

PLANNING COMMISSION
April 14, 2021

Virtual Meeting Due to COVID-19 Pandemic

The public may view the public meeting at:
www.youtube.com/user/cityofisleofpalms

Public Comment: Citizens may provide public comment here:
<https://www.iop.net/public-comment-form>

AGENDA

The Isle of Palms Planning Commission will hold its regular meeting on Wednesday, April 14, 2021 at **4:30 p.m.**

- A. Call to order and acknowledgment that the press and the public were duly notified in accordance with state law
- B. Approval of minutes March 10, 2021
- C. New business Review of revenue data from housing types
- D. Old business Review edits of Housing Element of Comprehensive Plan

Initial review of Land Use Element of Comprehensive Plan

<https://www.iop.net/comprehensive-plan>
- E. Miscellaneous business
- F. Adjourn



Planning Commission Meeting
4:30pm, Wednesday, March 10, 2021
Virtual Meeting via Zoom call due to COVID-19 Pandemic
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

1. Call to Order

Present: Scott Pierce, Ron Denton, Steven Corney, David Cohen, Sandy Stone, Marty Brown and Douglas Kerr, Director of Planning

Absent: Lisa Safford

2. Approval of minutes

Mr. Pierce made a motion to approve the minutes of the February 10 regular meeting, and Mr. Corney seconded the motion. The motion passed unanimously.

3. New Business

Annual Legal Briefing by City Attorney Jim Hinchey

City Attorney Hinchey gave the annual legal briefing to the Commission members. Topics covered included: when to seek legal advice, FOIA (what is considered public record and what must be kept), what constitutes a meeting, meeting agendas, Executive Session, formation of subcommittees, the importance of all meeting communications being recordable, the powers and duties of the Planning Commission, quasi-judicial functions, ex parte communications, ethics, and conflicts of interest.

4. Old Business

A. Review of Economic Element of Comprehensive Plan

Commissioners offered no additional comments or changes to the Economic Element of the Comprehensive Plan.

B. Initial Review of the Housing Element of the Comprehensive Plan

Commissioners discussed the goals and strategies in the Housing Element: monitoring the effect of development upon the quality of life of the existing permanent residents and improving the water quality associated with residential properties.

Changes to the narrative section of the Housing Element were also discussed, and those edits will be reviewed in full at the April meeting.

C. Review of the RFP for the drainage master plan

Director Kerr said the RFP and scope of the drainage master plan were endorsed by the Public Works Committee. He shared that only a contract needs to be added to the RFP and it can be released. He has spoken with some local engineering firms who have expressed enthusiasm about the project.

5. Miscellaneous Business

The next meeting of the Planning Commission will be Wednesday, April 14, 2021 at 4:30pm.

6. Adjournment

Mr. Stone made a motion to adjourn and Mr. Brown seconded the motion. The meeting was adjourned at approximately 6:58pm.

Respectfully submitted,

Nicole DeNeane
City Clerk

IOP Revenue Analysis

March, 2021

5 year revenue by source

City of Isle of Palms

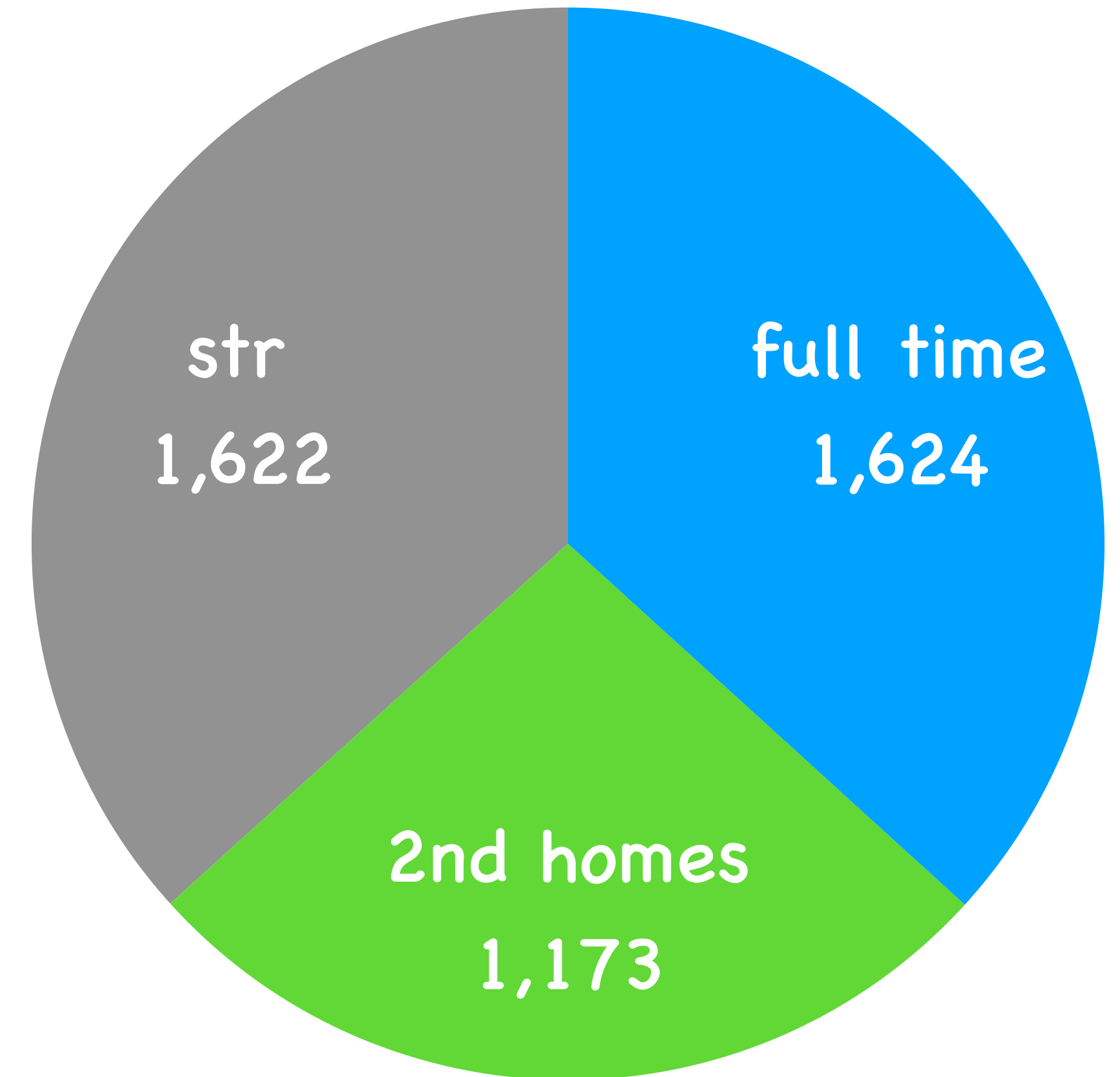
ESTIMATED Breakout of FY16-FY20 Revenues by Source Including Grants Related to 2017 Beach Renourishment Project

REVENUES	Estimated Distribution	Short Term Rentals	2nd Homes	Day Visitors	Full-time Residents	Marina	Chs County Grants	State Grants	Federal Grants	5 YEAR TOTAL
GENERAL FUND										
Real Property Taxes 4%	See Note 1	\$ -	\$ -	\$ -	\$ 5,745,416	\$ -				\$ 5,745,416
Real Property Taxes 6%	See Note 1	\$ 6,937,752								6,937,752
Real Property Taxes 6%	2nd Homes - Note 1		\$ 5,017,253							5,017,253
Real Property Taxes 6%	Commercial & Other - Notes 1,3	\$ 1,223,006	\$ 406,424	\$ 824,551	\$ 613,495	\$ 25,000				3,092,475
Rental Residential Taxes	Note 1	\$ 92,016								92,016
Other Prop Tax (car, boat, etc)	Note 1				880,933					880,933
Total Property Tax	Note 1	8,252,774	5,423,676	824,551	7,239,845	25,000		-	-	21,765,846
% of Total Property Tax		37.92%	24.92%	3.79%	33.26%	0.11%				100%
Local Option Sales Tax	Note 2	2,762,476	144,562	291,459	379,029	139,188				3,716,714
Business License Fees	Note 4	2,121,209	1,974,994	417,122	1,869,432	333,275				6,716,032
Public Utilities	use % of Total Property Tax	1,539,558	1,011,789	153,820	1,350,596	4,664				4,060,427
Insurance Licenses	use % of Total Property Tax	1,253,471	823,774	125,237	1,099,623	3,797				3,305,902
Telecom Licenses	use % of Total Property Tax	40,587	26,674	4,055	35,606	123				107,045
Building Permits	Note 4 (Contractors)	592,060	592,060	98,677	592,060	98,677				1,973,533
Rental License Fees		3,045,232								3,045,232
Court & Parking Fines	estimate 24/5/50/20/1	281,623	58,672	586,715	234,686	11,734				1,173,431
Parking Lot				1,665,722						1,665,722
State Atax Gen Fund Portion		568,394								568,394
Parking Meter				2,046,091						2,046,091
Alcohol Fees (Sunday Sales)	Note 3	79,804	26,515	53,804	40,031	23,246				223,400
Grant Revenue/FEMA/State Shared Funds								507,132	266,591	773,723
All Other GF Revenues	use % of Total Property Tax	687,474	451,804	68,687	603,095	2,083				1,813,143
Total General Fund		21,224,663	10,534,520	6,335,941	13,444,001	641,786	-	507,132	266,591	52,954,635

Parcels on IOP

- Since 2019:
 - Full time parcels increased by 57
 - STR increased by 80
 - 2nd homes decreased by 151

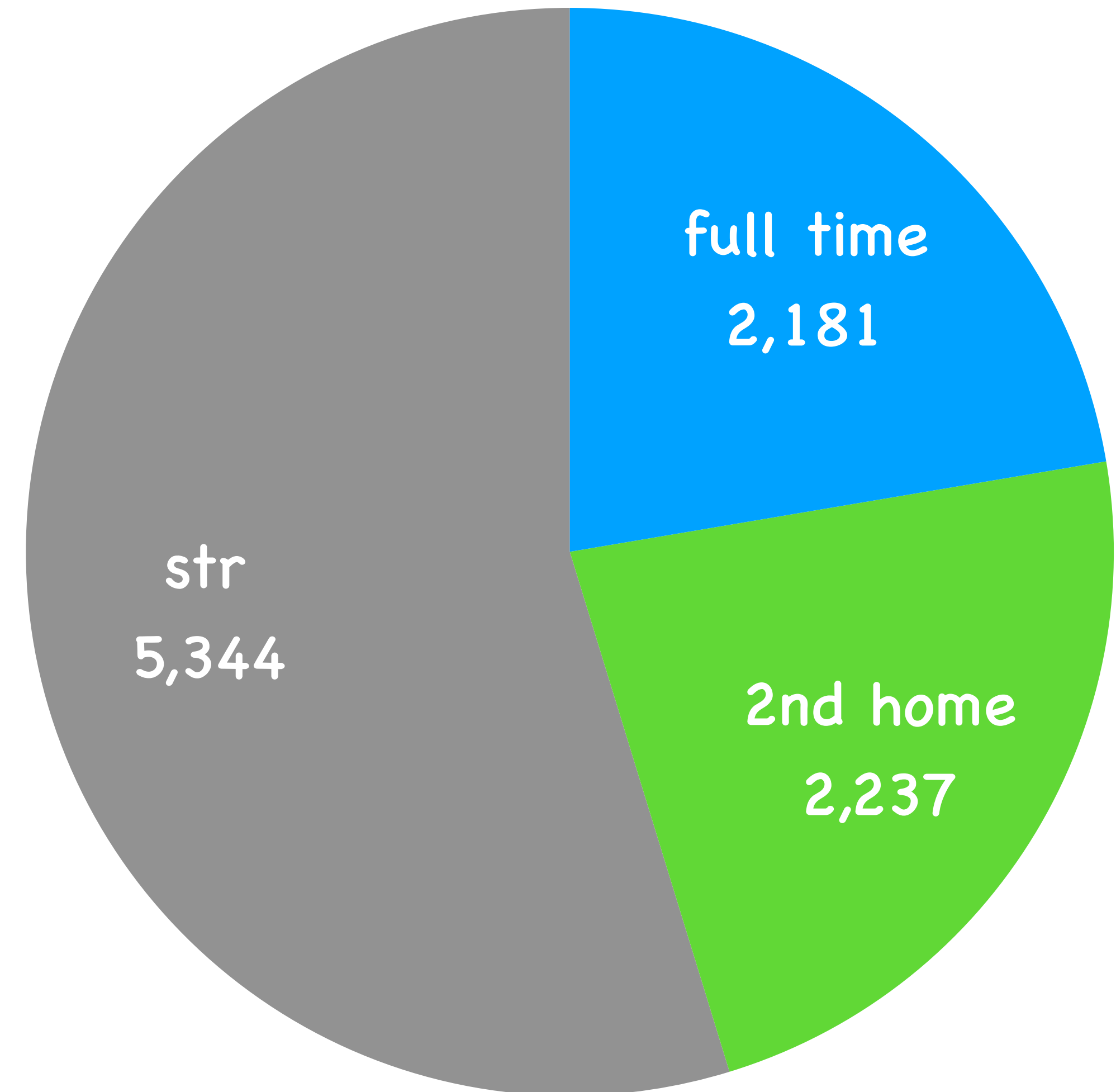
Current parcel count
(2020)



Estimated total annual revenue over last 5 years - for illustrative purposes only

- Includes all forms of revenue to the city divided by type of parcels (excludes marina and parking revenues)
- Many assumptions used to get to these totals to show the value of each parcel type.

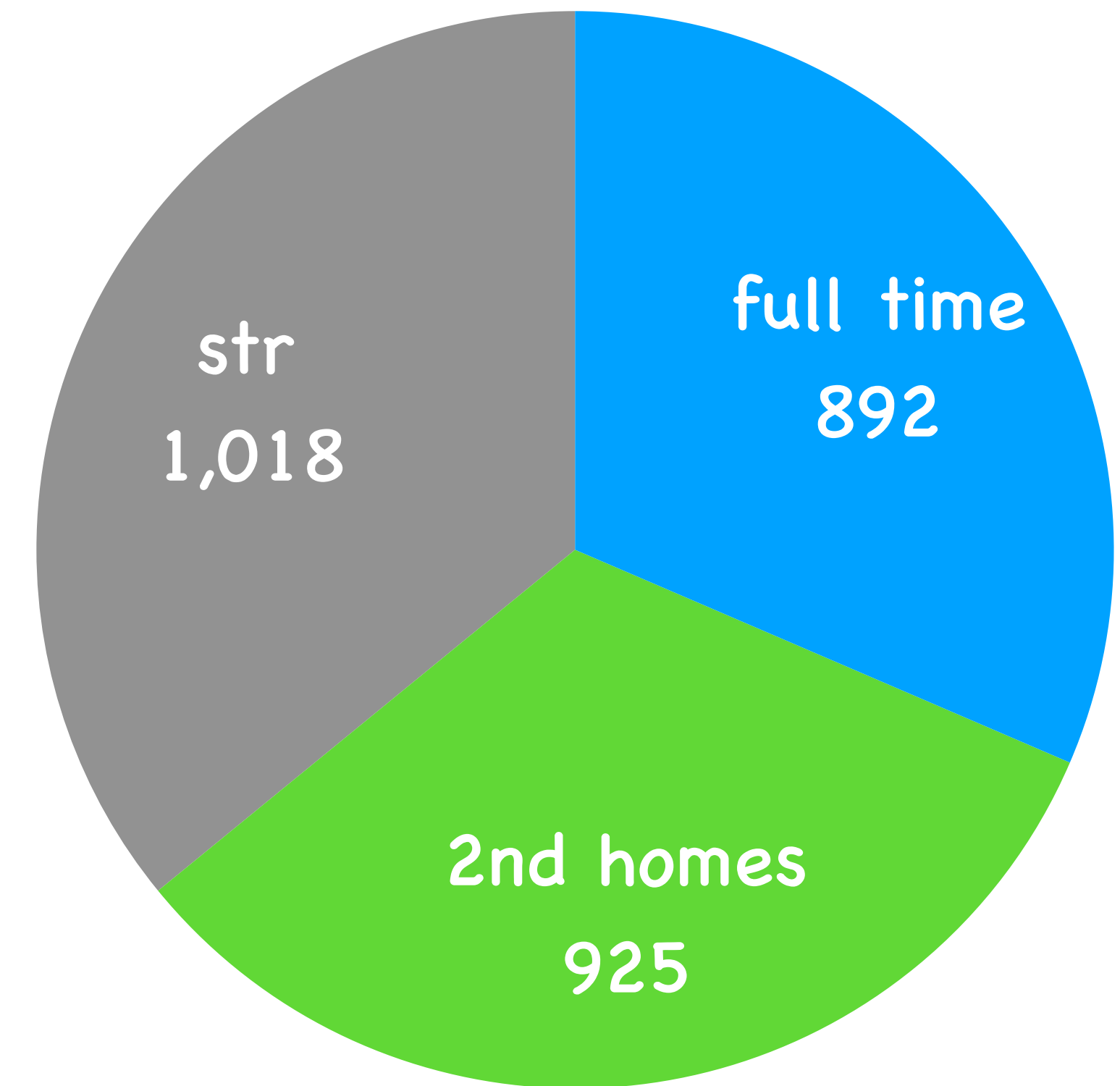
Average total annual revenue per parcel



Estimated property tax revenue (IOP portion only) over last 5 years

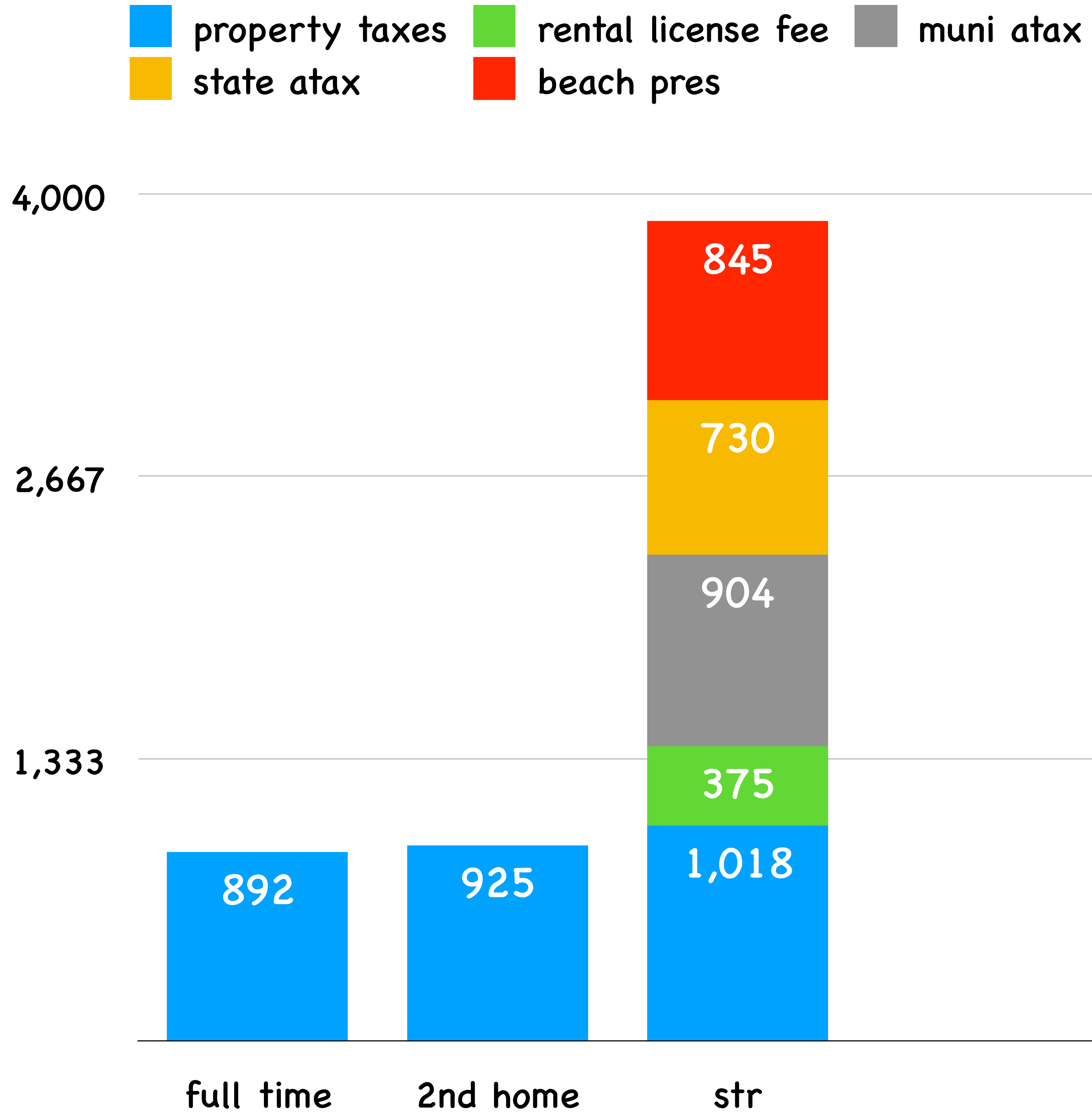
- All property taxes included i.e., cars, boats...
- Total residential parcels on the island - 4,419
- Of these, 2,795 are 6% residential properties

Average annual property tax revenue per parcel



Selective average annual revenue per parcel

- Instead of total revenue, this only includes revenues listed
- Again, data is somewhat skewed since hotels are only counted as one parcel. However it does illustrate the “value” of the different parcels.



So what do we do with this info?

- It's obvious what happens to revenue as parcels change type - not a significant change from full time resident to 2nd home, but a significant jump going to STR.
- Questions become - what do we want the island to look like in 5, 10, 20 years and are there any decisions to be made now to hit the desired state?

HOUSING

Characteristics

Over the years the island has attracted those seeking a permanent residence, a vacation home, an investment opportunity or a retirement home. At the present time, approximately 33% of the housing units on the island are owner-occupied, year-round residential units.

~~The cost of insurance and the possibility of a major storm are concerns for many of the residents of the island. In 2012, the U.S. Congress passed the Biggert-Waters Flood Insurance Reform Act of 2012. One of the provisions of the Act is expected to result in the increase of flood insurance rates to reflect the true flood risk. This provision could significantly increase the cost of flood insurance for the older houses on the island that are not elevated.~~

Many of the older homes on the island are small, with small kitchens, bathrooms and closets, making them less desirable in the current market. In some instances, the land by itself would be worth more if the house were removed. For these reasons many of these older homes are being replaced by updated structures.

Many homes on the island are on a septic system. Some of these septic systems have no problems and would pass all present requirements for a new system. However, some septic systems that pre-date health regulations do not meet the current requirements. ~~At the present time, the Isle of Palms Water and Sewer Department has the capacity to handle more users, but they do have a maximum capacity. Property owners with substandard septic systems will face a dilemma if the public sewer capacity is met and their existing system fails. Therefore, the cost of connecting to the sewer system may be justifiable for these property owners while there is still capacity at the sewer plant. The Community Facilities element of this plan includes information on the need to expand public sewer services on the island.~~

Key issues

- Maintenance of a high quality of life for the island residents
- Balancing the increasing property values and the livability of the community

Goals and Implementation Strategies

Goal 6.1: The City should continuously monitor the effect of development upon the quality of life of the existing permanent residents.

Strategy 6.1.1: Continue to track construction trends including: the number of houses demolished each year and the number of square feet, bedrooms and bathrooms of new houses. *(2008; Building Department)*

Strategy 6.1.2: Continually assess ordinances which limit the size and width of houses and the amount of impervious surface on the island. *(Ongoing; Building Department)*

Goal 6.2: Improve water quality associated with residential properties (see also Goal 3.2).

Strategy 6.2.1: Amend the zoning ordinance to limit the density of development allowed on property not serviced by a public wastewater system. *(2008; Building Department and City Council)*

Strategy 6.2.2: Educate the owners of septic systems in the proper maintenance and encourage owners to have their septic systems checked and serviced according to established standards. *(Ongoing; Building Department)*

Strategy 6.2.3: Monitor the amount of impervious surface on residential lots. *(Ongoing; Building Department)*

LAND USE

Characteristics

The island has a long history of being used for recreational and resort activities. Residential construction has continued, and today it is estimated that 4,000 dwelling units are located on the island. The majority of commercial development is located in the center of the island, generally fronting on Palm and Ocean Boulevards in the vicinity of 10th and 14th Avenues. Additional commercial activities are located in Wild Dunes, at Breach Inlet and the City marina.

Planning and Zoning- Historical Perspective

From the early development of the Isle of Palms, there have been quasi-planning/zoning attempts. Generally, these attempts designated some areas for commercial use, for apartment use and for residences. Until recent years the only controls were plat and deed restrictions. Charleston County provided planning and inspection services for the island.

The City of Isle of Palms was incorporated in 1953 and zoning was established on October 25, 1956. Among other elements, the 1956 zoning ordinance addressed non-conforming uses and provided for the lawful continuation of these uses. The 1956 version of zoning was codified along with other City ordinances in 1970. The entire zoning code was subsequently repealed and readopted in April 1975, due to questions about the legal validity of the adoption of the 1956 zoning code.

Repeal and re-adoption, or substantial amendment, occurred again in 1981, 1989 and 1992-1993. The Planning and Zoning Commission was created on December 10, 1986. The City also adopted an ordinance in 1981 creating a Board of Adjustment, which has since been renamed the Board of Zoning Appeals.

In 1975 City Council approved a Planned Residential Development (PRD) zoning district for the eastern, then undeveloped, end of the island. Today this area includes the gated resort community of Wild Dunes and several adjacent residential areas. The PRD was the first zoning agreement of its type in the State of South Carolina. Under the PRD zoning, the eastern end

of the island was developed to include a wide variety of housing types: low to high density single-family detached units, townhouses, and low-rise and high-rise condominium multi-family units. Within the gated section of Wild Dunes many of the approximately 2,067 residential units are used as seasonal rental properties. Wild Dunes also includes offices and conference facilities and other resort amenities.

In the PRD zoning district, the use, subdivision, and development of property is governed through deed restrictions enforced by the Wild Dunes Community Association. Several residential areas outside the gated Wild Dunes community, such as 53rd to 57th Avenues and certain properties on 43rd through 45th Avenues, that are also zoned PRD and also governed by the Wild Dunes Community Association.

In 2000 the name of the zoning district for planned developments changed from Planned Residential District (PRD) to Planned Development District (PDD). The new designation more accurately describes the land use activities.

Land Use Activity – Overview

Detached residential dwelling units represent the principal land use on the island. Medium and low-density dwellings are the most predominate form of housing. Approximately 33% are owner-occupied with the remaining 66% being either second homes or rental units. Many of the residential areas are characterized by relatively low height profiles, extensive vegetation and a general feeling of open spaces. While there are properties scattered throughout the island that contain two or three residential units, the major multiple unit complexes are located within either the “Front Beach” area or Wild Dunes.

Commercial development is limited in terms of the total island acreage. Less than 2% of the island is zoned commercial, excluding the resort amenities within the gated section of Wild Dunes. Commercial uses are primarily oriented to providing for the immediate needs of the local population and the resort/seasonal activities. Only a small portion of commercially zoned land remains undeveloped. Major shopping facilities are located off the island.

Public uses include those normally associated with a small community. City

Hall houses the City Council, administration and the Building Department.

The Fire Department, Police Department, Recreation Department, and the Public Works Department are located in separate facilities. The Isle of Palms Water and Sewer Commission (separate from City Government) maintains an office building, a sewage treatment plant and various water storage/distribution facilities.

Public recreational uses include a City Recreation Center, a City Marina, a beachfront County Park and two boat landings. Within the Wild Dunes complex are golf, tennis and swimming facilities. Additionally, a private marina is located at Breach Inlet. The island is surrounded by water access opportunities inclusive of the ocean, beach and back creeks. Part of the island borders directly on the Intracoastal Waterway.

The island does not have any presence of industrial, agricultural, and mining activities. Due to a limited transportation system, the high demand for residential property, land values, and the risks inherent on a barrier island, it is unlikely that these uses will occur in the future.

Plan Concept

In accord with the Vision Statement, the primary planning concept is that of “enhance the existing character of the island as a quality place to live and protect the environment both on and around the island” The existing development pattern, both in terms of the land use types and the geographic allocation of these uses, is viewed as being the desired future pattern. The objective of the plan is to preserve the existing land use relationships.

In order to preserve the island character it is important to identify some of the underlying considerations:

1. The Comprehensive Plan is a statement defining a desired future. Zoning and other municipal regulations provide the implementation tools that allow the Plan to be achieved. The color-coded map in Appendix A is the Land Use Plan and the color-coded map in Appendix B is the current Zoning District Map. Both can be amended through procedures prescribed by law. The maps must always remain compatible and not in conflict.

2. The primary land use activity has been and should continue to be low and medium density residential uses.
3. The scale and density of new development and the expansion of existing development should not disrupt the neighborhood "family" atmosphere of the island.
4. The design of structures and the placement of these structures should maintain a sense of open space and utilize vegetation to soften the effects of impervious surfaces.
5. Many dwelling units are rented to guests visiting the island and, within reason, this is an accepted practice. Each dwelling, by virtue of its design, has a maximum occupancy level that is intended to limit activity to a level that is not disruptive to the neighborhood.
6. Commercial uses provide important services to the community. Some characteristics associated with commercial activity, such as traffic, parking, noise and light, can cause conflict with adjoining residential uses. Potential conflicts can be minimized through the use of good site design and buffers where appropriate. Parking for commercial uses should be accommodated on-site or in designated areas in close proximity to the business. On-street parking in areas not designated for parking is not a satisfactory solution.
7. The core of the City is generally defined as being the intersection of the IOP Connector and Palm Boulevard encompassing the major commercial, governmental and "Front Beach" areas. The most significant visual impression of the island occurs when one enters on the IOP Connector. It is important that the appearance of this core area continues to convey both civic image and commercial viability. Efforts to coordinate the continuity of design of both structures and the streetscape are deemed important to promote island identity.
8. It is recognized that the beach and other recreational opportunities on the island are of exceptional quality and draw many non-residents during peak periods. The City is responsible for their basic care and protection during their visit. As such, it is necessary to ensure that the public safety and other basic services are maintained commensurate with the increased demands.

9. Portions of the island are served by septic tank disposal systems. In some instances these systems operate marginally and at certain times may be dysfunctional. It is important that these areas be identified and action taken to upgrade the septic systems or to provide public sewer. Areas with poor drainage should be considered as the first priority for the installation of public sewer.
10. The protection of the natural resources both on and around the island is of critical importance especially with respect to water quality. The preservation and enhancement of this asset requires increased sensitivity to the amount and nature of runoff that moves from the island into the water.
11. The occurrence of periodic natural disasters causing extensive destruction on the island is a highly probable situation. Local government will be faced with immediate demands for recovery and reconstruction. The Land Use Plan provides the guide for reconstruction. While temporary regulatory procedures may be required, the Plan should not be compromised during the reconstruction period.
12. The island fronts to the Atlantic Ocean, backs to the estuaries, and is subject to the forces of wind and wave. Much of the island is in flood zones established by the federal government. The availability of flood insurance is directly tied to compliance with federally required building standards. It is important that strict compliance be maintained.

Key Issues

- Protection of the Public Health, Safety and Welfare.
- Ensure compatibility between the Comprehensive Plan and the regulatory ordinances.
- Appearance of the commercial and “Front Beach” areas.
- Ensure the adequacy of the infrastructure to support continued development, expanded uses and demands created by seasonal peaks.
- Preservation and protection of natural resources.

Goals and Implementation Strategies

Goal 7.1: Improve zoning regulations to protect the established character of the island.

Strategy 7.1.1: Make appropriate amendments to the zoning ordinance which reflect the goals and strategies of the Comprehensive Plan. *(2008; Building Department and City Council)*

Strategy 7.1.2: Monitor the growth implications the unincorporated areas lying between Isle of Palms and the mainland could have on the Isle of Palms. *(Ongoing; Building Department)*

Strategy 7.1.3: Implement the Land Use Plan by rezoning areas not currently in compliance to the appropriate zoning districts. *(2008; Building Department and City Council)*

Goal 7.2: Protect residential areas from adverse impacts of commercial development.

Strategy 7.2.1: Develop plans and policies which use public improvements to prevent or mitigate adverse impacts of commercial development upon residential properties. *(2008; Building Department and City Council)*

Goal 7.3: Ensure that the design and appearance of new commercial development or renovations to existing commercial structures is appropriate to the island and compatible with surrounding commercial and residential structures.

Strategy 7.3.1: Consider developing voluntary design guidelines that help define the desired characteristics for the appearance of commercial structures. *(2008; Building Department and City Council)*

Goal 7.4: Ensure the adequacy of the infrastructure to support continued development and expanded uses.

Strategy 7.4.1: Continue to improve and expand the drainage system to alleviate the problems in those areas that drain poorly. *(Ongoing; Building Department and Public Works Department)*