



Save Folly's Future Special e-Newsletter

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**F.B. City Council Special Meeting
June 28th - Tuesday 7pm**

Three Main Issues

- **Review Recent Changes to Mayor's STR Plan**
- **Introduce Ordinance 26-22 (Includes Cap System)**
- **Introduce Ordinance 27-22**

Citizen's Comments are Possible

(Votes on both ordinances are expected to be taken)

The agenda is 19 pages and is located at:

<https://cityoffollybeach.com/wp-content/uploads/2022/06/Council-Special-Agenda-6.28.22.-1.pdf>

A Direct Link to the Agenda is Below

Unable to Attend: Watch Live or Later on You Tube

Save Folly's Future Supports Most of the Revised STR Plan Especially the 800 cap for Investment STRs

(But the transfer privileges range from bad to appalling)

- We support, in principal, all 18 recommendations
- We support the Mayor's cap of 800 STR licenses for "investment STRs". We do not support any transfer exemptions. One exemption gives "investment STR" owners a golden ticket for their family and another under cuts the entire cap system so as to make it meaningless. (See Editorial)

Save Folly's Future will Publish a
Meeting Summary
As Quickly As Possible

**A link to Mayor Goodwin's Revised STR Plan
is located on the landing page of city's website.**

Click the Button Below for a Direct Link

June 28th Council Agenda - A lot to Unpack

Three Agenda Items

1. Mayor's Revised STR Plan - (Pages 3-7)

Also located on city's website (Link at bottom of page)

2. Ordinance 26-22 - (Pages 8-11)

Includes: Definitions of 11 terms

Short Term Rental Cap (Will only apply to 6% properties / cap = 800 (but beware of all the exceptions))

3. Ordinance 27-22 - (Pages 12-19)

Includes: STR Business License Rules (Lots of Hoops)

STR minimum Stays - 7 nights in SFRD

- 2 nights in other areas

STR Special Events not to exceed 25 people (Was 49)

Information on STR Violations & Penalties

There is an incredible amount of information in both ordinances. They are extremely dense and will take some time to summarize.

Ordinance 26-22 will affect every property owner in the city and should be read very carefully by every property owner!

(Especially, 117.02(B)(2) on page 9 & 117.02(D)(1) on page 10.)

Editorial

These two ordinances do not represent the full scope of the Mayor's STR Proposals. You can expect a few more ordinances soon. BUT, the most important STR proposal from the mayor is ordinance 26-22, it includes a cap of 800 for "investment STRs", also referred to as non-owner occupied STRs, 6% STRs or the city's new term, non restricted rentals.

If "investment STRs" are not limited, investors from all over the United States will continue buying up the island at an ever increasing rate. Let the city council know that you support limiting investment STRs to 800 but have an issue with all the transfer exceptions.

The Cap System, as proposed, contains two transfer exceptions that seem unfair:

1. Any current "investment STR" owner will be able to transfer their STR license to a family member which will create a "Golden Ticket" for this family, forever.

2. 117.02 (B)(2) on page 9 appears to be a wolf in sheep's clothing. It will allow any current 4% property, upon it's sale to become an "investment STR" outside the cap system and restrict several other types of property owners from the same opportunity. The entire section is half-baked at best and if enacted will effectively make the cap system just a shame.

It needs to go!

John McFarland

Send Your STR Comments to City Hall

Fast & Easy

No need to search for 7 different email addresses

With just a few clicks you can send a message to any or all members of the Folly Beach City Council

(We are a conduit, your message is not read, recorded or saved.)

Direct Link Below

Ordinance 26-22 Section 117.02(B)(2) (Exact Wording)

Residential Dwellings. The purchaser of a residential dwelling may receive a license to operate a Non-Restricted Rental (**investment STR**) if and only if:

1. The residential dwelling was assessed by Charleston County at a 4% property tax rate from July 6, 2022, to the closing date, **and**
2. The purchaser applies for a Non-Restricted Rental license(**investment STR**) within 30 days of the closing date, **and**
3. The residential dwelling is otherwise in compliance with the requirements of this chapter.

Although such licenses are not subject to the cap, they are included in the count toward the cap.

Ordinance 26-22 Section 117.02 (D)(1) (Exact Wording)

Non-Transferable. A license issued to operate a Non Restricted Rental (**investment STR**) is not transferable except in the following manner.

(1) A license issued to operate a Non-Restricted Rental (investment STR**) may be transferred to an eligible family member.**

Eligible Family Member as defined in Ordinance 26-22 Definition Section:

For the purposes of this Chapter, an eligible family member is a spouse, parent, stepparent, sibling, step sibling, sibling-in-law, child, stepchild, grandparent, or step grandparent.

Ordinance 26-22 Section 117.02 (E)(3) (Exact Wording)

(3) The waiting list shall expire each year on May 31. Any license application on the waiting list must be resubmitted beginning June 1 for consideration in the following year.

(Editor's Comment: This procedure is not a fair system of the "First Come - First Served" principle and is too much extra paper work for all parties, including the city. It is unclear if you loose your place in the que, just have to check a box somewhere to remain of the original list or you have to scramble every year to sign up first or loose your original ranking.)

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