

REQUEST FOR PROPOSAL: SHORT-TERM RENTAL ORDINANCE STUDY

City of Folly Beach, South Carolina

PRESENTED BY:



SMARTCITY
POLICY GROUP

Matt Curtis
P.O.Box 650108
Austin, Texas 78765
512-983-5347
September 28, 2026

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Aaron Pope, AICP, ICMA-CM, City Administrator

City of Folly Beach, 21 Center Street, 2nd Floor, Folly Beach, SC 29439

Re: RFP 03-26 Short-Term Rental Ordinance Study

Dear Mr. Pope and Members of City Council:

Folly Beach has worked on its Short-Term Rental (STR) rules since 2021. The court ruling in August, the City's appeal, and the moratorium now tie the next licensing decision to this study. Whatever the appeal decides, Council needs evidence that stands on its own, and Smart City Policy Group can deliver it. We will give Council independent data on all six amendment areas and a decision matrix built on standards set by Council first. Council has asked for a decision that lasts. This study gives it the foundations to make one.

I have worked on STR regulation since 2010, among the first in the country to make it a full-time focus. Before that, I served as deputy to two Austin mayors. In 2017, I joined a group of local government leaders to found Smart City Policy Group. Since then, our team has:

- **Helped shape coastal peer community ordinances, fees, and fines** in North Myrtle Beach, South Carolina; Glynn County, Georgia; and Galveston, Texas
- **Completed more than 50 STR studies**
- **Analyzed regulations in more than 300 destinations**
- **Briefed and advised the U.S. Conference of Mayors, National League of Cities, National Association of Counties, US Travel**
- **Hosted the only in-person national conference on STR regulation** in 2019

You will also find HomeAway and Expedia in my biography. I led global government affairs for both companies, and that experience serves the City. I know how Airbnb, Vrbo, Booking.com, AirDNA, KeyData, and compliance vendors collect rental data. I know where that data holds up and where it misleads. The City holds no outside data licenses and will weigh each bidder's proposed sources. We will recommend sources for Council's review before the study begins and explain every choice.

The City will be our only client for this work. None of our firms has a current or pending tie to a STR platform, a compliance vendor (including Deckard, the City's current STR compliance vendor), a Realtor or vacation rental association in South Carolina, or any party to litigation involving the City. We will accept no industry funding for related work during this engagement.

Our proposed subcontractors are **TXP, Inc.** and **RCLCO Real Estate Consulting**. TXP measures economic and fiscal impact for public clients. RCLCO brings nearly six decades of real estate economics and housing market research. Our three firms have previously teamed on STR studies for resort markets in North Carolina, Texas, and California. Together, we cover every impact Council named, from housing and property values to tourism revenue, municipal costs, license holders, and neighborhood livability.

Our team will:

- **Meet with Council** before the study to set amendment language, impact definitions, data sources, and ranking standards
- **Measure every scenario** with the same metrics
- **Separate the Cap's effects** from broader market trends
- **Distinguish measured results** from projections and show the range of uncertainty
- **Deliver** a decision matrix, recommendations, and implementation language Council can adopt through its own process
- **Present findings to Council** on or before February 26, 2027

Our total price is \$48,695, including data licensing, within Council's \$50,000 allocation. We acknowledge receipt of the City's answers to bidder questions dated September 22, 2026. I am authorized to bind Smart City Policy Group. This proposal remains valid for 90 days.

Folly Beach asked for independent data and a decision that can withstand public scrutiny. We are ready to deliver both.

Sincerely,



Matt Curtis

Founder and Principal, Smart City Policy Group

P.O. Box 650108, Austin, TX 78765 | 512-983-5347 | matt@smartcitypolicygroup.com

"Matt is the Godfather of Short-Term Rental regulations."

- David Haubert, former Mayor of Dublin, California

Table of Contents

Executive Summary.....1

a. Firm and Qualifications..... 3

b. Relevant Prior Work and References..... 8

c. Timeline.....12

d. Data Types, Sources, and Methods..... 13

e. Scenario Estimate..... 17

f. Proposed Definitions and Scenarios..... 18

g. Separating Cap Effects From Market Trends..... 19

h. Pricing..... 20

i. Offeror Representations.....22

j. Pending Legal Actions..... 24

k. IRS Form W-9.....25

l. Proposed Model Implementation Contract..... 27

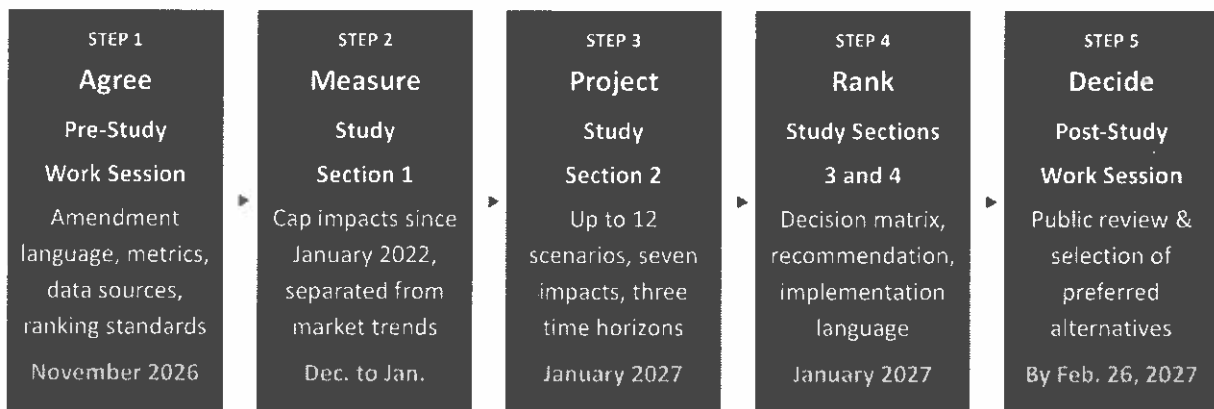
"Matt is the go-to resource for STR policy creation. His work guided us to a successful ordinance."

- Peter Murphy, former Glynn County, GA, Commissioner

Executive Summary

Independent data. Council's decision.

Council wants to understand how six proposed amendments would change housing, owner finances, City revenue and costs, local business, and neighborhood life. The August 2026 court ruling and the City's appeal raise the stakes. Whatever Council decides, the decision must rest on the data. Our approach follows the RFP's scope in five steps. Council sets the rules of the study first. We measure every option the same way. Council then ranks each option against its own criteria.



Council sets the tests first | Same metrics for every scenario | Findings reported in full

Why Smart City Policy Group

- **Built by policymakers.** Matt Curtis worked inside City Hall as deputy to two Austin mayors. He knows how data becomes an ordinance that holds up to legislative scrutiny.
- **Proven performance on similar ground.** Our team advised Galveston and Glynn County, both barrier-island peer communities, as well as Austin, TX, and La Quinta, CA, which are destination cities.
- **Three disciplines, one contract.** Public policy, tourism economics, and real estate economics under one accountable lead.
- **Independent by design.** The City is our only client. Council sets the tests before we prepare a single result.
- **One fixed price.** \$48,695, including data licensing, within Council's \$50,000 allocation.

Our Independence Commitment

- The City is our only client and funder for this study.
- No firm on our team has a current or pending tie to a STR platform, a compliance vendor (including Deckard, the City's current STR compliance vendor), a South Carolina Realtor or vacation rental association, or any party to litigation involving the City.
- Council approves metrics, data sources, comparison markets, and ranking standards before analysis begins.
- We report findings in full, whichever way they cut.
- The City receives our assumptions, formulas, and data files.

Evaluator's Guide

This proposal follows the order required by RFP 03-26 Section 4. The table below shows where we answer each evaluation criterion.

Evaluation Criteria (RFP Section 6)

Criterion	Where We Answer	Proof Point
Data capability	d, g	One parcel-level database linking City, County, and market data; two independent sources of rental activity; vendor comparison on price, coverage, and reputation
Regulatory expertise	a, b, f	Matt Curtis' City Hall experience; ordinance work in Galveston, TX, Glynn County, GA, Austin, TX, and North Myrtle Beach, SC
Housing market impact analysis	d, g	RCLCO parcel-level price models against comparison markets chosen before results
Municipal references	b	Six references, including the barrier-island communities of Galveston, TX, and Glynn County, GA, and destination cities of Asheville, NC, La Quinta, CA, and Austin, TX.
Team qualifications	a	Former City Hall leadership and a former city manager; TXP economists; RCLCO real estate analysts
Stakeholder engagement	b, d	Galveston task force; Council interviews; representative resident survey; two public work sessions
Timeline adherence	c	Dated milestones from award to presentation by February 26, 2027
Total cost	h	\$48,695, one fixed price including data licensing, within Council's \$50,000 allocation

a. Firm and Qualifications

Policy, economics, and real estate on one contract.

RFP 4.a A description of the firm and its qualifications, including size of the business, the office location responsible for the project, key staff members and their qualifications, and a list of known subcontractors and their qualifications.

Prime Contractor: Smart City Policy Group

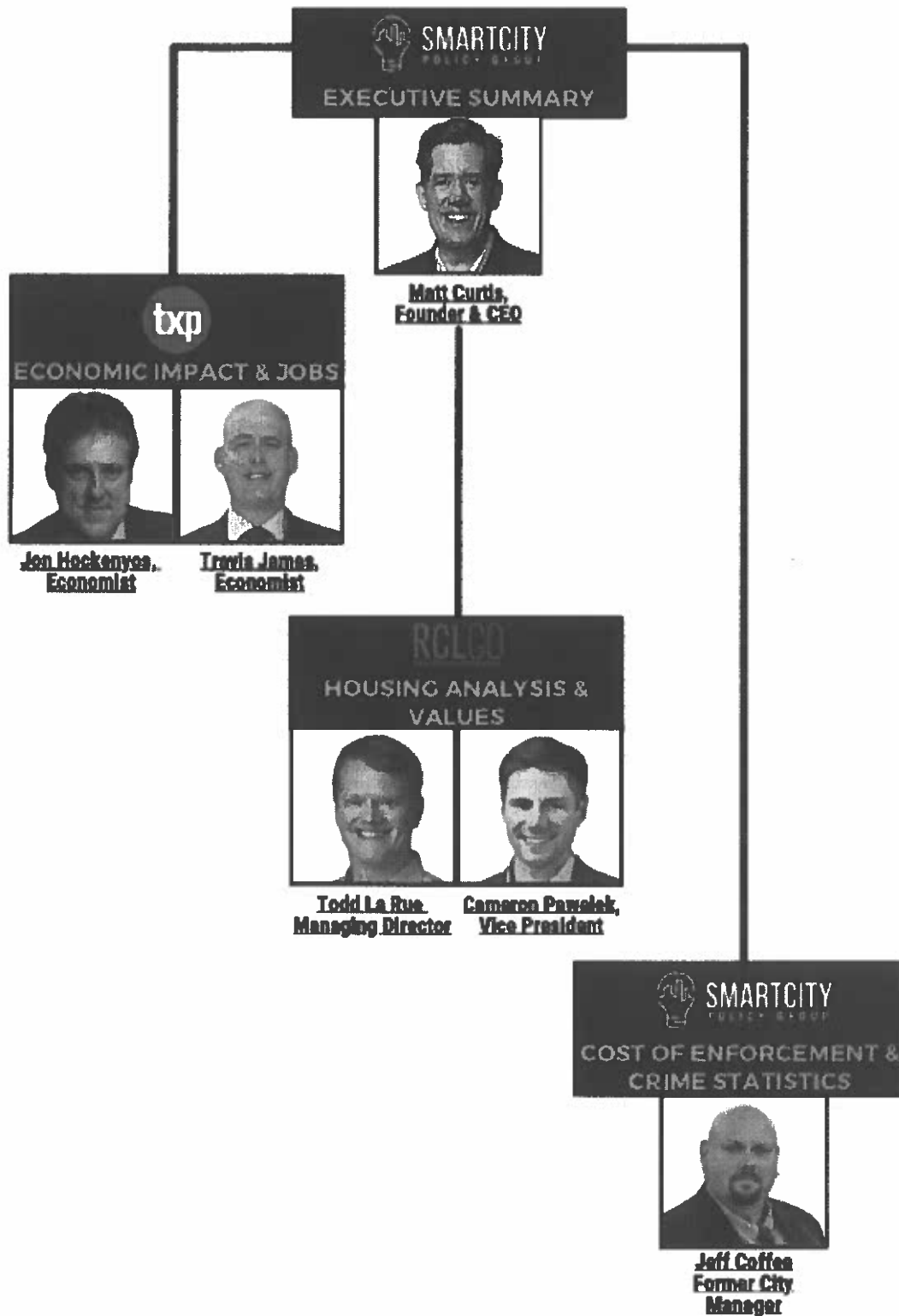
Smart City Policy Group helps cities and counties write rules for the modern economy that work for everyone, including residents, businesses, and governing entities. Matt Curtis founded the firm in 2017. Our team includes a former mayor, a former city manager, and policy experts who understand both sides of the table. We have researched STR regulations in hundreds of communities and host the Smart City Policy Summit for local leaders.

Item	Detail
Founded	2017
Size of business	Small business
Responsible office	Austin, Texas. P.O. Box 650108, Austin, TX 78765
Role	Prime contractor, project lead, and the City's single point of contact
Subcontractors	TXP, Inc. and RCLCO Real Estate Consulting. The City contracts with and pays one firm.
Insurance and indemnification	Before work begins, Smart City Policy Group will furnish \$1,000,000 per-occurrence Commercial General Liability coverage with completed operations, blanket contractual, and personal injury coverage, plus indemnification and hold-harmless documentation, as RFP Section 5 requires.

How We Build STR Policy

- Assess community and government concerns through structured engagement.
- Analyze rental activity, patterns, and impacts.
- Engage owners, managers, tourism boards, neighborhood groups, and homeowner associations.
- Report findings and refine recommendations with staff and elected officials.
- Draft model ordinance and administrative language.
- Set up audits and monitoring to track results over time.

Organizational Chart



Key Staff

Matt Curtis, Founder and Principal | Project Lead

Matt will lead the study and serve as the City's point of contact from award through the final Council work session. He has worked on short-term rental policy since 2010 and brings two decades of public affairs experience. He knows how findings become policy a council can adopt and defend.

- **Coastal Peer Community Ordinances.** Helped Glynn County, Georgia, create its countywide ordinance. Designed and facilitated Galveston's stakeholder process, which set fine and fee levels from model examples. Helped facilitate the North Myrtle Beach vacation rental ordinance.
- **Studies That Drive Decisions.** Guided economic impact and compliance studies in Texas, North Carolina, and the Caribbean. His team has completed more than 50 short-term rental studies and tracks regulations in more than 300 destinations.
- **City Hall Experience.** Served as deputy to Austin Mayors Lee Leffingwell and Will Wynn and to a City Council member. Served as a director at Capital Metro, the Central Texas transit authority. Learned firsthand how proposals move through staff review, public hearings, and council votes.
- **Inside Knowledge of Rental Data.** Led global government affairs and public policy for HomeAway and Expedia. Knows how Airbnb, Vrbo, Booking.com, AirDNA, and KeyData collect and report rental activity, and where that data falls short. Founded Smart City Policy Group in 2017 with a group of local government leaders.
- **National Voice on STR Policy.** Presented to the National Conference of State Legislatures, National Governors Association, U.S. Conference of Mayors, National League of Cities, National Association of Counties, and European Parliament. Hosted the only in-person national conference on short-term rental regulation. Led focused sessions for Monroe County, Pennsylvania, New Mexico, Aruba, and Ireland. Author of *Long-Term Solutions for Short-Term Rentals*.
- **Council Facilitation.** A trained facilitator, Matt will lead Council's pre-study session to set amendment language, impact definitions, and ranking standards.

"Matt Curtis is a valued resource for local leaders working on tough issues."

- Stephen Benjamin, former Mayor of Columbia, SC, and past President, U.S. Conference of Mayors

Jeff Coffee, Former City Manager

Jeff Coffee served as a City Council member and City Administrator in Buda, Texas, in one of the nation's fastest-growing counties. The City of Elgin then recruited him as City Manager. In both roles he balanced public safety and general operating budgets through rapid change, led a \$40 million incentive package, and built a public-private partnership for land development. For Smart City Policy Group, Jeff conducted a nationwide study of STR regulation, helped facilitate the North Myrtle Beach vacation rental ordinance, and helped create Glynn County's countywide ordinance. He holds a BA in Political Science from UCLA and a JD from the University of Houston and is licensed to practice law in Texas.

Smart City Policy Group Team

Name	Title
Matt Curtis	Founder and Principal
Jeff Coffee	Former City Manager
Jennifer Hosterman	Former Mayor of Pleasanton, California
Jamie Michel	Strategic Consultant
Don Pitts	Sound and Music Policy Expert

Subcontractor: TXP, Inc.

Together, Smart City Policy Group and TXP have evaluated the economic impact of STRs in more than 20 communities.

TXP is an economic analysis and public policy consulting firm founded in Austin in 1987. Clients hire TXP when an economic or policy question has no obvious or simple answer. The firm pairs focused primary research, such as surveys, with secondary data and builds each methodology to fit the client. Its economic and fiscal impact studies cover tourism, festivals, transportation, education, and mixed-use development.

Jon Hockenyos, President

Jon Hockenyos founded TXP in 1987 while attending the LBJ School of Public Affairs at the University of Texas at Austin, after serving as an aide to a member of the British Parliament. He manages the firm, performs technical analysis, and has served as a resource witness before city councils, state legislatures, and the U.S. Congress. He serves on the boards of Seton Healthcare and American Bank of Commerce and has served on the boards of Capital Metro and the Arc of

the Capital Area and on the Travis County Citizen's Advisory Council. He holds a BA in Philosophy from the University of Illinois and a Master of Public Affairs from the LBJ School, where he has taught as an adjunct professor.

Travis D. James, Vice President

Travis James brings nearly 25 years of experience in economic analysis, strategic planning, and policy development and leads TXP's economic impact and statistical work. He has conducted more than 200 economic and tax revenue impact studies in eight states, including South Carolina. He specializes in sub-regional analysis that blends economics, land planning, GIS, and long-term forecasting, and he has trained in the RIMS II and IMPLAN impact models. He holds a BA in Economics from the University of Texas at Austin, a BS in Computer Science from Texas State University, and an MBA from St. Edward's University.

Subcontractor: RCLCO Real Estate Consulting

Bob Lesser founded RCLCO in 1967 after evaluating uses for the center of the new town of Thousand Oaks, California. Today, RCLCO completes more than 400 projects a year with a team of 100+ professionals. Developers, investors, and public agencies rely on the firm for real estate economics, market research, fiscal and economic impact analysis, and consumer research. RCLCO also provides litigation support and expert testimony, which adds rigor to its analysis. RCLCO's Austin office will support this study.

Todd LaRue, Managing Director

Todd LaRue joined RCLCO in 2004 and leads its Austin office. He directs engagements for developers, landowners, investors, and public sector entities, including highest and best use, market opportunity, consumer research, economic development, financial, and fiscal impact analyses. His work spans master-planned communities, mixed-use developments, and resorts across Texas, the Southeast, and Mexico. He previously spent more than seven years in construction management with Skanska and W. H. Bass. He holds a BS in Civil Engineering from the University of Virginia and an MBA in real estate and finance from Emory University.

Cameron Pawelek, Managing Director

Cameron Pawelek is a Managing Director in RCLCO's Austin office and delivers strategic guidance across the Sunbelt in the firm's real estate economics practice. He advises on urban, suburban, and resort projects, assesses highest and best use and financial feasibility, and leads consumer research. He also helps lead RCLCO's talent development work. He holds a BA in Urban Studies from the University of Texas at Austin, where he guest lectures in real estate courses.

b. Relevant Prior Work and References

Proven performance in communities like Folly Beach.

RFP 4.b Relevant prior work performed, including names and contact information for a minimum of three past project references.

Relevant Prior Work

Project	What We Delivered	Relevance to Folly Beach
Galveston, Texas Galveston STR Task Force Facilitation, Fee Study, and Compliance Analysis	Facilitated a government and community task force, ran a national fee study, and led virtual site visits of peer communities. Matt Curtis helped Galveston decide between a fine-based and a fee-based program. His guidance shaped the ordinance that followed. Registrations more than doubled, and the STR share of hotel occupancy tax collections rose from 31.5% in 2019 to 53% in 2022.	Barrier island with heavy day-trip and vacation rental demand. Ordinance design, engagement, and municipal costs.
Glynn County, Georgia Glynn County STR Regulation and Cost of Enforcement Study	Helped create the countywide ordinance and curated national best practices. Analyzed the cost of enforcing noise, parking, trash, and occupancy rules and tied budget impacts to taxpayers.	Barrier-island communities. Ordinance language and municipal costs.
La Quinta, California La Quinta STR Economic Impact, Housing, and Cost of Compliance Study	Measured economic impact, housing effects, and the cost of compliance for the City.	Resort city under heavy tourism pressure. All three study disciplines.
Greater Palm Springs, California Greater Palm Springs Vacation Rental Ban Impact Study	Examined economic impact, housing values, and cost of enforcement across Coachella Valley resort communities, comparing places with and without rental restrictions.	Resort region. Paired-community comparison like the method in Section g. Same proposed team.

Project	What We Delivered	Relevance to Folly Beach
City of Austin, Texas STR Policy Development	Smart City Policy Group helped the City of Austin navigate and create policy for STRs.	Council process and ordinance experience.
Buncombe County (Asheville), North Carolina Buncombe County (Asheville) and Transylvania County (Brevard) STR Economic Impact, Housing, and Fee Study	SCPG, TXP, and RCLCO analyzed tourism and tax trends, housing by tenure, rental occupancy and rates, rent and home price growth, and rental bedrooms against household types.	Housing supply and market impact analysis by the same proposed team.
Brevard and Transylvania County, North Carolina Economic impact, jobs, and housing	SCPG, TXP, and RCLCO estimated visitor spending, modeled direct, indirect, and induced effects, and measured jobs, housing effects, and state and local tax revenue.	Small tourism community. Business and municipal revenue. Same proposed team.
North Myrtle Beach, SC; Palm Desert, CA; and Glynn County, GA Cost of compliance	Compared staffing, workflow across offices, and program costs against fee and fine revenue.	South Carolina coast. Municipal cost analysis.
San Marcos and New Braunfels, Texas River tourism economic impact (TXP)	Designed and fielded visitor surveys on spending, length of stay, and trip purpose, then measured local economic impact.	Small cities with heavy day-trip tourism. Visitor survey design.
Fredericksburg, Texas Study of the Economic Impact of Short-Term Rentals in Fredericksburg/Gillespie County	Economic impact, housing analysis, policy recommendations, facilitated community meeting	Balancing economic, housing and policy costs with community engagement

References

Reference	Project	Why It Matters
Scott McQuade Golden Isles Convention and Visitors Bureau 529 Beachview Dr. St. Simons Island, GA 31522 603-548-0302 scott@goldenisesles.com	Glynn County STR Regulation and Cost of Enforcement Study	Barrier-island alignment. This work mirrors Folly Beach's core need: project the effects of amendments on municipal costs, municipal revenue, and neighborhood livability before Council votes.
Aaron W. Mumford County Attorney, Glynn County, Georgia 701 G Street, 2nd Floor Brunswick, GA 31520 912-554-7470 amumford@glynncounty-ga.gov	Glynn County STR Regulation and Cost of Enforcement Study	Barrier-island alignment. Glynn County includes St. Simons, Sea Island, and Jekyll Island and balances residential neighborhoods against strong visitor demand.
Bryson Frazier Former Chief Financial Officer, Galveston Island Park Board of Trustees 601 Tremont St. Galveston, TX 77550 505-639-0348	Galveston STR Task Force Facilitation, Fee Study, and Compliance Analysis	Barrier-island alignment. Galveston shares Folly Beach's mix of beach tourism, day-trippers, and year-round residents. Matt Curtis designed and managed the stakeholder facilitation that produced Galveston's STR policies, including its fine structure and fee levels drawn from model examples.
Jon McMillen City Manager, City of La Quinta, California 78-495 Calle Tampico La Quinta, CA 92253 760-777-7100 jmcmlen@laquintaca.gov	La Quinta STR Economic Impact, Housing, and Cost of Compliance Study	Resort city under heavy seasonal tourism pressure. Work involved analyzing economic impact, housing, and cost of compliance.

Reference	Project	Why It Matters
Mike Butrum Government Affairs Director, Far Western North Carolina, NC REALTORS 5 Stuyvesant Road, Asheville, NC 28803 828-275-2422 mbutrum@ncrealtors.org	Buncombe County (Asheville) and Transylvania County (Brevard) STR Economic Impact, Housing, and Fee Study	Housing and economic impact study for the Asheville area by all three firms, commissioned by Buncombe County.
Daniel Word Interim Director of Development Services, City of Austin, Texas 6310 Wilhelmina Delco Drive Austin, TX 78752 512-978-4000 daniel.word@austintexas.gov	STR Policy Development	Smart City Policy Group helped the City of Austin navigate and create policy for STRs.

"A best friend of American mayors."

- Mitch Landrieu, former Mayor of New Orleans, LA, and past President, U.S. Conference of Mayors

c. Timeline

Findings before the 2027 license year.

RFP 4.c A timeline of significant project milestones and anticipated completion date.

We will complete the study and present findings to Council on or before February 26, 2027. We read the RFP's February 29, 2027 completion date as the end of February and commit to February 26, the last business day of the month. We hold the schedule by: 1) Issuing the data request at kickoff, before the work session. 2) Data work, survey fielding, and peer research run in parallel. 3) We meet with staff every two weeks and report any data delay within five business days.

Milestone	Target Date	Deliverable
Contract award	October 13, 2026	Council resolution
Contract and kickoff with staff	By October 23, 2026	Kickoff agenda and data request
Record review and interviews	October 26 to November 6, 2026	STR Timeline review, staff consultation, and one-on-one interviews with the Mayor and each Council member
Pre-Study Work Session (on site)	Week of November 16, 2026	Consensus on amendment language, scenarios, impact definitions, data sources, and ranking standards
Data inventory and gap report	November 30, 2026	Approved data sources, data inventory, and gaps
Resident and owner survey	December 2026 to January 2027	Council-reviewed survey and results
Study Section 1: Cap impact analysis	December 2026 to mid-January 2027	Cap impact findings
Study Sections 2, 3, and 4	January 2027	Projections, decision matrix, and regulatory review
Draft report to staff	January 29, 2027	Draft report
Final report	February 12, 2027	Final report, technical appendix, and one-page scorecard
Post-Study Work Session (on site)	Council's choice, on or before February 26, 2027	Public presentation and facilitated selection of preferred alternatives

d. Data Types, Sources, and Methods

Seven impacts. One consistent test.

RFP 4.d A preliminary list of potential data types, data sources, and methodologies to be used in the study as measurement of the identified impact types.

One Linked Database

The City expects limited internal data and asks the consultant to reconcile records. We will build one parcel-level database that links City license records since 2015, Charleston County tax classification and sales records, and rental market data. We will validate pre-2023 licenses against County 4% and 6% tax records. Every source receives a quality rating, and we report gaps openly.

Proposed Data Sources

Council approves all third-party sources at the Pre-Study Work Session. We propose two independent sources of rental activity so each checks the other.

Source	Data	Access
City of Folly Beach	License history since about 2015; RentalScape estimates; tax, license, and fee revenue since 2018; complaint, citation, and enforcement records; budgets and staff time	Provided by the City
Charleston County	Assessor and parcel files; deeds and sales; 4% and 6% classification; license payment records	Public records
Charleston Trident Multiple Listing Service	Listing and sales history, days on market, and price changes	Licensed
Commercial STR market data (such as AirDNA, Key Data, or Lighthouse)	Listings, available and booked nights, rates, and revenue	Licensed; Council selects vendor from the comparison below
SC Department of Revenue and state tourism data	Accommodations, hospitality, and sales tax; visitor profiles	Public

Source	Data	Access
U.S. Census Bureau and Bureau of Labor Statistics	Housing tenure, population, employment, and wages	Public
Economic impact model (IMPLAN or equivalent)	Local spending multipliers	Included in fee
Resident and owner survey	Satisfaction, livability, owner finances, and current use of former rentals	Primary research

Third-Party Data: Price, Coverage, and Reputation

The City asked bidders to identify outside data sources for Council review and said it will weigh each on price, reputation, and thoroughness. Matt Curtis led government affairs at HomeAway and Expedia and knows how each vendor gathers its data. Our comparison and recommendation follow. Council makes the final selection at the Pre-Study Work Session, and we bill the chosen licenses at cost.

Source	Coverage and history	Known limitations	Annual cost	Our view
AirDNA	Scrapes Airbnb and Vrbo listings. History to 2015 or earlier. Listing counts, available and booked nights, rates, and estimated revenue by property.	Revenue is modeled from calendars, not booked. Cross-listed properties can double count. Off-platform and direct bookings are missed.	\$2,000	Recommended as the listing-side source. Longest history for Section 1.
Key Data	Actual booking and revenue data from property managers' reservation systems. Strong South Carolina coast coverage.	Covers professionally managed units only. Self-managed listings are absent, so the sample skews toward larger operators.	\$3,000	Recommended as the booked-side source. Checks AirDNA against real transactions.

We recommend AirDNA and Key Data together. One scrapes listings and the other records booked stays, so each checks the other. Every source receives a quality rating in the data inventory and gap report.

Measures and Methods by Impact Area

Impact area	Measures	Methods
Local housing market	Sale price, price per square foot, sales volume, days on market, and turnover by property type and area	Parcel-level price models compared with markets chosen in advance
Financial position of license holders	Gross and net rental revenue, occupancy, and nightly rates by license class; value of a license; expected wait by waitlist phase; projected inheritance licenses; option value of a license or waitlist position	Owner pro formas by property type; license value reflected in sale prices; queue model for the two-phase waitlist
Long-term rentals and legal residences	Licensed long-term rentals; 6% to 4% conversions; current use of former rentals	Parcel tracking over time, confirmed by survey and by utility and mailing-address indicators; 4% tax status never used as sole proof of residence
Municipal revenue	Accommodations, hospitality, business license, fee, and property tax revenue	Account-level fiscal model
Municipal costs	Licensing and waitlist administration, code enforcement, public safety calls, sanitation, and legal costs	Cost of service per license and per occupied night
Local business revenue	Hospitality and sales tax receipts, business license receipts, and visitor spending	Visitor spending model adjusted for dollars that leave the island or shift between businesses
Neighborhood livability and resident satisfaction	Complaints, substantiated incidents, citations, and strikes; unlicensed rental estimate; resident satisfaction by group	Rates per 1,000 occupied nights; representative survey

Standards We Hold

- Parcel-level analysis, never island-wide averages alone.
- Complaints reported as rates, with citations and convictions shown separately.

- Investor, owner-occupied, hardship, and long-term licenses kept separate.
- No assumption that every former rental becomes a long-term rental.
- Comparison markets chosen and published before results.
- Confidence ranges and sensitivity tests on every projection.
- Measured results kept separate from projections.
- Parcel, owner, and guest data held under a data-security and nondisclosure plan approved by the City.

Engagement That Builds Consensus

Public comment shapes what we test. Data decides the answer.

- **Council interviews.** One-on-one conversations with the Mayor and each Council member before the work session.
- **Two public work sessions.** Council sets the rules of the study in November and reviews the results in February.
- **Representative survey.** We invite every residential address and owner of record by mail, with online and paper response options. Results are reported separately for full-time residents, owner-occupied and investor license holders, waitlisted owners, and long-term renters, and weighted to known counts. Voluntary online comments and advocacy lists do not stand in for community opinion.
- **Structured interviews.** City staff, brokers, property managers, and business owners supply facts and data sources.

e. Scenario Estimate

Twelve scenarios, with room to add more.

RFP 4.e A preliminary estimate of the total number of alternate scenarios within each amendment area that can be considered effectively and cost-effectively.

We can study up to 12 scenarios effectively within the proposed fee. Council sets the final list at the Pre-Study Work Session. Section h prices additional scenarios.

Amendment Area	Preliminary Scenarios	Count
Leave the existing Cap in place	Baseline at 800 investor licenses under current rules; sensitivity at the current active license count	2
Allow 72-day rentals for all properties	72 rental nights for any property without an investor license	1
Exempt multifamily and/or commercially zoned properties	Multifamily only; commercial districts only; both	3
Keep investor licenses after unit replacement	Unconditional; limited to no increase in bedrooms or occupancy	2
Allow transfer on sale, to family, or through inheritance	Transfer on sale; transfer to family; transfer through inheritance	3
Broaden hardship exceptions	One expanded package of hardship categories	1
Total		12

- Each scenario is projected at immediate, medium, and long-term intervals. We propose one, five, ten, and twenty years, subject to Council approval.
- Every scenario reports on all seven impact areas.
- Every scenario reports the distribution of gains and losses by group, including grandfathered license holders, Phase 1 and Phase 2 waitlist applicants, owner-occupied license holders, full-time residents, and long-term renters.
- We model the Cap as enacted by Council ordinance, so results hold regardless of the outcome of the City's appeal.
- Council may add scenarios outside the six amendment areas, such as an enforcement-focused alternative or a transferable-permit model, at the per-scenario rate in Section h.

f. Proposed Definitions and Scenarios

Starting definitions, built from the record.

RFP 4.f Bidders may choose to propose definitions and scenarios related to each identified amendment area, informed by publicly available meeting videos, minutes, comments, and the City's STR Timeline.

We reviewed the City's STR Timeline and Council records. The record runs from the 2021 STR committee through the October 2022 moratorium, the February 7, 2023 referendum, the April 2023 technical amendments, and later work on sales, inheritance, minimum rental activity, and the two-phase waitlist. Our starting definitions reflect that history. Council will finalize them at the Pre-Study Work Session.

Amendment Area	Starting Definition	Question for Council
Leave the existing Cap in place	A Cap of 800 investor licenses with current renewal, 28-night minimum, two-phase waitlist, inheritance, and hardship rules, enacted by Council ordinance	Should the baseline test Cap levels between 800 and the current active count?
72-day rentals for all properties	Any property without an investor license may rent up to 72 nights a year, regardless of 4% or 6% tax class	Should 72-day licenses count toward any cap?
Exempt multifamily and/or commercial properties	Properties in designated commercial districts, or buildings above a set unit count, fall outside the Cap and meet all operating standards	Which districts and unit thresholds apply?
Licenses survive unit replacement	An investor license continues when a licensed unit is rebuilt, elevated, or replaced after casualty within a set period	Should added bedrooms or occupancy end the protection?
Transfer on sale, to family, or through inheritance	A license may transfer with a sale, to a family member, or through inheritance beyond the current rule for heirs of owners of record on February 7, 2023	Which relationships count as family? How are trusts and LLCs treated?
Broader hardship exceptions	Expanded categories of documented medical, financial, or other hardship, with limits to prevent misuse	Which hardships qualify, and for how long?

g. Separating Cap Effects From Market Trends

What the Cap did, and what the market did.

RFP 4.g A preliminary proposal of methods used to identify or otherwise contextualize the effects of the Cap against broader market trends.

Home prices, rents, and tourism across the Charleston area shifted after 2020. Interest rates, insurance costs, storms, and post-pandemic travel all played a part. A simple before-and-after comparison would credit those forces to the Cap. Our method separates them in four steps.

1. **Map the policy dates.** We test each milestone, including the October 2022 moratorium, the February 2023 referendum, the April 2023 amendments, and the 2024 waitlist changes. Buyers and sellers may have acted before the vote, and this step captures it. (Event study with alternate treatment dates.)
2. **Compare Folly Beach with similar markets.** We select comparison communities based on trends before 2022 and publish the list before analysis begins. Candidates include Isle of Palms, Sullivan's Island, Kiawah Island, and Edisto Beach in the Charleston area, and Tybee Island, Georgia, and Wrightsville Beach, North Carolina, among Southeast barrier islands. (Difference-in-differences and synthetic control.)
3. **Compare within Folly Beach.** We track investor-licensed, owner-occupied, and unlicensed properties of similar type and location. (Matched-property comparison with hedonic and repeat-sales price models.)
4. **Control for outside forces.** We account for mortgage rates, flood and homeowners insurance, storms, regional tourism, and inflation. We then place results against national, state, and Charleston-area trends. (Regression controls with sensitivity tests.)

Forecasting the Path to 800

Folly Beach still holds more than 800 investor licenses, so the Cap has not reached full effect. Its effects will grow as grandfathered licenses leave through sale, non-renewal, or other attrition. We forecast that attrition to show when the Cap becomes binding and what changes after it does. Survival analysis models license attrition, and a queue model projects expected wait in each waitlist phase and the number of inheritance licenses issued each year. Council sees each estimate with a confidence range.

What Council Sees

- 1) Estimates with confidence ranges.
- 2) Results under alternate comparison markets and dates.
- 3) A quality rating for each data source.

h. Pricing

One fixed price. Clear terms.

RFP 4.h Pricing, to include transparent fee structures, hourly rates, data licensing fees, and extra costs for public hearing, outsourcing, etc.

Total Price: \$48,695

Item	Amount
Fixed fee for the full scope in this proposal, including both on-site work sessions and travel, Study Sections 1 through 4, the resident and owner survey, up to 12 scenarios, the annual monitoring template, and the final report and presentation	\$43,695
Data licensing allowance for third-party data, billed at cost with no markup and subject to Council approval	\$5,000
Total, not to exceed	\$48,695

Fee Structure

The City pays one firm under one agreement. We invoice the fixed fee at four milestones and bill data licensing at cost with vendor invoices.

Milestone	Share of Fixed Fee
Pre-Study Work Session complete and data sources approved	25%
Data inventory and Study Section 1 delivered	25%
Draft report delivered	30%
Final report and Post-Study Work Session complete	20%

Hourly Rate and Extra Costs

Item	Rate
Additional services authorized in writing by the City (blended team rate)	\$350 per hour
Additional on-site meeting or public hearing, including travel	\$1,695 per day
Additional scenario beyond 12	\$1,965 each
Outsourcing	None beyond named subcontractors. Their services are included in the fixed fee.
Optional annual update of the one-page scorecard using the monitoring template	\$4,165 per year

i. Offeror Representations

RFP 4.i Signed Offeror Representations (form in bid packet) signed by a principal of the firm or an officer authorized to bind the corporation.

The signed and notarized form follows this page. Per the City's September 22, 2026 answers to bidder questions, the City accepts notaries outside South Carolina.



REQUEST FOR PROPOSALS (RFP 03-26)
CITY OF FOLLY BEACH SHORT-TERM RENTAL ORDINANCE STUDY

Vendor Name: Smart City Policy Group

Offeror Representations

I certify that:

1. I am an agent of the company authorized to make representations on behalf of the company.
2. I have read and understand the solicitation.
3. I have not in any way colluded with anyone to obtain information that would give me an unfair advantage over others or set pricing for the proposal.
4. I (alongside the Company) am qualified to perform the services required by the solicitation.

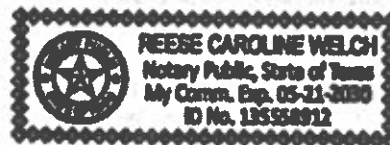
Authorized Signature for Bidder/Offeror & Date

Before me, the Undersigned, a Notary Public, for and in the County and State aforesaid, personally appeared Matthew Curtis and made oath.

Sworn to and Subscribed before me

this 28 day of September, 2021

Notary Public in and for South Carolina



j. Pending Legal Actions

RFP 4.j A list of any pending legal actions.

Smart City Policy Group has no pending legal actions. There are no lawsuits, federal, state, or local tax liens, or known claims against the firm or its employees. The same is true for TXP and RCLCO, our subcontractors.

k. IRS Form W-9

RFP 4.k A current copy of IRS Form W-9.

Smart City Policy Group's current Form W-9 follows this page.

**Request for Taxpayer
Identification Number and Certification**

Go to www.irs.gov/FormW9 for instructions and the latest information.

Give form to the
requester. Do not
send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See Specific Instructions on page 3.	1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.) GPS Policy Solutions LLC	
	2 Business name/disregarded entity name, if different from above. Smart City Policy Group	
	3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes. ☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate ☒ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. ☐ Other (see instructions)	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) (Applies to accounts maintained outside the United States.)
	3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions. ☐	
5 Address (number, street, and apt. or suite no.). See instructions. PO Box 650108 6 City, state, and ZIP code Austin, Tx. 78765 7 List account number(s) here (optional)		Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number								
			-					
or								
Employer identification number								
8	2	-	1	9	1	4	9	9

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person <i>Mark A. Curtis</i>	Date <i>9/17/25</i>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

I. Proposed Model Implementation Contract

RFP 4.I A proposed model implementation contract to be used should the bid be successful.

This is the agreement we propose. The City may substitute its standard form or edit any term. We intend the agreement to hold the fixed price, the milestones, the independence commitments, and the insurance and indemnification terms in RFP Section 5 in one document.

PROFESSIONAL SERVICES AGREEMENT

Short-Term Rental Ordinance Study, RFP 03-26

This Professional Services Agreement ("Agreement") is made as of _____, 2026, between the **City of Folly Beach, South Carolina** ("City"), 21 Center Street, Folly Beach, SC 29439, and **Smart City Policy Group, LLC** ("Consultant"), P.O. Box 650108, Austin, TX 78765.

1. Scope of Services. Consultant will perform the Short-Term Rental Ordinance Study described in the City's Request for Proposals 03-26, the City's answers to bidder questions dated September 22, 2026, and Consultant's proposal dated September 28, 2026 (Exhibit A). All three documents are part of this Agreement. If they conflict, this Agreement controls, then the RFP and the City's answers, then the proposal.

2. Study Standards. Consultant will apply the metrics, data sources, comparison markets, scenario definitions, and ranking standards that City Council approves at the Pre-Study Work Session. Consultant will measure every scenario with the same metrics, separate measured results from projections, report a confidence range for each projection, and report all findings in full.

3. Schedule. Work begins on the date both parties sign. Consultant will deliver the final report by February 12, 2027, and present findings at the Post-Study Work Session on or before February 26, 2027, on a date Council selects. Consultant will report any data delay to the City Administrator within five business days of learning of it.

4. Compensation. The City will pay Consultant a fixed fee of \$[XX,XXX] for the full scope in Exhibit A, including subcontractor services, both on-site work sessions, and travel. The City will also reimburse third-party data licensing at cost, without markup, up to \$[X,XXX], for sources Council approves. Total compensation under this Agreement will not exceed \$[X,XXX] without a written amendment. Consultant will invoice the fixed fee at the four milestones below and will invoice data licensing with vendor invoices attached. The City will pay undisputed invoices within 30 days of receipt.

Milestone 1. Pre-Study Work Session complete and data sources approved: 25 percent.

Milestone 2. Data inventory and Study Section 1 delivered: 25 percent.

Milestone 3. Draft report delivered: 30 percent.

Milestone 4. Final report accepted and Post-Study Work Session complete: 20 percent.

5. Additional Services. The City may authorize additional services in writing at the rates in Section h of Exhibit A, including scenarios beyond twelve, additional on-site meetings or public hearings, and annual scorecard updates. Consultant will perform no additional services without written authorization from the City Administrator.

6. Subcontractors. Consultant will use TXP, Inc. and RCLCO Real Estate Consulting as subcontractors for the work described in Exhibit A. Consultant is responsible for their work and for paying them. The City contracts with and pays Consultant only. Consultant will not add or replace a subcontractor without the City's written consent.

7. Key Personnel. Matt Curtis will lead the study and serve as the City's single point of contact through the Post-Study Work Session. Consultant will not replace Mr. Curtis or the key staff named in Exhibit A without the City's written consent, which the City will not unreasonably withhold.

8. Deliverables and Acceptance. Consultant will deliver the items listed in Section c of Exhibit A, including the data inventory and gap report, Study Sections 1 through 4, the draft report, the final report with technical appendix and one-page scorecard, the annual monitoring template, and both work sessions. The City will have ten business days to review each written deliverable. Consultant will make one round of revisions to each deliverable within the fixed fee.

9. Ownership of Work Product. On payment, the City owns the deliverables and the working files behind them, including the analytical database, formulas, assumptions, anonymized data, and documentation sufficient for the City to update the scorecard indicators. Consultant may keep copies for its records and may describe the engagement in its qualifications. Third-party data remains subject to the vendor's license terms, and Consultant will obtain licenses that permit the City's use of the results.

10. Confidentiality and Data Security. Consultant will hold parcel, owner, guest, and business information the City or its vendors provide in confidence, will use it only for this study, and will protect it under a data-security plan submitted to the City before data transfer. Consultant will return or destroy that information at the City's direction when the study ends. Consultant acknowledges that this Agreement and the deliverables are public records under the South Carolina Freedom of Information Act.

11. Independence. The City is Consultant's only client for this study. Consultant, TXP, and RCLCO have no current or pending engagement with a short-term rental platform, a compliance vendor (including Deckard, the City's current STR compliance vendor), a Realtor or vacation rental association in South Carolina, or any party to litigation involving the City, and will accept no

industry funding for related work during this Agreement. Consultant will disclose any potential conflict to the City Administrator within five business days of learning of it.

12. Insurance. Before beginning work and throughout this Agreement, Consultant will maintain Commercial General Liability insurance on an occurrence basis of \$1,000,000 per occurrence, including completed operations coverage, blanket contractual coverage for oral and written contracts, and personal injury coverage. Consultant will name the City as an additional insured and will deliver a certificate of insurance before work begins.

13. Indemnification. Consultant will indemnify, defend, and hold harmless the City and its officers, employees, and agents from any claim, loss, or expense, including reasonable attorney fees, arising out of Consultant's performance of this Agreement, to the extent caused by the negligent acts, errors, omissions, or willful misconduct of Consultant or its subcontractors.

14. Compliance with Laws. Consultant will comply with all applicable federal, state, and local laws, ordinances, and regulations in performing this Agreement.

15. Independent Contractor. Consultant is an independent contractor. Nothing in this Agreement creates an employment, partnership, or agency relationship between the City and Consultant or its subcontractors.

16. Termination. The City may terminate this Agreement for convenience on 30 days' written notice. Either party may terminate for material breach if the other party fails to cure within ten business days of written notice. On termination, the City will pay Consultant for work performed and accepted through the termination date and for data licensing costs already incurred at Council's direction, and Consultant will deliver all completed and partially completed work product.

17. Amendments. Any change to this Agreement, including scope, schedule, or compensation, must be in writing and signed by both parties.

18. Governing Law and Venue. South Carolina law governs this Agreement. Venue for any dispute lies in Charleston County, South Carolina.

19. Notices. Notices are effective when delivered by email with confirmation or by mail to the City Administrator, City of Folly Beach, 21 Center Street, Folly Beach, SC 29439, apope@follybeach.gov, and to Matt Curtis, Smart City Policy Group, P.O. Box 650108, Austin, TX 78765, matt@smartcitypolicygroup.com.

20. Entire Agreement. This Agreement, with Exhibit A and the documents named in Section 1, is the entire agreement between the parties. If any provision is unenforceable, the remaining provisions stay in effect. The parties may sign in counterparts and by electronic signature.

Acknowledged and agreed:

City of Folly Beach	Smart City Policy Group
By: _____	By: _____
Name: Aaron Pope, AICP, ICMA-CM	Name: Matt Curtis
Title: City Administrator	Title: Founder and Principal
Date: _____	Date: _____