

**TOWN COUNCIL  
SPECIAL CALL HEARING  
Municipal Center Council Chambers  
September 5, 2023; 10:30 am**

**Minutes**

**I. Call to Order: *Mayor Labriola called the meeting to order at 10:30 am.***

**Present at the Meeting:** John D. Labriola, *Mayor*  
John Moffitt, *Mayor Pro Tem*  
Brad Belt, *Council Member*  
Russell Berner, *Council Member*

**Present Via Zoom:** Michael Heidingsfelder, *Council Member*

**Also Present:** Stephanie Tillerson, *Town Administrator*  
Joe Wilson, *Town Attorney*  
Michael Sosnowski, - *Short-Term Rental Code Enforcement*  
Jan Fox – *Short-Term Rental Compliance Clerk*  
Marcel LeHardy, *Property Owner, 406 Vetch Court*  
Matt McChesney, *Vacasa South Carolina, LLC*

**II. New Business:**

Mayor Labriola requested that Mr. Wilson provide the three new Council Members with a basic understanding of their role and responsibilities relating to issues with short-term rentals.

Mr. Wilson explained that there is a somewhat standardized procedure when dealing with any business license. He gave an overview of the Town's ordinance in which three violations in the 12-month period could result in the revocation of the business license, the process initiated by staff to issue a revocation, and the options of an owner after the revocation is issued.

Mr. Wilson stated that the Town Council would consider any revocation appeal, providing owners notice and a right to be heard before removing their right to operate a business. He discussed the procedure of the appeal hearing and reviewed the resolution options available to the Council after hearing the evidence presented.

**A. Business License Revocation Hearing for 460 Vetch Court**

Mr. Sosnowski presented the rental information on the property and, as evidence, a list of the violations over the past 12 months, a summary of the violations, email exchanges generated with each violation photographs, and citations issued for violations of the Town's Short-Term Rental (STR) Ordinance. He stressed that the goal is compliance, noting that violations or warnings are sent to the property management authorized agent to allow the violation to be corrected. Citations or tickets are sent to the homeowner and the agent.

Mr. Sosnowski stated that thirteen recorded citations were issued at 406 Vetch Court. One violation of 15-801 - Noise disturbance; Five violations of 14-506(d) - Parking and driveways; and Seven violations of 14-506(f) - Bicycles and beach gear shall not be visible from the street side or adjoining properties from dusk to dawn. He reviewed, in detail, a timeline of each incident since October 15, 2022.

Mr. Marcel LeHardy spoke on behalf of the LeHardy family trust, the property owners, and Mr. Matt McChesney represented Vacasa SC, the property management company.

Mr. LeHardy read the appeal in response to the revocation notice he received focusing on the parking violations. He reviewed his concerns with violations and the actions taken by owners and the property manager to mitigate further parking violations and requested the business license be reinstated.

Council Members questioned Mr. LeHardy and Mr. McChesney on the course of action that would be taken in the event of future violations and engaged in an in-depth discussion of past decisions, the recommendation to park additional vehicles in Freshfields, and the issue of occupancy vs. the number of vehicles allowed, and

***Mayor Pro Tem Moffitt motioned to suspend the revocation of the business license for a period of six months. At the end of six months, if no further citations are issued, the license will be reinstated. Council Member Belt seconded the motion.***

Council Member Heidingsfelder expressed concern with the approval's effect on the Code Enforcement Officers.

***Council Member Heidingsfelder motioned to amend the motion, adding that in the six months, the number of occupants would be reduced to comply with the number of vehicles allowed. The motion failed with no second.***

***Following the discussion, the motion to suspend the license as stated was passed by a 4 to 1 vote, with Council Member Heidingsfelder voting "No."***

#### **B. Business License Revocation Hearing for 3528 Shipwatch Road**

Before presenting her case, Ms. Fox noted that one of the processes in issuing a short-term business license is if an owner has a rental management company, the owner must sign an agent agreement giving the rental company permission to advertise, rent, and maintain their properties, and the reason the Town holds the rental company responsible along with the owner.

Ms. Fox of as evidence documentation of the three violations for the property at 3528 Shipwatch Road. She reviewed, in detail, a timeline of each of the incidents.

- **First Offense**
  - 5/12/23
  - Citation Number: 7319
  - Ordinance 14-507(a)(3) Advertise, offer, or otherwise make available a property as being available as a rental without first complying with the requirements of this chapter.
  
- **Second Offense**
  - 5/23/23
  - Citation Number: 7330
  - Ordinance 14-502(1) An owner or the Authorized Agent on behalf of the owner is required to obtain an annual Class 7 Rental Business License from the Town for each STR Property prior to advertising or renting.

- **Third Offense**

- o 6/5/23
- o Citation Number: 7341
- o Ordinance 14-502(1) An owner or the Authorized Agent on behalf of the owner is required to obtain an annual class 7 Rental Business License from the town for each STR Property prior to advertising or renting.

Ms. Fox stated that on June 5<sup>th</sup>, after the third citation was issued, Vacasa applied for an inspection, and the business license was issued on June 8<sup>th</sup>. She also noted that Vacasa paid the fines for the first citation before the court date. They appeared in court for the additional two citations, were found guilty, and paid the fines.

Council Members asked questions clarifying the reasons for the failed inspections, whether there was a previous license, and that both Vacasa and the owner were notified that the property was unlicensed and was being advertised and rented.

Ms. Fox read a letter from Mr. David, who was unable to attend the hearing. He expressed concern with Vacasa's negligence in failing to apply for the necessary business license and that they did not remove the advertisement as he requested. He felt that the Town needed to address this matter in a way that holds Vacasa accountable and prevents such occurrences from affecting property owners in the future. He requested that the Town take swift and effective action to address this issue.

Council Members discussed the concerns expressed by Mr. David, confirming that he had been notified and these were known or intended violations by the owner and property management company.

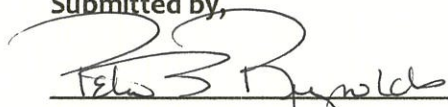
Mr. McChesney, representing Vacasa, the management company, acknowledged that Vacasa had dropped the ball with respect to their failure to obtain a business license for the property and reviewed actions that would be taken moving forward.

***Mayor Pro Tem Moffitt motioned that the revocation remain in place for a period of twelve months. Council Member Heidingsfelder seconded the motion, and it was unanimously approved.***

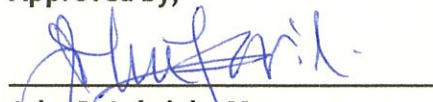
### III. Adjournment:

***Council Member Berner made a motion to adjourn the meeting at 11:42 am. Council Member Belt seconded the motion, and it was unanimously approved.***

Submitted by,

  
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Petra S. Reynolds, Town Clerk

Approved by,

  
\_\_\_\_\_  
John D. Labriola, Mayor

10-11-2023

Date