

Special Committee on Short-Term Rentals

June 24, 2024 @ 9:30 AM

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Virtual Meeting (Via Zoom)

Join Zoom Meeting:

<https://us02web.zoom.us/j/83112789573?pwd=pS551ma5Qo7JsTKnaq2ldcNbenEU1U.1>

Meeting ID: 831 1278 9573

Passcode: 743341



AGENDA

1. CALL TO ORDER, ROLL CALL & FOIA STATEMENT
2. APPROVAL OF PREVIOUS MEETING MINUTES
 - A. Special Committee on Short-Term Rentals Work Session: May 6th, 2024
 - B. Special Committee on Short-Term Rentals Work Session: May 13th, 2024
 - C. Special Committee on Short-Term Rentals Work Session: May 20th, 2024
 - D. Special Committee on Short-Term Rentals Work Session: June 3rd, 2024
3. ACTION ITEMS
 - a. Summary of Committee Recommendations to Seabrook Island Town Council
4. COMMITTEE COMMENTS
5. ADJOURNMENT

Special Committee on Short-Term Rentals

May 6, 2024

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AGENDA

1. CALL TO ORDER, ROLL CALL & FOIA STATEMENT

Present: Darryl May (Councilman, Chair), Nancy Buck, Tracey Kirchoff, Susan Murray, Starr Murphy, Oliver Sever, Ted Johnson (Virtual)

Absent: Deb Lehman

Staff: Joe Cronin (Town Administrator), Tyler Newman (Zoning Administrator & Chief Code Enforcement Officer), Beth Rinehimer (Short-Term Rental Compliance Manager, virtual), Katharine Watkins (Asst. Town Administrator)

Councilman May called the meeting to order at 10:00 AM. Asst. Town Administrator Watkins confirmed the requirements of the Freedom of Information Act (FOIA) were met.

2. APPROVAL OF PREVIOUS MEETING MINUTES

A. Special Committee on Short-Term Rentals Work Session: April 29th, 2024

Councilman May moved to amend the previous meeting minutes as follows:

- Chair May moved to recommend short-term rentals require the use of the garage when there are more than 2 vehicles permitted. No second was made.
- Chair May moved to recommend for council to consider to prohibit the launching and landing of drones ~~on the beach~~ within the Town, except for approved commercial, educational and similar uses; Ms. Buck seconded. All voted in favor.

Ms. Buck seconded the amendments.

Discussions and clarifications were had with members of the committee.

Using the original motion on the amendment, a vote was taken; all voted in favor.

The amendment was approved.

Councilman May moved to approve the meeting minutes as amended; Ms. Buck seconded. All voted in favor.

The previous meeting minutes were approved as amended.

3. DISCUSSION ITEMS

- a. Consideration of recommendations to Town Council as to health, safety, nuisance provisions, and enforcement of violations.

Discussions were had with members of the committee and staff on recommendations to Town Council as to the health, safety, nuisance provisions, and enforcement of violations.

4. COMMITTEE COMMENTS

5. ADJOURNMENT

Ms. Buck moved to adjourn the meeting; Mr. Sever seconded. All voted in favor.

The meeting adjourned at 1:08 PM.

Date: May 6, 2024

Prepared by: *Katharine E. Watkins*
Assistant Town Administrator

Note: These minutes are not verbatim minutes. To listen to the meeting, please use the following link: <https://www.youtube.com/@townofseabrookisland5287/streams>

Special Committee on Short-Term Rentals

May 13, 2024 @ 10:00 AM

[Watch Live on YouTube](#)



MINUTES

1. CALL TO ORDER, ROLL CALL & FOIA STATEMENT

Present: Darryl May (Councilman, Chair), Nancy Buck, Tracey Kirchoff Deb Lehman, Susan Murray (virtual), Oliver Sever, Ted Johnson

Absent: Starr Murphy

Staff: Joe Cronin (Town Administrator), Tyler Newman (Zoning Administrator & Chief Code Enforcement Officer), Beth Rinehimer (Short-Term Rental Compliance Manager, virtual)

Councilman May called the meeting to order at 10:00 AM. Town Administrator Cronin confirmed the requirements of the Freedom of Information Act (FOIA) were met.

2. APPROVAL OF PREVIOUS MEETING MINUTES

A. Special Committee on Short-Term Rentals Work Session: May 6th, 2024

3. DISCUSSION ITEMS

- a. Discussion as to whether to impose a cap or caps on short-term rentals
- b. Discussion on other related issues related to short-term rentals

Councilman May moved to recommend to council some form of caps, particulars to be subject to further motions; Ms. Lehman seconded. A vote was taken as follows:

In Favor: Johnson, Kirchoff, Lehman, May
Opposed: Buck, Murray, Sever

The motion passed 4-3.

Councilman May moved to recommend prohibiting business and/or corporate ownership of short-term rentals, excluding family LLC's, trusts, etc.; Ms. Buck seconded. All voted in favor.

The motion passed 7-0.

Councilman May moved to recommend prohibiting multiple (two or more) short-term rental permits; Ms. Lehman seconded. A vote was taken as follows:

In Favor: Johnson, Kirchoff, Lehman, May
Opposed: Buck, Murray, Sever

The motion passed 4-3.

Councilman May moved to recommend a minimum stay of two nights; Ms. Lehman seconded. A vote was taken as follows:

In Favor: Buck, Johnson, Kirchoff, Lehman, Sever, May
Opposed: Murray

The motion passed 6-1.

4. COMMITTEE COMMENTS

None.

5. ADJOURNMENT

Ms. Buck moved to adjourn the meeting; Ms. Kirchoff seconded. All voted in favor.

The meeting adjourned at 12:55 PM.

Date: June 10, 2024

Prepared by: *Katharine E. Watkins*
Assistant Town Administrator

Note: These minutes are not verbatim minutes. To listen to the meeting, please use the following link: <https://www.youtube.com/@townofseabrookisland5287/streams>

Special Committee on Short-Term Rentals

May 20, 2024

[Watch Live on YouTube](#)



MINUTES

1. CALL TO ORDER, ROLL CALL & FOIA STATEMENT

Present: Darryl May (Councilman, Chair), Nancy Buck, Tracey Kirchoff, Deb Lehman, Susan Murray (virtual), Oliver Sever, Ted Johnson

Absent: Starr Murphy

Staff: Joe Cronin (Town Administrator), Tyler Newman (Zoning Administrator & Chief Code Enforcement Officer), Beth Rinehimer (Short-Term Rental Compliance Manager, virtual), Katharine Watkins (Asst. Town Administrator)

Councilman May called the meeting to order at 10:00 AM. Asst. Town Administrator Watkins confirmed the requirements of the Freedom of Information Act (FOIA) were met.

2. DISCUSSION ITEMS

a. Consideration of the proposals regarding caps on short-term rentals

Ms. Kirchoff made a motion and then withdrew her motion.

Councilman May moved to recommend an island wide cap, an overlay district, or cap by district to council; Ms. Lehman seconded. A vote was taken as follows

In favor:	Buck, Kirchoff, Lehman, Sever, May
Opposed:	Murray

The motion passed 6-1.

The committee took a roll call vote on the overlay districts presented to the committee, specifically staff's recommendation (overlay option 1) or the overlay as staff presented with the front beach homes and north beach village removed from the overlay (overlay option 2). The vote was as follows:

<u>Member</u>	<u>Option Chosen</u>
Lehman	Option 1
Sever	Option 2
Johnson	Option 1

Kirchoff	Abstain
Buck	Option 1
Murphy	Option 2
May	Option 1

With Option 1 with 4 votes, Option 2 with 2 votes, and one abstention; Option 1 was approved for recommendation.

Councilman May moved to recommend an island wide cap; Ms. Kirchoff seconded. A vote was taken as follows:

In favor:	Buck, Kirchoff, Lehman, Sever, May
Opposed:	Murray

The motion passed 6-1.

Ms. Lehman moved to recommend when reviewing the overlay district to assign caps to each portion inside and outside of the district; Mr. Johnson seconded. A vote was taken as follows:

In Favor:	Johnson, Lehman, Sever, May
Opposed:	Buck, Kirchoff, Murray

The motion passed 4-3.

3. COMMITTEE COMMENTS

None.

4. ADJOURNMENT

Mr. Johnson moved to adjourn the meeting; Ms. Kirchoff seconded. All voted in favor.

The meeting adjourned at 1:24 PM.

Date: June 10, 2024

Prepared by: *Katharine E. Watkins*
Assistant Town Administrator

Note: These minutes are not verbatim minutes. To listen to the meeting, please use the following link: <https://www.youtube.com/@townofseabrookisland5287/streams>

Special Committee on Short-Term Rentals

June 3, 2024

[Watch Live on YouTube](#)



MINUTES

1. CALL TO ORDER, ROLL CALL & FOIA STATEMENT

Present: Darryl May (Councilman, Chair), Nancy Buck, Deb Lehman, Susan Murray (virtual), Starr Murphy, Oliver Sever, Ted Johnson
Absent: Tracey Kirchoff
Staff: Joe Cronin (Town Administrator), Tyler Newman (Zoning Administrator & Chief Code Enforcement Officer), Beth Rinehimer (Short-Term Rental Compliance Manager, virtual)

Councilman May called the meeting to order at 10:00 AM. Town Administrator Cronin confirmed the requirements of the Freedom of Information Act (FOIA) were met.

2. DISCUSSION ITEMS

- a. Consideration of proposals regarding caps on short-term rentals, including ancillary issues such as grandfathering.

Councilman May moved for the committee to make recommendations as to cap levels for the two options discussed at the prior meeting (overlay vs. non-overlay cap and townwide cap); Ms. Lehman seconded. A vote was taken as follows:

In Favor: May, Lehman, Johnson, Murphy, Sever (5)

Opposed: Buck, Murray (2)

The motion passed by a vote of 5-2.

Committee members proposed the following options for the cap levels:

OPTION 1: Overlay vs. Non-Overlay Cap

<u>Member</u>	<u>Inside Overlay</u>	<u>Outside Overlay</u>	<u>Total</u>
Lehman	550	100	650
Sever	557	110	667
Johnson	434	109	543

Buck	Same as the Sever proposal		
Murphy	Same as the Sever proposal		
Murray	No proposal		
May	525	100	625

Lehman withdrew her proposal and supported the May proposal
 Johnson withdrew his proposal and supported the May proposal

In Favor of Sever/Buck/Murphy Proposal (Inside Overlay: 557; Outside Overlay: 110): Sever, Buck, Murphy, Murray (4)

In Favor of May/Lehman/Johnson Proposal (Inside Overlay: 525; Outside Overlay: 100): May, Lehman, Johnson (3)

The Sever/Buck/Murphy Proposal (Inside Overlay: 557; Outside Overlay: 110) passed by a vote of 4-3.

OPTION 2: Townwide Cap

In Favor of Sever/Buck/Murphy Proposal (Townwide: 667): Sever, Buck, Murphy, Murray (4)

In Favor of May/Lehman/Johnson Proposal (Townwide: 625): May, Lehman, Johnson (3)

The Sever/Buck/Murphy Proposal (Townwide: 667) passed by a vote of 4-3.

Temporary STR Permits

A discussion took place regarding an exemption from the cap for temporary STR permits when the purchaser of an existing STR unit must honor the rental obligations of the prior owner. Staff reviewed the language from the 2023 draft ordinance which would allow for temporary permits if the property was sold subject to pre-existing rental agreements that would commence within 90 days of closing; provided the new owner could only honor those existing agreements and the temporary permit would automatically expire after 120 days. If the owner seeks to accept new rental agreements or continue renting after 120 days, then they must apply for a new permit and would be subject to the cap.

While no formal vote was taken, committee members were in agreement to recommend in favor of temporary permits (similar to the language included in the 2023 draft ordinance).

Grandfather Provisions

Minimum Income Threshold to Maintain STR Permit

Councilman May moved to recommend that an STR permit holder be exempt from the cap if they demonstrate rental income of at least \$5,000 during the prior year; if an owner does not have \$5,000 in rental income, they may demonstrate to the zoning administrator that the STR was advertised and actively available for rent; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

Exceptions for Dwellings Under Construction

Councilman May moved to recommend that property owners be exempt from the cap if they have submitted construction plans to the ARC prior to the effective date of the ordinance; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

Exempt Transfers

Councilman May moved to recommend that existing STR permits may be transferred in limited circumstances, such as transfer of the property to a family member, transfer following the death of the property owner, or if the transaction is otherwise exempt from the deed recording fee (similar to the language included in the 2023 draft ordinance); Ms. Buck seconded. All voted in favor.

The motion passed by a vote of 7-0.

Councilman May moved to recommend that existing STR permits may be transferred following the sale of the property; provided, the sale must be completed within two years of the effective date of the ordinance and the new property owner must apply for a permit within 30 days following the closing date; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

Administrative Items

Staff recommended two administrative changes to the STR ordinance:

- 1) Allow the zoning administrator to withhold the issuance of STR permits for specified reasons (similar to the language included in the 2023 draft ordinance); and
- 2) Eliminate the requirement for annual STR permit renewals and allow a STR permit to remain valid indefinitely as long as it remains in good standing.

Councilman May moved to recommend in favor of the administrative changes recommended by staff; Ms. Buck seconded. All voted in favor.

The motion passed by a vote of 7-0.

3. COMMITTEE COMMENTS

None.

4. ADJOURNMENT

Ms. Buck moved to adjourn the meeting; Mr. Sever seconded. All voted in favor.

The meeting adjourned at 1:33 PM.

Date: June 10, 2024

Prepared by: *Katharine E. Watkins*
Assistant Town Administrator

Note: These minutes are not verbatim minutes. To listen to the meeting, please use the following link: <https://www.youtube.com/@townofseabrookisland5287/streams>

TOWN OF SEABROOK ISLAND SPECIAL COMMITTEE ON SHORT-TERM RENTALS COMMITTEE RECOMMENDATIONS TO TOWN COUNCIL

Committee Chair’s Preface to Recommendations – The Special Committee on Short-Term Rentals has taken on a large task: gathering information and making recommendations geared toward maintaining the short-term rental business that Seabrook has traditionally hosted while addressing concerns raised about short-term rentals among many residents and other owners of properties on the island. The Committee held four public forums lasting over 12 hours, heard comments from approximately 85 interested persons either in person or via Zoom, and received and reviewed approximately 450 written comments from full-time residents, part-time residents, and property owners who rent their units.

The committee consists of stakeholders with varied views on these topics, and varied perspectives on how – or whether – the Town should address them. This make-up was intended to elicit a broad perspective of views on each of the topics considered. To provide the strongest guidance to Council, it was hoped for consensus on as many issues as possible. To some degree we achieved that. Otherwise, we have cast votes after much discussion – all of which is viewable on the videos of each meeting that are available on the Town’s website. Provided below are the results of such votes.

A. OCCUPANCY RESTRICTIONS

1. Maximum 2 per bedroom + 2 (reduced for houses over 2,500 sq. ft. from 2 per bedroom + 4)
2. Effective day licensing year 2025
3. This applies only to STRs¹
4. **[4/3/2024 meeting, unanimous, as to this Section A.]²**

B. OVERNIGHT RESIDENTIAL PARKING

1. Limits for single-family home STRs

¹ Some regulations will apply to all residential units (albeit with potentially different remedies for violations between homes with and without STR permits), while others will apply only to STRs. Each proposed provision will specify whether it applies to all or is limited to STRs.

² In many instances all Committee members agreed to a provision and no formal vote was needed or taken. Where a vote was taken it is reflected in Minutes prepared by the Assistant Town Administrator, the relevant portions of which are incorporated into this Report.

- a. The lesser of (1) 1 vehicle per bedroom, except for a minimum of 2 for a one-bedroom rental, or (2) the maximum number of parking spaces on designated parking areas. “Designated parking areas” includes the driveway, garage and guest parking space(s) as specified by SIPOA Policies and Procedures for Residential Development Sec. II(c)(1)(d). Driveways and guest parking spaces may be either permeable or impermeable. The maximum number will be self-certified by the owner or owner’s agent, with penalties for incorrect reporting.³ **[4/3/2024 meeting, unanimous.]** All of the foregoing is subject to a maximum number of four vehicles per rental unit. **[4/29/2024 meeting, unanimous.]**
- b. LSVs are included in the definition of vehicle. **[4/3/2024 meeting, unanimous.]**
- c. No requirement that an owner must provide access to the garage and renters instructed to use the garage if more than two cars would otherwise be parked on the driveway. **[4/29/2024 meeting minutes, as amended 5/6]:**

Chair May moved to recommend short-term rentals require the use of the garage when there are more than 2 vehicles permitted. No second was made. The motion failed.

- 2. Limits for multi-family residential unit STRs — Maintain as is from the existing ordinance (“A dwelling which is permitted to operate as a SHORT-TERM RENTAL UNIT shall have a minimum of one (1) off-street parking space. The required off-street parking may be provided on the same property as the rental unit or, if the unit is located within a multi-family development with a common parking area, within that development’s common parking area.”). **[4/3/2024 meeting, unanimous.]**
- 3. Restrictions for all residential units, regardless of STR status.
 - a. Parking — Apply the existing ordinance language currently applicable only to STRs, see sec. 1(j)(ii), “General requirements for off-street parking,” to all residential units.
 - b. Oversize vehicles — Apply the existing ordinance language currently applicable only to STRs, see sec. 1(j)(iii), “Commercial vehicles, oversized vehicles, and equipment.” **[4/3/2024 meeting, unanimous.]**

C. LSV RENTALS — A renter’s usage of the STR permit holder’s LSV is prohibited, whether or not the LSV is rented for a separate charge. **[4/29/2024 meeting minutes]:**

³ The existing ordinance addresses this concept of accurate self-reporting. See STR, sec. 4(iii): “It shall be a violation of this section to. . . iii. Falsify or misrepresent material facts on a SHORT-TERM RENTAL permit application.”

Chair May moved to recommend to prohibit short-term rental permit holders from allowing rental guests to use vehicles (including LSV's) regardless of whether paid in a separate charge or included in the cost of the rental; Mr. Sever seconded. All voted in favor. The recommendation was approved.

D. NOISE

1. Night-time restrictions
 - a. Hours: 10 PM to 7 AM
 - b. Qualitative, not decibel-based: (1) No amplified sound audible outside of the residence, including, in adjoining multi-family residences, and (2) No unnecessary or unusually loud sound, or any sound which disrupts the peace and quiet of any neighborhood or adjoining units in a multi-family environment, and which annoys, disturbs, injures or endangers the comfort, repose, health, peace or safety of reasonable persons of ordinary sensibilities.
 - c. Applicable to all residential units, regardless of STR status.
2. No daytime noise regulations, except, dogs heard barking outside the residence (including in adjoining multi-family residences) for longer than 30 minutes. Applicable to all residential units, regardless of STR status.
3. **[4/3/2024 meeting, unanimous as to this Section D.]**

E. DRONES — Recreational drones prohibited in the Town. [4/29/2024 meeting minutes, as amended 5/6]:

Chair May moved to recommend for council to consider to prohibit the launching and landing of drones within the Town, except for approved commercial, educational and similar uses; Ms. Buck seconded. All voted in favor. The recommendation was approved.

F. BIKES AND BEACH GEAR VISIBILITY

1. Bicycles and beach gear shall not be placed on landscaped or pine straw areas.
2. Beach towels, bathing suits and other clothing are not to be hung on or draped over exterior railings of homes or villas.⁴
3. The foregoing nos. 1-2 would apply 24 hours, and to all residences regardless of STR status. **[4/8/2024 meeting, unanimous.]**

⁴ This language is taken from SIPOA's Rules and Regulations, § VI(B).

4. Bicycles and beach gear shall not be visible from the street or adjoining properties from dusk to dawn. This provision applies to all residences regardless of STR status, but not to residences in a regime or association. **[4/29/2024 meeting, unanimous.]**

G. GARBAGE

1. Single-family — Place curbside no earlier than noon the day before pickup; remove pail by 7:00 pm the day of pickup.⁵
2. Multi-family — Any regime that uses dumpsters⁶ shall use provided dumpsters for trash disposal. Dumpster pick-up service shall be sufficiently frequent to avoid trash overflow. Dumpsters shall be stored on an approved screened pad. Any trash overflow shall be immediately remedied by regime management.
3. The foregoing provisions would apply to all residences regardless of STR status.
4. A valid contract with a licensed service that takes out and removes garbage containing is a defense to the finding of a violation. The citation should be dismissed if the property owner presents the valid contract to the Town.
5. **[4/29/2024 meeting, unanimous as to this Section G.]**

H. LOCAL CONTACT (in addition to existing requirements)

1. The existing ordinance requires that each rental unit have a local contact. However, Staff has reported various weaknesses with the current requirement and therefore the Committee recommends additional requirements as follows. The local contact must sign an acknowledgement, to be submitted with permit application or renewal, documenting that he/she has voluntarily agreed to be the local contact and assumes responsibility for the following duties:
 - a. Being physically present on the property within 2 hours if physical presence is required.
 - b. Regardless of whether physical presence is required, being able to respond and resolve problems within two hours of notification, unless the type of problem is not reasonably resolvable within two hours, in which case the contact must have started taking steps to resolve the problem within two hours.
 - c. In the event of a water leak, the contact should be able to shut off the water.

⁵ The intent is to be consistent with SIPOA Rules & Regulations. Where the SIPOA R&R is inconsistent with SIPOA's chart captioned "SIPOA GARBAGE SCHEDULE 2024," the R&R is used.

⁶ Based on information provided at the April 29, 2024 meeting, Bay Pointe may be the only regime that uses dumpsters.

- d. The responsibility is 24/7. It is the responsibility of the local contact to have coverage arrangements while on vacation or is otherwise unable to respond to calls, and further, to ensure that calls to the 24/7 contact get routed to the coverage person.
2. The local contact's cell phone number and email address must be supplied on the permit application.
3. Local contact requirements apply only to STRs.
4. **[4/8/2024 meeting, unanimous as to this Section H.]**

I. EDUCATION OF RENTERS

1. The Committee recommends that TOSI develop a short brochure, placard, sign or other type of notice that concisely conveys rules and other important information applicable to renters' stays. The graphic design should optimize renters' desire to read and absorb the material.⁷ A link or reference to the TOSI ordinance should be provided for those who wish to read the full version of the rules.
2. TOSI should endeavor to cooperate with SIPOA to prepare one notice for both entities to avoid duplicative materials that may confuse renters.
3. A copy must be emailed to the renter before the stay commences. If SIPOA agrees to do so, an additional copy shall be handed out when the renter obtains a gate pass.
4. **[4/8/2024 meeting, unanimous as to this Section I.]**

J. ADVERTISING

The Committee recommends the following enhancements to the existing advertising requirements of the existing STR ordinance (§ 1(k)).

1. In addition to existing requirements, any advertisement must include the maximum number of vehicles permitted. **[4/8/2024 meeting, unanimous.]**
2. Any advertisement must state one of the following: (1) the advertised property has no access to Seabrook Island Club amenity cards; (2) Seabrook Island Club amenity cards are available for purchase with this property; or (3) Seabrook Island Club amenity cards are included with this property at no additional charge for the amenity card. **[4/29/2024 meeting, unanimous.]**

⁷ See, for example, the Town of Kiawah Island's Good Neighbor Brochure, [https://cms2.revize.com/revize/kiawahisland/Communications/Updated GOOD NEIGHBOR BROCHURE.pdf](https://cms2.revize.com/revize/kiawahisland/Communications/Updated_GOOD_NEIGHBOR_BROCHURE.pdf).

3. The current violation definition for falsely stating the occupancy limit in advertising (sec. 4(iv)) should be replaced by language to the effect of: "It shall be a violation of this section to. . . (iv) misstate any facts in advertising the property for STR." **[4/8/2024 meeting, unanimous.]**

K. ENFORCEMENT

1. In order for there to be an accurate history of violations at a property, a citation should be issued for each violation observed by a code enforcement officer. (The cited property owner shall have all rights to contest the citation in court as provided by law.) **[Discussed extensively at 4/8/2024 Meeting as predicate of enforcement system.] (See, e.g., at 1:00, 2:18, 2:33, 2:52, 3:00.)**
2. Fines **[5/6/2024 meeting, unanimous.]**
 - a. Fines shall be assessed as follows for the initial and successive violations within a 12-month period:
 - (i) Warning
 - (ii) \$50
 - (iii) \$100
 - (iv) \$250
 - (v) Misdemeanor
 - b. Where the property is managed by an agency/property manager, joint and several liability with the agent or manager.
3. Assessment of Points/Suspensions
 - a. A point system should be established for violations. Points should be assessed as outlined below in addition to any fine.
 - b. Any property for which violations are issued within a rolling 12-month period that accumulates 9 points (subject to any contested court proceedings) would be suspended for 60 days. **[Existing ordinance, § 5(a)(i)(b), discussed at 5/6 meeting].⁸** The violations need not be of the same type to accumulate points, i.e., if there is one relating to noise, one to garbage, and one to incorrect local contact information, they would all be added together.
 - c. Two suspensions within any rolling 24-month period results in revocation. **[Existing ordinance, § 5(b)(f), discussed at 5/6 meeting.]**

⁸ There was some discussion at the May 6 meeting about extending the length of a suspension, for example to 90 days, but there was no resolution on this. Likewise, there was discussion to the effect that, except in the case of immediate suspensions as set forth in §§ 4(a) and (b), a grace period of 2 weeks should be permitted to allow for orderly arrangements for rental guests scheduled to be on the property within the grace period. This, too, was not resolved.

4. The points to be assigned to each violation are:
 - a. 9 Points (Immediate Suspension) **[5/6/2024 meeting, unanimous.]**
 - i. Material misstatements on the permit application
 - ii. Lack of working fire extinguisher and smoke detectors following 48 hours' notice to correct
 - iii. Unpaid fines, fees and penalties (subject to pending court proceedings) for more than 60 days
 - iv. Unpaid taxes following the tax filing deadline, subject to proof of authorization of payment to a third-party payment service
 - b. 3 Points + additional provisions: Inaccurate or outdated designation of local contact, and/or unavailability of local contact — 3 points + 1 point for each additional day following the day of the citation + immediate suspension until a valid local contact is designated. **[5/6/2024 meeting, unanimous.]**
 - c. 3 Points **[5/6/2024 meeting, unanimous.]**
 - i. Exceeding occupancy restrictions
 - ii. Renting or otherwise allowing the use of owner's LSV
 - iii. Violation of noise restrictions
 - iv. Violation of advertising requirements, subject to 5-business-day grace period for correction of all primary advertising sites, *i.e.*, all advertising sites with which the property owner or agent has direct communications for purpose of placing advertising
 - d. 1 point
 - i. Garbage violation. **[5/6/2024 Meeting, informal canvass, proposal passed 4-2; in favor: Lehman, Kirchoff, Murphy, May; opposed: Buck, Sever.] (2:38 in video.)**
 - e. 0 points
 - i. Failure to distribute educational materials.
 - ii. Parking violations. A motion was made to assign 1 point to this violation, but failed. **[5/6/2024 Meeting, informal canvass, proposal failed 3-4; in favor: Lehman, Kirchoff, May; opposed: Buck, Sever, Murray, Murphy.] (2:18 in video.)**
 - iii. Bikes and beach gear visibility. A motion was made to assign 1 point to this violation, but failed. **[5/6/2024 Meeting, informal canvass,**

proposal failed 3-4; in favor: Lehman, Kirchoff, May; opposed: Buck, Sever, Murray, Murphy.]

L. RESTRICTIONS ON STR OWNERSHIP AND STR LIMITS

1. Commercial corporate ownership of short-term rental properties should be prohibited. Family LLCs, trusts, and similar structures are not considered commercial and are excluded. **5/13/2024 Meeting Minutes:**

Councilman May moved to recommend prohibiting business and/or corporate ownership of short-term rentals, excluding family LLC's, trusts, etc.; Ms. Buck seconded. All voted in favor.

2. Ownership of multiple STR permits should be prohibited. **5/13/2024 Meeting Minutes:**

Councilman May moved to recommend prohibiting multiple (two or more) short-term rental permits; Ms. Lehman seconded. A vote was taken as follows:

**In Favor: Johnson, Kirchoff, Lehman, May
Opposed: Buck, Murray, Sever**

The motion passed 4-3.

3. A minimum two-night stay requirement should be imposed on all STR properties. **5/13/2024 Meeting Minutes:**

Councilman May moved to recommend a minimum stay of two nights; Ms. Lehman seconded. A vote was taken as follows:

**In Favor: Buck, Johnson, Kirchoff, Lehman, Sever, May
Opposed: Murray**

The motion passed 6-1.

M. STR CAPS

1. There should be caps on STRs of some type at some number(s) or percentage(s), if particulars can be approved by a majority. **5/13/2024 Meeting Minutes:**

Councilman May moved to recommend to council some form of caps, particulars to be subject to further motions; Ms. Lehman seconded. A vote was taken as follows:

In Favor: Johnson, Kirchoff, Lehman, May
Opposed: Buck, Murray, Sever

The motion passed 4-3.

2. The Committee decided to recommend to Town Council for its consideration alternative options, without deciding which is preferable: (1) uniform island-wide; or (2) an overlay zoning district imposed on the existing zoning may, with one cap, and the area outside the overlay district with a different cap.⁹ **5/20/2024 Meeting Minutes:**

Councilman May moved to recommend an island wide cap, an overlay district, or cap by district to council; Ms. Lehman seconded. A vote was taken as follows

In favor: Buck, Kirchoff, Lehman, Sever, May
Opposed: Murray

The motion passed 6-1.

3. Town Staff proposed an overlay district as set forth on a map to be presented to Council. The Committee considered whether to modify the overlay district to remove the Front Beach homes and North Beach Village homes from the overlay district. The Committee preferred the staff recommendation. **5/20/2024 Meeting Minutes:**

The committee took a roll call vote on the overlay districts presented to the committee, specifically staff's recommendation (overlay option 1) or the overlay as staff presented with the front beach homes and north beach village removed from the overlay (overlay option 2). The vote was as follows:

Member	Option Chosen
Lehman	Option 1
Sever	Option 2
Johnson	Option 1

⁹ The members of the Committee who voted against imposing any caps at all (see M(1) above) participated in subsequent votes recommending the structure and numbers of proposed caps with the express proviso that their preference is to have no caps at all. Therefore, participation in these votes does not imply that they support any caps.

Kirchoff	Abstain
Buck	Option 1
Murphy	Option 2
May	Option 1

With Option 1 with 4 votes, Option 2 with 2 votes, and one abstention; Option 1 was approved for recommendation.

4. Consistent with the Committee's prior decision to recommend alternative caps to Town Council, i.e., a uniform island-wide cap and separate caps for overlay and non-overlay districts (see § M(2) above), a uniform island-wide cap was recommended. **5/20/2024 Meeting Minutes:**

Councilman May moved to recommend an island wide cap; Ms. Kirchoff seconded. A vote was taken as follows:

In favor:	Buck, Kirchoff, Lehman, Sever, May
Opposed:	Murray

The motion passed 6-1.

5. The Committee considered whether only the overlay district (and not the area outside this district) should have a cap. The Committee decided to recommend caps for both. **5/20/2024 Meeting Minutes:**

Ms. Lehman moved to recommend when reviewing the overlay district to assign caps to each portion inside and outside of the district; Mr. Johnson seconded. A vote was taken as follows:

In Favor:	Johnson, Lehman, Sever, May
Opposed:	Buck, Kirchoff, Murray

The motion passed 4-3.

6. The Committee considered whether to recommend cap levels for the two alternatives previously recommended (see § M(2)), or whether instead to leave the levels to Council to decide. The Committee decided to recommend levels. **6/3/2024 Meeting Minutes:**

Councilman May moved for the committee to make recommendations as to cap levels for the two options discussed at the prior meeting (overlay vs. non-overlay cap and townwide cap); Ms. Lehman seconded. A vote was taken as follows:

In Favor: May, Lehman, Johnson, Murphy, Sever (5)

Opposed: Buck, Murray (2)

The motion passed by a vote of 5-2.

7. At the outset of discussion of cap levels for the overlay/non-overlay alternative, four proposals were made; two were withdrawn leaving two to be considered.
6/3/2024 Meeting Minutes:

Committee members proposed the following options for the cap levels:

OPTION 1: Overlay vs. Non-Overlay Cap

Member	Inside Overlay	Outside Overlay	Total
Lehman	550	100	650
Sever	557	110	667
Johnson	434	109	543
Buck	Same as the Sever proposal		
Murphy	Same as the Sever proposal		
Murray	No proposal		
May	525	100	625

**Lehman withdrew her proposal and supported the May proposal
Johnson withdrew his proposal and supported the May proposal**

In Favor of Sever/Buck/Murphy Proposal (Inside Overlay: 557; Outside Overlay: 110): Sever, Buck, Murphy, Murray (4)

In Favor of May/Lehman/Johnson Proposal (Inside Overlay: 525; Outside Overlay: 100): May, Lehman, Johnson (3)

The Sever/Buck/Murphy Proposal (Inside Overlay: 557; Outside Overlay: 110) passed by a vote of 4-3. [NOTE THE MINUTES ARE INCORRECT ON THIS, THEY SAY 550/117, MINUTES NEEDS CORRECTING]

8. The Committee recommended that the alternative uniform townwide cap be 667.
6/3/2024 Meeting Minutes:

OPTION 2: Townwide Cap

In Favor of Sever/Buck/Murphy Proposal (Townwide: 667): Sever, Buck, Murphy, Murray (4)

In Favor of May/Lehman/Johnson Proposal (Townwide: 625): May, Lehman, Johnson (3)

The Sever/Buck/Murphy Proposal (Townwide: 667) passed by a vote of 4-3.

N. GRANDFATHERING

Four grandfathering proposals were unanimously agreed to. These apply to ownership restrictions (see § L(1)-(2) above) as well as to caps. Note that the Committee did not formally vote on whether existing STR permits should be grandfathered. This is because, since the formation of the Committee, it has been considered a given that existing permits will be grandfathered. The Committee therefore considered the following refinements to the basic grandfathering assumption that all existing permit holders will continue to be able to maintain their permits (subject to suspension or revocation for violations as set forth above) so long as they continue to own the property.

1. Throughout the Committee's work there was extensive discussion of permits held by owners for the purpose of essentially keeping the owner's options open as to renting, but without any present intent to rent. These were colloquially referred to as "insurance permits." The Committee proposes to disallow the grandfathering of insurance permits. To be exempt from a cap, the property would have to make at least \$5,000 in rental income the prior year, or else the owner would have to demonstrate that the property is advertised and actively available for rent. **6/3/2024 Meeting Minutes:**

Minimum Income Threshold to Maintain STR Permit

Councilman May moved to recommend that an STR permit holder be exempt from the cap if they demonstrate rental income of at least \$5,000 during the prior year; if an owner does not have \$5,000 in rental income, they may demonstrate to the zoning administrator that the STR was advertised and actively available for rent; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

2. The Committee recommended that properties under construction on the effective date of any caps that may be enacted by Town Council should be eligible for a permit if applied for within a short period of time after the Certificate of Occupancy is obtained. A question that arises from this is, when does construction begin? To give wide latitude to this provision, the Committee determined that it should be deemed to start when the property owner first submits conceptual design plans to the SIPOA Architectural Review Committee

(or similar process for any property not subject to SIPOA ARC review). The Committee noted that this grandfathering provision will quickly diminish in impact following the effective date of any caps, until it will have no ongoing effect. As reflected below, the proposal voted on did not specify the number of days after the COO is issued by which the permit must be applied for, but the initial proposal, before extended further discussion, allowed for 30 days. **[1:55 in video.]** Additionally, the Committee recommended that Staff determine the best process for it to track construction. **[2:14 in video.] 6/3/2024 Meeting Minutes:**

Exceptions for Dwellings Under Construction

Councilman May moved to recommend that property owners be exempt from the cap if they have submitted construction plans to the ARC prior to the effective date of the ordinance; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

3. The Committee recommended that permits on property transfers exempt from the deed recording fee, such as deed transfers by inheritance, be available for continuation by the grantee(s) if a new permit is applied for. **6/3/2024 Meeting Minutes:**

Exempt Transfers

Councilman May moved to recommend that existing STR permits may be transferred in limited circumstances, such as transfer of the property to a family member, transfer following the death of the property owner, or if the transaction is otherwise exempt from the deed recording fee (similar to the language included in the 2023 draft ordinance); Ms. Buck seconded. All voted in favor.

The motion passed by a vote of 7-0.

4. In light of concerns expressed by some property owners that any caps would depress property values if their property could not be marketed as a STR, the Committee recommended providing a period during which owners with existing STR permits who wish to sell their property along with the right to transfer the right to a permit may do so. Thus, if caps are enacted by Town Council, even if an owner's property is in a district with a cap that has been reached, the purchaser of the property would be able to apply for and receive a permit. At that point the property would revert to the grandfathering provisions otherwise applicable. The Committee recommended a period of two years from the

effective date of any caps to complete the sale, and 30 days for the new owner to apply for the STR permit. **6/3/2024 Meeting Minutes:**

Councilman May moved to recommend that existing STR permits may be transferred following the sale of the property; provided, the sale must be completed within two years of the effective date of the ordinance and the new property owner must apply for a permit within 30 days following the closing date; Ms. Lehman seconded. All voted in favor.

The motion passed by a vote of 7-0.

O. ADMINISTRATIVE PROVISIONS

1. South Carolina law provides that a new property owner must honor rental obligations entered into by the seller for a period of 90 days. Currently, the new owner must apply for a new annual permit to be able to fulfill that obligation. Town Staff recommended that new owners who do not wish to continue renting the property be able to obtain temporary permits. The Committee concurred with that recommendation. **6/3/2024 Meeting Minutes:**

Temporary STR Permits

A discussion took place regarding an exemption from the cap for temporary STR permits when the purchaser of an existing STR unit must honor the rental obligations of the prior owner. Staff reviewed the language from the 2023 draft ordinance which would allow for temporary permits if the property was sold subject to pre-existing rental agreements that would commence within 90 days of closing; provided the new owner could only honor those existing agreements and the temporary permit would automatically expire after 120 days. If the owner seeks to accept new rental agreements or continue renting after 120 days, then they must apply for a new permit and would be subject to the cap.

While no formal vote was taken, committee members were in agreement to recommend in favor of temporary permits (similar to the language included in the 2023 draft ordinance).

2. Staff proposed two additional administrative change proposals that were adopted by the Committee. **6/3/2024 Meeting Minutes:**

Staff recommended two administrative changes to the STR ordinance:

1) Allow the zoning administrator to withhold the issuance of STR permits for specified reasons (similar to the language included in the 2023 draft ordinance); and

2) Eliminate the requirement for annual STR permit renewals and allow a STR permit to remain valid indefinitely as long as it remains in good standing.

Councilman May moved to recommend in favor of the administrative changes recommended by staff; Ms. Buck seconded. All voted in favor.

The motion passed by a vote of 7-0.

**TOWN OF SEABROOK ISLAND
SPECIAL COMMITTEE ON SHORT-TERM RENTALS**

Darryl May, Chair
Nancy Buck
Ted Johnson
Tracey Kirchoff
Debra Lehman
Starr Murphy
Susan Murray
Oliver Sever