

Save Folly's Future

Feb 12, 2024

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Council STR Work Session

Feb 13th - 6pm

Agenda: Discussion of proposed STR Ordinance 001-24 and some info about the wait list

[Link Below to: Work Session Agenda Packet](#)

Council Meeting Feb 13th - 7pm

Proposed Ordinance 001-24 contains more than just technical changes

Three Major STR Changes are Proposed

- The term “Transfer of Property” will be radically altered. (More info on Page 2)
- Two new ISTR License Categories are being proposed. (More info on Pages 3&4)

[Link Below to: Meeting Agenda Packet](#)

**Proposed Ordinance 001-24
will define “Transfer of Property”
based on the exact wording of SC Code
12-37-3150. (All 1,498 words of it.)**

SC Code 12-37-3150 was created by the SC Legislature and signed into law in 2007 to determine for taxing purposes what would and would not be considered an “Assessable Transfer of Interest” when a transfer of real estate occurs.

12-37-3150 was part of a bill that was designed to ease the increasing tax burden of residents due to escalating property values. It was not designed or written to regulate STR growth. Yes, some of the 39 guidelines are spot on, but others are completely off base for our purposes.

The statute contains 1,498 words with 39 guidelines that were written by knowledgeable real estate attorneys. To adopt all 39 guidelines will, without a doubt, create a number of new loopholes and represents a major threat to the CAP. It is not a solution, it is a Trojan Horse.

There are better and simpler ways to deal with Folly’s Section 117.02 (D) Non-Transferable. (See Page 5)

[Link Below to: SC Code 12-37-3150](#)

Proposed Ordinance 001-24 creates two new ISTR License Categories

#1- ISTR License Option for a Beneficiary

Upon death of a property owner, the beneficiary will have the option to get an ISTR license.

Proposed language:

“ISTR Rental License - “A license issued for a dwelling unit, to be rented as a short term rental for more than seventy-two nights annually, that:

(A) Is not the legal residence of the owner.

(B) Is inherited from (any property) owner of record on February 7, 2023.

(1) Proof of inheritance shall be shown through a deed of distribution, court order, will or similar document.

(2) Application for an ISTR (License) due to inheritance must be made within ninety (90) days of transfer of ownership.

(3) An ISTR (License) based on inheritance shall only be issued to an eligible family member. “

“ELIGIBLE FAMILY MEMBER. For the purposes of this Chapter, an eligible family member is a spouse, parent, stepparent, sibling, step sibling, sibling-in-law, child, stepchild, niece, nephew, grandparent, or step grandparent.”

Proposed Ordinance 001-24 creates two new ISTR License Categories

2 -ISTR License for Medical Hardship

If a property owner experiences a medical hardship they may be able to qualify for an ISTR license for their property while recuperating off island.

Proposed Language:

“(C) Is owned by the owner of record on February 7, 2023 upon certification that the owner no longer resides on the premises and is no longer capable of performing at least three activities of daily living.

(1) Activities of daily living are defined as personal hygiene tasks (bathing, grooming, oral, nail and hair care); medication management; walking independently; dressing; transferring in and out of bed; and maintaining continence.

(2) Certification that an owner can no longer perform activities of daily living shall be provided on a form approved by the city and completed by a licensed medical doctor, Doctor of Osteopathic medicine, physician assistant, or advanced practice registered nurse.

(3) Certification for an ISTR (license) issued due to medical hardship shall be submitted annually.”

SFF's Position on the Three Major Changes

1. Defining “Transfer of Property” by using 100% of S.C. Code 12-37-3150 will make things worse.

The statute contains 1,498 words and was clearly written by a phalanx of attorneys to determine “when a real property must be appraised”. Many of the sections are detailed and technical. Using all 39 of the guidelines will open the door for a number of new loopholes and will benefit those with the most clever attorneys.

SFF was aware of 12-37-3150 when the Citizen’s Petition was drafted but decided it was too amorphous to use. Adopting 12-37-3150 in its entirety is not in Folly’s best interest and will do more harm than good.

If the problem is the term “transfer of property” located in **Section 117.02 (D) Non-Transferable**, let’s just use a few dozen well chosen words to correct the problem instead of adding 1,498 words from 12-37-3150 just to fix the three word phrase, “transfer of property”.

2. ISTR License Option for a Beneficiary

It’s unfortunate you have to die before your relatives will be able to enjoy your generous gift. SFF is on the fence with this category because we support an inheritance transfer mechanism. We also support a Family Friendly Wait List that could yield the same result without cutting the wait list line, even in death. (This category should be removed from 001-24 and included in the discussion related to the wait list. With more work on this idea, an alternative to death should be possible.)

3. ISTR License Benefit for Medical Hardship

It’s a compassionate gesture that may benefit a few of our seniors. SFF supports the initiative and does not think the privilege will be abused, but it is a major STR change that the community should be aware of. (This idea also needs more time to develop. For instance: Will these temporary ISTRs be included in the 800 cap with the permanent ISTRs or will they be exceptions that are outside the Cap with their own small category and their own STR acronym?)

What about the rest of 001-24 ?

SFF considers everything else in 001-24 as technical or organizational changes that will enable the city to better manage all the STR License holders in the City. (A few of the items may need to be tweaked, but overall they have already been vetted and discussed by the council during one or more of the numerous work sessions.)

Folly Beach Special Election

For: One City Council Seat

Election date moved from April 2nd to April 23rd

Candidates - Skip Fink and Jody Lynn Rogers

Contact Info:

Skip Fink

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