

BLUFFTON TOWN COUNCIL MEETING MINUTES

ELECTRONIC MEETING

November 10, 2020

Mayor Sulka called the meeting to order at 6:00 P.M. Council members present were Mayor Pro Tempore Fred Hamilton, Larry Toomer, Bridgette Frazier, and Dan Wood. Town Manager Marc Orlando, Deputy Town Manager Scott Marshall, Chief of Police Stephenie Price, Director of Engineering Bryan McIlwee, Director of Finance and Administration Chris Forster, Director of Growth Management Heather Colin, Town Clerk Kimberly Chapman, and Town Attorney Terry Finger were also present.

The pledge and invocation were given by Mayor Sulka.

Adoption of the Agenda:

Mayor Sulka asked if there were any changes to the agenda. Town Manager Orlando stated that the only change to the agenda would be changing the order of Formal Item # 3 - Consideration of Approval of an Ordinance Authorizing the Issuance and Sale of a Not to Exceed \$5,250,000 General Obligation Bond, Series 2021 or Such Other Appropriate Series Designation, for the Purpose of Funding Sewer Projects, with Formal Item # 2 - Consideration of an Ordinance to Amend Certain Provisions to the Town of Bluffton Code of Ordinances to Authorize Meetings to be Held Telephonic or Other Electronic Means.

Frazier moved to accept the agenda as presented with the change to the order of formal item #2 and #3. Toomer seconded. The motion carried unanimously.

Adoption of the Minutes:

Town Council Regular Meeting Minutes of October 13, 2020

Frazier made a motion to approve the Regular Meeting Minutes of October 13, 2020. Toomer seconded. The motion passed unanimously.

Presentations, Celebrations and Recognitions:

Mayor Sulka recognized Captain Chandler and thanked him for his service as Chief Interim Chief. Sulka stated that Captain Chandler was sworn in as Interim Chief on June 19th and served in this capacity until Chief Price was sworn in on October 12.

The Beaufort County School District Student of the Month was recognized as twelfth grader, Elijah Hall from May River High School. The character trait for this month was "acceptance".

Mayor Sulka recognized two proclamations for the month – Recognition of Smoke and Vape Free Awareness Month and Recognition of Zonta Says No to Violence Against Women Day.

Scott Marshall gave a COVID-19 Pandemic Update for Beaufort County, the Town of Bluffton and the Greater Bluffton area.

Public Comment:

There were no public comments.

Communications from Mayor and Council:

Toomer made mention of the sewage spill that happened recently and stated that the response time was unacceptable. He stated that if anyone notices something that attention needs to be brought to light after hours or on weekends, he is available any time.

Mayor Sulka stated that beginning next month – December, Town Council will begin meeting at 5 p.m. Sulka stated that solutions to meeting in person are being worked on and looks forward to hearing about those ideas for January.

Workshop Agenda Items:Discussion on Amending the Town of Bluffton Code of Ordinances, Chapter 23 – Unified Development Ordinance, Article 5 – Historic District Design Standards Related to Building Types, Maximum Building Footprint and Height – Heather Colin, Director of Growth Management

Colin gave an overview. Colin stated that with the increase in commercial and mixed-used infill development within Old Town Bluffton, public concern regarding the mass and scale of such buildings has also increased. Both the Historic Preservation Commission (HPC) and Town Staff have received emails, letters and phone calls from citizens expressing concern that some new buildings appear to be too large for Old Town. The purpose of this workshop, therefore, is to provide an overview of building size and determine if amendments to the UDO are necessary.

Old Town Bluffton, also known as the Old Town Bluffton Historic District and, is among Beaufort County's most desirable locations for new development, including mixed-use and commercial. Its roots as a small coastal village remain intact with its physical development pattern, historic buildings, Lowcountry architecture, mature tree canopy, as well as its eclectic character. This unique environment has spanned centuries, prior to Bluffton's dramatic growth as one of South Carolina's fastest growing communities. As referenced in the Old Town Master Plan (Master Plan), this uniqueness is Bluffton's "franchise" and "the key to [its] economy."

The Master Plan, adopted by Town Council in 2006, is a policy document developed through extensive study and community participation that established a clear, unified vision for Old Town Bluffton. The vision guides the Town's policies, programs and regulations, including the Unified Development Ordinance (UDO). The UDO includes site and architectural standards specific to Old Town that may vary by zoning district and building type. There are five (5) zoning districts in Old Town, as well as a variety of permitted building types based on traditional Lowcountry building forms that vary by zoning district.

While mixed use and commercial development are located mostly north of May River Road or along May River Road, the heart of Old Town Bluffton Historic District is increasingly attractive for more intensive land use due to the availability of undeveloped or underdeveloped land. As land and construction costs escalate, maximization of land area and building square footage often follow. This may appear at odds with Old Town Bluffton's more organic development, particularly south of May River Road, where portions of the historic district were developed prior to zoning and single-family residences were the predominant use.

Recently, the Town "calibrated" land uses, as well as some general and architectural standards for the Old Town Bluffton Historic District. However, concern has been expressed that these amendments may not have been substantial enough as it relates to building size to ensure that Old Town Bluffton's character, charm and eclectic nature will be maintained. By some accounts, certain building types, all of which are identified in UDO Sec. 5.15.8, may allow for building footprints, sizes and height that are incongruous with existing development and the Master Plan.

1. The type of development or use of land permitted in the Old Town Bluffton Historic District is determined by the specific zoning district for each property. There are five zoning districts in Old Town Bluffton: Neighborhood Core-Historic District (NC-HD), Neighborhood Center-Historic District (NCE-HD), Neighborhood General-Historic District (NG-HD), Neighborhood Conservation-Historic District (NCV-HD) and Riverfront Edge-Historic District (RV-HD). The most intensive in terms of land uses permitted and building size are the NC-HD and NCE-HD districts.

The UDO describes the NC-HD districts as the "[c]ommercial heart of the Historic District with the greatest potential for mixed-use within multi-story buildings." The Promenade is zoned NC-HD. The NCE-HD district is described as "[m]oderate-intensity, mixed use development within the Historic District." The area Both districts

allow the Main Street Building Type, which allows the largest building footprint (up to 3,500 sq ft), size range (2,000 – 8,000 sq ft) and height (2-3 stories) of all building types.

2. Although it is not a building type specified in UDO Sec. 5.15.8. A-O (Building Types), “Additional Building Types” are permitted in each of Old Town Bluffton’s zoning districts. The UDO does not define what an Additional Building Type is, nor does it indicate when or why the Additional Building Type may be allowed. Likely, this building type is intended to allow for flexibility and is reviewed on a case-by-case basis. The UDO identifies the following development standards for this building type: front build-to zone range, lot width range, building frontage (which is determined by the UDO Administrator), rear and side yard setbacks, and height. There is no building size range or maximum building footprint provided in the UDO for this building type.

3. In UDO Sec. 5.15.5. A. (Neighborhood Core -HD) and UDO Sec. 5.15.5.B (Neighborhood Center-HD), a graphic of the regulating plan is provided (Attachment 3). A red line is shown on the plan where “shopfront” buildings are required on certain streets. These buildings include Main Street Buildings, Commercial Cottages and Live-Work Side yard Buildings. In the NC-HD District, civic buildings are also permitted. These buildings may also be located elsewhere in the district, which because of their type and size, may not be in keeping with Old Town’s character. Additionally, economics may cause the Main Street Buildings type to be developed more so than other building types, which could create a somewhat homogeneous built environment in portions of Old Town that may not be intended.

4. The UDO provides standards for “large footprint buildings,” which the UDO does not define. Because building types are specified for the Neighborhood Core district, the only district where large footprint buildings are allowed, and site and architectural standards are already in place, the purpose of the standards unclear. The standards from UDO Sec. 5.15.5.F.11 (Large Footprint Buildings) include:

- a. Large footprint buildings can only be located in the Neighborhood Core Historic District Zoning District.
- b. Buildings may be one story in height but shall be at least 24 feet in height. This may be accomplished with Liner Buildings or higher ceiling heights and/ or parapets.
- c. To encourage use by pedestrians and decrease the need for solely auto-oriented patronage, Large Footprint Buildings must reinforce the character of the Old Town Bluffton Historic District and shall therefore front the buildings to the sidewalks, providing windows and doors at frequent intervals. Operable doorways should occur on an average of every 50 feet for the whole length of the street frontage.
- d. Building footprints shall not be larger than a single block. Floor area of buildings shall not cantilever over public rights-of-way.
- e. Loading docks, service areas and trash disposal facilities shall not face streets, parks, squares, waterways, or significant pedestrian spaces.

Council feedback was as follows:

Councilman Hamilton stated that Council needs to determine what the overall impact of continued development will be. He stated that there are already issues with parking.

Mayor Sulka stated that it might be time for a consultant to come in and review things, similar to what was done in 2006. Sulka stated that other communities have issued moratoriums and that it is a tool that the Town can use for the Historic District. Sulka asked that citizens send in thoughts regarding this.

Councilman Wood stated that the changes that have been made, have helped with issues. Stated that he feels that the footprint issue may need to be addressed but he feels that many issues have been captured. He agreed that it is time for another review.

Councilwoman Frazier stated that the Town must mitigate what is coming forward. She stated that all areas need to be looked at.

Public Hearing and Final Reading:

Consideration of an Amendments to the Town of Bluffton Code of Ordinances, Chapter 23 – Unified Development Ordinance, Article 4 – Zoning Districts, Article 9 – Definitions and Interpretations to Add Short-Term Rental Units and Homestay Rentals and to Establish a Certification Process for Short-Term Rental Units – Public Hearing and Final Reading

Public Hearing Opened at 6:54 p.m.

There were no comments.

Public Hearing Closed at 6:55 p.m.

Colin stated that On May 8, 2018, Town Council approved a Resolution adopting a Strategic Plan for Fiscal Year 2019-20 (“Strategic Plan”). The Strategic Plan serves as a road map for activities and initiatives to implement the Town’s Vision and Mission Statement and ensures that Bluffton is poised to capitalize on opportunities that advance key goals.

The Strategic Plan identifies seven Strategic Focus Areas and establishes an Action Agenda with specific “Initiatives” for implementation. Strategic Focus Areas include: Community Quality of Life, Fiscal Sustainability, Town Organization, Infrastructure, Economic Growth, Affordable and / or Workforce, and the May River & Surrounding Rivers and Watersheds.

Action Agenda Initiative #6 corresponds to the “Community Quality of Life” Focus Area and calls for a review of the Town’s Unified Development Ordinance (UDO) in order to make necessary amendments to better guide the Town’s priorities and to manage growth. In addition, Action Agenda item #14 specifically calls out short-term rental policy as an initiative that falls under the Strategic Plan’s Economic Growth Focus Area. In keeping with these Initiatives, potential amendments to the Unified Development Ordinance and General Code of Ordinances to regulate this use are proposed.

Presently, Short-term Rental Units are regulated as a Home Occupation use, whether the rental is a bedroom within an occupied home or the rental of an entire dwelling unit with the property owner residing elsewhere. A Home Occupation is defined as “[a]ny use of principal or accessory buildings clearly incidental and secondary to their uses for residential purposes and which does not change the character thereof, within a residential area subject to the conditions of this Ordinance.” This classification is more suited for a bedroom rental rather than a whole-house rental. However, as both uses are lodging accommodations, they should be specifically and individually identified in the UDO.

A workshop was held with Town Council on March 12, 2019 to provide an overview of Short-term Rental Units, including impacts, best practices from other communities and possible approaches the Town may want to consider if it chooses not to continue to regulate Short-term Rental Units as a home occupation use.

As the result of the workshop, a Focus Group was created with a diverse group of individuals, including residents, realtors, business owners and representatives of a Planned Unit Development that allows Short-term Rental Units. A public workshop was also held on June 6, 2019. Feedback from the Focus Group and the public, as well as best practices from other communities and State law informed the development of the proposed process and the suggested amendments.

In addition to establishing the Short-term Rental Unit use, additional and related amendments are proposed below with an explanation of the purpose. Text that is shown in red and underlined is proposed text; text shown in strikethrough is proposed to be eliminated.

1. A definition for “transient guest” is proposed to provide consistent terminology in the UDO; presently, “guests” and “transients” are referenced, but neither is defined. The Transient Guest definition would also establish the maximum period of the lodging stay at no more than 29 consecutive days. Thirty (30) or fewer consecutive days is commonly used in other South Carolina communities: Beaufort, Beaufort County, Port Royal and Charleston allow 29 days; Folly Beach and Greenville allow 30 days.

The proposed definition is:

Transient Guest: A person who provides remuneration for lodging at a place other than his/her principal place of residence for a period of less than 30 consecutive days.

2. For the various types of lodging uses in Sec. 9.4.4 (Description of Land Uses and Buildings, Lodging), amendments are proposed for the following reasons:
 - a. To establish the Short-term Rental Unit use and definition;
 - b. To establish the Homestay Rental use and definition;
 - c. To move the Lodging definition from 9.4.4.E. to the introductory paragraph for consistency with other use classifications in Sec. 9.4.4;
 - d. To re-order the various lodging uses by intensity of the type of lodging (i.e., the number of rooms permitted);
 - e. To indicate when ancillary facilities and services are limited to transient guests;
 - f. To not require that Bed and Breakfast establishments be required to provide breakfast;
 - g. To change “rooms” to “bedrooms” (the UDO parking requirement is based on bedrooms);
 - h. To require that a Bed and Breakfast operate from a principal dwelling; and,
 - i. To reduce the maximum number of bedrooms within a Bed and Breakfast from 6 to 5 for consistency with the State Accommodations Tax (i.e., the tax is not required for 5 or fewer rooms).
 - j.

The proposed amendments to are:

Sec. 9.4.4. Lodging

The Lodging Use category provides for a variety of overnight sleeping accommodations for Transient Guests. When ancillary facilities associated with a lodging use are accessible to the general public, including those providing food and/or beverage, parking for such facilities shall be calculated separately from the lodging use.

- A. ~~**Bed & Breakfast:** A dwelling, where the proprietor resides on site, may be involved in the rental of six (6) rooms or less to overnight guests and offering breakfast meals only to said guests, provided a parking place be provided for each room offered for rent.~~ **A principal dwelling in which two (2) to five (5) bedrooms are rented to Transient Guests from the proprietor who resides on the property. If provided, ancillary facilities and services, including food and beverage, are available only to Transient Guests.**
- B. **Homestay Rental:** A principal dwelling in which no more than one (1) bedroom is rented to Transient Guests from the proprietor who also resides within the dwelling. Meals, if provided, are available only to Transient Guests.

- C. ~~Inn: A structure where the rental of seven (7) to twelve (12) rooms may be offered for overnight occupation provided a parking place be provided on-site for each room for rent. A building in which six (6) to 12 bedrooms are rented to Transient Guests. If provided, ancillary facilities and services, including food and beverage, are available only to Transient Guests.~~
- D. ~~Hotel: A building or portion thereof, or a group of buildings, which provides sleeping accommodations, with or without meal service, for transients on a daily or weekly basis, whether such establishment is designated as a hotel, inn, automobile court, motel, motor inn, motor lodge, tourist cabin, tourist court, or tourist home. A building or group of buildings in which 13 or more bedrooms are rented to Transient Guests. Ancillary services, including food and beverage, may be provided to the general public.~~
- E. ~~Short-term Rental Unit: A dwelling unit, principal or accessory, that is rented in its entirety to Transient Guests for less than 30 consecutive days. Lodging: Facility or structure used for the rental of sleeping quarters for overnight guests. Available for daily and weekly renting of bedrooms. The area allocated for food service shall be calculated and provided with parking according to retail use.~~
3. The table indicating where and how certain land uses are permitted, UDO Table 4.3, must be updated for the following reasons:
- a. To establish the proposed lodging uses “Short-term Rental Unit” and “Homestay Rental,” including how they are to be permitted (either as a Conditional Use, which is show by the letter “C,” or as a Permitted Use designated by the letter “P”);
 - b. To adjust the number of bedrooms permitted within the various lodging uses because of the addition of Homestay Rental; and,
 - c. To change the “Inn” use from a Permitted Use rather than a Conditional Use within the Neighborhood Conservation Historic District (NCV-HD) because other sections of the UDO already (or will) address some of the use conditions, such as number of bedrooms. Additionally, removal of the maximum number of days for a lodging stay will be consistent with other lodging uses that do not have a cap. Changes to use conditions appear below in #4.

Table 4.3 Uses by District	
Neighborhood Core Historic	Lodging
Neighborhood Center Historic	
Neighborhood General	
Historic District (NG-HD)	
Neighborhood Conservation	
Riverfront Edge Historic District (RV-HD)	
Light Industrial (LI)	
General Mixed Use (GM)	
Neighborhood Core (NC)	
Residential General (RG)	
Rural Mixed Use (RMU)	Lodging
Agricultural (AG)	
Preserve (PR)	

<u>Short-term Rental Unit</u>	-	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	-	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>
<u>Homestay Rental</u> <u>(1 bedroom)</u>	-	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	-	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
Bed and Breakfast - maximum of <u>(2-5 bedrooms)</u>	-	P	P	P	P	P	-	P	P	P	P	P
Inns - maximum of 12 guest rooms <u>(6-12 bedrooms)</u>	-	-	P	-	P	P	-	-	<u>C</u> <u>P</u>	P	P	P
Hotel (no room limit) <u>(13 or more bedrooms)</u>	-	-	-	-	-	P	P	-	-	-	-	P

4. As mentioned in #3 above, the use conditions for the “Inn” use are proposed to be eliminated as a change from a Conditional Use to a Permitted Use is proposed in the Neighborhood Conservation-HD District.

The “Short-term Rental Unit” is proposed to be a Conditional Use with several conditions, including limiting rental units to only one per lot except within the Neighborhood Core-HD District, which is primarily commercial and the most intensive of all zoning districts within Old Town Bluffton. The Promenade, for example, is zoned Neighborhood Core-HD. As the rental unit is residential in nature, another condition is that its exterior appearance must remain non-commercial in appearance. This last condition informs the reader that a permit specific to the use will be required and provides a cross-reference to the General Code section for more information.

4.4.3 Lodging

~~A. Inn~~

- ~~1. The principal building shall be the primary and permanent legal residence of the inn operator. Meals or other services provided on the premises shall only be available to residents, employees, and overnight guests of the establishment.~~
- ~~2. Guess shall be restricted to overnight and weekly stays, not exceeding seven consecutive nights, and may stay no longer than 60 days in any one calendar year.~~
- ~~3. Off street parking areas shall be provided for guests outside of any required front yard. Stacking of more than two vehicles in a driveway is prohibited.~~
- ~~4. Screening shall be provided between adjacent residences and parking area or any outdoor eating area.~~
- ~~5. The use of exterior stairways to provide primary access to the upper floor shall be prohibited.~~

A. Short-term Rental Unit

1. As of January 1, 2021, new Short-term Rental Units are limited to one (1) per lot in the following zoning districts: Agricultural (AG), Rural Mixed-Use (RMU), Residential General (RG), Neighborhood Core (NC), General Mixed-Use (GM), Riverfront Edge Historic District (RV-HD), Neighborhood Conservation Historic District (NCV-HD), Neighborhood General Historic District (NG-HD), and Neighborhood Center Historic District (NCE-HD). This limitation shall not apply to lots within the Neighborhood Core-Historic District.

2. There shall be no visible exterior evidence that a Short-term Rental Unit use is being conducted inclusive of signage or other features of a commercial nature.
3. The Short-term Rental Unit requires a Short-term Rental Unit permit. See Chapter 6, Article V of the General Code of Ordinances of the Town of Bluffton, South Carolina.

5. A permit process specific to Short-term Rental Units is proposed and is intended to mitigate potential impacts in residential areas, require a signed life-safety affidavit, place the owner on notice that accommodation and hospitality taxes are required, and require signed authorization should the owner chose to use an agent to manager the rental unit.

When assessing an application for a UDO Text Amendment, the Planning Commission and Town Council are required to consider the criteria set forth in UDO Section 3.5.3, Application Review Criteria. These criteria are provided below, followed by Staff Finding.

1. **Section 3.5.3.A.** Consistency with the Comprehensive Plan or, if conditions have changed since the Comprehensive Plan was adopted, the consistency with the overall intent of the Plan, recent development trends and the general character of the area.

Finding. The proposed amendments are consistent with the needs, goals and implementation strategies of the Comprehensive Plan. The Comprehensive Plan, as adopted on September 4, 2007, balances “long-term visioning and goals” with “short-term actions.” The Action Agenda Initiatives found in the 2019-20 Strategic Plan capture non-capital improvement projects of significance, many of which emanate from the Comprehensive Plan. The proposed Text Amendments are a direct result of these Initiatives.

2. **Section 3.5.3.B.** Consistency with demographic changes, prevailing economic trends, and/or newly recognized best planning practices.

Finding. The proposed amendments are consistent with best planning practices in response to the Town’s economic trends.

3. **Section 3.5.3.C.** Enhancement of the health, safety, and welfare of the Town of Bluffton.

Finding. The proposed changes, together with a permitting process, are in line with best practices and will allow Town Staff to better regulate Short-term Rental Units without creating an onerous process for current and future owners, or for Town staff.

4. **Section 3.5.3.D.** Impact of the proposed amendment on the provision of public services.

Finding. The amendments will have no impact on providing public services.

5. **Section 3.5.3.E.** The application must comply with applicable requirements in the Applications Manual.

Finding. The application complies with all applicable requirements of the Applications Manual.

The Planning Commission made a recommendation at their September 23, 2020 meeting to unanimously approve the proposed amendments to the Unified Development Ordinance. Town Council voted to approve the proposed amendments on First Reading at the October 13th Town Council meeting. No changes have been made.

Wood made a motion to approve Second and Final Reading of Amendments to Chapter 23, Unified Development Ordinance Article 4 – Zoning Districts and Article 9 – Definitions Relating to Certain Lodging Uses, Including Establishing Short-term Rental Units and Homestay Rentals. Frazier seconded. Roll call was taken, and the motion carried unanimously.

Consideration of Amendments to the Town of Bluffton Code of Ordinances, Chapter 6 – Businesses and Business Regulations, Article V. Short Term Rental Units to Establish a Certification Process for Short Term Rental Units – Public Hearing and Final Reading

Let the record show that Councilman Toomer was absent due to technical difficulties for the presentation and vote regarding this item.

Public Hearing Opened at 6:57 p.m.

There were no public comments.

Public Hearing Closed at 6:58 p.m.

Colin stated that The Strategic Plan for Fiscal Year 2019-20 (“Strategic Plan”) specifically identifies the need for a short-term rental policy, an initiative that falls under the Strategic Plan’s Economic Growth Focus Area. To support this effort, amendments to the Unified Development Ordinance (UDO) and General Code of Ordinances to regulate this use are proposed. The UDO will address zoning for the use, including zoning districts where Short-term Rental Units would be allowed, as well as use conditions. The General Code would create a permit process. Presently, this type of accommodation is allowed with a Home Occupation Permit, which does not adequately address the use.

The permit process is intended for, but is not limited to, the following:

- Mitigation of potential impacts that may arise when a dwelling unit is rented as a lodging accommodation without on-site management (e.g., a Short-term Rental Unit agent would be required and must be available to be contacted at any time by the Town and reside within a one hour drive of the property).
- Requiring a signed checklist acknowledging that certain life-safety measures will be in place such as smoke alarms, fire extinguishers and windows in each bedroom. An independent inspection of the dwelling will be required as Town staff will not conduct a home inspection.
- Requiring the permit number to be included in digital and print advertisements of the rental unit. This alerts potential renters that the advertised rental unit is legal, and it also allows the Town to distinguish rental units that may not be legally permitted.
- Informing the owner that accommodation and hospitality taxes are required to be remitted.

To initiate the process for obtaining a Short-term Rental Unit Permit, the owner or agent must submit a Short-term Rental Application. Town Staff would evaluate the application to review whether all required items have been provided and comply with the ordinance. If approved, the owner must also obtain a Town of Bluffton business license. Likewise, if the owner chooses to use an agent to manage the rental unit, the agent must also have a Town of Bluffton business license.

The application includes a “responsibilities and acknowledgements” affidavit, an inspections checklist, and a Short-term Rental Agent authorization form if the property owner will not manage the rental unit. The draft

application is provided as Attachment 2. The “responsibilities and acknowledgments” affidavit is a checklist of items that the applicant must sign to acknowledge awareness and compliance with specific requirements.

Because a Short-term Rental Unit is considered to be residential construction, Town of Bluffton staff does not propose to conduct an initial inspection of the property. Instead, the owner or agent must provide a completed Life-Safety affidavit to indicate whether certain safety measures are in place, such as smoke detectors and fire extinguishers. While some communities require inspections (City of Beaufort), other do not (City of Savannah).

The Short-term Rental Unit Permit will require annual renewal. It is anticipated that renewals will occur within a specified date rather than a year from the date of the initial application. The implementation of a Short-term Rental Permit is proposed to be developed and monitored using a specific software program which will be demonstrated to Town Council at Second and Final Reading.

Violations of the permit are subject to penalties as specified in Section 6-38 of the Town of Bluffton Code of Ordinances.

The proposed changes are in line with best practices and will allow Town Staff to better regulate Short-term Rental Units without creating an onerous process for current and future owners, or for Town staff.

If approved, the effective date of the ordinance will be January 1, 2021. This will provide time to notify all existing Short-term Rental Unit operators that a new permitting process will be in place and that, at the time of renewal of the Home Occupation permit, a Short-term Rental Unit permit will be required instead and to come into compliance with the Ordinance. This provides time to implement the necessary software that will effectively monitor and track the permits.

Council asked that the procedures include the requirement of videos or photos to confirm that the required check list is completed annually.

Frazier made a motion to approve on Second and Final Reading, the Amendments to the Town of Bluffton Code of Ordinances, Chapter 6 – Businesses and Business Regulations, Article V. Short Term Rental Units to Establish a Certification Process for Short Term Rental Units. Wood seconded. Roll call was taken, and the motion carried with four votes.

Formal Agenda Items:

Consideration of an Ordinance Amending the Town of Bluffton FY 2021 Budget to Reflect the Addition of Short-Term Rental Revenue per the Master Fee Schedule – Second and Final Reading – Chris Forster, Director of Finance and Administration

Forster stated that the Town of Bluffton anticipates additional FY 2021 revenue of \$55,250 from the annual Short-Term rental fee. A portion of this revenue will be used for the estimated \$28,000 annual fee for compliance service to track and monitor short term rentals within Bluffton and manage registration and fee payments. The additional \$27,250 of revenue will replace the previously budgeted use of fund balance. Forster stated that there are no changes since first reading October 13, 2020.

Hamilton made a motion to approve on second and final reading an Ordinance Amending the Town of Bluffton FY 2021 Budget to Reflect the Addition of Short-Term Rental Revenue per the Master Fee Schedule. Frazier seconded. The motion carried unanimously.

Consideration of Approval of an Ordinance Authorizing the Issuance and Sale of a Not to Exceed \$5,250,000 General Obligation Bond, Series 2021 or Such Other Appropriate Series Designation, for the Purpose of Funding Sewer Projects – Second and Final Reading – Chris Forster, Director of Finance and Administration

Forster stated that the proposed Ordinance delegates to the Town Manager the authority to determine the par amount of the Bonds maturing on such dates, the maturity dates of the Bonds, the interest payment dates of the Bonds, redemption provisions, and the date and time of sale of the Bonds; and

Receive bids on behalf of the Council and to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Official Notice of Sale for the Bonds; and

Sell the Bonds through a bank placement if it is determined to be in the best interest of the Town upon recommendation from the Town's bond counsel and financial advisor.

Continuously improving the water quality and economic viability of the May River and surrounding rivers and watersheds is a strategic goal of the Town of Bluffton Strategic Plan. The FY 2021 budget and capital improvement plan include several sewer projects to help protect the Town's rivers and watersheds. These projects were approved contingent upon a potential general obligation bond offering. The FY 2021 budget ordinance also included an increase in Stormwater Utility fees to support the payment of the Bond's principal and interest.

Currently budgeted sewer projects include:

- Buckwalter Place Multi- County Commerce Park
- Buck Island – Simmonsville Sewer
- Historic District Sewer Extension Phase 1
- Historic District Sewer Extension Phase 2
- Historic District Sewer Extension Phase 3
- Historic District Sewer Extension Phase 4
- Historic District Sewer Extension Phase 5
- Historic District Sewer Extension Phase 6
- Bridge Street Streetscape

Additional sewer projects planned for future approval and coordination with partnering jurisdictions:

- Historic District Drainage Master Plan
- Stoney Crest Campground / Old Palmetto Bluff Rd.
- Old Town Gravity Sewer

The projected true interest cost is currently calculated at 1.66% on the planned 20-year Bond. The estimated sources and uses are as follows:

Source of Funds:

Par Amount of Bonds	\$5,080,000.00
Reoffering Premium	<u>595,874.45</u>
Total Sources	\$5,675,874.45

Uses of Funds:

Total Underwriter's Discount (0.750%)	\$ 38,100.00
Cost of Issuance	75,000.00

Deposit Net Bid Premium to DS Fund	557,774.45
Deposit to Project Fund	5,000,000.00
Rounding	<u>5,000.00</u>
Total Uses	\$5,675,874.45

Our Bond Counsel, Frannie Heizer, Esquire with Burr Forman McNair and our Financial Advisor, Brian Nurick, Senior Managing Director with Compass Municipal Advisors, LLC, were present for questions. Both stated that they are recommending that the Bond be issued before the end of 2020 to take advantage of favorable interest rates.

Forster stated that there have been no changes since Town Council passed the Ordinance on First Reading on October 13, 2020.

Toomer made a motion to approve on Second and Final Reading, an Ordinance Authorizing the Issuance and Sale of a Not to Exceed \$5,250,000 General Obligation Bond, 2020 or Such Other Appropriate Series Designation, for the Purpose of Funding the Town of Bluffton Stormwater Utility Fund Capital Improvements Program Projects. Wood seconded. Roll call was taken, and the motion passed unanimously.

Consideration of an Ordinance to Amend Certain Provisions to the Town of Bluffton Code of Ordinances to Authorize Meetings to be Held Telephonic or Other Electronic Means, and Matters Related Thereto – First Reading - Scott Marshall, Deputy Town Manager

Marshall stated that on March 17, 2020, Town Council passed Emergency Ordinance 2020-03 in response to the declared States of Emergency in the State of South Carolina and the Town of Bluffton as a result of the COVID-19 pandemic. Section 1 of Emergency Ordinance 2020-03 allowed all public meetings to conduct Town business to be held electronically. Since March 17, 2020, Section 1 has been renewed through the adoption of four successive emergency ordinances. The latest of these emergency ordinances was adopted on October 13, 2020 and will expire on December 13, 2020 in absence of intervening action by Town Council.

The ordinance presented for consideration contains substantive amendments that will permanently codify the ability for Town Council and other bodies appointed by Town Council to conduct meetings by telephone or other electronic means, e.g., Zoom meetings that are broadcast on a web-based platform such as Facebook, YouTube, etc. Specifically, the amendments modify portions of *Chapter 2 – Administration* and *Chapter 3 – Boards, Committees and Commissions Terms, Appointments and Qualifications*. It is important to note that the language in the proposed amendments is written in a manner to provide the option of attending meetings either in-person (when conditions permit) or by electronic and/or telephonic means. In other words, an attendee may choose his or her method of attendance.

Provisions for providing public comment during public comment periods and public hearings by telephonic and/or electronic means is also included in the amendments.

Toomer made a motion to approve on First Reading an Ordinance to Amend Certain Provisions to the Town of Bluffton Code of Ordinances to Authorize Meetings to be Held Telephonic or Other Electronic Means, and Matters Related Thereto. Frazier seconded. Roll call was taken and the motion passed unanimously.

Consent Agenda Items

1. Monthly Department Reports: Police, Finance & Administration, Municipal Court, Engineering, Don Ryan Center for Innovation, and Growth Management
2. Town Manager Report

3. Consideration of an Extension for the Memorandum of Understanding between the Town of Bluffton and Beaufort Jasper Water and Sewer Authority Regarding Collaboration on Projects and Capacity Fee Credits – Chris Forster, Director of Finance and Administration

Wood made a motion to approve the Consent Agenda as presented. Toomer seconded. The motion carried unanimously.

Executive Session:

1. Personnel Matters Regarding Town of Bluffton Appointments of Boards, Committees and Commissions (Pursuant to SC Freedom of Information Act 30-4-70 [a][1])
2. Contractual Matters Relating to Buckwalter Place Multi-County Industrial Park (MCIP) (Pursuant to SC Freedom of Information Act 34-4-70 [a][5])

Hamilton made a motion to move into Executive Session at 7:45 PM to discuss the aforementioned items. Toomer seconded. The motion was unanimous.

Town Council exited Executive Session at 9:11 PM. No motions were made, and no votes were taken during Executive Session.

Wood made a motion to make the following appointments to the Town of Bluffton Boards, Commissions and Committees:

Historic Preservation Commission – Kerry Schmelter, Mary Vaux Bell

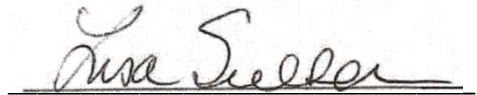
WAPAC – Stan Rodgers

Negotiating Committee – Carol Pringle

Planning Commission – Matthew Youst, Kathleen Duncan

Frazier seconded. The motion was unanimous.

Frazier made a motion to adjourn at 9:13 PM. Wood seconded. The motion carried unanimously.



Lisa Sulka, Mayor



Kimberly Chapman, Town Clerk