

# Public Safety Enhancement Fee Proposal

December 1, 2020

# Purpose of the Public Safety Enhancement Fee:

- To enhance the level of public safety otherwise made available throughout the City to meet the specific needs of our residents, guests, the business community generally, & the hospitality industry.
- To heighten the accountability of Myrtle Beach visitors at the property level.
- May also be used for infrastructure improvements, & admin to serve the needs of the City's residents, guests, the greater business community, & the businesses that pay the fee.

# Proposal Overview

- Fee Calculation: Each unit shall pay a flat fee of \$3 each time a unit is leased.
- Remittance: Payments due to the City within 30 days after the end of the month.
- Collection from Guests:
  - For units managed on-site: the fee will be added to each guest's bill.
  - For units managed off-site:
    - Each property will identify the units managed off-site rental agencies & services such as VRBO or Air BnB.
    - City Code Section 14-220 will be revised to require each party occupying a unit managed off-site to notify the front desk of their arrival, pay the fee, & otherwise comply w/ the Code Section.
    - Fee would apply to non-owner stays in timeshare units.
    - The fee will be collected at the time that the guests pick up property specific items such as the parking pass(es), amenity access wristbands, &/or other relevant property identification items.
    - Each property may charge a fee not to exceed \$25 for the administration of the program, provided a receipt is issued to each guest showing the City's fee at \$3/party.
    - No charge for the use of a unit by the owner of that unit.
- Effective Date: The fee shall go into effect on April 1, 2021.
- Sunset Provision: The fee shall expire on June 30, 2024 unless re-authorized by Council.

# Eligible Uses of PSE Fee Revenues

**Public Safety:** After administration, at least 75% may be used for enhanced public safety, to the degree that such services exceed what is otherwise generally supported by traditional sources.

- Direct & support costs associated w/ police, fire, & emergency personnel.
- Outside law enforcement from other agencies.
- Private security services. The City's Ambassador Program.
- Code Enforcement Efforts.
- Technology & data compilation enhancements.
- Enhanced ocean rescue & beach patrol services.
- Efforts to improve the reality & perception of safety as it applies to our homeless population.

**Infrastructure:** After administration, up to 25% may be used to upgrade, install, or replace public infrastructure to the degree that such exceeds what is generally supported by traditional sources:

- Streets.
- Multi-purpose paths, Bike Lanes, & pedestrian improvements.
- Stormwater management.
- Water and sewer.
- Underground utility conversion.
- Street lights.

**Administration:** The fee may cover admin costs:

- Reporting & accounting.
- Field inspections (compliance).
- Enforcement software.

# Public Safety Enhancement Review Board

- Authorizing ordinance will designate a Board to:
  - Oversee uses of the fee.
  - Identify issues of mutual concern & opportunities for improvement.
  - Provide a forum to improve communications w/ Council & City staff.
- The members of the board should be as follows:
  - Hotel/Resort Members (4)
    - North end boulevard representative
    - Central boulevard representative
    - South end boulevard representative
    - Non-Ocean Boulevard representative
  - Business Community (2)
    - Ocean Boulevard business representative
    - Non-Ocean Boulevard business representative
  - Myrtle Beach Area Chamber of Commerce Representative (1)
  - Myrtle Beach Area Hospitality Association Representative (1)
  - Myrtle Beach City Council Liaison (1)
- Specific Board responsibilities:
  - Review proposed uses of the PSE Fee as presented by City staff, industry representatives, & the public.
  - Recommend such uses to Council for inclusion in the City's annual budget.
  - Review the authorizing ordinance & recommend modifications as needed.
  - Meet w/ City staff to discuss issues of mutual concern.
  - Present annual report of activities & recommendations to City Council.

# Annual Allocation Process

- By December 31 – in anticipation of the next fiscal year City staff shall present to the Board:
  - An “Administration & Enforcement Plan”.
  - A “Public Safety Enhancement Plan” for at least 75% of the anticipated fee, less admin.
  - A “Infrastructure Improvement Plan” for not more than 25% of the anticipated fee, less admin (if applicable).
- By January 31 – the Board will conduct a public hearing to:
  - Review the proposed plans submitted by City staff.
  - Consider recommendations from hospitality industry representatives.
  - Consider recommendations from the public.
- By March 31 – the Board will:
  - Recommend specific plans for uses of the fee to Council to include specific goals, & strategies.
  - Recommend specific allocations for each plan.
- At Least Quarterly – the Board will:
  - Meet w/ City staff to discuss issues of mutual concern.
  - Report areas of concern & progress on the attainment of the goals to City Council (the 1<sup>st</sup> quarterly report will also include a financial & programmatic review of the previous calendar year).
- By October 31 – the Board will present annual report of Board activities & recommendations for improvements to the plans & the ordinance to City Council.

# Current Section 14-220 of the City Code:

- The on-site innkeeper is required to:
  - Keep a register showing every guest for the entire property & the guest responsible for payment.
  - Issue a parking sticker, hanger, or other identifying record, w/ directions that it be prominently displayed.
  - For parties under 18, require a responsible adult to register in person at check-in & accept liability for guest room costs, taxes, charges, & damages.
  - Post a copy of these requirements & all rules of the establishment in a conspicuous place.
  - Not permit any person to occupy required landscaped areas.
  - Not allow the use of required parking areas for:
    - Impromptu, unpermitted outdoor events involving the possession or consumption of alcohol.
    - Preparation, dispensing or consumption of food or drink.
    - Placement of objects so that the parking area cannot be used for its intended purpose.
- The guest responsible for payment is required to:
  - Produce a valid driver's license or other governmentally issued photo identification.
  - Provide the license plate # & state of issuance of the vehicles used by the guest.
  - Identify all the adult guests in their party.

# Proposed Amendments to Section 14-220 of the City Code:

- Upon occupying units subject to off-site management the guest responsible for payment must:
  - Register w/ front desk staff & pay the associated PSE fee.
  - Comply w/ all other provisions of section 14-220.
- For units subject to off-site management the innkeeper shall:
  - Post a notice on the inside of the door of each such unit to advise guests of the registration and payment requirements, & penalties for violations.
  - Require registration & payment of the PSE Fee prior to issuing any parking passes or amenity wristbands.
- The innkeeper will transmit the required register to City staff in electronic format on a monthly basis.
- City staff will use the information from the registers to enforce the ordinance.
- Violations will be considered misdemeanors:
  - Fine up to \$500.
  - Incarceration up to 30 days.
- Other updates to the Section due to technological improvements since 2010.



# Accounting, Reporting, & Transparency Requirements

- Accounting:

- The PSE Fee will be accounted for in a separate fund held by the City, & included in the City's Annual Financial Report.
- The 1<sup>st</sup> quarterly report will include a financial & programmatic review of the previous calendar year.

- Reporting:

- The Board will report areas of concern & progress on the attainment of program goals to Council on a quarterly basis. The report will be made in open session & be publicly available on the City's website.
- The Board will present annual report of Board activities & recommendations for improvements to the plans & the ordinance to City Council. The report will be made in open session & be publicly available on the City's website.

- Transparency:

- All meetings of the City Council & the Public Safety Enhancement Review Board are subject to SC's Open Meetings law.
- All related documents provided to Council or the Board are subject to FOIA, & will be made publicly available on the City's website.

Questions???