



Town of Hilton Head Island
Board of Zoning Appeals Meeting
Monday, July 25, 2022 – 2:30 p.m.
AGENDA

The Board of Zoning Appeals meeting will be held in-person at Town Hall in the Benjamin M. Racusin Council Chambers.

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. Swearing In Ceremony of Reappointed Board Members Anna Ponder and Robert Johnson and New Board Member Kathryn Bayless – *Performed by Josh Gruber, Deputy Town Manager*

5. Welcome and Introduction to Board Procedures

6. Approval of Agenda

7. Approval of Minutes

a. June 27, 2022 Meeting

8. Appearance by Citizens on Items Unrelated to Today's Agenda

Citizens who wish to address the Board concerning items unrelated to the agenda may do so at this time.

9. Unfinished Business – None

10. New Business

a. **Election of Officers for the July 1, 2022 – June 30, 2023 Term**

b. **APL-001469-2022** – Request for Appeal from Jason Bullock of Island Cruisers Bike Rentals. The appellant is appealing staff's determination, dated May 19, 2022, that the outside storage of bicycles for the Hilton Head Bicycle Company located at 112 Arrow Road, is a legal non-conforming use.

11. Board Business

12. Staff Reports

a. Status of Appeals to Circuit Court

b. Status of LMO Amendments

c. Waiver Report

13. Adjournment

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



Town of Hilton Head Island
Board of Zoning Appeals Meeting

June 27, 2022, at 2:30 p.m.

Benjamin M. Racusin Council Chambers

MEETING MINUTES

Present from the Board: Vice Chair Anna Ponder, Lisa Laudermilch, Charles Walczak, David Fingerhut, Peter Kristian, Robert Johnson

Absent from the Board: Chair Patsy Brison (excused)

Present from Town Council: Glenn Stanford, Alex Brown

Present from Town Staff: Shawn Colin, Assistant Town Manager – Community Development; Michael Connolly, Senior Planner; Nicole Dixon, Development Review Program Manager; Shea Farrar, Senior Planner; Teri Lewis, Customer Service Manager; Trey Lowe, Planner; Chris Yates, Development Services Manager; Teresa Haley, Community Development Coordinator

1. Call to Order

Acting Chair Ponder called the meeting to order at 2:30 p.m.

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 – See as noted above.

4. Presentation of the Town's Crystal Award to outgoing Board Member Lisa Laudermilch
Shawn Colin, Assistant Town Manager – Community Development, presented the award to Ms. Laudermilch and thanked her for her many years of service to the Town of Hilton Head Island.

5. Welcome and Introduction to Board Procedures

Chair Ponder welcomed all in attendance and introduced the Board's procedures for conducting the meeting.

6. Approval of Agenda

Chair Ponder asked for a motion to approve the agenda as presented. Mr. Kristian moved to approve. Ms. Laudermilch seconded. By way of roll call, the motion passed with a vote of 6-0-0.

7. Approval of Minutes

a. April 25, 2022, Meeting

Chair Ponder asked for a motion to approve the minutes of the April 25, 2022, meeting. Mr. Walczak moved to approve. Mr. Kristian seconded. By way of roll call, the motion passed with a vote of 6-0-0.

8. Appearance by Citizens

Public comments concerning agenda items were submitted electronically via the Open Town Hall HHI portal. Those comments were delivered to the Board and made part of the official record.

9. Unfinished Business – None

10. New Business

a. Public Hearing

VAR-000620-2022 – Request from John Nicholas Crago for a variance from LMO Section 16-4-102.B.7.c, Use-Specific Conditions for Principal Uses, for proposed screened outside storage of bicycles in the Light Commercial (LC) District where outside storage of bicycles is not allowed. The property is located at 13 Executive Park Road and has a parcel number of R552 015 000 0087 0000.

Chair Ponder opened the Public Hearing.

Ms. Farrar presented the application as described in the Staff Report. Staff recommends the Board of Zoning Appeals find the application not to be consistent with the Town's Our Plan and does not serve to carry out the purposes of the LMO, based on those Findings of Fact and Conclusions of Law contained in the Staff Report. Staff recommends that the Board of Zoning Appeals deny the application.

The Board made comments and inquiries regarding: clarification on what is meant by accessory use and how it pertains to this case; whether there are other screened storage along Executive Park Road; whether bicycle parts are permitted to be stored outdoors; whether anything in the LMO regarding this particular use has changed since January 2020; facts related to a similar variance application heard by the Board in January 2020; why staff determined the prior case met all four variance criteria, but this case does not; the prior case was driven by a staff error but it was not the only criteria considered; concern why same considerations for previous application were not given in this case as staff reviews each application on its own merits; consideration for the extraordinary condition that the property in the previous case is not located on a major or minor arterial consistent with the subject property.

Following the Staff presentation and questions by the Board, Chair Ponder asked the applicant to make a presentation. Mr. Crago presented his grounds for variance as described in his submittal materials.

The Board made comments and inquiries regarding: the applicant's business has been in operation since 2017 and in this location for two years; outside storage of bicycles began in approximately Fall of 2021; the applicant was informed by staff that he was not in compliance after staff received complaints; staff reviewed all of the bicycle businesses on the Island; the applicant indicated he has alternative storage options should the variance be denied, although it would make it difficult for him to run his business.

Chair Ponder asked for Staff Rebuttal. Staff had no rebuttal.

The Board inquired about the part of the ordinance pertaining to this issue possibly being rewritten. Staff explained the process for a proposed amendment to the LMO.

Chair Ponder asked for applicant rebuttal. The applicant had no rebuttal.

Chair Ponder asked for public comment. Two members of the public expressed their opposition to the application. A third member of the public reviewed each of the four criteria and explained

why the application does or does not apply, placing emphasis on why the LMO does not allow outdoor storage in the LC zoning district.

The Board asked for clarification to confirm: that staff supported the 2020 application for several reasons, not only because of a staff error; and what constitutes outside storage.

Chair Ponder incorporated all the evidence, including the staff report, application, documents, and testimony provided during the hearing into the record. Chair Ponder closed the public hearing at 3:25 p.m.

The Board made final comments and inquiries regarding: one member expressed support for the variance; several members expressed support for the staff's position; consideration of supporting the variance since a change to the LMO is planned to be proposed to change this use in the LC zoning district; consideration of supporting a temporary solution until a decision is made on whether or not the LMO changes regarding this issue; concern that if the applicant wants to use outdoor storage he must meet all four criteria for a variance; the applicant was aware of the restrictions at time of purchasing the property; the Board is required to abide by the current LMO and not a possible change, and that each application meets the four criteria; a prior BZA wrote a letter to the appropriate governmental bodies to make this change in the LMO and it has not been done; the Board urged Town Council and staff to move forward with this change in the LMO.

Upon the conclusion of discussion, Chair Ponder asked for a motion.

Mr. Walczak moved to deny the variance based on the Findings of Facts and Conclusions of Law found in the Staff Report. Mr. Johnson seconded. By way of roll call, the motion failed 3-3-0. (Roll: for the motion – Fingerhut, Johnson, Walczak; against the motion – Kristian, Laudermilch, Ponder).

The Board requested legal direction as to how to proceed. At 3:38 p.m., Chair Ponder gaveled for a brief recess so that staff may locate an available attorney. At 3:43 p.m., Chair Ponder called the meeting back to order and called upon Mr. Gruber for a recommendation. Mr. Gruber explained the Board's options to proceed.

Mr. Kristian moved to approve the variance based on the following Findings of Facts and Conclusions of Law:

Criteria 1

Findings of Fact:

- Most properties in the Light Commercial district are located on a major or minor arterial.
- The subject property is zoned Light Commercial, but it is not located on a major or minor arterial.

Conclusions of Law:

- The application does meet the criteria as for in LMO Section 16-2-103.S.4.a.i.01 because there are extraordinary and exceptional conditions that pertain this particular property.
- Having a Light Commercial property that is not located on a major or minor arterial is considered an extraordinary and exceptional condition.

Criteria 2

Finding of Fact:

- Of the Light Commercial zoned properties located in the vicinity of New Orleans Road and William Hilton Parkway, this is one of the only properties in that zoning district that is not located on a minor or major arterial.

Conclusion of Law:

- The application does meet the criteria as set forth in LMO Section 16-2-103.S.4.a.i.02 because the extraordinary conditions only apply to the property subject to this application and do not generally apply to other properties in the vicinity.

Criteria 3

Finding of Fact:

- Per LMO Section 16-4-102.B.7.c., Use-Specific Conditions for Principal Uses (Bicycle Shops), outdoor storage of bicycles is permitted only in the CR, SPC, MS, WMU, S, MF, MV, and RD Districts.

Conclusion of Law:

- This application does meet the criteria as set forth in LMO Section 16-2-103.S.4.a.i.03 because the extraordinary conditions do prohibit and unreasonably restrict the property from having outdoor storage of bicycles which is an essential part of the business.

Criteria 4: The Findings of Facts and Conclusions of Law contained in the Staff Report.

Mr. Fingerhut seconded. There was brief discussion among the Board regarding: the current law in place must be followed as to whether the application meets the four criteria; there is both support and opposition among citizens to change the existing law and so Town Council may not decide to change it; if the law changes, then the applicant will have the right to change; the Board's right to use discretion in granting the variance considering the criteria appear to match the previous case in which the variance was granted. The Board expressed sympathy to the owner and encouraged him to use his alternative storage options. Upon the conclusion of the discussion, the motion failed 1-4-1. (Roll: for the motion – Kristian; against the motion – Fingerhut, Johnson, Laudermilch, Walczak; abstained – Ponder).

Mr. Fingerhut moved that the Board of Zoning Appeals deny the variance based upon the Findings of Fact and Conclusions of Law of the Town Staff regarding Criteria 1 through 3, and as to Criteria 4, the Board make the specific Finding of Fact that it is against the public good in this area based upon the testimony heard at this hearing. Mr. Johnson seconded. By way of roll call, the motion passed with a vote of 5-1-0. (Roll: for the motion – Fingerhut, Johnson, Laudermilch, Ponder, Walczak; against the motion – Kristian).

Mr. Kristian stated he voted against the motion based on the criteria given, and he believes procedurally it is not in order.

Mr. Kristian made a supplemental motion that the Board of Zoning Appeals ask Town Staff and the Planning Commission to move with all deliberate speed to look at this portion of the LMO and revise as appropriate. Ms. Laudermilch seconded. By way of roll call, the motion passed with a vote of 6-0-0.

b. Public Hearing

VAR-001455-2022 – Request from Jason and Abigail Rudasill for a variance from LMO Sections 16-3-106.J.4, Holiday Homes Neighborhood Character Overlay District

Regulations, 16-5-102.D, Adjacent Use Setbacks and 16-5-103.E, Adjacent Use Buffers, to construct a pool and deck within the setbacks and buffers. The subject property is located at 31 Oleander Street with a parcel number of R510 009 000 0830 0000.

Chair Ponder opened the Public Hearing.

Ms. Dixon presented the application as described in the Staff Report. Staff recommends the Board of Zoning Appeals find the application to be inconsistent with the Town's Our Plan and does not serve to carry out the purposes of the LMO, based on those Findings of Fact and Conclusions of Law contained in the Staff Report. Staff recommends that the Board of Zoning Appeals deny the application.

The Board made comments and inquiries regarding: the buffer can be reduced to 10 feet with appropriate plantings, however, the applicant did not want to pursue this option; the adjacent Town property is currently zoned Parks & Recreation; the property has always had a 20' setback requirement; there are two provisions in this case and generally the more strict law is followed; clarification on the options for a pool on the property under current LMO provisions; confirmation the applicant could redesign the pool and deck so that they fit within the LMO requirements; concerns about the property owner's rights; any new structures have to comply with the current LMO; clarification on the site plan noting the red line to the rear is the 10' setback per the Holiday Homes overlay requirements and the blue line is the 20' setback; the pool can go to the blue line with the decking going 5' beyond the line and with proper vegetation; there are several lots in the vicinity with the same 20' setback requirement.

Following the Staff presentation and questions by the Board, Chair Ponder asked the applicant to make a presentation. Mr. Rudasill presented his grounds for variance as described in his submittal materials.

The Board made comments and inquiries regarding alternate design plans. The applicant indicated he has an alternate plan that he did not submit but brought it with him today.

Chair Ponder asked for Staff Rebuttal. Staff had no rebuttal.

Chair Ponder asked for applicant rebuttal. The applicant asked whether the alternate drawing can be submitted, and the Board denied it.

Chair Ponder asked for public comment. Three members of the public spoke in opposition to the variance, noting concerns with this property and other properties operating as short-term rentals in their neighborhood.

Chair Ponder incorporated all the evidence, including the staff report, application, documents, and testimony provided during the hearing into the record. Chair Ponder closed the public hearing at 4:46 p.m.

The Board made final comments and inquiries regarding: agreement if the pool is to be built that it should be built within the setbacks and meet all LMO requirements; the application does not meet the four criteria; buffers and setbacks are in place to protect the community and the criteria are not met in this case to grant a variance. The Board noted short-term rentals are not within their purview, however, Town Council recently passed an ordinance to address residents' concerns regarding short-term rentals. Chair Ponder commended staff for trying to work with applicant to find a solution.

Upon the conclusion of discussion, Chair Ponder asked for a motion.

Mr. Kristian moved to deny the application based on those Findings of Facts and Conclusions of Law contained in the Staff Report. Mr. Walczak seconded. By way of roll call, the motion passed by a vote of 6-0-0.

11. Board Business – None

12. Staff Reports

a. Status of Appeals to Circuit Court

Mr. Coltrane was not in attendance to report on the item.

b. Status of LMO Amendments

Ms. Dixon noted staff is working diligently to get the first set of draft amendments scheduled in the review process.

c. Waiver Report

Ms. Dixon noted the report was included in the agenda package and offered to answer any questions by the Board. The Board had no questions.

The Board commended staff for their professionalism and due diligence on the applications that come before them.

13. Adjournment

With no other business before the Board, the meeting was adjourned at 4:53 p.m.

Submitted by: Teresa Haley, Secretary

Approved: [DATE]



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Board of Zoning Appeals
VIA: Shawn Colin, AICP, Assistant Town Manager – Community Development
FROM: Nicole Dixon, AICP, CFM, Development Review Program Manager
DATE: July 13, 2022
SUBJECT: APL-001469-2022

Jason Bullock of Island Cruisers Bike Rentals is appealing staff's determination, dated May 19, 2022, that the outside storage of bicycles for the Hilton Head Bicycle Company located at 112 Arrow Road, is a legal non-conforming use.

The record as attached consists of the following documents:

- Attachment A - Appellant Submittal
- Attachment B - Staff Determination Letter



Town of Hilton Head Island
Community Development Department

One Town Center Court
Hilton Head Island, SC 29928
Phone: 843-341-4757 Fax: 843-842-8908

www.hiltonheadislandsc.gov

FOR OFFICIAL USE ONLY

Date Received: _____

Accepted by: _____

App. #: APL _____

Meeting Date: _____

Applicant/Agent Name: Jason Bullock Company: Island Cruise Bike Rentals
Mailing Address: 3 Pensacola PL City: Hilton Head State: SC Zip: 29928
Telephone: 304.210.8824 Fax: 304.699.0333 E-mail: cjasonbullock@yahoo.com

APPEAL (APL) SUBMITTAL REQUIREMENTS

If you are interested in submitting your appeal electronically please call 843-341-4757 for more information.

The following items must be attached in order for this application to be complete:

_____ A detailed narrative stating the Town Official or Body who made the decision, the date of the decision being appealed, the decision being appealed, the basis for the right to appeal, the grounds of the appeal, cite any LMO Section numbers relied upon; **and** a statement of the specific decision requested of the review body.

_____ Any other documentation used to support the facts surrounding the decision.

_____ Filing Fee - \$100.00 cash or check made payable to the Town of Hilton Head Island.

To the best of my knowledge, the information on this application and all additional documentation is true, factual, and complete. I hereby agree to abide by all conditions of any approvals granted by the Town of Hilton Head Island. I understand that such conditions shall apply to the subject property only and are a right or obligation transferable by sale.

I further understand that in the event of a State of Emergency due to a Disaster, the review and approval times set forth in the Land Management Ordinance may be suspended.

Applicant/Agent Signature: [Signature] Date: 5/5/22



Island Cruisers Bike Rentals

3 Pensacola Place
Hilton Head, SC 29928
Tel: 843.785.4321
www.hhibikes.com

May 31, 2022

The Town of Hilton Head Island
Board of Zoning Appeals
One Town Center Court
Hilton Head, SC 29928

Dear Board of Zoning Appeals Members:

We are writing to express our objection to the Letter of Determination dated May 19, 2022 sent to Hilton Head Bicycle Company by Shawn Colin, Assistant Town Manager regarding Hilton Head Bicycle Company's storage of bicycles.

We believe the town erred in its decision for multiple reasons. The primary reason is while Mr. Hall's letter to Teri Lewis December 2, 2021 states "Hilton Head Bicycle Co has been in continual existence since 1993 at 112 Arrow Road since its inception in 1993 and has been in continual operation during that time under the same name." This is a material misrepresentation of fact. While Mr. Hall operates using a similar trade name, the operating entity has changed multiple times since the trade names first use as a corporation in 1994.

There is additional information that is required for proper understanding and review this issue combined with the inconsistent application of the LMO and various exceptions to the LMO by Town Representatives. I purchased the membership units and assets of Island Cruisers Bike Rentals, LLC. from Weldon (Dondi) and Theresa Wall. Purchasing an ongoing corporation or LLC is not a normal process when purchasing a small business. In the vast majority of small businesses transactions, the Purchaser purchases the assets of the business and not the operating entity. The reason for this is to prevent being responsible for any negative actions taken by the prior owner. When one purchases the entity, they purchase the good and bad of the business. When one purchases the assets, they are free and clear from all past encumbrances and potential legal issues caused by the prior owner. Subsequent to purchasing the assets (inventory, trade names, websites, logos, etc) of the old company it is customary to start a new entity to conduct business. It is also customary to assume a Doing Business As (DBA) name that is similar or same as the prior entity's name. Interestingly, South Carolina is one of the few states where one does not need to register a DBA with the Secretary of State.

The reason why I took the unique step and assumed the risks associated with purchasing an ongoing LLC is because to continue operations at 13 Executive Park Rd, I had to purchase the entity and not just the assets. This is because prior to purchasing, I became part of BZA VAR-002648-2019 regarding screened outside storage of bicycles at 3 Pensacola Place. Prior to my purchasing the business Mr. Wall obtained written information from a Town representative that he could store bicycles outside at 3 Pensacola Place. Upon reliance of that communication Mr. Wall purchased 3 Pensacola and then found the information was incorrect when registering for a business license. Through the purchase transaction of the the company and 3 Pensacola, I became the main point of contact for BZA VAR-002648-2019.

Sometime in mid January of 2020 I had a phone conversation with Teri Lewis regarding our desire to continuing operating at 13 Executive Park Rd and ending our BZA appeal for outside bike storage at 3 Pensacola Place. During that phone conversation I was informed by Ms. Lewis that I was not able to continue operations at 13 Executive Park Rd because while Island Cruisers Bike Rentals, LLC. had been in operation there prior to the promulgation of the LMO and received a variance in 2009 to have screened outside storage at 13 Executive Park Rd, since there was a change in the Membership of the LLC the business license would need to be renewed and upon renewal screened outside storage of bicycles would not be allowed.

While I did not agree with Ms. Lewis' opinion that the continuance of the LLC did not supersede the change in membership interests, I agreed to continue our BZA appeal. Ms. Lewis agreed that since we had an active BZA appeal for 3 Pensacola Place she would not enforce the prohibition of our continuing to store outside at 13 Executive Park Rd. Ms. Lewis was VERY clear that if the BZA appeal was not approved, I would not be able to continue operations with outside bicycle storage at either 13 Executive Park Rd or 3 Pensacola Place. The result of this would be to essentially put me out of business after less than a month of ownership.

During our BZA Appeal hearing, Ms. Lewis stated the only reason that she and Town Staff would agree with our being granted the appeal is because a member of Town Staff wrote in an email that screened outside storage would be allowed and it was in reliance of that email Mr. Wall purchased 3 Pensacola Place, which we subsequently purchased. It was ONLY for that written communication between a staff member and Mr. Wall that they could support the BZA Committee granting our appeal and any other reason for request of outside screened bike storage in the LC District they would not support.

Fortunately we were granted our BZA Appeal for 3 Pensacola Place. Once granted the opportunity to operate at 3 Pensacola Place we began the process of working with Town Staff to design and construct new screening that met their specific requirements. Once that screening was complete and approved by Town Staff, we began the process of moving from 13 Executive Park Rd to 3 Pensacola Place. After moving all of our inventory from 13 Executive Park Rd we removed, with permission from the Landlord,

the approved fence and the posts. I spent this additional time and expense to ensure no future bike operator would attempt to use our old location, which unfortunately is not the case, but that is for a different matter.

While negotiating with the Walls to purchase Island Cruisers Bike Rentals, LLC, I also began a review to purchase the assets of Hilton Head Bicycle Company. I started those discussions on December 4, 2019 through Michael Kabiri of Transworld Business Brokers. We spent the next few weeks working through details and in mid January were nearing an agreement to purchase. The only problem with this transaction is the seller required we also purchase the building at 112 Arrow Rd. Hilton Head Bicycle Company was only available as an asset purchase and I had to buy the building. Since I knew from my conversation with Teri Lewis that she would not allow me to continue operations at 13 Executive Park Rd. even as the longstanding operating entity, I knew there was no way I could reasonably file for a BZA appeal to operate at 112 Arrow Rd when I knew the only reason we had a chance of an approval for 3 Pensacola was the Town staff member's error in communication with Mr. Wall. I communicated the problems with the deal to the broker and seller (Mr. Sandquist) and also sent the specific LMO sections that detailed the prohibition of outside storage in the LC District – screened or unscreened. Mr. Sandquist was not interested in selling without also selling the building. Based on that we unfortunately had to decline purchasing his business because we did not want to be in another position where we could have a failed BZA appeal and not be able to operate at 3 Pensacola or 13 Executive Park Rd. I did, after completion of our BZA appeal and approval of our storage layout at 3 Pensacola contact Mr. Kabiri again on April 8, 2020 to attempt to restart discussions and found the business and building had been purchased by someone else.

Now we come to the crux of the issue. That someone else was HHBC Holding, LLC with its Registered Agent being Susan Hall of 7 Wexford Club Drive – the Hall's personal residence. The SC SOS information for that business is:

HHBC Holdings LLC	
Corporate Information	Important Dates
Entity Type Limited Liability Company	Effective Date 02/27/2020
Status Good Standing	Expiration Date N/A
Domestic/Foreign Domestic	Term End Date N/A
Incorporated State South Carolina	Dissolved Date N/A
Registered Agent	
Agent Susan Hall	
Address 7 Wexford Club Drive Hilton Head, South Carolina 29928	

HHBC Holdings, LLC is also the owner of the property at 112 Arrow Road. The Beaufort County Property Max information is:

Overview							Street Address 1 of 1	
Records	Property ID (PIN)	Alternate ID (AIN)	Parcel Address	Data refreshed as of	Assess Year	Pay Year		
Overview	RSS2 015 000 115A 0000	00446896	112 ARROW RD, Hilton Head Island	5/20/2022	2020	2020		
Parcel								
Land	Current Parcel Information							
Improvements	Owner	HHBC HOLDINGS LLC	Property Class Code	ComImp Serv Personal				
Sales Disclosure	Owner Address	112 ARROW RD	Acreage	.0000				
Pay Taxes	Legal Description	NE1/2 LOT 17 PALMETTO BAY RD #BKM370						
Value History	Historic Information							
GIS / Mapping	Tax Year	Land	Building	Market	Taxes	Payment		
Search by	2021	\$102,800	\$172,200	\$275,000	\$4,599.26	\$4,599.26		
Property ID (PIN)	2020	\$102,800	\$103,000	\$205,800	\$3,456.59	\$3,456.59		
Street Address	2019	\$102,800	\$103,000	\$205,800	\$3,329.64	\$3,329.64		
Alternate ID (AIN)	2018	\$102,800	\$103,000	\$205,800	\$3,177.51	\$3,177.51		
Legal Description	2017	\$146,200	\$132,300	\$278,500	\$4,335.78	\$4,335.78		
Sales	2016	\$146,200	\$132,300	\$278,500	\$3,918.50	\$3,918.50		
Owner Name	2015	\$146,200	\$132,300	\$278,500	\$3,748.68	\$3,748.68		
Functions	2014	\$146,200	\$132,300	\$278,500	\$3,724.53	\$3,724.53		
County Home	2013	\$104,400	\$25,400	\$129,800	\$1,765.29	\$1,765.29		
Welcome	2012	\$174,000	\$29,022	\$203,022	\$2,437.29	\$2,437.29		
Real Property	Sales Disclosure							
Personal Property	Grantor	Book & Page	Date	Deed	Vacant	Sale Price		
Vehicle Tax	RIVAPA ENTERPRISES INCORPORATED	3860 1499	4/30/2020	Ge		\$275,000		
Help	MEISTER HOWARD W TRUSTEE MEISTER ELAINE C TRUSTEE	3250 2557	6/14/2013	Fu		\$278,500		
Feedback	MEISTER HOWARD W ELAINE C JTROS	1800 981	7/15/2003	Fu		\$10		
County Login	PIAZZA SALVATORE	1004 191	12/19/1997	Fu		\$200,000		
	GILES RUTH L	319 1196	4/1/1981	Fu		\$10		
	GILES RUTH L	315 1765	2/1/1981	Fu		\$0		
			12/31/1776	Or		\$0		

This shows a purchase date 4/30/2020 from RIVAPA Enterprises, Inc. The SC SOS information for this company is:

RIVAPA ENTERPRISES, INCORPORATED

Corporate Information		Important Dates	
Entity Type	Corporation	Effective Date	12/22/2010
Status	Dissolved	Expiration Date	N/A
Domestic/Foreign	Domestic	Term End Date	N/A
Incorporated State	South Carolina	Dissolved Date	10/30/2020

Registered Agent	
Agent	RICHARD J. SANDQUIST
Address	124 Timber Ln Hilton Head Island, South Carolina 29926

[+ Request Documents](#) [+ Add Filing](#)

Official Documents On File

Filing Type	Filing Date
Articles of Dissolution	10/30/2020
Notice of Change of Registered Office	05/26/2020
Change of Agent or Office	05/23/2011
Incorporation	12/22/2010

RIVAPA Enterprises, Inc. Registered Agent is Richard J Sandquist. Mr. Sandquist was the owner of Hilton Head Bicycle Co and the owner of the companies from whom the Halls purchased the assets and property. As a point of interest, it is not unusual for a small business owner to own the assets of a company and the property in two different entities. Rental income is taxed differently than business income so there is a tax advantage to paying yourself rent. The operating entity is also able to expense repairs to the building that the building owner would have to capitalize and depreciate.

These transactions show the Hall's misrepresentation in the 12/1/2021 letter to Teri Lewis that the company has been in continual operation. A simple review of the SC SOS information shows there are three companies that have had a name "Hilton Head Bicycle Co."

Search Results				Displaying 4 record(s)
Entity Name	Date of Incorporation	Entity Type	Entity Status	Incorporated State
HILTON HEAD BICYCLE CO.	12/01/1994	Corporation	Dissolved	South Carolina
HILTON HEAD BICYCLE CO.	11/10/2011	Corporation	Dissolved	South Carolina
Hilton Head Bicycle Company, LLC	05/25/2021	Limited Liability Company	Good Standing	South Carolina
HILTON HEAD BIKE RENTALS, INC.	03/29/1983	Corporation	Dissolved	South Carolina

The first is Hilton Head Bicycle Co incorporated 12/1/1994 by Mr. Howard Meister. Mr. Meister used this corporation to conduct his bicycle rental and sales operations until his sale to Mr. Sandquist. Mr. Meister then dissolved the business 11/10/2011 which is the end of the priority of use at that location. From this date, no one has the ability to claim use by history as the entity that had the use in the location ceases to exist. The chain is broken on 11/10/2011, there is no going back.

HILTON HEAD BICYCLE CO.

<div style="border: 1px solid gray; padding: 5px; margin-bottom: 10px;"> <p>Corporate Information</p> <p>Entity Type Corporation</p> <hr/> <p>Status Dissolved</p> <hr/> <p>Domestic/Foreign Domestic</p> <hr/> <p>Incorporated State South Carolina</p> </div> <div style="border: 1px solid gray; padding: 5px;"> <p>Registered Agent</p> <p>Agent HOWARD MEISTER</p> <hr/> <p>Address 14 TWIN PINES RD HILTON HEAD, South Carolina 29928</p> </div>	<div style="border: 1px solid gray; padding: 5px;"> <p>Important Dates</p> <p>Effective Date 12/01/1994</p> <hr/> <p>Expiration Date N/A</p> <hr/> <p>Term End Date N/A</p> <hr/> <p>Dissolved Date 11/10/2011</p> </div>
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The next company to use the name Hilton Head Bicycle Co is when Mr. Sandquist started a new entity, on the same day Mr. Meister's entity dissolved, and for some unknown reason was able to use the same name. It is EXTREMELY rare a Secretary of State will allow a similar name to be used, let alone the exact same name, by two different owners. The SC SOS information for Mr. Sandquist's company is:

HILTON HEAD BICYCLE CO.	
Corporate Information	Important Dates
Entity Type Corporation	Effective Date 11/10/2011
Status Dissolved	Expiration Date N/A
Domestic/Foreign Domestic	Term End Date N/A
Incorporated State South Carolina	Dissolved Date 10/30/2020
Registered Agent	
Agent RICHARD J SANDQUIST	
Address 112 ARROW RD HILTON HEAD ISLAND, South Carolina 29928	

Mr. Sandquist then uses this Corporation to conduct his bike rental and sales business until he sells the assets of the business to HHBC Holdings sometime after February 27, 2020. If there is any attempt to assert some sort of priority back to 11/10/2011, that opportunity ceased when the Halls decided to purchase the assets versus the shares of Hilton Head Bicycle Co, Inc. It is proven from this transaction that the Halls performed an asset purchase versus a stock purchase.

Next, for reasons unknown to me, the Halls then start another company – Hilton Head Bicycle Company, LLC on 5/25/2021 – over a year after purchasing the assets and building. Its Registered Agent is a lawyer with the firm of Austen Gowder in Charleston who appear to specialize in Business Law. I do not know if the assets were transferred from HHBC Holdings, LLC to this new company or if the current business operations are conducted through this entity or not. The Town would know through which entity is registered to the Business License associated with 112 Arrow Rd.

Hilton Head Bicycle Company, LLC	
Corporate Information	Important Dates
Entity Type Limited Liability Company	Effective Date 05/25/2021
Status Good Standing	Expiration Date N/A
Domestic/Foreign Domestic	Term End Date N/A
Incorporated State South Carolina	Dissolved Date N/A
Registered Agent	
Agent William Andrew Gowder, Jr.	
Address 1629 Meeting Street, Suite A Charleston, South Carolina 29405	

From this information we know there are four (4) and possibly five (5) different companies who were and are owners of the assets commonly known through the trade name Hilton Head Bicycle Company. Assets and an operating business are not the same. If there is any question about the priority of use, it ended when Mr. Sandquist purchased the assets from Mr. Meister. It was then further confirmed when Mr. and Mrs. Hall formed a new entity – a LLC for that matter – to purchase the assets of Hilton Head Bicycle Co from Mr. Sandquist and did not purchase the shares of Mr. Sandquist's corporation. The company at 112 Arrow Rd. is not the same since 1993. It began its existence on 2/27/2020 and it is possible the operations are now being conducted by a business started on 5/25/2021.

Town Staff – Shawn Colin and Teri Lewis – erred in their verbal and written approval to Mr. Hall that he can continue operations in the same manner as had been conducted in the past and Mr. Hall materially misrepresented the facts from which they made their ill informed decision. I don't understand why Mr. Colin and Ms. Lewis did not take 30 seconds to see the chain of companies in the SC SOS page. I personally explained to both Mr. Colin and Ms. Lewis my situation with my attempted purchase of Hilton Head Bicycle Company and reason for not being able to purchase. I informed Mr. Colin and Ms. Lewis of my extreme displeasure of their and the Town's inconsistent application of the LMO provisions for not just Hilton Head Bicycle Co, but the other businesses in the LC District operating in violation of the LMO without repercussions. What is most troubling is despite this information and despite direct knowledge that I was told I could not do the same at 13 Executive Park Rd., they allowed another entity to do the exact opposite. They are wrong and to allow that decision to continue would be even more wrong.

The LMO while voluminous is a very simple, easy, and surprisingly straightforward document. Take a few moments to review and read what is allowed where and under what conditions and one can make informed business decisions. The problem with the LMO comes when Town representatives attempt to give information without full knowledge of the LMO, bend the requirements, decide to not enforce them, and worst of all knowingly do the opposite of what is promulgated. This process gets even more convoluted when business people decided to willfully violate its provisions in an attempt to enhance their profits. Bike rental company location is directly related to the operator's profits. Locating a bike shop in the wrong location or not following the LMO incorrectly causes a business benefit.

I have unfortunately been a part of many BZA hearings the last two and a half years. The reason for this is due to poor communication by Town Staff. The root cause of three of these is had Ms. Lewis correctly answered an operating LLC can continue operations at its existing location and business license is not tied to the Membership Units there would have been no reason for the hearing for 3 Pensacola Place. There would also be no reason for the Cross Island Cruisers appeal that has continued to get delayed from them opening up at our old location – 13 Executive Park Rd – and the Town continuing to allow them to operate in flagrant violation of the LMO for over two

years. Finally, we would not have to be reviewing the Town's error in approval for Hilton Head Bicycle Co improper storage at 112 Arrow Road. None of these conditions would have existed because I would still be at 13 Executive and would be the owner of Hilton Head Bicycle Co's assets which would have been combined with Island Cruisers Bike Rentals. That is not the case and the Town Staff's continued incorrect communication and inconsistent application of the LMO requires many items to be brought to the BZA instead of just following the LMO.

In summary, we adamantly oppose the Town's decision that outside storage of bicycles at 112 Arrow Rd is a legal non-conforming use since the referenced basis for the determination is a material misrepresentation. While the trade name used at that location is the same, the entity that owns the trade name and the assets it supplies has changed four to five times since it began. It is for this reason we appeal the decision, appreciate the committee's review of this issue, and look forward to the reversal of Mr. Colin's letter resulting in Hilton Head Bicycle Co, LLC being required to immediately adhere to the LMO's prohibition of outside storage of bicycles in the LC District.

Sincerely,

ISLAND CRUISERS BIKE RENTALS

A handwritten signature in black ink, appearing to read "Jason Bullock", written over a horizontal line.

Jason Bullock

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

(843) 341-4600 Fax (843) 842-7728

www.hiltonheadislandsc.gov

John J. McCann
Mayor

Sent via email to hhbicycle@yahoo.com

William D. Harkins
Mayor ProTem

May 19, 2022

Council Members

Thomas W. Lennox
David Ames
Tamara Becker
Glenn Stanford
Alexander Brown, Jr.

Mr. James E. Hall
Owner
Hilton Head Bicycle Company
112 Arrow Road
Hilton Head Island, SC 29928

Marc Orlando
Town Manager

Dear Mr. Hall:

As you are aware the Town has been engaged in bringing all bike companies on the Island into conformance with the Town's Land Management Ordinance (LMO), specifically in terms of outside bicycle storage. I understand that you sent a letter to Teri Lewis on December 1, 2021, in response to a violation letter that you received from Ms. Lewis on November 29, 2021. In your letter, you stated that, "Hilton Head Bicycle Company has been at 112 Arrow Road since its inception in 1993 and has been in continual operation during that time under the same name." Additionally, you suggested that the outside bicycle storage at Hilton Head Bicycle Company should be considered nonconforming due to the fact that the language related to outside bicycle storage was added after 1993.

Based on the information in your December 1st letter, Ms. Lewis sought legal advice to determine if the outside bicycle storage at Hilton Head Bicycle Company could be considered a legal nonconforming use. Ms. Lewis received confirmation of this determination on January 21, 2021, and subsequently contacted you that same day via telephone to inform you that the outside storage of bicycles at your location at 112 Arrow Road would be considered a legal nonconforming use. I have asked Ms. Lewis to reconcile our records related to the outside storage of bicycles and in doing so, she realized that she had not provided her determination to you in writing. As determinations are appealable decisions, it is a requirement that they be provided in writing. Please consider this letter to be the Town's formal determination that outside bicycle storage at 112 Arrow Road is a legal nonconforming use.

Should you wish to appeal this determination, an appeal must be filed to the Town's Board of Zoning Appeals (BZA) within 14 days of receipt of this letter; if not, no action is required on your part.

Please contact me at (843) 341-4696 or shawnc@hiltonheadislandsc.gov if I can provide additional information or answer any questions related to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Colin", with a stylized flourish at the end.

Shawn Colin, AICP
Assistant Town Manager – Community Development
LMO Official



December 1, 2021

Ms. Teri Lewis
Deputy Community Development Director
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

Re: Outside Storage of Bicycles at Hilton Head Bicycle Company located at 112 Arrow Road

Dear Ms. Lewis,

I am in receipt of your letter dated November 29, 2021 regarding the outside storage of bicycles. The letter requests compliance with the Town's LMO. I appreciate your email of today extending the deadline for action to January 21, 2022.

Hilton Head Bicycle Company has been at 112 Arrow Road since its inception in 1993 and has been in continual operation during that time under the same name. I am not clear on the date the LMO was amended but believe it was either 2014 or 2017. Unless the LMO was amended prior to 1993, the Company's existence predates the creation of the ordinance cited as the reason for noncompliance.

As such, I am requesting a meeting to discuss this and to determine if Hilton Head Bicycle Company is "grandfathered" in this situation. I am available at your convenience to meet at your office for a conversation. It is also our understanding that this position has been taken by at least one other bike shop in the LC.

Additionally, I am requesting a copy of the report filed by the code enforcement officer after inspecting our property. As it is well known that certain individuals have pursued the town to enforce this code, I am also requesting copies of all complaints, emails, and communications relating to the referenced LMO and the noncompliance of any bike shop.

I can be reached at 770-329-7461 or via email at hhbicycle@yahoo.com.

Sincerely,

A handwritten signature in blue ink that reads 'James E. Hall'. The signature is written in a cursive style and is positioned above the printed name and title.

James E. Hall
Owner



TOWN OF HILTON HEAD ISLAND

Staff Memo

TO: Board of Zoning Appeals
FROM: Nicole Dixon, AICP, CFM, Development Review Program Manager
DATE: July 14, 2022
SUBJECT: Waiver Report

The BZA has historically requested that staff keep them informed of waivers that are granted by staff. A memo has been distributed every month at the regular BZA meeting and is discussed under staff reports on the agenda.

The provisions to allow staff granted waivers are proposed to be removed from the LMO as part of LMO Amendments currently being drafted. As such, staff is no longer processing requests for waivers at the staff level but rather we are directing applicants they can request relief through the variance process of the BZA.

The LMO does provide provisions to allow for non-conforming sites to be redeveloped, which is set forth in Section 16-7-101.F, Substitutions of Nonconformities for Redevelopment. This provision allows for substitutions for existing nonconforming structures and site features to encourage redevelopment without making the entire site come into compliance. This provision is not considered a waiver request and will remain in the LMO.

Staff will continue to provide a report at each meeting for Substitutions of Nonconformities for Redevelopment if the Board so desires.