2018-17 (2nd READING): ORDINANCE GRANTING A FRANCHISE AGREEMENT FOR OPERATION OF RENTAL BUSINESS OF CONVEYANCES REGULATED BY CHAPTER 12, ARTICLE V OF THE CODE OF ORDINANCES OF MYRTLE BEACH TO RON SIMANTOV D/B/A/ BLUE CORAL SURF LLC, MOPED USA, LOCATED AT 1301 SOUTH KINGS HIGHWAY, MYRTLE BEACH, SC 29577, FOR A PERIOD OF ONE YEAR. THE AGREEMENT INCLUDES 15 GOLF CARTS & ZERO MOPEDS.

<u>Applicant/Purpose</u>: Staff/to regulate the # & location of golf cart & moped rental businesses by franchising their operations.

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### **Brief:**

- After experiencing several weekends when # of moped/golf cart rentals & conduct of the operators became a serious issue, Council imposed a moratorium on increasing the # of such conveyances.
  - o For 2017 the # of mopeds was capped at the # that each company had in service during the summer of 2016.
  - For 2017 the # of golf carts was capped at the # each company had in service for 2016 + the # already ordered at the time the moratorium was imposed.
- Council also directed staff to work out a more permanent solution w/ company owners.
- Ordinance 2017-56, approved 1/9/18 in consultation w/ the business owners, approved the framework of a franchise agreement similar to the system in place for taxicabs.

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## <u>lssues</u>:

- Franchising allows Council to restrict the # of mopeds & golf carts available for rental, as well as the location of each rental business.
- Under the franchise terms each conveyance will be issued a City "plate" similar to a license plate. These plates would assist law enforcement to track operational violations.
- This proposed ordinance:
  - Sets the location for rental conveyances.
  - Sets the # of rental conveyances allowed/location.
- Agreement is for a 1-year period.

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### **Public Notification:**

- Several meetings were held w/ the business owners in order to develop the guidelines included in 2017-56.
- Special advertising guidelines laid out in 2017-56 have been met.

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### Alternatives:

- Modify proposed ordinance.
- Deny ordinance.

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<u>Financial Impact</u>: Annual franchise fee of \$10/plate issued.

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# Manager's Recommendation:

I recommend approval.

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<u>City Council Initiative:</u> Proposed ordinance is necessary to enhance the safety of our residents & visitors on our roadways.

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Attachment(s): Ordinance & franchise agreement.

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ATTEST:

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CITY OF MYRTLE BEACH **COUNTY OF HORRY** STATE OF SOUTH CAROLINA AN ORDINANCE GRANTING A FRANCHISE AGREEMENT FOR OPERATION OF RENTAL BUSINESS OF CONVEYANCES **REGULATED BY CHAPTER 12. ARTICLE** V OF THE CODE OF ORDINANCES OF MYRTLE BEACH TO RON SIMANTOV D/B/A BLUE CORAL SURF LLC, MOPED USA. LOCATED AT 1301 SOUTH KINGS HIGHWAY, MYRTLE BEACH, SC 29577, FOR A PERIOD OF ONE YEAR. **AGREEMENT INCLUDES 15 GOLF CARTS** AND ZERO MOPEDS.

WHEREAS, pursuant to the exercise of its police power the City shall require a franchise for the rental and operation of rental conveyances on the highways, streets, alleys and public ways within its police power jurisdiction; and

WHEREAS, the City had determined that the delivery of these services can be provided most effectively and efficiently through the grant of a non-exclusive franchise; and

THEREFORE, PURSUANT TO THE FRANCHISE POWER OF THE CITY OF MYRTLE BEACH, the City of Myrtle Beach grants a Franchise Agreement for Operation of Conveyances to RON SIMANTOV D/B/A BLUE CORAL SURF, LLC, MOPED USA, LOCATED AT 1301 SOUTH KINGS HIGHWAY, MYRTLE BEACH, SC 29577, FOR A PERIOD OF ONE YEAR. THE AGREEMENT INCLUDES 15 GOLF CARTS AND ZERO MOPEDS.

This ordinance shall take effect immediately upon adoption.

BRENDA BETHUNE, MAYOR

First reading:

Second reading \_\_\_\_\_

JOAN GROVE, CITY CLERK