

MINUTES
CITY OF BEAUFORT
ZONING BOARD OF APPEALS
October 27, 2014, 5:30 P.M.
City Hall Council Chambers, 2nd floor – 1911 Boundary Street
Beaufort, South Carolina

STATEMENT OF MEDIA NOTIFICATION: “In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.”

Members Present

Brad Hill, Chairman
Don Starkey
Joe Noll
Eric Powell
Tim Wood

Staff Present

Libby Anderson, Planning Director

FREEDOM OF INFORMATION ACT COMPLIANCE

Public Notification of the Zoning Board of Appeals meeting has been published in compliance with the *Freedom of Information Act* requirements.

Chairman Hill called the meeting to order at 5:30 p.m. and led the Pledge of Allegiance.

Mr. Powell asked that the minutes be corrected to reflect that he was not present at the September 22 meeting. **Mr. Starkey made a motion, second by Mr. Wood, to approve the minutes of the September 22, 2014 meeting as corrected. The motion passed unanimously.**

REVIEW OF PROJECTS

502 Scott Street Identified as District R121, Tax Map 4, Parcel 718

Special Exception

Applicant: Sarah and David Edwards (ZB14-21)

The applicants are requesting a special exception in order to operate a short-term rental.

The home, at the corner of Scott and North Streets, is in the Historic District in the Old Commons neighborhood, Ms. Anderson said. The property is zoned Traditional Beaufort Residential District – Old Commons. The applicant had provided photos of the property, some of which she showed.

The applicants would like to rent the property on a short-term basis and have hired a local management company and have provided a draft of the rental agreement. The minimum stay is three nights. Two parking spaces are on or adjacent to the property. There's one on the North Street side and another on the right side. Staff recommends that the rental agreement be revised to limit the number of vehicles to two. The public notice was made in the paper and posted, and neighbors were notified. The Board has received the public comments. The Board asked how many short-term rentals had been approved by special exception since the ordinance was passed. Ms. Anderson presented a list of where the units were located, and they are mostly in the Pigeon Point neighborhood. These are the units that were approved by the Zoning Board of Appeals. The accessory unit is also allowed to be used as a short-term rental when the owner lives on site as conditional uses, and there are 5 of those – where the owner lives on the premises, and there's a garage apartment.

Ms. Anderson said this unit is the Old Commons district and will be the first one that could be a short-term rental in that neighborhood. She reviewed the staff's opinion on the six criteria for the Board to consider for a special exception:

1. **Proposed use is compatible with existing uses in the surrounding area:** Staff believes it is compatible for the area, Ms. Anderson said. She described the various uses around it. In regard to the public comments and preserving the residential character, Ms. Anderson shared the zoning: this area is surrounded by General Commercial zoning, and across the street it is zoned Neighborhood Commercial. Further south, it is Core Commercial, which is the most intense commercial zoning.
2. **Proposed changes are harmonious with character of area:** No changes are planned.
3. **Impact on public infrastructure:** This short-term rental is not likely to have greater impact than it would if it were a long-term rental, staff feels.
4. **Compatible with Comprehensive Plan and the Civic Master Plan:** Staff feels it is compatible with these plans.
5. **Impact on public health and safety:** Ms. Anderson said little impact is expected, especially since the owner has a professional local property management company involved.
6. **Potential creation of nuisances:** Staff feels there is little potential for nuisance, Ms. Anderson said, with a local property management firm up the street. Also, a monitored fire alarm is required.

Ms. Anderson said staff recommends approval with conditions: modify the rental agreement in regard to the 3-night stay, only allow two vehicles overnight on the premises; and install a monitored fire alarm.

Sarah Edwards owns the property. She said they want to stay in it as much as possible, but want to operate it as a short-term rental to help fund the upkeep. They own a

similar historic property in New York, and so they know that renting it will help with that. She won't encourage parties; the property is "quite an investment," and they need the income to keep the property up, so they don't want people in there who will want to party. Ms. Edwards has spent a lot of time in Beaufort while buying the property and since, and they have not seen anything like that in the neighborhood. On Scott Street, a block away from her property, there's a beautiful short-term rental home, and she sees people "enjoying it quietly." She's hoping her short-term rental "will allow people to enjoy and experience Beaufort."

Mr. Starkey said Ms. Edwards gave a telephone number for her office in the rental agreement, but he wants to know what happens at 7 p.m. when someone needs to get ahold of her. Ms. Edwards said it's a rental agency number. **Pamela Johnson** said she'll do the property management; her cell number and the broker in charge's numbers will be there for anyone renting the home. Ms. Johnson said she could also provide her cell numbers to neighbors. Ms. Edwards said that she would give neighbors her cell and email addresses. Mr. Starkey said they are "assuming approval" by already offering the house as a short-term rental online, and Ms. Edwards said that they are "hoping for approval" and "have had some inquiries."

Jerry Stocks owns properties at 808 and 810 King Street; she rents 6 and 12-months on the house she doesn't live in. They wanted the zoning to remain commercial when they moved in, but it was changed because of neighbors. Within her block, only three houses have been lived in three times, and the others have been derelict, but new houses are being built, and the derelict ones are being restored; they "are finally beginning to feel like it's a real neighborhood," Mrs. Stocks said she is opposed to the special exception for short-term rental because a short-term rental is "a commercial enterprise ... and one that's not needed." 502 Scott Street should be a long-term rental, so the neighbors can get to know whoever lives there, and because she believes long-term renters will behave "with a spirit of neighborliness."

Rebecca Davenport, 813 King Street, remembers the fight in 2003 for the Old Commons to be residential. She thinks that a short-term rental is inappropriate. The house is at "a dangerous intersection," and there's "a precarious parking situation," especially for people who don't know the area. She is "very much against" a short-term rental there, and thinks it should be long-term, not short-term. "The neighborhood is unique and should remain as much residential as it can be," Mrs. Davenport said.

Mike Sutton, 809 Craven Street, said that he's a city councilman until November, but he came to the meeting because he cares about his neighborhood. He pointed out properties in the area of the property under consideration: 8 are rentals or second homes; 9 have the owners living in their homes, 1 of which had just moved in this week; 7 are abandoned buildings. Many are churches and parking lots: non-residential uses, which therefore do not generate taxes, such as a Masonic lodge, the post office, etc. He described the 6% of properties that are not resided in full-time. Mr. Sutton said he feels

the short-term rentals are an economic tool, and the level of maintenance and care is much greater than in a long-term rental. He has seen the short-term rentals that are already in town. This house has changed ownership three or four times in six years because the property “has issues.” It is close to the street and might be dangerous, and the parking, as staff had said, could be a concern. There’s only one real parking spot, and the owners have acquired the rear property for off-street parking if it’s suitable. Mr. Sutton said he believes it’s better for people to come and go at a property than for it just sit abandoned. Ten years down the road, he feels, “it will be a real gelled neighborhood,” and people may want to live there full-time, but in the interim, he is OK with short-term rentals.

Ray Stocks said he and Mrs. Stocks had gone through the rezoning process in the neighborhood, which he had fought, but council, which included Mr. Sutton, passed it. The residents “learned to live with it.” He would like to keep the neighborhood residential. This short-term rental is a business, Mr. Stocks said, and businesses are prohibited in that neighborhood. Ms. Edwards will be required to get a business license. They have purchased the lot behind the house for a garden, but Mr. Stocks feels “it has to be a parking lot” for the house to be used as a short-term rental. He said he didn’t know if they had received the emails from others. Chairman Hill said they have received two. Mr. Stocks said the owner who had just bought the house near 502 Scott Street would not have wanted it if he had known that there would be a short-term rental there: “You don’t know what you might get,” he said. It might be “a drug deal or a ‘cat house’.”

Ms. Edwards said they purchased the lot behind the house lot to put in a garden and improve the property they have; they have no plans to put in a parking lot. She said the house next to them is “pretty much empty,” and pointed out the empty, “ugly former BOA building.” She feels people’s “concerns are subjective.” There’s nothing she can do but “make it a luxury vacation rental”; she doesn’t feel it will be a “cat house,” and she has been there once a month since she bought the property.

Chairman Hill asked Mr. and Mrs. Stocks and Ms. Davenport if they were among those fighting for the neighborhood to be commercial. And Mr. Stocks said it was commercial, and it was rezoned by the city to make it “strictly residential.”

Ms. Anderson said the city’s minimum stay requirement is two nights, and the applicant had said it would be a three-night minimum. Ms. Anderson said the applicant needs to confirm that in the rental agreement. Ms. Edwards said it is a minimum three-night stay.

Mr. Starkey said in regard to the parking, the place next to the house “looks like a narrow and short space for a car.” He asked if two can park in that spot and the one next to the house. Ms. Edwards said she has fit a large 4-wheel drive in that spot.

Mr. Noll said short-term rentals compete with B&Bs and hotels; he has a short-term rental as a neighbor, and the owners have to keep the properties up “to compete.” He thinks it’s important to use this as a useful tool to keep them occupied especially in a neighborhood where there are abandoned houses and vacant ones.

Mr. Wood said the neighborhood would change as the new houses are built there. He also doesn't see that a high-end short-term rental competes with a neighborhood’s residential character; he said he understands that it’s a business, but there’s not a big impact on day-to-day living. He personally would prefer a short-term rental to a long-term rental for a neighbor because if they’re not great, you’re not stuck with them for a year.

Mr. Wood said he is always concerned about parking. He doesn't doubt that two cars can park there comfortably. They restrict the parking, but it doesn't always happen that way. “Parking is rough” in that area, he said. It’s an issue, and they can’t enforce it. They can say they can only have two cars and the neighbors can call the property management or the cops if there are more. Mr. Wood said he doesn’t see that a short-term rental has done detriment to any residential neighborhood; he hasn't seen that. All of the ones he’s seen seem stable and quiet and always look good. He doesn't see the commercial impact that the neighbors in the Old Commons have expressed concern about. He also doesn't share Mr. Stocks’ “cat house” concern.

Ms. Anderson said there’s not a prohibition on parking that isn’t formalized. Mr. Wood said the empty lot they purchased isn't relevant to this conversation, but he thinks they aren’t permitted just because they own it to asphalt it without a zoning request. Chairman Hill said there’s a gate in the back of the house, and they could create a parking space there. Mr. Wood said they are restricted to two cars and have adequate parking for that.

Chairman Hill said the majority of the public who spoke were fighting for commercial zoning at the time it was changed to residential, so they didn't get that zoning, but they fought for it, so to make this being a commercial entity an issue at this point does not bear weight in his opinion.

Mr. Powell made a motion to approve the request for a special exception with the following provisions: the minimum stay must be two nights, they are only permitted two overnight vehicles, they must install a monitored fire alarm and provide the management company’s numbers on the agreement, and there is to be no overnight parking in the lot next to the house. Mr. Noll seconded the motion. The motion passed unanimously.

Other Business

Mr. Starkey said in driving around Beaufort, he noticed places where the Board had approved zoning exceptions, like the tractor business; they were told they could park

the vehicles in front of the trees, but “they are scattered everywhere.” He’s concerned that “we are not enforcing what we have said.” He has seen more cars parked in front of houses than the Board had allowed, e.g., on Carteret, which was approved a month ago, he saw three cars there and another on the lot. Mr. Starkey said he wants to know why they don’t enforce the requirements, and if they are going to make rules that they don’t enforce, he asked why the Board meets. Mr. Wood said tourism pumps money into the economy, and it’s an important industry for people in Beaufort. Mr. Wood said they are not an enforcement Board; they make the decisions, and if someone doesn't like something, like too many people parking at a short-term rental that’s next to his home, he can call the police for a disturbance like that.

Mr. Noll asked if the problem is because of the kind of residence it is, or if they are parked illegally. Mr. Noll said if they are parked legally, even though there are more than there are supposed to be per the rental agreement, there is nothing that can be done. Mr. Wood said in this neighborhood, anyone having a party has a lot of cars, and “it’s everyone for themselves.” Chairman Hill said as long as there are only two there overnight, it’s OK to have a lot of cars there, for a Parris Island or USCB graduation party, for example. The neighbors have to enforce things in their own neighborhood.

Mr. Starkey said in the ordinance, at renewal time, someone has to recheck the short-term rentals. He wondered if that is being done.

Mr. Sutton said he’s glad that they are having this conversation. Every Board has to remember that the city went through a downturn – nearly 40% of the residential property is no longer here, 35% is not-for-profit property, and the remaining properties are only partially owned by the people who live there. It will take a rebirth of the city – reinvestment and regrowth are starting to happen. The short-term rentals showed him that. There have been no complaints, Mr. Sutton said, but “the citizens have to take back their city.” Half the neighborhood is blighted and not lived in, and Mr. Stocks’ concern about the commercial activity was in fact a great battle, and the reality is that the neighborhood is better than it was 10 years ago. ANY investment in a neighborhood is an improvement in the right direction. They don’t need to get in the weeds and worry about enforcement. Anyone can come to council and report on trend or concern, Mr. Sutton said, or have board members come to council and tell them what they are seeing, e.g., a trend toward short-term rentals in their neighborhood. He said he appreciated the Board’s service.

Mr. Noll asked what happened to the Old Commons neighborhood. Mr. Sutton said people moved out in part because of the economy. It took a long time for it to get where it is; there was a lot of “it’s not my problem.” No one is around at night, he said, and there’s no one to watch each other’s backs, so it’s been important to him to turn it around. The city has done some things wrong. He said the Board needs to consider whether the concerns of neighbors are perceived or real.

Mr. Stocks said in regard to the two parking spaces, the one on the side yard “belongs to the city, so it’s illegal.” It’s “city property...and was put there by the landscape artist.”

There being no further business to come before the Board, Chairman Hill adjourned the meeting at 6:23 p.m.