

CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA
NORTH MYRTLE BEACH CITY HALL
CITY COUNCIL WORKSHOP
Tuesday, January 7, 2025, 1:30 PM

Minutes

1. ROLL CALL: 1:30 PM

Marilyn Hatley called the workshop to order and asked the Clerk to call the roll.

Marilyn Hatley
JO Baldwin
Bubba Collins
Fred Coyne
Nicole Fontana
Trey Skidmore
Hank Thomas

2. DISCUSSION:

Ryan Fabbri, Interim City Manager, explained that the purpose of a workshop was to study issues with short-term rentals and that no action would be taken. Interim City Manager Fabbri asked the Council to allow Brandon Cox, Chief Operations Officer with Elliott Realty, to share a presentation he had prepared with ideas and suggestions concerning a possible short term rental ordinance. Interim City Manager Fabbri added that staff had reviewed the draft and would add to the discussion after the presentation.

Mr. Cox shared a presentation containing ideas and suggestions for the short-term rental ordinance. Mr. Cox stated that Airbnb had sent out incorrect information and he appreciated the opportunity to clarify some of the information. Mr. Cox stated the main requirements of the proposed ordinance was the designation of a responsible local agent who was available 24/7 by phone and could be physically present within 1 hour. He added that an owner could act as the agent if the response time could be met and the owner's primary residence was within a 30-mile radius. A non-owner responsible agent would be required to have a principal place of business within a 30-mile radius and be licensed with the SC Real Estate Commission as a brokerage firm or an individual who held a valid Property Management License. In addition, Mr. Cox suggested a "Good Neighbor" brochure highlighting the City's ordinances regarding parking, noise, trash, and the requirement of a business license for short-term rentals. A public registry listing the responsible local agent would also be a requirement.

Mayor Hatley inquired into how long it took to attain a Property Management License. Councilman Collins stated he thought the presentation was a good start and that staff would need to meet and have more discussion with the involved parties. Councilman Collins stated he was not in favor of a heavy handed approach because short-term rentals were important to the City. Councilman Skidmore thanked Mr. Cox for the time and effort he put into the research and presentation and he agreed with the importance of having a local professional representative or homeowner. Councilman Skidmore asked how law enforcement handled entering a rental for a disturbance if the renters would not allow entrance. Johnny Sellers, Assistant Chief of Police, stated the police could not enter a residence unless there was an emergency issue but the disturbance would be documented. Mayor Hatley stated she felt an hour was too long for police officers to have to wait outside a residence for a representative to arrive and allow entrance.

Mayor Hatley stated she liked the idea of requiring a licensed agent to manage short-term rentals. Interim City Manager Fabbri compared the proposed ordinance to Folly Beach's ordinance with the allowance of individual property managers or real estate agents being allowed to act as responsible agents.

Chris Noury, City Attorney, quoted elements of §40-57-30 and stated it did pass legal muster but Council should not pass an ordinance that interfered with interstate commerce. He added that with the proximity to North Carolina, a court may find the 30 mile residency radius interferes with interstate commerce. Mr. Noury stated it may be beneficial to remove the 30 mile residency requirement but keep the 1 hour radius. Mayor Hatley stated her issue was that a police officer was tied up for one hour waiting for someone to respond. Assistant Chief Sellers stated the officer usually followed up the next day after a call and he felt the one hour response time would work. Brandon Cox stated the response time was the reason his proposed ordinance included both the 30 mile radius and the one hour response time. Mr. Noury stated he had been working with outside attorneys concerning this. He stated he also had concerns with the penalties section because South Carolina state code §14-25-65 only allowed a maximum fine of \$500 so the tiered fine schedule would need to be tweaked. Mr. Noury also stated he had a concern with the section referencing false complaints because this violation imposed fines and jail time. He asked Council to consider equitable treatment for false complaints and other violations of the ordinance.

Mayor Pro Tempore Baldwin asked if there would be signage with contact information on each unit and Mr. Cox stated signage was not part of the proposed ordinance. He added that was the purpose of the public registry. Interim City Manager Fabbri stated contact information from the business license could not be given out so this proposed an issue and asked Sarah Wood, Revenue Manager, to comment. Ms. Wood stated that a 24 hour emergency contact, in addition to the owner, was part of the business license and this information was shared with dispatchers and other command staff within the Police Department and other departments. Ms. Wood stated the information was protected by Act 176 and was not public. Councilwoman Fontana asked about the possibility of requiring all VRBO and Airbnb's to have signage with the owner's name and phone number. Mr. Noury stated that had been part of an earlier proposed ordinance and he felt Council could legally require that and he would research it further before the next ordinance draft. Mayor Hatley agreed with Councilwoman Fontana and stated she felt signage would be beneficial. Councilman Coyne stated this would be beneficial for a responding officer to have the information readily available. Mr. Noury agreed and stated signage would make the process more efficient. Mr. Cox stated signage would be hard to implement with an HOA if they did not allow signage.

Mayor Hatley inquired about what happened when the local agent did not respond in a timely manner. Interim City Manager Fabbri stated that would be addressed with penalties as part of the enforcement piece. Mr. Cox stated that refusal to cooperate should be grounds for eviction. Interim City Manager Fabbri suggested giving the authority to evict for refusal to cooperate to the authorized representative in the ordinance. Mr. Cox stated this should be handled with discretion. Councilman Coyne stated requiring a qualified or licensed representative would aid in protecting all parties involved including renters and insure that all parties were treated fairly and equitably. Councilman Collins stated this discussion was a great start and he appreciated staff and the outside parties that would be affected by this ordinance working together. Mayor Hatley stated the next step was for staff to meet with more of the realty agencies and property manager agencies to work on a new ordinance. Councilman Coyne asked that individual homeowners be included in the conversations and Mayor Hatley agreed.

Mayor Hatley opened the floor for public comment.

Damien Triouleyre, 902 Perrin Drive, North Myrtle Beach, stated he was a 30 year resident and had managed an Airbnb in his home for 2 years and he stated there should be exceptions because he did not feel that every responsible agent should be required to complete a 30 hour course. Councilman Collins clarified if he owned the property, that was not a requirement.

Madison Cooper, Coastal Carolina Association of Realtors, stated her association represented over 5000 realtors and would appreciate being a part of future discussions. She added that her main concern with the proposed ordinance was the term "agent" and asked that it be changed to contact. She stated the word agent was usually associated with a realtor. She thanked Council for working with the community on this and stated she would share her notes with staff.

Michael Morgan, 523 S Ocean Boulevard, Unit 501, North Myrtle Beach, stated he was a short-term rental owner and asked if this gave the local realtors an unfair advantage. He asked what happened when an on call employee lived over an hour away. Interim City Manager Fabbri stated that the requirement was for the business address to be within the required time or distance. He added that was a good question and would be discussed going forward. Brandon Cox stated if a brokerage firm violated this element, they could subject the homeowner to fines.

Dru Burke, 814 Tillson Road, North Myrtle Beach, stated she did not own a short-term rental but wanted to share her experience over the past 4 years with renters on her street. She stated there was a real issue when it is left up to renters to take the garbage cans in and out. She stated that garbage cans stay on the street all summer long. She shared that other cities she had lived in rolled the garbage cans back to the house and fined the owner for that. She asked that the City consider adopting that practice. Ms. Burke stated it took a long time to get in touch with the rental companies and suggested requiring them to have a designated line for that. She asked how the City would monitor the response time. Councilwoman Fontana stated the City did offer a roll back service but that property must not be on the list. Ms. Burke asked that roll back service not be an option. Interim City Manager Fabbri advised Ms. Burke to notify the City when the problem was happening in the future.

Jean Boseman, 1414 Edge Drive, North Myrtle Beach, asked for help with a situation she had with a short-term rental house next door to her home. She stated two weeks ago, 15-20 teenagers rented the house and 13 cars were parked up and down her road and she had to call the police. One week ago, the house was rented to 10 young boys and they had a large fire in the back yard which was very dangerous. Ms. Boseman begged for help with the short-term rental problems.

Jolene Puffer, 3506 Turner Avenue, North Myrtle Beach, thanked Councilman Coyne for suggesting including private owners in the discussion. She stated she was concerned with the size of signage being required because it would make the property more susceptible to squatters and/or theft to property. Ms. Puffer asked that revocation of short-term rental license be added to the ordinance for multiple violations in addition to the fines for re-offenders. Ms. Puffer stated short-term rentals had to pay \$80 per month for garbage pickup year round although she was only receiving pick up once a week during the off season and asked why. Kevin Blayton, Public Works Director, explained that the City's sanitation services were covered under the Enterprise Funds and the fee was the average of the yearly cost divided over 12 months. Ms. Puffer also suggested revising the garbage fee according to the rental capacity and size of the rental unit instead of everyone paying the same amount. Director Blayton stated that could be looked at but it would be a large task. Ms. Puffer stated the size of the house was on the permit so it could be instrumented at that time. Director Blayton stated there were other cities that may have that capability and he would look into it. Ms. Puffer stated she felt that might be a good form of income and thanked the Council and Director Blayton.

Debbie LaPierre, 1414 Hillside Drive South, North Myrtle Beach, stated she did not own a short-term rental but was affected by short-term rentals as a full time resident. She asked for clarification on if residents who did not own short-term rentals but were affected by them would be included in future discussions. Mayor Hatley stated the group that will be meeting to work on drafting the ordinance would include some residents.

Dara Baltuskonis, 4502 Grovecrest Circle, North Myrtle Beach, stated she only dealt with short-term rentals and local agents and felt this workshop was a good start. She stated her concern was that Council had power to enact laws to give the Police and Fire Department tools so they could respond and be effective. She stated that if Council would give them the laws and ordinances they needed to do their job, the third person may not be needed.

Eric Reece, Staybridge Suites, asked how the rules were going to be followed if there were 5400 rentals in the City but 1700 were not registered. Interim City Manager stated that was a misquote by the media and clarified that there were 5400 rentals and 1700 did not have a designated local representative. Mr. Reece asked if all Airbnb's in North Myrtle Beach had business licenses. Interim City Manager Fabbri confirmed they did. Councilman Collins added all that the City was aware of did have a license. Mayor Hatley stated it was hard to keep up with but any report from neighbors was investigated. Interim City Manager Fabbri encouraged anyone who knew of a rental to please report it.

Nancy Mickleberry, 2554 Pete Dye Drive, North Myrtle Beach, stated she lived in Dye Townhomes and short-term rentals were no longer allowed but some were still renting. She stated some may still have business licenses and some did not. Ms. Mickleberry asked if this ordinance would address this issue and how would it be enforced. Mayor Hatley asked if that was not in the HOA rules and Ms. Mickleberry stated it was with an attorney now and was going to be included. Interim City Manager Fabbri stated Ms. Mickleberry was in an unusual situation and he had been in conversation with her and was working to try and find a resolution for her.

Mayor Hatley closed the floor to public comment. She thanked everyone for coming to the workshop.

Interim City Manager Fabbri stated this was a fluid, ongoing discussion with parties on both sides of the issue. He added that he wanted to cover all the bases and get every perspective on the table going forward. Mayor Hatley stated this needed to be finished before the spring rental season in order to get the information out.

Mayor Hatley adjourned the workshop at 2:59 PM.

Respectfully submitted,

Allison K. Galbreath, City Clerk

MARILYN HATLEY, MAYOR

Minutes approved and adopted this 3rd day of February 2025