

From: Amy Schott <epschott@aol.com>

Sent: Saturday, August 31, 2019 7:55 PM

To: Craig Weaver <cweaver@kiawahisland.org>; Chris Widuch <cwiduch@kiawahisland.org>; Stephanie Tillerson <stillerson@kiawahisland.org>

Cc: eschott0264@aol.com

Subject:

Dear Mr. Weaver, Mr. Widuch and Ms. Tillerson,

Please include these comments in the public comments section of the September 3 Town Council meeting.

We are writing to voice opposition to the upcoming vote to change the Short-Term-Rental Ordinance. I am opposed to any caps on the ability to rent our single family home which is in R-2 Zoning. Neighbors of the bad rentals will still suffer and the property value for homes which are not currently part of the problem will be reduced. We would like the Town Council to increase the consequences for landlords and we would like the Town of Kiawah Island to enforce the neighborhoods.

Respectfully submitted,

*Amy and Eric Schott
4148 Summer Duck Way*

-----That is the end of the public comment -----

Here are questions for Mr. Widuch or Mr. Weaver (it was indicated in KICA Monthly to discuss details with either):

1) Is it possible to raise the rental permit fees and to use that money to bolster the staff that currently monitors the rental complaints? That would allow the landlords who benefit from renting to shoulder some responsibility for the necessary ordinance policing.

2a) What is the percentage of complaints by individual?

2b) What is the percentage of complaints by address?

2c) Has any rental permit ever been revoked because of egregious violations or many violations?

2d) Have any tenants been evicted?

3) What neighborhoods (top 5 streets or areas) seem to be the problem? Or is the problem random?

4) Do you consider all violations equal? For example, would excess party noise, illegal street parking, unsightly garbage and illegal vehicles be worse violations than unsightly

midday towels and bikes? Or is a violation a violation? Is 3 towel violations equal to 1 late night loud party? Are there degrees of public nuisances?

It is unfortunate that some of our neighbors are unhappy but why aren't those specific cases being dealt with harshly? How about 3 strikes and your rental license is revoked?

- 1) Warn the renters and landlord verbally (visit the address and phone the landlord)
- 2) Warn the landlord in writing.
- 3) Fine the property and eventually revoke the rental license for a year.

Kiawah residents are resourceful and those who want to be good neighbors will figure out a way to successfully manage their properties. Hit the dead beat landlords hard with consequences. Please do not make a problem for a finite group everyone's problem. I do not want to live in a retirement community, and by limiting my right to rent my cottage, you will penalize the value of my property and you will not improve the problems which currently exist with bad landlords and tenants. Please come up with a plan that acts like a magic bullet and address the problem be it landlords, tenants or rental properties. I am sure many landlords who do not cause problems will appreciate the extra interest in their properties once you rid us all of the bad landlords, bad tenants or bad rental companies. Thank you for your service on behalf of the community.

Respectfully submitted,

Amy Schott

4148 Summer Duck Way

Vacationed at this address since 1996 and bought in 2005. This is a 2nd home which we do not rent and have not rented. We live next to a cottage owned by a 12 share partnership that operates seamlessly.

From: Mariellen Perugini <79overlook@gmail.com>

Date: September 30, 2019 at 1:40:44 AM EDT

To: cweaver@kiawahisland.org, mconnelly@kiawahisland.org, dprickett@kiawahisland.org, ksaid@kiawahisland.org, cwiduch@kiawahisland.org

Cc: stillerson@kiawahisland.org

Subject: Short Term Rental - input from a Kiawah property owner

Dear Mayor and Council members,

We are unable to attend the upcoming Oct 1st Town Council meeting because we will be travelling. Hence we are writing this to provide our input regarding the proposed restrictions to Short Term Rentals on Kiawah. We request that this email become part of the public record on this subject.

Last month we became full time residents on Kiawah after completing a new home build. We fell in love with Charleston after visiting for the first time a few years ago and staying in a rented AirBNB room with a couple who shared coffee with us around their kitchen table and offered helpful guidance about the area. They have since become dear friends. On a return visit we fell in love with Kiawah after walking along the beach and envisioning what it would be like to readily enjoy such a special place year round.

Throughout the process of designing and building on Kiawah we wanted two things, to keep our home sized appropriately to meet our needs, and to keep building costs reasonable. We had difficulty achieving these goals. One item that worked against us is our neighborhood imposing not just one but two house size minimums, one for minimum total SF and another for minimum first floor SF (which by the way is 60% of the total, not half so it acts as a further size booster). When you architect a house it's nearly impossible to hit one minimum on the head so trying to meet two different minimums is exacerbatng. Bottom line is we found ourselves building a home that was larger than required for just two people with occasional visitors. We also encountered shocking build costs on Kiawah. So along the path of building we decided to arrange the house in such a way that we could help pay the mortgage by renting a room. We may do this in similar manner to our friends, as we've only had great experiences over the years using AirBNB. We do not know when we will be ready to rent and we do not believe we should be forced to apply for a rental license early nor to maintain such a license in years we may elect not to rent. Such restrictions impose unnecessary and burdensome paperwork and cost. It should be our choice year to year.

We see in the proposed restrictions that renting a room in one's own house would be prohibited. Actually this type of rental is the last thing that should be restricted if the goal is to achieve good renter

behavior. When somebody rents (through AirBNB or elsewhere) they are aware whether they are renting the whole house or a room in the house. It's highly unlikely that a partying, non-rule-following renter would opt for a space where the owners are living right there. Plus the owner is right on hand to monitor where the renters park and to advise them personally of all the nuances and rules of Kiawah. It would not be unusual for such renters to fall in love with Kiawah and decide to come back, maybe even move here as we did.

Hence it is with great concern that we heard about these proposed restrictions right as our first mortgage payment was due. We are opposed to any rental caps and would like to see stronger code enforcement as the mechanism to ensure the rights of owners who feel negatively impacted by short term renters. We do indeed believe owners have rights not to be kept up late by noisy or partying renters. Living close to a rental community (Indigo Park) we know when it's high rental season based on the noise that travels across the marsh and reaches our back deck. To date this has not presented any concern but it is something we note as relatively "loud" for the quiet place that is normally Kiawah. We understand there are established rules for things like where one is allowed to park and what one is allowed to keep on their property (decks, driveways etc) and our stance is that ALL such rules should be enforced equally across renters, owners, guests and visitors.

We also believe that owners have the right to rent their properties just as we hope to do. It should be noted that during our build we were subject to COUNTLESS rules and regulations (in the case of the ARB unwritten, arbitrary and expensive ones) all of which were steadfastly enforced. So we see no reason why rules to properly regulate short term renter behavior cannot likewise be enforced . Where there is a will there is a way.

Please don't take away our right to rent, which might necessitate having to sell our dream house. It would be devastating if we could not stay in the home we built to spend the rest of our lives in because you restricted our ability to afford it.

Thank you for taking our inputs into consideration.

Bob & Mariellen Perugini
24 Rhetts Bluff Rd

From: C. Lynwood Bramlett <clbramlett@icloud.com>

Sent: Friday, August 30, 2019 11:46 PM

To: Chris Widuch <cwiduch@kiawahisland.org>

Subject: Short Term Rentals

I am very concerned with the new ordinance being proposed. I have been a homeowner for 20 years and also have a lot through the second gate. This will diminish the value of both my properties. I am not an extremely wealthy property owner like others and feel that my opinion has little or no value at this point. I am very much against limiting rental addresses in my neighborhood of Inlet Cove. The lot on Belted Kingfisher would be less desirable to a potential future resident, especially in this downturn market. Just very concerned that the town council can make these decisions without a vote from all property owners on Kiawah Island. I would like for my response to be part of the public record for the meeting [this Tuesday, September 3rd](#). Thanking you in advance for considering all your constituents.

C Lynwood Bramlett
104 Belmeade Hall
185 Belted Kingfisher

From: Chris Widuch <cwiduch@kiawahisland.org>

Date: August 31, 2019 at 7:39:10 AM EDT

To: "C. Lynwood Bramlett" <clbramlett@icloud.com>

Cc: Craig Weaver <cweaver@kiawahisland.org>, Stephanie Tillerson <stillerson@kiawahisland.org>

Subject: RE: Short Term Rentals

Thank you for your email. I am forwarding a copy to the Mayor and Town administrator to insure your comments are captured in the public record.

Best Regards,

Chris Widuch

From: Doug Benham <doughbenham@comcast.net>

Sent: Sunday, September 01, 2019 10:27 AM

To: Craig Weaver <cweaver@kiawahisland.org>; Maryanne Connelly <mconnelly@kiawahisland.org>; Dan Prickett <dprickett@kiawahisland.org>; Klaus Said <ksaid@kiawahisland.org>; Chris Widuch <cwiduch@kiawahisland.org>

Subject: STR proposed rules

My wife and I live on Ocean Course Drive in Ocean Park. I appreciate the opportunity to express our support for the proposed short term rental regulations. It is our belief that individuals renting their residences should bear the expense of hiring the appropriate staffing level to enforce the existing and proposed regulations and the registration fee should reflect such costs. We are not in support for a level up to 40% rentals in R2 zoned areas—we do not see any justification for having a different standard between R1 and R2 and we certainly do not want to see Ocean Park have anywhere near that level of rental.

We strongly believe that the existing regulations should be enforced “to the letter” and that new limits should be placed on rentals to maintain the Kiawah lifestyle that we have invested in.

Please ignore all the “noise” on the iKiawah site and do what’s right for the island.

Kind regards,

Doug Benham

From: Chris Widuch <cwiduch@kiawahisland.org>

Sent: Sunday, September 1, 2019 2:42 PM

To: Doug Benham <doughbenham@comcast.net>; Craig Weaver <cweaver@kiawahisland.org>; Maryanne Connelly <mconnelly@kiawahisland.org>; Dan Prickett <dprickett@kiawahisland.org>; Klaus Said <ksaid@kiawahisland.org>

Cc: Stephanie Tillerson <stillerson@kiawahisland.org>

Subject: RE: STR proposed rules

Doug,

Thank you for your email and words of encouragement. We have received many such notes across our Town emails. Unfortunately, the more public platforms have been dominated by the “noise” as referred to in your last sentence. I hope, speaking strictly for myself and no one else on this email, that those who support the effort to protect the Kiawah brand will make their voices known at the appropriate time.

I have copied our Town Administrator on this response so we can accurately capture your comments.

Best Regards,

Chris Widuch

From: Janice Buskard <janicebuskard@gmail.com>

Sent: Monday, September 30, 2019 2:13 PM

To: Stephanie Tillerson <stillerson@kiawahisland.org>; Craig Weaver <cweaver@kiawahisland.org>

Cc: doug Noe <dougnoe48@gmail.com>

Subject: Comments Regarding Proposed Short Term Rental Ordinance - October 1, 2019

Mayor Weaver,

We are very concerned about the proposed short term rental ordinance. We recently purchased a home past the second gate and had no idea anything like this was under consideration on the island. If we had known, we would not have purchased the home, as we are planning to rent our home. We believe that this ordinance if passed, could have a substantial financial impact on our family. Not only will we potentially lose annual rental income, we are concerned the property value of our home will decline, further increasing our loss.

Impact on Property Values

Based on discussions with you and material provided on the town's website, no research or analysis has been done on the potential impact on property values. The website states "there is little evidence to support the conclusion that it will have a negative impact." In our discussions, you have been unable to provide any analysis on this topic. So it is not the case that there is little evidence to support this conclusion, it is that you have not obtained any evidence one way or the other to provide homeowners.

We believe that a decision impacting homeowner's finances should be carefully researched. Facts should be provided to homeowners on which to base a decision. The town has failed to do this.

We strongly suspect that the rental restrictions will negatively impact property values. We would not have bought our home if we thought we could not rent it. In fact, we would never have even known to buy a home on the island, if we had not first visited the island as renters for a number of years.

The majority of homes on the island are owned by non-residents. Rental income earned when the home is otherwise unoccupied by owners offsets costs of ownership. Without those offsets, buyers will not be willing to pay the same price for island homes. Homes will seem overpriced and unaffordable. At a time when climate change and rising sea levels are a concern, particularly on a barrier island, we do not understand why the town is introducing impediments to maintaining real estate value.

Conflict of Interest Between Full-time Residents and Non-Residents and Representation on Town Council

According to the US Census website, in 2017 only 22% of the homes on the island were occupied on a full time basis. This decision is being made by a town council which was elected from a maximum of 22% homeowners. Further, all members of town council are full time residents. The vast majority of homeowners, the stakeholders who will be most affected by this decision, do not have an equal voice in this decision. Non-residents are the homeowners who rent out their homes. While the full-time residents will likely face capital impacts with the decline in the value of their homes, they will not face the same income impacts with lost rental revenue, as they obviously do not rent their homes.

While council may say they are looking out for all homeowners, only full time residents can vote for the councillors. A small minority is determining financial impacts for a large majority.

Character of Kiawah Island

The motivation behind the proposed ordinance has been difficult to understand. We have heard of a desire to maintain the 'character of Kiawah Island'. We have also seen a lot of comments about renters leaving bikes and towels out in the front yards of their rental properties. Implementing this ordinance in response to complaints about renter behaviour seems like an overreach that does nothing to solve the problem. Enforcement of existing regulations or if necessary, expansion of these regulations seem like a more appropriate response and more likely to achieve desired outcomes. If cost is a problem, then charge property owners who rent their property more to cover the cost of regulation enforcement.

We have been property owners on the island for nine years, previously owning a cottage in Sparrow Pond. If the character of the island has changed in recent years, we would argue that is a result of development by the resort, Timbers, and KDP. Has the number of properties rented increased substantially in recent years? We have seen no evidence of this and none has been provided by the town. Our experience in the past year beyond the second gate is that in the summer, yes, there are a few houses with multiple bikes and cars in the front yard. Outside of that the neighbourhoods behind the second gate are otherwise the same as they are when we are down the rest of the year....positively vacant. Is a lifeless neighbourhood devoid of activity what the proponents of limiting STRs consider the nature and character of Kiawah that should be preserved?

The island is essentially a resort. It is not a retirement community as this ordinance would suggest.

Rental Licence Allocation

The percentage allocations to each zoning district appear to be based on the existing rental percentages. Again no analysis has been done to determine if the proposed percentages are appropriate. Basically, the town has just taken the current percentage and rounded up.

The process to obtain a licence if percentages are exceeded is unclear. We have also been assured there will be no rush on licences and yet we have already been advised that people are working with the town to get a licence prior to the passing of this ordinance.

Our final frustration with this proposal, is that its passage seems to be a foregone conclusion. From hearing about people getting licences in advance of this passing, to comments posted online by Councillor Said, it appears this is a done deal. We hope that this is not the case and the consultation process is legitimate. We ask that the concerns of non-residents be considered with the weight they deserve.

Please add this letter to the public record for the Town Council meeting of October 1, 2019.

Thank you,

Doug Noe and Janice Buskard
594 Piping Plover Lane

From: Edward Kane <Eckane@comcast.net>
Sent: Sunday, September 29, 2019 3:36 PM
To: Stephanie Tillerson <stillerson@kiawahisland.org>
Subject: Short term rentals

We purchased our Inlet Cove Cottage five years ago. The fact that we could rent our cottage to obtain income which we used to update our cottage was a major factor of us purchasing this property. We had been considering cottages along the coast of SC. We had our renovations completed by local contractors. We purchased appliances, furniture, and home decor from local stores. We had our cottage cleaned by KIGR housekeeping as well as hiring other cleaning services. Our cottage produces income for Johns Island residences. Our guests also shop at Freshfields and local restaurants. Since we are snowbirds we feel it is our right to be able to rent our cottage when we are not there.

We also support strong enforcement of the rules and regulations. We have our guests agree to these through a short term lease.

We do not support caps in any circumstance. Feel you can accomplish control by enforcing rules and regulations.

Please enter this in the official record.

Regards,
Ed and Cathy Kane
103 Belmeade Hall

On Sat, Sep 28, 2019 at 8:15 AM Gaye Stathis <gayestathis@gmail.com> wrote:

I may be wrong about rentals behind the second gate years ago. But we were pitched by KIRE 20 years ago on that being the residential section of the island. I suppose it wouldn't be much of an issue if the ordinances were strictly enforced and there were limits as to how many rentals there could be by neighborhood. There's no doubt that there are more and more renters behind the second gate now as well as homes being sold to vacation clubs such as Exclusive Resorts. I really don't think the rental option increases the value of a home necessarily, but it may allow someone to cover the costs associated with a second home until such time as the owner(s) decide to make it their home only. Some people look at property ownership as an investment here but unless a buyer picked up a foreclosure, I haven't heard of anyone making money on selling their home since 2008. I've said it before, but the rental next door to me is a prime example of why rental status doesn't necessarily increase value. It's rented all summer and has been for sale since approximately 2010 and the price keeps coming down. It's now 30% below original listing price and probably now at or below cost.

Gaye Stathis
288 Marsh Cove

On Saturday, September 28, 2019 at 10:49:07 AM UTC-4, mikedigi711 wrote:

Gaye,

You stated; "There's no doubt that there are more and more renters behind the second gate now as well as homes being sold to vacation clubs such as Exclusive Resorts. I really don't think the rental option increases the value of a home necessarily"

I do not believe the percentage of STR's behind the second gate has changed much over the last 15 years and as far as the rental option not increasing the value of homes, the less buyers you have will result in lower prices. Thru a FOIA I have requested the data behind the towns statement that Rentals are a growing segment of Kiawah Island.

As far as property values are concerned, I believe the fact that so many new homes have been built and offered to buyers over the past 5 or 6 years has had a negative impact on resales on Kiawah.

An improved enforcement system needs to be put in place.

Mike DiGiovanni
51 Cotton Hall

On Fri, Sep 27, 2019 at 6:57 PM jcollins97 <jcollins97@gmail.com> wrote:

Regarding the Hilton Head article, I find the comments posted at the end to be much more revealing.

Jeff Collins
290 Marsh Cove

From: Jennifer Nguyen <jennifer.nguyen@mac.com>
Sent: Sunday, September 29, 2019 5:19 PM
To: Stephanie Tillerson <stillerson@kiawahisland.org>
Cc: Edmund Lehmann <edmund.lehmann@mac.com>
Subject: Short Term Rental Ordinance: Comments to Revised Version

To: the Town of Kiawah Island, concerning the revised version of the Short Term Rental Ordinance

From:
Jennifer Nguyen
81 Surfsong Road
Kiawah Island
29455 SC, USA

Dear Stephanie

Please find below my comments concerning the proposed Short Term Rental Ordinance (revised version) - I would be grateful if you could ensure that my comments are taken into account in the forthcoming discussions about the potential implementation of this ordinance

1. Cap vs Enforcement

I agree that enforcement of the rules concerning rental properties (and indeed the tightening of these rules) with a particular emphasis on causing less disruption to the Island from the negative behaviour of some rental groups, would be to the benefit of all concerned. I would stress that we have rented our home every year for five years (including the whole summer), so far without problems or complaints from our neighbors (who we proactively contact regularly to make sure they are not inconvenienced by rental activity at our home). Hence, I suspect that it is in fact the minority of rental groups or irresponsible (or absent) property managers which are causing problems and it is clear that this should be addressed.

My opinion is that the best way to address the small group of renters or inattentive owners / property managers is to make sure the rules are followed, and to tighten the rules where necessary. Imposition of a cap would be detrimental to the island both in terms of the impact on property values and also in the practicalities of managing the cap because of the unintended consequences it would surely create. There are also several areas of the ordinance which should be clarified, again the impact of lack of clarity is more detrimental in the event of a cap.

2. Impact on property values

Speaking from my own experience, I looked at several different rental communities both in the US and also in Europe. I decided to buy in Kiawah in no small part because of the possibility to rent the house out when I'm not using it. Indeed I decided not to buy a property in several locations where it was difficult to obtain a rental permit. My rationale is simple: the ability to rent a house out mitigates some of that cost. This goes beyond affordability - I know owners on Kiawah who simply do not want to invest in under used assets, despite not having any obvious affordability constraints. While I'm not an expert in the property market in Kiawah, all of the part time residents I know do rent their homes out at least for the summers if not longer, and all of them would have been deterred from buying in Kiawah if they did not easily have such an opportunity. Hence, I would conclude that any kind of cap on rental licences would decrease demand for property and consequently would negatively affect the value of property on Kiawah.

The revised Ordinance suggests that this issue could be mitigated by making sure that permits are returned to the town when a property is sold, the implication being that wait times for licences would be reduced as licence turnover would increase. I can only speak from my own experience: if there had been uncertainty about the availability or timing of availability of a rental licence I would likely not have purchased a property on Kiawah, as I specifically chose not to buy

elsewhere because there was uncertainty about obtaining a rental permit even tho permitting was allowed. Therefore I still believe that there would be a negative effect on property values even with the revised version.

3. Wider consequences of the cap

Once the cap is hit for properties behind the second gate, a number of knock on effects are kicked off, for instance

a) The punishment for violations becomes more severe in areas with a cap compared to areas without a cap, because if a cap is hit it is likely that removal of a licence in a capped area would result in a longer period without the possibility to rent, and consequently greater loss of revenue. Note that revenue from renting our house has been more than US\$50,000 each year. To lose that because someone parks on the street outside our house three times in a year would be unreasonable.

b) Taking a break from renting (for instance because I decide to spend a summer in Kiawah one year) becomes a more difficult decision to make if the cap is hit, because instead of taking a break for one season, I risk losing the licence for an indeterminate period of time, with the resulting consequences on income.

c) Forgetting to renew: this has a much bigger consequence if a cap is active vs uncapped areas, and again this is unfair.

4. Areas for clarification

There are several areas which should be further clarified or considered, irrespective of whether a cap is introduced

a) What constitutes a violation and what are the maximum penalties for different kinds of violation? For instance, renting without a licence cannot reasonably result in the removal of a licence, and removal of a licence for three parking violations in a twelve month period would seem excessive as this could cost a home owner tens of thousands of dollars in lost revenue. The rules should clearly categorise different potential violations and set out the maximum penalties for each of them so that these can be properly scrutinised and also applied in a transparent fashion.

b) What are the real world roles and expectations of the various different players? For instance, owners and agents are discussed almost interchangeably. However, the role is very different and should be applied differently. An agent could be an employed representative of an owner or a property manager. In the former case, it is a person remote from Kiawah with little or no understanding of how Kiawah works, in the latter case it is someone physically present in Kiawah who can reasonably be held immediately accountable. Similarly, it not clear what is meant by a local contact - that could be someone knowledgeable or simply a friend or relative of the owner.

c) Transferability of permits between property managers / agents: if an owner changes property manager (agent) it is not clear if the permit can be transferred. Similarly, an owner may have more than one property manager, who may not be willing to act as agent for rentals they have not referred.

5. Other areas of concern

a) Disproportionate fees: licence fees of \$1,500 for areas subject to caps vs \$200 for uncapped is disproportionate. It seems like additional resources will be allocated to enforcement. In uncapped areas, more renters should be expected, and hence enforcement should be more of an issue in those areas compared to the capped areas. Further, the cost of enforcement is not linked to rental income, rather it's linked to the amount of renters in the property, which in turn is a function of how much of the year a property is listed for rent, the size of the property and the size of each rental group (a five bedroom house rarely attracts the maximum 12 renters, while a two bedroomed apartment is usually full). A flat fee per licence would be a more reasonable.

b) Application of caps only to property behind the second gate: I cannot understand the rationale for this except that some regimes must have complained. Surely the villas and cottages are most subject to rentals, particularly in peak summer months. The beach is always busier around the villas than it is beyond the gate, and the traffic is always worse around the villas. Surely the impact of rentals in the more densely constructed villas, with limited parking and greater potential to create disturbance to neighbors is greater than detached single family homes with larger driveways and more space? Hence, if anything I would have thought the cap should be applied to properties either island wide or not at all

c) Each neighborhood is different: where we live and previously rented on Surfsong road, we have never heard of issues with renters. However, we rented another home in a nearby street, where homes are closer together and driveways allow parking for fewer cars, potentially creating problems. The blanket cap for the area behind the second gate does not take into account the differences between the various neighbourhoods, or indeed the views of the residents of those neighbourhoods, which often have no regimes to speak up for them.

6. Recommendations

a) List of ordinances: a separate and more complete list of rental ordinances is needed, to be developed in conjunction with the Community Association. There are areas that the community association enforces that the town does not and vice versa, however rental permits are only issued by the town. See above, these rules should be categorised into minor, medium and serious (parking vs open fires for instance) and policed accordingly

b) Obligation to have a Kiawah based property manager: the role of property manger should be explicitly introduced into the ordinance and defined. If an owner lives more than two hours away, a property manger present on Kiawah should be a requirement. This would remove the issue of absentee owners renting via AirBnB / VRBO without proper local oversight. There are many companies that perform such a role, offering various different service levels, so that owners should have no problem finding one that meets their needs. If an owner wants to have more than one property manager (e.g. to rent via a company and also directly) this should be facilitated, but the licence should require a primary point of contact for the purpose of enforcing regulations.

c) Hold property managers to account: owners must remain ultimately responsible but the property manager is the one present on the island who really makes a difference to what happens day to day. If they are found to be inattentive, they should be held to account directly by the Town. The Town has oversight of the whole portfolio of a particular property manager and is in a better position to determine which property managers are not doing a good job than the town is

d) Number of parking spaces per rental property to be defined: where garage spaces are included in the definition, the garage needs to be accessible to the renters (we've seen that this is often not the case). This would work like number of bedrooms and would make enforcement of parking irregularities easier, and would likely reduce the number of cars circulating on the island.

c) A flat licence fee of \$500 per rental property (see above)

d) Scrap the idea of cap on rental permits for the second gate and increased enforcement of ordinances (see above)

e) Automatic renewals should be possible (see above)

Please feel free to contact me on this email address, you may also contact my husband Edmund Lehmann who I have copied on this message.

With best wishes
Jennifer Nguyen

Kay Burroughs Ballenger
4626 Oswood Court
Tucker, GA 30084
404.245.4173
3 Eugenia Avenue
Kiawah Island, SC 29455
ballenger@comcast.net

September 29, 2019

Mayor Craig Weaver (cweaver@kiawahisland.org)
Mayor Pro Tem Chris Widuch (cwiduch@kiawahisland.org)
Members of the Town Council including:
Klaus Said (ksaid@kiawahisland.org)
Maryanne Connelly (mconnelly@kiawahisland.org)
Dan Prickett (Dprickett@kiawahisland.org)
Town Administrator Stephanie Tillerson (stillerson@kiawahisland.org)

Regarding: Short Term Rental Ordinance Changes
Comments for consideration at October Council Meeting

Dear Mayor Weaver and Mayor Pro Tem Widuch and Town Council Members:

My family purchased 3 Eugenia Avenue in 1954. In the ensuing 65 years, our home has stood the test of time, virtually unchanged. Unfortunately, Kiawah has changed a great deal during that time. Due to those changes and the resulting exorbitant, crippling property taxes, skyrocketing insurance premiums on 3 policies and cost of maintaining a home on the exclusive resort that Kiawah has become, the necessity of renting my home on a short-term basis is greater than ever.

I wish I was in the position to come and go to our home at will, but the need to rent our house to cover expenses makes that impossible. I strive to have the home break even, and support itself each year, so that I can keep it in my family, because we love Kiawah and our home there dearly.

I have concerns about the current discussions on changing STR ordinances.

It is my understanding that, per the latest ordinance changes, if I file for my yearly business license renewal in a timely manner, if I continue to screen my renters to insure they will abide by the town rules and regulations, and if I stay in compliance with the ordinance requirements, I can be assured of having the right to a business license each year, permitting me to rent my home for years to come. If this understanding is incorrect, please let me know. This is of the utmost importance to me.

I am unclear on the establishment of caps in the original draft and further confused by the second draft and will call for clarification. Then I might be able to speak on how that impacts my right to rent.

I have never received a complaint or citation regarding my renters' conduct. In advance of their arrival, I send renters an exhaustive 11-page document with valuable information about rental of my home, including in that section all the rules of the Town.

In addition, in this document, I include official Kiawah Beach Rules & Regulations, Town of Kiawah Rules and Regulations, and Town of Kiawah Dog Rules which repeats what I have put in the section on my home.

Also, in addition to this, I email the colorful Rules & Regulations 2-page sheet from the Town.

I have requested that the Town provide owners a concise sheet directed to renters only that includes all the rules that renters must adhere to in order to avoid being cited for violations. This sheet would have a signature and date line that renters would sign and return to the owner for their files as proof that information was shared with them and that they plan to abide by the rules. At the top, it would also have a line for owner name, property address, renters' names and rental dates. This sheet could be made available by the Town to owners electronically. The woman I spoke with at the Town said she would consider having such a sheet drawn up. I feel this would be very helpful to me (and others) in my attempts to be in continued compliance.

Any additional costs for licensing and compliance issues would be a further hardship for me. I ask that, if necessary, you consider charging homeowners a fee when their renters are investigated and cited, instead of imposing a harsh, annual \$1,500 application fee for "improved enforcement" on all owners, especially those who have no citations. My Kiawah finances are already strapped with endless costs and I do not have room in the budget for this kind of application fee.

Further down the line, when I can no longer afford to own my Kiawah home, I feel that the loss of the right for future owners to rent short term by applying for a license within 30 days of closing will hurt sale prospects. I feel that giving new owners at Kiawah the right to rent is positive for the financial well-being of Kiawah.

I look forward to getting an inspection sheet to ensure that my home is in compliance. I do have one big concern, however, that I will need to address. In our 65 years at Kiawah, our drive has been a lovely, undefined grassy lawn, with a 2-car carport and ample room for additional parking. It has worked perfectly for those 65 years. I do not see the need to pave our lawn or gravel it for parking in order to be in compliance with modern-day regulations, when what we have works so seamlessly. Actually, now that our yard floods in every heavy rain (due to the road being built up and run-off caused by development across the street), I would never consider paving and directing more water towards our home. Graveling our grassy lawn would be a major expense (that I cannot afford), would be unsightly and uncomfortable to walk on, and is unnecessary. In order to clarify parking for my renters, in my information packet I have added the parking requirements that provide for emergency vehicles needing to get within 25 feet of the residence at night, and the need for a clear 10-foot-wide access to the home for the fire department. I look forward to a time when I can talk with someone about my home's compliance status.

As a Kiawah owner/daughter of owners of 65 years, it is my desire (and my need) to be allowed to rent my home responsibly without extra financial outlay.

I planned to attend the meeting on October 1, however I cannot make the trip due to health issues. I hope to be well enough to attend the November meeting when I can speak of my concerns outlined here and any that arise as a result of the October 1 recap. I would appreciate it if my key points are shared at the October meeting.

Thank you for considering my concerns as you move forward with changes to the STR ordinances. Since my family has owned and loved our home for 65 years, I feel that my views should hold equal weight with those who are relative newcomers to the Island. We have been fortunate to have owned our home

longer than anyone on the Island. My family was the third family to own a home on Kiawah in the 50's. The first being CC Royal.

Thank you for your service to the Town and its residents and non-resident property owners alike. I am sure your jobs are tough and the time dedicated is long.

Thank you.

Kay Burroughs Ballenger
Owner, 3 Eugenia Avenue

From: Marilyn Broyhill Beach <mlbbeach@gmail.com>

Subject: Short term rentals

Date: August 22, 2019 at 3:53:50 PM EDT

To: cwiduch@kiawahisland.org, cweaver@kiawahisland.org,
stillerson@kiawshislNd.org

Dear all,

I strongly support greater restrictions on short term rentals. We have had our quality of life on Kiawah affected by short term rentals in the home next to ours. Our home is our primary residence. Perhaps short-term rentals can be restricted to villas, condominiums, and homes that are not beyond the second gate. The number if people in rental homes needs to be less than is currently allowed and renters should not be allowed to have large parties and many guests.

Thank you,

Marilyn Beach

5 Ocean Course Drive

From: Maureen Dunn MCBRIDE <mdmcbride10@gmail.com>

Date: August 31, 2019 at 10:20:26 AM EDT

To: stillerson@kiawahisland.org

Cc: Maureen Dunn McBride <mdmcbride10@gmail.com>

Subject: Short term rentals

I am a long time homeowner on Kiawah, having bought an Oceanwoods Cottage in 1993. There were no restrictions on short term rentals when I purchased my home, and in fact it was promoted as rental property. I have rented my home part time since then, without incident.

With regard to the proposed ordinance on short term rentals, I support the goal of increased enforcement of parking and other rules, but I strongly oppose any restrictions on the number of rentals in R-2 neighborhoods like Oceanwoods. I do not see the need, or the benefit to the neighborhood. And in fact I think it would be detrimental and cause dissention.

Please have my comments entered in the record.

Maureen Dunn McBride
Owner, 435 Sea Lavender
865-924-6309
Mdmcbride10@gmail.com

Dear Fellow Inlet Cove Owners,

I am not sure if you are aware of a proposed change to the rental policy on Kiawah that will be voted on this Tuesday, September 3rd. The change could severely impact your use of your property at Inlet Cove. Please take a few minutes and read the proposal and see if you agree the proposed changes. If you don't, please contact the decision makers *immediately*. Remember, the vote will be the day after tomorrow.

Thanks,

Paul Smolen (40 Inlet Cove)

----- Forwarded message -----

From: **Paul Smolen** <<mailto:paulsmolen@gmail.com>>

Date: Sun, Sep 1, 2019 at 10:33 PM

Subject: Short term Rental Ordinance Upcoming Vote

To: <stillerson@kiawahisland.org>, <cweaver@kiawahisland.org>, <cwiduch@kiawahisland.org>, <autumn@postonco.com>, JOHN PLONK <jplonk04@gmail.com>, Steven Garland <stevegarland@bellsouth.net>

Dear Sir,

I have a number of problems with the new ordinance that the Town of Kiawah is voting on and considering adopting on September 3rd <https://www.kiawahisland.org/draft-of-short-term-rental-ordinance-revisions/>. I urge you strongly to reject this proposal or at least delay the vote until all concerned have a chance to make comments. Here are problems that I see with the proposal:

1. **Short notice:** This ordinance would effectively change the character of Kiawah island (of which I have been visiting for 35 years and been an owner for the past 25 years) from both a family vacation destination and residential community to a residential island only. What I find particularly egregious is the the fact that notice of this change was made on August 26th and the town council plan a vote four business days later!
2. **Unfair to Long time Owners:** Many of Kiawah's owners made their decision to purchase their properties based on defraying some the high cost of ownership with rental income. Limiting this is just unfair. If the Island wants to change the rental rules, this should only effect *new owners*.
- 3 **Terrible Impact on the Businesses Serving Kiawah:** The rental companies, cleaning services, golf courses, Island shops, bike rentals, shops of Freshfields, as well as many other local businesses will be negatively impacted from this decision. Their survival depends on tourism.
4. **Property Values:** Common sense dictates that making properties on Kiawah essentially single use (residential) and severely limiting tourism by restricting rentals to those lucky enough to procure a business license can only depress property values. Why would we choose to do that?

For these and other reasons, I strongly oppose this ordinance in its present form. The only beneficiaries of this ordinance in my mind would be the permanent residents that live on Kiawah who, by the way, purchased or built their properties knowing that part of the mission of the island was to host family vacations. Limiting short term rentals may make sense to these owners but not for many other long term owners on the island. **Reject this proposal!**

Paul Smolen MD

Paul Smolen MD, FAAP

-Semi Retired Pediatrician, Charlotte N.C.
-Founder of the pediatric blog, DocSmo.com, *Portable Practical Pediatrics*
-Author of *Can Doesn't Mean Should, Essential Knowledge for 21st Century Parents*.
-Adjunct Professor of Pediatrics, University of North Carolina School of Medicine
-Contributor, Curious.com

From: Chris Widuch <cwiduch@kiawahisland.org>

Date: September 2, 2019 at 4:43:15 PM EDT

To: Paul Smolen <paulsmolen@gmail.com>, Stephanie Tillerson <stillerson@kiawahisland.org>, Craig Weaver <cweaver@kiawahisland.org>, "autumn@postonco.com" <autumn@postonco.com>, JOHN PLONK <jplonk04@gmail.com>, Steven Garland <stevegarland@bellsouth.net>

Cc: Maryanne Connelly <mconnelly@kiawahisland.org>, Dan Prickett <dprickett@kiawahisland.org>, Klaus Said <ksaid@kiawahisland.org>

Subject: Re: Short Term Rental Vote

Dr. Smolen,

Thank you for your note. We will enter your email into the record and I am taking the liberty of forwarding the correspondence to the other Council members. I expect the Town Council will discuss this issue in detail and input from residents and homeowners on Kiawah has been a valuable input to the debate.

Best Regards,

Chris Widuch
KI Town Council

From: Peter Grant at Gmail <jpetergrant@gmail.com>

Sent: Saturday, August 31, 2019 5:25 PM

To: Stephanie Tillerson <stillerson@kiawahisland.org>

Subject: Revised Short Term Rental Ordinance

Stephanie -

please forward the attached to the Mayor and all TOKI Council Members for their consideration. We would like these comments entered into the official record on this matter.

Peter and Livingston Grant
307 Surfsong Road
Kiawah Island

307 Surfsong Road
Kiawah Island
August 31st, 2019

Mayor and Council Members,
Town of Kiawah Island

Ladies and Gentlemen,

RE: Proposed Revised Short Term Rental Ordinance

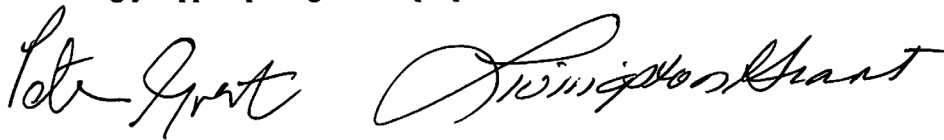
We have owned the property at this address since 1988, and have lived here (mostly full-time) for fifteen or more years. Probably around 2000, Town Council declared its policy that Kiawah would be a “residential community with a resort”, not as some would now have it, “a resort community”. Over time, we have been disappointed that the resort aspect seems to have become more prominent, and the residential aspect less so. We would like to see the number of residents grow more strongly in future, and we think that can happen with the right policies.

One can speculate as why local real estate prices have not performed well in the last ten years, but it seems clear that continuing down the present path is not a promising approach. That is, heedless expansion of the number of residential units, and realtors pushing sales with overblown claims that rental income will make a home purchase a great investment. Viewed dispassionately, a combination of oversupply and limited to no financial returns is unlikely to have a happy outcome. The impression that Kiawah is just another overcrowded tourist haven is not going to attract the kind of attention we need to preserve and expand the perception of a quality residential community.

We believe that the proposed STR Ordinance is a necessary first step in rebuilding our island’s image. It will need to be combined with much stricter enforcement of existing and new regulations. It will not by itself solve the difficulties in our real estate market, but at least it is a start on doing so.

Finally, the fact that existing rental percentages are still well below the proposed caps in the R-1 and R-2 districts belies the claims of certain vocal individuals that they will be hurt. Over time, the limitations on rental supply should boost rents and occupancy rates, and ultimately even aid resale prices. The claims that this could be construed as a “taking” seem far-fetched.

We strongly support passage of the proposed Ordinance as written.

The image shows two handwritten signatures in black ink. The first signature on the left is 'Peter Grant' and the second signature on the right is 'Livingston Grant'. Both are written in a cursive, flowing style.

Peter and Livingston Grant

From: Rob Lockwood <lockwood301@att.net>
Sent: Monday, September 2, 2019 3:32 PM
To: Stephanie Tillerson; Craig Weaver; Chris Widuch; Autumn Coxé; JOHN PLONK; Steven Garland;
paulsmolen@gmail.com
Subject: Fw: Fwd: Short term Rental Ordinance Upcoming Vote

Hello Kiawah,

I have now taken the time to read the short term rental ordinance and my primary concern is the percentage of homes that can be rentals – or the establishment of caps. Your data suggests that today 16% of the homes are rental units which seem way understated. I did a quick search of just one rental website – VRBO - and found over 300 rental listings on Kiawah, regardless of zoning district. According to the website www.point2homes.com there are ~765 homes on the island which means about 40% of the homes on the island are rentals. And that just counts rentals on one website – VRBO. I'm sure many owners don't use VRBO and choose to rent solely thru Kiawah Island Resort or other property managers. So it seems like the 16% figure paints a very inaccurate picture of the of the current rental situation on Kiawah. Because of this acap of 20% or 40% seems excessively restrictive and likely to reduce the price of homes on Kiawah.

I encourage you to aggressively manage business licenses and the collection of taxes but restricting the number of business licenses seems heavy handed, punitive and the wrong way to go. If a prospective buyer isn't guaranteed that they can rent the home they are interested in buying it will suppress home values and have other unintended consequences. There are better ways to make sure everyone has a license, pays their lodging taxes and plays by the rules. So I am not in favor of any proposal that includes caps.

I feel I have been a responsible vacation rental owner who pays their taxes, has someone locally to handle issue with guests when they arise and follows the rules. As mentioned the caps are my primary concern, but I have other issues as well and would be more than happy to talk to anyone regarding the vacation rental owner's point of view.

All the Best,

Rob & Candy Lockwood
46 Sunlet Bend

From: Chris Widuch <cwiduch@kiawahisland.org>
Date: September 2, 2019 at 4:34:34 PM EDT
To: Rob Lockwood <lockwood301@att.net>, Stephanie Tillerson <stillerson@kiawahisland.org>, Craig Weaver <cweaver@kiawahisland.org>, Autumn Coxé <autumn@postonco.com>, JOHN PLONK <jplonk04@gmail.com>, Steven Garland <stevegarland@bellsouth.net>, "paulsmolen@gmail.com" <paulsmolen@gmail.com>
Cc: Klaus Said <ksaid@kiawahisland.org>, "Dan Prickett " <prickettdan@gmail.com>, Maryanne Connelly <mconnelly@kiawahisland.org>
Subject: Re: Fwd: Short term Rental Ordinance Upcoming Vote

Mr. Lockwood,

Thank you for taking the time to write. We will enter your comments into the record so your voice is heard. I feel compelled to correct one calculation that you cite in your email. Your analysis of the level of homes on Kiawah that are licensed for rental activity does not appear to differentiate between R1, R2, or R3. Kiawah currently has about 1250 rental licenses out of roughly 3600 dwelling units. The 16% refers to the R1 zone only, single family homes. The proposed cap of 20% would allow for an additional 72 units, or a 25% increase from current levels. Inlet Cove is in the R2

zone, which is at a 34% level today with a proposed cap of 40%. This would allow for 50 additional units. There is no proposed cap for the R3 zone, multi family units.

My intent in providing these numbers is not to take issue with your view; I respect your perspective and appreciate your willingness to express it. I have taken the liberty of copying the other Council members on my response so they are also aware of your email.

Best Regards,

Chris Widuch
KI Town Council

From: Ryan Broyles <ryanwbroyles@gmail.com>

Sent: Sunday, September 29, 2019 3:41 PM

To: Craig Weaver <cweaver@kiawahisland.org>; Maryanne Connelly <mconnelly@kiawahisland.org>; Dan Prickett <dprickett@kiawahisland.org>; Klaus Said <ksaid@kiawahisland.org>; Chris Widuch <cwiduch@kiawahisland.org>

Cc: Stephanie Tillerson <stillerson@kiawahisland.org>

Subject: Support of Ordinance 2019-8 (STR)

Dear Mayor and Council Members,

My name is Ryan Broyles. My wife (Anne) and I live at 113 Halona Lane (Indigo Park) full time. We have lived here since January 2018. We absolutely love Kiawah and our home.

I'm writing to voice SUPPORT of Ordinance 2019-8 (STR). Thank you for our inclusion (Indigo Park) in this zone district and the 20% cap. I have read the current ordinance and proposed Ordinance 2019-8 appears to be a step in the right direction. However, I don't know if the 20% cap will help the revolving door of STR's in Indigo Park. There are 13 homes in Indigo Park, 2 of which are NOT on the rental market. The majority of properties in Indigo Park are still owned by the Developer. I don't know what 20% equates to in regards to number of licenses that would be available, it may or may not help in Indigo Park so I would ask that you consider 2 additional steps.

1. Considering putting a cap on the number of licenses per owner. It seems to go against the intent of the ordinance when one owner can apply for and potentially receive multiple licenses therefore reducing the number of licenses for the individual owners who are renting one property. The latter probably planning on retiring on Kiawah or who actually use the property at some point during the year for vacation and the former who does not occupy properties at any point of the year and is operating the rental properties as a business. If capping the number of licenses per owner is not something you're willing to consider, I would suggest higher license fees to discourage using multiple properties as business.
2. Consider putting 20% cap based on number of homes in individual neighborhoods vs. the aggregate of R-1 and R-2*

The statement of intent of the ordinance sums up exactly what we would like to promote and what we have experienced.

"The intent of these regulations is to promote public health, safety, and welfare and to discourage nuisance and behavioral issues associated with short-term rental properties in residential zoning districts, R-1, R-2, and R-3."

Thank you for bringing up this issue and thank you for your consideration.

Sincerely,

Ryan Broyles
423-956-1142
113 Halona Lane
Kiawah Island, SC 29455

From: SAMUEL M GAWTHROP <samgawthrop@bellsouth.net>

Date: Monday, September 9, 2019 at 3:43 PM

To: Stephanie Braswell <sbraswell@kiawahisland.org>

Subject: Short-term Rentals

Dear Mayor and Town Council,

I think it would be a major mistake to enact an ordinance that limits short-term rentals on Kiawah.

The fact that we have a world-class resort on Kiawah which attracts a large number of short-term vacationers from all over the world makes Kiawah the vibrant place it is today.

As a property owner in a rental community (Village of Turtle Beach) for 22-years, and now a permanent resident, I believe short-term renters bring a special enthusiasm and festive atmosphere to our island which makes it unique.

And this uniqueness adds to the value of our investment in our properties. The diversity of our renters is constantly pushing us to make our island even more special and attractive for everyone. We do not want to become a bedroom community for a privileged few. We want to continue our tradition of being a world-class destination. And we want our property values to reflect that world-class desirability.

Instead of limiting our owner-investors from using their properties as they desire, and creating ownership groups of "haves" and "have-nots", we should focus on codifying all of KICA's various behavioral rules as Town ordinances and then vigorously enforcing them with an adequate number of police officers.

A good example is parking, because this summer it was out of control on many weekends, making it impossible for fire engines to get to certain areas. Let's have an ordinance that limits the number of vehicles authorized at any one property to the number that can be parked in the driveway of that property. And then enforce it with fines, tow-trucks, and evictions if necessary!

And there are hundreds of other rules that should be treated in this same way.

Why harass our property owners with rental restrictions when enforcing rules would solve the problem?

Let's keep Kiawah the special world-renowned resort we have come to love.

Sam Gawthrop, 23 Turtle Beach Lane

From: Steve Lapp <slapp@designsciencesinc.com>
Sent: Thursday, August 29, 2019 8:29 PM
To: Stephanie Tillerson <stillerson@kiawahisland.org>
Subject: Short Term Rental Proposal

As a Kiawah Island property owner who used to rent out my property, but am not doing so now, I write to strongly object to the proposed short term rental proposal and specifically the Cap section. History is unfortunately repeating itself with Council trying to solve a real problem (rule enforcement) with the wrong solution (rental caps). This happened around 20 years ago and I submit an e-mail I wrote to a Council member at the time. It's still true today. This ordinance in its present form should never become law.

From September, 2000:

I am a Kiawah property owner and submit the following comments on your proposal regarding rental rules.

1. The problem of renters, and some owners, disregarding the rules is real and needs to be addressed.
2. Respectfully, I don't believe your proposal goes after the right parties. The problem is with enforcement, not with rental restrictions. I expect my renters, and myself, to follow the rules but the restrictions you propose are unreasonable. Why are you excluding villa and condo owners? Don't people who rent these units need to be regulated as well? The people who rent out their homes are not the problem here. The problem is with enforcement of existing rules for those people staying on Kiawah, whether they own or they rent.

Thanks for taking the time to consider my views.

Steve Lapp
stevelapp@kiawah.org

Steve Lapp
Kiawah Island Property Owner
4153 Bank Swallow Lane
slapp@designsciencesinc.com

From: Thomas McKinney <trmckinney77@yahoo.com>

Sent: Thursday, August 29, 2019 1:27 PM

To: Stephanie Tillerson <stillerson@kiawahisland.org>

Cc: Maria Renee McKinney <mckinneymr@gmail.com>; Craig Weaver <cweaver@kiawahisland.org>; Chris Widuch <cwiduch@kiawahisland.org>

Subject: Opposition to STR Ordinance Revisions

Hello Stephanie,

Please submit our attached letter for the public record at the upcoming TOKI council meeting.

Best regards,

Thomas & Maria Renee McKinney
1148 Wisteria Dr.
Malvern, PA 19355
(owner of 186 Belted Kingfisher Rd.)

On Saturday, September 28, 2019 at 6:08:20 PM UTC-4, timothy.hazel wrote:

Mike:

As a real estate broker (licensed PA), real estate land use lawyer (licensed PA and Ohio), and a past Board Member of the Allegheny County Board of Real Estate Tax Appeals (14 years), I can assure you that you are correct as to the material impact that a CAP on STRs will have on the value of Kiawah's SFHs. The calculus is simple, sales of SFHs is all about supply and demand. Because of the long-running slow resale market on Kiawah, it is unquestioned that the market is over-supplied. Demand is equally as simple, the universe of interested purchasers of SFHs is limited. If the Township is allowed to throttle the demand by eliminating an entire class of prospective buyers (i.e. those that may want to rent their property), the market WILL NOT favorably rebound as I have seen has been asserted by at least one of our "representatives" on this message listserv.

The mere fact that our "representatives" are contemplating taking away a "vested right" without any apparent careful weighing of interests is shocking and likely will provide a basis for an appeal if this effort continues to a change in the code. The Township currently has the tools it needs to deal with the problems that are caused by negligent absentee landlords and their nuisance renters ... CODE ENFORCEMENT. Kiawah was never intended to be a retirement community, and it is unfortunate that our "representatives" expect the Island to change to meet their desires as full time residents.

I would be very interested in reviewing the materials that you obtain as the result of your FOIA request. I expect that it will not reflect that our "representatives" conducted the level of review and weighing of interests that an appellate court would likely require if a STR CAP is imposed.

Tim Hazel

283 Governor's Drive

Mike:

As a member of NAR, I know that the second home market is being negatively impacted by the "Trump Job Creation and Tax Reform Act" -- see "<https://www.nar.realtor/tax-reform/the-tax-cuts-and-jobs-act-what-it-means-for-homeowners-and-real-estate-professionals>". Which means it is even more important to provide prospective purchasers of "resort properties" the opportunity to offset the cost of 2nd home ownership by way of rental income to recover deductions that were eliminated by the Act. Again, this is a down market and it is crazy to think that when all of us eventually list our Kiawah properties for sale it will make the marketing and eventual resale of same any easier because our "representatives" thought it would be a good idea to eliminate a whole universe of prospective buyers.

Mike:

One last thought for this evening ... because of the make-up of Island property ownership residency (an overwhelming majority of owners claim residence off Island and have no vote in Township matters), we have an unfortunate problem of dealing with an effort to implement legislative takings without the benefit of "due representation".

The issue of STR CAPs, if so urgent and necessary, should be advanced by way of a proposed amendment to the Island Declaration so that all of the stakeholders would have a vote! This current effort is nothing more than a stealthy scheme to force a special-interest plan through over the likely desires of a majority of non-voting property owners.

Tim Hazel

283 Governor's Dr

Tim,

Thank you for your expert opinion on this matter. I would be happy to share the FOIA information with you and the listserv when I receive it.

If you don't mind I would also like to share your posts with the town and make them part of the official record I hope to see you at the Oct. 1st meeting

Mike DiGiovanni
51 Cotton Hall

Mike:

You are welcome. Unfortunately I will be teaching Continuing Education courses in Pittsburgh to Real Estate Licensees (I am a PA Real Estate Commission Certified Real Estate Instructor) next week and will not be able to attend.

Please feel free to share my postings. Also, please do not hesitate to share my concerns over the lack of proper deliberative process in this matter ... statements from our "representatives" make it clear that several of these folks are not weighing facts/interests in the requisite unbiased fashion that is expected (see listserv postings of Klaus to evidence the shocking lack of propriety). I would strongly suggest that recusals from voting on this matter are required.

Tim Hazel
283 Governor's Drive

TIMOTHY M. HAZEL, Esq.

Mobile 412-592-4746 | www.linkedin.com/in/timothy-hazel | thazel@sitkobruno.com

GENERAL COUNSEL/PRIVATE PRACTICE

Accomplished C-Suite and Private Practice business/real estate lawyer and value-creating leader who translates complex legal challenges in a fast-paced environment into actionable business solutions. Experienced in the real estate, construction, and hospitality industries. Proven ability to guide business and legal decisions, provide leadership and collaboration to resolve issues, and provide cost effective oversight of outside counsel. Experienced working in large and midsize ventures funded by private equity and institutional stakeholders. Excellent communicator with an inclusive management style. Driven to continually broaden useful skillsets and areas of focus.

Commercial Partner

- Commercial Contracts & Negotiating
- Structuring Debt & Equity Transactions
- Acquisitions | Mergers | Divestitures
- Risk Management
- Collaborative Business Support | HR & Marketing
- Investor Relations

Legal

- Litigation Avoidance & Management
- Regulatory & Compliance Management
- Project Construction & Development
- Documentation of Commercial Activities
- Structuring Projects / Ownership
- Interacting with Municipal Authorities

PRIVATE PRACTICE

SITKO BRUNO | Pittsburgh, PA

Partner | April 2018 to Present

Commercial real estate and general corporate practice. Represent lenders, borrowers, developers, contractors, design professionals, big box retailers, landlords, and tenants. Transactions include: land acquisition and divestiture; project financing; zoning and land use; construction, project and design contracting; leasing (industrial, commercial, retail and office); oil and gas contracting and acquisition at all levels (upstream, mainstream and downstream); and franchising.

GENERAL COUNSEL

STARK ENTERPRISES | Cleveland, OH

A national real estate development company with ~\$2.5 billion of real estate assets in its portfolio, and is involved in a variety of real estate ventures including industrial properties, sustainable mixed-use developments, commercial office buildings, retail centers, historical renovations, golf course communities, hotels, restaurants and residential developments (single family and multi-family). Affiliate companies include a general contracting company, 3rd party commercial property management company, franchised restaurants, residential property management and leasing company, real estate capital markets company, and a title agency joint venture.

General Counsel | 2017 to 2018

Directed legal department including 4 lawyers and 7 support staff, and all legal issues that impacted Stark and its affiliate companies, including entity formation, investor disclosure and subscription documentation, legal compliance, vendor selection, employment, land acquisition and divestiture, leasing, hotel franchising, hotel management, construction / project contracting and project management, project development, zoning and land use, litigation management, and project and portfolio financing. Responsible for operational management, budget management, risk management and was member of Risk Management Committee, and Corporate Security Department.

MILLCRAFT INVESTMENTS, INC. | Washington, PA

Privately held real estate development company 80-plus affiliate companies, which directed a variety of real estate ventures including industrial properties, sustainable mixed-use developments, commercial office buildings, retail centers, historical renovations, golf course communities, hotels, restaurants and residential developments, single and multi-family.

General Counsel | 2012 to 2017

Directed legal issues that impacted Millcraft Investments including entity formation, investor disclosure and subscription documentation, legal compliance, land acquisition and divestiture, leasing, hotel franchising, hotel management, construction / project contracting and project management, project development, zoning and land use, litigation management, and financing.

Vice President and General Counsel | **Millcraft Financial Services, LLC** | Washington, PA | 2012 to 2017

Licensed Title Agent, corporate officer responsible for the operations of Millcraft Financial Services, LLC, which is a title agent of First American Title Insurance Company.

Millcraft ...Continued

Vice President and General Counsel | **Cornerstone Insurance Advisors** | Washington, PA | 2016 to 2017

Licensed Property and Casualty Producer performed consulting services in support of sales efforts.

PRIVATE PRACTICE

PIETRAGALLO GORDON ALFANO BOSICK & RASPANTI, LLP | Pittsburgh, PA

Partner | 2009 to 2012

Co-chair Business / Real Estate Group – Commercial real estate and general corporate practice. Represented lenders, borrowers, developers, contractors, design professionals, big box retailers, landlords, and tenants. Transactions included: land acquisition and divestiture; project financing; zoning and land use; construction and design contracting; leasing (industrial, commercial, retail and office); oil and gas contracting and acquisition (upstream, mainstream and downstream); and franchising.

- Outside counsel for a development company. Formed single-purpose business entities to develop, own and operate hotel, retail, industrial and commercial sites; reviewed and negotiated transactional contracts; reviewed and negotiated franchise agreements; oversaw and managed business acquisition and divestiture ventures; oversaw and managed litigation matters; reviewed and oversaw zoning and land use planning issues; managed corporate governance and compliance issues; and reviewed and oversaw environmental matters.
- In-house counsel for an electrical contracting firm.

BUCHANAN INGERSOLL & ROONEY PC | Pittsburgh, PA

Shareholder | 2004 to 2009

Commercial real estate and general corporate practice. Represented lenders, borrowers, developers, contractors, design professionals, big box retailers, landlords, and tenants. Transactions included: land acquisition and divestiture; project financing; zoning and land use; construction, project and design contracting; leasing (industrial, commercial, retail and office); oil and gas contracting and acquisition at all levels (upstream, mainstream and downstream); and franchising.

- Outside general counsel for a professional soccer franchise. Negotiated labor and transactional contracts; reviewed and negotiated licensing agreements; oversaw litigation matters; oversaw stadium-site analysis and acquisition efforts; responsible for corporate governance and compliance issues; reviewed labor-related issues; and provided legal input for strategic and non-strategic business planning.
- Counsel to a franchisor of a convenience / gasoline store concept. Redrafted all franchise-program documentation including but not limited to the franchisor's Uniform Franchise Offering Circular, form of lease and sublease agreements between the franchisor and its franchisees, form of petroleum supply agreement, form of confidentiality agreement and form of landlord estoppel agreements.

THORP, REED & ARMSTRONG | Pittsburgh, PA

Partner | 1999 to 2004

Commercial real estate and general corporate practice. Represented lenders, borrowers, developers, contractors, design professionals, big box retailers, landlords, and tenants. Transactions included: land acquisition and divestiture; project financing; zoning and land use; construction, project and design contracting; leasing (industrial, commercial, retail and office); oil and gas contracting and acquisition at all levels (upstream, mainstream and downstream); and franchising.

- Outside general counsel for an amusement park company. Negotiated labor and transactional contracts, reviewed and negotiated licensing agreements; analysis and acquisition of real estate assets; oversaw litigation matters; oversaw and managed business acquisition and divestiture ventures; managed corporate governance and compliance issues; reviewed labor related issues; and provided legal input for strategic and non-strategic business planning.
- Real estate counsel for region's largest water and sewer authority. Negotiated and drafted all non-traditional developer, contractor, inter-municipal, easement, lease and real estate acquisition agreements.

DOEPKEN KEEVICAN & WEISS PROFESSIONAL CORPORATION | Pittsburgh, PA

Associate | 1996 to 1999

LICENSES & CERTIFICATIONS

Licensed to practice law in Ohio and Pennsylvania

Previously Licensed as Title Insurance Agent | Licensed in PA

Licensed as Producer | Property and Casualty | Licensed in Ohio, Maryland, PA

Real Estate Broker & Certified Real Estate Instructor | PA Real Estate Commission

BOARD MEMBERSHIPS

Board Member, Allegheny County Board of Property Assessment Appeal and Review, Pittsburgh, PA, 2005 to Feb. 2017

- Oversaw hearing officers, reviewed assessment appeal cases, liaison between the Board and the Allegheny County Council, reviewed lawsuits and legal determinations and instructed Board Solicitor in these areas.

EDUCATION

J.D., Duquesne University School of Law, Pittsburgh, PA, 1991

BSBA, John Carroll University, Cleveland, OH, 1983

REPRESENTATIVE DEALS

Outside Counsel to National Big Box Retailer

Acted as Pennsylvania real estate counsel to an international "big box" retailer. Responsibilities included land acquisition (lease and purchase), obtaining land use / permitting, drafting construction and development agreements. Projects involved planning, constructing and operating retail facilities with "footprints" in excess of 150,000 square feet.

Glass Bottle Plant Development

Represented developer of a 175,000-square-foot glass bottle manufacturing facility including negotiating a \$100 million engineering, procurement and construction contract, a long-term ground lease and project financing agreements.

Western NY Ski Resort Acquisition

Represented a developer in the acquisition of a ski resort. The acquired real estate and operational assets included a hotel, numerous condominium projects, a gas station, a sewage treatment plant, a water utility, 1,500 acres of land, operating equipment and a licensed quarry. Represented the client in all aspects of project financing (which included institutional and seller financing).

Anchor Tenant Lease

Negotiated terms of a 100,000-square-foot office lease for the anchor tenant of a newly developed multiple-office-building suburban office park on behalf of the national developer / owner of office park located in Cranberry, PA.

Redevelopment of Historic Jail Facility

Negotiated development agreement, lease, sublease and operating agreement for a county's \$47 million rehabilitation / transformation of a 120-year-old jail facility into a county court facility. Responsible for project financing documentation.

Decommissioning of NRC Site

Assisted the licensed generator of radiological waste material in its efforts to acquire and develop a site for the perpetual storage of the material. The representation involved conducting meetings with the NRC, community groups, municipal planning and zoning boards; acquiring a disposal site and buffer parcels; drafting deeds, covenants, conditions, restrictions and easements to, among other things, establish "institutional controls" to satisfy statutory and NRC-imposed requirements; and acquiring all proprietary interests that had been previously severed from the site's fee interest to insure perpetual control of site vested solely in owner.

350 Oliver (former Saks Fifth Avenue Site)

Acted as lead developer's counsel on all aspects (structuring of entities within project ownership, structuring of title to project by way of a consolidation of assemblage parcels and subsequent creation of an air pocket parcel above the designed top level of what would become a 580-car parking garage with retail space located at street level, land acquisition, zoning / land use entitlements, title, project financing, structuring long-term lease to parking operator of parking garage, and project construction documentation) of this \$35.5 million mixed-use development. Client acquired land with dilapidated vacant improvements and buildings, which previously housed a three-story Saks Fifth Avenue department store, Wendy's restaurant, offices, and other retail uses. The project included the demolition of numerous buildings (which created unique issues with adjacent property owners including a cathedral with Tiffany windows that was built in the 1870s).

Gardens at Market Square (Tower 260 / JLL Tower)

- Acted as lead developer's counsel on all aspects (structuring of entities within project ownership, structuring of title to project by way of overlay of condominium scheme, land acquisition, zoning / land use entitlements, title, project financing, project construction documentation, and hotel franchise) of this \$104 million mixed-use development that generates approximately \$4,000,000 in local taxes annually and resulted in an estimated 700 jobs.
- Complex project financing was provided by M&T Bank (\$60,000,000), ERECT Funds, Strategic Investment Funds, Urban Redevelopment Authority of the City of Pittsburgh and various New Markets Tax Credits lenders, Tax Increment Financing (TIF), a grant through Allegheny County's Gaming and Economic Development Fund (GEDF) as well as a RACP grant from the Commonwealth of PA resulting in four layers of mortgages and a Minimum Payment of Taxes Obligation to support TIF.
- The Gardens consists of 128,000 sq. ft. of class A+ office space, a 198-room upscale Hilton Garden Inn, a 330-car parking garage, 14,000 sq. ft. of retail and restaurant space. The Gardens at Market Square was designed for LEED silver certification, which continues Millcraft Investments' commitment to sustainability. Retail space within the project included 4 restaurants, an ice cream retailer, and other tenants. Negotiated and drafted all retail and office leases, building and garage management agreements, license agreements to permit surrounding property owners to access garbage disposal equipment, and complex appurtenant and servient easement agreements.
- Negotiated and drafted GMP construction management agreement and reviewed and approved all subcontracts entered by construction manager.

Acquisition of Mixed Use Property in NY City

Responsible for legal team involving in-house and outside counsel in developer's \$97,000,000 acquisition of a six-story, 260,000 square foot, mixed-use development in the City of NY. The property occupied a full city block and housed retail tenants on the street level space and fully occupied offices on floors 2 through 6.

Sale of Office Property

Represented owner in the sale of two office buildings located in a 589-acre suburban office park that was developed by client.

Workout / Office Property

Represented owner of a 130,000 square foot urban office tower property in negotiations to restructure a CMBS credit facility; responsible for documentation of a forbearance and deed-in-lieu agreement.

Retail Center Acquisitions

Represented a national retail operator / developer, as its in-house General Counsel, in connection with the company's acquisition of approximately \$150,000,000 in retail projects throughout the United States. Represented the company, and directed in-house and outside counsel, in all aspects of conducting project due diligence, structuring of equity participation, documenting project acquisition, and negotiating and documenting acquisition financing. Typical deals included:

- Developer's \$67,000,000 acquisition of a 483,000 square foot retail power center.
- Developer's \$29,000,000 acquisition of a 192,000 square foot retail power center.

Mixed Use Project Development

- Negotiated construction management agreement and project agreements on behalf of the developer of a \$1 billion mixed-use project located in Syracuse, New York.
- Negotiated and drafted purchase agreements connected with an attempt by a developer / client to acquire all of the parcels of property within a one-block area to develop a mixed-use (office / retail / student housing) project over a parking garage structure. The project cost exceeded \$80 million.
- Negotiated and drafted purchase agreements connected with a project that consisted of an 1,800-car parking garage; 90,000 square feet of retail and office space; two hotels; a movie theater complex; apartments; and condominiums. Prepared all documents necessary to establish a condominium in connection with the parking garage so as to enable a redevelopment authority's purchase of an interest in it and subdivide the air space above the parking garage structure to enable financing by multiple lenders. The estimated project cost exceeded \$180 million.

Build-To-Suit Suburban Office Buildings

- Negotiated a 100,000-square-foot, build-to-suit office lease for the single-tenant occupant of a suburban office building. Represented the client in all aspects of project financing.
- Negotiated the terms of a 100,000-square-foot office lease for the anchor tenant of a newly developed multiple-office-building suburban office park on behalf of the national developer / owner of the office park.

Office Leases / Central Business District

- Negotiated the terms of an 80,000-square-foot office sublease in a Class A office tower located in the central business district of the city of Pittsburgh.
- Negotiated the terms of a 67,000-square-foot office lease in a Class A office tower located in the central business district of the city of Pittsburgh.
- Negotiated the terms of a ~30,000-square-foot office lease in a Class A office tower located in the central business district of the city of Pittsburgh. Unique lease terms included naming and roof rights to benefit tenant.
- Negotiated the terms of a 180,000 square foot office lease for substantially all of the space in a four-story building that was originally built in early 2000 for use as a downtown Pittsburgh Lazarus department store and was shortly thereafter vacated in 2008 by Federated Department Stores. Client acquired vacant building and thereafter repurposed it to become Class A office space. Drafted complex work letter agreement that was challenged by the amount of work Landlord was required to undertake to repurpose floor plates that were originally constructed and designed for open retail use, including removal of centrally positioned escalators, enclosure of atrium, redesign of MEP/HVAC and life support systems. Drafted and negotiated design-build construction contract in connection with Landlord's build out work.

Office Park Development

- Assisted in the negotiation and drafting of the terms of a multimillion-dollar acquisition of real estate and the subsequent development of the property into a ~30-acre office park.

Construction Contracts

- Negotiated and drafted a \$60 million GMP construction contract on behalf of developer / owner for a multi-family high-rise project in downtown Cleveland, OH.
- Negotiated and drafted a \$70 million GMP construction contract on behalf of owner / developer for a mixed-use project in downtown Pittsburgh, PA.
- Negotiated and drafted a \$30 million GMP construction contract on behalf of owner / developer for a mixed-use project in downtown Pittsburgh, PA.
- Negotiated a construction management agreement on behalf of the developer of a \$1 billion mixed-use project.
- Negotiated and drafted the terms of a \$15 million construction management agreement involving the construction of a speculative office building.
- Negotiated and drafted the terms of a \$34 million lump sum construction contract on behalf of the owner of the project. Represented the client in all aspects of project financing.
- Negotiated and drafted the terms of a \$13 million construction manager's contract on behalf of the owner.
- Negotiated and drafted architect and construction manager agreements for the design and construction of a \$20 million hotel across from PNC Park.

Hotel | Hospitality

- Negotiated and drafted the terms of a \$20 million purchase agreement involving sale of five hotel properties portfolio.
- Negotiated and drafted a \$1 million-plus purchase agreement for a site next to PNC Park on which a 180-plus room hotel was constructed. Also negotiated construction and project financing agreements.
- Represented regional hotel developer in over 15 hotel development projects. Representation included site acquisition documentation, receipt of entitlements, construction contracting, review and negotiation of franchise materials, structuring equity participation, negotiation and drafting of project financing materials.
- Represented regional hotel operator in all aspects of hotel management agreement documentation and issues that impacted operations of hotel(s).
- Represented owner and operator in the sale of a DoubleTree hotel property.

Brownfields Redevelopments

- Negotiated and drafted the terms of a multimillion-dollar purchase agreement involving the purchase of an Act 2 industrial site from a redevelopment authority. The site was acquired to develop a speculative office building.
- Negotiated and drafted the terms of a complex purchase / sale agreement on behalf of seller for a ~300-acre environmentally challenged industrial site along a navigable river. Unique terms of the deal included a shifting to purchaser responsibility for remediating the site in accordance with a three-party cleanup plan and obtaining a post-closing Act 2 Clearance from the PaDEP to benefit purchaser and seller. The purchaser acquired the site with the intention to invest over \$5 billion in the site to re-purpose the site as petrochemical plant.

National Retail

- Assisted in the negotiation and drafting of the terms of all ground leases entered by a national retail chain. Upon execution of the leases, assisted in the development, construction and financing of the leasehold improvements.
- Negotiated on behalf of a bed/bath/home retailer all leases. Leases were for in-line space within open air and enclosed retail centers.
- Assisted in drafting of terms of retail in-line and stand-alone store leases for a national jewelry retailer.

Industrial Properties

- Negotiated and drafted on behalf of owner/seller the terms of an \$11 million sale of a bakery facility that was constructed in 1918 (sale included real property and equipment). The facility consisted of a sprawling 467,000 square foot, seven story factory building located on a 5-acre parcel within the city of Pittsburgh. At the height of the facility's operation the owner at the facility employed 400-plus workers.
- Negotiated terms of acquisition of a site upon which a 100,000-square-foot warehouse / distribution center was to be constructed, subsequently assisting in obtaining construction financing to fund warehouse construction.
- Negotiated the terms of a long-term lease and operating agreement on behalf of a solid waste removal / disposal company, pursuant to which the company proposed to privatize a municipal solid waste facility. The aggregate value of lease payments exceeded \$30 million.

Sports | Entertainment

- Represented a professional sports organization to locate, acquire, and develop a soccer stadium complex — a 15,000-seat stadium and up to 30 contiguous soccer fields.

Multi-Family Developments

- Negotiated and drafted terms of a \$4 million purchase of a turn-of-the-century 416,000 square foot, food-manufacturing facility consisting of four buildings acquired to develop a 300-unit loft apartment complex within the existing historic structures. Also negotiated and drafted the terms of the architect and contractor agreements for the \$30 million project and assisted in the drafting of easement agreements needed to obtain façade, height, and historic tax credits. Negotiated and drafted project financing documents (loan structured under HUD's 221 (d)(4) program).
- Negotiated and drafted the terms of the multi-million dollar purchase from the Commonwealth of a historic 16 story high-rise building (used by the Commonwealth for more than forty years as the Commonwealth's offices in Western Pennsylvania) located in the central business district of the city of Pittsburgh for eventual re-purposing by client as a 200-plus-unit apartment building. Negotiated and drafted project construction and design documents. Negotiated and drafted project financing documents (loan structured under HUD's 221 (d)(4) program). Total project costs exceeded \$30,000,000.

Residential Planned Community Developments

- Represented site developer in connection with its efforts to acquire parcels, create PRD and entitle 110-acre site. Assisted with preparation of complex lot consolidation plan and subsequent phased subdivision of property to create hundreds of home site lots. Drafted CCRs, easement agreements, developer agreements, utility agreements and association documents. Negotiated and drafted builder lot takedown agreements with national and regional homebuilders. Negotiated and drafted development loan documents.
- Represented site developer in connection with its acquisition of ~100 acres of undeveloped land, and the subsequent consolidation and subdivision of the assemblage parcels into ~130 builder's lots.