

MINUTES  
CALLED COUNCIL MEETING  
ROYAL REGENCY HEARING  
May 18, 2023

The May 18, 2023 Called meeting of the City Council was held at the City-County Complex, 401 W. Main Street, Dillon, SC. Notices of this regular meeting of City Council was provided to the media and individuals requesting a copy of the agenda informing them of the date, location, and time of the meeting.

**Councilmembers in attendance:**

Mayor Tally McColl

Councilmember James Washington

Councilmember Jay David

Councilmember Dr. Phil Wallace

Janet Paschal, City attorney was in attendance.

Mayor Pro Tem Timothy Cousar

Councilmember Johnny Eller

Councilmember Douglas Jackson

- I. **Call to Order** - Mayor McColl called the meeting to order at 7:00pm. Everyone recited the Pledge of Allegiance. Benny Genwright gave the invocation.

II. **Approval of Agenda**

Mayor Pro Tem Cousar made a motion to approve the agenda but move the Executive Session before the Hearing. Dr. Wallace seconded and the motion passed unanimously. Before going into Executive Session Janet Paschal, city attorney, said she is ethically prohibited from speaking to Council without Mr. Josey present because he is the attorney for Royal Regency. She said she will not be in Executive Session, and going forward we might need to bring in an attorney from the Municipal Association. Mr. Josey said he didn't raise that issue, Janet Paschal did.

III. **Executive Session**

Dr. Wallace made a motion to go in Executive Session. Councilmember Jackson seconded and the motion passed unanimously. After much discussion and no action taken in Executive Session, Dr. Wallace made a motion to go back into Open Session. Councilmember Jackson seconded and the motion passed unanimously.

IV. **Hearing on Denied Business License – Royal Regency Inn**

Mr. Josey, attorney for Royal Regency, said he wants it noted for the record that the Chief of Police David Lane, the Coroner Donnie Grimsley, City Manager Glen Wagner, and Code Enforcement Director Benny Genwright were all in Executive Session. Everyone else was excluded. Mr. Josey called Mr. Amish Patel to the stand. City Clerk Tina Scott swore Mr. Patel in. Mr. Patel gave his full name and stated that he has been at the Royal Regency since 2010. He said half of the police reports were before he owned the hotel. He

continued by saying he is a good community supporter. He said anytime he is needed he helps such as lower rates for people needed rooms during the Hurricanes. He said he has provided free rooms if the Police brings a person that has lost their home. Mr. Josey asked Mr. Patel does he live at the hotel. Mr. Patel responded yes and safety is important to him. Mr. Josey asked is it part of your plan to have illegal activities at your hotel. Mr. Patel responded we try to keep an eye out and figure out if people are going to cause trouble. He said we try to make sure things are peaceful but if it happens inside the room, it is out of his hands. He said he can't tell someone they can't rent a room unless they have misbehaved. Mr. Josey asked do you try to screen people and keep communication with the police. Mr. Patel responded yes but we try not to call the Police because of this, we don't want things to get out of hand. Since we have been here calls have gone way down. Mr. Josey asked, have you rented to the man that overdosed in your hotel before? Mr. Patel responded yes and he has never caused any problems. He testified that the man just wanted to get away from his family. Mr. Josey asked do you keep a list of people who have caused trouble in the pass? Mr. Patel said yes, we have a do not rent list. Mr. Patel said we have added additional lighting and 20 security cameras that we can pull up from anywhere. Mr. Patel said he is always willing to share information with the Police. He said he has raised rental rates and has limited the rooms that he rents out. Mr. Patel said he has talked with the City manager and he said not to rent rooms to locals but if they make reservations through a third party, we have no way to stop it. The business license denial letter references the death and old stuff. Mr. Patel said the guy that died was from Latta, SC and he would come on the weekends to get away from his family. He would stay in his room and be quiet but this time he never woke up and I called 911. Mr. Patel continued saying there was no sign of drugs or anyone bringing drugs to the room. I thought the death was natural. He said there is nothing he can do to stop something like that from happening in the rooms. Next, Janet Paschal starts to question Mr. Patel. She asked if he had ever had a murder at his hotel. He responded yes once. Mr. Patel testified that he had another overdose almost four years ago. Ms. Paschal asked if he had distribution or possession of drugs at his hotel. Mr. Patel said he doesn't know about distribution. He went on testifying that he doesn't dispute a death at Royal Regency around March 2023 or the early part of 2023. He said he had his license revoked about two years ago and has worked with the City of Dillon. Mr. Patel said he has called the Police on suspicions of drug dealings. He went on to say he has rules and regulations posted at check in and walk in. It informs them of no parties and no visitors allowed. Ms. Paschal asked what could you do to improve the security at your hotel. Mr. Patel answered he would go from 20 cameras to a 32-camera system but he can't get a loan to purchase that. He said he can't hire a security guard now because he doesn't have business now. Councilman Jackson asked did business pick up after the security guard left? Mr. Patel said when we had a security guard, we weren't renting rooms so I didn't need a security guard at my hotel. Councilmember Eller asked were you working on the night of February 4<sup>th</sup> when Mr. Harrison came to your hotel, we had an agreement that



you wouldn't rent to locals. Mr. Patel said it was a verbal agreement. He went on to say he met the Police Chief about raising room rates. Councilmember Eller asked why would you have to ask the Police Chief if you can raise your rates. Mr. Patel said it was a part of the agreement. Dr. Wallace said we want you all open, we have a problem that identified to us that drugs happen out there. We don't know how to approach it but I think that this is how we decided that we were going to approach it years ago. I was under the impression that all of those things were continued on. You mentioned the ordinances in Lumberton, if they were here would that help you police your area better. Mr. Patel said yes. Dr. Wallace went on saying I don't know how the others feel but going forward maybe two or three hotel owners or councilmembers should get together to see what ordinances work better. We want you to have clientele that doesn't cause you difficulties. We don't want to see people coming up stiff but we don't want to see profit made from people going in and out of those hotels. We don't want to tolerate that we aren't serving the people that put us here if we allow that to happen. Maybe a group of us should get together and see what serves you better. Dr. Wallace said we aren't focusing on you; we are focusing on the problem that just happened to happen to you. Mr. Patel said this is the last thing that he was expecting.

Councilmember David said you mentioned turning people away, in the last two years how many people have you had removed from your property? Mr. Patel said that hasn't happened a lot in the last two years because I am screening them better at the front end. Councilmember David asked, the man that died has rented repeatedly do you know how many times? Mr. Patel said probably three times a month.

Councilmember Eller said you said you came up on April to renew your business license, how were you told that your business license wasn't going to be renewed. Mr. Patel answered, Mr. Benny told me that they wouldn't be renewed but he couldn't tell me why. I received a letter the next day.

Mr. Josey said after he was here two years ago you all had a different system, we appealed to a committee instead of council we came up with things to try but there wasn't anything in writing about the 40-mile radius or security guard but we tried. I don't want it looking like he violated anything but he tried and didn't have the money. Councilmember Eller asked if anyone came up with any type of agreements on documents. I have asked the Chief of Police for many meetings and never got any response. Ms. Paschal said there wasn't a contract but contact with suggestions.

Councilmember Washington asked do you rent by the week? Mr. Patel responded some people can't have a place to live so I can rent weekly rates for 7 days and I have raised that price as well. Were they any of those 911 calls? Mr. Patel said just one.

Mr. Josey gave council a copy of letter to get financing for a franchise. A year ago, Mr. Genwright certified there were no restrictions on the business license. It's a catch 22 where Mr. Patel is trying to improve on the property but you have to be able to show the cash flow and that's hard to do right now.

Janet Paschal called Mr. Benny Genwright up. He was sworn in by Tina Scott. Mr. Genwright said he is the Director of Code Enforcement and business license fall under Code Enforcement. Mr. Genwright read from a letter presented to him by Ms. Paschal. He testified that is a letter that he came up with and signed. He read 818 Radford Blvd, Dillon, SC which is the address for Royal Regency hotel, and that's in the city of Dillon. Mr. Genwright said Royal Regency filed an application to renew a business license in May of 2023 but it wasn't renewed. Mr. Genwright said he then issued a letter dated May 1, 2023 which was hand delivered by a police officer. He testified that the denial reason was the drug overdose that had taken place at the hotel and the victim died. He said this incident was brought to his attention by the Police Department. Mr. Paschal asked who made that determination? Mr. Genwright answered, the coroner. Ms. Paschal asked are their specific reasons in the letter for the denial? Mr. Genwright responded, yes. Mr. Genwright testified that there is a paragraph in the denial letter about renting to locals because he thought there was an agreement in place. Mr. Genwright read the denial reasons from the letter. He said the list was given to him by the police dept. Mr. Genwright testified that he believes that the activities at the Royal Regency hotel endangers people and has created a nuisance. He continued by saying those are the reasons for his denial of business license for Royal Regency.

Mr. Josey asked Benny Genwright if he received a letter from him in May of 2021 asking you for more information? Mr. Genwright said he's not even sure if he got that letter. He continued by saying there was nothing new added other than that death. Mr. Josey asked Mr. Genwright have you seen the coroner report Mr. Genwright responded no. Mr. Josey asked Mr. Genwright do you know if Mr. Patel could tell if that man was going to overdose, how would you screen that person, and what would you have done differently. Mr. Genwright responded he would have done a lot of things different but he didn't have any advice to give. Mr. Josey asked if Mr. Genwright had sent a letter stating there aren't any violations at the property? Mr. Genwright stated there are no zoning violations.

Next, Mr. Donny Grimsley, the Coroner was sworn in by Tina Scott. Mr. Grimsley testified when he responded EMS, he found Mr. Jenkins in the bed and at that point and time he was pronounced dead. He said he proceeded to take pictures of the room. Law enforcement was on the scene and at that time I made the decision to do an autopsy on the gentleman. Mr. Grimsley said an autopsy took place at Grand Strand in Myrtle Beach. He said he had a copy of the autopsy and the conclusions on the cause of death was pending due to the fact that he waited on toxicology report. The toxicology report concluded that it was drug induced cardiac arrhythmia because of fentanyl. He had marijuana and cocaine in his system also.

Mr. Josey asked does anyone have an opinion about when he had taken these drugs. Mr. Grimsley responded the girlfriend said she laid down and he took a shower. When she woke up, she couldn't wake up. He said the girlfriend said she knew he did drugs but has never done it in front of her. Mayor Pro Tem Cousar asked if he could have taken it before he got to the hotel? Mr. Grimsley responded it had been taking over a period of time.



Councilmember Eller asked how did you let Code Enforcement and Chief of Police know about the death. Mr. Grimsley answered he spoke with the Chief of Police but not Code enforcement. Lastly, Mr. Grimsley stated he spoke with Annie Davis, the victims' mother, and she gave me permission to talk about it. Councilmember Jackson asked are people allowed to smoke marijuana in hotel rooms? Mr. Grimsley replied he doesn't know about the law. He doesn't know the procedures of the motel. Councilmember Eller asked do you have reason to believe that drug activity happened in that room? Mr. Grimsley said in his opinion, yes.

David Lane, Chief of Police for the City of Dillon was sworn in by Tina Scott. Ms. Paschal asked, did you or your staff respond to Royal Regency back in February of 2023 in regards to death of Mr. Jenkins. Chief Lane responded they did and it's in the city of Dillon. He said the coroner, EMS, and Law Enforcement was called. He said the coroner called to let me know of the death and that he didn't think there was any foul play, that report was kept until we received the autopsy. Chief Lane continued by saying he reached out to Mr. Genwright. He went on to say he doesn't have a specific number of calls for Royal Regency but there was quite a few. were any other hotels that came close to that call. Specifically in the last 3 years there were 3 deaths, 2 were drug overdose and one was a murder. There were also 3 additional drug overdoses where the people didn't die. There was also an incident in March 2023 where Department of Social Services came and did an initial contact, I am assuming in regards to children. There was also a harassment call, a lot of them are random things such as trespassing and lost property with no other hotel deaths. Chief Lane said he has been the Police Chief since 2016. Ms. Paschal asked do you believe that Royal Regency endangers the community? Chief Lane answered he does. Ms. Paschal asked do you believe that because of the way the business is operated that makes it unsafe? Again, Chief Lane answered, yes.

Mr. Josey asked Chief Lane what violation of law have the owners have been incited for? Chief Lane responded none that he is aware of. Mr. Josey asked why did you say they have number violations? Chief Lane said I am talking about violations but not the owners. Mr. Josey asked why did you never call me for a meeting after you received my letter in in 2021. Chief Lane said we had an attorney and were told to direct you to our attorney and not have that meeting with you. Mr. Josey asked have you been targeting this property? Chief Lane answered, no sir. Mr. Josey asked Did you contact the Solicitor's office for a nuisance action? Chief Lane answered, yes, I did in 2021. They were waiting to see what happened with the City for business license. Councilmember Eller asked Chief Lane would it be in your opinion this hotel is a nuisance? He responded, yes.

Mr. Josey summarized by saying he thinks the city of Dillon is lucky to have a business man like Mr. Patel. He came to Dillon and invested himself, his family, and his money> He cares about his property. His hotel is not located in Hilton Head Island, his apartment might not be near Chief Lane apartments but he is trying to cooperate with your city officials. Mr. Josey continued saying every chance Mr. Patel gets he is paying taxes the city has probably lost \$100,000 or more since he has cut back on his ability to rent. Maybe

if you would model after Lumberton, you could generate money for a special police force. He has tried to borrow more funds, he communicates with other property owners, and he provides low-cost housing when it's not available. Crime is complicated he shouldn't be run off because of crime this needs to be addressed systemically. No one has been at that front desk enforcing the rules more than this man and this lady. A Greenville hotel was denied business license but there were 900 calls in a 3-year period, Royal Regency has had about ten 911 calls. The Circuit court should declare a place a nuisance, not the city council. If it shuts down you will have a bigger problem, I just ask that you work with him.

Ms. Paschal began her summary saying we have heard from Mr. Patel and when asked what he needed to do to make things better he said a loan. With sufficient money he could make his hotel better. We also have case files if one maintains a place where the laws are persistently violated such place would become a public nuisance. We have a pattern ongoing persistent I think we would all love for Mr. Patel to be successful. He couldn't make money hiring extra security. I would recommend as city attorney that you uphold the denial.

Mayor McColl asked if anyone wanted to make a motion to uphold the denial? Councilmember Eller made a motion to uphold the denial based on the Coroner, Code Enforcement, and Police Chief deeming the property a nuisance. There wasn't a second. The motion failed and Royal Regency will receive their business license. We will work together.

**V. Adjourn**

With no further business to discuss, Councilmember Jackson made a motion to adjourn. Mayor Pro Tem Cousar seconded and the motion passed 7-0. The meeting adjourned at 9:12pm.

Approved: \_\_\_\_\_

Nicholas Tally McColl, Mayor

Attest: \_\_\_\_\_

Tina Scott, Council Clerk

Date Approved: \_\_\_\_\_

6/5/2023