To avoid all confusion and allay any concerns

Before we begin ....

Short-Term Rentals will not be banned within Palmetto Dunes

Was never on the table
Was never an objective
Not even a consideration
Background

• Board workgroup launched in December, 2018
• Formal committee established in March, 2019
  • 3 non-board members: Ian Cohen, Pattie Courtney, Joe Homa
  • 4 board member: Gayle Cleaveland, Doug Luba, Lee Smith, Bill Watkins
  • Staff: Chief Griner, Andrew Schumacher
• Charter: **Provide Greater Balance**
  • “With the growing use of short-term rentals, the purpose of this Ad Hoc Committee is to review the impact short-term rentals may be having upon Palmetto Dunes and recommend any policy/process enhancements to balance the economic needs of owners who rent with a quality of life expected by owners who do not—ensuring the behaviors of one group do not adversely impact the other.”
• Conducted an owner survey to understand concerns and opportunities regarding STRs
• Met with bicycle rental companies, property management firms and realtors
• Held conversations with Sullivan’s Island, Island of Palms and Destin
• Total of 8 meetings over 7 months (see: [https://pdpoa.org/owners/resources/short-term-rentals/](https://pdpoa.org/owners/resources/short-term-rentals/))
Owner Survey
Owner Survey

• All owners invited to share their thoughts and opinions in an online survey

• Record 1,115 responses with 1,024 rent/non-rental cross-tabbed completions
  • Owners that rent: 557 or 54%
  • Owners that do not rent: 432 or 43%
  • Prefer not to say: 35 or 3%

• 48 pages of owner verbatims offering rich qualitative insights

May, 2019

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Survey Opened

Link posted in closed FB group

Survey Closed

May, 2019

Survey Closed

May, 2019

Survey Opened

Link posted in closed FB group
Owner Survey: Key Findings

- Approximately half of all properties in Palmetto Dunes rent—and half do not
- 41% of homes and 63% of villas are on the short-term rental market

**Those who rent:**
- More likely to own a **villa**—but own homes, too
- Think of Palmetto Dunes as their **business**
- Own for **5 years or less**
- **Not at all** concerned about rentals
- Tend to think everything is **fine as is**
- Have a **positive** view of rentals
  - Enable purchase before moving here
  - Introduce people to Palmetto Dunes
  - Support the Resort and Island businesses
  - Increase property values

**Those who don’t rent:**
- More likely to own a **home**
- Think of Palmetto Dunes as their **home**
- Own for **11 years or more**
- **Quite concerned** about rentals
- Tend to believe **changes are needed**
- Have a **less positive** view of rentals
  - Decrease the quality of life
  - Disrupt the sense of community
  - Encourage moving from PD
  - Do not increase property values

**Mutual areas of focus:**
- Guest education and policy communication
- Bicycle rules and operation
- Engaging those who violate our policies—changing behavior
Short-Term Rental Solutions by Nearby Towns and World-Class Resorts
Common Approaches to Managing Short-Term Rentals

• Register with the town or local authority—paying a fee
• Limit occupancy based upon the number of bedrooms
• Limit parking based upon the number of bedrooms
• Staff a 24-hour contact number (performed by the town)
• Appear on-site within 1 to 2 hours of a complaint
• Display interior signs sharing rules with guests
• Communicate defined quiet hours
• Adhere to a minimal rental duration (2+ days)
• Implement escalating fines with 3-strikes rule
• Include town-provided identifier within all ads
General Approach

• Objective focused: help achieve balance in Palmetto Dunes
• Address current problems with an eye toward the future
• Less is more
• Start with policies that received unanimous support
• Identify additional policies for future consideration
1.0 General Recommendations

- Define “short-term rental” as “The renting of any property for a period of less than 180 continuous days for monetary or other consideration.”

- Invite every owner who sells their property to complete an optional online Exit Survey to better understand why they are selling in Palmetto Dunes—and where they might be going.
2.0 Rental Policy Recommendations

• At **no fee**, require owners who rent a property on a short-term basis to annually provide property management and owner contact information to the POA via an online system
  
  • Fast and easy
  • No cost
  • Entirely confidential – not shared with local, state or Federal
  • Update within five (5) days after a contact change
  • Failure to register will limit or prevent guest pass issuance

1. Register

• Faster resolutions
• More satisfied guests
• Accurate trend data
• Better policies
• Improved reputation
• Reduced workload
2.0 Rental Policy Recommendations

• POA issues, via email, notices to the owner and property management firm **whenever Security or Compliance is summoned to a property** (regardless of the resolution)
  
  • No action required
  • Informative—bypasses Property Management “filters”
  • Encourages proactive guest management

1. Register

• Faster resolutions
• More satisfied guests
• Accurate trend data
• Better policies
• Improved reputation
• Reduced workload

2. Receive

• Property use insights
• Proactive actions
• Better rental decisions
• Property preservation
2.0 Rental Policy Recommendations

• If called, require the owner or management company to **return a telephone call within one (1) hour**—providing as rapid of a response as possible within that hour
  
  • A guest or guest-related issue requires immediate attention
  • Your involvement is demanded
  • After three non-timely responses, a meeting with the POA will be required
2.0 Rental Policy Recommendations

• Require all rental properties to display Palmetto Dunes-designed signs communicating rules and policies
  • Guests can only follow rules if they are shared
  • Most guests/families will comply
  • Non-display will require a discussion with the POA

1. Register
• Faster resolutions
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• Better policies
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• Reduced workload

2. Receive
• Property use insights
• Proactive actions
• Better rental decisions
• Property preservation

3. Respond
• Faster resolutions
• More satisfied guests
• Greater Property Manager performance
• Happier neighbors

4. Educate
• Fewer Security calls
• Fewer citations
• More satisfied guests
• Happier neighbors
3.0 Parking Recommendations

• Limit the number of passes to the available parking spaces of a property up to a maximum of six (6) for homes—or a lower limit if requested by the property owner

• Explored different policies:
  • Number of bedrooms
  • Additional space for service

• Recommend current policy with strong enforcement
3.0 Parking Recommendations

• Allow **one vehicle** (trailer optional) to park, with a **legitimate purpose, directly in front of a property** on an **authorized street** for up to 60 minutes ("Vehicle Standing") insofar as the driver has "**immediate control**" of the vehicle and without hindering the flow or safety of traffic, pedestrians or bicycles.

**Definition of “immediate control”**

• Available to move a vehicle within (1) one minute of a front doorbell press

• Does not include:
  • Time searching for keys
  • People reachable via cell phone

• Fines:
  • Per Resort Regulations plus towing fee

**Authorized Street is any except:**

• Carnoustie Road
• Mooring Buoy
• Ocean Lane
• Queens Folly Road
• Sea Lane
• St. George
3.0 Parking Recommendations

• Provide Security with the **resources necessary** to actively enforce new (and existing) policies
  
  • Visit each property to determine and document parking capacities
  
  • Identify additional tools or training
  
  • Determine appropriate staffing levels
4.0 Noise Recommendations

• **Internal** noise is the primary issue among **villas**—but infrequent

• **External** noise is the primary issue among **homes**—typically **pool related** (not infrequent)

• Both tend to be highly **volatile** and **subjective**

• Rely upon required **in-unit signs** to communicate indoor, outdoor and pool noise moderation

• Encourage owners to **report noise violations** to Security—particularly violations of Quiet Time (10PM to 8AM)
5.0 Communications Recommendations

• Distribute www.WelcomeToPalmettoDunes.com or similar video to all guests sharing a summary of our most important rules by the Pass Office, rental management companies, and displayed on interior signs

• Communicate the financial benefits of short-term rentals to all owners in the community
  • Gate Pass revenue limiting the need to increase assessments
  • Increased Property Prices
6.0 Bicycle Recommendations

• Update our Resort Regulations to require bicycles to adhere to South Carolina law

• Request bicyclers to use the leisure path where one is available

• Request bicyclers to ride on the right when using roads or leisure paths

• Request all riders to use a headlight at night

• Add dedicated, trained personnel engaging riders on Sunday-Tuesday from 8AM to 5PM during May through August
6.0 Bicycle Recommendations

• Add beach path signs and require riders to dismount and walk bikes on all beach paths

• Add bicycle parking and signs indicating where bicycles can be parked (rather than where they cannot be parked)

• Communicate and coordinate with the Town to provide bike racks on the beach
6.0 Bicycle Recommendations

• Consider relocating bike stop signs that “impact” vehicle movement with path-stenciled STOP or YIELD instructions

• Undertake a comprehensive Bicycle Study providing a review of traffic flow, cross walk placement, signage and rider safety rules
<table>
<thead>
<tr>
<th>Attribute</th>
<th>Palmetto Dunes (Recommendation)</th>
<th>Beaufort, SC</th>
<th>Unincorporated Beaufort County, SC</th>
<th>Charleston, SC</th>
<th>Kiawah, SC</th>
<th>Tybee Island, GA</th>
<th>Savannah, GA</th>
<th>Destin, FL</th>
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<tbody>
<tr>
<td>Jurisdiction/Enforcement of Short-Term Rental (Consecutive Days)</td>
<td>Less than 180 days</td>
<td>30 days or less</td>
<td>Less than 30 days</td>
<td>Less than 30 days</td>
<td>Less than 30 days</td>
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<td>30 days or less</td>
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<td>Year Enacted</td>
<td>TBD</td>
<td>2017 (still under development)</td>
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<td>Property Type Limitations</td>
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<td>Homes Only</td>
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<td>Locations</td>
<td>No Zones</td>
<td>Authorized Zones Only</td>
<td>Defined Zones</td>
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<td>Location Limits</td>
<td>No Limits</td>
<td>Only up to 6% of lots can be STRs</td>
<td>Percentage of total properties</td>
<td>20% cap for non-owner occupied properties</td>
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<td>Annual Registration Required</td>
<td>Yes</td>
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<td>Annual Registration Fee</td>
<td>$0</td>
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<td>$200 to $1,500, SF dependent</td>
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<td>$500 to $700, SF dependent</td>
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<td>Days to Update Contact Information Upon Change</td>
<td>Within 5 business days</td>
<td>Upon change of Management Company</td>
<td>Within 3 business days</td>
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<td>Transferable Registration</td>
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<td>Penalty for Non-Registration</td>
<td>$1,000</td>
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<td>$100 per month</td>
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<tr>
<td>Require Local 24/7 Agent or Property Manager</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Owner-Present Renting Permitted</td>
<td>Yes</td>
<td>Yes</td>
<td>Required</td>
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<td>Minimum Rental Duration</td>
<td>2 Days</td>
<td>On-site within 3 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 1 hour</td>
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<tr>
<td>Responsiveness</td>
<td>Return call within 1 Hour</td>
<td>On-site within 3 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 2 Hours</td>
<td>On-site within 1 hour</td>
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<tr>
<td>Fines</td>
<td>Meeting and potential non-issuance of guest passes after 3 non-responsive actions</td>
<td>Revocation after 3 violations in a 12 month period</td>
<td>Revocation of STR rules</td>
<td>Revocation after 3 violations in a rolling 12 month period</td>
<td>Escalating fees of $500 / $750 / $1,000; Revocation after 3 events in a 12 month period;</td>
<td>Finns up to $500 per event, plus the possibility of Revocation;</td>
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<tr>
<td>Parking Vehicle Limit</td>
<td>Driveway dependent up to a maximum of 6- or fewer upon owner request</td>
<td>1 Vehicle per Bedroom-- driveway dependent</td>
<td>Per Ordinance</td>
<td>Town defined</td>
<td>Town defined</td>
<td>Owner defined</td>
<td>Par City Ordinance</td>
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<td>Noise</td>
<td>Quiet Time is 10PM to 8AM</td>
<td>Quiet Time is 9PM to 8AM</td>
<td>Town defined</td>
<td>Quiet Time is 11PM to 7AM</td>
<td>Par City Ordinance</td>
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<td>Trash Pickup</td>
<td>Service Required</td>
<td>Not Permitted</td>
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<td>Required and not to exceed 24&quot;x24&quot;</td>
<td>Required and between 18&quot;x12&quot; and 12&quot;x12&quot;</td>
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<td>Colorful Signage with Contact Information</td>
<td>Not Permitted</td>
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<td>Not Permitted</td>
<td>Required</td>
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<td>Occupancy Limit</td>
<td>2 per bedroom; Maximum of 4 for a carriage house</td>
<td>Up to 4</td>
<td>2 per bedroom plus 2</td>
<td>2 per bedroom (plus 4 up to a maximum of 24)</td>
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<tr>
<td>Other</td>
<td>Requires internal signs, sharing rules and contact information; Owners to receive email notification of issues—even if resolved;</td>
<td>Requires business license; Safety inspection required; Fire monitoring required; Can be restricted by HOA;</td>
<td>Requires business license; Interior signs with rules are required for each bedroom; Advertising must include permit number and business license number;</td>
<td>Requires business license; Requires insurance, fire and life safety requirements; Any ads must include permit number; Annual inspections permitted;</td>
<td>Requires business license; Inspections for smoke, CO and sprinklers;</td>
<td>Requires business license;</td>
<td>Requires notification of neighbors, business license, and insurance;</td>
<td>STR decals must be placed on home; Maintain property free of garbage and litter;</td>
</tr>
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</table>
Next Steps

- Allow the Board to review and consider the recommendations
- Evaluate resources required to implement recommendations
- Develop a prioritized schedule based upon timing
- Board adoption of all/selected policies—announcing effective dates and a rollout plan
Short-Term Rentals will not be banned within Palmetto Dunes

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