



Town of Hilton Head Island  
**COMMUNITY DEVELOPMENT AND PUBLIC  
SERVICES COMMITTEE SPECIAL MEETING**  
Tuesday, October 7, 2025, 9:00 AM  
Minutes

Call to Order

Chair Becker called the meeting to order at 9:00 a.m.

Committee Members present: Steve DeSimone, Ward 3; Tammy Becker, Ward 4; Steve Alfred, Ward 5

Council Members Present not voting: Alan Perry, Mayor; Patsy Brison, Ward 2; Melinda Tunner, Ward 6

Others Present: Marc Orlando, Town Manager; Curtis Coltrane, Town Attorney; Kim Gammon, Town Clerk

Adoption of the Agenda

**Mr. Alfred moved to approve. Mr. DeSimone seconded. Motion carried 3-0.**

Public Comment - Non Agenda Items

None.

New Business

Consideration of Ordinances to Include: Repeal and Replace Title 10, Chapter 2 of the Municipal Code of the Town of Hilton Head Island Entitled Short-Term Rentals and to Amend an Ordinance to Raise Revenues, Provide for Expenditures, and Amendment to Ordinance 2025-07 to amend the Master Fee Schedule of the Adopted Consolidated Budget for the Town of Hilton Head Island, South Carolina, for the Fiscal Year Ending June 30, 2026; and Providing for Severability and an Effective Date for Each - Shawn Leininger, Deputy Town Manager

Mr. Leininger provided background regarding the agenda item stating that 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 managed by the Town's Finance Department Revenue

Services Division and Public Safety Department who work proactively to educate owners, agents, and renters of the requirements and enforce compliance.

Past and current Town Council strategic action plans identified the assessment of the short-term rental program to evaluate program effectiveness on addressing the negative impacts to neighborhoods including:

1. Environmental impacts;
2. Demands on Fire Rescue services;
3. Impacts to public utilities and infrastructure, and
4. Impacts of land use intensity, to determine if further regulation is necessary.

In that regard, 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, fire and life safety, enforcement and fee regulations.

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 and emergency safety mechanisms; and
5. Structures are being built for the purpose of short-term rental resulting in properties that are out of scale and context with existing neighborhoods.

The primary goal in considering Short-Term Rental Ordinance amendments is to protect and enhance the quality of life for residents and visitors. As such, the following items were identified to be addressed through proposed 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 the vehicles can and cannot park.

## 2. *Occupancy*

- a. Over-occupancy of short-term rental units is a concern.
- b. Define occupancy clearly for consistent regulation and enforcement.
- c. Consider if the size of the home should be factored into occupancy regulations.
- d. Occupancy enforcement presents challenges.

## 3. *Fire and Life Safety*

- a. Ensure adequate fire and life safety measures are required in short-term rentals.

## 4. *Short-Term Rental Permits and Regulations*

- a. Require short-term rental owners and agents communicate key regulations during the rental process and at time of occupancy.
- b. Align the short-term rental permit fee with community impacts and associated Town operational and infrastructure expenditures.

## 5. *Compliance, Fines, and Penalties*

- a. Provide 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 permits for repeat offenders.
- d. 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.

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;  
The short-term rental permit number must be included in any advertisement for the property;
6. Establish a maximum occupancy based on the number of bedrooms to which the short-term rental property can be rented;
7. Require that the location of parking be identified and not allow more than six (6) vehicles to be parked on the property;
8. Prohibit vehicles from being parked off-site, on-street and access easements, in a required buffer, or any unimproved surface; and
9. 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 second reading failed (3-4). Town Council requested the discussion related to this topic continue at a later date.

On September 15, 2025, the Community Services and Public Safety Committee held a discussion to review previously proposed amendments to the Short-Term Rental Ordinance and provided direction on additional amendments to address parking, occupancy, fire and life safety, enforcement, and fees. The remaining sections of this report provide for the recommended amendments to the Short-Term Rental Ordinance.

Mr. Leininger proceeded to review the proposed amended Short Term Rental Ordinance, proposed Budget Amendment - Short-term Rental Fees, Operational Enhancements, and Capital Investments, as well as the next steps as listed below:

Implementation of the proposed amendments will require modifications to the Town intake and permitting system and processes that will take 90-120 days to fully implement. As such, and as directed in recent discussions on this topic at Committee and Town Council meetings held on September 15, 2025, and September 16, 2025, respectively, the following review schedule is being proposed:

October 7, 2025. Community Development and Public Services Committee  
October 13, 2025 (proposed). Town Council First Reading.  
October 21, 2025. Town Council Second Reading.

If adopted by Town Council, the following implementation schedule would be in effect:

1. October 21, 2025. Effective date of new Short-Term Rental Ordinance for any new short-term rental permit.
2. March 1, 2026. Short-term rental permit renewal period opens.
3. April 30, 2026. Permits issued for 2025 permit period expire.

4. May 1, 2026. Permit for May 1, 2026 – April 30, 2027, period begins.
5. May 1, 2026. Monitored smoke detection and manual fire alarm compliance.

Ms. Becker invited Council members Bryson, Tunner and Mayor Perry to speak and give their views on the proposed ordinance. Their comments are detailed in the full transcript of the meeting on the Town website [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov).

Ms. Becker asked for public comment.

**Dave Ferguson** addressed the Committee stating there is poor leadership with no decisions being made. He added these problems could have been addressed years ago and delaying causes the problems to be bigger and solutions harder.

**Jay Sudowski** addressed the Committee stating the rules are not enforced and he is against the proposed ordinance saying it is very stringent and the regulations in place need to be followed by addressing individual issues.

**Richard Bisi** addressed the Committee stating the need for decision making and property owners need to be accountable. He noted many buildings are being built out of scale in many neighborhoods. He said the fabric of communities needs to be protected and full time residents need to be considered.

**Beth Petro** addressed the Committee regarding the proposed ordinance, stating that personal property rights need to be considered, and the proposed occupancy needs addressed and questioned the timing.

**Cathy Rasch** addressed the Committee stating they need to give consideration to the long-standing short-term rentals. She encouraged residents and friends to apply for short-term rentals so they would be grandfather in the event short-term rentals were stopped.

**Jeremy Klein** addressed the Committee stating the permit system is faulty and the fee scale is unfair. He said they seem to be targeting short-term rentals.

**Patrick Coughlin** addressed the Committee, stating Ms. Becker had a negative tone. He said business owners drive the economy and the proposed rules are an attack and an overreach.

**Angie Hutchins** addressed the Committee stating there is a lack of common sense from individuals that ran on smaller items. She said she doesn't understand why strangers are given warnings for violations and owners of short-term rentals are being penalized.

**Ginny Jackson** addressed the Committee noting words matter and a deep dive into occupancy needs addressed.

**Daniel Anthony** addressed the Committee with an inquiry regarding floor plans and a suggestions for fire safety.

**Richard Ross** addressed the Committee in opposition to the proposed ordinance stating the current ordinance is adequate noting a few complaints don't warrant change.

**Christian Powers** addressed the Committee stating Hilton Head Island is in a dominate position for vacation travel. He said stricter changes will be a massive undertaking with no real data to warrant such.

**Kathy Sanguiliano** addressed the Committee stating it is obvious the proposed ordinance penalizes all rental owners when the issues are only with a few.

**Susan Wheatley** addressed the Committee inquiring about compliance and asked if the Town is ready for the consequences. She added that words carry weight.

**Kate McCullion** addressed the Committee questioning the data and asked what will happen when occupancy is limited. She stated she feels the Committee is going off of feeling instead of data.

**Jocelyn Staigar** addressed the Committee, voicing concern over unintended consequences and the fee increase has no justification. She added that division is being created where there has always been cooperation.

**Theresa Duncan** addressed the Committee voicing the need for short-term rentals, and they do assist with the regulations.

**Andy Reed** addressed the Committee questioning who has a problem, residents that live in short-term rental areas or residents that don't. He stated there are options to live in other areas. He asked that they not punish short-term rental owners who pay a 6% property tax rate.

**Alan Prochazka** addressed the Committee in support of short-term rentals and management companies.

**Terry Sundling** addressed the Committee stating he is in property management and has not been contacted for input. He added that complaints are less than 3% and the proposed requirements are not reasonable.

**Keith Walston** addressed the Committee questioning the intent of the proposed ordinance stating it seems like they want to do away with short-term rentals.

**Steph Cauler** addressed the Committee in support of short-term rentals stating Hilton Head Island is a resort. She said the issue is the need to enforce the existing ordinance.

**Brenda Butler** addressed the Committee with concern over changes and unintended consequences stating over regulation will drive homeowners away.

**Kate Clewell** addressed the Committee asking that Hilton Head Beach and Tennis be exempted from the proposed ordinance.

**Mike Alscó** addressed the Committee urging them to slow this down and to get it right. He stated the current short-term rental ordinance works and properties just need to be held accountable individually.

**Dru Brown** addressed the Committee stating that what needs to happen needs to be fair and balanced regulations.

**Julie Janning** addressed the Committee inquiring as to what problem they are trying to fix and the demands will place financial restraints on property owners which will result in higher rents. She stated the Land Management Ordinance needs to be addressed.

**Beth Dickie** addressed the Committee, stating that most residents start as tourists first and the Island was built for tourists. She added the enforcement is working and there is a need to continue with that by addressing existing problems and not creating more.

**Joe Gill** addressed the Committee inquiring as to why short-term rental owners are considered bad and stated he felt the regulations were way overboard and while they may not be full-time residents, but they are taxpayers.

**Ron Zold** addressed the Committee noting the property values and they need to keep in mind the amount of revenue paid from the various taxes on short-term rentals.

**Amy Fee** addressed the Committee stating there needs to be a balance for local residents and business owners, noting residents have rights also.

**Connie Dallas** addressed the Committee stating that short-term rentals contribute to the economy, and we need to do more to show how much short-term rentals do for the community.

**Dee Anthony** addressed the Committee noting the importance of existing workforce that contributes to the community. She voiced concerns over the harm caused by high-density subdivisions in neighborhoods. She added that not every community on the Island was meant to be a vacation destination.

**Christopher Cliffe** addressed the Committee noting the draft is a start and an example of risk management in action.

**Lisa Fleming** addressed the Committee with an observation of the imbalance in the room.

**Tony Faulkner** addressed the Committee inquiring if they were prepared for a 20-30% reduction in visitors to the Island. He stated the entire surrounding area is affected by Hilton Head Island tourism and penalizing those who bring the economy up is wrong.

**Linda Harrington** addressed the Committee stating the need for a police department to

enforce regulations.

**Patricia Courtney** addressed the Committee stating the regulations need to be across the board, as well as the need for a police force.

**Ashley Powers** addressed the Committee stating there is a need for a better solution than this one.

Ms. Becker brought the discussion back to the dais and invited the non-voting Council members to make comments.

**Concluding comments, Mr. DeSimone moved to move forward to Council for consideration of the Ordinance to Repeal and Replace Title 10, Chapter 2 of the Municipal Code with Staff's recommendation with these changes:**

**That at this time we require no insurance;  
That we enact the fees of \$500 from Bedroom units 0-4 and above \$1,000;  
That the fire suppression is for Square Footage of homes 3,600 feet and above;  
That we recommend parking per the site plan not to exceed a maximum of six parking spaces;  
That we use, at this time, a 2 and 2 calculation for occupancy;  
That we are not requiring a floor plan to be submitted;  
and that the effective date will be per staff's recommendation.**

**Mr. Alfred seconded. Motion carried 3-0.**

Mr. DeSimone clarified the studio would be considered a 2 plus 2.

**In addition, Mr. DeSimone moved to consider the amendment to Ordinance 25-07 to amend the Master Fee Schedule of the Adopted Consolidated Budget of the Town of Hilton Head for the Fiscal Year 30 2026 to include the new fee structure of 0-4 bedrooms \$500 and all the above at \$1,000**

**Mr. Alfred seconded.**

**After full discussion by the Committee, it was decided it was not necessary to make the second motion, and the budget amendment would be made at a later date. It was agreed by all members of the Committee that the motion was not needed and it was removed from the floor.**

Adjournment

**Mr Alfred moved to adjourn. Mr. DeSimone seconded. Motion carried 3-0.**

The full recording and a transcript of this meeting can be found on the Town's website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)