

Town of Seabrook Island Town Council  
**Report of the *Ad Hoc* Committee on Short-Term Rentals**

Presented To Council By  
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In Consultation With  
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**May 10, 2022**

## Executive Summary

This report reviews the purpose of the *Ad Hoc* Committee on Short-Term Rentals (2020-2022) and outlines how it responded to the direction given to it in October 2021 by Mayor John Gregg. The Mayor directed the Committee to review recent trends and developments in rental activity in the Town of Seabrook Island to address the claims and charges raised by the Preserve Seabrook group, in its petition filed with the Town Council in 2021, and its ongoing correspondence and public statements and actions since.

To present a thorough perspective of the short-term rental (STR) issue, and respond in detail to the Preserve Seabrook group and its petition, this report includes an overview of the history and growth of the Seabrook Island development and the Town of Seabrook Island; reviews data provided by Seabrook Island Town staff, SIPOA (Seabrook Island Property Owners Association), and the Seabrook Island Club; references data sourced from trade groups and legal and business professionals; and summarizes findings from its interviews and meetings with local stakeholders.

While the report's intent is to present a data-driven review and discussion for recommendations to Council, it is necessary given the nature of the issue that anecdotal evidence be referenced. The Preserve Seabrook petition indicated there are a number of Seabrook Island property owners who believe there are too many people on the island, stressing its infrastructure and amenities, and they blame it on the presence of too many short-term renters. This report is intended to present a discussion that distinguishes between actual problems and the proliferation of anecdotal accounts that are not ongoing issues.

The impact of the COVID-19 pandemic cannot be overstated, but it is also impossible at this time, for this report, to fully quantify for policy recommendations. It is clear that the pandemic disrupted the events and trends that have been used in the past to predict, plan, and accommodate the inevitable changes in the Seabrook Island community. Where the impact of the pandemic has been dismissed by some in discussing the STR issue, this report tries to put balance into the discussion.

The report's findings about the impact of STRs on the Town of Seabrook Island are not in agreement with the claims made by the Preserve Seabrook group and do not support the petition's basis or proposal for rental permit caps. The report concludes by recommending to Town Council continued monitoring of the island's rental market, robust enforcement of the current STR ordinance, and improved cooperation with SIPOA on addressing any problem rental properties. The report also includes recommendations to Council for immediate clarifying amendments to the Town's current STR ordinance, as well as possible additional STR controls should future changes in rental activities in the Town prove them necessary.

In finalizing this report, it became evident that the short-term rental issue has seemingly driven a wedge in the community, especially between residents and non-residents, all of whom are property owners with a significant investment in Seabrook Island. It is unfortunate that repeated, but unfounded claims, have convinced a group Seabrookers that every problem impacting their life on the island can be blamed on short-term renters, from a piece of litter to an unavailable tee time. Hopefully, this data-driven report will help move the community forward together.

# THE STR *AD HOC* COMMITTEE REPORT TO COUNCIL

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## **Section 1**

### **The *Ad Hoc* Committee on Short-Term Rentals (STRs) 2020-2022**

The Seabrook Island Town Council *Ad Hoc* Committee on STRs (hereafter in this report referred to as “the Committee”) was appointed by Mayor John Gregg in February 2020 (see the minutes of February 25, 2020, Town Council meeting). The Committee members are Councilwomen Jeri Finke and Pat Fox. The Mayor charged them with reviewing the rental activity within the Town of Seabrook Island through consultations with all stakeholders; researching how such activity was or was not regulated in other communities; and reporting to Council on whether there was any need or desire to address the issue in the Town’s Code of Ordinances. (At that time, there was nothing in the Town code that addressed rental activity beyond the requirement of the property owner obtaining a business license.)

The Committee’s research and outreach in 2020 were hampered by COVID-19 restrictions on in-person group meetings and, as such, were limited to conference calls, webinars, online data collection, email correspondence, and meetings conducted via Zoom or other internet platforms.

The result of the Committee’s work was the recommendation to Council that an ordinance be adopted that maintained the ability of property owners to rent their property, but to do so with rules that ensured basic safety protections for rental guests, minimized adverse impacts on neighboring properties and the public, complemented SIPOA and regime rules, and brought the Town of Seabrook Island in line with “best practices” in STR ordinances already enacted and successful in other communities.

Council adopted Ord. No. 2020-14 on December 15, 2020. The new STR ordinance took effect on January 1, 2021. The Committee continued to work with Town staff to track and evaluate the implementation, impact, and enforcement of the new ordinance.

In September 2021, the Town Council was notified of the formation of the Preserve Seabrook group and its petition effort regarding STRs based on the claim that rental activity was “out of control.” An email from one of the petition authors read: “Attached is a copy of the letter that is just beginning to be distributed to the entire Seabrook community that reflects concerns and a plan for action regarding short-term rentals.” (The referenced letter is attached to this report as Addendum A.)

The petition that was formally filed with Town Council in October 2021 demanded a nonbinding ballot referendum on the November ballot to cap STR permits. When the petition’s referendum was denied (See Section 3), Mayor Gregg charged the Committee with resuming its research by assembling additional data on the trends and developments in rental activity within the Town (See minutes of the October 26, 2021, meeting of Town Council).

To meet the Mayor’s charge, the Committee started a series of meetings in November 2021 with legal advisors, industry professionals, and trade groups; staff who track data and other information relevant to the issue; and with local stakeholders, including Seabrookers who have specific concerns and suggestions on how they wish to see STRs regulated, and/or capped, and/or prohibited; as well as Seabrook property owners who do rent or have rented their properties and/or who expressed an interest in participating in the discussion. The meetings included both those supportive of the petition and those opposed.

In stated and written correspondence, the Committee emphasized its intent to base its report to Town Council on solid data and not assumptions and misperceptions, and the Committee encouraged this perspective in each of its meetings and interviews. Each month the Committee gave a brief progress report to the Mayor during Council's public meetings.

In reporting on all the meetings and research in this report, for readability and ease of reference, the Committee uses Town of Seabrook Island, the community, the island, the Town, Seabrook, Seabrook Island interchangeably. It is of note, however, that the boundaries of the Town of Seabrook Island and the area under SIPOA's jurisdiction are different, their authority and jurisdiction differ, and that the term "island" is used as a general term and does not refer to any actual geographically, legally defined island.

The Committee's references to "the Club" throughout this report refers to the "Seabrook Island Club," which is a constituent of both the Town and SIPOA, but a separate entity that is privately funded and governed by its own articles of incorporation, bylaws, and rules and regulations.

Throughout this report, the Committee did not include comments from anyone, whether pro or con the petition, who specifically asked to remain anonymous. Nor did the Committee include in any list, discussion, or reference in this report letters delivered that were not signed, believing that there was no way to verify the authors and put their comments into perspective.

Town Administrator Joe Cronin and Zoning/Code Enforcement Administrator Tyler Newman attended the Committee's meetings and were consulted regarding the contents, findings, and recommendations in this report.

## **Section 2**

### **The Preserve Seabrook Group and Petition**

The founders of the Preserve Seabrook group and the authors of the Preserve Seabrook petition have conducted a steady public correspondence with the Seabrook Island Town Council, including presentations at Council meetings; correspondence with Seabrook property owners, focusing on full-time residents; and have maintained a regular presence in local social and print media. They were the first to be invited to meet with the Committee. Hereafter, this report refers to them as “the Petitioners.”

While the Committee sought and received comments and information from all sides of the STR discussion, the Committee, admittedly, could not talk in person to every property owner and does not attempt to characterize every petition signer. It became clear in the Committee’s meetings and interviews that there are many nuanced views about STR activity on the island, and also about the material provided and publicized by the Petitioners.

The petition (Addendum A) was formally presented to the Seabrook Island Town Council on October 4, 2021, with an update filed on October 25, 2021. Since that time, the Petitioners have informed Council that there are more than 400-500 signatures on an online petition. The Committee does not question that number as it has no way to verify the online signers; this report can only respond to the petition officially presented to Council. The official petition included 158 signatures, but after reviewing and removing duplicates and one invalid address, the official petition had 151 signatures representing 97 properties. (The list of signers, a public record, can be found in Addendum B.)

The Committee notes that submission of the Preserve Seabrook petition in 2021 did not go unanswered by those opposed to its STR cap proposal. Town Council and/or the Committee received comments via emails or postings on the Town’s public comment portal representing more than 95 properties. While not an organized petition, 135+ property owners (after eliminating duplicates) took the time to write out their comments to express their views on the petition effort. (Those expressing their opposition to the petition, and not asking to remain anonymous, are listed in Addendum C.)

The Committee charted the addresses of the petition signers against active short-term rental addresses (as of March 2022) as but one metric to analyze if dissatisfaction over STR activity was related to location on the island.

To understand the zoning districts under the new DSO (Development Standards Ordinance), and how the various residential classifications are applied to each neighborhood in the Town, see Addendum D.

	Petition Signers		Permitted STRs	
	#	% of Total	#	% of Total
<b>Single-Family Areas</b>	<b>133</b>	<b>88.1%</b>	<b>129</b>	<b>25.0%</b>
- Single-Family Large Lot (R-SF1)	0	0.0%	0	0.0%
- Single-Family Medium Lot (R-SF2)	120	79.5%	101	19.6%
- Single-Family Small Lot (R-SF3)	13	8.6%	28	5.4%
<b>Multi-Family Areas</b>	<b>18</b>	<b>11.9%</b>	<b>386</b>	<b>75.0%</b>
- Cluster Home (R-CL)	3	2.0%	83	16.1%
- Townhome (R-TH)	9	6.0%	105	20.4%
- Multi-Family/Condo (R-MF)	6	4.0%	198	38.4%
<b>Total</b>	<b>151</b>	<b>100.0%</b>	<b>515</b>	<b>100.0%</b>

- 88.1% of the petition signers (133) are located in one of the “single-family” zoning districts. By comparison, 25.0% of the permitted STRs are located in one of the “single-family” zoning districts.
- 11.9% of the petition signers (18) are located in one of the “multi-family” zoning districts. By comparison, 75% of the permitted STRs are located in one of the “multi-family” districts.
- To summarize, those who are most concerned about STRs by their signature on the formal petition are, statistically speaking, the least likely to live near one.

**Maps with the location of active (4/2022) and unique (2021) STR permits can be found in Addendum F. (“active” and “unique” STR properties explained on page 22)**

### Section 3 Referendum

The Preserve Seabrook petition asked for a nonbinding referendum to be included on the November 2, 2021, general election ballot. The Committee notes that in correspondence about the petition, it was often asked for an explanation of why the referendum was not held.

The referendum was denied with the following explanation (as per the October 26, 2021, Town Council meeting minutes):

Mayor Gregg clarified that Council is not voting today on any ordinance or resolution concerning the proposed referendum of the petition received October 4 or the updated petition received October 25. Further, it is to be understood that were Council to determine that further regulation of short-term rentals by the Town be appropriate, the process to achieve that regulation would afford all interested parties an opportunity to be heard through outreach and/or public hearings. As for the petition, it is noted that State law requires that a referendum question be made available no later than forty-five days in advance of the relevant election. Notwithstanding that today's agenda allowed both presentations and comments concerning the petition, the result of the untimeliness of submission of the petition is that the request for placing the proposed referendum on the ballot for the Town's 2021 election is denied.

Mayor Gregg noted to Council that he found the proposed referendum objectionable as pertaining to a legislative matter for Council while excluding participation by non-resident property owners who do not have the right to vote in a Town election. He added the petitioners were made aware that changes to zoning are not susceptible of address by referenda but have persisted in pursuing a non-binding referendum in an apparent attempt to induce Council to effect such changes.

The Preserve Seabrook group later renewed its request for a nonbinding referendum to be held in a special election. The Town Council discussed the request at its November 26, 2021, meeting, and again the request was denied, this time by vote of Council 3-0 with 1 abstention.

Reasons for the second denial included:

- The proposed referendum, even nonbinding, would disenfranchise two-thirds of Seabrook Island property owners and summarily dismiss their property rights, investments, and possible livelihoods.
- The referendum would not resolve any issues arising out of problems at short-term rental properties. (The Mayor noted prior to the vote that "it does not appear there is a sufficient basis for assessing any benefit to be expected from conducting a special election or the timing of the same.")
- The proposed referendum would run counter to judicial precedent: In I'on v. Town of Mt. Pleasant, Op. No. 25048, Supreme Court of South Carolina (2000), the Court held that allowing zoning by initiative and referendum is not allowed under SC state law. While the Court dealt specifically with the petition and referendum process established under Title 5 of the SC Code of Laws (i.e. binding referendum), in I'On v. Town of



Mount Pleasant, the Court’s analysis was clear in the fact that zoning decisions should include participation by a broad range of interested parties:

- “We disagree with appellants and conclude the Legislature could not have intended to allow zoning by referendum for two reasons. First, the conflict between the relatively free-ranging Title 5 initiative and referendum process and the elaborate, detailed zoning procedures contained in Title 6 are incompatible and hopelessly inconsistent. Second, allowing zoning by initiative and referendum potentially would nullify zoning and land use rules developed after extensive debate among a variety of interested persons.”
- “The obvious incompatibility between the initiative and referendum process and the comprehensive Title 6 provisions indicates the Legislature did not intend to allow voters to enact more complex zoning measures by initiative and referendum.”
- “[T]he comprehensive and detailed nature of the Title 6 provisions briefly outlined above reveals our Legislature’s intent that zoning decisions should be made by a cross-section of unbiased officials after careful deliberation. Whether the zoning decisions involve the development of an overall zoning system or master plan, or the application of established rules in a particular case, Title 6 is designed to allow ample planning and ensure due process for all interested parties.”
- “The Legislature has recognized by its enactment of detailed procedures in Title 6 that haphazard or thoughtless decisions are the antithesis of meaningful zoning. We agree with Developer that the Legislature has not condoned — and we should not approve — a process by which voters could circumvent this deliberative process by deciding zoning matters in an initiative and referendum process. Such a system ultimately could nullify a carefully established zoning system or master plan developed after debate among many interested persons and entities, resulting in arbitrary decisions and patchwork zoning with little rhyme or reason.”

More generally, the Committee notes:

- On its face, a non-binding or “advisory” referendum may not be illegal, per se. However, consistent with the court’s ruling in the I’On case, it would run counter to the provisions of Title 6, Chapter 29, of the SC Code of Laws, which require due process for all interested parties in zoning decisions. A referendum which is open only to registered voters would fail to meet that objective, as it would disenfranchise the majority of property owners within the Town of Seabrook Island.
- The Petitioners want a cap on short-term rental permits, and that was evident with the official petition filed with Council; there was no need to hold a referendum to make that request any clearer. If 158, or 400, or some other number of individuals support a cap, that’s a real number that is noted in this report and has been acknowledged by Council.
- If Council were to consider a cap on rental permits (or any other amendments to STR Ord. No. 2020-14), all interested parties would have an opportunity to participate in the process, as noted in the Mayor’s referendum explanation above, and as required by Title 6, Chapter 29, of the SC Code of Laws. This is consistent with the Court’s statements in the I’On case, and it is how the Town handled the STR ordinance in 2020 and any other zoning matter that has come before the Town.

**Section 4**  
**Development and Growth of Seabrook Island**

The Committee believes that assessing rental activity within the Town of Seabrook Island, and whether there is “uncontrolled growth of short-term rentals” as the Petitioners claim, cannot be done without first understanding the island’s history and growth.

**Resort Development**

The Charleston County Council approved the “resort community of Seabrook Island” in 1971 as the first Planned Development District (PDD) established in the county.

Seabrook Island was initially developed and marketed as a resort, where villas (starting in 1974 with High Hammock Villas and Dune Crest Villas) could be rented for short-term stays, and later were sold and contracts offered to buyers for the developer/beach club to manage and rent the properties for them. As the development progressed, soon both villas and single-family homes were being built and marketed for sale and as “resort rentals” and “beach vacation homes.” This would continue during the period of Seabrook Island’s history when the conference business also brought visitors (as renters) to the island. When the club (as it was organized and operated at the time) ended its rental and conference business, rental activity still remained a viable option for all property owners, as it is today.

The Committee concludes that it is accurate to say that Seabrook Island resort rental activity (now referenced as STRs) has always been a planned, constant, and significant economic and cultural element of the island.

(See Section 10 regarding economic impact; also page 41.)

**Island Buildout**

When the Seabrook Island development was first approved by the County in 1971, the plan identified single family homesites in the range of 1200-1600 with 1400-1600 multi-family residences. (As per the History of the Seabrook Island Club, the master development plan projected 1,236 single-family home sites and 1,415 multi-family residences.) The development plan has been amended twice and updated once, but those numbers have changed little.

In the Town’s 2019 comprehensive plan (required by state law), development behind the gate included 1,328 single-family homes and 1,690 multi-family residences (1,537 and 1,690 when adding in the PDDs for Jenkins Point and other areas.) These numbers are compared in the following chart against a current review by Town staff at the end of the year 2021 (noting this count uses revisions in the new DSO – Addendum D – now pending before Council as this report is written).

**Seabrook Island Planned Development**  
*The Town of Seabrook Island was incorporated in 1987*

	SINGLE-FAMILY LOTS/UNITS	MULTI-FAMILY/OTHER	TOTAL HOMESITES/UNITS
1971 ORIGINAL PDD	1200-1600	1400-1600	2600-3200
2019 PDD AS PER COMPREHENSIVE PLAN	1537	1690	3227
2021 END OF YEAR ACTUAL	1523	1175	2698 +297 vacant lots remaining

## Population Growth

The Committee notes that US Census Data also bears out the Town’s growth. The Seabrook Island development is 50 years old; this data looks at just the last 20 years:

**US Census Data – Town of Seabrook Island, SC**

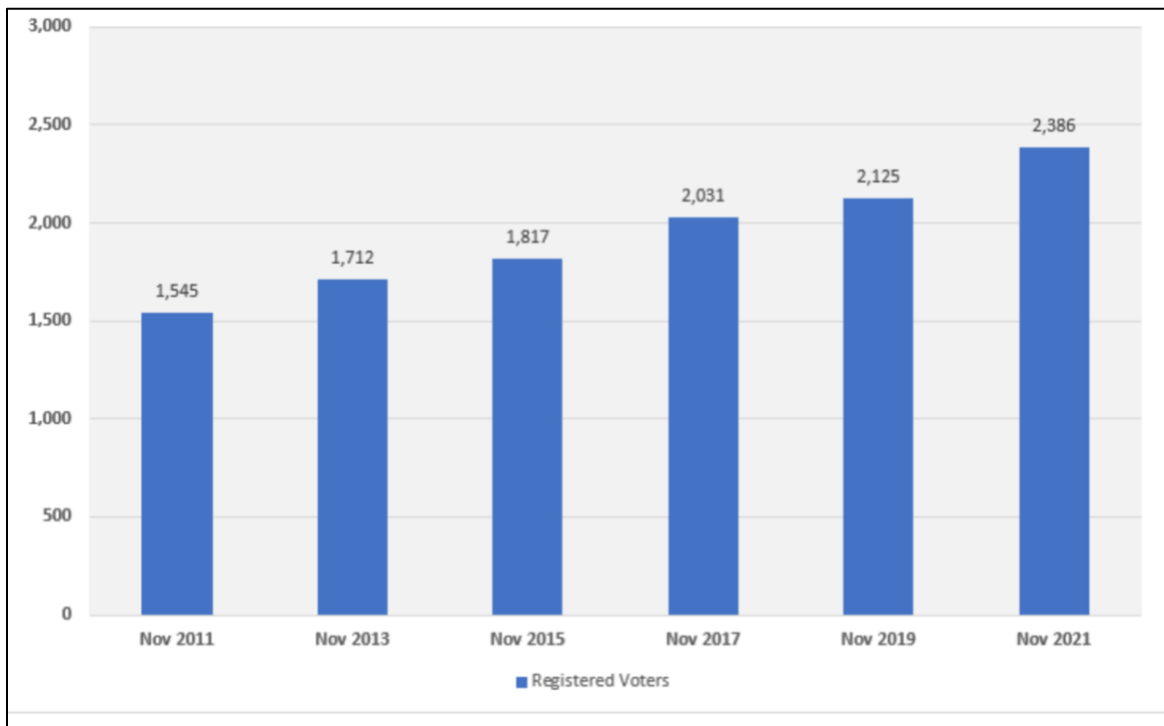
CATEGORY	2000	2010	2020	% CHANGE 2000-2020	% CHANGE 2010-2020
POPULATION	1250	1714	2050	64%	19.6%
HOUSING UNITS	1649	2203	2377	44%	7.9%
OCCUPIED UNITS	660	917	1118	69.4%	21.9%
VACANT HOUSING UNITS	989	1286	1259	27.3%	-2.1%
OCCUPANCY RATE*	40%	41.6%	47.0%	17.5%	13.0%

\*Occupancy rate is the number of occupied housing units as a percentage of total units.

The Committee also looked at election data over the last ten years and found a significant increase in registered voters, which is another indicator of how the Town is growing:

**Seabrook Island Registered Voters 2011-2021**

Year	Registered Voters	Change Since 2011	
		#	%
Nov 2011	1,545	---	---
Nov 2013	1,712	167	10.8%
Nov 2015	1,817	272	17.6%
Nov 2017	2,031	486	31.5%
Nov 2019	2,125	580	37.5%
Nov 2021	2,386	841	54.4%



The Committee includes the Census and election data in the preceding tables in response to the many comments made to Town Council and the Committee, referencing “the loss of our quiet island over the last 20 years,” or there are “too many people on the island.” The conclusion in

most of those comments is that “they must be renters” and, thus, there must be too many STR offerings.

The Committee notes that the population of the Town of Seabrook Island has grown nearly 20% in just the last ten years; 64% in the last 20 years. Concluding only renters contribute to the “too many people” fails to acknowledge the planned, inevitable, and documented growth of the Seabrook Island community.

Those complaints also fail to accept that Seabrook Island is and always has been a beach community that experiences a seasonal population influx. For example, the Committee notes an excerpt from the Town’s 1999 Comprehensive Plan (as revised in March 2015):

“As with other beach communities, the population increases dramatically in the summer when it includes residents, non-resident homeowners and short-term renters. During the summer of 2014, estimated peak population grew to 2,713 (as derived from gate passes). *Source: Seabrook Island Property Owners Association (November 2014).*”

### **Pandemic Impact on Population**

The Committee notes that there is limited evidence to date that can quantify the two-year impact of the COVID-19 pandemic on the island’s population, but the Petitioners cannot just reference their concerns about the last two years without naming the pandemic and without giving its impact any consideration.

The Committee found that putting the blame solely on renters for any “crowds” the island experienced over the last two years fails to account for travel behavior, nationwide and worldwide, that was influenced by the pandemic.

Hotels, restaurants, and retail stores were closed, cruises were cancelled, international travel was not possible, and schools were shut down, so families looked for rental homes away from the cities and their devastating COVID-19 case numbers and deaths to ride out the pandemic. In its interviews, the Committee found that for Seabrook Island, pandemic-driven behavior resulted in:

- 1) Resident property owners staying home and being present on the island, using SIPOA and Club amenities and the beach, when in previous years many traveled or returned north for the summer, thus were not a visible presence in normal years; and
- 2) The more-than-normal presence of non-resident property owners with their families, riding out the pandemic in their vacation/future retirement homes.

During this time, the SI Club had to close certain amenities, including all inside dining; local restaurants were shut down or limited to carryout services; and the Freshfields Harris Teeter and other stores were imposing shopping restrictions that led to lines to shop that further increased tensions and exasperated perceptions about crowds on the island.

The Committee, in trying to assess the COVID-19 impact, does not argue that people also “discovered” Seabrook Island during this time, and that added to the island’s pandemic population. The property managers reported there were waiting lists for rentals. But at the same time, the Committee acknowledges the anecdotal reports from the property management professionals that even then, many of their “guest occupied” nights were families of property

owners, who elected not to stay “with the grandparents” to protect against COVID-19 transmission “from the kids” or simply needed the extra room and/or privacy.

The Committee notes that in response to SC Governor McMaster’s executive orders imposing travel restrictions on visiting SC, the Town closed the island to most short-term rentals in 2020 (March-May). The Governor also closed public access to the state’s public beaches. Although the Seabrook Island beach is public, access to it is private behind the gate and via the SIPOA-owned boardwalks. The Committee could find no data that tracked if the ability to access the Seabrook Island beach during this time had any impact on rental activity in the Town.

The Committee wanted to know how the pandemic played out by the numbers at STRs and looked at stats from various property managers. As an example, the following chart is a look at properties managed by Coastal Getaways, which are consistent in their trending as other numbers presented to the Committee.

**Coastal Getaways Rental Activity**

YEAR	DAYS GUEST OCCUPIED	DAYS OWNER OCCUPIED	TOTAL PROPERTY BOOKINGS	MEMORIAL TO LABOR GUEST OCCUPIED	MEMORIAL TO LABOR OWNER OCCUPIED	TOTAL PROPERTIES BOOKED MEMORIAL TO LABOR	CG TOTAL RENTAL PROPERTIES MEMORIAL TO LABOR
2019	22,135	12,642					
2020 ***ISLAND CLOSED DUE TO COVID 3/17-5/15	27,241  33,702	14,496  17,324	3,101	12,424	3,678	1,865	162
2021	33,826	15,677	4,237	15,957	3,667	2,323	206

\*\*\* To make a year-to-year comparison, the totals in blue were arrived at by extrapolating from 2021 numbers for March to May (6,461 and 2,828) to adjust 2020 numbers to account for when the island was closed to most rentals.

From this chart, the pandemic clearly had an immediate impact. Owner-occupied nights were up 24% during the 2020-21 period. Guest-occupied nights were up 52%.

In the context of looking at the Town’s growth versus STR activity, and the impact of the pandemic, the Committee notes information from Coastal Getaways that it believes is significant to understanding summer “crowds.” July Fourth may be the busiest week on the island, true pre- and during the pandemic, but according to the management company’s owner:

“I cannot emphasize this enough - rentals didn't change the entire month of July. What did change is that is the week more owners use their properties than any other week in the year. Thanksgiving is 2nd. So even though we had 201 rentals - over 40% of them were occupied by owners the week of July 4th. Plus other homeowners come here that week with their family and friends ... ”

## Section 5 Age Demographics

The Committee acknowledges the many comments it received claiming that evidence of STRs being “out of control” mentioned the presence of so many unfamiliar faces and younger families on the island during both the peak and off-peak seasons.

US Bureau of Census numbers indicate that the Town of Seabrook Island remains an “older” community with 62.1% of residents over the age of 65 (median age of 67.9). In comparison, that demographic for the country is 16.5%, for South Carolina 18.2%, and for Charleston County 17%. Considering the Census numbers, is it reasonable to assume only renters are younger?

The Committee looked for a metric to review if the anecdotal observations about the younger, unfamiliar “crowds” of renters were valid or a misperception. Looking at data from the Seabrook Island Club suggests the latter:

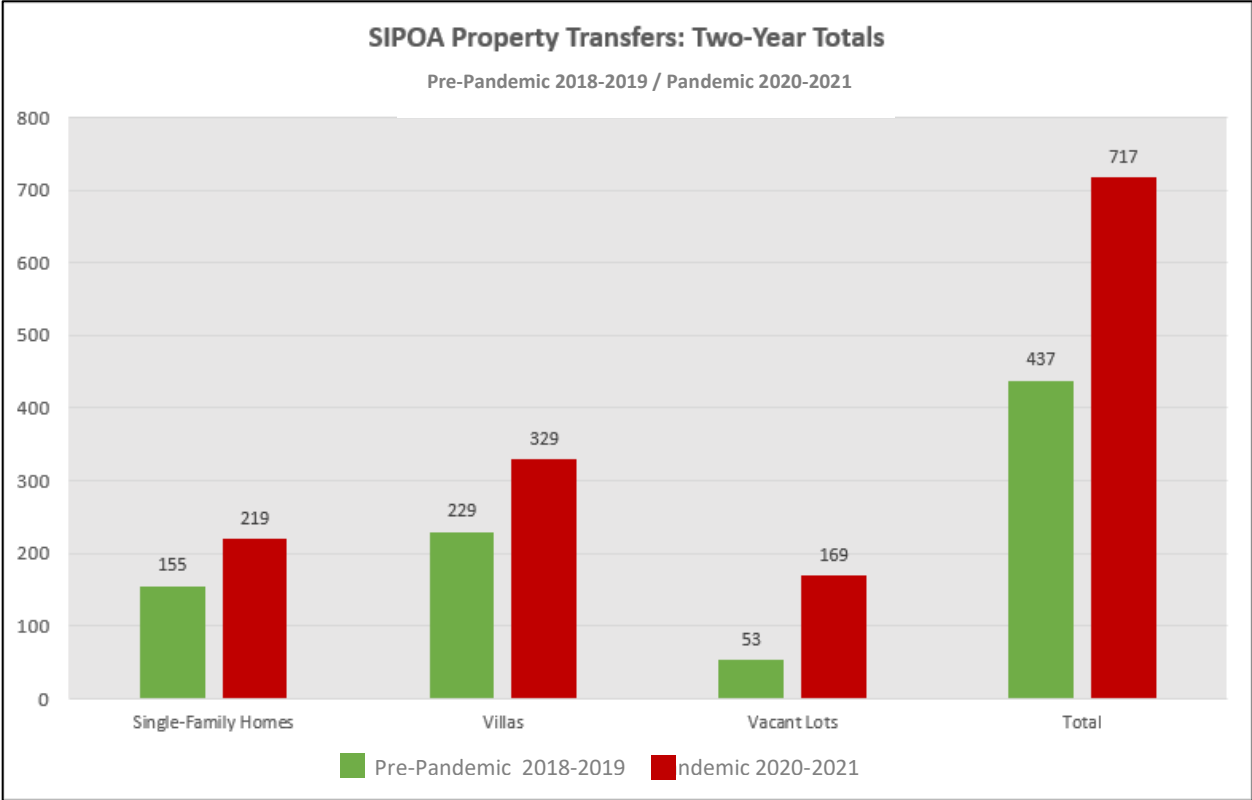
- With the turnover in real estate and a construction boom, the Club has added more than 500 new members, with a net gain of more than 200 members over the last two years.
- Membership properties (as the end of March 2022) was 2,207.
- Of the total memberships, 34% are resident members and 66% are nonresidents members.
- Over the five-year span (2016-2021) there has been a 29% growth of members on the island fulltime.
- The average age (56.7) of the new member is considerably younger than the average age (65) of the membership overall.
- As of the close of 2021, 220 minor children were listed on the membership roster (previously the high was 75).

Further responding to the claim that “unfamiliar faces” indicated renters overrunning the island, the Committee asked Town staff to analyze sales data from SIPOA during the two years pre-pandemic (2018-2019) and the two years of the pandemic (2020-2021). This look at property transfers is a revealing perspective:

**SIPOA Property Transfer Data**  
Pre-Pandemic (2018-2019) and Pandemic (2020-2021)

Property Type	Pre-Pandemic			Pandemic			Change	
	2018 Transfers	2019 Transfers	2-Year Total	2020 Transfers	2021 Transfers	2-Year Total	#	%
Single-Family Homes	78	77	155	119	100	219	64	41.3%
Villas	119	110	229	176	153	329	100	43.7%
Vacant Lots	35	18	53	67	102	169	116	218.9%
<b>Total</b>	<b>232</b>	<b>205</b>	<b>437</b>	<b>362</b>	<b>355</b>	<b>717</b>	<b>280</b>	<b>64.1%</b>

For additional context, roughly 18% of single-family homes and 28% of villas had a different owner at the end of 2021 than they did two years earlier.



With the boom in home construction and property sales, all resulting in a documented and significant number of new and younger Club members, the Committee notes that it is reasonable to feel frustrated with so many unfamiliar faces sharing the community but trying to directly link the presence of unfamiliar faces, perhaps also accompanied by children, as evidence that STR activity is out of control cannot be supported by the data.



## Section 6 Real Estate Life Cycle and Perspective

### Life Cycle

A common thread that surfaced during the Committee’s meetings and interviews, as well as in correspondence from real estate agents, property managers, and property owners who rent or have rented their properties, is the concept of the “real estate life cycle” of Seabrook Island.

The Committee acknowledges that discussing the real estate life cycle is anecdotal, and the Committee did not spend time investigating if it is entirely unique to Seabrook Island. This topic is included in the report because it surfaced so very often throughout meetings and correspondence, often with a great deal of detail and passion.

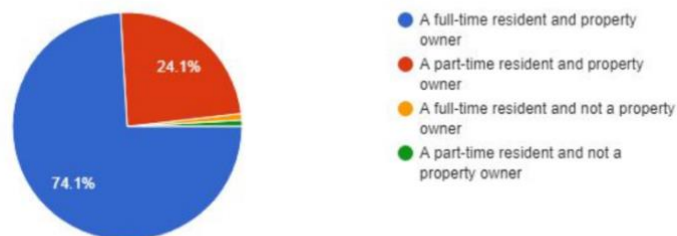
Again and again, the Committee was presented with the story of how a couple/family visited Seabrook Island as resort renters only to fall in love with it: They buy into the island and rent their property as they plan for eventual retirement; they spend more and more time at the property over the years (reducing the rental activity) and eventually move to the island permanently at which time they often sell the original Seabrook property to upsize or renovate and/or build. At the other end of the cycle, property owners age-out of the island, often moving to be closer to children and/or to live in a senior facility like Charleston’s Bishop Gadsden.

This has created a real estate life cycle that for years, even during upturns and downturns of the market, has kept short-term rental activity a constant on the island, most often in the 25-30% range of total existing developed properties in recent years (determined by estimates from property managers, SIPOA, and the Club), while also refreshing the market and the community with new property owners. In many instances, the cycle spans two and three generations.

As part of its review to understand the significance of this real estate cycle, the Committee reviewed a survey conducted by the Town in 2019, which was done prior to the preparation of the 2019 Comprehensive Plan for the Town of Seabrook Island (adopted by Ord. No. 2019-06 on July 23, 2019). Having a comprehensive plan in place is required by state law (S.C. Code of Laws, Sec. 6-29-310 et seq).

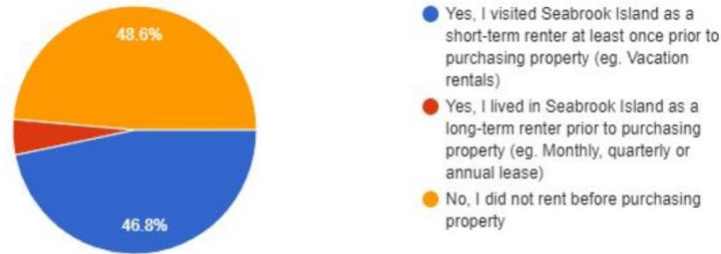
The complete survey results are on the Town’s website (under the Services/Planning & Zoning drop down menu), but for this report, and this discussion about a real estate life cycle in particular, the Committee notes questions #11 and #12. Of those responding to the survey, 74.1% said they were full-time resident property owners. And those respondents indicated that nearly half, 46.8%, had visited the island at least once as a short-term renter before buying property.

11. As a Seabrook Islander, are you ...





12. Did you rent (either as a short-term visitor or long-term renter) before purchasing property in Seabrook Island?



Throughout this report, the Committee tries to gauge the impact of the pandemic. So noting that the survey was done pre-pandemic, it is of interest that when asked to describe the community/island in their own words, not a single respondent just two years ago called it overcrowded or overrun with short-term renters. Given the opportunity to add their own comments in response to a number of questions, out of nearly 450 comments that were submitted, less than 10 directly referenced any opposition to short-term rental activity and/or overcrowding because of renters, and even then most of those comments were concerned that renters do not follow rules on the island.

### Real Estate Perspective

Over the two-plus years that the Committee has been working on the STR issue, several meetings and interviews have been held with real estate professionals to gain an understanding about the economic impact of the island’s rental market. The Petitioners have, on the other hand, indicated in their correspondence and presentations to Council and the Committee that they believe too much emphasis is placed on the value of STRs to the real estate market and the overall economy of the island. (See Section 10 to review the cost to the Town of the Petitioner’s proposed STR caps.)

The Committee was repeatedly told by the local realtors that the ability to rent a property was crucial to sales and property values. One realtor reviewed her recent sales and said 80% of the buyers mentioned rental activity as a positive – and those buyers, sans only one at this time, were looking to eventually move to and/or retire to Seabrook Island. When asked, not one realtor could remember a buyer asking if a neighboring property was on the STR market – rather, of concern when house/villa shopping was whether a neighboring property was attractive and well maintained.

While some realtors suggested that some further “control” of STRs might be helpful in easing tensions on the island, when presented with the chart that visually illustrates the impact of the petition’s proposed caps (See Section 10), they rejected the caps with such terms as “devastating, catastrophic, would crash property values, unnecessary, a clear violation of property rights.”

The Committee notes that not all realtors were opposed to the Preserve Seabrook petition – the Committee is aware of two from its recent meetings: One realtor signed the official petition, but that realtor was very forthcoming in an interview with why, made helpful source suggestions for the Committee’s further research, and also had concerns about the petition’s proposed STR caps, including the impact on side-by-side regime properties. The Committee also acknowledges an interview with a second realtor who personally would like to see the elimination of any rentals in the long term but did not believe that possible considering the island’s resort-oriented history.

## **Island One**

In its meetings and interviews, starting with the Committee's work back in 2020, the Island One initiative was often referenced by stakeholders, and done so as either a positive or negative influence on the island's real estate market. The Committee took Island One into consideration for this report only in context of current real estate values and in response to claims that "investors" are driving the "uncontrolled growth" of STRs.

The Town was not party to the 2004 Island One agreement between SIPOA and the Seabrook Island Club that included Section 40 of SIPOA's covenants, which requires new property purchasers, unless grandfathered, to become members of the Club. The enactment of Island One was done by an island-wide vote of property owners (approved 2,293 to 762 in November 2004). Section 40 still remains controversial for some. The Town has no authority to amend that agreement, and the agreement cannot simply be abandoned without agreement between the Club and SIPOA and a vote of property owners.

The Committee heard many times in its various STR stakeholder meetings that Island One particularly hurt villa sales (for which Club joining fees represent a much higher percentage of the sales price) and that it has taken 10-15 years for values to rebound, or to at least be on par with those on Kiawah Island. (The Committee only acknowledges receipt of these comments and did not research their accuracy or whether other issues, like market downturns and/or aging properties and maintenance issues, also hurt sales.)

Realtors, however, told the Committee that Island One has not been a deterrent in the current market to buyers who want to make Seabrook Island a vacation destination and/or a future home. It does deter, however, outright investors who do not want to shoulder the carrying costs of joining fees and monthly dues when properties elsewhere can be purchased without that ongoing expense. When asked, realtors did not see any evidence that the current Seabrook market was being driven by investors simply looking to establish STR properties.

The Committee took note in reviewing the impact of STR activity that the major property management firms operating on the island accept only clients where the property carries a Club membership, either by the Island One mandate or by choice for older or grandfathered properties. This fact is important in assessing use of the island's amenities. (See Section 11.)

The takeaway for the Committee on Island One and effect on the STR market:

- 1) Most of the rental owners who met with or contacted the Committee mentioned the additional costs associated with mandatory club membership as one of their primary reasons for renting their property; and
- 2) If villa prices were/are depressed because of Island One, it would further aggravate the financial impact if the Town arbitrarily then limited the ability of those property owners to recoup Club expenses by renting; and
- 3) Most realtors and property managers list the additional costs of mandatory membership, which is not a requirement in Seabrook's neighboring communities, as a "firewall" to outright investors buying to establish STRs and who have no interest in ever living on the island.

## Section 7

### **STRs: Residential Zoning Breakdown, Occupancy and Residency by Zoning**

#### **Residential Zoning**

In the language of its petition, the Preserve Seabrook group wants the Town to “affirm the current Single Family Residential zoning protections in any future zoning changes.”

The Committee believes the Town’s existing Development Standards Ordinance (DSO) addressed this issue, and that it is also adequately addressed in Section 5.1 in the revised DSO, approved by the Planning Commission in January 2022 and now pending before Town Council:

“Section 5.1 Purpose. The purposes of the residential districts, in general, are to: provide for quiet, low-density residential neighborhoods; discourage unwarranted encroachment by regulating commercial and other uses which would interfere with the development or continuation of residential uses; minimize nonconformities; and discourage uses which would generate traffic on minor streets other than required to serve residences on those streets.” (Ord. 2022-04, an ordinance to repeal and replace the Town of Seabrook Island Development Standards Ordinance; to repeal and replace the Town’s Zoning Map; and to repeal conflicting provisions from the Town Code.)

The Committee is concerned that the Petitioners do not consistently extend the “residential” description to the villas and townhomes within the Town. All developed properties behind the gate other than those owned by the Club or SIPOA are residential. The Committee reviewed rental activities as they impact ALL residential properties, not just single-family homes. (See Transition Zoning Chart in Addendum D.)

Not only is the Committee concerned when correspondence from Preserve Seabrook supporters fails to apply the residential description to all properties, it is of concern when those comments suggest that full-time residents are single-family home residents who do not ever rent their properties, and they are the only property owners making full contributions to the community.

Many stories related to this subject were relayed to the Committee. If and where someone volunteers and where someone spends and/or donates money are not subjects the Committee took time to track for hard numbers, if that would even be possible. The Committee notes, however, non-residents, both who rent and those who do not, relayed to the Committee their volunteer activities with SIPOA and Club committees and with local charities. They spend locally when on the island, as do their rental guests, perhaps even more so than residents because they are not prone to use Amazon and other online shopping when on vacation.

### STR Activity in Single-Family Residential Zones

The Petitioners have stated, and continue to state, that there has been “uncontrolled,” “explosive,” and “unfettered” growth in STRs, particularly in the single-family residential areas. While the data indicates an uptick in multi-family areas, including cluster home communities, townhomes and condos, **the rate-of-growth between 2019 (the last pre-pandemic year) and 2021 was exactly 0.0%.**

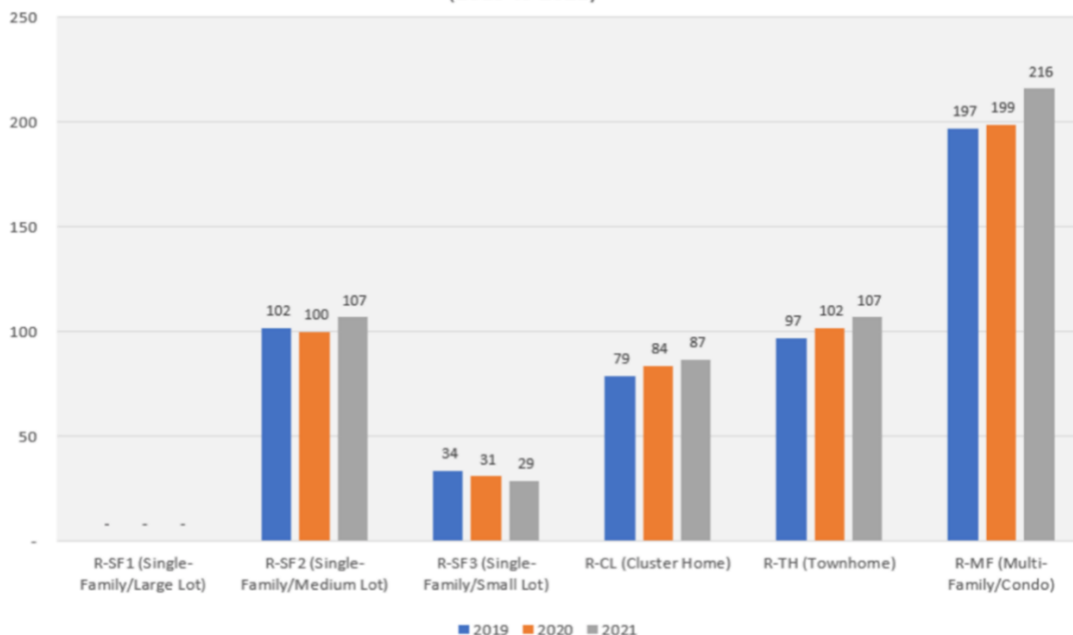
The Committee notes the significance of the information in the following charts, some of the most important data in this report:

- Between the 2019 and 2021 license years, the Committee notes the growth rate in “unique” single-family rental units has been exactly 0.0%.
- Multi-family units have increased by 9.9% over the same time period. The total number of unique STR properties was up 7.3% town-wide by this metric.
- Considering the Town has issued COs (certificate of occupancy) for several dozen new homes since 2019, the proportion of single-family homes that were rented in 2021 was actually less than in 2019.
- The growth the Town has seen over the last few years has been distributed fairly equally among the condos (9.6%), cluster homes (10.1%), and townhomes (10.3%).

### Short-Term Rentals by Zoning District



**Short-Term Rental Units by Zoning District  
(2019 to 2021)**



**Breakdown of STR's by Zoning District  
(2019 to 2021)**

Zoning	Unique STR's			Growth 2019-21	
	2019	2020	2021	#	%
R-SF1 (Single-Family/Large Lot)	-	-	-	-	---
R-SF2 (Single-Family/Medium Lot)	102	100	107	5	4.9%
R-SF3 (Single-Family/Small Lot)	34	31	29	(5)	-14.7%
R-CL (Cluster Home)	79	84	87	8	10.1%
R-TH (Townhome)	97	102	107	10	10.3%
R-MF (Multi-Family/Condo)	197	199	216	19	9.6%
<b>TOTAL</b>	<b>509</b>	<b>516</b>	<b>546</b>	<b>37</b>	<b>7.3%</b>

**Breakdown of STR's by Property Type  
(2019 to 2021)**

Zoning	Unique STR's			Growth 2019-21	
	2019	2020	2021	#	%
Single-Family Districts (R-SF1, R-SF2, R-SF3)	136	131	136	-	0.0%
Other Residential Districts (R-CL, R-TH, R-MF)	373	385	410	37	9.9%
<b>TOTAL</b>	<b>509</b>	<b>516</b>	<b>546</b>	<b>37</b>	<b>7.3%</b>

**Breakdown of STRs by Regime / Association**  
(2019 to 2021)

Regime Name	Prop Type	Zoning	2019	2020	2021
Dune Crest Villas	Cluster Home	R-CL	8	8	7
Duneloft Villas	Cluster Home	R-CL	0	2	2
Sealoft Villas	Cluster Home	R-CL	25	27	28
Summerwind Cottages	Cluster Home	R-CL	25	24	24
Tarpon Pond Cottages	Cluster Home	R-CL	16	17	21
Treeloft Villas	Cluster Home	R-CL	5	6	5
Atrium Villas	Condo	R-MF	37	32	36
Bay Pointe Villas	Condo	R-MF	10	11	15
Bohicket Marina Villas	Condo	R-MF	6	9	9
Chateau by the Green	Condo	R-MF	3	2	4
Courtside Villas (I & II)	Condo	R-MF	12	13	13
Heron Point Villas	Condo	R-MF	3	3	3
High Hammock Villas	Condo	R-MF	26	30	29
Live Oak Villas	Condo	R-MF	5	6	8
Marsh Walk Villas	Condo	R-MF	12	16	19
Ocean Wind Villas	Condo	R-MF	4	3	3
Pelican Watch Villas	Condo	R-MF	70	66	66
Racquet Club Villas	Condo	R-MF	9	8	11
Haulover Point Circle	SF Home	R-SF3	1	1	1
Hidden Oaks	SF Home	R-SF3	7	6	5
Marsh Creek Homes	SF Home	R-SF3	0	0	0
Marsh Pointe Homes	SF Home	R-SF3	0	0	0
North Beach Village	SF Home	R-SF3	13	12	10
St. Christopher Oaks	SF Home	R-SF3	5	4	4
Village at Seabrook	SF Home	R-SF3	8	8	9
Beach Club Villas	Townhome	R-TH	9	8	9
Charlestowne Place	Townhome	R-TH	0	0	0
Creek Watch Villas	Townhome	R-TH	12	15	15
Deer Point Villas	Townhome	R-TH	4	4	2
Dolphin Point Townhomes	Townhome	R-TH	4	4	4
Fairway One Villas	Townhome	R-TH	3	3	2
Fiddlers Cove Villas	Townhome	R-TH	7	5	3
Golf Shore Villas	Townhome	R-TH	6	6	8
Horseshoe Cove Villas	Townhome	R-TH	0	0	0
Salt Marsh Townhomes	Townhome	R-TH	1	1	2
Shadowwood Villas	Townhome	R-TH	5	7	11
Shelter Cove Villas	Townhome	R-TH	7	8	7
Spinnaker Beach Houses	Townhome	R-TH	37	39	42
Wedgewood Villas	Townhome	R-TH	2	2	2
Single-Family Homes (Non-Regime)	SF Home	R-SF2	102	100	107
<b>TOTAL</b>			<b>509</b>	<b>516</b>	<b>546</b>

In reviewing the previous charts (and those in following sections of this report and the maps in Addendum F), the Committee notes the terminology used:

- **ACTIVE STR:** An "active" STR is a residential property which possesses a valid STR permit and business license from the Town at a given point in time. In this context, the term "active" does not necessarily mean that the property is actively being rented; rather, it means that a property may legally be rented (or advertised for rent) at that specific point in time.
- **UNIQUE STR:** Over the course of the permit year, the number of "active" STR units will go up and down as new STR permits are issued and existing STR permits are cancelled or revoked. A "unique" STR is one which was "active" at any point during the permit year.
- **EXAMPLE:** Owner "A" obtains a STR permit and business license prior to the April 30 deadline. As long as Owner "A" remains in good standing with the Town, the property will be considered an "active" STR and may be rented at any time during the license year (May 1 through April 30).

In October of that year, Owner "A" sells the property to Owner "B" and Owner "A" notifies the Town that the property has been sold, thus the STR permit and business license are cancelled. Owner "B" intends to live at the property fulltime and does not obtain a new STR permit or business license. At that point, the property is no longer an "active" STR; however, the property will be included in the list of "unique" STR properties for that year because it was rented at some point during the year.

### Occupancy by Zoning

The Committee notes that, on average, the maximum occupancy for condos, cluster homes and townhomes is significantly less (approximately 45% less) than for single-family homes:

**Average Maximum Occupancy by Zoning District**  
(2021)

Zoning District	Average Maximum Occupancy Per Unit
R-SF1 (Single-Family/Large Lot)	---
R-SF2 (Single-Family/Medium Lot)	10.66
R-SF3 (Single-Family/Small Lot)	9.29
R-CL (Cluster Home)	6.93
R-TH (Townhome)	6.27
R-MF (Multi-Family/Condo)	5.22
<b>TOTAL</b>	<b>6.99</b>

### Residency by Zoning

Permitted STRs were reviewed to determine how many of those properties are listed as a legal residence – 4.2% total according to the county's tax records. Under state law, a legal residence can be rented up to 72 days and still retain the 4% property tax assessment (fair market value) for a primary residence. (6% fair market value for other real estate.)

Using data from the Town’s 2021 STR permits, the numbers for primary residences with an STR permit were comparatively low, as one would expect, while showing that there was a higher proportion of primary single-family homes that are rented over the course of the year (10 of 129 – 7.8%) than multi-family units (12 of 389 – 3.1%).

Zoning District	STR's	Legal Residences	
	#	#	%
R-SF1	0	0	#DIV/0!
R-SF2	101	8	7.9%
R-SF3	28	2	7.1%
<b>Total (Single-Family)</b>	<b>129</b>	<b>10</b>	<b>7.8%</b>
R-CL	83	4	4.8%
R-TH	106	4	3.8%
R-MF	200	4	2.0%
<b>Total (Multi-Family)</b>	<b>389</b>	<b>12</b>	<b>3.1%</b>
<b>Total (All)</b>	<b>518</b>	<b>22</b>	<b>4.2%</b>

Using another metric, the Committee notes that more reliable data at this point would be to look at numbers based on residency status from county tax data (shown in the next chart). These numbers also indicate, as above, that there is a higher proportion of primary single-family homes that are rented over the course of the year (19 of 129 – 14.8%) than multi-family units (17 of 390 – 4.4%).

#### Proportion of Active STR’s by Residency Status

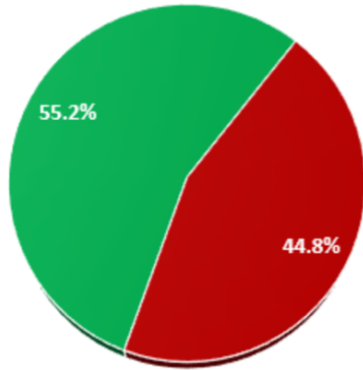
End of April 2022

Property Type & Zoning	All Properties			Legal Residence			Non Legal Residence		
	Total	STR	%	Total	STR	%	Total	STR	%
Single-Family (R-SF1, RSF-2 & R-SF3)	1,151	129	11.2%	635	19	3.0%	516	110	21.3%
Other Residential (R-CL, R-TH, R-MF)	1,171	390	33.3%	256	17	6.6%	915	373	40.8%
<b>Total</b>	<b>2,322</b>	<b>519</b>	<b>22.4%</b>	<b>891</b>	<b>36</b>	<b>4.0%</b>	<b>1,431</b>	<b>483</b>	<b>33.8%</b>

The Committee looked at these residency metrics (4% v. 6% properties) related to STR properties in order to evaluate alternatives to limiting the impact of rental activity in zoning districts by some factor more refined than capping overall rental permit numbers.

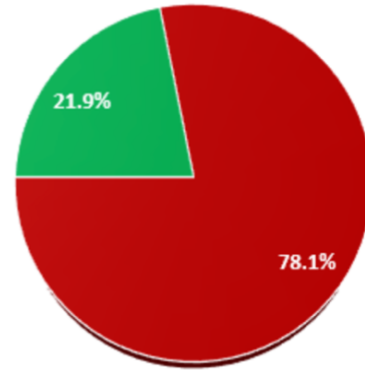


**Total Dwellings by Residency Status**  
Single-Family Residential



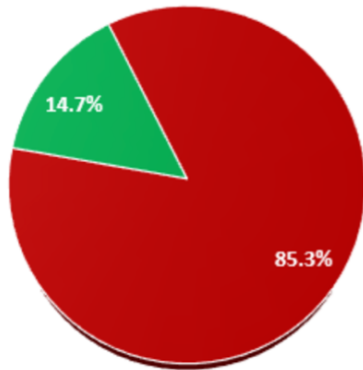
■ Legal Residence ■ Non Legal Residence

**Total Dwellings by Residency Status**  
Other Residential



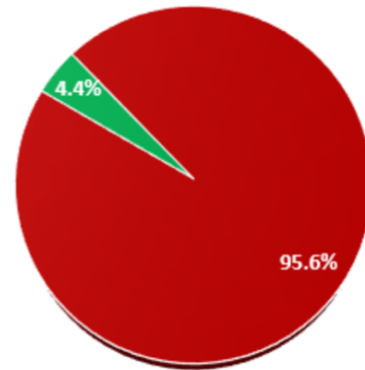
■ Legal Residence ■ Non Legal Residence

**Active STR's by Residency Status**  
Single-Family Residential



■ Legal Residence ■ Non Legal Residence

**Active STR's by Residency Status**  
Other Residential



■ Legal Residence ■ Non Legal Residence

## Section 8 STR Nationwide/Statewide Trends and Community Comparisons

The Committee notes that its research revealed that Seabrook Island is far from alone in experiencing an intense discussion about STRs – it is an issue town-to-town, state-to-state across the country. The Committee used webinars for some of its research; those conducted by the Vacation Rental Management Association and also by Granicus were particularly informative as to the national and state numbers:

- The STR inventory nationwide increased 9.4% in 2021, and the pandemic is considered the driving force behind the increased popularity of short-term home rentals.
- Although the travel industry had predicted that the pandemic impact would subside in 2022 (with more people again opting for cruises, large resorts, and overseas travel), the current forecast is that STR popularity will remain high as a COVID-nervous traveling public may still prefer home-centered vacations.
- In 2021, 54% of short-term renters had never booked a vacation rental home before.
- There are approximately 2 million STR listing in the US, representing 1.6 million rental units (with 1.22 listings on average in 2021 per rental unit across the US). There are numerous online platforms that owners can easily access to list a rental property, including Airbnb, VRBO, Booking.com, Marriott Bonvoys, Homeaway, etc. The ease of listing online and the proliferation of vacation-finding sites is a major development in the rental market over the last 5-10 years.

State-to-State Comparison of Rentals and their Listings:

State	Rental Listings	Rental Units	Number of Listings Per Unit
Florida	400610	329819	1.21
California	221056	160952	1.37
Texas	122548	96748	1.27
New York	85286	72442	1.18
Colorado	91342	67478	1.35
North Carolina	79340	65715	1.21
South Carolina	71015	56284	1.26
Georgia	55668	47685	1.17
Arizona	55021	45662	1.20
Hawaii	58604	45390	1.29
All Other States	747707	623987	1.20

From Granicus 2021

Although the STR numbers for Seabrook Island do not come close to the trending apparent in the industry’s national numbers, or even in South Carolina overall, the Committee believes it is important that Town Council be aware of the national trends as it continues to monitor STR activity in the Town. Acknowledging that Seabrook has always had a strong rental market (See Section 4), means that STRs are not an unexpected phenomenon as they have been when emerging in other communities (especially where the short-term rental market developed recently and was pandemic driven).

## Community Comparisons

The Committee believes it should address the demand by the Petitioners that the Town of Seabrook Island impose an immediate cap on STRs because other communities are considering and/or imposing caps.

The Committee asked a code/ordinance consultant, who works all around the country, if he was regularly seeing STR caps and other regulatory issues surface as a problem for other communities. The answer was helpful in putting the community comparison debate into perspective: The debate cannot be compared city to city because a community’s history, its zoning and character, its economics, and the reason STRs may be taking hold vary so widely.

The Committee notes as an example for this report – Mt. Pleasant and Columbia have/are debating (as this report is being drafted) a cap on STRs, but a main driving force of the debate is the displacement of long-term rentals with a short-term market that is more expensive and thus displaces low-income workers by limiting affordable housing options. STRs in these communities also are in direct competition with hotels (as they are in the City of Charleston). Neither is an issue for Seabrook Island.

More recently, the debate over limiting STRs came to the surface again in the Town of Folly Beach, and the Petitioners immediately made note that Town of Seabrook Island is not paying attention nor following a neighboring community’s lead. The Committee again notes the difficulty in making direct comparisons. Unlike Folly Beach, the majority of properties on Seabrook are behind a private gate; Folly Beach has an entirely different history and culture – surf and souvenir shops, retail bars and restaurants, a pier and municipal park. While the population of the two communities are similar, Folly Beach has more than twice the STRs, with the growth in STRs in Folly Beach during the period (2019-2021) at over 20%. STRs in Folly compete directly with LTRs, which is not an issue for Seabrook. From the press statement, STRs have “started to price out some owners of long-term rentals.”

Town staff reviewed the data for long-term rental (LTR) licenses. While there are fewer LTRs than STRs, the pace of growth for LTRs has been significantly higher. The total growth in “unique” LTR properties was 12, or 43.5%, during the two-year period when STR growth was 7.3% by this metric (See Section 8). The Committee concludes that the LTR market, albeit limited on Seabrook Island, has not been displaced in recent years by STRs.

TOTAL LONG-TERM RENTAL LICENSES				Growth (2019-2021)	
	2019	2020	2021	#	%
Business Licenses Issued	23	27	33	10	43.5%
<i>Properties with Duplicate Licenses*</i>	<i>0</i>	<i>0</i>	<i>0</i>		
Unique Properties Licensed	23	27	33	10	43.5%
<i>Licenses Cancelled (Removed/Sold)</i>	<i>0</i>	<i>0</i>	<i>4</i>		
Total # Licensed at Year End	23	27	29	6	26.1%

If the Committee were to use an example, it recommends to Council that it look no further than Kiawah Island as that is the community closest resembling Seabrook’s history, situation, and active rental market.

The Kiawah Town Council placed a 20% cap on short-term rentals in certain single-family residential zones while placing no cap in other residential zones.

From the Town of Kiawah Island STR ordinance (Ord. No. 2020-07):

<b>Table 14-505.1: Rental Property Zoning Caps</b>			
<b>Zoning District</b>	<b>R-1 and R-2*</b>	<b>All other R-2</b>	<b>R-3</b>
Maximum % of STR properties allowed	20%	No Limit	No Limit
<p><i>Rental percentages are a ratio of rental licenses (including PLL's) to developed lots within the R1 zoning district, and the specific R2 zoned areas identified below. Developed lot numbers are defined from the County Assessors Office as of December 31 of the prior calendar year.</i></p> <p><i>*R-2 districts include: Indigo Park, Ocean Oaks, Ocean Park, and Silver Moss, Osprey Point (Club Cottage Lane, Marsh Cottage Lane, and Shell Creek Landing)</i></p>			

Of note, the zoning districts in the Town of Kiawah Island do not correspond to those in the Town of Seabrook Island. Each municipality defines their own residential districts.

## Section 9 STRs by the Numbers on Seabrook Island

The Petitioners have based their arguments for capping rental permits on the “**uncontrolled growth of short-term rentals**, especially on streets where there are many full-time and private residential properties.” This quote, including the bold emphasis, is from the opening paragraph of the letter introducing the petition effort. (Addendum A)

The Committee reviewed the Petitioners’ proposed cap on STR permits and found that they had no baseline from which they were making their claim of “uncontrolled growth.” The Petitioners cited only 2021 rental permit numbers they requested (and received) from Town Hall at various times during the year, as well as using anecdotal reports that many STRs “popped up over the last year or so.” The Petitioners’ information does not establish a baseline from which to claim a trend of uncontrolled growth.

The Committee notes that there is just one-year of rental permit information. The STR Ord. No. 2020-14 has been in effect only since January 1, 2021, and 2021 was the first year rental permits were required by the Town. The rental permit number fluctuates as properties are sold and/or owners elect to rent or not; permits are revoked upon a property sale, while new owners are required to file for a new permit. During the transition, there could be two rental permits on the books for one property. The Committee does not believe you can call a month-to-month fluctuation over just one year a trend for policy decisions. The Committee sought more and broader context for this report to Council.

The Committee believes an important point is that obtaining a rental permit does not in any way indicate a property is an active rental every day/every month. An STR permit is required if an owner plans to rent for even one night during the calendar year. Nor can the Committee or the Petitioners extrapolate from the occupancy limit on the rental permit that every rental property is always at full capacity when rented.

It is also incorrect to gauge rental activity by going online and looking at “availability.” The Committee learned that the reservation systems available to view online by the public do not distinguish between a property being unavailable because the owner has blocked out the time for personal use or it is being actively rented.

### **Tracking STRs via Business Licenses**

The Committee looked for several metrics to measure STR activity and trends in recent years; one was to look at business licenses. Prior to enactment of Ord. No. 2020-14, the only Town regulation of rental properties was the requirement that owners obtain a business license before renting the property.

During its 2020 research leading up to the enactment of Ord. No. 2020-14, the Committee found that the business license requirement was misunderstood and/or ignored by some property owners. Some owners simply told the Committee that they were not aware of the need to have a business license (must less also file with the county and state to pay taxes). They just managed and rented their own property, often via an online platform like VRBO.

The Town began closer tracking of short-term rentals in 2019 by issuing separate business licenses for each short-term rental. Prior to 2019, management companies were able to cover all of their managed units with a single license. This skews the overall number prior to 2019

and prevents a meaningful “apples-to-apples” comparison for earlier years. For example, the license issued to Costal Getaways prior to 2019 covered well over 100 units each year, but the data base indicates only one license.

The Town began using STR Helper (now Host Compliance by Granicus) in late 2018 and into 2019 to identify unlicensed rental units (and now also rental permit compliance). The software program tracks rental marketing across all online platforms for compliance with local regulations. Town staff advises the Committee that once the software was implemented, noncomplying properties tracked, and property owners notified of violations, compliance increased significantly. Town staff expects compliance to approach 100% with follow-up tracking after this year’s (2022) license/permit cycle.

The Committee believes that understanding the compliance issue helps find a reliable indicator of “growth” in the number of “unique” properties which have a rental license in any given year. This is essentially the “maximum” number of properties that were licensed to rent during a specific year and suggests what would be the “worst case scenario” if all licensed units were actively rented at the same time. In reality, the Committee knows from the various metrics that the number of active rental units at any given point will ebb and flow as units are added or removed from the market for a variety of reasons, including personal use by the property owners.

Using this metric, the Committee notes the total growth in “unique” rental properties between 2019 (pre-COVID-19) and 2021 to be 37, or 7.3%:

TOTAL SHORT-TERM RENTAL LICENSES	2019	2020	2021	Growth (2019-2021)	
				#	%
Business Licenses Issued	517	534	604	87	16.8%
<i>Properties with Duplicate Licenses*</i>	<i>8</i>	<i>18</i>	<i>58</i>		
Unique Properties Licensed	509	516	546	37	7.3%
<i>Licenses Cancelled (Removed/Sold)</i>	<i>0</i>	<i>11</i>	<i>28</i>		
Total # Licensed at Year End	509	505	518	9	1.8%

\*Duplicate licenses are issued when a prior owner has a license, the property is sold during the license year, and the subsequent owner also obtains a license during the same year.

To fully understand the numbers in the chart above, the Committee makes two points:

- 1) The 2021 license year lasted 16 months rather than the usual 12 months due to state mandated changes in the Town’s license year. As a result, some “new” rentals that would have been captured in 2022 were instead captured in the 2021 license year.
- 2) Since the Preserve Seabrook petition was received in the fall 2021, the Town has had multiple owners, 8-10, who have stated that they were obtaining permits solely to protect their ability to rent in the event the Town imposes caps. These owners stated they currently have no immediate plans to rent.

### Tracking STRs via Data from SIPOA

Next the Committee looked to data from SIPOA for another reference point. The January 6, 2015, minutes of the Seabrook Island Gateway Task Force, assembled by SIPOA, indicates its research showed a total of 450 rental properties on the island. The trade/business groups who

currently offer software programs to scrub online for STR listings (such as Granicus Software Solutions) suggest that in 2015 before the software was perfected that this count could easily have been at least 5-10% higher. The Gateway Task Force was confident in its number, but taking the recommended variable into consideration, the Committee concludes that STR count on the island in 2015 was likely 477-495.

If the rental permit count as of March 31, 2022, was 517, STR growth from 2015 to the writing of this report has been in the range of 4.4% to at worst 8.3%.

The Committee poses to Council whether this can be considered “uncontrolled” STR growth considering over that same time period the number of housing units on the island has also been increasing by about the same percentage.

Using the 2010 US Census number of housing units in the Town, then assuming on average 21 new houses per year as put forth in the Town’s 2019 Comprehensive Plan that relied on the American Community Survey Five-Year Estimates, the housing unit count in 2015 was approximately 2250 at year-end. At present, there are 2,366 developed housing units (with 35 under construction) in the Town. That is at least a 6.6% increase in housing units over seven years. (As per the 2020 Census results, housing units in the Town increased 7.9% from 2010 to 2020.)

To compare, the Committee notes a housing unit increase of 6.6-7.9% against a 4.4% to an at worst 8.3% increase in rental properties.

	2015	2020 Census	Current	Percent Change
<b>Housing Units</b>	2250 (estimate)	2377	2366 (+35 under construction)	6.6 – 7.9%
<b>STRs</b>	477-495	na	518	4.4 – 8.3%

**Tracking STRs via Club Data**

The Committee also looked at how the Seabrook Island Club tracks rental activity. One metric is the number of amenity cards issued by the Club week to week. This is informative but not as straightforward since the Club includes in its rental count those membership addresses that request more than 10 amenity cards during the year, which may be just as likely to indicate several personal house guests rather than a rental property.



## Seabrook Island Club Amenity Card Tracking 2015/2019-2021

week	2015 %				2019 %				2020 %				2021 %		
	ttl AC in use		13253		ttl AC in use		15425		ttl AC in use		14587		ttl AC in use		22266
1/3/15	1/9/15	134	1%	1/5/19	1/11/19	231	1%	1/4/20	1/10/20	194	1%	1/2/21	1/8/21	308	1%
1/10/15	1/16/15	89	1%	1/12/19	1/18/19	124	1%	1/11/20	1/17/20	91	1%	1/9/21	1/15/21	130	1%
1/17/15	1/23/15	100	1%	1/19/19	1/25/19	131	1%	1/18/20	1/24/20	92	1%	1/16/21	1/22/21	150	1%
1/24/15	1/30/15	96	1%	1/26/19	2/1/19	160	1%	1/25/20	1/31/20	103	1%	1/23/21	1/29/21	146	1%
1/31/15	2/6/15	143	1%	2/2/19	2/8/19	179	1%	2/1/20	2/7/20	164	1%	1/30/21	2/5/21	178	1%
2/7/15	2/13/15	158	1%	2/9/19	2/15/19	178	1%	2/8/20	2/14/20	181	1%	2/6/21	2/12/21	198	1%
2/14/15	2/20/15	174	1%	2/16/19	2/22/19	225	1%	2/15/20	2/21/20	218	1%	2/13/21	2/19/21	247	1%
2/21/15	2/27/15	192	1%	2/23/19	3/1/19	260	2%	2/22/20	2/28/20	228	2%	2/20/21	2/26/21	275	1%
2/28/15	3/6/15	238	2%	3/2/19	3/8/19	286	2%	2/29/20	3/6/20	295	2%	2/27/21	3/5/21	346	2%
3/7/15	3/13/15	217	2%	3/9/19	3/15/19	347	2%	3/7/20	3/13/20	304	2%	3/6/21	3/12/21	410	2%
3/14/15	3/20/15	300	2%	3/16/19	3/22/19	415	3%	3/14/20	3/20/20	381	3%	3/13/21	3/19/21	531	2%
3/21/15	3/27/15	318	2%	3/23/19	3/29/19	496	3%	3/21/20	3/27/20	197	1%	3/20/21	3/26/21	673	3%
3/28/15	4/3/15	626	5%	3/30/19	4/5/19	638	4%	3/28/20	4/3/20	250	2%	3/27/21	4/2/21	974	4%
4/4/15	4/10/15	825	6%	4/6/19	4/12/19	416	3%	4/4/20	4/10/20	156	1%	4/3/21	4/9/21	1040	5%
4/11/15	4/17/15	564	4%	4/13/19	4/19/19	934	6%	4/11/20	4/17/20	117	1%	4/10/21	4/16/21	871	4%
4/18/15	4/24/15	283	2%	4/20/19	4/26/19	1011	7%	4/18/20	4/24/20	72	0%	4/17/21	4/23/21	721	3%
4/25/15	5/1/15	280	2%	4/27/19	5/3/19	1051	7%	4/25/20	5/1/20	74	1%	4/24/21	4/30/21	779	3%
5/2/15	5/8/15	268	2%	5/4/19	5/10/19	496	3%	5/2/20	5/8/20	50	0%	5/1/21	5/7/21	882	4%
5/9/15	5/15/15	371	3%	5/11/19	5/17/19	590	4%	5/9/20	5/15/20	45	0%	5/8/21	5/14/21	899	4%
5/16/15	5/22/15	691	5%	5/18/19	5/24/19	856	6%	5/16/20	5/22/20	421	3%	5/15/21	5/21/21	1026	5%
5/23/15	5/29/15	906	7%	5/25/19	5/31/19	1056	7%	5/23/20	5/29/20	773	5%	5/22/21	5/28/21	1219	5%
5/30/15	6/5/15	899	7%	6/1/19	6/7/19	1022	7%	5/30/20	6/5/20	930	6%	5/29/21	6/4/21	1250	6%
6/6/15	6/12/15	1088	8%	6/8/19	6/14/19	623	4%	6/6/20	6/12/20	1033	7%	6/5/21	6/11/21	1529	7%
6/13/15	6/19/15	1269	10%	6/15/19	6/21/19	1350	9%	6/13/20	6/19/20	1305	9%	6/12/21	6/18/21	1749	8%
6/20/15	6/26/15	1413	11%	6/22/19	6/28/19	1518	10%	6/20/20	6/26/20	1618	11%	6/19/21	6/25/21	1744	8%
6/27/15	7/3/15	1538	12%	6/29/19	7/5/19	1800	12%	6/27/20	7/3/20	1692	12%	6/26/21	7/2/21	1849	8%
7/4/15	7/10/15	1469	11%	7/6/19	7/12/19	1757	11%	7/4/20	7/10/20	1580	11%	7/3/21	7/9/21	1755	8%
7/11/15	7/17/15	1647	12%	7/13/19	7/19/19	1706	11%	7/11/20	7/17/20	1614	11%	7/10/21	7/16/21	1962	9%
7/18/15	7/24/15	1763	13%	7/20/19	7/26/19	1881	12%	7/18/20	7/24/20	1708	12%	7/17/21	7/23/21	2013	9%
7/25/15	7/31/15	1671	13%	7/27/19	8/2/19	1712	11%	7/25/20	7/31/20	1731	12%	7/24/21	7/30/21	2072	9%
8/1/15	8/7/15	1641	12%	8/3/19	8/9/19	1602	10%	8/1/20	8/7/20	1614	11%	7/31/21	8/6/21	2016	9%
8/8/15	8/14/15	1346	10%	8/10/19	8/16/19	1402	9%	8/8/20	8/14/20	1474	10%	8/7/21	8/13/21	1969	9%
8/15/15	8/21/15	994	8%	8/17/19	8/23/19	1023	7%	8/15/20	8/21/20	1181	8%	8/14/21	8/20/21	1761	8%
8/22/15	8/28/15	695	5%	8/24/19	8/30/19	852	6%	8/22/20	8/28/20	673	5%	8/21/21	8/27/21	1348	6%
8/29/15	9/4/15	598	5%	8/31/19	9/6/19	580	4%	8/29/20	9/4/20	926	6%	8/28/21	9/3/21	702	3%
9/5/15	9/11/15	553	4%	9/7/19	9/13/19	251	2%	9/5/20	9/11/20	823	6%	9/4/21	9/10/21	975	4%
9/12/15	9/18/15	380	3%	9/14/19	9/20/19	290	2%	9/12/20	9/18/20	703	5%	9/11/21	9/17/21	878	4%
9/19/15	9/25/15	342	3%	9/21/19	9/27/19	253	2%	9/19/20	9/25/20	773	5%	9/18/21	9/24/21	927	4%
9/26/15	10/2/15	372	3%	9/28/19	10/4/19	246	2%	9/26/20	10/2/20	663	5%	9/25/21	10/1/21	828	4%
10/3/15	10/9/15	414	3%	10/5/19	10/11/19	307	2%	10/3/20	10/9/20	578	4%	10/2/21	10/8/21	746	3%
10/10/15	10/16/15	210	2%	10/12/19	10/18/19	285	2%	10/10/20	10/16/20	529	4%	10/9/21	10/15/21	726	3%
10/17/15	10/23/15	295	2%	10/19/19	10/25/19	141	1%	10/17/20	10/23/20	461	3%	10/16/21	10/22/21	563	3%
10/24/15	10/30/15	223	2%	10/26/19	11/1/19	133	1%	10/24/20	10/30/20	358	2%	10/23/21	10/29/21	375	2%
10/31/15	11/6/15	103	1%	11/2/19	11/8/19	99	1%	10/31/20	11/6/20	109	1%	10/30/21	11/5/21	202	1%
11/7/15	11/13/15	52	0%	11/9/19	11/15/19	89	1%	11/7/20	11/13/20	210	1%	11/6/21	11/12/21	224	1%
11/14/15	11/20/15	46	0%	11/16/19	11/22/19	65	0%	11/14/20	11/20/20	102	1%	11/13/21	11/19/21	217	1%
11/21/15	11/27/15	98	1%	11/23/19	11/29/19	76	0%	11/21/20	11/27/20	330	2%	11/20/21	11/26/21	405	2%
11/28/15	12/4/15	100	1%	11/30/19	12/6/19	175	1%	11/28/20	12/4/20	324	2%	11/27/21	12/3/21	358	2%
12/5/15	12/11/15	16	0%	12/7/19	12/13/19	23	0%	12/5/20	12/11/20	113	1%	12/4/21	12/10/21	82	0%
12/12/15	12/18/15	18	0%	12/14/19	12/20/19	36	0%	12/12/20	12/18/20	96	1%	12/11/21	12/17/21	72	0%
12/19/15	12/25/15	49	0%	12/21/19	12/27/19	104	1%	12/19/20	12/25/20	126	1%	12/18/21	12/24/21	138	1%
12/26/15	1/1/16	47	0%	12/28/19	1/3/20	80	1%	12/26/20	1/1/21	105	1%	12/25/21	12/31/21	149	1%
Club		12884	97%	Club		14754	96%	Club		14177	97%	Club		20912	94%
POA		369	3%	POA		671	4%	POA		410	3%	POA		1354	6%

Year-to-year comparison in these numbers must also consider that the Club restricted credit card use in 2021, requiring payment only via the amenity card, thus increasing the number of amenity cards issued. The numbers also reflect the months in 2020 when the Town was closed to most rental activity.



**Section 10**  
**Impact of Preserve Seabrook’s Proposed Caps on STRs**

The Petitioners are calling on Town Council to cap the number of issued rental permits at 5% for single-family residential zoned districts and at 20% for other residential districts (multi-family, cluster homes, and townhomes) within the Town.

Petitioners claim that they do not want to eliminate STRs or the ability of property owners who currently rent their properties from continuing to do so. The Petitioners propose that current rental permits be grandfathered, with conditions.

The Committee notes that the proposed caps would in effect prevent any new rentals on the island for years. As one realtor reported to the Committee, this “would be catastrophic for home sales.” (See Section 6.)

Here is a summary of the current breakdown of STR units as of March 31, 2022, plus the total reduction necessary (via attrition) to get down to the cap that was put forth in the petition:

Current STR Permits		
Property Type	# Permitted	% of Developed Lots/Units
Single-Family	129	10.8%
Other Residential	388	33.0%
<b>Total</b>	<b>517</b>	<b>21.9%</b>

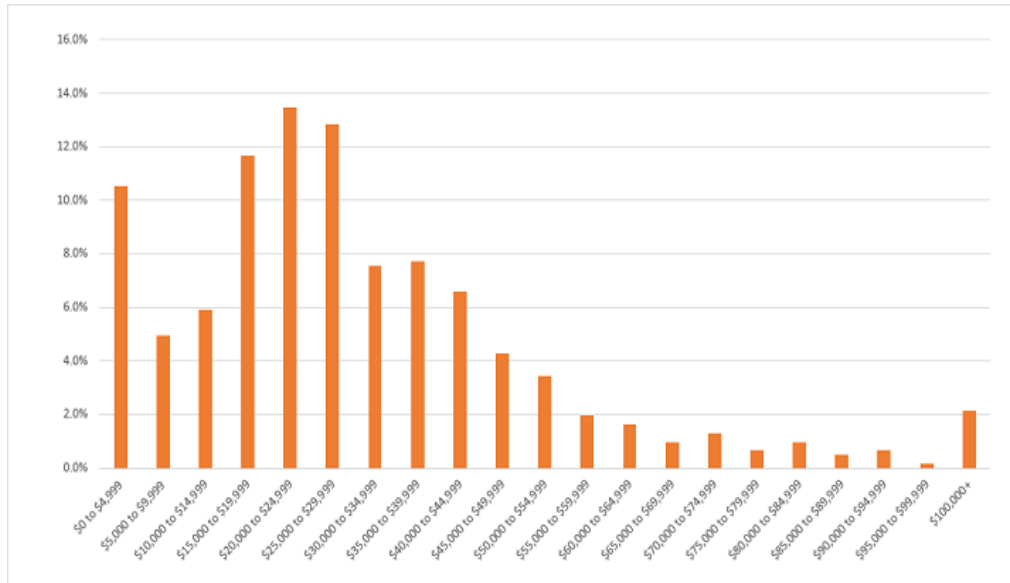
STR Cap (Petition)		
Property Type	# Allowed	% of Developed Lots/Units
Single-Family	60	5.0%
Other Residential	235	20.0%
<b>Total</b>	<b>295</b>	

Reduction Necessary to Get to STR Cap **		
Property Type	# Reduced	% Reduction from Current
Single-Family	-69	-53.5%
Other Residential	-153	-39.4%
<b>Total</b>	<b>-222</b>	<b>-42.9%</b>

\*\* As proposed in the petition, existing STR permits would be “grandfathered.” Therefore, the reduction in STR units would be accomplished over time by attrition (e.g. when the owner of a “grandfathered” STR unit fails to renew a permit on time or when a “grandfathered” STR unit is sold to a new owner). If the caps were to be imposed as stated in the petition, the Town would not issue a single new STR permit unless and until the number of STR units first drops below the 5% or 20% cap, as applicable.

## Breakdown of Gross Income for STR Properties

2020 Business License Year (n=603)



Here is the business license data for STRs for the 2021 license year:

- The Town has issued a total of 603 business licenses over the course of the year to 546 “unique” addresses. Some addresses have multiple licenses due to a sale (i.e. a license was issued to the former owner, the property was later sold, and another license was subsequently issued to the new owner).
- Due to revocations and cancellations over the course of the year (due to non-reported property transfers and owners who reported that they stopped renting during the year), the Town has 517 “current” STRs as of March 31, 2022. A “current” STR has an active business license and STR permit and can legally be rented; it does not necessarily mean that it is actively being rented.
- Among the 603 licenses issued, the reported gross annual income ranged from a low of \$0 to a high of \$171,537.
- The median gross income reported on all STR business licenses was \$25,039; the average was \$30,469.
- The Town issued “base” licenses to 9 STR properties with \$0 in reported or projected income. Most of these licenses have been processed since the petition was received in the fall. Anecdotally, most (if not all) of these came from people who have no current plans to rent but are fearful of losing the ability to do so if the petition’s cap proposal is successful.
- Note: A business license is based on “gross” income and not “net” income. It does not account for the costs associated with operating/maintaining a rental property (such as a mortgage, interest, taxes, insurance, fees, management company expenses, maintenance/repairs, cleaning, depreciation, Club dues, etc.)

**Summary of Average, Median and Total Gross Income for STR Units  
Including the Town's Total Business License Collections (by property type) 2021**

<b>Property Type</b>	<b>Gross Income AVERAGE</b>	<b>Gross Income MEDIAN</b>	<b>Gross Income TOTAL</b>	<b>Business License Revenue</b>
R-SF1 (Single-Family/Large Lot)	-----	-----	-----	-----
R-SF2 (Single-Family/Medium Lot)	\$48,374.54	\$41,715.48	\$5,563,071.74	\$27,977.50
R-SF3 (Single-Family/Small Lot)	\$43,641.66	\$45,319.32	\$1,309,249.88	\$6,799.50
R-CL (Cluster Home)	\$24,493.12	\$24,791.00	\$2,326,846.53	\$15,128.40
R-TH (Townhome)	\$24,377.04	\$21,559.15	\$2,925,244.40	\$19,148.00
R-MF (Multi-Family/Condo)	\$25,643.94	\$23,906.50	\$6,205,833.28	\$39,705.50
<b>Total (All Properties)</b>	<b>\$30,448.91</b>	<b>\$25,025.05</b>	<b>\$18,330,245.83</b>	<b>\$108,758.90</b>

As the number of STRs is decreased by attrition to get to the 5% and 20% caps proposed by the Petitioners, Town staff projects the direct revenue loss to the Town would be as follows:

- \$48,000 per year in business license revenue
- \$56,000 per year in STR permit revenue
- \$164,000 per year in State ATAX revenue
- \$33,000 per year in County ATAX revenue
- A total of \$301,000 in lost revenue per year, or about 16% of total general and restricted fund revenues.

The Committee notes that the above projections do not take into account the following:

- The significant reduction in rental properties will indirectly impact revenues for the Club, local restaurants, management companies, cleaning companies, and other businesses. These losses are difficult to project and are not accounted for in the numbers above.
- While the Town's revenues will take a significant hit, the Town's enforcement demands will remain relatively unchanged. If more owners move to illegal rentals, enforcement costs may actually rise. (Based on what the Committee heard from property owners who rent and why they invested in their vacation/retirement home (Section 6), the Committee would not expect Seabrookers to follow the national trend, but according to Granicus research, without proper enforcement, nationwide less than 10% of STR owners voluntarily register and comply with local regulations.)
- If the Town is faced with losing \$300,000 per year, all evening and weekend code enforcement officers would need to be eliminated. And considering that the majority of the beach patrol budget is funded by revenues from accommodation taxes, the contracted beach patrol season and hours would have to be substantially reduced unless another source of funding could be found. Since the Town has no tax levy, there are limited sources of alternative revenue.

## **Section 11**

### **STR Impact on Infrastructure and Amenities**

Repeatedly mentioned in the Petitioners' discussion about STRs is their claim that too many rental guests are stressing, overrunning, and abusing the island's security, infrastructure, and amenities. The Committee sought to dig deeper than the prevailing anecdotal stories.

#### **Gate House**

The near constant complaint made to the Committee has been over the perception that illicit visitors are coming through the Gate (perhaps by the hundreds at times by some accounts told to the Committee) as guests of short-term renters who can call in an unlimited number of passes. The Committee notes that even property owners opposed to any STR cap would comment on the Gate House, suggesting that fixing problems there would address most of the dissatisfaction over rental activities.

The Gate House is under SIPOA's jurisdiction. The Town has no authority to dictate procedures for access through the Gate. The Committee believed, however, that talking to SIPOA about issues at the Gate – and the Committee did so several times – was necessary to its full understanding of how rental activities are impacting the island and to ensure that this report tries to address the whole spectrum of issues raised in its meetings with stakeholders.

It is clear to the Committee that there have been problems with procedures at the Gate, including the handful of days that there have been long backups sometimes stretching up Seabrook Island Road. But at the same time, it is obvious that there are also widespread misperceptions about the degree to which Gate House problems contribute to parking problems, visitors on the beach, or any stress on the island's amenities.

The Committee knows from its meetings that SIPOA has been researching traffic numbers and patterns through the Gate, exploring solutions to legal issues and procedural hurdles, and developing plans for the near future. Those research numbers are SIPOA's to share and explain, and the changes SIPOA is planning to implement at the Gate are for SIPOA to announce. The Committee only wishes to acknowledge SIPOA's work, its search for solutions, and its willingness to discuss the issues with the Committee.

#### **Infrastructure (Water and Sewer)**

Petitioners claim short-term rentals are stressing and overrunning the capacity of the Seabrook Island Utility Commission, using water and sewer for which they do not pay their fair share.

The Committee asked the Chair of the Seabrook Island Utility Commission (SIUC) to comment on this claim. Her response was NO, short-term renters, do not have a significant impact on utility operations and the system's capacity. And she noted that the owners of the rented properties pay for utilities like any other Seabrook property owner. If owners do not pass on those costs via their rental rates for the property, that is not a problem for the Town or SIUC to resolve.

The capacity of SIUC to provide water and process sewage is gauged against the number of households and business structures both within the Town and provided via long-standing contracts outside the Town's limits. It is not gauged against a population count at any point in time. In answer to the Committee's question, the explanation was offered that if, hypothetically, you could completely empty the town (households) by half or more and measure the demands on

the system and then add back in those empty households, there would be a difference seen in utilization. But on a week-to-week, month-to-month, basis, the number of people on the island, including rental visitors, is not the cause of any capacity issues.

It is true that SIUC does need to upgrade and expand its operations, and there will be a significant cost associated with those improvements. Needed changes and expansions are directly related to the age of the utility, the planned build-out of the Town, and contractual obligations executed long before the Town acquired the utility plant in 1996.

And it is also true that water and sewer rates have increased recently, but the Committee notes the reasons for the increase in the December 31, 2021, letter from the Utility Commission:

“The water usage rate will increase in January from \$4.37/1000 gallons to \$5.00/1000 gallons. This increase includes a pass-through rate increase from St. Johns Water. In addition, the usage increase is driven by inflation related materials costs, employee costs and an acceleration of service line replacement projects. The water base fee, \$24.55 per month, will not increase.”

For background, and an understanding about the age of the utility and how longstanding obligations drive capacity issues, the Committee notes that construction of the island’s permanent water and sewage treatment plant began nearly 50 years ago, in 1974, by the resort developer. The plant was sold to Heater of Seabrook in 1988, which was a subsidiary of Minnesota Power and Light. A long, nasty legal battle between the Town and Heater was initiated in 1994 because of extraordinarily high-rate increases imposed by Heater; that legal battle lasted until an agreement was reached for the Town to acquire Heater of Seabrook’s assets in 1996.

### **Club and SIPOA Amenities**

The Committee notes that the Town has jurisdiction over the beach (from the high-water mark seaward), but does not control access via the boardwalks, nor does the Town provide for or fund any of the amenities (pools, golf courses, tennis courts, playground, restaurants, etc.).

The Town has NO authority to dictate how the Seabrook Island Club governs memberships or allows access to its amenities. The Town also has NO authority over how SIPOA regulates access to the Lake House, manages the Oyster Catcher pool and building, or how it maintains the boardwalks and establishes beach parking.

Nevertheless, the Committee sought to be as thorough as possible in its STR review and to understand how and to what degree rental guests, staying in Town permitted STRs, are impacting both the Club and SIPOA. The Committee looked at several metrics to measure renters’ activities and the impact those activities have on the ability of both resident and nonresident property owners to access those amenities.

The Committee notes that a Town permitted STR does not arbitrarily allow access for its guests to the amenities at the Seabrook Island Club. Access is controlled by the Club, not conveyed by the Town rental permit, and the Club’s controls only give rental guests access to the Club if the rental property has a Club membership for which the joining fee was paid, and monthly dues are current. Rental guests must have an amenity card (for which there is a fee) and then “pay to play and eat” at guest rates that are higher than members’ rates.

As of the date of this report, there are approximately 2698 properties in the Town; the Club reported to the Committee that as of March 2022, there are 2207 properties on the island with memberships. The two companies managing the majority of rental properties on the island do not accept clients who do not have Club memberships in good standing. For those properties without a Club membership, STR guests may only access SIPOA’s Lakehouse with an amenity card and for which there is a fee.

Perhaps some of the most telling statistics about rental guest use of amenities is looking at golf play. Despite comments that “you could not get on the course because of renters,” the Committee notes that rental guest play remained statistically constant, with the second year of the pandemic (2021) having some impact – consistent with the trending the rental management companies tracked. Member (non-STR) play increased during 2020-2021 with more members staying home on the island because of pandemic travel restrictions and more non-resident members being on the island to ride out the pandemic.  
(See Section 4)

2017 - 2021 Golf Rounds Data									
Year	Total Rounds	All Members & their Guests		Rental Guests		Tournaments		Other*	
2017	45674	35475	77.7%	3021	6.6%	2455	5.4%	4723	10.3%
2018	44222	35540	80.4%	2998	6.8%	2084	4.7%	3600	8.1%
2019	46601	37072	79.6%	3352	7.2%	2375	5.1%	3802	8.2%
2020	60005	52718	87.9%	3749	6.2%	735	1.2%	2803	4.7%
2021	69779	57884	83.0%	6505	9.3%	1950	2.8%	3440	4.9%
Total	266281	218689	82.1%	19625	7.4%	9599	3.6%	18368	6.9%

\*Other = Club Corp, Tee Time Book, Employee Comp., Comp Round, Employee Guest, Real Estate Guest, Wedding, Private Club Network, Friend of Seabrook

The Club’s tennis stats from the same period offer a similar conclusion – members accounted for the vast majority of court usage against rental usage:

Racquet Sports Usage Comparison 2020 vs 2019							
2021 vs 2020 vs 2019 thru June 30							
Court Usage	2021 YTD	2020 YTD	2019 YTD	2021 vs 2020	% Change	2020 vs 2019	% Change
Court Fees Community	643	1,013	784	(370)	-57.54%	229	29.21%
% of Total	6.4%	10.1%	8.3%				
Court Fees Child Community	27	24	46	3	11.11%	(22)	-47.83%
% of Total	0.3%	0.2%	0.5%				
Court Fees Guest of Member	242	333	215	(91)	-37.60%	118	54.88%
% of Total	2.4%	3.3%	2.3%				
Court Fees Rental	888	425	474	463	52.14%	(49)	-10.34%
% of Total	8.9%	4.2%	5.0%				
Member Court Usage	9,282	8,238	7,958	1,044	11.25%	280	3.52%
% of Total	92.5%	82.1%	84.0%				
<b>Total Court Usage (No PB)</b>	<b>11,082</b>	<b>10,033</b>	<b>9,477</b>	<b>1,049</b>	<b>9.47%</b>	<b>556</b>	<b>5.87%</b>
Total League visits	1,015	52	219	963	94.88%	(167)	-76.26%
Pickleball	4,301	1,562	1,815	2,739	63.68%	(253)	-13.94%
<b>Total Court Usage</b>	<b>16,398</b>	<b>11,647</b>	<b>11,511</b>	<b>4,751</b>		<b>136</b>	
<i>Data from Laura Ferreira</i>							
<i>Director of Racquet Sports</i>							

Future capacity of the island’s amenities in light of the island’s growing population is an issue that must be addressed by SIPOA and the Club, not Town Council. Discussions about whether past governing boards and management of those organizations did not make correct long-range planning decisions is the proverbial “water under the bridge” and does not move the community forward. The Committee prefers to acknowledge that in researching the impact of STRs across the island, it was given the clear impression that both SIPOA and the Club are fully engaged, committed, and determined to maintain the Seabrook Island lifestyle by enhancing and expanding their amenities and exploring all options to meet the demands of a growing community.

### Seabrook Island’s Roads

The Committee was often told that too many renters equate to the faster deterioration of Seabrook Island roads, for which only residents will eventually have to pay.

There are 27.5 miles of roadway behind the gate that are owned and maintained by SIPOA. Once a car crosses the Land Fall Way intersection and drives through the gate, the Town has no jurisdiction over road maintenance. The Town also has no jurisdiction over how SIPOA assesses properties under its jurisdiction, but the Committee notes that all developed properties, whether having a Town-issued rental permit or not, are assessed the same and contribute to SIPOA’s operational budget.

In its attempt to be thorough, the Committee turned to information from SIPOA’s GOMC (General Operations and Maintenance Committee) and found no evidence in its extensive reports (available on SIPOA’s website) that suggests passenger car traffic attributable to renters is adding any significant stress to the island’s roads. While vehicle traffic does add stress overtime, roads deteriorate for a

number of reasons – age, materials used, weather, maintenance, etc. The Committee did note in its review of the GOMC reports reference to the wear and tear generated by property owners: “It is estimated that around 40% of the vehicles on Seabrook are contractor vehicles, such as from landscaping or maintenance crews. This is a relatively high number for residential roads, which is significant because heavier vehicles cause more stress on asphalt than cars.”

### **STR Accommodation Taxes (ATAX)**

The discussion about the impact of STR guests on island amenities must include the revenue flow STRs generate for the Town and how those revenues, although restricted in their use, benefit the community.

Taxes required to be paid by STRs include a state accommodation tax (2%) and a county accommodation tax (2%) based on the gross receipts collected. (STRs are also required to pay a state sales tax of 8%.)

Although state law allows for it, the Town of Seabrook Island does not currently collect an additional 1% accommodation tax. Of note to the Committee, the Town of Kiawah Island does.

While the Town does not fund any of the physical amenities on the island, it does use its ATAX revenues to sponsor the July Fourth Fireworks display. This year, 2022, it will also use accommodation monies to bring the Charleston Symphony Orchestra to the island for an afternoon, outdoor concert. Accommodation taxes are also the majority source of funding for Beach Patrol.

The Committee notes that better compliance with the business license/rental permit requirements (See compliance discussion in Section 9), means better compliance by property owners in collecting the required accommodation taxes, resulting in increased revenues for the Town. The Committee notes here, however, that compliance was not the only reason for the significant increase in accommodation tax revenues in 2021 – guest-occupied nights did increase (See Section 4), and also rental rates were raised several times in the last two years as per information from property managers.



## FY 2022 Budget Summary (All Funds)

	GENERAL FUND	RESTRICTED FUNDS				DESIGNATED FUNDS				TOTAL
	GENERAL FUND	STATE ATAX FUND	COUNTY ATAX FUND	ALCOHOL TAX FUND	ARPA FUND	EMERGENCY FUND	ROAD & DRAINAGE FUND	TOWN FACILITIES FUND	VEHICLE REPLACEMENT FUND	TOTAL COMBINED (ALL FUNDS)
TOTAL REVENUES	\$ 1,508,295	\$ 318,500	\$ 45,000	\$ 3,020	\$ 464,239	\$ -	\$ -	\$ -	\$ -	\$ 2,339,054
TOTAL EXPENDITURES	\$ 1,446,833	\$ 315,500	\$ 45,000	\$ 10,000	\$ 464,239	\$ -	\$ 150,000	\$ 60,000	\$ -	\$ 2,491,572
REVENUES OVER (UNDER) EXPENDITURES	\$ 61,462	\$ 3,000	\$ -	\$ (6,980)	\$ -	\$ -	\$ (150,000)	\$ (60,000)	\$ -	\$ (152,518)
OTHER FINANCING SOURCES (USES)										
Transfers In (Out)	\$ (1,025,000)	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 750,000	\$ 160,000	\$ 15,000	\$ -
TOTAL OTHER FINANCING SOURCES (USES)	\$ (1,025,000)	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 750,000	\$ 160,000	\$ 15,000	\$ -
NET CHANGE IN FUND BALANCE	\$ (963,538)	\$ 3,000	\$ -	\$ (6,980)	\$ -	\$ 100,000	\$ 600,000	\$ 100,000	\$ 15,000	\$ (152,518)
EST. FUND BALANCE, BEGINNING OF YEAR *	\$ 2,294,324	\$ 84,245	\$ 2,479	\$ 25,339	\$ 464,260	\$ 2,107,609	\$ 593,667	\$ 250,000	\$ 36,000	\$ 5,857,923
EST. FUND BALANCE, END OF YEAR	\$ 1,330,786	\$ 87,245	\$ 2,479	\$ 18,359	\$ 464,260	\$ 2,207,609	\$ 1,193,667	\$ 350,000	\$ 51,000	\$ 5,705,405

## FY 2022 State ATAX Fund Summary

		FY 2019 ACTUAL	FY 2020 ACTUAL	FY 2021 BUDGET	FY 2022 BUDGET
<b>REVENUES</b>					
7002	State ATAX (30%)	\$ 56,029	\$ 56,966	\$ 46,500	\$ 100,500
7003	State ATAX (65%)	\$ 121,395	\$ 123,425	\$ 100,750	\$ 217,750
7004	Interest Income	\$ -	\$ 938	\$ 750	\$ 250
	<b>TOTAL REVENUES</b>	<b>\$ 177,424</b>	<b>\$ 181,329</b>	<b>\$ 148,000</b>	<b>\$ 318,500</b>
<b>EXPENDITURES</b>					
8001	Tourism Related Expenditures (65%)	\$ 118,039	\$ 56,966	\$ 188,750	\$ 215,000
8002	Tourism Promotion (30%)	\$ 56,029	\$ 86,351	\$ 46,500	\$ 100,500
	<b>TOTAL EXPENDITURES</b>	<b>\$ 174,068</b>	<b>\$ 143,316</b>	<b>\$ 235,250</b>	<b>\$ 315,500</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>		<b>\$ 3,356</b>	<b>\$ 38,012</b>	<b>\$ (87,250)</b>	<b>\$ 3,000</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
	Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 3,356</b>	<b>\$ 38,012</b>	<b>\$ (87,250)</b>	<b>\$ 3,000</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<b>\$ 130,127</b>	<b>\$ 133,483</b>	<b>\$ 171,495</b>	<b>\$ 84,245</b>
<b>FUND BALANCE, END OF YEAR</b>		<b>\$ 133,483</b>	<b>\$ 171,495</b>	<b>\$ 84,245</b>	<b>\$ 87,245</b>

ATAX revenues are considered "restricted" funds. SC state law is very specific about how cities and counties can spend state accommodations tax revenue. The first \$25,000 must be deposited into the Town's general fund, then 30 percent of the balance must be allocated to a qualifying fund for the exclusive use of tourism advertising. The Town makes that payment to the Charleston Area Convention & Visitors Bureau, a 501(c)(6) not-for-profit destination marketing organization (DMO) that meets the requirements of state law. The remaining balance of accommodations tax revenue must be used for tourism-related expenditures as defined in SC Code Section 6-1-530.

## **Overall Economic Impact**

The Petitioners have repeatedly argued that the economic impact of rental activity on the island is grossly overblown, overvalued, and not a point for discussion. The Committee notes the following from the Town's 2019 Comprehensive Plan:

### **Part 4.2: BACKGROUND AND INVENTORY OF EXISTING CONDITIONS**

In 2016, at the request of the Town, five MBA students from the Citadel Graduate School of Business prepared an Economic Impact Study for the Town. The study, prepared under the oversight of two MBA Program professors, utilized two previous economic impact studies as reference tools, and an "insightful tour of its many amenities, commercial centers, residential neighborhoods, and multiple staff teams that work for the island," to document and further detail the value that Seabrook Island brings to the Charleston Area. The executive summary of this study concludes that "the economic impact of Seabrook Island, and their permanent and seasonal residents, is immeasurable and has increased significantly since the previous study was performed in 1996, with a combined economic impact of almost \$344 million supporting over 4,800 jobs." The Town believes these numbers to be conservative, as because of the time of year the study was put together, it understated the economic impact of the many summertime visitors who vacation on Seabrook Island.

The economic activities associated with the Town of Seabrook Island are not only linked to the overall regional economy, they are also closely associated with the economic vitality of SIPOA, SIC, and SIUC. While each of these three Seabrook Island entities maintain revenue streams and incur costs that are exclusive of the Town, the overall economic success of the community is very much dependent upon the individual financial viability of all four entities. This relationship and financial dependence is recognized by each of the entities. For example, new Seabrook Island property owners become members, and are subject to the rules and regulations of the SIPOA, including the requirement that they also become members of SIC for a specific period of time. The dues associated with this requirement represent an important revenue stream for SIC. Similarly, one routine action identified in SIPOA's Comprehensive Plan is to "continue to look for opportunities to reduce cost and redundancy with the Town and SIC by sharing operations."

## **Section 12 The Externalities**

The term “externalities” is used to describe issues that a property could impose on its neighbors, be it a rental property or a property occupied by its owners. The Committee notes that these are the issues the Petitioners most often mention when making claims that STR activity is “ruining their quality of life” on Seabrook Island.

Only some of these issues fall under the Town’s jurisdiction, but the Committee believes they are addressed by either Town ordinance and SIPOA’s rules and regulations. The point the Committee would like to make is that putting an immediate and strict cap on rental permits will not resolve any of these issues should they surface at any property.

### **Beach Towels on Deck Railings**

This is not a Town issue or relevant to a property owner obtaining a rental permit. However, if this is an issue that someone finds disruptive of the island lifestyle, it is addressed in SIPOA’s rules and regulations, which “prohibit beach towels, bathing suits and other clothing from being draped over the exterior railings of homes and villas,” whether occupied by the owner, the owner’s guests, or renters.

### **Beach Parking**

This is SIPOA’s issue. Perhaps it is a stretch to call beach parking an externality, but possibly it is if a property owner cannot find a beach parking spot during the island’s peak season. The Committee notes that it knows of no neighboring beach-front community, whether imposing STR limits or not, that does not have beach parking issues during peak season.

### **Littering and Trash**

General littering on the island and individual properties is covered under SIPOA’s rules and regulations. If a property with a Town-issued rental permit has trash or debris littered about the property, the problem does fall under the general maintenance provisions of the Town’s STR ordinance. How trash receptacles are stored on a property and the rules for placing and removing the receptacles for trash pick-up are covered by SIPOA rules.

### **Noise, Loud Music, Disruptive Behavior**

The Town does not have a noise ordinance; this is an issue addressed by SIPOA. Its rules and regulations prohibit the “playing of audio equipment ... in a manner that disturbs the privacy or quiet enjoyment of occupants of neighboring residences.” Individual regimes are allowed to enact their own, stricter policies. SIPOA also has code-of-conduct rules: “Personal interactions among people within the SID must be conducted with proper decorum. If conduct deteriorates to the point of being belligerent, hostile, harassing, threatening, or combative in nature, such conduct shall constitute a violation of these Rules and Regulations subjecting the violator(s) to sanctions and assessments.”

### **Overcrowding**

The Town imposed maximum occupancy limits (Ord. No. 2020-14) for properties obtaining a rental permit: Two per bedroom plus two for properties with less than 2500 square feet of living space; two per bedroom plus four for properties over 2500 square feet; both limits excluding children under two years of age in the occupancy count. Square footage and bedroom count are based on Charleston County property tax records.

The Committee notes that it heard complaints that the occupancy limits are too generous and do not apply during the day, leaving no regulatory mechanism to limit exceptionally large daytime gatherings or parties. (Ord. No. 2020-14 reads, “All short-term rental units shall be subject to maximum occupancy limit during the overnight hours.”) The Committee believes amending the STR ordinance to define “overnight” may also prove helpful

### **Parking**

A broad spectrum of parking issues is addressed by both the Town and SIPOA. The Committee spent a great deal of time in 2020 researching the parking rules included in the STR Ord. No. 2020-14. Those rules are explained in the rental packet that must be, by ordinance, provided to all renters. (The complete rental packet is available to view on both the Town’s and SIPOA’s websites. SIPOA also requires distribution of information about its rules.)

The parking provisions in Ord. No. 2020-14 were drafted to supplement and complement SIPOA’s parking regulations. The Town’s parking rules are clear and basic — don’t park in a no-parking area or against traffic; don’t block a fire hydrant; don’t block emergency vehicles; don’t block a neighboring driveway or intersection; don’t park on a lawn, sidewalk, or path.

The Town’s STR ordinance only requires that a rental property have at least one off-street parking space available, but it places no restrictions on the number of cars that may be parked at an STR. The Committee notes that this is an area of aggravation when driveways at single-family homes look like a parking lot. While this situation can surface at both non-rental and rental properties, the Committee is concerned that it could be a more frequent occurrence at rental properties compared to those properties not rented.

Research does indicate that clearly advertised occupancy limits (given time to take hold in the ad market) may limit the number of cars that are brought to a rental property and should SIPOA more strictly regulate gate passes for rental properties in the near future, this issue may resolve itself. The Committee concludes, however, that further controls on parking (i.e. # of cars) in the STR ordinance could be helpful.

SIPOA, as well as some individual regimes, have additional parking rules in place, and those rules may be more restrictive than those imposed by the Town (they cannot, however, be less restrictive). SIPOA cannot enforce parking in areas it does not own, such as on private streets, cul-de-sacs, and parking lots. Also of note, there are areas of the Town outside the gate and SIPOA’s jurisdiction where the parking restrictions in Ord. No. 2020-14 are applicable.

### **STR Management**

The Committee believes the Town’s STR ordinance put in place strong controls for managing an STR property, addressing the externalities, responding to maintenance emergencies, and ensuring the property owner and management company are held accountable for irresponsible renters. Key is the Town’s requirement that a property with a rental permit must have a local contact who resides within 50 miles of the property and is able to respond within 2 hours of receiving notice.

In reviewing the implementation of this requirement, however, the Committee concludes that the ordinance could be amended to ensure even a higher level of responsiveness when problems arise at a rental property.

Designated 24-hour Contact for all Active STR Units

Property Type	Agent	Owner	Other	# STR
Single-Family (R-SF1, R-SF2, R-SF3)	112	2	15	129
Other Residential (R-CL, R-TH, R-MF)	280	28	81	389
<b>Total (All Types)</b>	<b>392</b>	<b>30</b>	<b>96</b>	<b>518</b>

Property Type	Agent	Owner	Other
Single-Family (R-SF1, R-SF2, R-SF3)	86.8%	1.6%	11.6%
Other Residential (R-CL, R-TH, R-MF)	72.0%	7.2%	20.8%
<b>Total (All Types)</b>	<b>75.7%</b>	<b>5.8%</b>	<b>18.5%</b>

- An “agent” is generally a professional management company, such as Coastal Getaways, Seabrook Exclusives, Vacasa, etc.
- The “owner” may serve as the local contact if they meet the residency criteria. For example, some owners may live full-time on Seabrook Island, or elsewhere in the Charleston region.
- If the owner does not meet the residency criteria and does not use a management company, under the current ordinance, they may designate another person, such as a friend, family member, neighbor, etc. who does meet the residency criteria and authorize that “other” person to serve as their local contact.

To summarize this data:

- There are currently (April 15, 2022) 518 “active” STR units in the town.
  - The term “active” only means that the unit has a STR permit and business license. It does not necessarily mean that it is actively being rented or offered for rent; only that it can be rented.
- Three-quarters of all active STRs (75.7%) use a professional management company.
  - This number is higher for single-family homes (86.8%) and slightly less for multi-family homes (72.0%).
  - Condos are least likely to use a management company (67%).
  - Single-family homes within regimes and associations (the Village, Hidden Oaks, etc.) are most likely to use a management company (92.9%).

### **Section 13**

#### **Operating a “Business” Behind the Gate**

The Petitioners have repeatedly presented to the Committee and to Town Council their argument that an STR is a business not allowed by SIPOA’s governing documents, and that the Town is complicit in allowing the violations by issuing business licenses for rental properties.

SIPOA’s regulations have no control over the Town’s zoning decisions, and STRs are permitted as a conditional use of property under the Town’s Development Standards Ordinance, §5.20.30.

The Committee notes that any argument over the interpretation of SIPOA’s covenants, rules and regulations, or any other governing document of the association is not in any way a Town issue. However, the Committee believed that it was important to its thorough and complete review of the Petitioner’s concerns to meet with SIPOA regarding this issue.

The Committee is confident in SIPOA’s explanation that STRs are not precluded by its documents, but are, in fact, acknowledged and/or implied throughout. To argue otherwise would fail to acknowledge 40 years of history where rentals have been allowed and recognized as a property right. The Committee sees no reason to further detail the argument, but to reference the statement from SIPOA’s outside counsel:

*"South Carolina law has specific rules that govern the interpretation of restrictive covenants, and neither zoning ordinances, IRS or SC department of revenue regulations, nor any other governmental rules are part of the legal analysis for covenant interpretation. From the standpoint of the [SIPOA] restrictive covenants, the rental of the properties on Seabrook Island is a use that is residential in nature. Additionally, SIPOA’s rules and regulations address the fact that property rentals are permitted on the island."*

The Committee concludes that should the Petitioners want to pursue this argument, they should do so with SIPOA, but the Committee believes this is not an issue on which to make any recommendation to Council.

## **Section 14**

### **The Committee's Conclusions**

After two years of working on the short-term rental issue, including spending the last five months focused on reviewing the claims raised by the Preserve Seabrook group, the STR *Ad Hoc* Committee concludes:

- 1) The COVID-19 pandemic had a significant impact on how property owners utilized their properties during 2020-2021 and on the source and number of people on the island booking STRs. There is no method for determining if the last two years are the exemption or the new normal. It would be unwise to make policy decisions on that uncertainty, especially decisions that may impact property rights, significant monetary investments, and the economic underpinnings of the Town.
- 2) Seabrook Island was planned and developed from the onset with a certain number of residential homesites (both multi-family and single-family), and it was inevitable that those homesites would eventually be built out with a resulting increase in the number of people on the island. US Census data confirms not only overall population growth, but an increase in the number of full-time residents, indicating that more people present on the island cannot be blamed solely on increased short-term rental activity.
- 3) The Town took a significant step in 2020 with the enactment of an ordinance placing basic regulations on short-term rentals for the first time. With those regulations being in place for only one year, and the Town's enforcement capabilities only now hitting full stride, there has not been sufficient time to gauge the effectiveness of that ordinance. The Town should have that information before acting to significantly expand regulations that would risk property values, disenfranchise some property owners while others continue to benefit from their rentals, and impact the economies of the island. There are, however, changes to the ordinance that could be made now that would serve to clarify and enhance its original intent.
- 4) It is not the Town's responsibility to identify, fund, or resolve any shortcomings in the amenities maintained by SIPOA or the Club, and even if the Town were to implement the immediate STR permit caps put forth by the Preserve Seabrook group, it would not end any current dissatisfaction over the utilization of those amenities.
- 5) The research does not support the Preserve Seabrook group's claim that there is "uncontrolled growth of short-term rentals." (See page 19) The number of properties offered for rent, both short- and long-term has increased but not at a pace statistically out of step with the growth of development on the island, and not inconsistent with the percentage of rentals present throughout the community's history.
- 6) The research indicates that the Petitioners' demand for an immediate 5% cap on rental permits for single-family zoned districts would be inappropriate considering the island's history, growth, and development; would be unduly punitive and disruptive on real estate sales; and a possible violation of property rights. The proposed cap would require such a drastic reduction in allowed rental permits that even with a grandfathering clause, the cap proposal would close off even current long-term property owners from renting their property in the future if financial/health/family situations arise and necessitate the use of their property as a rental.

- 7) While data from recent years indicates that there has not been a disproportionate increase in the number of short-term rental units, especially in single-family areas, experience is not always indicative of future results. While concerns about property rights and values must still be weighed against any major policy shift, placing a realistic limitation on the growth of STRs may be in the best interest of the Town, its residents, and all Seabrook Island property owners. Additionally, as a result of the numerous discussions that were held with a variety of stakeholders, there are several amendments to the existing STR ordinance that should be considered in an effort to address some of the more common complaints.



## Section 15 Recommendations to Town Council

Notwithstanding all the data reviewed, the Committee is sensitive to the concerns of those Seabrookers who are unhappy with the growth and change they are witnessing on their island. Although short-term renters should not bear the blame for their dissatisfaction, and although much of the tension is being driven by misperceptions and misinformation, the Committee recognizes that the rental/resort element of the community does have an impact, especially during the peak summer season, and therefore, the Committee recommends to the following:

- 1) Imposing a 20% cap on short-term rental permits available to single-family residential zoned districts (R-SF1, R-SF2, R-SF3). This cap would be equivalent to that imposed by the Town of Kiawah Island.

While trends in rental activity and increasing owner-occupancy rates in single-family areas indicate that this 20% cap likely will not be exceeded, the recommended cap will provide a backstop against any significant, unexpected changes to rental trends in the future.

Enactment of the 20% cap should incorporate a “grandfather” provision to ensure that the rights of existing STR permit holders (as of the effective date of any cap) are not adversely impacted by the imposition of a cap, provided those properties renew on a timely basis and remain in good standing with the Town.

In noting the intent of the Town’s STR Ord. No. 2020-14, specifically those provisions for basic safety and minimizing impacts on neighboring properties, the Committee recommends immediate amendments to clarify and enhance those provisions by:

- 2) Requiring non-resident property owners to use a local rental management company if they do not live within 50 miles of their property. The Committee believes this would provide for a more timely and knowledgeable response if and when problems arise at a rental property. This would allow the Town’s code enforcement officers to be more familiar with a property’s management and remove some of the obstacles in dealing with properties only listed via online platforms. The provisions in the current ordinance allow the property owner to designate a local contact (neighbor, friend, house cleaner, etc.), but that has proven unworkable, with some designees not even knowing they have been made the local contact and/or not always available to respond to a call.
- 3) Limiting the number of vehicles which may be parked at a STR during the overnight hours (and define overnight as 11pm to 7am).
- 4) Implementing a maximum occupancy outside of the current overnight hours limit to provide an enforcement mechanism/tool in the event there are large groups or parties taking place within an STR, particularly during the day and early evening hours.
- 5) Requiring that renters must comply with evacuation orders.

While actual complaints about rental properties – complaints made to both the Town and SIPOA -- over the last year have been few, the Committee supports the Town’s emphasis on enforcement and recommends:

- 6) Continuing to engage with SIPOA to establish a more coordinated system of responding to any complaint if and when a problem does surface at a rental property.

- 7) Establishing a complaint portal on the Town’s website to report violations of the STR ordinance.

The Committee believes there are also administrative changes Town Council should adopt as soon as practical to help monitor rental activity; manage the permitting, licensing, and record-keeping process; and provide another revenue stream to help respond to the seasonal population influx:

- 8) Increasing the Annual Short-Term Rental Permit Application Fee
  - The Town of Seabrook Island is currently at \$250 per unit.
  - Kiawah charges \$500 per unit.
  - Isle of Palm bases their fee on income; fees range from \$350 to \$925 per unit.
  - Folly Beach does not currently charge for a rental permit; the pending recommendation is to implement an annual fee of \$1,000 for 4% properties and \$2,000 for 6% properties.
- 9) Hiring a Short-Term Rental Compliance Manager
  - This would be a new position.
  - The primary duties will be to find and enforce unlicensed STRs and properties advertising in violation of town ordinance, conduct STR inspections, provide day-to-day enforcement activities, process applications and record-keeping

In listing the options that follow, the Committee points out that they are but **possibilities** to discuss and further flush out with stakeholders, and they are made with **no endorsement from the Committee at this time**. The Committee believes that the Town’s STR ordinance, with robust enforcement, needs to be allowed more than one year to establish its impact before such major policy changes are undertaken. The Committee also believes that Council should take special care not to impose STR regulations that pit residents against non-residents without a very real and data driven need for that policy decision.

- a. Consider amending the maximum occupancy requirement to place a hard cap on the overall number of people who can be present overnight at a rental property, no matter the number of bedrooms or square footage of the property.
- b. Considering limiting the number of vehicles which may be parked at a rental unit (e.g. one per bedroom with the guarantee that at least two vehicles be allowed per unit).
- c. Consider limiting how many days per week or weeks per year a property may be rented.
- d. Rather than having one type of STR permit, consider establishing multiple “classes” of permits, each with different requirements on when and how often the property could be rented during the year (e.g. peak versus non-peak). Each class would carry different requirements and application fees.
- e. Consider imposing a minimum length-of-stay, especially in cluster homes, townhomes, and condo properties to reduce the turnover frequency of rental guests.
- f. Consider implementing an additional 1% Local Accommodations Tax. Although not related to the STR cap issue *per se*, it would provide an additional revenue stream to offset costs related to serving “visitors” during peak season when both renters and non-residents are adding to the island’s population.

- g. Consider amending the nuisance provisions of the town code to regulate noise, trash, bikes, beach equipment, etc. If adopted this would not be an STR regulation, but a general ordinance of the town that would apply uniformly to all properties. (This option would come with a substantial enforcement cost.)
- h. Consider, as an alternative to the 20% cap recommended in #1 above, implementing a more refined cap based on the occupancy status of various property classes (e.g. legal residences versus nonlegal residences). **See Addendum G** for examples of various alternatives for capping the number of STRs in the Town.

**Section 16**  
**Addendum A**  
**The Preserve Seabrook Letter and Petition**

Dear Neighbors,

We are a growing group of neighbors who see Seabrook Island changing and desire to preserve the quality of life that this unique island offers us. While some change is inevitable and necessary to survive and grow, this change is a threat to what makes "our home" a distinctive place to live. Our concerns center on the **uncontrolled growth of short-term rentals**, especially on streets where there are many full-time and private residential properties. We aim to retain a reasonable offering of properties that can be rented by guests who love to visit and vacation on our beautiful island, while ensuring Seabrook does not gradually morph into a resort community.

Data provided by the Town of Seabrook Island shows there are nearly 500 resort properties on Seabrook, with 20% in residential neighborhoods. Many of these have popped up over the last year or so. These properties plus those in regimes are permitted by the Town to have almost 3500 occupants per week, not including small children. In residential areas, the average resort property is approved for 11 occupants, plus underage children. These short-term rentals constitute 31% of all the resort guests. In areas governed by regimes, the average max capacity is 6, plus underaged children. As a means of comparison, according to census estimates, there are about 1900 residents who call Seabrook their home, and there are roughly 2100 members of the Seabrook Island Club. While we realize not all rental properties run at 100% occupancy all the time, we are experiencing an influx of resort guests not only during peak seasons but during off-seasons as well, as exposure of our special island increases through word of mouth, entertainment streaming, and social media.

The Town's new Short-Term Rental (STR) ordinance that took effect this year requires rental properties must be under permit from the Town and also requires adherence to occupancy limits and the advertising of such limits. Today resort properties range in capacity from 4 to 16 guests, plus underage children, depending on bedrooms and building size.

We believe adding a cap on the number of resort properties on Seabrook would protect the unique qualities of our island while allowing revenue generated through rental properties to continue to flow back to the Town through state and county accommodation taxes that the renters pay. (Neighboring Kiawah Island adopted a similar ordinance in 2019, which went into effect in 2020, and applied limitations to short-term rental businesses.)

We are concerned that the Town's short-term rental ordinance also undermines the current protections we have in Seabrook's Zoning Ordinance for Single Family Residential (SFR) Zone which states:

1. **To provide for quiet, low-density neighborhoods;**
2. **To discourage unwarranted encroachment by prohibiting commercial uses and to prohibit other uses which would interfere with the development or continuation of single-family uses;**
3. **To discourage nonconforming uses; and**
4. **To discourage uses which would generate traffic on minor streets other than required to serve residences on those streets.**

We might add, these protections are also at risk by the Town considering eliminating these provisions in the recently proposed changes to the zoning ordinances.

To respond to these concerns, a citizen's petition is gathering signatures that asks the Town to place a single question on the November 2, 2021 ballot. Do voters support:

- ***Affirming the current Single Family Residential zoning protections in any future zoning changes;***
- ***Establishing a cap on the maximum number of short-term rental licenses to 5% of developed properties within the residential areas as defined below; however, on the streets in these residential areas having greater than 20 developed properties, there shall be a cap of 5% of all developed properties on each street (included in this area are properties currently zoned Single Family Residential and the following regimes - Hidden Oaks, Marsh Creek, North Beach Village, St. Christopher Oaks, and the Village at Seabrook);***
- ***Establishing a maximum 20% licensing cap on the total number of developed lots/properties for the rest of the Town;***
- ***Permitting any applicable properties holding a valid short-term rental license to be grandfathered and included in the licensing cap, unless the short-term rental property owner fails to renew his/ her license by the required date or ceases to operate in an area of where the number of short term rentals exceed the caps;***
- ***Not issuing new permits in those instances where the licensing cap is exceeded because of grandfathered properties, or for any other reason that keeps the number of short-term rental properties above the cap;***
- ***Prohibiting the transfer of short-term rental licenses to the subsequent owner(s) of the property, with the exception that intra-family property transfers can include the transfer of the short-term rental license for that property, provided it is not a sale of the property; and***
- ***Affirming neighborhoods, governed by regime covenants, having the authority to establish more restrictive caps or to prohibit short-term rentals in their regimes (the current regimes in this category include Haulover Point and Marsh Point)?***

These proposals, if approved by voters and implemented by the town, would impose NO ADDITIONAL REQUIREMENTS on owners of short-term rentals. **Furthermore, 20% of the properties in Seabrook are currently short-term rentals, and 20% will remain so if the Town Council approves the cap.** We are simply asking to halt the growth of short-term rentals in your neighborhood and across Seabrook, and restore the balance between those of us who reside in our homes and those who operate a business by renting their properties over a period of years.

Dissenting voices will claim that a cap on short-term rentals will cause property values to fall and will hurt the finances of the Town, the Club, and SIPOA. Besides having no evidence to support these claims, simply consider the areas of Kiawah, Mt. Pleasant, Isle of Palms, and many other communities which have enacted caps and are seeing record real estate sales and rising values AFTER enactment. Put another way, if the future value of our homes or the financial viability of the Town, The Club, and SIPOA hinges on having more short-term rental properties next to our homes, we are at risk of seeing our community forever changed.

**We need your help NOW!** There are three things you can do to help preserve the uniqueness of Seabrook Island:

1. If you are a Seabrook Island property owner, **sign the petition asking the Town to put the matter on the ballot** and search "**Preserve Seabrook: It's Our Home**" to locate the online petition.
2. Attend the Town Council meeting on September 28th on Zoom and express your support for the request.
3. When this proposal **gains the approval of the Mayor and Council and is placed on the November ballot, registered voters should vote in FAVOR** advising the Mayor and Council what we want them to do for Seabrook.

If you have any questions or suggestions, please send an email to [preserveseabrook@gmail.com](mailto:preserveseabrook@gmail.com). We promise a quick and thoughtful response.

Thank you in advance for your support of this ballot initiative.

Sincerely,

Paul & Susan McLaughlin  
Lisa Duckworth  
Vince & Sharon Schiavoni  
Joe Bertucci  
Deb Lehman  
Ted Flerlage  
Terry Little  
And many others....

**Addendum B**  
**Preserve Seabrook Petition Signers**

Once the petition was officially submitted to Council, these names became part of the public record:

<b>Name</b>	<b>Address</b>
Marianna J. Price	1009 Embassy Row Way
Derek Fyfe	1014 Embassy Row Way
Dean Goodwin	1110 Heather Island Lane
Sherri Goodwin	1110 Heather Island Lane
Elizabeth R. Zahrn	1116 Summerwind Lane
Debra K. Lehman	1127 Summerwind Lane
Jay I. Lehman Jr.	1127 Summerwind Lane
Patricia Knowles	1140 Turtle Watch Lane
Susan Ferland	1188 Oyster Catcher Court
Helene DeCandia	1242 Creek Watch Villas
Stephen DeCandia	1242 Creek Watch Villas
James R. Sporn	1404 Nancy Island Drive
Monique B. Sporn	1404 Nancy Island Drive
Donna Lefevre	1408 Nancy Island Drive
Robert Lefevre	1408 Nancy Island Drive
Robin Aaron	1500 Lady Anna Court
Ian Millar	1508 Lady Anna Lane
Joy Millar	1508 Lady Anna Lane
Cindy Mulligan	1735 Live Oak Park
Donna J. Miller	1736 Live Oak Park
Linda Ligenza	1809 Landfall Way
J.G. Saver	2032 Sterling Marsh Lane
Constantine Constandis	2060 Sterling Marsh Dr
Anne Upton-Constandis	2060 Sterling Marsh Lane
Brian Kirchoff	2107 Landfall Way
Tracey Kirchoff	2107 Landfall Way
Douglas Hurd	2116 Loblolly Lane
Lee Hurd	2116 Loblolly Lane
Gary Kunkelman	2116 Royal Pine Drive
Katherine Kunkelman	2116 Royal Pine Drive
Tiffany Lyn Thompson	2121 Royal Pine Drive
Robert Oltmanns	2135 Landfall Way
Spencer Clary	2138 Landfall Way
Caroline Leonard	2139 Landfall Way
Holly Loving	2259 Seabrook Island Road
James Mark Loving	2259 Seabrook Island Road

LTR

Roger Steel	2290 Marsh Hen Drive
Vivian Steel	2290 Marsh Hen Drive
Linda Benyo	2339 Andell Way
Alan Bernstein	2340 Marsh Hen Drive
Jeffrey Pompe	2348 Andell Way
Kathleen Pompe	2348 Andell Way
Dee Colquitt	2356 Andell Way
Julian Colquitt	2356 Andell Way
Delbert R. Kahn	2375 Seabrook Island Road
Kathleen A. Kahn	2375 Seabrook Island Road
Joseph Berttucci	2381 Golf Oak Park
Ronnell T. Berttucci	2381 Golf Oak Park
Lynne Richards	2400 Cat Tail Pond
Ernest L. Johnson	2415 Andell Way
Joan Johnson	2415 Andell Way
Kristine Wilson	2418 Racquet Club Drive
Glen Cox	2420 Cat Tail Pond
Karin King	2420 Cat Tail Pond
Linwood Metts	2435 Bateau Trace
Lure Lea Metts	2435 Bateau Trace
Joanne Lewis	2440 Cat Tail Pond Road
Ann Demetruk	2460 The Haul Over
David Demetruk	2460 The Haul Over
Carol Price	2500 Clear Marsh Road
Michael Price	2500 Clear Marsh Road
Dieter H. Lantin	2535 Seabrook Island Road
Heidi Lantin	2535 Seabrook Island Road
Martha Penkhus	2556 Clear Marsh Road
Stephen Penkhus	2556 Clear Marsh Road
Elizabeth A. Lagana	2605 Jenkins Point Road
John E. Lagana	2605 Jenkins Point Road
Jeffrey Fenton	2637 Persimmon Pond Ct
Patricia Linton	2637 Persimmon Pond Ct
Betty Maher	2670 Gnarled Pine
John Maher	2670 Gnarled Pine
Judith Bennett	2711 Old Forest Drive
Midge Fleming	2787 Little Creek Road
Melissa Shawver	2792 Little Creek Road
Charles K. Septer	2811 Old Drake Drive
Rose C. Septer	2811 Old Drake Drive
Mary Ellen Kyle	2836 Old Drake Drive



Thomas Rogers Kyle	2836 Old Drake Drive
Cathy McWilliams	2841 Captain Sams Road
Thomas McWilliams	2841 Captain Sams Road
Diane Woychick	2864 Captain Sams Road
Aldrich L. Boss	2868 Captain Sams Road
Ann-Stewart C. Boss	2868 Captain Sams Road
John Dewey	2923 Baywood Drive
Sarah Dewey	2923 Baywood Drive
Mark Andrews	2929 Baywood Drive
Melissa Andrews	2929 Baywood Drive
Joan Kearney	2938 Deer Point Drive
Andrew Ogden	2941 Seabrook Island Road
Johanna B. Tuleikis	2941 Seabrook Island Road
Laurey H. Harrell	2946 Seabrook Island Road
Wade E. Harrell	2946 Seabrook Island Road
Steven Sutton	2948 Seabrook Island Road
Susan Tory Kindley	2958 Seabrook Island Road
Lawrence Holditch	2959 Baywood Drive
Rebecca Holditch	2959 Baywood Drive
Brenda L. White	2962 Captain Sams Road
Herb White	2962 Captain Sams Road
Ron Welch	2975 Seabrook Island Road
Barry Hand	2993 Seabrook Island Road
Clarkson McLean	3009 Rascal Run Court
Richard Agresta	3021 Hidden Oak Drive
Victoria E. Agresta	3021 Hidden Oak Drive
Nancy Sanchez	3024 Seabrook Village Drive
Ray Sanchez	3024 Seabrook Village Drive
John Ellsworth	3025 Seabrook Village Drive
Kelly Ellsworth	3025 Seabrook Village Drive
John F. Bisceglia	3028 Seabrook Village Drive
Patricia Bisceglia	3028 Seabrook Village Drive
Christopher Ryan	3032 High Hammock Road
Sherry Vincent	3032 Marsh Haven
Lee L. Weber	3036 Marsh Haven
Thomas Stanek	3043 Marsh Gate Drive
Margie Ann Jones	3051 Marsh Gate Drive
Paul D. McLaughlin	3061 Baywood Drive
Susan R. McLaughlin	3061 Baywood Drive
Elizabeth M. Flerlage	3062 Baywood Drive
Theodore Martin Flerlage Jr.	3062 Baywood Drive

LTR  
LTR

James Dobson	3064 Marsh Gate Drive	
Karen Ann Rowland	3068 Baywood Drive	
Michael Rowland	3068 Baywood Drive	
Cindy Guyton	3071 Seabrook Island Road	
Donald B. Guyton	3071 Seabrook Island Road	
Denise Kotva	3092 Baywood Drive	
Gary Kotva	3092 Baywood Drive	
Holly Berry	3108 Marsh Gate Drive	
Steven Berry	3108 Marsh Gate Drive	
Margaret Wildermann	3138 Privateer Creek Road	
Richard Wildermann	3138 Privateer Creek Road	
Diane Harvey	3143 Baywood Drive	
Barbara Montagu-Pollock	3150 Privateer Creek Road	
Stephen Montagu-Pollock	3150 Privateer Creek Road	
Pat Robbins	3168 Privateer Creek Road	
Joel Kirk Pondelik	3190 Pine Needle Lane	
Nancy Lynn Pondelik	3190 Pine Needle Lane	
Amber Berry	3201 Privateer Creek Road	
Beth Ann Wright	3210 Privateer Creek Road	
Bryan P. Wright	3210 Privateer Creek Road	
Ruth Ann Henderer	3221 Privateer Creek Road	
Willard E. Henderer	3221 Privateer Creek Road	
Deborah A. Rice	3227 Middle Dam Court	
Debbie Mott	3238 Middle Dam Court	
Karen Stout	3238 Middle Dam Court	
Jo Merrill	3306 The Lookout	
Gordon Weis	3365 Coon Hollow Drive	
James W. Newton	3552 Seaview Drive	
Sally Newton	3552 Seaview Drive	
Alan Weiss	3635 Pompano Court	
Diane Weiss	3635 Pompano Court	
Conrad Kottak	3742 Amberjack Court	
Isabel Kottak	3742 Amberjack Court	
Joseph Berttucci	2381 Golf Oak Park	<i>*Duplicate</i>
Ronnell T. Berttucci	2381 Golf Oak Park	<i>*Duplicate</i>
Elizabeth Lagana	2605 Jenkins Point Road	<i>*Duplicate</i>
John Lagana	2605 Jenkins Point Road	<i>*Duplicate</i>
Sharon Mack	3053 Seabrook Island Road	<i>*Invalid Address</i>
Beth Ann Wright	3210 Privateer Creek Road	<i>*Duplicate</i>
Brian Paul Wright	3210 Privateer Creek Road	<i>*Duplicate</i>

**Addendum C**  
**Petition Opposition**

Once a comment is posted to the Town’s website comment portal or emails are sent to Town Council, they become part of the public record. As mentioned in Section 1, the Committee did not include (or count) comments from anyone asking to remain anonymous.

Patrick Aiello	Mary Jacques	Mark Razzano
Anne and Cal Aycok	Jeanna and Frank Kaulakis	John Regan
Joseph C. Baril	Jill and Dennis Karem	Lucy and Azim Sarka
Tim Beatty	Terri and Eric Kempthorn	Janey and Steve Sarniak
Peter Bogert	James Lagos	William Sax
Jill and Bill Boissonault	Terrence L. Little	Mandy Schlender
Vicki and Andy Boukydis	Mary Ann Lloyd	Michelle Scollins
Liza Boyajian	Paola and Casey Long	Max Sherman
Kristen and Paul Brennan	Amber Lynch	Wendy and Kris Sirchio
Nancy and Randy Buck	Gerald L. Lynch	Jackie and Paul Smith
Rachel Burt and Daniel	John Lyons	Julie and Michael Sowa
Loventhal	Jennifer and Rod	Ann and Mike Staed
Mary Cardello	Macdonald	Melanie and Morry
Sarah and Paul Cassidy	Karen and Rob McPherson	Steinbach
Heather and Joe Compton	Andy Malinofsky	Robyn and Rick Stickles
Linda and Barney Cornaby	Gale Marsiglia	David Sweet
Jim Cowan	Dr. and Mrs. William	Jay Tannon
Mari Kay Dobbins	Marsteller	Jack Teitsma
Wendy Donaghue	Andrea and Dan Milgate	Cherie Tibbetts
Kyle Dufresne	Deanna Mendenhall-Miller	Lisa G. Trimberger
Terri and James Edmiston	and Norman Miller	Joy and Kyle Tucci
Kathleen and Chris Ennis	Cherry and Scott	Greta Vaughan
Peggy Small Fox	McGovern	Erin Verneris
Steffen Frey	Randy Montgomery	Lisa Vellieux and Steve
Jill and Marc Friedfertig	Carole Moore	Karp
Kathy Fulton and Bill	Terri Murphy	Salvador and Lupe
Coppell	Francine Meyer	Villanueva
Laura Goepfert	Pam Nelson and Milum	Diane and Roy T. Widdus
Helen and Peter Golden	Livesay	Brian Wood
Teresa Grace	Derek Oatway	Catherine and Jay
Mary Gwyn	Mollie O’Connor	Yeomans
Virginia Hayes	Kem O’Sullivan	David Zimmerman
Maureen Healy	Kerry Palmer	
Kristi and Steve Hesse	David Paschkes	
Patricia and Phil Hite	Dorothy and John	
Gwen and Chris Imprey	Pensabene	

## Addendum D Residential Zoning

In addition to the chart below, it may be helpful to view the map of the Town with the zoning districts marked. That map (pending final approval under the new Development Standards Ordinance now before Council) can be viewed on the Town’s website.

### Zoning Transition Chart

CURRENT ZONING DISTRICTS		PROPOSED ZONING DISTRICTS		APPLICABLE AREAS/USES
<b>CONSERVATION/RECREATION DISTRICTS</b>				
<b>AGC</b>	Agricultural – Conservation	<b>CP</b>	Conservation	Greenspace Lots, SPIOA Owned Common Areas/Open Space Lots (Ponds, Buffers, etc.) & Undevelopable Marsh Lots
<b>APR</b>	Parks & Recreation	<b>RC</b>	Recreation	SIC Facilities (Beach Club, Golf Club, Equestrian Center & Racquet Club), SPIOA Facilities (Boardwalks, Boat Ramp, Community Center, Community Garden, Crabbing Dock & Lake House)
<del><b>CAMP</b></del>	<del>Agricultural – Camp</del>	<del><b>CSC</b></del>	<del>Camp St. Christopher</del>	<del>St. Christopher Camp &amp; Conference Center</del>
<del><b>AG</b></del>	<del>Agricultural – General</del>	<del>Zoning District Eliminated</del>		----
<b>RESIDENTIAL DISTRICTS</b>				
<b>SR</b>	Single-Family (43,560+ SF)	<b>R-SF1</b>	Single-Family Large Lot (43,560+ SF)	Existing & Future Single-Family Lots (≈43,560+ square foot lots)
		<b>R-SF2</b>	Single-Family Medium Lot (17,500+ SF)	Existing Single-Family Lots (≈17,500+ square foot lots)
<b>MF</b>	Multi-Family Residential	<b>R-SF3</b>	Single-Family Small Lot (6,000+ SF)	Existing Single-Family Developments (≈6,000+ square foot lots): Haulover Point Circle, Hidden Oaks, Marsh Creek, Marsh Pointe, North Beach Village, St. Christopher Oaks & Village at Seabrook
		<b>R-CL</b>	Single-Family Cluster Development	Existing Single-Family Cluster Developments: Dune Crest Villas, Duneloft Villas, Sealoft Villas, Summerwind Cottages, Tarpon Pond Cottages & Treeloft Villas
		<b>R-TH</b>	Townhome	Existing Townhome Developments: Beach Club Villas, Charlestowne Place, Creek Watch Villas, Deer Point Villas, Dolphin Pt. Townhomes, Fairway One Villas, Fiddlers Cove Villas, Golf Shore Villas, Horseshoe Cove Villas, Salt Marsh Townhomes, Shadowwood Villas, Shelter Cove Villas, Spinnaker Beach Houses & Wedgewood Villas
		<b>R-MF</b>	Multi-Family	Existing Multi-Family/HPR Developments: Atrium Villas, Bay Pointe Villas, Bohicket Marina Villas, Center Court Villas, Chateau by the Green, Courtside Villas, Heron Point Villas, High Hammock Villas, Live Oak Villas, Marsh Walk Villas, Ocean Wind Villas, Pelican Watch Villas & Racquet Club Villas
<b>SUPPORT DISTRICTS</b>				
<b>CRO</b>	Commercial-Retail/Office	<b>LC</b>	Limited Commercial	Landfall Way (SPIOA Admin Office, Seabrook Island Real Estate, Lowcountry Executive Center & Village Center), Future MUSC Site
<b>GOV</b>	Government Property	<b>CF</b>	Community Facilities	Town Hall, SIUC Facilities & St. Johns Fire District Station #2
<b>LI</b>	Light Industrial	<del>Zoning District Eliminated</del>		----
<b>MIXED USE DISTRICTS</b>				
<i>New Zoning District</i>		<b>MU</b>	Marina Mixed Use	Bohicket Marina & Marketplace
<b>OVERLAY DISTRICTS</b>				
<i>New Zoning District</i>		<b>SIR</b>	Seabrook Island Road Overlay	Seabrook Island Road: Long Bend Drive to Betsy Kerrison Parkway

## **Addendum E**

### **Papers Presented to the Committee by the Petitioners**

The Petitioners presented the Committee with two studies that they promote as “facts” validating their claims that short-term rentals are ruining the nature of Seabrook Island, lowering property values, and destroying quality of life.

Contrary to the charges made publicly and repeatedly by the Petitioners about the Committee, these reports were not simply dismissed. To the contrary, they have been read and reread, an author contacted, and their applicability to the Town of Seabrook Island studied and discussed.

While the Petitioners have pulled sentences out of these reports to “make their case,” the Committee looked at the reports in whole and chose not to pull sentences or phrases out of context.

#### **Paper I**

*The economic costs and benefits of Airbnb*

*No reason for local policymakers to let Airbnb bypass tax or regulatory obligations*

*Report by Josh Bivens, January 30, 2019*

*Economic Policy Institute, Washington, DC*

*Summary: Analysis shows that the costs of Airbnb expansion to renters and local jurisdictions likely exceed the benefits to travelers and property owners. Thus there is no reason policymakers should reverse long-standing regulatory decisions simply to accommodate the rise of a single company.*

First, the Committee notes that this paper was published pre-COVID-19 and, thus, includes no analysis of whether the significant disruption the pandemic caused in economies would change its theories and conclusions.

Dr. Bivens’ paper is introduced with a reference to internet-based service firms (IBSFs) and the heated debate on whether they are good for the overall economy. His paper aims to add to the debate by testing theories about their costs and benefits. *“Specifically, it assesses the potential economic costs and benefits of the expansion of one of the most well-known of the IBSFs: the rental business Airbnb.”*

The paper discusses the displacement of hotel jobs (job quantity and quality suffer), as a cost of Airbnbs. But other than the boutique hotel (Andell Inn at Freshfields), the nearest hotel (Sanctuary Resort) is nearly 20 miles away. Seabrook Island STRs actually create jobs and sustain a local rental management industry, including Coastal Getaways, whose owners live within the Town and invest in the community.

Further, the paper considers whether the presence of Airbnb STRs raises housing costs, particularly by displacing long-term rentals for lower-wage workers, but that is not an issue applicable to Seabrook Island. The Committee was offered no evidence of any long-term rentals on the island being displaced directly by the short-term market. Right or wrong, the long-term rental price point on the island historically has not been conducive to attract hourly and lower-wage workers. There are no apartment buildings against which Airbnb STRs compete (and

apartment buildings and mobile homes as referenced in the paper have never been allowed within the security gate under the Town's zoning ordinance so are not going to drop into an island neighborhood now).

As for STRs lowering property values, the boom in real estate sales over the last two years, with prices nearly doubling in some of the most heavily STR populated regimes, indicates any actual or perceived rental activity is not driving down sales or property values.

And the paper's concern about special tax and zoning treatment being extended to Airbnbs is not applicable. No STR, no matter through what means or platform the rental is arranged, has been or is allowed to avoid the Town's zoning laws, disregard the business license and rental permit requirements, or avoid paying the county and state sales and accommodation taxes.

The Committee reviewed the cost-benefit findings from the paper's analysis and found only one that could be applicable to rental activity in the Town of Seabrook Island. The highlighted sentence is that used by the Petitioners, and it is printed here in the context of the entire paragraph.

*A further potential cost is the externalities that property rentals (of all kinds) impose on neighbors, for example, noise and/or use of building facilities. Since hosts are often not on-site with their renters, they do not bear the costs of these externalities and hence may not factor them into rental decisions. Of course, one could argue that such externalities are also incurred with long-term rentals not arranged through Airbnb. But if the expansion of Airbnb increases total short- and long-term rental activity, or if short-term rentals impose larger externalities than long-term rentals, then Airbnb expansion can increase these externalities.*

The Committee notes that this reference to "externalities" are addressed in both the Town's STR ordinance and SIPOA's rules. It is another discussion about whether, how, and to what extent rules are being effectively enforced, but the Committee found intent from both the Town and SIPOA to reduce impacts on neighboring properties of any problem rentals/renters. It is acknowledged that there have been (and could be) at times problems at rental properties, but if the reporting records are at all telling, those problems have been few and associated with a limited number of rental properties.

And contrary to the assumption from the Dr. Bivens' paper, owners do "bear the costs" of "externalities" as under the Town's ordinance they are liable. (Ord. No. 2020-14)

And finally, the Committee notes that only using Airbnb as a standard for evaluating the impact of rental activity on Seabrook Island as the Petitioners do by citing this paper (and also by claiming via posts in social media that Airbnb record profits indicate out-of-control STRs in Seabrook), ignores how our local properties are managed and rented. Owners who have elected to put their property on the short-term rental market (even for one night during the year) do so through various companies, both online and local, and some list on multiple sites.

And, unlike any reference in Dr. Bivens' paper, all rentals on the island, even those booked through Airbnb, must have a local contact, be it the property owner or a designated person or

agent, who must reside within fifty (50) miles of the rental property and be available to respond within two (2) hours of receiving notification of an emergency, alleged violation, or inspection request.

The chart that follows is the end-of-year 2021 snapshot of the “Designated Agents” and number of properties managed (out of 521 total licenses). Four companies were managing a total of 369 STRs in the town. This represents 70.8% of all permitted STRs, and 93.2% of STRs with a Management Co. Many of those properties were advertised on Airbnb, but the IBSF was not dominating or controlling the rental activity.

Year-end 2021 review of property management:

Name	#	%
Akers Ellis Rentals	1	0.2%
Bhani Maker Simon	2	0.4%
Coastal Getaways	214	41.1%
Dunescree Properties LLC	1	0.2%
ESPM Vacation Rentals	1	0.2%
Gamble Home Services	2	0.4%
Heather Byrd	1	0.2%
iTrip Vacations Charleston	1	0.2%
Kiawah by Owner	1	0.2%
MS Services	1	0.2%
Reliable Property Managers	1	0.2%
Sandpiper Management	7	1.3%
Sea Oats Vacation Property Management	2	0.4%
Seabrook Exclusives	79	15.2%
Seabrook Property Managers	3	0.6%
Sweetgrass Properties	18	3.5%
TurnKey Vacation Rentals	3	0.6%
Vacasa South Carolina LLC	58	11.1%
No Agent	125	24.0%
<b>Total</b>	<b>521</b>	<b>100.0%</b>

And finally, while the Petitioners have cited this article on multiple occasions to show a conclusive negative relationship between short-term rentals and local real estate values. The committee notes that several of the studies referenced in this article found the exact opposite to be true:

- **Merante and Horn (2016):** ‘...each 12 Airbnb listings per census tract leads to an increase in asking rents of 0.4 percent.’
- **Barron, Kung, and Proserpio (2018):** ‘...a 10 percent increase in Airbnb listings in a ZIP code leads to a 0.42 percent increase in ZIP code rental prices and a 0.76 percent increase in house prices.’

- **Sheppard and Udell (2018)**: *'...a doubling of Airbnb activity within a tight geographic zone surrounding a home sale is associated with a 6 to 11 percent increase in sales prices.'*
- **Wachsmuth et al. (2018)**: *'...a 1.4 percent increase in NYC rents from 2015 to 2017 due to Airbnb's expansion in that city.'*



## **Paper II Submitted to the Committee by the Petitioners:**

*Not In My Neighborhood: The Effects of Residential Rentals on Single-Family Home Values*

*Keith Ihlanfeldt*

*Department of Economics and Devoe Morre Center*

*Florida State University*

*May 2019*

*Abstract: Single-family homeowners have long expressed a distaste for residential rentals in their neighborhood based on a belief that rentals will adversely affect neighborhood quality and lower house values. Prior study on this issue is thin and has not been able to establish causality from correlation. In this paper, I utilize a twelve-year panel of neighborhoods from the Miami, Florida metropolitan area to study the impacts that four different types of rentals have on the values of single-family homes. Causality is more firmly established in comparison to previous research by estimating house value models that include time and neighborhood fixed effects and that treat the rentals as endogenous variables. My results show that, regardless of the type of rental, adding an additional rental unit to the neighborhood or increasing its neighborhood share at the expense of single-family owner-occupied homes, lowers home values, especially if the rental unit is of lower quality.*

Once again for this report to Council, the Committee notes that this study was published in May 2019, pre-COVID19, and thus takes no account of the economic impact of the pandemic in the paper's equations, indexes, logarithms, housing variables, etc. used to evaluate rental impacts on home values (referenced as the Housing Price Index or HPI in the study).

The Petitioners presented the study with highlighted sentences (as they did with the first study), so again the Committee must point out that these sentences are used in their STR discussion out of context of the overall study. For example, the highlighted sentence (as per the Petitioners' submission) below included in context, references a study done in Texas in 1984-86, for which the Committee questions the applicability to Seabrook Island 30-plus years later.

*Wang et. al. (199) provided the first evidence on the impact of the SF rentals on the value of SF home values. Their sales transactions came from SF home subdivisions in San Antonio, Texas, covering the years 1984-1986. They measured proximity to SF rentals as the percentage of rentals among the closest five and eight homes. They found that if a house is surrounded by two rental properties out of the closest five houses or three rentals out of the closes eights houses the selling price would decrease by 2 percent, ceteris paribus.*

Further the Committee notes this study focused on limited tracts/neighborhoods in the Miami metropolitan area, using Florida property tax reports, home-sales data, and other base variables that date back to 2002 and before. The Committee found no correlation in the neighborhoods described in Miami to Seabrook Island nor to 2020-2022 real estate sales and rental activity on the island.

The study looks at rentals in general, including properties that are classified as apartments, condominiums, mobile homes, or single-family. That is the reference in the abstract (*regardless of the type of rental*). It is not a study of short-term rentals. The study discusses the impact those different types of rental properties have when encroaching on single-family neighborhoods.

Since the Town's zoning does not allow such encroachment, the study fails to correlate to rental activity on the island and property values.

The study includes a strong focus on the impact rentals may have on crime, and in turn property values, but crime is not an issue in this context on Seabrook Island. And the study suggests that indicators show that maintenance (and lower quality properties) are influencing property values not necessarily the presence of rentals. So again, the Committee did not find the study applicable to its review of issues on Seabrook Island.

Notwithstanding that overall the Committee found the information in this study to be extraneous to its research, nor does the Committee want to repeat the error of lifting sentences out of context, the Committee does note these sentences in the conclusions that the Petitioners did not highlight or share: *The hope is to find the source of the negative spillover effects produced by rental housing and reduce or eliminate them with appropriate interventions that do not exclude rentals from SF neighborhoods. In previous research we have found that rentals help integrate neighborhoods both racially and socially; hence they should remain a housing option within most neighborhoods.*

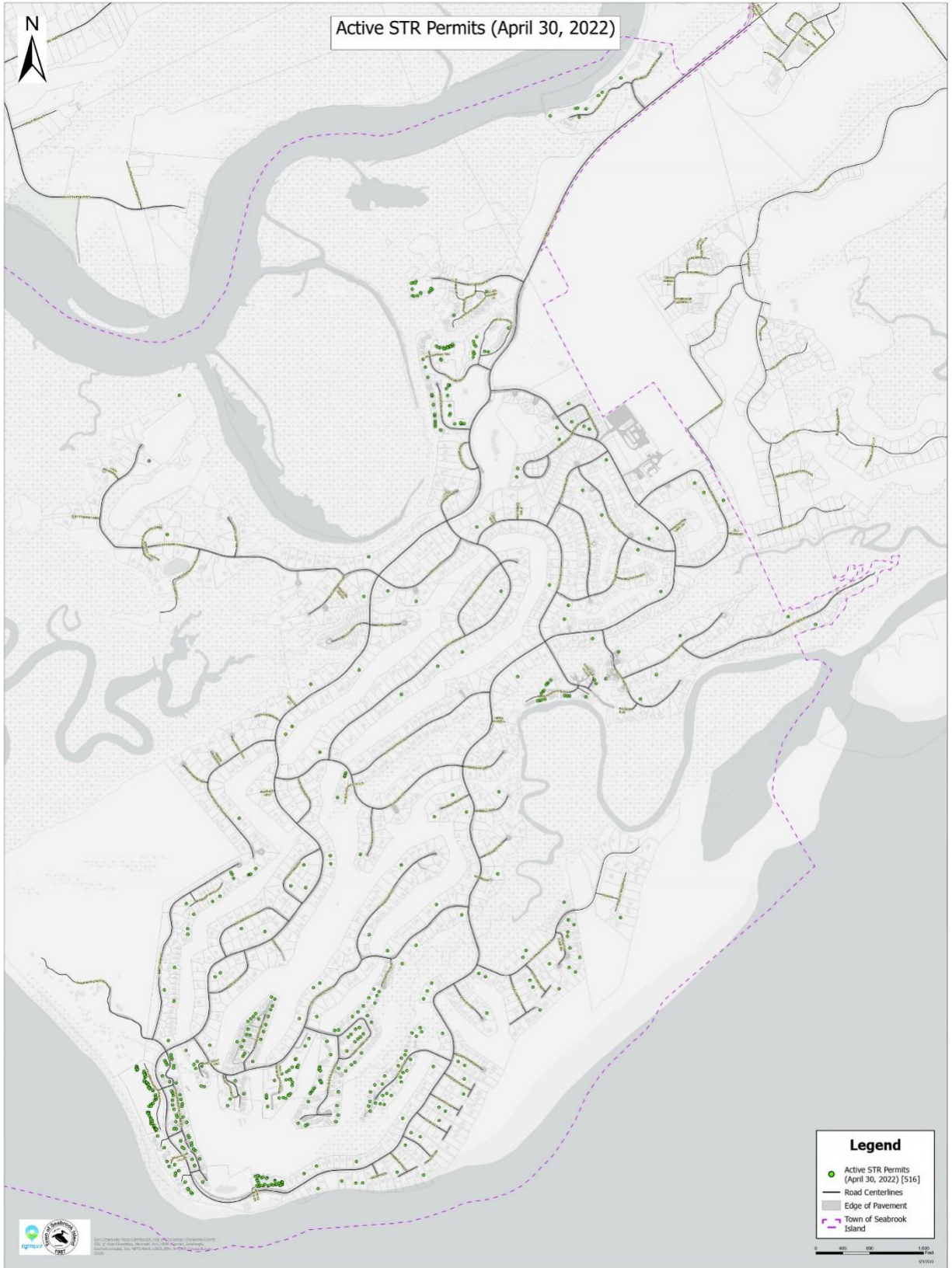
## **Addendum F STR Maps**

The *Active STR Permits (April 30, 2022)* map on the next page shows all the active STR permits as of April 30, 2022, which was the end of the 2021 permitting year. Each property that had an active permit on that date is indicated with a green dot.

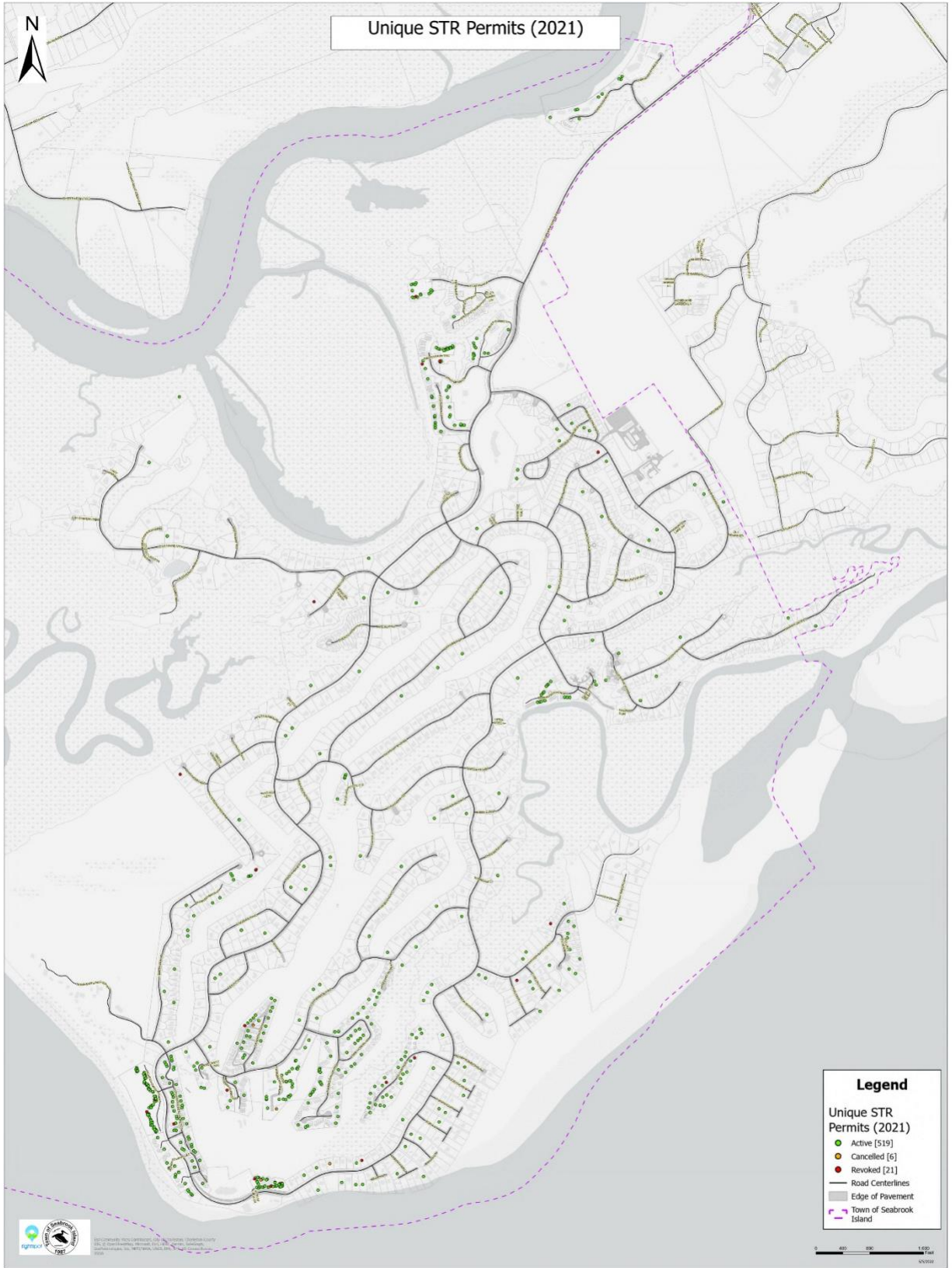
The second map, *Unique STR Permits (2021)*, shows all the unique properties that had an STR permit at some point during the 2021 license year. Each property is color coded based on its status as of April 30, 2022. If the property had an active permit as of that date, it will have a green dot. If the permit was cancelled prior to then and was no longer active, it will have an orange dot. If the permit was revoked prior to then and was no longer active, it will have a red dot.

(See definitions of the above terminology on page 22.)

These maps indicate that the STRs were highly concentrated town-wide in the multi-family areas. In the single-family districts and most STRs were located in close proximity to the beach.







**Addendum G**  
**Policy Options for Possible Future Consideration by Council**  
**Presented to the Committee by Town Staff**

**STR Policy Option #1: No Cap as per the current STR ordinance**

Zoning District	General Provisions
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	No cap: no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	No cap: no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law

**Maximum STRs Allowed Per Policy**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	1,151 (100.0%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	1,171 (100.0%)
<b>Total</b> (All Districts)	2,322 (100.0%)

**Actual STRs Permitted (2021)**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	129 (11.2%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	390 (33.3%)
<b>Total</b> (All Districts)	519 (22.4%)

**Policy Option #2: As Proposed by the Preserve Seabrook Petition Cap All Single-Family at 5% & Multi-Family Units at 20%**

Zoning District	General Provisions
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	<b>Capped at 5% of developed lots</b> ; no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	<b>Capped at 20% of developed lots</b> ; no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law

**Maximum STRs Allowed Per Policy**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	1,151 (100.0%) <b>57 (5.0%)</b>
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	1,171 (100.0%) <b>234 (20.0%)</b>
<b>Total</b> (All Districts)	2,322 (100.0%) <b>291 (12.5%)</b>

**Actual STRs Permitted (2021)**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	129 (11.2%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	390 (33.3%)
<b>Total</b> (All Districts)	519 (22.4%)

**Policy Option #3: As recommended by the Committee (Section 15), Cap all single-family units at 20% (as does the Town of Kiawah Island)**

Zoning District	General Provisions
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	<b>Capped at 20% of developed lots;</b> no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	No cap, no limit on number of days the unit may be rented; legal residence may retain 4% assessment if the unit is rented no more than 72 days per year per S.C. Law

**Maximum STRs Allowed Per Policy**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	1,151 (100.0%) <b>230 (20.0%)</b>
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	1,171 (100.0%)
<b>Total</b> (All Districts)	2,322 (100.0%) <b>1,401 (60.3%)</b>

**Actual STRs Permitted (2021)**

Zoning District	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	129 (11.2%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	390 (33.3%)
<b>Total</b> (All Districts)	519 (22.4%)



**Policy Option #4: Cap Non-Legal Residence Single-Family Units at 30%**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	No cap, units may not be rented more than 72 days per year	<b>Capped at 30% of developed lots</b> ; no limit on number of days the unit may be rented
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	No cap, units may not be rented more than 72 days per year	No cap, no limit on number of days the unit may be rented

**Maximum STRs Allowed Per Policy**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	635 (100.0%) <i>*Max. 72 days</i>	<del>516 (100.0%)</del> <b>154 (30.0%)</b>	<del>1,151 (100%)</del> <b>789 (68.5%)</b>
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	256 (100.0%) <i>*Max. 72 days</i>	915 (100.0%)	1,171 (100.0%)
<b>Total Residential</b> (All Districts)	891 (100.0%) <i>*Max. 72 days</i>	<del>1,431 (100.0%)</del> <b>1,069 (74.7%)</b>	<del>2,322 (100%)</del> <b>1,960 (84.4%)</b>

**Actual STRs Permitted (2021)**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	19 (3.0%)	110 (21.3%)	129 (11.2%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	17 (6.6%)	373 (40.8%)	390 (33.3%)
<b>Total Residential</b> (All Districts)	36 (4.0%)	483 (33.8%)	519 (22.4%)

**Policy Option #5: Cap Non-Resident Single-Family Units at 30% and Non-Resident Multi-Family Units at 50%**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	No cap, units may not be rented more than 72 days per year	<b>Capped at 30% of developed lots</b> ; no limit on number of days the unit may be rented
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	No cap, units may not be rented more than 72 days per year	<b>Capped at 50% of developed units</b> ; no limit on number of days the unit may be rented

**Maximum Allowed Per Policy**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	635 (100.0%) <i>*Max. 72 days</i>	<del>516 (100.0%)</del> <b>154 (30.0%)</b>	<del>1,151 (100.0%)</del> <b>789 (68.5%)</b>
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	256 (100.0%) <i>*Max. 72 days</i>	<del>915 (100.0%)</del> <b>457 (50.0%)</b>	<del>1,171 (100.0%)</del> <b>713 (60.9%)</b>
<b>Total Residential</b> (All Districts)	891 (100.0%) <i>*Max. 72 days</i>	<del>1,431 (100.0%)</del> <b>611 (42.7%)</b>	<del>2,322 (100.0%)</del> <b>1,502 (64.7%)</b>

**Actual Permitted (2021)**

Zoning District	Legal Residence (4%)	Non-Legal Residence (6%)	Total (All Types)
<b>Single-Family Residential</b> (R-SF1, R-SF2 & R-SF3)	19 (3.0%)	110 (21.3%)	129 (11.2%)
<b>Other Residential</b> (R-CL, R-TH, R-MF & MU)	17 (6.6%)	373 (40.8%)	390 (33.3%)
<b>Total Residential</b> (All Districts)	36 (4.0%)	483 (33.8%)	519 (22.4%)

**Policy Options #5 & #6**

Unlike a “hard cap” on residential units, tying the number of allowable STRs to the number of properties that are non-legal residences (6%) allows the cap to move up or down each year based on existing conditions. For example, if the percentage of legal residences increases over time, the maximum number of allowable STR permits would decrease proportionate to the decrease in the number of non-legal residences (subject to grandfathering provisions for existing STRs in excess of the cap). In short, if single-family areas transition to more full-time residences, the number of allowable STRs would go down. If the number of full-time residences goes down, the number of allowable STRs would go up.

Current



Legal Residency Rate	45%	46%	47%	48%	49%	50%	51%	52%	53%	54%	55%	56%	57%	58%	59%	60%	61%	62%	63%	64%	65%
Legal Residences (4%)	518	530	541	553	564	576	588	599	611	622	635	645	657	668	680	691	703	714	726	737	749
Non-Legal Residences (6%)	633	621	610	598	587	575	563	552	540	529	516	506	494	483	471	460	448	437	425	414	402
<b>30% Cap on 6% Properties</b>	<b>189</b>	<b>186</b>	<b>183</b>	<b>179</b>	<b>176</b>	<b>172</b>	<b>168</b>	<b>165</b>	<b>162</b>	<b>158</b>	<b>154</b>	<b>151</b>	<b>148</b>	<b>144</b>	<b>141</b>	<b>138</b>	<b>134</b>	<b>131</b>	<b>127</b>	<b>124</b>	<b>120</b>