

An Ordinance

TO AMEND CHAPTER 54 OF THE CODE OF THE CITY OF CHARLESTON BY AMENDING THE DEFINITIONS FOR ACCOMMODATIONS, BED AND BREAKFAST, AND SHORT TERM RENTAL IN SECTION 54-120, AMENDING THE TABLE OF PERMITTED USES IN SECTION 54-203 TO REFLECT THE NEW RULES FOR SHORT TERM RENTALS, AMENDING THE REGULATIONS FOR BED AND BREAKFASTS IN SECTION 54-208 AND SECTION 54-208.1, AND AMENDING THE REGULATIONS FOR THE SHORT TERM RENTAL OVERLAY ZONE IN SECTION 54-227 TO MAKE THESE CLASS 4 SHORT TERM RENTALS

Findings. City Council finds that attendant to the shared economy that is being nationally embraced is a growing trend by the public to provide accommodations in their homes to travelers. City Council finds the provision of such type of accommodations may be beneficial, if properly regulated, as short term rentals, provide a means to assist property owners to keep their properties in good order and repair, which in turn, assists in stabilizing home ownership, maintaining property values and strengthening the economy of the City. City Council is mindful of the importance of maintaining the residential character of City neighborhoods. Absent appropriate controls on the number and manner of operation of short term rentals, neighborhoods stand to be harmed by undue commercialization and disruption to the primary and overarching purpose of a neighborhood being first and foremost a residential community, where people actually live, not places of transient occupancy. City Council is also mindful of the differing built environments of City neighborhoods. By way of example, the neighborhoods of the peninsula City, south of the Septima Clark Parkway, are generally denser, have limited off-street parking and are more impacted by commerce and visitors than other neighborhoods of the City. In November 2016, City Council established a short term rental task force to study the issue of the propriety of short term rentals in the City and to make recommendations to the Council with respect thereto. City Council has received and reviewed the recommendations of the task force and find that the recommendations strike an appropriate balance among the neighborhoods of the City by recognizing the different characteristics of the neighborhoods and their respective built environments, by encouraging and

strengthening opportunities for home ownership by providing a means to homeowners to assist with the upkeep of property and by maintaining the residential character of neighborhoods by requiring that short term rentals be operated from owner-occupied homes, thus curbing the potential of the neighborhood becoming solely a place for transients.

Section 1. Definitions

Section 2. Amend table of permitted uses, principal use category 7043.

Section 3. Sections 54-208 and 54-208.1 of the zoning ordinance of the City of Charleston are hereby amended by inserting a new Section 54-208 and revising the wording of existing Sections 54-208 and 54-208.1 to read as follows (deleted text shown with ~~striketrough~~ and new text shown with underline):

Sec. 54-208 – General Requirements. The following provisions shall apply to all Short Term Rentals, STR’s, except for STR’s permitted allowed under Section 54-227.

- a. A Short Term Rental, STR use may be permitted as Class 1, Class 2, or Class 3 STR permit, if it is determined to be an accessory use to the principal residential use on a property and satisfies the requirements of Sec. 54-208.1, 54-208.2, or 54-208.3.
- b. Operational requirements. In all cases, Class 1, 2 or 3 STR uses shall meet the following operational requirements:
1. The STR shall be operated by the record owner of the subject property who shall also be a resident of the subject property and who shall be residing overnight on the property while STR guests are present. For purposes of this section, to qualify as a resident of a property, the person shall designate the subject property as his legal voting address and the address of his driver’s license, the subject property must be assessed at the four percent homeowner’s assessment ratio according to the records of the county Assessor’s Office, and the record

owner shall physically reside at the subject property at least 183 days each year. A single or dual member limited liability company (LLC) may qualify as a resident of the subject property provided the member(s) provide(s) with the application for an STR permit a sworn statement attesting that (s)he or they are the sole members of the LLC. The sole member(s) must also designate the subject property as his/their legal voting address and address of his/their driver's license, the subject property must be assessed at the four percent homeowner's assessment ratio according to the records of the county Assessor's Office, and the member(s) shall physically reside at the subject property at least 183 days each year; and

2. The property shall not contain signs advertising the STR use; and
3. If meals are served by the resident owner, no meals other than breakfast may be served to paying guests; and
4. The record owner of the subject property must keep in full force and effect during all times the STR is operated a general liability policy with a company authorized to do business in the State of South Carolina insuring against personal injury (including death) and property damage with limits of no less than \$1,000,000.00 per occurrence.
5. The resident owner shall keep a current guest register including names, addresses and dates of occupancy of all guests.; and
6. The resident owner shall comply with all business license and revenue collection laws of the City of Charleston, Charleston County and State of South Carolina; and
7. The resident owner shall provide a rental packet with applicable city rules and restrictions, as well as pertinent unit safety information and contact information to guests upon each booking and shall prominently display the rules, safety and contact information within the STR; and
8. Each Class 1, 2 or 3 STR permittee is entitled to list or advertise not more than one (1) STR unit; and
9. The resident owner shall list the STR permit number on all advertisements, including Airbnb, VRBO, and any other online listings.

10. The STR shall not be expanded in any respect beyond the rooms noted on plans approved with the permits, nor shall the use be changed to any other use not permitted by the Zoning Ordinance without reapplication to and approval by the zoning administrator.

c. Application procedure. Applications for STR permits shall be notarized and include the location and owner of the property, application fee, floor plans drawn to scale, a site plan of the lot showing the location of the proposed STR unit and the required off-street parking spaces and driveways, and a photograph or photographs of the current principal view or views of the structure where the STR unit is to be located. The floor plans shall clearly note all rooms to be used by STR guests, and the room or rooms to be used by guests for sleeping shall be noted as well. The application shall also include a statement which the resident-owner must sign acknowledging that he or she has reviewed and understands the requirements of this section and the applicable section for the class of permit requested.

Upon receiving a complete application and prior to the issuance of an STR permit, the zoning administrator shall cause the lot upon which the proposed use is to be located to be posted for fifteen (15) consecutive days, advising that the resident-owner of the property has applied for a zoning permit to establish a STR use at the location and supplying a phone number to call for further information. During this fifteen (15) calendar day period, the zoning administrator shall determine if the application meets the requirements as set forth above. If, at the end of the fifteen (15) day posting period, the zoning administrator determines that the application meets the requirements, the zoning administrator shall notify the applicant that the application is approved and shall, after waiting an additional five business days to allow for appeals, issue the zoning permit. Any appeals filed within the five-day period shall cause the issuance of the zoning permit to be stayed pending resolution of the appeal.

Upon a change in ownership of a property, and prior to the issuance of a new business license to allow continuation of an existing, permitted STR use upon said property, the new property owner shall be required to recertify compliance of the STR use with the zoning administrator by having an

application for recertification of the STR use notarized, filed with, and approved by the zoning administrator.

On an annual basis, the zoning administrator shall determine whether each STR use permitted under this section remains in compliance with all the terms of this ordinance, and shall initiate such enforcement procedures as may be appropriate. All operators of STR uses permitted under this section shall cooperate fully with the zoning administrator and his designees, including, but not limited to, providing pertinent information upon request and affording access to that portion of the premises which is used for the STR use for reasonable site inspections.

d. Violations and penalties.

Violations. It shall be a violation of this Chapter to operate a Class 1, 2 or 3 STR use or other accommodations use without complying with the requirements of this Chapter and the Code of the City of Charleston, to expand an STR without obtaining a new permit, to advertise a property as being available for an STR use or other accommodations use without first complying with the requirements of this Chapter, to advertise an STR unit or other accommodations unit as being available for more occupants than have been permitted pursuant to this Chapter, or to advertise more STR units or other accommodations type units on a property than have permitted pursuant to this Chapter.

Penalties. It shall be unlawful to construct, reconstruct, alter, demolish, change the use of or occupy any land, building, or other structure without first obtaining the appropriate permit or permit approval. No permit may be issued or approved unless the requirements of this chapter or any ordinance adopted pursuant to it are complied with. A violation of this chapter is a misdemeanor punishable by a fine and/or incarceration. Each day the unlawful erection, construction, reconstruction, alteration, conversion, maintenance, or use continues is considered a separate offense. A violation entitles the zoning administrator to revoke the STR permit.

Should the STR use fail to meet the requirements under which it was authorized or be discontinued for a period of twelve (12) months or more, the operating permit shall be revoked.

Sec. 54-208.1 - ~~Bed and breakfasts located~~ Requirements for a Class 1 Short Term Rental, STR Permit for properties within the Old and Historic District.

a. ~~An bed and breakfast~~STR use may be established in a dwelling unit as an accessory to the principal residential use, on any property located within the Old and Historic District, where the zoning administrator, after reviewing ~~an bed and breakfast~~STR permit application, finds that the following requirements are met and issues a City of Charleston Class 1 STR Permit:

1. The property shall not contain more than one (1) ~~bed and breakfast~~STR unit. Each unit shall consist of one (1) or more rooms arranged for the purpose of providing sleeping accommodations for transient occupancy by ~~one (1) family~~ up to four (4) adults. For the purposes of this Section, an adult shall include any person 18 years of age or older; and
2. The subject property shall be located within the Old and Historic District; and
3. The ~~bed and breakfast~~STR shall be operated by the record owner of the subject property who shall also be qualified as a resident of the subject property pursuant to the requirements of Sec. 54-208, b. 1.; ~~for the purpose of this Section of the Zoning Ordinance, to qualify as a resident of a property, the person shall use that property as their legal voting address, driver's license address, and four percent homeowners assessment ratio address, and shall actually reside on the property at least 183 days each year;~~ and
4. The ~~bed and breakfast~~STR shall be subordinate and incidental to the principal residential use of the property; and
5. The ~~bed and breakfast~~STR shall provide one (1) off street, maneuverable parking space on the subject property, in addition to providing, on the subject property, required off street parking for

existing uses on the property. The parking space provided for the STR shall not be parked in tandem with the required spaces for other uses; and

6. The ~~bed and breakfast~~STR unit shall be located within an existing structure or accessory building ~~constructed prior to 1860~~that is individually listed on the National Register of Historic Places; and

7. The ~~bed and breakfast~~STR unit shall not displace an existing dwelling unit which has been occupied within one (1) year prior to the filing date of the application; and

~~8. The property shall not contain signs advertising the bed and breakfast; and~~

~~98.~~ The ~~bed and breakfast~~STR use shall not create the need for exterior alterations to any building for the purpose of maintaining such accessory use; and

~~109.~~ The ~~bed and breakfast~~STR use shall be located on property which is in compliance with allowed uses for the zone district in which the property is located; and

~~110.~~ The ~~bed and breakfast~~STR use shall be located on a lot which complies with the required minimum lot area for existing uses as specified under Table 3.1: Height, Area and Setback Regulations ~~(applicable to SR and STR residential districts only);~~ and

~~1211.~~ The ~~bed and breakfast~~STR use shall be located on a lot which has at least 40 feet of frontage on a public right-of-way ~~(applicable to SR and STR residential districts only);~~ and

~~1312.~~ The ~~bed and breakfast~~ applicant for the STR use shall not be operated by someone who has ~~not~~ had an bed and breakfastSTR permit revoked within the previous ~~twelve~~twenty-four (~~12~~24) months.

~~b. Operational requirements. In all cases, bed and breakfast uses shall meet the following operational requirements:~~

~~1. No meals other than breakfast may be served by the resident owner to the paying guests.~~

~~2. The resident owner shall keep a current guest register including names, addresses and dates of occupancy of all guests.~~

~~3. The resident owner shall comply with all business license and revenue collection laws of the City of Charleston, Charleston County and State of South Carolina.~~

~~c. Application process. Applications for bed and breakfast uses shall be notarized and include the location and owner of the property, a site plan of the lot showing the proposed location of the bed and breakfast use and the location of the required off-street parking space, and a photograph or photographs of the current principal view or views of the structure where the proposed bed and breakfast use is to be located. The application shall also include a statement which the resident-owner must sign acknowledging that he or she has reviewed and understands the requirements of this section.~~

~~Upon receiving a complete application and prior to the issuance of a zoning permit, the zoning administrator shall cause the lot upon which the proposed use is to be located to be posted for ten (10) consecutive days, advising that the resident-owner of the property has applied for a zoning permit to establish a bed and breakfast use at the location and supplying a phone number to call for further information. During this ten (10) calendar day period, the zoning administrator shall determine if the application meets the requirements as set forth above. If, at the end of the ten (10) day posting period, the zoning administrator determines that the application meets the requirements, the zoning administrator shall notify the applicant that the application is approved and shall, after waiting an additional five business days to allow for appeals, issue the zoning permit. Any appeals filed within the five-day period shall cause the issuance of the zoning permit to be stayed pending resolution of the appeal.~~

~~The bed and breakfast use shall not be expanded in any respect throughout the structure or structures, nor shall the use be changed to any other use not permitted by the Zoning Ordinance without reapplication to and approval by the zoning administrator.~~

~~Upon a change in ownership of a property, and prior to the issuance of a new business license to allow continuation of an existing, permitted bed and breakfast use upon said property, the new property owner shall be required to recertify compliance of the bed and breakfast use with the zoning~~

~~administrator by having an application for recertification of the bed and breakfast use notarized, filed with, and approved by the zoning administrator.~~

~~Should the bed and breakfast use fail to meet the requirements under which it was authorized for operating a bed and breakfast or be discontinued for a period of twelve (12) months or more, the operating permit shall be revoked.~~

~~On an annual basis, the zoning administrator shall determine whether each bed and breakfast use permitted under this section remains in compliance with all the terms of this ordinance, and shall initiate such enforcement procedures as may be appropriate. All operators of bed and breakfast uses permitted under this section shall cooperate fully with the zoning administrator and his designees, including, but not limited to, providing pertinent information upon request and affording access to that portion of the premises which is used for the bed and breakfast use for reasonable site inspections.~~

d. ~~Violations.~~

~~It shall be a violation of this Chapter to operate a bed and breakfast use or other similar accommodations use without complying with the requirements of this Chapter, to advertise a property as being available for a bed and breakfast use or other similar accommodations use without first complying with the requirements of this Chapter, or to advertise more bed and breakfast units or other similar accommodations type units on a property than have permitted pursuant to this Chapter.~~

Sec. 54-208.12. - ~~Bed and breakfasts located not~~ Requirements for a Class 2 Short Term Rental, STR Permit for properties located within the Old and Historic City District or located south of the Highway 17 Septima Clark Expressway and not within the Old and Historic District.

- a. ~~An~~ bed and breakfast~~STR use~~ may be established in a dwelling unit as an accessory to the principal residential use, on any property located on the Charleston peninsula in the Old City District or south of the Highway 17 Septima Clark Expressway right-of-way, and not located within the Old and Historic District, where the zoning administrator, after reviewing an ~~bed and breakfast~~STR

application, finds that the following requirements are met and issues a City of Charleston Class 2 STR Permit:

1. ~~The number of bed and breakfast units shall not exceed four (4) units; except that a property may have between four (4) and ten (10) bed and breakfast units if the building(s) used for the bed and breakfast units contain at least 560 square feet of conditioned floor area per bed and breakfast unit and all other requirements of this section are met. Each unit shall consist of one (1) or more rooms arranged for the purpose of providing sleeping accommodations for transient occupancy by one (1) family.~~ The property shall not contain more than one (1) STR unit. Each unit shall consist of one (1) or more rooms arranged for the purpose of providing sleeping accommodations for transient occupancy by up to four (4) adults. For the purposes of this Section, an adult shall include any person 18 years of age or older; and
2. The subject property shall be located within the Old City District or south of the Highway 17 Septima Clark Expressway right-of-way, and not within the Old and Historic District; and
3. ~~The bed and breakfast~~ STR use shall be operated by the record owner of the subject property who shall also reside at ~~be~~ qualified as a resident of the subject property pursuant to the requirements of Sec. 54-208, b. 1. -at least 183 days each year; and
4. ~~The principal building on the property on which the bed and breakfast use will be located shall have been constructed 50 or more years ago although the bed and breakfast unit(s) may be located in a building that was not constructed 50 or more years ago.~~ The STR unit(s) shall be located within an existing structure or accessory building constructed 50 or more years ago; and
5. ~~Bed and breakfast~~ The STR unit(s) located in buildings constructed 50 or more years ago shall provide one (1) off street, maneuverable parking space on the subject property ~~for each two (2) bed and breakfast units, or fraction thereof. Bed and breakfast unit(s) located in buildings not constructed 50 or more years ago shall provide one (1) off street, maneuverable parking space on the subject property for each bed and breakfast unit. Spaces required for the bed and breakfast unit(s) shall be in addition to providing, on the subject property, required off street~~

parking for existing uses on the property. The parking space provided for the STR shall not be parked in tandem with the required spaces for other uses; and

~~6. The property shall be permitted to have one sign advertising the bed and breakfast. The permitted sign may have a maximum of two sides and no side shall exceed four (4) square feet in total sign face area; and~~

~~7. The bed and breakfast STR shall be located on property which is in compliance with allowed uses for the zone district in which the property is located; and~~

~~7. The STR use shall not create the need for exterior alterations to any building for the purpose of maintaining such accessory use.~~

8. The ~~bed and breakfast~~ applicant for the STR use shall not be operated by someone who has ~~not~~ had an ~~bed and breakfast STR~~ permit revoked within the previous ~~twelve~~ twenty-four (24) months.

~~b. Operational requirements. In all cases, bed and breakfast uses shall meet the following operational requirements:~~

~~1. No meals other than breakfast may be served by the resident owner to the paying guests.~~

~~2. The resident owner shall keep a current guest register including names, addresses and dates of occupancy of all guests.~~

~~3. The resident owner shall comply with all business license and revenue collection laws of the City of Charleston, Charleston County and State of South Carolina.~~

~~c. Application process. Applications for bed and breakfast uses shall be notarized and include the location and owner of the property, a site plan of the lot showing the proposed location of the bed and breakfast use and the location of the required off-street parking space, and a photograph or photographs of the current principal view or views of the structure where the proposed bed and breakfast use is to be located. The application shall also include a statement which the resident-owner must sign acknowledging that he or she has reviewed and understands the requirements of this section.~~

~~Upon receiving a complete application and prior to the issuance of a zoning permit, the zoning administrator shall cause the lot upon which the proposed use is to be located to be posted for ten (10) consecutive days, advising that the resident owner of the property has applied for a zoning permit to establish a bed and breakfast use at the location and supplying a phone number to call for further information. During this ten (10) calendar day period, the zoning administrator shall determine if the application meets the requirements as set forth above. If, at the end of the ten (10) day posting period, the zoning administrator determines that the application meets the requirements, the zoning administrator shall notify the applicant that the application is approved and shall, after waiting an additional five business days to allow for appeals, issue the zoning permit. Any appeals filed within the five-day period shall cause the issuance of the zoning permit to be stayed pending resolution of the appeal.~~

~~The bed and breakfast use shall not be expanded in any respect throughout the structure or structures, nor shall the use be changed to any other use not permitted by the Zoning Ordinance without reapplication to and approval by the zoning administrator.~~

~~Upon a change in ownership of a property, and prior to the issuance of a new business license to allow continuation of an existing, permitted bed and breakfast use upon said property, the new property owner shall be required to recertify compliance of the bed and breakfast use with the zoning administrator by having an application for recertification of the bed and breakfast use notarized, filed with, and approved by the zoning administrator.~~

~~Should the bed and breakfast use fail to meet the requirements under which it was authorized for operating a bed and breakfast or be discontinued for a period of twelve (12) months or more, the operating permit shall be revoked.~~

~~On an annual basis, the zoning administrator shall determine whether each bed and breakfast use permitted under this section remains in compliance with all the terms of this ordinance, and shall initiate such enforcement procedures as may be appropriate. All operators of bed and breakfast uses permitted under this section shall cooperate fully with the zoning administrator and his designees,~~

~~including, but not limited to, providing pertinent information upon request and affording access to that portion of the premises which is used for the bed and breakfast use for reasonable site inspections.~~

~~d. Violations.~~

~~It shall be a violation of this Chapter to operate a bed and breakfast use or other similar accommodations use without complying with the requirements of this Chapter, to advertise a property as being available for a bed and breakfast use or other similar accommodations use without first complying with the requirements of this Chapter, or to advertise more bed and breakfast units or other similar accommodations type units on a property than have permitted pursuant to this Chapter.~~

Sec. 54-208.3. – Requirements for a Class 3 Short Term Rental, STR Permit for properties in all areas of the City except the areas listed in Sec. 54-208.1 or Sec. 54-208.2.

a. An STR use may be established in a dwelling unit as an accessory to the principal residential use, on any property located outside the historic districts and outside the area on the peninsula immediately south of the Highway 17 Septima Clark Expressway right-of-way, as more fully described below, where the zoning administrator, after reviewing an STR application, finds that the following requirements are met and issues a City of Charleston Class 3 STR Permit:

1. The subject property shall be located outside the Old and Historic District, outside the Old City District and not within the area of the peninsula south of the Highway 17 Septima Clark Expressway right-of-way that is outside the historic districts; and
2. The number of STR guests on the property shall not exceed four (4) adults. For the purposes of this Section, an adult shall include any person 18 years of age or older; and
3. The size and character of the STR use must be subordinate and incidental to the principal residential use of the property; and

4. The STR shall be operated by the record owner of the subject property who shall also be qualified as a resident of the subject property pursuant to the requirements of Sec. 54-208, b. 1.; and
5. The STR unit(s) shall be located within an existing structure or accessory building constructed 50 or more years ago; and
6. The property shall provide the required number of maneuverable, off-street parking spaces for existing uses. Additional off-street parking is not required for an STR use that does not include more than one (1) room to be used by STR guests for sleeping. If the STR use includes more than one (1) room for sleeping, the STR use shall provide one (1) off street, maneuverable parking space on the subject property for each additional room for sleeping, in addition to providing, on the subject property, required off street parking spaces for existing uses on the property; and
7. The STR use shall not create the need for exterior alterations to any building for the purpose of maintaining such accessory use.
8. The applicant for the STR use shall not be someone who has ~~not~~ had an STR permit revoked within the previous twenty-four (24) months.

Section 4. Section 54-227 of the zoning ordinance of the City of Charleston is hereby amended by inserting wording to allow this type of short term rental use as a Class 4 Short Term Rental.

Section 5. Severability. It is hereby declared to be the intent of City Council that the sections, paragraphs, sentences, clauses and phrases of Sections 1, 2, 3 and 4 are severable, and if any section, paragraph, sentence, clause or phrase of Sections 1, 2, 3 and 4 be declared unconstitutional or invalid by a valid judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining sections, paragraphs, sentences, clauses or phrases of Sections 1, 2, 3 and 4, since the same would have been enacted without the

incorporation in this Section of the unconstitutional or invalid section, paragraph, sentence, clause or phrase.

Section 6. This ordinance shall become effective upon ratification.