

Air Base Redevelopment

HISTORY, CURRENT STATUS AND FUTURE DIRECTION

The Air Base Redevelopment District

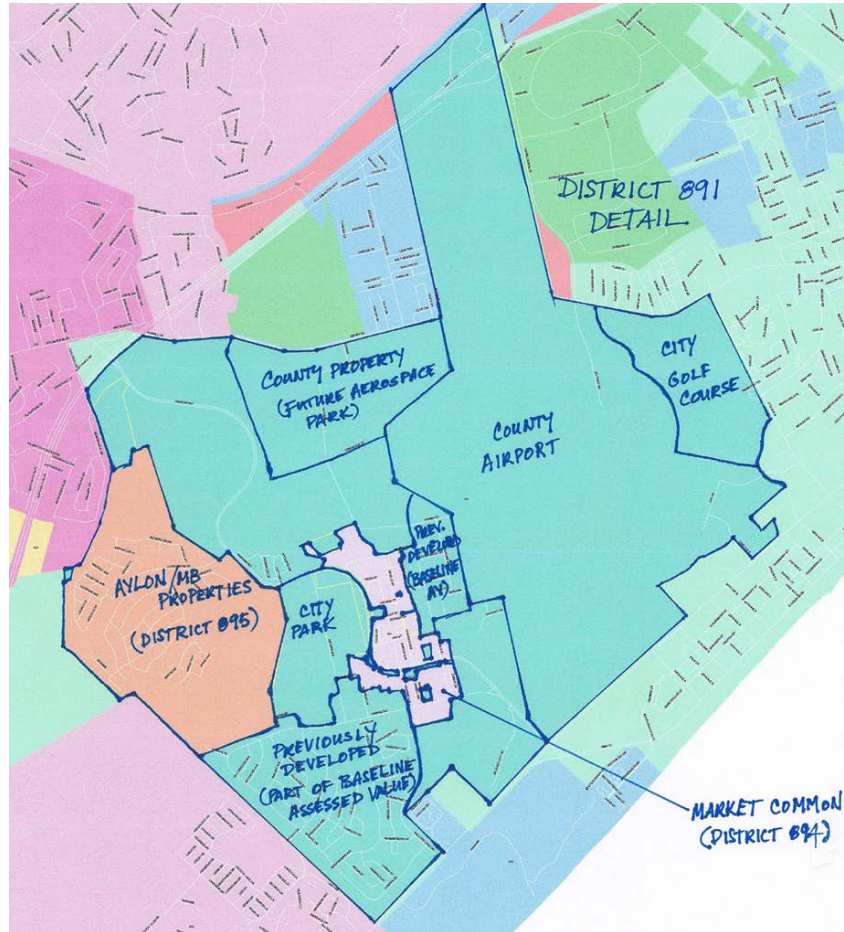
The Air Base Redevelopment Plan covers the entire area of the former Myrtle Beach Air Force Base.

Council, Planning Commission and Redevelopment Authority all envisioned a mixed-use urban village type of development at its center.

The Market Common (known as “South Park Village” in the 1998 Plan) has always been one of the cornerstones of the Plan. But the Market Common is only a small part of the former base property.



The Air Base Redevelopment Tax Increment Finance District vs. The Market Common Master Plan area



The Air Base Redevelopment Area and the TIF District comprise all of the areas outlined in blue on the adjacent map.

It includes public property such as

- the Golf Course,
- the Airport,
- the International Aeronautics and Technology Park (ITAP) parcel,
- City Parks,
- Horry-Georgetown Technical College properties and
- various private properties, including those that have developed under the Market Common Master Plan and the Centre Pointe Planned Unit Development (PUD) Agreement.

The Market Common Master Plan covers only that area shown in lavender near the center of the property.

Where has the investment in the former base property come from?

Out of the \$122.3 million in project costs estimated in the original plan as amended in 2005:

- *City has issued \$41 million of TIF bonds to finance the improvements.*
- *The remainder of the redevelopment costs have been paid by the Redevelopment Authority or the City.*
- *Horry County's ITAP project was added to the plan in 2010 and TIF Bond proceeds funded \$2.5 million of the public infrastructure costs there.*

The 2018 Plan Amendment

The Redevelopment Authority has requested that the City issue

- *no more than \$15 million of additional bonds;*
- to support infrastructure for remaining needs of the former base area;
- prior to the statutory expiration date for new issues of December, 2020; and
- maturing in the same year as the currently outstanding TIF debt (2036).

Five projects would fund an estimated \$7,299,000 million for public infrastructure to support additional private development or enhance public areas in the current Market Common development.

The Law Enforcement Center Expansion and South End Parking projects are also possible projects that could be bond-funded.

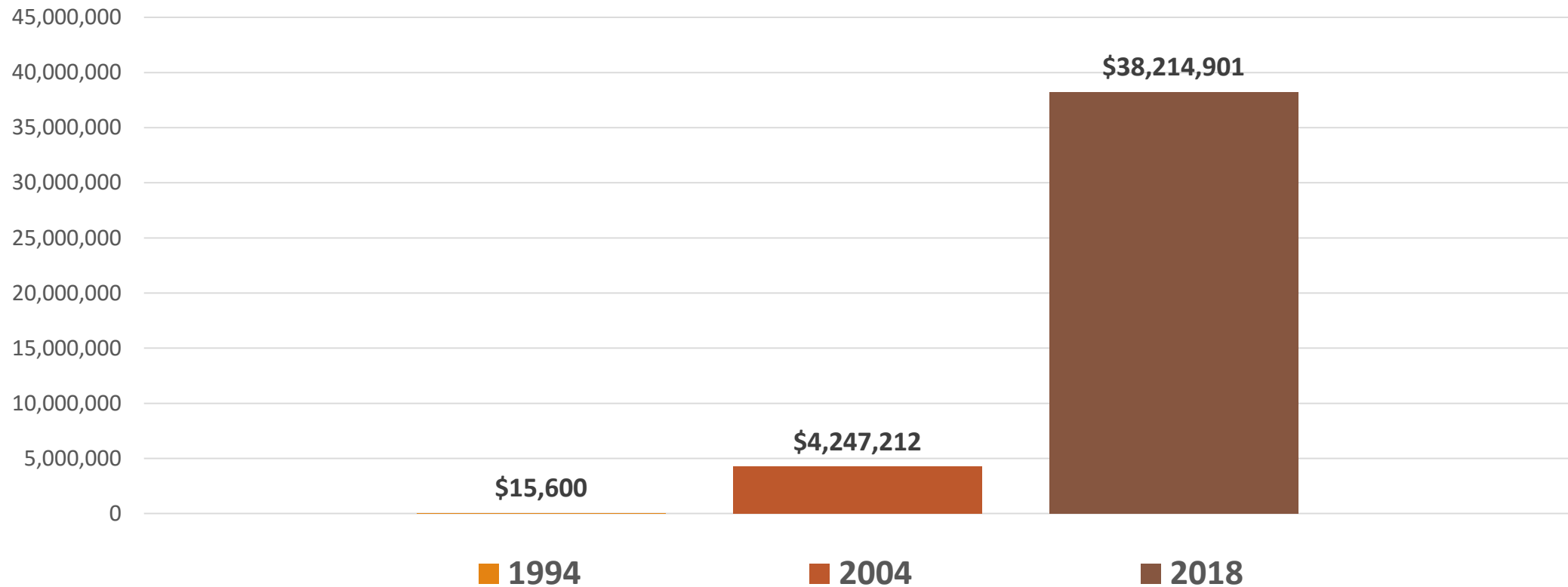
The 2018 Amendments

Remaining projects support expanded infrastructure to serve the Redevelopment District, including but not limited to:

| | |
|---|----------------------------------|
| ◦ Fire Station (land provided by Clemson tract owner) | \$3,500,000 |
| ◦ Surveillance Cameras and Information Technology | |
| Infrastructure for Public Streets and Parking Lots | 2,500,000 |
| ◦ Market Common Park and Traffic Improvements | 970,000 |
| ◦ Grand Park Phase I-IV Improvements | 3,700,000 |
| ◦ Grand Park Phase V (to be deleted or funded from other sources) | 12,000,000 |
| ◦ Grand Park Linear Extension | 1,500,000 500,000 |
| ◦ Extension of Howard Avenue to Emory Road | 1,258,800 |
| ◦ Police Annexation Expansion | 3,785,000 |
| ◦ Fire Station #3 Expansion | 2,300,000 |
| ◦ South End Parking | 3,200,000 |
| ◦ Shine Ave. extension | 755,000 |
| ◦ Rehabilitation, Renewal, Replacement & Repair of Redevelopment Projects (Per Sec. 31-12-30(8)(c)) | 27,500,000 17,180,000 |

Has redevelopment increased the tax base on the former air base property?

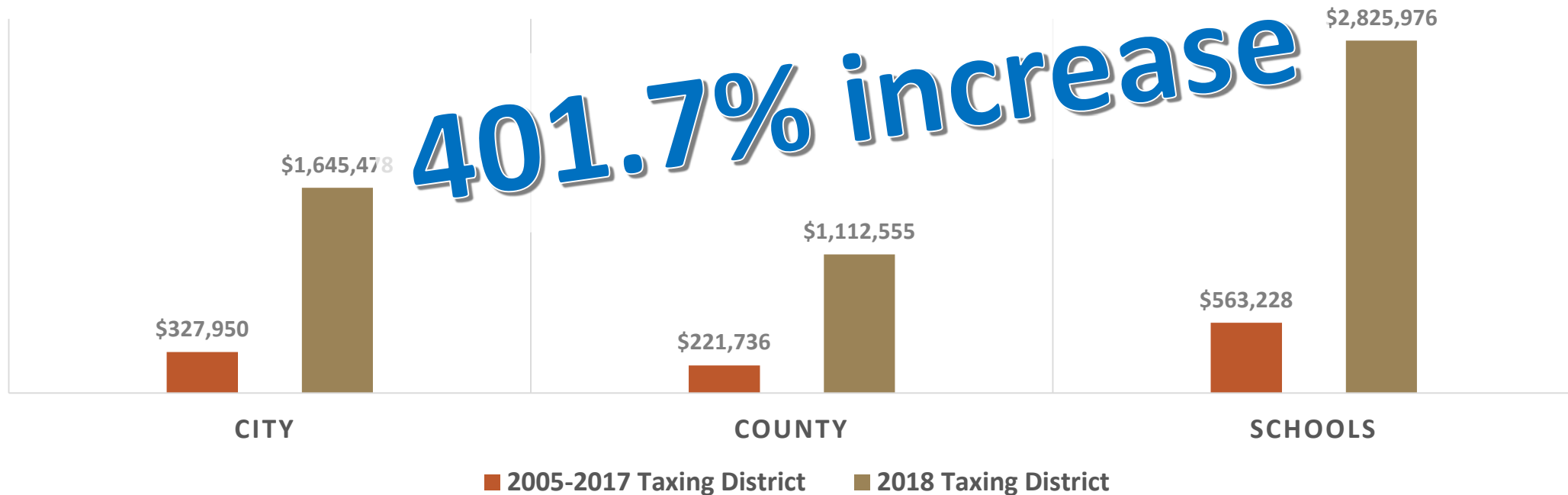
Assessed Value of the Former Air Base Property



Will this amendment increase actual tax receipts to the City, County & Schools?

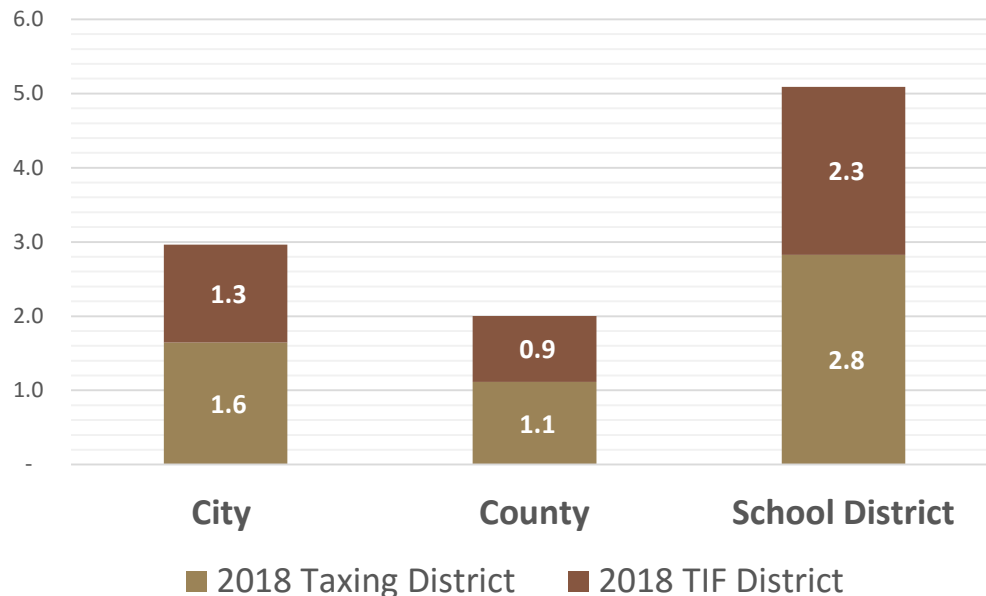
GROWTH IN TAX RECEIPTS BY TAXING DISTRICT FROM BASE REDEVELOPMENT TIF 2005-2017 VS 2018 PLAN AMENDMENT

\$Millions



But not all Local Governments' Revenues will go back to them...

2018 Distributions in millions



BEFORE

- Based upon 2017-18 results, 89.1% of local real property taxes from the former base property goes to the TIF.
- **Only 10.9% goes back to the taxing districts**, based upon the 2004 baseline values.
- The dollar amount never grows.

AFTER

- Under the amendment, the percentage going back to the taxing districts for their unrestricted use **will rise to approximately 54.5%** beginning in October 2018.
- The dollar amount of distributions grows as property values grow.

When may unspent funds be declared as *surplus funds*?

Per Sec. 31-12-290,

- during the existence of the special tax allocation fund created pursuant to this chapter, funds not otherwise expended may be carried forward from year to year to be applied to future years' obligations and redevelopment costs and are not surplus funds subject to distribution pursuant to the provisions of Sections 31-12-200 through 31-12-320 unless determined otherwise by resolution of the [Air Base Redevelopment] authority.
- **One purpose of this amendment is to provide a plan with a schedule for the payment of all debt service and project costs so that the redevelopment authority can, with confidence, declare unspent funds as surplus from year to year.**
- **The surplus funds can then be returned to the taxing districts.**