2022-25 (2<sup>ND</sup> READING): AUTHORIZING THE CREATION OF THE MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT AND APPROVING AN IMPROVEMENT PLAN FOR THE DISTRICT; PROVIDING FOR THE FINANCING OF IMPROVEMENTS THEREIN BY ASSESSMENTS AND OTHER REVENUES AS HEREIN DESCRIBED; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE UPON THE ENACTMENT HEREOF; ORDERING THE PREPARATION OF AN ASSESSMENT ROLL AND THE PUBLISHING OF THE COMPLETION OF THE ASSESSMENT ROLL AND SENDING OF A NOTICE OF SUCH ASSESSMENT TO PROPERTY OWNERS; AND OTHER MATTERS RELATING THERETO.

<u>Applicant/Purpose:</u> MBDA, Business Owners, Staff / to authorize the creation of the Myrtle Beach Downtown Municipal Improvement District (MID), approve the improvement plan for the District, and establish the basis for a Municipal Improvement District assessment and funding plan.

Brief:

- The purpose of the MID is to provide for the provision and funding of various public improvements for the benefit of the current and future users of the real property located within the district as set forth in Resolution 2022-17 adopted on April 12, 2022. Proposed public Improvements consist of:
  - o Ambassador Program
  - o Events and Marketing
  - o Special Projects
  - o Planning and Research
- The Ordinance incorporates, by reference, the Report on Reasonable Basis of Assessment outlining the purpose of the district and methodology for determining the assessment rate of \$1.0100 per dollar of assessed value.
- The Ordinance incorporates, by reference, the Form of Assessment Roll, which will be prepared upon adoption of the ordinance. Upon adoption, the completed assessment roll will be mailed, certified, to all property owners of record within the district
- No changes since 1<sup>st</sup> reading.

<u>lssues:</u>

 Absent the establishment of the District, other funding sources would need to be identified to provide the public improvements proposed within the district.

<u>Public Notification:</u> A Public Hearing was held on May 10, 2022 at 10:00am.

# **Alternatives:**

• Amend or deny Ordinance.

<u>Financial Impact</u>: Impact upon participants in the Municipal Improvement District will be the equivalent of 10 mills. Formal notification of the assessment roll, a public hearing on the assessment, and then adoption and implementation of the assessment will require two additional readings of ordinances by Council.

#### **Manager's Recommendation:**

- I recommend 1st Reading (5/10/22)
- I recommend 2<sup>nd</sup> Reading and approval (5/24/22).

Attachment(s): Proposed ordinance, supporting material

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CITY OF MYRTLE BEACH COUNTY OF HORRY STATE OF SOUTH CAROLINA AUTHORIZING THE CREATION OF THE MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT AND APPROVING AN IMPROVEMENT PLAN FOR THE DISTRICT; PROVIDING FOR THE FINANCING OF IMPROVEMENTS THEREIN BY ASSESSMENTS AND OTHER REVENUES AS DESCRIBED: PROVIDING FOR THE HEREIN PUBLICATION OF THIS ORDINANCE UPON THE **ORDERING** THE **ENACTMENT HEREOF**; PREPARATION OF AN ASSESSMENT ROLL AND THE PUBLISHING OF THE COMPLETION OF THE ASSESSMENT ROLL AND SENDING OF A NOTICE OF SUCH ASSESSMENT TO PROPERTY OWNERS: AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, AS FOLLOWS:

# Section 1. Findings.

The City Council ("City Council") of the City of Myrtle Beach, South Carolina (the "City"), hereby finds and determines:

- Pursuant to Title 5, Chapter 37, Code of Laws of South Carolina 1976, as (a) amended (the "Act"), governing bodies of the municipalities of the State of South Carolina (the "State") are authorized to acquire, own, construct, establish, install, enlarge, improve, expand, operate, maintain and repair, and sell, lease and otherwise dispose of any improvement and to finance such acquisition, construction, establishment, installation, enlargement, improvement, expansion, operation, maintenance and repair, in whole or in part, including the provision of additional services or functions which the City in accordance with law may provide and things incidental thereto, by the imposition of assessments in accordance with the Act, by special district bonds, by general obligation bonds of the municipality, by revenue bonds of the municipality, or from general revenues from any source not restricted from such use by law, or by any combination of such funding sources.
- The City has determined that the real property in the Improvement District would benefit from certain improvements, including the provision of additional services or functions which the City in accordance with law may provide and things incidental thereto, that will serve the property in the Improvement District (collectively, the "Improvements," as such term is more particularly defined in the Improvement Plan).
- As set forth in Resolution R2022-17, adopted by City Council on April 12, 2022 (the "Resolution"), the City has caused to be prepared an "improvement plan" (within the meaning of Section 5-37-20(4) of the Act), entitled "Improvement Plan for the Myrtle Beach Downtown Municipal Improvement District" (the "Improvement Plan"), which Improvement Plan contemplates the creation of the Myrtle Beach Downtown Municipal Improvement District (the "Improvement District"), comprising those parcels of land in the City identified in Exhibit A of the Improvement Plan (the "Land"), and the implementation of the Improvements as described in the Improvement Plan with respect to the Improvement District. The Resolution and the Exhibits thereto, including the Improvement Plan, which are hereby incorporated by reference as if set

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forth herein, are on file in the office of the City Manager and are available for inspection during normal business hours.

 (d) Pursuant to Section 5-37-50 of the Act and the provisions of the Resolution, a public hearing concerning the Resolution was held on May 10, 2022, which date was neither sooner than 20 days nor more than 40 days following the adoption of the Resolution and neither less than ten days nor more than 120 days before the second reading and passage of this Ordinance.

(e) Pursuant to Section 5-37-60 of the Act, the entire text of the Resolution was published once a week for two successive weeks in the *Myrtle Beach Herald*, which is a newspaper of general circulation in the City. The last date of publication was not less than ten days prior to the date of the public hearing concerning the Resolution.

(f) Pursuant to Section 5-37-40 of the Act, the City Council hereby finds that: (1) the Improvements will be beneficial within the Improvement District, (2) the Improvements will preserve or increase property values within the Improvement District, (3) the Improvements are likely to encourage development in the Improvement District, (4) the general welfare and tax base of the areas within the Improvement District and the City will be maintained or likely improved by the creation of the Improvement District within the City, and (5) it would be fair and equitable to finance all or part of the cost of the Improvements by an assessment upon the real property located within the Improvement District.

# Section 2. Approval of the Improvement Plan and Creation of Improvement District.

The Improvement Plan is hereby approved, and the Improvement District as described above and more fully in the Improvement Plan is hereby created. The implementation of the Improvement Plan is hereby authorized.

#### Section 3. Funding of Improvements.

The estimated cost of the Improvements is approximately \$13,906,000. A portion of the costs of the Improvements will be funded with the assessment upon the real property within the Improvement District (the "Assessment") as further described in Section 4 hereof. To the extent required and as set forth in the Improvement Plan, the City may utilize any other permitted funding source, including other governmental entities and private parties, to fund the remaining cost of the Improvements. No portion of the Improvements will be funded with bonds.

#### Section 4. Approval of Assessments and of Assessment Roll.

The Report on the Reasonable Basis of the Assessment dated May 16, 2022 provided by Municap, Inc. (the "Basis Report"), which has been presented to City Council and is incorporated herein by reference, is hereby approved. The form of Assessment Roll (the "Assessment Roll") which has been presented to City Council and is hereby incorporated herein by reference as if set forth herein, and the Assessment reflected therein are hereby approved and shall be the basis for the actual Assessment on each parcel of property listed thereon if not altered or amended by City Council ordinance pursuant to the hearings and the final City Council meeting pursuant to Section 5 hereof. City Council hereby determines that such basis for the Assessment as set forth in the Assessment Roll is appropriate and included in the authorized methods set forth in Section 5-37-20(1) of the Act. The form of the Assessment Roll

and Basis Report shall be filed in the offices of the City Manager and available for inspection during normal business hours.

The City Manager is hereby authorized and directed to prepare and complete the Assessment Roll, with such changes to the form thereof as the City Manager shall approve, and to enter thereon the names of the persons whose properties are to be assessed and the Assessment against their respective properties with a brief description of the lots or parcels of land assessed. Upon completion, the final Assessment Roll shall be filed in the office of the City Manager and made available for inspection during normal business hours.

## Section 5. Hearing of Objections to Assessment Roll.

- (a) The City Manager is hereby authorized and directed to publish notice of completion of the Assessment Roll at least once in the *Myrtle Beach Herald*, which is a newspaper of general circulation in the City, setting forth a description in general terms of the Improvements, and stating the time and place fixed for the hearing of objections in respect to the Assessment and that a property owner who fails to file with the City Council a written objection to the Assessment against his property before such hearing shall be deemed to have consented thereto. The hearing of objections to the Assessment shall be scheduled for such dates and times as shall be set by the City Manager.
- (b) All persons who file written objections to the Assessment Roll within the time prescribed shall have an opportunity to appear either in person or by their attorney at the hearing held by the City Council for such purposes, but the final decision on each objection shall be made by a vote of the City Council at a public session thereof. At the session(s) held to make a final decision on the objections, City Council may make such corrections to the Assessment Roll as it deems proper and confirm the same or set it aside and provide for a new Assessment.
- (c) Whenever City Council shall confirm an Assessment, either as originally prepared or as thereafter corrected, a copy thereof shall be certified by the Clerk of the City Council and filed in the office of the Clerk of Court for Horry County, and from the time of filing the Assessment impressed in the Assessment Roll constitutes and is a lien on the real property against which it is assessed superior to all other liens and encumbrances, except the lien for property taxes, and must be annually assessed and collected with the property taxes on such real property.

#### Section 6. Notice of Assessment Roll.

The City Manager is hereby authorized and directed to cause in the name and on behalf of the City Council to be mailed, as soon as practicable but prior to the publication of notice of completion of the Assessment Roll pursuant to Section 5 hereof, by registered or certified mail, return receipt requested, to the owner or owners of each lot or parcel of land against which the Assessment is to be levied, at the address appearing on the records of the City or Horry County Treasurer, a notice stating the nature of the Improvements, the total proposed cost thereof, the amount to be assessed against the particular property and the basis upon which the Assessment is made, together with the terms and conditions upon which the Assessment may be paid. The notice must contain a brief description of the particular property involved, together with a statement that the amount assessed constitutes a lien against the property superior to all other liens except property taxes. The notice also must state the time and place fixed for the hearing of objections in respect to the Assessment contemplated by Section 5(a) hereof. A property owner who fails to file with the City Council a written objection to the Assessment

against his property before such hearing takes place shall be considered to have consented to the Assessment, and the notices published pursuant to Section 5(a) and sent pursuant to this Section 6 shall so state.

### Section 7. General Repealer; Severability.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith, to the extent of such conflict, are hereby repealed. The provisions of this Ordinance are hereby declared to be separate and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

THIS ORDINANCE SHALL BE EFFECTIVE ON THE SEVENTH DAY AFTER THIS ORDINANCE HAS BEEN PUBLISHED IN THE *MYRTLE BEACH HERALD*, WHICH IS A NEWSPAPER HAVING GENERAL CIRCULATION IN THE CITY.

SIGNED, SEALED, AND DELIVERED AS OF THIS 24th DAY OF MAY 2022.

		CITY OF MYRTLE BEACH, SOUTH CAROLINA
		By:
ATTEST:		
City Clerk	(Seal)	