

## **Proposed Regulations for Short-Term Rental in the City of Charleston (As Passed by Planning Commission 1/31/2018)**

Except for a very small area of the city, **short-term renting** (less than 30 consecutive days) **of any kind is currently illegal**. The Short-Term Rental Task Force's proposal, as adapted by the Planning Commission, 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 Charleston) on that use. Two main types of Short-Term Rentals (STRs) are proposed, Residential and Commercial. All STRs would be required to obtain and annually renew a permit, and follow all City of Charleston regulations. **Existing fully-permitted, legally operating Bed and Breakfasts and Short-Term Rentals will be allowed to continue to operate under current regulations.**

### Commercial STRs

Within the Cannonborough and Elliotborough neighborhoods, whose boundaries correspond with the Short Term Overlay Zone, Commercial STRs are currently allowed under certain conditions. **The Short-Term Rental Task Force made no recommendation to change these rules. Regulations that currently apply in this Overlay Zone would continue to apply.**

### Residential STRs

#### Common Requirements

- 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 a Short-Term Rental. **This is determined by the 4% owner occupied property tax status.**
- With approval of the Zoning Administrator after meeting certain conditions, an owner could obtain a permit to allow a Manager to operate the STR on his or her property without the owner's physical presence **for up to 72 rental nights per year.**
- In order to help mitigate many livability concerns associated with this use, the occupancy of each short term rental unit would be limited to **no more than two people per permitted bedroom.**
- 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.

#### Class Specific Requirements

- **Parking:** *All required parking must be provided on the property where the STR is proposed to be located and all required STR spaces cannot be parked in tandem with spaces required for the primary residential use.*
  - Class 1 and Class 2 STRs would be required to provide **one parking space per rental bedroom**. The second bedroom rented would be exempt from that requirement.
  - Class 3 STRs would have to provide **one space per rental bedroom, but the first bedroom rented would be exempted from that requirement.**
- **Property Eligibility**
  - 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 Zone**.
  - Class 3 STRs would be located in **all other areas of the city**. The building on the property would have to be more than five years old to be rented.

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. Changes approved by the Planning Commission require approval by City Council.**