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1 R2022-17: A RESOLUTION PURSUANT TO SECTION 59-37-50 OF THE  
2 MUNICIPAL IMPROVEMENT ACT OF 1999 DESCRIBING THE MYRTLE BEACH  
3 DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT AND THE IMPROVEMENT  
4 PLAN TO BE EFFECTED THEREIN, THE PROJECTED TIME SCHEDULE FOR THE  
5 ACCOMPLISHMENT OF THE IMPROVEMENT PLAN, THE ESTIMATED COST OF  
6 THE IMPROVEMENTS AND THE AMOUNT OF SUCH COSTS TO BE DERIVED FROM  
7 ASSESSMENTS, BONDS OR OTHER LEGALLY AVAILABLE FUNDS, SETTING  
8 FORTH THE PROPOSED BASIS AND RATES OF ASSESSMENTS TO BE IMPOSED  
9 WITHIN THE MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT  
10 DISTRICT; AND OTHER MATTERS RELATING THERETO.

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11 **Applicant/Purpose:** MBDA, Business Owners, Staff / to adopt an Improvement Plan for  
12 the Myrtle Beach Downtown Municipal Improvement District.

13  
14 **Brief:**

- 15 • The purpose of the Municipal Improvement District is to provide for the provision  
16 and funding of various public improvements for the benefit of the current and  
17 future users of the real property located within the district. Proposed public  
18 Improvements consist of:
  - 19 ○ Ambassador Program
  - 20 ○ Events and Marketing
  - 21 ○ Special Projects
  - 22 ○ Planning and Research
- 23 • Assessments levied to fund the public improvements will not apply to residential  
24 (4%) properties within the district.
- 25 • The district will terminate ten years after the date on which a City ordinance  
26 creates the district.

27  
28 **Issues:**

- 29 • Absent the resolution, other general funding sources would need to be identified  
30 to provide the public improvements proposed within the district.

31  
32 **Public Notification:** Normal meeting notification.

33  
34 **Alternatives:**

- 35 • Amend or deny resolution.

36  
37 **Financial Impact:** Impact upon participants in the Municipal Improvement District will  
38 be the equivalent of 10 mills. Formal adoption of the Municipal Improvement District  
39 and of the assessment roll will each require two readings of ordinances by Council.  
40

41 **Manager's Recommendation:** I recommend approval.

42  
43 **Attachment(s):** Proposed resolution, supporting material

CITY OF MYRTLE BEACH  
COUNTY OF HORRY  
STATE OF SOUTH CAROLINA

A RESOLUTION PURSUANT TO SECTION 59-37-50 OF THE MUNICIPAL IMPROVEMENT ACT OF 1999 DESCRIBING THE MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT AND THE IMPROVEMENT PLAN TO BE EFFECTED THEREIN, THE PROJECTED TIME SCHEDULE FOR THE ACCOMPLISHMENT OF THE IMPROVEMENT PLAN, THE ESTIMATED COST OF THE IMPROVEMENTS AND THE AMOUNT OF SUCH COSTS TO BE DERIVED FROM ASSESSMENTS, BONDS OR OTHER LEGALLY AVAILABLE FUNDS, SETTING FORTH THE PROPOSED BASIS AND RATES OF ASSESSMENTS TO BE IMPOSED WITHIN THE MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT; AND OTHER MATTERS RELATING THERETO.

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

Section 1. Findings and Determinations.

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

(a) The City is a municipal corporation of the State of South Carolina (the "State"), and as such, possesses certain powers granted by the Constitution and general laws of the State.

(b) The State's Municipal Improvement Act of 1999, codified at Title 5, Chapter 37, Code of Laws of South Carolina 1976, as amended (the "Act"), authorizes municipalities to exercise the powers and provisions of the Act including adoption of an improvement plan, as described below in order, as provided at Section 5-37-20 of the Act, to preserve property values, prevent deterioration of urban areas, and preserve their tax bases. The Act provides that such a document is to include an overall plan by which the governing body proposes to effect improvements in order to provide a benefit to the real property within the improvement district.

(c) Section 5-37-50 of the Act requires that City Council consider a resolution which, among other things, shall "describe the improvement district and the improvement plan to be effected..." This resolution meets the requirements of Section 5-37-50 of the Act.

(d) The City has caused to be prepared an improvement plan (as defined in Section 5-37-20(4) of the Act), entitled Improvement Plan for the Myrtle Beach Downtown Municipal Improvement District (the "Improvement Plan") which, among other things, describes the objectives to be accomplished within the Myrtle Beach Downtown Municipal Improvement District (the "Improvement District"). A copy of the Improvement Plan is attached as Exhibit A and is available for review at the office of the Clerk of Council. The Improvement Plan

1 contemplates improvements as defined in Section 5-37-20(2) of the Act. The Improvement  
2 Plan is incorporated herein by reference.

3  
4 (e) Section 5-37-60 of the Act requires, upon adoption of a resolution providing for  
5 an improvement district that such resolution be published once a week for two successive  
6 weeks in a newspaper of general circulation and a public hearing be held, which final  
7 publication shall be at least ten (10) days prior to the public hearing. City Council hereby  
8 authorizes such publication of this resolution to include notice of the time and place of a  
9 public hearing concerning the Improvement Plan.

10  
11 City Council has determined it is now necessary and in the interest of the health,  
12 safety, and general welfare of the citizens of the City that the Improvement District and  
13 Improvement Plan be described as required of the Act and that these requirements and others  
14 of the Act be met through adoption and publication of this resolution.

15  
16 Section 2. Description of Improvement District.

17  
18 The Improvement District consists of those parcels of land in the City located in the  
19 Improvement District and more particularly identified in Exhibit A of the Improvement Plan.  
20 No parcels which are or consist of owner-occupied residential property for purposes of the Act  
21 at the time of creation of the Improvement District that are taxed, or will be taxed, pursuant  
22 to Section 12-43-220(c) of Code of Laws of South Carolina 1976, as amended, will be included  
23 in the Improvement District unless the owners at the time the Improvement District is  
24 created, give the City Council written permission to include the parcels within the  
25 Improvement District.

26  
27 Section 3. Description of Improvement Plan.

28  
29 The City has determined that existing and future businesses within the Improvement  
30 District require certain public improvements, including public services that will serve the real  
31 property in the Improvement District. This will generally be accomplished through the  
32 provision of various services (collectively the "Improvements") specified in the Improvement  
33 Plan, which the City by law is allowed to provide. To the extent that any property, real or  
34 personal, is acquired or improved pursuant to the Improvement Plan, such property or  
35 improvements will be functionally related to and part of the Improvements.

36  
37 Section 4. Time Schedule for Improvement Plan.

38  
39 It is projected that the Improvement Plan will be accomplished by June 30, 2032;  
40 however, the District will terminate ten years after the date of enactment of an Ordinance  
41 creating the District, unless the District is extended in accordance with the Act.

42  
43 Section 5. Estimated Cost of Improvements; Amount to be Derived from Assessments or Other  
44 Sources.

45  
46 The estimated cost of the Improvements is \$13,906,000, as specified in the  
47 Improvement Plan. The City estimates that in any given year between 60 percent and 100% of  
48 the costs of the Improvements will be derived from the Assessments and other general funds,  
49 as determined by the City Council on an annual basis. The City estimates that no portion of  
50 the costs of the Improvements will be derived from bonds issued under the Act. To the extent

1 determined by City Council, the City may utilize any other permitted funding source,  
2 including other governmental entities and private parties, to fund the cost of the  
3 Improvements.

4  
5 Section 6. Proposed Basis for and Rates of Assessment to be Imposed Within the Improvement  
6 District.

7  
8 The proposed basis and rates of assessments to be imposed upon properties in the  
9 Improvement District are set forth in the Improvement Plan.

10  
11 Section 7. Public Hearing.

12  
13 City Council hereby establishes May 10, 2022 as the date of the public hearing to be  
14 held in accordance with the provisions of Section 5-37-50 of the Act. Such public hearing  
15 shall be held at 10:00 a.m. at the City Council Chambers located at Ted C. Collins Law  
16 Enforcement Center, 1101 Oak Street, Myrtle Beach, South Carolina, or in such other location  
17 as City Council shall determine and for which shall be provided appropriate notice. At the  
18 public hearing and at any adjournment of it, any interested person may be heard either in  
19 person or by attorney on any matter in connection therewith.

20  
21 Section 8. Public Notice.

22  
23 Pursuant to Section 5-37-60 of the Act, City Council hereby authorizes the publication  
24 of this resolution in its entirety once a week for two successive weeks in The Myrtle Beach  
25 Herald, with the final publication to occur not less than ten days prior to the public hearing  
26 to be held on May 10, 2022. Provided, however, the exhibits hereto, need not be published  
27 as they are available for review at the Office of the City Clerk at 937 Broadway, Myrtle  
28 Beach, South Carolina.

29  
30 THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION. SIGNED,  
31 SEALED, AND DELIVERED AS OF THIS 12TH DAY OF APRIL 2022.

32  
33  
34  
35 \_\_\_\_\_  
36 Mayor

37 ATTEST:

38  
39  
40 \_\_\_\_\_  
41 City Clerk

**EXHIBIT A**

## **IMPROVEMENT PLAN – MYRTLE BEACH DOWNTOWN MUNICIPAL IMPROVEMENT DISTRICT**

Pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended from time to time (the “Act”), and subject to the receipt of all necessary public and governmental approval (as set forth in the Act), the City of Myrtle Beach, South Carolina (the “City”) is authorized to designate an area within the City (such designated area defined in the Act as a “district” and such designated area being referred to herein as an “Improvement District”) in which or for which the City proposes to provide for various public improvements.

The City desires to create an Improvement District (the “Downtown Improvement District” or the “District”) and provide for the provision and funding of various public improvements for the benefit of the current and future users of the real property identified below.

The Act requires that the City adopt an “Improvement Plan.” As set forth in the Act, the general purpose of an Improvement Plan is to establish the overall plan by which the Myrtle Beach City Council (the “Governing Body”) proposes to effect improvements within an Improvement District. This Improvement Plan is written, and intended, to meet the Act’s requirements for an Improvement Plan for purposes of the Downtown Improvement District.

*"Improvement plan" means an overall plan by which the governing body proposes to effect improvements within an improvement district to preserve property values, prevent deterioration of urban areas, and preserve the tax base of the municipality, and includes an overall plan by which the governing body proposes to effect improvements within an improvement district in order to encourage and promote private or public development within the improvement district.*

The City believes that the proposed improvements (described below) will provide a benefit to the underlying real property in the District, will preserve or increase the property values within the District and would be likely to encourage development in the District. The City further believes that the general welfare and tax base of the real property within the District would be maintained or likely improved as a result of the creation of the District and that it would be fair and equitable to finance all or part of the costs of the proposed improvement specified below by the levy of an assessment upon the real property within the District. In particular, the City believes that the execution of this Improvement Plan is consistent with certain City’s goals that have been specified in other planning efforts, including but not limited to:

- City’s Comprehensive Plan (2021)
- Downtown Master Plan (2019)
- Bicycle and Pedestrian Plan (2018)
- Advanced Master Plan (2020)
- One Grand Strand Downtown Development Framework (2020)
- Oceanfront Redevelopment Plan (Amended 2022)
- Withers Swash District Plan (2010)

## **Description of the Downtown Improvement District**

The real property included within the Downtown Improvement District is located in the City and is generally bounded by the following:

- The Atlantic Ocean to the southeast;
- 11<sup>th</sup> Avenue South to the southwest (including properties on the southwest side of 11<sup>th</sup> Avenue South);
- Various streets to the northwest, including properties fronting along the northwest side of North Kings Highway between 21st Avenue North and 16th Avenue North, by the combination of North Oak Street, Lumber Street, Alder Street, Broadway Street, and Charlotte Road between 16th Avenue North and 5th Avenue South, and by properties fronting along the northwest side of South Kings Highway between 5th Avenue South and 12th Avenue South; and
- 21<sup>st</sup> Avenue North to the northeast (including properties on the northeast side of 21<sup>st</sup> Avenue North or at the intersection of 21<sup>st</sup> Avenue North and North Ocean Boulevard).

Please note that in many cases, parcels of property along both sides of the roads specified above are within the District.

The acreage of the real property within the District is approximately 689 acres, inclusive of the publicly owned right of way within the District.

The specific parcels of real property within the District are specified on **Exhibit A**, attached hereto. **Exhibit B**, also attached hereto, generally provides a visual representation of the District. In accordance with the Act, the District shall exclude parcels of real property that as of the establishment of the District are owner-occupied residential property which is taxed or will be taxed pursuant to Section 12-43-220(c), unless the owner (such individual as defined in the Act as the “owner”) of the parcel has given the City written permission to include the property in the District.

This Improvement Plan will not control or impact the City’s processes to establish zoning rights and entitlements for real property within the District.

## **The Improvements**

The primary goal of this Improvement Plan is to provide (or assist in the provision of) certain public improvements, including public services that will directly serve the real property in the District. This will generally be accomplished through the provision of various services (collectively the “Improvements”) specified in Table A below, which the City by law is allowed to provide. Additional descriptions of the Improvements are provided below Table A.

Each of the Improvements is intended to constitute an “Improvement” as such term is defined in the Act. All such Improvements (as approved or accepted by the City as provided herein) shall be deemed authorized by this Improvement Plan.

The estimated total cost of the Improvements, including estimates for inflation over the

proposed term of the District, is \$13,906,000. The estimated costs of the Improvements are specified in Table A below.

**Table A**  
**Improvements and Estimated Cost Thereof**

<b>Improvements</b>	<b>Estimated Total Cost</b>
Ambassador program	\$5,015,000
Events and marketing	\$2,003,000
Special projects	\$1,937,000
Planning and research	\$650,000
Management and overhead costs of the provision of the services	\$4,301,000
<b>Total</b>	<b>\$13,906,000</b>

The Improvements are further described as follows:

**Ambassador program**

The ambassador program shall provide public realm maintenance services in the District, including services such as litter and graffiti removal, as well as landscape and streetscape maintenance. The ambassadors will also serve as community safety resources by providing services such as directions to visitors, offering rides and escorting people, and coordinating with law enforcement.

**Events and marketing**

Events and marketing services shall include holding recurring and non-recurring events which seek to activate streets and public spaces within the District to create continuous opportunities for residents and visitors to engage with others in the District; promoting locations and business opportunities across the District; and preparing and distributing communications that seek to generate a compelling narrative to (1) help channel more activity in the District, (2) broaden the base of public support for the areas within the District and (3) encourage businesses and investors to consider the areas within the District as a destination and a desirable location for additional investment.

**Special projects**

Special projects shall include efforts to advance the goals of development and revitalization within the District, such as creating and executing real estate development and economic development strategies; supporting the evaluation and prioritization of City capital projects; analyzing and proposing new and updated policy priorities; and facilitating the structuring of partnerships between public, private, and non-governmental stakeholders.

**Planning and research**

Planning and research shall include efforts to establish strategic and detailed urban planning, procedures, communications, all intended to improve the community areas within the District, along with evaluation of the other Improvements noted. Examples include compiling real estate market, employment, and residential data; collecting input from current and prospective District stakeholders; and serving as a resource to public and private stakeholders looking to make informed decisions regarding District investments.



The estimated annual total cost of the Improvements for fiscal year ending June 30, 2023 is \$1,220,000.

The estimates specified above are for informational purposes only. The actual costs of the Improvements may be greater or less than the estimates specified above. The estimated costs specified in Table A above shall not serve as limits to the amount of City expenditures on any Improvements or category of the Improvements. Through an annual review process, the City shall make determinations for an annual budget of Improvements to fund.

Pursuant to the Act, the City may contract with third parties for the provision of the Improvements. The City has previously approved a “Funding Agreement” with the Myrtle Beach Downtown Alliance for the delivery of certain services similar to the Improvements through June 30, 2022.

Furthermore, in addition to the Improvements, other public improvements and services not contemplated or covered by this Improvement Plan are possible and may be constructed or provided within the Improvement District.

### **Projected Time Schedule for the Accomplishment of the Improvement Plan**

The City estimates that the Improvement Plan will be accomplished by June 30, 2032-. The District shall terminate ten years after the date on which a City ordinance creates the District, unless the District is extended in accordance with the Act.

### **Ownership and Maintenance of the Improvements**

To the extent any of the Improvements are physical assets, the Improvements will be the property of, or will become the property of, the City, Horry County, SC Department of Transportation, or other governmental or public agency. To the extent that the City contracts with a third party to provide the Improvements and such third party utilizes funding other than the Assessments (as defined below) to acquire a physical asset, then it will not be a requirement that such physical asset will be or become the property of the City, Horry County, SC Department of Transportation, or other governmental or public agency.

To the extent any of the Improvements are physical assets, the Improvements will be maintained by the City, Horry County, SC Department of Transportation, or other governmental or public agency, unless otherwise assigned and approved.

### **Sources of Funds**

As allowed by the Act, special assessments (the “Assessments”) are expected to be imposed by the City on the real property in the District in order to fund or help fund the costs of the Improvements (subject to the limitations of the imposed Assessments and any City limitations established at the time of the imposition of the Assessments). In particular, the City expects to impose Assessments in order to (1) help fund the costs of the Improvements and (2) fund the costs incurred to establish the District and impose the Assessments, and (3) fund the administrative costs of the District. The expected levy of the Assessments to help fund the Improvements shall not prohibit the funding of the Improvements from methods and sources other than the Assessments.

The City anticipates obtaining the funds required to provide the Improvements from the following sources:

- Proceeds from the collection of the Assessments;
- Contributions or grants from other parties, including other governmental entities and private parties;
- Revenues from program services;
- Hospitality tax revenues;
- Parking revenues;
- Other City funds, as needed and available.

The City estimates that in any given year between 60 percent and 100 percent of the costs will be derived from the Assessments or other general funds, as determined and approved by the City on an annual basis. The City estimates that no portion of the costs will be derived from bonds.

The Assessments are expected to be billed and collected by the City on an annual basis through the annual real property tax billing process utilized by Horry County, South Carolina (similar to Horry County's collection of the City's real property taxes). The City expects that a portion of the costs of the Improvements will be derived from the Assessments. Additional sources of revenue not mentioned within this Improvement Plan but allowed by State law may also be utilized independently or in combination with the revenue sources stated above to execute this Improvement Plan.

#### **Proposed Basis and Rates of Assessment to be Imposed within the Improvement District**

Assessments shall be imposed upon real property in the District in accordance with each of the District documents (including, without limitation, any Report on the Reasonable Basis of the Assessments, Assessment Roll or The Rate and Method of Apportionment of Assessments, all expected to be prepared for the City by MuniCap, Inc., a public finance consultancy that specializes in special assessment districts, as well as related City ordinances), to the extent such documents are approved by the City and/or its Governing Body (collectively the "Improvement District Documents"). The Improvement District Documents shall establish special assessment rates that fairly reflect the benefits derived from the Improvements by each of the individual parcels within the District (both the currently existing parcels and to be created parcels).

Notwithstanding the foregoing, an Assessment shall not be imposed upon any real property located outside of the District or any real property located within the District that does not receive a special benefit from the Improvements. In addition, Assessments shall not be imposed on any real property that is expressly reserved for the use of a public entity.

The currently expected proposed basis of the Assessments is the assessed value of the real property parcels in the District. The basis of the Assessments shall be specified in the Improvement District Documents and pursuant to the Act may change upon the subdivisions and transfer of the real property and/or other events that the Governing Body considers appropriate.

The currently expected proposed annual rate of Assessment for each parcel is \$0.010 per dollar (per \$1.00) of the parcel's assessed value (which is the equivalent of \$1.00 per \$100 of assessed value or one percent of the assessed value), which is specified on an annual basis by the Horry County

Tax Assessor's Office. The rate of the Assessment, as well as related limitations on the billing and use of the Assessments, will be established in the Improvement District Documents.

**Amendments**

This Improvement Plan may be amended or supplemented from time to time in accordance with the Act. The City anticipates that the District may be extended for an additional ten year period if the then current City Council determines that the execution of this Improvement Plan is providing the anticipated benefits to the real property in the District; if so determined the City expects that a process similar to the establishment of the District, including the approval of the Improvement Plan and the expected levying of the Assessments, shall be utilized again.

**Exhibit List (please see the following pages):**

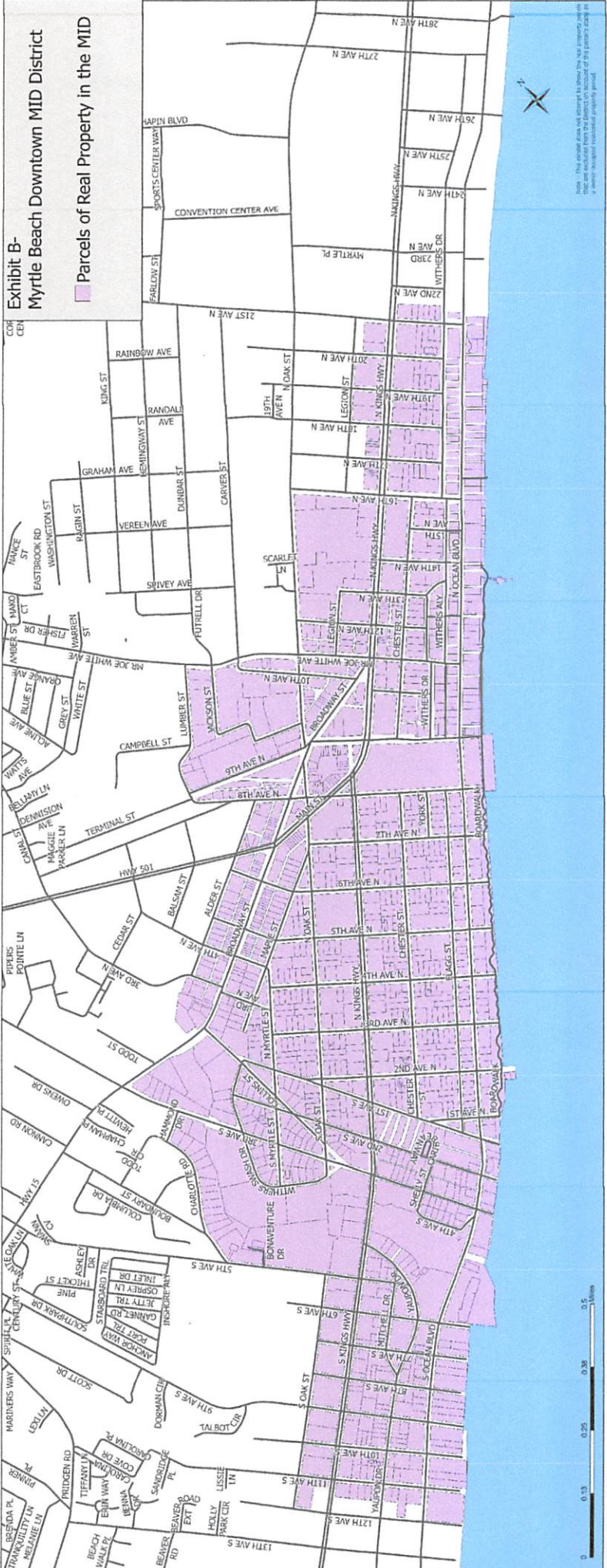
**Exhibit A** – A list of parcels of real property in the District.

**Exhibit B** – An exhibit that generally shows the boundaries of the District.

**Exhibit A**  
**List of Parcels of Real Property in the District**

**TO BE COMPLETED**

*This exhibit will list approximately 3,600 real property parcels by their identification numbers (PINs for all, TMS #s for all that have a TMS #) and will exclude owner-occupied residential property parcels (those that qualify for a four percent assessment rate), based on most current and constantly changing assessment rate status, as provided by Horry County.*



Note: This map was prepared for the purpose of showing the parcels of real property in the Myrtle Beach Downtown MID District. It is not intended to be used for any other purpose.