



# CITY OF FOLLY BEACH

1<sup>st</sup> Reading: October 11<sup>th</sup>, 2022  
2<sup>nd</sup> Reading: October 18<sup>th</sup>, 2022

Introduced by: Mayor Goodwin  
Date: October 11<sup>th</sup>, 2022

## ORDINANCE 32-22

### AN ORDINANCE TO IMPOSE A MORATORIUM ON THE ISSUANCE OF NEW BUSINESS LICENSES FOR SHORT TERM RENTALS WITHIN THE CITY OF FOLLY BEACH DUE TO PENDING CITIZEN INITIATIVE PETITION TO ESTABLISH A CAP ON SHORT TERM RENTALS.

- WHEREAS,** The City has received a citizen petition to limit the number of short-term rental licenses to 800; and
- WHEREAS,** The City has issued 1,112 short term rental licenses for the 2022 business license year as of October 18<sup>th</sup>, 2022; and
- WHEREAS,** The City desires to limit further increase in the number of short term rental licenses until the question posed by the petition is settle by vote of Council or general referendum.

#### NOW BE IT THEREFORE ORDAINED:

1. The City of Folly Beach 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 Section (b) hereof, no application shall be approved for a business license to for any residential dwelling taxed at a 6% property tax rate.
  - b. Subject to the limitations set forth in Section (c) excepted from the provisions of Section 1 (a) are each of the following:
    - i. Renewals of short term rental licenses for properties that were legally licensed as of October 18<sup>th</sup>, 2022.
    - ii. New licenses resulting from the transfer of ownership of properties that were legally licensed as short term rentals as of October 18<sup>th</sup>, 2022.
    - iii. New licenses for properties in Downtown Commercial district for which Final Approval has been granted by the Design Review Board prior to the ratification of this ordinance.
    - iv. New licenses for a short term rental for which an application has been filed with the City of Folly Beach prior to ratification of this Ordinance and that has been deemed sufficient for approval.
  - c. In order to be expected from this moratorium, all exceptions listed in Section (b) must comply with the following requirements:

- i. Applications must be submitted in a timely manner. With regards to licenses falling under Subsection (b)(iii), applications must be submitted within thirty days of ratification of this Ordinance; and
  - ii. Applications must be deemed sufficient for approval by City staff; and
  - iii. Applications must be for a license to rent:
    1. An existing residential unit that is currently available to rent or will be within thirty days of ratification of this Ordinance; or
    2. A planned residential unit for which an application for a building permit, sufficient for approval by City staff, has been submitted within thirty days of ratification of this Ordinance and which shall be available to rent within twelve months of the ratification of this Ordinance.
    3. A residential unit for which a building permit has been issued within thirty days of ratification of this Ordinance and for which a certificate of occupancy shall be issued and the unit made available to rent within twelve months of the ratification of this Ordinance.
- 
2. The Mayor will propose to the City Council on or prior to January 11<sup>th</sup>, 2023 the text of any ordinances required to be acted upon by the petition.
  3. This ordinance shall take effect immediately upon adoption and shall expire automatically on January 11<sup>th</sup>, 2023 unless earlier repealed.

**ADOPTED** this 18<sup>th</sup> day of October 2022, at Folly Beach, South Carolina.

Ayes:   5  

Nays:   1  

Abstains:           

  
\_\_\_\_\_  
Municipal Clerk

  
\_\_\_\_\_  
Tim Goodwin, Mayor