
1 **2024-27 (1ST READING): ORDINANCE IMPOSING TEMPORARY**
2 **MORATORIUM ON ACTIVITY RELATING TO THE CONVERSION OF MULTI-**
3 **FAMILY PROPERTIES IN CLOSE PROXIMITY TO THE BEACH FROM SHORT**
4 **TERM RENTAL TO LONG TERM RENTAL, TO ANALYZE THE IMPACTS OF**
5 **DECREASED MULTI-FAMILY SHORT TERM RENTAL INVENTORY, AND TO**
6 **MAKE RECOMMENDATIONS TO CITY COUNCIL**

7 **Applicant/Purpose:** To impose temporary moratorium on the conversion of properties
8 from multi-family short term rental to multi-family long term rental and to allow City time
9 to study the impacts of decreased short term rental inventory and to consider changes to
10 City's Zoning Code.

11
12 **Brief:**

- 13 • There has been a recent increase in interest in converting multi-family short term
14 rental properties in close proximity to the beach to long term rental. The
15 conversions have removed hundreds of short term rental units from the market.
- 16 • The loss of the short term rental properties adversely effects the City inasmuch
17 as it causes a decrease in several revenue streams supporting the City's
18 operations.
- 19 • Temporary moratorium will allow the City time to analyze the loss of short term
20 rental inventory and the resulting economic impacts and consider amendments
21 to the Zoning Code.

22
23 **Issues:**

- 24 • The City's tourism-driven economy depends on an abundant supply of short
25 term rental properties in close proximity to the beach.
- 26 • Sustaining tourism and the revenue generated by tourism is vital to the
27 provision of municipal services and to protect and maintain public health,
28 safety, and welfare and the overall quality of life.
- 29 • The loss of short term rental inventory and the resulting loss of tourism-
30 related revenue will negatively effect the City's ability to provide current
31 levels of public services and amenities which, in turn, will compromise public
32 health, safety and welfare.

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34 **Public Notification:** Normal meeting notification.

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36 **Alternatives:**

- 37 • Add, delete, or modify certain provisions.
- 38 • Deny proposed ordinance.

39
40 **Financial Impact:** No immediate impact. Moratorium will allow City time to consider the
41 financial impacts of decreased short term rental inventory.

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43 **Manager's Recommendation:**

- 44 • I recommend 1st reading (4.9.2024).

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46 **Attachment(s):** Proposed Ordinance.

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CITY OF MYRTLE BEACH)
COUNTY OF HORRY)
STATE OF SOUTH CAROLINA)

ORDINANCE IMPOSING TEMPORARY
MORATORIUM ON ACTIVITY RELATING
TO THE CONVERSION OF MULTI-FAMILY
PROPERTIES IN CLOSE PROXIMITY TO
THE BEACH FROM SHORT TERM RENTAL
TO LONG TERM RENTAL, TO ANALYZE
THE IMPACTS OF DECREASED MULTI-
FAMILY SHORT TERM RENTAL
INVENTORY, AND TO MAKE
RECOMMENDATIONS TO CITY COUNCIL

WHEREAS, tourism is, without question, the City’s economic engine; and

WHEREAS, sustaining tourism and the revenue generated by tourism is vital to the provision of municipal services including police and fire services, sanitation, parks, licensing, road maintenance, and other public services which are necessary to protect and maintain public health, safety, and welfare and the overall quality of life; and

WHEREAS, City Council finds the loss of tourism-related revenue will negatively effect the City’s ability to provide current levels of public services and amenities which, in turn, will compromise public health, safety and welfare; and

WHEREAS, the City’s tourism-driven economy depends on an abundant supply of short term rental properties in close proximity to the beach; and

WHEREAS, recently, there has been increased interest in converting multi-family short term rental properties in close proximity to the beach to long term rental properties; and

WHEREAS, the conversions have removed hundreds of short term rental units from the market; and

WHEREAS, the loss of the short term rental properties in close proximity to the beach adversely effects the City inasmuch as it causes a decrease in several revenue streams including local accommodation taxes, state accommodation taxes, tourism development fees, state hospitality taxes, local hospitality fees, business license fees as well as other other tourism-driven taxes and fees; and

WHEREAS, the loss of these revenue streams not only impacts the City but also adversely impacts citizens as a result of a potential increase in ad valorem taxes as well as the potential impact on City residents’ property tax credit which is derived from the Tourism Development Fe; and

WHEREAS, City Council finds the loss of short term rental properties in close proximity to the beach poses a risk of public harm inasmuch as the lost revenue will effect the

1 level of municipal services and amenities and cause a general deterioration in the
2 quality of life and standard of living enjoyed by citizens;

3
4 **WHEREAS**, the loss of short term rental inventory and the likelihood of additional losses
5 creates the need to study the impacts, both economic and otherwise, and to review,
6 revise, and update the City's Zoning Code and other ordinances and regulations related
7 to zoning and land use planning in the area spanning from the east or seaward side of
8 Ocean Boulevard to Kings Highway, and from Grande Dunes Boulevard to the point where
9 Ocean Boulevard and Kings Highway intersect near the south City limits; and

10
11 **WHEREAS**, City Council finds there is a demonstrated and immediate need for a
12 moratorium on all activities relating to the conversion of multi-family short term rental
13 properties to multi-family long term rental properties in all zoning classifications that
14 allow visitor accommodation, commonly known as short term rental, within an area
15 spanning from the east or seaward side of Ocean Boulevard to Kings Highway, and from
16 Grande Dunes Boulevard to the point where Ocean Boulevard and Kings Highway
17 intersect near the south City limits; and

18
19 **WHEREAS**, a temporary moratorium on acceptance, review, and approval of
20 applications to convert multi-family short term rental properties to multi-family long
21 term rental properties will provide the City an opportunity to study the issues associated
22 with the loss of multi-family short term rental properties in a vacation destination
23 heavily reliant on short term rental inventory and the resulting economic impacts on the
24 City's ability to provide essential public services and to consider possible amendments
25 to the City's Zoning Code as well as other ordinances and regulations related to zoning,
26 land use planning; and

27
28 **NOW, THEREFORE, BE IT ORDAINED**, by City Council of the City of Myrtle Beach, that
29 the recitals set forth above are adopted and incorporated herein as City Council's initial
30 findings of fact in support of the moratorium; and

31
32 **Moratorium.** All activities by the City, including City staff and all City boards or
33 commissions, in connection with property in close proximity to the beach converting
34 from multi-family short term rental to multi-family long term rental are temporarily
35 suspended and a temporary moratorium is established in order for the City, through its
36 officials, staff, boards and/or committees, to have adequate time and opportunity to
37 study and analyze the loss of short term rental inventory and the impacts and
38 consequences resulting therefrom and to make recommendations to City Council
39 concerning changes to the City's Zoning Code and other ordinances and regulations
40 relating to zoning and land use planning. For purposes of this Ordinance, "property in
41 close proximity to the beach" shall mean property in zoning classifications that permit
42 visitor accommodation, commonly known as short term rental, in an area spanning from
43 the east or seaward side of Ocean Boulevard to Kings Highway, and from Grande Dunes
44 Boulevard to the point where Ocean Boulevard and Kings Highway intersect near the
45 south City limits.

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47 This moratorium shall have no effect on properties or property owners who have
48 received approval from the Community Appearance Board or have been issued a building
49 permit for the creation of long term rentals prior to first reading of this Ordinance.

1 **Effective Period for Temporary Moratorium.** The temporary moratorium set forth in
2 this Ordinance shall be effective immediately upon enactment, and shall remain in
3 effect for two hundred and seventy (270) days from the effective date. City Council
4 may, by way of Ordinance, extend the temporary moratorium established herein. The
5 date of final adoption shall in no way adversely affect the enforceability, applicability,
6 and legality of the pending ordinance status, which shall be fully effective upon first
7 reading approval.

8
9 **Invocation of the Pending Ordinance Doctrine.** City Council hereby invokes the
10 pending ordinance doctrine, effective immediately upon first reading approval, and any
11 permit or approval that might have been issued or granted in the absence of a
12 moratorium may not be issued or granted thereafter.

13
14 **Inconsistent Ordinances.** All other Ordinances or parts of Ordinances inconsistent with
15 this moratorium Ordinance are hereby suspended to the extent of such inconsistency.

16
17 **Severability.** Should any provision, section, paragraph, sentence or word of this
18 Ordinance be rendered or declared invalid by any final court action in a court of
19 competent jurisdiction or by reason of any preemptive legislation, the remaining
20 provisions, sections, paragraphs, sentences, or words of this Ordinance as hereby
21 adopted shall remain in full force and effect.

22
23 SIGNED, SEALED AND DELIVERED THIS ___ DAY OF _____, 2024.

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29 _____
30 BRENDA BETHUNE, MAYOR

31 ATTEST;

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34 _____
35 JENNIFER ADKINS, CITY CLERK

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37 1st Reading: 4.9.2024
38 2nd Reading:
39