

ORIGINAL
STAMPED IN RED

ORDINANCE NO.: 2023-037

Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 5, Buildings and Buildings Regulations, to add Article IX, Short Term Rentals

WHEREAS, City Council finds that there is a growing national interest for short-term accommodations in traditional neighborhood settings and that the provision of such accommodations can be beneficial to the public if potential negative impacts are managed. Short-term rentals also serve to bolster the city's tourism industry by providing alternatives to traditional hotels and motels for the traveling public; and

WHEREAS, when properly regulated, City Council finds that short-term rentals provide a means of assisting property owners with keeping properties in good order and repair, which in turn, assists in stabilizing home ownership, and maintaining property values in neighborhoods; and

WHEREAS, City Council finds that it is necessary to protect the residential character of city neighborhoods. Absent appropriate controls on the manner 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.

BE IT ORDAINED by the Mayor and City Council of the City of Columbia, South Carolina this 4th day of April, 2023, that the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 5 is hereby amended by adding Article IX to read as follows:

ARTICLE IX. SHORT TERM RENTALS

Sec. 5-400. Scope of Article.

Unless otherwise specified, the requirements and provisions of this Article shall apply to owner-occupied and non-owner-occupied short-term rentals (collectively called "short-term rentals") made available to occupants for periods of less than 30 consecutive days in the municipal limits of the City. This Article does not apply to hotels, motels, bed and breakfast establishments, or inns that are subject to and compliant with the City's business license and other applicable Code requirements. Unless otherwise specified, this Article does not apply to rentals that are rented for a period of 30 days or greater and that are subject to the City's rental housing regulations found in Chapter 5, Article VIII of the Code.

Sec. 5-401. Definitions.

Unless otherwise expressly stated, the following terms shall, for the purposes of this Article, have the meanings shown in this section. Where terms are not defined, through the methods authorized by this section or Code, such terms shall have ordinarily accepted meaning such as the context implies.

Citation means a charge or formal written accusation of violation of a City, state or federal law, regulation or ordinance.

Dwelling unit means any structure or portion of a structure arranged or designed to provide independent living facilities for living, sleeping, and personal hygiene and that may legally be used for habitation by humans.

Guest means any person who occupies a short-term rental.

Owner-occupied means a dwelling unit that is lawfully classified as owner-occupied by Richland County and is receiving the 4% special assessment ratio.

Non-owner-occupied means a dwelling unit that is not owner-occupied and is used and/or advertised for rent for transient occupancy by guests.

Residential district means residential base zoning district as defined by Section 17-3.2 of the Unified Development Ordinance

Responsible local representative means a person having his or her place of residence or business office within 45 miles of the short-term rental property and designated by the property owner as the agent responsible for operating such property in compliance with the City's ordinances and having been authorized by appointment to accept service of process on behalf of the owner pursuant to Rule 4(d)(1) of the South Carolina Rules of Civil Procedure.

Short-term rental (STR) means the use and enjoyment of a dwelling unit, or portion thereof, for a duration of less than 30 consecutive days in exchange for valuable consideration. Hotels, motels, bed and breakfast establishments, and inns are excluded from this definition.

SEC. 5-402. SHORT-TERM RENTAL REGULATIONS

The following regulations apply to all dwelling units being used as a short-term rental in the City:

- (a) **Determination of Short-Term Rental Offering:** Any advertisement for an STR by the owner or responsible local representative is sufficient to determine that a dwelling unit is being offered as a short-term rental.
- (b) **Business License Required:** The owner or responsible local representative offering a dwelling unit as a short-term rental shall obtain a business license and comply with all business license and revenue collection laws of the City of Columbia, Richland County, and State of South Carolina.
- (c) **Code Compliance Required:** The owner of a permitted STR shall ensure the STR property and dwelling unit is in compliance with all City ordinances at all times, which include, but are not limited to:

- (1) Animal Control, Chapter 4;
- (2) Building and Building Regulations, Chapter 5;
- (3) Environmental Health and Sanitation, Chapter 8;
- (4) Fire Prevention and Protection, Chapter 9;
- (5) Unified Development Ordinance, Chapter 17; and
- (6) Solid Waste Management, Chapter 19.

(d) **Safety Inspection:** A safety inspection to ensure compliance with the regulations in this Article may be performed by the City if deemed necessary and with 24-hour notice to the permit holder.

(e) **Records Required:** The property owner shall maintain the following which shall be made available to the City upon request:

- (1) For a period of two years, records demonstrating compliance with these provisions, including but not limited to, information demonstrating residency, if required; the number of days per calendar year the residential unit has been rented as an STR; and compliance with the insurance requirement in this section; and
- (2) The name and phone number of each short-term guest that booked the STR for the previous two years.

(f) **Contact:** The property owner must be willing to take phone calls at all times to address issues with the short-term rental; or the owner must provide the name, mailing address, and telephone number of a designated responsible local representative who is willing to take phone calls at all times if needed to address issues with the short-term rental use, and who is authorized to accept service of process on behalf of the owner.

(g) **Permits are non-transferrable:** If ownership of a permitted dwelling unit changes, the new owner must obtain a new permit before operating any part of the dwelling unit as an STR.

(h) **Minimum Guest's Age:** The guest making the booking or reservation for an STR shall be at least eighteen (18) years of age.

(i) **Minimum Stay Duration:** The short-term rental shall not be available for occupancy for a period of less than one night.

(j) **Permit Number in Advertisement:** Any online advertisement for an STR must include the current STR permit number, as issued by the City, within the description section of the advertisement.

(k) **House Manual:** At a minimum, the following shall be made available to each short-term guest:

- (1) Emergency contact numbers;
- (2) The name and contact information for the owner or responsible local representative;
- (3) Instructions or a diagram of the designated parking space(s); and
- (4) The house rules imposed on guests by the owner.

(l) **Parking Spaces Required:** Two parking spaces per dwelling unit must be made available and designated on an STR property. Guests must be notified of the parking plan and the maximum number of vehicles allowed

(m) **Maximum Occupancy:** The maximum overnight occupancy of an STR shall not exceed two persons, excluding minor children, per bedroom, plus two additional people per dwelling unit.

(n) **Identity Verification:** The owner or responsible local representative shall be responsible for determining that any guest occupying the STR is listed in the booking or reservation for the STR.

(o) **Neighbor Notification:** The owner or responsible local representative of an STR shall notify each household immediately adjacent to the STR and any neighborhood association, if the STR is located in a neighborhood with such an association, that the property is being operated as an STR and must provide such households and association with the address of the STR and the phone number of the owner or responsible local representative.

SEC. 5-403. SHORT-TERM RENTAL PERMIT REQUIRED

(a) No dwelling unit in the City shall be operated as a short-term rental without a current STR permit issued by the City of Columbia. The permitting process shall begin 30 days after enactment of this Article. Current owners of a STR must obtain a permit within 120 days of the beginning of the permitting process. Permits are to be issued and renewed on an annual basis and will only be issued or renewed to an owner or responsible local representative having his or her place of residence or business office within 45 miles of the STR property. If residing outside of 45 miles of the STR property, the owner may only obtain a permit if he or she has a responsible local representative.

(b) An STR permit authorizes the permit holder to operate one dwelling unit as an STR. Any person seeking to operate multiple STR's shall be required to obtain a separate STR permit for each dwelling unit address sought to be operated as an STR.

(c) Applications for renewals of STR permits must be submitted by July 1, of each year, except that any holder of a permit issued before July 1, 2023, will have until July 1, 2024, to submit an application for renewal. Beginning in 2024, any application for a permit renewal not submitted by July 31, will result in the loss of the permit.

(d) STR permits are non-transferable. A new owner or responsible local representative of a permitted STR shall be required to obtain a new and separate permit for the dwelling unit by submitting a new STR permit application.

(e) The permits required by this Article are regulated privileges, not rights, and can be revoked by the City in accordance with the provisions provided in this Article.

SEC. 5-404. SHORT-TERM RENTAL PERMIT APPLICATION & FEES

(a) An application is required for initial permit issuance and permit renewal and must be submitted on a form provided by the City. A separate application is required for each permit or renewal being sought. The STR application shall contain, at a minimum, the following information:

- (1) The address of the dwelling unit;
- (2) The number of bedrooms in the dwelling unit;
- (3) The names, mailing addresses, and phone numbers, of the owner(s) and any responsible local representative;
- (4) The address where the owner or responsible local representative will accept notices and orders;
- (5) An affidavit signed by the property owner certifying the property complies with all fire and building code ordinances;
- (6) Certification that the owner has read applicable city regulations, including, but not limited to, those found in Section 5-402(c) of this Article;
- (7) Certification that the owner is aware that penalties may be assessed for violations by guests; and
- (8) Copy of general liability insurance.

(b) The permit fees shall be paid at the time of application submission. These fees are established by City Council and may be changed from time to time. These fees include the following:

- (1) A non-refundable application fee of \$50; and
- (2) For an owner-occupied STR, a non-refundable STR permit registration fee of \$100.00; or
- (3) For a non-owner-occupied STR, a non-refundable STR permit registration fee of \$250.00 per dwelling unit.
- (4) Any permit renewal application and associated fees submitted after July 1, will incur a late fee of \$100.

(c) An STR permit holder shall notify the City of any changes to the information submitted in the application within 30 days after any such change occurs.

SEC. 5-405. CRITERIA FOR PERMIT ISSUANCE

(a) Unless otherwise provided for by this Article, the City shall issue an STR permit, within 30 days from application submission, to an applicant if the following criteria are met:

- (1) The City has determined that the STR application is complete and all permit fees have been paid;
- (2) The dwelling unit listed in the application has been certified by the applicant that the dwelling unit complies with all applicable fire and building codes. If, however, the City has reason to believe a safety inspection is deemed necessary, the dwelling unit must pass a safety inspection;
- (3) The City has determined that all requirements of this Article are satisfied; and
- (4) Issuance of the permit will not violate any other provision of this Article.

SEC. 5-406. SHORT-TERM RENTAL PERMIT EQUIVALENCY

An STR permit issued pursuant to this Article shall be considered the equivalent of a rental permit for the purposes of Section 5-326. A holder of a current and valid STR permit may rent the dwelling unit for periods of 30 days or greater without obtaining a separate rental permit as required under Section 5-326 so long as all requirements of Chapter 5, Article VIII are satisfied and the permit holder notifies the City that the dwelling unit is being rented for periods of 30 days or greater

SEC. 5-407. VIOLATIONS

(a) STR owners or their responsible local representative are ultimately responsible for the conduct of their occupants and guests, regardless of whether the owners are present at the dwelling unit. Violations include, but are not limited to:

- (1) Intentionally providing false or inaccurate information about a dwelling unit or short-term rental to the City;
- (2) Failure to have a valid STR permit for any dwelling unit at a time when it is used in whole or in part as a short-term rental;
- (3) Violation of any part of this article;
- (4) Violation of any City or Richland County ordinance or state or federal law by owners, responsible local representatives, operators, lessors, agents, occupants, or guests of short-term rentals but any such violation must have a nexus to the dwelling unit subject to the violation.

(b) Violations shall apply as points towards revocation of the permit for as follows:

(1) *Single-household dwellings and townhouses.* Violations that occur anywhere on the premises shall apply to the permitted dwelling unit.

(2) *Multi-unit structures.*

- a. Violations that occur within an individual unit shall apply to that unit.
- b. Violations occurring outside of the units shall be assigned to the unit responsible as determined by the investigating party for the offense.

(c) In the event a citation or violation takes place at an STR or dwelling unit regulated by this article, such violation shall be grounds for the accumulation of points as follows:

(1) For one or more written warnings given in any 24-hour period for one or more of the violations listed above, points will be assessed on the permit for that STR or dwelling unit in accordance with following:

- a. *First offense.* One point will be assessed for the first occurrence of a citation, violation, or offense.
- b. *Second offense and each offense thereafter.* Five points will be assessed for a second occurrence and each occurrence thereafter of a citation, violation, or offense within the last 12 months.
- c. *Serious offense.* Ten points will be assessed for any serious violation or offense that could result in serious bodily injury or death to occupants as determined by the chief of police. A serious offense includes failure to comply with any Emergency Order issued by the City of Columbia, any Executive Order issued by the Governor of the State of South Carolina, or any local, state or federal law, regulation or mandate to address a health or safety concern including but not limited to a public health outbreak (including a pandemic or wide-spread and/or infectious disease outbreak), natural disasters, war, terrorist act, strike, fire, release of nuclear material or dangerous substance into the environment or other catastrophic event.

(2) After points are assessed on a permit for a dwelling unit, the police chief or designee will send a written warning to the owner or responsible local representative. Each warning will specify which ordinance or law has been violated and will state that further warnings or violations could lead to a revocation of the permit. Each warning will be sent by regular mail to the address of the owner or responsible local representative, as identified on the permit application, as well as a copy of the warning mailed to the property address of the subject property.

(3) A fee of \$100.00 will be assessed per point for each point accumulated due within 30 days of assessment and no later than any renewal of the permit.

(4) If a person is found not guilty, or the case against them for a violation is dismissed, then the point shall be removed from the permit as if it had not been assessed.

SEC. 5-408. REVOCATION OF PERMIT

- (a) Accumulation of 15 or more points on a STR permit within a 12 month period shall subject the owner to proceedings to revoke the permit and the following procedure shall be followed:
- (1) The police chief or designee shall cause to be served written notice to show cause why the permit should not be revoked. Service shall be deemed complete if personally delivered upon the owner or responsible local representative by any officer authorized by law to serve process or a duly appointed law enforcement officer of the city police department. The person serving process shall make proof of service within the time during which the person served must respond to the process. If service cannot be personally made within the city, then service may be made by notice posted on the property and mailed certified return receipt to the last known address of record.
 - (2) The owner or responsible local representative shall have 15 days from the date of service to request a hearing to appeal the revocation of the permit. The request shall be sent to the police chief by certified mail, return receipt requested. If such request is not timely made, the revocation shall take effect on the 21st day after the date of service to show cause.
 - (3) Upon request for a hearing, the police chief or designee is authorized to schedule the appeal with the property maintenance board of appeals (PMBoA) at the next regularly scheduled meeting or special called meeting by the board.
 - (4) Once the hearing is scheduled, the property should be posted to announce the hearing date to the general public.
 - (5) In conducting the hearing, the PMBoA shall have the power to administer oaths, issue subpoenas, compel the production of books, paper, and other documents, and receive evidence. All parties shall have an opportunity to respond, to present evidence and argument on all issues involved, to conduct cross-examination and submit rebuttal evidence, to submit proposed findings of facts and orders, to file exceptions to the PMBoA's recommended order, and to be represented by counsel or other qualified representative. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence, but it shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The lack of actual knowledge of, acquiescence to, participation in, or responsibility for, a public nuisance at common law or a noxious use of private property on the part of the owner or responsible local representative shall not be a defense by such owner or responsible local representative.
 - (6) If the PMBoA finds that the violations resulting in the accumulation of 15 or more points did in fact occur and that 15 or more points have accumulated on the permit within a 12-month period, then PMBoA shall prepare a recommended order.

- (7) If the PMBoA finds 15 or more points have not accumulated on the permit within a 12-month period, the PMBoA will prepare a recommended order to dismiss the revocation action and recommend which points, if any, should be rescinded from the permit based upon the actions taken by the owner to seek compliance with the City's ordinances.
- (8) The PMBoA's recommended order shall consist of findings of fact, conclusions of law and recommended relief. The police chief or designee shall transmit the recommended order to the city manager and the owner or responsible local representative. The owner or responsible local representative shall have 15 days from the date of the hearing officer's order to submit written exceptions to the PMBoA's recommended order. The city manager shall review such order and any written exceptions by the owner and may set forth any deficiencies he/she finds with respect to the order. Said deficiencies shall be limited to determinations that the findings were not based upon competent, substantial evidence, or that the proceedings on which the findings were based did not comply with the essential requirements of law. In reviewing such recommended order, the city manager shall not have the power to receive or consider additional evidence and shall not have the power to reject or modify the findings of fact or conclusions of law contained in the recommended order. The city manager may remand the recommended order along with the delineated deficiencies back to the PMBoA for consideration of the deficiencies. The PMBoA shall address the deficiencies in an addendum to the recommended order. The city manager shall then either: (a) adopt the recommended order and addendum, if applicable, in its entirety; or (b) adopt the findings of fact and conclusions of law in the recommended order and addendum, if applicable, and reject or modify the recommended relief. The action of the city manager shall be the final order of the city.
- (9) The city manager or designee shall provide notice of the final order within five days of the date of the final order.
- (10) In addition to the above-described procedures, the city attorney is authorized to file for injunctive relief to abate the public nuisance at common law or noxious use of private property pursuant to law.
- (11) The final order of the city is subject to certiorari review in a court of competent jurisdiction in Richland or Lexington County, South Carolina.

SEC. 5-409. PERMIT APPLICATION AFTER REVOCATION

Upon revocation of an STR permit of a dwelling unit, the owner or responsible local representative of the dwelling unit will not be eligible to apply for a new permit for the dwelling unit subject to permit revocation until six months have passed from the date of revocation. The City shall not issue an STR permit for a dwelling unit that has been subject to a permit revocation more than once.

Requested by:

Councilman Duvall

Approved by:


City Manager

Approved as to form:


City Attorney

Introduced: 3/21/2023
Final Reading: 4/4/2023

Mayor



ATTEST:


City Clerk