

## **SHORT-TERM RENTAL AD-HOC COMMITTEE MEETING MINUTES**

The Short-Term Rental Ad-Hoc Committee met on Tuesday, September 24, at 10:05AM in the POA Administration building.

### Attendees:

Gayle Cleaveland  
Ian Cohen  
Pattie Courtney  
Jim Griner  
Joe Homa

Doug Luba  
Lee Smith  
Bill Watkins  
Andrew Schumacher

The objective of the meeting was to review all the formulated policies and determine which would be recommended as having the most positive impact upon bringing a greater balance to the community. The group first voted, in aggregate, on the topics of: Rental Policies, Traffic and Parking, Occupancy and Noise, and Communications. Then the group addressed bicycles, and the definition of a short-term rental.

Following the voting, the group discussed those with the highest vote totals—and those which the group previously agreed to recommend. The group agreed any policy must have a clear objective and be enforceable. The group also discussed the financial impact upon additional staff to the 2020 budget and the potential need to make changes even after the 2020 budget is adopted.

### **PRINCIPLES**

1. Require any policy to have a clearly defined objective, a positive impact upon Palmetto Dunes, and be enforceable. Less is more.
2. Apply the same rules for homes and villas within Palmetto Dunes.
3. Apply the same rules regardless of a property's location within Palmetto Dunes (i.e., oceanfront vs. eighth row, Inverness vs. Mariner's, etc.).

### **GENERAL DISCUSSION**

During the meeting, members discussed the desire to correct non-conforming behavior using the "Vehicular Access Limitation Function" of the covenants (preventing the issuance of guest passes) rather than singular, multiple or escalating monetary fines for rule violations. It was perceived this approach would more quickly garner attention and gain owner compliance.

Members also discussed the rights of property owners along with the rights of neighbors and the community. Of discussion was limiting maximum property size by square footage and/or bedrooms, and whether existing ARB guidelines sufficiently thwart "mini-hotels" from the community. Similarly, there was discussion regarding the value of policies that would limit potentially undesirable behavior when the behavior does not yet exist within Palmetto Dunes (such as overnight rentals). In both instances, the group generally agreed such policies could be recommended for exploration or implementation later.

## INITIAL RECOMMENDATIONS

### **Rental Policies**

1. Require owners, at no fee, who rent a property on a short-term basis to provide property management and owner contact information to the POA.
2. Issue, via email, notices to the owner and property management firm whenever Security or Compliance is summoned to a property (regardless of the resolution)—informing owners of issues occurring within their property.
3. If called, require the owner or management company to be on-site or return a telephone call within one hour.
4. After the third non-response to item 3 above within a calendar year, an on-site meeting with the owner, POA and management company will be required. The issuance of additional guest passes for the remainder of the calendar year may be denied. *This approach was preferred over escalating fines given it provides a greater incentive for ongoing compliance.*
5. Require all owners/rental properties to display any Palmetto Dunes-designed signs communicating Palmetto Dunes rules and policies [within rental properties].

### **Parking Policies**

6. Limit the number of passes to the available physical parking space at the property—up to a maximum of six (6). This value will be unique for each property.
7. Allow one vehicle (trailer optional) with legitimate business to park directly in front of a property on an authorized street for up to 60 minutes—insofar as the driver has “immediate control” of the vehicle.
8. Expand the security team to allow enforcement of said policies.

### **Communication Policies**

9. Communicate the financial benefits of short-term rentals (\$800K to \$1.5MM in annual pass revenue) to the community.

### **Bicycle Policies**

10. Replace bike stop signs that “impact” vehicles with path-stenciled STOP or YIELD instructions.
11. Require bicyclers to use the leisure path where one is available.
12. Require all riders to use a headlight at night.
13. Add beach path signs stating bikes must be walked on beach paths.
14. Add signs indicating where bicycles can be parked (rather than where they cannot be parked) and provide bike racks at or near designated locations.
15. Add dedicated, trained personnel engaging riders on Sunday-Tuesday from 8AM to 5PM during May through August.
16. Undertake a comprehensive Bicycle Study providing a review of traffic flow, cross walk placement, signage, and rider safety rules.

### **General Policies**

17. Invite anyone who sells their property to complete an online survey to better understand why they are leaving Palmetto Dunes—and where they are going.

## SHORT-TERM RENTAL DEFINITION

The group resolved upon the following time period defining a short-term rental within Palmetto Dunes:

***“The renting of any property for a period of less than 180 continuous days for monetary or other consideration.”***

The meeting concluded at 12:05AM.

## NEXT STEPS

For each of the recommendations, the objective, benefits and enforcement mechanisms must be clearly enumerated. This will be discussed at our next meeting, potentially deferring recommendations.

### Next Meeting

The next meeting is scheduled for Friday, October 11 at 11AM on the second floor of the POA Administration building.

## Appendix: Voting Sheet Results

Rental Policies/1	Rental Policies/2
<ul style="list-style-type: none"><li>Require owners, at no fee, who rent a property on a short-term basis to provide property management <u>and</u> owner contact information to the POA</li></ul>	<ul style="list-style-type: none"><li>Require every VRBO owner and property management firm to be certified—else no guest passes will be issued for that property.</li></ul>
<ul style="list-style-type: none"><li>Issue, via email, notices to the owner and property management firm whenever Security or Compliance is summoned to a property (regardless of the resolution)—informing owners of issues occurring within their property</li></ul>	<ul style="list-style-type: none"><li>Prevent owners from renting rooms while they reside at the property.</li></ul>
<ul style="list-style-type: none"><li>If called, require owner or management company to be on-site or return a telephone call within 1 hour</li></ul>	<ul style="list-style-type: none"><li>Limit the number of rental properties within Palmetto Dunes to a finite number or percentage of Palmetto Dunes’ 2,172 properties</li></ul>
<ul style="list-style-type: none"><li>Institute escalating fines of \$X, \$X*2 and \$X*4 for owner/property management non-responsiveness<ul style="list-style-type: none"><li><input type="checkbox"/> \$100 / \$200 / \$400</li><li><input checked="" type="checkbox"/> \$250 / \$500 / \$1,000</li><li><input type="checkbox"/> \$500 / \$1,000 / \$2,000</li></ul></li></ul>	<ul style="list-style-type: none"><li>Limit the total number of days per year a property can be rented</li></ul>
<ul style="list-style-type: none"><li>After three such fines within a calendar year, an on-site meeting with the owner, POA and management company will be required. The issuance of additional guest passes for the remainder of the calendar year may be denied</li></ul>	<ul style="list-style-type: none"><li>Upon arrival of Security, assess owner-stated occupancy limits with the number of people within a property</li></ul>
<ul style="list-style-type: none"><li>All rentals with Palmetto Dunes must be for a minimum of 3 continuous days</li></ul>	<ul style="list-style-type: none"><li>Implement different rules for villas vs. homes</li></ul>
<ul style="list-style-type: none"><li>Require anyone renting a property within Palmetto Dunes be 25+ years of age</li></ul>	<ul style="list-style-type: none"><li>Implement different rules based upon the home location (i.e., row number, Mariners vs. Inverness, etc.)</li></ul>
<ul style="list-style-type: none"><li>Develop a TBD Palmetto Dunes property management certification process</li></ul>	<ul style="list-style-type: none"><li>Implement different rules for renters vs. non-renters</li></ul>
	<ul style="list-style-type: none"><li>Other:</li></ul>

## Traffic and Parking

- Limit the number of passes to the **minimum** of:
  1. Six
  2. Property parking spaces minus one (for landscaping/pool/pest control/maintenance/etc. servicing)
  3. Number of bedrooms
- Permit **standing** for up to X minutes
  - 0 Minutes
  - 30 Minutes
  - 1 Hour
- Prevent guests from calling in passes for other guests
- Encourage owners to report violations to Security
- Expand the Security team to more actively enforce existing rules
- Other:

## Occupancy and Noise

- Communicate Federal occupancy guidelines of 2 people per bedroom plus 2 to all owners (setting expectation without enforcing said limits)
- Modify the covenants to limit new homes or renovations to no more than X heated SF, Y bedrooms and/or Z bathrooms
- Encourage owners to report violations to Security
- Staff-up the Compliance team to meet demands
- Consider the creation of an anonymous reporting App
- Other:

## Communications

- Communicate the financial benefits of short-term rentals to the community
- Distribute [www.WelcomeToPalmettoDunes.com](http://www.WelcomeToPalmettoDunes.com) or similar video to all guests sharing a summary of our most important rules
- Display looped, muted video/subtitled video on Dunes Buggy
- Develop new interior signs to be displayed within rental properties.
- Require all owners/rental properties to display Palmetto Dunes-designed signs communicating PD rules and policies
- Other:

## Bicycle Policies/1

- Require bicyclers to use the leisure path where one is available (5)
- Require bicyclers to ride on the right when using roads or leisure paths
- Require bicyclers to adhere to current South Carolina law regarding bicycle operation
- Require all riders use a headlight at night (4)
- Install community A-Frame signs with the top four bicycle rules
- Replace bike stop signs that "impact" vehicles with path-stenciled TOP or YIELD instructions (8)
- Require riders to dismount and walk bikes on all beach paths
- Provide bike racks on the beach at designated locations, and within the second/third row clearings (4)
- Provide a printed copy of the bicycle rules to owners as they pick up their guest passes
- Request bicycle companies to include stickers with said rules on any bikes rented within PD (3)
- Add beach path signs stating bikes must be walked on beach paths (4)
- Add signs indicating where bicycles can be parked (rather than where they cannot be parked) (4)

## Bicycle Policies/2

- Add dedicated, trained personnel engaging riders on Sunday-Tuesday from 8AM to 5PM during May through August (5)
- Security must engage and be willing to issue POA tickets to identifiable repeat offenders
- Develop a TBD Palmetto Dunes bicycle rental certification process
- Require every company renting bicycles to be certified—else bicycles cannot be delivered within Palmetto Dunes (2)
- Require bicycle companies to pay \$1 for every bike rented in PD
- Require all riders to wear helmets (7)
- Require riders under 12 years of age to wear helmets (7)
- Develop and implement a "Bicycle Ambassador" program
- Require bicycle rental companies and guests to purchase permits for each bicycle
- Require bicycle companies to install lights on their equipment (1)
- Require bicycle companies to share rules or video with riders
- Launch a comprehensive Bicycle Study providing a review of traffic flow, cross walk placement, signage, and rider safety rules.
- Other:

## Short Term Rental Definition/General

Determines when STR rules apply

- "The renting of any property for a period of X days or less for monetary or other consideration."
  - 30 Days
  - 90 Days
  - 180 Days
- Invite anyone who sells to complete an online survey to better understand why they are leaving Palmetto Dunes—and where they are going

## Example Certification Program

- Objective: Ensure every rental property owner and property management professional (not just the firm) understands our goals and requirements to enhance the experience of Palmetto Dunes for guests and owners (Must include 100% of second level)
- Training Methods
  - On-site, annual: 1-hour presentation
  - Online, on-demand: 30-minute video
  - Both require the successful completion of a questionnaire—answering 75% of the questions correctly
- Topics to Understand
  - How, where and why to register/update owners and property management contacts with Palmetto Dunes
  - Key Palmetto Dunes rules and regulations
  - Which Palmetto Dunes-developed information must be provided to guests (rules, videos, etc.)
  - Guest pass limits and vehicle restrictions
  - Federal occupancy guidelines, setting appropriate guest limits for the property
  - Regularly confirm any required in-unit signs are present and appropriately located
  - Owners will be notified of any issue that occurs at their property
  - Calls from Security/Compliance must be returned within one hour
  - An escalating fine policy is in place that can result in the non-issuance of guest passes
  - Certification by owners and property managers must be renewed annually