# ISLE OF PALMS REGULAR CITY COUNCIL MEETING

February 27, 2007

The regular meeting of the Isle of Palms City Council was held at 7:00 p.m. on Tuesday, February 27, 2007 in the Palmetto/Magnolia Rooms, Recreation Center, #24 Twenty-eighth Avenue, Isle of Palms, all requirements of the Freedom of Information Act having been satisfied. Present were Mayor Sottile, Council Members Bettelli, Buckhannon, Cronin, Hanbury, Marino, McMackin, Rice, and Taylor, City Administrator Tucker, City Attorney Sottile, Building and Planning Director Kerr and City Clerk Darrow.

#### A. INTRODUCTION OF MEETING

Mayor Sottile called the meeting to order and stated that members of the press and public were duly notified of the meeting in accordance with State Law. He asked everyone to stand for the invocation and to remain standing for the pledge of allegiance. Mayor Sottile noted all Council members were present.

# B. APPOINTMENT AND ADMINISTRATION OF OATH TO NEW EMPLOYEES.

MOTION: Councilman Marino made a motion to appoint Michael A. Molony as the Judge for the City's new Livability Municipal Court; seconded by Councilman Bettelli; MOTION UNANIMOUSLY PASSED.

Mayor Sottile announced the City's first Livability Court would be held on April 5, 2007.

#### C. READING OF THE JOURNAL OF PREVIOUS MINUTES.

Special City Council Meeting – January 18, 2007 Public Hearing – January 23, 2007 Regular City Council Meeting – January 23, 2007

Councilwoman Hanbury offered the following correction to the January 18, 2007 Special Council Meeting Minutes, Page 6, #3 Maximum occupancy, second paragraph: correct last sentence to read, "She noted that one bedroom could easily accommodate up to twelve (12) children if there were four (4) triple bunk beds in the bedroom."

MOTION: Councilman Bettelli made a motion to approve the following minutes: January 18, 2007 Special Council Meeting, with corrections referenced herein by Councilwoman Hanbury; January 23, 2007 Public Hearing as presented; and January 23, 2007 Regular City Council Meeting as presented; seconded by Councilwoman McMackin; MOTION UNANIMOUSLY PASSED.

#### D. CITIZENS' COMMENTS -

# 1. Special Presentations:

# A. Leola Hanbury Proclamation

Mayor Sottile made a surprise presentation to Councilwoman Hanbury, reading and presenting her with a framed version of a City Proclamation naming February 12th Leola Hanbury Day, in honor of Councilwoman Hanbury's eightieth (80th) birthday this month and in appreciation for over twenty (20) years of volunteer service for the City (**Proclamation, Exhibit A**). Councilwoman Hanbury thanked Mayor Sottile and Council for the honor, expressing her surprise, pleasure and pride in serving the City of Isle of Palms.

# B. Paul King, East Cooper Coastal Triathlon

Race director King thanked the City of Isle of Palms for its continued support of the East Cooper Coastal Triathlon, now in its third year, and presented the City with a framed picture memorializing last year's swimming portion of the race on Isle of Palms. Mayor Sottile thanked Mr. King and noted that the Triathlon was an increasingly popular event and a demonstration of the spirit of cooperation between the East Cooper communities of Isle of Palms, Sullivan's Island and Mount Pleasant, all race supporters and race venues.

#### 2. Citizens' Comments.

Mayor Sottile noted that Council has reserved thirty (30) minutes for Citizens' Comments tonight and noted that, as he has approximately thirty (30) interested speakers, he would allot one (1) minute for each speaker.

## Catherine Malloy, 3613 Waterway Boulevard

Ms. Malloy read from prepared notes, highlighting the increase in construction, particularly of larger residences, over the years. She also questioned how objective and impartial decision makers might be regarding the issue of short-term rentals.

#### Robert Johnston, 3305 Hartnett Boulevard

Mr. Johnston urged Council and the City to enforce its current regulations, submitted that the proposed short-term rental ordinances (particularly 2007-2) would codify illegal rental activity within the SR1 and SR2 residential zoned districts, and expressed dismay at large residential houses being used as "mini-hotels," with overnight rentals. He submitted this activity was an affront to all island residents.

#### Fred Young, 3202 Hartnett Boulevard

Mr. Young expressed concern at what he submitted was the callous way in which Council was choosing to handle and consider the citizens' petition presented to the City on January 10, 2007. He urged Council to take the residential, voting taxpayers' concerns seriously and implement their requests to protect the quality of life in SR1 and SR2 residential zoned districts.

# Renee Mueller, 3204 Hartnett Boulevard

Ms. Mueller urged Council to reject the short-term rental ordinances before it tonight (Ordinances 2007-2, 2007-3 and 2007-4) or at least remand them back to the Planning Commission for future consideration. She suggested that the ordinances bear the clear imprint of the property management lobby group and echoed the argument that these

ordinances would legalize activity currently illegal in residential zoned properties. She then spoke of the large homes being built on the island, declaring them to be built for much more than the standard single-family unit. She noted that current laws are not being followed by the rental community and asked what induced Council to think new laws and restrictions would be followed.

# Moose Morris, 23 Edgewater Alley

Mr. Morris stated he does not like to see an individual's property rights violated or infringed upon. He submitted that short-term rentals are appropriate for at least some parts of the island, suggesting segregation of the island as rental and non-rental.

# Carron Smoak, 50 Pelican Reach

Ms. Smoak spoke of the impact some residential activity has on the area, in terms of noise and parking. She noted that she owned a Sea Cabins unit and wanted to ensure she would not have the right to rent taken away from her.

## Jim Mueller, 3204 Hartnett

Mr. Mueller commented on various Council members' position regarding short-term rental activity, reciting comments made in a publication by Mayor Sottile, who called for more enforcement of the ordinances on the books and Councilman Taylor, who called for a partnership with citizens and the business community on this issue. Thereafter Mr. Mueller recited Councilman Taylor's home phone number and encouraged people who had complaints to use the Councilman's home number as their personal livability hotline.

#### Bunny Johnson, 4 Conch Court

Ms. Johnson spoke extemporaneously about her years on the island, noting she moved to the City from Massachusetts in 1952. She spoke of her experiences with the "good old boy network," and alleged that many members of Council were part of that "good old boy" network.

# Robert Bigerstaf, 4006 Palm Boulevard

Mr. Bigerstaf noted that the City has a strong mechanism for enforcing livability issues, namely the possibility of revoking rental licenses. He advocated the inclusion of language in 2007-2 that four (4) violations would be deemed a presumptive nuisance. He then noted that there were citizens on the island who were, as he coined it, self-proclaimed livability vigilantes, who would patrol the island looking for any reason to report a suspected violator. Accordingly, he requested adding the requirement that there be a one-thousand (1000) foot radius for complaints, submitting that it would be reasonable to expect neighbors within this radius would be most likely to be truly impacted by any livability violations, as opposed to a resident on the other end of the island.

# Nancy Mackey, 8 Sand Dollar Drive

Ms. Mackey noted she was a twenty (20) year resident of the island and very displeased with the increasingly negative impact of residential short-term rental activity as well as

the approach some Council members are taking to the citizens' petition calling for further restrictions within the SR1 and SR2 zoned areas. She noted that this was a municipal election year, with many Council members most likely seeking re-election. She noted that if Council did not choose to listen to the people, then the people would vote their preferences when in the election booth this year.

#### **Diane Rowe**. 205 Forest Trail

She stated she has been an island resident since 1973 and spoke of the idyllic setting of the Isle of Palms along with the community residential feel it has offered. She urged Council to protect the lifestyle of families on the island.

# Robert Basha, 137 Sparrow Drive

Mr. Basha opined that the citizens' petition seeking a one-week rental cap was "absurd," noting that many people rent their properties for two (2) to three (3) days in the off-season. He spoke of the many ordinances the City has already passed and submitted that what the City really needed was more enforcement of the ordinances already "on the books." He called for more compromise among residents and less conflict.

## Coker Price, 1111 Oak Harbor

Mr. Price submitted a lot of disinformation was being spread among the island through impassioned citizens and neighborhood groups. He noted that many island residents are "at each other's throats" over the issue of short-term rental. He called for a more reasoned, dispassionate evaluation of this issue by island residents in order to preserve the sense of community everyone enjoys. He then expressed disappointment with elected officials and staff, which have been unable to provide him with requested information.

#### Susana Brown, 213 Carolina Boulevard

Ms. Brown confined her comments to the situation of which she is aware on the 900 block of Carolina Boulevard. She noted that rental activity in this area has produced, and continues to produce, cars all over properties and along the street. She cited a recent example where twenty-five (25) vehicles were parked in one yard like a parking lot. She noted that the traffic impact of rentals slows ingress and egress into the neighborhood by residents and presents a danger to children who wish to ride their bikes or walk along the neighborhood streets. She then noted that day trip visitors to the island parking along the roads, as well as construction trucks associated with new construction only exacerbate an already congested situation. She then submitted that the Police Department was unusually slow to react to parking problem calls on Carolina Boulevard, if the patrol officers responded at all.

# Deborah Streetman, 4004 Palm Boulevard

Ms. Streetman thanked Council for their time and effort, noting that elected officials essentially donate over hundreds of hours each year to conducting citizens' business. She noted she was a long-term resident of the island and has been privy to much rhetoric on both sides of this issue. She urged her fellow neighbors to work through these complex issues like adults and refrain from name calling and "bashing" each other.

#### **Brandt Saunders**, 2305 Hartnett Boulevard

Mr. Saunders spoke of the impact that short-term rental activity and the trend toward tearing down family size homes for "McMansions" has had on the island. He submitted this activity continues to erode the residential character of the island. He indicated he has heard many comments about the income that comes from rental house taxes, but submitted he would be willing to pay increased taxes if it would mean the City could keep its residential character and slow down or halt rentals.

### Richard Full, 3044 Intracoastal View

Mr. Full noted he was Mount Pleasant resident but owned a condominium in Wild Dunes. During that time Mr. Full noted he has not had any problems with renters. He wanted to ensure Wild Dunes would be exempt from any proposed caps or restrictions. He then expressed his sympathy for SR1 and SR2 residents who have been subjected to heavy short-term rental activity in their neighborhoods.

# **Ann Maughan,** 7 Wills Way

Ms. Maughan noted discussion about the alleged negative impact that SR1 and SR2 property owners would have on their property rights if rental activity were suspended in these zoning districts. She noted, however, that when she purchased her home she checked the zoning and learned that SR1 and SR2 meant low density residential neighborhoods with residential only use. She submitted that buyers of SR1 and SR2 zoned properties should have done their homework before buying a property in this zoning district with the intent to conduct short-term rental activity in it.

## **Bo Hollingsworth**, 53 Morgan Place Drive

Mr. Hollingsworth expressed sincere sympathy to Councilman Marino for his family's recent loss. He submitted that the facts were getting lost in all the rhetoric being spouted by residents. He noted that eight-hundred (800) residents were not the majority of the island and should not presume to speak as if they represented all the island residents' interests. He also noted that Councilwoman Rice provided Council with rent by owner information that was misleading, noting that many rental agencies list rentals with nightly rates but submitted that very few if any property owners renting through agencies or on their own would rent on a nightly basis.

Mayor Sottile thanked all the citizens who spoke and those who have attended tonight's meeting to learn and participate in the governmental process.

#### E. REPORTS FROM STANDING COMMITTEES

Due to the full agenda and ordinances before Council for consideration tonight, Mayor Sottile asked Committee chairs to limit their monthly reports to motions which came from the meeting.

1. <u>Ways and Means Committee</u>. Councilman Taylor, Committee Chairman, reported on the February 20, 2007 regular meeting. Councilman Taylor made the following motions, which came from the meeting:

MOTION: Councilman Taylor made a motion to approve \$2,000 for an AED/cardiac defibrillator for the City Marina from Accommodations Tax Funds; seconded by Councilman Bettelli; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made the following motion to approve the following Recreation Department activities, all from Accommodations Tax Funds: (1) \$2,500 for Piccolo Spoleto Sand Sculpting Contest (May 26, 2007); (2) \$10,000 for Piccolo Spoleto Goes to the Beach (June 2, 2007); and (3) \$8,000 for the Isle of Palms Beach Run (July 21, 2007); seconded by Councilwoman McMackin; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following Public Safety purchases for the Fire Department from Accommodations Tax Funds: (1) \$11,500 for an inflatable boat and trailer at Fire Station 2; and (2) \$12,000 for the purchase of an ATV; seconded by Councilman Bettelli; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve \$1,300 to reprint five thousand (5000) City brochures from Accommodations Tax Funds; seconded by Councilwoman McMackin; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following expenditure requests which came from the Public Safety Committee: (1) \$6,000 for software to allow interfacing between the Police Department, Fire Department and Building Department from the Capital Projects Fund; and (2) up to \$30,000 to purchase temp trails and additional signage for emergency beach accesses from the Municipal Accommodations Tax Fund; seconded by Councilman Cronin; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following expenditure requests which came from the Public Works Committee: (1) up to \$9,900 to replace the irrigation system on Front Beach from the Bricks, Benches and Palm Tree Fund; and (2) up to \$4,300 to purchase a pressure washer from the Capital Projects Fund; seconded by Councilman Bettelli.

## **Discussion:**

Councilwoman Hanbury reiterated concerns she expressed at the Ways & Means Committee in spending so much additional money on the Front Beach Enhancement project to address an irrigation system and work the original vendor should have corrected. Councilwoman Rice expressed her continued desire to see the irrigation system for the Front Beach dovetail with the irrigation system installation for the Municipal Parking lot by Fire Station 1.

Call for the question: MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following expenditure request from the Recreation Committee: \$3,300 to remove a certified dead oak tree in the rear of the Recreation Department grounds from the Tree Fund; seconded by Councilwoman Rice; MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following expenditure request from the Personnel Committee: up to \$30,000 for a comprehensive compensation and classification study from the Capital Projects Fund; seconded by Councilwoman McMackin.

### **Discussion:**

Councilman Cronin asked when the City last conducted a comprehensive wage and classification study and Administrator Tucker responded that it had been approximately ten (10) years since a study has been done.

# Call for the question: MOTION UNANIMOUSLY PASSED.

MOTION: Councilman Taylor made a motion to approve the following expenditure request from the Real Property Advisory Committee: up to \$7,000 to purchase a Point of Sale system plus expenses for electrical updates necessary to ensure proper system function from the Marina Fund; seconded by Councilman Bettelli; MOTION UNANIMOUSLY PASSED.

- 2. <u>Public Safety Committee</u>. Committee Chairman Marino asked Councilman Taylor to report on the February 13, 2007 regular meeting as he was absent from it due to a family emergency. Councilman Taylor reported the Committee continued work on increasing island-wide safety to include working on additional emergency beach access paths to speed emergency response time to beach and water emergencies.
- 3. <u>Public Works Committee</u>. Committee Chairman Bettelli reported on the February 12, 2007 regular meeting noting that the department continues to track garbage collection with statistics showing a slight reduction in the volume of garbage collected.
- 4. **Recreation Committee.** Committee Chairwoman Rice reported on the February 5, 2007 regular meeting and highlighted the Doggie Days Event at the Rec on March 10, 2007.
- 5. **Personnel Committee.** Committee Chairwoman McMackin reported on the February 8, 2007 regular meeting, restricting it to the announcement of the January Employee of the Month and Safety Sweepstakes winners

# January 2007 Employee of the Month: Russell Roper, Public Works Department

Safety Sweepstakes Winners for January 2007

Fire Department – James Giddens, Engineer

Police Department - Sharon Baldrick, Patrol Officer

Public Works Department – **Joseph Ancrum, CDL Driver** 

Combined General Government/Building/Recreation Departments –

Laura McLellan, Administrative Specialist, General Government

# F. REPORTS FROM CITY OFFICERS, BOARDS AND COMMISSIONS

- **1. Board of Zoning Appeals** Minutes of the February 13, 2007 meeting attached.
  - **2.** Planning Commission Scheduled to meet February 28, 2007.
- **3.** <u>Real Property Advisory Committee</u> Minutes of the February 8, 2007 meeting attached.

#### G. REPORTS FROM SPECIAL OR JOINT COMMITTEES

- 1. <u>Accommodations Tax Committee</u> Minutes from the February 14, 2007 meeting attached.
- 2. <u>Beach Advisory Committee</u> Mayor Sottile noted that the Beach Advisory Committee met February 21, 2007 but the committee minutes were not ready in time for this meeting.

# H. PETITIONS RECEIVED, REFERRED OR DISPOSED OF

Mayor Sottile acknowledged that the City was in receipt of a citizens' petition, which petitioned for the following action:

Asking City Council to take immediate action to enact regulations to provide the following restrictions for the SR1 and SR2 zoning areas: (1) enact the proposed stricter rules and regulations on short-term rentals, including a one (1) week minimum rental; (2) place a cap on the number of short-term rentals at the current level; and (3) place a cap on the size of new home construction of 5,000 square feet.

Mayor Sottile noted that at the January 18, 2007 Special Council meeting he first acknowledged receipt of this petition. At the January 23, 2007 Regular Council meeting, the petition was announced again and then discussed in depth at the February 22, 2007 Special Council Workshop meeting.

#### One (1) week minimum rental:

Mayor Sottile reported that a member of Council made a motion at the January 23, 2007 Regular Council meeting to limit short-term rentals to a one (1) week minimum; however, Council voted six (6) to three (3) against such action.

# Cap on the size of new home construction at 5,000 s.f:

Mayor Sottile reported that Council was advised at the February 22, 2007 meeting that the Planning Commission is currently evaluating the issue of building sizes/floor to area (FAR) ratios as well as lot sizes.

# Cap on the number of short-term rentals at the current level:

Mayor Sottile noted that Council discussed this request for some time at the February 22, 2007 meeting. He submitted that, in his opinion, the citizen petition has been disposed.

Councilwoman McMackin submitted that the citizens' request to place a cap on short-term rentals in the SR1 and SR2 zoning district has not received the level of discussion and attention from Council that the issue deserved.

MOTION: Councilwoman McMackin made a motion to refer to the Planning Commission for further study the feasibility of placing a cap on short-term rentals in the SR1 and SR2 zoning districts at the current level; seconded by Councilman Buckhannon.

## **Discussion:**

Councilwoman Rice clarified that the cap would only apply to the SR1 and SR2 zoning district. Councilman Buckhannon noted that the Planning Commission never brought the idea of a rental cap to Council for its consideration. He supported the idea of the Planning Commission working on this idea and bringing findings to Council. Councilwoman McMackin suggested that the Planning Commission bring together the two sides on this issue to get their feedback.

Councilwoman Hanbury indicated she could not support the idea of a rental cap, suggesting such an action would be financially disastrous to some families. She noted that many children inherit family property from deceased parents or have to manage an elderly parent's residence while the parent moves to a nursing home. These long-term residential families often have to rent the homes on a temporary basis to help pay the taxes until final disposition can be settled. She indicated she does not approve of depriving owners of their property rights.

Councilman Buckhannon clarified that the motion was not supporting a cap, but rather the study of a possible cap. Councilman Taylor and Councilman Bettelli encouraged the collection of correct and accurate facts regarding the impact of a cap to help Council make a decision on this matter. Mayor Sottile noted that Council could certainly send this task to the Planning Commission as it has sent many other assignments to the Commission; however, he indicated it was his understanding that the Planning Commission had considered and rejected short-term rental caps already. Mayor Sottile then cautioned Council that assignments to Planning Commission are appropriate, but the Commission has spent a significant amount of time and energy researching the short-term

rental issue and referred their findings and recommendations to Council. He noted that it is now time for Council to make decisions on this issue.

# Call for the question (roll call vote):

All those in favor: Council members Bettelli, Buckhannon, Cronin, Marino, McMackin, Rice and Taylor.

All those opposed: Councilwoman Hanbury and Mayor Sottile

MOTION PASSED SEVEN (7) TO TWO (2)

#### I. BILLS ALREADY IN POSSESSION OF COUNCIL -

Second Reading and Ratification of Ordinance 2007-1, an Ordinance to Amend Title 5, Chapter 4, Zoning, Article 2, District Regulations, Section 5-4-33(1)(a) and Section 5-4-33(5)(a), of the City of Isle of Palms Code of Ordinances, to adjust the lot sizes for SR2 zoned properties to require a minimum lot size of 12,000 square feet.

MOTION: Councilwoman Rice made a motion to defer Second Reading and Ratification of Ordinance 2007-1, an Ordinance to Amend Title 5, Chapter 4, Zoning, Article 2, District Regulations, Section 5-4-33(1)(a) and Section 5-4-33(5)(a), of the City of Isle of Palms Code of Ordinances, to adjust the lost sizes for SR2 zoned properties to require a minimum lot size of 12,000 square feet; seconded by Councilwoman McMackin.

## **Discussion:**

Councilwoman Rice indicated she wanted to defer this matter until the March Regular Council meeting because she still needed information from staff on various issues, such as the removal of historic trees.

Councilman Marino noted that properties in the SR2 district previously had deed restrictions attached to them, which did not allow for their subdivision. He submitted that the original intent for these properties was to retain them at a certain size and not allow subdivision and increasing the island's density. He acknowledged that property owners want to subdivide, but he advocated including language to allow for a property's subdivision request to be denied if a grand oak tree were in danger of being removed.

Councilwoman McMackin noted that compatibility with the neighborhood should be a consideration with this ordinance. Councilwoman Hanbury indicated she did not support this deferral request because she knew she could not support this ordinance. She expressed concern with denying property rights and noted that only seven (7) lots on the island would be affected by this ordinance. She acknowledged that she lived on Hartnett Boulevard, the location of most of the seven (7) lots that would be materially impacted by this Ordinance. She noted that she is very aware of her neighbors' concerns; however, she indicated that the most prominent factor in her decision making process was the property owners' rights.

Councilman Cronin noted he wanted the issue of non-conforming lots and reduced setbacks for existing SR2 property owners to be addressed before he considered second

reading. Councilman Bettelli acknowledged Councilwoman Hanbury's comments, noting he did not support deferral because he was prepared to make a decision tonight.

# **Call for the question (roll call):**

All those in favor: Council members Buckhannon, Cronin, Marino, McMackin and Rice All those opposed: Council members Bettelli, Hanbury and Taylor and Mayor Sottile MOTION TO DEFER PASSED FIVE (5) TO FOUR (4).

# J. INTRODUCTION OF NEW BILLS, RESOLUTIONS AND PROCLAMATIONS –

Mayor Sottile noted that some Council members provided staff with recommended changes for Ordinances 2007-2, 2007-3 and 2007-4 prior to this meeting and noted a copy of the working revised ordinances have been provided to Council for their reference.

First Reading, by Title Only, of Ordinance 2007-2, an Ordinance to Amend Title 5, Chapter 4, Zoning, of the City of Isle of Palms Code of Ordinances to Create Article 9, Short-Term Residential Rentals.

Administrator Tucker noted that Councilwoman McMackin suggested modification of the Findings portion of Ordinance 2007-2, Section 1 (Findings) B.

MOTION: Councilwoman Hanbury made a motion to delete all of paragraph B of Section 1, Findings and renumber C as B in Section 1; seconded by Councilman Taylor.

#### **Discussion:**

Councilwoman Hanbury stated she took exception with the entire paragraph in the Findings, noting it made many assumptions without foundation, noting that such comments could apply to many situations and circumstances on the island, and submitted the language did not belong in an ordinance. Councilman Bettelli concurred that the Findings paragraph did have many generalities in it.

Call for the question: MOTION PASSED SEVEN (7) TO TWO (2).

# Section 2 of Ordinance 2007-2 regarding Sec. 5-4-201

Administrator Tucker noted that Councilwoman Rice recommended the inclusion of language in Section 2 of Ordinance 2007-2 specifically requiring property owners to apply for a short-term rental license every year along with written acknowledgement that violations by a tenant of the short-term rental regulations would be considered a violation by the owner.

MOTION: Councilwoman McMackin made a motion to include the following language to Section 2, Section 5-4-201, Definition of short-term rental, to Ordinance 2007-2: "An owner shall apply to the City and obtain a short-term rental license for each calendar year that the residential property is used for short-term rentals. The license may be approved after meeting specific criteria. The owner shall provide a written acknowledgement that a violation of the City's Short Term Rental Regulations, either by the applicant, property manager or rental guest, shall be considered a violation by the owner(s);" seconded by Councilwoman Rice.

# **Discussion:**

Councilwoman McMackin submitted that the inclusion of the proposed language would be a critical component of the Livability Court.

Councilman Cronin noted that rental licenses do not run on a calendar year.

MOTION TO AMEND: Councilman Cronin made a motion to delete the term "calendar" from the additional language proposed; seconded by Councilman Bettelli; MOTION PASSED EIGHT (8) TO ONE (1).

Councilwoman Hanbury asked the purpose of the different rental license and Councilwoman Rice answered that she felt the separate license would help the City better track short-term rental activity on the island. She noted that currently the City could not determine if there are nuisance trends with short-term rentals, long-term rentals or residential properties only.

SECOND MOTION TO AMEND: Councilwoman Hanbury made a motion to strike the sentence, "The owner shall provide a written acknowledgement that a violation of the City's Short Term Rental Regulations, either by the applicant, property manager or rental guest, shall be considered a violation by the owner(s);" seconded by Councilman Cronin.

#### **Discussion:**

Councilman Cronin asked the reason why Councilwoman Hanbury proposed deleting this sentence. Councilwoman Hanbury submitted that the sentence was unnecessary and could be administratively handled by staff. Councilwoman McMackin submitted the sentence was necessary, reiterating that it would be the lynch pin for the Livability Court. Councilman Taylor observed that a comprehensive license application could address this and many other matters. He submitted that Council would not be able to craft an ordinance to include detail for every item that might be needed on an application.

# **Call for the question:**

SECOND MOTION TO AMEND FAILED SEVEN (7) TO TWO (2).

# **Discussion:**

Councilman Marino expressed a desire to include language that would allow for revocation of a business license.

THIRD MOTION TO AMEND: Councilman Marino made a motion to add language to specifically allow for the revocation of a rental license in Ordinance 2007-2; seconded by Councilwoman McMackin.

### **Discussion:**

It was noted that companion Ordinances 2007-3 and 2007-4 provide for the revocation of business licenses for habitual violations and would be discussed after Ordinance 2007-2. Councilwoman McMackin supported the inclusion of language in Ordinance 2007-2 specifically warning that the revocation of a rental license could occur if the regulations were violated.

### **Call for the question:**

THIRD MOTION TO AMEND FAILED SIX (6) TO THREE (3).

# RESTATEMENT OF AMENDED MOTION:

Include the following language to Section 2, Section 5-4-201, Definition of short-term rental, to Ordinance 2007-2: "An owner shall apply to the City and obtain a short-term rental license for each year that the residential property is used for short-term rentals. The license may be approved after meeting specific criteria. The owner shall provide a written acknowledgement that a violation of the City's Short Term Rental Regulations, either by the applicant, property manager or rental guest, shall be considered a violation by the owner(s)."

# **Call for the question (roll call vote):**

All those in favor: Council members Bettelli, Buckhannon, Cronin, Marino, McMackin, Rice and Taylor and Mayor Sottile.

All those opposed: Councilwoman Hanbury MOTION PASSED EIGHT (8) TO ONE (1)

# Section 2 of Ordinance 2007-2 regarding Sec. 5-4-204 (Maximum Number of Vehicles)

Administrator Tucker noted that Councilwoman McMackin recommended the following additional sentence, "An onsite parking plan in conformance with this requirement shall be submitted at the time of application for a rental license."

MOTION: Councilwoman McMackin made a motion to include the following sentence in Ordinance 2007-2, Section 2, regarding Sec. 5-4-204 (Maximum Number of Vehicles): "An onsite parking plan in conformance with this requirement shall be submitted at the time of application for a rental license;" seconded by Councilwoman Rice.

#### **Discussion:**

Councilman Marino noted that unless the City posted "No Parking" signs on the roads, the City could not keep people from parking in the rights-of way. Councilwoman Rice submitted that this language would promote an awareness of the maximum parking available on a lot and help to underscore the limited parking available on the island. Councilman Cronin asked about the practicality of this requirement, questioning if it would be overly cumbersome to staff and the applicant. Councilman Bettelli questioned the parameters that would be included in the license application form for parking. Councilwoman Hanbury noted that many groups such as the Commerce Association publish the City's specific parking requirements and suggested perhaps this ordinance language was not needed.

# Call for the question (roll call vote):

All those in favor: Council members Buckhannon, Marino, McMackin and Rice. All those opposed: Council members Bettelli, Cronin, Hanbury and Taylor and Mayor Sottile

**MOTION FAILED FIVE (5) TO FOUR (4)** 

# Section 2 of Ordinance 2007-2 regarding Sec. 5-4-208 (Safety Inspection)

Administrator Tucker noted that Councilwoman Rice included this new section to require a safety inspection for short-term rental properties.

MOTION: Councilwoman Rice made a motion to include in Ordinance 2007-2 the following clause entitled Sec. 5-4-208 (Safety Inspection) which reads: "The owner shall secure or have their agent secure a safety inspection from a qualified home inspector to verify that there are a sufficient number of working smoke alarms, fire extinguishers and/or fire suppression or alarm devices such as sprinklers and alarm systems, to verify that all home windows are in working order and exits are free and clear of obstructions, verify the stability of stairs/steps, decks and porches to insure that they are not in need of repair and examine and verify that no obvious electrical problems are evident. Said inspection must be notarized and submitted at the time of application for rental license;" seconded by Councilwoman Hanbury.

#### **Discussion:**

Councilman Marino expressed concern with the City including this language in the ordinance, suggesting that the City could be accepting liability if a catastrophe were to occur at a rental property on the island. He submitted that this clause would put the City in a risky situation. Councilman Cronin expressed support for the intent of the inspection

but asked expressed doubts that a homeowner would be able to find a home inspector who would be willing to issue such certifications.

Councilwoman Rice noted that most renters assume there is some level of safety standards being met and enforced by the City with regard to rental properties. She submitted this language would remove the burden from the City to inspect properties and felt it was important to have some safety inspections of properties. Councilwoman Hanbury agreed with Councilwoman Rice and suggested the City could hire a Fire Inspector for rental units. She submitted that whatever the solution, safety factors must be considered and safety inspections included.

Councilman Bettelli noted that property owners needed to retain liability of their property and submitted it would be problematic for the City to follow up on contract inspectors to ensure the inspections were consistently thorough and reliable. Councilman Taylor suggested an inspection could be incorporated in a good comprehensive rental license application. Councilwoman McMackin stressed the need to have the burden placed on the property owner to ensure safety compliance, not the City.

### Call for the question (roll call vote):

All those in favor: Council members Hanbury, McMackin and Rice.

All those opposed: Council members Bettelli, Buckhannon, Cronin, Marino and Taylor and Mayor Sottile.

**MOTION FAILED SIX (6) TO THREE (3)** 

# Section 2 of Ordinance 2007-2 regarding Sec. 5-4-209 (Contracts)

Administrator Tucker noted that Councilwoman McMackin suggested incorporation of a new clause regarding contracts.

MOTION: Councilwoman McMackin made a motion to include into Section 2 of Ordinance 2007-2 a new clause, Sec. 5-4-209 (Contracts) which states: "Contracts are required to exist between owners and rental management companies and owners and/or their agents and renters that sets forth the regulations and consequences of violations contained herein;" seconded by Councilwoman Rice.

#### **Discussion:**

Councilwoman McMackin felt the expectations should be standardized for all owners and renters through a contract, which the City should clearly require. Councilwoman Hanbury asked how this requirement would be enforced and Councilwoman McMackin submitted it would be a function of the application process.

Administrator Tucker clarified that the intent of this language was to require, at application time, that an owner present the City with a copy of a contract typically being used which would include the City's provisions for short-term rentals. Councilman Marino requested the inclusion of a universal application clause indemnifying the City against safety issues, which might arise at the rental.

# Call for the question (roll call vote):

All those in favor: Council members Buckhannon, Cronin, Hanbury, Marino, McMackin and Rice.

All those opposed: Council members Bettelli and Taylor and Mayor Sottile.

**MOTION PASSED SIX (6) TO THREE (3)** 

MOTION: Councilman Bettelli made a motion to approve First Reading, by Title Only, of First Reading, by Title Only, of Ordinance 2007-2, an Ordinance to Amend Title 5, Chapter 4, Zoning, of the City of Isle of Palms Code of Ordinances to Create Article 9, Short-Term Residential Rentals, with the revisions set forth at this meeting; seconded by Councilman Marino.

#### **Discussion:**

Councilman Marino noted that Council does not usually debate an ordinance during First Reading; however, he indicated he had comments to make on this issue. Councilman Marino acknowledged the issue of short-term rentals was complex and spoke about the balance of short-term rental behavior and continued residential livability on the island. He then commented that rentals have always been a part of the island, but the growth of house sizes has ushered in a big short-term rental business for some investment property owners. The eight (8) to twelve (12) bedroom houses garner huge rent rates for property owners and carry with it a big impact on the year-round island residents. He submitted that Ordinance 2007-2 would not prevent the construction of "McMansions" being rented in residential neighborhoods. He noted he would not support Ordinance 2007-2 because he did not think it was a good ordinance.

Mayor Sottile submitted that the City has an opportunity to set some guidelines through ordinance on short-term rentals and suggested the City give Ordinance 2007-2 a try.

Councilwoman McMackin noted she would vote to approve this ordinance and, while she did not support rentals within the SR1 and SR2 district, she accepted the fact that such activity did exist and, as such, should be acknowledged and regulated to make its impact as least obnoxious as possible. She submitted it was very important that the City implement some type of control on this issue.

#### Call for the question (roll call vote):

All those in favor: Council members Bettelli, Buckhannon, Cronin, Hanbury, McMackin and Rice and Mayor Sottile.

All those opposed: Council members Marino and Taylor.

**MOTION PASSED SEVEN (7) TO TWO (2)** 

First Reading, by Title Only, of Ordinance 2007-3, an Ordinance to Amend Title 1, Chapter 3, Article D, of the City of Isle of Palms Code of Ordinances, Regarding Violations of City Ordinances and Penalties Therefore.

Administrator Tucker noted that councilwoman Rice suggested that the following phrase be deleted from the draft version of Ordinance 2007-3, Section 1 (c) as follows: "... or who knowingly allows habitual violations of this Code to occur on the property,..."

MOTION: Councilman Marino made a motion to approve First Reading, by Title Only, of Ordinance 2007-3, an Ordinance to Amend Title 1, Chapter 3, Article D, of the City of Isle of Palms Code of Ordinances, Regarding Violations of City Ordinances and Penalties Therefore, with revisions to Section 1 (c) as noted in these minutes; seconded by Councilwoman Rice; MOTION UNANIMOUSLY PASSED.

First Reading, by Title Only, of Ordinance 2007-4, an Ordinance to Amend Title 7, Chapter 1, Section 7-1-15, Suspension or Revocation of License, of the City of Isle of Palms Code of Ordinances.

MOTION: Councilman Betelli made a motion to approve First Reading, by Title Only, of Ordinance 2007-4, an Ordinance to Amend Title 7, Chapter 1, Section 7-1-15, Suspension or Revocation of License, of the City of Isle of Palms Code of Ordinances; seconded by Councilman Buckhannon; MOTION UNANIMOUSLY PASSED.

Mayor Sottile noted that the following four (4) ordinances were a result of the City's efforts to develop a beach management plan.

First Reading, by Title Only, of Ordinance 2007-5, an Ordinance to Amend Certain Sections of Title 5, Chapter 4, Zoning, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan.

First Reading, by Title Only, of Ordinance 2007-6, an Ordinance to Amend Title 5, Chapter 5, Land Development Regulation, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan.

First Reading, by Title Only, of Ordinance 2007-7, an Ordinance to Amend Title 7, Chapter 3, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan (Regarding beach restrictions).

First Reading, by Title Only, of Ordinance 2007-8, an Ordinance to Amend Title 5, Chapter 4, Zoning, Article 2, District Regulations, of the Isle of Palms City Code of Ordinances, to Clarify the Description of the Area Included Within the Conservation (CO) District.

MOTION: Councilman Bettelli made a motion to approve First Reading, by Title Only, of the following ordinances: (1) Ordinance 2007-5, an Ordinance to Amend Certain Sections of Title 5, Chapter 4, Zoning, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan; (2) Ordinance 2007-6, an Ordinance to Amend Title 5, Chapter 5, Land Development Regulation, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan; and (3) Ordinance 2007-7, an Ordinance to Amend Title 7, Chapter 3, of the City of Isle of Palms Code of Ordinances, in Furtherance of the City's Local Comprehensive Beach Management Plan (Regarding beach restrictions); and (4) Ordinance 2007-8, an Ordinance to Amend Title 5, Chapter 4, Zoning, Article 2, District Regulations, of the Isle of Palms City Code of Ordinances, to Clarify the Description of the Area Included Within the Conservation (CO) District; seconded by Councilwoman Rice.

#### **Discussion:**

Councilman Cronin asked when the City should expect the draft Beach Management Plan and Administrator Tucker replied the document was under review by herself, City Attorney Sottile and Building and Planning Director Kerr, but should be finalized by the coastal engineer soon.

Call for the question: MOTION UNANIMOUSLY PASSED.

#### K. MISCELLANEOUS BUSINESS

- i. Affirmation of Annual Aerial Mosquito Spraying Authorization, Charleston County Mosquito Control Program
- ii. Special Event Requests:

Mayor Sottile noted that Recreation Committee and/or Public Safety Committee reviewed the following special event requests:

National Kite Flying Month Event, Air Company – April 28, 2007 ALS Beach Run – June 2, 2007

MOTION: Councilman Marino made a motion to approve the East Cooper Triathlon (Sunday, April 22, 2007) and the Isle of Palms Connector Run and Walk for the Child (Saturday, October 6, 2007); seconded by Councilman Bettelli; MOTION UNANIMOUSLY PASSED.

# **Livability Hot Line:**

Councilman Bettelli noted he has contacted BellSouth to gather some possible numbers for the Livability Hot Line and provided the various options to Council.

MOTION: Councilman Bettelli made a motion to approve the following number for the Livability Hot Line: (843)886-6428; seconded by Councilman Marino; MOTION UNANIMOUSLY PASSED.

## **Resignation of City Clerk Darrow**

Administrator Tucker announced that the Lisa Darrow, City Clerk, has accepted a position with the Town of Sullivan's Island and tonight would be her last Council meeting. She wished City Clerk Darrow continued future success, remarking upon her good service to City Council, the City and the general public. Council members joined Administrator Tucker in thanking City Clerk Darrow with a standing ovation, joined by the public.

#### L. EXECUTIVE SESSION:

MOTION: Councilwoman McMackin made a motion to go into executive session to gain legal advice concerning short-term rentals in the SR1 and SR2 districts and regarding penalties related to Ordinances 2007-3 and 2007-4; seconded by Councilman Buckhannon.

Council went into executive session at approximately 9:10pm and returned to general session at approximately 9:28pm.

Mayor Sottile noted that Council returned from executive session where Council received legal advice related to short-term rentals in the SR1 and SR2 districts and penalties related to Ordinances 2007-3 and 200-4; however, no votes were taken and no motions or decisions made.

#### M. CONCLUSION/ADJOURN

There being no further business to come before the Council, the meeting was unanimously adjourned at 9:30 p.m.

Respectfully submitted,

Lisa Darrow, City Clerk

To be approved at the March 27, 2007 Regular Council meeting.