

Council

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Mayor Pro Tempore

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Operations

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Planning

ORDINANCE 2024-19

AN ORDINANCE AMENDING CHAPTER 12, ARTICLE V, "SHORT-TERM RENTALS," OF THE CODE OF ORDINANCES OF THE TOWN OF PORT ROYAL, SOUTH CAROLINA

WHEREAS, the Town of Port Royal is empowered to regulate land use to ensure orderly growth and harmony among neighboring uses; and

WHEREAS, the proliferation of short-term rentals has raised concerns regarding community integrity, neighborhood character, and the overall quality of life for residents; and

WHEREAS, it is essential to create a regulatory framework that balances the rights of property owners with the interests of the community; and

WHEREAS, the Town Council believes that a revised approach to short-term rentals is necessary to address the challenges posed by these rentals while promoting responsible hosting and preserving the unique character of Port Royal; and

WHEREAS, the Town Council finds that establishing clear guidelines and regulations for short-term rentals will enhance public safety, and protect residential neighborhoods;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Port Royal, South Carolina, duly assembled and with authority of same that Chapter 12, Article V, "Short-term Rentals," be amended as follows:

Sec. 12-61. -Purpose.

It is the purpose of this section to protect the public health, safety, and general welfare of individuals and the community at large; to ensure that neighborhoods are not adversely affected or disrupted by short-term rentals.

Sec. 12 -62. -Definitions.

Accessory Dwelling Unit (ADU) means an accessory building on the same parcel as a residence, containing all living spaces required to qualify as a residence that is used as a Short-Term Rental.

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Business License means a business license issued pursuant to Chapter 12, Article II of the Town's Code of Ordinances.

District shall mean any one of the following (all as shown on the Port Royal Short-Term Rental Map which is adopted as a part of this ordinance):

- (1) South of Ribaut Road, West of Paris Avenue excluding the Port PUD;
- (2) South of Ribaut Road, East of Paris Avenue to Old Shell Road and the 16th Street Extension;
- (3) South of Ribaut Road, East of Old Shell Road and the 16th Street Extension to Pinckney Boulevard;
- (4) North of the Ribaut Road; and
- (5) West of the Bell/Parris Island Bridge

Legacy Rights means the homeowner's ability to convey one-time their Short-Term Rental Status to a new owner (See Sec. 12-65, K). This applies to any Business License holder for a Short-Term Rental upon adoption of Ordinance 2024-19.

Legal Residence means a residential property, including any Accessory Dwelling Units, where the owner of record physically resides at the subject property and is eligible for, and has obtained, a property tax assessment ratio of 4% for the subject property.

Short-Term Rental means a transient vacation rental or use in which overnight accommodations are provided in dwelling units to guests for compensation, for periods of ~~less than thirty (30) days~~ fewer than 29 days. Short-Term Rental for the purpose of this regulation are those accommodations classified within the North American Industry Classification System (NAICS) as 72119 Other Traveler Accommodation. Further the activity is classified as *7011 Hotels and Motels (except hotels, motels, and bed and breakfast inns under the 1987 United States Standard Industrial Classification (SIC)).

Sec. 12-63. -License required.

~~Any property owner engaged in the activity of short term rental within the limits of the town will obtain an occupational license as provided for by article II, occupational license, of this chapter.~~

(a) No Short-Term Rental may be operated within the Town without having been issued a Business License. The types of Short-Term Rentals for which a Business License may be issued are as follows:

- (1) Rental of an entire residential dwelling; and
- (2) Rental of an accessory dwelling; and
- (3) Rental of a portion of a residential dwelling.

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The operation of a Short-Term Rental without first obtaining a Business License.

(b) A safety inspection shall be conducted before the Business License for the Short-Term Rental unit is issued. The Short-Term Rental shall comply with all Business License, revenue collection, zoning and land development regulations, and health laws of the Town of Port Royal, Beaufort County, and the State of South Carolina.

(c) Short-Term Rentals may only be located in those zoning districts in which they are classified as a permitted use pursuant to the Port Royal Code.

Sec. 12-64. ~~Accommodation fee required.~~ [Reserved]

~~Any property owner engaged in the activity of short-term rental within the limits of the town will collect and remit to the town the local accommodations tax as provided for in chapter 18, article III, Local Accommodations Tax. Additionally, a unique number will be assigned to each rental unit by the town. This number must be used in any marketing platform (online or otherwise).~~

Sec. 12-65. Short-Term Rental regulating procedure.

~~To ensure that neighborhoods are not disrupted by renters, the town shall notify the owner of a residential rental unit of all instances in which nuisance behavior of the rental guest, or the conduct of his agent or property manager, results in a conviction for a code violation. Points for such convictions shall be assigned to the property owner according to the following schedule. Only convictions in the town municipal court will trigger the assignment of points.~~

	First Offense	Second Offense	Subsequent Offenses	
Noise Violation	2	4	8	
Improper Parking	2	4	8	
Disorderly conduct at the subject property	2	4	8	
Unsanitary Conditions	2	4	8	

~~The business license administrator shall maintain in each short-term rental business license file a record of all code violation convictions occurring at a short-term rental property. When a property owner has accumulated sixteen (16) (or more) points for a particular property within a period of twelve (12) consecutive months, or twenty-four (24) points within a period of twenty-four (24) consecutive months, the town shall suspend the short-term rental permit for the subject property for a period of twelve (12) consecutive months subject to the right of appeal set forth in section 12-66. Further, the town shall not issue a new short-term rental permit during the period of suspension. However, twenty-four (24) months after the date of conviction, the town shall expunge all points associated therewith, and outstanding points relating to the subject property, if any, shall be recalculated to indicate the reduction.~~

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(a) No Business License for a Short-Term Rental may be issued within any District if the issuance of such Business License would cause total number of Short-Term Rentals within such District to exceed 6% of the total number of residential dwellings within such District. This subsection shall not apply to Accessory Dwelling Units within or on the same parcel as a Legal Residence, and Accessory Dwelling Units within or on the same parcel as a Legal Residence shall not count towards the total number of Short-Term Rentals within a District for the purpose of calculating whether the 6% threshold has been met.

(b) Parking shall be provided on-site, with the preferred location to the side or rear of the Short-Term Rental, if feasible. On-site parking shall be delineated with an improved surface such as pavement, gravel, or another surface approved by the Town Manager. On-street or off-premises parking may be used when the Short-Term Rental is located on a thoroughfare with on-street parking.

(c) The applicant shall provide a draft of the rental agreement that will be used for the Short-Term Rental. The agreement shall specify the following:

- (1) The minimum stay;
- (2) The maximum number of guests, shall be based on the number of beds in Short-Term Rental. For the Short-Term Rentals consisting of the entire residential dwelling (not an ADU), the maximum number of adult guests is two per bedroom, plus 2. For Accessory Dwelling Units, the maximum number of adults guests is limited to 4 plus 2, regardless of the number of available bedrooms;
- (3) The number of parking spaces provided on-site for the Short-Term Rental;
- (4) That the Town's noise ordinance applies between 10:00 PM and 7:00 AM;
- (5) Prohibit large gatherings of 25 individuals or more;
- (6) Pets, if permitted, may not be left outside unattended. Pets and owners must comply with the Town of Port Royal and Beaufort County animal control ordinances;

(d) All advertisements, listings with booking services, marketing materials, and any other online websites and listing or booking platform or services shall include the Business License number. The holder of a Business License for a Short-Term Rental bears the ultimate responsibility for paying Accommodation Taxes to the Town as required by law. When utilizing platforms like Airbnb, VRBO, Evolve, etc., it is the sole responsibility of the holder of the Business License for the Short-Term Rental to obtain and provide to the Town a detailed report from the platform. This report must outline the exact dollar amounts collected and remitted to each entity (State, County, and Municipality) on behalf of the Business License holder. If such a report is not provided, the Business License holder is responsible for making all the monthly payments of Accommodation Taxes directly to the Town of Port Royal.

(e) The applicant shall provide up-to-date contact information, including name, address of legal residence, and telephone number. The applicant shall identify a local property manager, and provide up-to-date contact information for such property manager, if the owner of the Short-Term Rental does not occupy the premises and resides more than 100 miles away from the Short-Term Rental. The property manager must be able to appear on the premises of the Short-Term Rental to respond to a complaint within 3 hours of being notified;

(f) No on-site advertising signs shall be permitted;

(g) Rental rules, including garbage and recycling schedules, and noise and pet ordinance information shall be displayed in the Short-Term Rental in a conspicuous location;

(h) For Short-Term Rentals located in a neighborhood or multifamily structures with a property owners' association, the applicant shall provide an HOA Compliance Form to the Business License Administrator. Short-Term Rental operators are responsible for complying with property owners' association requirements;

(i) Applicants shall pay all applicable Business License fees.

(j) The Town shall notify any property owner found to be operating a Short-Term Rental without a Business License in violation of this Article. If the property owner chooses not to submit a Short-Term Rental application within 60 days of being notified by the Town of violating the ordinance, a Short-Term Rental application shall not be approved for two years;

(k) A purchaser of a Short-Term Rental with Legacy Rights may apply for a Business License upon the sale of the property, provided the purchaser applies for a Business License within six months of the sale thereof and otherwise complies with the requirements of this Article. For the sake of clarity, it is the intent of the Town Council that the purchaser of a Short-Term Rental with Legacy Rights may apply for a Business License in accordance with this subsection regardless of whether the Short-Term Rental is located in a District in which Short-Term Rentals are permitted pursuant to this Article, or whether the number of Short-Term Rentals in the District in which such Short-Term Rental is located exceeds the threshold established pursuant to Section 12-65(a) of this Article.

(l) A Short-Term Rental shall be considered inactive if the owner has not submitted Accommodation Taxes to the Town when due for a period of 12 consecutive months. Short-Term Rentals that are not a Legal Residence must rent as a Short-Term Rental for a minimum of 30 days during any year for Business License purposes, otherwise the Business License will be deactivated. Short-Term Rentals that have been deactivated shall not be renewed.

Sec. 12-66. -Appeals to town council.

The provisions of Chapter 12, Article II of the Town's Code of Ordinances regarding the denial or revocation of Business Licenses, including all appellate rights in connection therewith, shall apply to the denial or revocation of Business Licenses for lack of compliance with the provisions of this Article.

~~(a) A person aggrieved by the town's decision to revoke, suspend or deny a short term rental permit may appeal the decision to the town council. The appeal must be filed in writing within thirty~~

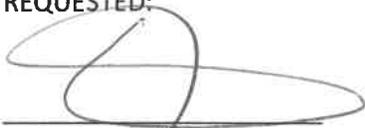
~~(30) calendar days after the revocation, suspension or denial, and it shall set forth a concise statement of the reasons for the appeal. Timely filing of an appeal shall stay the revocation, suspension or denial pending a decision on the appeal by the town council.~~

~~(b)The town council shall consider the appeal in an open hearing at a regular or special meeting within thirty (30) calendar days after receipt of a request unless otherwise agreed to, in writing, by the town and the aggrieved party. The town council shall prescribe the rules of evidence and testimony and the procedures applicable to the conduct of the hearing. All interested parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be electronically recorded and transcribed at the expense of the party so requesting. The town council shall render a decision by a majority vote of members present. The decision shall be in writing based upon findings of fact and the application of relevant standards. The decision shall be served upon all parties or their designated representatives and shall be final unless appealed to a court of competent jurisdiction within ten (10) days after service.~~

~~(c)No person shall be subject to prosecution for doing business without a license and/or a permit until the expiration of ten (10) calendar days after notice of denial or revocation which is not appealed, or until after final judgment of a circuit court upholding denial or revocation.~~

This ordinance shall become effective immediately upon adoption by Council.

REQUESTED:


Milton E. Willis
Town Manager

APPROVED:


Kevin Phillips
Mayor

ATTEST:


Lisa Graham
Town Clerk

Introduced: November 13, 2024

Final Reading 12/11/24

