



Town of Hilton Head Island
PUBLIC PLANNING COMMITTEE MEETING
Wednesday, March 9, 2022, 2:00 PM
AGENDA

The Public Planning Committee meeting will be held in-person at Town Hall in the Benjamin M. Racusin Council Chambers. The meeting can be viewed on the [Town's Public Meetings Facebook Page](#) , the [Beaufort County Channel](#) and Spectrum Channel 1304.

1. **Call to Order**
2. **FOIA Compliance** Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.
3. **Roll Call**
4. **Approval of the Agenda**
5. **Approval of the Minutes**
 - a. Regular Meeting - January 27, 2022
6. **Appearance by Citizens**

Citizens who wish to address the Committee concerning agenda items, may do so by contacting the Town Clerk at 843.341.4701, no later than 11:00 a.m., Wednesday, March 9, 2022.

Citizens may also submit written comments concerning any of the items on the agenda through the eComment portal at: [Public Planning Committee Meeting Information](#)

7. **New Business**
 - a. Summary of the 2021 Trolley Service and Request for Input on the Proposed 2022 Trolley Service
 - b. Review and Discussion of the Proposed Ordinance Concerning Short-Term Rentals
8. **Adjournment**

Please note, a quorum of Town Council may result if four (4) or more of their members attend this meeting.



Town of Hilton Head Island
Public Planning Committee
Thursday, January 27, 2022, 10:00 a.m.
MEETING MINUTES

Present from the Committee: David Ames, *Chairman*; Tamara Becker, Alex Brown, Glenn Stanford

Present from Town Council: Bill Harkins

Present from Town Staff: Josh Gruber, *Deputy Town Manager*; Shawn Colin, *Interim Director of Community Development*; Angie Stone, *Assistant Town Manager*; Jeff Buckalew, *Town Engineer*; Chris Yates, *Building Official*; Anne Cyran, *Interim-Comprehensive Planning Manager*; Krista Wiedmeyer, *Town Clerk*; Carolyn Grant, *Communications Director*; April Akins, *Revenue Services Manager*; Karen D. Knox, *Senior Administrative Assistant*

Others Present: Curtis Coltrane, *Town Attorney*

1. Call to Order

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

2. FOIA Compliance

Ms. Wiedmeyer confirmed compliance with the South Carolina Freedom of Information Act.

3. Roll Call

Attendance of all members was confirmed by way of roll call.

4. Approval of the Agenda

Mr. Ames stated he would like to amend the Agenda to include an Executive Session to review legal matters related to Islanders Beach. Mr. Stanford moved to approve. Mrs. Becker seconded. Motion carried 4-0.

5. Approval of Minutes

a. Regular Meeting – December 16, 2021

Mr. Stanford moved to approve. Mrs. Becker seconded. Motion carried 4-0.

6. Appearance by Citizens

Patsy Brison, Frank Babel and Steve Alfred addressed the Committee about the E-Bike regulations and the use of same on the Town's pathways. Mr. Jim Hall submitted his comments in writing.

7. Unfinished Business

a. Monthly Update on the Short-Term Rental Ordinance Initiative

Ms. Cyran stated staff recommends the Committee support the proposed direction to address the organization, character, expectations, and operations of short-term rentals through preliminary policy framework recommendations. As of January 1, 2022, a business license is required for all short-term rentals. Demonstration of compliance with the standards will be required for new and renewing business licenses. Staff also recommends the effective date of the ordinance be July 1, 2022, or later if the ordinance is not yet enacted by July 1. Staff will continue to monitor and evaluate the effects of short-term rentals on residential neighborhoods and the housing stock to determine if potential future action is warranted. Committee support will allow staff to move forward with drafting an ordinance to establish the preliminary policy framework recommendations. The drafted ordinance will be brought back to the Committee for further consideration in February.

After much discussion, Mr. Stanford made a motion directing staff to move forward with drafting an ordinance to establish the preliminary policy framework to be reviewed at our next meeting in February. Mr. Brown seconded. The motion carried 3-1, Mrs. Becker opposing.

b. Parking Study Master Plan – Direction on Implementation

Mr. Gruber gave the Committee an update and advised since our last meeting, we have contracted with Walker Consultants to provide technical advice and guidance on the drafting of the Request for Qualifications for the parking management services. That RFQ has been received and will be released today. Since implementation of this program is not likely to be in place before the upcoming 2022 summer season, I wanted to highlight that we are continuing to improve security enhancements both at the Coligny Beach parking lot as well as all the other Town beach lots, there is a renewed emphasis on park maintenance improvements both within the Coligny Beach lot as well as other beach parks. Mr. Gruber briefly reviewed the role of the beach team this summer and stated they have implemented various operational and physical improvements at all beach parks.

c. Discussion of Beach Master Planning and Facility Improvements

Jeff Buckalew stated staff recommends the Public Planning Committee endorse to Town Council a revised Beach Parking Pass application and resolutions to sell annual beach parking passes at \$15.00 each and to restrict certain shuttle vehicles not transporting Island residents from entering Islanders Beach Park, to discuss options regarding the

parking meters at Islanders and to receive legal counsel from the Town Attorney on imposing certain access restrictions related to pedestrians and bicycles at Islanders Beach Park.

At 11:56 pm, Mr. Stanford moved to go into Executive Session to review legal matters regarding Islanders Beach. Mrs. Becker seconded. At 12:31 p.m. the Committee returned from Executive Session with no action taken.

Mr. Stanford made a motion that we do not attempt to remove the parking meters at Islanders Beach Park at this time but continue to try and negotiate a better treatment of this from SC Department of Health and Environmental Control. Mrs. Becker seconded. The motion carried 4-0.

Mr. Stanford made a motion directing staff to revise the eligibility requirements for a beach parking pass to include Hilton Head Island residential property owners who pay both the 4% and 6% property tax, to exclude time-share ownership of less than 183 days, but to include rentals or leases of more than 183 days. Mrs. Becker seconded. The motion carried 4-0.

Mr. Stanford made a motion that the Committee move forward a recommendation to the full Town Council to set the annual fee for a beach parking pass at \$15.00 subject to review based upon further developments in the parking management plan. Mrs. Becker seconded. The motion carried 4-0.

Mr. Stanford made a motion that staff does not move forward restricting pedestrian and bicycle access into Islanders Beach Park and that the Town be encouraged to develop a pedestrian bicycle pathway from the roadway to access into the beach park as soon as possible. Mr. Brown seconded. The motion carried 3-1, Mrs. Becker opposing.

Mr. Stanford made a motion to limit access of tour buses, buses, shuttles to vehicles that are carrying residents of the Island, particularly those that are coming from civic groups, Church groups or from retirement homes or assisted living facilities. Mrs. Becker seconded. Mr. Stanford amended his motion to read – restrict commercial motor vehicles (including shuttle buses) from entering the park, with the exceptions granted for vehicles registered to Hilton Head Island assisted living facilities, non-profits, religious institutions, and other similar civic/community groups that exclusively transport Island residents. Mrs. Becker seconded. The motion carried 4-0.

d. Discussion of E-Bike Regulations

Mr. Gruber stated staff is requesting the Committee authorize the drafting of corresponding amendments to the Town's business license regulations to provide for the following: 1) In conjunction with the support of Bike-Walk Hilton Head, require the distribution of bicycle safety/etiquette materials that clearly define the Town's standards of responsible behavior with each bicycle rental transaction; 2) Require the use of technology by business license holders that would limit the speed at which a helper motor would continue to function to no greater than 12 miles per hour; 3) Once drafted, the proposed regulations would be brought before the Committee for review and

consideration to recommend Town Council adoption. The Public Planning Committee would review the draft ordinance inclusive of safety/etiquette materials at its February meeting. The first reading by Town Council would be on March 15th and the second reading by Town Council would be on April 5th.

After discussion, Mr. Stanford made a motion that the Committee direct the staff to come forward with drafting an ordinance dealing with the various uses and restrictions for E-bikes as proposed. Mr. Brown seconded. The motion carried 3-1, Mrs. Becker opposing.

Mr. Stanford made a motion to direct staff to provide further information and come forward with a plan having to do with the Pope Avenue Street Project. Mr. Brown seconded. The motion carried 4-0.

8. Adjournment

With no further business, the meeting was adjourned at 1:06 p.m.

Submitted by: Karen D. Knox, Secretary

Approved: [Date]

The recording of this meeting can be found on the Town's website at <https://hiltonheadislandsc.gov/towncouncil/pubplan/>.



TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO: Public Planning Committee
FROM: Anne Cyran, AICP, *Interim Comprehensive Planning Manager*
VIA: Shawn Colin, AICP, *Senior Advisor to the Town Manager*
DATE: February 7, 2022
SUBJECT: Summary of the 2021 Trolley Service & the Proposed 2022 Service

Recommendation

Staff recommends the Public Planning Committee provide direction to Palmetto Breeze regarding the 2022 Breeze Trolley service.

Summary

Palmetto Breeze proposes operating the Breeze Trolley from Saturday, April 9 to Monday, September 5, which is Labor Day. The daily schedule would remain the same as 2021. Palmetto Breeze proposes to continue to provide fare-free service for the Breeze Trolley.

Palmetto Breeze recommends making the following changes to the two routes:

- Realign the northbound and southbound portions of the South Island Route to travel along a greater portion of Pope Avenue between Coligny Circle and Nassau Street, as shown in the attached Breeze Trolley Update. This route will better serve visitors to the Lowcountry Celebration Park, the Sandbox Children’s Museum, and Pope Avenue businesses, while still providing stops on Deallyon Avenue on the southbound route.
- Adjust the northbound portion of the Mid-Island Route to travel through the public portion of Port Royal Plantation before connecting with Folly Field Road near the Westin hotel, as described in the attached Breeze Trolley Update. The southbound portion of the route would remain the same. The adjustment to the northbound route would allow the trolley to serve resort developments on Wimbledon Court (off Grasslawn Avenue) and reducing by half the number of trips on Folly Field Road. In mid-2021, Palmetto Breeze transitioned from using a trolley to using a smaller cutaway bus on this route in response to complaints about noise from a resident on Folly Field Road. Palmetto Breeze is exploring the feasibility of adjusting this route.

Background

The attached Breeze Trolley Update includes a summary and highlights of the 2021 season, comparisons of 2021 ridership counts to previous seasons, a tally of passenger counts by trolley stop, an analysis of stops and recommendations for the 2022 season, an analysis of the Town's return on investment, an update on video monitors in the trolleys, and further recommendations and updates for the 2022 season.

Breeze Trolley served more than 52,000 passengers in 2021, a 289% increase in ridership over the 2019 season. The increase can be attributed to two significant changes: adding a second route and offering fare-free service.

Palmetto Breeze estimates the trolley service eliminated 15,000 private vehicle trips from the Island's roads during the peak season. While there are no industry models to measure a Return on Investment for a tourist-based transportation service like The Breeze, public transportation generally provides a return of five dollars for every one dollar invested. Using this model, the Town's \$225,165 investment in The Breeze returned approximately \$1,125,825 in economic benefits to the community, including reduced traffic congestion, reduced pollution, reduced demand on public parking, additional intermodal travel options, and an enhanced experience for residents and visitors.

In January 2022, Palmetto Breeze contracted with RS&H to define a new public transit service to and from the Hilton Head Island airport. The attached Presentation includes the framework of the Hilton Head Island Airport transportation study and a project timeline. The final report and recommendations will be complete by the end of April 2022.

Attachments

- A) Breeze Trolley Update
- B) Presentation

Breeze Trolley Update for the Town of Hilton Head Island
Public Planning Committee
February 24, 2022

Summary of 2021 Trolley Season

Hilton Head Island’s Breeze Trolleys delivered a total of more than 52,000 passenger trips for the entire 2021 season, representing an increase of 289% when compared to the 2019 season (the most recent full season of service). We estimate this equates to keeping approximately 15,000 cars off the Town’s roadways during the peak season. We also estimate that the Town’s 2021 \$225,165 investment returned \$1,125,825 (According to APTA) in economic benefits to the community, in addition to the congestion relief and enhanced Island experience for those who utilized the service.

Additional 2021 Season highlights include:

- o We successfully implemented the Mid-Island Route, feeding passengers onto the existing South Island Route. This included installing nine new trolley stops and updating maps and signage along both routes.
- o Midway through the season, we started using the cutaway-style vehicles to serve the Mid-Island Route to reduce noise along Folly Field Road.

Trolley Ridership 2021							
		Adult	Bikes	Senior	Children	Total	
April	South End	2,372	47	70	276	2,718	
	Mid-Island	1,502	6	26	50	1,578	4,296
May	South End	7,690	75	8	438	8,136	
	Mid-Island	2,633	8	12	176	2,821	10,957
June	South End	6,697	93	44	399	7,140	
	Mid-Island	4,292	21	3	172	4,467	11,607
July	South End	8,072	50	28	650	8,750	
	Mid-Island	4,758	9	29	203	4,990	13,740
August	South End	5,861	99	2	448	6,311	
	Mid-Island	3,569	12	21	187	3,777	10,088
September	South End	1,138	24	1	99	1,238	
	Mid-Island	502	16	0	11	513	1,751
	Yearly Total	52,439					

Additional 2021 Season highlights (continued):

- o We achieved several record-breaking ridership days, especially over the holiday weekends.
- o We earned an 84 percent increase in Facebook followers during the 2021 season.
- o Passenger reviews online and in person were consistently positive, especially concerning trolley operator courtesy, convenience, the free fares, and the new route serving the Mid-Island.
- o A total of 40,000 maps were printed and distributed throughout the season.
- o Growth in internet presence included a 500% increase in website and Google inquiries over previous years.
- o We held two Tour-A-Trolley events (one at Hilton Head Island Beach and Tennis Resort and one at Shelter Cove Community Park).
- o We dedicated our fourth trolley in May during a ceremony at Lowcountry Celebration Park.
- o The Breeze participated in the Chamber of Commerce “chalk the walk” kindness campaign in early September by chalking most of our 21 trolley stops with messages of kindness and gratitude and installing green ribbons on the signage.
- o An additional 1,800 passengers were transported to support the Culture HHI Lantern Parade activities on November 12 and 13.

Comparison of 2021 Ridership to Previous Seasons

As mentioned, the ridership in 2021 broke all service records. This was due in large part to the continuation of free fares and the addition of the Mid-Island Route.

Service Year	Notes	Total Passengers	Percent Increase
2018	Inaugural year (July to Oct)	5,000	N/A
2019	First Full season (April to Sept)	18,000	360%
2020	COVID-shortened (late Jun-Sept); fare-free	4,400	-76%
2021	Full season (April to Sept); fare-free; added Mid-Island Route	52,000	1,182% increase compared to 2020; 289% increase compared to 2019

Passengers per Trolley Stop

In 2021 we used two methods to count passengers. First, we continued to task the trolley operators with conducting manual counts of passenger boardings and bicycle rack usage. Second, we began the implementation of automated passenger counters (APC), to count total passenger boardings broken down by trolley top. The reliability and accuracy of the APC technology was somewhat inconsistent during the season, so these counts were then validated by the operators' manual counts to determine total passengers per stop. Following the 2021 season, we were able to work with the technology provider to address our concerns and we are confident that the automated counting by trolley stop will be far more reliable for the 2022 season.

The table at right represents our year-end total passenger boardings broken down by stop, as validated by both the manual and automated counts.

In addition, our bicycle racks were used a total of 460 times.

Trolley Ridership 4/10/21 - 9/6/21		
Trolley Stop #	Trolley Stop Name*	Passengers Per Stop
1	Shelter Cove Towne Centre (M & S)	22,231
2	Shelter Cove Harbour (S)	2,792
3	Village at Wexford at 278 (S)	224
4	HHI Motorcoach Resort (SB) (S)	1,021
5	Park Plaza (S)	308
6	Deallyon at Cordillo (S)	696
7	Deallyon at S. Forest Beach (S)	959
8	Coligny Circle (S)	13,459
9	Deallyon at S. Forest Beach (S)	975
10	Deallyon at Cordillo (S)	1,334
11	HHI Motorcoach Resort (NB) (S)	45
12	Village at Wexford at D. Alley (S)	33
13	Hilton Head Resort (M)	210
14	HHI Beach & Tennis Resort (M)	1,845
15	Island Club (M)	176
16	Barony Beach Club (NB) (M)	191
17	Westin (M)	3,910
18	Barony Beach Club (SB) (M)	376
19	Island Club (M)	279
20	Fiddler's Cove (M)	1,064
21	278 & Shelter Cove Lane (M)	63
Total Ridership for 2021 Season		52,190
* M = Mid-Island Route / S = South Island Route		
** NB=Northbound ***SB=Southbound		

Analysis of Stops and Recommendations for 2022

Following the season, we performed an analysis of trolley stop performance. In short, while there were a few stops that were not as productive as we hoped, they do allow adequate coverage along the route for those who may want to board in between more popular stops. They also add to the overall visibility of the service in the community.

However, with the completion of the development in the Lowcountry Celebration Park/Coligny area, we recommend a realignment of the South Island Route to better serve the Park, Sandbox Museum, Coligny area destinations, Courtyard hotel, and the businesses (existing, new, and proposed) along Pope Avenue.

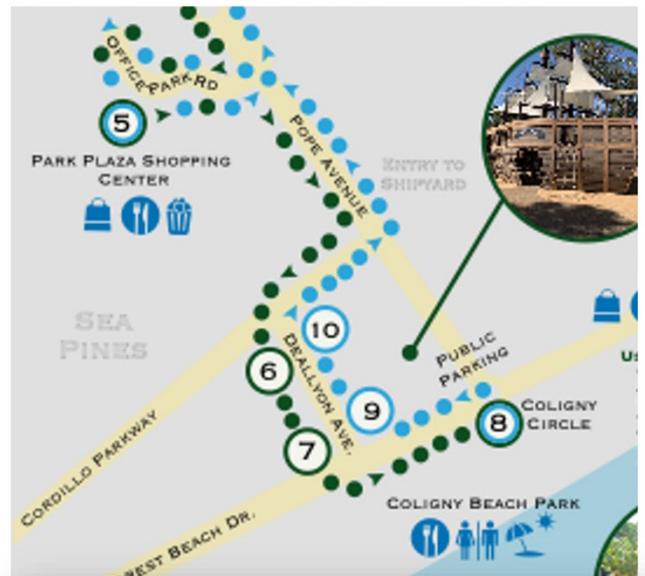
Southbound (toward Coligny):

- From Deallyon, turn left onto Nassau.
- Travel Nassau to serve flag stops at Coral Sands and Holiday Inn Express.
- **New Trolley Stop #7** at the Sandbox Museum front entrance.
- Continue on Nassau to Pope.
- Right turn onto Pope toward Coligny Circle and **Existing Stop #8**.

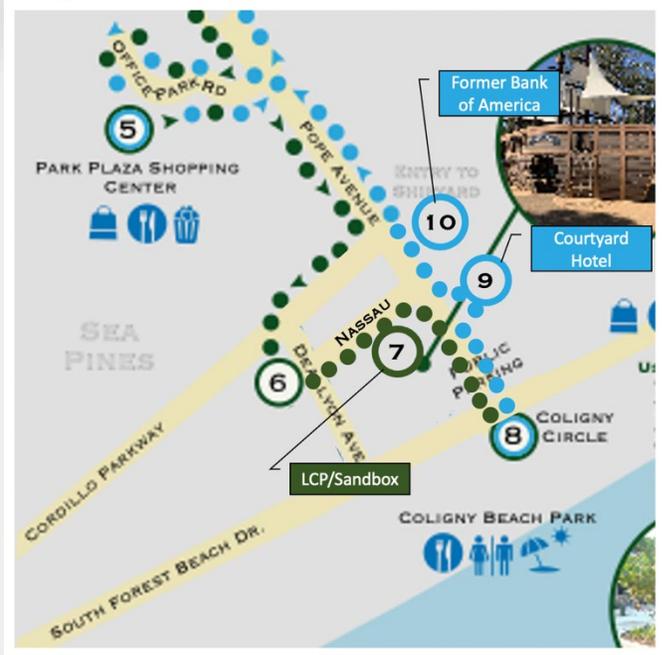
Northbound (toward Shelter Cove):

- From Coligny Circle, travel north on Pope Avenue.
- Turn right into Courtyard hotel driveway.
- Turn left in front of hotel entrance (behind NYC Pizza) with **New Trolley Stop #9**.
- Turn left onto second driveway back to Pope Avenue.
- Turn right onto Pope Avenue.
- **New Stop #10** in front of former Bank of America building.
- Continue on Pope Avenue back to Office Park Road and **Existing Stop #5** in Park Plaza.

Current South Island Route



Proposed 2022 South Island Route



Additionally, the Mid-Island Route was key to the successes we experienced in 2021, and we believe it can be an even better experience if we adjust the route to include more of the Coggins Point Road/Grasslawn Avenue resorts.

The current route travels Folly Field Road in both directions, to and from The Westin Resort where it turns around. We recommend adjusting the route so that on the outbound portion (from Shelter Cove Towne Centre) the trolleys continue on US 278 until the right turn onto Coggins Point Road toward the Westin. From the Westin, the route would continue as it operated in 2021, down Folly Field Road, past the Hilton Head Island Beach & Tennis Resort and back to US 278 toward Shelter Cove. This would cut the frequency of the trolley vehicles in half on Folly Field Road allowing us to utilize the full-size trolley and all of its amenities on this route again. We would also move the outbound stops on Folly Field Road and seek to install them near the Island Links Resort and Wimbledon Court resort area.

Analysis of Return on Investment for Town

While there are no industry models to measure economic ROI for tourist-based transit like the Breeze Trolley, public transportation generally provides an ROI of \$5 for every \$1 of investment (according to the American Public Transportation Association’s “Economic Impact of Public Transportation Investment – 2020 Update”). Because the Town invested \$225,165 in the Breeze Trolley in 2021, based on the industry estimated ROI, the Town’s investment returned \$1,125,825 in economic benefits to the community.

The benefits of public transportation also include reduced private vehicle trips taken. We estimate that the Breeze Trolley’s 52,000 passenger trips would equate to approximately 15,000 private vehicle trips that were not taken during the season, most of which would have occurred during the most congested times of day, providing much needed traffic congestion relief. This results in a multitude of other benefits for the Town, including reduced pollution, reduced demand on limited parking, additional inter-modality for the Town’s pathways, and an enhanced Hilton Head Island experience for both visitors and residents.

Given the significant increase in ridership, the benefits of the Town’s investment in the Breeze Trolley service were significantly higher in 2021 than the previous service years. With the enhancements discussed below, we anticipate even greater ROI and additional benefits for the 2022 season.

Update on Video Monitors in Trolley Vehicles

Video monitors were installed on all four trolley vehicles and were operational for the last month of the 2021 service season. The monitors displayed a looping video (including subtitles without audio) promoting the Island's various arts, cultural and historic features, with several-minute features on Culture HHI, the Lantern Parade, the Gullah Museum, Historic Mitchelville Freedom Park, and an overview of the Breeze Trolley route and the local businesses that are served. Between these features were several brief Island trivia questions to further enhance passengers' Hilton Head Island experience.



We are planning to continue to use the monitors in a similar fashion for the 2022 season, updating the video loop as needed to include new features. We do not plan to use the monitors for any paid advertising or sponsorships.

Recommendations for 2022 Season

- Commence trolley season on Saturday, April 9, 2022 (prior to RBC Heritage, which begins on April 11).
- Operate through at least Labor Day (Monday, September 5, 2022).
- Continue following daily schedule:
 - Sunday through Thursday: 1:00 p.m. to 10:00 p.m.
 - Friday and Saturday: 1:00 p.m. to 12:00 a.m. (Midnight).
 - Operate later on Monday, July 4 to accommodate Shelter Cove Fireworks.
- Realign South Island Route to better serve the Lowcountry Celebration Park/Sandbox Museum, Coligny, and Pope Avenue. This adjustment will connect well with all the new businesses along this portion of the route to promote the trolley as an alternative to driving personal vehicles.
- Consider an adjustment to the Mid-Island Route, as described above in Analysis of Stops and Recommendations for 2022.
- Continued free fares.
- Development of a more robust printed map and rider's guide, with sponsored advertisements promoting businesses and recreational activities along the two routes.
- Continued promotion of the CatchTheBreeze mobile app to track trolleys in real-time with a possible link to the Town's recently launched MyHHI app.

- Development and implementation of a passenger feedback mechanism on our website that can be promoted onboard via QR codes to more accurately measure customer satisfaction and to respond to any issues as they may arise.
- Work in tandem with the ongoing LRTA planning study to determine public transit service options for the Hilton Head Island Airport, with the hope that the recommendations will also enhance the Breeze Trolley service and even further reduce the number of private vehicles on the Town's roadways during the peak season.



Lowcountry Regional Transportation Authority Public Planning Committee Presentation



Connecting The Lowcountry

February 24, 2022



Summary of 2021 Trolley Season

An infographic titled '21 Trolley Season BY THE NUMBERS!' is tilted at an angle. It features a collage of images including trolley routes, maps, and a trolley. The text is arranged in various orientations and sizes to highlight key statistics and achievements from the season.

'21 TROLLEY SEASON BY THE NUMBERS!

84% ↑ INCREASE IN FACEBOOK FOLLOWERS

THREE VEHICLES EACH DAY

52,000+ PASSENGERS

TWO ROUTES

40K MAPS

50,652 Breezing Service miles 2 TOUR-A-TROLLEYS

1,000 FREE FRISBEEES

21 TROLLEY STOPS

ONE MEMORABLE 2021 TROLLEY SEASON

COUNTLESS SMILES AND HHI MEMORIES





Trolley Ridership by Stop



Trolley Ridership 4/10/21 - 9/6/21		
Trolley Stop #	Trolley Stop Name*	Passengers Per Stop
1	Shelter Cove Towne Centre (M & S)	22,231
2	Shelter Cove Harbour (S)	2,792
3	Village at Wexford at 278 (S)	224
4	HHI Motorcoach Resort (SB) (S)	1,021
5	Park Plaza (S)	308
6	Deallyn at Cordillo (S)	696
7	Deallyn at S. Forest Beach (S)	959
8	Coligny Circle (S)	13,459
9	Deallyn at S. Forest Beach (S)	975
10	Deallyn at Cordillo (S)	1,334
11	HHI Motorcoach Resort (NB) (S)	45
12	Village at Wexford at D. Alley (S)	33
13	Hilton Head Resort (M)	210
14	HHI Beach & Tennis Resort (M)	1,845
15	Island Club (M)	176
16	Barony Beach Club (NB) (M)	191
17	Westin (M)	3,910
18	Barony Beach Club (SB) (M)	376
19	Island Club (M)	279
20	Fiddler's Cove (M)	1,064
21	278 & Shelter Cove Lane (M)	63
Total Ridership for 2021 Season		52,190

* M = Mid-Island Route / S = South Island Route

** NB=Northbound ***SB=Southbound

THE
Breeze

2022 Recommendations



South Island Route Adjustment Recommendation

Current South Island Route



Proposed 2022 South Island Route





Mid-Island Route Adjustment Recommendation

Mid-Island Route Adjustment

Current Mid-Island Route



Proposed 2022 Mid-Island Route
(new stops subject to approval)





Planning for Possible Hilton Head Island Airport Service

- Study currently underway



Next Steps for Possible Hilton Head Island Airport Service

- Launching Engagement

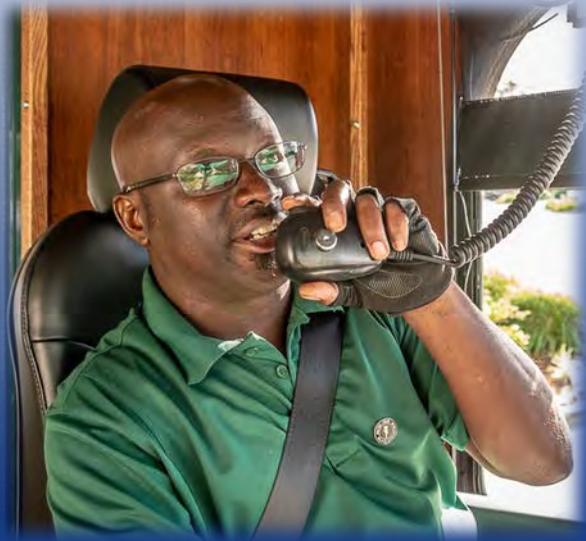
PROJECT TASKS	2022			
	JAN	FEB	MAR	APR
Stakeholder Engagement	[Bar with triangles in Feb and Mar]			
Define Goals, Objectives, and User Groups	[Bar in Jan]			
Review of Existing Services	[Bar in Jan]			
Evaluate Existing Roadway Conditions	[Bar in Jan]			
Design Route Alternatives	[Bar in Feb]			
Develop Draft/Final Report	[Bar in Mar with checkmark in Apr]			

LEGEND

- Stakeholder Meeting
- Plan Adoption



THE
Breeze



Thank You!





TOWN OF HILTON HEAD ISLAND

Staff Report Memo

TO: Public Planning Committee
FROM: Anne Cyran, AICP, *Interim Comprehensive Planning Manager*
VIA: Shawn Colin, AICP, *Senior Advisor to the Town Manager*
DATE: February 15, 2022
SUBJECT: Short-Term Rental Initiative – Draft Ordinance and Issues for Further Review

Recommendation:

Staff recommends the Committee forward a recommendation to Town Council to review and approve the draft ordinance to establish performance standards for short-term rentals. Staff further recommends the Committee support the proposed direction to prioritize mini-hotels and short-term rentals in residential neighborhoods as the first two issues for further review.

Summary:

The presentation, Attachment A, provides an overview of the initiative to date, including the project purpose statement, a revised project timeline, the number of verified short-term rental listings and the trends in short-term rentals between July 2019 and January 2022, a summary of public engagement to date, and the performance standards in the draft ordinance.

The draft ordinance, Attachment B, codifies standards for property management, safety, noise control, trash storage and disposal, and parking. The draft ordinance also defines related terms, lists the requirements for displaying outreach and awareness materials in short-term rental units, and refers to existing business license enforcement policies.

Staff recommends January 1, 2023, as the effective date of the ordinance. This will allow sufficient time for staff to develop an implementation plan, include required funding requests in the budget for Fiscal Year 2023, contract with service providers, and execute a communication and education plan.

Committee support of this proposed direction will allow staff to present the ordinance to Town Council for first reading on March 15, 2022. The ordinance will include an effective date of January 1, 2023, and all necessary references to other chapters of Title 10 of the Municipal Code.

The presentation also lists issues related to short-term rentals for further consideration. Staff developed the list based on feedback from the Committee, stakeholders, and the public. It

includes the effects of mini hotels in neighborhoods; the effects of short-term rentals in neighborhoods; whether there are too many short-term rentals; the effects of short-term rentals on housing; the effects of short-term rentals on infrastructure; and the environmental impacts of short-term rentals.

Staff recommends prioritizing the effects of mini hotels and short-term rentals on neighborhoods as the first two issues for further review. Committee support of this proposed direction will allow staff to develop a preliminary framework to define, analyze, and make recommendations for each issue. With the Committee's support, staff will present a preliminary framework and a proposed timeframe to the Committee on March 24, 2022.

Background:

The Economic Impact of Short-Term Rentals in the State of South Carolina, Attachment D, was provided to the Town for the Committee's review. A copy of the report was forwarded to the Committee earlier this month.

Attachments:

- A. Presentation
- B. Draft Ordinance
- C. Public Comments Received, January 19 to February 14
- D. Report: *The Economic Impact of Short-Term Rentals in the State of South Carolina*



Town of Hilton Head Island

Short-Term Rental Initiative

Draft Ordinance and Issues for Further Review

Public Planning Committee

February 24, 2022



Short-Term Rental Initiative Today's Presentation

- ▶ Review Project Purpose Statement
- ▶ Review Revised Timeline
- ▶ Review Short-Term Rental Listings & Trends
- ▶ Summary of Public Engagement
- ▶ Review Draft Ordinance
- ▶ Discuss Effective Date and Next Steps
- ▶ Discuss Issues for Further Review
- ▶ Discuss Prioritization of Issues for Further Review
- ▶ Discuss Next Steps for Issues for Further Review



Short-Term Rental Initiative Review Project Purpose Statement

As a resort area, Hilton Head Island has numerous short-term rental units.

The lack of a Short-Term Rental ordinance has led to an imbalance between residential and resort districts and the elimination of some long-term single-family neighborhoods.

The Town proposes to craft a Short-Term Rental ordinance to develop a fair, predictable, and balanced approach to manage short-term rental impacts on our neighborhoods, economy, housing stock, public facilities, and the quality of life of our residents and experiences of our visitors.



Short-Term Rental Initiative Review Revised Timeline

This revised timeline below shows the path for the preliminary policy framework recommendations in the draft ordinance.

Staff will develop a timeline for the remainder of the short-term rental initiative based on the Committee's direction.

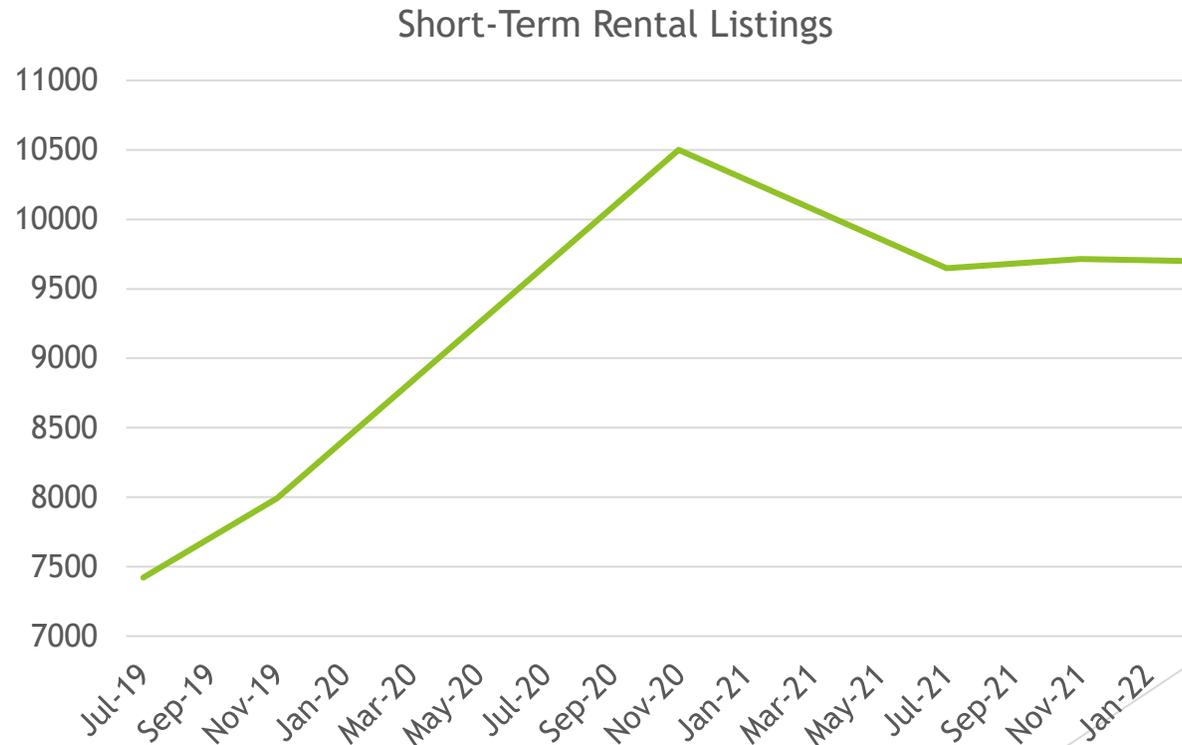
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Public & Stakeholder Outreach and Data Development & Research	10/1/2021 - 2/3/2022									
Program Alternatives & Community Facilitation				1/10/2022-1/30/2022						
Program Development & Facilitation					1/27/2022-2/28/2022					
Program Adoption						3/1/2022 - 4/19/2022				



Short-Term Rental Initiative

Review Short-Term Rental Listings & Trends

- ▶ 07/2019: 7,421 STRs.
- ▶ 01/2022: 9,701 STRs.
- ▶ 31% Increase in STRs.
- ▶ Increase is significant, but not as significant as previous estimates indicated.
- ▶ Since January 2021, number of STRs dropped, then leveled off.





Short-Term Rental Initiative Summary of Public Engagement

- ▶ Public engagement is ongoing
- ▶ Methods of engagement to date:
 - ▶ Held 13 stakeholder meetings
 - ▶ Held 3 public open houses
 - ▶ Received 3,680 responses to the Open Town Hall survey
 - ▶ Received comments and questions via website
 - ▶ Gave interviews with local media
 - ▶ Received comments via email and phone
 - ▶ Short-Term Rental Initiative page on Town website



Short-Term Rental Initiative Review Draft Ordinance

The draft Ordinance includes:

- ▶ Definitions
- ▶ Standards for:
 - Property Management
 - Posting Required Materials
 - Safety
 - Enforcement
 - Noise Control
 - Trash Storage and Disposal
 - Parking



Short-Term Rental Initiative Review Draft Ordinance

Definitions (1 of 2)

- ▶ **Domicile** means a principal place from which the trade or business of a licensee is conducted, directed, or managed. For the purposes of this chapter, a licensee may be deemed to have more than one (1) domicile.
- ▶ **Short-term rental (or STR)** means a domicile that is rented partially or in its entirety for less than thirty (30) consecutive days.



Short-Term Rental Initiative Review Draft Ordinance

Definitions (2 of 2)

- ▶ **STR rental period** means the period during which a rental unit subject to the licensing requirements of this chapter is occupied by lessee or guest of the lessee.
- ▶ **STR agent** means a person authorized by the owner to act on the owner's behalf with respect to compliance with this chapter and who is available during a renters stay to respond to complaints regarding the condition, operation, or conduct of occupants of the rental unit.



Short-Term Rental Initiative Review Draft Ordinance

How will short-term rental owners comply with these standards?

On the short-term rental permit application submitted with the business license application, owners will affirm they comply or will comply with these standards.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Property Management (1 of 3)

Owner or STR agent will:

1. Be available during the STR rental period to respond to a complaint or other matter related to the operation or behavior of the occupants of the rental unit;
2. Be available by phone at all times during STR rental period and capable of being physically present on the premises, or taking other responsive action, within one (1) hour of notification of a complaint or other matter related to the rental unit;



Short-Term Rental Initiative Review Draft Ordinance

Standards for Property Management (2 of 3)

3. Timely refer complaints to other parties with appropriate authority or jurisdiction and are not responsible for resolving any situation putting them at risk, physically or otherwise;
4. Prominently display in the rental unit contact information for the owner or the STR agent responsible for responding to complaints;



Short-Term Rental Initiative Review Draft Ordinance

Standards for Property Management (3 of 3)

5. Display, on the address side of the exterior of the unit, the name of the property manager or property management company and a current phone number, which is legible from a point that does not require leaving a public area, including public rights-of-way or community areas in private communities. Display lettering must be between one (1) inch and four (4) inches tall. Such signs must only be displayed during the STR rental period. Units subject to a private covenant prohibiting such signs are exempt from this requirement.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Safety (1 of 2)

Owner or STR agent will affirm the STR unit has:

1. Operable smoke and carbon monoxide detectors in the rental unit, as required by law;
2. At least one (1) operable and charged fire extinguisher;
3. Unobstructed escape routes from the unit in the event of a fire; and



Short-Term Rental Initiative Review Draft Ordinance

Standards for Safety (2 of 2)

4. At least one of the following options:
 - a) A gated, four (4) foot tall fence or screened enclosure restricting access to pools and hot tubs available to the tenants of a rental unit, unless prohibited by applicable private covenants, conditions, or restrictions; or
 - b) An operable pool alarm on pools and hot tubs available to the tenants of a rental unit.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Noise Control (1 of 2)

Owner or STR agent have and will:

1. Display the following in a prominent location in the rental unit:
 - a) In the Town of Hilton Head Island, it is unlawful to unreasonably disturb the peace and quiet of those in their homes and public places (Title 17, Chapter 4, Town Code); and
 - b) Quiet hours for the rental unit are between 10:00 PM and 7:00 AM, though Town noise regulations are in force twenty-four (24) hours each day (Title 17, Chapter 4, Town Code).



Short-Term Rental Initiative Review Draft Ordinance

Standards for Noise Control (2 of 2)

2. Communicate in writing the provisions above to renters prior to the start of an STR rental period and occupancy.

Note: “provisions above” refers to the two provisions on the previous slide.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Trash Storage and Disposal (1 of 2)

Owner or STR agent will:

1. Maintain accessibility to a designated trash storage area on site during any STR rental period;
2. Maintain fencing or other screening materials such that trash containers are not prominently seen from public streets and neighboring property vantage points, except when placed during designated pick-up times;



Short-Term Rental Initiative Review Draft Ordinance

Standards for Trash Storage and Disposal (2 of 2)

3. Prominently display instructions for managing trash disposal during the STR rental period, including designated pick-up times and, if applicable, relevant property owner association requirements;
4. Ensure any outdoor trash containers remain secured to avoid spills and pests; and
5. Make arrangements to ensure trash containers are not placed curbside more than twenty-four (24) hours prior to scheduled pick-up times and will be removed no more than twenty-four (24) hours after pick-up.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Parking (1 of 2)

Regarding parking of vehicles on rental properties that are not located within a community offering twenty-four (24) hour private security personnel available to resolve parking complaints and violations, the Owner or STR agent will:

1. Indicate on the short-term rental permit application an accurate number of designated on-site parking spaces available to rental guests during the STR rental period. Each space must be at least nine (9) feet by eighteen (18) feet and improved with an impermeable or semi-impermeable surface;



Short-Term Rental Initiative Review Draft Ordinance

Standards for Parking (2 of 2)

2. Indicate on the short-term rental permit application the identical number of vehicles as the maximum permitted on site during an STR rental period;
3. Maintain a system to ensure compliance with this paragraph, including but not limited to parking passes or placards; and
4. Ensure that no vehicles associated with guests of a rental unit will park off-site, including in adjacent rights-of-way, during the STR rental period. This does not preclude off-site, off-street parking on another property if the owner of the other property agrees to allow parking on their property.



Short-Term Rental Initiative Review Draft Ordinance

Standards for Posting Required Materials (1 of 1)

Owner or STR agent will:

1. Prominently display in the rental unit any Town-provided outreach and awareness materials related to applicable Town requirements; or
2. Affirm on the short-term rental permit application that the contents of any Town-provided materials have been provided by other equivalent means and will remain prominently displayed during any STR rental period.



Short-Term Rental Initiative Review Draft Ordinance

Enforcement (1 of 1)

- ▶ Goal is voluntary compliance through education.
- ▶ Repeat violations of these standards are subject to the enforcement actions and penalties provided in Title 10, Chapter 1 in the Municipal Code.
- ▶ Enforcement actions could include fines of up to \$500 and the suspension or revocation of the business license.



Short-Term Rental Initiative

Discuss Effective Date and Next Steps

Effective Date and Next Steps

- ▶ Staff recommends an effective date of January 1, 2023.
- ▶ This will allow sufficient time to develop an implementation plan, request funding in FY23 budget, contract with service providers, and execute a communication and education plan.
- ▶ With Committee support, staff will present a final, formalized ordinance to Town Council for first reading on March 15, 2022.



Short-Term Rental Initiative

Discuss Issues for Further Review

Issues for Further Review

- ▶ While the proposed Ordinance is refined and reviewed by the Committee and Town Council, staff will begin work on deeper-rooted issues related to short-term rentals.
- ▶ Staff developed a list of issues for further review, based on feedback from the Committee, stakeholders, and the public.
- ▶ These are the themes we heard in meetings, the survey, emails, and phone calls.



Short-Term Rental Initiative

Discuss Issues for Further Review

List of Issues for Further Review (1 of 4)

- 1. Effects of Mini Hotels in Neighborhoods:** Concern about very large single-family homes built on modest lots in residential neighborhoods;
- 2. Effects of Short-Term Rentals in Neighborhoods:** Concern about the increasing number of short-term rentals in residential neighborhoods, especially neighborhoods or streets that previously had few or no rentals;



Short-Term Rental Initiative

Discuss Issues for Further Review

List of Issues for Further Review (2 of 4)

- 3. Whether There Are Too Many Short-Term Rentals:** Concern that there are or will be too many short-term rental units on the Island, which may decrease the value of all types of visitor lodging, increase the demand for hospitality workers, and increase traffic congestion and the number of people visiting the beaches, parks, etc.;



Short-Term Rental Initiative

Discuss Issues for Further Review

List of Issues for Further Review (3 of 4)

- 4. Effects of Short-Term Rentals on Housing:** Concern that converting existing housing to short-term rentals reduces the availability of housing for homeowners and long-term renters, including hospitality workers;
- 5. Effects of Short-Term Rentals on Infrastructure:** Concerns about wear and tear on roads due to increased traffic and adequate water pressure for areas with many new, large homes;



Short-Term Rental Initiative Discuss Issues for Further Review

List of Issues for Further Review (4 of 4)

- 6. Environmental Impacts of Short-Term Rentals:**
Concern that the demand for more short-term rental units is resulting in previously undeveloped lots being cleared and developed for short-term rentals, decreasing open space, trees, and vegetation while increasing the amount of impervious surface on the Island.



Short-Term Rental Initiative Discuss Prioritization of Issues for Further Review

Prioritization of Issues for Further Review

- ▶ Staff recommends prioritizing the following two issues because most of the feedback focused on these issues:
 1. Mini Hotels; and
 2. Short-Term Rentals in Residential Neighborhoods.



Short-Term Rental Initiative Discuss Next Steps for Issues for Further Review

Next Steps for Issues for Further Review

- ▶ If the Committee agrees with the two preliminary issues for further review, staff will develop a preliminary framework to define, analyze, and make recommendations for each issue. Staff will also develop a timeline for the preliminary framework.
- ▶ Staff will present to the Committee a preliminary framework and timeline on March 24, 2022.



Questions?

TOWN OF HILTON HEAD ISLAND
MUNICIPAL CODE
TITLE 10 - BUSINESS AND PROFESSIONAL LICENSING; FRANCHISING AND REGULATION
Chapter 2 SHORT-TERM RENTALS

Chapter 2 SHORT-TERM RENTALS

...

Sec. 10-2-10. Definitions.

The following words, terms, and phrases, when used in this chapter, shall have the meaning ascribed herein. Defined terms are not capitalized when used in this chapter unless the context otherwise requires.

Domicile means a principal place from which the trade or business of a licensee is conducted, directed, or managed. For purposes of this chapter, a licensee may be deemed to have more than one (1) domicile.

Short term rental (or STR) means a domicile that is rented partially or in its entirety for less than 30 consecutive days.

STR rental period means the period during which a rental unit subject to the licensing requirements of this chapter is occupied by lessee or guest of the lessee.

STR agent means a person authorized the owner of a property to act on the owner's behalf with respect to compliance with this chapter and who is available during a renters stay to respond to complaints regarding the condition, operation, or conduct of occupants of the rental unit.

....

Sec. 10-2-20. Short term rental permits.

In addition to other requirements of this title, the Town will not issue and may revoke a business license for short term rental uses, except upon a unit owner's affirmation of the following in a short-term rental permit submitted with the business license application:

- (a) Regarding property management, that the owner or STR agent will:
 - (1) be available during the STR rental period to respond to a complaint or other matter related to the operation or behavior of the occupants of rental unit;
 - (2) be available by phone at all times during the STR rental period and capable of being physically present on the premises, or taking other responsive action, within one (1) hour of notification of a complaint or other matter related to the rental unit;

-
- (3) timely refer complaints to other parties with appropriate authority or jurisdiction and are not responsible for resolving any situation putting them at risk, physically or otherwise;
 - (4) prominently display in the rental unit contact information for the owner or the STR agent responsible for responding to complaints; and
 - (5) display, on the address side of the exterior of the unit, the name of the property manager or property management company and a current phone number, which is legible from a point that does not require leaving a public area, including public rights-of-way or community areas in private communities. Display lettering must be between one (1) inch and four (4) inches tall. Such signs must only be displayed during the STR rental period. Units subject to a private covenant prohibiting such signs are exempt from this subsection (a)(5).
- (b) Regarding safety matters that the owner, or STR agent, has and will maintain:
- (1) operable smoke and carbon monoxide detectors in the rental unit, as required by law;
 - (2) at least one (1) operable and charged fire extinguisher;
 - (3) unobstructed escape routes from the unit in the event of fire; and
 - (4) at least one of the following options:
 - a. a gated four (4) foot tall fence or screened enclosure restricting access to pools and hot tubs available to the tenants of a rental unit, unless prohibited by applicable private covenants, conditions, or restrictions; or
 - b. an operable pool alarm on pools and hot tubs available to the tenants of a rental unit.
- (c) Regarding noise control that the owner, or the STR agent, has and will:
- (1) display the following in a prominent location in the licensed rental unit:
 - a. In the Town of Hilton Head, it is unlawful to unreasonably disturb the peace and quiet of those in their homes and public places (Title 17, Chapter 4, Town Code); and
 - b. Quiet hours for the rental unit are between 10:00 PM and 7:00 AM, though Town noise regulations are in force twenty-four (24) hours each day (Title 17, Chapter 4, Town Code).
 - (2) communicate in writing the provisions of (c)(1) above to renters prior to the start of an STR rental period and occupancy.
- (d) Regarding trash storage and disposal that the owner, or the STR agent, will:
- (1) maintain accessibility to a designated trash storage area on site during any STR rental period;
-

-
- (2) maintain fencing or other screening materials such that trash containers are not prominently seen from public streets and neighboring property vantage points, except when placed during designated pick-up times;
 - (3) prominently display instructions for managing trash disposal during the STR rental period, including designated pick-up times and, if applicable, relevant property owner association requirements;
 - (4) ensure any outdoor trash containers remain secured to avoid spills and pests; and
 - (5) make arrangements to ensure trash containers are not placed curbside more than twenty-four (24) hours prior to scheduled pick-up times and will be removed no more than twenty-four (24) hours after pick-up.
- (e) Regarding parking of vehicles on rental properties not located within a community offering twenty-four (24) hours private security personnel available to resolve parking complaints and violations, the owner or the STR agent:
- (1) has indicated on the short-term rental permit application an accurate number of designated on-site parking spaces available to rental guests during the STR rental period. Each space must be at least nine (9) feet by eighteen (18) feet and improved with an impermeable or semi-impermeable surface;
 - (2) has indicated on the short-term rental permit application the identical number of vehicles as the maximum permitted on site during an STR rental period;
 - (3) will maintain a system to ensure compliance with this paragraph (e), including but not limited to parking passes or placards; and
 - (4) will ensure that no vehicles associated with guests of a rental unit will park off-site, including in adjacent rights-of-way, during the STR rental period. This does not preclude off-site, off-street parking on another property if the owner of the other property agrees to allow parking on their property.
- (f) Regarding posting of other required Town materials, the owner or the STR agent:
- (1) will prominently display in the rental unit any Town-provided outreach and awareness materials related to applicable Town requirements; or
 - (2) will affirm on the short-term rental permit application that the contents of any Town-provided materials have been provided by other equivalent means and will remain prominently displayed during any STR rental period.
- (g) Nothing in this section supersedes other applicable requirements of the Town or other agency, jurisdiction, or association and nothing herein is intended to authorize waiver of or limitations on compliance with such requirements.
- (h) Repeat violations of this section are subject to all enforcement actions and penalties as provided in Title 10, Chapter 1.
-



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 23, 2022 2:31 pm
916301899

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

Chris Abreu

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

I have owned my homes on Hilton Head for over 10 years and have enjoyed strong rental income from the homes, allowing me the ability to maintain the quality of the property and to supplement the cost of owning a luxury vacation home on a marquee island. I've invest more than 10M on HH over the last 10 years.

My question is as follows. Is the island government prepared to see a tremendous exodus from the island, lower property values, and declining hospitality and tax revenue all for the good of a small subset of the island that are permanent residence? The island has plenty of balance with communities that don't allow short term rentals.

An example the town should look at is Property values in Port Royal vs Sea Pines vs other off plantation areas. I would venture a guess that Port Royal price appreciation during the latest boom has been much more muted. As an owner and investor on the island, I've stayed away from investing in Port Royal given its limitations on short term rentals.

I myself will sell my homes if they are impacted in anyway by the ordinance and dissuade anyone from investing in Hilton Head.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 3:42 pm
925596961

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Manny Alas

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

hello Anne.

First, let me thank you for your time, energy, and effort.

I listened to yesterday's Zoom meeting that you hosted. I share many same concerns that were raised. Notwithstanding, I would like to offer my observations for consideration.

We live in Sea Pines and rent our home for about 12 to 16 weeks a year. We, our children and grandchildren use the home the vast majority of the year.

1) A local property management company manages our home. They do an excellent job. They are on it and inspect the home before, during and after the rental. As I am sure you are aware, Sea Pines has stringent rules which are enforced by CSA Security quickly when a report is made. The Sea Pines owners are responsible, and fines are assessed. If fined, the renter pays. That is a deterrent.

2) I would like to dispel the notion that all owners of short-term rentals are business owners with significant business incomes. Unless you own a beachfront home, you are lucky to breakeven from a cash flow perspective. Management fees alone can take 20% to 30% then add on top financing costs, Beaufort County taxes which are outrageous for a non-resident, storm damage costs (which now are frequent), license fees, maintenance, and upkeep expenses. Many owners rent their homes to cover costs and make no profit. After seven years of ownership, we have yet to report any profit and that it is very unlikely to change.

3) We need more data to assess before an ordinance that impacts the entire island. Can you publish the complaints by community and by type? An ordinance for the entire island is unnecessary. As you indicated during the Zoom meeting you seem to know where the hot spots on the Island are currently located. Please let everyone else have that same information.

4) As others have expressed, the issue arises from self-management (owners) or the use VRBO or Airbnb platforms for short term property rentals. Local management companies employ methods and standards that are best in class. These companies and the property owners should not be subjected to more regulation.

5) Enforce the current rules and regulations you now have. They are reasonable and sufficient. Establish a Town enforcement unit and yes levy fines and penalties. This will enable law enforcement to appropriately focus their time and energy on other priorities.

6) The public posting of contact information creates unnecessary potential harassment and burglary risk to the owners. I strongly discourage the committee from considering that proposal.

7) I agree and strongly believe education about our Island and its rules and communities is an important endeavor. Communication and education of our visitors and renters is encouraged. Unfortunately, that alone will not help with the issues that you raised nor will voluntary compliance. Unfortunately in 2022, voluntary compliance is not the norm. Hence, we need enforcement.

Please contact me if you or any other of the members would like to speak with me

Thanks

Manny

From: [REDACTED]
To: [Cyril Anne](#)
Subject: STR Ordinance
Date: Monday, January 31, 2022 8:34:55 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne:

I listened to the HHI STR Ordinance Stakeholder Meeting yesterday, that was held and recorded on 20 January 2022. I want to complement you on your outstanding role as the moderator and for being unbiased. I believe that you did an outstanding job.

I have owned a Villa (246 Evian) in Shipyard Plantation since 2012 and I sincerely believe that I am a very conscientious homeowner who personally manages my property when I rent the property out short term (tax definition: less than 90 days) and long term (tax definition: greater than or equal to 90 days). I treat my Villa as my second home and I have been complemented by contractors who conduct work for me and guests, that I have one of the nicest units in Shipyard Plantation. I have both short-term and long-term guests who stay at my Villa consistently since 2012. My Villa is well maintained and I am a firm believer in preventative maintenance. My rental agreement and vacation information packet specifically addresses being a good neighbor, noise, disturbances, bicycles, and trash; it also addresses grounds for eviction. I take my role as a property owner very seriously and feel ultimately, that I am personally responsible for the actions of my guests. I believe that I care for my property and have a better relationship with my guests than any property management company.

I was surprised that STRs have been identified as a problem at HHI, despite the fact that HHI government officials have not defined STR and are developing an ordinance that specifically addresses STR. I believe the issues with rental properties (time share, privately owned, company owned), apartment/condominium buildings, hotels, and resorts are collectively equal when they create disturbances and nuisances.

Hilton Head Island and South Carolina are based on a resort economy. I believe that property owners who rent their properties are burdened with a disproportionate share of taxes without proper representation. There are times the state or HHI creates a new tax and the rental property owners are expected to absorb the costs without adequate warning, such as a transportation tax or the business license tax. I would like to know how many of the new business licenses in HHI are processed, the total revenue generated, and what the funds will be used for. Anymore, I feel that owners of rental properties are viewed by HHI as merely a revenue stream of unlimited supply. I pay a disproportionate share of taxes, employ contractors (plumbing, HVAC, electric, cleaning, and general maintenance), and my guests generate a lot of revenue for local businesses, local residents, beach nourishment, and the local government.

I firmly believe that the parking, trash, noise, dog, and behavioral issues that were raised on 20 January are due to the lack of specific ordinances and especially, enforcement. I will provide some specific examples. Many of my neighbors rent their properties and allow dogs. Many

owners of the dogs do not pick up and properly dispose of the feces. When you request an owner to clean up after their dogs, many ignore you. In fact, out of spite, one owner started to allow their dog to urinate on one of my shrubs in front of my Villa. Who do you call when this occurs? Many people let their dogs bark all day when they go to the beach. The dog barking is a real nuisance. I have received complaints from my guests and have personally experienced this. When you contact a property owner (after an extensive search on the internet if you are lucky), they state that they pay a rental company to manage their property and this is the rental property company's problem, not theirs. When you try to contact the rental company, they do not answer the phone calls off hours and an emergency number is not provided. When you do reach the management company, they at times are insensitive and do not deal with the issue. I had one rental management company employee tell me after I complained that two dogs have been barking for approximately four straight hours, "they are leaving tomorrow". The problem from my perspective is that the existing ordinances are too vague and are not enforced. I have reviewed the HHI ordinances and although one ordinance mentions dog barking, I cannot find the specific ordinance that addresses dog barking.

I personally feel that additional STR ordinances are not required, unless they address zoning. I believe that the existing ordinances need to be reviewed and revised, based on the concerns and complaints that you are receiving. But the most important aspect of the existing ordinances, is that HHI should provide specific instructions on who to contact (business and nonbusiness hours) when there are parking, dog, trash, noise, and behavioral problems.

I recommend the following:

1. All owners who rent their property, be placed on a secure registry that can be found on the internet that provides their contact information and their property management company's contact information (business and nonbusiness hours) if they use one. This information is available from the business and retail licenses. This way, when there is a rental guest who is creating a nuisance, a property owner or property management company can be notified directly.
2. HHI provide contact information on the government officials to contact for specific issues (police, animal control, etc.). The funds generated from the business licenses could be used for this purpose.
3. The legitimate complaints against the property owners should be tracked on the website, and after so many complaints in two years, the property owner and the property rental company should have their business and retail licenses revoked for one year. This would hold and make people accountable.
4. A list of HHI the most relevant ordinances that may be provided in a rental agreement that will provide proper tenant behavior.

Thank you for your efforts and your consideration of my concerns and recommendations.

Respectfully,

Rich Allwes





Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 3, 2022 4:36 pm
926520607

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Joy Barker

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Thank you for having the virtual meeting today about Short Term Rentals on HH. I am a short term rental owner. My husband and I love the island. We enjoy it often. Therefore, we have concerns about these issues also. I appreciate the work that has gone into this project. It does seem that this plan if it is enacted may be hard to enforce. I agree with concerns about the safety of a property manager going to a property that has a party happening. Also, as a pediatric nurse practitioner I was appalled to learn that not all pools are fenced. Also, some are not fenced and the Home Owner's Association will not allow it. I thought that they all were. Drowning victims do not recriminate between rentals and owners. Drowning of particularly toddlers happens in the blink of an eye. Requiring rental property to have a fence around a pool and not owners is not right from a safety standard and from a property owner rights standard. Please rethink this plan to only require rental property to have a fence around a pool.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 8:53 am
925854846

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Josephine Beisswanger

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

An ordinance is a must have. It must follow the rules of each plantation covenants.
Noise, garbage, parking of multiple cars should
Be part of the ordinance along with approvals of side by side neighbors



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 8:16 pm
925694842

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Robert Benninger

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

We purchased a villa for our own use and leased it out during the time we were not able to come to the island. My wife managed it and we followed all of the rules that our poa required and she would screen all of the renters to make sure they understood the rules before they signed an agreement. We paid all required taxes for the unit. I think all rental units should be registered and pay the necessary tax to the city to help support the city. I don't know how to regulate the number of rentals but I feel that there should be a way to control it.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 29, 2022 11:26 pm
924497101

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Jeff Bennion

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Thank you for considering short term rental ordinances. STRs in ungated communities are much more of a problem on HHI in my opinion. The gated communities have been set up for short term rentals and any ordinance should recognize the role that the security forces and HOA covenants play in the gated resorts. Most of the concerns that I have are managed with considering the safety, fire, health, and parking regulations that apply to any commercial business.

-Short term rentals are strictly commercial businesses and should be treated as such.

- Every STR should have a business license and pay the 11% tax or receive heavy fines.

-Regulations currently in place if enforced would reduce many of the concerns in regards to STRs.

-Routine fire and health inspections with fines for failure to remediate

-Besides fire sprinklers, all other fire codes that pertain to hospitality beds in a hotel should pertain to STRs.

-Occupancy standards should be part of the fire code. Ie. 4 bunk beds in a 14'X12' room obstruct the window for an emergency exit and are too crowded for a quick egress through the door. Ie. Sleeping rooms in a home must have a window.

-Parking restrictions enforced by ticket, booting or towing if a roadway is made too narrow for emergency vehicles.

-Health inspection for adequate garbage, sewage setups.

-Noise ordinances with enforcement

I know people who live in Idaho but work remotely as independent contractors for Park City that simply seek out STRs online to see if they have a business license and pay taxes in accordance with their occupancy rate. My sister owns a STR in Canyons Resort, Park City. A friend owns in Deer Valley. Park City audits the STRs and does fire safety checks, just like for every other commercial building.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 3, 2022 12:32 am
926203430

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Robert Brock

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

As a prior owner of two rental properties and now an owner of a non rental unit. I think the town should be careful to not create policies that will hurt travel to this beautiful island that many enjoy. The tax revenue and revue that feeds the tourism business on the island rely on these renter. I can honestly say in 18 years I never had an issue and I used VRBO, paid my rental tax, extra school taxes and weekly rental tax. Be careful! Thanks



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 20, 2022 2:19 pm
915344168

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

William Broome

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

Hello, I owe 3 condos on the island and rent them all long term, the most expensive monthly rent is \$1400, so I believe I am assisting in providing affordable housing, so why do I need a business license? If the Town is going to again insist that I need this license, I will consider selling my units and they will go into the short-term system. Please help me. Respectfully.

From: [Grant Carolyn](#)
To: [Cyrán Anne](#)
Subject: FW: Short Term Rentals
Date: Wednesday, January 19, 2022 9:15:45 AM

Good Morning Anne
I received the feedback below regarding short term rentals.

-----Original Message-----

From: bullardpiwko <[REDACTED]>
Sent: Wednesday, January 19, 2022 8:46 AM
To: Grant Carolyn <carolyng@hiltonheadislandsc.gov>
Subject: Short Term Rentals

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

The Town needs to adopt policy regulations of operations for all these residential vacation homes .it's not just a matter of licensing.
Parking requirements, noise ordinance, drunk and disorderly behavior need penalties enacted after law enforcement is called to the rental home. Either on renters or commercial homeowner . Neighbors rights need to be respected and protected.

. Before commercial rental licensing can be permitted in a residential area There should be a maximum threshold percentage established to stop a takeover of the home dwelling streets.

The Town also needs to stop giving commercial spot zoning approval in residential areas such as this Bradley Circle debacle, and they need to collect upfront fees/taxes from these commercial based homes and after so many violations of the new Town Policy the Town can deny them a license to operate.

Regards,
Lyn Piwko Bullard

Sent from my iPhone



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 7:57 am
925835704

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Andrea Burger

Email

d [REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I am a former North Forest Beach property owner who was able to enjoy my winters in my rental home for a number of years. I had planned to make it my permanent home, not just winter, but I was eventually driven out of that neighborhood because of the increasing noise and congestion. Once properties were sold and new ones built that housed more than 10 people the area became mini hotels. I see that area eventually becoming a hotel strip only with no residential homes as that is what is currently happening. I'm afraid nothing can be done with the increase of bedrooms as a precedent has already been done, so how do you turn that around? I guess you now have to manage the inevitable.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 8, 2022 10:47 am
928118305

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Keith Burns

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

After the last webcast, I had two more thoughts to supplement my previous memo sent to you.

1) In addition to developing a regulation for the operations of a STR unit, it is likely that the Town will also need to use its zoning regulations to manage the increasing number of STR units that are "big box" units (ie - intended for STR only and have a capacity of 16+). As it is my belief that these are the units which are fraying the quality of life here, they should be the focus of more intense regulation. As an island, you are limited by the amount of available housing land. When factoring in parks, wetlands, golf courses, plantations which do not allow STR, etc, the amount of remaining land is low. Use the zoning rules to restrict such things as density by neighborhood, capacity of units, etc to slow the number of these type of units built in the future.

2) I raised the topic of housing stock in the last call and Anne appropriately stated that these new "big box", high density units don't seem to reduce workforce housing stock very much. Probably true. But the swapping that is going to occur is for future retiree housing stock. The Town and its business community relies on the high number of high net worth retirees and near retirees here on the island. With the conversion of single family homes to "big box", high capacity, full time rentals, the amount of housing stock for high net worth retirees will be diminished. This likely will have a detrimental effect, together with reduced quality of life issues, in the number of high net worth retirees who choose the Town as their preferred retirement location in the future.

I would be happy to answer any additional questions which these two additional thoughts trigger. Feel free to contact me if you so desire.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 20, 2022 3:38 pm
915379493

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

Julie Campbell

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

Are you releasing a short-term rental ordinance next week, w/e 1.29.2022?

Is it the intention of this board to pre-emptively pass ordinances BEFORE the state weights in on these issues? If so why?

Thank you,
Julie Campbell

From: [Christopher Cliffe](#)
To: [undisclosed recipients](#)
Subject: Proposed short-term rentals ordinance
Date: Monday, January 31, 2022 9:33:08 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

In my opinion the horse has bolted.

However, although short-term rentals are an essential and growing contributor to the Island's economy, attempts to regulate, manage and administer exponential and haphazard growth are urgently required.

The short-term rental ordinance initiative is a 'baby-step' which is unlikely to have much impact unless the Town changes its policy towards building and development requests. The Town is complicit in the unregulated and haphazard exponential growth of the past 10 years which has severely impacted residents' quality of life, resulted in the depopulation of certain residential areas and the decimation of communities.

Sea Pines is the outstanding example of a failed Community Development policy.

Within Sea Pines various private residential communities are over 50% short term rental: Greenwood Forest, Heritage Woods, Deer Run lane, Forest Lake etc.. Overall about 45% of residential properties (not including timeshare/vacation clubs) are offered on the short-term rental market. Directors of the HOA and a senior local politician estimate residents are about 25% compared with approximately 65% when we arrived in 2001.

Town officials and committees adjudicate on zoning matters, sub-division of lots and approves development and perhaps rely in certain circumstances on local architectural review boards' recommendations (ARBs). It is naïve to assume an ARB represents property owners or is accountable to them.

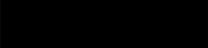
The Sea Pines ARB is accountable to a corporation which does not report to property owners and both are dominated by individuals with a vested interest in increased density of non-resident ownership and short term rentals.

The Town is actively involved in Sea Pines where there are numerous examples of lots being rezoned, lots sub-divided after 45/50 years of being one lot, new lots created, approval of 'transient motels/ boutique hotels' disguised as SFRs and conversion of SFRs into fractional ownership.

Town officials would not dream of approving a hotel without imposing building code compliance with for example; room occupancy, sprinkler systems, emergency exits and easily visible signs, and clear access for emergency vehicles. However, no such restrictions/demands are imposed despite owners boasting of 'sleep 30' (and in one room up to 16), encroachment into utility verges, reductions in setbacks etc etc !!!

The Town can only hope to contain this 'mess' if it adopts a uniform policy across all departments, in particular Building & Development, and not simply introduce a short-term rentals ordinance which relies on self-regulation.

Sincerely,

Christopher Cliffe 



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 3, 2022 1:05 pm
926420475

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Peter Copplestone

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Could you please advise whether one of the possible objectives of the initiative would be to rezone parts of Hilton Head to produce areas where short term rentals would not be permitted. If so, what would be permitted for those people who have existing STR properties in these zones



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 8:55 am
925855835

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Daren Cubbedge

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I attended one of the meetings. It sounded like you want all STR owners to be responsible and most of us are. Aside from the security issues mentioned on the call, I have no problem educating my guests to local policies. I already do. However, you'll find that guests rarely read these policies. I'd even agree to hanging a sign inside the door but the wording should come from the town so that it's accurate and uniform across all rentals. Still, you'll find that signage will be ignored.

I hope the owners will not be held accountable for their guests bad behavior. A one hour response is not always possible and how would you expect us to turnaround bad behavior - should I carry a firearm? We should not be expected to enforce laws. That would be another security risk and should be carried out by trained law enforcement.

I haven't seen any data that suggests this is anything but isolated incidents. While I feel for someone who is neighbor to a "party house hotel", this is something that should have been mitigated by a zoning board. I suggest you concentrate your efforts on zoning. Requiring a certain amount of distance between homes if the number of bedrooms exceeds an established number, limiting the height of new structures so that our beach doesn't begin to resemble Myrtle Beach.

People come to Hilton Head for it's natural resources and family atmosphere. No one wants to turn the island in to a party destination. We must enforce laws that will punish those who are disruptive and establish zoning that would maintain the island's many attractions.

From: [REDACTED]
To: [Cyril Anne](#)
Subject: STR Webinar
Date: Thursday, January 20, 2022 4:41:31 PM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Thank you for this – I will be looking for the posting to share.

I'm an owner in Fiddler's Cove, as well as a Board Member for 18+ years. We moved to Indigo Run in 2020 from NJ, but keep the condo as a "beach place".

In 18 years at Fiddler's Cove, I've seen the growth, market spike, market collapse, foreclosures, stabilizing, and now Covid.

I applaud the Town's efforts to put some better structure around this, and if I can help in the efforts, please let me know.

Being a larger HPR (316 units) – we have a cross section of all owners.

There has been a significant shift in owners, and use. Significant shift to investors, including out of state people who never visit.

We've seen all of the issues you mentioned – and we've been proactive in dealing with them – and if we can help share and suggest – let us know how.

Trash – we've gone from 2 pickups a week to 4 (March to November) – and short term renters are a key part of that. The scenario seems to be that vacationers buy too much on Saturday, then throw it out on Friday.

From a neighborhood aspect – how about a simple one – rent your house, you have to have 2 scheduled trash pickups a week.

The other item that seems to work is stating a perspective – in our case, the Regime is not involved in unit rentals, except for parking passes. Those have exploded, and duration is shorter. Saturday-Saturday is now the exception, long weekends more common – and off season, people are renting 1 or 2 nights.

Very different.

What seems to help with us is to drive home a simple message - You're free to use your unit as you wish. But – if you're renting, you're running a small business. We're not your partners, we're your neighbors. We are NOT here to deal with those portions of running a business that you either don't realize you need to, or choose not to.

Run your business.

And for us, short term is considered 30 days or less. Longer than 60 days (recently dropped from 90)

requires a behavioral deposit.

Hope it helps –

Bill DeSanti





Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 3:52 pm
925602240

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Paula Eardley

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

- How can an Ordinance be created when the definition of STR has not been defined by the Town?
- Quantify the number of complainant properties to total properties on the Island.
- What are the number of complaints by community category (gated / not gated)?
- How many complaints issued come from the same property / person? (squeaky wheel syndrome)
- What steps is the Town taking to rectify how the building permit process will be in the future, as many complaints seem to be about the exceedingly large homes that the Town approved to be built.
- Why is the Town rushing into this when:
 - the State of SC is considering legislation to not permit Ordinances of the type to be implemented or this the reason for the rush to implement
 - 2020, 2021 and possibly 2022 are anomalies due to COVID impacting where and how people vacation
 - STRs pay for / supplement many of the luxuries all enjoy (beach renourishment; taxes that are used for infrastructure support, education; help to keep local taxes low; great real estate values; employment within the service industries



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 8, 2022 1:15 pm
928190752

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Paula Eardley

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Wow, I just spent a few hours reading the responses and feedback from the survey.

Overwhelmingly, the responses shared a common voice of "not" implementing a STR Ordinance on HHI.

I truly hope that the Council Members, Town Manager and Mayor take the time to actively read the replies and review the stats. Each needs to remove their personal opinions and experiences and HEAR the voices of those they have been "elected" to serve.

From: [REDACTED]
To: [Cyrus Anne](#)
Date: Thursday, January 20, 2022 12:41:01 PM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Anne,

I hope you are having a great day. I wanted to give you some feedback about the short term rental debate going on. My wife and I purchased a house in PD 1 year ago. We knew it was a "vacation spot", so does every other person that purchases houses on HHI. I am strongly against regulating the short term rental market. The local economy is built on the rental market being as robust as possible. I do not want to see restaurants and local businesses close because of this. I would also imagine that most of the homes on HHI have a mortgage that require the rental income for monthly payments. Those of us that own property here do not want to see our property values drop due to foreclosures.

Jeremy

From: [REDACTED]
To: [Cyrán Anne](#); [Lopko Jayme](#)
Subject: Short Term rentals, another perspective
Date: Monday, January 24, 2022 11:01:54 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hello,

I sat in on the online Short Term Rental Ordinance meeting last week and came away with just as many questions as when it started. A couple people addressed the name of this committee, painting it with a negative outlook from the start. I wholeheartedly agree. Second, as a former planning board chairperson we rarely hear from our neighbors when things are going well, but most people will gripe about something, whether it's legitimate or not. And, I became aware of the fact other people like to control - by ordinance - or other means, their neighbors property, aka, NIMBYS - Not In My Backyard. Clearly we have that situation here and you're driving the process.

Below is a link to an online community of short term rental owners and their stories.

Perhaps it's time this committee took a BIG step back and decided to set aside an ordinance, or the possibility of an ordinance, until more information is gathered. Sometimes doing nothing is the right thing to do. Afterall, it ISN'T your property, you don't pay all the taxes on it, maintain it, and you haven't invested your savings into a HHI property.

<https://www.rentresponsibly.org/leading-by-example-good-hospitality-starts-with-our-neighbors/>

Dawn Niebuhr



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 21, 2022 9:41 am
915653775

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

Errol Feldman

Email

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

What have similar sea island communities, e.g., fripp, st. simons, jekyl, done regarding this issue?



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 28, 2022 1:56 pm
924098647

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Nancy Foreman

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I am concerned about the considerable and continuing increase in the number of new housing, condo and timeshare developments that are being approved by the town board. This includes the folly Field road project that was approved and the numerous housing developments, such as the one recently built on Marshland road. There seems to too much new construction and downing of trees being approved on the island. Thank you for time in this matter.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 19, 2022 12:08 pm
914829341

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

Margaret Geers

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

We are currently in contract to buy a Huntington villa in Palmetto Dunes in the Leamington section that is not sustained living.

Palmetto Dunes has a sustained living section within the Leamington section of Palmetto Dunes, but we are not buying in that section. We are buying this property to be able to rent it short term. If we are unable to rent short term we do not want to go thru with this purchase. Please advise.

We think this ordinance is unnecessary and will just result in more fees for homeowners to pay. We are suppose to close in 3 weeks. We would appreciate any info that you have.

Thanks
Margaret Geers

From: [Phillips Rene](#)
To: [Cyrán Anne](#); [Lewis Teri](#)
Subject: Fwd: Short Term Rentals
Date: Monday, January 31, 2022 7:28:00 PM

Rene Phillips, CGDSP

From: Dick Gillenwater [REDACTED]
Sent: Monday, January 31, 2022, 6:39 PM
To: Phillips Rene
Subject: Short Term Rentals

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

I attended the conference today on the short-term rental issue that is going through the review process on Hilton Head Island. I have made some comment to the cause already and I did take the survey. I have a few comments on the proceedings after taking in all the information presented today.

There were several comments about the long-term owners whose lives have experience major upheavals due to the short-term renter. Are you sure that after the changes that were outline have been enacted on the short-term rental situation that these long-term owners will stop complaining? This really does not solve their problem for they really want the short-term renter to go away.

After listening to the discussions today I came away with the realization that there are two environments, the planation and the nonplantation areas that are at odds with each other leading to a miss conception of the true situation with the short-term rentals. The list of goals outlined today such as parking, quick response to problems, trash, noise, etc. are well covered in the planation model. As with our unit we have one assigned parking place. However the complex has extra open spaces for visitors. For that visitor to make it to the unit for a visit, they must stop at the gate to get a pass that is called in by the owner to be able to enter. That pass is placed on the dash so while in the planation and at the condo people will know their reason for being on the site. The nonplantation areas are not going to have these capabilities in place to provide this service.

It does need to be understood that it will not always be possible to make the 1-hour response time. For example, a major storm impacting the island which could generate 100 calls or more would have to be handled on a priority basis as soon as possible.

On the subject of quick response, in Shipyard they have a security force that covers many responsibilities. One example from this summer there was an incident where some young person got the idea for some fun that after dark they would run through

the complex knocking on windows, doors and ringing doorbells and then disappearing into the night. Residents called the security team which was on site in a matter of minutes. After two call outs with complete search of the complex the problem stopped. The other issues are handled in the same way.

The nonplantation areas are not going to have the controls in place so this is going to require some other type of support. There is the island's police and sheriffs to provide the controls but it will add an additional workload on them. On the parking issue in these areas, if it is a problem then place no parking signs in these areas. If people still park in these spots they are ticketed or towed. Either way it is revenue to the island.

The idea of putting signs on the outside of units so if there was a problem someone could walk over, go onto the entrance way to look at the sign, write down the information and then go back to make the call. I just don't see this happening. Someone is not going to walk over to a place especially at night to go up onto the entranceway when there is a loud event going on for one does not know what could happen with the rowdy group that's inside. I know I wouldn't. Also, I would not want contact information on the outside for it could lead to a lot of prank calls to either the owner or their property manager. Like the person knocking on doors and windows it will happen. I believe most of the POA - HOA's have the contact information for the units that would handle this issue. It doesn't do much for the nonplantation areas. I believe the point of education would be helpful. Our unit had a large plaque right on the refrigerator that has all the information they need from operating the unit to who they would call when a problem comes up.

That is what I have for the moment. I know you are getting a lot of feedback on this subject so I will keep this to a limited amount of feedback. Hope this is of some help.

Best regards,

Dick Gillenwater

Lewis Teri

From: [REDACTED]
Sent: Friday, January 21, 2022 2:46 PM
To: Cyran Anne <annec@hiltonheadislandsc.gov>
Subject: Short Term Rental Ordinance project

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

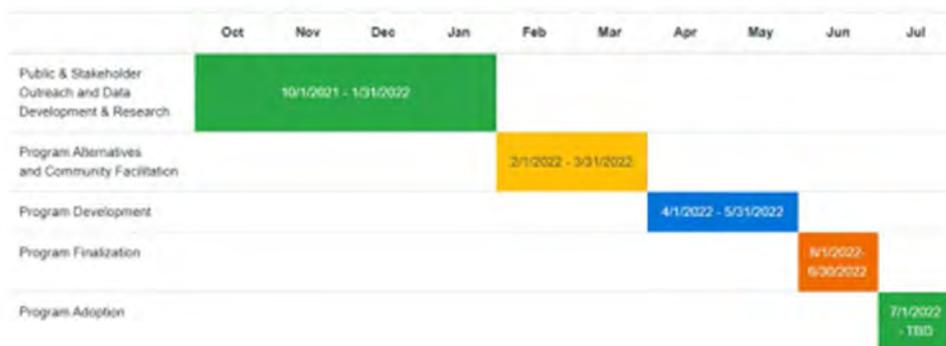
Hi Anne,

I see from the attached document that you and your staff are making the recommendation to proceed with developing “a preliminary policy framework to address property management, safety, noise, trash, and parking” with the “[d]emonstration of compliance with the standards will be required for new and renewing businesses licenses” to operate short term rentals.

I do not believe that it is appropriate to make this recommendation at this time. Some reasons are below.

Who am I, what is my involvement? My wife and I own a short term rental at The Island Club (Folly Field Resort Development zoning) and their management will not tolerate any nuisance from anyone (owners or guests) so I very much doubt that my property will fall foul of any ordinance. We also own a single family home in Bluffton that we expect to move into later this year or early next year. We own and operate a number of long term (multi-year) rental properties in Virginia, serve on HOA boards, etc., and consequently are experienced property owners and managers.

Your memo is dated January 20, 2022. I attended a virtual open forum on January 20, 2022 for you to seek input from short term renters; that meeting ended at 5pm EST. The online survey remains open until January 31, 2022. And yet you are already making the recommendation to continue with creation of a draft ordinance before completing the public input phase per your own timeline:



I made the comment yesterday that I believe you have put the cart before the horse, and that I don't believe that the horse is even awake. You presented charts showing an increase in the number of rental units though the years. You did not show any numbers to quantify the number of complaints against short term renters; you did not show any indication for geographically where those complaints applied to. What has not been shown, to my knowledge, is the correlation between the growth in the number of short term rentals and the corresponding growth in complaints about short term

renters. And yet you are making the recommendation to proceed with drafting a framework to address a problem that has not been demonstrated.

You referred to the feedback tab within survey as demonstrating the need for an ordinance to be drafted – this is the word cloud from all the responses:

What, if any, concerns do you have about short-term rentals?

Answered : 1,720

Skipped : 670

▼ Hide Word Cloud

Word cloud content: None, need, t, out, live, year, time, Hilton, Head, concerns, owners, island, they, who, local, Over, STR, so, rental, too, other, beach, town, Shortterm, rentals, which, more, like, from, people, property, full, neighborhood, owner, rules, do, only, HHI, Noise, parking, etc, lack, concern, residents, without, Visitors, very, COMMUNITY, LONG, PART, own, them, than, tax, some, renters, all, taxes, area, been, was, what, want, Traffic, economy, any, house, up, make, residential, neighborhoods, being, number, Homes, home, years, rent, s, cars, into, one, properties, vacation, those, also, issues, much

There is no clear overwhelming indication that there are concerns that warrant an ordinance in this data, nor in the majority of the comments (I did a quick scan, not a full analysis), with the first set of comments trending to not needing to make changes.

▼ Hide Word Cloud

Word cloud content: None, need, t, out, live, year, time, Hilton, Head, concerns, owners, island, they, who, local, Over, STR, so, rental, too, other, beach, town, Shortterm, rentals, which, more, like, from, people, property, full, neighborhood, owner, rules, do, only, HHI, Noise, parking, etc, lack, concern, residents, without, Visitors, very, COMMUNITY, LONG, PART, own, them, than, tax, some, renters, all, taxes, area, been, was, what, want, Traffic, economy, any, house, up, make, residential, neighborhoods, being, number, Homes, home, years, rent, s, cars, into, one, properties, vacation, those, also, issues, much

Safety

None. Why need a license. Hotel doesn't offer a place to cook a few meals. No need to eat out every day

None. We live here year round. We split our time between Hilton Head and Pittsburgh. No concerns.

None...they are revenue generators for owners and the island and they bring tourists who will support local businesses.

None that I can think of.

Over taxing the STR so it becomes no longer viable or forces rental rates too high to be competitive with other beach destination communities.

None, they bring in revenue to our communities.

None, I think they are great for tourism including increased revenue for the town and owners. Short term rentals provide alternate options for expensive hotels which may drive away tourist. Short term rentals feel more like a "home away from home" as opposed to hotel rooms.

Young people having parties. But that can be managed by property owners.

None. As a full time resident in a non STR neighborhood and an STR owner in Shipyard, I think the current system works well. Each plantation

What evidence, hard data evidence, do you possess that warrants your recommendation to continue with developing preliminary policy framework, consuming tax dollars for this effort and the hiring of the various external consultants that you referred to in the 1/20/22 open forum meeting?

From: [REDACTED]
To: [Cyran Anne](#)
Subject: Re: STR ordinance
Date: Sunday, February 06, 2022 10:46:54 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne

Thank you for hosting all of the open houses/stakeholder meetings. I attended a number of them and wanted to reach out with some thoughts I had after listening to many opinions.

First...not sure when the pool issue was added to the nuisance issue but there does not seem to be any evidence that this is really in the same category as noise, trash and parking and really seems like an town overreach especially if the town is only concerned about making pools owned by STR safer. It really seems opportunistic by the town and not in response to any real issue.

Second...there was a lot of conversation about HOAs and it seems like overwhelmingly HOAs manage nuisance issues well. For those homeowners who aren't happy with their HOA, there is a governance structure in place to address dissatisfaction with HOA action...an owner can contact the board and/or the management company and if the issue isn't resolved they can effect change through their vote and not vote for those board members who they feel aren't acting in the best interest of the HOA. As part of an HOA, owners pay fees for this governance and therefore have a voice and should use it per the HOA's covenants and not expect the town to override the governance structure. It does seem like many of the problem areas are those not covered by an HOA. Therefore, it would be more reasonable if on the business license application where you propose to add a certification, you make it 2 steps. 1st ques: are you covered by an HOA? If yes, the certification ends there, if no: the applicant would then need to certify that they comply with whatever the new "Good neighbor" guidelines the Town comes up with. This leaves in place the HOA governance that is already working without unnecessary town interference and has minimum standards for those who may not be currently addressing those nuisance issues to satisfy the town's concerns.

Thank you!

Sent from my iPhone

On Jan 10, 2022, at 6:22 PM, Cyran Anne <annec@hiltonheadislandsc.gov> wrote:

Ms. Gugliotti,

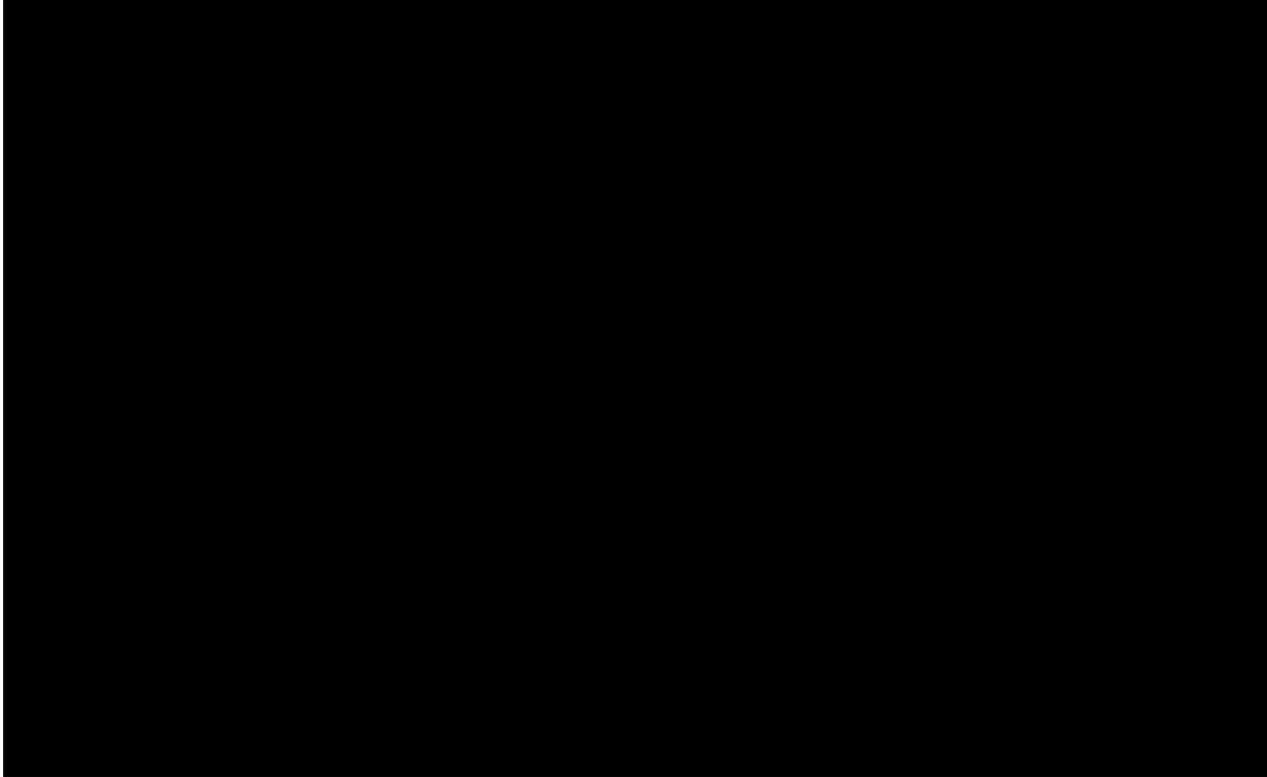
From: [Jennifer Gugliotti](#)
To: [Cyrán Anne](#)
Subject: Re: STR ordinance
Date: Wednesday, February 09, 2022 12:32:11 PM
Attachments: [image002.png](#)
[image001.png](#)
[image004.png](#)
[image003.png](#)
[image005.png](#)

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne

Just read through the results from the survey and looks like, while the majority of respondents were full time residents, a new ordinance and limits on STRs were disfavored by the majority of the respondents. I am hoping that this survey and the voice of the people of HHI will influence and take precedence over a town's desire to overregulate where there may already be process and governance in place and perhaps the issues aren't as severe as a vocal minority may lead town officials to believe. Otherwise, what was the point of the survey and asking for feedback.

Thanks!



From: Jennifer Gugliotti [REDACTED]
Sent: Sunday, February 06, 2022 10:47 AM
To: Cyran Anne <annec@hiltonheadislandsc.gov>
Subject: Re: STR ordinance

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne

Thank you for hosting all of the open houses/stakeholder meetings. I attended a number of them and wanted to reach out with some thoughts I had after listening to many opinions.

First...not sure when the pool issue was added to the nuisance issue but there does not seem to be any evidence that this is really in the same category as noise, trash and parking and really seems like an town overreach especially if the town is only concerned about making pools owned by STR safer. It really seems opportunistic by the town and not in response to any real issue.

Second...there was a lot of conversation about HOAs and it seems like overwhelmingly HOAs manage nuisance issues well. For those homeowners who aren't happy with their HOA, there is a governance structure in place to address dissatisfaction with HOA action...an owner can contact the board and/or the management company and if the issue isn't resolved they can effect change through their vote and not vote for those board members who they feel aren't acting in the best interest of the HOA. As part of an HOA, owners pay fees for this governance and therefore have a voice and should use it per the HOA's covenants and not expect the town to override the governance structure. It does seem like many of the problem areas are those not covered by an HOA. Therefore, it would be more reasonable if on the business license application where you propose to add a certification, you make it 2 steps. 1st ques: are you covered by an HOA? If yes, the certification ends there, if no: the applicant would then need to certify that they comply with whatever the new "Good neighbor" guidelines the Town comes up with. This leaves in place the HOA governance that is already working without unnecessary town interference and has minimum standards for those who may not be currently addressing those nuisance issues to satisfy the town's concerns.

Thank you!

Sent from my iPhone

On Jan 10, 2022, at 6:22 PM, Cyran Anne <annec@hiltonheadislandsc.gov> wrote:

I attended the in person meeting this past Saturday. Thank you for taking the time to speak with concerned stakeholders. I own a condo in Hilton Head beach and tennis which I rent short term and am building a home in Sandcastles by the Sea which I will rent short term to defray the cost and then my husband and I plan to become full time HHI residents. As I listened (and participated) to the discussion and spoke with a few FT residents after the presentation, it appears to boil down to quality of life issues (noise, trash, parking) and there appeared to be some misinformation regarding taxes paid by those of use who rent out our properties and the process for addressing above mentioned quality of life issues when someone lives in a neighborhood subject to an HOA/POA.

We bear a significant part of the tax burden which provides many benefits for FT residents that we do not utilize such as schools. We pay 6% v 4% property tax, collect and remit 10% accommodations tax, pay personal property tax on the furnishings on our the furnishings in our rentals (after we've already paid sales tax on them), not to mention the income tax on our rental income. It appeared that there was a misconception that we are not paying tax on our rentals so I would hope that this is made clear on the STR ordinance info page and/or at future meetings so that residents understand that we do pay taxes and appreciate how much tax revenue is at stake if there were any reduction in STR due to either occupancy limits, or limits on rental nights/year.

Both the neighborhoods I own property in have active HOAs that govern and police a number of issues including the quality of life issues addressed by many of the residents. As a homeowner, I was made aware of the HOA rules prior to my purchase and bought my property accepting those rules. If I have concerns about the rules and/or their enforcement, I address that to my elected board of the HOA. It seemed that some of the concerns stemmed from people not agreeing with the rules of their HOA and/or did not feel rules were being enforced. They should be reaching out to the HOA and not the town to address this. I would hope that the town would look at this and appreciate that the HOAs are in a much better position to monitor and enforce policies surrounding STRs in their neighborhoods than a blanket ordinance needing to be monitored and enforced by the town. Feasibility of enforcement was one of the major issues that led to the challenge with the mask mandate from 2020 and I would hope that the town would have learned from that experience. I sympathize with those residents, such as those in certain parts of Folly Field, where there are no HOAs to govern and enforce quality of life concerns and feel that perhaps, this is where the town could be of service by enforcing existing rules that are in place regarding noise, etc.

As for trash on the beach which was also brought up at this meeting, part of the accommodations tax includes a 1% beach preservation fee which should be better utilized for this purpose. I have routinely seen garbage cans overflowing on the Folly Field beaches in the middle of the day so it is clear that the trash service the town is providing is insufficient.

I believe there is room for concerns on both sides to be addressed, i.e. quality of life for those residents not living in an HOA where these issues are already being addressed and no restriction on STR opportunity for those who have invested a lot of capital into Hilton Head by the town enforcing laws already in place and relying on HOAs to continue governing as they have successfully for decades.

Thank you again for your efforts and transparency.

Jen Gugliotti

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

This email has been scanned for viruses and malware, and may have been automatically archived by **Mimecast Ltd**, an innovator in Software as a Service (SaaS) for business. Providing a **safer** and **more useful** place for your human generated data. Specializing in; Security, archiving and compliance. To find out more [Click Here](#).

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

This email has been scanned for viruses and malware, and may have been automatically archived by **Mimecast Ltd**, an innovator in Software as a Service (SaaS) for business. Providing a **safer** and **more useful** place for your human generated data. Specializing in; Security, archiving and compliance. To find out more [Click Here](#).



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 31, 2022 10:26 am
924949334

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Keith Herreman

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I live in a Sea Pines neighborhood that now has a lot of house rentals. While good for property values it does cause some issues for the regulars in enjoying where we live. My observations:

Number of people in a house-I've seen up to 7 cars parked, overflowing into the yard and street.

Bike rental companies leave bikes on front lawn or in wrong places and renters leave all over yard.

Rentals allowing pets can be a problem.

Towels and beach toys left out in yard, front entrance etc.

One last comment- I'd like to see bike rental companies required to have bikes equipped with bells and a bike rules flyer included with each rental. Also be required to not rent electric bikes in places that don't allow like here in Sea Pines.

Thanks

COMMENTS REGARDING THE SHORT-TERM RENTAL INITIATIVE

My Background:

I have been involved in HHI for the past 45 years. My parents built here in the mid-1970's. In each of those subsequent years, I have either been a visitor, a renter, a property owner who rented out, and finally a homeowner who now doesn't rent out. I may have not witnessed it all, but I have seen a lot of both the good and the bad.

Based upon what I have both heard and read over the past several months about the Initiative, below are four thought-out comments and/or suggestions, hopefully of some value, for the Town's consideration:

Any Owner Renting Out is Required to Have an On-Island Business Registered Agent

In recent years, the business model of rental agents has structurally changed with the advent of the Airbnb's, VRBO's and the HomeAways of the internet world. The rental environment in the earlier years was almost exclusively with visible on-island rental agent companies who were accessible for tenant problems, neighbor complaints, and if need be, a local contact point for the Town and its police and fire departments. Now with the advent of the internet companies, in many cases, that contact point defaults to just the owner, often located hundreds of miles away, and additionally, with perhaps some of those owners wanting to hide behind telephone answering machines and being either deliberately not responsive or slow to respond. Having an On-Island Registered Agent solves that. There is parallel precedent for this – the State of SC requires an in-state registered agent for out-of-state corporations doing business in the State – having an on-island representative agent is the same idea for the same reasons. A side benefit of requiring on-island representation, is that our on-island rental companies would be afforded a new business avenue to become such agents from owners that they are currently not seeing – maybe this helps sell this initiative to them.

The Town's Recognition that they are Hearing Competing Agendas in this Process

(and what do those who are the voters want ?)

The Town is to be commended for their extensive efforts to hear all viewpoints before making a decision in what is a controversial subject. The Council is the elected representative of the residents who live here and call HHI home. Undoubtedly, the Town has received hard push-back from some owners whom rent out, whom don't live locally, and whom likely don't want any oversight. These people may dish up rationale why such a rental restriction might not be in the Town's economic interest, but the bottom line, they have a different agenda. They don't live here, they have different interests, and importantly, they don't vote here. Hopefully the Town Council, as the elected representatives of our residents, will recognize that not all viewpoints are equal and therefore will give weighted consideration to the people whom call HHI home and vote here.

PUBLIC DISCLOSURE OF BUSINESS LICENSE HOLDERS

The extension of the business license requirement to property owners who engage in the rental business is an excellent provision (and its another avenue that can be cross-checked to ensure that the Town is collecting its share of the Occupancy Tax, for which there is probably increasing non-compliance). However, business license enforcement can be a bit uncertain. For sure, the one thing that will greatly facilitate enforcement is if the neighbors injured by rental disturbances can easily check whether the offending property has, or has not, obtained the required business license. Again – there is precedent – owners who rent are required to file and pay the property tax on furnishings – those filings are public information on the County's website. It's the same idea – make Business Licenses public information and neighbors will help the Town enforce it (and perhaps Occupancy Tax compliance will improve).

Regarding Business Licenses – there is another provision for consideration. Should an Owner be issued more than some specified number of verifiable violations of Town Ordinances involving rental activities, including but not limited to, late night noise, parking, trash, and fire code incidents within some specified time period, then that Owner’s Business License will be suspended for some future specified time period. That provision will make rental owners vastly more cognizant of what their tenants are doing and certainly more responsive to resolving unhappy situations. The less that the Town and the police have to become involved in low level renter issues, the better it is all.

EFFECTIVE DATE

Haven’t heard much about a possible Effective Date. Bear in mind that some rental reservations are done taken on a “same time, next year” basis. Thus if whatever format being considered is to be effective for the 2023 summer session, it should be promulgated pretty soon.

CLOSING THOUGHTS REGARDING ULTRA-SHORT TERM RENTALS

Probably most of the issues raised by residents relate to the less-than-seven-day-rentals, especially across the long holiday weekends. These ultra short term rentals by owners are the one rental term aspect most directly in competition with the established hotels on the island. There is nothing wrong with ultra short term as long as the playing field is level for all participants that engage in that business. One problem is it is not currently a level playing field at the moment – noise, parking, trash complaints and Occupancy Tax non-compliance are not something you hear much about from the established hotel businesses on the island—basically individual owners enjoy looser enforcement standards than what the Town imposes on its established hospitality businesses. If the complete solution regarding short term rentals can not be codified at this point, hopefully at least this part can be done regarding the less than one week minimum rental term periods.

Thank you for reading.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 3, 2022 7:48 am
926284222

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Meagan Jackson

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

As a permanent resident, with a large family, and a Beaufort County employee in emergency services, serving and participating in my community are very important to me. The increase of short term rentals, and the incredible increase in sale and long term rentals has caused our family to have to consider moving. I have lived and worked here for 8 years, and planned on buying in the area. Although my salary has increased considerably, My family and I are struggling, to decide whether to forgo my tenure, being vested in retirement system, and move. As it is later in my career as a paramedic, my husband is also employed with A gated community on the island. I would hope that, for our residents that serve this community, we could also enjoy the "American Dream", and give back to our community with ownership and a sense of permanent life, in this beautiful area. I appreciate tourism, and welcome visitors, I would hope that a balance can be achieved, in that the foundation of this community will still be in tact. Stay safe, and hopefully we will only cross paths in a social setting.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 10:07 am
925429887

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Judith Kane

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Please move forward to restrict the short-term rentals. These threaten our island in many ways. I would ask our council to please: protect our island from more development, give our permanent residents your first priority in making decisions, and consider those in need who are living here (as far as housing is concerned). We do need more long-term rentals, and work-force housing. Please focus on those areas.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 8:56 pm
925705886

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Michael Kelly

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I believe that there needs to be rules and regulations in place to ensure that Hilton Head Island remains the place that so many of us enjoy. The problem seems to be that so many people blame short term renters for all the problems on the island. This is not the case, many owners do not follow the rules and violate ordinances. I have met many renters that I would rather live next to than some owners that I have met.

I believe that if the rules were enforced on both renters and owners alike many problems would be resolved. Tourism brings the island much needed revenue. A change to the short term rental ordinance which limits or restricts short term rentals will most definitely have an adverse effect on real estate values on the island.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 20, 2022 11:18 am
915261626

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

SCOTT LASKOWITZ

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

Are Timeshare homes allowed in Sea pines?

From: [REDACTED]
To: [REDACTED]
Subject: Short Term Rental Initiative
Date: Friday, February 04, 2022 10:50:27 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

As a full time resident and homeowner on Hilton Head Island I want to thank you for addressing concerns around the increasing number and size of short term rentals on the island. I appreciate the difficulty of the issue and how easy it would be to “study” the issue for years and take no action.

Tourism is and will remain a key driver of Hilton Head’s future. Balancing tourism with the long term health the island and its residents therefore is a critical task.

My husband and I recently moved from Folly Field Subdivision to Port Royal because of the short term rental growth in Folly Field. We also considered moving from the area. We loved our home and neighbors in Folly Field. When we purchased there we knew there were rentals in the neighborhood but we took comfort in the fact that the neighborhood was zoned single family residential. But we did not know that despite that zoning designation the town would allow commercial enterprises to be built and operated there - hotel houses whose owners run them totally as commercial properties.

Folly Field as you know is small residential community built in the 1950’s. It does not have the resources to police and regulate hotel homes but instead relies on the town and the county. So calling the sheriff regularly to report noise issues became the residents summer activities. Our tourist season became picking up cans and bottles tossed in our yards, keeping cars out of our driveways, knocking on doors to ask for quiet. Often we stayed inside because it would be too loud to be outside. Going to the beach became increasing difficult because of the crowds.

I ask the town to adopt reasonable regulations of these commercial rental establishments that are taking over residential neighborhoods. I am not suggesting all STR's be outlawed nor am I asking that rentals legally operating in resort zoned properties be shut down.

Reasonable regulation should go beyond a business license to include limits on occupancy, density, parking, safety and noise. A local presence to deal with noise and other issues should be required for each STR. Safety needs to be addressed - our tourists deserve safe STR's- ones that have met fire and other safety codes for high occupancy commercial properties.

We have limited natural resources that are each year taxed a bit more as more and more cars and tourists come to enjoy the island.

A balance is needed quickly before HHI becomes only a tourist designation and no longer a desirable place to live.

Thank you.

Theresa Lee



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 2:23 pm
926005970

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Martin Lesch

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Ward 1 resident. I am totally against a STR ordinance. A limited town government has no business telling others how to manage their investments and property. This is the laziest way to address our housing needs and would also target communities with the least political power once in place.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 25, 2022 7:26 am
916960154

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Edward Lonky

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Please remember this is all about money. Realtors have a financial interest in things remaining the same. Major rental agencies on and off Island have a financial interest in things remaining the same. Those concerned about short term rentals and absentee owners are saying that if things remain the same the future of the Island as a top resort and vacation destination is at risk, as well as a place to live, raise a family, and retire to. Please take a long term view of the situation and not a short term money one.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 3:12 pm
926028422

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Mark Mayer

Email

[REDACTED]

Phone

[REDACTED]

**What is your comment about the
Short-Term Rental Ordinance Initiative?**

Leave well
Enough alone. This is a vacation destination and always has been first.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 24, 2022 3:36 pm
916729526

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Maureen McGovern

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I saw some data that seemed to overstate the increase in rental units. I would like to see the backup data on new housing permis on HHI.

Bluffton has been the high growth area. Please provide data on housing permits in Bluffton vs. HHI.

Increased congestion on HHI?

- What is due to increased tourist traffic for tourists overnighting on HHI?
- What is due to increase day trippers from Bluffton? ie. Sun City, Margaretville

Thank You



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 26, 2022 8:41 am
917448290

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Brian Mcguire

Email

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Town should stay out of the marketplace. Each community can set there own rules. It's not govt that makes the marketplace. Its the residents that should decide.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 26, 2022 12:39 am
917348624

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Patty McManus

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Are any of the meetings recorded so we can have watch at a later time?



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 6:06 pm
926107332

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Kathleen McMenamin

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Concerning the Short Term Rental Ordinance:

There should be an overall limit that is the same for every single community. Such as 50% short-term rentals and 50% long-term rentals. That way, all communities have the same opportunities and there is no space for favoritism or discrimination.

On that note, there are several communities whose short-term rentals significantly outway the number of locals or longer-term rental availabilities. These communities are Palmetto Dunes, Shipyard, Folly Beach, South Forest Beach, North Forest Beach, and Sea Pines. Each of these neighborhoods is comprised mostly of short-term rentals today, and this was not the case 10-15years ago. These are neighborhoods that should make space for locals to enjoy living in a safe neighborhood with access to the beach. Limiting the number of short-term rentals in each of these communities would ease the burden of traffic, noise, and pollution. These areas are the most desirable for tourists as they are within walking distance to the beach, but locals deserve to have those same amenities because we take care of them much better than those visiting from out of town.

If limiting short-term rentals does take place, then there should be an overall limit that is the same for every single community. Such as 50% short-term rentals and 50% long-term rentals. That way, all communities have the same opportunities and there is no space for favoritism or discrimination.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 13, 2022 10:20 pm
930116443

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

David Mirkovich

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

The survey results speak pretty loud and clear. 3 major takeaways:
QUESTION 9 The Town does not currently have a short-term rental ordinance. Is a short-term rental ordinance needed? Yes 35.6% 1287 No 44.0% 1589 Undecided 20.4% 73
QUESTION 13 Should there be a cap on the number of short-term rental units on the Island? % Count Yes 35.0% 1265 No 45.6% 1646 Undecided 19.4% 699
QUESTION 15 Should the number of short-term rental units be limited in certain neighborhoods or zoning districts? % Count Yes 37.2% 1344 7 No 40.1% 1448 Undecided 22.7% 819

Results for all 3 questions was clearly no - not needed, no cap and no limit. Listened to much of the Q&A and presentations. Parking, litter and noise were primary complaints; No evidence that all or any can be attributed solely to STR and even if it could be attributed to STR, there are plenty of laws, rules and regulations that already address these problems. Nothing indicates a STR ordinance is needed or wanted. Appears like another attempt for government to get involved where it is not needed or wanted.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 3:21 pm
926034640

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Gwen Myers

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

I do not like the idea of less than a week rentals. But, I do not agree with limiting cars allowed per property or persons per room.

Notes from Meeting with a Resident and STR Owner
February 2, 2022

- Full time residents for 3 years.
- Primary and only residence and they rent out part of it.
- Need to continue being able to rent in the future.
- Understands the need for housing, but we shouldn't stem the flow of outside money.
- Outside money can enable Town government to help those in need of housing.
- Direct subsidies to people on the Island in need and supports jobs.
- Some residents don't like outsiders, but they benefit from the economic benefits from outside money.
- One size doesn't fit all. For example, one-week rentals required. But some people only want to spend 3-4 nights. Why should government specify duration of people's vacations?
- Some residents have bad interactions with Air BNB and VRBO. But that's not the case for everyone. They provide good service for me.
- One suggestion was to limit the number of rooms you can rent out. We don't want to limit the number of rooms or guests.
- There are some concerns about noises or garbage, which are understandable. These should be managed by owners and renters and their rental agency, whether Air BNB, VRBO, or a local company.
- Would prefer to let private concerns manage their own business.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 1:21 pm
925976483

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Lynn Oppenlander

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Mike from Beach Properties had a great point on 2/1/22. Our house was booked out from 11/1/21 - 1/5/21 for kitchen and bathroom renovation. Does this show as occupancy? We currently do STR during late spring to late fall. Our plan is to personally occupy the house from Oct. - March in the next couple of years.

Also, I feel that if STR is really a problem, then the planning commission should stop approving mini-hotel sites.

Thank you

Rebecca Pardue
17 S Beach Lagoon Road
Hilton Head Island, SC 29928



This letter is written in lieu of filling out the Town's Survey on Short Term Rentals.

For thirty years, David and I have lived on the ocean in the Beach Lagoon neighborhood of Sea Pines. Historically real estate agents have called this neighborhood "the Gold Coast." In 2002 we tore down our old home and built new. In 2009 our neighborhood started a POA and for most of the time I have led our group and gotten to know our neighbors. When we bought here in 1991, none of the original homes had been replaced with new. Today only a handful of the original homes remain. We have seen many changes.

As the old homes were replaced, some owners rented these second homes when they were not here to use them. Until recently, only a couple had been purchased strictly for rental.

Currently, 28 of our 70 single family homes are rented. At least 10 homes, not counted as rentals, have new owners and are being renovated. Some of those will be strictly rentals when completed.

6 Beach Lagoon "strictly rental" homes are owned by two people and have already or are currently being renovated to add more bedrooms.

The conservative total capacity of these 6 homes is 140 people, 140 bikes and 36 cars. And a very conservative estimate for each of the other 22 rental homes is 244 occupants and bikes and 88 cars bringing the grand total to 384 people and bicycles and 124 cars occupying slightly more than 1/3 of the homes in a neighborhood that is less than a mile long and ¼ mile wide.

Two condominium projects also use Beach Lagoon Road adding potentially 270 more people and 100-plus cars to our streets.

Sea Pines was started as a Resort which allowed owners to rent their homes. Charles Fraser never foresaw oceanfront homes becoming income producing, strictly rentals, into which owners would cram as many beds as possible.

Here are some of the negative ways renters impact Beach Lagoon residents:

- Improper parking due to lack of parking spaces for the many cars (mainly SUVs, pickup trucks, and splinter vans) renters drive here.
- Bikes and beach chairs improperly stored street side and beachside.
- Not enough trash cans to handle the enormous amounts of food waste the renters create. The trash collectors often drop raw food between the trash areas and the trucks due to occupants' improperly disposing of their waste.
- The age-old "towels spread over exterior railings" ...has new meaning when 27 people are staying in one house.
- Too many irresponsible bikers on our neighborhood streets. We have no leisure trails, no room to build them and very narrow roads.
- The amount of traffic...we have one ingress/egress into our neighborhood.

- People renting homes off the beach drive into our neighborhood to drop off passengers and mounds of beach gear or to look for gators. The number of cars and bikes has increased as the number and size of rental homes has increased. The number of rental homes in Sea Pines has doubled in the last ten years.
- With few exceptions, rental property owners do not properly maintain the exteriors or interiors of their property in the same manner as non-renters do.

However, moderation of numbers of renters, proper vehicle and bicycle parking, and upkeep of the property are as important to most Beach Lagoon residents who rent as these issues are to those who do not rent. They use rental income to maintain their property to a reasonable standard. This is not the case in many neighborhoods.

Regulating the numbers and locations of rentals would be difficult, particularly in gated communities. However, limiting the number of bedrooms and/or the size of homes and numbers of cars based on the square foot size of the lot may be a way to control the number of bedrooms. This trend not only negatively impacts the neighborhood, but it also creates an unsafe environment. Huge numbers of car and service vehicle traffic make our roads unsafe for bikers and pedestrians walking their dogs or hauling their gear to the beach.

Regulations to consider adopting:

- Number of bedrooms, beds and/or occupants per home based on property size.
- Number of cars allowed on the property.
- Number of waste cans available per number of occupants.
- Appearance of property.
- Available space and parking for bicycles and cars
- Proper storage of beach gear and toys
- All rental property owners should be required to hire someone locally to take care of emergencies or guests needs. Many VRBO owners do not.

David and I are courteous and helpful to renters if they are respectful to the neighbors and the neighborhood. The regulations I have proposed would help renters as much as it would help residents. Renters' experience an over-crowded, unkempt neighborhood the same way residents do.

Anne, please consider keeping us updated on the responses you receive and how the Town intends to proceed with this effort. Thank you for your efforts on Hilton Head residents behalf.

Best regards,

Becky Pardue

From: [REDACTED]
To: [Cyrán Anne](#)
Subject: Short Term Rentals
Date: Thursday, January 20, 2022 5:03:13 PM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi,

We own a villa in Palmetto Dunes which we rent when we are not using it ourselves with the hopes to become full time residents.

Thank you so much for hosting this meeting. Your listening skills and feedback are wonderful and it's been such an informative meeting.

We rent our villa ourselves with a couple in Inverness village who "manages" our unit along with others in our complex.

I agree with the callers who rent themselves and are hands on with educating their guests. We have a Welcome Binder with rules, tips etc as well as important numbers and trash and recycling days posted on the refrigerator. We have a lot of communication with our guests prior to and during their stay.

We have rented our villa since 2016 and have no problems. With that said we have had noticed a unit near ours rented with a management company that have had several complaints but our Regime president was contacted and then the owner.

I know my husband completed the survey and we were wondering if you will be responding to the individual questions or posting the answers ?

Your time is greatly appreciated.
Thanks You,

Lisa Petty

Sent from my iPad

Good morning. I'm Alan Prochazka. I am the president of Summer House Horizontal Property Regime on Marshland Road. We have 194 units and we are a conglomeration of resident owners, 2nd home owners and investor properties. Our Master Deed does not allow short term rentals. I also own a condo in Shorewood on S. Forest Beach Drive. It is our primary home for seven months of the year. My wife is on the board of our building. We have 126 units in the complex that are all short term rentals unless an individual owner chooses otherwise. We have owned on the island since 2011. Our unit has been represented by Resort Rentals which was bought by Vacasa and now we are managed by Sunset Rentals. We are active owners. We rent to offset our costs. I have several points.

1. I submitted my survey on December 18th.
2. I've listened to, digested, studied & researched your presentation.
3. My wife and I came in and met with you, Anne on January 7th.
4. I have read and reviewed the feedback to your questions posted online.
5. I've watched every stakeholder meeting video you've posted.
6. I watched the January Public Planning Committee Meeting on January 27th.
7. I've spoken to STR property management companies.
8. I spoken to Mr. Reed at Charter One, he spoke against this at one of these forums.
9. I've spoken to several STR owners.
10. And yesterday I spoke to my Ward 3 rep, Tamara Becker.

Your presentation indicated you have met with or spoken to:

11. Smart City Policy Group – Austin, TX. Team is mostly Austin natives
12. Vacation Rental Management Association - is the #1 organization that advocates on behalf of the vacation rental industry. They are committed to working with policymakers to develop fair, balanced regulations that benefit vacation rental professionals and the communities they serve. They are a lobbying group.
13. Inhabit IQ – is a Property and Vacation Management Software Company
14. Coletta Consulting – What do they do?
15. Forest Beach Owners Association – It is an owner advocacy group which operates on annual voluntary donations of \$99 per owner. Most FB owners do not join. They represent no property from a property management perspective.
16. Coastal Home and Villa, a property management company with – 57 Properties
17. Island Time HHI, another property management company – just founded in 2019, only 105 Properties.
18. The two are local companies who represent 162 mostly single family home rentals.

Who haven't you talked to?

19. Vacasa – 300 Rentals – National company based in Seattle, with a local presence, did you talk to them?
 - a. 1 property sleeps 26 (Sea Pines), 4 sleep 20 (3 Sea Pines, 1 – Forest Beach)
20. Seashore Vacations – 160 (18 – 10-12 guests)
21. Vacation Company – 376 (2 – sleep 21-23)
22. Hilton Head Rentals – Mark Westbrook over 30 years STR experience on Hilton Head – previously broker in charge at Resort Rentals called Anne did not get a return call.
23. VRBO – 107 properties alone that sleep 20, 11 – that sleep 26 (Folly Field area) and 2 – 30.

24. AirBNB – 138 properties sleep 16 adults (max allowed) (Sea Pines, Forest Beach, Folly Field)
25. Average price per person is \$35-50 per night. Easy to see why these are party houses.
26. IMC is a property management company that represents 80 HPR on the island. Did you speak to Ron or Craig Fenstermaker to understand covenants and how STR operate in the regimes they represent?

Your Data?

27. Three companies short term rental data from 2019 – 2021 (2 years) – Who do we believe?
 - a. Company A – 5000 to 11,500 – 130%
 - b. Company B – 4000 to 10,250 – 156%
 - c. Company C – 6000 to 8000 – 33%
28. AirDNA - Powered by over 10 million global properties on Airbnb and Vrbo in 120,000 global markets, MarketMinder is the #1 leading platform for short-term rental intelligence. This company boasts about serving the STR owner.
29. In your own survey feedback data...Is a short term rental ordinance needed?
 - a. Total respondents (3535) Yes – 35.8% No – 43.7% Don't Know – 20.5%
 - b. Registered respondents (1582) Yes – 33.6% No – 45.9% Don't Know – 20.5%
30. You have said that numerous people have fed back that they don't know what the problem is.
31. You've offered issues with property management, safety, noise, trash, and parking associated with short term rentals. But you have not clearly delineated in any of these sessions what THE problem is. Yet at the Public Planning meeting on January 27, the four members of council at that meeting voted 3-1 to bring an ordinance forward based on the policy framework you have put together. None of them own short term rental property. Only Mrs. Becker voted against.
32. After that meeting when I spoke to my Ward rep – Tamara Becker. In the planning meeting and during our phone call it was clear to us that the real problem is the “house hotels” being built mainly in North Forest Beach and the non-HOA areas around Folly Field, Bradley Beach and Singleton Beach. Small, what I would call beach bungalows are being replaced by these house hotels which accommodate anywhere from 18-34 occupants and are solely for rental purposes. The town issues building permits without conducting infrastructure impact studies, water, sewer, roads, trash hauling, safety. You let them be built.

You've come us with a policy framework that requires STROs:

33. A one hour response time – At the times problems are occurring, after business hours, it is not reality that someone will respond that quickly. Typical response is next business day.
34. Posting on the outside of the property a contact number. HOAs and the town have signage regulations, this policy may trickle down to require other ordinances and HOA bylaws to be changed to comply. There are legal costs associated with making those changes.
35. Mr. Stanford talked about fines in the planning committee meeting.
 - a. Now you have enforcement costs
 - b. Pull a license for violations, now you have legal costs as that could lead to an eminent domain lawsuit. BTW, I found one host who says he built three of these large house hotels.

36. It's clear the town needs to focus on regulating the house hotels. Perhaps any single family home that sleeps more than X number of adults is considered a "hotel" and treated as such.
37. Do not burden those of us who own and rent 1-3 BR villas, condos, or our second homes with 4-5 BRs, because a handful of these house hotels are nuisances to the neighborhoods they are in.

In summary, while staff has put in a significant amount of effort, your methodology appears to be flawed. No economic impact study has been commissioned. Almost 50% of respondents don't think we need a short term rental ordinance, yet the Planning Committee has agreed to move an ordinance forward over Mrs. Becker's objection. Guess whose Ward has all the problems? Hers. You have to ask yourself why she is not in favor. And as a side note, no one on the planning committee owns STR property. I could find no evidence of the other council members or staff members owning STRs property.

I have offered to staff and to Mrs. Becker to be on a task force with the necessary stakeholders. I have offered to chair that task force. I make that offer again. If you don't slow this process down, Hilton Head WILL be negatively impacted. Do not underestimate the law of unintended consequences.



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 6:21 pm
926111859

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Charles and Vicki Quinn

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

Strikes us as a solution looking for a problem, where there is none.

We have owned our condo in Palmetto Dunes for 25 years; we split our time between our condo and Philadelphia; we rent our condo out when we are not there.

We see no need for any regulation by the town; PD does a great job. Any new requirement for licenses and the like would be just a surreptitious money grab by the governmental unit, when our property taxes are already outrageously high.

Our suggestion: Shut this Short Term Rental Ordinance issue down; there is no need.

From: [REDACTED]
To: [REDACTED]
Cc: [Colin Storan](mailto:Colin.Storan@hiltonheadislandsc.gov)
Subject: Re: Staff's recommendation for STR
Date: Friday, January 28, 2022 11:42:21 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Good morning Anne,

Thank you for your email and your offer to meet. I know only too well, what it is like to organize and administer a project such as you have been charged with, and can certainly sympathize with you. The problem as I see it, is that the recommendation effectively legalizes commercial enterprises in residential neighborhoods.

We have properties owners in the Folly Field neighborhood with names like "Trey Estates LLC, Muscatello Properties LLC, The Residential Experts Inc." I know that Mr. Orlando was instrumental in establishing the Folly Field Neighborhood Character Overlay (FF-NC-O) to preserve the residential character of Folly Field. But now we have things like "Awesome multi-family fun house with extremely popular pool bar", the rental agents words not mine. This is not in keeping with that overlay or its intended spirit and I fear that your recommendation will be interpreted that this type of establishment is okay in residential neighborhoods. I don't believe that anyone has a problem with owner occupied short term rentals, but these non owner occupied 365 days a year rentals are entirely different.

With respect to the recommendation, statements like "Owners or agents must be available to address complaints within an hour", can mean different things to different people. Does an automated response qualify? I remember one night, in the early hours of the morning, speaking with the rental management company only to learn that the person I was speaking with was outside Seattle Washington, approximately 3,000 miles away.

Anyway, I could go on and on but won't. I would however, truly value the opportunity to meet with you and would be particularly delighted if Mr. Orlando would be willing to attend. If you can suggest three times that would work for you, I have no doubt that we can find a mutually convenient time.

And please do not misapprehend my earlier email, the consequences of this ordinance will be life changing for me, my family and the many residents of this island who purchased their homes in residential neighborhoods with the belief that they were protected from these party houses.

Respectfully

Ciaran Storan

On Jan 27, 2022, at 2:26 PM, Cyran Anne <annec@hiltonheadislandsc.gov> wrote:

Good afternoon Mr. Storan,

I'm genuinely sorry that I failed to communicate the changes to our plan for public engagement. As we moved through the project, our original plans for smaller, in-person stakeholder meetings shifted to include more meetings as we tried to reach a wider audience, and shifted to using a virtual platform for easier and safer access for all participants.

We intended the South Island stakeholder meeting last week to include Forest Beach residents and the North and Mid-Island stakeholder meeting to include Folly Field residents. We also held the two open houses (with a third next week) to offer options for those who couldn't attend the targeted stakeholder meetings. In scheduling these meetings, I failed to ensure that the resident stakeholders we previously identified, including you and Ms. Scott, were directly notified of and invited to these meetings. I apologize for my oversight. It was my mistake, and it was not intended.

To clarify our planning for these meetings, we scheduled two hours for the short-term rental stakeholder meetings because of the large number of people who originally expressed interest in attending those meetings. We wanted to make sure everyone had enough time to speak.

I hope it was clear in my presentation this morning, but perhaps it was not, that our initial recommendations are to address quality of life issues immediately; they aren't the end of our examination of short-term rentals. We feel confident moving forward with these initial steps to establish effective property management and expectations for short-term rentals.

We understand that the increase in the number of short-term rentals has negatively impacted long-standing residential neighborhoods like Folly Field. We heard from residents like you who built their lives there and see their neighborhood changing into a collection of small hotels with a rotation of visitors who aren't invested in the neighborhood.

At this point, we don't feel confident recommending more stringent or restrictive solutions until we better understand the extent of those impacts, the locations of the impacts, and the possible actions and their consequences. Data from Air DNA will provide insights, as will data from the Island-Wide Capacity and Trends Assessment, another Strategic Plan initiative.

I would like to meet with you or have a conversation via phone if you would like. If you are interested, please let me know what your availability is.

Thank you,

Anne Cyran, AICP
Interim Comprehensive Planning Manager
843-341-4697
annec@hiltonheadislandsc.gov

From: Ciaran Storan [mailto:[REDACTED]]
Sent: Thursday, January 27, 2022 8:57:36 AM

To: Becker, Tamara <tamarab@hiltonheadislandsc.gov>; Stanford, Glenn <glenns@hiltonheadislandsc.gov>; Brown, Alex <alex@hiltonheadislandsc.gov>; Lennox, Tom <toml@hiltonheadislandsc.gov>; Harkins Bill <williamh@hiltonheadislandsc.gov>; Orlando, Marc <marco@hiltonheadislandsc.gov>; Ames, David <david@hiltonheadislandsc.gov>; McCann John <johnm@hiltonheadislandsc.gov>
Subject: Staff's recommendation for STR

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Good morning council woman Becker and councilmen.

We were just reading the agenda and Anne Cyran's recommendations re STR for todays meeting. I cannot tell you how disgusted I am. Basically we will maintain status quo, the difference is now the property owners have to have a business license. We were told that the Hilton Head Island requirement was unique and that the solution would deal with different neighborhoods differently, as each neighborhood represented a different set of challenges. The proposed solution to the STR issue is a one size fits all with a little education, so now, we are going to have a brochure!

It states that they met with the Folly Field representatives, that did not happen as I personally has asked Anne Cyran and she promised to meet with our POA. The same is stated for Forest Beach POA. I just got off the phone with Mira Scott and she assures me that meeting did not happen either. You may have had people from different neighborhoods attend meetings, but these were not representing the neighborhood.

Mr Ames in a meeting stated that he wanted to meet with the residents from the focus group, I am one of those residents and can assure you that I never met with Mr Ames. Terry Lewis had told my wife Diane that they wanted her to come in and meet with town staff, again this ever happened.

The meetings for residents were 1 hour versus the 2 hours for rental companies. The resident meeting as you probably witnessed were hijacked by the rental companies and out of town property owners. And again, as previously stated the residents on this island are for the most part retired, and fairly senior and zoom is not in their vocabulary. The face to face meeting on January 8th was attended by 9 residents from Folly Field. I believe there one Folly Field neighborhood resident on the zoom call. This whole process has being so one sided.

Have they even drilled down on the survey and look at the comments from RESIDENTS that live in areas that have illegal STRs? The survey is still active yet we have arrived at a decision. This proposal shows a complete disregard for residents. The town has failed to enforce our zoning laws and now this proposal legalizes them at the expense of the resident. This means that they can continue to build Hotel Houses and continue to destroy our neighborhoods. This proposal does nothing to address enforcement which is the crux of the issue.

The town council has two options to consider:

1. Adopt an ordinance to ban short term rentals in residential neighborhoods or
2. Study all options, ie consider how to make it legal.
If made legal, how can anyone trust that those who currently show no respect for the law or our neighborhoods.

Instead of legalizing STRs in residential areas, the town should increase fines against violators and fine any person, enterprise, managing agency or rental agent who advertises, solicits or facilitates the rental for less than 30 consecutive days of a short-term rental unit located within residential districts.

Why do the people who have shown no respect for the law or their neighbors get a say on what happens on the island, let alone determine the future of our homes.

The town failed the residents by not enforcing the zoning, now they are failing the residents again by legalizing STRs in residential neighborhoods.

Respectfully



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 1:04 pm
925522940

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Greg Samuels

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

As an owner and part-time resident of S Forest Beach (3 Dogwood Lane), I strongly favor implementing a short term rental ordinance to help enforce neighbors acting considerately to each other by restricting on-street parking and a noise curfew after 9pm weekdays and midnight on weekends and holidays.

Unfortunately, even the increased revenue from short term rentals is unlikely to cover ordinance enforcement. Perhaps the town would consider enabling Forest Beach residents to organize their own HOA, with contributions from homeowners to pay for a bylaw officer on bicycle or moped? Perhaps the officer could issue escalating warnings and fines, and provide us homeowners with language to incorporate into our rental contracts to ensure that guests pay for violations?

New Orleans struggled with these issues and now requires that the STR Ordinance be displayed conspicuously in the home to notify guests of the rules. This seems to work well for everyone.

Sincerely,

Greg Samuels



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 20, 2022 5:32 pm
915425216

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

Marina Sister

Email

[REDACTED]

Phone

[REDACTED]

**What is your question about the
Short-Term Rental Ordinance Initiative?**

Hi,
I'm currently an island resident since Jul 2010.

I use mainly Airbnb to short-term-rent my 3-bedroom house since Jul 2017. I do everything myself I live on the income it generates. I don't have min stay, some stay for 1 night and some for 35. I actually prefer 1-3 nighters, they tend to be better guests and such setup allows for timely and proper cleaning and maintenance checks.

Had zero complaints for almost 5 years and pay all my taxation obligation on time.

What do I ask?

I implore you to do nothing!!!

I'm afraid you probably won't listen.

I ask you to take a trip down the history line. What did prior prohibitions achieve?

I do want you to update the building codes and regulations. 2 houses were just recently built on the same street where my rental house is with elevators. 2 story houses with elevators.
E L E V A T O R S!!!! They are STRS

But here I'm being hypocritical. I ask you to do nothing about the STRs and complain about elevators. If someone wants to put the elevator in their house, it's their right. Is it?

If you impose regulations, I'll sell. Imagine all the lost revenue. How many will follow? Island population 30K, you got 2.3K survey responses. It's less than 10%. Eight council members will decide what can have a severe negative economic effect on at least 30 000 people? Is it right or fair?

**DO NOTHING. PLEASE
PEACE.**



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 1, 2022 9:38 am
925415546

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Ronald smetek

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

#1. The Town of Hilton Head Island must continue to be in charge of creating and enforcing Short-Term Rental ordinances within Hilton Head.

#2, The ordinances in place and enacted by the Town must be very strong and very specific. We must NOT let Hilton Heas be turned into another Myrtle Beach.

#3. Recent cases of poor STR cases where property was stolen from rental must not be allowed to happen again.

From: [REDACTED]
To: [Cyrus Anne](#)
Subject: My STR recommendations
Date: Saturday, January 29, 2022 7:59:19 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

My recommendations. Allow a maximum of two people per bedroom, maximum of three vehicle passes per property. Easily policed by looking at VRBO advertising to insure no rooms full of bunk beds or sleeper sofas. First offenders of noise/nuisance/ illegal parking...a \$1000.00 fine. Second offense...the posted weekly rental rate fine and reduce number of vehicle passes to two. Until the owners of these 'for profit businesses' are penalized instead of the surrounding property owners...nothing will change.
(edited)

G.A. Smith
5 Flotilla

~Jerry

From: [REDACTED]
To: [Orlando, Marc](#); [Becker, Tamara](#); [Ames, David](#)
Cc: [Cyrus Anne](#)
Subject: RE: STRs in Tybee Island
Date: Monday, January 24, 2022 9:01:55 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Mr. Orlando,

Thank you for your reply. I attended a virtual meeting last Wednesday along with other owners and residents. Anne did a fantastic job answering questions and facilitating the discussion. The Town has developed and followed a clear and transparent process to address an important topic, and everyone should be commended.

At the end of the day, we all want Hilton Head Island to thrive and prosper. But in doing so, it is vital that the essence of what made Hilton Head Island successful—an upscale, family-oriented destination—not be discarded to obtain an additional, cost-focused visitor.

Beyond requiring STR owners to obtain a business license and provide contact information, the most important aspect of any STR policy is the implementation of occupancy limits. Occupancy limits set expectations for all—including renters, rental management companies, owners, and neighbors—and it helps manage other essential dimensions including noise, trash and parking.

Most importantly, occupancy limits can be effortlessly implemented through the use of software that obtains, via web listings, the number of bedrooms and then comparing the calculated occupancy to that stated in the listing—automatically sending those with an overstated capacity a letter requiring an adjustment to the listing. Additional enforcement can be provided should Town or Beaufort County be summoned to a property for other reasons.

Ensuring renters know the occupancy of the property they plan to rent will help ensure a property of the appropriate size is rented. In fact, it may also suggest that multiple properties are required depending upon the size of the group—helping the local economy.

Most importantly, a clearly defined occupancy formula will naturally help restore the premium destination aspect of Hilton Head Island—encouraging those seeking a low cost per person vacation to perhaps consider other destinations.

I hope that occupancy limits will be part of any initial STR policy as they:

- Are easy to implement via an automated monitoring of online listings (such as Granicus, etc.)
- Benefit owners by limiting property abuse and destruction

- Help the Town with quality of life issues including noise, parking and trash
- Uniformly communicate expectations to all regarding rental policies
 - Naturally bring balance to the community—helping to restore the Island’s reputation as a high-quality destination.

The residents need your help on this important topic, and I sincerely hope that the positive impact of occupancy limits will be considered, and included, within the Town’s draft ordinance.

Thank you again,

Lee.

Lee Smith
31 Port Tack

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



[Redacted]

From: "[Redacted]"

Date: Thursday, December 2, 2021 at 10:05 AM

To: Marc Orlando <marco@hiltonheadislandsc.gov>

Subject: FW: FYI: STRs in Tybee Island

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Mr. Orlando,

My name is Lee Smith, and I am a resident, former Palmetto Dunes Property Owners' Association board member, and I also led the Short-Term Rental committee which developed initial STR policies for Palmetto Dunes.

As I have participated in the Town's focus groups with the White & Smith Planning and Law Group, I also wanted to share some thoughts below based upon reviewing the STR policies of resort towns across the country—as well as those locally.

As you may know, Palmetto Dunes has implemented the following STR policies:

- a. All STR properties must be registered annually (on a non-transferrable basis) with the POA—providing owner and property management contact information
- b. Owners or their property managers must respond within one hour, if called, to help resolve any issues
- c. Owners and property managers will be notified via email within 24 hours of any Security or Compliance issues that arise within a unit (if the owner/property management company was not called per #2 above)
- d. The entire property must be rented—meaning individual rooms cannot be rented.
- e. Properties must display in-unit signs sharing the community policies—and our short video, www.WelcomeToPalmettoDunes.com

Unfortunately, we could not implement the following essential policies without a modification to our covenants (which is a difficult process):

1. Occupancy limits based upon the number of bedrooms
2. Rental Caps—allowing a certain percentage of rentals per zone or geographic area
3. Safety inspections
4. Minimal rental days

From working on this topic since 2018, to effectively manage STRs, items 1-4 above need to be explored and considered by the Town. Most resort towns including Tybee, Charleston, Kiawah, Isle of Palms, Destin, and others have ordinances for #1 or #2. If the Town's policies are to be effective, Occupancy and Rental Caps need to be addressed.

Without these policies, Bluffton will likely become the economic engine of the area as businesses continue to migrate off of island quickly followed by residents—leaving Hilton Head Island with only rental related businesses and few residents.

Again, I appreciate your leadership to address this difficult but important topic.

If I can be of any assistance, please let me know.

Lee Smith
31 Port Tack

From: [REDACTED]
Sent: Wednesday, November 17, 2021 8:06 AM
To: 'Andrew Schumacher' [REDACTED]
Subject: RE: FYI: STRs in Tybee Island

Andrew,

Good morning. It will be interesting to hear what Mr. Orlando perceives the STR objectives and solutions might be.

When we purchased in 2004, HHI was an exclusive destination—meaning the ordinary American was not aware of HHI. But, those in the upper-middle class who drove import vehicles from the northeast knew about the island, they visited it as their secret hideaway, and they cherished it. STRs were plentiful but they were not overabundant. And the equivalent per person rates were above the nightly hotel per person room rates as renters sought a relaxed, secluded beach/golf/tennis experience. According to Michael Porter (world-renowned strategist), this is the Differentiation Focus strategy.

Fast forward nearly two decades to today. HHI is now a volume destination and the reputation as a quality (and certainly an exclusive) destination have severely faded. Import vehicles have been replaced by pickup trucks, visitors from the north have been replaced with visitors from GA and SC, and the single family enjoyment of STRs have been replaced by multi-family groups to make the per person cost less expensive than per person hotel rates. Enabling this race to the bottom has been an explosion in the number of STR units and their size—both of which tend to depress weekly rental rates. So in just under two decades the Island moved from a Differentiation Focus to the Cost Leadership strategy.



Lewis Teri

From: [REDACTED]

Sent: Sunday, January 23, 2022 4:19 PM

To: Cyran Anne <annec@hiltonheadislandsc.gov>

Subject: STRs - HHI Stetzer [REDACTED]

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hello Anne:

I would like to share some feedback with you.

I have been visiting HHI and Sea Pines for over 35 years as a vacationer. I have been a weekly renter of the villas and town homes in Sea Pines and Shipyard with my family for our summer vacations.

Out trips to HHI have been the highlight of the year in many cases.

I am an owner of a town home at Sea Pines Resort since August 2019 and I rent it to short-term guests using the Sea Pines Report Property Management arm.

I bought my townhome in Sea Pines specifically as a rental property and considering the number of visitors that come to stay at Sea Pines during the May 15-September 15 season, it seems to me that Sea Pines is a successfully marketed destination for short term renters.

I have watched the Planning Committee Meetings since last June 2021 and focused my attention on the STR discussions.

Why does the Town of Hilton Head feel there should be an island-wide ordinance for STRs?

Sea Pines is a resort and is consistently/professionally marketed as a resort.

An ordinance of this type is an overreach on the part of the Town of HH.

Each community, neighborhood or Deeded Association should have the ability to self-govern the needs of the community and that includes a position on STRs.

I have filled out a survey on line but wanted to share this with you as well.

Thank you.

Rick Stetzer
[REDACTED]



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
February 2, 2022 4:46 am
925790870

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Roderick Teed

Email

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

If the HOA's permit STR the town does not need to be involved



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 21, 2022 1:38 am
915534245

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

James Thomas

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

1. How many short term rental units are there within the town?
 2. What are the total real estate taxes paid by owners who rent their properties short term?
 3. Are you going to conduct an economic impact study before implementing regulations?
-

From: [REDACTED]
To: [Cyrus Anne](#)
Subject: Short Term Rental Ordinance
Date: Thursday, January 20, 2022 11:44:40 AM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Hi Anne,

I was at the luncheon earlier this week where you spoke about the STR initiative.

During your presentation you mentioned the Bluffton Ordinance being a good model. I would argue that point.

The Bluffton ordinance does not reflect the laws regarding managing someone else's property per the SC Real Estate commission. In the Ordinance it is so loosely written that it allows out of area Homeowners to skirt the intent of the Ordinance by using their cleaner, maintenance guy etc as their "agent" point of contact.

Being 18 years old, being able to respond to an issue within an hour is fine but I promise you the cleaner and maintenance guy aren't going to answer the phone 24 hours a day and certainly won't have a copy of the rental agreement if asked to produce it. Those are things a Property Manager would have. It baffles me as to why the town government goes through the exercise if they don't follow the SC Real Estate commission regarding who is eligible to manage someone else's property.

I am all for individuals having the right to manage their own property but what I am not for is people skirting the law and the Town Council's knowingly allowing it.

I would think a Town's ordinance would reflect the existing laws of the state regarding property management.

My 2 cents.

Brian

--

--

**Brian J. Tierney | PMIC
ForeShore, LLC
Property Management | Residential Rentals | Commercial Leasing**





Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 24, 2022 1:26 pm
916663539

Ask Your Short-Term Rental Ordinance Initiative Question

Your Name

nicholas vertucci

Email

[REDACTED]

Phone

[REDACTED]

What is your question about the Short-Term Rental Ordinance Initiative?

I hope consideration will be given to condo owners like me who purchased their unit in what was described as a residential community and then have it turned into a defacto motel with an on site Vacasa rental office renting units on a 2 day basis and deny the complex has turned into a defacto motel and destroyed my retirement condo
Sad state of affairs when this can go on and have the managing owners board clearly support short term rental to satisfy owners who are absentee owners only interested in rental income,

From: [REDACTED]
To: [Cyril Anne](#)
Cc: [Becky Pardue](#)
Subject: survey from Beach Lagoon owner
Date: Tuesday, February 01, 2022 2:16:59 PM

THIS MESSAGE ORIGINATED OUTSIDE YOUR ORGANIZATION

Responding to your survey requires a Microsoft application which my computer does not have.

I will address a few of the issues as I see them:

We rent our house in the summer when we are elsewhere so we don't experience the annoyance of the summer invasion. However, I have heard lots of stories from our friends who live in our neighborhood full time. One couple just moved out because of the turmoil.—Dee and Rick Ray

I have witnessed in April, before the rental season REALLY kicks in, the excessive number of cars at certain addresses—always the same ones. This used to be a nice neighborhood!

The owner of these two or three properties is renting these houses as though they were hotels. In addition to too many people, and often for three or four days of occupancy.—REALLY SHORT TERM-- the house managers are in absentia.

Perhaps the town should take a serious look at zoning and building permits when applications are made to add two or three more bedrooms to a house what already has five bedrooms. This is slum density! It seems "Anything Goes".

Certainly the renting agents must be held to a higher standard. The reputable rental companies on the island, the Vacation Company is mine, don't condone or participate in this sort of behavior.

There needs to be better control or GREED will ruin Hilton Head as it has done in many other seaside resorts.

Respectfully, Mary carol white, 5 South Beach Lagoon Rd., Sea Pines



Form Name:
Submission Time:
Unique ID:

Short-Term Rental Ordinance
January 25, 2022 2:58 pm
917172628

Submit Your Short-Term Rental Ordinance Initiative Comment

Your Name

Jane Freeburn Wood

Email

[REDACTED]

Phone

[REDACTED]

What is your comment about the Short-Term Rental Ordinance Initiative?

HHI needs to get a comprehensive short-term rental ordinance in effect immediately before this island becomes another Myrtle Beach.

There needs to be a limit on the number of tourists that can inhabit a rental, illegal parking needs to be enforced, noise needs to be regulated, light ordinances during turtle season needs to be enforced and litter controlled on the beach & at their rental units.

Their sense of entitlement, because they are on vacation knows no end, and paying a fine from Beaufort County at a later date is just s a slap on the wrist.

JOAN YOUNG
28 EAST BEACH LAGOON ROAD
HILTON HEAD ISLAND, SC 29928

February 4, 2022

Dear Ms. Cyran:

I am submitting this letter to you in regards to the short-term rental initiative in lieu of completing the Town's survey. Thank you for providing those of us who are full-time residents a voice in regard to this issue. It is my hope that the Town's initiative will result in concrete steps to address the impacts on residential neighborhoods, and as importantly, our fragile beach ecosystem that the explosive growth in the short-term rental market has generated.

For 16 years I have been a full-time resident of the Beach Lagoon neighborhood in Sea Pines. For convenience's sake, I have attached the letter from Becky Pardue that outlines the impacts of the short-term rental market in our neighborhood. As someone who lives next to a rental only house that advertises maximum occupancy of 21 (of which we all know is exceeded in the summer months on a weekly basis), I can attest first hand to increase in traffic, noise, beach litter and the continued (on a nightly basis in the summer) violations of light ordinance for the turtles. Becky's letter provides a great summary of the negative issues that I confront on a daily basis during the rental season which is the majority of the year. I second the solutions outlined in her letter, one of the most important being to limit the maximum occupancy in these residential dwellings.

In a brief review of the Town's zoning code and Land Management Ordinance, I think we need to ask ourselves if as a Town we are willing to make a distinction between use and type of structures. Again, in my brief review, I fail to see this distinction in these documents. While the single family home next to me is currently classified under the use as residential, I would argue that this is merely the type of structure on the lot and not the use. It is clearly being used for commercial purposes as a rental only structure. In that regard, this property's owner is circumventing our Town's zoning laws and building code and in a classical economic sense is a 'free rider' in regard to the impact and fees paid for his use of the property. Do we as a Town, at this point frankly, have the courage (because we certainly have the power through the zoning laws) to change this dynamic and put limitations in place to bring the use of these structure types back in line with the neighborhoods they are located in?

And while we can and should focus on the negative impacts on the neighborhoods, from my experience living next to such a large rental only property, we should also bring into the discussion the impact of the growth in the short-term rental market on the Town's beaches. By allowing residential structures to be used in a commercial manner, the number of people

using the beaches has grown exponentially. I am fortunate to walk the beaches every day, usually, twice a day, and in my opinion the amount of trash being left behind on the beaches is absolutely heartbreaking for the Town's fragile beach ecosystem. Renters in the house next to me, on innumerable occasions, have littered the beach with beer cans, plastic water bottles, soda cans, various chip bags, broken beach chairs, plastic shopping bags and other items. At some point I hope before it is too late, the Town will address the source of the trash and not just keep relying on people like me to pick up these items up and put them in the trash cans. This reliance is very bad public policy for the long-term health of the beaches ecosystem: what if I decide to sell my house in frustration and the gentleman who owns the house next to me adds to his portfolio of rental only homes in Sea Pines, who will pick up the trash then?

In our Master Plan, we state that our vision of development is a" balanced approach to manage impact on our neighborhoods....and the quality-of-life residents and experiences of our visitors." To which I say, indeed. It will not be enough to have the Town adopt a short-term rental ordinance that merely is a licensing/fee/permit based ordinance that fails to put limits on the use of residential structures in residential neighborhoods. The question will be do we have the courage to perhaps listen to one of the wise Basic Principals of Charles Fraser: keep density as low as profitably possible – in which by density I believe he envisioned use not only structure type.

Thank you for allowing me to submit these thoughts as the Town begins this process.

Best,

Joan Young

Rebecca Pardue
17 S Beach Lagoon Road
Hilton Head Island, SC 29928



This letter is written in lieu of filling out the Town's Survey on Short Term Rentals.

For thirty years, David and I have lived on the ocean in the Beach Lagoon neighborhood of Sea Pines. Historically real estate agents have called this neighborhood "the Gold Coast." In 2002 we tore down our old home and built new. In 2009 our neighborhood started a POA and for most of the time I have led our group and gotten to know our neighbors. When we bought here in 1991, none of the original homes had been replaced with new. Today only a handful of the original homes remain. We have seen many changes.

As the old homes were replaced, some owners rented these second homes when they were not here to use them. Until recently, only a couple had been purchased strictly for rental.

Currently, 28 of our 70 single family homes are rented. At least 10 homes, not counted as rentals, have new owners and are being renovated. Some of those will be strictly rentals when completed.

6 Beach Lagoon "strictly rental" homes are owned by two people and have already or are currently being renovated to add more bedrooms.

The conservative total capacity of these 6 homes is 140 people, 140 bikes and 36 cars. And a very conservative estimate for each of the other 22 rental homes is 244 occupants and bikes and 88 cars bringing the grand total to 384 people and bicycles and 124 cars occupying slightly more than 1/3 of the homes in a neighborhood that is less than a mile long and ¼ mile wide.

Two condominium projects also use Beach Lagoon Road adding potentially 270 more people and 100-plus cars to our streets.

Sea Pines was started as a Resort which allowed owners to rent their homes. Charles Fraser never foresaw oceanfront homes becoming income producing, strictly rentals, into which owners would cram as many beds as possible.

Here are some of the negative ways renters impact Beach Lagoon residents:

- Improper parking due to lack of parking spaces for the many cars (mainly SUVs, pickup trucks, and splinter vans) renters drive here.
- Bikes and beach chairs improperly stored street side and beachside.
- Not enough trash cans to handle the enormous amounts of food waste the renters create. The trash collectors often drop raw food between the trash areas and the trucks due to occupants' improperly disposing of their waste.
- The age-old "towels spread over exterior railings" ...has new meaning when 27 people are staying in one house.
- Too many irresponsible bikers on our neighborhood streets. We have no leisure trails, no room to build them and very narrow roads.
- The amount of traffic...we have one ingress/egress into our neighborhood.

- People renting homes off the beach drive into our neighborhood to drop off passengers and mounds of beach gear or to look for gators. The number of cars and bikes has increased as the number and size of rental homes has increased. The number of rental homes in Sea Pines has doubled in the last ten years.
- With few exceptions, rental property owners do not properly maintain the exteriors or interiors of their property in the same manner as non-renters do.

However, moderation of numbers of renters, proper vehicle and bicycle parking, and upkeep of the property are as important to most Beach Lagoon residents who rent as these issues are to those who do not rent. They use rental income to maintain their property to a reasonable standard. This is not the case in many neighborhoods.

Regulating the numbers and locations of rentals would be difficult, particularly in gated communities. However, limiting the number of bedrooms and/or the size of homes and numbers of cars based on the square foot size of the lot may be a way to control the number of bedrooms. This trend not only negatively impacts the neighborhood, but it also creates an unsafe environment. Huge numbers of car and service vehicle traffic make our roads unsafe for bikers and pedestrians walking their dogs or hauling their gear to the beach.

Regulations to consider adopting:

- Number of bedrooms, beds and/or occupants per home based on property size.
- Number of cars allowed on the property.
- Number of waste cans available per number of occupants.
- Appearance of property.
- Available space and parking for bicycles and cars
- Proper storage of beach gear and toys
- All rental property owners should be required to hire someone locally to take care of emergencies or guests needs. Many VRBO owners do not.

David and I are courteous and helpful to renters if they are respectful to the neighbors and the neighborhood. The regulations I have proposed would help renters as much as it would help residents. Renters' experience an over-crowded, unkempt neighborhood the same way residents do.

Anne, please consider keeping us updated on the responses you receive and how the Town intends to proceed with this effort. Thank you for your efforts on Hilton Head residents' behalf.

Best regards,

Becky Pardue

The Economic Impact of Short-Term Rentals In the State of South Carolina **Winter 2022**



Prepared for



by



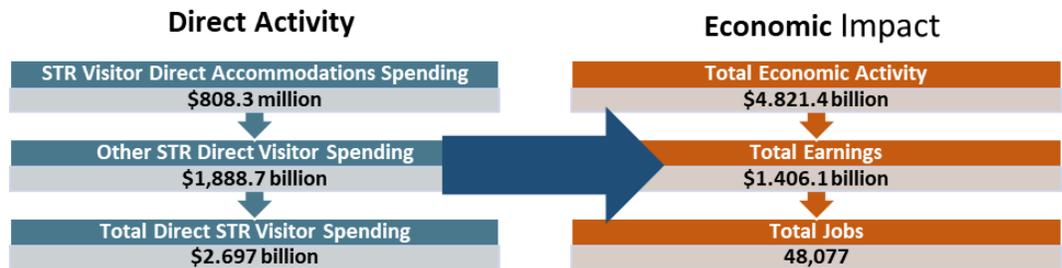
TXP, Inc.
Austin, Texas
(512) 328-8300
www.txp.com

Summary

As the South Carolina travel and tourism industry grows, STRs are an important part of the lodging market in communities as diverse as Hilton Head (Beaufort County), the Myrtle Beach region (Horry County), and Charleston (Charleston County).

The 2021 economic impact of STRs in the state of South Carolina and the above regions was calculated as follows. First, direct accommodations spending of visitors using STRs showed a total of \$808.3 million being spent last year. Next, this spending figure was used as the basis of calculating the total STR guest spending on other tourism purchase categories, such as entertainment and food. The result was total direct spending attributable to STR guests of \$2.7 billion last year. This direct spending was used to estimate the ripple effects, i.e., the induced and indirect impacts. The total economic impact combines the direct spending with these ripple effects.

Total Summary Economic Impact of STRs in South Carolina in 2021



Source: TXP, Inc.

The direct spending by STR guests in South Carolina yielded a total impact of over \$4.8 billion in economic activity, value-added in excess of \$2.7 billion, over \$1.4 billion in annual earnings, and more than 48,000 permanent jobs. As would be expected, the lion's share of the activity tends to be found in consumer-driven segments of the economy such as food services, retail trade, and arts & entertainment.

STRs are an important and growing part of the South Carolina's tourism industry, especially in smaller markets. It is increasingly clear that in South Carolina, as in other areas of the country, STR activity is serving to expand the lodging market by providing a complementary good: STR revenues have climbed dramatically in the past few years, helping offset the pandemic-induced challenges facing traditional hotel/motel lodging options. With rare exception, STRs serve a specific market - the casual leisure traveler. This traveler typically is interested in lodging options with amenities and geographic locations not fully satisfied by more traditional choices, especially as the pandemic has required greater physical distance. As a result, a region's overall travel and tourism industry activity, and the resulting local economic impact, is increased by including STRs in the available lodging options.

Overview

The popularity of short-term rentals (STRs) has surged as a lodging choice for travelers in almost all communities in the United States, allowing greater consumer choice as to the range and nature of travel accommodations. This trend has been accelerated by the COVID-19 pandemic, as public health and safety concerns enhance the attractiveness of STRs for many travelers. As the South Carolina travel and tourism industry continues to rebound, STRs have become an increasingly important part of the lodging market in communities as diverse as Hilton Head (Beaufort County), Charleston (Charleston County), and the Myrtle Beach region (Horry County).

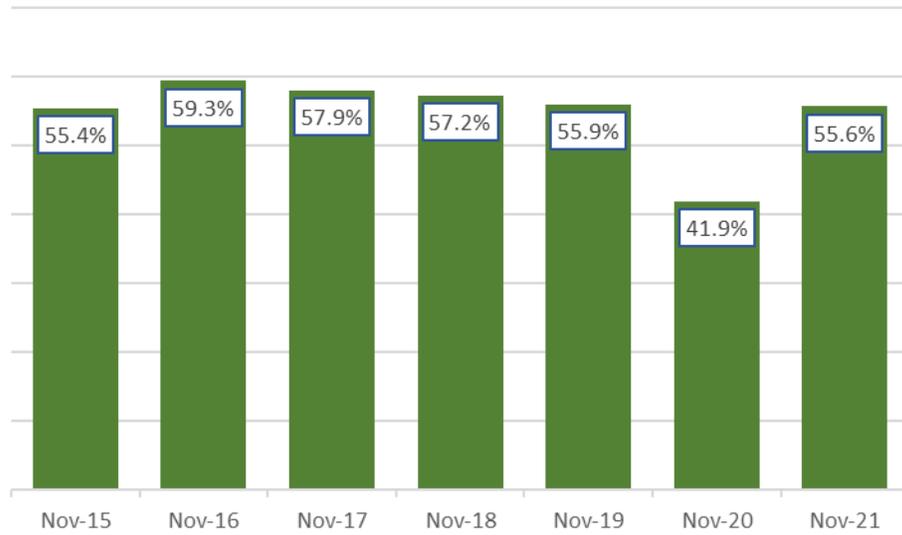
This study calculates the economic impact of STRs on the state of South Carolina as a whole, as well as the regions listed above, using information based on 2021 annual data. All properties self-identifying as short term or vacation rentals, specifically those listed on major STR websites, are included in this analysis, and have been sourced through data provider All The Rooms. To set the context, the report provides a discussion of recent trends in tourism lodging in South Carolina as well as the specific characteristics of the state's STR market. Estimates are then produced of the additional spending in the local economy by visitors who stay in STRs. The analysis then calculates the total economic impacts (using multipliers for the counties listed above and the state as a whole) and concludes with a discussion of the current and future implications of a robust STR segment of the lodging market for tourism and the South Carolina economy as a whole.

Tourism and the State of South Carolina

Trends in the Lodging Sector

South Carolina tourism appears to have largely recovered from the impact of the pandemic, though as this is being written the Omicron variant is surging. Nevertheless, most indicators suggest that activity has returned to at least close to pre-pandemic levels, as the statewide lodging occupancy rate of 55.6 percent in November 2021 was comparable to the pre-pandemic November 2019 figure of 55.9 percent. Meanwhile, the average room rate rose to \$114.20, significantly above the figures that preceded COVID-19. As a result, it is not surprising that 2 percent accommodations tax collections have surged, rising to \$8.4 million statewide during November 2021. This pattern was consistent across the markets analyzed as part of this report, as Beaufort, Charleston, and Horry counties all saw a significant increase in accommodations tax collections from previous years. One explanation for that growth could be the surge in STR activity, as the next section of the report documents.

Figure 1: Hotel Occupancy Rate in South Carolina



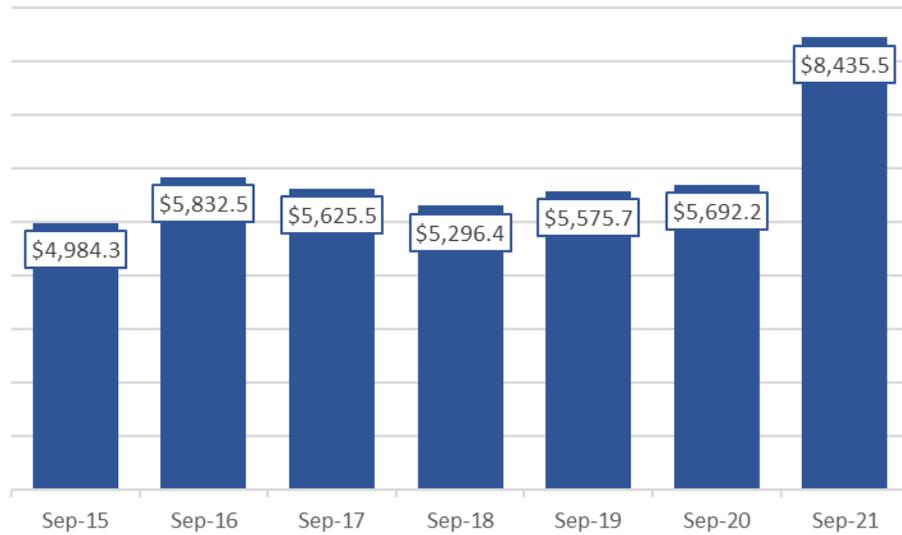
Source: South Carolina Department of Parks, Recreation, & Tourism; Smith Travel, TXP, Inc.

Figure 2: Average Room Rate in South Carolina



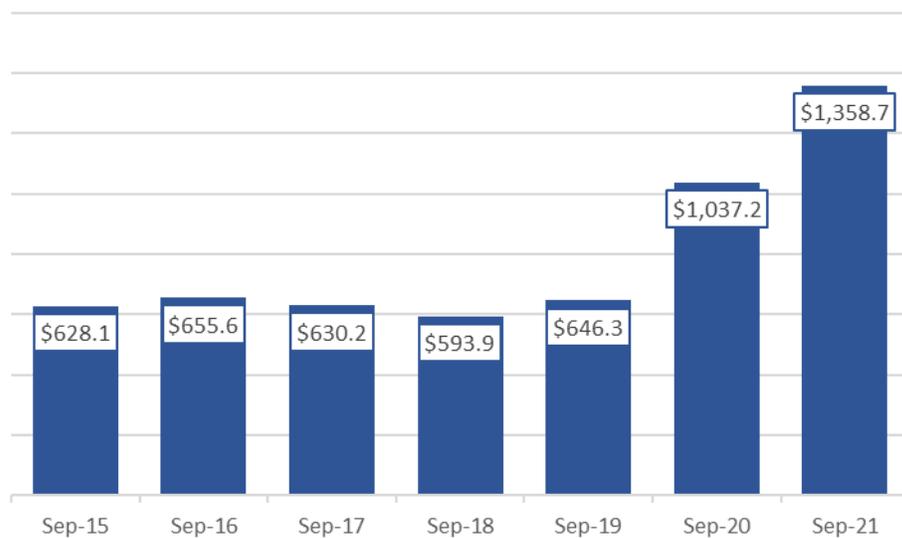
Source: South Carolina Department of Parks, Recreation, & Tourism; Smith Travel, TXP, Inc.

Figure 3: 2% Accommodations Tax Revenue in South Carolina (\$000s)



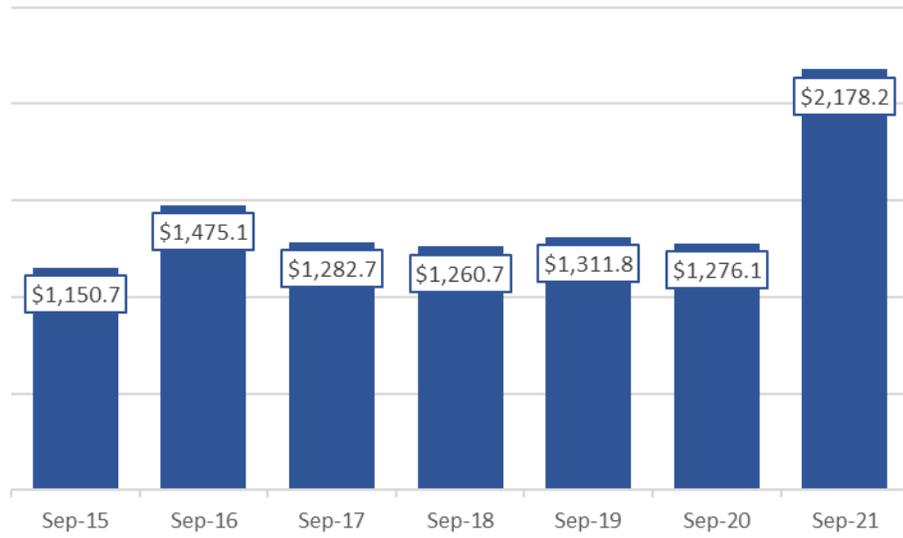
Source: South Carolina Department of Parks, Recreation, & Tourism; TXP, Inc.

Figure 4: 2% Accommodations Tax Revenue in Beaufort County (\$000s)



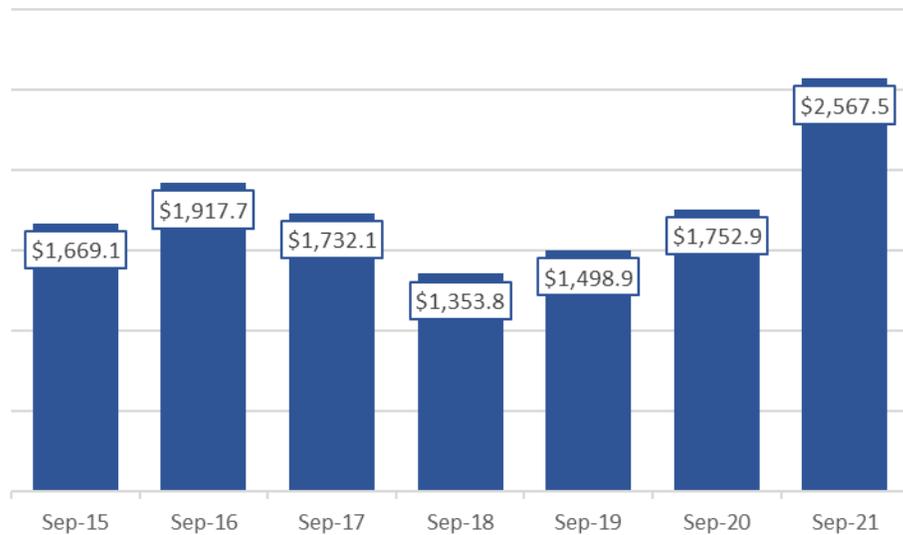
Source: South Carolina Department of Parks, Recreation, & Tourism; TXP, Inc.

Figure 5: 2% Accommodations Tax Revenue in Charleston County (\$000s)



Source: South Carolina Department of Parks, Recreation, & Tourism; TXP, Inc.

Figure 6: 2% Accommodations Tax Revenue in Horry County (\$000s)



Source: South Carolina Department of Parks, Recreation, & Tourism; TXP, Inc.

Short Term Rentals (STRs) in South Carolina

Vacation rental properties have been part of the accommodations market for decades in some of South Carolina’s most popular tourism destinations, especially in the Charleston area and along the coastal markets of Beaufort and Horry counties. In recent years, STRs have moved into virtually every community of any size in the state, with tens of thousands of listings and hundreds of thousands of bookings occurring annually. Identifying the exact number of unique STR properties in the state at any given point is a challenge, given the ability of hosts to market their properties on multiple sites, the use of primary residences as part-time STRs, and the use of STR websites by more traditional lodging accommodations. As a result, the focus of the direct impact of STRs for this report is on dollars generated – in other words, how much was spent by overall by visitors who stay in STRs, rather than the number of properties or visits per se.

Table 1: Direct STR Visitor Indicators in South Carolina and Key Counties

Room Nights	Statewide	Beaufort	Charleston	Horry
2019	2,686,695	537,062	696,198	690,698
2020	2,394,923	531,660	691,961	621,837
2021	3,291,378	636,925	854,671	1,005,842
Spending (\$Millions)				
2019	\$507.85	\$125.15	\$186.14	\$124.84
2020	\$512.30	\$129.30	\$198.37	\$103.67
2021	\$808.27	\$164.53	\$283.40	\$223.62

Source: All The Rooms; TXP, Inc.

Economic Impact Calculations

The 2021 economic impact of STRs in the state of South Carolina and the above regions was calculated as follows. First, direct accommodations spending of visitors using STRs showed a total of \$808.3 million being spent last year, up almost 60 percent from 2019.¹ Next, this spending figure was used as the basis of calculating the STR guest spending on other tourism purchase categories, such as entertainment and food.² This direct spending was used to estimate the ripple effects, i.e., the induced and indirect impacts. The total economic impact combines the direct spending with these ripple effects.

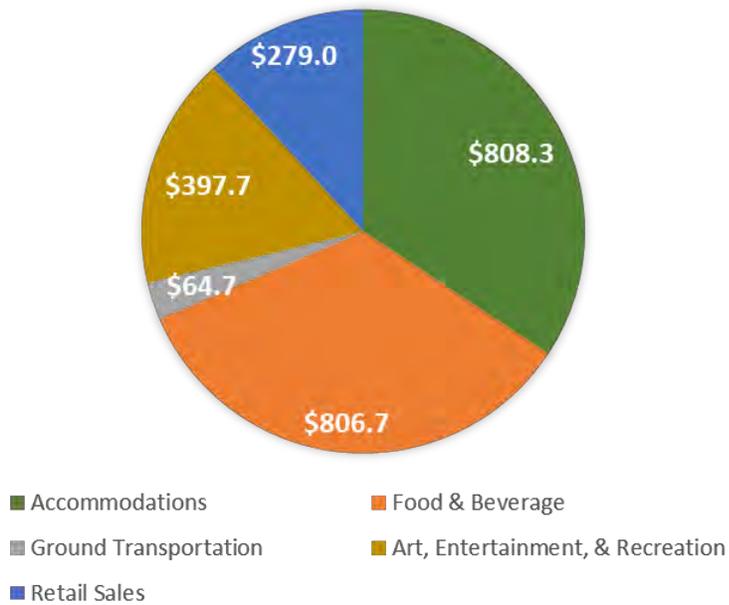
¹ Data was provided by All The Rooms for Both AirBnB and Homeway annually for 2019 and 2020 and for the first eleven months of 2021; trend extrapolation was used to estimate the level of activity for December 2021 that allowed an annual estimate for that same year.

² The 2019 US Tourism Satellite Account was used as the basis of analysis, calibrated to reflect visitor spending that specifically would occur in local markets, ie, to not include spending on air transportation.

Direct STR-Related Spending Estimates

Aggregate direct spending on lodging by STR guests in South Carolina totaled \$808.3 million in 2021.³ Using data from the 2019 US Bureau of Economic Analysis' Travel and Tourism Satellite Account, it was possible to then estimate the proportion of tourism spending attributable to other sectors than lodging, such as retail sales, food & beverage, and entertainment. These ratios were then applied to the amount spent by guests at STRs to calculate the total direct spending by STR users in South Carolina last year. In other words, for every dollar spent on lodging at an STR, a traveler might spend \$0.49 on entertainment and about the same on food and beverage. The result was total direct spending attributable to STRs of \$2.7 billion last year.

Figure 7: 2021 Total Estimated Direct STR Visitor Spending Statewide by Major Category (\$millions)



Source: Census Bureau, TXP, Inc.

Table 2: Direct 2021 STR Visitor Spending in South Carolina/Key Counties

	\$808.27	\$164.53	\$283.40	\$223.62
	\$806.66	\$164.20	\$282.83	\$223.18
	\$64.66	\$13.16	\$22.67	\$17.89
	\$397.67	\$80.95	\$139.43	\$110.02
	\$619.95	\$126.19	\$217.37	\$171.52

Source: Census Bureau TXP, Inc.

³ Note: Direct retail sales spending estimates reflect only the margin attributable that accrues locally.

Economic Impact Methodology

The second step in the process is to translate the direct impact into the total economic impact through an input-output model of the South Carolina economy and each of the counties that allows measurement of the secondary, or “ripple” effects.

Economists use a number of statistics to describe regional economic activity. Four common measures are:

- Output (also known as Economic Activity and equivalent to top-line revenue), which describes total economic activity and is equivalent to a firm’s gross sales or top-line;
- Value Added which equals gross output of an industry or a sector less its intermediate inputs or purchases from other firms used in the production process;
- Labor Income which corresponds to wages and benefits; and
- Employment which refers to jobs that have been created in the local economy.

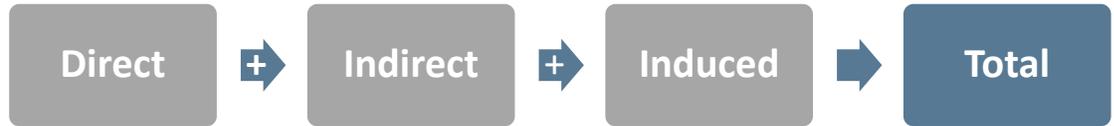
The economic impacts extend beyond the direct activity outlined above. In an input-output analysis of new economic activity, it is useful to distinguish three types of expenditure effects: direct, indirect, and induced.

Direct effects are production changes associated with the immediate effects or final demand changes. The payments made by a visitor to a hotel operator or taxi driver are examples of a direct effect.

Indirect effects are production changes in backward-linked industries caused by the changing input needs of directly affected industries – typically, additional purchases to produce additional output. Satisfying the demand for an overnight stay will require the hotel operator to purchase additional cleaning supplies and services, for example, and the taxi driver will have to replace the gasoline consumed during the trip from the airport. These downstream purchases affect the economic status of other local merchants and workers.

Induced effects are the changes in regional household spending patterns caused by changes in household income generated from the direct and indirect effects. Both the hotel operator and taxi driver experience increased income from the visitor’s stay, for example, as do the cleaning supplies outlet and the gas station proprietor. Induced effects capture the way in which this increased income is spent in the local economy.

Figure 8: The Flow of Economic Impacts



The interdependence between different sectors of the economy is reflected in the concept of a “multiplier.” An output multiplier of 2.5 for example, means that for every \$1,000 injected into the economy, all other sectors produce an additional \$1,500 in output. The larger the multiplier, the greater the economic impact. In this analysis, TXP used the RIMS II input-output multipliers produced by the U.S. Bureau of Economic Analysis for South Carolina and the counties analyzed here.

Economic Impact Results

The direct spending by STR guests South Carolina in 2021 yielded a total impact of over \$4.8 billion in economic activity, value-added of more than \$2.7 billion, over \$1.4 billion in annual earnings, and in excess of 48,000 full-time, permanent jobs.

The tables that follow details the total impacts statewide and for the counties, both summarized and detailed by industry sector (county industrial detail is found in the Appendix). As would be expected, the lion’s share of the activity tends to be found in consumer-driven segments of the economy such as food services, retail trade, and arts & entertainment. Of note is the fact that direct STR lodging spending is allocated to the property management sector, rather than the accommodations sector, since revenue flows to private homeowners.

Further benefits accrue to state and local governments in the form of taxes assessed on direct spending by STR guests, as well as revenues generated by the ripple effects of that spending. Tourism tends to generate a high proportion of tax revenue compared to other industries. Most goods and services purchased by visitors are taxed, and many at a higher rate than other goods.

Table 3: Total Summary Economic Impact of STRs in South Carolina in 2021

<i>All Dollar Figures in \$Millions</i>					
	\$549.0	\$750.5	\$442.5	\$222.9	8,322
	\$945.7	\$1,390.8	\$809.2	\$325.6	11,805
	\$746.2	\$1,048.1	\$611.6	\$284.6	10,610

Source: TXP, Inc.

Table 4: Total 2021 Detailed Economic Impact of STRs in South Carolina

	\$21.1	\$8.5	\$5.2	205
	\$1.5	\$0.8	\$0.2	3
	\$95.0	\$55.5	\$13.6	123
	\$31.9	\$16.4	\$13.1	245
	\$112.0	\$39.5	\$21.0	354
	\$194.8	\$60.4	\$30.9	540
	\$174.4	\$105.0	\$43.2	629
	\$519.1	\$330.6	\$183.2	6,734
	\$168.9	\$72.5	\$56.5	2,368
	\$103.5	\$54.5	\$19.6	312
	\$210.0	\$123.1	\$53.3	999
	\$1,194.7	\$748.0	\$249.7	6,977
	\$136.7	\$91.0	\$63.9	1,033
	\$78.8	\$49.7	\$32.4	414
	\$128.6	\$81.8	\$59.2	1,950
	\$25.9	\$17.9	\$12.1	444
	\$192.7	\$117.5	\$87.9	1,731
	\$413.7	\$242.1	\$136.1	7,339
	\$27.3	\$16.3	\$7.5	183
	\$881.2	\$461.4	\$275.7	14,151
	\$109.6	\$60.6	\$40.0	1,201
	NA	NA	\$1.6	144

Source: TXP, Inc.

Conclusions

STRs are an important and growing part of the South Carolina’s tourism industry, especially in smaller markets that cater to leisure travelers. It is increasingly clear that in South Carolina, as in other areas of the country, STR activity is serving to expand the lodging market by providing a complementary good: STR revenues have climbed dramatically in the past few years, helping offset the pandemic-induced challenges facing traditional hotel/motel lodging options. With rare exception, STRs serve a specific market - the casual leisure traveler. This traveler typically is interested in lodging options with amenities and geographic locations not fully satisfied by more traditional choices, especially as the pandemic has required greater physical distance. As a result, a region’s overall travel and tourism industry activity, and the resulting local economic impact, is increased by including STRs in the available lodging options.



Legal Disclaimer

TXP reserves the right to make changes, corrections and/or improvements at any time and without notice. In addition, TXP disclaims any and all liability for damages incurred directly or indirectly as a result of errors, omissions, or discrepancies. TXP disclaims any liability due to errors, omissions or discrepancies made by third parties whose material TXP relied on in good faith to produce the report.

Any statements involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that such opinions or estimates will be realized. The information and expressions of opinion contained herein are subject to change without notice, and shall not, under any circumstances, create any implications that there has been no change or updates.

APPENDIX: Detailed STR Economic Impact by Region

Table A.1: Total 2021 Detailed Economic Impact of STRs in Beaufort County

	\$0.4	\$0.2	\$0.1	5
	NA	NA	NA	NA
	\$7.7	\$3.7	\$0.8	8
	\$4.8	\$2.9	\$2.0	36
	\$2.0	\$0.8	\$0.5	9
	\$7.4	\$1.5	\$0.9	17
	\$11.9	\$3.5	\$1.3	19
	\$97.4	\$62.4	\$31.1	1,148
	\$21.4	\$7.4	\$5.8	333
	\$6.4	\$1.9	\$0.7	12
	\$21.1	\$14.1	\$5.9	118
	\$227.3	\$149.3	\$56.3	1,532
	\$15.2	\$10.9	\$7.3	118
	\$10.3	\$7.2	\$5.2	67
	\$12.5	\$7.0	\$4.0	130
	\$2.7	\$1.4	\$0.9	32
	\$25.1	\$15.5	\$10.7	215
	\$82.9	\$48.6	\$27.5	1,484
	\$4.3	\$2.6	\$1.1	27
	\$175.6	\$92.2	\$55.1	2,827
	\$14.3	\$8.9	\$5.5	165
	NA	NA	\$0.2	21

Source: TXP, Inc.

Table A.2: Total 2021 Detailed Economic Impact of STRs in Charleston County

	\$0.5	\$0.2	\$0.1	5
	NA	NA	NA	NA
	\$14.5	\$8.5	\$1.2	13
	\$9.5	\$4.9	\$2.5	44
	\$11.7	\$3.9	\$1.2	19
	\$18.7	\$5.5	\$1.9	31
	\$28.5	\$17.2	\$5.3	77
	\$166.1	\$105.7	\$39.5	1,689
	\$47.5	\$19.9	\$9.4	107
	\$20.8	\$11.3	\$3.1	43
	\$42.7	\$24.6	\$9.3	178
	\$406.6	\$253.8	\$71.2	1,935
	\$43.7	\$29.0	\$15.3	222
	\$15.9	\$10.0	\$5.3	60
	\$33.3	\$21.5	\$10.9	330
	\$6.9	\$4.8	\$2.3	73
	\$42.5	\$26.0	\$14.0	262
	\$144.0	\$84.3	\$42.8	2,303
	\$7.2	\$4.3	\$1.6	39
	\$301.6	\$157.9	\$80.9	4,140
	\$28.6	\$15.8	\$7.4	213
	NA	NA	\$0.2	22

Source: TXP, Inc.

Table A.3: Total 2021 Detailed Economic Impact of STRs in Horry County

	\$0.7	\$0.3	\$0.2	8
	\$0.2	\$0.1	NA	NA
	\$11.9	\$7.3	\$2.0	18
	\$7.2	\$3.6	\$2.6	49
	\$5.6	\$2.1	\$1.0	19
	\$7.2	\$2.1	\$1.2	24
	\$14.0	\$8.5	\$3.5	50
	\$133.0	\$84.9	\$43.9	1,619
	\$28.7	\$11.9	\$8.0	423
	\$17.4	\$9.1	\$3.4	53
	\$40.9	\$24.1	\$9.1	154
	\$322.5	\$200.6	\$63.2	1,745
	\$19.0	\$11.7	\$8.7	140
	\$4.9	\$3.9	\$2.8	36
	\$17.1	\$10.3	\$5.0	154
	\$4.7	\$3.2	\$2.1	75
	\$32.1	\$19.8	\$13.5	256
	\$228.0	\$67.2	\$34.3	1,847
	\$6.0	\$3.5	\$1.5	36
	\$126.1	\$125.2	\$71.3	3,659
	\$20.9	\$11.6	\$7.2	216
	NA	NA	\$0.3	29

Source: TXP, Inc.