

SHORT-TERM RENTAL AD-HOC COMMITTEE MEETING MINUTES

The Short-Term Rental Ad-Hoc Committee met on Friday, October 11, at 11:00AM in the POA Administration building on the second floor.

Attendees:

Gayle Cleaveland
Ian Cohen
Jim Griner
Joe Homa

Doug Luba
Lee Smith
Bill Watkins
Andrew Schumacher

The objective of the meeting was to review the final set of policies developed during the committee's September 24 meeting, including the objective and enforcement mechanisms of each per the document shared on Tuesday, October 8, 2019. The revisions to the original document are identified below, with the final set of policies at the end of these meeting minutes.

Revisions to the October 8, 2019 Document

1.3 Relocate the New path construction policies to "Future Considerations."

2.3 Require the owner or management company to return a call within 1 hour (removing the on-site requirement) and stressing the urgency of a returned call.

2.4 Removed the \$100 fine for the non-display of Palmetto Dunes-created signs within rental properties as they could be removed by cleaning companies, guests, or other personnel. Violations will be similar to the responsiveness enforcement policy.

3.1 Removed the parking limit of two (2) vehicles for villas as this is currently under discussion by several regimes. Regimes may, in the future, develop or request limitations be enforced.

3.2 Removed the need to call Security prior to beginning the Standing Vehicle process.

3.3 Modified the text to indicate the committee acknowledges and is supportive of additional resources for Security necessary to implement new policies.

4.1 Move occupancy guidelines to "Future Considerations" indicating a committee consensus could not be reached.

5.2 Remove the fine for not sharing any Palmetto Dunes generated/required video, but indicate owners are required to share said video.

6.2 Request bicyclers to use the leisure path where one is available.

6.3 Request bicyclers to ride on the right.

6.4 Request bicyclers use a light at night.

6.5 Request that the POA consider exploring the replacement of bicycle stop signs that cause driver confusion.

Phase II Policy Recommendations is renamed "Future Considerations"

1.3A Remove new home size limits by square footage and bedrooms.

1.3B Indicate the committee reached no consensus regarding new home construction / renovation occupancy limits, and that coordination with the ARB is recommended.

1.6 Require anyone renting a property within Palmetto Dunes be 25 years of age or older

Phase III Policy has been included within "Future Considerations"

1.8 Indicate no consensus regarding occupancy levels was achieved by the committee

Concurrence

With the above modifications, the committee concurred with all of the recommendations.

Action Items

- Chief Griner agreed to provide a list of authorize (or unauthorized) streets for Vehicle Standing
- Lee agreed to develop the presentation and circulate it to the committee prior to October 15

The meeting concluded at 1:05PM

Recommendations

1.0 General Recommendations

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

- **Objective:** Enhance administrative simplicity by defining two categories (not three) of rental properties—short-term and long-term—for which rules apply.
- **Enforcement:** N/A

1.2 Invite every owner who sells their property to complete an online Exit Survey to better understand why they are leaving Palmetto Dunes—and where they are going

- **Objective:** Obtain data to identify trends or latent topics associated with Palmetto Dunes.
- **Enforcement:** N/A – Process to be conducted by the POA.

2.0 Rental Policy Recommendations

2.1 At no fee, require owners who rent a property on a short-term basis to provide property management and owner contact information to the POA providing any changes within 5 business days via an online portal. *The information is not shared with the Town of Hilton Head, State of SC or Federal Government*

- **Objective:** i) Enable Security to rapidly help guests, particularly after hours, by contacting the proper person; ii) Provide accurate data to identify trends and develop improved policies.
- **Enforcement:** Once identified by the Pass Office or via online services such as Host Compliance, guest passes will not be issued for unregistered owners of short-term rental properties.

2.2 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

- **Objective:** Help owners understand what actually occurs in their properties as many property management firms suppress this information.
- **Enforcement:** N/A – Provided by Security.

2.3 If called by Security, 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.

- **Objective:** i) Enhance the guest experience with faster resolutions; ii) enable Security to exit the property management function.
- **Enforcement:** After three (3) non-responsiveness violations within a calendar year, a 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.

2.4 Require all rental properties to display Palmetto Dunes-designed signs communicating PD rules and policies

- Objective: Educate guests so they can adhere to rules—reducing calls to Security, reducing the number of issued citations, and enhancing the experience for all.
- Enforcement: When called and if entering a property, Security will look for the signs and require the property to display the signs. Enforcement will follow that for 2.3 above.

3.0 Traffic and Parking Policy Recommendations

3.1 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

- Objective: Prevent excessive vehicles at a property and eliminating parking on the grass, street or other illegal locations while limiting property occupancy.
- Enforcement: Pass Office ensures the maximum number of passes is not already met (or exceeded) when a pass is requested.

3.2 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

- Objective: Enable providers (landscapers, pool companies, etc.) to service the property and guests to unload/rearrange vehicles on a highly temporary basis.
- Enforcement: After receiving a call, Security will visit the location after one hour and ticket any remaining vehicle.

3.3 Provide Security with the necessary resources to actively enforce new policies

- Objective: Provide any additional staff to enforce all rules.
- Enforcement: N/A – Resources allocated by the POA.

4.0 Occupancy and Noise Policy Recommendations

4.1 Encourage owners to report noise violations to Security—particularly violations of Quiet Time (10PM to 8AM)

- Objective: Drive community engagement facilitating education and proper behavior.
- Enforcement: N/A – Communicated by the POA to all owners.

5.0 Communication Policy Recommendations

5.1 Communicate the financial benefits (including increased property prices and incremental community revenue via the guest pass fee) of short-term rentals to all owners in the community

- **Objective:** Share that approximately \$1.5MM will be generated in 2020 from pass revenue—reducing the need to increase assessments, and increased property values compared to similar HHI plantations that prohibit short-term rentals.
- **Enforcement:** N/A – Provided by the POA.

5.2 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 PD-provided rental property signs

- **Objective:** Without reading, quickly educate guests prior to arrival, and while at Palmetto Dunes.
- **Enforcement:** Pass Office to ask guests if they received the video link. And if unshared, recommunicate to property owners the requirement to share the video with guests.

6.0 Bicycle Policy Recommendations

6.1 Update the Resort Regulations to require bicyclers to adhere to South Carolina law for the operation of bicycles (CHAPTER 5, Uniform Act Regulating Traffic on Highways ARTICLE 27, Bicyclists and Users of Play Vehicles; Rights and Duties)

- **Objective:** Enhance safety for all. Adjust our Resort Regulations to include bicycles (currently only pedestrians and motor vehicles are specified) that must adhere to SC law.
- **Enforcement:** Security to monitor bicycle activity, educating riders and issuing fines for dangerous actions or repeat offenders.

6.2 Request bicyclers to use the leisure path where one is available (SC Law: 56-5-3425. Bicycle lanes.)

- **Objective:** Like Sea Pines, Kiawah and other resorts in South Carolina, enhance the separation of vehicles and bicycles by using the leisure paths to reduce the risk of accidents and enhance vehicular traffic flow.
- **Enforcement:** Security to monitor bicycle activity, educating riders and issuing fines for dangerous actions or repeat offenders.

6.3 Request bicyclers to ride on the right when using roads or leisure paths (SC Law: 56-5-3430. Riding on roadways and bicycle paths.)

- **Objective:** Prevent accidents and enhance vehicular, bicycle and pedestrian traffic flow.
- **Enforcement:** Security to monitor bicycle activity, educating riders and issuing fines for dangerous actions or repeat offenders.

6.4 Request all riders to use a headlight at night (SC Law: 56-5-3470. Lamps and reflectors on bicycle.)

- **Objective:** Prevent accidents at dusk and night—ensuring bicyclers are visible.
- **Enforcement:** Security to monitor bicycle activity, educating riders and issuing fines for dangerous actions or repeat offenders.

6.5 Evaluate the ability to replace bike stop signs that “impact” vehicles with path-stenciled STOP or YIELD instructions

- Objective: Prevent vehicles from incorrectly stopping due to bicycle stop signs—reducing the risk of rear-end accidents, while maintaining safety procedures for bicyclers.
- Enforcement: N/A – Change to be investigated and implemented by the POA.

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

- Objective: Prevent injury to those walking or riding bicycles on our narrow beach paths.
- Enforcement: Security to monitor bicycle activity, educating riders and issuing fines for dangerous actions or repeat offenders. Signs to be designed and installed by the POA.

6.7 Add signs indicating where bicycles can be parked (rather than where they cannot be parked)

- Objective: Identify the proper location for bicycle parking—not on owner property, against owner bushes, on or near the path, or on the dunes.
- Enforcement: N/A – Signs to be designed and installed by the POA.

6.8 Communicate and coordinate with the Town to provide bike racks on the beach

- Objective: Identify an appropriate location for a lockable bicycle rack on the beach—keeping bicycles off the dunes and away from/blocking walking paths.
- Enforcement: N/A – Coordination to be managed by the POA.

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

- Objective: Engage riders (particularly offenders) sharing our most important bicycle rules enhancing compliance and safety.
- Enforcement: N/A – Resources to be estimated and budgeted by the POA.

6.10 Undertake a comprehensive Bicycle Study providing a review of traffic flow, cross walk placement, signage, and rider safety rules.

- Objective: Take a holistic view of Palmetto Dunes—enhancing the safety, convenience/ease of use, and attractiveness of bicycle usage from the perspective of a casual bicycle rider.
- Enforcement: N/A – Activity to be managed by the POA.

Future Considerations

These items were actively discussed by the committee, and may be employed should additional policies or enforcement mechanisms be required based upon emerging situations or topics.

1.1 Institute escalating owner fines of \$250, \$500 and \$1,000 for owner/property management non-responsiveness

- Objective: Use an economic incentive to drive owner/property manager responsiveness to resolve issues in a timely manner and enhance the visitor experience.
- Enforcement: Security (or Compliance) to assess fines when owners or property management firms do not arrive on-site or return a call within one (1) hour. The fine is assessed to the property owner.

1.2 Develop a Palmetto Dunes property management certification process and require every VRBO/Airbnb/self-managed owner and property manager to be certified

- Objective: Fully educate owners and property managers regarding the community policies, rules and associated rationale, and available penalties.
- Enforcement: Without an accredited owner or property manager, guest passes for that particular property will not be issued.

1.3 Require that the entire property must be rented, eliminating the ability for owners to co-reside with guests as they rent room(s)

- Objective: Prevent traffic, noise, community disruption associated, negative reputation, and decreased property value associated with owners acting as innkeepers and properties as hotels.
- Enforcement: After the second confirmed violation, guest passes for the offending property will no longer be issued for the remainder of the calendar year.

1.4 Require all rentals within Palmetto Dunes must be for a minimum of 2 consecutive nights (3 days)

- Objective: Prevent traffic, noise, community disruption, negative reputation, and decreased property value associated with properties acting as overnight hotels.
- Enforcement: Passes will be issued for a minimum of two days—impact the cumulative passes for a property. Neighbors will be encouraged to report violations. After the second confirmed violation, guest passes for the offending property will no longer be issued for the remainder of the calendar year.

1.5 Require anyone renting a property within Palmetto Dunes be 25 years of age or older

- Objective: Ensure those renting meet the lifestyle and family image of Palmetto Dunes.
- Enforcement: Require all owners and property managers to ask age, place age requirements within the rental contract, and only rent to those 25 years of age or older.

1.6 Develop a Palmetto Dunes bicycle rental certification process and require every company delivering bicycles within Palmetto Dunes to be certified

- Objective: Fully educate bicycle rental companies about our bicycle rules.
- Enforcement: Using the guest pass software, only accredited bicycle companies will be able to deliver bicycles beyond the South or North gate. Security patrols will be required to identify bicycles and deliveries in St. Andrews, Queens Grant, and the Village—calling companies to request the immediate removal of unauthorized bicycles.

1.7 When constructing new leisure paths:

- Widen new leisure paths to at least 8' and ideally 10' in high-congestion areas
- Eliminate road “cross-overs” wherever possible
- Remove all dramatic elevation increases and decreases (anything over +/- 10 degrees)
- Address drainage issues preventing riders from using paths after a dramatic rainfall event
 - Objective: Make the paths more usable and safer—fostering compliance.
 - Enforcement: N/A – Activities to be conducted by the POA.

The committee extensively discussed items 1.8 through 1.10 below and could not reach a consensus.

1.8 Communicate occupancy guidelines of two (2) people per bedroom plus two (2) to all owners

- Objective: Share guidelines for a positive guest experience—and to set expectations for any future occupancy rules.
- Enforcement: N/A – Communicated by the POA to all owners and property managers.

1.9 Limit short-term rental overnight occupancy of two (2) people per bedroom plus two (2) for all properties.

- Objective: Limit occupancy for a positive guest experience—minimizing noise, traffic and parking issues.
- Enforcement: Upon notification of a potential violation by a neighbor or the POA, Security or Compliance will visit the property and discuss the topic with the owner or property manager. Violations will incur a \$100 fine and given one day to become compliant.

1.10 Modify the covenants such that maximum overnight occupancy of a **single-family residence** permitted for new construction or substantial renovation **after** [adoption date] shall be i) two (2) people per bedroom plus two (2) people or ii) eighteen (18) people, whichever is fewer

- Objective: Limit the number of people within a property, preventing excessive noise, parking issues, and infrastructure demand.
- Enforcement: Upon notification of a potential violation by a neighbor or the POA, Security or Compliance will visit the property and discuss the topic with the owner or property manager. Violations will incur a \$100 fine and given seven days to become compliant.