



Town of Hilton Head Island
Public Planning Committee
Thursday, March 9, 2022, 2:00 p.m.
MEETING MINUTES

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

Present from Town Council: Bill Harkins; Tom Lennox

Present from Town Staff: Josh Gruber, *Deputy Town Manager*; Shawn Colin, *Interim Director of Community Development*; Angie Stone, *Assistant Town Manager*; John Troyer, *Finance Director*; 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*; Mary Lou Franzoni; Brian Sullivan, *Palmetto Breeze*

1. Call to Order

The Chairman called the meeting to order at 2:00 p.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. Stanford moved to approve. Ms. Becker seconded. Motion carried 4-0.

5. Approval of Minutes

a) Regular Meeting – January 27, 2022

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

6. Appearance by Citizens

Dru Brown, Managing Partner, Island Time Hilton Head spoke to the Committee requesting more time to review the Short-Term Rental Ordinance. Ed Bray and Richard Ross addressed the Committee regarding Short-Term Rentals. Misha Ross, Kately Coward and Ann Walsh also made comments regarding Short-Term Rentals.

7. New Business

a) Summary of the 2021 Trolley Service and Request for Input on the Proposed 2022 Trolley Service

Mary Lou Franzoni gave a summary of the 2021 trolley service and reviewed the proposed 2022 service and stated Palmetto Breeze proposes operating the Breeze Trolley from Saturday, April 9 to Monday, September 5, which is Labor Day. Palmetto Breeze proposes to continue to provide fare-free service for the Breeze Trolley.

Ms. Franzoni reviewed changes that they were making to two routes that would enhance ridership without losing any of the current riders. Ms. Franzoni stated they wanted to bring the Trolley back instead of the small cutaway in Port Royal and have it only go one time an hour on Folly Field Road and back out through Port Royal.

After Ms. Franzoni's presentation, she answered questions from the Committee. Ms. Becker expressed concern about the rerouting though Folly Field and Port Royal and switching from the smaller bus which the residential neighborhoods had requested and going back to using the Trolley. Mr. Brown asked how much money we have for the marketing budget. Ms. Franzione stated that they operate on a shoestring budget for everything. We do not spend a lot of money on marketing. Mr. Brown stated the trolley service has become a part of our community and we know that parking on Hilton Head is a premium. The more times we can offer folks to use the trolley and not get into their personal vehicles to go somewhere, the better off we are. Mr. Stanford echoed Ms. Becker's concern about switching back to the trolley from the smaller bus in residential neighborhoods. I would suggest that unless the demand for service is greater than the size of the van, that you consider staying with the smaller bus.

Mr. Ames thanked both Ms. Franzoni and Mr. Sullivan for all the work they are doing.

b) Review and Discussion of the Proposed Ordinance Concerning Short-Term Rentals.

Anne Cyran stated staff is proposing some revisions to the draft Ordinance as it appears in your packet materials. These changes are in response to input that we have received in discussion with the public, Property Management Companies, Committee Members and with the Town Attorney. The Town is pursuing a contract with a company that will provide several services related to short-term rentals, including permitting, monitoring and enforcement. The primary change related to the Ordinance is we would remove the requirement to post a sign with a phone number outside of the short-term rental properties. We are proposing another change regarding pool safety, instead of having

one of two required safety options for a pool or a hot tub, that we include in the Short-Term Rental Permit a statement that the owner affirms that they will notify all renters prior to booking that the property has a pool or hot tub or they have access to a pool or hot tub and what those safety elements are that are in place, i.e., fence, screened enclosure, magnetic latch with a door that closes automatically or a pool alarm. This way the consumer is notified. We have several recommended changes for parking. We are recommending that on the Short-Term Rental Application, the Owner or Property Manager will state the number of improved parking spaces that are available on site. We recommend the effective date of the Ordinance be January 1, 2023.

Ms. Cyran proceeded to review the Project Purpose Statement, Revised Timeline, Short-Term Rental Listings and Trends, Summary of Public Engagement, Draft Ordinance, Effective Date and Next Steps, Issues for Further Review, Prioritization of Issues for Further Review and Next Steps for Issues for Further Review.

After Ms. Cyran's presentation, she answered questions posed to her from the Committee.

Several Committee Members agreed that additional time is needed to have more conversation and to review the proposed changes to the Ordinance and that it is too early to move this forward to Town Council. Mr. Ames stated it is his sense that there is hesitancy on moving forward now and will ask the Committee to make closing comments on what we want Anne Cyran to bring back to us at our next meeting on March 24th. Mrs. Becker stated she is ready to move forward but her concern is with off street parking and whether or not it belongs in the Ordinance because as it is written and included it would seem to give exception to opportunity for continuing a similar type of pattern we have where an overflow and an abundance of too many cars at a particular rental could spread out and around and use that as justification instead of what the goal is to try to tighten it up.

Anne Cyran reviewed with the Committee the issues for further review: 1) Effects of Mini Hotels in Neighborhoods 2) Effects of Short-Term Rentals in Neighborhoods 3) Whether there are too many Short-Term Rentals 4) Effects of Short-Term Rentals on Housing 5) Effects of Short-Term Rentals on Infrastructure, and 6) Environmental Impacts of Short-Term Rentals. Staff recommends prioritizing the following two issues: 1) Mini Hotels; and Short-Term Rentals in Residential Neighborhoods.

Ms. Cyran stated 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.

Mr. Ames stated he is not sure that he is not convinced that the way these items are described necessarily get us further down the road. I think the situation is much more complex. We understand the effects of Mini Hotels in neighborhoods, we understand that

many of them are being run as pure businesses as opposed to residential occupation. We understand that the reward of having a short-term rental is far greater in terms of property values than a full-time resident. We hear that we are trying to protect to some degree the quality of neighborhoods for full time residents. We can viscerally say there are effects on mini hotels, but we must dive much deeper than that to understand what it means to have a Town policy to impact this balance that we are trying to achieve. I do not have a problem with going forward with Mini Hotels as a priority. 2) The Short-Term Rentals in Residential Neighborhoods – I think we have already done that. I think everything we have learned about the reason we have an Ordinance speaks to the effects on Short-Term Rentals in neighborhoods. 3) Whether there are too many short-term rentals is a very difficult economic equation to get a hold of. It does at some point get down to subjectivity, but if we are going to try and be empirical, I think that requires a lot of serious thinking. 4) Effects on Short-Term Rentals on Housing – this is one we can grab ahold of and speak to the issue of what we are doing to our community. I personally would re-order your list to some degree. 5) Effects of Short-Term Rentals on Infrastructure – if you used to have 4 people living in a single-family house and now you have 20 living in the house, there is going to be a difference of impact. 6) Environmental impacts on Short-term Rentals – that has to do also with overbuilding single-family lots, ground coverage, etc. I think this one needs to be scoped out more.

There is an opportunity for partnership here and I think it is critical that we create the dialogue with the Property Managers of this Community because of their experience and charge them with coming forward as to what they would do under our circumstances.

Shawn Colin advised the Committee that based on the comments made today staff will bring forward a draft Ordinance for their final review one week in advance of their next meeting on March 24th.

8. Adjournment

With no further business, the meeting was adjourned at 4:08 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/>.