CANNONBOROUGH–ELLIOTBOROUGH
HOSPITALITY ALLIANCE

BYLAWS

Cannonborough-Elliotborough Hospitality Alliance

A South Carolina Nonprofit Mutual Benefit Corporation · 501(c)(6) Trade Association · 2026

Article I: Name and Purpose

Section 1.1: Name. The name of this organization is the Cannonborough-Elliotborough Hospitality Alliance (the "Alliance").

Section 1.2: Purpose. The Alliance is organized to promote the common interests of all stakeholders in the Cannonborough-Elliotborough neighborhood of Charleston, South Carolina, including short-term rental operators, property owners, retail businesses, restaurant and hospitality operators, and residents with commercial interests in the neighborhood.

Section 1.3: Phased Objectives. The Alliance operates under a two-phase strategic framework, designed to stand up quickly around immediate neighborhood needs while building toward a long-term vision of collective prosperity.

Phase 1: Near-Term Objectives (Year 1)

The Alliance's initial focus is to establish a unified neighborhood voice on issues requiring immediate action:

- STR Occupancy Standard: Advocate for adoption of the 2+2 Standard (2 persons per bedroom + 2 additional persons per unit) as the governing occupancy rule within the STR overlay zone, through organized engagement with City Council and relevant regulatory bodies.
- Construction Impact Advocacy: Actively support small businesses affected by ongoing construction phases in and around Cannonborough-Elliotborough, including advocating for city accommodations, visibility improvements, signage relief, and economic mitigation measures during disruption periods.
- Community Self-Policing: Launch a neighborhood accountability program (see Article IX) to address STR-related quality-of-life concerns, including noise, overcrowding, and party-house activity, through a transparent complaint and resolution process.
- Organizational Foundation: Recruit founding membership, establish governance under the Interim Steering Committee structure, and raise sufficient funds to commission an economic impact study and retain policy counsel.

Phase 2: Long-Term Objectives (Year 2 and Beyond)

Following Year 1 stabilization, the Alliance will expand its scope to lift the entire neighborhood:

- Transition to full Board governance with constituency representation as defined in Article VI.

- Launch a neighborhood brand and marketing program driving visitors to local shops, restaurants, and hospitality businesses.
- Coordinate community events that activate the commercial corridors and build neighborhood identity.
- Pursue grants available to 501(c)(6) organizations for tourism promotion, economic development, and neighborhood revitalization: reinvesting grant proceeds directly into the neighborhood.
- Develop a sustained policy platform on land use, historic preservation, and visitor economy issues affecting the neighborhood.
- Commission ongoing economic research to give property owners and businesses real data on neighborhood trends, property values, and visitor spending.

Section 1.4: Nonprofit Status. The Alliance is organized as a nonprofit mutual benefit corporation under the South Carolina Nonprofit Corporation Act of 1994 and intends to qualify for tax-exempt status under Section 501(c)(6) of the Internal Revenue Code. No part of the net earnings of the Alliance shall inure to the benefit of any private individual, and no dividends or distributions shall be made to any member.

Article II: Principal Office

The principal office of the Alliance shall be located in Charleston, South Carolina. The Interim Steering Committee (during Phase 1) or Board of Directors (during Phase 2) may change the principal office at any time by resolution.

Article III: Membership

Section 3.1: Eligibility. Membership is open to any person or entity with a direct stake in the Cannonborough-Elliotborough neighborhood, including short-term rental operators and managers, retail businesses, restaurant and hospitality operators, and property owners with commercial interests in the neighborhood.

Section 3.2: Classes of Membership. The Alliance maintains three membership classes designed to welcome both individuals and organizations at accessible contribution levels:

Class	Who It's For	Contribution	Key Benefits
Corporate Sponsor	Businesses, management companies, property groups	$1,000 one-time (Founding) and $500/year thereafter	Brand recognition in all materials; appoints 1 designated rep eligible for board service; voting rights held by designated rep
Individual Member	Individual property owners, operators, residents with commercial stake	Suggested seed donation $500 and $250/year thereafter	Full personal voting rights; eligible for board service; regular advocacy updates
Community Supporter	Local residents and organizations	Voluntary / no dues required	Alliance communications, event invitations; no voting rights

Corporate Sponsors that make the $1,000 founding contribution shall be designated Founding Corporate Sponsors and receive permanent named recognition in Alliance materials. Each Corporate

Sponsor must designate one named individual within their organization as their membership representative; that individual holds the Corporate Sponsor's voting rights and board eligibility.

Section 3.3: Dues. The Interim Steering Committee (Phase 1) or Board of Directors (Phase 2) shall establish and may amend the dues schedule by resolution. Voluntary contributions above required dues are welcome.

Section 3.4: Resignation and Termination. Any member may resign by written notice to the Secretary. The governing body may terminate membership for cause by majority vote, after reasonable notice and opportunity to be heard.

Section 3.5: Non-Transferability. Membership is not transferable or assignable, except that a Corporate Sponsor may update its designated representative by written notice to the Secretary.

Article IV: Meetings of Members

Section 4.1: Annual Meeting. The Alliance shall hold an annual meeting for the purpose of electing directors or steering committee members (as applicable), receiving financial reports, and transacting other business.

Section 4.2: Special Meetings. Special meetings may be called by the Chair (Phase 1) or President (Phase 2), by a majority of the governing body, or by written request of at least 25% of the voting membership.

Section 4.3: Notice. Notice of meetings, stating time, place, and purpose, shall be given to all members not less than 10 nor more than 60 days before the meeting, by mail, email, or other electronic means.

Section 4.4: Quorum and Voting. A quorum consists of 25% of the voting membership, present in person or by proxy. Each Corporate Sponsor designated representative and each Individual Member shall have one vote. Voting may be conducted in person, by proxy, or electronically.

Article V: Phase 1 — Interim Steering Committee

Section 5.1: Purpose and Duration. To enable the Alliance to stand up quickly and begin effective action, the Alliance shall initially be governed by a three-person Interim Steering Committee rather than a full Board of Directors. The Interim Steering Committee shall serve until the conclusion of the first Annual Meeting following the Alliance's first full year of operation (the “Transition Date”), at which point governance shall transition to the full Board of Directors as described in Article VI.

Section 5.2: Composition. The Interim Steering Committee shall consist of three members:

- Chair: Serves as chief executive, presides at all meetings, is primary spokesperson, and directs day-to-day operations.
- Treasurer: Has custody of all Alliance funds, oversees financial recordkeeping, prepares financial reports, and ensures timely filing of required tax returns. Publishes a written financial summary to the membership not less than quarterly.
- Secretary: Keeps minutes, maintains records, provides meeting notices, and handles membership communications.

Section 5.3: Selection and Terms. The initial Interim Steering Committee members shall be designated by the founding membership at the organizational meeting. Interim Steering Committee members serve until the Transition Date and may stand for election to the full Board at that time.

Section 5.4: Powers. The Interim Steering Committee shall have authority to: adopt policies; approve the operating budget; retain legal counsel and consultants; authorize expenditures; recruit members; and take all actions necessary to carry out the Alliance's Phase 1 objectives. Expenditures above $2,500 require unanimous consent of all three Interim Steering Committee members. The Chair and Treasurer are jointly authorized to approve expenditures up to $2,500 in the ordinary course of operations.

Section 5.5: Meetings and Quorum. The Interim Steering Committee shall meet at least monthly during Phase 1. All three members constitute a quorum. Meetings may be held in person, by phone, or by video conference. The Committee may act without a meeting by unanimous written consent, including by email.

Section 5.6: Vacancies. A vacancy on the Interim Steering Committee shall be filled by a majority vote of the voting membership within 30 days.

Article VI: Phase 2 — Board of Directors

Section 6.1: Transition. At the Transition Date (the first Annual Meeting following the Alliance's first full year of operation), the voting membership shall elect a full Board of Directors to replace the Interim Steering Committee. The Interim Steering Committee shall prepare a transition plan and ensure continuity of operations. All existing policies, contracts, and obligations of the Alliance remain in full force through the transition.

Section 6.2: General Powers. The affairs of the Alliance shall be managed by the Board of Directors, which shall have authority to adopt policies, approve budgets, retain counsel, authorize expenditures, and take all actions necessary to carry out the Alliance's purpose.

Section 6.3: Composition and Constituency Representation. The Board shall consist of 7 to 9 directors, structured to ensure broad neighborhood representation:

Constituency	Board Seats	What They Bring
STR Operators & Property Managers	2–3 seats	Day-to-day compliance, guest operations, policy expertise
Retail Shop Owners	2 seats	Commercial corridor vitality, foot traffic, tourism benefit
Restaurant & Hospitality Operators	2 seats	Visitor economy, neighborhood character, events
Residents with Commercial/Investment Property	1–2 seats	Long-term neighborhood investment perspective

No single constituency shall hold more than 40% of Board seats at any time. Directors shall be elected by the voting membership at the annual meeting, with nominees evaluated for their ability to represent their constituency group.

Section 6.4: Terms. Directors shall serve 2-year staggered terms and may be re-elected without limitation. Initial directors shall be assigned 1- or 2-year terms by lot.

Section 6.5: Vacancies. Vacancies may be filled by majority vote of remaining directors. An appointed director serves the remainder of the unexpired term.

Section 6.6: Removal. Any director may be removed, with or without cause, by a two-thirds (2/3) vote of the voting membership at any duly noticed meeting at which a quorum is present.

Section 6.7: Meetings and Quorum. The Board shall meet at least quarterly. Meetings may be in person, by phone, or by video conference. A majority of directors then in office constitutes a quorum. Action requires a majority vote of directors present at a quorum meeting.

Section 6.8: Action Without Meeting. The Board may act without a meeting by unanimous written consent of all directors, including by email.

Section 6.9: Compensation. Directors serve without compensation. Reasonable expenses incurred in service to the Alliance may be reimbursed by Board authorization.

Article VII: Officers (Phase 2)

Section 7.1: Officers. Upon transition to the full Board, Officers of the Alliance shall be a President, Secretary, and Treasurer, elected by the Board at its first meeting after the annual membership meeting. The Board may create additional officer positions by resolution. Officer roles during Phase 1 are defined in Article V.

Section 7.2: President. The President is the chief executive officer, presides at all meetings, serves as primary spokesperson, and performs such other duties as the Board assigns.

Section 7.3: Secretary. The Secretary keeps minutes, maintains records, provides meeting notice, and performs such other duties as the Board assigns.

Section 7.4: Treasurer. The Treasurer has custody of all Alliance funds, oversees financial recordkeeping, prepares financial reports for the Board, and ensures timely filing of required tax returns. The Treasurer shall publish a written financial summary to the membership not less than quarterly, including total funds raised, major expenses approved, and remaining cash balance.

Section 7.5: Term and Removal. Officers serve one-year terms and may be re-elected. Any officer may be removed by majority Board vote at any time.

Article VIII: Finances and Fund Management

Section 8.1: Fiscal Year. The fiscal year runs from January 1 through December 31.

Section 8.2: Depositories. All funds shall be held in accounts in the name of the Alliance at Board-approved (or Interim Steering Committee-approved) financial institutions.

Section 8.3: Fundraising Platform. The Alliance may use Givebutter or another approved platform to collect contributions, track funds, and provide transparency to members and supporters.

Section 8.4: Financial Transparency. The Treasurer shall distribute a written financial summary to all members not less than quarterly. All members may request a current financial report at any time.

Section 8.5: Expenditure Authorization. During Phase 1: Expenditures above $2,500 require unanimous Interim Steering Committee approval. The Chair and Treasurer are jointly authorized to approve expenditures up to $2,500. During Phase 2: Expenditures above $2,500 require majority

Board approval. The President and Treasurer are jointly authorized to approve expenditures up to $2,500 in the ordinary course of operations. Emergency expenditures may be authorized by the President with prompt Board ratification.

Section 8.6: Annual Budget. The governing body shall adopt an annual budget before the start of each fiscal year. The budget shall identify priority initiatives including, at minimum, allocations for policy advocacy, economic research, neighborhood marketing, and operations.

Section 8.7: Lobbying Disclosure. As a 501(c)(6) organization, the Alliance may engage in lobbying. The Alliance shall annually disclose to its members the portion of dues and contributions used for lobbying, as required by the Internal Revenue Code, so members may determine the deductibility of their payments.

Article IX: Community Accountability & Self-Policing

Section 9.1: Purpose. The Alliance is committed to responsible STR operations as a cornerstone of neighborhood trust. A well-governed short-term rental community earns the goodwill of residents and supports the Alliance's policy credibility. This Article establishes a neighborhood accountability program to address quality-of-life concerns proactively, before they escalate to city enforcement.

Section 9.2: Neighborhood Complaint Hotline. The Alliance shall establish and maintain a Neighborhood Accountability Hotline, a dedicated contact channel (phone, text, and/or online form) through which residents and neighbors may report concerns related to STR properties in the neighborhood, including but not limited to:

- Excessive noise or late-night disturbances
- Overcrowding beyond posted or permitted occupancy limits
- Disruptive or party-house behavior
- Parking or trash violations attributable to guests
- Any conduct inconsistent with the neighborhood's residential character

Section 9.3: Complaint Response Protocol. Upon receipt of a complaint, the Alliance shall:

- Acknowledge the complaint within 24 hours.
- Identify the relevant STR operator or property manager and make good-faith contact within 48 hours.
- Work with the operator to resolve the underlying issue, which may include issuing a formal notice, requesting guest removal in egregious cases, or recommending corrective listing language.
- Log all complaints and resolutions in a confidential internal record maintained by the Secretary.
- Report aggregate (anonymized) complaint and resolution data to the membership on a quarterly basis.

Section 9.4: STR Operator Standards. As a condition of Alliance membership and in furtherance of the Alliance's policy credibility, STR operator and property manager members are encouraged to voluntarily adopt the following practices:

- Include language in all listings and rental agreements stating that the property is not available for parties, events, or gatherings beyond normal occupancy.
- Post the Alliance's occupancy standard (2+2) and house rules conspicuously within the property.
- Provide guests with a neighborhood conduct notice that includes local quiet hours and parking guidelines.
- Respond promptly to Alliance outreach regarding any complaint involving their property.

Section 9.5: Escalation. If an operator repeatedly fails to respond or resolve documented issues, the governing body may, by majority vote, refer the matter to appropriate city agencies, issue a public notice of non-cooperation, or initiate membership termination proceedings under Section 3.4.

Article X: Conflict of Interest

Section 10.1: Policy. The Alliance shall maintain a written Conflict of Interest Policy. Each director, officer, and steering committee member shall annually disclose any material interest that could conflict with the interests of the Alliance.

Section 10.2: Procedure. Any director, officer, or steering committee member with a conflict shall disclose it, abstain from voting, and leave the room during deliberations if requested.

Article XI: Indemnification

The Alliance shall indemnify its directors, officers, steering committee members, and agents to the fullest extent permitted by the South Carolina Nonprofit Corporation Act, against claims and expenses arising from their service, provided they acted in good faith and in the best interests of the Alliance. The Alliance may purchase directors and officers liability insurance.

Article XII: Amendments

These Bylaws may be amended by a two-thirds (2/3) vote of the voting members present at any annual or special meeting at which a quorum is present, provided the proposed amendment text was included in the meeting notice. The governing body may adopt minor technical amendments by unanimous vote, subject to ratification at the next membership meeting.

Article XIII: Dissolution

The Alliance may be dissolved by a two-thirds (2/3) vote of the voting membership. Upon dissolution, after payment of all liabilities, remaining assets shall be distributed to one or more 501(c)(6) or 501(c)(3) organizations as selected by the governing body, and no assets shall be distributed to any member.

Article XIV: Parliamentary Authority

In all matters not covered by these Bylaws, the Alliance shall be governed by the most current edition of Robert's Rules of Order, except where inconsistent with South Carolina law or these Bylaws.

Certification of Adoption

These Bylaws were adopted by the founding membership of the Cannonborough-Elliotborough Hospitality Alliance on the date indicated below.

________________________________ Date: ___________
Chair, Interim Steering Committee

________________________________ Date: ___________
Secretary, Interim Steering Committee

________________________________ Date: ___________
Treasurer, Interim Steering Committee