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A meeting of the Zoning Board of Appeals was held on **February 22, 2016 at 5:30 p.m.** in the City Hall council chambers, 1911 Boundary Street. In attendance were temporary Chairman Tim Wood, board members Jody Caron, Josh Gibson, Nigel Stroud, and Joe Noll, and Libby Anderson, planning director.

In accordance with the 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.

CALL TO ORDER

Chairman Wood called the meeting to order at 5:30 p.m. and led the Pledge of Allegiance. He read the notice of compliance with the Freedom of Information Act requirements.

Mr. Caron made a motion, second by Mr. Gibson, to approve the minutes of the January 25, 2016 meeting as presented. The motion passed unanimously.

REVIEW OF PROJECTS

804 Washington Street, Identified as District R120, Map 4, Parcel 414

Special Exception

Applicant: Jeffrey and Courtney Mullins (ZB15-24)

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

Ms. Anderson said this project was tabled at the board's October meeting. It is in the Old Commons neighborhood. It's zoned Traditional Beaufort Residential District – Old Commons. A single-family dwelling located on the lot has been renovated recently. The owners live locally and would like to rent this property as a short-term rental. They would manage the rental themselves. According to the rental agreement the minimum stay is two nights, the number of guests is limited to eight, and the vehicles are limited to two; all of this is acceptable, Ms. Anderson said. There is sufficient parking space for two vehicles if they are "stacked." The applicants should discuss with the board their plan for management of the property when they are out of town.

The president of the Old Commons neighborhood association was notified by email of this meeting, Ms. Anderson said. A number of comments were submitted in October; those that came more recently are in the board members packets or were sent to them by email.

Ms. Anderson reviewed what a special exception is, as all of the applications today are for special exceptions.

Ms. Anderson presented staff's opinions on the criteria that the board must use to determine if this application receives a special exception:

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1. **Proposed use is compatible with existing uses in the surrounding area:** Ms. Anderson said the property is in the Old Commons neighborhood in the Historic District. The periphery of the neighborhood is zoned and used for mixed use. The interior is zoned and used for single-family residential purposes. It's an easy walk to downtown and Waterfront Park.
2. **Proposed changes are harmonious with the character of area:** Ms. Anderson said no changes are being proposed to the site or the building for its use as a short-term rental.
3. **Impact on public infrastructure:** Ms. Anderson said the proposed use, in staff's opinion, is not likely to have a greater impact on infrastructure than if it were a long-term rental.
4. **Compatible with Comprehensive Plan and the Civic Master Plan:** It's in general conformity with these plans, Ms. Anderson said.
5. **Impact on public health and safety:** This short-term rental would have little impact, staff feels, depending on its management and installation of a monitored fire alarm.
6. **Potential creation of nuisances:** Staff feels with proper management and a monitored fire alarm, it would have little potential for the creation of nuisances.

Staff recommends approval on the condition that the monitored fire alarm be installed, and if it's clear who would manage the short-term rental if the owners are out of town, Ms. Anderson said.

Mr. Stroud said he owns some long-term rental properties, but feels he can be objective. Mr. Gibson said his wife owns a short-term rental that is near 804 Washington Street. He has reviewed potential conflicts of interest, and he feels like he can remain objective about this issue. The other board members agreed that Mr. Stroud and Mr. Gibson could objectively consider short-term rentals.

Mr. Gibson said this appears to be the fourth special exception in this neighborhood, according to the map and the staff report. Ms. Anderson said yes, there are three in the residentially zoned area. Mr. Gibson said this is larger occupancy than the other short-term rentals that are there now. Ms. Anderson said one is a small cottage and the other has two stories, but she doesn't know about their square footage. The West Street short-term rental is also two-stories. She can't say if the 804 Washington Street residence is larger or smaller. There are also several other short-term rentals that are in commercial zoning.

The applicant, **Jeff Mullins**, said he has lived in Beaufort for six years. They would like to retire here when he gets out of the military. He also wants "a place to come back to" when he's stationed elsewhere. Mr. Mullins said he would like to dispel some negative comments that have been made about the short-term rental at 804 Washington Street.

The outside of a short-term rental has to be kept neat in order to "market it to a decent clientele," Mr. Mullins said. The behavior of guests at a short-term rental can't be

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predicted, he said, but if there were problem guests, they would only be there for a short time and could leave quickly, unlike tenants in long-term rentals. Mr. Mullins said none of the short-term rentals in Beaufort have received police reports for nuisances or noise. If there are any complaints about the current short-term rentals, they haven't been made to the police.

Mr. Mullins said a lot of houses on Washington Street adjacent to his are run-down, and a couple are vacant. Investment in these houses as short-term rentals keeps them occupied. Mr. Mullins's house is under renovation, he said. They have modified the interior, yet kept some of its historic aspects.

Mr. Mullins said short-term rentals create revenue for the city via taxes, as well as visitors spending downtown at restaurants and shops. He knows that there is opposition to a short-term rental at 804 Washington Street, so he asked that the board look at facts, "not . . . emotional appeals. They will install a monitored fire alarm, he said. He and his wife plan to manage the short-term rental for a couple of months to learn what it involves, then they will hire a property manager. They will be on-call for guests until then, and he said he would give out their cell phone numbers to neighbors, in case they have issues.

Gordon Lamb, 801 Duke Street, lives around the corner from 804 Washington Street. He is concerned about "saturation in these . . . rental-type properties." He feels the Old Commons neighborhood is at that point now. Also, he said, the ZBOA has no tools to discern if these properties are "any good or not." Mr. Lamb said some residents had sent a petition to city council, asking it to put together a committee that would look at and amend the short-term rental ordinance. He feels that has to be done before an assessment of individual short-term rentals can be done fairly.

Mr. Lamb said the front porch of 804 Washington Street "has been a godawful mess for at least four or five months," with "overflowing trash," so he takes the idea that the property will be well maintained "with a grain of salt." He asked the board to table this application until council has responded to the petition.

Mr. Mullins said they have had construction equipment and large trash receptacles in front of the house, but that was for the renovation, which took a year, and there was nowhere else to store it.

Charlie Calvert said he lives in Pigeon Point, but he owns a home on Scott Street that is a short-term rental. When he bought it in 2007, there were three vacant homes around him, and now they have been renovated. He believes that when people renovate houses, it helps the neighborhoods, and some of those homes will eventually become full-time residences.

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The owners of these properties will make them long-term rentals if they aren't allowed to be short-term rentals, Mr. Calvert said. He feels that a house like the one at 804 Washington Street is not rentable long-term (e.g., because of the size of its kitchen), but it will eventually be a permanent residence. Mr. Calvert added that three short-term rental properties in a neighborhood is not "saturation."

Phillip Goebel, a Marine, owns a café in Habersham and owns property that he manages as a short-term rental through VRBO. He used to live on Green Street, he said, and when that "run-down house" was purchased and renovated, it became one of the nicer properties in the area.

Mr. Goebel's experience with VRBO has been "fantastic," he said. It presents "a gateway for families coming to Beaufort." The appeal of Beaufort is not the hotels on Boundary Street, he said; it's the downtown, historic area. For every beautiful house there, there are three or four that are run-down "and need some love," Mr. Goebel said. Short-term rentals benefit local families and also tourists. In regard to saturation, he suggested they ask of short-term rentals, "Is it constantly rented, or is there constant turn-over? Does it wear down the property?"

Mr. Goebel said he makes sure that his property is "spic and span" and maintained at all times, and he has cleaning and repair people on-call. In regard to "rowdy customers," he can choose who rents his place, and he has a refundable security deposit, which he keeps if guests do not take care of the place. They can then be "flagged" on VRBO as "bad customers." For Beaufort, short-term rentals are a great opportunity, Mr. Goebel feels. He said he would like to have property downtown, but the houses he could afford to buy have properties around them that are run-down.

Jennifer Pope, 807 Scott Street, said the Old Commons neighborhood was stable and "up and coming" when she purchased a home there. There are condos behind her property, some of which were owner occupied and other that were long-term rentals, but since then, two of the condos are short-term rentals and the status of another is unclear. Ms. Pope described other properties around hers, and said she feels "the neighborhood fabric seems to be in jeopardy." The Old Commons neighborhood is six blocks, which she feels is not very big to have three or four short-term rentals in it.

The 804 Washington Street property is "a mess," Ms. Pope said, and has been "for months". She added that she feels short-term rentals are a "detriment" to the downtown hotels, and she would rethink where she retires if the city is going to move toward this type of policy, rather than considering its residents.

Walter Driver, 611 East Street, said he is also a Marine. He lives in a long-term rental, and the owner left the house in "a vast state of disrepair. It took Mr. Driver nine months to get the owner to repair a fence. That house couldn't be a short-term rental because

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of how much work it would take to fix it up. He has helped Mr. Mullins repair 804 Washington Street.

Mr. Driver said he would rather see visitors' money go to a local resident than to a hotel. A short-term rental is perfect for the families of Marine graduates, he feels, and he has found this to be true elsewhere, such as in Annapolis. The F-35 training squadron will eventually be bringing people to MCAS for "a refresh," and a short-term rental would be perfect for them to stay in for 30-45 days, Mr. Driver said, as the government is encouraging its employees to stay in them, rather than in hotels.

Mr. Lamb said the houses near this one are very close, and there wasn't much room on the other side for parking. People may park in the empty lot at Washington and Scott, which is. He also asked about the property line. Ms. Anderson said a survey shows the property lines. Driveway parking can be in the set-back. It's incumbent on the property owners to ensure that guests and owners are parking on their own property, she said.

Mr. Gibson said the house to the east of 804 Washington Street appears to have no parking because an accessory building goes down the west side of that house; that owner plans to take that building down, or at least the part that is on his property. There actually is enough room for parking there, Mr. Gibson said.

Ms. Anderson said it's policy that the guests in short-term rentals should not to park on the street unless there is formalized on-street parking. Parking on the shoulder is legal but inappropriate.

Donna Armer, 905 Duke Street, said "a lot of people" who have spoken about short-term rentals "don't live in the Old Commons" neighborhood. She is concerned because the Old Commons is small, and they are "trying very, very hard to attract permanent residents." She wants to know her neighbors, and which is important to the residents for safety reasons. Ms. Armer said they don't want to live next door to short-term rentals with "people who are constantly turning over."

Ms. Armer said people who want to have short-term rentals in the Old Commons could come to their neighborhood association meetings to "get a flavor of the area itself." She said they would like the petition to council to "carry some weight." The petition asked council to table short-term rentals – not stop them – until fair regulations were put in place. Ms. Armer said people are renting rooms in their homes, and there are homes that "are not registered" as short-term rentals, so there are more than three short-term rentals in the Old Commons, even though only 3 special exceptions that have been given.

Chairman Wood asked Ms. Armer if she would rather see a short-term rental or a long-term rental in her neighborhood. Only two residents are permanent of the seven houses on her street, Ms. Armer said. She does know the tenants in the long-term rentals. Mr.

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Caron asked Ms. Armer if those who signed the petition had spoken about bettering the property at 804 Washington. Ms. Armer said the petition was not specific to this property.

Diane Macintosh, 2202 Pigeon Point Road, has a short-term rental adjacent to her home. It was a long-term rental before she bought it, and there were monthly calls to the police about problems there. She had developed a storage space into a studio apartment. She has gotten to know the people who rent from her; five of them have bought property in Beaufort, and others have rented it multiple times. The comments about her short-term rental on VRBO are all very positive, Ms. Macintosh said, and as a widow, the extra income helps her. She enjoys making people feel at home, she added.

Sarah Heinz, Beaufort Regional Chamber of Commerce, is the Mullins's neighbor at their full-time residence, so she said she could vouch for them and the maintenance of their property. She said they are good neighbors and have reached out to help her. As short-term rental owners, Ms. Heinz said she knows they are "invested in that property for the long-term." They will take care of it as if it were their primary residence. She has seen the renovation firsthand and was with Mrs. Mullins when she chose this house to renovate. Ms. Heinz said the exterior has been "disheveled," because "it's a complete gut job," including taking out floors and raising the roof. She said she hoped the board would grant the special exception.

Mr. Stroud asked if Mr. Mullins would have any objection to a contingency on the approval, such as a review in 12 months to see if the short-term rental is "working with the neighbors." There have been zero complaints with short-term rentals, Mr. Stroud said, but neighbors are concerned with what was termed "riff-raff." Mr. Mullins said he would agree to that if they were "legitimate complaints." Chairman Wood said last year the ZBOA had made a stipulation that short-term rentals have a "year of probation," and it's now included in the motion to grant a special exception: If there are 3 police complaints about a short-term rental, the owner can lose his/her business license. There must be formal police complaints, not just phone calls. Chairman Wood said these "procedures aren't written down." Mr. Stroud said they could add this contingency in a motion on a case-by-case basis. Mr. Mullins said he would be up for a review by the ZBOA after the house has been rented and the renovation is complete. He's concerned, though, that the "distaste for short-term rentals" in the neighborhood might mean that even if the property is maintained, residents might still complain.

Mr. Gibson told Mr. Stroud that someone who received a special exception could come back to the Zoning Board of Appeals, not automatically have the special exception voided.

Mr. Goebel said that they could log on to VRBO and look at the properties they had approved and read the reviews. They can also "get an idea" of what the property at 804 Washington Street "will look like." He said short-term rentals' price points can be

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adjusted to keep out “riff-raff.” Realistically, Mr. Goebel said, the cost of a 3-bedroom, 2-bath house “would keep lot of people out.” He agreed that a lot of people who rent short-term buy property in Beaufort.

Eric Horan owns a rental property in Pigeon Point and lives there. He has been a landlord of both short- and long-term rentals, and believes it’s better for the neighborhood, property owners, and renters to have short-term rentals. His rental was in disrepair when he bought it, but it now is “very nice,” and has received good reviews from about 60 visitors. (Mr. Horan noted that owners’ cannot take any bad reviews off of the VRBO site.) All of his renters’ reviews are 5-star, and they talk about how clean the house is and how enjoyable the neighborhood is. Mr. Horan's neighbors have told him how enjoyable it is to meet his guests as they walk around the Pigeon Point neighborhood; his guests have even introduced him to some of his neighbors.

Mr. Horan said he doesn’t understand why they should have a review period for short-term rentals, when they don’t do that for long-term rentals. He has had long-term renters before, but found that “it’s just harder to control,” including having trouble getting someone to leave. Owners of short-term rentals can “eliminate lower-income people” with higher nightly charges, Mr. Horan added.

Mr. Gibson said someone in the public had commented that the ZBOA has “no rules,” but there are six qualifications that must be met for a special exception, and staff feels that Mr. Mullins has met the criteria. He agrees that they should have more guidance from the city, but the Zoning Board of Appeals’ charge is to determine if the applicant has met the “conditions that are required,” and he’s heard nothing that says anything different than what the staff has said about those six points.

Mr. Gibson shares some residents’ concerns about having “a party house scenario” in their neighborhood. He’s seen it happen in other places, he said, and it could happen in Beaufort. This house is larger than most other short-term rentals, which also concerns Mr. Gibson. If four couples were to come to Water Festival and share the house, for example, he wondered what would keep them from breaking the two vehicles rule. He suggested they could limit the number of *adults* who stay in the house, in order to keep it to two cars.

Chairman Wood said, “City council has to come up with those requirements.” He agreed that the ZBOA has a procedure to follow. The complaint he has heard most often about short-term rentals over the last three years is that there should be “more regulation.” Some communities only allow short-term rentals to operate during certain weeks of the year, and some rotate the neighborhoods where short-term rentals can be. Chairman Wood thinks the desire for more regulation is the reason for the petition, but that’s not the board’s job. The ZBOA can modify the special exception for individual applicants through its motions, he added.

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Mr. Noll said he lives next to a short-term rental, and right after guests leave, maintenance people arrive, and it's well taken care of, while down the street, there's an undesirable long-term rental. He said he has no objections to short-term rentals. Mr. Caron said the applicant meets all the requirements that the Zoning Board of Appeals has been given for allowing a special exception. He agrees that there need to be "more policies and procedures" for short-term rentals.

Mr. Mullins said they have two or three more months of renovations to do before they rent out 804 Washington, and they will install a monitored fire alarm in the next few weeks, probably through ADT.

Chairman Wood said the short-term rental controversy seems to be "snowballing." He finds he is on the fence much of the time about short-term rental applications, and he is concerned about saturation: "Eventually there will be too many," he believes, but when that happens, it hurts the short-term rentals, not the general public. The "biggest problem" for him is when a neighborhood's full-time residents come to the ZBOA and say they don't want a short-term rental in their neighborhood.

Chairman Wood thinks "a lot of . . . fears" about short-term rentals are unfounded. The residents of the Old Commons have a legitimate concern, though, which is evidenced by a majority of them signing a petition. He agrees with all of the stated benefits of short-term rentals, but while they improve the house, he feels they would be "improved eventually, anyway." Chairman Wood added that he loves the idea of people buying houses and making them short-term rentals until they can retire in Beaufort.

Ms. Anderson said the Zoning Board of Appeals can add conditions to its approval, and the board has the authority to limit the number of adult guests allowed in the dwelling.

Mr. Noll made a motion, second by Mr. Stroud, to approve the special exception at 804 Washington Street. Mr. Gibson said three of the board members hadn't seen a short-term rental special exception before this one, so they're "getting up to speed."

Mr. Stroud said the contingency/review period and the number of adults have been brought up. Chairman Wood said in the past, when the motion is proposed, they've made the approval conditional on the installation of a monitored fire alarm, for example, so they should include any conditions they agree to in the motion.

Mr. Noll asked if they wanted to limit something they can't control, like the number of overnight vehicles. Chairman Wood said parking and other elements in the rental agreement can't be enforced. Mr. Stroud said, "It's not our job to police this." All the board can do is say what it would like to see happen, and if the guests do something wrong, and they get caught, that's the owners' problem. Police and city staff can help them enforce the rules.

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Mr. Noll asked if they were going to change the condition that three police reports triggers the loss of the owners' business license. Mr. Noll said he feels they need to "make it more specific." If a short-term rental owner has "three strikes" (police reports) (s)he's not "out," Mr. Gibson proposed, but (s)he does have to come to the board, which will look at the complaints and determine if they're "frivolous or genuine."

Mr. Noll amended the motion to approve the application with the following conditions: if there are three police complaints within the first 12 months of operation, the property owner will have to come back to the ZBOA for review of the special exception; a monitored fire alarm is installed; vehicles are limited to two. Mr. Stroud seconded the motion. The motion passed 4-1, Chairman Wood opposed.

2306 Pine Court South, Identified as District R120, Map 7, Parcel 148

Special Exception

Applicant: Aaron Faust (ZB16-02)

The applicant is requesting a special exception in order to operate a short-term rental.

Ms. Anderson said this is in the Royal Oaks Neighborhood, and it is zoned R-2, single-family residential district. The owner would like to utilize the dwelling for a short-term rental. Staff would like the applicant to confirm the number of bedrooms, she said. The rental agreement specifies a two-night minimum stay and limits the number of guests to ten. There is no stated limit on the number of vehicles allowed overnight, and that is required. The rental agreement specifies that guests' vehicles must be parked in the driveway or the side yard, completely off the street. It appears that two cars can be parked in the driveway, Ms. Anderson said.

The applicant proposes that Royal Contracting manage the property, Ms. Anderson said, but their business license is for general contracting, not property management, and to manage a short-term rental, they would need to be licensed as a property manager. Staff would like the applicant to discuss how Royal Contracting would be involved with the short-term rental's management, Ms. Anderson said; would they be available 24/7 if a tenant had a problem at the unit? Also, the board should consider whether ten guests are appropriate for this location, and whether the number of vehicles parked there overnight should be limited to two. Parking should not be in the grass, she added.

Public notice was made, Ms. Anderson said, and no comments were received.

Ms. Anderson presented staff's opinions on the criteria that the board must use to determine if this application receives a special exception:

1. **Proposed use is compatible with existing uses in the surrounding area:** Ms. Anderson said that it's on the edge of the Royal Pines neighborhood – not in the interior – and it is close to Ribaut Road, where there are offices, a store, and a townhouse development. Staff feels a short-term rental is compatible with those uses.

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2. **Proposed changes are harmonious with the character of area:** No changes are proposed, Ms. Anderson said.
3. **Impact on public infrastructure:** Staff feels there is no greater impact on infrastructure than if it were a long-term rental.
4. **Compatible with Comprehensive Plan and the Civic Master Plan:** Staff feels it is in general conformity, Ms. Anderson said.
5. **Impact on public health and safety:** Staff feels there will be little impact, if a local property manager is engaged.
6. **Potential creation of nuisances:** Staff feels that there is little potential for nuisances a monitored fire alarm is installed and there is a property manager.

Staff recommends approval of the application, Ms. Anderson said, with the following conditions: a local, professional property manager is hired, the number of overnight vehicles is limited, and consideration is given to the number of occupants.

Chairman Wood said the application says the limit is eight guests. Ms. Anderson said the rental agreement says ten guests. If the rental agreement is amended, staff must see and approve it. Mr. Stroud agreed that the rental agreement says ten guests.

Mr. Gibson asked the square footage of the home. **Aaron Faust**, the applicant, said it's approximately 1500 square feet, with 3 bedrooms and 2 baths. Mr. Faust said he is a Marine and plans to live in Beaufort permanently. Most of the guests in his short-term rental have been Parris Island families. "The house is fully automated," he said, and he "controls it" himself. Royal Contracting would handle emergencies – if something breaks, for example – and "they are available 24/7." Noise, etc., he feels is "the purview of the Beaufort police department." Mr. Faust has no problem limiting the parking to two vehicles and stacking them in the driveway, and he could change the number of guests on the rental agreement to eight.

Mr. Faust said he has had house hunters stay at his short-term rental, and they have gone on to buy houses in Beaufort. He wants to manage this property himself, not have Royal Contracting as the property manager. He plans to come back to Beaufort, though he currently lives in St. Louis. Chairman Wood said one of the requirements for a short-term rental is a local property management company, so if guests or neighbors have a problem, they have someone to call. Mr. Faust said he has been able to solve every issue at his short-term rental via phone, or in person when he's in Beaufort.

Mr. Stroud asked Mr. Faust, if there were four cars parked there, and a neighbor complained to the police about it, who would the police or the neighbor call? Mr. Faust said he can be contacted via VRBO. Mr. Gibson said the city notifies the short-term rental's neighbors, providing them with a list of contacts, including a local management company, in case they have a problem with the guests.

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Courtney Mullins said she will be Mr. Faust's "personal contact." Mr. Caron said Mr. Faust needs a licensed property manager. Mr. Faust said he could talk to Royal Contracting about getting a property management license, but "anyone can call me . . . and I can call any one of the hundred people I know here locally," or he could have Royal Contracting act as the property manager.

Chairman Wood said the ZBOA had made the stipulation that there must be a professional property management company. Ms. Anderson said the board has to be comfortable with how the property will be managed. Mr. Stroud asked what the qualifications are to be a property manager. Mr. Caron said there is information "on South Carolina's website." Chairman Wood said that they have approved owners to be their own property managers, but they have lived locally. Royal Contracting should be capable of fixing things, Mr. Noll said. Chairman Wood said they could let neighbors know that. Mr. Gibson said there are things a property manager does outside of just maintenance and repair (e.g., if the trash can is left on the street for three days). "Just fixing things doesn't address the concerns" that led the board to put in the property management stipulation in the first place, Mr. Gibson said. Trash cans being left out was the reason city staff found out that this house was a short-term rental, Ms. Anderson said. Mr. Faust said that Royal Contracting would be willing to amend its business license to include property management.

There was no public comment. Mr. Gibson said there's no one listed on Mr. Faust's application as "licensed property management," so Mr. Faust either has to find a professional who can do it, or Royal Contracting has to be licensed before they can manage this short-term rental. Chairman Wood said, in the past, they have included the requirement of "a licensed property manager" in the motion. Mr. Gibson reminded Mr. Faust that the city needs to know who the property management is.

Mr. Gibson made a motion to grant the request for a short-term rental with the following conditions: as staff recommended, a local, licensed property management firm or person must be engaged to manage the property, the number of vehicles parked overnight must be limited to two, and the number of guest must be limited to eight. Mr. Noll seconded the motion. The motion passed unanimously.

Chairman Wood made a motion to table the two agenda items pertaining to 163 and 169 Sea Island Parkway and 19 Sam's Point Way. Mr. Caron seconded the motion. The motion passed unanimously.

109 Stuart Town Road, Identified as District R120, Map 7, Parcel 401

Special Exception

Applicant: Eve Allison Miller (ZB16-04)

The applicant is requesting a special exception in order to operate a home occupation with one outside employee.

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Ms. Anderson said this is in the Spanish Point neighborhood and is zoned R-1. The property is undergoing a substantial renovation. The applicant, **Eve Miller**, owns the property and wants to open a home office on the premises and hire an employee. Type 1 home occupations are conducted only by people who live in the residence; non-resident employees are not permitted, Ms. Anderson said; Type 2 home occupations permit up to 2 additional employees from outside the home. Ms. Miller is unsure if the employee she wants to hire will be full-time or part-time.

Ms. Anderson read a description of Ms. Miller's profession; she is a manufacturers' representative for baby products, especially car seats, to government agencies, nonprofits, etc. She attends sales conferences and makes sales over the phone and email. An employee would do administrative work on the computer and answer the phone. No customers would be coming to the home, she said, and there would be no deliveries. There will be an additional vehicle, for the employee, making four that need to be parked, and staff feels that can be done adequately if they're stacked, Ms. Anderson said. The home occupation will be in a rear corner, and it complies with the ordinance in that it takes up no more than 25% of the home's floor area.

Public notice was made, Ms. Anderson said, and one phone call was received.

Ms. Anderson presented staff's opinions on the criteria that the board must use to determine if this application receives a special exception:

1. **Proposed use is compatible with existing uses in the surrounding area:** This property is close to Ribaut Road, Ms. Anderson said. The home office would have no customers or deliveries, so there should be no additional vehicle trips in the neighborhood.
2. **Proposed changes are harmonious with the character of area:** Staff said the renovations are being made because of new ownership, not because of the home office. The driveway is "fairly long," Ms. Anderson said, and a number of vehicles can be stacked.
3. **Impact on public infrastructure:** Staff feels the impact on infrastructure will be negligible.
4. **Compatible with Comprehensive Plan and the Civic Master Plan:** The proposed use is in general conformity.
5. **Impact on public health and safety:** Staff feels the impact will be negligible.
6. **Potential creation of nuisances:** Ms. Anderson said staff feels the proposed use has little potential to create any nuisances if there is only one outside employee, and (s)he parks in the driveway.

Staff recommends approval of the application with the following conditions: there will be only one outside employee and no outside work, storage, or fabrication relating to the home occupation; all vehicles must be parked in the driveway and not in the street or the front yard.

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Ms. Miller said her business “is simple.” She and her family are new to the neighborhood, and they had remodeled a foreclosed home. They have just moved in. She has spoken to the neighbors about the home business, and they “are all extremely supportive.” Her business is all administrative, Ms. Miller said: “You can’t tell I operate a business from outside the home,” except for having one extra vehicle, which belongs to the employee. There is “ample parking for an additional car,” she said.

Ms. Miller said she agreed with a neighbor who’d said that FEDEX and UPS had come to Ms. Miller’s house a number of times, but Ms. Miller said the deliveries had to do with things she’d ordered for the renovation – cabinets, curtains, etc. – but that’s over now. All deliveries now would be personal deliveries.

Mark Brown, 26 Stuart Town Court, said their neighborhood has “some of the nicest homes in Beaufort,” as well as “some of the fairly reasonably priced homes.” He objects to “someone coming in here, (to) a low-density, single-family zone,” with a home business and a request for this special exception, which “would allow up to two employees.” Ms. Anderson said she thinks this is the first Type 2 application. Mr. Brown said it “sets a precedent” to “open it up to anybody else,” as with the short-term rentals.

Mr. Brown said he had written a letter with “all my complaints” to Ms. Anderson. A doctor had rezoned lots on Ribaut Road for office use, he said, and then moved a few years later, so those lots are up for sale. Mr. Brown is concerned that there will be a zoning change on those lots. The development he and Ms. Miller live in is “all residential and all single-family,” so he is concerned that “if we let one thing in,” a precedent will be set.

Mr. Brown said there “were a lot of people working at the house,” and “they never got a building permit prior to the start of construction.” Ms. Miller said that’s incorrect, adding, “I don’t think that’s why we’re here.” Mr. Brown described the addition to 109 Stuart Town Road that had been built, which he said “seems to be an awful lot of space for an in-home office.”

Mr. Brown said “a lot of the neighborhood” was not notified about this Zoning Board of Appeals meeting, and he asked about the notification procedure. Ms. Anderson informed him. Mr. Brown’s biggest concern is that the neighborhood is “zoned low-density,” but this home occupation “seems like we are starting to change the neighborhood,” he said.

Chairman Wood asked if a sign was posted on the property to notify the public about this meeting, and a number of people responded. Mr. Brown said he hadn’t seen a sign there. Chairman Wood said the city does advertise it, and staff had “covered those bases” for public notification. Ms. Anderson said the procedure by law is to advertise a public hearing 15 days in advance and to post the property 15 days in advance, which

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she did. Ms. Miller said the notification sign has been there. Ms. Anderson said they advertise in the newspaper, and as a courtesy, staff sends letters to every property owner within 200' of the property.

Ms. Miller said she wanted to reiterate that this was a property in foreclosure, and their renovation will increase its value. Ms. Anderson said the home office space is 300 square feet, out of a total of 3000 square feet.

Heidi Peeples said she lives down the street and supports Ms. Miller and her business. The business will not be noticeable from the outside of the house, she said. Parking won't be an issue, and she likes that someone in the neighborhood is home while she is at work. Ms. Peeples also thinks the neighborhood is beautiful, and she doesn't want to see it developed like the doctor's lots that Mr. Brown had been mentioned, so she is "thankful that (Ms. Miller) is putting a family-oriented business in our neighborhood."

Mr. Stroud said only one employee is proposed, which will add one car, so parking is not really an issue. Mr. Gibson said he agrees; this would have no more impact than someone who had a home health worker. Mr. Gibson said "all special exceptions go away with the transfer of the deed," so if Ms. Miller sells the property, the special exception will no longer be in effect.

Mr. Noll said the renovation allowed this to be a business location. There are "tight controls," he said, so he doesn't see this as "a slippery slope." Chairman Wood agreed and said he appreciates that Ms. Miller came in and applied for a special exception, which many home businesses don't do.

Mr. Caron said the zoning is still the same, which may have been Mr. Brown's concern.

Mr. Caron made a motion to approve the special exception for 2306 Pine Court South, based on staff recommendations: one outside employee, no work, storage, or fabrication done outside for the business, and all vehicles parked in the driveway. Mr. Noll seconded the motion. The motion passed unanimously.

DISCUSSION

Ms. Anderson said the board should expect to have a March meeting.

Mr. Caron asked about getting more guidance from city council about short-term rentals. Ms. Anderson said they may be having a work session on short-term rentals on March 8. There are gaps in the short-term rental ordinance, she said, such as renting a room with Airbnb, which is not allowed, she said. There are also people who want to rent a boat in the marina. They might "put saturation on one track," and renting a room on another. Ms. Anderson said she would know by March 4 whether short-term rentals would be on the agenda, and the members of the board could come to the work session

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and speak. If the ZBOA as a group had something to say, she said she could convey that to council.

Ms. Anderson said that there is a provision in the draft form-based code that no new short-term rentals would be allowed in the Bluff or the Old Commons unless there's a renovation, and the property owner has applied for the Bailey Bill, but this is not relevant now. If council puts together a group that decides something else, Ms. Anderson said, that would supersede staff's suggestion in the code.

Mr. Gibson asked what happens "when those things are codified," but "someone wants an exception to those rules." If council establishes a group, Ms. Anderson said, they could "establish thresholds and regulate by neighborhood." They might determine that only 10% of all dwelling units could be short-term rentals, for example, so the conditions are there, and "they wouldn't have to come to staff." Or all short-term rentals might be conditional uses, Ms. Anderson said. A variance has a much higher standard, she said.

Mr. Stroud asked if short-term rentals that are outside of The Bluff or Old Commons have to be discussed. Ms. Anderson said the whole ordinance is being redone. The provision for short-term rentals in Old Commons and The Bluff is folded into the new code. People can raise issues in a public meeting, or council could establish a committee, and then what that group comes up with would "be folded into the code."

Mr. Gibson asked, if the new code is approved, if those who currently have special exceptions would be grandfathered in. Ms. Anderson said yes: existing special exceptions remain in place. Ms. Anderson said Wednesday is the last technical review committee meeting on the code, and public meetings will be held next month, both "generic" and neighborhood-by-neighborhood, to answer questions about how the code has changed things in their neighborhoods.

Mr. Calvert said he is a tourism professor at a local university. He was given a 6-month probation on his Meridian Road short-term rental, and he said he had asked Ms. Anderson if the three calls to police have to be "valid complaints," because he knows his neighbor doesn't want him to have a short-term rental at that location.

The city must "make everyone have a license," even if they are just renting a room out on Airbnb, Mr. Calvert said. He asked who the residents of The Bluff and the Old Commons neighborhoods had talked to that enabled them to have their neighborhoods exempted from having short-term rentals. He thinks this is "unfair and un-American." If the neighborhood is going to be "out," everyone in it needs to be able to speak to the matter. Mr. Calvert said he thinks a limit on the number of short-term rentals in a neighborhood is great, but getting your neighborhood exempted because "you have the ear of a councilman" is wrong.

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He said he thought the questions that the board had asked were impressive. Beaufort is in a state of transition, Mr. Calvert said; “we have to clean up the housing,” and if there aren’t short-term rentals to do it, he asked, “Who else would do it?”

Chairman Wood said he doesn't think “a select group . . . was consulted” in The Bluff and Old Commons. Mr. Stroud said he was never consulted, though he has rental property in The Bluff, and that makes him angry. Mr. Calvert, whose short-term rental is in the Old Commons, said he had been “shocked” when **Maxine Lutz** had brought this exemption up at a council meeting.

Chairman Wood said Airbnb is a problem “throughout the country,” like Uber. Mr. Gibson said, whatever method is used to get the word out about room renting, the “standards should be the same for everyone.” Mr. Calvert said short-term rentals have less density and pay more taxes than hotels, which pay .8 on the dollar, while he pays 3.8 on the dollar (or “three times more than hotels” pay). He agrees that council should look at a cap on the number of short-term rentals. He said again that he was impressed with the board’s questions.

Ms. Anderson said renting out a room is not allowed; the ordinance says a short-term rental is “renting the entire dwelling unit,” but that “could easily be changed.” The issue would be if they want to change the ordinance to allow a business license for people who only rent a room out.

Ms. Anderson said the exemption for Old Commons and The Bluff is “sort of in (the code) as a place holder . . . anything is fair game,” and it was proposed because of “a lot of neighborhood comments.” There are a lot of changes to the ordinance, she said, and “if there’s anything you don’t like,” the board should bring that to the attention of council.

There being no further business to come before the board, the meeting was adjourned at 8:04 p.m.

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