

ORDINANCE 2022-14

AN ORDINANCE TO IMPOSE A MORATORIUM ON THE ISSUANCE OF NEW BUSINESS LICENSES FOR SHORT-TERM RENTALS WITHIN THE CITY OF ISLE OF PALMS TO ALLOW CITY COUNCIL TO EVALUATE THE SHORT-TERM RENTAL REGULATIONS RECOMMENDED BY THE PLANNING COMMISSION

WHEREAS, on June 22, 2021, the City Council tasked the Planning Commission to study livability concerns related to short-term rentals, evaluate the implementation of a cap on the number of short-term rental licenses and make policy recommendations to City Council; and

WHEREAS, Planning Commission thoroughly studied livability issues, current and historical rental license data and developed a series of recommendations that seeks to address the increase of short-term rentals in areas that have historically had low numbers, the migration of short-term rentals to areas that have historically had low number of rentals and the impacts to livability of full-time residents; and

WHEREAS, City Council hosted several listening sessions in September 2022 to gather feedback from the community about the proposed regulations on short-term rentals on the island; and

WHEREAS, over the last four months, the City has received several hundred new business licenses applications for short-term rentals, which represents an exponentiation increase in applications; and

WHEREAS, City Council wishes to temporarily pause the issuance of new business licenses for short-term rentals to allow appropriate time to evaluate the policy recommendations from the Planning Commission and the citizen feedback; and **THEREFORE**,

BE IT ORDAINED AND ENACTED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, IN CITY COUNCIL ASSEMBLED:

SECTION 1. The City of Isle of Palms imposes a moratorium, to be effective immediately upon ratification of this Ordinance, on the issuance of new business licenses for short term rentals within the City:

- a. Subject to the exemptions in subsection (b), no application shall be approved for a business license for any residential dwelling taxed at a 6% property tax rate.
- b. Subject to the limitations set forth in subsection (c) excepted from the provisions of subsection (a) are each of the following:
 - i. Renewals of short-term rental licenses for properties that were legally licensed as of [INSERT DATE OF RATIFICATION].
 - ii. New licenses resulting from the transfer of ownership of properties that were legally licensed as short-term rentals as of [INSERT DATE OF RATIFICATION].

- iii. New licenses for a short-term rental for which an application has been filed with the City of Isle of Palms prior to ratification of this Ordinance and that has been deemed sufficient for approval.
- iv. A residential unit for which a building permit for new construction has been issued prior to ratification of this ordinance.
- c. To be exempted from this moratorium, all exceptions listed in subsection (b) must comply with the following requirements:
 - i. Applications must be submitted in a timely manner and must be deemed sufficient and complete for approval by City staff; and

SECTION 2. That should any part of this Ordinance be held invalid by a court of competent jurisdiction; the remaining parts shall be severable therefrom and shall continue to be in full force and effect.

SECTION 3. That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

SECTION 4. That this ordinance shall take effect immediately upon ratification and shall expire automatically on [INSERT DATE] unless earlier repealed.

PASSED AND APPROVED BY THE CITY COUNCIL FOR THE CITY OF ISLE OF PALMS, ON THE ____ DAY OF _____ 2022.

Phillip Pounds, Mayor

(Seal)

Attest:

Nicole DeNeane, City Clerk

First Reading: _____
Public Hearing: _____
Second Reading: _____
Ratification: _____