



**SPECIAL JOINT CITY COUNCIL & PLANNING COMMISSION MEETING**  
**3:30pm, Tuesday, June 21, 2022**  
**1207 Palm Boulevard, Isle of Palms, SC**  
**broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>**

**MINUTES**

**1. Call to order**

Present: Council members Bogosian, Hahn, Anderson, Ward, Streetman, Pierce, Miars, and Mayor Pounds; Planning Commission members Ron Denton, Sue Nagelski, Marty Brown, Steve Corner, David Cohen, Sandy Stone, Jeffrey Rubin

Absent: Council Member Popson

Staff Present: Administrator Fragoso, Director Kerr, various department heads

**2. Citizen's Comments**

Buford Witt, JC Long Boulevard, said he would like to rent out a home he intends to build in the near future and would not like to be limited as to the number of people he can have stay there.

Cal McCombs, 17<sup>th</sup> Avenue, said he does not understand what problem needs to be fixed in this situation. He said taxes from rental properties are a great source of income for the island and he does not want to see that stopped.

Ed Valle, Carolina Boulevard, would like to see more resident participation in solutions to this issue. He said the plan seems complicated. He believes homes will lose value as a result of this plan. He believes there is an opportunity for a small group of residents to build on this plan and make it better.

Mark Mitchell, Carolina Boulevard, said that the 1/3, 1/3, 1/3 split of homes across the island has not changed in decades. He believes having the ability to rent out one's home adds value to it. He is not sure this is the best plan.

Gina Foster of Dunes Properties came to speak on behalf of her clients who have purchased property on 28<sup>th</sup> Avenue. Her clients intend to rent out their property. She would like any plans to be equitable to all.

**3. Purpose – Presentation and discussion of recommendations developed by the Planning Commission for the regulation of short-term rentals.**

Director Kerr gave a detailed presentation about the history of regulating short-term rentals on the island, the recent work of the Planning Commission, and their recommendations to City Council for future consideration.

He said that City Council tasked the Planning Commission one year ago to look at a moratorium or cap on short-term rentals. He shared the information collected by the Commissioners to help the analysis of the state of short-term rentals across the island. Licensing trends over the past 20 years show the number of short-term rentals to be fairly consistent. Trends also show that the number of rentals is going down in some areas and up in others, specifically away from the beach and more towards the back of the island into the neighborhoods. The number of newly built homes specifically meant for renting has declined over time.

The Planning Commission is recommending the island be zoned to better understand the impact of rentals in those areas. Zone 2 shows a significant increase in the number of rentals in recent years. Director Kerr agreed that the 1/3, 1/3, 1/3 mix of home ownership still holds true but that there is a lot of movement within each zone.

Director Kerr said the issues or concerns the City may want to address are the increase in STR in rental areas that have historically had low numbers of rentals, the migration of STR to areas that have historically had low numbers of rentals, and the impacts to livability of full-time residents.

Recommendations from the Planning Commission include: establishing a cap of rental licenses for each zone at 10% higher than the number of 2020 licenses; exempting areas with more than 25% of the properties already in the STR market from the cap; establishing a waitlist when a zone meets a cap; giving property owners holding a STR license preference to renew their annual license; allowing the transfer of STR license when a property is sold; limiting occupancy of newly constructed or licensed homes in capped areas to 8; capping occupancy under certain circumstances; and annually reviewing STR regulations to note trends in uncapped areas.

Mr. Corney reiterated his concern that capping only certain areas leaves a large number of properties in the uncapped zone to secure STR licenses. He believes a cap across the island would allow the market to dictate where rentals would be.

Mr. Denton noted that previous complaints surrounding short-term rentals were noise related, and with the ordinances now in place, those complaints have subsided. More recently, the complaints center around livability concerns. He said it is hard to tell the difference between bad renters and bad managers.

Chief Cornett shared statistical data that indicated he has received very few noise complaints regarding short-term rentals. No tickets or warnings have been written for occupancy violations. He affirmed the Planning Commission's recent recommendation that a property manager respond on site to a complaint. He believes building better relationships with the property managers is the key to success in the future.

Council Member Streetman expressed concern about unintended consequences from these recommendations. Without any caps and noting that the licensing trend is flat, Mr. Stone pointed out that the City's ATAX revenue still increased significantly. He believes the market will take care of where rentals are but believes a cap is necessary in the zones to keep migration into the neighborhoods at a minimum.

Commissioners affirmed the need for an annual review of short-term rentals to note trends and effects of any regulatory changes.

Mayor Pounds thanked the Planning Commission for their work on this issue. He said the Council will hear from a College of Charleston professor at their July workshop to share what he has seen regarding short-term rentals around the country.

#### **4. Adjournment**

Council Member Ward made a motion to adjourn, and Council Member Streetman seconded the motion. The motion passed unanimously.

Respectfully submitted,

Nicole DeNeane  
City Clerk