



TOWN OF HILTON HEAD ISLAND

SHORT-TERM RENTAL INITIATIVE

Focus Group: Local Property Management Companies Webinar

02/01/2022

3:00 p.m.

Participant Questions/Comments After Presentation

Asking STR owners to provide parking passes that do not require of other owners. What is the level of scrub on the list? Properties change hands, need to account for this. Number of violations, is that based on the size of company? Management company should not be held responsible for violations, they will be the ones helping to ensure compliance. Pool fencing – same as parking. If you are requiring this of STR owners and not full-time owners need to have a basis to make sure not arbitrary. What about properties that are sold over the summer, they may be unable to get everything in order to get business license right off the bat. Recommend a database instead of signage. Privacy issue but also could be trespassing. Make database accessible to residents and visitors online.

Several areas on Hilton Head, we have signs with name and number on properties where allowed certain areas of the Island do not allow. Why is this a problem now?

Need good data to make good decisions down the road. AirDNA currently shows 6,200 active listings in the public view. See this as a baseline unless they can pull more than they show on their website. They don't have all the reasonings for the blocks, they block out the unit for owner's use or maintenance and this counts as occupancy. May be more to the story than data shows. How big is the problem? This should be the first thing we look at.

Page 1 of 5

TOWN OF HILTON HEAD ISLAND

SHORT-TERM RENTAL INITIATIVE

Focus Group: Local Residential Property Management Companies Webinar

02/01/2022 3:00 p.m.

Participant Comments/Questions and Question & Answer Log

Big picture things. From policy standpoint Town needs to figure out how much willing to swap housing stock for STR stock. Resort and mountain communities around country have had to address this. Not just STR operations to consider. Seems STR is characterized as a homogenous group, which it is not. Large mega units built exclusively to house 18+ people and are different character than most units. Become a big business around the country. Need to stratify the data to figure out what big picture issues we are trying to solve.

In terms of option about contact, how will that be expanded upon? Lots of properties in non-gated communities, have issues that are after hours. Will there be different guidelines for afterhours complaints? May not be able to resolve a situation. Need to make sure there is an accurate expectation of response. Are sheriff and code enforcement going to be able to respond?

July timeline to implement. Has there been any discussion on grandfathering? Has anything been drafted to present to Town Council? Will the Town look at initial recommendations then look at comments and possibly add to those recommendations later?

July 1st is the height on the rental season. Can we get reassurances there will be no other restrictions put in place this season?

Own property management company, identify who will manage company for point of contact. What is remedy if employee/owner company is not able to fix the problem? Call the police?

If there are complaints called in by neighbors, will Town keep track of neighbors who continue to call in? For neighbors who continue to call every day/week or for neighbors who call in for retaliation.

Majority of complaints coming from residential neighborhoods. Some areas zoned for resort development; this encourages tourism. If there is a stronger ordinance to limit occupancy and other items, would areas that are resort development be exempted

Question & Answer Log (Live Chat during webinar)

Q. Do you believe that the actual number of short-term rental units have gone up? Every property manager I speak to has lost 15-20% of their inventory due to the property being sold and the buyer NOT wanting to rent the property.

A. The data that we have received to date seems to indicate that the numbers have increased since 2019. We will receive verifiable data this week that dates back to 2014 - this data will provide the Town with the information necessary to state the number of short-term rental units in the Town within the past several years.

Q. If you are looking at the migration of units from one company to another (many through acquisitions) then these numbers seem skewed and incorrect.

A. We will look into this. Thank you for your comments

Q. How can a draft be in the works and already submitted when not all information seeking meetings have taken place? Seems like the cart before the horse. The ordinance seems to be done. Not in the consideration stage as what was conveyed and the reason for all of these meetings to gather information.

A. We are looking for ways to address immediate concerns based on the information we received early in this process.

Q. Is there a decibel-level anticipated for the noise ordinance? It would seem that a standard be used since there are many tools to capture that information from a unit. Otherwise, there are many scenarios where a complainant can insist that noise has not been addressed.

A. We will use the noise ordinance that is currently in the Municipal Code. If we need to make changes to that we will look at that as we move forward with this initiative

Page 3 of 5

TOWN OF HILTON HEAD ISLAND

SHORT-TERM RENTAL INITIATIVE

Focus Group: Local Residential Property Management Companies Webinar

02/01/2022 3:00 p.m.

Participant Comments/Questions and Question & Answer Log

Q. How will the occupancy scrub determine actual guest occupancy vs owner, owner family, maintenance blocks?

A. We will work with AirDNA to determine that the information that we receive relate to the occupancy numbers is accurate. We will ask AirDNA how they obtain the occupancy information.

Q. How are your requirements going to be modified as it relates to covenant issues at some of the private neighborhoods (e.g. - signage, fencing, etc.)

A. The Town doesn't enforce private covenants, but if there are covenants that are in place that are contrary to what the Town is requiring, we will look at that when you submit your business license. If we need to make changes to the requirements as this initiative moves forward, we will look at that.

Q. Have the owner business license been mapped?

A. Our business license staff is working on that as licenses are submitted.

Q. The State of SC is considering legislation to not permit ordinances of this type to be implemented. How is this impacting the swiftness that the Town is proceeding with?

A. We are aware the state has legislation moving forward and we are following that as we move forward with this initiative.

Q. Are you seeing many of these licenses "away" from the beach? i.e., into areas like Broad Creek Landing that are not "normal" STR districts?

A. We have seen some in areas that are not as directly located near the beach; however, the majority appear to be located in closer proximity to the beach. As we obtain additional business licenses in addition to the data from AirDNA we will be able to put together a more comprehensive map.

Q. Unfortunately I am unable to call in to the meeting

A. If you would like to speak, please click on the Raise Hand icon and we will unmute you to ask your question.

Q. Has the number of complainant properties been quantified for 2020, 2021?

A. The Town has not formally tracked the number of complaints that have been received related to short-term rentals; however, we are beginning to track them. Additionally, we will ask that Palmetto Dunes, Sea Pines and Shipyard share any data that they may have related to complaints.