

SHORT-TERM RENTAL ISSUES¹

A. Town-wide caps

1. Yes/No?
2. If yes, what number or %?
3. If yes, uniform across Town, or differentiated using factors such as residence type, zoning, street, or other classification?
4. Distinction based on residency status?
 - Owner-occupied properties (limited to 72 days per year in accordance with state tax law for 4% rate), no or higher cap?
 - Non-owner-occupied properties (6% tax rate) subject to cap?
5. Procedures for cap implementation

B. Grandfathering options (if a cap is applied)

1. STR Permit expires on sale of property, or
2. STR Permit runs with the property and may be renewed by new owner
3. Expiration of unused STR Permits
 - How to define unused (e.g., not rented minimum number of days, revenue below minimum threshold)?
 - Does advertising and listing the unit count or require actual rental days/revenue?

¹ This is an outline of topics that the Committee should consider for potential regulation in a report with recommendations to Town Council. The inclusion of a topic in this outline does not signal that the Committee should or should decide to recommend regulation on it. Certain topics that are already covered by the existing ordinance found at DSO § 9.4.O — for example, permitting and local contact designee requirements — are not listed here. Committee members should be familiar with the existing ordinance and should suggest adding to this outline any topics that they feel are not adequately or appropriately addressed in DSO § 9.4.O.

- C. Limits on the number of STR Permits issued to an individual owner or related party owners?
- D. Corporate Ownership restrictions?
1. Currently vacation club units, but not timeshares, are allowed by TOSI.
 2. Numerous other business models are in the marketplace, including owning securities in portfolio of houses.
 3. Consider SIPOA 2023 covenant amendment.
- E. In lieu of renewal of annual STR Permits, should the annual renewal fee instead be incorporated into the base rate for annual business license renewals (for administrative efficiency and less paperwork for STR owners)?
- F. Creation of temporary STR Permit, not subject to cap (if cap is enacted), for new owners who do not intend to continue renting but are subject to STR Lease obligations in accordance with SC law for 90 days? Cancellation of sellers' permit prior to end of year to eliminate double counting of permits?
- G. Use and Conduct Regulations
1. Minimum length of stay? Consistent through year or variable based on season?
 2. Occupancy restrictions (consider enforceability)?
 3. Parking restrictions
 - For single-family homes, how to limit and enforce (including staffing considerations)?
 - Requirement that renters have access to garage if one is present?
 - Multi-family based on occupancy, dedicated parking spaces, or another metric?
 4. Noise

- The Town does not currently have a noise ordinance. Should we have one (applicable to everyone)?

H. Mode of Renting/Advertising

1. Online (Airbnb OK?)
2. Local agencies (“Know Your Renter”)
3. Online listing/advertising requirements

I. Education of Renters

1. SIPOA requires video? Coordinate with SIPOA so as not to overload renters?
2. How to verify video has been watched or materials read?
3. Particular problem areas
 - Traffic safety
 - Kids’ bicycle safety
 - Alligators

J. Enforcement

1. Discovering potential violations
 - Reporting hotline
 - Coordination with SIPOA/adoption of certain SIPOA provisions
 - Inspections and staffing needs
2. Penalties
 - How are they collected from renters?
 - Liability of STR owner/agent

- Suspension of STR Permit — grounds and procedures for suspension
- Revocation of STR Permit — grounds and procedures for revocation
- Restrictions on re-establishment of a STR Permit following revocation

K. Minimum qualification for designated agents and local contacts

L. Updates to STR permit fee schedule

M. Effective date of ordinance changes