



Town of Hilton Head Island

Community Services and Public Safety Committee Meeting

Monday, September 15, 2025, 10:00 AM
1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers

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. **Adoption of the Agenda**
4. **Approval of the Minutes**
 - a. Regular Meeting Minutes of July 21, 2025
5. **Public Comment - Non Agenda Items**
6. **New Business**
 - a. Discussion Regarding Short-Term Rental Regulations - Shawn Leininger, Deputy Town Manager
7. **Adjournment**

FOIA Compliance: Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

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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
COMMUNITY SERVICES AND PUBLIC SAFETY
COMMITTEE MEETING
Monday, July 21, 2025, 10:00 AM
Minutes

Call to Order

Chair Becker called the meeting to order at 10:00 a.m.

Committee Members Present: Tamara Becker, Chair; Steve Alfred and Steve DeSimone

Other Members of Town Council Present: Patsy Brison and Melinda Tunner

Adoption of the Agenda

Mr. Alfred made a motion to amend the agenda to allow for public comment prior to the new business item. Mr. DeSimone seconded. Motion carried 3-0.

Mr. Alfred made a motion to adopt the agenda as amended. Mr. DeSimone seconded. Motion carried 3-0.

Approval of the Minutes

Special Meeting Minutes of June 3, 2025

Mr. Alfred made a motion to adopt. Mr. DeSimone seconded. Motion carried 3-0.

Regular Meeting Minutes of June 16, 2025

Mr. Alfred made a motion to adopt. Mr. DeSimone seconded. Motion carried 3-0.

Public Comment - Non Agenda Items

There was no public comment at this time.

New Business

Consideration of a Resolution Authorizing Application to the South Carolina Arts Commission for a Cultural District Designation on Hilton Head Island – Natalie Harvey, Office of Cultural Affairs Director

Natalie Harvey presented the Committee with the following information.

The South Carolina Arts Commission (SCAC) established the Cultural District Program in 2014 to promote placemaking and support local economies through the arts. A Cultural District is defined as a geographic area with a concentration of artistic assets, cultural facilities, creative businesses, and placemaking activities. To date, eleven South Carolina communities have received this designation: Aiken, Beaufort, Camden, Congaree Vista (Columbia), Florence, Georgetown, Greenwood, Hartsville, Town of Hilton Head Island Community Services and Public Safety Committee Meeting Minutes

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Lancaster, Rock Hill, and Spartanburg.

Ms. Harvey reported that the Town's Office of Cultural Affairs, in partnership with the Arts Council of Hilton Head Island and in consultation with SCAC, has completed the initial steps toward submitting a Cultural District application. Shelter Cove has been identified as the proposed Cultural District based on its existing concentration of venues, events, and public art. This initiative will support the Town's ongoing District Planning and cultural tourism strategies and align with regional and statewide arts efforts.

A preliminary inventory of the area's cultural assets has been completed and includes performing arts venues, outdoor music and festival spaces, public art and sculpture installations, arts-related businesses and nonprofit organizations, and the Office of Cultural Affairs. These assets will be further evaluated during an Asset Mapping Workshop with SCAC staff, scheduled for September 2025. A detailed application timeline has also been developed in coordination with SCAC.

It was noted that a formal Cultural District designation would recognize the Town's arts ecosystem, enhance visibility on state platforms, and make the Town eligible for future SCAC funding specific to Cultural Districts. Additional benefits include increased collaboration among arts organizations, enhanced community engagement, support for creative economic development, and improved data reporting through required annual and five-year SCAC evaluations. There is no cost to apply for or maintain the designation. Optional investments in events and staffing are currently supported by the Office of Cultural Affairs, and any future needs such as signage, branding, or promotional materials may be integrated into existing or future budgets and grant funding opportunities. This designation is expected to strengthen Hilton Head Island's position as a cultural destination, promote local pride, and attract visitors seeking authentic, community-based arts experiences.

Should Town Council wish for the Town Manager to pursue a Cultural District designation from the South Carolina Arts Commission, the Director of the Office of Cultural Affairs will move forward with the next steps. These include conducting an Asset Mapping Workshop with SCAC staff in September 2025, finalizing application components in Fall 2025, and submitting the formal Cultural District application in Spring 2026. Throughout this process, the Office will continue community engagement and planning efforts to support the designation.

Members of the Committee had questions, comments and discussion regarding: how the area of designation was chosen versus the whole Island; compliments of the detailed information and plan presented; did the Office of Cultural Affairs have discussion with any of the other districts that currently have a designation; clarification regarding the process of keeping the designation; comments that there are not a lot of places that government and the private sector work well together but it does here; and visitors travel to Hilton Head Island to enjoy things like this, and this is what makes it special.

Mr. Alfred made a motion to forward to Town Council for consideration of approval a resolution authorizing an application to the South Carolina Arts Commission for a Cultural District Designation on Hilton Head Island. Mr. DeSimone seconded.

Chair Backer asked for public comment.

Jane Joseph addressed the Committee and expressed her support for the Committee's consideration of the Cultural District designation, noting that the project originated in 2015. She also acknowledged Shelter Cove as a strong candidate for the designation, recognizing its successful development over time.

Mario Incorvaia commended Natalie Harvey, recognizing her as an ambassador for the arts not only locally on Hilton Head Island but also at the state level. He expressed his appreciation for her ongoing contributions to the local arts and culture community.

Motion carried 3-0.

Unrelated to the discussion, Chair Becker reported that she wanted to share a priority as Chair of the Community Services and Public Safety Committee. She acknowledged receiving ongoing public comments regarding concerning behavior and conditions on the Island. Ms. Becker emphasized that these issues are among her top priorities and assured the public that she is actively focused on addressing them. She announced plans to convene a group of stakeholders to discuss solutions aimed at improving safety and enhancing the Island's family-friendly environment. Chair Backer noted that some of the feedback she receives is distressing, and she hopes to move forward with actionable ideas in the near future.

Adjournment

Chair Becker adjourned the meeting at 10:20 a.m.

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov



TOWN OF HILTON HEAD ISLAND

Community Services & Public Safety Committee

TO: Town Council
FROM: Shawn Leininger, AICP, Deputy Town Manager
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: September 15, 2025
SUBJECT: Discussion Regarding Short-Term Rental Regulations

RECOMMENDATION:

Community Services & Public Safety Committee provide direction regarding short-term rental regulations.

BACKGROUND:

On February 18, 2025, Town Council reviewed first reading of an Ordinance amending Chapter 10-2 Short-Term Rentals of the Municipal Code 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. Generally, the proposed amendments included:

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.

Following review, a motion by Town Council to approve first reading and advance the amendments to seconding reading failed (3-4). Town Council requested the discussion related to this topic continue at a later date.

SUMMARY:

To continue the discussion regarding potential amendments to short-term rental regulations, Town staff attached the staff report, ordinance, referenced attachments, and presentation provided at the February 18, 2025, Town Council Meeting. As noted in these materials, short-term rental regulations generally include the following best practice considerations:

1. Enforcement, Fines & Penalties;
2. Inspection Requirements;
3. Parking Requirements;
4. Noise Limits & Restrictions;
5. Trash Service Requirements;
6. Fire & Life Safety Requirements;
7. Occupancy Limits;
8. Location Restrictions; and
9. Permit Caps.

Also, attached are current data related to short-term rentals, including financial data requested by members of Town Council for a temporary moratorium workshop on the September 16, 2025, Town Council agenda.

ATTACHMENTS:

1. Town Council Short-Term Rental Amendment Packet – February 18, 2025
2. Town Council Short-Term Rental Amendment Presentation – February 18, 2025
3. Current Short-Term Rental Data



TOWN OF HILTON HEAD ISLAND

Town Council

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.

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.

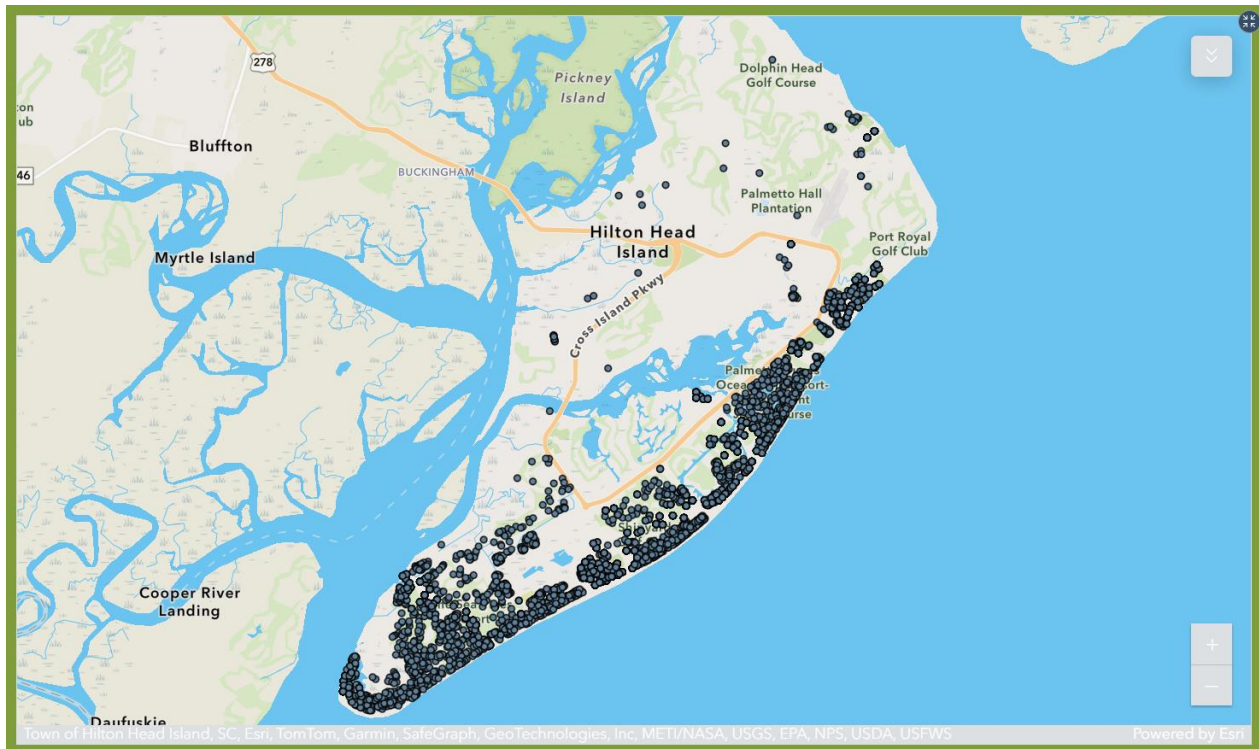
Pursuit of Excellence is a focus area in the adopted Town Council 2023-2025 Strategic Action Plan. In fulfillment of this focus area, Strategy #12 Short-Term Rental Assessment and Program Implementation states the Town will:

“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**

Number of Bedrooms	Number of Permits	Percent of Total Permits	Reported Average Square Feet	Reported Average Max Occupancy
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
Total	7,112	100.0%		

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**

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

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

Number of Bedrooms	Number of Permits	Reported Average Square Feet	Number of Properties 3,600 Square Feet or Greater	Percent of Bedroom Category	Percent of Total Permits
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%
Total	7,112		577		8.1%

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%
Total	7,112		1,851		26.0%

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

**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

Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

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

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 properties~~Short-Term Rental Properties.
- ~~(2)~~ (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)~~ (3) Short term rental means the leasing of any short-term rental property~~(5)~~ (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)~~ (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)~~ (5) Short term rental permit~~(6)~~ (6) Short-Term Rental Permit ("STR Permit") means an annual permit that an ~~owner~~Owner must obtain from the Town of Hilton Head Island, South Carolina for each of an ~~owner's~~owner's

~~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.~~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.~~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.~~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.~~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.~~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.~~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 permitTerm Rental Permit.

- (a) Any ~~owner~~Owner who ~~advertises,~~advertises, offers, ~~uses, and/or operates~~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.

- (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)~~ (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)~~ (1) ~~Acts~~ acts as a ~~short term rental agent~~an Agent, and
 - ~~(2)~~ (2) ~~Submits~~ submits 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. QuietNighttime hours are between 10:0001 p.m. and 7:006:59 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)~~ Shall~~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~~is 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.

~~(de)~~ *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.

(f3) 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)

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 sectionSection 1-5-10, General penalty; continuing violation, sectionSection 10-1-150, Business and professional licenses; suspension or revocation of license, sectionSection 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.

-
- (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.~~
- (e1) 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-~~6070~~. 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.
- (d2) 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

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

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
 - b. 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:

- 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.

-
- (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.

(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.

-
- (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.

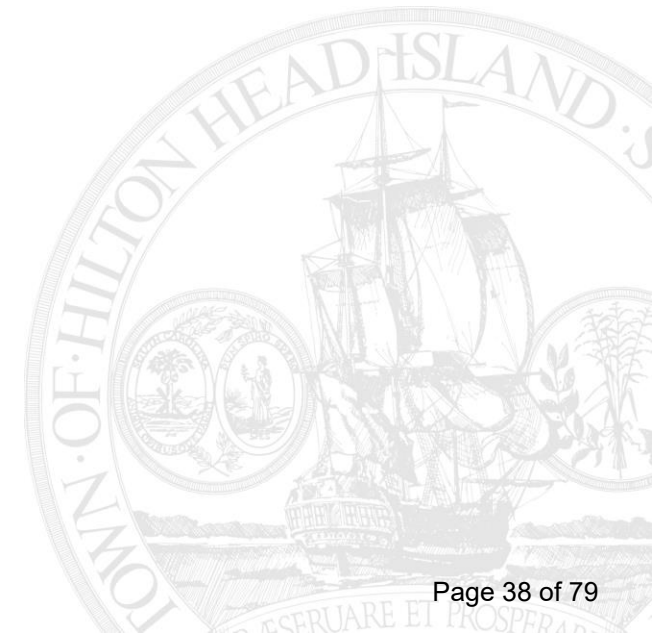
- (a) *Suspension.* When the Official determines:
- (1) A STR Permit has been mistakenly or improperly issued or issued contrary to law;
 - (2) An Owner has breached any condition upon which the STR Permit was issued;
 - (3) An Owner has obtained a STR Permit through any fraud, misrepresentation, a false 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.

(Ord. No. 2022-08, § 7, 5-17-22)

TOWN OF HILTON HEAD ISLAND

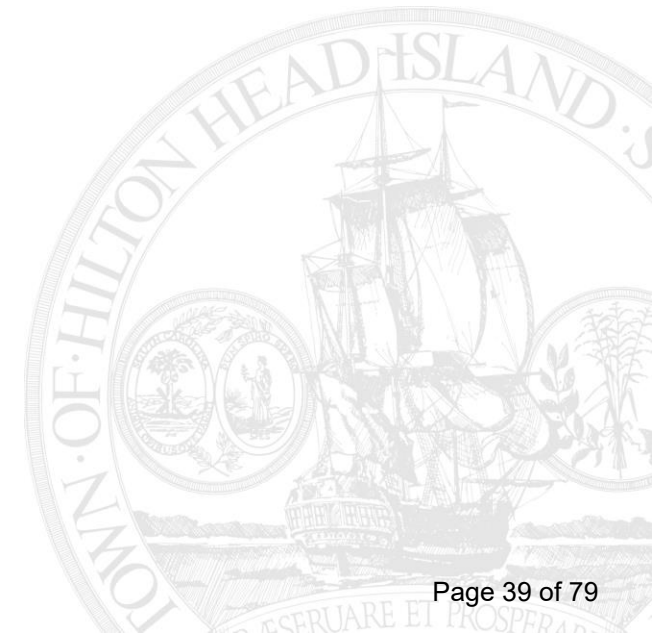
Proposed Short-Term Rental Ordinance Amendments

Town Council Meeting
February 18, 2025



REQUEST

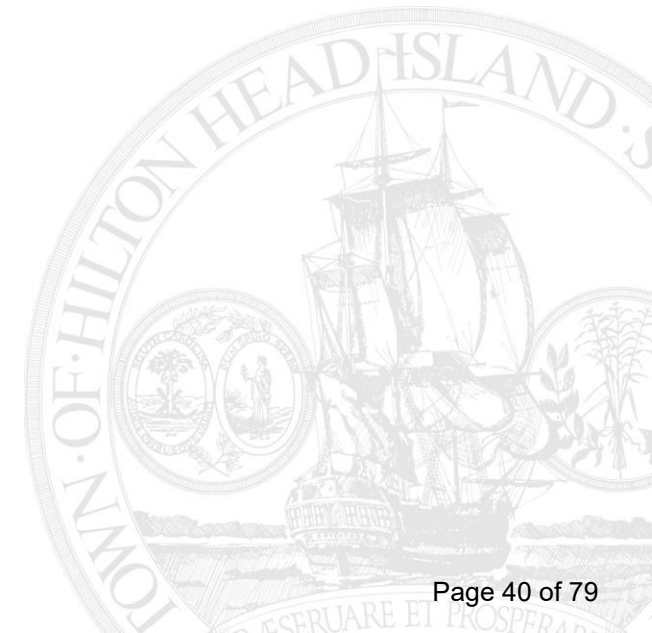
Consideration of an Ordinance of the Town of Hilton Head Island Amending, § 10-2-10, Et Seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983), Short-Term Rentals, to add additional requirements for occupancy, fire and safety alarms and equipment, parking of vehicles, enforcement,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



Short-Term Rental Ordinance Amendments

Outline of Topics

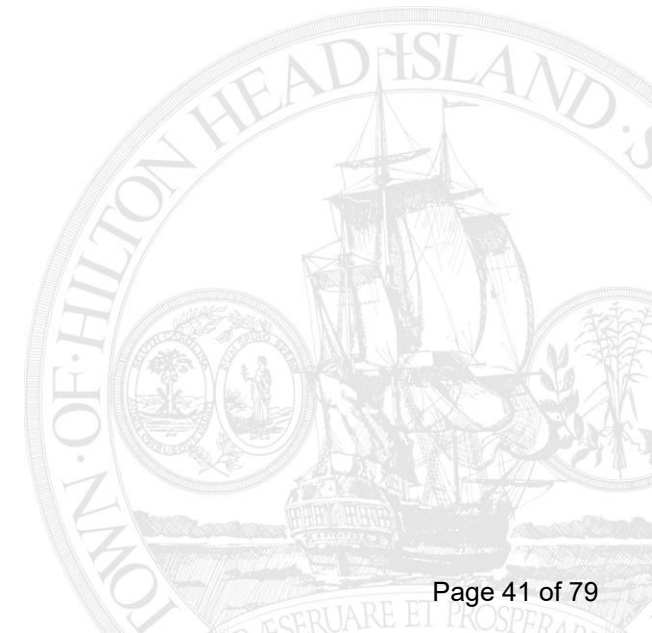
- Current Ordinance
- Town Council 2023-2025 Strategic Plan
- Short-Term Rental Program Assessment
- Town Council September 16, 2024, Workshop –
Comments & Direction
- Summary of Proposed Amendments
- Next Steps
- Questions



Current Short-Term Rental Ordinance

Adopted May 17, 2022

- Effective date of ordinance was January 1, 2023
- Addresses potential impacts on neighborhoods by establishing expectations for the management and operation of short-term rentals
- Regulates safety, trash, noise, and parking
- Administered by the Finance Department Revenue Services Division and Public Safety Department (Code Enforcement)



Town Council 2023 – 2025 Strategic Action Plan

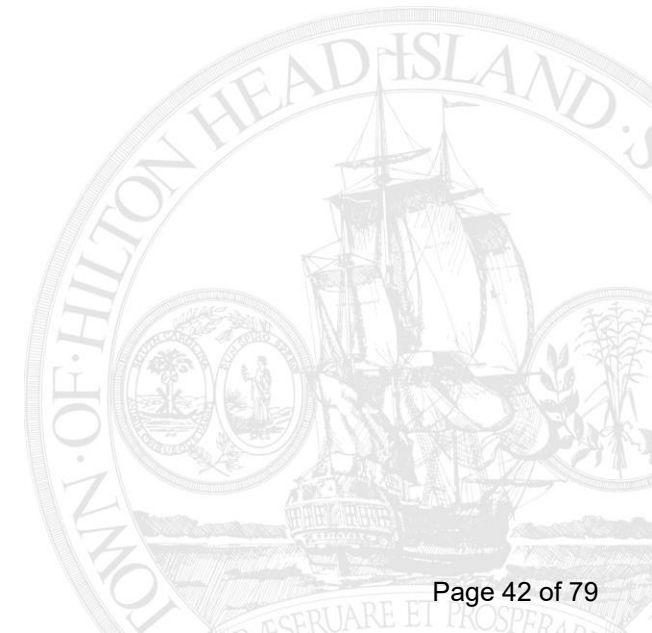
Pursuit of Excellence Focus Area

STRATEGY #12

Short-Term Rental Assessment and Program Implementation

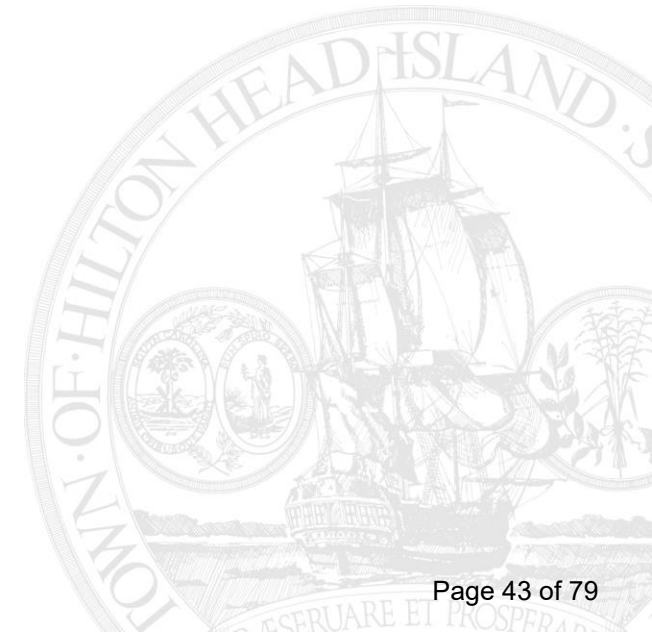
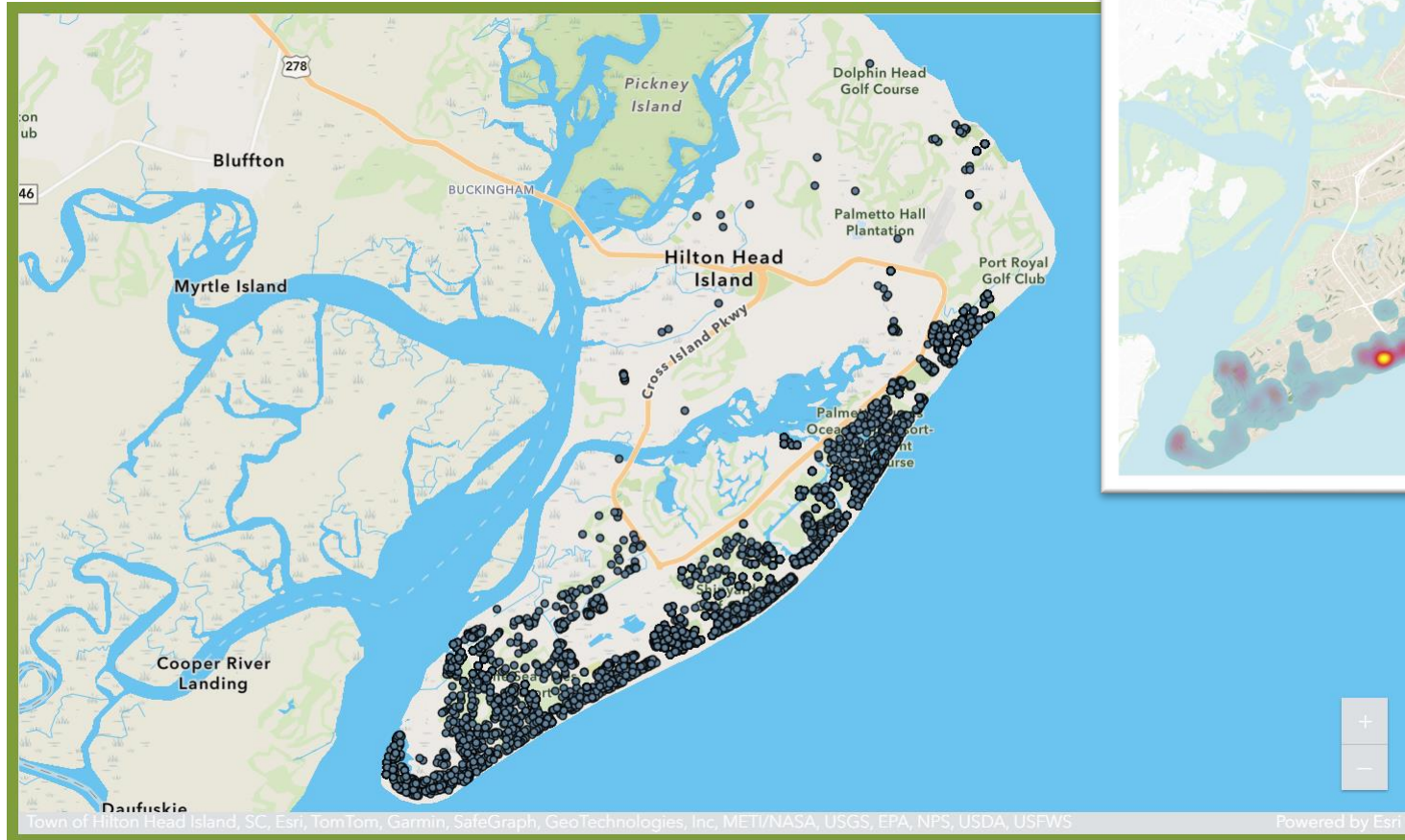
FOCUS AREA: PURSUIT OF EXCELLENCE

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.



Short-Term Rental Program Assessment

Data: Location & Heat Maps

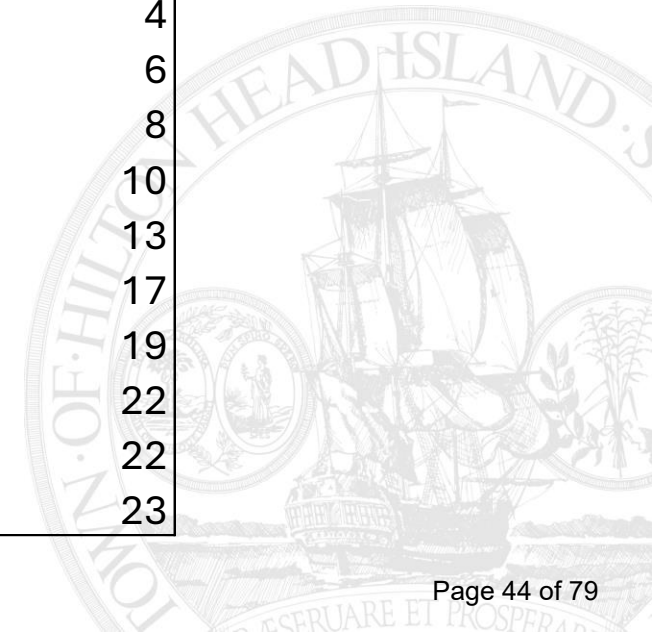


Short-Term Rental Program Assessment

Data: Rental Property Characteristics

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

Number of Bedrooms	Number of Permits	Percent of Total Permits	Reported Average Square Feet	Reported Average Max Occupancy
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
Total	7,112	100.0%		

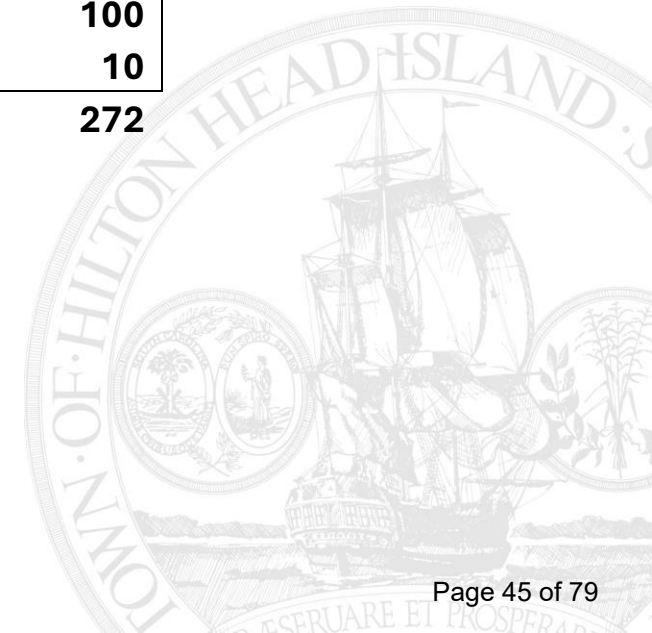


Short-Term Rental Program Assessment

Data: Code Enforcement Violations

Short-Term Rental Permits - Code Enforcement Violations
Calendar Year 2024

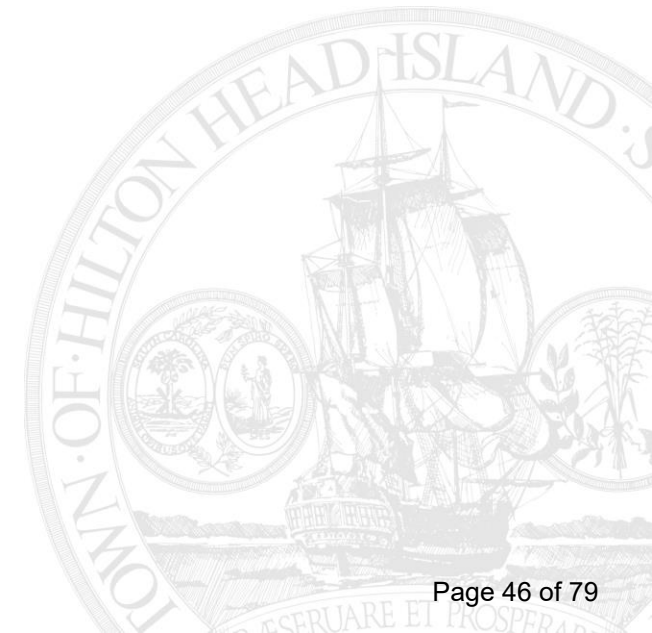
Issue	Verbal	Written	Citation	No Violation	Total
Trash	31	1	-	2	34
Noise	86	4	-	38	128
Parking	66	20	-	14	100
Permit	4	3	3	-	10
Total	187	28	3	54	272



Short-Term Rental Program Assessment

Data: Fire Rescue Response

- Fire Rescue Department began mandatory reporting of short-term rental property emergency response calls on September 1, 2024
- In the period beginning September 1, 2024, and ending December 31, 2024, there were 117 fire response calls and 47 medical calls (164 total calls)
- Previously, there has been one death and one rescue in a short-term rental property resulting from a fire



Short-Term Rental Program Assessment

Data: Best Practice Considerations

PERMIT CAPS

LOCATION
RESTRICTIONS

PARKING
REQUIREMENTS

OCCUPANCY
LIMITS

INSPECTION
REQUIREMENTS

TRASH SERVICE
REQUIREMENTS

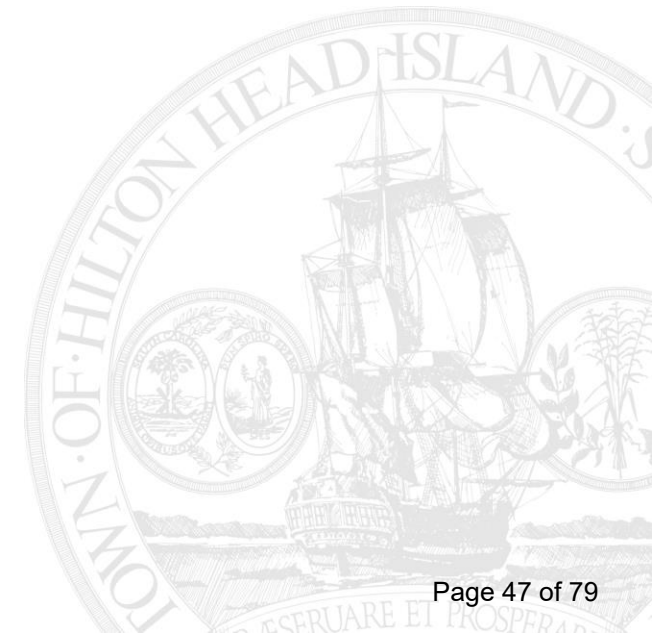
NOISE LIMITS &
RESTRICTIONS

FIRE & LIFE
SAFETY
REQUIREMENTS

ENFORCEMENT:
FINES &
PENALTIES



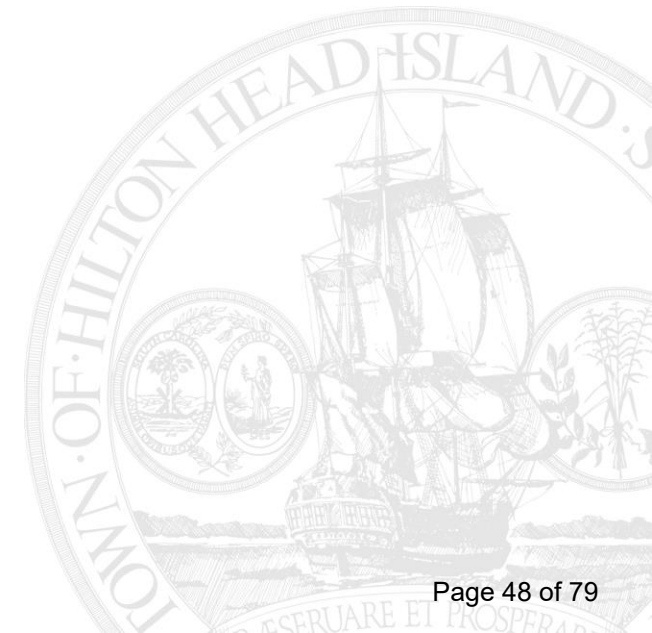
Addressed in Current Ordinance



Short-Term Rental Program Assessment

Data: Best Practice Considerations – Occupancy Limits

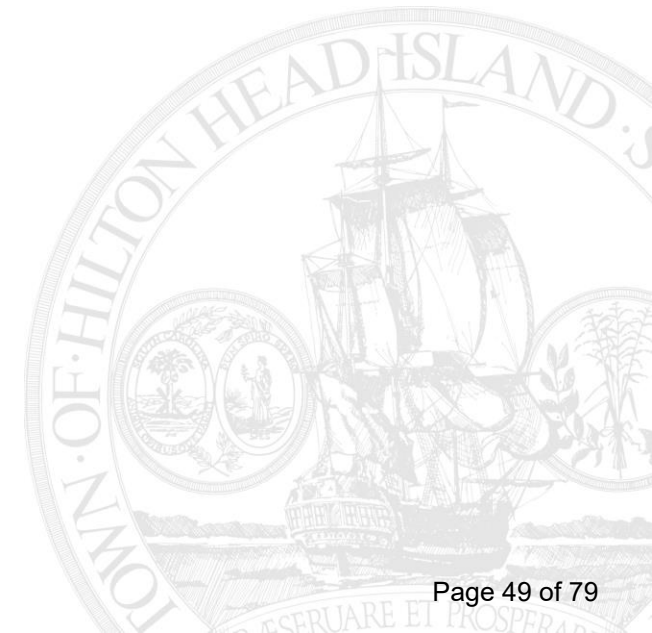
- Learned that occupancy limits can help prevent impacts of overcrowding (parking, noise, trash, and other impacts)



Short-Term Rental Program Assessment

Data: Best Practice Considerations - Enforcement

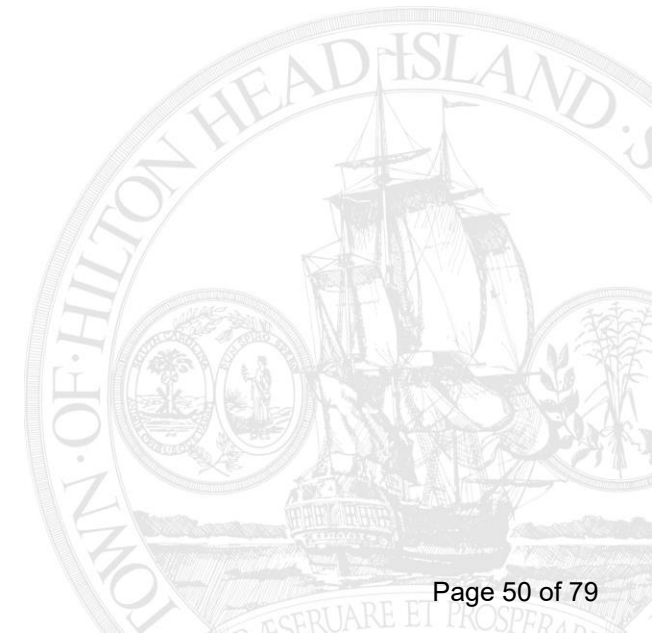
- Learned that administrative citations provide an additional tool for enforcement of regulations
- Failure to pay can still result in additional penalties including Municipal Ordinance Summons, suspension or revocation of permit, and denial of permit renewal



Short-Term Rental Program Assessment

Data: Public Input

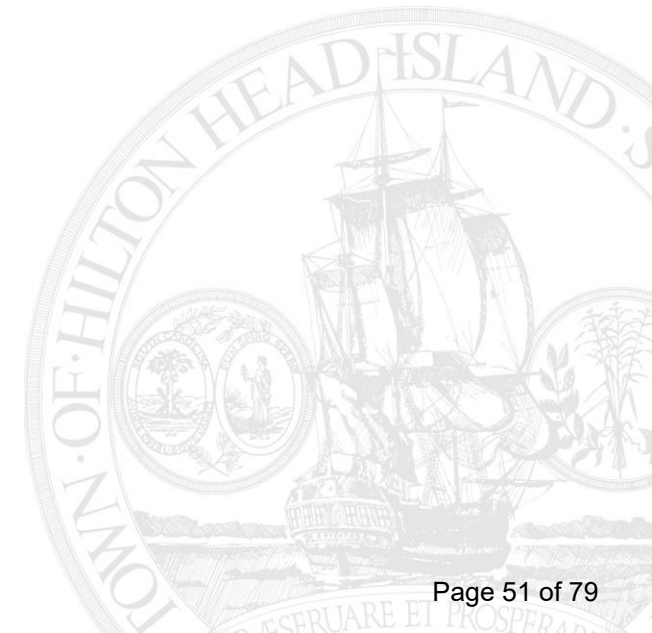
- Town staff held meetings and discussions with Town Council, members of the public, and representatives of the short-term rental industry
- Through data analysis and public input, key findings were developed



Short-Term Rental Program Assessment

Key Findings

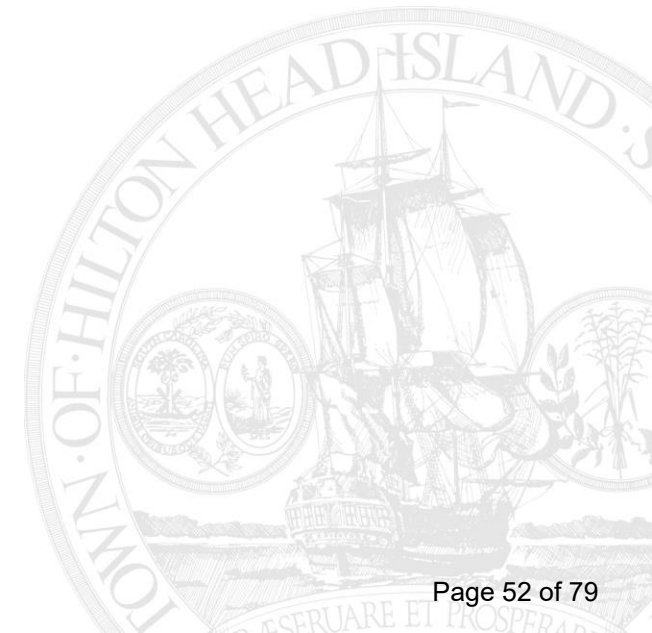
- Need the ability to manage property owners who violate short-term rental regulations through escalating fines instead of court charges
- Need the ability to manage property owners who operate a short-term rental property without a valid permit with fines that are greater than the cost of a permit



Short-Term Rental Program Assessment

Key Findings

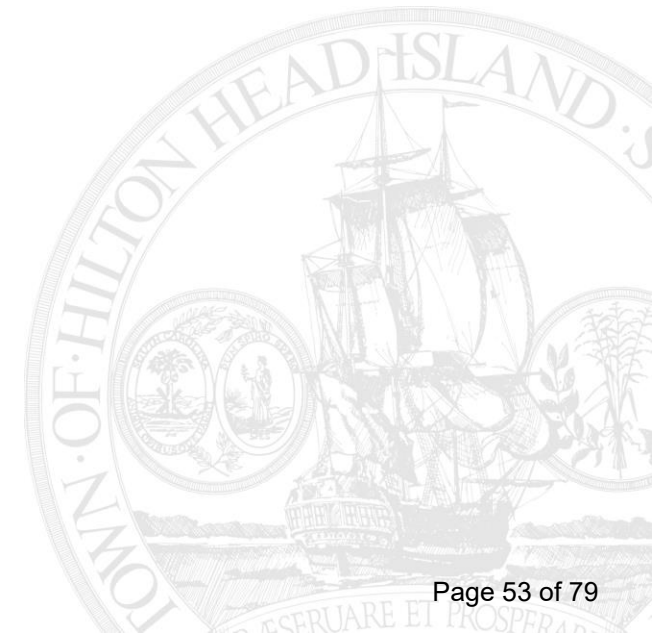
- Short-term rental properties and over occupancy can inconvenience permanent residents who have expressed concerns about parking, noise pollution, trash collection, and other consequences
- High occupancy homes that are occupied by a transient population do not have adequate fire safety mechanisms
- Homes are being built for the purpose of short-term rental resulting in structures that may be out of scale and context with existing neighborhoods



Town Council Workshop

Review of Program Assessment and Direction

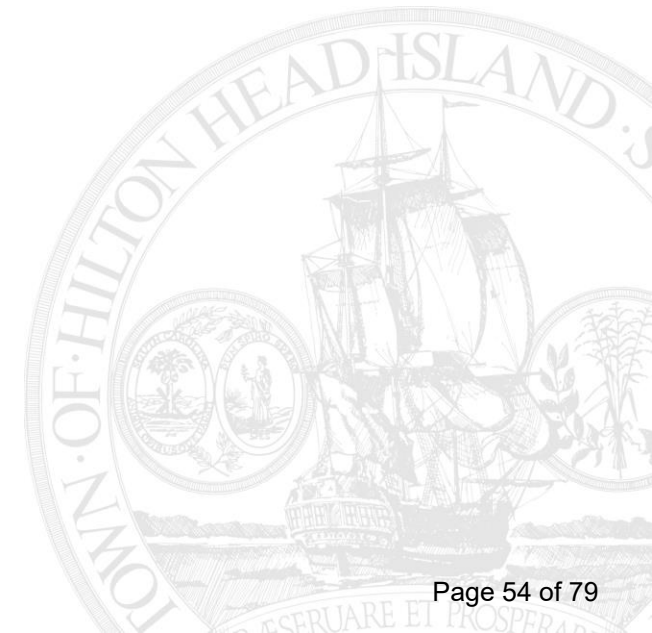
- Town Council held a workshop on September 16, 2024
- Reviewed program assessment
- Listened to public comment
- Provided comments and direction to Town staff in drafting Short-Term Rental Ordinance amendments



Town Council Workshop

Comments & Direction: Parking & Enforcement

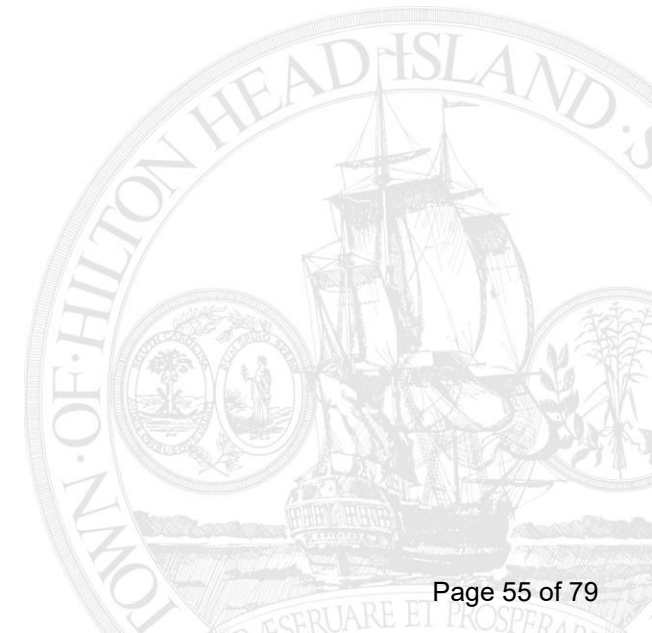
- Parking is a critical issue
- Address parking regulations specifically within the Short-Term Rental Ordinance
- There needs to be limits on the number of vehicles associated with a short-term rental
- It needs to be clear where vehicles can and cannot park



Town Council Workshop

Comments & Direction: Occupancy

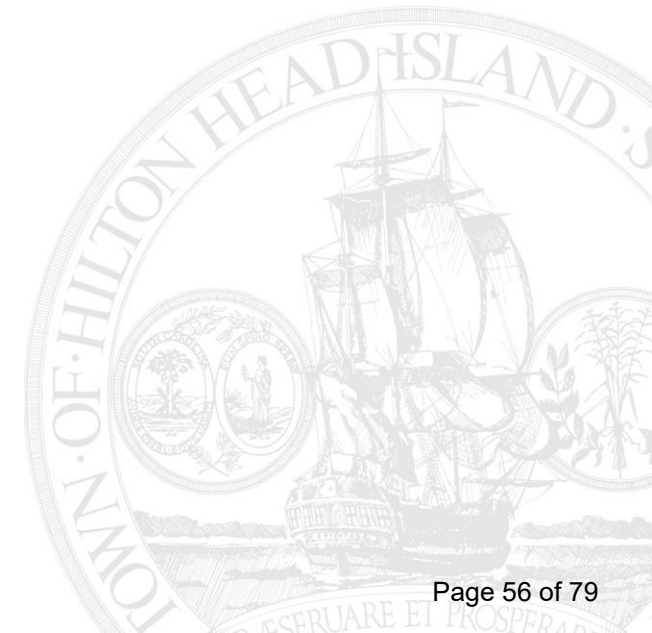
- Define occupancy clearly for consistent regulation and enforcement
- Consider if the size of the home should be factored into occupancy regulations
- Occupancy enforcement presents challenges



Town Council Workshop

Comments & Direction: Fire Safety

- Ensure adequate fire safety measures are required in short-term rentals
- For larger homes (3,600 square feet or greater), require monitored automatic smoke detection systems with manual fire alarms

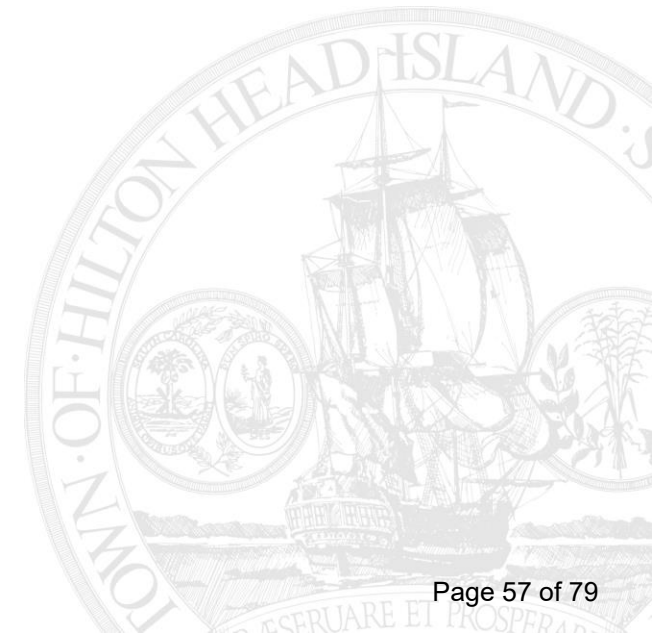


Town Council Workshop

Comments & Direction: Permits and Regulations

- Increase the short-term rental permit fee based on the number of bedrooms in the property

- Require short-term rental owners and agents communicate key regulations during the rental process and at time of occupancy



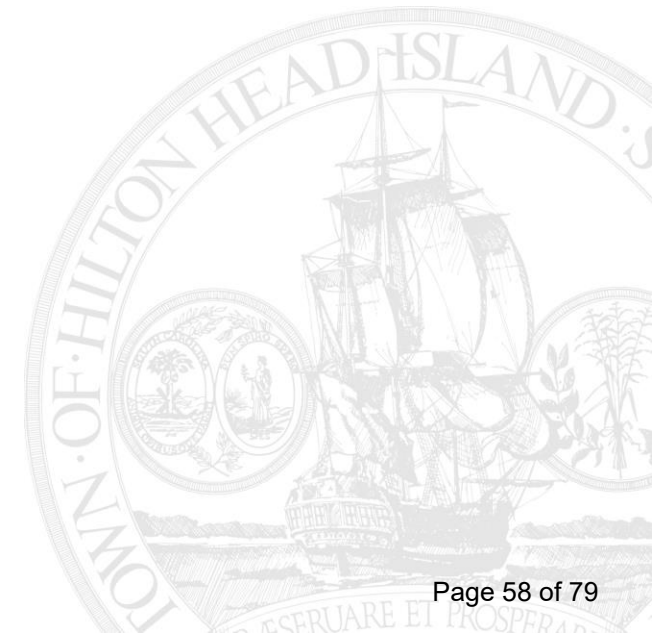
Town Council Workshop

Comments & Direction: Compliance, Fines, and Penalties

- Allow for administrative citations as a tool to penalize and remedy violations

- Establish a clear directive for escalating fines based on the number of offenses

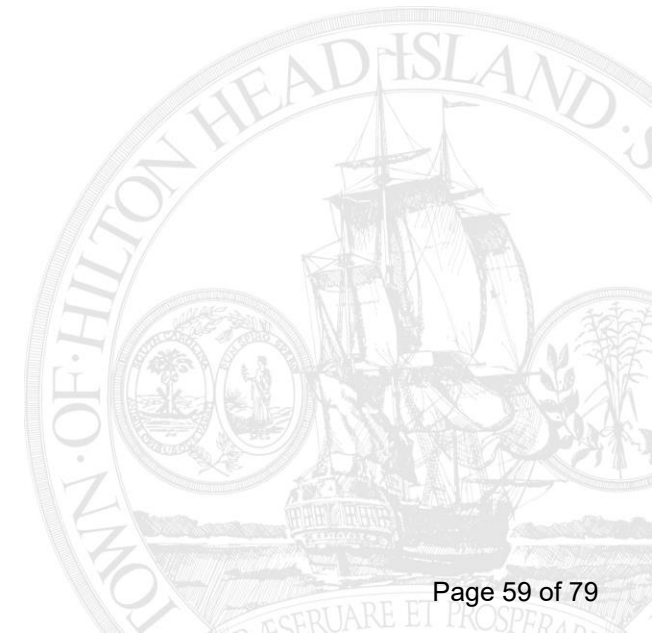
- Maintain ability to suspend or revoke of permits for repeat offenders



Town Council Workshop

Comments & Direction: Compliance, Fines, and Penalties

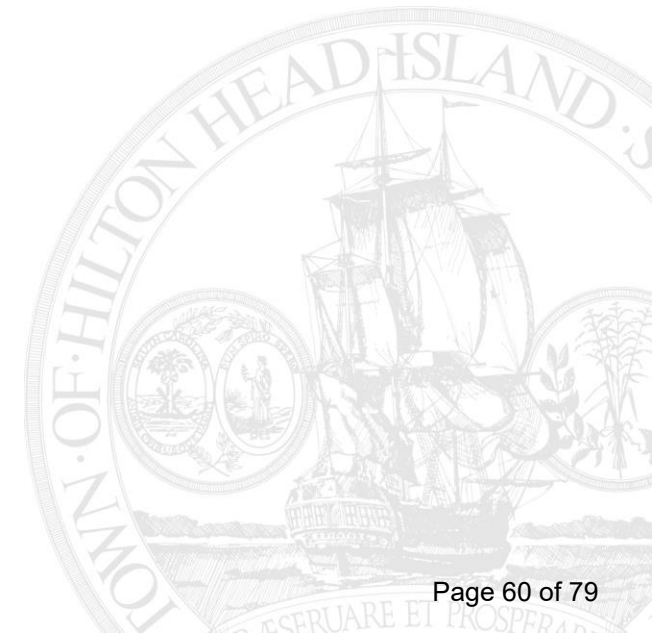
- Consider a municipal court to handle short-term rental related issues
- Continue to enhance the Town relationship with gated communities to support enforcement of short-term rental regulations



Town Council Workshop

Comments & Direction: Implementation

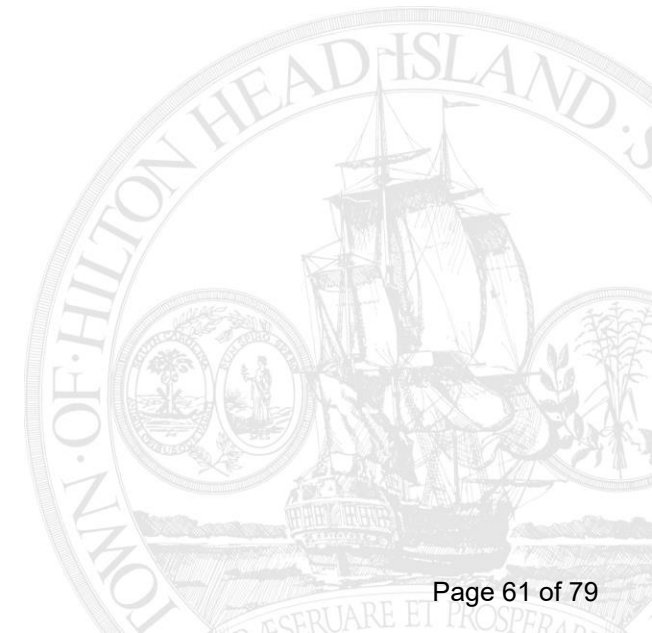
- Provide additional time for existing short-term rentals to comply with new regulations, while ensuring new short-term rentals are compliant at the time of permit issuance



Town Council Workshop

Comments & Direction: Business and Community Needs

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



Town Council Workshop

Comments & Direction: Best Practice Considerations

PERMIT CAPS

LOCATION
RESTRICTIONS

PARKING
REQUIREMENTS

OCCUPANCY
LIMITS

INSPECTION
REQUIREMENTS

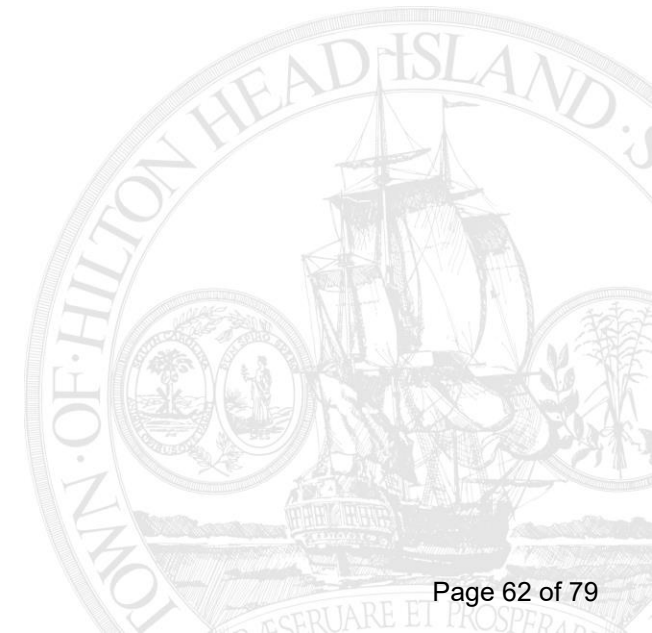
TRASH SERVICE
REQUIREMENTS

NOISE LIMITS &
RESTRICTIONS

FIRE & LIFE
SAFETY
REQUIREMENTS

ENFORCEMENT:
FINES &
PENALTIES

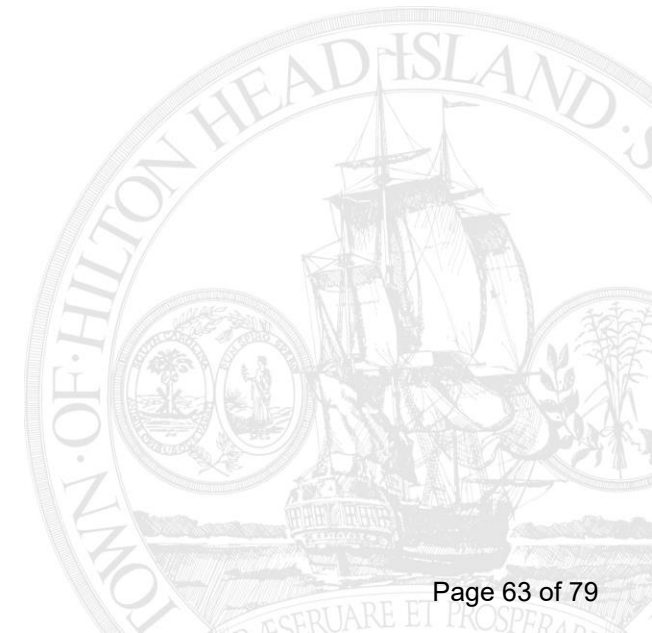
 To Be Maintained, Enhanced, or Added in Proposed Ordinance



Summary of Proposed Amendments

General & Definition

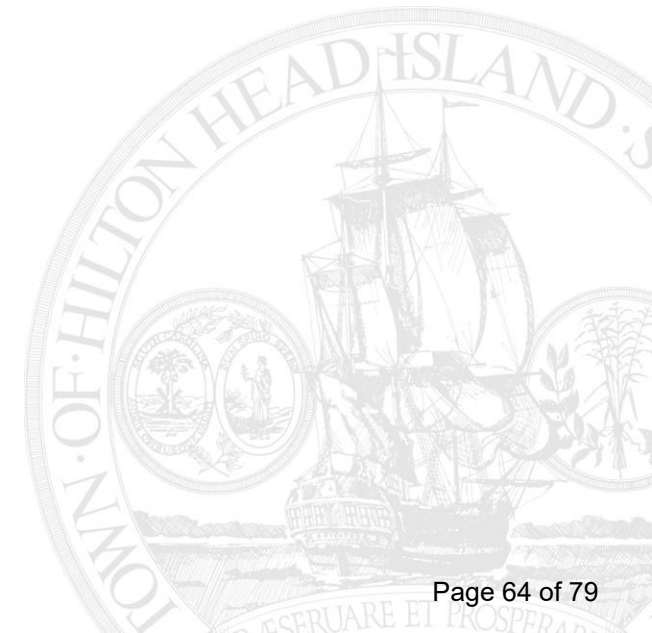
- Grammatical and clarity of language clean-ups to help support understanding and readability
- Key definition additions and refinements that support the existing and proposed regulatory framework



Summary of Proposed Amendments

Permit Requirements

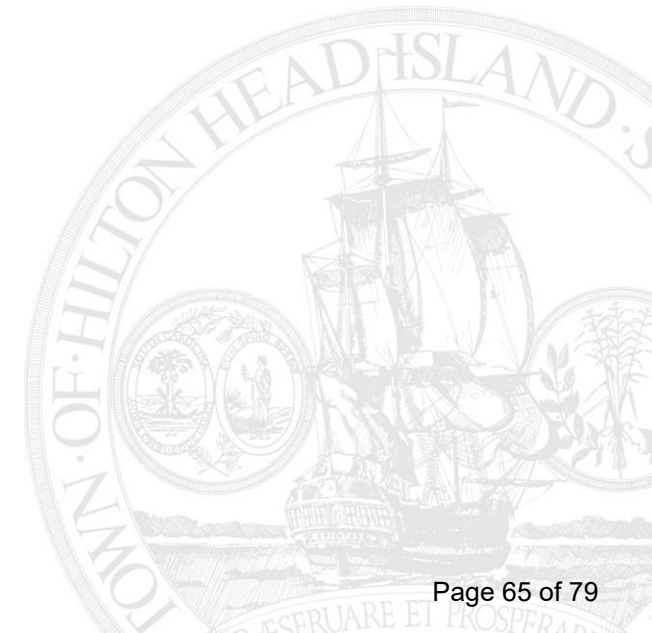
- Require that owners must be compliant and current on all licenses, permits, fees, taxes, and fines
- Require the short-term rental permit number must be included in any advertisement for the property



Summary of Proposed Amendments

Fire Safety

- Require short-term rental properties 3,600 square feet and more must have a monitored automatic smoke detection system and manual fire alarm installed
- Require any exterior gas grill must be equipped with an automatic shut off timer (not to exceed 60 minutes)



Summary of Proposed Amendments

Fire Safety

- ❑ A total of 577 properties or 8.1% of all short-term rental properties will potentially be impacted by the monitored alarm system requirement

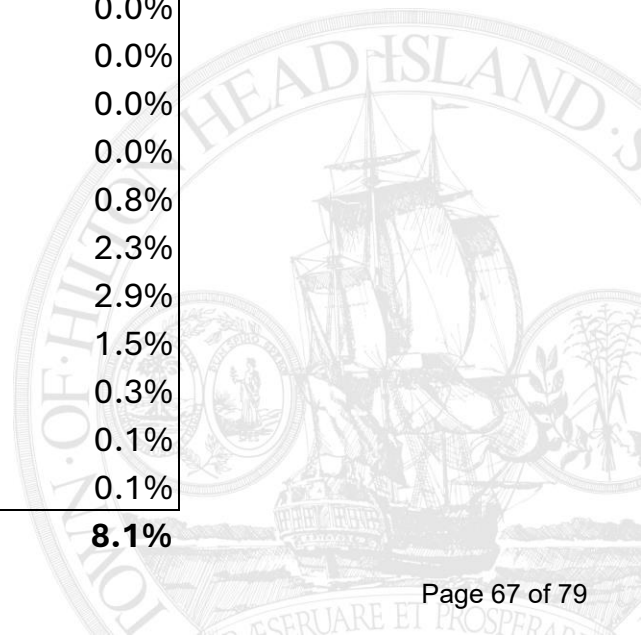


Summary of Proposed Amendments

Fire Safety

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

Number of Bedrooms	Number of Permits	Reported Average Square Feet	Number of Properties 3,600 Square Feet or Greater	Percent of Bedroom Category	Percent of Total Permits
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%
Total	7,112		577		8.1%

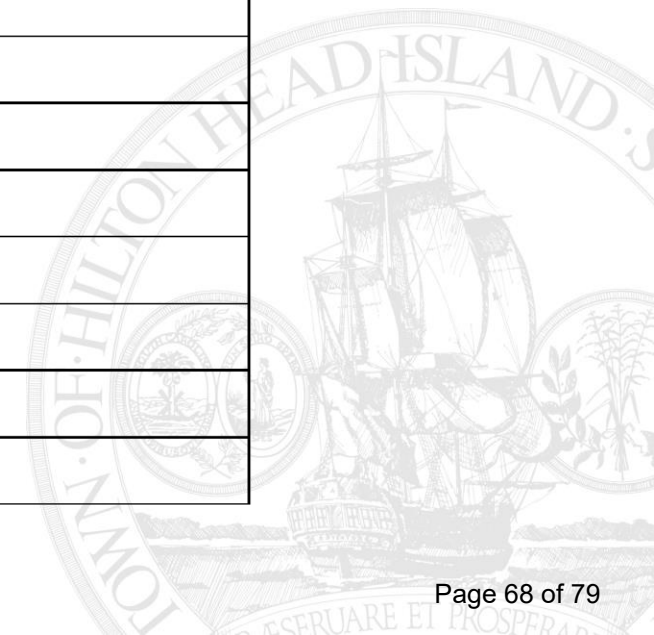


Summary of Proposed Amendments

Occupancy

- Limit occupancy based on the number of bedrooms (determined by the average maximum reported occupancy as submitted by property owners and agents)

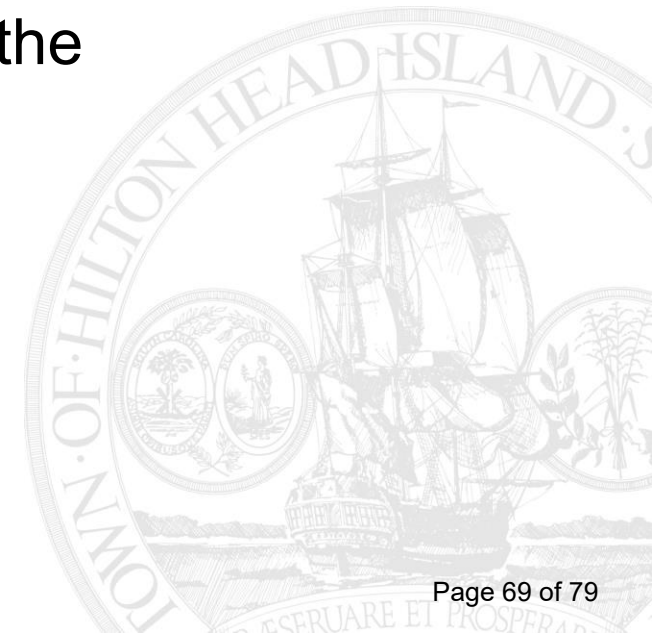
Number of Bedrooms	Maximum Occupancy
Studio	3
1	4
2	6
3	8
4	10
5	13
6	17
7	19
8	22
9	22
10	23



Summary of Proposed Amendments

Occupancy

- 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
- A total of 1,851 or 26% of short-term rental permits exceed the prescribed maximum occupancy limits

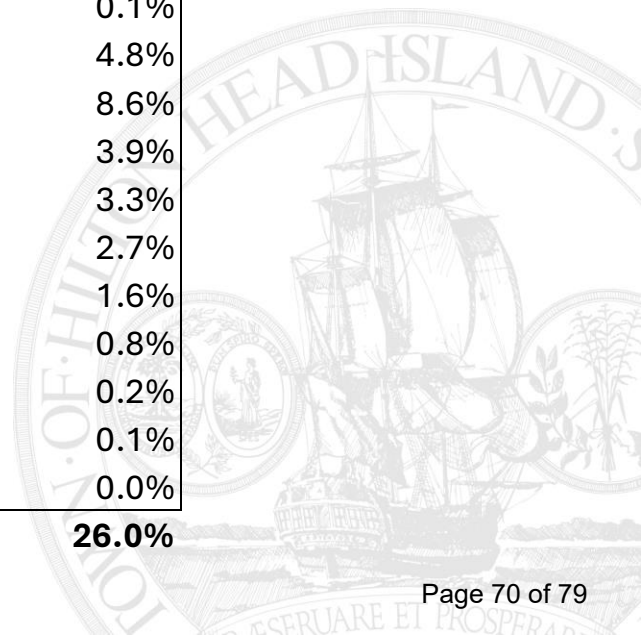


Summary of Proposed Amendments

Occupancy

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

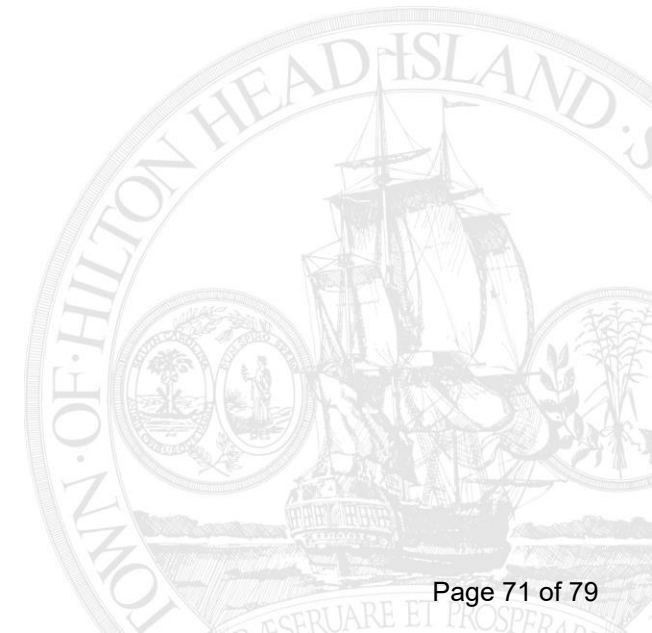
Number of Bedrooms	Number of Permits	Maximum Occupancy	Number of Properties Exceeding Max Occupancy	Percent of Bedroom Category	Percent of Total Permits
Studio	12	3	5	41.7%	0.1%
1	1,037	4	344	33.2%	4.8%
2	3,033	6	609	20.1%	8.6%
3	1,444	8	275	19.0%	3.9%
4	720	10	238	33.1%	3.3%
5	397	13	189	47.6%	2.7%
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%
Total	7,112		1,851		26.0%



Summary of Proposed Amendments

Parking

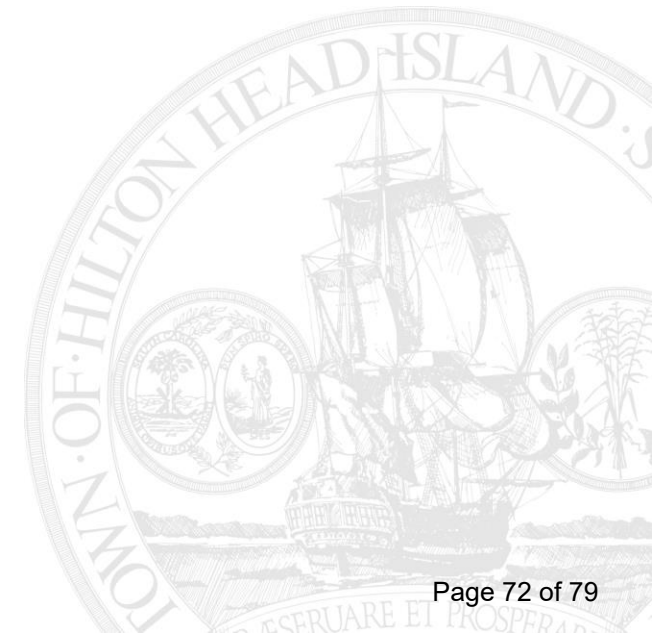
- Require that the location of parking be identified on a site plan and not allow more than six (6) vehicles to be parked on the property
- Prohibit vehicles from being parked off-site, on-street and access easements, in a required buffer, or any unimproved surface



Summary of Proposed Amendments

Administrative Citations

- Establish a procedure to issue escalating administrative citations (\$500 first offense and \$1,000 all subsequent) and provide for an appeal process

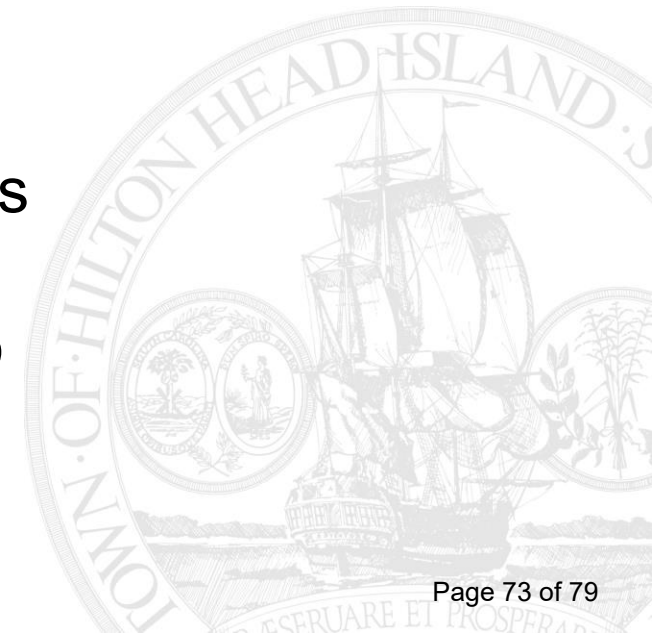


Next Steps

Effective Date

- The proposed amendments require:
 - Require Town staff to prepare for implementation
 - Require communication with property owners and agents
 - Require notification to short-term tenants
 - Rental agreements need to be modified
 - In some cases, modifications must be made to properties

- As a result, if adopted, the amendments are proposed to go into effect on January 1, 2026



Next Steps

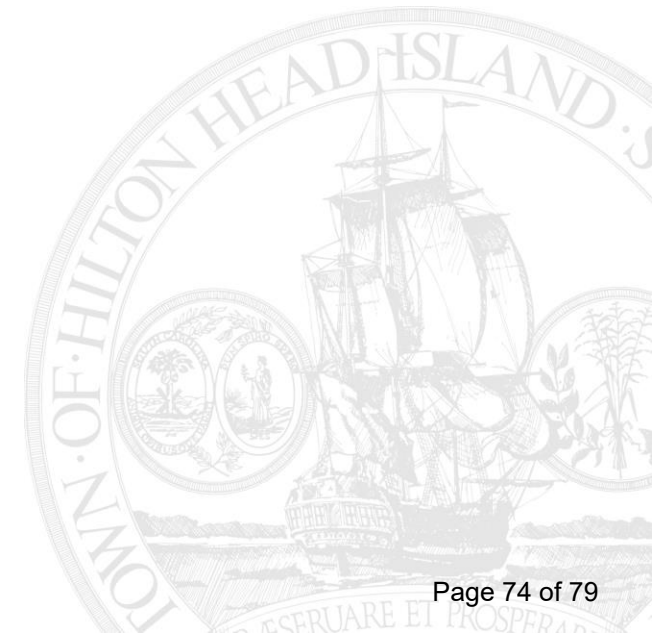
Fees

- Submit fee increases with FY26 Budget proposal as discussed and supported at the Town Council workshop effective January 1, 2026

\$250 for Studio – Four (4) Bedroom Units

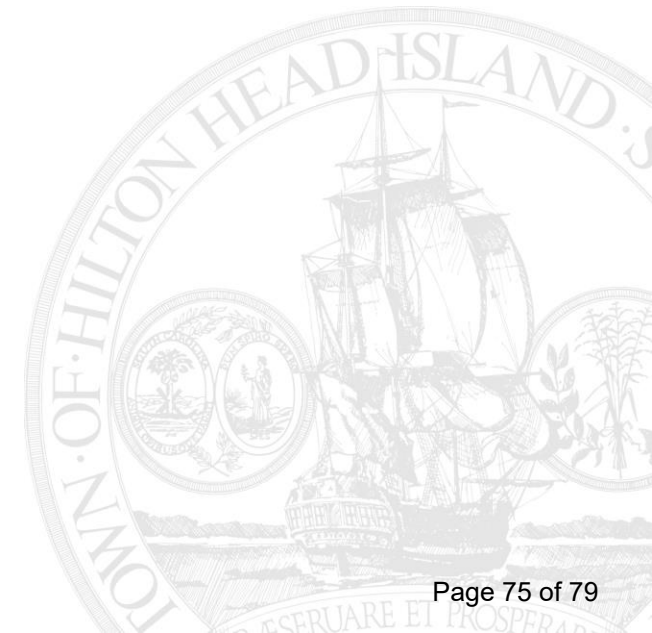
\$1,000 for Five (5) – Seven (7) Bedroom Units

\$2,500 for Eight (8) or More Bedroom Units



QUESTIONS

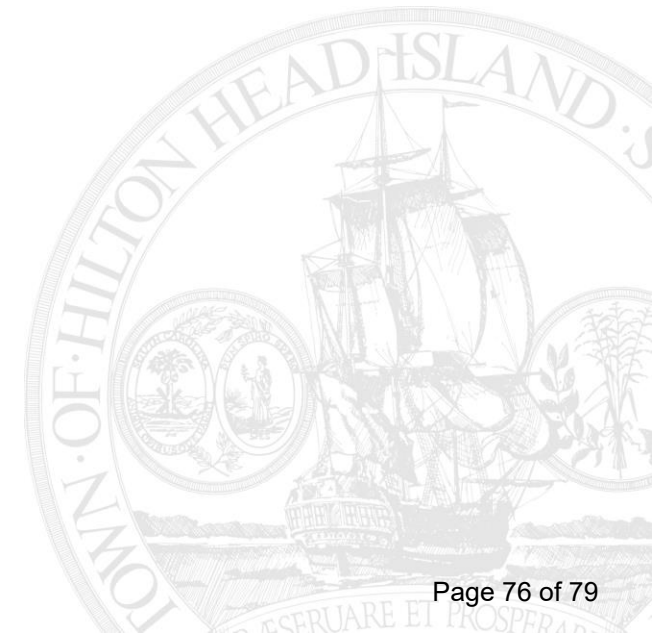
Consideration of an Ordinance of the Town of Hilton Head Island Amending, § 10-2-10, Et Seq., Municipal Code of the Town of Hilton Head Island, South Carolina (1983), Short-Term Rentals, to add additional requirements for occupancy, fire and safety alarms and equipment, parking of vehicles, enforcement,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



TOWN OF HILTON HEAD ISLAND

Short-Term Rental Ordinance Amendments

Town Council Meeting
February 18, 2025



ATTACHMENT 3

CURRENT SHORT-TERM RENTAL DATA

Below are key data pertaining to the current status of short-term rentals, including financial information requested by members of Town Council. Unless otherwise noted in the title, data is January 1 thru September 1, 2025.

Summary of Key Permit Data

Number of Bedrooms	Number of Permits	% of Total Permits	Average Square Feet	Maximum Occupancy	Average Occupancy	Number 3,600 Square Feet or Greater
Studio	6	0.09%	432	4	3	0
1	1,012	14.37%	639	7	4	0
2	2,985	42.39%	1,125	12	6	1
3	1,423	20.21%	1,742	14	8	1
4	735	10.44%	2,365	18	10	54
5	406	5.77%	3,522	30	14	164
6	310	4.40%	4,253	28	18	208
7	127	1.80%	4,996	30	19	116
8	26	0.37%	5,337	32	23	23
9	7	0.10%	6,088	28	22	7
10	5	0.07%	5,662	34	24	4
Total	7,042	100.00%	-	-	-	578

Short-Term Rentals by Property Type

Property Type	Number	% of Total
Single Family Residence	1,989	28.24%
Villas/ Condos	5,053	71.76%
Total	7,042	100.00%

Short-Term Rentals by Neighborhood

Neighborhood	Number	% of Total
Forest Beach	1,811	25.72%
Sea Pines	1,708	24.25%
Palmetto Dunes	1,409	20.01%
Folly Field	991	14.07%
Shipyard	464	6.59%
All Other Neighborhoods	659	9.36%
Total	7,042	100.00%

Short-Term Rentals by Zoning District

Zoning District	Number	% of Total
PD-1	3,733	53.01%
RD	2,338	33.20%
RSF-5	394	5.60%
RM-8	389	5.52%
All Other Districts	188	2.67%
Total	7,042	100.00%

Year to August 1 Short-Term Rental Code Enforcement Activity

Issue	Verbal	Written	Admin Citation	Municipal Citation	Total
Trash	7	0	0	0	7
Noise	75	1	0	0	76
Parking	53	4	3	0	60
Permit	1	3	0	0	4
Total	136	8	3	0	147

**Previous 12 Months Fire and EMS
Calls to Short-Term Rentals**

Call Type	Number
EMS	348
Fire Alarm Activations	361
Fire	9
Other (i.e., public service, canceled, no incident)	82
Total	800

**Previous 12 Months Fire and EMS
Calls to Short-Term Rentals - Location**

Location	Number
Sea Pines	177
Palmetto Dunes	121
Shipyard	58
Port Royal	31
Other	413
Total	800

FY2025 Short-Term Rentals Local Taxes & Fees

Local Taxes & Fees	Amount
Local 1% ATAX	\$3,678,427
Local 2% ATAX - Beach Preservation	\$7,356,854
STR Permit Fees	\$1,882,500
Business License Tax	\$1,231,203
Total	\$14,148,984

FY2025 Short-Term Rentals State & County Taxes

State & County Taxes	Amount
1% Beaufort County Green Space Tax	\$3,678,427
2% State ATAX	\$7,356,854
5% State Sales Tax	\$18,392,134
Total	\$29,427,415

FY2025 Short-Term Rental Property Management

STR Property Management Companies	Total
Number of Business Licenses	133
Business License Tax	\$329,703