



# TOWN OF HILTON HEAD ISLAND

## SHORT-TERM RENTAL INITIATIVE

---

### Focus Group: Short Term Rental Owners Webinar

01-20-2022

3:00 p.m.

---

### Participant Questions/Comments After Presentation

---

Lives in Sea Pines, retired, lots invested and lives in 4 months a year. Asked for confirmation on what types of restrictions we are considering and if they would be applied equally across the island. Possible solutions: nuisance issues are behavior issues that need behavioral solutions not occupancy related; wise to be customized and narrow in the beginning; feels strongly about grandfathering existing STRs; and possibly limit a person to one STR per second home.

Before we propose limits and occupancy, what is the problem, what are we trying to solve? It is a stretch to assume that all problems are attributed to STRs. How do we know that? Do we know that long-term rentals have decreased? Do we know that it is not day trippers with bad behavior? Aren't noise, trash, and parking something that is a problem with full time residents or rentals? Those apply to people on the island, not just STRs. We don't need something just to enforce existing laws and rules. Character of the neighborhood changing from the single family to more commercial, that may be a problem. Why not just call BCSO to deal with issues?

Lives here full time but works out of state in Gullah neighborhood that has become a resort haven with mostly rentals. All neighbors rent their homes. Having all these renters falls on the residents who live here. Small homes torn down, and huge ones built, like 200 more

Page 1 of 30

**TOWN OF HILTON HEAD ISLAND**

SHORT-TERM RENTAL INITIATIVE

Focus Group: Short Term Rental Owners

01/20/2022 3:00 p.m.

**Participant Comments/Questions and Question & Answer Log**

---

people a week in their neighborhood for past 4 years. Cannot get water pressure if all houses occupied. People who rent their home should think about when they move here full time, what do they want to see? Rent for lots of money but do nothing to make community better. Call management companies at times and they say BCSO cannot enforce some things. Is there a point where we are at capacity, or we are too far gone? How do we keep our island beautiful? It is the reason people live here and vacation here.

STRs pay considerable taxes now, are we considering any more fees or taxes? What about the mom-and-pop rentals versus people with multiple units, are they treated different? We still have the same number of housing units on the Island, so the occupancy is not changing, houses are occupied whether long-term or short-term. We shouldn't shoot the golden goose that provides all the money to support our island. We really don't make money hand over fist. There are so many costs related to running these units.

Smart that we are trying get out in front of growth we are seeing. Own several rental properties on island. Do we have a definition of STR? Do we have a lot of 1-, 2-, or 3-day rentals versus a week or month? Once we define what it is people may not be so scared or what we might regulate. Are just out of space for the garbage and cars? Do we need to do something with infrastructure and what would the costs be to handle more? If we cannot handle it then we need to look at how to limit. Do communities have a right to decide for themselves or will it be just one blanket regulation from the Town? What is really the core issue here – is it there is just too many is areas where they are permitted or are they cropping up in areas where the HOA does not allow them?

Lives in Sea Pines part time and rents unit. What is the role of regimes in this effort? Is feedback coming from regimes or individuals? Are regimes not taking action or not effective or has it gotten to the point where they cannot handle it? Regimes share the passion what is being discussed here and can be a powerful part if not the solution to this. Do you have a feel for the number of units that are covered under a regime versus the number that are not?

Own condo in Palmetto Dunes and lives there part time. Palmetto Dunes has minimum number of nights and occupancy limit based on bedrooms in their STR regulation. Property managers have a role to play in this for nuisance issues. They are required to post placards in the unit containing certain information like don't feed the alligators, emergency numbers,

Page 2 of 30

**TOWN OF HILTON HEAD ISLAND**

SHORT-TERM RENTAL INITIATIVE

Focus Group: Short Term Rental Owners

01/20/2022 3:00 p.m.

etc. Property managers don't want to tick off guests but need to be encouraged to be more up front with guests about rules. People complaining about this need to remember that STRs owners but twice as much in property taxes and renters pay beach preservation fee and ATAX that contribute. A lot of good comes with the bad.

Own condo in Sea Pines and lives on island full time elsewhere and works at property management company. Are you going to limit the number of rentals in areas? Nuisance calls should be sent to property management companies, and they should be handling them. The lifestyle the year-round residents love is supported by the money brought in from the visitors who stay in the STRs. The Strs have saved the island during this time. Don't want to scare the guests off. If they can get more employees, they can do more on the nuisance calls. Involve property management companies and the HOAs more to address the concerns – nuisance issues. If you start regulating nights and occupancy that is concerning to her as a resident and employee on the island. Will the Town be putting more pressure on management companies to enforce issues?

She uses management company that posts signs and make effort to educate guests. Guests sign contract and they put signs up everywhere. How are we supposed to enforce these ordinances? These are grown adults who are going to do what they want to do. They paid a lot of money to come and spend time with family. What is expected from owners and managers when we already do so much? A lot of what you are talking about is problems from absentee owners who manage from afar. Are penalties being proposed for owners or management company if guests don't follow rules? Would there be new police to enforce these rules for all the complaints we are getting? Are we looking into anything related to building permits? They get a permit to build a home the way it is and now we are being told it is not ok. Are there specific areas outside gated communities that we are focusing on that we have heard from the most?

Have a better understanding of what is happening. What is process going through when we do decide to finalize these? Saw rough timeline, what is the goal for finalization?

Bought unit this year that they will eventually rent out and that they will occupy part time. Want island to stay beautiful and quiet place they know it to be. When he sees issues here, he becomes concerned. Town pointing the finger at STRs when we do not know they are the

issue or only issue. Behavioral issues are hard to address. If you take care of the 5% problem, the others will quiet down.

Owner in Palmetto Dunes and rents. PD does a great job in the community and has strict rules. She invests a lot of money in her property and pays more in taxes and thinks the rest of the neighborhood should be held to same standard and invest in their properties as well. If you want to make changes to code, give us time to adjust or sell.

Live here part time and rent. Are timeshares included in our numbers? They are not in the same scope as STRs. She has a property management company, used to have a big national company and it just did not work. People were out of state and work with a team and have online chats. They were concerned about the guest experience and not with what the owners wanted. She rents a minimum number of nights and has a real person locally that she can talk to about what is going on at her house. Need to note differences in local versus national property management companies. Owners who have personal connection to guest and property management company they are less likely to damage home and take better care of it, less likely to have trouble out of the guests.

Full time residents but was a long-time renter. Are hotels, timeshares, and condos/homes all in same group with STRs? Lives in gates community that does not allow STRs. Not all communities have HOAs to decide if STRs should be allowed. Those communities then have to rely on the Town to regulate STRs. Let communities decide whether and where they need the Town's help. Responsibility falls to property owner to deal with property and guests. Consider accountability measures for property owners (not management companies) who do not enforce the rules or do not ensure guests follow the rules.

Owns 3 properties that she rents in Forest Beach and lives locally. It is on owner that rents property to educate guests. A rental contract is necessary and educating guests before they come about the rules. Would be helpful for Town to provide educational materials to include with rental materials/welcome packet. Department of Revenue has definitions of long-term and short-term.

Huge difference between local rental management that takes care of property and inspect it and keep it up to date. National companies are where there are a lot of problems, they

manage online. Possibly provide a welcome message on TV when you turn it on. Not sure if you can do that outside of a closed network. Maybe put it on YouTube instead of paying for paper for things that may or may not be read.

Challenge is cart if before the horse and horse is not awake yet. Looking for solutions and who it will apply to. Have not heard what the problem is and a quantifiable measure for the problem to solve. He could not see the results when he provided his feedback, how do you find the data? He clicked on outcome tab not feedback tab. Is there a summary of data we have collected? And how many complaints received? We have a timeline for doing something but still collecting information.

She self manages her rental and does not live on island. Has had no issues with HOA or neighbors. Take pride in their contact with their guests. They wanted personal touch and didn't want to turn over to property management company. Think of this in requiring on-site or on island manager. This would be an additional expense for owners that they have not had in the past.

---

## **Question & Answer Log (Live Chat during Webinar)**

---

**Q.** What is the difference between someone living in a housing unit full-time with their family and that property being rented out? The rental occupancy is probably lower as they are not rented 365 days a year.

**A.** Thank you for your question. The Island has had short-term rentals since it was developed as a resort community, but the number of short-term rental units has more than doubled in the past two years. This increase has caused some tension between residents and guests, particularly regarding noise, parking, and trash removal. We want to address these concerns in a way that is fair and predictable for residents and short-term rental owners and managers.

**Q.** Do the other communities you looked at for nuisances have community regulations?

**A.** Yes some of the communities we researched do have regulations that pertain to short term rentals. We will be looking at those regulations as part of our research and discussions with this initiative.

**Q.** Is this presentation posted on the town's website

**A.** Yes it will be posted on the Town's website.

**Q.** Where did you get those statistics on STR growth you should a few slides back?

**A.** We received this information from some STR monitoring companies. We are in the process of obtaining some additional data to verify these numbers.

**Q.** Yes, but the number of units remains the same. So, if you limit short-term rentals, the units may become empty [foreclosures - eyesores] or become occupied full-time, meaning more people.

**A.** The Town is still in the process of gathering data. A decision has not been made to limit short-term rentals on the Island.

**Q.** Who do you anticipate will enforce any new ordinance?

**A.** Enforcement of any new ordinance will be part of the discussions we have as we move forward with this initiative. At this point we are in the data gathering stage.

**Q.** Is this STR Initiative looking to limit the number of STRs or to just regulate them and collect additional taxes?

**A.** Right now we are in the data gathering stage. We will use stakeholders' input, along with research on other communities' best practices and expertise from consulting attorneys, to develop a fair, predictable, and balanced approach to manage short-term rentals.

**Q.** Are you willing to sacrifice your A-taxes which net millions of dollars providing beach re-nourishment and new venues and facilities? Visitors also spend thousands - supporting retail, restaurants, arts & events.

**A.** Thank you for your input. We recognize that tourism is an important part of the Town's economy. The Town is still gathering information and a decision on what will be included in an ordinance has not been decided.

**Q.** How are you considering large high-rise hotel/timeshare/condo vs single family structures in this study? When asking questions about environment or impacts are you separating these types of units?

**A.** Thank you for the question. Right now, we are in the data gathering stage. We will use stakeholders' input, along with research on other communities' best practices and expertise from consulting attorneys, to develop a fair, predictable, and balanced approach to manage short-term rentals.

**Q.** It seems like the same thing happened with the mask mandate. Enforcement wasn't considered until after the mandate was drafted and ultimately couldn't be enforced.

**A.** Enforcement of any ordinance that will be adopted will be part of the discussions we have as we move forward with this initiative.

**Q.** Why are the short-term rentals demonized? You already have the units - timeshares, condos, etc. in place. There will always be people in them regardless of if someone is collecting rent.

**A.** The Island has had short-term rentals since it was developed as a resort community, but the number of short-term rental units has more than doubled in the past two years. This increase has caused some tension between residents and guests, particularly regarding noise, parking, and trash removal. We want to address these concerns in a way that is fair and predicable for residents and short-term rental owners and managers.

**Q.** But as you gather data are you gathering with that view of density in mind?

**A.** As we gather data and do research, we will be thoroughly vetting any regulations that may impact the Island so that we develop a fair, predictable, and balanced approach to manage short-term rentals

**Q.** Are you considering "Mom & Pop" businesses that only own 1 retirement property vs. big investors that own many?

**A.** At this point in the process, we are still in the early stages. We cannot say for sure what an ordinance may contain. We will consider whether it makes sense to apply any regulations to all STRs or if there should be some differentiation based on how many units are owned.

**Q.** Are any of your answers authentic? or are you just copying and pasting?

**A.** We are trying to answer questions the best we can at this point while we are just gathering data. We do not have an ordinance drafted or any direction on this initiative yet. We are looking for stakeholder input at this point so that we can develop fair regulations.

**Q.** Where do I see public comments made so far? I am on <https://hiltonheadislandsc.gov/short-termrentals/> and don't see them



**A.** We have not posted the public comments yet. At the conclusion of the meeting today, we will consolidate the comments that we have heard and questions that were asked during the meetings and post that on the short-term rental initiative page on the Town's website.

**Q.** Where was the data that shows "the number of short-term rentals has doubled in the past two years" collected from? Those that pay occupancy tax?

**A.** The data was provided by some short-term rental monitoring companies. We are in the process of getting additional verifiable data for Summer and Fall 2019 and Summer and Fall 2021.

**Q.** I would like to see that data...based on past experiences, the data gets skewed to how you want it to say when that isn't the case if you look honestly at the data.

**A.** The data, surveys and public comments will all be posted on the Town's website for your viewing.

**Q.** Can you tell us what areas/communities are most worried about staying residential vs going STR?

**A.** Several people in ungated areas/communities have expressed concerns about their neighborhoods becoming predominantly short-term rental areas.

**Q.** Is there a property management company performance survey rating available? This would be helpful in selecting the companies that are aligned with the objective of this initiative.

**A.** We do not have this information at this time. If this information is available, we will post it to the Town's website.

**Q.** Are you the considering the option of no changes or no ordinance limiting STR? Have you concluded that there is a problem that needs correction?

**A.** At this stage of the process, that could be an option. We will be taking the feedback that we have received from these stakeholder meetings, open houses and the survey and sharing it with the Public Planning Committee. The Town has heard from residents near short-term rentals that there are concerns related to noise, trash and parking and the Town may look at ways to address those concerns.

**Q.** Have you made residents other than short term rental owners that significant additional taxes are already being paid by short term rental owners? I don't think everyone understands the contributions that are already being made to the County and Island.

**A.** Thank you for your comment

**Q.** I am very worried this island will have a great economical strain if we do limit the nights and how many rentals are allowed to the island. What can you give us on how this will not be applicable to the economical strain of you were to suggest?

**A.** Thank you for your comment. These are issue we will be discussing as we move forward with this initiative.

**Q.** David- How many new apartment units have been approved for HHI? Please put this into perspective vis a vis STR's which are not adding any NEW inventory. Have you considered a similar zoning overlay for STR's?

**A.** Thank you for your comment. Right now, we are in the data gathering stage. These issues will all be part of the discussion as we move forward with this initiative.

**Q.** Do we have an idea of the percentage of owners that use a management company when renting? I ask this question because I use a management company and in my particular situation, I have not experienced any of the issues you have mentioned. All has worked beautifully. I spend 3 months a year in my property and my neighbors have never had an issue with any renters I have had

**A.** We do not have that information at this time. Thank you for your comment, we will look into obtaining this information.

**Q.** As indicated by others, there also has been an expansion of hotels and time shares. Are they going to be included in the data collection and solutions?

**A.** Hotels are not proposed to be considered. We are looking into whether timeshares can be included in the data collection.

**Q.** The problems you have identified are taken care of by our HOA. We have very strict rules and fines regarding parking, pools, smoking, garbage, noise etc. We have security and significant fine schedules.

**A.** Thank you for your comment. The Island has had short-term rentals since it was developed as a resort community, but the number of short-term rental units has more than doubled in the past two years. This increase has caused some tension between residents and guests, particularly regarding noise, parking, and trash removal. We want to address these concerns in a way that is fair and predicable for residents and short-term rental owners and managers. Not all HOA's are managing these issues, which is one reason the Town has gotten involved.

**Q.** I understand you haven't defined "short term rentals" but is it expected that hotels and timeshares will be included in your analysis in addition to villas and houses?

**A.** Hotels are not proposed to be considered but we are collecting data on timeshares.

**Q.** The survey data shows a solid majority opposing STR restrictions. This should be strong signal to the government to resist the tendency to “do something” simply because some residents are complaining, which will always be the case. Full time residents cause all of the same issues as STRs.

**A.** Thank you for your comment. This information and survey results will be included in the discussions we have as we move forward with this initiative.

**Q.** In this phase, you are gathering inputs. Thanks for the effort! Will the stakeholders get a chance to provide feedback to the proposed ordinances (i.e., the outputs)?

**A.** Yes - there will be several opportunities to provide input for any proposed ordinances. We are still in the information/input gathering stage and the next step will be to share this information with the Town's Public Planning Committee. If Town Council decides that an ordinance is necessary, there will be several public meetings where public input can be provided. If you are signed up to receive updates on this initiative, you will be notified when future meetings are scheduled.

**Q.** My property management company has indicated to me that there has been a decrease in single family homes being used for short term rentals. They have sites during this “Covid period” people have bought houses as second home and are not renting them. What types of properties are including in this large increase in short term rentals being sited? Whose numbers do I believe. Are hotel chains in these numbers?

**A.** Thank you for that input. We are in the process of obtaining verifiable data at two points in 2019 and two points in 2021. This data should help us determine where the rentals were in 2019 and where they were in 2021. Hotels are not proposed to be included in the data.

**Q.** Will timeshare and hotel room nights be addressed in this ordinance?

**A.** We are currently just gathering data and obtaining input from stakeholders, we do not know at this time what would be included in a potential ordinance.

**Q.** Will communities such as Hilton Head Beach and Tennis be subject to these regulations since the community is self-regulated and exists and was developed for short term renters and restrictions on permanent residency?

**A.** We are just gathering data and obtaining input from stakeholders at this time, we do not know what would be included in a potential ordinance at this time.

**Q.** Bradley Circle was historically a community of second homeowners (primarily families from Savannah), who vacationed here for decades. It since then has developed into a mix of vacation home/rentals, and some permanent residents. I have lived here since dirt roads when Marriott built Surfwatch just next door. There is not an invisible line separating us, and we share an entrance road. Some have built homes to live-in full time, which is great. However, they moved here knowing this is a vacation rental area. It was never primarily full-time residents. To claim the character is changing is therefore incorrect. Bradley Beach Road is the same situation, and everyone co-exists peacefully. Both streets have empty lots, that are now being built-out. So yes, it is changing, and becoming more populated with homes... but the fundamental character is not.

**A.** Thank you for your comments

**Q.** Even with an Ordinance how do we plan to enforce trash parking and noise? I have a management company and they do everything they can to make the guests aware, but some people just don't listen, what do you propose we do?

**A.** Thank you for your comments. Enforcement of a potential ordinance will be discussed as we move forward with this initiative.

**Q.** Will the scope of any ordinance apply equally across all zoning districts, or is this only for areas zoned for residential use and not for Resort Development?

**A.** We cannot answer that at this time. We are just gathering data and obtaining input at this time.

**Q.** The players in the vacation rental industry have changed in the last couple of years, with large national companies (Vacasa, Marriott) coming into the business of managing homes and villas. These companies do not have their own personal reputations to maintain that the locally owned managers do. They are often backed by large venture capital firms interested only in profits. They are selling to owners the myth that vacation rental homes are passive investments, no work at all. I think you should put some standards/rules into effect for rental companies, in addition to/ or in place of the individual homeowners. These are the real people getting the rental guests and in charge of enforcing rules. i.e., they can be called for a noise problem, but they don't really respond.

**A.** Thank you for your input. The Town has heard that there needs to be a quick response when a problem (noise, trash, parking) is observed. Education is important too. The Town will consider all of these as we move forward with this initiative.

**Q.** To not include timeshares/hotels would be highly illogical.

**A.** We do not know what will be included at this time, but this will be part of the discussions as we move forward with this initiative.

**Q.** You shared the WHY the Town of Hilton Head is proposing this Ordinance and the Timeframe. Most of these concerns by the residents are "behavioral" and can be addressed by educating the guests/renters (like Palmetto Dunes Resort) and should be done by owners, management companies and Town of HHI. Please keep in mind, your timeline of your trend (Sept. 2019-2021) on STR has increased due to Covid and the economy/market. 1. International travel was closed, and people choose to travel within USA 2. Government Relief & Stimulus and unemployment benefits gave money to people that allowed them to travel. 4. Real Estate market has increased all over the US. These areas will level off in the next couple of years. The Town of HHI needs to educate, enforce, and slow down with focusing on the STR Owners, we pay a high amount of fees and taxes that support the local small businesses on the island.

**A.** Thank you for your comments.

**Q.** Isn't the size of homes being built on small lots a zoning issue, rather than a STR issue?

**A.** Larger homes being built on small lots is a zoning issue; however, if the home is rented as a short-term rental unit, it becomes a STR issue if concerns such as lack of parking arise.

**Q.** I realize that this is a tangential question, but my 3% Beach and Accommodations Tax is supposed to go toward beach renourishment which stopped at Marker 14 last time around. Since then, there has been significant erosion from Marker 14 to Marker 4. I feel like my 3% is not benefitting me as a taxpayer. Can we renourish "South Beach" next time?

**A.** We will forward your comments on to the appropriate staff, thank you

**Q.** In addition, if you don't solve the affordable housing issue, you will not have to worry about rental guests in 15 years. Guests are already tired of spending an hour on the bridge on Saturday, the poor service due to lack of workers in the restaurants, grocery stores and the cleaning and service companies will drive guests to other locations where service is better.

**A.** Thank you for your comments.

**Q.** isn't her water pressure and infrastructure issue, a city planning issue? not a short-term rental problem?

**A.** These issues are part of the discussions we will have as we move forward with this initiative. Traffic concerns have been a major area of concern with short term rentals.

**Q.** You need to tell her that we are not making thousands of dollars and the A-taxes are providing millions of dollars for residents' enjoyment.

**A.** We will be sharing all questions and answers that we have received on the Town's website at the conclusion of these stakeholder meetings. We will take the fees and taxes that people are already paying under consideration as we move forward with this initiative.

**Q.** We should discuss a HOA for the issues you bring up. They are valid. But the best thing the town can do is make it safe by putting a traffic light at Burkes Beach Road.

**A.** Thank you for your comments.

**Q.** Making it easier to become a resident for second homeowners lightens the need to have to rent it out.

**A.** Thank you for your comments

**Q.** The current speaker is talking about Zoning issues, not short-term rentals problems

**A.** Thank you. We have heard some feedback that is not directly related to the short-term rental initiative, and we are taking the appropriate steps to address those matters.

**Q.** Comment: Property managers, hired by the owners, play a role in the bad behavior of guests. They are as responsible as the guests for issues when they don't properly 'manage' their guests.

**A.** Thank you for your comments.

**Q.** Thanks for the response - hotels should be part of the discussion as they result in increase in traffic. But perhaps not the other nuisance issues which appear to be related to specific communities.



**A.** Thank you for your comments

**Q.** Sounds like there are issues with the building permit process and that this has not been historically controlled in the non-gated communities. One cannot put the toothpaste back in the tube. Perhaps a starting point could be improved diligence in and how the allocation of building permits take place. Something like restrictions of pervious verses impervious allocation (% to lot ratio) should be implemented by the City.

**A.** Thank you for your comments. We will add these items to our discussions as we move forward with this initiative.

**Q.** Regarding people building large homes, the Town of Hilton Head has a permitting process, and those homes were permitted as such... so is part of the solution to address how permits are issued in certain communities?

**A.** An ordinance has not been drafted. The Town is currently in the information and data gathering stage so at this point we do not know what the solution is.

**Q.** Regarding the nuisance issue with noise, garbage, parking etc., is there a hotline number people can call regarding the problem or at least an easily accessible number instead of trying to go through the police general number. It is often difficult to reach the right dept. as many people do not know to call any number but 911 which is usually not appropriate.

**A.** This is one of the items under consideration because we understand that people often do not feel comfortable contacting the police for a noise or parking problem. The Town will be considering this as we move forward with this initiative.

**Q.** I realize that not all POAs are addressing these issues, but there are some that are. Will the ordinance be set to step into action only if the community is not providing their own support?

Page 17 of 30

**TOWN OF HILTON HEAD ISLAND**

SHORT-TERM RENTAL INITIATIVE

**Focus Group: Short Term Rental Owners**

**01/20/2022 3:00 p.m.**

**A.** An ordinance has not been drafted. The Town is currently in the information and data gathering stage. But we will include your comments as part of our discussions as we move forward with this initiative.

**Q.** No comment

**A.** Thank you

**Q.** In your data collection efforts have you differentiated the "problems" in areas that have an active HOA/CSA vs those that don't? We live in Sea Pines and the parking/noise/trash issue is managed/monitored by Sea Pines Security. If people are parking improperly (like on the street) we get a \$150 fine for each occurrence. If there is a noise complaint my neighbors, contact me (has only happened once in past 4 yrs.) but if the people didn't settle down SP security would pay a call. So perhaps this needs to be a perspective as you analyze the data you are collecting

**A.** We are still in the process of obtaining verifiable data, so we have not been able to differentiate those problems at this time. We will consider that as we move forward. We do understand from meeting with Sea Pines representatives that complaints are addressed quickly and efficiently within Sea Pines.

**Q.** Is there any possibility with what is being discussed that an existing short-term rental home would no longer be able to accommodate short term rentals.

**A.** At this time an ordinance has not been drafted. The Town is currently in the information and data gathering stage. So, we do not know what regulations or grandfathering will be adopted at this time.

**Q.** I cannot find a way to unmute myself/ mute myself?

**A.** You will need to click on the 'Raise Hand' icon. When it is your turn to ask a question, we will send you a request to unmute yourself. Thanks for your patience!

Page 18 of 30

**TOWN OF HILTON HEAD ISLAND**

SHORT-TERM RENTAL INITIATIVE

**Focus Group: Short Term Rental Owners**

**01/20/2022 3:00 p.m.**

---

**Participant Comments/Questions and Question & Answer Log**

---

**Q.** Thank you for your time. I appreciate your patience and the opportunity to "meet" you and have this productive back and forth.

**A.** Thank you very much for the positive feedback

**Q.** To this speaker's point about infrastructure and the airport. It seems that Hilton Head is promoting growth and looking to expand the airport...are they still supporting growth if they are looking to restrict STRs?

**A.** At this time the Town is not looking to restrict STR's, but we are looking at ways to deal with the nuisances that are occurring as a result in the increase in STRs.

**Q.** Thank you

**Q.** Anne: the last question as I heard it was: Can a private community decide not to follow a new HHI STR ordinance?

**A.** This is something that we will discuss with our legal staff as we move forward with this initiative.

**Q.** It seems that most of the issues center around residential communities with single family homes. I am an owner at Shorewood on So. Forest Beach Rd. We have gated facilities on both sides of Shorewood. Shorewood does not have the issues of noise, trash and parking and we have rules and regulations to address these issues. So will an ordinance, if enacted, apply equally to all residential/condo facilities. Thank you for this presentation and allowing us to pose questions.

**A.** Right now an ordinance has not been drafted. The Town is currently in the information and data gathering stage. So, I am not sure how the ordinance will be enacted and who it would be applicable to. Thank you for your comments

**Q.** I must say, that as a STR owner, I feel vilified. We take great care to offer positive experiences for our guests as well as the impact on our neighbors. We investment significant money to keep our properties in good condition and in most cases our property is better than the full-time residents. We want to improve the area and allow people from across the country the opportunity to enjoy Hilton Head.

**A.** Please understand that this was not our intent. We know that short-term rentals are very important to the Island. People are drawn to the island and short-term rentals provide a way for them to visit. We are taking all of the input we receive under consideration and will share this with Town Council as we move forward.

**Q.** It seems that some of the larger homes have started to rent more often for 2 & 3 nights since covid, perhaps as a way to meet-up with family and friends.

**A.** Thanks for your input!

**Q.** It seems as though the solution is to let the communities/developments that are being affected handle this through local HOA's rather than to do something island wide.

**A.** Thank you, unfortunately there are HOA's that are not handling it and the complaints have been coming into the Town. Thank you for your comment

**Q.** I have a question re the input of mom-and-pop vs multiple property owners - would like to provide my feedback

**A.** Thank you, we are looking for feedback from all stakeholders at this time and welcome your comments

**Q.** Is there a budget the town has or an amount of money they have allocated for this initiative? Costs for studies and companies to get data and analyze data? Costs of materials, meetings etc.? Seems like a lot of money being spent.

**A.** Thank you for your input. The Town has allocated funds to hire a consultant to assist with this initiative and to obtain verifiable data.

**Q.** Be careful if and when you toss the ball back to the HOA's. Ours is very strict and looks for any opportunity to add more fines, fees, and rules. While the board wants to discourage STRs, they are also realizing another \$70,000 a year in parking fees!

**A.** Thank you for your comments

**Q.** My question and comments directly relates to this guy's comment can I please speak next?

**A.** Please use the raise hand icon so that you can speak next, thanks

**Q.** Follow up to my earlier question. How much is the town paying the consultant?

**A.** The Town has paid the consultant approximately \$16,000 to date.

**Q.** What is Charleston'

**A.** Did you perhaps not complete your question?

**Q.** STR Owners in Palmetto Dunes are required to register as well. This registration includes contact info for the Owner and management company, which must respond within an hour for resolution.

**A.** Thank you for sharing this information. We understand from reviewing the PD regulations and meeting with their representatives that short-term rentals in that area are well managed. We have shared those regulations with our consultants.

**Q.** What is Charleston's ordinance regarding STR's in the historic district. Can you post for all to read>\?

**A.** We can see if we can make that information available if we have it on the Town's website. Thank you

**Q.** Is there a "heat map" for complaints against short term renters? Is this an island wide problem, or limited to specific communities? Do we have data for where the problems are, or are we going to paint the whole island with the same brush?

**A.** We have not prepared a heat map for complaints but generally these complaints have been in the non-gated areas. We are considering this as we move forward with this initiative.

**Q.** Based on both the statement made by one gentleman and one of the questions/responses above, the primary issue seems to be noise, traffic, parking, trash in "residential" communities where STR's are located (and may be increasing in number). The problem with laws, rules, ordinances is that they are put in place to deal with an issue but often penalize the whole populace rather than address the perpetrators. I agree with the gentleman who talked previously about addressing the perpetrators on a case-by-case basis. Complaints (accompanied with some sort of documentation/pictures/videos) can be made to the owner and copied to the town - if not dealt with then there should be a fine. But don't put an ordinance in place where the likelihood is that there are only a few bad actors.

**A.** Thank you for your comments and input

**Q.** You can go to Charleston's and Kiawah's website to read their Ordinance. I've read both...

**A.** Thank you

**Q.** Can some of the Bluffton growth be causing a larger crowd coming over to the island for beach access?

**A.** Thank you for your comment.

**Q.** Speaking of data - can you speak to the number of issues - i.e., noise, trash, parking, etc. - that have been identified as compared to total number of housing units? It will help people understand the size (large/medium/small) of the problem.

**A.** Thank you, we will take a look at that and include that as part of our discussions. Right now, we are just gathering the data and I don't have any comparison at this point.

**Q.** Will these comments be sent out to who is registered on the call...would be helpful with references, etc.

**A.** The comments and presentation will be posted on the Town's website

**Q.** It seems preemptive to be considering an island wide ordinance if there is not a heat map for where the problems are happening. Surely the first step is to define the problem, not to provide a solution.

**A.** Thank you. We are collecting information right now from stakeholders and obtaining verifiable data. The Town will use this information to determine what types of solutions are necessary.

**Q.** How do I speak to the group like the others?

**A.** Select 'Raise Hand' at the bottom of your screen.

**Q.** Oh, it has been raised for a little bit now

**A.** We see that your hand is raised. Currently, there are 9 participants in front of you. Thanks for your patience!

**Q.** Comment: As a rental owner who also manages the property... I would not allow guests to return who cause problems...I would not want someone in my house who does not respect the property.

**A.** Thanks for your comment. Not all owners follow that same guideline

**Q.** Brandy-hit the raise hand button on your screen

**A.** We are trying to assist her, thanks

**Q.** Are there occupancy limits based on a formula per square footage/bedrooms etc. that is in effect for rental properties and how are they enforced? Also relating to number of cars/trucks permitted?

**A.** Currently there are not occupancy limits in effect for rental properties. The number of vehicles that are permitted is based on the number of parking spaces/garage spaces on this site.

**Q.** Ok no problem,



**A.** Thanks

**Q.** Just wanted to make sure I am doing it right

**A.** Certainly, we understand. Thank you!

**Q.** " We are collecting information right now from stakeholders and obtaining verifiable data. The Town will use this information to determine what types of solutions are necessary. "So why are we talking about an ordinance in this information collection? Is that not a solution? Surely, we should be seeking verifiable data to determine what, if anything, needs to be addressed, and how. Not confident about the process that is being undertaken.

**A.** An ordinance is just one of the solutions that could be considered. The Town has not made this decision yet because we are still collecting information. We are taking all of this information under consideration and will share it with the Public Planning Committee, and they will provide further direction about next steps.

**Q.** Is the town council taking responsibilities for your own building regulations? I must say that I have been surprised that people have been allowed to build very large structures on small lots. It's one thing to improve a single-family home and another to create a large multifamily rental unit. Also, with all the impacts that growth has had on the Island, why was a new multiunit development approved on Folly Field Road. There is a significant disconnect with what has been approved and what limitations the town is considering.

**A.** Thank you for your comments. They will be taken into consideration when we have discussions on potential solutions.

**Q.** I also have a STR property in a ski resort in Colorado, and they instituted a "local host" requirement, that someone be physically available to respond as needed within 30 minutes

to a concern. Essentially it forces the use of property managers or a local resident. This addressed much of these nuisance type of problems. Just sharing as a consideration point.

**A.** Thank you for sharing this. This is something that we will consider as we move forward.

**Q.** can you put town web site link in chat

**A.** <https://hiltonheadislandsc.gov/short-termrentals/>

**Q.** Thanks so much I am out of state

**A.** You're welcome

**Q.** How do you unmute when it is your turn?

**A.** We will send you a request to unmute yourself. Follow the prompt you hear.

**Q.** Strange how an ordinance is just one of the solutions that could be considered when the title of this project is "Short-Term Rental Ordinance"

**A.** I apologize. Shortly into this project, we realized that was a concern and have made every effort to share that this is a short-term rental initiative and that an ordinance is not a foregone conclusion.

**Q.** I can't stress strongly enough - quantify, quantify, quantify. Get the facts and data to establish a data-driven baseline that captures the problem. Don't rely on anecdotes, opinions, and offhand comments. Then use the data to establish measures to determine if the ordinances are working as intended or if additional changes to ordinances or processes are needed in the future. Thank you!

Page 26 of 30

**TOWN OF HILTON HEAD ISLAND**

SHORT-TERM RENTAL INITIATIVE

**Focus Group: Short Term Rental Owners**

**01/20/2022 3:00 p.m.**

---

**Participant Comments/Questions and Question & Answer Log**

---

**A.** Thank you we appreciate your comments. We are currently gathering the date and we will use stakeholders' input, along with research on other communities' best practices and expertise from consulting attorneys, to develop a fair, predictable, and balanced approach to manage short-term rentals.

**Q.** It was previously indicated that hotels are excluded. Are condo-tels also excluded?

**A.** At this time we are just gathering data and have not excluded any use type. Thank you

**Q.** No question but I second the comment about the job Anne is doing. It's a real pleasure to watch someone who's really good at what they do.

**A.** Thank you for the positive feedback, we will definitely let Anne know!

**Q.** In listening to all the concerns, it seems like whatever rules are put in place for noise, trash and parking should apply to everyone. All residents should have to comply with the same rules. I get why residents want to single out STR, but all residents should follow the same rules for those issues.

**A.** Thank you for your input.

**Q.** How are parking spaces determined? I understand if there is a four-car garage you can have four cars, but does the driveway mean "parking spaces"?

**A.** Yes, spaces in the driveway can count towards parking spaces for a home in most cases.

**Q.** That speaker says she was a property manager but dealt in long term not short term. Can you ask he how SHE distinguished between short and long term?

**A.** We will have Anne answer that, thank you.

**Q.** You are ALL good!!! Thanks.

**A.** You're welcome

**Q.** Sales tax in SC is not collected with a rental exceeds 90 days.

**A.** Thank you for that information

**Q.** There is a declaration in the answers above that the number of STR units has more than doubled in the last two years. Is that even possible? Is that a data point that is understood and validated? Mostly it has been said that data is still being assembled....

**A.** Data is still being gathered, but what we have gathered so far has indicated that the short-term rentals have doubled in the past two years.

**Q.** You want to hold homeowners responsible for what the guests do outside of the housing unit, like at the beach!?? What? You cannot control what an adult does in your own house, let alone what they do at the beach or the local bar. Wow!

**A.** Thanks for your comment

**Q.** Regarding the last speaker, if holding homeowners responsible for their guests (with fines or whatever) then would hotels and timeshares have to be held responsible too?

**A.** We are just gathering data right now and do not have an ordinance or regulations drafted yet. thank you

**Q.** Sea Pines CSA has a "rules and regulations" handout that we send to all guests in advance. It's a great piece you may want to access

**A.** Thank you, we will take a look at that. There are other communities that use a Good Neighbor Brochure which is a good tool

**Q.** Do hotels differentiate between short-term and long-term rentals?

**A.** This is a good question. We don't have an answer at this time but will find out the answer and provide it when we post the questions and answers at the conclusion of these meetings.

**Q.** Anne, thanks for soliciting our input and for handling this forum in a professional way.

**A.** Thank you for your positive feedback.

**Q.** Note that many "time shares" are used just like short term rentals and should be considered as such. People 'sell' their time to others ...

**A.** Thank you. That is a good point, and we will be certain to consider this.

**Q.** You have done a good job - what is not clear yet is what the problem is. From what I have read previously and hear here, the issues are: noise, parking, trash, traffic, and "character". Suggest you pull together a clear list for all to understand what the supposed issues are. Regarding traffic, that is not necessarily

**A.** Thank you. We will summarize the comments that we have heard between the stakeholder meetings, Open Houses and survey responses and share that on the short-term rental initiative webpage.

**Q.** Sent before it's time: Regarding traffic, that is NOT a STR issue (only). The increase in overall number of units on the island and off island growth. Character is an issue within specific communities but should have been addressed in the property ownership and permitting process. Regarding noise, parking, and trash - as indicated by others the problem should be addressed where this is occurring and not forcing a large swath of people to have angst and possible changes to their property. I would think they should be addressed via a complaint process - accompanied by documentation/pictures/video - and thus the town could issue warnings/fines (progressive).

**A.** Thank you for your input. We understand that the traffic issue is greater than just short-term rental units and we will keep this in mind moving forward. Your comments are appreciated, and we will look at them as we move forward in this initiative.

**Q.** To the last speaker's question. How many complaints lead to this initiative being started?

**A.** We will check with our code enforcement officers and obtain the number of complaints related to this matter.

**Q.** Just an observation. There has been an awful lot of talk about all the education/information and dissemination of rules, etc. in the units to let people know what the rules are and local property managers that have a so called "connection" with the renters that helps prevent problems with renters. Do you really think we need to educate adults on keeping noise down, putting trash in its proper place and parking in only designated spaces? Enforcement will fix that; education won't change those adults that have no respect for property and/or rules.

**A.** Thank you for your input. We would like to start with educating the renters to begin with before issuing citations. But enforcement is part of the discussions we will be having as we move forward with this initiative.