

STATE OF SOUTH CAROLINA) AN ORDINANCE TO AMEND SECTIONS
COUNTY OF CHARLESTON) 156.340 – 156.345 OF CHAPER 156, ZONING
TOWN OF MOUNT PLEASANT) CODE, OF THE MOUNT PLEASANT CODE OF
ORDINANCES PERTAINING TO SHORT
TERM RENTALS

WHEREAS, Mount Pleasant Ordinances for code sections referenced herein was adopted by Ordinance No. 19048, and has subsequently been amended; and

WHEREAS, Mount Pleasant Town Council now desires to amend Sections 156.340 – 156.345 of Chapter 156, Zoning Code, of the Mount Pleasant Code of Ordinances, pertaining to Short Term Rentals. Proposed is to amend the entire ordinance to address several concerns, including but not limited to such things as increasing the parking requirements for STR properties, implementing minimum night rental requirements, increasing the application fees for whole-house rentals, including civil penalties for violations, and limiting the number of permits allowed per property owner; and

WHEREAS, the Mount Pleasant Planning Commission held a public hearing on February 15, 2023, to consider the amendments herein to the Mount Pleasant Code of Ordinances; and

WHEREAS, Mount Pleasant Town Council is empowered with the authority to make amendments to the Mount Pleasant Code of Ordinances, and now believes that it is in the best interest of the Town to so act with respect to the matter described herein.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Councilmembers of the Municipality of Mount Pleasant, in Council assembled, a proposal to amend Section 156.340 – 156.345 of Chapter 156, Zoning Code, of the Mount Pleasant Code of Ordinances, pertaining to Short Term Rentals. Proposed is to amend the entire ordinance to address several concerns, including but not limited to such things as increasing the parking requirements for STR properties,

implementing minimum night rental requirements, increasing the application fees for whole-house rentals, including civil penalties for violations, and limiting the number of permits allowed per property owner. Ordinance *shall be and is hereby amended*, as specifically detailed herein attached as Exhibit A.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING.

SIGNED, SEALED AND DELIVERED THIS 13 DAY OF April, 2023.



J.W. Haynie, Mayor
Town of Mount Pleasant

Attest:



Christine Barrett
Clerk of Council

April 13, 2023
Mount Pleasant, SC

Introduced: March 14, 2023
Final Reading: April 11, 2023

APPROVED AS TO FORM:



David G. Pagliarini
Corporation Counsel

~~Text to be deleted~~

Text to be added

Text to remain the same

SHORT TERM RENTALS

§ 156.340 PURPOSE, DEFINITIONS AND APPLICABILITY.

(A) *Purpose.* The purpose of this subchapter is to regulate the use of residential dwelling units as short-term rentals (STR) in order to:

- (1) Protect the integrity of the residential character of the town's existing neighborhoods and the quality of life of its citizens;
- (2) Establish a system to track and manage STR inventory in the town; and
- (3) To protect the health and safety of occupants of STR units.

(B) *Definitions.* For purposes of this subchapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- (1) **RESIDENTIAL DWELLING UNIT.** Building or portion of a building arranged or designed to provide complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.
- (2) **SHORT-TERM RENTAL, or STR.**

(a) The rental or lease for valuable consideration of a Residential Dwelling Unit, or portion thereof, for a duration of less than 30 consecutive days is considered a STR and is subject to this subchapter;

(b) This subchapter and its requirements shall apply to any, and all, businesses that were previously defined as a bed and breakfast under earlier town ordinances.

(c) Home-based businesses and tourist accommodations, including hotels (includes motel and extended stay), boutique hotels (includes inn), and similar accommodations located on property in a commercial zoning district are not defined as SHORT TERM RENTALS, and thus are not subject to this subchapter.

(3) STR Operator. Any property owner who receives payment for operating a Residential Dwelling Unit, or portion thereof, as a short-term rental. For the purposes of this subchapter, Operator may be interpreted to mean property owner.

(C) *Maximum number allowed.* At no time shall the maximum number of Residential Dwelling Units used as STR's exceed 400, (the "Cap"), except as otherwise set forth in §156.341(A)(2).

(Ord. 19048, passed 8-13-19; Am. Ord. 21019, passed 4-13-21)

§ 156.341 APPLICATION, PERMIT, BUSINESS LICENSE, TAXES AND OTHER REQUIREMENTS.

(A) *Short term rental permit.* To operate, each STR must obtain a STR permit which must be applied for on an annual basis as follows:

(1) STR permit requirements. The following requirements must be met prior to issuance of an STR Permit:

- (a) The approved STR application;
- (b) Payment of STR Permit application fees; and
- (c) Payment of Business License fees for STR Permits held during the previous year.

(2) Annual registration. The STR Permit application and registration fees shall be paid at the time the application is submitted. Any outstanding penalty fees must be paid prior to an application being reviewed. For current STR Operators, applications must be submitted, and associated fees paid starting November 15th and ending midnight December 15th. Current STR Operators that submit an application by the December 15th deadline and are able to provide proof that all requirements were met during the previous operating year shall not be subject to the Cap, as set forth in § 156.340(C). Applications received from current STR Operators after December 15th will be subject to the Cap, as set forth in § 156.340(C), and will be treated as a New STR Operator application.

Beginning January 1st STR applications may be considered, starting with the waitlist, for issuance of a STR Permit if the Cap has not been reached after current STR Operators have completed their applications. Any application received for an STR that was illegally operating the prior year will be assessed a penalty fee of \$500 in addition to the standard permit fees. If an application is found to be incomplete, the primary contact will be notified, and will have ten business days to submit missing information. If not received within ten business days of notification, the application will be denied.

- (3) Change in registered owner information. STR Permits shall not transfer upon conveyance the property and a new owner of a dwelling registered as a STR shall be required to submit a new STR application and review fee. Upon approval, the STR permit will be issued. **A new owner of a Residential Dwelling Unit which is registered as a STR shall be required to submit a new STR application and review fee. Upon approval pursuant to the provisions of this Section, a STR permit can be issued to the new owner of the Residential Dwelling Unit. However, if the Residential Dwelling Unit operating as a short-term rental is owned as joint tenants with right of survivorship, the STR Permit can be transferred to another joint tenant of the Residential Dwelling Unit upon the death of the short-term rental permit holder. In order for the STR Permit to be transferred under this section, the**

joint tenant must be an immediate family member and must submit the following information for review:

a. A copy of the certified death certificate for the short-term rental permit holder;

b. A copy of the Deed for the Residential Dwelling Unit operating as a short-term rental indicating that the applicant is a joint tenant with right of survivorship for the Residential Dwelling Unit;

c. Proof that all requirements under Sections 156.341(B) and (D) have been satisfied by the applicant; and

d. A nonrefundable review fee of \$100 shall be required upon request of transfer of STR Permit.

For purposes of this section, an immediate family member is a spouse, parent, sibling, or child of the short-term rental permit holder.

(4) Inaccurate or incomplete registration information. It shall be a violation of this subchapter for an owner to intentionally provide inaccurate information for the registration of ~~rental dwellings~~ a Residential Dwelling Unit used as a STR, or to fail to provide information required by the application form.

(5) Designation of local agent. The owner of a Residential Dwelling Unit used as a STR shall designate Local Agent who shall be responsible for operating the STR in compliance with the law. Official notices may be served on the Designated Local Agent and/or the STR Operator; however, any notice served on the Designated Local Agent shall be deemed to have been served upon the STR Operator of record.

(a) Nothing shall prevent the STR Operator from designating himself or herself, or a properly formed and registered business entity, as the agent. The agent must be able to physically respond to the site within 60 minutes in case of emergency.

(6) More than one property owner or ownership by entity. Where more than one person has an ownership interest in a property used as a STR, the required information shall be provided for each owner. In those cases, in which the property owner is not a person, the information required for the applicant shall be provided for the organization owning the STR, and for the president, general manager, or other chief executive officer of the organization.

(B) Annual application requirements. An application must be submitted annually to the Department of Planning, Land Use and Neighborhoods.

(1) Information required. The STR application shall contain the following information:

(a) The address of the ~~rental dwelling~~ Residential Dwelling Unit;

(b) The total number of individual ~~rental~~ Residential Dwelling Units; for the purposes of this section, an individual ~~rental~~ Residential Dwelling Unit shall apply to the

following three scenarios. One "entity" or "guest" shall refer to a single contractual agreement:

1. A STR operator may rent his or her Residential Dwelling Unit, in its entirety, to one "guest" or "entity";

2. A STR operator may reside in his or her Residential Dwelling Unit, while renting one bedroom, and up to six bedrooms, to separate "guests" or "entities", in the fashion of a traditional bed and breakfast; or

3. Where there is a legally established Accessory Dwelling Unit, a STR Operator may rent his or her Accessory Dwelling Unit, in its entirety, to one "guest" or "entity", OR a STR Operator may rent his or her principal Residential Dwelling Unit, in its entirety, to one "guest" or "entity". **If the owner does not live on site, in no case shall the ADU and principal Residential Dwelling Unit be rented separately.** ~~but in no case shall the STR Operator rent separately.~~ Occupancy of an Accessory Dwelling Unit shall be limited to no more than three persons.

(c) The number of bedrooms in each STR Residential Dwelling Unit;

(d) The number of parking spaces provided on site. **At least one additional off-street parking space shall be required for each Residential Dwelling Unit rented as an STR.** ~~and a photo or parking area for each rental dwelling;~~ **The STR Operator must designate and assign a maximum allowable number of STR renter vehicle parking spaces on site during any rental period, and submit a photo of designated parking spaces with the STR application. Further, the STR Operator must disclose in their advertisement as well as notify all renters of the maximum number of vehicles permitted at one time on the STR property.**

(e) The maximum overnight occupancy, which shall not exceed two persons per bedroom, plus two additional people for a whole house rental;

(f) The names, mailing addresses, business phone numbers, personal phone numbers, and business addresses of each STR Operator and Designated Local Agent, if managed through an outside agency;

(g) The address of the primary residence where the STR Operator and Designated Local Agent will accept notices and orders from the town;

(h) An affidavit signed by the STR Operator certifying the property complies with all town fire and building ordinances, and neighborhood Covenants and Restrictions, if any;

(i) Certification that the STR Operator has read applicable town and state regulations, including, but not limited to, those regarding taxes, noise, trash, parking, alcohol, animals, litter, and golf carts;

(j) Certification that the STR Operator has prominently posted within the property a summary of applicable town regulations, including, but not limited to, those regarding noise, trash, parking, alcohol, animals, litter, and golf carts;

(k) Certification that the STR Operator is aware that penalties may be assessed for violations by tenants as detailed in § 156.344;

(l) Copy of general liability insurance;

(m) Copy of neighborhood Covenants and Restrictions;

(n) Proof of minimum rental requirement of 24 nights and four separate bookings.

(C) Permit application fee. At the time of the application, a non-refundable application fee of \$250 shall be paid **for owner-occupied STR's. In the case of whole house rentals and ADU's, a non-refundable application fee of \$500 shall be paid.** These fees described are established by Town Council and may be changed from time to time.

(D) Business license required. Business licenses must be obtained by the STR Operator and renewed annually by the submittal of a business license application and tax as established by the town in Title XI: Business Regulations, Chapter 110: General Licensing. A business license will only be issued after the STR permit has been issued. The business license account number and the maximum occupancy for each STR must be prominently displayed in the **STR** rental unit.

(E) Other taxes. STR Operators are subject to local, county, and state taxes, including, but not limited to property, sales, use, and accommodations taxes, and are liable for the payment thereof as established by state law and this Code of Ordinances.

(Ord. 19048, passed 8-13-19; Am. Ord. 21019, passed 4-13-21; Am. Ord. 21042, passed 5-11-21)

§ 156.342 ADDITIONAL REQUIREMENTS FOR SHORT TERM RENTALS.

(A) All STR Operators and/or Designated Local Agents responsible for the leasing of STRs shall be required to maintain the following:

(1) The name, address, and other contact information of each signatory on the rental agreement;

(2) A document signed by the STR Operator and/or Designated Local Agent responsible for renting the **STR** dwelling, certifying the number of persons intended to occupy the dwelling;

(3) The information required by this section shall be updated by the STR Operator and/or Designated Local Agent for each rental to different tenants or occupants.

(B) The STR Operator and/or Designated Local Agent shall provide the following to each person signing a rental agreement as a responsible party for a STR:

(1) The address of the STR and emergency contact numbers;

(2) The name and contact information for the STR Operator or Designated Local Agent; and

(3) A copy of the town's rules and regulations, including but not limited to, regarding noise, trash, parking, litter, maximum occupancy, and state golf cart regulations.

~~—(C) At least one additional off-street parking space shall be required for every dwelling rented on a short-term basis.~~

(C) The number of STR Permits issued to one permitholder shall be limited to two. For the purpose of this section, a permitholder shall be defined as the owner or owners of any real property seeking to operate as a STR. If a property is owned by an individual or individuals, the permitholder shall be the individual owner or owners of the property. If the property is owned by a legal entity, the permitholder shall be the registered agent or other legal representative of the legal entity.

(Ord. 19048, passed 8-13-19; Am. Ord. 21019, passed 4-13-21)

§ 156.343 PROHIBITIONS.

(A) The use of any structure as a STR that does not meet the definition of a **Residential** Dwelling **Unit** shall be prohibited.

(B) STRs shall be prohibited within any neighborhood that specifically prohibits short-term rental activity by way of their enforceable covenants and restrictions.

(C) The use of any structure as a STR that is either defined in § 156.007 as a multi-family dwelling is prohibited.

(D) The hosting of events such as, but not limited to, weddings, parties, or similar gatherings, consisting of more than the maximum overnight occupancy of each **STR** rental-dwelling, which shall not exceed two persons per bedroom, plus two additional people per **STR** rental-dwelling, are prohibited.

(Ord. 19048, passed 8-13-19; Am. Ord. 21019, passed 4-13-21)

§ 156.344 VIOLATIONS, PENALTIES AND APPEALS.

(A) Violations. It shall be a violation of this subchapter to:

(1) Operate a STR without complying with the requirements of this subchapter and the town Code of Ordinances;

(2) Expand the allowable occupancy of a STR without obtaining a new permit;

(3) Advertise, hold-out, offer or otherwise make available, a property as being available as a STR without first complying with the requirements of this subchapter; including the following:

(a) Advertise a STR as being available for more overnight occupants than have been permitted pursuant to this subchapter;

(b) Advertise more **STR's** Residential Dwelling Units on a property than have been permitted pursuant to this subchapter;

(c) Advertise a property as a STR, "special event" house or similar use for events or parties exceeding the maximum overnight occupancy of each rental dwelling.

(4) Operate a STR that has received four or more notifications by the town of occupant or guest violations, including but not limited to, ~~of~~ the town's noise ordinance, excessive trash, or debris, or exceeding maximum occupancy during any rolling one-year period.

(a) Conveyance of the ~~property~~ **Residential Dwelling Unit** to a new owner shall cause the rolling one-year period to restart unless the new owner retains some common ownership interest with the prior owner.

(b) For the purpose of determining the total number of notifications to the, STR Operator, all written warnings and violations occurring within a single rental contract period shall be considered one violation.

(B) Penalties. No permit may be issued or approved unless the requirements of this chapter, or any ordinance adopted pursuant to it, have been met.

(C) A violation of this subchapter may result in a penalty pursuant to the general penalty provisions of § 10.99, revocation or suspension of a business license pursuant to § 110.34 of this Code, or the non-renewal of the license.

(1) STR Operator shall be subject to graduated penalties as the STR Operator receives notifications as provided in this section. The permittee may respond within ten days of receiving the certified notice with evidence that demonstrates that the notice was issued in error and town staff may reconsider and withdraw the notice. Final decisions shall be made by the Zoning Administrator, or his or her designee, in writing and shall be provided to the permittee, or his or her agent, within 30 days of the permittee's request. The notice of violation shall be rescinded should the town fail to respond within the proscribed time period. The graduated penalties are:

(a) First violation. A description sent to the STR Operator of the violation and a warning that progressive action shall be taken by the town in the case of further violations.

(b) Second violation. A description sent to the STR Operator of the violation and a second warning that progressive action shall be taken by the town in the case of further violations.

(c) Third violation. A description sent to the STR Operator of the violation, a penalty of \$500, and a third warning that progressive action shall be taken by the town in the case of further violations.

(d) Fourth violation. A description sent to the STR Operator of the violation, notice of the STR Permit revocation, and initiation of business license revocation procedures pursuant to § 110.34 of this Code, or notice that the license will not be renewed.

(D) Administrative revocation. Notwithstanding the general penalty provisions of § 10.99 of this Code, a STR permit may be administratively revoked by the Zoning

Administrator or his designee if the STR has violated the provisions of this subchapter on three or more occasions during a rolling one-year period. Provided however, a STR permit may be immediately revoked if the Planning Director determines the STR has building code violations, there is no business license for the **STR** property, the **STR** property is being used in a manner not consistent with the permit issued for the STR use, or the advertisement for the STR does not include the town-issued permit number and business license number.

(E) Appeals. If a permit is administratively revoked or an application is administratively denied, a STR Operator may appeal the Zoning Administrator's administrative decision revoking or denying the permit to the Board of Zoning Appeals within 30 calendar days from the date of the denial or revocation. All appeals shall be addressed in accordance with the appeal procedures of § 156.411 et seq.

(F) Subsequent applications. Once a town-issued permit and/or a business license for STR use has been revoked, no new permit and/or business license for a STR use shall be issued to the same STR Operator for a period of one year from the date of revocation. Upon expiration of the revocation period, a new permit application for a STR use must be submitted in accordance with this subchapter.

(G) The owner of a Residential Dwelling Unit operating as a Short-Term Rental without a valid permit, shall, upon conviction, be punished by a fine not to exceed \$500 or imprisonment for not more than 30 days, or both, and/or shall be subject to a civil penalty that shall not exceed \$1,000, not including attorney's fees and costs to collect and enforce the civil penalty including, but not limited to, any proceedings to create a lien on any property owned by the owner of the Residential Dwelling Unit for any unpaid civil penalties. Further, the owner of a Residential Dwelling Unit operating as a Short-term Rental without a valid permit cannot apply for any STR permit within one year from the date of conviction and/or date of assessment of civil penalty.

(Ord. 19048, passed 8-13-19; Am. Ord. 21019, passed 4-13-21)

§ 156.345 NONCONFORMITIES.

~~—All STR dwellings legally in existence as of the effective date of this subchapter shall be subject to the provisions of § 156.140. Satisfactory documentation evidencing legal existence is subject to review and approval by the Zoning Administrator, or his or her designee.~~