



## **Town of Hilton Head Island**

### **Town Council Meeting**

**Tuesday, February 18, 2025, 3:00 PM**

**1 Town Center Court, Hilton Head Island, SC  
Benjamin M. Racusin Council Chambers**

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The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

- 1. Call to Order**
- 2. Pledge to the Flag**
- 3. Invocation – Pastor Todd Cullen, Hilton Head Community Church**
- 4. Adoption of the Agenda**
- 5. Approval of the Minutes**
  - a. Regular Meeting Minutes of January 14, 2025
  - b. Workshop Meeting Minutes of January 27, 2025
- 6. Presentations and Recognitions**
  - a. Report of the Town Manager
  - b. Board of Zoning Appeals Annual Report - Kathryn Bayless, Board Vice - Chair
  - c. Planning Commission Annual Report - Bruce Siebold, Board Chair
- 7. Reports from Members of Town Council**
  - a. General Reports from Town Council
  - b. Report of the Lowcountry Area Transportation Study – Councilmember Tamara Becker
  - c. Report of the Lowcountry Council of Governments – Councilmember Steve Alfred
  - d. Report of the Beaufort County Airports Board – Councilmember Melinda

Tunner

- e. Report of the Southern Lowcountry Regional Board – Councilmember Patsy Brison
- f. Report of the Island Recreation Association Board – Mayor ProTempore Alex Brown
- g. Report of the Beaufort County Economic Development Corporation - Mayor Alan Perry
- h. Report of the Gullah Geechee Historic Neighborhoods Community Development Corporation - Mayor ProTempore Alex Brown
- i. Report of the Community Services and Public Safety Committee – Councilmember Tamara Becker
- j. Report of the Finance and Administrative Committee – Mayor ProTempore Alex Brown

## **8. New Business**

- a. Consideration of an Ordinance of the Town of Hilton Head Island Amending, § 10-2-10, Et Seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983), Short-Term Rentals, to Add Additional Requirements for Occupancy, Fire and Safety Alarms and Equipment, Parking of Vehicles, Enforcement, Fines, Definitions and Other Text Amendments, and Providing for Severability and an Effective Date - First Reading - Shawn Leininger, Assistant Town Manager

## **9. Public Comment - Non Agenda Items**

## **10. Executive Session**

- a. Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property [Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:
  - 1. Squire Pope Road
  - 2. Pembroke Drive
- b. Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney-Client Privilege (Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 [a]) related to:
  - 1. Project located on Main Street, also known as Diamond Cove
  - 2. Property located on Summit Drive

## **11. Action from Executive Session**

## **12. Adjournment**

distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:

"I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town."



# Town of Hilton Head Island TOWN COUNCIL MEETING Tuesday, January 14, 2025, 3:00 PM Minutes

## Call to Order

Mayor Perry called the meeting to order at 3:00 p.m.

Council Members present: Alan Perry, Mayor, Alex Brown, Ward 1, Mayor Pro-Tempore; Patsy Brison, Ward 2; Steve DeSimone, Ward 3, Tammy Becker, Ward 4; Steve Alfred, Ward 5; Melinda Tunner Ward 6.

## Invocation - Reverend Michael Oenbrink, St. Francis by the Sea Catholic Church

Father Oenbrink delivered the invocation.

## Adoption of the Agenda

**Mr. Alfred moved to approve. Ms. Brison seconded. Motion carried 7-0.**

## Approval of the Minutes

## Regular Meeting Minutes of December 3, 2024

**Ms. Brison moved to approve. Mr. Alfred seconded. Motion carried 7-0.**

## General Reports from Town Council

Mayor Perry informed Council he would be attending the South Carolina Beach Advocates Conference as he has been appointed to the Board.

Ms. Brison expressed her appreciation to Fire Rescue for the development of a warm shelter during this cold weather and also thanked the Sea Turtle Patrol for their efforts during the cold spell in protecting the sea turtles.

## Report of the Town Manager

Town Manager Marc Orlando reported on the following items of interest.

### Office of Cultural Affairs:

The Office of Cultural Affairs has recently installed a temporary exhibition of artwork from the 'Art Beyond Tradition' Group here at Town Hall. These abstract artists have been exhibiting together since 2006 and have each brought an example of their work to share with our community. The exhibition is just outside the Council Chambers and is accessible during any public meetings. Thank you to these local artists.

### Technology & Innovation:

The Technology & Innovation Department recently upgraded our network infrastructure by replacing the existing Metro Ethernet (MetroE) connectivity between town buildings with dark fiber.

This change allowed us to establish redundant connections for each town location, including all fire stations, significantly improving network reliability.

The transition to dark fiber provides virtually unlimited bandwidth capacity between buildings, with the only restriction being the capabilities of the equipment at each connection point.

In contrast, MetroE offered limited bandwidth and only a single connection per building, which constrained both scalability and redundancy.

This upgraded not only achieved redundancy but also a significant increase in bandwidth speeds, enabling better support for critical applications and future growth.

The termination of the MetroE circuits resulted in substantial cost savings of \$7,200 per month, starting in November 2024. This translates to an annual savings of over \$85,000.

#### Planning:

The Development Services implemented an electronic newsletter on a bimonthly frequency to improve communication with the building and construction community.

A community clean-up volunteer event featuring a street sweep and a mobile recycling center located at the Stables on Jonesville Road is scheduled on Saturday, January 18 from 9am until noon.

Community engagements for the District Plans project have been scheduled for all seven district plans. The first meeting will be in the Skull Creek District on January 16 at the Boys & Girls Club from 5pm until 7pm. A complete schedule can be found on the Town calendar on the Town website. In addition to posting on the Town website and social media channels, invitations for each meeting are being mailed to residents within the districts in advance of the meeting and will include a link to an online survey to provide input.

Public hearings for the LMO Priority Amendments & Northpoint Property Zoning Map Amendment will be held by the Planning Commission on February 19.

#### Staff Achievements

- a. David Staigar and Kathryn Hickey joined the Building Division as provisional inspectors.
- b. Emma Racanello joined the Community Development Information Center as a Community Development Services Coordinator.
- c. Joseph Wheeler, Building Inspector III, passed the Certified Building Official exam with the International Code Council.
- d. Shea Farrar, Principal Planner, was named President of the South Carolina Chapter of the American Planning Association (SCAPA) and will lead the organization for a two-year term.

- e. Melissa Paul Leto, Principal Planner, presented a session entitled “Showcasing Excellence: How Hilton Head Island’s Design Review Board Shapes Development to Preserve Island Character” at the South Carolina Chapter of the American Planning Association Fall Conference held in Spartanburg.
- f. Brandy Scholl, Administrative Assistant, is an accomplished artist who has recently been selected to create public art for the Town of Bluffton. The 4-foot-tall sculpture will be located in Wright Family Park and represent the history and ecology of the town of Bluffton through portraits of the Wright family, Gullah Geechee culture, and a vignette of the coastal waterway.

#### New Business

#### Appointment of Town Council Membership to the Community Services and Public Safety Committee - Mayor Alan Perry

**Mayor Perry appointed the following Council members to the Community Services and Public Safety Committee:**

**Tammy Becker, Chair**  
**Steve Alfred**  
**Steve DeSimone**

#### Appointment of Town Council Membership to the Finance and Administrative Committee - Mayor Alan Perry

**Mayor Perry appointed the following Council members to the Finance and Administrative Committee:**

**Alex Brown, Chair**  
**Patsy Brison**  
**Melinda Tunner**

#### Consideration of Adoption of Town Council 2025 Workshop Schedule - Shawn Leininger, Assistant Town Manager

Ms. Becker requested the proposed January 28 workshop be changed to January 27 as Ms. Tunner has a scheduling conflict.

**Ms. Brison moved to approve the Town Council 2025 Workshop Schedule with the change requested by Ms. Becker changing the January 28 workshop to January 27. Mr. Alfred seconded. Motion carried 7-0.**

#### Presentation of FY2024 Annual Comprehensive Financial Audit Report for the Town of Hilton Head Island Presentation by Mauldin & Jenkins, CPAs - Adriana Burnett, Finance Director

In compliance with South Carolina Code Section 5-7-240, the Town is required to conduct an independent annual audit of its financial statements. These statements include the financial position of governmental activities, business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2024. They also detail the respective changes in financial position and relevant disclosures.

The purpose of the audit is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Mauldin & Jenkins CPA's and Advisors conducted the audit to provide these services for the Town. This marks the firm's second year performing the audit for the Town.

Trey Scott, CPA partner at Mauldin & Jenkins CPA's & Advisors has led the audit for the Town. The financial statements are fairly presented in all material respects, in accordance with GAAP. Mr. Scott conducted a detailed presentation regarding the audit.

Council members made comments, asked questions and had discussion regarding: inquiry as to whether the Town should be looking for opportunities to conduct audits on internal controls; inquiry as to the one finding and how to ensure it doesn't happen in the future; confirmation the finding was a result of a standard that should have been implemented 7 years ago and has now been corrected; a reference to the Annual Comprehensive Financial Report noting it is well put together and a great tool; inquiry regarding incurring more debt since the towns rating is so good; an inquiry and confirmation that Hilton Head Island rates in the top ten in comparison to other similar municipalities; inquiry into the pension liability and how it impacts the Town; and confirmation that Hilton Head Island has a positive unrestricted net position..

Mayor Perry asked for public comment. There was none.

Consideration of an Ordinance of the Town of Hilton Head Island Granting Easements to South Island Public Service Districts for Infrastructure Installation - First Reading - Shawn Colin, Assistant Town Manager

Town Council is asked to consider four (4) utility easements on Town-owned property, as requested by the South Island Public Service District (SIPSD) for the purpose of upgrading their potable water source and distribution system.

On August 20, 2024, Town Council reviewed SIPSD's request for easements during Executive Session and requested additional information regarding tree impacts.

On November 12, 2024, Town Council further reviewed SIPSD's request during Executive Session and made the following comments:

- Identify the affected properties on Attachment 1 as "Town-Owned Property;"
- Require a project schedule and pathway detour plan;
- Require live oak trees as mitigation for all tree removal; and
- Require understory vegetation mitigation in the William Hilton Parkway and Dunnagan's Alley easement.

The Town's development review team is working with SIPSD to ensure these conditions are met through the Development Plan Review (DPR) application process. SIPSD has no objection to these conditions.

Easement Requests:

**1. Pope Avenue (R552 015 000 0395 0000):**

- **Description:** This easement includes a 10-foot-wide strip along Town-owned property adjacent to Pope Avenue, in front of St. Luke's Church.
- **Method of Installation:** Directional boring, which will avoid impacting trees.

**2. Corner of Arrow Road and William Hilton Parkway (R550 015 000 0007 0000):**

- **Description:** This easement includes a 10-foot-wide strip along Town-owned property, along William Hilton Parkway.
- **Method of Installation:** Directional boring, which will avoid impacting trees.

**3. William Hilton Parkway (R550 015 000 0324 0000):**

- **Description:** This easement spans the entire William Hilton Parkway frontage of the Town Hall property, with a consistent width of 10 feet.
- **Method of Installation:** Directional boring, which will avoid impacting trees.

**4. William Hilton Parkway and Dunnagan's Alley (R550 015 000 0323 0000):**

- **Description:** This easement is located between the Village at Wexford and Town Hall, with a varying width: 40 feet at William Hilton Parkway, narrowing to 20 feet through the property, and expanding to 60 feet at Dunnagan's Alley. Additionally, there is a 20-foot-wide temporary construction easement proposed adjacent to the permanent easement.
- **Method of Installation:** This portion of the project requires an open trench installation, which will impact up to 23 trees and understory bushes.
- **Tree Impact:**
  - ✓ 3 live oak trees (largest being 20" in diameter)
  - ✓ 9 gum trees (largest being 15" in diameter)
  - ✓ 11 pine trees (largest being 24" in diameter)
- **Tree Mitigation:** Town staff will continue working with SIPSD to minimize tree removal and require tree mitigation.

The proposed easements will enable the upgrade of SIPSD's potable water system. Three of the four easements will avoid tree impacts through the use of directional boring, while the fourth easement will require tree removal and mitigation.

Council members made comments, asked questions and had discussion regarding: inquiry as to the impact on the multi-use pathways; confirmation the impact will be minimal; a request to have clear direction for alternative routes for pathway users; concern for the live oaks and the need for a defined tree mitigation plan before approval; confirmation there are no impacts on trees in the first three areas; and confirmation a mitigation plan for the fourth area can be brought forward at the second reading on February 4.

Mayor Perry asked for public comment. There was none.

**Mr. Brown moved to approve and to have a more detailed tree mitigation plan presented at second reading. Mr. Alfred seconded. Motion carried 6-1 (Ms. Brison**

**opposed).**

Consideration of a Resolution of the Town of Hilton Head Island Approving the Recommendation from the Accommodations Tax Advisory Committee for the Calendar Year 2024 Grants - Adriana Burnett, Finance Director

Mr. McGowan introduced Stephen Arnold, Chair of the Accommodations Tax Committee to conduct his presentation.

On November 7, 2024, the Accommodations Tax Advisory Committee (ATAC) met to make grant funding recommendations for 34 ATAC grant applications that were solicited from our traditional 2025 grant cycle. As a result, the ATAC was pleased to make funding recommendations on all 34 of the submitted ATAC grant applications.

|                                         |             |                 |
|-----------------------------------------|-------------|-----------------|
| Total Applicant Funding Requests        | \$4,241,650 | Total Available |
| Funding for Grants                      |             |                 |
| (after required \$50,000 reserve)       | \$3,891,644 |                 |
| ATAC Funding Recommendations for Grants | \$4,186,065 |                 |

As with past practice, the ATAC has worked to establish a consistent philosophy in how applications are reviewed and prioritized. Over the past five years, the review and recommendation approach of the ATAC has evolved through continuous improvement into the following guiding principles:

Economic Growth Through Tourism - Does the applicant organization drive overnight visitors to Hilton Head Island?

Creation of Sustainable Visitor Traffic - Does the applicant organization enhance or improve the visitor experience on Hilton Head Island creating opportunities that would encourage visitors to return to Hilton Head Island?

Collaboration Amongst Organizations - How well does the applicant organization collaborate with other local organizations, especially fellow grant applicants? Where possible, do applicants cross-promote each other to further enhance the visitor experience?

Organization Viability and Return on Investment - Does the organization possess a clear vision and an achievable direction? Does the organization have other sources of public and private support available? What is the organization's long-term dependency on ATAX funding going to be? Do established applicant organizations have the financial means to support themselves without an ATAX award for the upcoming year and/or beyond? Do organizations with a strong balance sheet have a strategic plan for their cash reserves?

Operational Confidence - How well do the applicant organizations understand their operations? Do they track and report metrics, do they provide sufficient transparency and are they accountable for their results?

The Committee also strives to enhance the grant review process as it is important to evolve our thinking to the strategic focuses of the Town, the best practices of other ATAX municipalities and evaluate feedback solicited through the past year. To provide an additional layer of summary with our recommendation, each application has been broken

out into sections categorizing, at the highest level, the type of recommendation each application received from the Committee this year. These two categories will group applications together based on whether they received recommendations for full or for partial funding. A spreadsheet was displayed during the meeting listing all applicants along with the amount each applicant requested. The Committee Members discussed each individual application and ultimately, the Accommodations Tax Advisory Committee decided upon the following for funding:

The Committee was in a fortunate position to make several full-funding recommendations again this year. The Committee felt that the twenty-five organizations that fell into this category were thoughtful with their grant requests, demonstrated a reasonable financial need, and were able to show a strong Return on Investment (ROI) with how they chose to invest their financial resources to drive and enhance tourism on Hilton Head Island. Furthermore, the Committee is cautious in recommending increases year over year funding to ensure that a new benchmark would not be created that could adversely impact the applicant in upcoming years if the same funding levels were not available in the future.

| Request                                    | Committee Recommendation |            |
|--------------------------------------------|--------------------------|------------|
| Art League of Hilton Head                  | \$ 80,000                | \$ 80,000  |
| Arts Center of Coastal Carolina            | \$ 447,000               | \$ 447,000 |
| David M. Carmines Memorial Foundation      | \$ 185,000               | \$ 185,000 |
| Gullah Museum of Hilton Head Island        | \$ 180,000               | \$ 180,000 |
| Harbour Town Merchants                     | \$ 29,000                | \$ 29,000  |
| Hilton Head Concours d'Elegance            | \$ 350,000               | \$ 350,000 |
| Hilton Head Island Airport                 | \$ 150,000               | \$ 150,000 |
| Hilton Head Island Rec Association         | \$ 75,000                | \$ 75,000  |
| HHI Wine & Food Inc. (Rhythm & Brews Fest) | \$ 30,000                | \$ 30,000  |
| HHI Wine & Food Inc. (Wine & Food Fest)    | \$ 130,000               | \$ 130,000 |
| Hilton Head Symphony Orchestra             | \$ 350,000               | \$ 350,000 |
| Lean Ensemble Theatre                      | \$ 55,000                | \$ 55,000  |
| Lowcountry Golf Course Owners Assoc.       | \$ 200,000               | \$ 200,000 |
| Lowcountry Gullah                          | \$ 100,000               | \$ 100,000 |
| Mitchelville Preservation Project          | \$ 190,000               | \$ 190,000 |
| Native Island Business & Community Assoc.  | \$ 225,000               | \$ 225,000 |
| Rotary Club of Hilton Head Island          | \$ 40,000                | \$ 40,000  |
| Sea Turtle Patrol HHI                      | \$ 70,000                | \$ 70,000  |
| Shelter Cove Harbour Company               | \$ 293,800               | \$ 293,800 |
| TEDx Hilton Head                           | \$ 10,000                | \$ 10,000  |
| The Boys & Girls Club of Hilton Head       | \$ 40,000                | \$ 40,000  |
| The Coastal Discovery Museum               | \$ 400,000               | \$ 400,000 |
| The First Tee of the Lowcountry            | \$ 50,000                | \$ 50,000  |
| The Outside Foundation                     | \$ 72,000                | \$ 72,000  |
| The Sandbox                                | \$ 64,000                | \$ 64,000  |
| Total Full Funding                         | \$3,815,800              |            |

Nine organizations, despite being eligible, were not recommended for full funding. Three of

these were limited by TERC-based funding caps. The remaining organizations faced funding reductions due to the constrained budget available for awards this year. This was an unavoidable outcome given the financial limitations.

The ATAC evaluated each application based on its individual merit, independent of the overall funding pool. The Committee emphasizes that partial funding should not be interpreted as a negative assessment of the organization. Recommendations adhered to staff guidelines for partial funding, which were applied for budgetary considerations.

Additionally, the Committee was mindful of avoiding significant year-over-year increases in funding. This approach was taken to prevent setting new benchmarks that might create challenges for applicants in future years, should similar funding levels be unavailable.

A total variance of \$55,585 was observed between the amounts requested and the Committee's funding recommendations. The Committee remains confident that its recommendations reflect the highest and best use of the available funds and are appropriate for this year's grant cycle.

|                                                | <b>Request</b>    | <b>Committee<br/>Recommendations</b> | <b>Variance</b>              |
|------------------------------------------------|-------------------|--------------------------------------|------------------------------|
| Hilton Head Audubon Society                    | \$ 21,400         | \$ 15,000                            | (\$ 6,400)                   |
| Hilton Head Choral Society                     | \$ 20,000         | \$ 15,000                            | (\$ 5,000)                   |
| Hilton Head Dance Theater                      | \$23,000          | \$ 20,000                            | (\$ 3,000)                   |
| Hilton Head Island Bridge Assoc                | \$ 21,000         | \$ 15,000                            | (\$ 6,000) <b>TERC Based</b> |
| Hilton Head Land Trust                         | \$ 47,000         | \$ 37,000                            | (\$10,000)                   |
| Hilton Head Island St. Patrick's Day Parade    | \$ 80,000         | \$ 68,388                            | (\$ 11,612)                  |
| Hilton Head MLK Committee for Justice          | \$ 5,000          | \$ 2,980                             | (\$ 2,020) <b>TERC Based</b> |
| Long Cove Club (Darius Rucker Intercollegiate) | \$ 65,450         | \$ 61,897                            | (\$ 3,553) <b>TERC Based</b> |
| The Heritage Library                           | \$ 143,000        | \$ 135,000                           | (\$ 8,000)                   |
| <b>Total Partial Funding</b>                   | <b>\$ 425,850</b> | <b>\$ 370,265</b>                    | <b>(\$55,585)</b>            |

#### Summary

|                                    |                     |
|------------------------------------|---------------------|
| Full Funding                       | <b>\$ 3,815,800</b> |
| Partial Funding                    | <b>\$ 370,265</b>   |
| <b>Total CY 2024 Grant Funding</b> | <b>\$ 4,186,065</b> |

At the conclusion of the meeting, a motion was made to approve the recommendations as presented on the projected spreadsheet (summarized above). The motion was seconded, and all Committee members voted unanimously to approve, except for specific line items where individual members recused themselves during the meeting. The final roll call vote was 7-0.

Council members made comments, asked questions and had discussion regarding: inquiry as to how the level of funding is determined; confirmation it is based on previous year trends with current trends considered; confirmation a policy will be developed regarding distribution of funds; inquiry as to the increases in the request from Lowcountry Golf Course Owners

Association (LCGCOA); confirmation the LCGCOA no longer received supplemental funding from the DMO; inquiry as to the eligibility of funding for the Rotary Quench Buggy; confirmation the Accommodations Tax Advisory Committee (ATAC) was in support of funding the rotary request but questioned its eligibility deciding to forward it to Council for review and consideration; a request to improve the process regarding awarding funds due to time factors; confirmation all recommendations submitted by ATAC have been vetted for the TERC requirements; a suggestion all organizations receive full funding; a reminder ATAC funds should not be an embedded portion of the organizations budget; the realization of a significant increase in the requests from a majority of the organizations; a question as to the qualification of funding the Rotary Quench Buggy; questions regarding the draw of tourists for Hilton Head Dance Theater; a question regarding the Outside Foundation and their use of funds; a question regarding the Long Cove Club request and the availability to attend the event for the public; the need for applicants to provide more definitive answers regarding tourist attendance and specifics regarding distances traveled; the need to clarify how data is collected; a suggestion to tighten up the procedures and not award the funds until actual dollars to be awarded are final numbers; inquiry and confirmation that the dollars are available if Town council awards full funding to all requests with the exception of those reduced due to TERC requirements; concern for an overlap of functions to be done by the DMO and the LCGCOA; inquiry as to whether the ATAC feels the need to award 100% of the funds available; confirmation all organizations have been informed the level of funding isn't going to be available to the extent of funding that they have been in the past few years; confirmation the organizations need to realize this is seed funding and they will need to step off as they gain momentum in raising funds, and a suggestion regarding the need for a discussion/review of the organizations to wean them off of requesting funds continually.

Mayor Perry asked for public comment. There was none.

**Ms. Brison moved to approve the full funding recommended by the Accommodations Tax Advisory Committee in the amount of \$3,815,800 and to include full funding for those which the Committee recommended partial funding, with the exception of Hilton Head Island Bridge Association, Hilton Head MLK Committee for Justice, and Long Cove Club, which are TERC based reductions; and the reduction of Lowcountry Golf Course Owners Association from the \$200,000 recommendation to awarding \$150,000. Mr. Alfred seconded.**

**Ms. Becker moved to amend the motion to not fund the \$200,000 requested from the Lowcountry Golf Course Owners Association, the \$40,000 requested from the Rotary Club of Hilton Head (Quenchbuggy), reduce the Outside Foundation award by \$10,000 to not fund the \$100,000 Lowcountry Gullah request. Mr. DeSimone seconded.**

**Ms. Becker amended her motion to state that the applicants mentioned in her original amendment be voted on separately to determine funding. (Lowcountry Golf Course Owners Association, Rotary Club of Hilton Head (Quenchbuggy) and The Outside Foundation). Mr. DeSimone, as the seconder to Ms. Becker's original amendment to the motion was in agreement and seconded her amendment to her motion. Motion carried 4-3 (Brown, Alfred and Brown opposed).**

**Ms. Becker moved that for 2025 the Lowcountry Golf Course Owners Association receive no funding or at least temporarily hold the funding for further conversation with regard to the appropriateness of the funding. Mr. DeSimone seconded. Motion failed 1-6 (Tunner, Alfred, Brown, Perry, Brison and DeSimone opposed.)**

**Ms. Tunner moved to fund the Lowcountry Golf Owners Association \$100,000. Ms. Becker seconded. Motion failed 2-5 (Alfred, Brown, Perry, Brison and DeSimone opposed).**

**Ms. Brison moved to approve \$150,000 to the Lowcountry Golf Owners Association. Mr. Alfred seconded. Motion carried 5-2 (Tunner and Becker opposed).**

**Ms. Becker moved that at this time there is not enough evidence or data provided to approve funding the Rotary Club of Hilton Head (Quenchbuggy) request for 2025. Ms. Tunner seconded. Motion failed 3-4 (Alfred, Brown, Brison, DiSimone opposed).**

**Ms. Brison moved to approve the Committee recommendation of \$40,000 to the Rotary Club of Hilton Head (Quenchbuggy). Mr. Brown seconded. The motion carried 4-3 (Tunner, Perry and Becker opposed).**

**Ms. Becker moved to approve \$62,000 in funding to The Outside Foundation (a reduction of \$10,000 from the Committee recommendation). Mr. DeSimone seconded. Motion failed 2-5 (Tunner, Alfred, Brown, Brison and Perry opposed).**

**Ms. Brison moved to approve the Committee recommendation of \$72,000 to The Outside Foundation. Mr. Brown seconded. Motion carried 5-2 (Becker and DeSimone opposed).**

**Ms. Becker moved, based on Lowcountry Gullah being almost entirely internet based and therefore leaving a question on return on investments, as required by TERC, that there be no funding. Mr. DeSimone seconded. Motion failed 1-6 (Tunner, Alfred, Brown, Perry, Brison and DeSimone opposed).**

**Ms. Brison moved to approve the Committee recommendation of \$100,000 to Lowcountry Gullah. Mr. Alfred seconded. Motion carried 6-1 (Becker opposed).**

**Mayor Perry called for a vote on the original motion. Motion carried 7-0.**

Consideration of a Resolution of the Town of Hilton Head Island Approving a Sponsorship Agreement with the Heritage Classic Foundation to Support the 2025 RBC Heritage Golf Tournament - Shawn Colin, Assistant Town Manager

Mr. Colin stated the Town has historically been a sponsor of the RBC Golf Tournament. With recent developments within the PGA TOUR, the 2025 Tournament has maintained its designation as one of the Tour's "Signature Events". Signature Events feature limited field sizes and a \$20 million purse, and the RBC Heritage is one of five Signature Events that will not have a player cut. On December 16, 2024 the Heritage Classic foundation wrote to the Town regarding a new Sponsorship Agreement for 2025. A copy of that correspondence is enclosed as Attachment 1. In the 2025 Sponsorship Agreement, enclosed as part of Attachment 2, the Heritage Classic Foundation is requesting the Town's maintain its financial sponsorship level at \$400,000 for this year's event, the same as in 2024. In

exchange for this sponsorship, the Town will continue to receive recognition as a sponsor in many of the tournament's promotional materials. It has been estimated that the RBC Golf Tournament generates approximately \$134.5 million in economic impact each year. The 2024 Tournament also brought more than 100,000 event attendees to Hilton Head Island over the course of the week.

Mayor Perry asked for public comment. There was none.

Council members made comments, asked questions and had discussion regarding: confirmation the agreement is the same as last year with the year changed and the addition of 3h into the agreement - *3h) TOWN will receive the ability to connect with spectators onsite in an activation space, size and location that is mutually agreed upon by the parties. Tent, staged flooring, carpet and power will be provided by Heritage. TOWN will be responsible from the activation branding, manpower and activities;* inquiry as to the metric of how the hospitality community is performing due to the shuttle services from the north end of the Island; inquiry into how the economic impact is localized as far as service providers; inquiry as to why the listing on the video boards is limited to the time before the actual tournament as compared to the official pairing guides; confirmation there are requirements during the actual tournament that differ from the days leading up to the tournament; confirmation the local economic impact was \$135 million; confirmation it was an 11% increase over the previous year; and the need to reduce the impact on parking from businesses in the Coligny Area due to the shuttle service from that area.

**Following discussion, Ms. Brison moved to approve. Mr. Alfred seconded. Motion carried 7-0.**

Consideration of Approval of Rental Locations Proposed by Shore Beach Services for 2025 Beach Season - Shawn Colin, Assistant Town Manager

Shore Beach Services began providing lifeguarding services for the Town since its incorporation in 1983. These services have always been provided through the execution of non-exclusive Franchise Agreement. Over the years, this agreement has been renegotiated, and the scope of services has varied from time to time. Shore Beach Services currently provides lifeguards, beach rental equipment, and trash removal services to the Town under a Franchise Agreement dated June 18, 2024.

Per Article 5 of the approved Shore Beach Services Non-Exclusive Franchise Agreement, the Franchisee shall submit to the Town Council for approval *a listing of rental locations intended to be operated within the areas of operation during the next beach season.*

**5. APPROVAL PROCESS:** *On or before December 1st of each year, the Franchisee shall submit to the Town Council for approval a listing of rental locations intended to be operated within the areas of operation during the next beach season. This listing shall include the product quantities for each rental location. For purposes of the first year of this Agreement, the rental locations and product quantities shall be those that were approved by the Town in Calendar Year 2024. The purpose of this approval process is to regulate the location and quantities of rental equipment in use on the beach. Product quantities for each rental location shall not depart significantly from amounts approved during the previous year. Upon the request of the Franchisee, the Town Council may approve product quantity increases in*

areas of operation when circumstances such as new or expanded beach parks, other developments or changes in demand warrant such increases.

Pursuant to Section 5 of the Franchise Agreement with the Town of Hilton Head Island, Shore Beach Services submitted six schedules showing the rental locations that they intend to operate during the 2025 season along with the product quantities for each rental location.

There is a separate schedule for each of the five Areas of Operation, as defined in Section 4 of the Franchise Agreement, as well as a summary for all franchise areas. For reference purposes, the approved product quantities for 2024 season have been included on each of these schedules (Exhibits C-1 to C-5).

**4. AREAS OF OPERATION:** *By this Franchise Agreement, the Franchisee is hereby authorized to operate and conduct commercial activities (as defined herein) and in Exhibit B-1 in the following areas:*

*A. From the northern boundary of the Westin Hotel south to the southern boundary of the designated swimming area at Driessen Beach Park. The portion of the beach extending 300 feet from either side of the center of the boardwalk at Surf Watch. The portion of the beach from the Burkes Beach access north 400 feet. The portion of the beach from the northern boundary of Palmetto Dunes to Beach Emergency Marker 96 (Exhibit B-2).*

*B. From the northern boundary of the Palmetto Dunes “Dunes House” south to the southern boundary of the Omni Resort in Palmetto Dunes (Exhibit B-3).*

*C. From the northern boundary of Hampton Place at Palmetto Dunes south to the Southern Boundary of Shipyard Beach (Exhibit B-3).*

*D. From the northern boundary of the Sea Crest south to the southern boundary of Alder Lane designated swim area. (Exhibit B-4)*

*E. From Emergency Marker 39 south to the Southern Boundary of Turtle Lane Club and from Beach Emergency Marker 13 at Tower Beach Club westerly to Beach Emergency Marker 11 and easterly 300 feet. (Exhibit B-5).*

There was little change in peak demand for rentals during the season. Accordingly, the quantity of equipment is mostly unchanged with some reallocations of equipment amongst rental locations. Overall product quantities at rental locations for 2025 would be the same as 2024. There are the following changes within two Areas:

In Area C, four Umbrella/Cabanas and six Chairs/Lounges have been moved from Barrington to Hampton.

In Area E, six Umbrellas/Cabanas have been moved from Tower Beach to Sea pines Beach Club.

Council members made comments, asked questions and had discussion regarding: the need to assure that all private beach entrances be clear for residents to access the beach; and the need to work with Shore Beach Services for a beach warning system at all points of the beach.

Mayor Perry asked for public comment. There was none.

**Ms. Brison moved to approve. Mr. Brown seconded. Motion carried 7-0.**

Public Comment - Non Agenda Items

David Martin addressed Council regarding the status of paid parking in the Coligny Area.

Gray Smith addressed Council regarding the important of making the changes to the Land Management Ordinance to limit condominiums and other high density construction.

Amber Kuehn addressed Council suggesting that the Wild Wings Property on Poe Avenue be repurposed to house Sea Turtle Patrol, Shore Beach Services and c/ode Enforcement, along with provided a visitor information center in the building.

Executive Session

Discussion of Contractual Arrangements Pertaining to Designated Marketing Organization[Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)]

Discussion of Legal Updates from the Town Attorney on Matters Covered Under the Attorney- Client Privilege [Pursuant to the South Carolina Freedom of Information Act Section 30-4- 70(a)(2)]

Discussion of Legal Advice from the Town Attorney on Matters Covered Under the Attorney-Client Privilege Incident to Settlement Negotiations Concerning Pending Litigation Captioned “County of Charleston, *et al.*, v. AIRBNB, Inc., *et al.*,” Seeking Payment of Accommodation Taxes and Business License Fees to the Town and Other Local Governments in South Carolina [Pursuant to the South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:

1. AirBnB

Discussion of Negotiations Incident to Proposed Contractual Arrangements and Discussions for the Proposed Sale or Purchase of Property (Pursuant to South Carolina Freedom of Information Act Section 30-4-70 (a)(2)] related to:

1. Pembroke Drive Area
2. William Hilton Parkway Area
3. Squire Pope Road Area
4. Pope Avenue Area
5. Mitchelville Area
6. Stoney Area
7. Jonesville Road Area
8. Beach City Road Area
9. Marshland Road Area

Mayor Perry asked the Town Manager if there was a need to enter Executive Session. Mr. Orlando stated there was a need regarding the items listed above.

**At 5:45 p.m. Mr. Alfred moved to enter into Executive Session for the reasons cited by the Town Manager. Ms. Becker seconded. Motion carried 7-0.**

**At 8:05 p.m. Mr. Brown moved to come out of Executive Session. Ms. Brison**

**seconded. Motion carried 7-0.**

Action from Executive Session

**Mr. Brown moved to authorize the Mayor and Town Manager to sign a Settlement Agreement in Case 2021-CP-07-1650 as explained by the Town's Attorneys. Ms. Brison seconded. Motion carried 7-0.**

Adjournment

The meeting adjourned at 8:06 p.m.

**Approved:**

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Kimberly Gammon, Town Clerk

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Alan R. Perry, Mayor

**The recording of this Meeting can be found on the Town's website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)**



# Town of Hilton Head Island TOWN COUNCIL WORKSHOP Monday, January 27, 2025, 1:00 PM Minutes

## Call to Order

Mayor Perry called the workshop to order at 1:00 p.m.

Council Members present: Alan Perry, Mayor, Alex Brown, Ward 1, Mayor Pro-Tempore; Patsy Brison, Ward 2; Steve DeSimone, Ward 3, Tammy Becker, Ward 4; Steve Alfred, Ward 5; Melinda Tunner Ward 6.

## Adoption of the Agenda

Ms. Brison moved to approve. Ms. Becker seconded. Motion carried 7-0.

## Workshop Discussion

### Discussion of William Hilton Parkway Gateway Corridor Project

Marc Orlando addressed Council provide some background regarding the reason for the workshop. He stated that as a result of the January 9 workshop, Sean Colin and he were to coordinate a meeting with Beaufort County and the South Carolina Department of Transportation (SCDOT) on several project particulars as a response to Secretary Powell's letter, a response to Senator Davis's letter, as well as a response to the State Infrastructure Bank (SIB) letter to Beaufort County. He stated he and Mr. Colin will provide an update on that progress. He noted the importance of outlining the next steps and the critical path that needs to be decided upon by the March 31 deadline. He reminded Council that SCDOT requested clear direction from the Town and the county to move the project forward. He stated it is important that Council collectively address several of the questions posed by the SCDOT, SIB, Senator Davis and the County.

Mr. Orlando stated he will ask Council, if not today, at some point, how the Town should proceed with the development of the Stoney Corridor Master Plan to ensure it complements the larger corridor project. He added that they still have to further explore, calibrate, and identify all of the project elements in a revised memorandum of understanding and memorandum of agreement with Beaufort County.

Mr. Colin proceeded with his presentation.

To advance the project, Town staff has coordinated with Beaufort County staff and South Carolina Department of Transportation (SCDOT) staff.

In this regard, Town staff provides the following:

At the January 9<sup>th</sup> Workshop, Town Council reviewed the availability of project funding and examined recent correspondence from the South Carolina Department of Transportation (SCDOT), the South Carolina State Infrastructure Bank, Beaufort County, and Senator Tom Davis. These correspondences are included as Attachments 1, 2, and 3.

Town Council assessed potential funding sources, project decision timelines and deadlines, and the proposed project alignment, ultimately discussing the next steps.

At the Workshop, Town Council directed staff as follows:

- ☐ Align project with adopted Guiding Principles.
- ☐ Confirm sources and uses of project budget funds.
- ☐ Analyze project costs by segment and element and report the findings accordingly.
- ☐ Provide clarification regarding the 2018 Beaufort County Transportation Sales and Use Tax Referendum.
- ☐ Develop a project timeline with key milestones to ensure alignment with the March 31, 2025, deadline.
- ☐ Establish a Stoney Corridor Master Plan.

Since the January 9, Town Council Workshop, the following have occurred:

- ☐ A January 21, 2025, meeting with the Town of Hilton Head Island staff, Beaufort County staff, and SCDOT leadership and staff was scheduled and then postponed due to weather conditions.
- ☐ A January 21, 2025, Beaufort County Council Workshop was scheduled and then postponed due to weather conditions.
- ☐ A January 29, 2025 meeting with Hilton Head Island, Beaufort County, and SCDOT has been requested to determine project constraints and opportunities.

#### **Town Council Items for Consideration:**

**The following provides a project update, including project guiding principles, a budget overview, identifies sources and uses of project funds, and provides various next steps that must be resolved prior to the project advancing. These items are as follows:**

- ☐ **Align Project with Guiding Principles adopted by Town Council on February 18, 2020:**

- Fix the transportation issues in the corridor in a way that improves the safety and quality of life for all residents, workers and visitors to Hilton Head Island.
    - Address transportation needs for natural disasters and resiliency of Island access.
    - Consider future transportation alternatives.
  - Improve the safety and quality of life for the residents of the neighborhoods and businesses directly impacted by the US 278 corridor.
    - Stoney.
    - Neighborhoods on Jenkins and Hog Island (including but not limited to Windmill Harbor).
  - Have a gateway to and from Hilton Head that the region that will be proud of.
    - Aesthetically pleasing and reflecting the Hilton Head/Low country values.
    - Safe and functional pathways for pedestrians and cyclists.
    - Minimizes environmental impacts and enhances the wonderful asset of Pinckney Island.
- **Sources and Uses Project Funds:**
- The William Hilton Parkway Gateway Corridor Project is a major infrastructure initiative with a total budget of \$298.53 Million. The project is funded through the following sources:
    - Beaufort County Referendum: \$80 Million
    - Beaufort County Impact Fees: \$21 Million
    - Hilton Head Island Right-of-Way (ROW) Donation: \$3.3 Million
    - Lowcountry Area Transportation Study (LATS) Guideshare: \$2 Million
    - SCDOT Bridge Funds: \$72.5 Million
    - South Carolina State Infrastructure Bank (SCSIB): \$120 Million
  - As the project refinement progresses, project funding sources and uses per the above must be confirmed with Beaufort County, South Carolina Department of Transportation, and South Carolina State Infrastructure Bank.
  - Town staff must validate the appropriate use of 2018 Referendum funds as they apply to the project.
  - 2018 Transportation Sales and Use Tax Referendum:
    - The sales tax proceeds will be used for the following projects as described and for which an estimated capital cost is stated.
    - Hilton Head Island - US 278 Corridor Traffic Improvements: Repair and/or replace the existing spans of the bridges to Hilton Head Island and other improvements between Moss Creek Drive and Squire Pope Road ... \$80,000,000.

- **Bridge and Corridor Scope and Cost Alignment Determination:**
  - To align project funding, review SCDOT Engineers' Opinion of Probable Costs (EOPC) for key project components.
  - Town Council and Beaufort County must concur with the bridge, corridor, lane, and intersection designs. This detail will be further discussed and assessed at the Town of Hilton Head Island, Beaufort County, and SCDOT meeting referenced above.
  
- **Stoney Corridor Master Plan:**
  - **The Stoney Area Master Plan** is being developed to provide a comprehensive framework for guiding future design, infrastructure improvements, and strategic investments within the Stoney community corridor. This plan is essential to ensuring that development efforts align with the Town's vision and priorities, as outlined in the previously approved Stoney Area Initiative Plan, adopted in 2003. The Master Plan serves as a blueprint to:
    - Identify and prioritize essential infrastructure improvements, such as roadways, utilities, pedestrian pathways, open space and other public infrastructure investments to support the Stoney Historic Community.
    - In conjunction with the Skull Creek District Plan, encourage responsible growth that balances economic opportunities with the preservation of the area's character and community identity.
    - All proposed strategies and improvements are intended to align with the goals and recommendations set forth in the Initiative Plan to maintain consistency with community aspirations.
    - Establishing a clear vision for the area will better position the Town and Beaufort County to secure grants and funding for critical infrastructure and community projects.
  
- **Intergovernmental Agreements:**
  - Finalize Memorandums of Agreement (MOA) with Beaufort County and Hilton Head Island (BC/HHI).
  - Finalize Intergovernmental Agreement with Beaufort County and the South Carolina State Infrastructure Bank (BC/SCSIB/HHI).
  - Confirm the SCDOT Municipal Consent Agreement based on the revised project scope.

### **Next Steps:**

Town staff will continue to coordinate with project stakeholders to finalize cost assessments and scope determinations. Following our meeting with SCDOT, we will provide an update to Town Council with further recommendations and proposed next steps.

Council members made comments, asked questions and had discussion regarding: the need for clarification regarding the cost of the project and where the additional needed funding is going to come from; confirmation a request has been submitted to SCDOT for a breakdown of probably costs on project components; the need for a cost estimate for the westbound projects as well as the eastbound and the need to break it down into the rest of the corridor improvements which were previously included in the \$488 million estimate; the need for a list of segments for the project; the need to include estimates for the causeways which were not included in the \$488 million estimate; the need for clarification as to what amount remains to use from the Windmill Harbour area to Spanish Wells; a request that the Mayor ask each Council member to send him their requests as to what they would like to see on the segmented cost estimates; the need to ensure the Public Service Districts are going to be reimbursed for moving the underground piping that delivers drinking water to the northern part of the Island; confirmation the Town will see that all referendum dollars are legally applied to the project; the need for coordination of specific funding and where the money can be spent; confirmation the SIB agreement goes from Moss Creek to Spanish Wells and the 2018 Referendum goes from Moss Creek to Squire Pope; confirmation the Town will wait until all information required is in hand before another meeting date is scheduled; a request and confirmation that a memo/summary will be distributed to council regarding the upcoming meeting on January 30; the need to inquire regarding the dollar amount of funding committed by the SCDOT for the Community Mitigation package for the Stoney Area; and an expectation the upcoming meeting with the SCDOT will be for information gathering and no commitments.

Each Council member stated their suggestions and thoughts regarding the elements and design suggestions for the bridge.

Jared Fralix of Beaufort County addressed Council and provided some clarity. He stated the SCDOT is looking at three lanes, 12 feet wide with six feet inside and 20 feet outside shoulders which is the three lane bridge that was in Senator Davis's proposal. He stated they feel that in the event of emergency or a future replacement of the westbound spans, that this proposed 3 lane section would be sufficient if there was a need to replace/repair the westbound spans.

He stated the largest controlling factor of the project is that it is federally funded which creates restrictions of which one is the impacts. One of the hopes is that if the project is rebranded, the environmental impact will be considered.

Mr. Fralix was asked to address the issue with the Windmill Harbour traffic light.

Mr. Orlando addressed the question regarding the Windmill Harbour traffic signal being added to the Town's integrated traffic signal system. He stated the County did state the Town could acquire the signal, but it is unfunded and at a minimum would cost \$200,000 to implement. He said he wanted to wait to bring that proposal to Council until after they made decisions regarding the bridge and the

project components. If they added it to the system and then the bridge project eliminated the signal, the funds would be lost. A request was made to obtain the data regarding time saved and traffic flow if the signal was added to the system.

Mr. Fralix explained that the SCDOT wants a clear direction specific to the bridge and if the Town and County cannot give a clear direction on the project, they will make the executive decision of a project themselves to execute a bridge construction in 2027.

Mr. Orlando clarified that what the State is requesting of the County and the County has asked the Town if we are willing to fund the gap in funding based upon the Town's project wish list and if so, how that will be done. They have requested that information by March 31.

Mayor Perry asked for public comment.

Andy Twisdale addressed Council encouraging Council to move forward with the bridge project as suggested by Senator Tom Davis.

Ginny Jackson addressed Council supporting Senator Tom Davis's proposal regarding the bridge.

Christopher Cliffe addressed Council in support of Senator Davis's proposal and advised Council to leave the design of the bridge to the engineers.

Peter Kristian addressed Council in support of Senator Davis's vision for the bridge project. He suggested Council look at some type of separated grade intersection which would move traffic through the corridor safely.

Jim Hall addressed Council encouraging Council to keep the proposed pathways on the bridge design as it is not only a form of recreation, but transportation for our workforce.

David Kimball addressed Council stating if the bridge only has a six foot shoulder, the project will be a failure for bike and pedestrian users. He encouraged Council to keep the pathway in the bridge design.

Frank Babel addressed Council encouraging Council to keep the pathway in the bridge design as it would create safe bike and pedestrian connectivity between the mainland and the Island.

Charles Perry addressed Council stating the Windmill Harbour traffic light is very efficient as it is now. He added that a flyover would be problematic in implementing as well as creating many other problems that would need to be dealt with.

Tom Crews addressed Council stating the traffic light and acceleration lane have made a big difference and have addressed the issue they had previously with access to and from Windmill Harbour.

Richard Bisi addressed Council requesting full transparency and requested Council look at meeting at times other than 1:00 pm and 3:00 pm to accommodate the working residents.

Jocelyn Staigar addressed Council encouraging them to support Senator Davis's proposal.

Beth Drake addressed Council encouraging them to support Senator Davis's proposal.

Steve Baer addressed Council in support of Senator Davis's proposal and encouraged them to and the need to get more data from SCDOT. He added that the plan needs to go to the Cross Island Parkway. He stated the need for maps and diagrams of options. He suggested that MKSK could assist with those items needed.

Public Comment - Non Agenda Items

None.

Adjournment

Mr. Brown moved to adjourn. Mr. Alfred seconded. Motion carried. 7-0.

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Kimberly Gammon, Town Clerk

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Alan R. Perry, Mayor

**The recording of this Meeting can be found on the Town's website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)**



# TOWN OF HILTON HEAD ISLAND

## *Town Council*

**TO:** Town Council  
**FROM:** David Fingerhut, Chair of the Board of Zoning Appeals  
**VIA:** Shawn Leininger, Assistant Town Manager, Community Development  
**VIA:** Missy Luick, Director of Planning, LMO Official  
**CC:** Marc Orlando, Town Manager  
**DATE:** February 18, 2025  
**SUBJECT:** Board of Zoning Appeals Annual Report: January 1, 2024 – December 31, 2024

**BACKGROUND** – In the calendar year of 2024, January 1 – December 31, the Board of Zoning Appeals held three meetings. During this time, the Board heard four Variance requests, zero Appeal requests, and zero Special Exception requests.

### **VARIANCES**

**VAR-000802-2024** – Request from Richard Dietrich of The Renovators of SC, on behalf of Vinod Rajasekaran, owner of 59 Sandcastle Court, also identified as Beaufort County Tax Map Parcel R511 009 000 1125 0000, for a variance from LMO Section 16-5-102.D, Adjacent Use Setback Standards, to allow a proposed home to encroach into the setback angles. This variance was approved by a vote of 4-2.

**VAR-000803-2024** – Request from Richard Dietrich of The Renovators of SC, on behalf of Rosanne Magers, owner of 129 Sandcastle Court, also identified as Beaufort County Tax Map Parcel R511 009 000 1157 0000, for a variance from LMO Section 16-5-102.D, Adjacent Use Setback Standards, to allow a proposed home to encroach into the setback angles. This variance was approved by a vote of 4-2.

**VAR-000804-2024** – Request from Richard Dietrich of The Renovators of SC, on behalf of Charlotte Russo, owner of 9 Sandcastle Court, also identified as Beaufort County Tax Map Parcel R511 009 000 1107 0000, for a variance from LMO Section 16-5-102.D, Adjacent Use Setback Standards, to allow a proposed home to encroach into the setback angles. This variance was approved by a vote of 4-2.

**VAR-000818-2024** – Request from Judd Carstens of Witmer Jones Keefer, on behalf of Dave Peacock, owner of 19 Ibis St., also identified as Beaufort County Tax Map Parcel R550 015 00A 0111 0000, for a variance from LMO Section 16-3-106.H.4.d, Floor Area Ratio requirements, to exceed the maximum gross floor area by 2,259 square feet for

the development of a detached garage with guest rooms. This variance was denied by a vote of 6-0-0.

### **APPEALS**

There were no Appeal hearings.

### **SPECIAL EXCEPTIONS**

There were no Special Exception hearings.

### **OTHER MATTERS**

**LMO** – The Board was provided with a status update on the LMO rewrite and an update regarding the approved Floor Area Ratio amendment to the Forest Beach Neighborhood Character Overlay.

**CONTINUING EDUCATION** – The Board was provided with a one-hour continuing education course, “Floodplain Management for Local Elected Officials.”



# TOWN OF HILTON HEAD ISLAND

## *Town Council*

**TO:** Town Council  
**FROM:** Bruce Siebold, Chairman of the Planning Commission  
**VIA:** Shawn Leininger, Assistant Town Manager, Community Development  
**VIA:** Missy Luick, Director of Planning, LMO Official  
**CC:** Marc Orlando, Town Manager  
**DATE:** February 18, 2025  
**SUBJECT:** Planning Commission Annual Report: January 1, 2024 – December 31, 2024

**BACKGROUND:** - In the calendar year of 2024, the Planning Commission held 10 meetings. The following is a summary.

### COMPREHENSIVE PLAN AMENDMENT

- Housing Impact Analysis Recommendation – Consideration of a recommendation to Town Council that the Housing Impact Analysis be advanced as an amendment to the Town's Comprehensive Plan Housing Element.

Motion to recommend to Town Council that the Housing Impact Analysis be advanced as an amendment to the Town's Comprehensive Plan Housing element passed unanimously. Unanimous vote.

### CAPITAL IMPROVEMENT PROGRAM

- Capital Improvement Program Fiscal Year 2025 Priority Projects

Motion to send a recommendation from the Planning Commission to Town Council for approval, with the condition that priority be given to Corridor Segment 1, US Highway 278 at Spanish Wells, and add to the scope that portion of the road between US Highway 278 and Jonesville Road due to increased pedestrian and vehicular traffic and the successful business now located at 2 Spanish Wells Road, and alleviate the illegal parking on both sides of the road at that location, all of which pose concerns for safety and continued traffic problems. Unanimous vote.

## **LAND MANAGEMENT ORDINANCE TEXT AMENDMENT**

- Text Amendment – Consideration of an Amendment of Title 16 of the Municipal Code of the Town of Hilton Head Island, the Land Management Ordinance, to amend Floor Area Ratio Requirements from .55 to .45 within the Forest Beach Neighborhood Character Overlay District. Motion recommending approval to Town Council. Unanimous vote.

## **ANNUAL TRAFFIC REPORT**

- Annual Traffic Monitoring and Evaluation Report – Section 16-2-103.J.10 of the Land Management Ordinance provides that this report be prepared and submitted annually by the LMO Official to the Planning Commission. Motion to forward the Annual Traffic Report to Town Council. Unanimous vote.

## **PUBLIC PROJECT REVIEW**

- PPR-000479-2024 – Consideration of a Public Project Review Application from the Town of Hilton Head Island to construct a 1,600 square foot classroom and training space. Motion to approve. Unanimous vote.
- PPR-000478-2024 – Consideration of a Public Project Review Application from the Town of Hilton Head Island to construct a 300 linear foot pathway that will connect an existing pathway system on Cordillo Parkway to Pope Avenue. Motion to approve. Unanimous vote.
- PPR-0000541-2024 – Consideration of a Public Project Review Application from the Town of Hilton Head Island to construct an open-air structure and improvements for accessibility at Folly Field Beach Park. Motion to approve. Unanimous vote.
- PPR-001137-2024 – Consideration of a Public Project Review Application from Trey Griffin, with Wood & Partners, Inc., on behalf of the Town of Hilton Head Island, for a project located at 109 Pope Avenue, adjacent to Coligny Circle, to improve existing drainage facilities and add connectivity and other improvements to create a small pocket park. Motion to approve. Unanimous vote.

## **DEVIATION FROM A PREVIOUSLY APPROVED MAJOR SUBDIVISION**

- SUB-001354-2024 – Consideration of an Application for a Deviation from a previously approved Major Subdivision, from Judd Carstens, with Witmer, Jones, Keefer., Ltd., for a project to subdivide 19 Ibis Street, also identified as Parcel Number 111 on Beaufort County Tax Map 15A. Application Withdrawn.

## **STREET NAMES**

- STDV-001838-2023 – Request for a driveway from Barbara Hudson, on behalf of Shrimpnana LLC, owner of R511 007 000 002B 0000, for an access driveway located at 175 Squire Pope Road. Motion to approve. Unanimous vote.
- STDV-002173-2023 – Request for a new driveway name from Hilton Head Fire Rescue, on behalf of Alejandro Camposano, owner of R510 007 000 026C 0000, for a new access driveway located off Ned Court. Motion to approve. Unanimous vote.
- STDV-000098-2024 – Request for a driveway name from Nadine Chaplin, on behalf of Nadine L. Chaplin Trust, owner of R510 004 000 006E, for a new access driveway located at 33 Alice Perry Drive. Motion to approve. Unanimous vote
- STDV-000513-2024 – Consideration of a Public Hearing for Nathan Sturre, or Sturre Engineering, proposing to name an access easement located off Thomas Cohen Drive. The affected parcels are R510-007 000 0818 0000, R510 007 000 0080 0000, R510 007 000 0472 0000, and R510 007 000 0459 0000. Motion to approve. Unanimous vote.
- STDV-000441-2024 – Consideration of a Public Hearing for Thomasina Cohen-Fields, owner of 59 and 61 Thomas Cohen Drive, proposing to name an access easement located at 59 Thomas Cohen Drive. The affected parcels are R510 007 000 0519 0000, and R510 007 000 0757 0000. Motion to approve. Unanimous vote.
- STDV-000496-2024 – Consideration of a Public Hearing for Imani Johnson, owner of R510 007 000 0519 0000, proposing to name an access easement located off Cobia Court. The affected parcels are R510 007 000 0444 0000, R510 007 000 0519 0000. Motion to approve. Unanimous vote.
- STDV-000525-2024 – Consideration of a Public Hearing for Valeria Plasse, owner of 13 Marshland Road, proposing to name a driveway off Marshland Road. The affected parcel is R510 008 000 013G 0000. Motion to approve. Unanimous vote.

## **DEVELOPMENT AND SUBDIVISION REVIEW STAFF REPORTS – (No Action)**

- DPR-000055-2024 – Major Development Plan at 27 New Orleans Road for a proposed Alljoy Donut and Bicycle Storage Facility.
- DPR-000045-2024 – Major Development Plan at 232 South Sea Pines Drive for South Beach Marina.
- DPR-002093-2023 – Presentation of an Application for a Major Development Plan Review, from Cassie Ailello, with Cranston Engineering, for a project to build a car

storage facility located at 148 Beach City Road, also identified as Parcel Number 343 on Beaufort County Tax Map 4.



# TOWN OF HILTON HEAD ISLAND

## *Town Council*

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**TO:** Town Council Members  
**FROM:** Shawn Leininger, Assistant Town Manager  
**CC:** Marc Orlando, Town Manager  
**DATE:** February 18, 2025  
**SUBJECT:** Consideration of an Ordinance of the Town of Hilton Head Island Amending, § 10-2-10, Et Seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983), Short-Term Rentals, to Add Additional Requirements for Occupancy, Fire and Safety Alarms and Equipment, Parking of Vehicles, Enforcement, Fines, Definitions and Other Text Amendments, and Providing for Severability and an Effective Date.

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### **RECOMMENDATION:**

Consideration of an Ordinance of the Town of Hilton Head Island Amending, § 10-2-10, Et Seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983), Short-Term Rentals, to add additional requirements for occupancy, fire and safety alarms and equipment, parking of vehicles, enforcement, fines, definitions and other text amendments, and providing for severability and an effective date (Attachment 1).

### **BACKGROUND:**

On May 17, 2022, Town Council adopted a Short-Term Rental Ordinance to address the impacts of short-term rentals on neighborhoods by establishing expectations for their management and operation, specifically regarding safety, trash, noise, and parking. Implementation of the Ordinance began by establishing an operational program for administration of the Ordinance. This included securing necessary software and equipment; recruiting, hiring, and training new employees; creating and testing application and complaint portals; and creating and executing an education and communications plan.

The effective date of the Short-Term Rental Ordinance began January 1, 2023, and is handled by the Town's Revenue Services Division and Public Safety Department who work proactively to educate owners, agents, and renters of the requirements and enforce compliance.

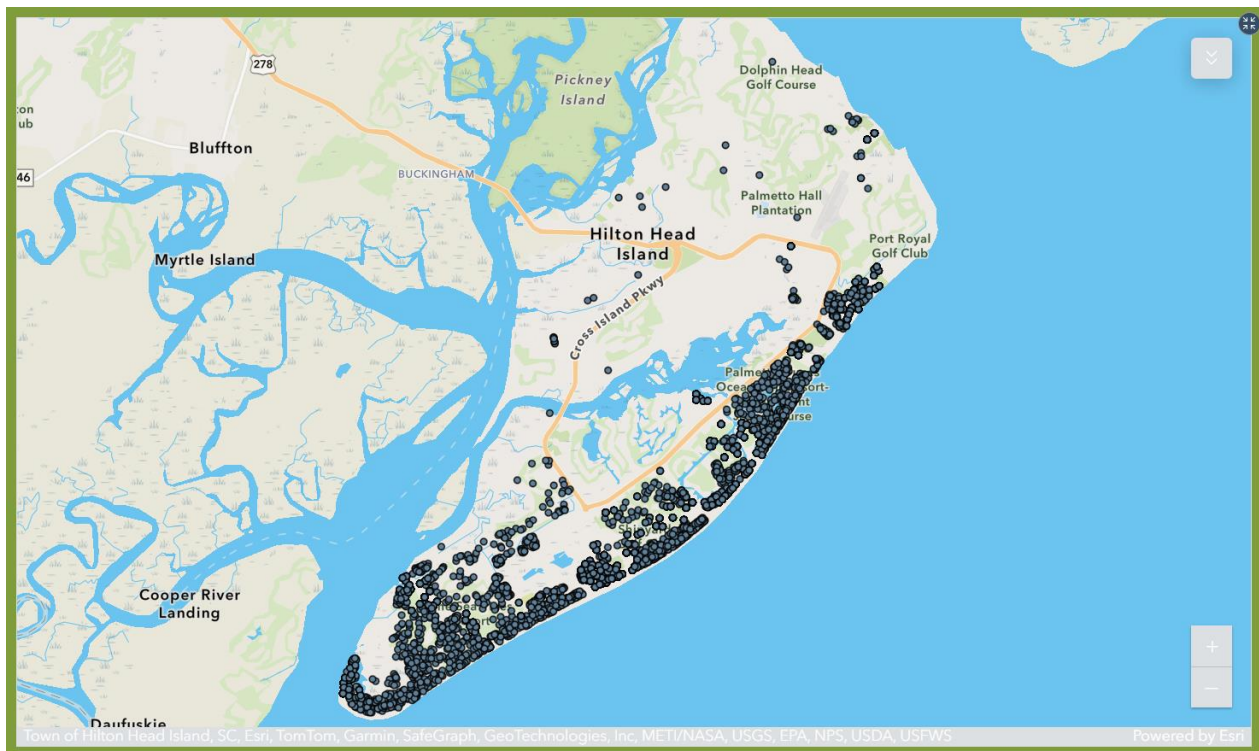
Pursuit of Excellence is a focus area in the adopted Town Council 2023-2025 Strategic Action Plan. In fulfillment of this focus area, Strategy #12 Short-Term Rental Assessment and Program Implementation states the Town will:

“Conduct a short-term rental program assessment that evaluates the short-term rental program effectiveness on addressing the negative impacts to neighborhoods including environmental impacts, demands on Fire and Rescue services, impacts to public utilities and infrastructure, and impacts of land use intensity. Program assessment will include data on the volume, location, type, and size of short-term rentals on Hilton Head Island in order to better understand, plan, and manage short-term rentals, and to determine if further regulation is necessary.”

On September 16 and 24, 2024, Town Council held workshops to review numerous priority amendments to the Land Management Ordinance (LMO) and Municipal Code that seek to address important and urgent issues in advance of a full LMO Overhaul. This review included an assessment and proposed amendment to the Short-Term Rental Ordinance to address parking, occupancy, and enforcement and fee regulations.

### **SUMMARY:**

As of January 31, 2025, the Town has 7,112 short-term rental permits. These permits are located generally in proximity to the island's beaches and are depicted on the following map.



The properties subject to these permits range in size from studio units to ten (10) bedroom homes and are more specifically described in the table below:

**Short-Term Rental Permits - Summary of Key Data**  
**January 31, 2025**

| <b>Number of Bedrooms</b> | <b>Number of Permits</b> | <b>Percent of Total Permits</b> | <b>Reported Average Square Feet</b> | <b>Reported Average Max Occupancy</b> |
|---------------------------|--------------------------|---------------------------------|-------------------------------------|---------------------------------------|
| Studio                    | 12                       | 0.2%                            | 533                                 | 3                                     |
| 1                         | 1,037                    | 14.6%                           | 652                                 | 4                                     |
| 2                         | 3,033                    | 42.6%                           | 1,146                               | 6                                     |
| 3                         | 1,444                    | 20.3%                           | 1,762                               | 8                                     |
| 4                         | 720                      | 10.1%                           | 2,593                               | 10                                    |
| 5                         | 397                      | 5.6%                            | 3,527                               | 13                                    |
| 6                         | 311                      | 4.4%                            | 4,216                               | 17                                    |
| 7                         | 120                      | 1.7%                            | 4,984                               | 19                                    |
| 8                         | 26                       | 0.4%                            | 5,202                               | 22                                    |
| 9                         | 7                        | 0.1%                            | 5,589                               | 22                                    |
| 10                        | 5                        | 0.1%                            | 4,235                               | 23                                    |
| <b>Total</b>              | <b>7,112</b>             | <b>100.0%</b>                   |                                     |                                       |

The Public Safety Department responds to complaints regarding short-term rentals. Complaints are related to the trash, noise, parking, and permit status. In 2024, the Public Safety Department responded to 272 complaints. Additional details on the type of complaint and how it was resolved can be found below.

**Short-Term Rental Code Enforcement Violations**  
**January 1, 2024 - December 31, 2024**

| <b>Issue</b> | <b>Verbal</b> | <b>Written</b> | <b>No Violation</b> | <b>Citation</b> | <b>Total</b> |
|--------------|---------------|----------------|---------------------|-----------------|--------------|
| Trash        | 31            | 1              | 2                   | 0               | 34           |
| Noise        | 86            | 4              | 38                  | 0               | 128          |
| Parking      | 66            | 20             | 14                  | 0               | 100          |
| Permit       | 4             | 3              | 0                   | 3               | 10           |
| <b>Total</b> | <b>187</b>    | <b>28</b>      | <b>54</b>           | <b>3</b>        | <b>272</b>   |

The Fire Resue Department began mandatory reporting of short-term rental emergency response calls in September 2024. In the period beginning September 1, 2024, and ending December 31, 2024, the Fire Rescue Department responded to 47 EMS calls and 117 fire calls (164 total calls) at short-term properties.

In addition to analysis of short-term rental permit data, Town staff held meetings and discussions with Town Council, members of the public, and representatives of the short-term rental industry. This assessment of the short-term rental program resulted in the following key findings:

1. Need the ability to manage property owners who violate short-term rental regulations through escalating fines instead of criminal charges;
2. Need the ability to manage property owners who operate a short-term rental property without a valid permit with fines that are greater than the cost of a permit;
3. Short-term rental properties and over occupancy can inconvenience permanent residents who have expressed concerns about parking, noise pollution, trash collection, and other consequences;
4. High occupancy homes do not have adequate fire safety mechanisms; and
5. Homes are being built for the purpose of short-term rental resulting in structures that are out of scale and context with existing neighborhoods.

### **TOWN COUNCIL WORKSHOP:**

At a workshop held on September 16, 2024, Town staff shared the assessment of the short-term rental program and Town Council provided the following comments as is it related to potential amendments.

1. *Parking and Enforcement*
  - a. Parking is a critical issue.
  - b. Address parking regulations specifically within the Short-Term Rental Ordinance.
  - c. There needs to be limits on the number of vehicles associated with a short-term rental.
  - d. It needs to be clear where vehicles can and cannot park.
2. *Occupancy*
  - a. Define occupancy clearly for consistent regulation and enforcement.
  - b. Consider if the size of the home should be factored into occupancy regulations.
  - c. Occupancy enforcement presents challenges.
3. *Fire Safety*
  - a. Ensure adequate fire safety measures are required in short-term rentals.
  - b. For larger homes (3,600 square feet or greater), require monitored automatic smoke detection systems with manual fire alarms.
4. *Short-Term Rental Permits and Regulations*
  - a. Increase the short-term rental permit fee based on the number of bedrooms in the property.
  - b. Require short-term rental owners and agents communicate key regulations during the rental process and at time of occupancy.
5. *Compliance, Fines, and Penalties*

- a. Allow for administrative citations as a tool to penalize and remedy violations.
- b. Establish a clear directive for escalating fines based on the number of offenses.
- c. Maintain ability to suspend or revoke of permits for repeat offenders.
- d. Consider a municipal court to handle short-term rental related issues.
- e. Continue to enhance the Town relationship with gated communities to support enforcement of short-term rental regulations.

6. *Implementation*

- a. Provide additional time for existing short-term rentals to comply with new regulations, while ensuring new short-term rentals are compliant at the time of permit issuance.

7. *Balance Business and Community Needs*

- a. Strive for a balance between maintaining the island's character and supporting business practices related to short-term rentals.

**PROPOSED AMENDED ORDINANCE:**

The proposed amendments (Attachment 2 – Track Changes Version and Attachment 3 – Clean Version) generally include:

1. Grammatical and clarity of language clean-ups to help support understanding and readability;
2. Key definition additions and refinements that support the existing and proposed regulatory framework;
3. Requirement that owners must be compliant and current on all licenses, permits, fees, taxes, fines, and other materials;
4. For short-term rental properties 3,600 square feet and more, a monitored automatic smoke detection system and manual fire alarm must be installed;
5. Any exterior gas grill must be equipped with an automatic shut off timer;
6. The short-term rental permit number must be included in any advertisement for the property;
7. Establish a maximum occupancy based on the number of bedrooms to which the short-term rental property can be rented;
8. Require that the location of parking be identified and not allow more than six (6) vehicles to be parked on the property;
9. Prohibit vehicles from being parked off-site, on-street and access easements, in a required buffer, or any unimproved surface; and
10. Establish a procedure to issue administrative citations and appeal process.

Below is a section-by-section summary of the proposed ordinance and what it intends to accomplish and regulate:

1. *Purpose and Intent (Sec. 10-2-10)*. The ordinance aims to:
  - a. To regulate privately owned residential properties rented to transient occupants for less than 30 consecutive days.
  - b. Focus on promoting the health, safety, and welfare of residents and visitors.
  - c. Minimize potential adverse effects on surrounding neighborhoods.
  - d. Clarify that this ordinance does not apply to hotels, motels, or other similar uses.
2. *Definitions (Sec. 10-2-20)*. Key definitions (paraphrased) include:
  - a. Agent: An individual authorized to act on behalf of an owner for a short-term rental property.
  - b. Bedroom: A designated sleeping area meeting safety code requirements.
  - c. Maximum Occupancy: The maximum number of occupants for which a short-term rental property can be rented.
  - d. Owner: Any individual or entity owning one or more short-term rental properties.
  - e. Short-Term Rental: Rentals of residential property for periods of less than thirty (30) consecutive days.
  - f. Short-Term Rental Permit: An annual permit required for short-term rental operation.
  - g. Short-Term Rental Tenant: Individuals occupying a short-term rental property.
  - h. Official: The Town Manager's designated officer for short-term rental administration and enforcement.
  - i. Written Notice: Legal notices provided in writing or electronically per short-term rental regulations.
3. *Permit Requirements (Sec. 10-2-30)*. Owners must obtain a short-term rental permit to advertise, offer, or operate short-term rental properties. Permit requirements include:
  - a. Validity from January 1 to December 31.
  - b. Non-transferrable and non-refundable permits.
  - c. Notification of any changes to contact information.
  - d. Submission of an application form, including a site plan for single-family residences.
  - e. Review by the designated Official to ensure compliance.
  - f. Penalties for false or inaccurate information.
4. *Licenses, Fees, and Taxes (Sec. 10-2-40)*. To operate short-term rental properties, owners must:
  - a. Maintain a valid short-term rental permit and business license.
  - b. Pay all applicable fees and taxes, including sales, use, and ad valorem taxes.
  - c. Address any delinquent fees, with payment plans and penalty waivers authorized by the Official.

*5. Operational Regulations (Sec. 10-2-50)*

- a. General Regulations. Owners or Agents must:
  - i. Be available during rentals to respond to complaints within one (1) hour.
  - ii. Display contact information and safety notices prominently.
  - iii. Maintain operable smoke and carbon monoxide detectors and fire extinguishers.
  - iv. Install monitored fire alarm systems for properties with 3,600 square feet or more of finished space.
  - v. Equip exterior gas-fired grills with automatic shut-off timers.
  - vi. Ensure unobstructed escape routes and safety notices for pools and hot tubs.
  - vii. Display the short-term rental permit number in advertisements.
- b. Occupancy Regulations. Occupancy limits are determined by using the average occupancy of short-term rental properties as reported on over 7,000 short-term rental permits collected over two (2) years:

| Number of Bedrooms | Maximum Occupancy |
|--------------------|-------------------|
| Studio             | 3                 |
| 1                  | 4                 |
| 2                  | 6                 |
| 3                  | 8                 |
| 4                  | 10                |
| 5                  | 13                |
| 6                  | 17                |
| 7                  | 19                |
| 8                  | 22                |
| 9                  | 22                |
| 10                 | 23                |

- c. Noise Regulations. Owners or Agents must:
    - i. Display noise regulations prominently.
    - ii. Notify prospective short-term rental tenants of noise regulations before agreements are made.
    - iii. Ensure compliance with Town noise regulations, including nighttime hours from 10:01 p.m. to 6:59 a.m.
6. *Compliance and Enforcement (Sec. 10-2-60)*. To ensure adherence to short-term rental regulations, the Town will:
- a. Monitor compliance through permit reviews and code enforcement inspections.
  - b. Issue administrative citations for violations with fines beginning at \$500 for the first offense and \$1,000 for each subsequent offense.

- c. Retain the ability to issue remedies allowed by the Municipal Code.
- d. Suspend or revoke permits for non-compliance.

### **ANALYSIS:**

These proposed amendments aim to balance the growing popularity of short-term rentals with the needs and quality of life of residents, providing a framework for responsibility, protection of quality of life, enforcement, and compliance while supporting a vital industry in our community.

In addition to limiting the number of vehicles associated with a short-term rental, there are two key elements of the proposed amendments that will impact short-term rental properties. The first is the requirement for all owners of short-term rental properties 3,600 square feet or greater to provide a monitored automatic smoke detection system and manual fire alarm. Existing building and fire codes do not require the kind of safety equipment that is necessary in structures where:

1. There is high occupancy;
2. The occupants are unfamiliar with the structure and the exit routes in the case of an emergency; and
3. There is a need for monitored fire and smoke detectors, fire extinguishers, and alarm systems over and above what the building and fire codes require for a residential structure.

Evidence of the need for this requirement is provided by having one death and one rescue in a short-term rental property resulting from a fire. This will result in large, high occupancy having an interconnected and monitored smoke detection and fire alarm system. A total of 577 properties or 8.1% of all short-term rental properties will be impacted by this requirement and required to install the required system for issuance of future short-term rental permits. Additional details can be found on the table below.

**Short-Term Rental Permits - Fire Safety Analysis**  
January 31, 2025

| <b>Number of Bedrooms</b> | <b>Number of Permits</b> | <b>Reported Average Square Feet</b> | <b>Number of Properties 3,600 Square Feet or Greater</b> | <b>Percent of Bedroom Category</b> | <b>Percent of Total Permits</b> |
|---------------------------|--------------------------|-------------------------------------|----------------------------------------------------------|------------------------------------|---------------------------------|
| Studio                    | 12                       | 533                                 | 0                                                        | 0.0%                               | 0.0%                            |
| 1                         | 1,037                    | 652                                 | 0                                                        | 0.0%                               | 0.0%                            |
| 2                         | 3,033                    | 1,146                               | 1                                                        | 0.0%                               | 0.0%                            |
| 3                         | 1,444                    | 1,762                               | 1                                                        | 0.1%                               | 0.0%                            |
| 4                         | 720                      | 2,593                               | 57                                                       | 7.9%                               | 0.8%                            |
| 5                         | 397                      | 3,527                               | 166                                                      | 41.8%                              | 2.3%                            |
| 6                         | 311                      | 4,216                               | 209                                                      | 67.2%                              | 2.9%                            |
| 7                         | 120                      | 4,984                               | 110                                                      | 91.7%                              | 1.5%                            |
| 8                         | 26                       | 5,202                               | 23                                                       | 88.5%                              | 0.3%                            |
| 9                         | 7                        | 5,589                               | 6                                                        | 85.7%                              | 0.1%                            |
| 10                        | 5                        | 4,235                               | 4                                                        | 80.0%                              | 0.1%                            |
| <b>Total</b>              | <b>7,112</b>             |                                     | <b>577</b>                                               |                                    | <b>8.1%</b>                     |

The second is the establishment of a maximum occupancy requirement. A total of 1,851 or 26% of short-term rental permits exceed the prescribed maximum occupancy limits. Short-term rental permits can continue to be issued for these properties provided the maximum occupancy limits are met as prescribed in the proposed ordinance. Additional details can be found on the table below.

**Short-Term Rental Permits - Maximum Occupancy Analysis**  
**January 31, 2025**

| Number of Bedrooms | Number of Permits | Maximum Occupancy | Number of Properties Exceeding Max Occupancy | Percent of Bedroom Category | Percent of Total Permits |
|--------------------|-------------------|-------------------|----------------------------------------------|-----------------------------|--------------------------|
| Studio             | 12                | 3                 | 5                                            | 41.7%                       | 0.1%                     |
| 1                  | 1,037             | 4                 | 344                                          | 33.2%                       | 4.8%                     |
| 2                  | 3,033             | 6                 | 609                                          | 20.1%                       | 8.6%                     |
| 3                  | 1,444             | 8                 | 275                                          | 19.0%                       | 3.9%                     |
| 4                  | 720               | 10                | 238                                          | 33.1%                       | 3.3%                     |
| 5                  | 397               | 13                | 189                                          | 47.6%                       | 2.7%                     |
| 6                  | 311               | 17                | 113                                          | 36.3%                       | 1.6%                     |
| 7                  | 120               | 19                | 58                                           | 48.3%                       | 0.8%                     |
| 8                  | 26                | 22                | 14                                           | 53.8%                       | 0.2%                     |
| 9                  | 7                 | 22                | 4                                            | 57.1%                       | 0.1%                     |
| 10                 | 5                 | 23                | 2                                            | 40.0%                       | 0.0%                     |
| <b>Total</b>       | <b>7,112</b>      |                   | <b>1,851</b>                                 |                             | <b>26.0%</b>             |

Given these proposed changes, the fact that many rental agreements have been entered into for 2024, and the need to communicate and prepare for the implementation of these changes, **these amendments, if adopted, will go into effect on January 1, 2026.**

### **NEXT STEPS:**

If adopted by Town Council, Town staff will submit short-term rental permit fee increases as part of the FY26 budget. These fees were discussed and supported by Town Council at the September 16, 2024, workshop and include the following:

1. \$250 for studio – four (4) bedrooms;
2. \$1,000 for five (5) – seven (7) bedrooms; and
3. \$2,500 for eight (8) – ten (10) or more bedrooms.

More immediately, Town staff will implement a communication strategy with short-term rental permit owners and agents to prepare for the 2026 permit cycle that begins on January 1, 2026.

### **ATTACHMENTS:**

1. Ordinance (Effective Date January 1, 2026)
2. Proposed Short-Term Rental Ordinance – Tracked Changes Version (Exhibit A to Ordinance)
3. Proposed Short-Term Rental Ordinance – Clean Version

## Ordinance 2025-\_\_\_\_\_

**AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND  
AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND AMEND, § 10-2-10, ET SEQ., MUNICIPAL CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA (1983), SHORT-TERM RENTALS, TO ADD ADDITIONAL REQUIREMENTS FOR OCCUPANCY, FIRE AND SAFETY ALARMS AND EQUIPMENT, PARKING OF VEHICLES, ENFORCEMENT, FINES, DEFINITIONS AND OTHER TEXT AMENDMENTS, AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, on May 17, 2022, the Town Council for the Town of Hilton Head Island, South Carolina (herein, the “Town Council”), adopted § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), establishing regulations for Short Term Rentals in the municipal limits of the Town of Hilton Head Island, South Carolina, Town (herein, the “Town”); and,

**WHEREAS**, the effective date of § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), was January 1, 2023; and,

**WHEREAS**, the Town Council finds that from and after the effective date of § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), there have been ongoing health, safety and welfare issues arising at properties that are used for Short Term Rentals, including:

- (a) Short Term Rental Properties that are rented to numbers of occupants that are higher than can be readily accommodated by the structure, by the property and by the public infrastructure serving the neighborhoods where Short Term Rental Properties are located, leading to:
  - (i) Safety issues arising from high occupancy where the occupants are unfamiliar with the structure and the escape routes in the event of an emergency;

- (ii) Safety issues arising from the lack of an interconnected, monitored smoke detection and manual fire alarm system capable of notifying all occupants in a structure;
- (iii) Safety issues arising from the lack of shut off timers for gas-fired grills;
- (iv) Negative impacts on neighborhoods where Short Term Rental Properties are located due to lack of compliance with the Town's Noise Ordinance [§ 17-4-1111, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983)]; and
- (v) Negative impacts on neighborhoods where Short Term Rental Properties are located due to the parking of vehicles by Short Term Rental occupants at locations off of the Short Term Rental Property, including public streets, rights of way or access easements.

**WHEREAS**, the Town Council finds that the issues stated above are important health, safety and welfare issues that affect the citizens, residents, and visitors of and to the Town; and,

**WHEREAS**, the Town Council finds that the text of § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), will be improved by the revisions to the definitions and other text amendments, and that the same add clarity to the text; and,

**WHEREAS**, the Town Council finds that amendments to § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983), to address the health, safety and welfare issues described above to add additional requirements for Occupancy Limits, Smoke And Safety Alarms And Equipment, Parking Of Vehicles, Enforcement, Fines, Definitions and Other Text Amendments related to Short-Term Rentals and Short Term Rental Properties are in the best interests of, and will promote the health, safety and welfare of the Town and the citizens, residents and visitors of and to the Town; and,

**NOW, THEREFORE, IT IS ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS HEREBY ORDERED AND ORDAINED BY AND UNDER AUTHORITY OF SAID TOWN COUNCIL, AS FOLLOWS:**

**Section 1. Amendment.** That § 10-2-10, *et seq.*, *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983) is amended as shown on Exhibit “A” to this Ordinance. New language is indicated with double underline and deleted language is indicated with ~~strikethrough~~.

**Section 2. Severability.** If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**Section 3. Effective Date.** This Ordinance shall have an effective date of January 1, 2026.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.**

THE TOWN OF HILTON HEAD ISLAND, SOUTH  
CAROLINA

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Alan R. Perry, Mayor

ATTEST:

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Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

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Curtis L. Coltrane

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

Introduced by Council Member: \_\_\_\_\_

ATTACHMENT 2  
(EXHIBIT A TO ORDINANCE)

TITLE 10 - BUSINESS AND PROFESSIONAL LICENSING; FRANCHISING AND REGULATION  
Chapter 2 SHORT-TERM RENTALS

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## Chapter 2 SHORT-TERM RENTALS

### Sec. 10-2-10. Purpose and intent.

It is the purpose and intent of this ~~chapter~~Chapter to establish regulations for privately owned residential property ~~used as vacation homes and that is~~ rented to transient occupants for periods of less than thirty (30) ~~consecutive~~ days in the municipal limits of the Town of Hilton Head Island, South Carolina, ~~so as ("Town"), to promote the health, safety and welfare of residents of and visitors to the Town and~~ to minimize the ~~potential~~ adverse effects of short-term rental uses on surrounding residential properties and neighborhoods, and to preserve the character, integrity, and stability of residential neighborhoods in which short-term rental properties are located. This ~~chapter~~Chapter is not intended to regulate hotels, motels, hospitals or interval occupancy uses [as defined in section 16-10-103(D)(2), *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983)].

(Ord. No. 2022-08, § 1, 5-17-22)

### Sec. 10-2-20. Definitions.

In this ~~chapter~~Chapter, the following terms are defined terms and when capitalized in the text of this ~~chapter~~Chapter, mean:

- ~~(1)~~ (1) Agent means an individual authorized by an Owner to act on the Owner's behalf in connection with any Short-Term Rental Property or Short-Term Rental.
- ~~(2)~~ (2) Bedroom means a room within a Short-Term Rental Property that is designated, designed and used as a sleeping area rather than a living, dining, or common space. The room must meet building and safety codes and be primarily used for sleeping and typically contains at least one window, a door, and a bed or other sleeping furniture. As used in this Chapter, "Bedroom" has the same meaning as "Sleeping Area" in the National Fire Alarm and Signaling Code (NFPA 72).
- ~~(3)~~ (3) Maximum Occupancy means the maximum number of persons permitted to be in a Short-Term Rental Property at any time, as set out in Section 10-2-50(b) below
- ~~(4)~~ (4) Owner means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, who or which owns one or more short-term rental propertiesShort-Term Rental Properties.
- ~~(2)~~ Short-term lessee means any person occupying all or any part of a short-term rental property or any other property under any lease or other form of agreement for a period of less than thirty (30) days.
- ~~(3)~~ Short-term rental means the leasing of any short-term rental property(5) Short-Term Rental means the advertising, offering, leasing, use and/or operation of any Short-Term Rental Property or permitting the occupancy of any short-term rental property or any other property by a lease or any other form of agreement for periods less than thirty (30) consecutive days.
- ~~(4)~~ Short-term rental agent means a person authorized by an owner to act on the owner's behalf in connection with any short-term rental property or short-term rental.
- ~~(5)~~ Short-term rental permit(6) Short-Term Rental Permit ("STR Permit") means an annual permit that an ownerOwner must obtain from the Town of Hilton Head Island, South Carolina for each of an owner's

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~~short term rental properties, described in section 10-2-20 below. It is a violation of this chapter to offer any short term rental property or any other~~Owner's Short-Term Rental Properties.

- (7) ~~Short-Term Rental Property ("STR Property") means any~~ residential property in the municipal limits of the Town ~~of Hilton Head Island, South Carolina, for short term rental without first obtaining a short-term rental permit from the Town of Hilton Head Island, South Carolina for any such property.~~
- (6) ~~Short term rental property means any residential property in the municipal limits of the Town of Hilton Head Island, South Carolina, that, in whole or in part, is~~ advertised, offered for lease or occupancy, leased, used, operated, and/or occupied under a lease or any other form of agreement, for a Short-Term Rental.
- (8) ~~Short-Term Rental Tenant ("STR Tenant") means any individual, or group of individuals, occupying all or any part of a Short-Term Rental Property, however described, in any agreement for a Short-Term Rental. For purposes of this Chapter, Short-Term Rental Tenant includes the terms lessee, renter, or any other term used in any agreement for a Short-Term Rental between the Owner and any person or group of individuals.~~
- (9) ~~Official means the officer, employee or agent designated by the Town Manager to administer and implement the requirements and regulations of this Chapter.~~
- (10) ~~Written Notice means any notice required or authorized by this Chapter. Written Notice includes administrative citations authorized in Section 10-2-60(b). A Written Notice may delivered by personal service to the Owner or Agent, or by certified mail, return receipt requested, addressed to the Owner or Agent at the address for the Owner or Agent shown on the application for the current Short-Term Rental Permit or the most recent address provided in writing to the Official by the Owner or Agent. The Written Notice will be deemed to have been delivered on the date of personal service as documented on an affidavit of service, or on the date that the certified mail return receipt is signed for by, or on behalf of, the Owner or Agent.~~

An Owner or Agent may authorize the delivery of any Written Notice authorized or required by the Chapter in the form of electronic mail in the STR Permit application. By authorizing delivery of Written Notice by electronic mail, the Owner or Agent acknowledges that any Written Notice delivered by way of electronic mail to the electronic mail address shown in the STR Permit application, or the most recent electronic mail address provided to the Town by the Owner or Agent in writing complies with the requirements of this Chapter and any other law regarding delivery of legal notices. The Written Notice by way of electronic mail shall be deemed to have been delivered on the date the electronic return receipt is received by the Official.

The defined terms include the plural of any term set out in this section 10-2-20.

(Ord. No. 2022-08, § 2, 5-17-22)

## **Sec. 10-2-30. Short-term rental permit**Term Rental Permit.

- (a) Any ~~owner~~Owner who advertises, offers, uses, and/or operates any ~~short-term rental property~~STR Property for ~~short term rental~~Short-Term Rental must first obtain a ~~short term rental permit~~STR Permit from the Town ~~of Hilton Head Island, South Carolina.~~
- (1) ~~Short term rental permits~~STR Permits shall be valid from January 1 to December 31 of any calendar year and shall only be valid for the calendar year during which the ~~short-term rental permit~~STR Permit is issued, irrespective of the date on which the ~~short-term rental permit~~STR Permit is issued.
- (2) A ~~short term rental permit~~separate STR Permit must be obtained for each ~~short-term rental property~~STR Property that is offered for ~~short term rental~~Short-Term Rental.

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- (3) ~~Short term rental permits~~STR Permits are non-transferrable and non-refundable and are only valid for the ~~short term rental property~~Owner and the STR Property described in the ~~short term rental permit~~STR Permit.
- (4) It is the duty of the ~~owner~~Owner to notify the Town ~~of Hilton Head Island, South Carolina~~, of any changes to the contact information of the ~~owner~~Owner and any ~~short term rental agent~~Agent employed or engaged by the ~~owner~~Owner for each ~~short term rental permit~~STR Permit issued to the ~~owner~~Owner.
- (5) The application ~~fee and late fees~~ for a ~~short term rental permit~~STR Permit shall be set each year by the ~~town council~~Town Council in the annual budget ordinance.
- (6) The application for a ~~short term rental permit~~STR Permit shall be made on a form published by the Town ~~of Hilton Head Island, South Carolina, and~~ and must be delivered to the Town with the application fee.
- a. Any application for a ~~short term rental permit~~STR Permit for a single-family detached residence must include a site plan showing compliance with the requirements of ~~section~~Section 10-2-50(c) and 10-2-50(d).
- (7) Review of an application for a ~~short term rental permit~~STR Permit shall be conducted by the ~~Town of Hilton Head Island, South Carolina~~Official, and the ~~short term rental permit~~STR Permit shall be granted unless the ~~owner fails to meet the conditions and requirements of this chapter, or otherwise~~Owner fails to demonstrate:
- a. ~~Compliance~~ compliance with this ~~chapter, or~~ Chapter.
- b. ~~There are no outstanding citations for any activities occurring at or connected with the short-term rental property; or~~
- c. ~~Any other town ordinance or any relevant state or federal law regarding activities at the short-term rental property.~~
- (8) Any false statements or inaccurate or untrue information in the application are grounds for revocation or suspension of the ~~short term rental permit~~STR Permit and ~~/or~~ imposition of penalties, including denial of future applications.
- (b) Every person or business entity which:
- ~~(1)~~ Acts acts as a ~~short term rental agent~~an Agent, and
- ~~(2)~~ Submitssubmits an application for ~~short term rental permit~~a STR Permit on behalf of any ~~owner~~Owner, must submit a complete application that includes all the information required in the form of the application and which has been signed by the ~~owner~~Owner or Agent.
- (Ord. No. 2022-08, § 3, 5-17-22)

## **Sec. 10-2-40. Licenses, permits, payment of fees and taxes fees required.**

No ~~owner~~Owner or Agent may advertise, offer, use, and/or operate any ~~short term rental property~~STR Property for ~~short term rental without initially~~Short-Term Rental unless the Owner first and on a continuing basis: thereafter:

- (1) ~~Obtaining~~Obtains and maintains a valid and current ~~short term rental permit~~STR Permit from the Town ~~of Hilton Head Island, South Carolina; and;~~
  - (2) ~~Obtaining~~Obtains and maintains a valid and current business license for ~~short term rental~~Short-Term Rental of property from the Town ~~of Hilton Head Island, South Carolina; and;~~
  - (3) ~~Paying all~~Pays:
-

a. All applicable fees and taxes associated with any application for a short-term rental permit STR Permit or business license; and all

c. All sales, use or any other similar taxes in connection with any short-term rental, paying all Short-Term Rental,

c. All ad valorem taxes and government fees for any short-term rental property STR Property; and

d. All fines, late fees or any other similar charges arising from any Short-Term Rental or the operation, occupancy and use of a STR Property.

(4) Upon identification of a delinquent fees or fines due to the Town, the Official has the authority to establish payment plans, revenue procedures, and reduce or waive penalties.

(Ord. No. 2022-08, § 4, 5-17-22)

## **Sec. 10-2-50. Regulations for ~~short~~Short-term rentals and ~~short~~Short-term rental properties.**

(a) General regulations Regulations. During any ~~lease~~Short-Term Rental of any ~~short-term rental property~~STR Property, the ~~owner, Owner~~ or ~~the short-term rental agent Agent:~~

(1) Shall be available during any ~~short-term rental~~Short-Term Rental period to respond to a complaint or ~~any~~ other matter related to the ~~operation or~~ behavior of any ~~short-term lessee~~STR Tenant, or the operation of the short-term rental property; and the STR Property;

(2) Shall be available ~~by telephone at all times~~ during ~~the short-term rental~~any Short-Term Rental period and capable of being physically present at the ~~short-term rental property~~STR Property, or taking other responsive action, within one (1) hour of notification of a complaint or ~~any~~ other matter related to the ~~short-term rental property; and~~STR Property;

(3) Shall prominently display in the ~~short-term rental unit~~STR Property contact information for the ~~owner Owner~~ or ~~short-term rental agent Agent~~ responsible for responding to complaints; and any other matters;

(4) Shall maintain fully operable ~~and building and fire code compliant~~ smoke and carbon monoxide detectors in the ~~short-term rental property~~STR Property in such number and in such locations in the STR Property as required by this Chapter or any other applicable building, fire or safety code, or any other code, regulation or law; and;

(5) Shall maintain at least one ~~(1), or such other number as is required by any applicable building, fire or other applicable code,~~ fully operable and charged fire extinguisher; and in the STR Property or other such number and/or location in the STR Property as required by any applicable building, fire or safety code, or any other code, regulation or law;

~~(6)~~(6) For Short-term rental properties having 3,600 square feet or more of finished space as reported by the Beaufort County Assessor's Office, there shall be a fire alarm system monitored by an approved supervising station (i.e., monitoring company) in accordance with the National Fire Alarm and Signaling Code (NFPA 72) consisting of the following:

a. A functioning automatic smoke detection system that activates an occupant notification system. Single- or multiple-station smoke alarms shall be installed in all the following locations:

i. In sleeping areas.

ii. In every room in the path of the means of egress from the sleeping area to the door leading from the sleeping unit.

iii. In each story within the STR Property, including basements. For STR Properties with split levels and without an intervening door between the adjacent levels, a smoke alarm installed

on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.

b. A manual fire alarm system that activates the occupant notification system;

(7) Any exterior gas-fired grill at any STR Property shall be equipped with an automatic shut-off timer allowing no more than sixty (60) minutes of gas flow;

(8) Shall maintain unobstructed escape routes from the ~~short-term rental property~~ STR Property in the event of fire; and

(79) Shall ~~notify all prospective short-term lessees in writing~~ prominently display notice of the existence of any swimming pool or hot tub at the ~~short-term rental property~~ STR Property and ~~any the location of safety equipment related to the swimming pool or hot tub prior to making any agreement for any short-term rental.~~

(1) ~~Shall~~ (10) Shall list the valid STR Permit number as issued by the Town in any advertisement for the STR Property.

(b) Occupancy Regulations. During any occupancy of any STR Property the Owner, Agent, and the STR Tenant shall not permit the occupancy of the STR Property to exceed the Maximum Occupancy limits specified in Table 10-2-50(b) immediately below. The Owner or Agent shall prominently display in the STR Property the Maximum Occupancy in accordance with Table 10-2-50(b).

Table 10-2-50(b)

| <u>Number of Bedrooms</u> | <u>Maximum Occupancy</u> |
|---------------------------|--------------------------|
| <u>Studio</u>             | <u>3</u>                 |
| <u>1</u>                  | <u>4</u>                 |
| <u>2</u>                  | <u>6</u>                 |
| <u>3</u>                  | <u>8</u>                 |
| <u>4</u>                  | <u>10</u>                |
| <u>5</u>                  | <u>13</u>                |
| <u>6</u>                  | <u>17</u>                |
| <u>7</u>                  | <u>19</u>                |
| <u>8</u>                  | <u>22</u>                |
| <u>9</u>                  | <u>22</u>                |
| <u>10</u>                 | <u>23</u>                |

(c) Noise regulations. ~~During any lease of any short-term rental property, the owner, or the short-term rental agent:~~

(1) The Owner or Agent shall prominently display the following information in ~~a prominent location in the short-term rental property~~ the STR Property:

a. In the Town ~~of Hilton Head Island, South Carolina~~, it is unlawful to unreasonably disturb the peace and quiet of those in their homes and public places (Title 17, Chapter 4, Town Code); and

b. ~~Quiet~~ Nighttime hours are between 10:00 ~~01~~ p.m. and 7:00 ~~6:59~~ a.m., though ~~town~~ Town noise regulations are in force twenty-four (24) hours each day (Title 17, Chapter 4, Town Code).

(2) ~~Shall~~ The Owner or Agent shall notify all prospective ~~short-term lessees~~ STR Tenants in writing of the provisions of subsection (b)(1)(a)(b) above ~~to the short-term lessee~~ prior to making any agreement for any ~~short-term rental~~ Short-Term Rental.

(3) The Owner, Agent, and STR Tenant shall comply with the nighttime hours specified in Section 10-2-50(c)(1).

~~(d)~~ *Trash regulations.* During any lease of any short-term rental property, the owner, or the short-term rental agent:

~~(1)~~ The Owner or Agent shall maintain a designated trash storage area ~~for use of short-term lessees at the short-term rental property at each STR Property.~~ The Owner or Agent shall ensure:

- a. The designated trash storage area ~~shall be~~ fenced or screened so that trash containers are not seen from public streets and neighboring property, except during designated pick-up times; ~~and~~
- b. ~~The owner shall prominently display instructions~~ Instructions for managing trash disposal, including designated pick-up times ~~and, if applicable, relevant property owner association requirements in is prominently displayed at the short-term rental property.~~ STR Property;
- c. ~~The owner shall ensure any~~ Any outdoor trash containers remain secured at all times to avoid spills and pests; ~~and~~
- d. ~~The owner shall ensure that trash~~ Trash containers are not placed curbside more than twenty-four (24) hours prior to scheduled pick-up times and will be removed no more than twenty-four (24) hours after pick-up.

~~(e)~~ *Parking regulations.* During any ~~lease occupancy~~ of any ~~short-term rental property~~ STR Property:

~~(1)~~ The ~~owner must~~ Owner or Agent shall ~~designate the number of~~ identify the location of parking spaces on the STR Permit and shall not allow more than six (6) vehicles ~~allowed to be parked on the premises~~ STR Property during any ~~short-term rental~~ Short-Term Rental and ~~shall~~ designate the on-site ~~areas available spaces~~ for the parking of vehicles.

~~(2)~~ The areas for parking of vehicles must be improved with either a pervious or impervious surface. Parking areas must include a space at least nine (9) feet by eighteen (18) feet for each vehicle allowed to be parked on the premises ~~and improved with an impermeable or semi-impermeable surface.~~ Areas for parking must comply with all other applicable requirements of section Section 16-1-101, et seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983).

~~(23)~~ The ~~owner~~ Owner or Agent must notify all prospective ~~short-term lessees~~ STR Tenants in writing of the maximum number of vehicles permitted at the ~~short-term rental property~~ STR Property prior to making any agreement for any ~~short-term rental~~ Short-Term Rental.

~~(34)~~ The ~~owner must ensure that no~~ Owner, Agent, or any STR Tenant shall not permit any vehicles associated with the ~~short-term lessee will park~~ STR Property to be parked off-site, on-street (including ~~in~~ adjacent rights-of-way, ~~during or access easements~~), in a required buffer (excluding in driveways crossing a required buffer), or on any unimproved surface on the ~~short-term rental lease~~ STR Property.

~~(e)~~ *Miscellaneous regulations.* During any short-term rental lease of any short-term rental property: ~~(f)~~ Inspections and Compliance Regulations.

~~(1)~~ The ~~owner~~ Owner or Agent shall prominently display in any ~~short-term rental property~~ STR Property any ~~town~~ Town-provided outreach and awareness materials related to applicable ~~town~~ Town requirements.

~~(2)~~ ~~Short-term rental properties must be properly maintained and regularly inspected by~~ The Owner or Agent is responsible for inspecting the ~~owner or short-term rental agent~~ STR Property to ensure continued compliance with this ~~chapter~~ Chapter and all other applicable zoning, building, health and life-safety code requirements.

~~(3)~~ In addition to the requirements of this ~~chapter~~ Chapter, any ~~short-term rental property~~ STR Property must also comply with all other statutes, ordinances, regulations or private covenants applicable to the ~~short-term rental property~~ STR Property. Nothing in this ~~chapter~~ Chapter is intended to authorize waiver of or limitations on compliance with any ~~such other applicable statutes, ordinances, regulations or~~ requirements.

(Ord. No. 2022-08, § 5, 5-17-22)

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## Sec. 10-2-60. Violations.

- (a) *Violations.* It shall be a violation of this ~~chapter~~Chapter for any Owner or Agent to:
- (1) Lease, offer, advertise, operate, occupy, or use any ~~short-term rental~~ property for a ~~short-term rental~~ without complying with the requirements of this chapter.
  - ~~(2) Advertise any residential property for a short-term rental~~Short-Term Rental without first complying with the requirements of this ~~chapter~~Chapter; or
  - (2) Enter into any agreement for Short-Term Rental of any property without first without complying with the requirements of this Chapter; or
  - (3) Fail to comply with any requirement of this ~~chapter~~Chapter.
- (b) *Administrative Citation.* Violations of this ~~chapter~~Chapter are subject to administrative citations and fines. When the Official or Code Enforcement Officer finds that an Owner or Agent has violated, or continues to violate, any provision of this Chapter, a STR Permit or order issued hereunder, the Official or Code Enforcement Officer may issue an Administrative Citation. Issuance of an administrative citation or fine shall not be a bar against, or a prerequisite for, taking any other action against the Owner or Agent.
- (1) Content of Administrative Citation. The Administrative Citation must be issued on a form approved by the Official and shall contain the following information:
    - i. Date, location and approximate time of violation;
    - ii. The Ordinance section violated and a brief description of the violation;
    - iii. The amount of the administrative penalty;
    - iv. Instructions for payment of administrative penalty and time period by which it shall be paid and consequences for a failure to pay the penalty within the specified time period;
    - v. Instructions on how to appeal the administrative citation; and
    - vi. The signature of the Official or Code Enforcement Officer who is administering the administrative citation.
  - (2) Service of Administrative Citation.
    - i. If the Owner or Agent is present at the time of the violation then the Official or Code Enforcement Officer shall attempt to obtain their signature on the administrative citation and provide a copy of the citation.
    - ii. If the Owner or Agent is not present, and is otherwise unavailable at the time of the violation then the Official or Code Enforcement Officer shall post a copy of the citation in a conspicuous location on the STR Property and attempt to deliver a copy of the administrative citation to the address provided for as the contact on the STR Permit if the said address is within the Town of Hilton Head Island.
    - iii. If the Owner or Agent has authorized delivery of Written Notices by electronic mail under Section 10-2-20(10), the administrative citation may be delivered by electronic mail.
  - (3) Administrative Citation Penalties. The penalties for an administrative citation shall be fine in an amount not to exceed five hundred dollars (\$500) for the first offense and one thousand dollars (\$1,000) for any subsequent offense. Fines may be assessed on a per violation basis. If the violation is not corrected within twenty-four (24) hours of receiving the first administrative citation, then additional administrative citations may be issued daily until corrected. The Official or Code Enforcement Officer may add the costs of preparing administrative enforcement actions, such as notices and orders, to the fine.

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Failure to pay an administrative citation fine may result in a revocation of a STR Permit, denial of a renewal of a STR Permit, or prosecution as provided for in this Chapter.

- (4) Appeal. An Owner or Agent desiring to dispute an administrative citation or fine must file a written request for the Official to reconsider along with full payment of the fine amount within fifteen (15) calendar days of being notified of the administrative citation. Failure to file a notice of appeal in writing within the established time period shall constitute a waiver of the right to appeal the administrative citation.

Upon receipt of a written appeal, the Official will convene a hearing on the matter. The hearing officer shall be designated by the Town Manager and shall not be the individual who issued the administrative citation or their immediate supervisor. In the event the Owner or Agent's appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the Owner.

- (5) Appeal to Circuit Court. Any person who receives an unfavorable decision from the decision of an administrative appeal may file an appeal with the Circuit Court in Beaufort County. The appeal to Circuit Court must be filed within thirty (30) days of the notice of the administrative officer's decision being provided to the recipient of an administrative citation.

- (c) In addition to an Administrative Citation, violations of this Chapter are subject to the penalties and remedies available under ~~section~~Section 1-5-10, General penalty; continuing violation, ~~section~~Section 10-1-150, Business and professional licenses; suspension or revocation of license, ~~section~~Section 9-1-111, Public nuisance; prohibition, ~~et seq.~~ These remedies are in addition to any other remedies available at law or in equity for a violation.

(Ord. No. 2022-08, § 6, 5-17-22)

## **Sec. 10-2-70. Suspension or revocation of ~~short~~Short-term rental permit.**

- (a) Suspension. When the ~~town~~Official determines:

- (1) A ~~short-term rental permit~~STR Permit has been mistakenly or improperly issued or issued contrary to law; ~~or,~~
- (2) An ~~owner~~Owner has breached any condition upon which the ~~short-term rental permit~~STR Permit was issued; ~~or,~~
- (3) An ~~owner~~Owner has obtained a ~~short-term rental permit~~STR Permit through any fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the ~~short-term rental permit~~STR Permit application; ~~or,~~
- (4) An ~~owner~~Owner is delinquent in the payment to the ~~municipality~~Town of any ~~tax~~fee -or fee; ~~or,~~ ~~other fine required to be paid under this Chapter;~~
- (5) ~~An Owner is delinquent in the payment of any sales and use taxes arising from the Short-Term Rental of a STR Property, or any ad valorem taxes or government fees for a STR Property; or~~
- (6) ~~The operation of a short-term rental property~~STR Property has been declared a nuisance ~~in accordance with the Municipal Code;~~ ~~or,~~
- (6) More than two (2) convictions for violations of the Municipal Code of the Town ~~of Hilton Head Island, South Carolina,~~ arising from any activities at, or connected with, a ~~short-term rental property~~STR Property occur within any twelve-month period.

~~Then~~then the ~~town~~Town may give ~~written notice~~Written Notice to the ~~owner~~Owner that the ~~short-term rental permit~~STR Permit is suspended for a period of one-year and may be revoked, pending a single hearing before ~~town council~~Town Council for the purpose of determining whether the suspension should be upheld ~~and~~or whether the ~~short-term rental permit~~STR Permit should be revoked.

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- (b) Revocation. The ~~written notice~~ Written Notice of suspension and proposed revocation shall state the time and place at which the hearing before ~~town council~~ Town Council is to be held and shall contain a brief statement of the reasons for the suspension ~~and or~~ proposed revocation ~~and a copy of the applicable provisions of this chapter. The written notice shall be delivered by personal service to the owner or short term rental agent, or by certified mail, return receipt requested, addressed to the owner or short term rental agent at the address for the owner or short term rental agent shown on the application for the short term rental permit. The written notice will be deemed to have been delivered on the date of personal service of the written notice as documented on an affidavit of service, or on the date that the certified mail return receipt is signed for by, or on behalf of, the owner or short term rental agent.~~
- (~~e~~1) The hearing before ~~town council~~ Town Council on the suspension and proposed revocation of any ~~short-term rental permit~~ STR Permit shall be held by ~~town council~~ Town Council within thirty (30) days after delivery of the ~~written notice~~ Written Notice described in this section 10-2-~~60~~ 70. The hearing shall be held upon ~~written notice~~ Written Notice at a regular or special meeting of ~~town council~~ Town Council. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The South Carolina rules of evidence and procedure prescribed by ~~town council~~ Town Council shall govern the hearing. Following the hearing, ~~town council~~ Town Council by majority vote of its members present, shall render a written decision setting out its findings of fact and conclusions. The written final decision shall constitute the final decision of ~~town council~~ Town Council. The written final decision shall be delivered to the ~~owner~~ Owner in the same manner as any other Written Notice under this Chapter unless a different person and method of delivery is requested by the ~~owner~~ Owner at the hearing.
- (~~d~~2) The written decision of ~~town council~~ Town Council may be appealed to the circuit court in the same manner as appeals are made from the decisions of other administrative bodies of the Town ~~of Hilton Head Island, South Carolina.~~ An appeal, in and of itself, does not stay the effect of ~~town council's~~ Town Council's decision.

(Ord. No. 2022-08, § 7, 5-17-22)

ATTACHMENT 2  
(EXHIBIT A TO ORDINANCE)

TITLE 10 - BUSINESS AND PROFESSIONAL LICENSING; FRANCHISING AND REGULATION  
Chapter 2 SHORT-TERM RENTALS

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## Chapter 2 SHORT-TERM RENTALS

### Sec. 10-2-10. Purpose and intent.

It is the purpose and intent of this Chapter to establish regulations for privately owned residential property that is rented to transient occupants for periods of less than thirty (30) consecutive days in the municipal limits of the Town of Hilton Head Island, South Carolina ("Town"), to promote the health, safety and welfare of residents of and visitors to the Town and to minimize the potential adverse effects of short-term rental uses on surrounding residential properties and neighborhoods, and to preserve the character, integrity, and stability of residential neighborhoods in which short-term rental properties are located. This Chapter is not intended to regulate hotels, motels, hospitals or interval occupancy uses [as defined in section 16-10-103(D)(2), *Municipal Code of the Town of Hilton Head Island, South Carolina* (1983)].

(Ord. No. 2022-08, § 1, 5-17-22)

### Sec. 10-2-20. Definitions.

In this Chapter, the following terms are defined terms and when capitalized in the text of this Chapter, mean:

- (1) *Agent* means an individual authorized by an Owner to act on the Owner's behalf in connection with any Short-Term Rental Property or Short-Term Rental.
- (2) *Bedroom* means a room within a Short-Term Rental Property that is designated, designed and used as a sleeping area rather than a living, dining, or common space. The room must meet building and safety codes and be primarily used for sleeping and typically contains at least one window, a door, and a bed or other sleeping furniture. As used in this Chapter, "Bedroom" has the same meaning as "Sleeping Area" in the National Fire Alarm and Signaling Code (NFPA 72).
- (3) *Maximum Occupancy* means the maximum number of persons permitted to be in a Short-Term Rental Property at any time, as set out in Section 10-2-50(b) below
- (4) *Owner* means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, who or which owns one or more Short-Term Rental Properties.
- (5) *Short-Term Rental* means the advertising, offering, leasing, use and/or operation of any Short-Term Rental Property or permitting the occupancy of any short-term rental property or any other property by a lease or any other form of agreement for periods less than thirty (30) consecutive days.
- (6) *Short-Term Rental Permit ("STR Permit")* means an annual permit that an Owner must obtain from the Town for each of an Owner's Short-Term Rental Properties.
- (7) *Short-Term Rental Property ("STR Property")* means any residential property in the municipal limits of the Town, that, in whole or in part, is advertised, offered, leased, used, operated, and/or occupied under a lease or any other form of agreement for a Short-Term Rental.
- (8) *Short-Term Rental Tenant ("STR Tenant")* means any individual, or group of individuals, occupying all or any part of a Short-Term Rental Property, however described, in any agreement for a Short-Term Rental. For purposes of this Chapter, Short-Term Rental Tenant includes the terms lessee, renter, or any other

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term used in any agreement for a Short-Term Rental between the Owner and any person or group of individuals.

- (9) *Official* means the officer, employee or agent designated by the Town Manager to administer and implement the requirements and regulations of this Chapter.
- (10) *Written Notice* means any notice required or authorized by this Chapter. Written Notice includes administrative citations authorized in Section 10-2-60(b). A Written Notice may delivered by personal service to the Owner or Agent, or by certified mail, return receipt requested, addressed to the Owner or Agent at the address for the Owner or Agent shown on the application for the current Short-Term Rental Permit or the most recent address provided in writing to the Official by the Owner or Agent. The Written Notice will be deemed to have been delivered on the date of personal service as documented on an affidavit of service, or on the date that the certified mail return receipt is signed for by, or on behalf of, the Owner or Agent.

An Owner or Agent may authorize the delivery of any Written Notice authorized or required by the Chapter in the form of electronic mail in the STR Permit application. By authorizing delivery of Written Notice by electronic mail, the Owner or Agent acknowledges that any Written Notice delivered by way of electronic mail to the electronic mail address shown in the STR Permit application, or the most recent electronic mail address provided to the Town by the Owner or Agent in writing complies with the requirements of this Chapter and any other law regarding delivery of legal notices. The Written Notice by way of electronic mail shall be deemed to have been delivered on the date the electronic return receipt is received by the Official.

The defined terms include the plural of any term set out in this section 10-2-20.

(Ord. No. 2022-08, § 2, 5-17-22)

### **Sec. 10-2-30. Short-Term Rental Permit.**

- (a) Any Owner who advertises, offers, uses, and/or operates any STR Property for Short-Term Rental must first obtain a STR Permit from the Town.
  - (1) STR Permits shall be valid from January 1 to December 31 of any calendar year and shall only be valid for the calendar year during which the STR Permit is issued, irrespective of the date on which the STR Permit is issued.
  - (2) A separate STR Permit must be obtained for each STR Property that is offered for Short-Term Rental.
  - (3) STR Permits are non-transferrable and non-refundable and are only valid for the Owner and the STR Property described in the STR Permit.
  - (4) It is the duty of the Owner to notify the Town, of any changes to the contact information of the Owner and any Agent employed or engaged by the Owner for each STR Permit issued to the Owner.
  - (5) The application and late fees for a STR Permit shall be set each year by the Town Council in the annual budget ordinance.
  - (6) The application for a STR Permit shall be made on a form published by the Town and must be delivered to the Town with the application fee.
    - a. Any application for a STR Permit for a single-family detached residence must include a site plan showing compliance with the requirements of Section 10-2-50(c) and 10-2-50(d).
  - (7) Review of an application for a STR Permit shall be conducted by the Official, and the STR Permit shall be granted unless the Owner fails to demonstrate compliance with this Chapter.
  - (8) Any false statements or inaccurate or untrue information in the application are grounds for revocation or suspension of the STR Permit and imposition of penalties, including denial of future applications.

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- (b) Every person or business entity which acts as an Agent, and submits an application for a STR Permit on behalf of any Owner, must submit a complete application that includes all the information required in the form of the application and which has been signed by the Owner or Agent.

(Ord. No. 2022-08, § 3, 5-17-22)

### **Sec. 10-2-40. Licenses, permits, payment of fees and taxes fees required.**

No Owner or Agent may advertise, offer, use, and/or operate any STR Property for Short-Term Rental unless the Owner first and on a continuing basis thereafter:

- (1) Obtains and maintains a valid and current STR Permit from the Town;
- (2) Obtains and maintains a valid and current business license for Short-Term Rental of property from the Town;
- (3) Pays:
  - a. All applicable fees associated with any application for a STR Permit or business license; and
  - c. All sales, use or any other similar taxes in connection with any Short-Term Rental,
  - c. All *ad valorem* taxes and government fees for any STR Property; and
  - d. All fines, late fees or any other similar charges arising from any Short-Term Rental or the operation, occupancy and use of a STR Property.
- (4) Upon identification of a delinquent fees or fines due to the Town, the Official has the authority to establish payment plans, revenue procedures, and reduce or waive penalties.

(Ord. No. 2022-08, § 4, 5-17-22)

### **Sec. 10-2-50. Regulations for Short-term rentals and Short-term rental properties.**

- (a) *General Regulations.* During any Short-Term Rental of any STR Property, the Owner or Agent:
- (1) Shall be available during any Short-Term Rental period to respond to a complaint or any other matter related to the behavior of any STR Tenant, or the operation of the the STR Property;
  - (2) Shall be available during any Short-Term Rental period and capable of being physically present at the STR Property, or taking other responsive action, within one (1) hour of notification of a complaint or any other matter related to the STR Property;
  - (3) Shall prominently display in the STR Property contact information for the Owner or Agent responsible for responding to complaints and any other matters;
  - (4) Shall maintain fully operable smoke and carbon monoxide detectors in the STR Property in such number and in such locations in the STR Property as required by this Chapter or any other applicable building, fire or safety code, or any other code, regulation or law;
  - (5) Shall maintain at least one fully operable and charged fire extinguisher in the STR Property or other such number and/or location in the STR Property as required by any applicable building, fire or safety code, or any other code, regulation or law;
  - (6) For Short-term rental properties having 3,600 square feet or more of finished space as reported by the Beaufort County Assessor's Office, there shall be a fire alarm system monitored by an approved supervising station (i.e., monitoring company) in accordance with the National Fire Alarm and Signaling Code (NFPA 72) consisting of the following:

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- a. A functioning automatic smoke detection system that activates an occupant notification system. Single- or multiple-station smoke alarms shall be installed in all the following locations:
    - i. In sleeping areas.
    - ii. In every room in the path of the means of egress from the sleeping area to the door leading from the sleeping unit.
    - iii. In each story within the STR Property, including basements. For STR Properties with split levels and without an intervening door between the adjacent levels, a smoke alarm installed on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.
  - b. A manual fire alarm system that activates the occupant notification system;
- (7) Any exterior gas-fired grill at any STR Property shall be equipped with an automatic shut-off timer allowing no more than sixty (60) minutes of gas flow;
  - (8) Shall maintain unobstructed escape routes from the STR Property in the event of fire; and
  - (9) Shall prominently display notice of the existence of any swimming pool or hot tub at the STR Property and the location of safety equipment related to the swimming pool or hot tub.
  - (10) Shall list the valid STR Permit number as issued by the Town in any advertisement for the STR Property.
- (b) *Occupancy Regulations.* During any occupancy of any STR Property the Owner, Agent, and the STR Tenant shall not permit the occupancy of the STR Property to exceed the Maximum Occupancy limits specified in Table 10-2-50(b) immediately below. The Owner or Agent shall prominently display in the STR Property the Maximum Occupancy in accordance with Table 10-2-50(b).

Table 10-2-50(b)

| Number of Bedrooms | Maximum Occupancy |
|--------------------|-------------------|
| Studio             | 3                 |
| 1                  | 4                 |
| 2                  | 6                 |
| 3                  | 8                 |
| 4                  | 10                |
| 5                  | 13                |
| 6                  | 17                |
| 7                  | 19                |
| 8                  | 22                |
| 9                  | 22                |
| 10                 | 23                |

- (c) *Noise regulations.*
- (1) The Owner or Agent shall prominently display the following information in the STR Property:
    - a. In the Town, it is unlawful to unreasonably disturb the peace and quiet of those in their homes and public places (Title 17, Chapter 4, Town Code); and
    - b. Nighttime hours are between 10:01 p.m. and 6:59 a.m., though Town noise regulations are in force twenty-four (24) hours each day (Title 17, Chapter 4, Town Code).
  - (2) The Owner or Agent shall notify all prospective STR Tenants in writing of the provisions of subsection (c)(1)(a)(b) above prior to making any agreement for any Short-Term Rental.

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- (3) The Owner, Agent, and STR Tenant shall comply with the nighttime hours specified in Section 10-2-50(c)(1).
- (d) *Trash regulations.* The Owner or Agent shall maintain a designated trash storage area at each STR Property. The Owner or Agent shall ensure:
- a. The designated trash storage area is fenced or screened so that trash containers are not seen from public streets and neighboring property, except during designated pick-up times;
  - b. Instructions for managing trash disposal, including designated pick-up times is prominently displayed at the STR Property;
  - c. Any outdoor trash containers remain secured at all times to avoid spills and pests; and
  - d. Trash containers are not placed curbside more than twenty-four (24) hours prior to scheduled pick-up times and will be removed no more than twenty-four (24) hours after pick-up.
- (e) *Parking regulations.* During any occupancy of any STR Property:
- (1) The Owner or Agent shall identify the location of parking spaces on the STR Permit and shall not allow more than six (6) vehicles to be parked on the STR Property during any Short-Term Rental and shall designate the on-site spaces for the parking of vehicles.
  - (2) The areas for parking of vehicles must be improved with either a pervious or impervious surface. Parking areas must include a space at least nine (9) feet by eighteen (18) feet for each vehicle allowed to be parked on the premises. Areas for parking must comply with all other applicable requirements of Section 16-1-101, et seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983).
  - (3) The Owner or Agent must notify all prospective STR Tenants in writing of the maximum number of vehicles permitted at the STR Property prior to making any agreement for any Short-Term Rental.
  - (4) The Owner, Agent, or any STR Tenant shall not permit any vehicles associated with the STR Property to be parked off-site, on-street (including adjacent rights-of-way or access easements), in a required buffer (excluding in driveways crossing a required buffer), or on any unimproved surface on the STR Property.
- (f) *Inspections and Compliance Regulations.*
- (1) The Owner or Agent shall prominently display in any STR Property any Town-provided outreach and awareness materials related to applicable Town requirements.
  - (2) The Owner or Agent is responsible for inspecting the STR Property to ensure continued compliance with this Chapter and all other applicable zoning, building, health and life-safety code requirements.
  - (3) In addition to the requirements of this Chapter, any STR Property must also comply with all other statutes, ordinances, regulations or private covenants applicable to the STR Property. Nothing in this Chapter is intended to authorize waiver of or limitations on compliance with any other applicable statutes, ordinances, regulations or requirements.

(Ord. No. 2022-08, § 5, 5-17-22)

## **Sec. 10-2-60. Violations.**

- (a) *Violations.* It shall be a violation of this Chapter for any Owner or Agent to:
- (1) Lease, offer, advertise, operate, occupy, or use any property for a Short-Term Rental without first complying with the requirements of this Chapter; or
  - (2) Enter into any agreement for Short-Term Rental of any property without first without complying with the requirements of this Chapter; or
  - (3) Fail to comply with any requirement of this Chapter.

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(b) *Administrative Citation.* Violations of this Chapter are subject to administrative citations and fines. When the Official or Code Enforcement Officer finds that an Owner or Agent has violated, or continues to violate, any provision of this Chapter, a STR Permit or order issued hereunder, the Official or Code Enforcement Officer may issue an Administrative Citation. Issuance of an administrative citation or fine shall not be a bar against, or a prerequisite for, taking any other action against the Owner or Agent.

(1) *Content of Administrative Citation.* The Administrative Citation must be issued on a form approved by the Official and shall contain the following information:

- i. Date, location and approximate time of violation;
- ii. The Ordinance section violated and a brief description of the violation;
- iii. The amount of the administrative penalty;
- iv. Instructions for payment of administrative penalty and time period by which it shall be paid and consequences for a failure to pay the penalty within the specified time period;
- v. Instructions on how to appeal the administrative citation; and
- vi. The signature of the Official or Code Enforcement Officer who is administering the administrative citation.

(2) *Service of Administrative Citation.*

- i. If the Owner or Agent is present at the time of the violation then the Official or Code Enforcement Officer shall attempt to obtain their signature on the administrative citation and provide a copy of the citation.
- ii. If the Owner or Agent is not present, and is otherwise unavailable at the time of the violation then the Official or Code Enforcement Officer shall post a copy of the citation in a conspicuous location on the STR Property and attempt to deliver a copy of the administrative citation to the address provided for as the contact on the STR Permit if the said address is within the Town of Hilton Head Island.
- iii. If the Owner or Agent has authorized delivery of Written Notices by electronic mail under Section 10-2-20(10), the administrative citation may be delivered by electronic mail.

(3) *Administrative Citation Penalties.* The penalties for an administrative citation shall be fine in an amount not to exceed five hundred dollars (\$500) for the first offense and one thousand dollars (\$1,000) for any subsequent offense. Fines may be assessed on a per violation basis. If the violation is not corrected within twenty-four (24) hours of receiving the first administrative citation, then additional administrative citations may be issued daily until corrected. The Official or Code Enforcement Officer may add the costs of preparing administrative enforcement actions, such as notices and orders, to the fine.

Failure to pay an administrative citation fine may result in a revocation of a STR Permit, denial of a renewal of a STR Permit, or prosecution as provided for in this Chapter.

(4) *Appeal.* An Owner or Agent desiring to dispute an administrative citation or fine must file a written request for the Official to reconsider along with full payment of the fine amount within fifteen (15) calendar days of being notified of the administrative citation. Failure to file a notice of appeal in writing within the established time period shall constitute a waiver of the right to appeal the administrative citation.

Upon receipt of a written appeal, the Official will convene a hearing on the matter. The hearing officer shall be designated by the Town Manager and shall not be the individual who issued the administrative citation or their immediate supervisor. In the event the Owner or Agent's appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the Owner.

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- (5) *Appeal to Circuit Court.* Any person who receives an unfavorable decision from the decision of an administrative appeal may file an appeal with the Circuit Court in Beaufort County. The appeal to Circuit Court must be filed within thirty (30) days of the notice of the administrative officer's decision being provided to the recipient of an administrative citation.
- (c) In addition to an Administrative Citation, violations of this Chapter are subject to the penalties and remedies available under Section 1-5-10, General penalty; continuing violation, Section 10-1-150, Business and professional licenses; suspension or revocation of license, Section 9-1-111, Public nuisance; prohibition. These remedies are in addition to any other remedies available at law or in equity for a violation.
- (Ord. No. 2022-08, § 6, 5-17-22)

### **Sec. 10-2-70. Suspension or revocation of Short-term rental permit.**

- (a) *Suspension.* When the Official determines:
- (1) A STR Permit has been mistakenly or improperly issued or issued contrary to law;
  - (2) An Owner has breached any condition upon which the STR Permit was issued;
  - (3) An Owner has obtained a STR Permit through any fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the STR Permit application;
  - (4) An Owner is delinquent in the payment to the Town of any fee or other fine required to be paid under this Chapter;
  - (5) An Owner is delinquent in the payment of any sales and use taxes arising from the Short-Term Rental of a STR Property, or any *ad valorem* taxes or government fees for a STR Property; or
  - (6) The operation of a STR Property has been declared a nuisance in accordance with the Municipal Code; or
  - (7) More than two (2) convictions for violations of the Municipal Code of the Town, arising from any activities at, or connected with, a STR Property occur within any twelve-month period, then the Town may give Written Notice to the Owner that the STR Permit is suspended for a period of one-year and may be revoked, pending a single hearing before Town Council for the purpose of determining whether the suspension should be upheld or whether the STR Permit should be revoked.
- (b) *Revocation.* The Written Notice of suspension and proposed revocation shall state the time and place at which the hearing before Town Council is to be held and shall contain a brief statement of the reasons for the suspension or proposed revocation.
- (1) The hearing before Town Council on the suspension and proposed revocation of any STR Permit shall be held by Town Council within thirty (30) days after delivery of the Written Notice described in this section 10-2-70. The hearing shall be held upon Written Notice at a regular or special meeting of Town Council. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The South Carolina rules of evidence and procedure prescribed by Town Council shall govern the hearing. Following the hearing, Town Council by majority vote of its members present, shall render a written decision setting out its findings of fact and conclusions. The written final decision shall constitute the final decision of Town Council. The written final decision shall be delivered to the Owner in the same manner as any other Written Notice under this Chapter unless a different person and method of delivery is requested by the Owner at the hearing.
  - (2) The written decision of Town Council may be appealed to the circuit court in the same manner as appeals are made from the decisions of other administrative bodies of the Town. An appeal, in and of itself, does not stay the effect of Town Council's decision.
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(Ord. No. 2022-08, § 7, 5-17-22)