



TOWN OF HILTON HEAD ISLAND

SHORT-TERM RENTAL INITIATIVE

Public Open House

01/08/2022

In-Person

Facilitators: Anne Cyran; Teri Lewis; Teresa Haley

Attendees: Sign-in sheets were provided.

Notes

Data Collection

- 2020 and 2021 were unusual years to use as examples. High number of short-term rentals. Don't expect high numbers to continue. Consider data from before pandemic.

Enforcement

- Bluffton requires a local contact person that can be reached within 8 hours to make owners more responsible.
- 8-hour response time is not adequate. What happens when you have an immediate problem? Or a problem in the middle of the night?
- Who has authority to tell someone they can't have 25 people in a house? Consider what we can do about this in terms of enforcement.
- The majority of complaints probably come from absentee landlords. There are rental owners that take care of problems and keeping property in good condition. One size fits all ordinance is not fair and is not going to resolve all issues.

Gated Communities & POAs/HOAs

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- Living in a gated community you are paying for amenities, privacy, etc. Why would we want people coming in weekly?
- Will the Town regulations supersede community regulations?
- Can POAs/HOAs outlaw short-term rentals? Appears larger POAs do.
- Consider allowing communities to regulate themselves. Some POAs have regulations and enforcement. Some communities have regulations, but no enforcement.
- What's been the response from the PUDs? In favor of ordinance? Or think they can manage short-term rentals themselves?

Legal Authority & Lawsuits

- Is there a budget item for litigation? Regulations will invite lawsuits.
- Proposed State bill re: not allowing municipalities to prohibit short-term rentals.
- Every property comes with covenants and your property rights. You know what you're buying into. May invite litigation if you're violating/changing what owners were entitled to when they purchased.

Lockouts

- Town should eliminate lockouts.

Neighborhoods, Zoning, and Land Use

- Will there be different rules for different zoning districts and uses?
- What is Town definition of neighborhood? Is the Town looking at separate areas to implement restrictions on short-term rentals?
- Is this a neighborhood issue? Consider focusing limitations on certain areas.
- Folly Field is zoned residential. We bought into the area with the expectation of single family residential. Instead, we have large homes of short-term rentals.
- Commercial vs residential areas in terms of short-term rentals. If a person/property is making a profit, then it's considered commercial.
- If you buy into a Resort Development District, then you can expect short-term rentals. But in residential areas, you expect differently.

Noise

- Noise isn't just from parties. Large families gathering at one house can cause a lot of noise.

Number of Short-Term Rentals & Island's Capacity

- How many beds are there are on HHI? How many bedrooms? Can determine number of bedrooms based on building records. Use that information to determine the capacity limit of the Island. If short-term rentals are limited, who can rent and not?
- Issue is number of short-term rentals, not which season you look at. The number of people renting and the number of rental properties should be the focus.

Occupancy Limits

- There is a problem with people trying to fit as many people as possible into one home. Consider occupancy limits.

Project Purpose, Implementation & Budget

- What does success look like?
- Who is responsible for deciding final ordinance?
- It sounds like we have too many short-term rentals for the infrastructure. Is the goal to reduce the number of short-term rental? Sounds like a foregone conclusion.
- Any talk about grandfathering any existing STR?
- What are the costs the Town has put into this initiative so far? What is the budget amount?

Project Timeline

- When will the first rough draft of the ordinance be available for review? And final implementation?
- Will citizens be asked to provide input on first draft ordinance?
- Wait until pandemic is over before drafting/passing an ordinance. Timing of implementation is poor based on season (July).
- Wouldn't it best to wait another year?
- Pandemic presents unusual circumstances/high numbers. Why would Town want to go through this initiative now? Wait until normal circumstances present.
- Is this set in stone? What is the timeframe for this?

Quality of Life & Impact on Full Time Residents

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- Short-term rentals bring nothing good to the full-time property owners. Short-term rentals only bring good/profit to owners.
- Short-term rentals bring strangers and chaos to quiet neighborhoods and the beaches.
- Absentee landlords are creating a problem and only care about their bottom line.
- Quality of life of full-time residents is going down. Full time residents are being pushed out and the neighborhood will become all short-term rentals. Exacerbating the problem.
- Experience with short-term rental owner – unfriendly, doesn't want to talk to full-time neighbors.
- Is there a record of full-time owners being pushed out of their neighborhoods because of short-term rentals? Inundation of short-term rentals has caused full-time residents out. Think long term.

Regulations & Restrictions

- No doubt some regulations needed. They can be achieved through rental companies and owners. Self-police instead of putting into an ordinance. Make sure anything passed is enforceable.
- How many new prospects want to build condos or timeshares? When building permit applied for condos, can Town put restrictions on length of rental or no rental at all?
- Concern for one size fits all ordinance. Different communities have different needs.
- Don't think we can eliminate short-term rentals. Think we need guidelines. Ready to help!

Stakeholders & Citizen Input

- Additional Stakeholders: Restaurants
- Additional Stakeholders: Amenity providers – bike companies, tour operators.

Taxes & Licensing

- We have various types of rentals. All are taxed differently. How do you keep control of collecting the tax?
- How do you determine who has a business license (BL)?
- Is there a tax revenue survey going on? A lot of tax revenue going to Town. If we limit short-term rentals, there will be a decrease in tax revenue collected. What impact does this have on Town finances?

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Timeshares

- Where do timeshares fall in? Will they be included in this study?
- Concerns about limiting timeshare owners.

Town's Role in Tourism & Short-Term Rental Market

- Concern Town is sending mixed messages about what they want. They give money to the Chamber to advertise, visitors come, then then don't want the visitors.
- The Town is paying consultants/Chamber of Commerce/marketers to market the island and receive #1 island award. Town has created a problem and now trying to curtail it.
- The Town pitched this as a beautiful place to come and now look what's happened.
- Town must take responsibility for what they've done. They say come develop as an investment and now they want to restrict? Expect lawsuits.
- Consider Town's messaging. Ad from the Town that says 'skip the drive, fly directly into the HH Airport' on VRBO. Why is the Town advertising for people to come here if they want to limit short-term rentals?

Traffic & Parking

- Are there already fire codes in place regarding traffic, parking, and occupancy? Does North Forest Beach have parking passes?
- Concern for impacts to traffic flow. Particularly the bridge and impacting work force housing issues.

Trends

- Pandemic has made a big difference in short-term rentals. People have rented houses who haven't before.