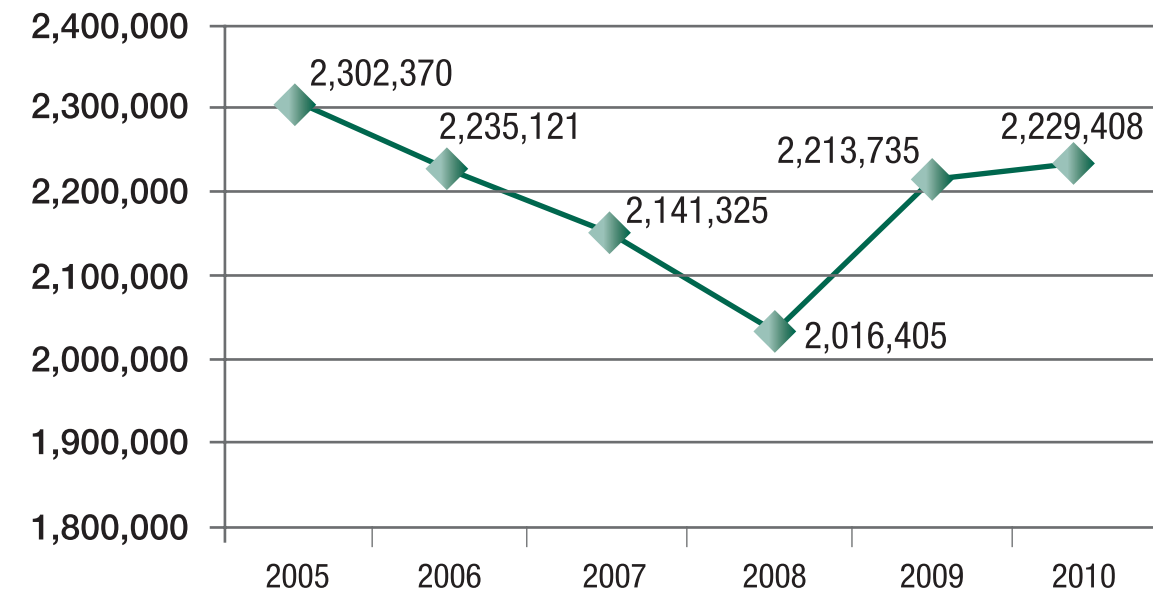
Tourism

- Visitor perceptions toward public space and natural resources
 - Primary focus of vacation to Hilton Head Island: 49% Beaches, 9% Outdoor Activities, 9% Golf, 4% Dining
 - Important attributes that affect the decision to travel to Hilton Head Island include the natural beauty of the destination, the dining options/seafood restaurants, affordability, and ease of access
 - Visitors spend the most money on: Golf (17%), Biking (15%), Dolphin Tours (8%), Museum/Historical Tours (8%), and Boating/Sailing (7%)
 - The Island's natural and preserved setting are extremely important to visitor satisfaction and economic vitality of the community

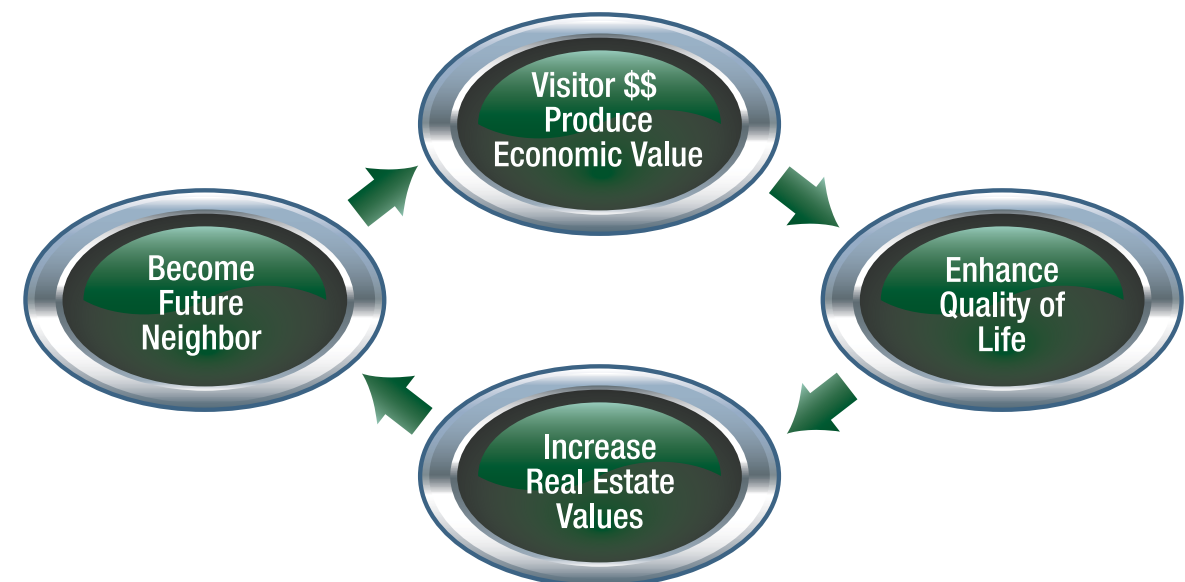
“The decline in visitation represents an estimated \$400-500 million in potential economic activity. This disturbing trend must be reversed in the near future to protect and enhance the quality of life for all Island residents.”

Mayor's Task Force for the Island's Future
Vision 2025, August 2010

Total Annual Visitors Since 2005



Visitor Economic Cycle





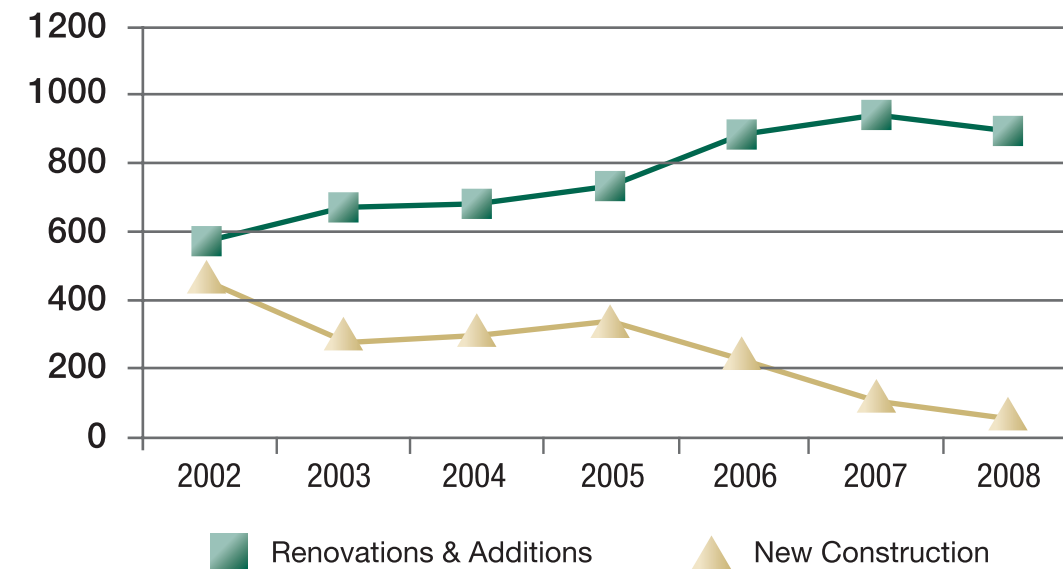
Problem #3:
Aging Infrastructure

Aging Infrastructure: Declining Visitor Trend

- Visitation and visitor spending has experienced a decline in recent years. This trend is a major concern for the future of the Island. The decline has been caused by:
 - Aging infrastructure and resort facilities
 - Lack of well-funded, well-organized marketing message
 - Newer, trendier competitive destinations
 - Limited new guest experiences
 - Difficult vehicle access on peak arrival/departure periods
 - Lack of great gathering places
 - Decline in welcoming, hospitable atmosphere

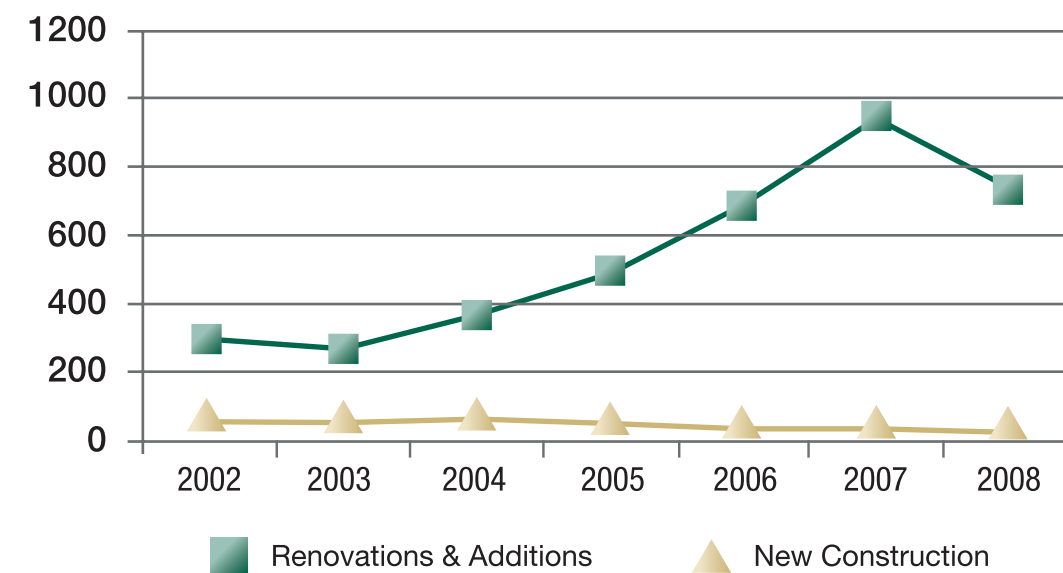


Single Family Building Permits by Year



Source: Town of Hilton Head Island Community Development Department, Building Code Division, 2008

Commercial & Multi-Family Building Permits by Year



Source: Town of Hilton Head Island Community Development Department, Building Code Division, 2008

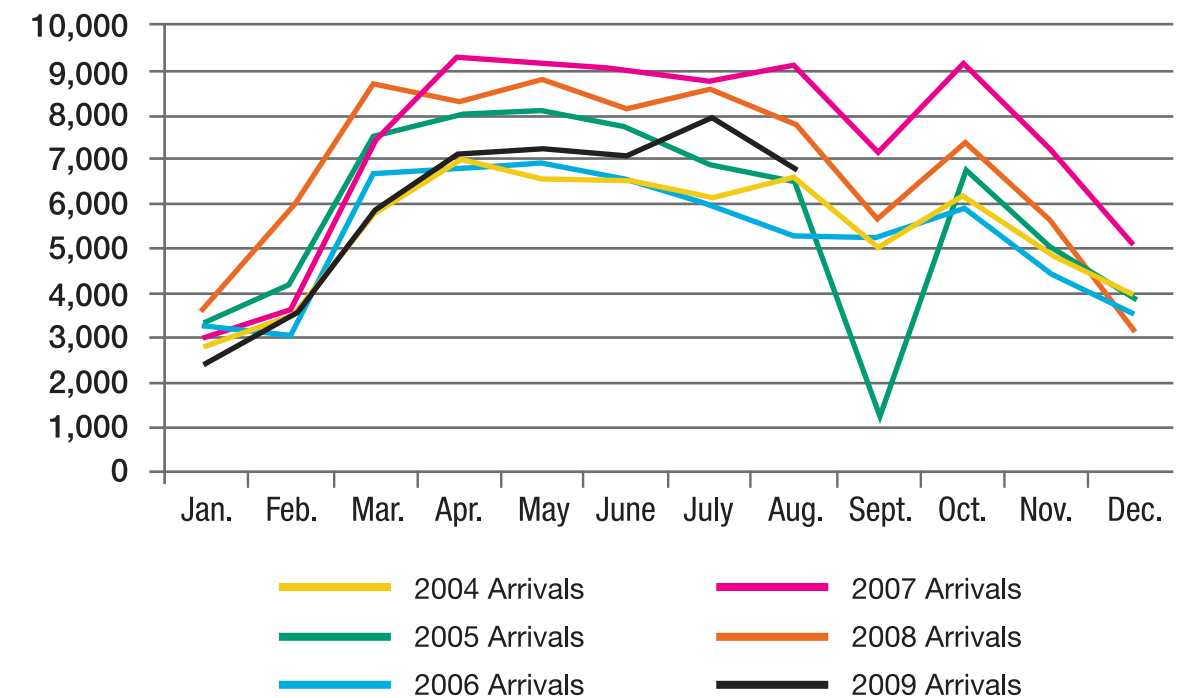


FOR SALE / LEASE
7,474 sf Office /
Showroom / Warehouse
1.31 Acres
Tom DeMint, CCIM
843-816-7191
Sperry Van Ness.
Commercial Real Estate Advisors

A National Tourism Problem: Declining Visitor Trends

Tourism is the lifeblood for millions of American families. U.S. coastal communities from the Pacific, Gulf of Mexico and Atlantic coast have been devastated by the economic crisis. These cities and towns have been growth centers for commercial real estate developments and the tourism industries for generations. Hilton Head Island has experienced yearly declines in visitors. The Town's economy is a snapshot of the conditions along the U.S. coasts.

Hilton Head Island Total Passenger Arrivals: Monthly Trends



Source: Hilton Head Island Comprehensive Plan



Issue: Preservation & Recreation



Preservation & Recreation: Environmental Resources

Land Density

“Identify an acceptable level of future development that does not overtax the area’s natural environment and infrastructure. This can be done by monitoring allowable densities and by continuing to purchase lands that would adversely impact the Island if developed.” (Town of Hilton Head Island Comprehensive Plan, 2010)

Air Pollution

“The Town needs to consider the human health and environmental implications of declining air quality and act to prevent further degradation through alternative and innovative transportation strategies, providing incentives for energy efficiency, researching the feasibility of enacting an anti-idling ordinance and maintaining effective tree protection and replanting regulations.” (Town of Hilton Head Island Comprehensive Plan, 2010)

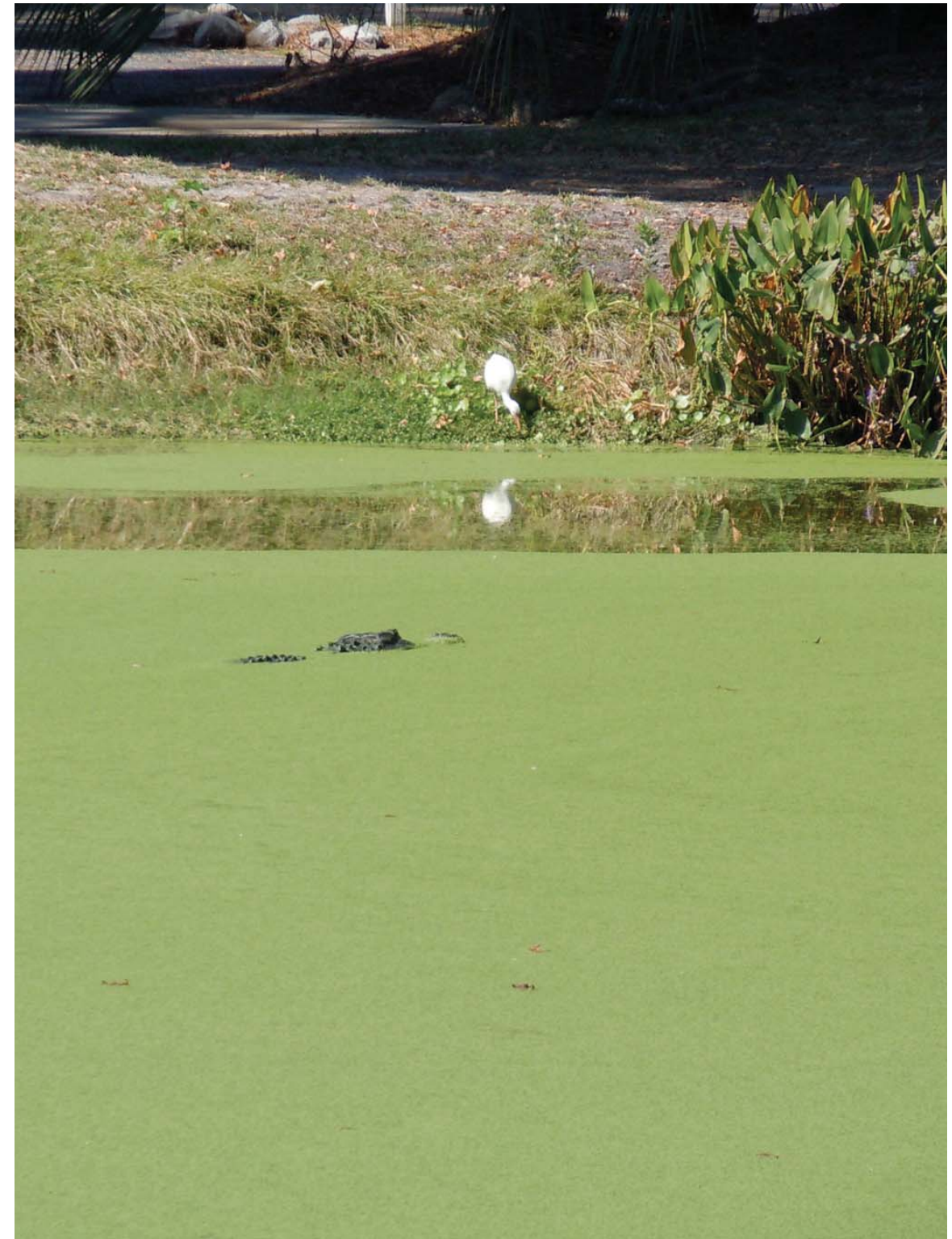
Water Quality

“Reducing the commercial area would result in a reduction in impervious surface and a reduction in run-off, resulting in improved water quality.” (Initial Red Fields to Green Fields Study, Town of Hilton Head Island)

“The Town needs to continue to make water quality and quantity a high priority by encouraging water conservation, reducing impervious surfaces, encouraging environmentally sound drainage and flood control practices, as well as sustainably managing stormwater for small and large scale development.” (Town of Hilton Head Island Comprehensive Plan, 2010)

Wetland Destruction

“Major findings of the Hilton Head Island Community Survey reported that 98% of residents promote protecting the natural environment during the redevelopment process and 93% support maintaining the Island’s unique character, which is directly related to the preservation of intact natural resources such as beaches, creeks, wetlands and forests.” (Town of Hilton Head Island Comprehensive Plan, 2010)



Preservation & Recreation: Park Space

Through Red Fields to Green Fields, the Town of Hilton Head Island's goal is to revitalize commercial areas by acquiring properties and integrating public spaces that will increase property values and provide a catalyst for private investment.

Park Type	Number	Acreage
Neighborhood Park	2	8
Community Park	6	250
Special Use Park	16	243
Regional Park	1	12
Private Parks / Rec Facilities	19	Unknown



Preservation & Recreation: Pathways

While the Island currently has an extensive pathway network (55 miles), there are opportunities to improve pathway connections between destinations, provide additional recreational opportunities, and promote alternative means of transportation on the Island. The current individual areas of recreational space and activity on the Island and region could be improved through increased connectivity and integration allowing more people the opportunity to access and enjoy these amenities.



In 2010 a Hilton Head Island Residential Quality of Life Survey was conducted by the University of South Carolina Beaufort (USCB). The results of the convenience sampling survey method yielded 3,738 survey responses. Of 31 total quality of life items, over 90% of the respondents indicated that 13 were most important: (1) Island Appearance, (2) Housing Quality, (3) Access to Outdoor Recreation, (4) Beach, (5) Personal and Property Safety, (6) Pristine Natural Environment, (7) Natural Resources, (8) Other Recreation Activities, (9) Proximity to Comprehensive Health Care Facilities, (10) Bike/Leisure Paths, (11) Culture and Entertainment, (12) Dining Options, and (13) Cost of Living.



Preservation & Recreation: Park Space

Health Benefits

Research has shown that Americans can substantially improve their health by including moderate amounts of physical activity in their daily lives, yet only one-fourth engage in the recommended levels. Many Americans simply do not have adequate access to facilities to engage in physical activity or they live in unwalkable neighborhoods. And when people have nowhere to walk, they gain weight. Yet, strong evidence shows that when people have access to parks, they exercise more. Hilton Head Island's development of this green space would be a thriving asset to the fight against obesity and other related health concerns.

Economic Benefits

Parks symbolize community, life, relaxation and health. It's no wonder that "many people are willing to pay a larger amount for property close to parks and open space areas than for a home that does not offer this amenity," writes John L. Crompton, a professor at Texas A&M University who has published extensive research on parks and recreation. Great cities have great park systems with beautiful parks, public plazas, and outstanding natural features. Human beings have a basic need for parks and open space, to re-connect with nature. Communities without adequate open space are dreary and depressing, socially, aesthetically, and economically. While park systems in the past were thought of as "amenities", communities across the country now realize just how much value these park systems bring to their locales.

Environmental Benefits

Green space in urban areas provides substantial environmental benefits. Trees reduce air pollution and water pollution, they help keep cities cooler, and they are a more effective and less expensive way to manage stormwater runoff than building systems of concrete sewer and drainage ditches. Parks can provide pervious surfaces for rain infiltration, reducing the severity of floods and improving the quality of our waterways. They provide habitat for beneficial wildlife that live in our neighborhoods and migrate through them. Every action and improvement of the park system, including facilities, programs, operations and management, should contribute to the economic, social and environmental prosperity of the Town.



In 2009, USCB conducted a separate random survey investigating sustainable practices of visitors while vacationing. Seven thousand seven hundred forty-one (7,741) individuals were randomly selected and sent email invitations. Five hundred ninety-three (593) useable surveys were returned for a response rate of 7.7% with a +/- margin of error of 5%. Results of the survey showed that over 90% indicated that vacationing in a destination which: (1) has abundant outdoor recreation opportunities in natural and preserved settings, and (2) has plenty of walking and bicycling paths to the places I want to see and visit were important when choosing a destination.





What if we invest \$300 million
in the Town of Hilton Head
Island to convert Red Fields
to Green Fields?



We could reduce the supply of non-performing commercial real estate and improve park and pathway connectivity throughout the island.

An aerial photograph of a city with a semi-transparent grey rectangular box overlaid in the center. The text "Vision: Creating an Integrated Parks and Recreation System" is written in a blue serif font within this box. The background shows a dense urban area with various buildings, streets, and green spaces.

Vision: Creating an Integrated Parks and Recreation System

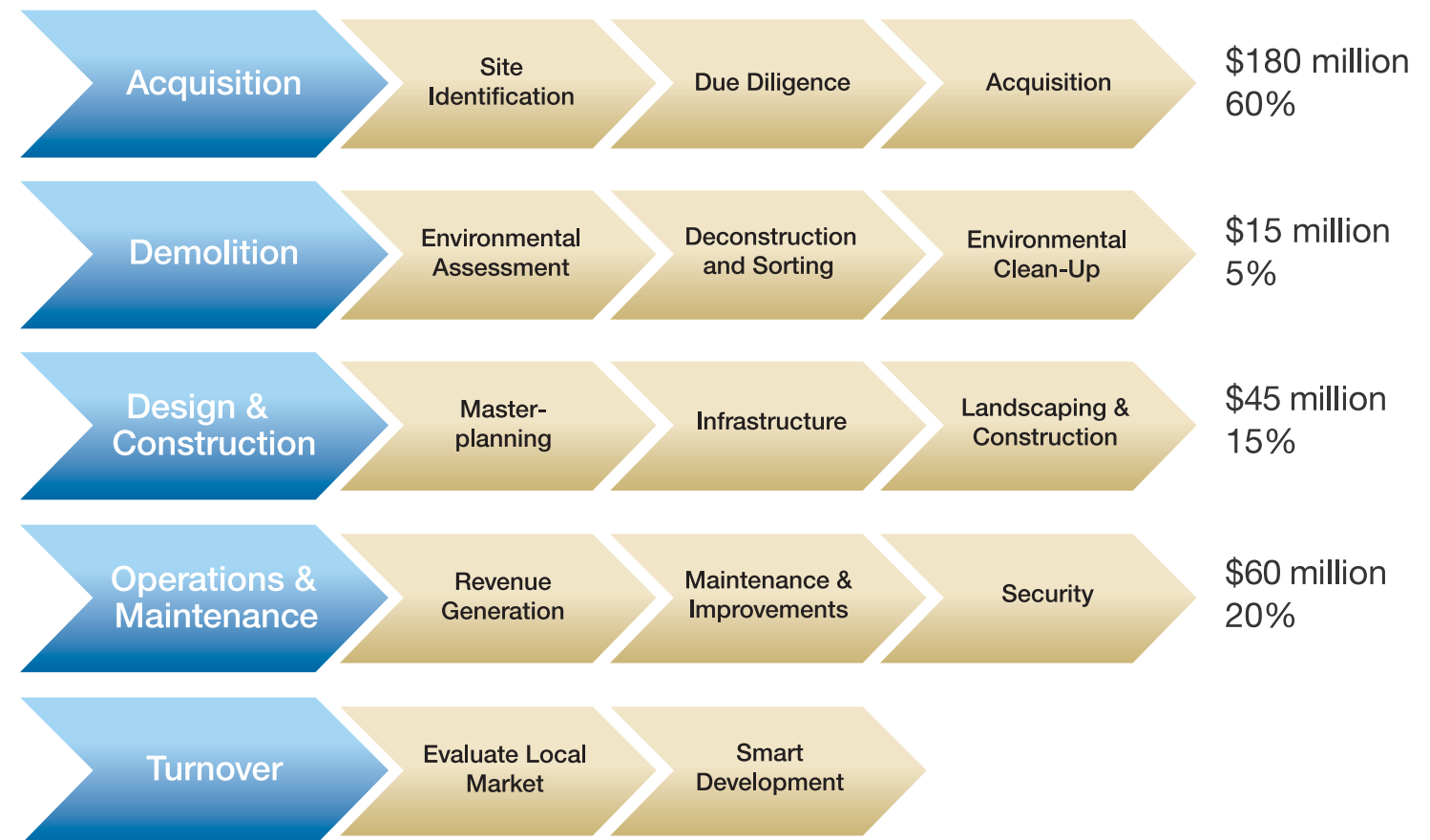


Process

How does Hilton Head Island sustain its economic system as the Town transitions from a successful growth phase to relative maturity while preserving the natural settings, fragile ecology, amenities, and infrastructure that will continue to attract and retain retirees and visitors?

The Town has an aggressive land acquisition program funded through five Land Acquisition Referendums and other sources, such as the real estate transfer fee, hospitality taxes, property taxes and storm water fees. As of April 2011, the Town has purchased over 144 parcels on the Island totaling 1,213 acres at a cost of over \$160.7 million.

(Initial Red Fields to Green Fields Study, Town of Hilton Head Island)



Objective #1:
Enhancing Commercial Corridors



High School to Hospital Corridor

14 Properties

23.39 Acres

\$7.6 million Acquisition



The High School to Hospital Corridor is a commercial corridor between two prominent locations that provides limited recreational connectivity. Main Street connects the two areas via sidewalks, however there are no open spaces, parks, or areas for gathering along this corridor. The need is for pocket parks or passive open space areas along this corridor for visitors, residents, and local workers to gather for lunch or enjoyment of the natural resources.



Objective #2:
Emphasizing Gateways

Stoney-Squire Pope Redevelopment

46 Properties

65.04 Acres

\$21 million Acquisition



The Stoney-Squire Pope neighborhood is considered the gateway to the Island. Nearly surrounded by tidal marshes, it is one of the most beautiful areas on the Island, yet it is very difficult to develop due to traffic, natural resource constraints, and other unique conditions in the neighborhood. The need in this area is to acquire land to both preserve the natural resources and views of the marshes and reduce the overall density for development.



Objective #3:
Increasing Public Amenities

Coligny-Pope Avenue Redevelopment

18 Properties

35.39 Acres

\$90.4 million Acquisition

- The proposed plan would eliminate impervious surfaces and provide a large, central public open space for gathering and events.
- The new design would not only encourage walking to get to the beach via Coligny Beach Park, it would encourage walking throughout the resulting new commercial community.
- The proposed plan would redistribute the current commercial densities to achieve this walkable community and include mixed-use opportunities on the upper floors of commercial units.

(Initial Red Fields to Green Fields Study, Town of Hilton Head Island)

Before



After





Objective #4:
Red Field Redevelopment

Shelter Cove Mall - Chaplin

7 Properties

51.35 Acres

\$28.5 million Acquisition



In its current form, the Mall at Shelter Cove is the largest area of underperforming retail on the Island and takes no advantage of its location near the water and natural resources. The plan is to redevelop this area as a more desirable mixed-use product that would integrate with the existing parks and open space.

Shelter Cove Mall - Chaplin



In the Chaplin Area TIF District commercial property was increasing at a much lower rate compared to residential properties. The difference can be possibly attributed to lack of investment in commercial facilities in the Chaplin Area TIF District or a higher than average investment in residential properties in the same community. Consequently, this community of Hilton Head Island should be explored further for the disparity between the residential and commercial properties.

Dunnagans Alley

24 Properties

18.39 Acres

\$23.5 million Acquisition



The Dunnagans Alley District on Hilton Head Island is the home of some of the Island's original commercial development. The small warehouses, construction offices, and light industrial activity that mark the area's original use is now seemingly out of place adjacent to the town's most visible and active thoroughfares. The need in this area is to reduce the amount of development and impervious coverage to provide more open space and improve the environment.

KARAZONA - 2

38 RED FIELDS TO GREEN FIELDS





Impacts

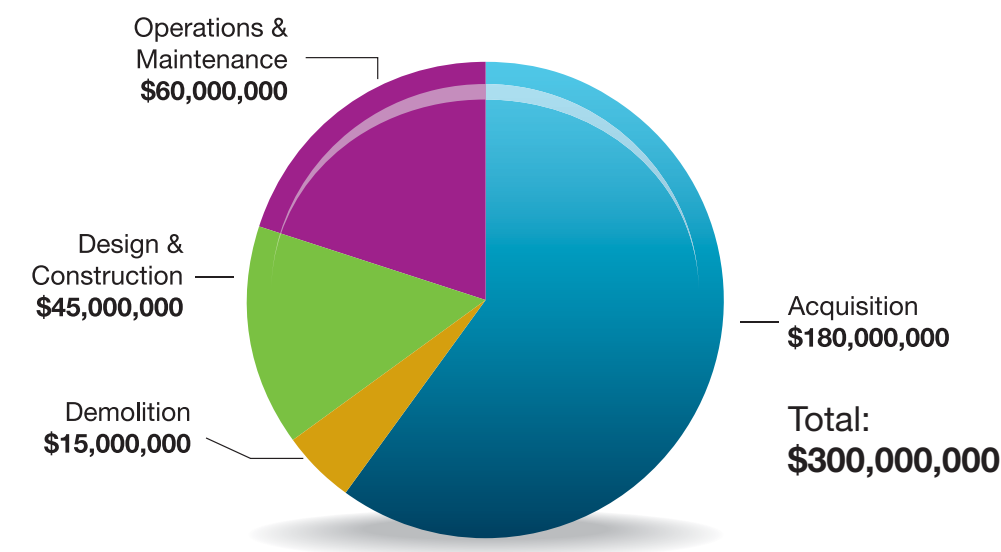
Summary

The Red Fields to Green Fields Project could help to reverse declining property values in a way that would catalyze private investment, increase development potential and anchor redevelopment with quality public space.

Investing \$300 million into Red Fields will create over:

- 3,200 jobs
- \$72 million in labor income
- \$194 million value added
- \$307 million total output

Project Costs



Acknowledgements

Project Team



Contact: Kevin Caravati
Senior Research Scientist
404.407.8058
Kevin.Caravati@gtri.gatech.edu

Joseph Goodman
Matt Wren
Jennifer Jones



Joseph Hughes, Ph.D., P.E., BCEE
Erin Keller
Carolyn Knabel
Cade Strippelhoff



Catherine Nagel
Executive Director
nagelcatherine@cityparksalliance.org



Jayne Lopko, AICP
Senior Planner
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928
843.341.4695
jaymel@hiltonheadislandsc.gov
www.hiltonheadislandsc.gov

Shawn Colin, AICP
Comprehensive Planning Manager
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928
843.341.4696
shawnc@hiltonheadislandsc.gov

Stephen G. Riley, CM
Town Manager
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928
843.341.4700
stever@hiltonheadislandsc.gov



John Salazar, Ph.D., CHE
Associate Professor of Hospitality Management &
Director, Lowcountry and Resort Islands Tourism Institute
University of South Carolina-Beaufort
One University Boulevard
Bluffton, SC. 29909
Phone: 843.208.8217
Fax: 843.208.8295
jsalazar@uscb.edu
www.uscb.edu



Denise K. Spencer
President and CEO
Community Foundation of the Lowcountry
843.681.9100
dspencer@cf-lowcountry.org
www.cf-lowcountry.org