



CITY OF FOLLY BEACH

1st Reading: August 19th, 2026
2nd Reading: August 26th, 2026

Introduced by: Mayor Bizzell
Date: August 19th, 2026

ORDINANCE 27-26

AN ORDINANCE TO IMPOSE A MORATORIUM ON THE ISSUANCE OF NEW BUSINESS LICENSES FOR SHORT TERM RENTALS WITHIN THE CITY OF FOLLY BEACH UNTIL THE COMPLETION OF THE APPROVED SHORT TERM RENTAL STUDY

WHEREAS, The city has committed to studying the short-term rental cap; and

WHEREAS, The city has identified possible amendment areas to be studied and solicited bids for this project; and

WHEREAS, Adverse rulings have subsequently been issued against the city in the cases of Park Lane Partners, LLC and Elizabeth Spratt Cooper v. The City of Folly Beach and Thomas Jermyn v. The City of Folly Beach; and

WHEREAS, The city intends to adopt any changes resulting from the study prior to the beginning of the 2027 business license year; and

WHEREAS, Amendments stemming from the short-term rental study may resolve certain procedural issues raised by the adverse rulings.

NOW BE IT THEREFORE ORDAINED:

1. The City of Folly Beach imposes a moratorium, to be effective immediately upon ratification of this Ordinance, on the issuance of new business licenses for short-term rentals within the City:
 - a. Subject to Section (b) hereof, no application shall be approved for a business license for the rental of any residential dwelling.
 - b. Subject to the limitations set forth in Section (c), excepted from the provisions of Section 1 (a) are each of the following:

- i. Renewals of short-term rental licenses for properties that were legally licensed as of August 19th, 2026.
 - ii. New licenses resulting from the inheritance of properties within the city and issued as allowed by Chapter 117 of the Folly Beach Code of Ordinances.
 - iii. New licenses resulting from medical hardship as defined by Chapter 117 of the Folly Beach Code of Ordinances.
 - iv. Provisional licenses required for compliance with the SC Vacation Rental Act as defined by Chapter 117 of the Folly Beach Code of Ordinances.
 - v. New licenses resulting from non-assessable transfers of interest (which are not viewed as transfers of ownership) of properties legally licensed as of August 19th, 2026.
 - vi. New licenses issued to owners registered on the waitlist as a result of the total number of ISTR licenses falling below 800.
 - vii. New licenses issued for the rental of a legal residence for up to 72 days annually.
 - viii. New licenses issued as the result of approvable applications submitted to the city prior to August 26, 2026.
 - ix. Licenses issued upon order of the city's Hearing Officer after being denied, revoked, or suspended by staff prior to August 14th, 2026.
- c. In order to be excepted from this moratorium, all exceptions listed in Section (b) must comply with the following requirements:
- i. Applications must be submitted in a timely manner; and
 - ii. Applications must be deemed sufficient for approval by City staff.
2. The Mayor will propose to the City Council on, or prior to, February 19, 2027 the text of any ordinances proposed to amend the current short term rental regulations of the city.
3. This ordinance shall take effect immediately upon adoption and shall expire automatically on February 19, 2027 unless earlier repealed or extended by vote of Council.

ADOPTED this 26th day of August 2026, at Folly Beach, South Carolina.

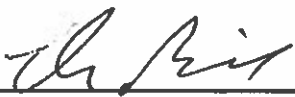
Ayes: _____

Nays: _____

Abstains: _____



Municipal Clerk



Chris Bizzell, Mayor