



PROPOSAL SUBMITTED TO CITY OF FOLLY BEACH

Short-Term Rental Ordinance Study

RFP 03-26 Short-Term Rental Ordinance Study

Prepared for City of Folly Beach | September 28, 2026





September 28, 2026

Aaron Pope
City Administrator | City of Folly Beach
21 Center Street, 2nd Floor
Folly Beach, SC 29439

Dear Mr. Pope and selection committee members,

RRC Associates is pleased to submit this proposal for the City of Folly Beach Short-Term Rental Ordinance Study. For more than 40 years, RRC has conducted research for destination communities addressing the intersection of tourism, housing, local economies, and resident quality of life. We appreciate the opportunity to bring that experience to Folly Beach as the City considers the next phase of its short-term rental regulations.

Folly Beach presents a particularly complex research question. Short-term rentals are an important part of the island's visitor economy and a source of income for many property owners, while STR policy is also closely connected to concerns about housing, neighborhood character, municipal services, and quality of life. Recent community engagement demonstrates not only that STR policy is a prominent concern, but also that stakeholders hold competing views about its effects. Participants in the 2026 Comprehensive Plan Survey have linked STR regulation to housing availability, property values and homeowner finances, municipal revenues, local businesses and tourism, and residential character and quality of life. These competing perspectives underscore the value of an independent analysis that moves beyond perceptions to assess what the available evidence can demonstrate about each of these impacts.

We propose to begin by working with City staff and Council to assess available data, document the regulatory timeline, and refine the amendment scenarios to be evaluated. From there, we will integrate City and County administrative records with carefully selected market and secondary data to examine changes since the period preceding the Cap. That evidence will provide the foundation for evaluating potential future ordinance changes and presenting their likely implications, tradeoffs, and uncertainties in a consistent decision framework.

RRC's team brings extensive experience working with short-term rental, housing, tourism, economic, and community data in destination markets. Just as importantly, our role in this project would be to provide Council with an independent and defensible evidence base for its decisions, including being clear about where the evidence is strong, where it is limited, and where policy choices ultimately depend on community priorities.

Thank you for considering our proposal. We would welcome the opportunity to work with the City of Folly Beach on this important study.

Warm regards,

Lucy Harbor, Director of Outdoor Recreation Research, RRC Associates, Inc.
lucy@rrcassociates.com | www.rrcassociates.com Boulder, CO 80303



Understanding and Approach

Folly Beach is at an important decision point regarding the future of its short-term rental regulations. The City adopted its current STR license cap in 2023 and has continued to refine the regulatory framework through subsequent amendments. Council is now considering additional changes and has requested an independent study of both the effects of the existing Cap and the potential implications of alternative amendment scenarios.

This project involves answering several related questions:

- What has changed since the period preceding adoption of the Cap?
- What does the available evidence indicate about the role of Folly Beach's STR regulations in those changes?
- How could the ordinance alternatives now under consideration affect housing, property owners, municipal finances, local businesses, and community quality of life in the future?

RRC proposes an approach that distinguishes among three types of evidence:

1. **Observed outcomes.** City and County administrative records, property and housing data, STR market information, financial records, and other available sources will be used to document how Folly Beach's housing and rental market has changed over time.
2. **Stakeholder perspectives.** Existing community engagement, including the City's recent Comprehensive Plan survey, will be used to identify the concerns, experiences, and perceived tradeoffs associated with STR regulation. These perspectives are important evidence of community priorities but will be distinguished from measured market or economic effects.
3. **Projected policy effects.** Alternative ordinance scenarios will be evaluated using observed Folly Beach conditions and behavior, relevant experience from comparable communities, and clearly stated assumptions. RRC will provide evidence-supported quantitative estimates where possible. Where outcomes are more uncertain, the analysis will use ranges, sensitivity analysis, or directional findings rather than presenting a single estimate with unwarranted precision.

A Phased Approach





To achieve these goals, RRC proposes four interconnected phases of work.

1. **Establish the analytical foundation.**

RRC will work with City staff to inventory and assess available data, document the regulatory timeline from the period preceding the Cap through the present, identify important data limitations, and assemble appropriate third-party and secondary data. The initial Council work session will also be used to refine the amendment concepts into a manageable set of scenarios for analysis.

2. **Evaluate historical change and the City's seven impact areas.**

RRC will use longitudinal analysis to examine how STR activity and relevant housing, property, fiscal, economic, and community indicators have changed over time. Property-level analysis will be used where feasible and informative, particularly for understanding changes in licensing, ownership, tax classification, sales, and housing use. These analyses, together with STR market data and other available evidence, will be used to evaluate the City's seven impact areas, as described below. The analysis will distinguish between observed changes and effects that can reasonably be associated with STR regulation, recognizing that the strength of evidence will vary by impact area.

3. **Evaluate potential ordinance changes.**

The historical analysis and a review of relevant practices in comparable communities will provide the empirical foundation for considering the six amendment areas identified by Council. Scenarios will be evaluated at appropriate future time horizons, with assumptions and uncertainties clearly identified. The analysis will focus on a manageable number of meaningful policy alternatives rather than attempting to forecast every possible permutation of the ordinance.

4. **Create cohesive findings for Council.**

RRC will combine the impact analysis and scenario assessment into a decision framework that allows Council to compare alternatives consistently. The framework will identify expected effects, tradeoffs, implementation considerations, and the strength of evidence supporting each finding.

Our approach will distinguish observed outcomes, stakeholder perceptions, and projected policy effects

What the data shows.

Administrative, property, market, and financial data will be used to evaluate those concerns empirically.

What the community says.

Existing community engagement will help identify the concerns and tradeoffs that matter most to Folly Beach stakeholders.

What the options imply.

Alternative ordinance scenarios will then be assessed using the strongest available evidence, with assumptions and areas of uncertainty made explicit.



Firm Description and Qualifications

 An infographic with a dark, rounded rectangular background set against a landscape image of a mountain and field. It lists key statistics and a description of the firm.

18
Dedicated Staff

40+
Years of Expertise

1,500+
Successful Projects

ABOUT RRC

RRC Associates is a multidisciplinary research and consulting firm headquartered in Boulder, Colorado. Our work sits at the intersection of tourism, housing, local economies, and community research. This represents the same intersection this study occupies. RRC has extensive experience working with STR licensing and platform data, assessor and property records, housing indicators, visitor-economy data, community surveys, and municipal financial information. We routinely integrate datasets collected for different purposes and over different time periods, while documenting the limitations that affect what conclusions can reasonably be drawn.

RRC Associates is an independent research and consulting firm founded in 1983 and headquartered in Boulder, Colorado. We are a small firm by design. Senior staff run the analysis and sit in the room with the client, rather than handing the work to junior analysts behind an account manager. The Boulder office will be responsible for this project, and we propose no subcontractors. The data integration and analysis, economic and fiscal analysis, review of existing community input, comparative regulatory research, and reporting will all be completed by RRC staff.

We carry commercial general liability coverage and will provide certificates meeting the City's requirements before work begins.



Key Staff

Lucy Harbor | Project Lead



Lucy is an interdisciplinary social scientist and research leader specializing in tourism, outdoor recreation, housing, and community research in destination markets. Lucy leads RRC's short-term rental research, including recent regulatory, housing, economic, and community impact studies in Lake Tahoe; Mammoth Lakes, California; Sedona and Flagstaff, Arizona; Kansas City; and several Wisconsin tourism communities. As RRC's Director of Outdoor Recreation Research, she leads complex, mixed-methods studies that help industry organizations, public agencies, and destination communities understand visitor behavior, industry trends, economic and community impacts, and emerging management and policy issues. Lucy also leads RRC's major national ski industry research programs and serves as a core member of the National Park Service's nationwide socioeconomic research team.

Lucy would serve as the City's day-to-day point of contact and would facilitate both Council work sessions.

Jeremy L. Sage, Ph.D. | Principal Economist



Jeremy is an expert in tourism and recreation economics, visitor use management, regional economic analysis, and all facets of survey design, deployment, and analysis. Since 2020, Jeremy has led several initiatives under the National Park Service's nationwide socioeconomic research contract, including efforts to assess the market conditions of new and developing park units, as well as the economic and social value of natural resources and wildlife. His primary goal is to deliver dependable, research-driven insights that empower land managers, communities, and other stakeholders to take meaningful, positive action.

Jeremy leads the economic and fiscal side of RRC's short-term rental and policy work. On this project he would analyze municipal revenue, municipal cost, and local business revenue impact areas, and would help present results at the post-study work session.

Jimmy Howe | Data Analyst



Jimmy has nearly a decade of experience in ski and outdoor recreation industries across the West and brings his firsthand knowledge of destination communities to RRC's research projects. His graduate research focused on the economic and environmental impact of destination resorts as well as sustainable development for resort communities more broadly. At RRC he channels his academic rigor and lived experience to interpret the changing dynamics of communities shaped by tourism. Jimmy has been a central data analyst on every short-term rental engagement RRC has completed.

Jimmy would handle the licensing, parcel, and listing data for this project, including the reconstruction of the pre-2023 classification history from Charleston County records.



Relevant Prior Work and References

RRC has completed short-term rental studies in over ten markets nationwide, including Summit, Eagle, and Pitkin Counties, Colorado; Teton County, Wyoming; Blaine County, Idaho; Sedona and Flagstaff, Arizona; several Wisconsin lake communities; the Kansas City metro area; and Lake Tahoe. In each of these places, visitor lodging, second homes, and resident housing compete for a limited housing stock. Local officials have faced the same question now before Folly Beach City Council: what will a given regulatory change actually do?

Depending on the question and available data, our studies draw on STR inventory and performance data, licensing records, assessor and property records, housing-market indicators, economic and fiscal data, and resident and owner surveys. From these we measure how STR share has changed, who owns STRs, and what STR visitors contribute to the local economy. To separate regulatory effects from broader market forces, we compare outcomes across markets, before and after policy changes, and between zones within a market. This approach speaks directly to the Cap analysis the City has requested.

Our work spans the full range of regulatory approaches, from licensing and enforcement to caps and bans. That range gives us a practical reference point for evaluating Folly Beach's six amendment areas and comparable regulations elsewhere.

Lake Tahoe Short-Term Rental Economic & Housing Impact Study (2026)

INCLINE VILLAGE REALTORS®, SIERRA NEVADA REALTORS®, SOUTH TAHOE ASSOCIATION OF REALTORS®, AND NEVADA REALTORS®, WITH SUPPORT FROM THE NATIONAL ASSOCIATION OF REALTORS® AND RESORT ALLIANCE

RRC recently completed a region-wide assessment of STRs across six jurisdictions in the Lake Tahoe basin. The region spans two states, and its rules range from open-entry permitting to fully used caps. The study looked at how STRs and STR regulations affect the housing market, municipal lodging and sales tax revenue, local



business activity, and resident and owner sentiment. These are largely the same impact areas Folly Beach has identified. The work drew on STR platform data, municipal permit records, assessor records, lodging and sales tax data, Census housing indicators, hotel performance data, economic modeling, and a 2026 community survey of residents, second homeowners, and STR operators. To separate regulatory effects from broader market forces, RRC used three comparisons:

- housing trends across jurisdictions with different rules
- ZIP-level relationships between STR density and home values and rents
- outcomes before and after South Lake Tahoe's Measure T, which phased out most residential permits and was later struck down in court

Economic & Workforce Housing Impacts of STRs in Resort Communities (2024)

WESTERN MOUNTAIN RESORT ALLIANCE; CONDUCTED IN PARTNERSHIP WITH INNTOPIA

RRC conducted three separate studies of STR economic and housing impacts: one in Summit County, Colorado; one in Pitkin County, Colorado; and one in Teton County, Wyoming. Each study examined the county's STR market and regulatory context. Using a consistent approach across the studies also allowed comparisons among the three markets.



The studies combined AirDNA and Inntopia STR performance data, county assessor and GIS records, MLS sales data, local STR regulations, Census data, and mail-invite surveys of residents and homeowners in each county. The analyses measured:

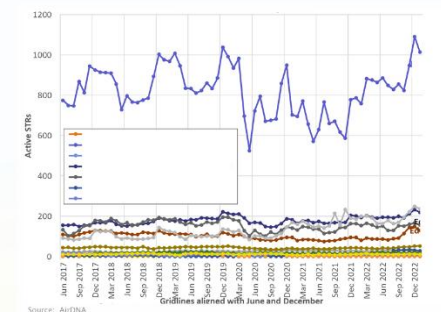
- STR inventory and ownership over time
- the economic contribution of STR visitors to local output, jobs, and earnings
- lodging, sales, and property taxes paid by STR guests and owners
- the share of local affordable housing funds attributable to STRs
- how home values changed relative to STR counts

STR work in other communities. RRC has also completed STR studies in Sun Valley, ID; Mammoth / Mono County, CA; Sedona, AZ; Flagstaff, AZ; Kansas City, MO; Oneida & Vilas Counties, WI; Door County, WI; Lake Geneva, WI; and Lake Tahoe, CA. These projects examined local questions about STR activity, housing, economic contributions, and regulation.

Eagle County Short-Term Rental Analysis (2023)

EAGLE COUNTY, COLORADO, BOARD OF COUNTY COMMISSIONERS; CONDUCTED WITH ECONOMIC & PLANNING SYSTEMS (EPS)

RRC helped Eagle County evaluate how to structure STR regulations for its unincorporated areas. The work had three phases. The first was an assessment of existing STR conditions: inventory, location, unit types, occupancy, and rates. The second was a fee study documenting local housing needs tied to STR activity. The third was a policy evaluation that drew on the County's existing policies and on practices in peer mountain communities.



The fee study modeled the full chain from guest spending to housing demand. It compared the economic impact of a home occupied by guests with



the same home occupied by a local household, then traced the difference through jobs supported, worker wages, and the housing needs those workers generate. From this "gap analysis," the team calculated a range of housing mitigation fees and the annual revenue each would produce. The team also developed an administrative fee to recover the County's full cost of running an STR program.

The team presented findings and policy options to the Board of County Commissioners in public work sessions. The options covered licensing, administrative and housing fees, and different rules for resort and non-resort areas and for owner-occupied and second homes.

Maine Tourism Economic Impact Study (Ongoing)

MAINE OFFICE OF TOURISM



RRC is building a new economic impact model of tourism for the State of Maine. The model estimates visitor spending and its effects on output, jobs, wages, and tax revenue, statewide and for each of Maine's eight tourism regions, including its coastal communities. Visitor spending comes from the state's visitor profile research. RRC checks those estimates against Maine Revenue Services taxable sales, STR and AirDNA lodging data, traffic counts, and state labor data. Impacts are modeled in IMPLAN and

allocated to regions and counties so that local results add up to the state totals. Two parts of the work carry over directly to Folly Beach:

- Separating policy effects from outside factors: RRC tracks weather events, inflation, fuel prices, and structural changes such as short-term rental growth and workforce constraints. This lets the state tell a real market shift apart from normal year-to-year variation, which is the same issue the City faces in isolating the effects of the Cap.
- Documenting method changes: RRC is preparing a comparison of the new approach against prior reporting so that changes in results can be clearly explained to stakeholders.

References

The Resort Alliance (formerly Western Mountain Resort Alliance)

Sarah Thorsteinson, CEO, Altitude REALTORS | sarah@altituderealtors.com | 970.368.4315

Sun Valley Board of REALTORS

Ned Burns, Government Affairs Director | Ned@sunvalleyrealtors.org | 208.726.7764

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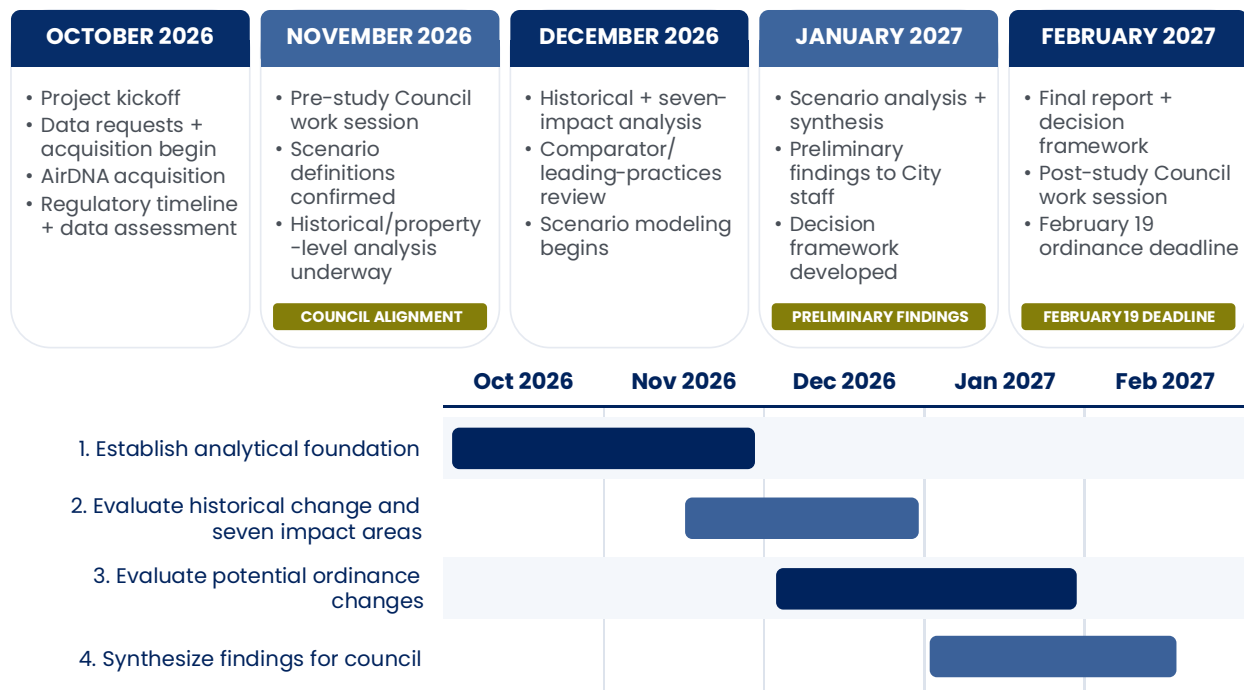


Timeline and Milestones

This study will proceed on an accelerated schedule reflecting the City's need to consider potential ordinance changes by February 2027. It is RRC's understanding that the City's current moratorium on most new STR business licenses is tied to completion of the STR study, and the moratorium ordinance directs the Mayor to propose any amendments to the City's STR regulations on or before February 19, 2027.

RRC's schedule is therefore designed to establish the analytical foundation quickly, reach early alignment with Council on the scenarios to be evaluated, and focus available resources on findings that can directly inform the City's decisions. Data acquisition and review will begin immediately following project initiation, with particular emphasis on obtaining and reconciling City licensing records, Charleston County property and tax records, third-party STR platform market data, and other priority sources.

Early data acquisition and Council alignment support actionable findings within the February 2027 ordinance timeline.



The pre-study Council work session will occur early in the project. In advance of the session, RRC will circulate a concise summary of proposed scenario definitions, key metrics, available data, and identified limitations so that Council members can review the framework beforehand. The work session can then focus on resolving outstanding questions and confirming a manageable set of scenarios for analysis rather than introducing the study framework for the first time.

Historical and impact analyses will proceed immediately following that alignment, with scenario analysis building on findings as they become available. Preliminary findings will be



shared with City staff in January 2027, allowing time for review and refinement before final findings are presented to Council in February 2027. This schedule is intentionally structured to provide actionable information in time to inform the City's ordinance process.

Data Sources and Methodology

RRC will combine City and County administrative records, public data, and selected third-party market data to evaluate Folly Beach's existing STR framework and proposed amendments. The study will use current conditions as the baseline for projecting future effects, with historical analysis providing context. We will confirm data coverage and limitations before finalizing analytical methods with Council.

Task 1. Establish the Analytical Foundation

DATA ASSESSMENT & REGULATORY TIMELINE

RRC will work with City staff to assess available records, including STR licensing history expected to date to approximately 2015, City financial records beginning in 2018, RentalScape information beginning in 2023, and Charleston County property and tax-classification records. We will check for changes in definitions, reporting requirements, and recordkeeping that could affect comparisons over time.

AirDNA Property Performance Data will be acquired to supplement these sources with monthly STR inventory and operating information, with expected historical coverage extending to October 2014.

In parallel, RRC will document the evolution of the City's STR regulations, including the 2023 Cap and subsequent changes to license classifications, rental requirements, inheritance, hardship provisions, replacement properties, and the waitlist. This timeline will help distinguish the initial Cap from later amendments and administrative changes.

COUNCIL WORK SESSION & SCENARIO REFINEMENT

Before detailed analysis begins, RRC will hold an in-person or virtual work session with Council to define the proposed amendments and agree on:

- The alternatives and number of scenarios to evaluate within each amendment area.
- Definitions, metrics, and data sources for the seven impact areas.
- Methods for distinguishing local ordinance effects from broader market trends.
- Standards for evaluating success and ranking alternatives, including how competing objectives will be balanced.

RRC will prepare preliminary interpretations and questions for discussion and document the agreed scope and evaluation criteria following the session.



Task 2. Evaluate Historical Change and the City's Seven Impact Areas

The historical analysis will cover January 1, 2022 or earlier, through the most recent available data, drawing on earlier records where useful.

Two complementary analyses will support this work:

PROPERTY-LEVEL ADMINISTRATIVE ANALYSIS	STR MARKET PERFORMANCE ANALYSIS
Sources: City licensing records and Charleston County parcel, tax-classification, ownership, and sales records.	Source: AirDNA historical inventory and performance data.
Approach: Link records where feasible to reconstruct historical license classifications and track changes in ownership and housing use following a sale, license termination, or change in tax classification.	Approach: Examine monthly trends in STR inventory, rental activity, and market performance.

RRC will compare Folly Beach's pre- and post-Cap trends with Charleston-area, state, and national housing and tourism trends, accounting for subsequent ordinance changes. These comparisons will help distinguish potential Cap effects from broader market shifts, with findings qualified where the data cannot establish a clear relationship.





ANALYTICAL FOCUS FOR THE SEVEN IMPACT AREAS

Table 1. Proposed Data Sources and Analytical Approach by Impact Area

IMPACT AREA	Anticipated Evidence	Analytical Focus
Local housing market	County parcel/tax records; property transactions; STR licensing/market data	Values, sales, ownership, housing use, STR/non-STR differences and broader market context
Financial position of license holders	City licensing/revenue records; selected STR market data	Rental activity and gross revenue; observable financial effects and limitations
Long-term rentals and legal residences	City licensing; County 4%/6% classifications; available housing data; Census and ACS tenure estimates	Changes and transitions among STR, LTR, legal-residence and other uses
Municipal revenue	City financial records; STR activity	Historical revenue trends and scenario implications
Municipal costs	City budgets, staffing/workload and enforcement information	Administration/enforcement demands and available cost evidence
Local business revenue	STR activity; tourism/visitor-spending and economic data	Visitor-economy exposure and modeled effects where supportable
Livability and resident satisfaction	2026 Comprehensive Plan Survey responses and other existing community engagement; complaint, citation, and strike records	Documented neighborhood effects and stakeholder perceptions

The same seven impact areas will provide a consistent framework for both the retrospective analysis and evaluation of future scenarios, while the specific analytical approach will vary according to the available evidence and nature of each impact.

Table 1 summarizes anticipated sources and analytical focus for the seven impact areas. The following considerations will guide their interpretation:

- 1. Local housing market.** Examine property values, sales, ownership, and housing use, distinguishing licensed STRs from other properties where feasible. We will account for shifts in the mix of properties sold that can distort market averages in a small community.
- 2. Financial position of license holders.** Assess rental activity and gross revenue, focusing on pre-Cap license holders for the historical analysis and existing holders for future scenarios, where records permit. Gross revenue will not be treated as profit; financing, insurance, taxes, maintenance, and management costs will be considered only where reliable information is available.



- 3. Long-term rentals and legal residences.** Track observable transitions among STR, long-term rental, legal-residence, and other residential uses, particularly for properties entering or leaving the STR inventory. Tax classifications and housing estimates will be used alongside licensing records, with gaps in identifying actual use clearly noted.
- 4. Municipal revenues.** Analyze STR-related licensing, registration, tax, and fee revenues and their relationship to rental activity. These relationships will inform estimates of revenue changes under the proposed alternatives.
- 5. Municipal costs.** Review administration and enforcement costs using City budgets, staffing, workload, and activity records. Where STR costs are not separately tracked, RRC will develop estimates with staff and distinguish them from recorded expenditures.
- 6. Local business revenue.** Use STR activity, visitor-spending, tourism, and economic data to assess implications for local businesses. Where supported, we will estimate spending and associated economic effects, distinguishing modeled results from observed business revenues.
- 7. Neighborhood livability and resident satisfaction.** Review complaints, citations, violations, and other available records alongside input from the 2026 Comprehensive Plan process and recent engagement. We will identify recurring concerns and differences among participant groups where data permit. Open-ended comments will inform the analysis without being treated as representative measures of resident opinion.

Task 3. Evaluate Potential Ordinance Changes

The retrospective analysis will provide the empirical foundation for evaluating the amendment alternatives refined with Council during Task 1.

The analytical approach will vary according to the nature of each amendment. Some alternatives lend themselves to relatively direct quantitative analysis. For example, observed sales, transfers, and license attrition can help evaluate how different transfer provisions could affect the future ISTR inventory, while parcel, zoning, and property-type information can quantify the inventory potentially affected by exemptions for multifamily or commercially zoned properties.

Other alternatives depend more heavily on behavioral responses that cannot be directly observed. A policy making 72-night rentals available to a broader group of properties, for example, raises questions about how many owners would choose to participate, how visitor demand would respond to additional supply, and how existing STR operators might adjust. In these cases, RRC will use transparent assumptions, reasonable ranges, and sensitivity analysis rather than a single-point forecast.

For each scenario, RRC will assess the implications for the City's seven impact areas to the extent supported by the available evidence. Findings may include quantitative estimates, reasonable ranges, directional effects, or qualitative considerations depending on the question and strength of the underlying data.



IMMEDIATE, MEDIUM-, AND LONG-TERM EFFECTS

Consistent with the RFP, the scenario analysis will consider effects over immediate, medium-, and longer-term periods. The appropriate treatment of these horizons will vary by impact.

Some effects, such as changes in license eligibility or fee revenues, may occur relatively quickly and can be estimated directly. Others, such as housing-market responses or changes in the composition of the STR inventory, develop over time and are inherently more uncertain. Rather than mechanically producing three numerical estimates for every impact and every scenario, RRC will identify how expected effects are likely to evolve over time and quantify those changes where the evidence reasonably supports doing so.

COMPARATIVE REGULATIONS & IMPLEMENTATION

RRC will review local and national STR regulations in similarly situated communities, selected for their size, coastal or tourism characteristics, housing conditions, and relevant policy mechanisms. The review will identify transferable lessons and examples of policy language addressing caps, transferability, limited-use rentals, exemptions, hardship provisions, and enforcement.

The purpose will not be to identify a single “best practice” or assume that an ordinance successful elsewhere should be replicated in Folly Beach. Rather, the review will provide practical context regarding how similar policy mechanisms have been structured and implemented elsewhere.

Task 4. Create Cohesive Findings for Council

RRC will synthesize the study findings into a decision matrix that allows Council to compare the defined ordinance alternatives consistently across the seven impact areas.

For each alternative, the matrix will summarize the available evidence regarding expected effects, important tradeoffs, implementation considerations, and the strength or limitations of the underlying evidence. Where appropriate, quantitative estimates or ranges will be incorporated directly into the matrix.

The decision framework is intended to inform rather than substitute for Council's policy judgment. Different alternatives may advance different City objectives, and the relative importance assigned to housing, owner impacts, municipal finances, local business activity, livability, or other considerations is ultimately a policy decision for Council.

Findings will be presented in a format designed to make the evidence, tradeoffs, uncertainties, and areas of agreement or disagreement among the alternatives readily understandable to Council and the public.



Deliverables

1. **Pre-study briefing memorandum and Council work session.** Concise written summary of the preliminary data assessment, regulatory timeline, proposed scenario definitions, key metrics, and identified data limitations, followed by facilitation of the Council work session to refine and confirm the study framework.
2. **Preliminary findings and draft decision framework.** Draft analysis documenting existing conditions, historical trends, findings across the seven impact areas, scenario analysis, comparative regulatory review, and preliminary decision framework.
3. **Final report and decision framework.** Final study incorporating City feedback, with technical documentation sufficient to explain major data sources, assumptions, analytical methods, and limitations.
4. **Post-study Council work session.** Presentation and discussion of study findings, scenario implications, tradeoffs, and the decision framework.

Pricing

Project cost by task

TASK	COST
1. Establish the analytical foundation – data assessment, regulatory timeline, scenario definition, staff consultation, and pre-study Council work session	\$7,000
2. Evaluate historical change and the City's seven impact areas	\$18,000
3. Evaluate potential ordinance changes – scenario analysis and comparative regulatory review	\$12,000
4. Synthesize findings for Council – decision framework, final report, presentation materials, and post-study Council work session	\$7,000
Professional services subtotal	\$44,000
Third-party data licensing	\$6,000
Total fixed project fee	\$50,000

Hourly rates

The scope described in this proposal will be completed for the fixed project fee shown above. The following hourly rates are provided as requested in the RFP and would apply only to additional services authorized by the City outside the agreed-upon scope.



ROLE	RATE
Lucy Harbor Project Lead	\$250
Jeremy Sage, Ph. Principal Economist	\$225
Jimmy Howe Data Analyst	\$150
Research and production support	\$100

EXPENSES AND ADDITIONAL SERVICES

The \$50,000 fixed project fee includes all professional services associated with the scope described in this proposal, including staff consultation, participation in the pre- and post-study Council work sessions, analysis, reporting, presentation materials, and the \$6,000 AirDNA Property Performance Data license.

The fixed project fee includes all professional time associated with both required Council work sessions. Travel expenses associated with the required in-person meetings are not included in the fixed project fee and will be billed separately at actual cost, with no markup. RRC will coordinate travel arrangements with the City in advance to manage these expenses efficiently.

Additional services requested by the City beyond the agreed-upon scope – such as additional public meetings or work sessions, substantially expanded scenario analysis, or other supplemental analysis – will be undertaken only with City authorization and billed at the hourly rates shown above or at a mutually agreed fixed fee.

Signed Offeror Representations

The signed and notarized Offeror Representations form is included as a separate attachment.

Pending Legal Actions

RRC has been named as a co-defendant in Green v. Vail Resorts, et al., 1:26-cv-03555-RMR, pending in the United States District Court for the District of Colorado. The lawsuit alleges that RRC conspired with several ski resort companies and the National Ski Areas Association to raise the price of lift tickets. RRC is actively defending itself in that lawsuit, categorically denies any wrongdoing, and believes the claims to be baseless. The litigation will not hinder RRC's ability to carry out the Project and RRC does not anticipate the litigation will affect its reputation but discloses the lawsuit out of an abundance of caution.

IRS Form W-9

A current IRS Form W-9 will be provided upon notice that RRC has been awarded the contract.



Proposed Model Implementation Contract

RRC's standard professional services agreement, adapted for this engagement, is included as a separate attachment. All terms are subject to City review.

Conclusion

Thank you for considering our proposal. We know these decisions matter to the people who live, own property, and run businesses in Folly Beach. Our team would welcome the opportunity to work with Council and City staff to understand what has changed and what the proposed amendments could mean for the community.

We would bring experience from other destination communities, an open mind, and a commitment to giving Council clear, useful findings. I look forward to the opportunity to discuss the project with you.

Thank you!

A handwritten signature in cursive script that reads "Lucy Harbor".

Lucy Harbor, Director of Outdoor Recreation Research, RRC Associates, Inc.

lucy@rrcassociates.com | www.rrcassociates.com Boulder, CO 80303