

## **Proposed New Regulations for Short-Term Rental in the City of Charleston (As of 11/7/2017)**

Except for a very small area of the city, **short-term renting of any kind is currently illegal in the City of Charleston**. The Short-Term Rental Task Force's proposal would modernize our ordinances by expanding the areas of the city eligible for such rentals, while placing thoughtful, consistent, and reasonable restrictions (rooted in the historic nature of this city) on that use.

Bed and Breakfast uses now authorized would be replaced with a specific short-term rental use category. **Existing fully-permitted, legally operating Bed and Breakfasts will be allowed to continue to operate under current regulations.**

In the Cannonborough and Elliotborough neighborhoods, short-term rentals are allowed under certain conditions. **The Short-Term Rental Task Force made no recommendation on the future of this use. There is no proposal to change this particular use within this particular overlay district.** Commercial Short-Term Rentals in this district would be Class 5 Short-Term Rentals, while Bed and Breakfast regulations that currently apply within this area would be changed to Class 4 Short-Term Rentals within the existing overlay district only.

Outside of the existing Short-Term Rental overlay, there would be three classes (Class 1, Class 2, and Class 3). They would all share some requirements, including the following:

- In order to prevent investors from purchasing houses and turning them into hotels, or causing the kind of neighborhood hollowing and profound housing shortages which have occurred in other heavily-touristed locales, properties would have to be owner-occupied primary residences to be eligible for Short-Term Rental.
- In order to mitigate livability concerns of short-term rentals and as a second check against investor-owned residential hotels, the primary resident owner would be required to stay overnight on the premises while renting the property.
- In order to help mitigate many livability concerns associated with this use, a maximum of four renters (over age 18) would be allowed in a short-term rental at once.
- In order to ensure the enforceability and effectiveness of the ordinance, and protect public health, there would also be several additional process, permitting, safety, and enforcement requirements.

There are two important distinguishing differences in the eligibility criteria for the three new classes of Short-Term Rental:

- In order to ensure adequate parking space, Class 1 and Class 2 STRs would be required to provide one parking space per bedroom rented. Because Class 3 STRs are proposed for areas of the city with generally less parking pressure, a Class 3 STR would have to provide one space per bedroom, but the first bedroom rented would be exempted from that requirement.
- Class 1 STRs would be located in the Old and Historic District. To be eligible for a Class 1 STR permit, the building would have to be individually listed on the National Register of Historic Places. Class 2 STRs would be located within the Old City District, but outside the existing Short-Term Rental Overlay. Class 3 STRs would be located in all other areas of the city. To be eligible for a Class 2 or Class 3 STR, the buildings would have to be older than 50 years.

The Task Force made additional recommendations relating to enforcement of the existing STR ordinances and to the existing Accommodations Overlay which will be taken up separately. **No changes in City of Charleston ordinances have been made yet. Any change requires approval of both the Planning Commission and City Council.**