

An Action Plan
for Downtown
Myrtle Beach

December 15, 2020

One Grand Strand Downtown Development Framework

jamesLIMA
Planning + Development

PLAN + PROCESS

Agenda



Why Downtowns Matter



Downtown Progress to Date



Social + Economic Challenges



Priority Actions for Downtown Myrtle Beach

Why Downtowns Matter



Why should everyone care about the future of Downtown Myrtle Beach?

Value of Healthy Downtowns

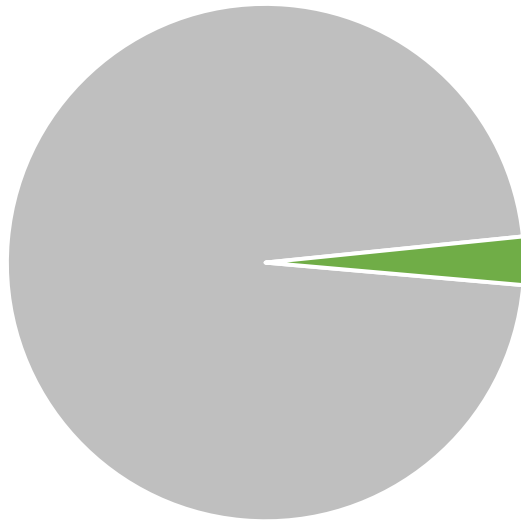
Healthy downtowns **drive city economies,**

They make an **outsized contribution to tax revenue,**

They help a city **better compete for talent & resources,**

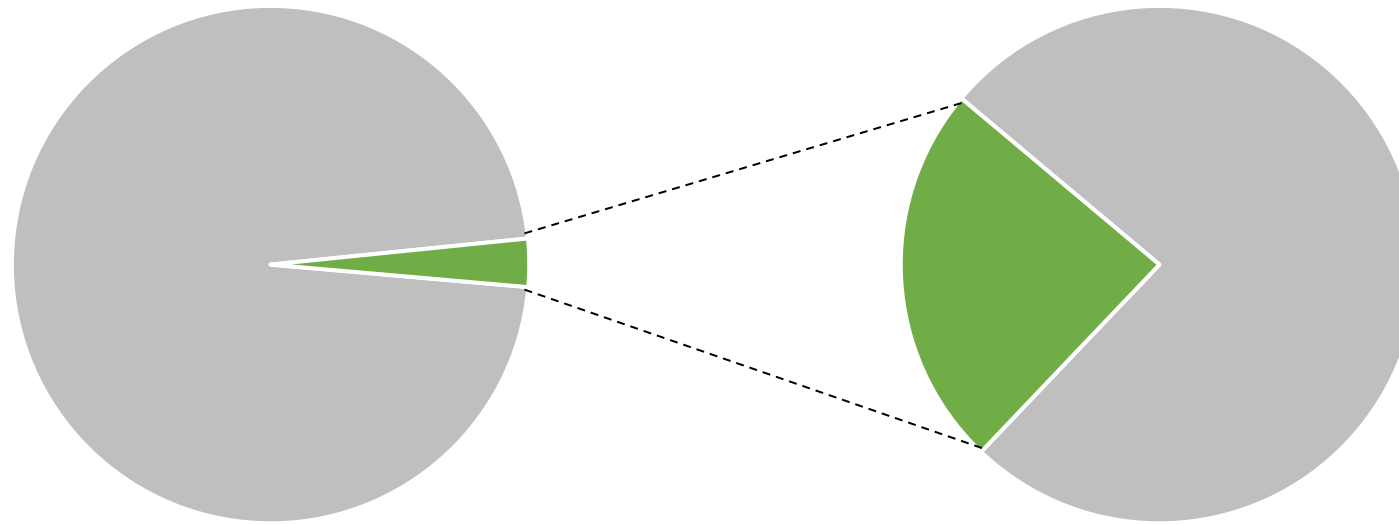
And they are **central to a city's identity, image & brand**

Drive City Economies



On 3% of city land,
they contribute...

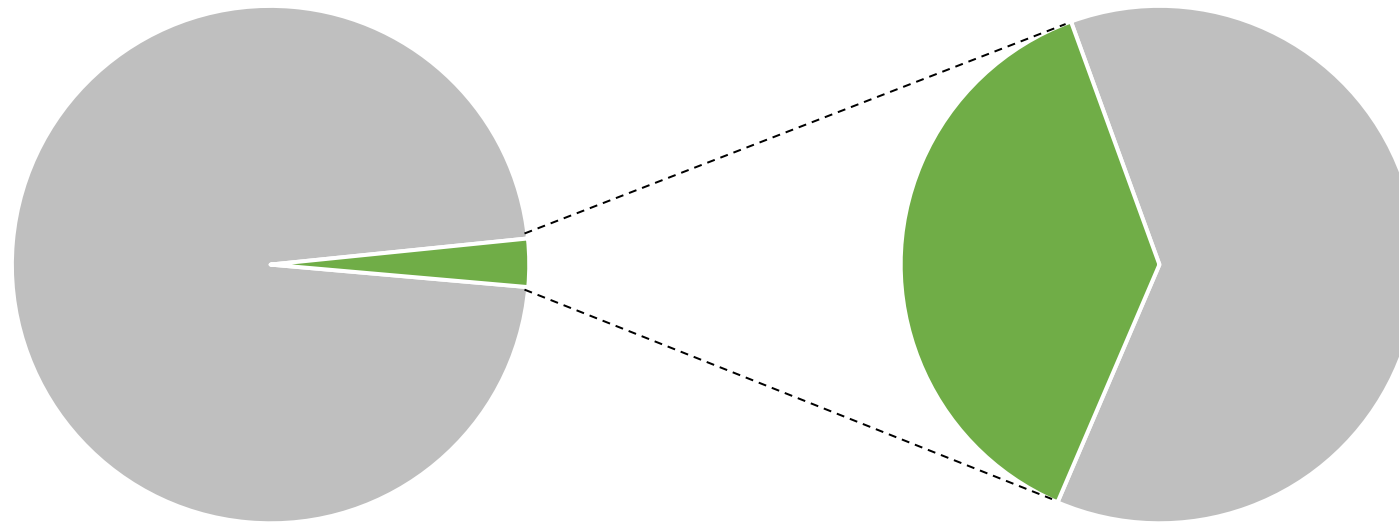
Drive City Economies



On 3% of city land,
they contribute...

24% of total
employment

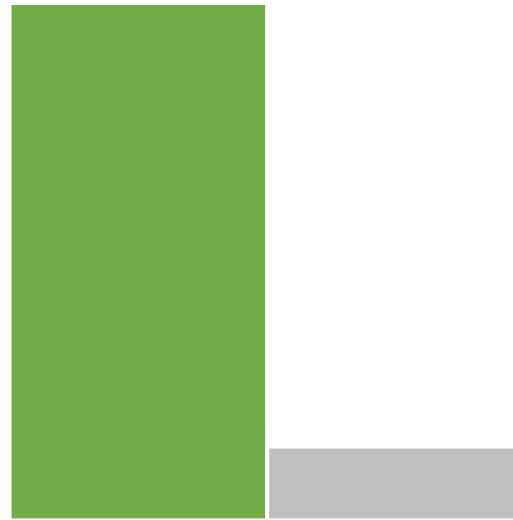
Drive City Economies



On 3% of city land,
they contribute...

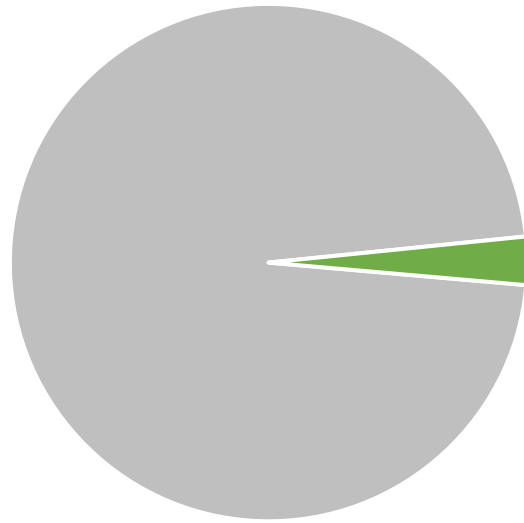
38% of all
office space

Drive City Economies



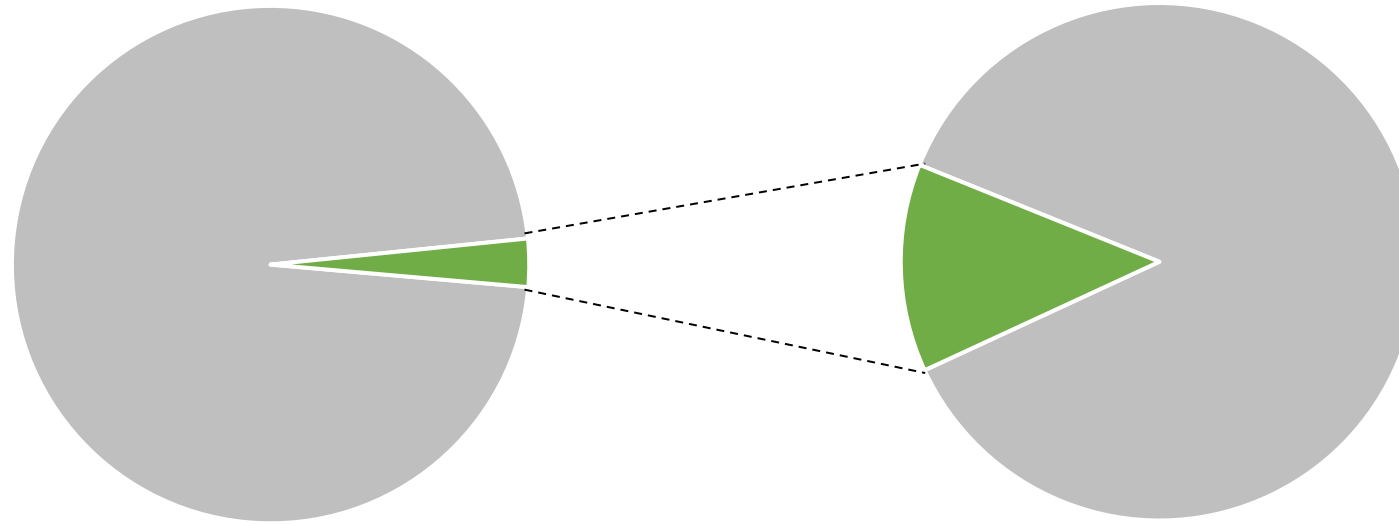
...and they have 7x
the retail sales
(per square mile)

Outsized Contribution to Tax Revenues



On 3% of city land,
they generate...

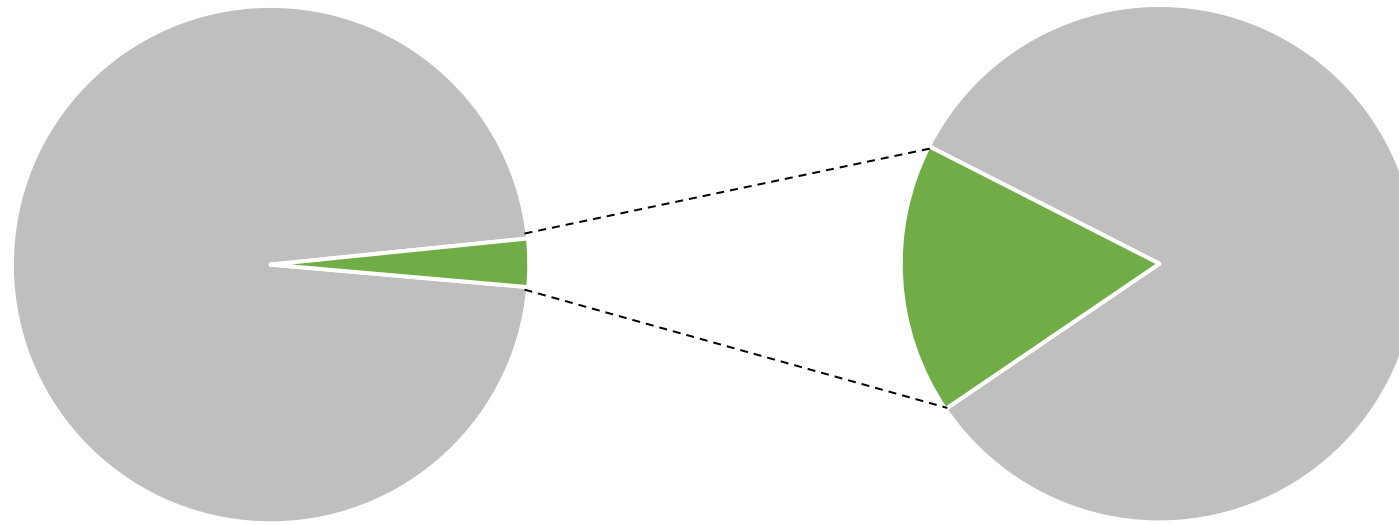
Outsized Contribution to Tax Revenues



On 3% of city land,
they generate...

13% of
sales taxes

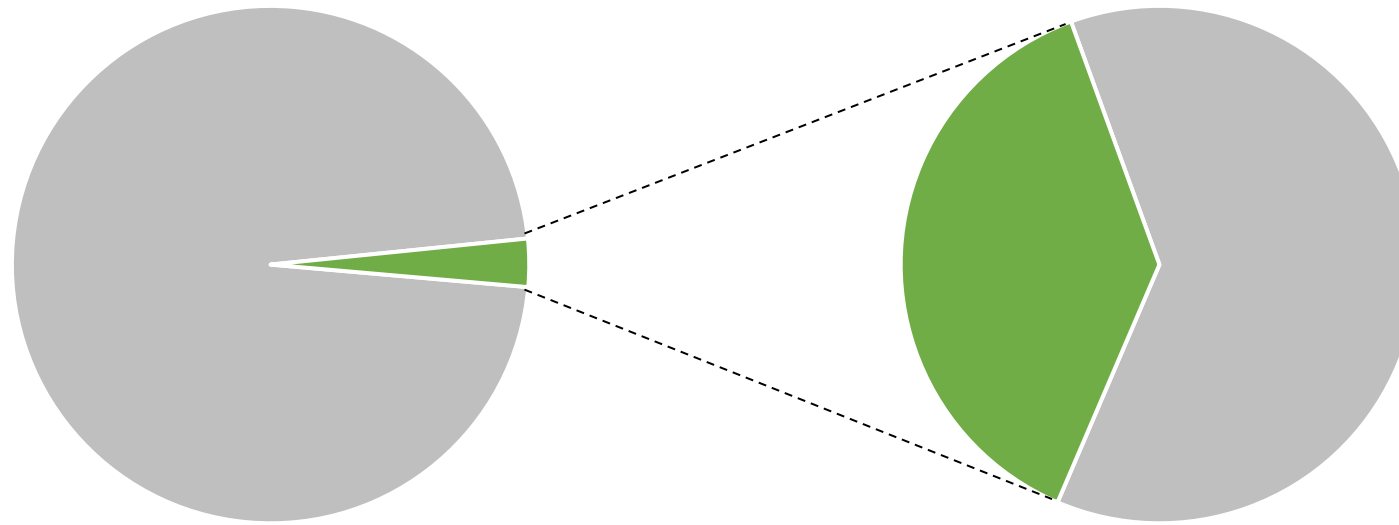
Outsized Contribution to Tax Revenues



On 3% of city land,
they generate...

17% of
property taxes

Outsized Contribution to Tax Revenues



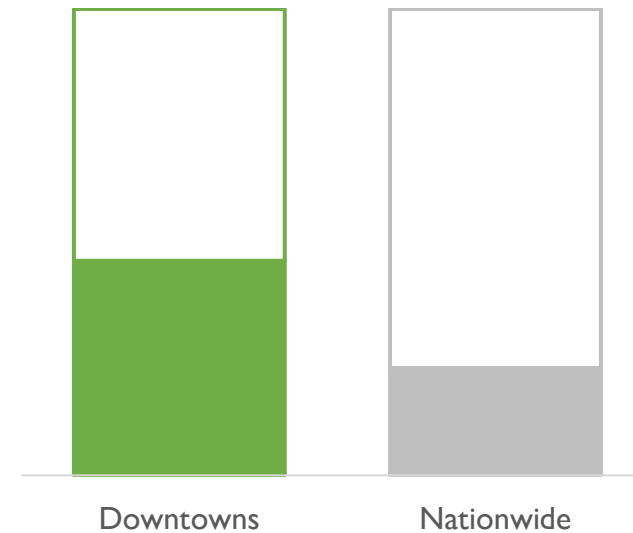
On 3% of city land,
they generate...

and 38% of
hotel taxes

Better Compete for Talent & Resources

Downtowns are younger

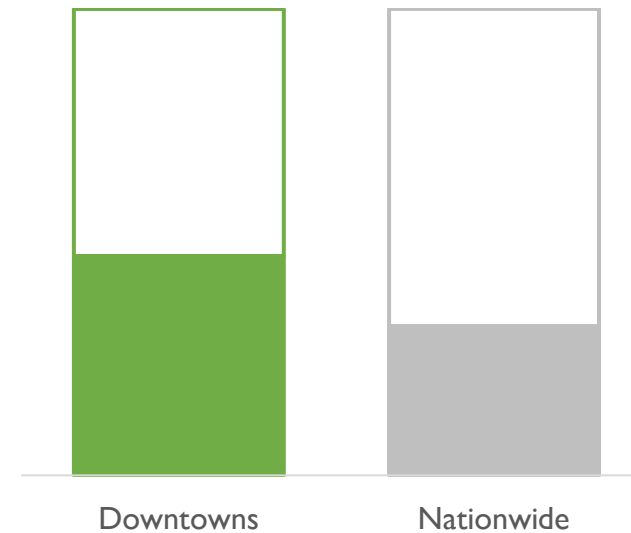
46% of residents are Millennials (age 18-34) versus 23% nationally



Better Compete for Talent & Resources

And better educated

47% of residents have a Bachelor's degree versus 32% nationally



Central to a City's Identity, Image & Brand

When visitors think of Myrtle Beach, they think of the heart of downtown, as families have for generations



Healthy Downtowns & Place Management

Healthy downtowns require a governing entity dedicated to “place management”. These entities (when properly resourced and authorized) are proven to be effective at:

- Cultivating downtowns that generates economic value and tax revenue
- Addressing public safety and other social issues affecting downtown
- Advancing the implementation and execution of plans and projects

Downtown Progress to Date



Myrtle Beach has already taken a number of positive steps towards strengthening Downtown.

This includes efforts by City Council to proactively meet this challenge despite the obstacles of the COVID-19 pandemic.

Adoption of Downtown Master Plan, Implementation Plan & Advanced Master Plan



National & Global Recognition

#9



Advancing CCU Facilities & Theater Downtown



Coastal Carolina University's Downtown Myrtle Beach Campus

Pilot of a Downtown Ambassadors Program





Advancing Financing Mechanisms for Downtown Investment



MUNICAP, INC.
— PUBLIC FINANCE —

Small Business Incubator at Historic Charlie's Place



eMYRge Co-Working Space



Public/Private Collaborations

The most enduring downtown revitalizations occur as collaborations between public and private leadership



THE CHAPIN FOUNDATION



However, significant challenges remain.

Social + Economic Challenges



Nationwide Economic Forecasts

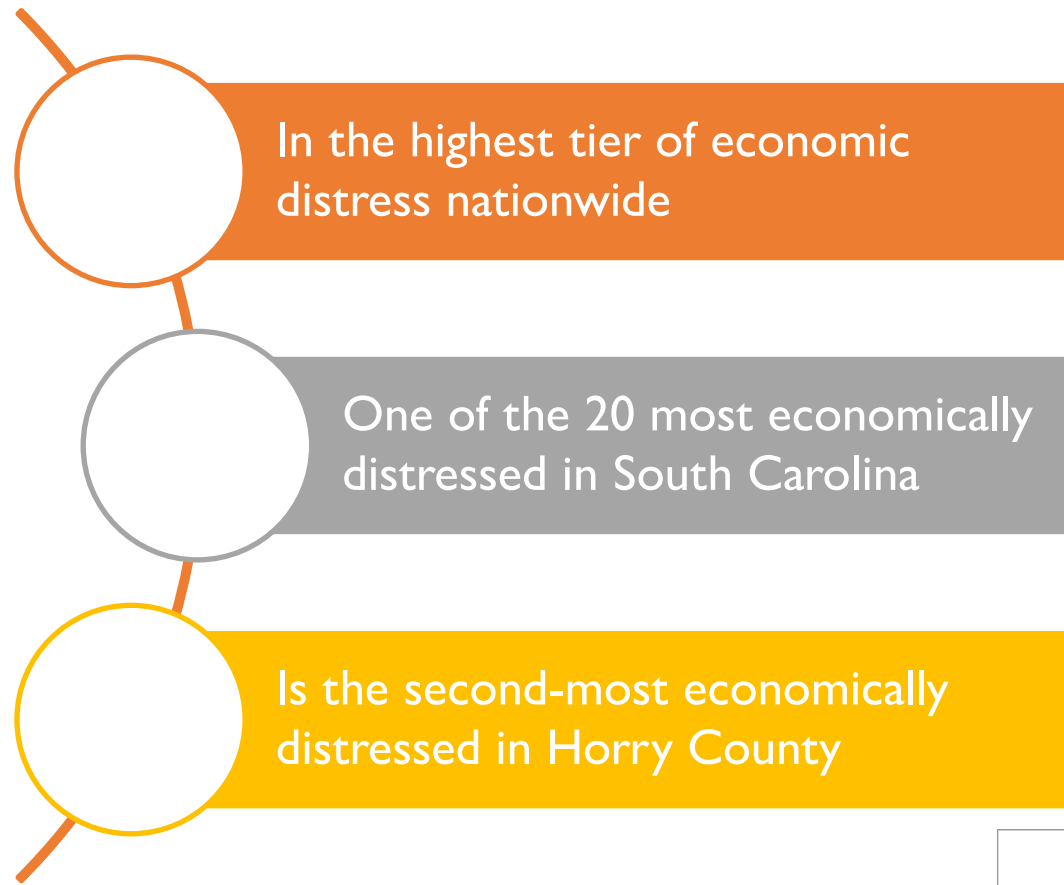
The global economic forecasts are sober, particularly for the small-business-driven tourist economy that is the heart of Myrtle Beach:

- As of July, the Congressional Budget Office projected a **5.8% contraction in U.S. GDP** overall in 2020
- In September, Yelp indicated that roughly **100,000 businesses had permanently closed nationwide** since March and in June, McKinsey estimated that **between 1.4 and 2.1 million U.S. small businesses could ultimately close permanently**, with accommodations and food service among the sectors most impacted
- An October report from Tourism Economics for the U.S. Travel Association found that **23% of leisure & hospitality jobs were still lost as of September**, which represents more than 1/3 of all jobs lost nationwide

Economic Distress Citywide

The Distressed Communities Index (DCI) is a comparative measure of the economic vitality and wellbeing of U.S. communities, developed by the Economic Innovation Group.

According to 2018 DCI, **Myrtle Beach's main zip code (25977) is:**



Citywide Economic Distress: Household

Myrtle Beach (Zip 29577)

Poverty rate of 24%

15% of adults are without a high school diploma

19% of all housing units are vacant

Median income is 77% of the state's overall

Mid-Tier U.S. Zip Codes

Poverty rate of 13%

12% of adults are without a high school diploma

9% of all housing units are vacant

Median income is 94% of the state's overall

Prosperous U.S. Zip Codes

Poverty rate of 6%

5% of adults are without a high school diploma

5% of all housing units are vacant

Median income is 146% of the state's overall

Citywide Economic Distress: Economy

Myrtle Beach (Zip 29577)

31% of adults between ages 25 and 64 are not in work

The total number of jobs has grown 6% over the past five years

The total number of businesses has grown 1% over the past five years

Mid-Tier U.S. Zip Codes

28% of adults between ages 25 and 64 are not in work

The total number of jobs has grown 8% over the past five years

The total number of businesses has grown 4% over the past five years

Prosperous U.S. Zip Codes

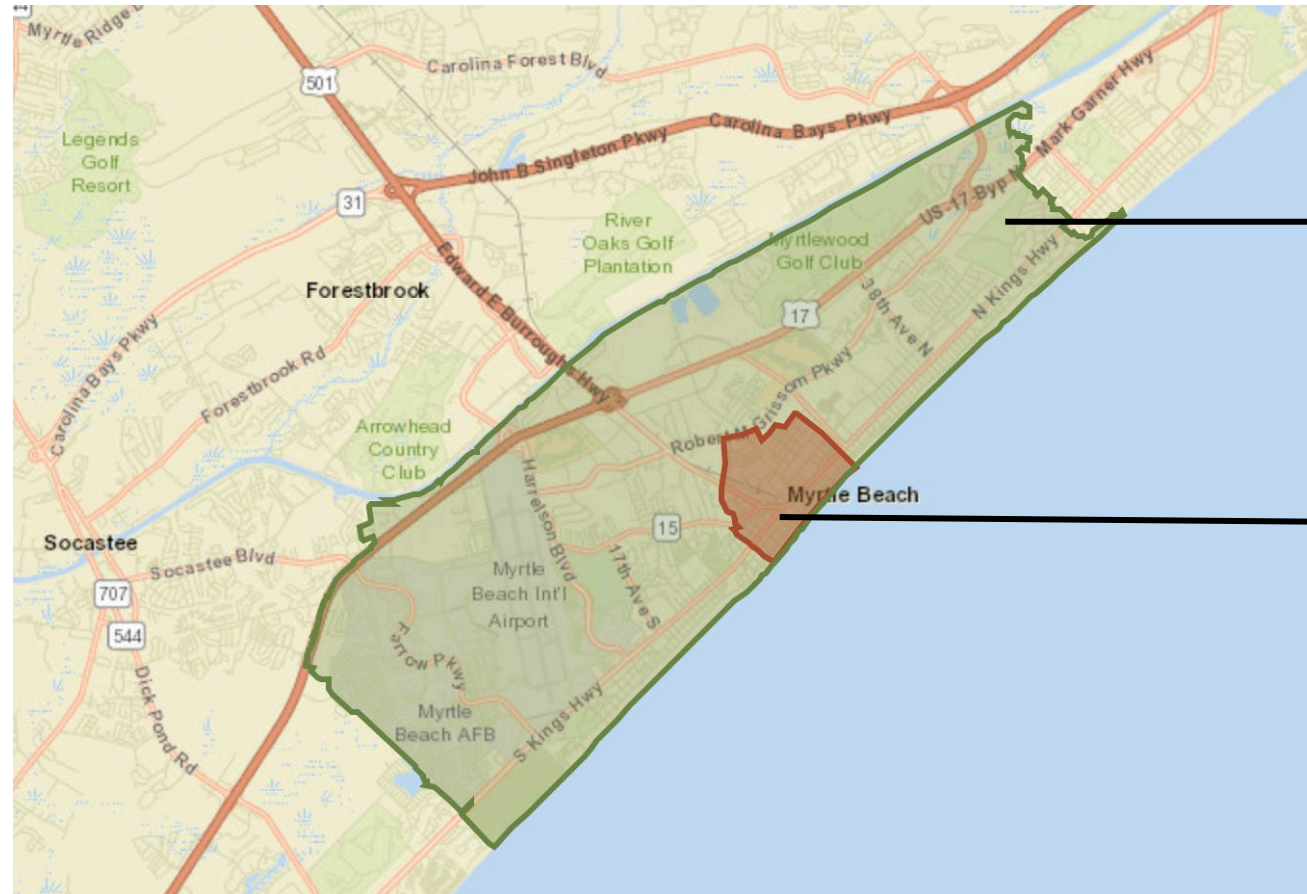
21% of adults between ages 25 and 64 are not in work

The total number of jobs has grown 20% over the past five years

The total number of businesses has grown 11% over the past five years

Downtown Focus Area

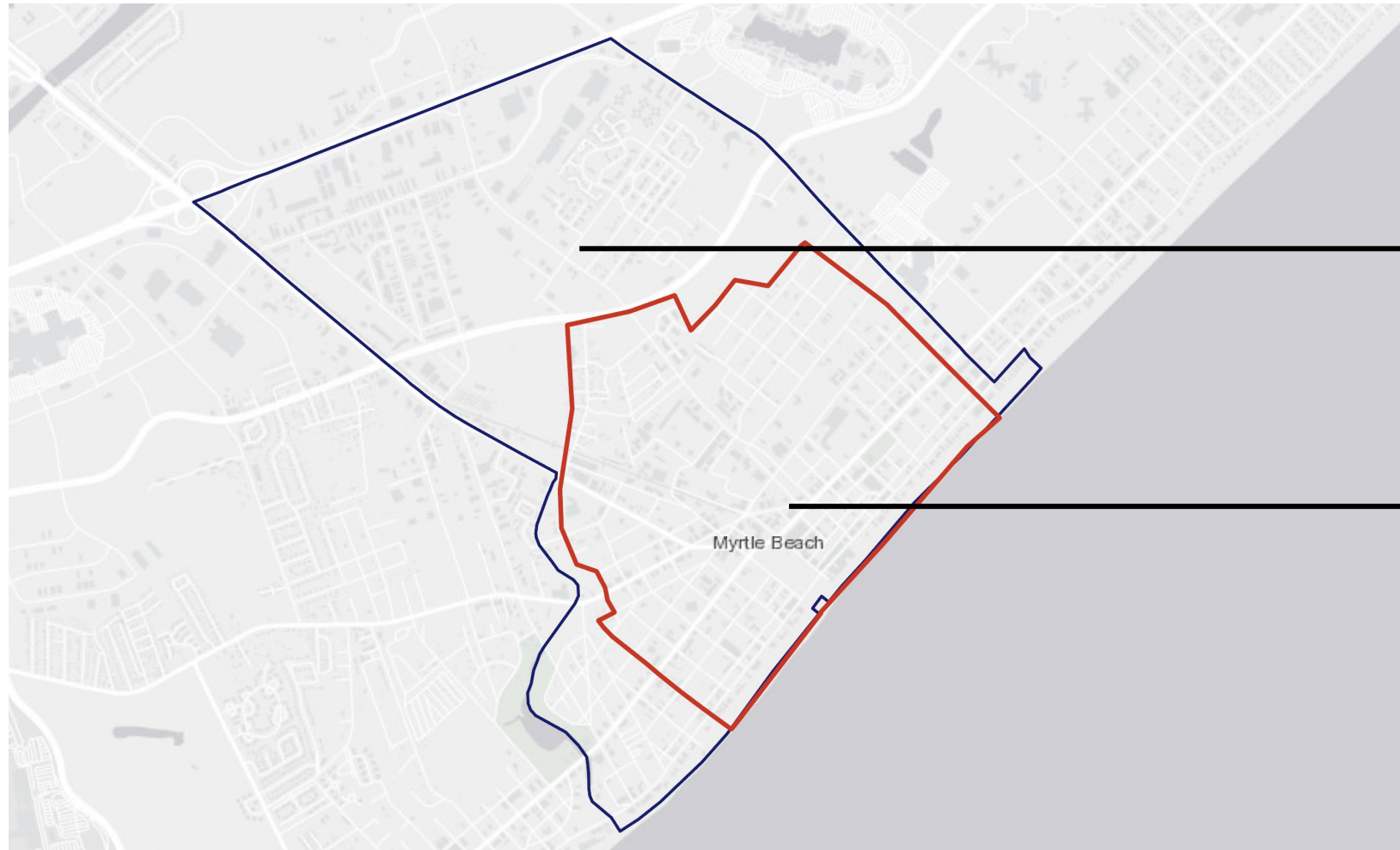
Analysis was conducted for a representative area bounded to the north by **20th Ave. North**, to the south by **3rd Ave. North** and **Canal Street**, and to the west by a combination of **King St.**, **Washington St.**, and **Grissom Pkwy.**



Myrtle Beach
(Zip 29577)

Downtown
Myrtle Beach

Downtown Focus Area



Opportunity
Zones

Downtown
Focus Area

Downtown Myrtle Beach: 5 Key Challenges

1. Lack of economic diversity and office employment
2. Sparse and distressed residential population
3. Not meeting safety and pedestrian-friendly thresholds
4. Dearth of “social infrastructure” (arts, culture, parks, cafes, services)
5. Lacks resourced and effective place management

Challenge #1: Lack of Economic Diversity

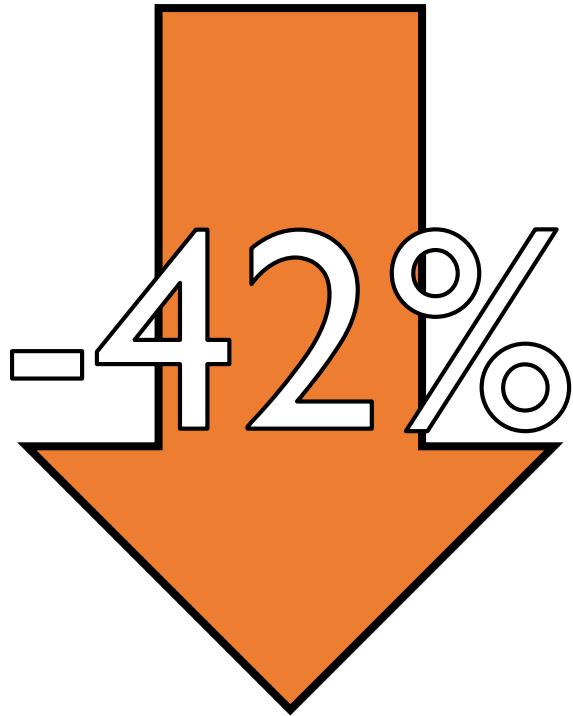
45%

of Downtown jobs in hospitality
(and 42% of jobs metro-wide)

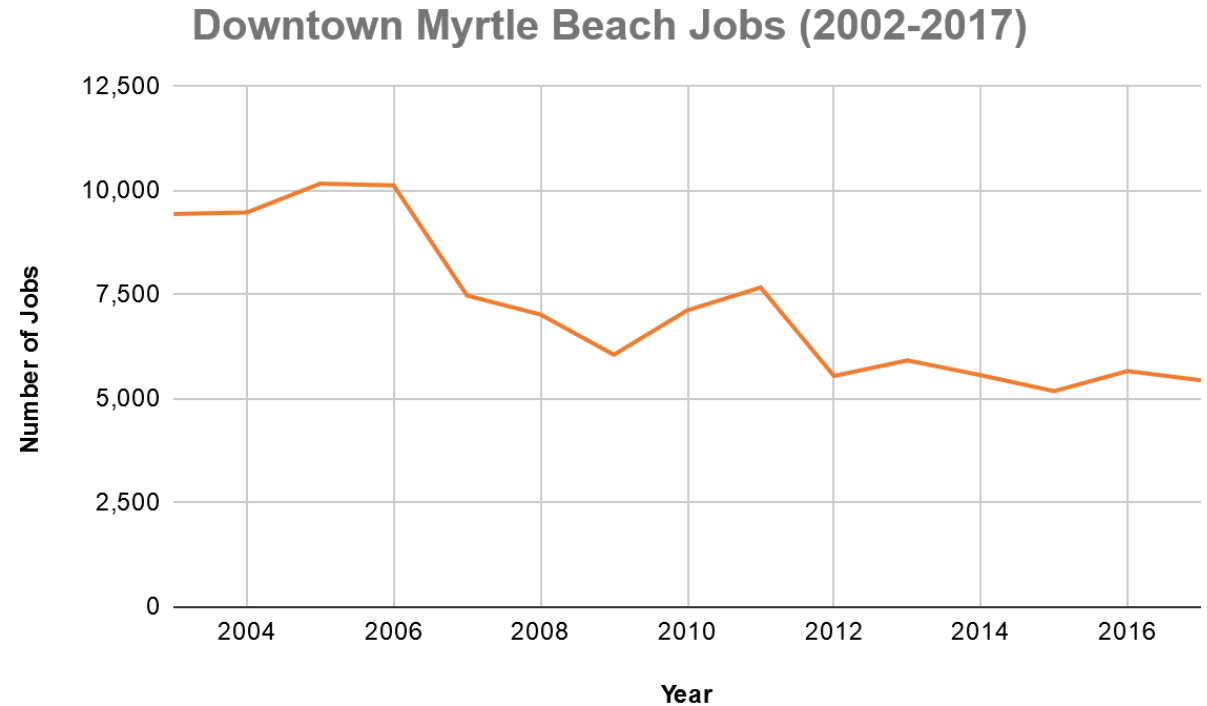
Amidst the COVID-19 crisis,
between **March 21– April 11** alone,
the **Myrtle Beach metro area lost 17%** of
its total jobs (32,958 jobs)

**This is the second highest share of
any metro area in the country**

Challenge #1: Lack of Economic Diversity



-42%



Downtown Myrtle Beach lost roughly 42% of its employment between 2002 and 2017

Challenge #1: Lack of Economic Diversity

A more resilient economy is now imperative for Myrtle Beach because:

1. A seasonal tourist economy is an underperforming economy
2. Tourism sector is vulnerable to increasing severe weather events
3. Pandemic has highlighted the vulnerability of a tourism-reliant economy
4. Hospitality industry disruptions disproportionately impact people of color

Challenge #1: Lack of Economic Diversity

Nationwide, 29% of jobs are in knowledge sectors

Only 18% of Myrtle Beach's jobs citywide
are in knowledge sectors (7,929 jobs)

Challenge #1: Lack of Economic Diversity

15%

of Myrtle Beach's 7,929
knowledge sector jobs located
Downtown

26%

of an average city's knowledge
sector jobs located in their
downtowns

Challenge #2: Population & Distress

Downtown Myrtle Beach
has 3,306 residents in
1,438 households

4.5

residents per acre

The average downtown has **13** residents per acre

Challenge #2: Population & Distress

<\$27K

Median Household Income

Downtown Myrtle Beach's population has alarmingly high levels of economic distress.

In 2020:

Median household income =
\$26,737

(Federal poverty line for a household of four is currently \$26,200)

Poverty rate = 34%

(South Carolina poverty rate was 15.3% in 2018)

Challenge #3: Public and Pedestrian Safety

Downtown Myrtle Beach crime is

6x

higher than the
South Carolina average

More broadly, the overall rate for seven major types of crime in Myrtle Beach as a whole is **five times higher than the state average** – in part influenced by the influx of some 20 million regional tourists per year

Data shows a persistent high level of crime

Challenge #3: Public and Pedestrian Safety

Myrtle Beach can't police its way out of the current situation.

Challenge #3: Public and Pedestrian Safety

Downtown Myrtle Beach is less dense, less walkable, and less bikeable than its competitors

It is rated as “somewhat walkable” and “bikeable”, compared to the average downtown, which is “very walkable” and “very bikeable”

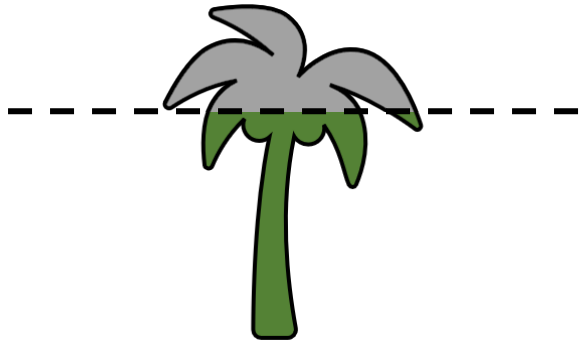
	Downtown Myrtle Beach	“Emerging” Downtowns	Average Downtown
Walk Score	69	81	86
Bike Score	68	74	77

Challenge #4: Attractiveness + Vibrancy

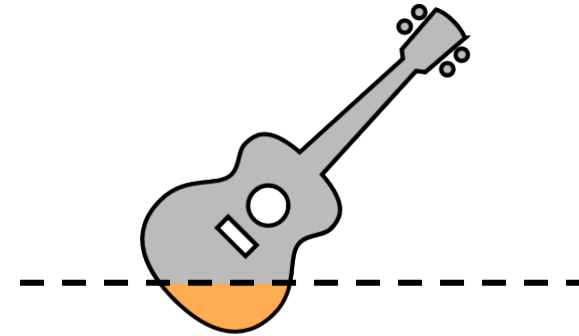


Nearly 25% of property in Downtown Myrtle Beach is vacant or underutilized, an inordinate amount for a healthy downtown

Challenge #4: Attractiveness + Vibrancy



Downtown Myrtle Beach has
fewer parks
than an average downtown



Downtown Myrtle Beach has just
4 performing arts/events venues,
while an average downtown has 23

Challenge #4: Attractiveness + Vibrancy



5-6K

people per grocery store

(According to the USDA)

Challenge #5: Lack of Effective Place Management

The absence of an effective place management entity severely limits the ability to address the other challenges identified above

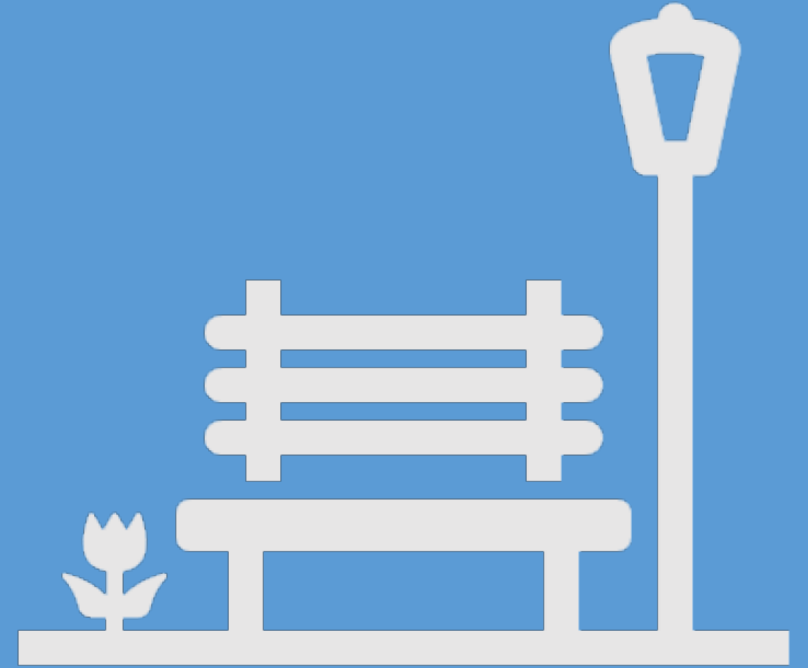
A well-resourced place management entity can result in:

- **A first-rate, memorable downtown experience**
- **Opportunity Zone development deal flow**
- **Swifter implementation of downtown redevelopment**

Myrtle Beach is at a tipping point
– we can't stay where we are.

The time to act is now.

Priority Actions for Downtown Myrtle Beach



Capital follows talent.

Talent follows place.

Place needs investment.

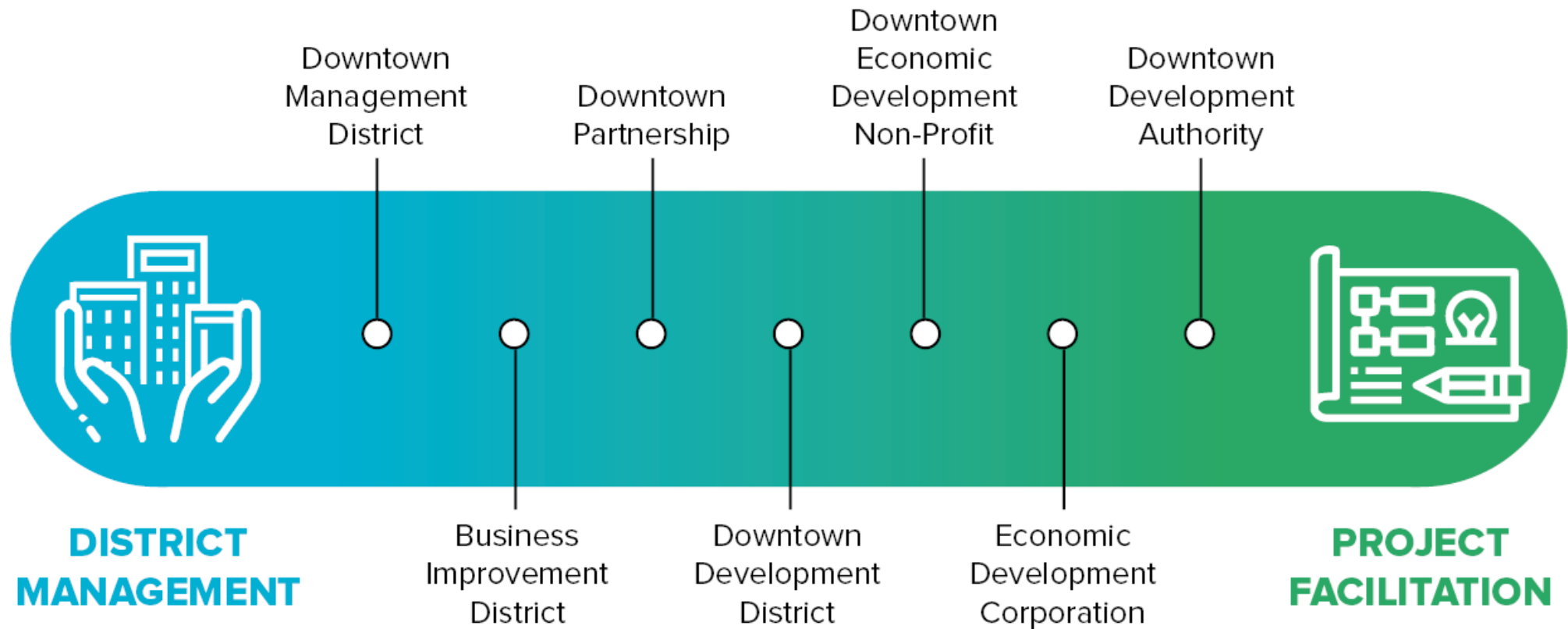
Value of Networked Governance

The revitalization of downtowns and neighborhood districts requires special attention beyond what local governments alone can provide

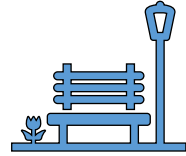
“Networked” governance models empower the private sector to lead efforts to enhance the value-generating capacity of a given place

As of 2019, more than 2,500 cities across North America have utilized networked governance models to great effect

Models for Networked Governance



Governance Focus Areas for Myrtle Beach



Downtown District Management

- Create a clean, safe and welcoming downtown environment
- Improve and activate the public realm
- Translate the momentum from these efforts into a compelling narrative



Advancing Development & Revitalization

- Address private sector feedback
- Craft stakeholder recruitment materials
- Structure project-specific partnerships and build a base of support

Place Management Organization Structure

Board

18 members total

Eleven downtown property or business owners

Four government appointees

- 3 City of Myrtle Beach
- 1 Horry County

Three NGO representatives

(including one or more from One Grand Strand)

Staff

Four full-time staff

- President/CEO
- Marketing & Comms Director
- Events & Operations Manager
- Administrative Assistant

Ambassador team

(incorporating the Gold Caps pilot into Place Management Organization operations)

Funding

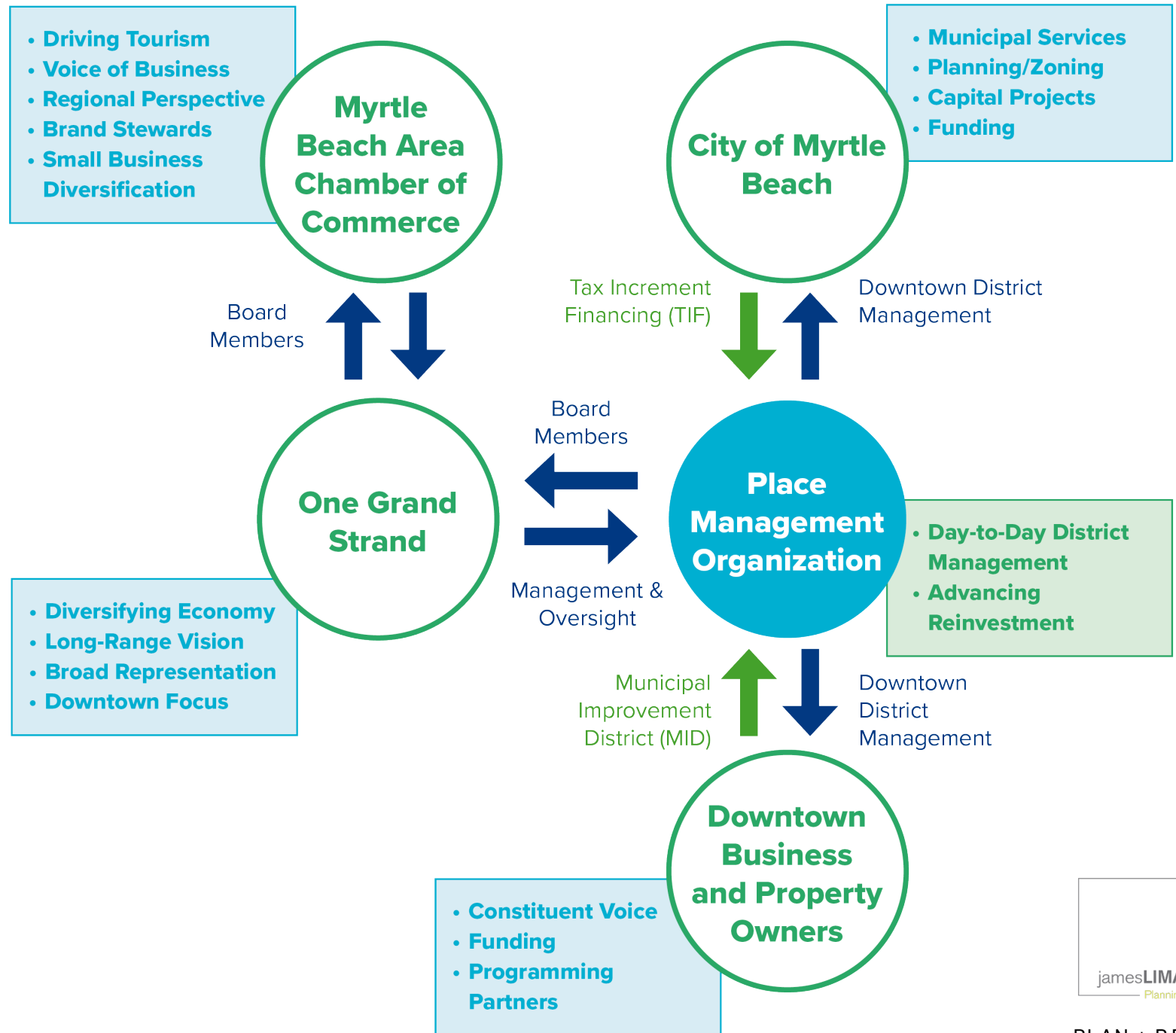
Municipal Improvement District (MID) to fund management and activities

Tax Increment Financing (TIF) for capital improvements

Supplemental funds

- Public or philanthropic contributions
- Corporate sponsorships
- Earned income through program services

Proposed Stakeholder Relationships



Exploring a possible vision for the future of Downtown Myrtle Beach.





Withers Swash Greenway

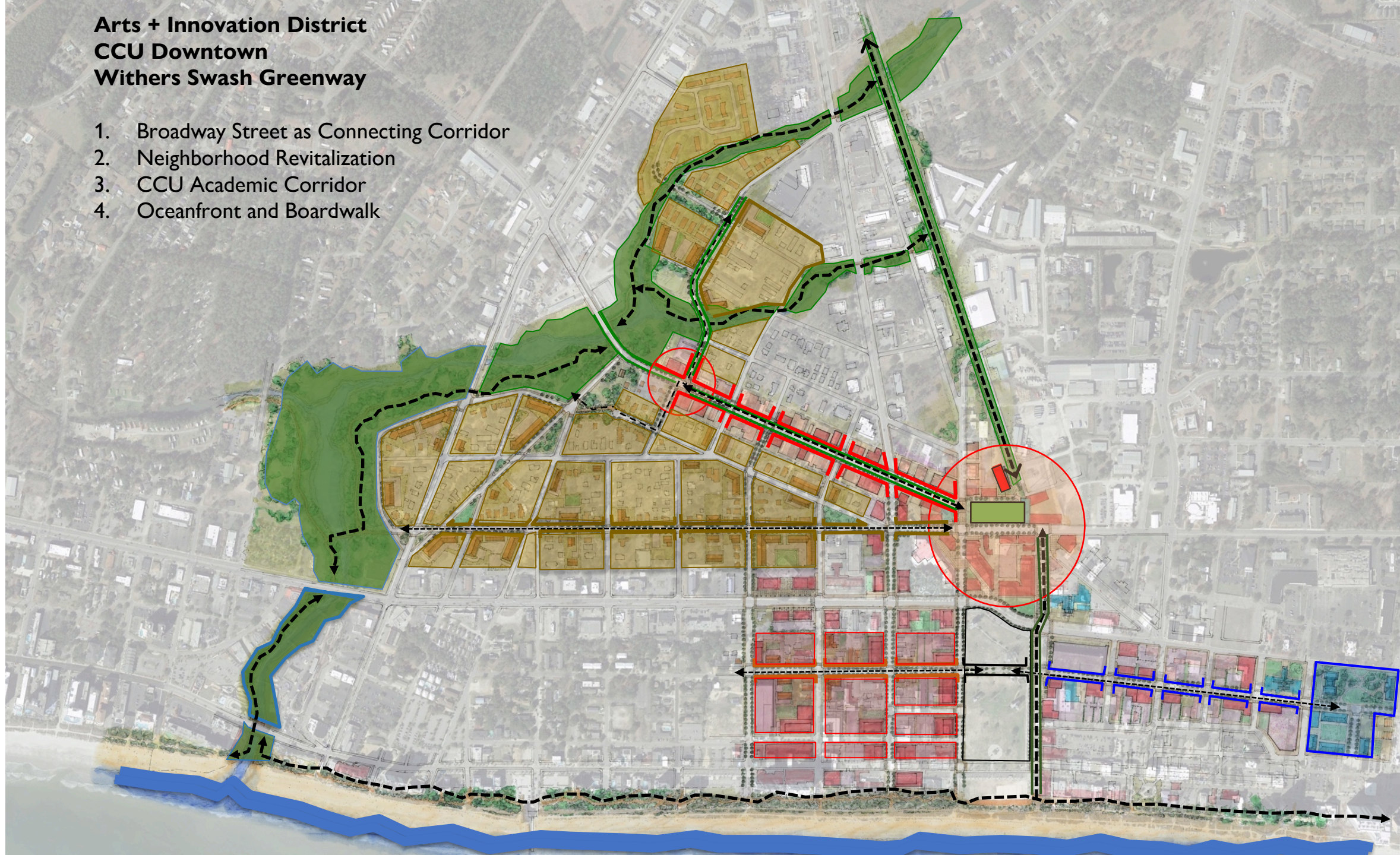
Arts + Innovation
District

CCU Downtown



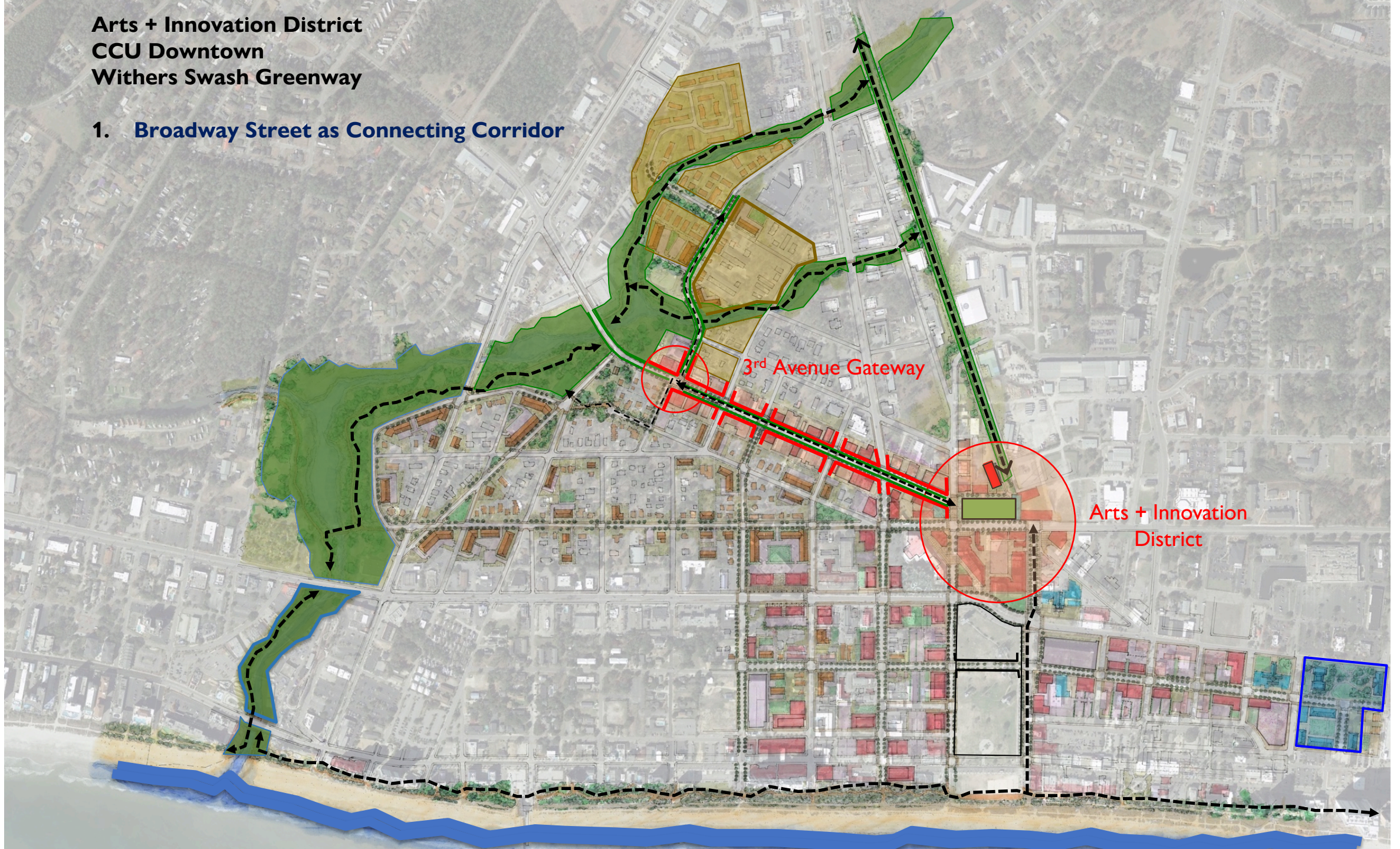
**Arts + Innovation District
CCU Downtown
Withers Swash Greenway**

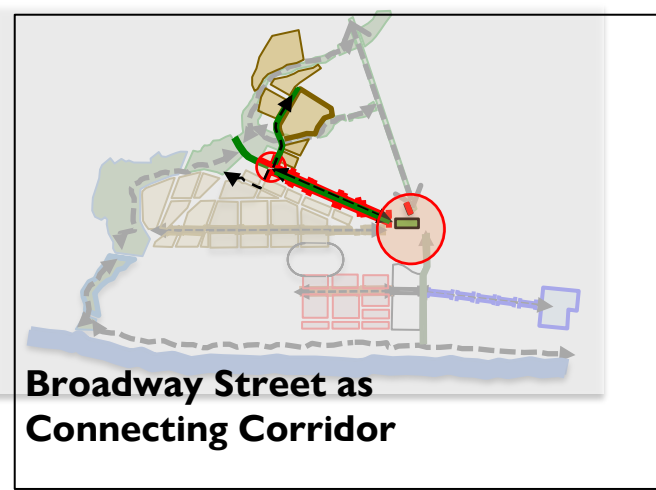
- 1. Broadway Street as Connecting Corridor
- 2. Neighborhood Revitalization
- 3. CCU Academic Corridor
- 4. Oceanfront and Boardwalk



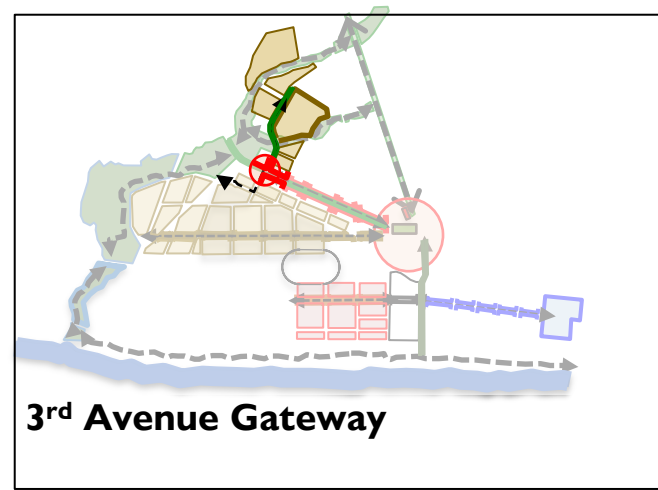
**Arts + Innovation District
CCU Downtown
Withers Swash Greenway**

1. Broadway Street as Connecting Corridor





3rd Avenue Gateway





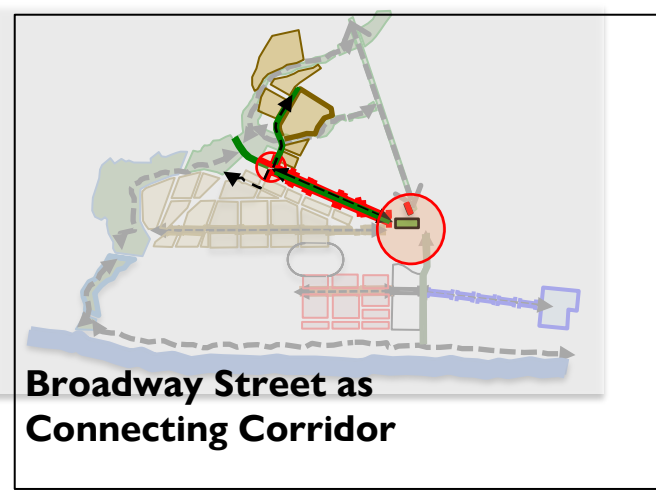
Broadway Street - Before



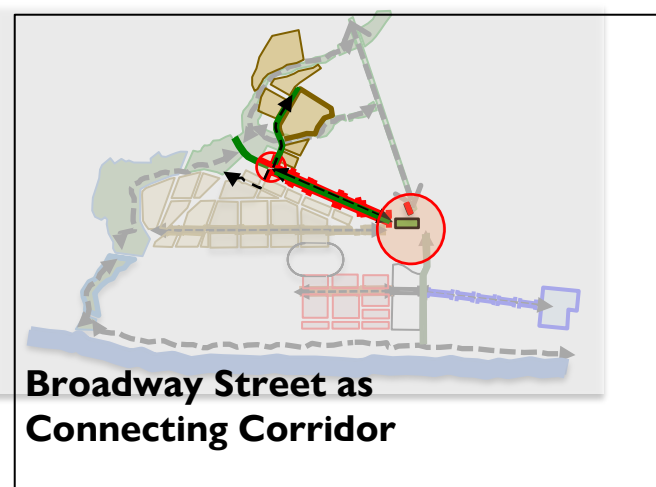


Broadway Street - After





Broadway Street: Existing



**Development
totals**

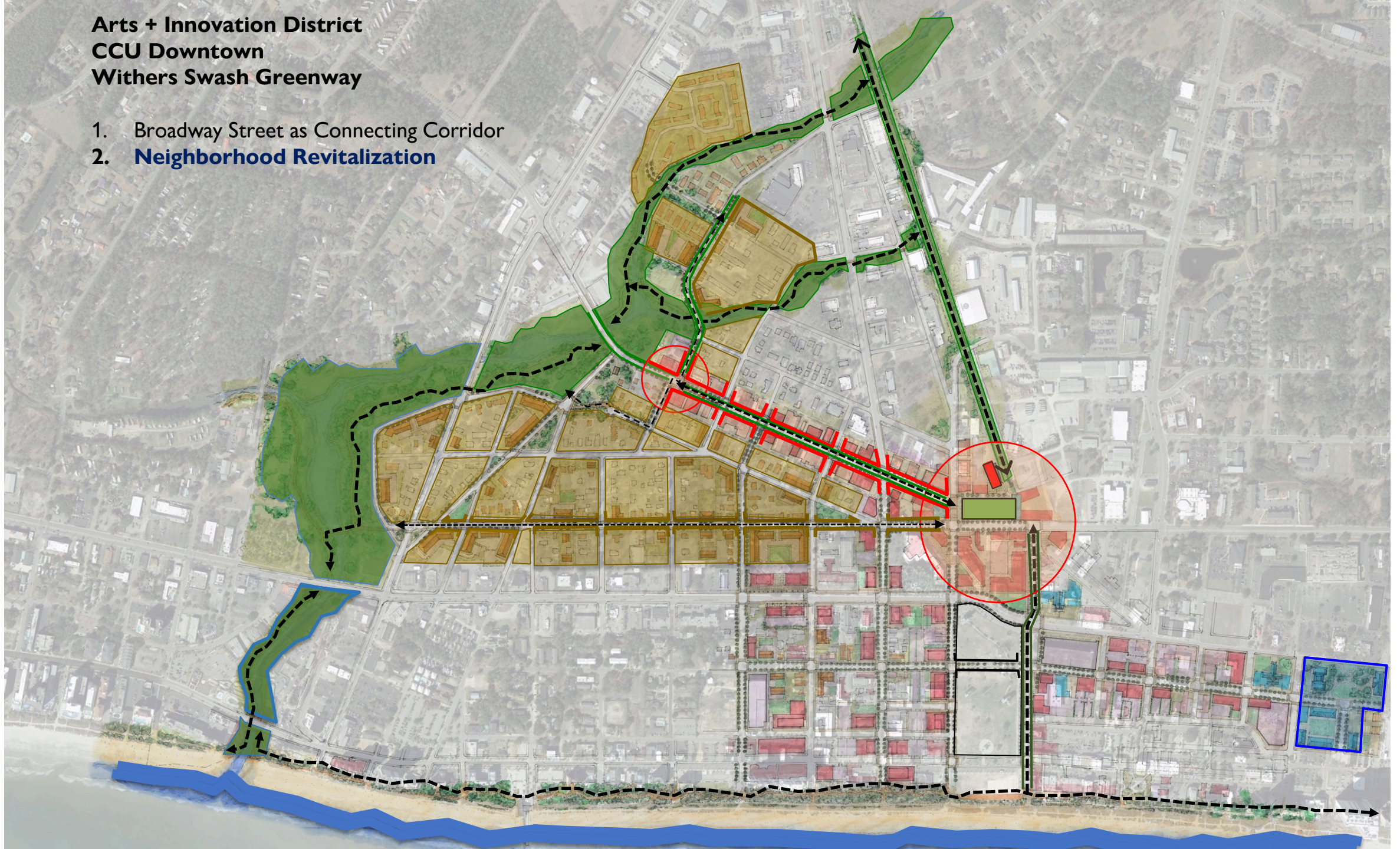
- 57,000 sf retail
- 37,000 sf office
- 95,000 sf residential

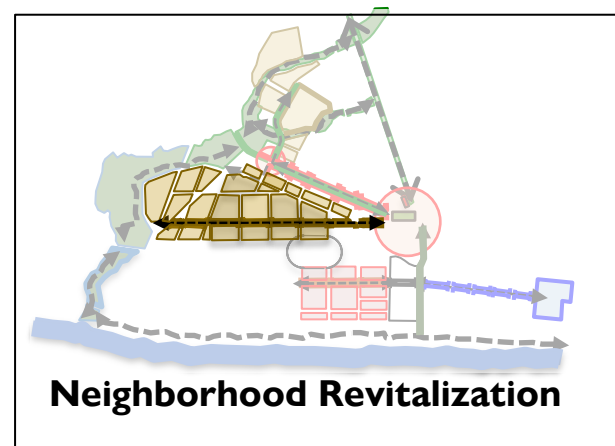


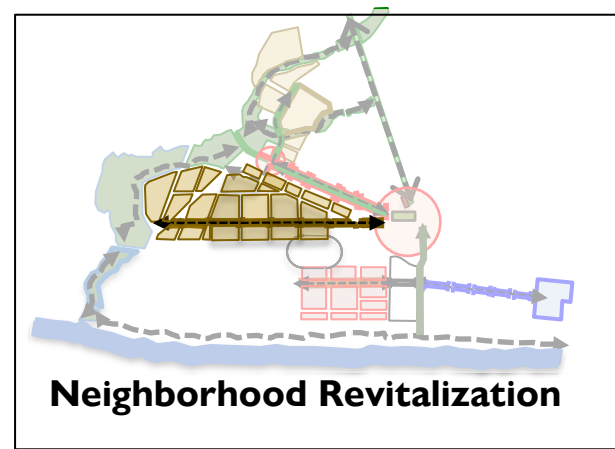
Broadway Street: Vision

**Arts + Innovation District
CCU Downtown
Withers Swash Greenway**

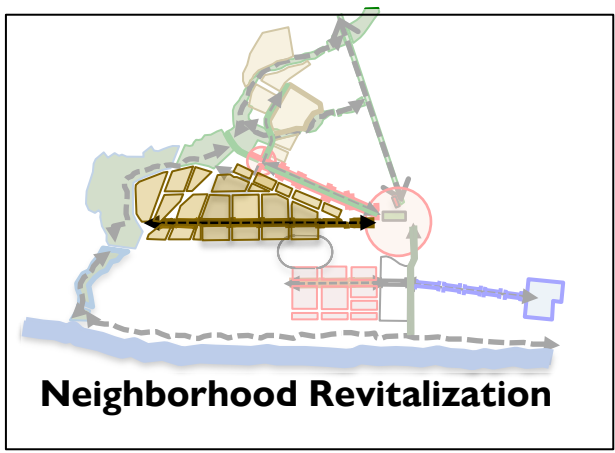
1. Broadway Street as Connecting Corridor
2. **Neighborhood Revitalization**

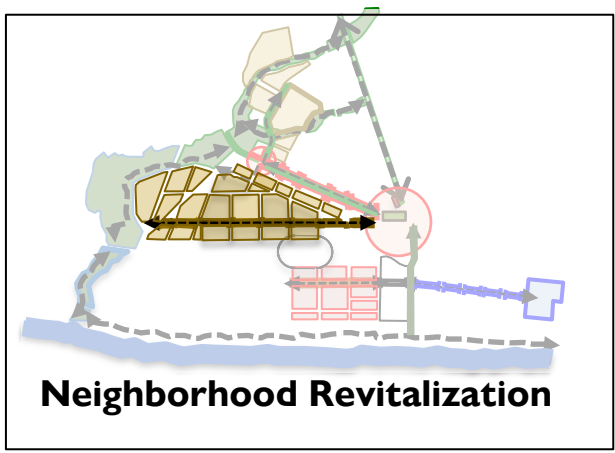


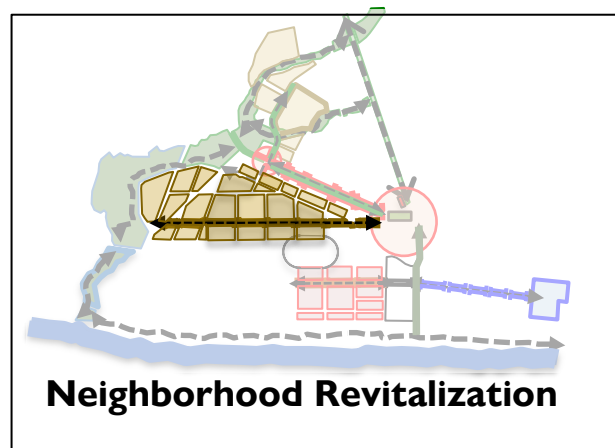


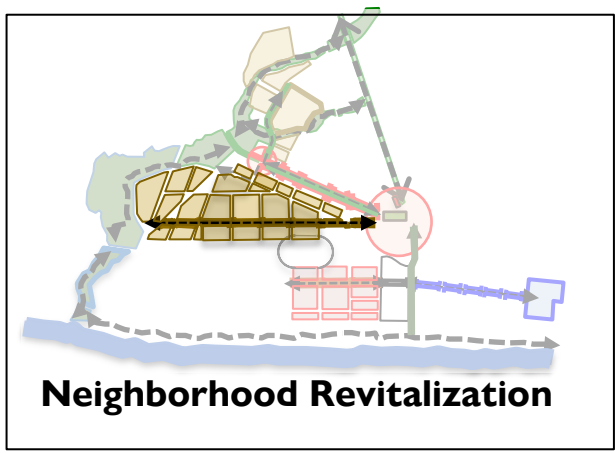


Neighborhood Revitalization



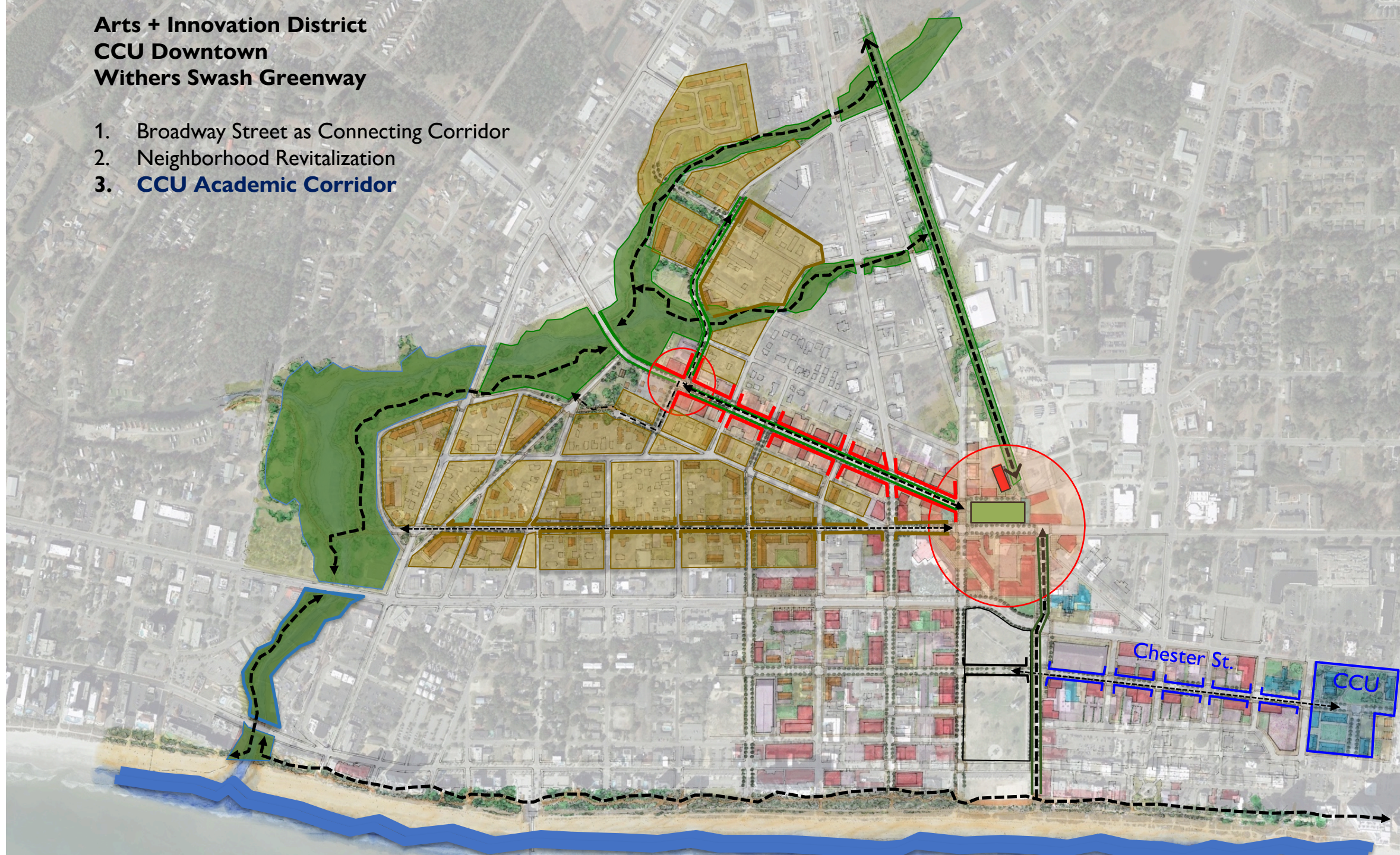


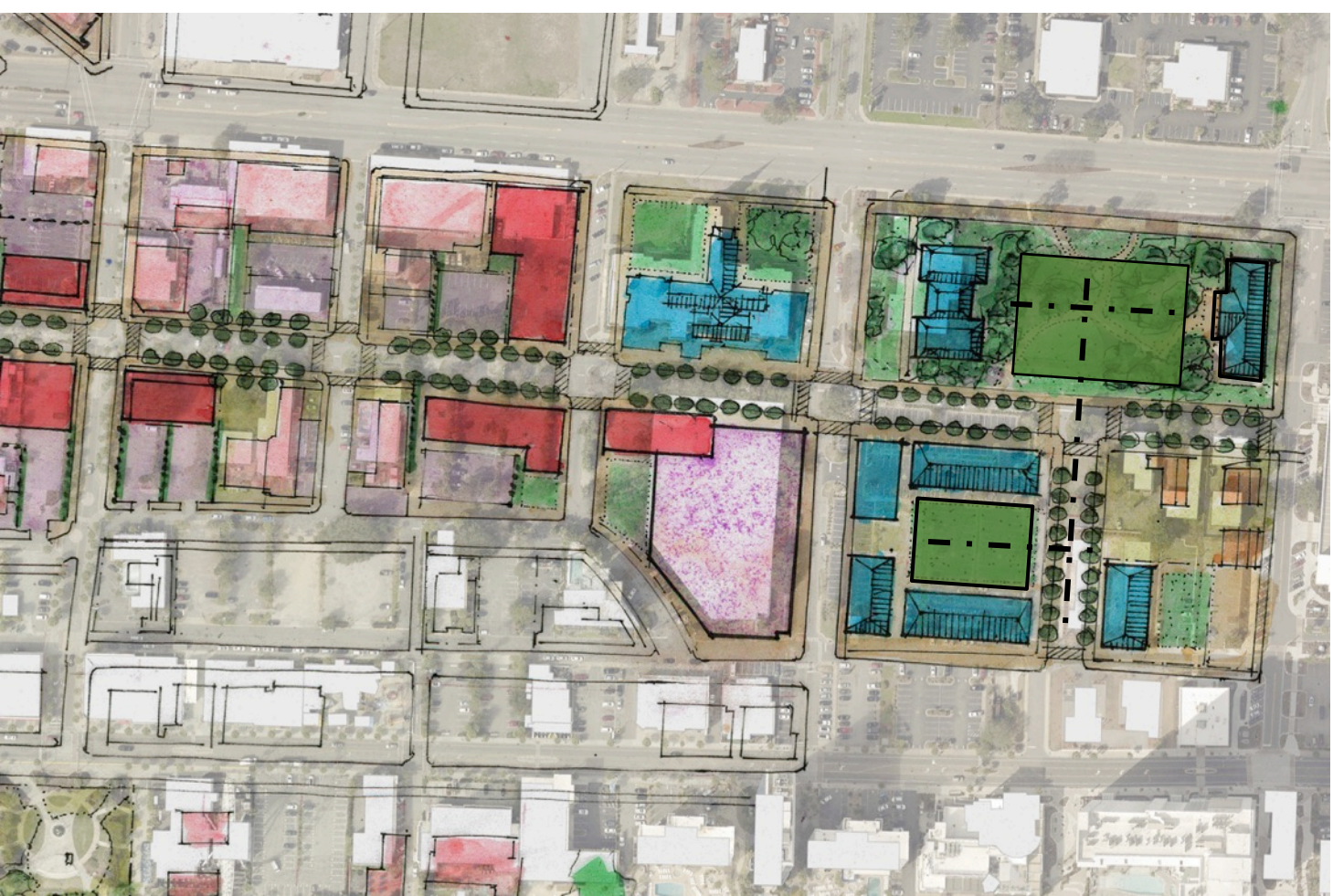
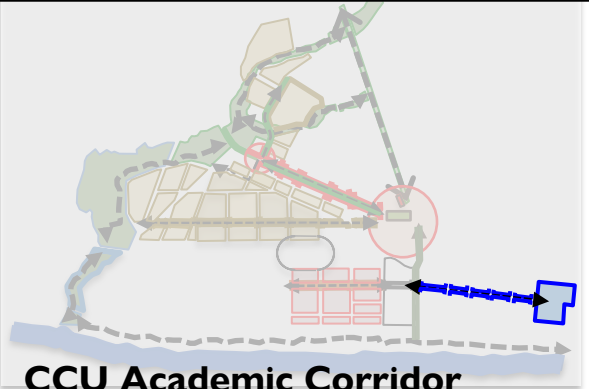




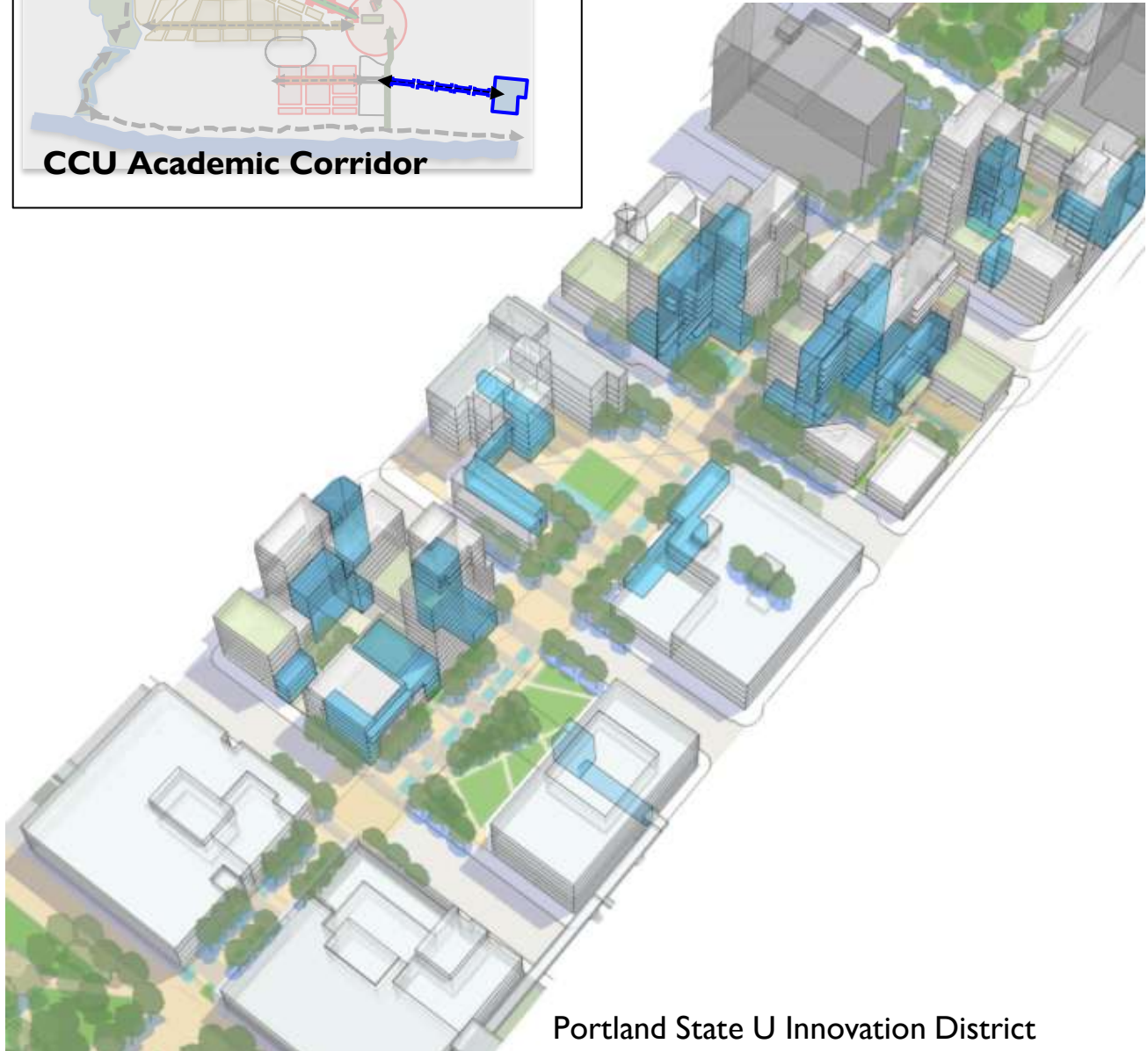
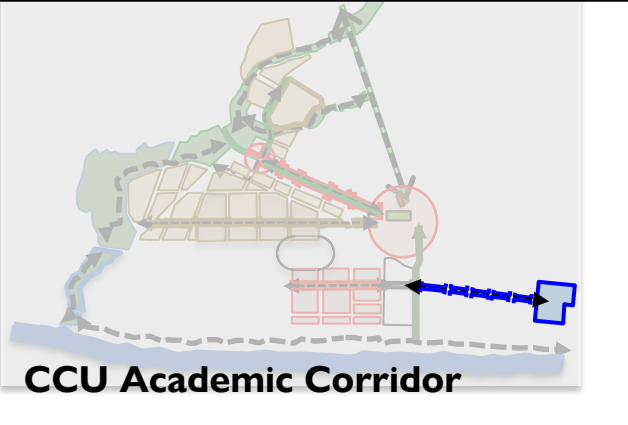
**Arts + Innovation District
CCU Downtown
Withers Swash Greenway**

- 1. Broadway Street as Connecting Corridor
- 2. Neighborhood Revitalization
- 3. **CCU Academic Corridor**





CCU Academic Corridor





Chester Street - Before



Chester Street - After

**Arts + Innovation District
CCU Downtown
Withers Swash Greenway**

1. Broadway Street as Connecting Corridor
2. Neighborhood Revitalization
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4. **Oceanfront and Boardwalk**



Visualizing the Changes

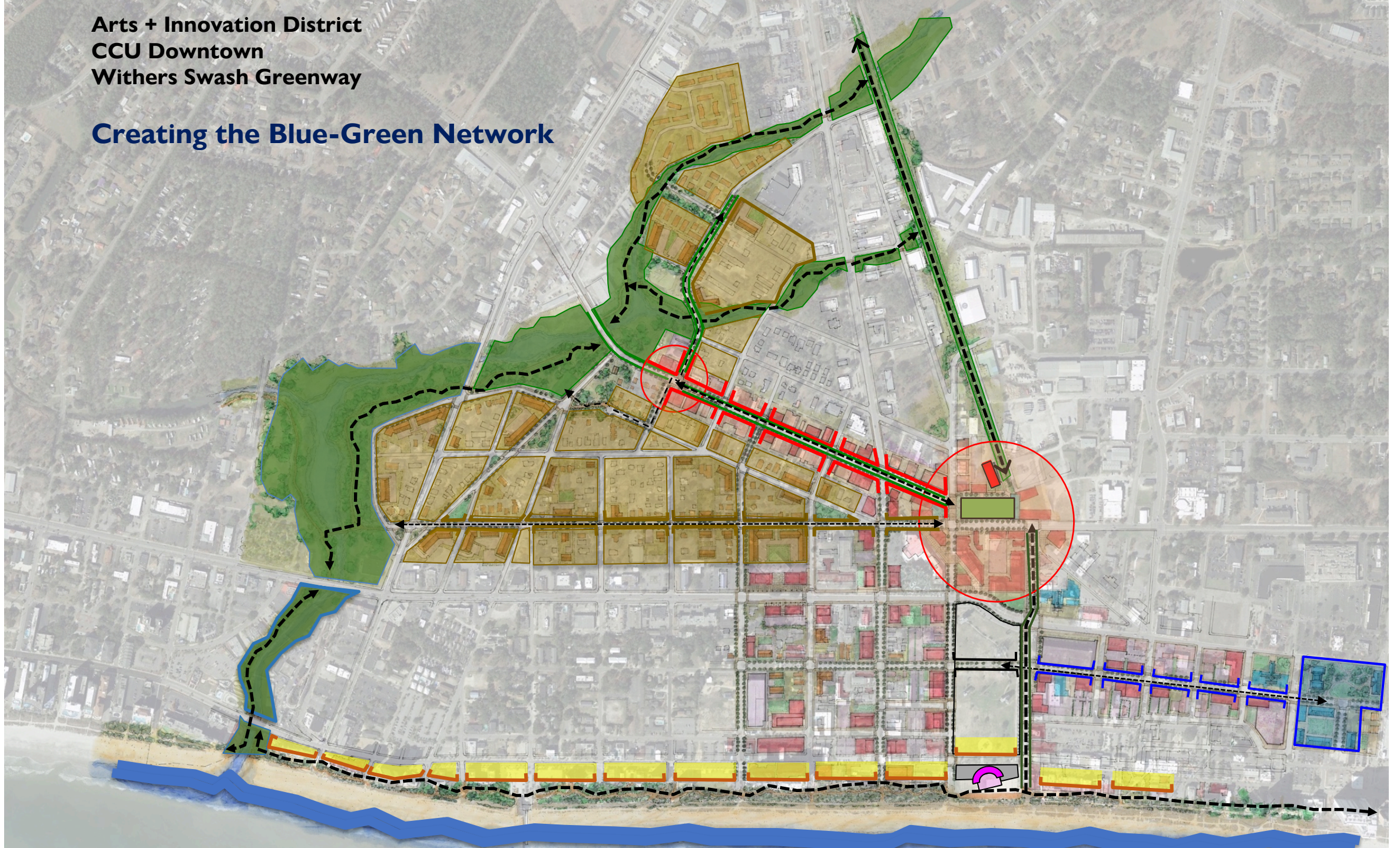


Visualizing the Changes

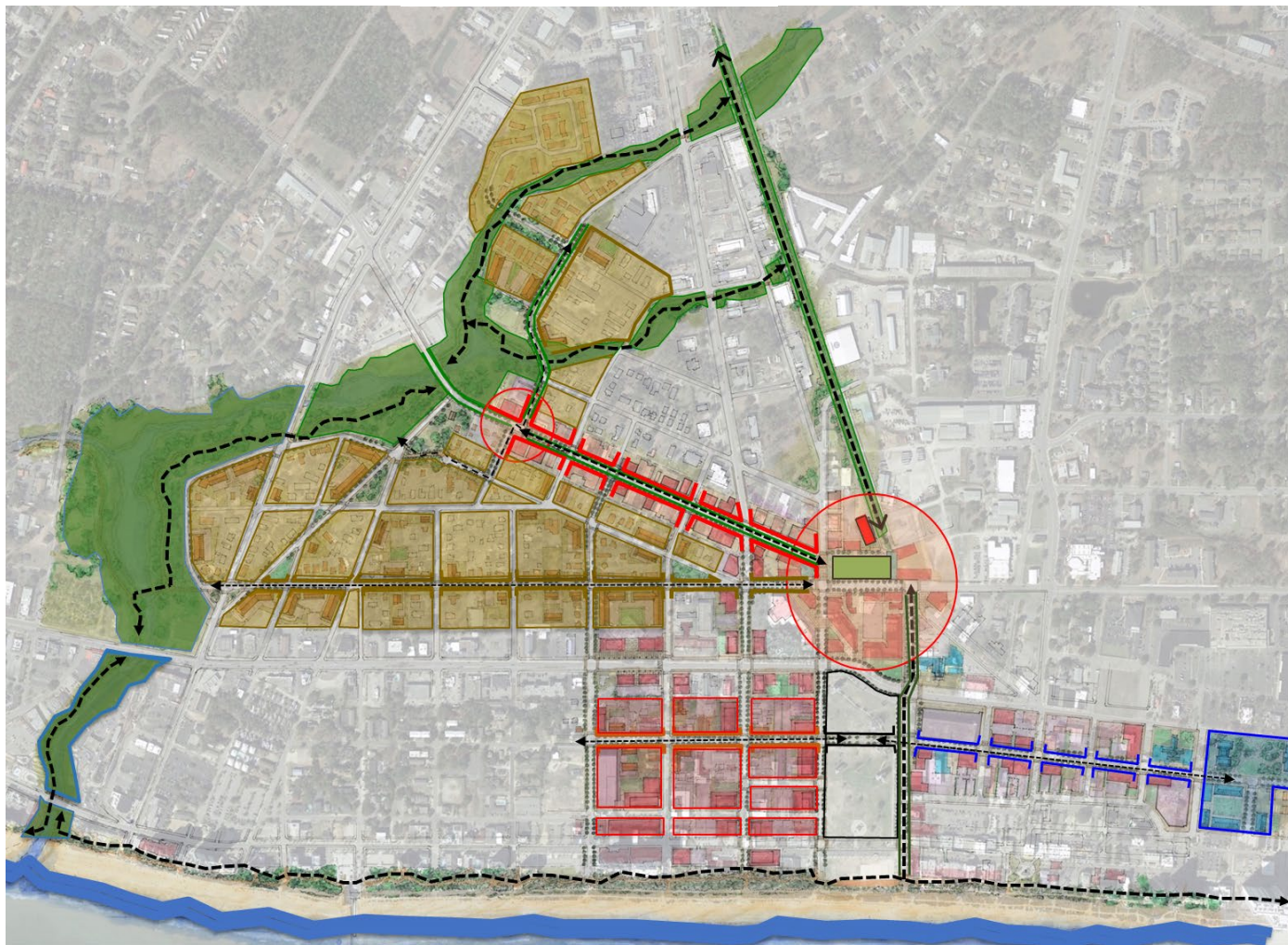


Arts + Innovation District
CCU Downtown
Withers Swash Greenway

Creating the Blue-Green Network



Rebuilding the Center City



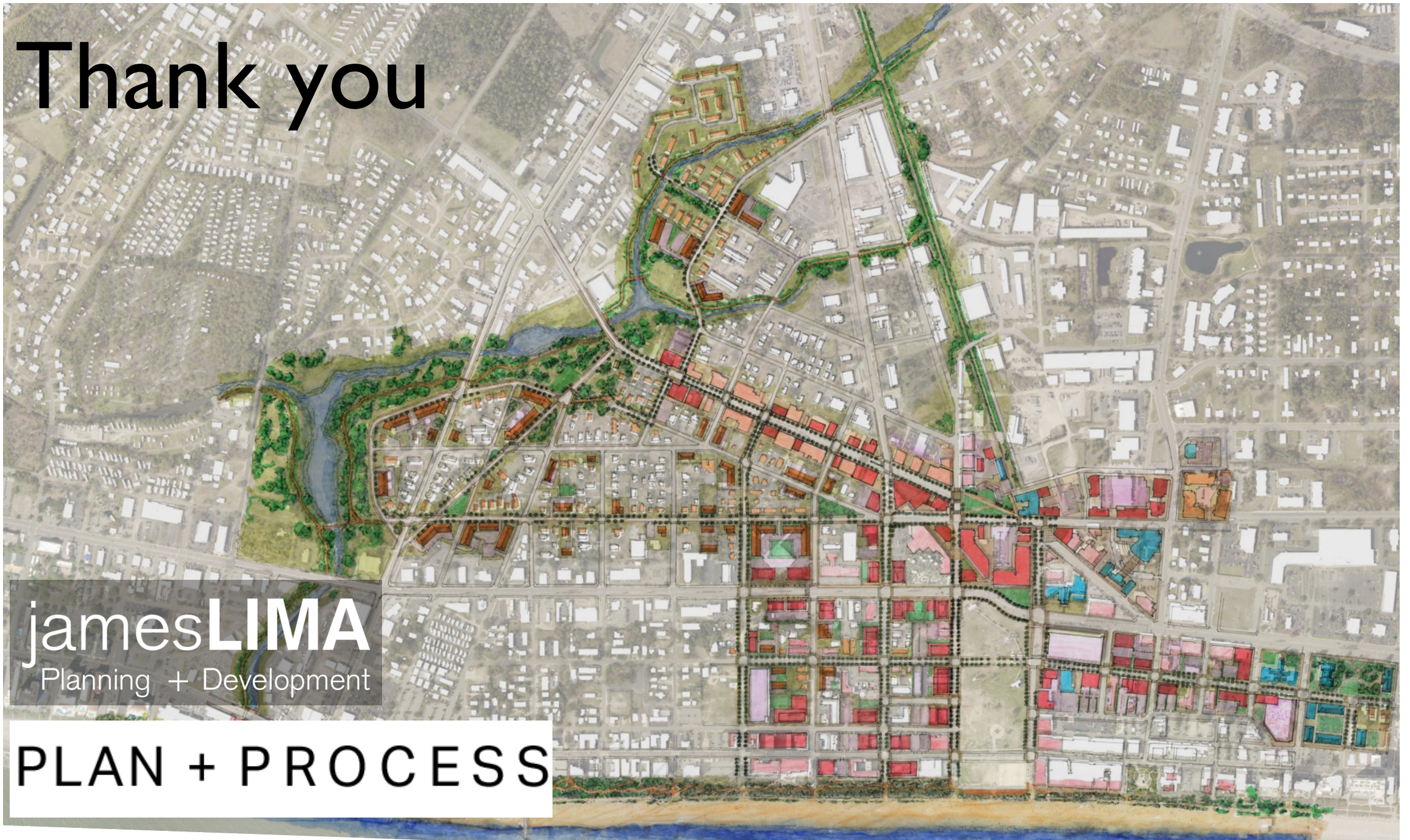
All of these parallel efforts create substantial opportunities at Myrtle Beach's most consequential redevelopment site along its central waterfront

This is a generational opportunity not just for recovery and achieving equity, but to create something of enduring value at your most central city location

Thank you

jamesLIMA
Planning + Development

PLAN + PROCESS



Appendix

One Grand Strand

has convened business, civic, and institutional leaders to:

Support the development of a broader vision for Myrtle Beach's Opportunity Zone that builds upon and weaves together the planning efforts the City of Myrtle Beach has spearheaded

Demonstrate the value and further the establishment of a “networked governance” model for Downtown Myrtle Beach that incorporates nationwide best practices and builds capacity in support of implementation

As communities everywhere now assess the uncertainty caused by the COVID-19 crisis and begin to take steps toward recovery, there is a growing desire among them to become more **resilient**, rather than simply returning to their pre-crisis state.

What does it mean to be Resilient?

A resilient city or community has the institutional capacity to
‘bounce forward’ in the face of shock events,
and not just bounce back to a still-vulnerable pre-crisis state

Funding Source Details

A **Municipal Improvement District (MID)** is a geographic area in which property owners (generally, excluding owner-occupied residences) agree to be assessed for supplemental services to improve the district

Tax Increment Financing (TIF) uses the incremental increase in tax revenue generated by investments in infrastructure and other improvements in the TIF district as the funding source for debt service on a municipal bond issued to fund those district improvements

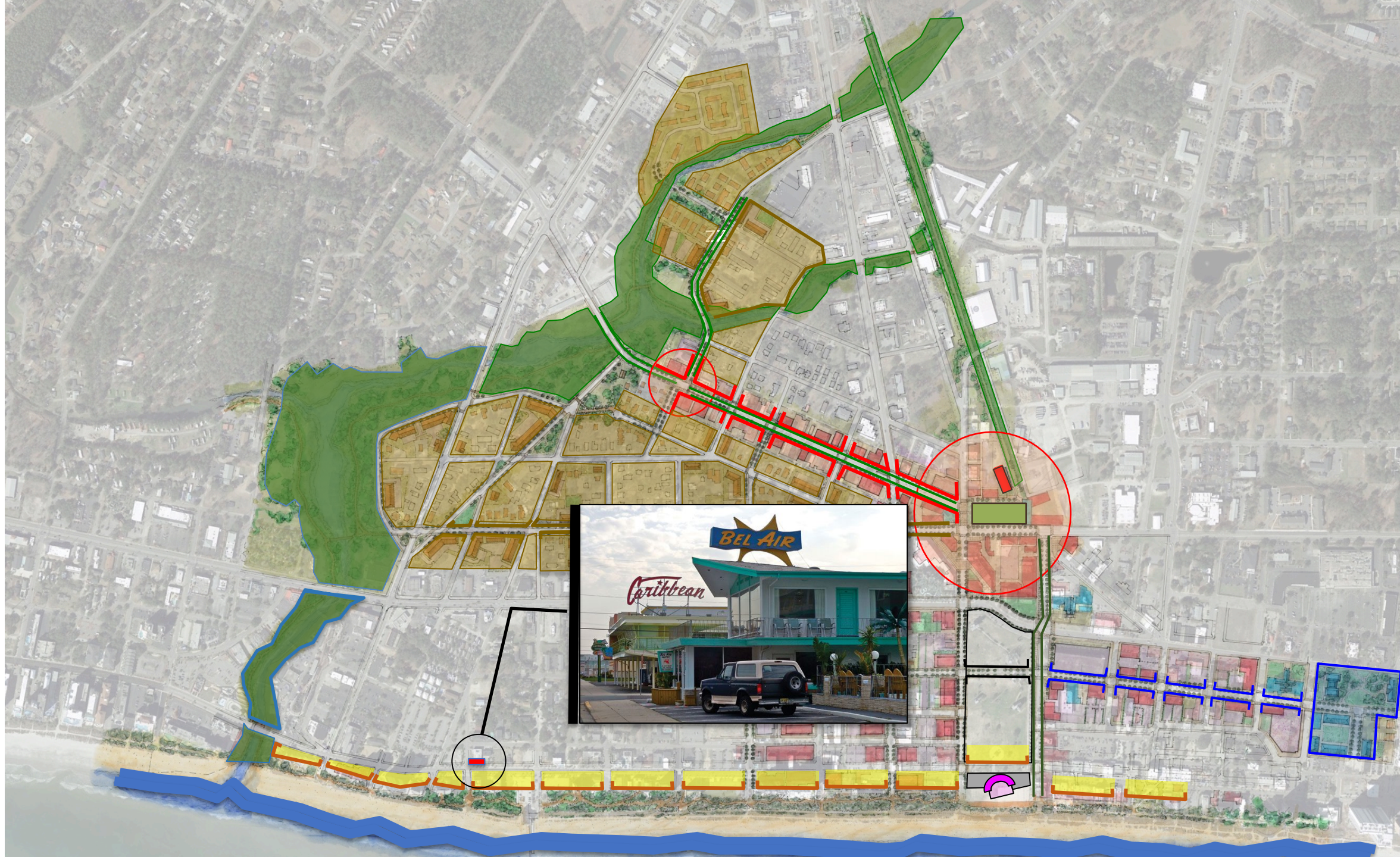
PMO & the Downtown Development Office

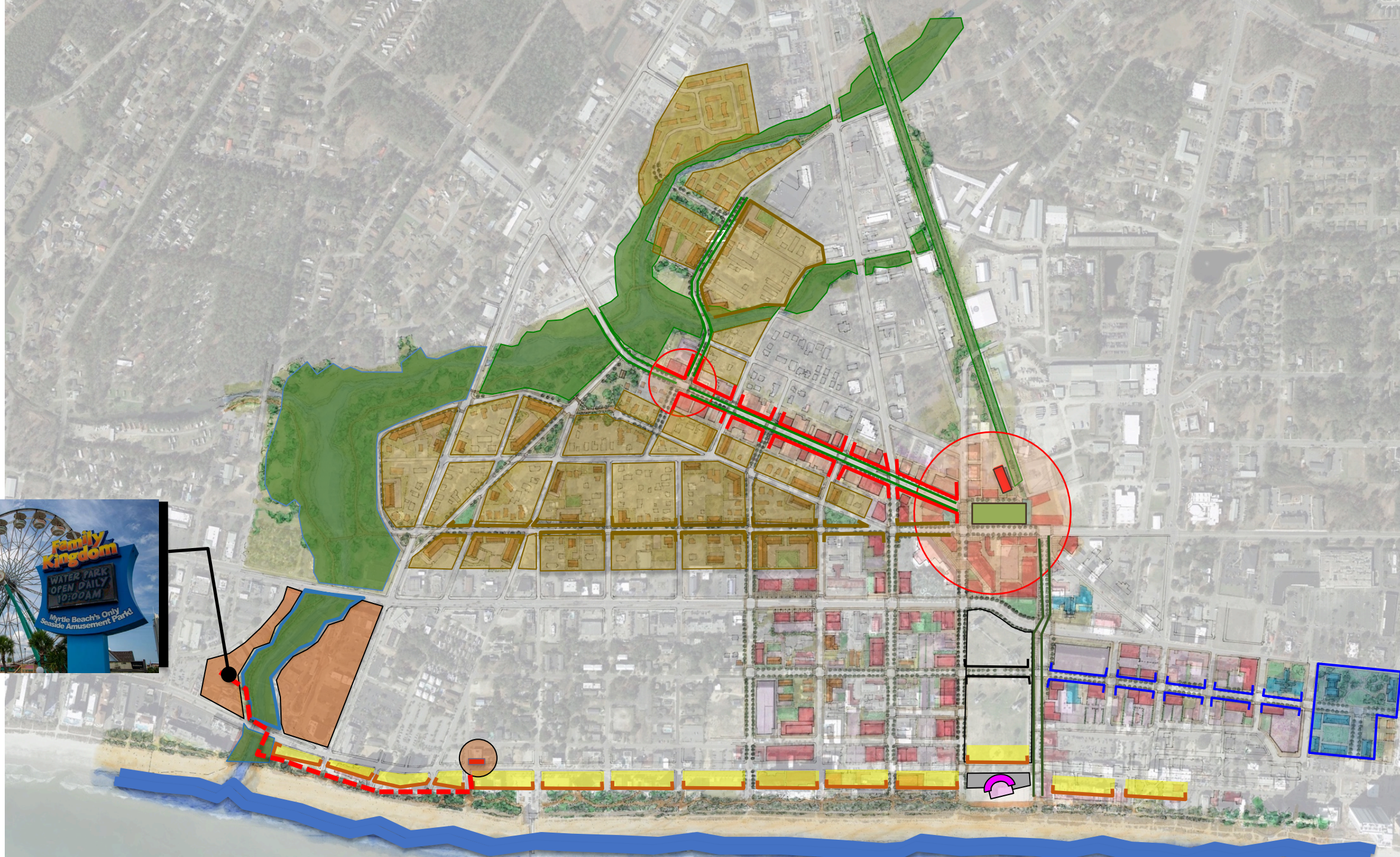
The success of the PMO will be enhanced by the presence of the Downtown Development Office (DDO). The DDO can serve as the conduit between the PMO (and its primarily private sector constituents) and the various departments and agencies within city government. This will:

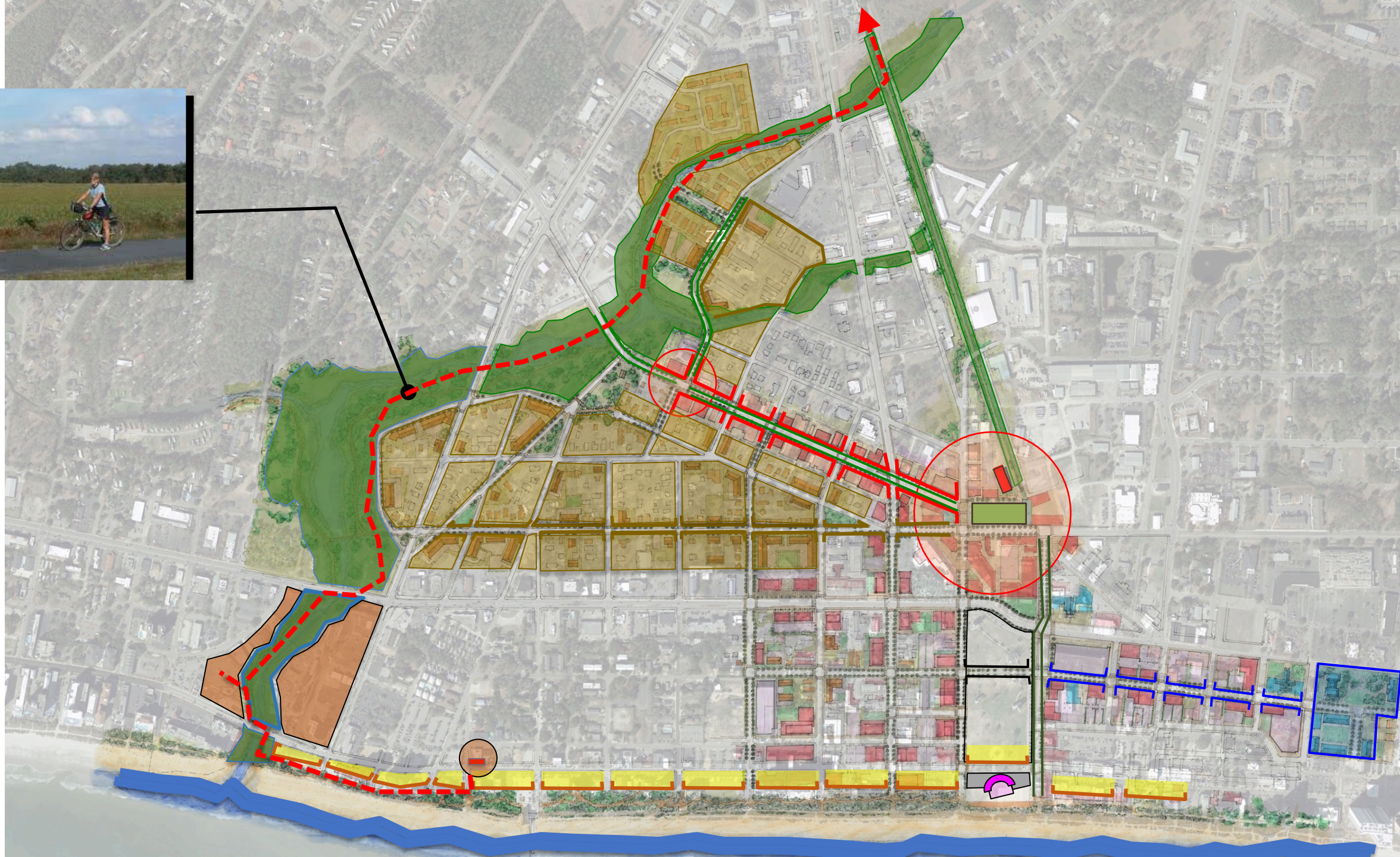
- Streamline permitting, entitlement, and other processes to **increase the efficiency of joint public-private initiatives**
- Create a feedback loop that will enable key public stakeholders (City Council, Mayor, City Manager, etc.) to receive **real-time input on policies, projects, and other efforts from business and property owners**

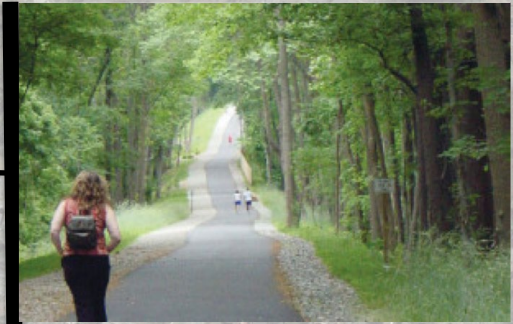
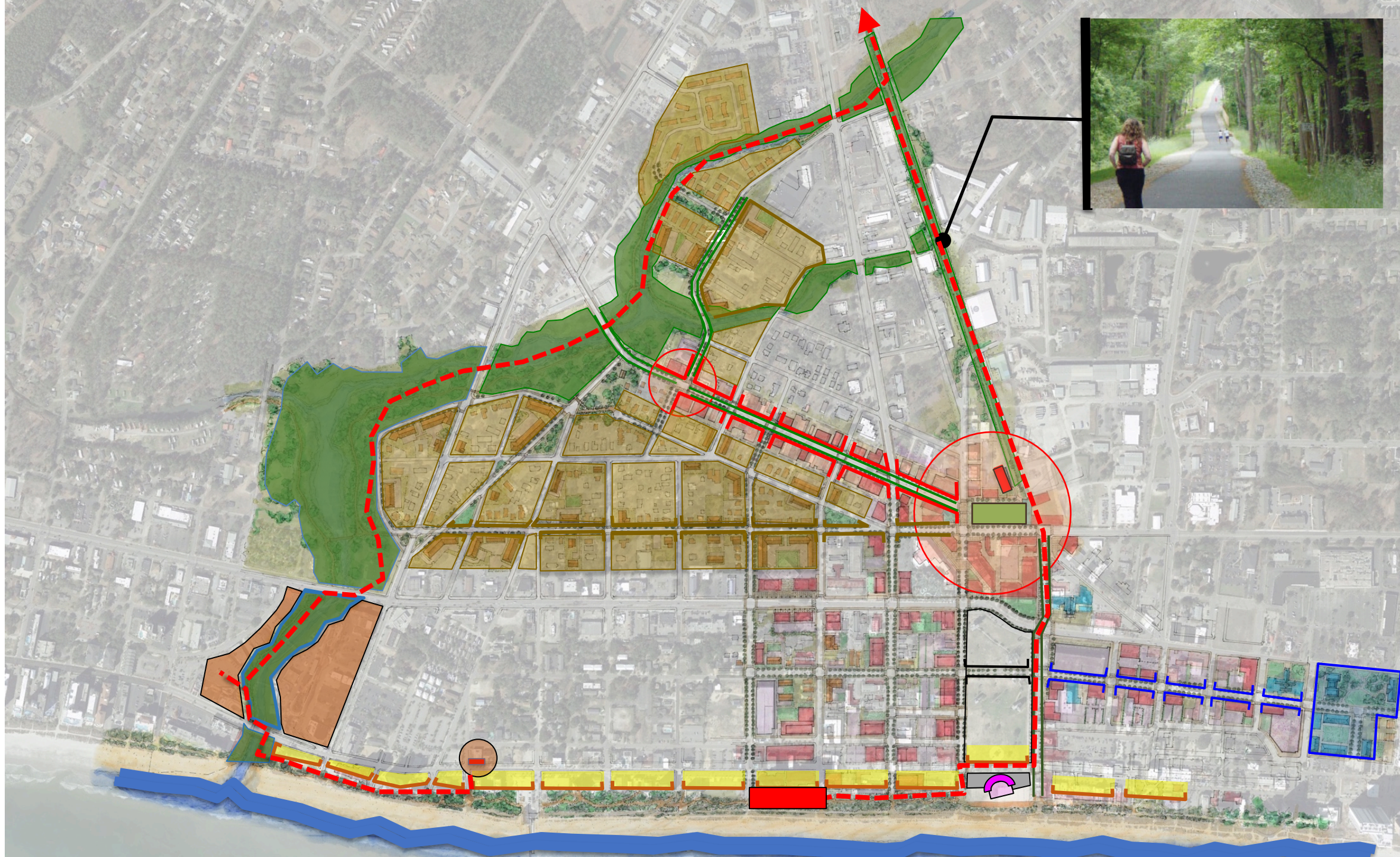
Cities that succeed are ones that have close alignment among business leadership, municipal government, Chamber of Commerce, and institutions.

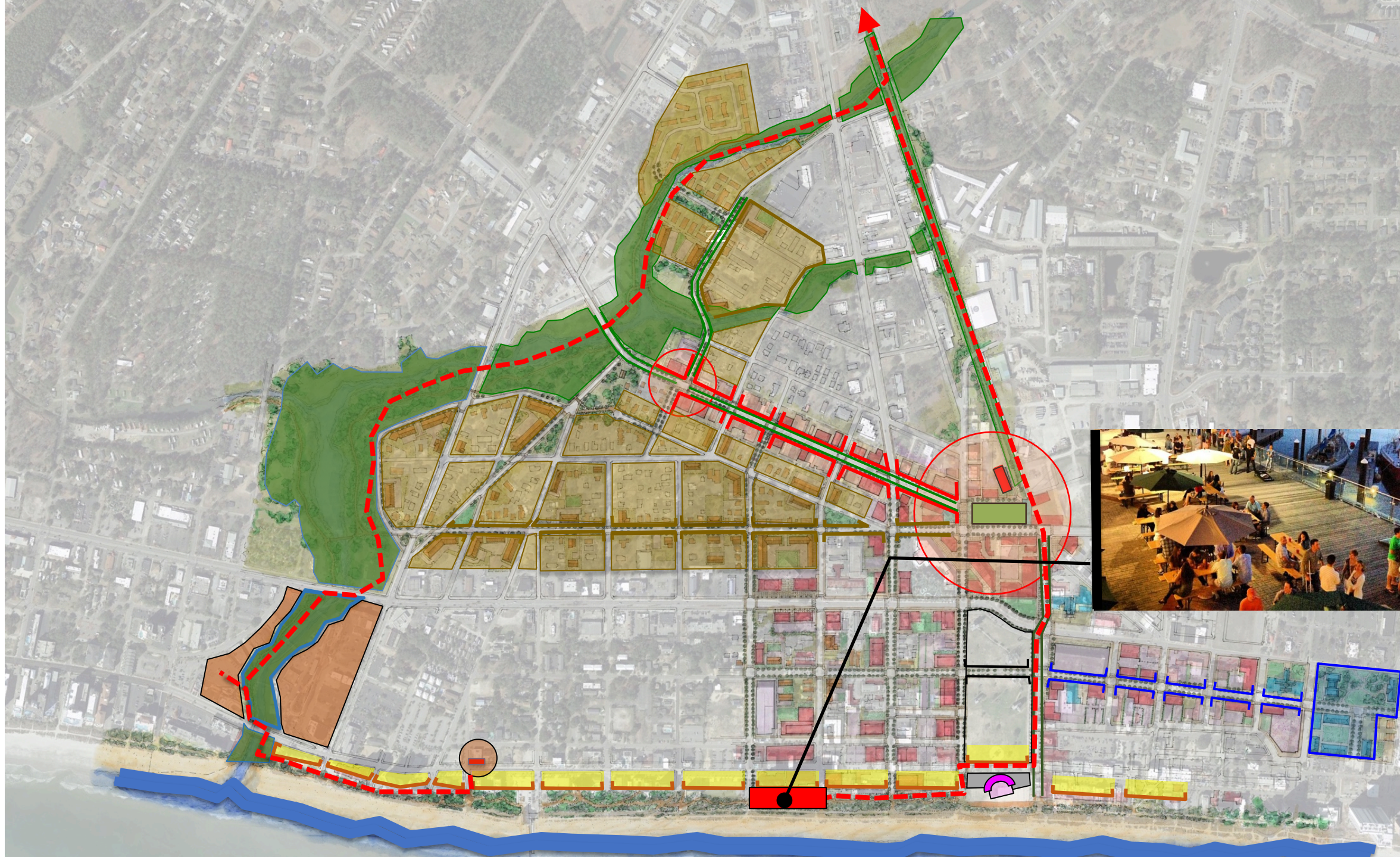
Public, private, and civic sectors should each perform specific roles to advance the city's shared interests.

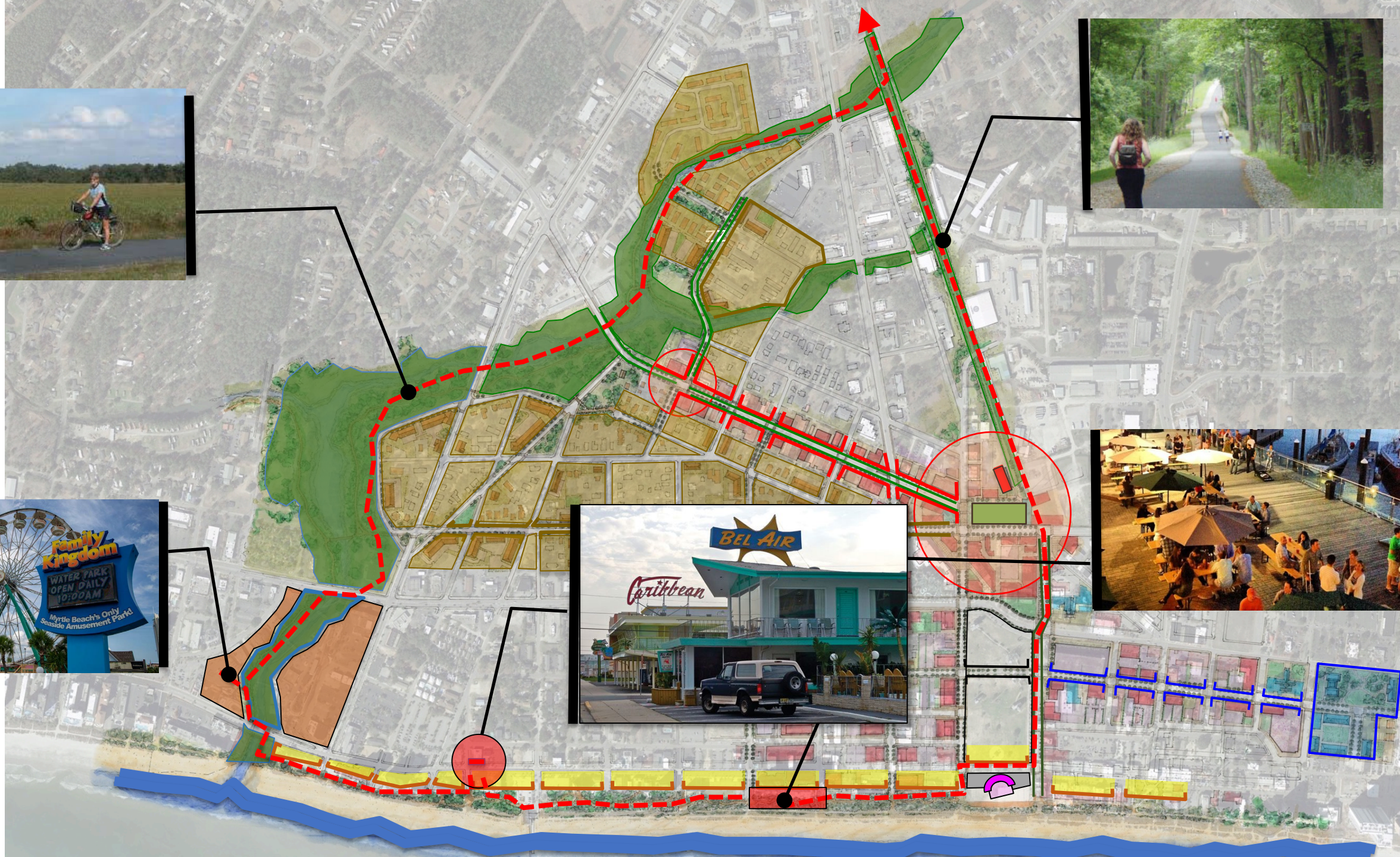
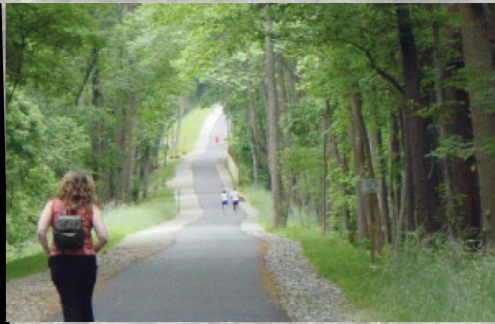


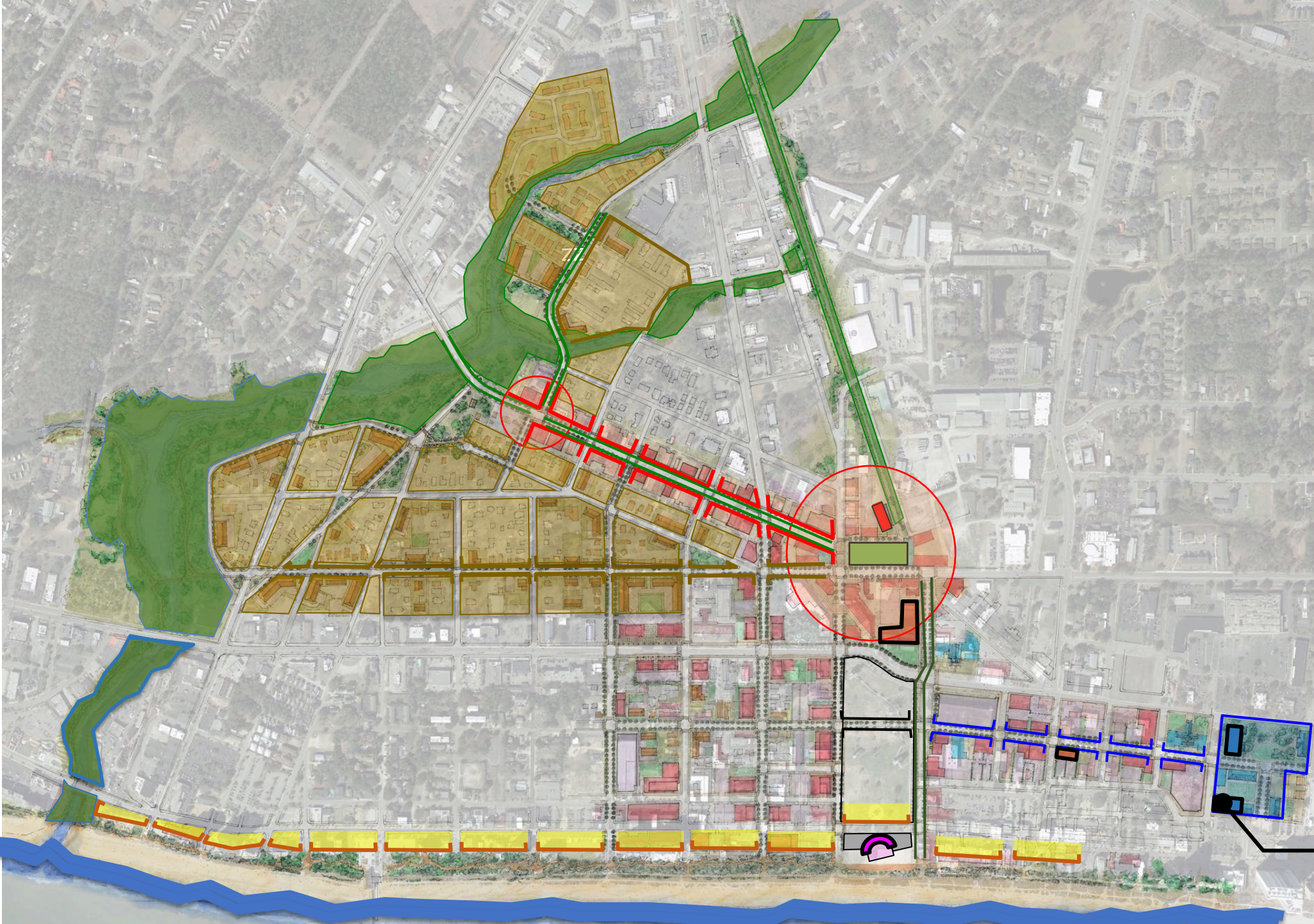


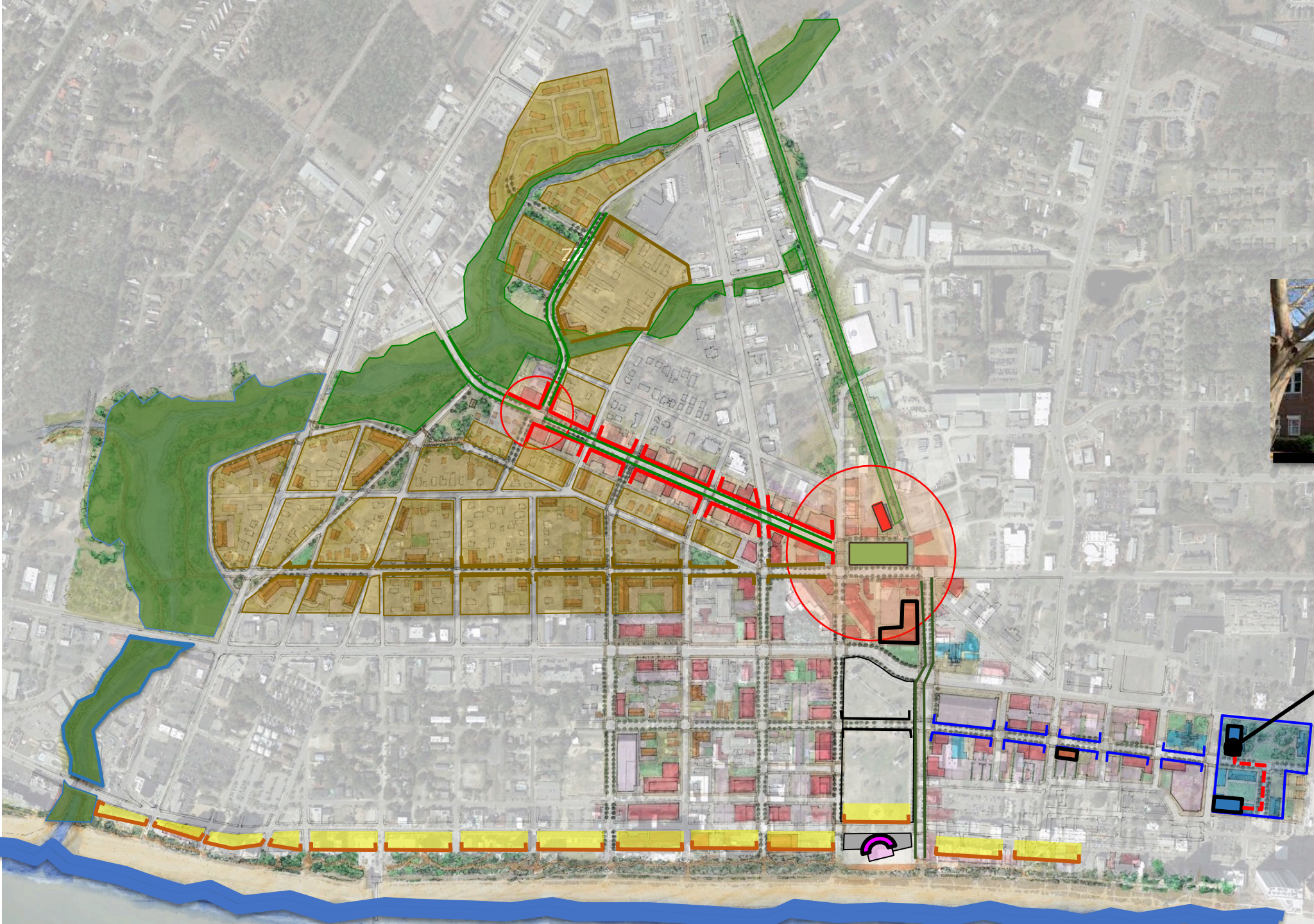




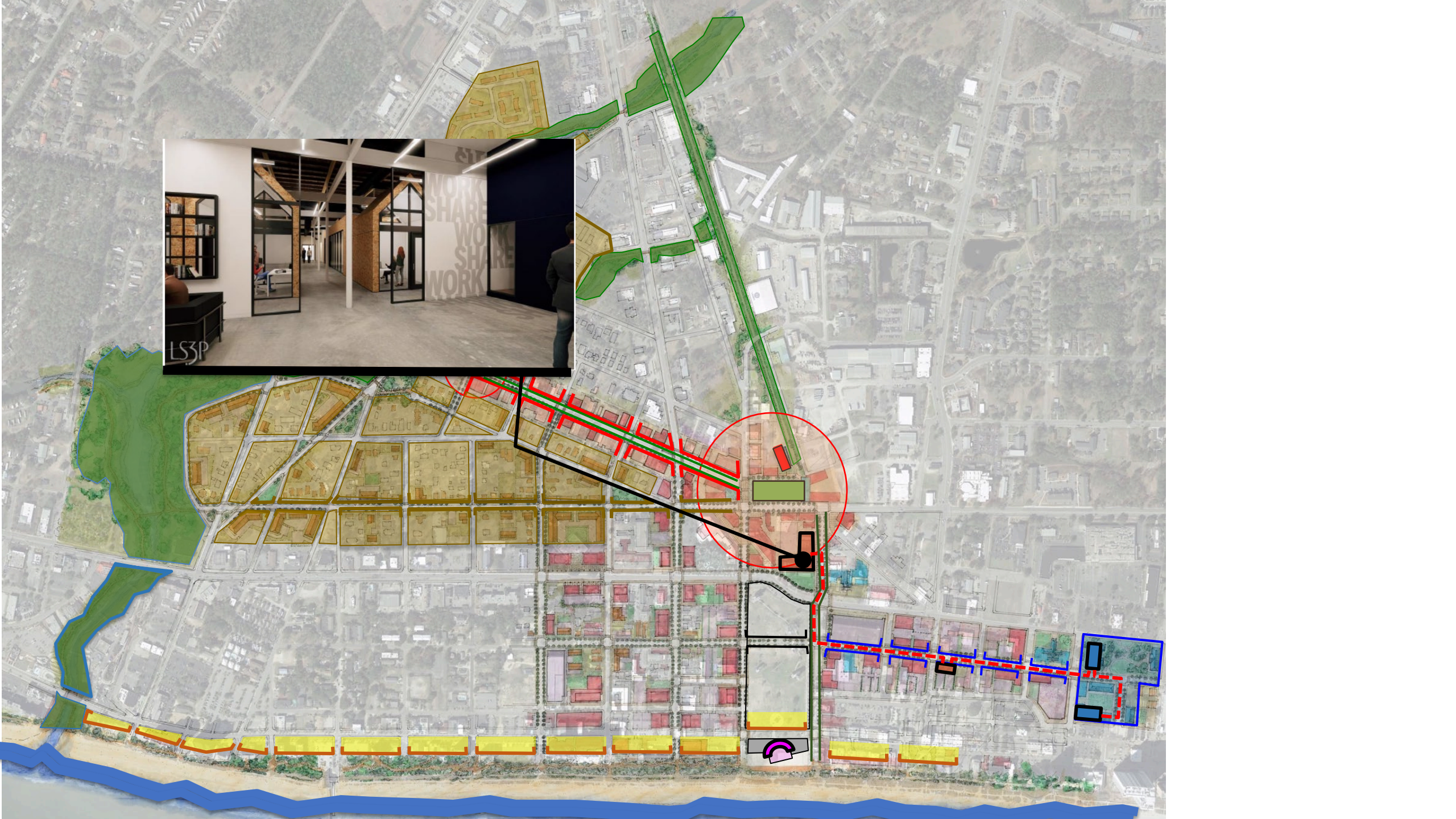




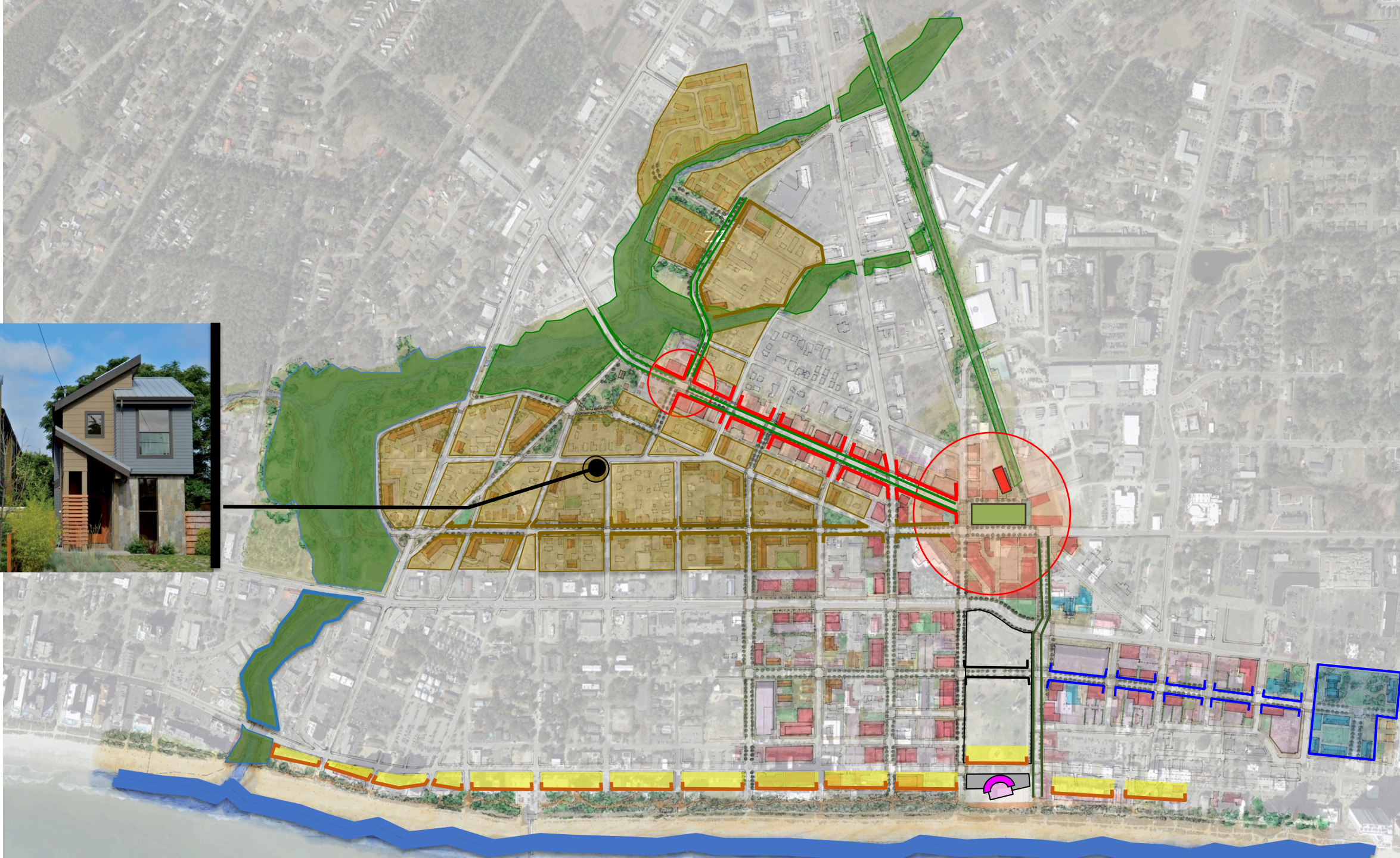


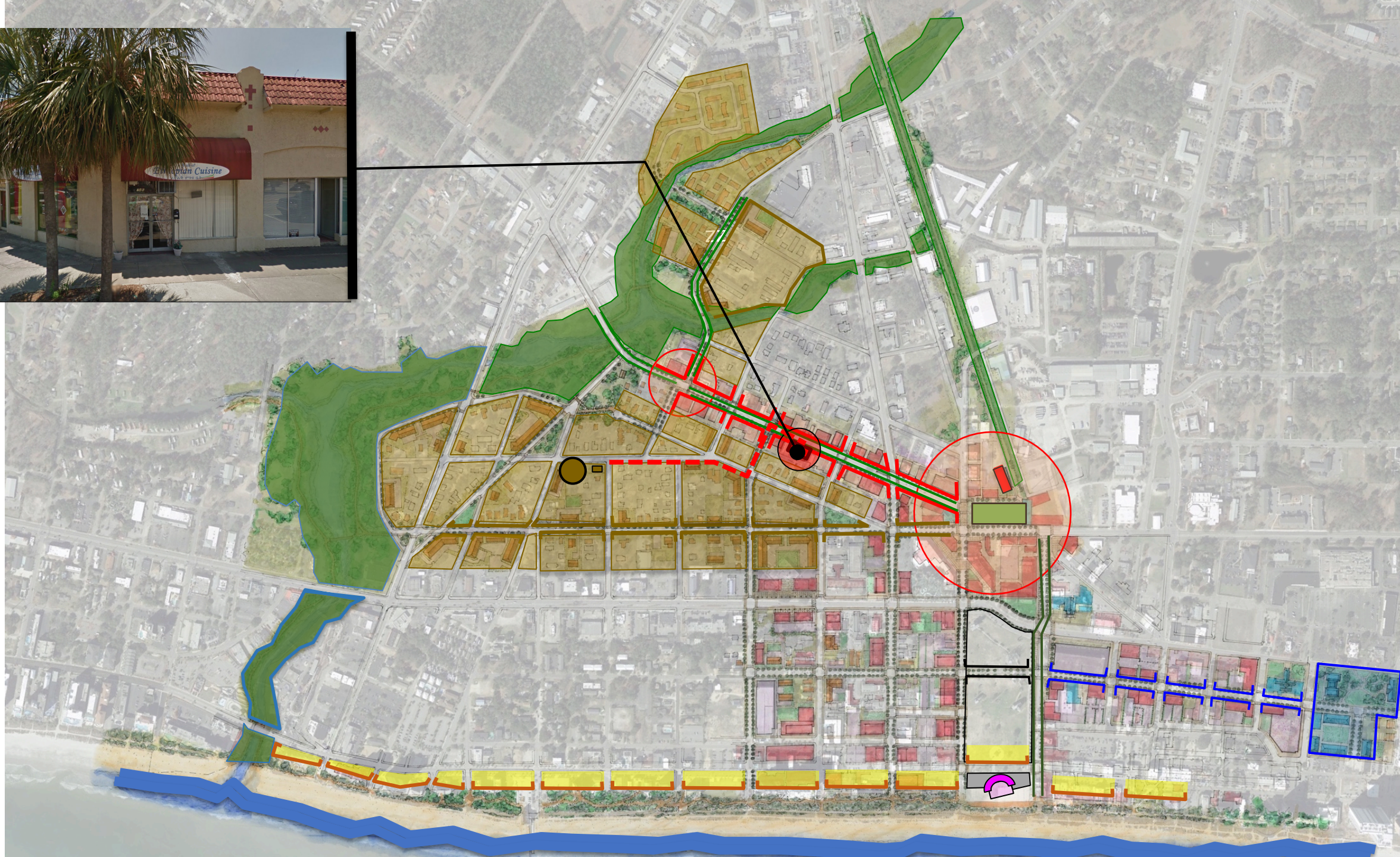


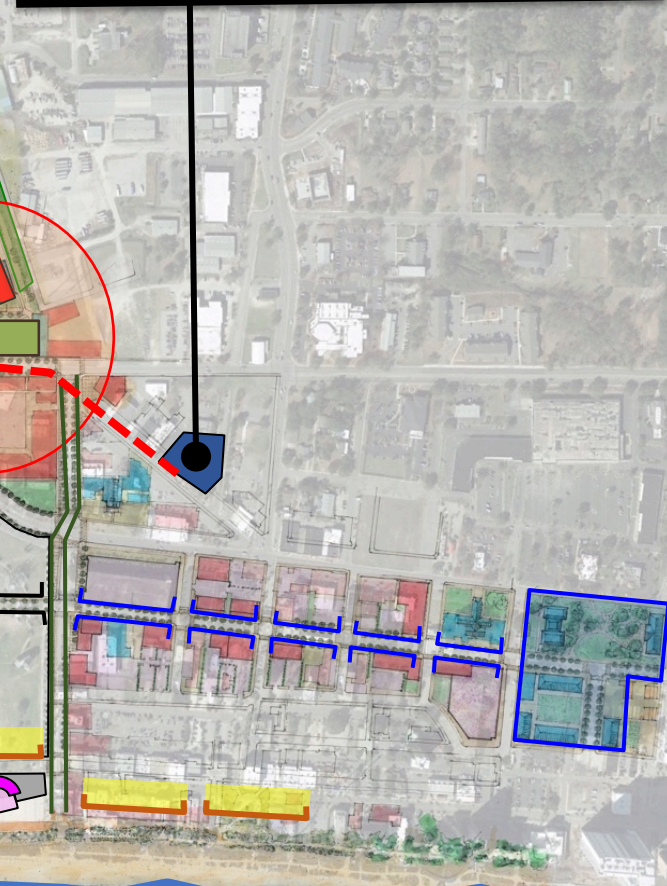
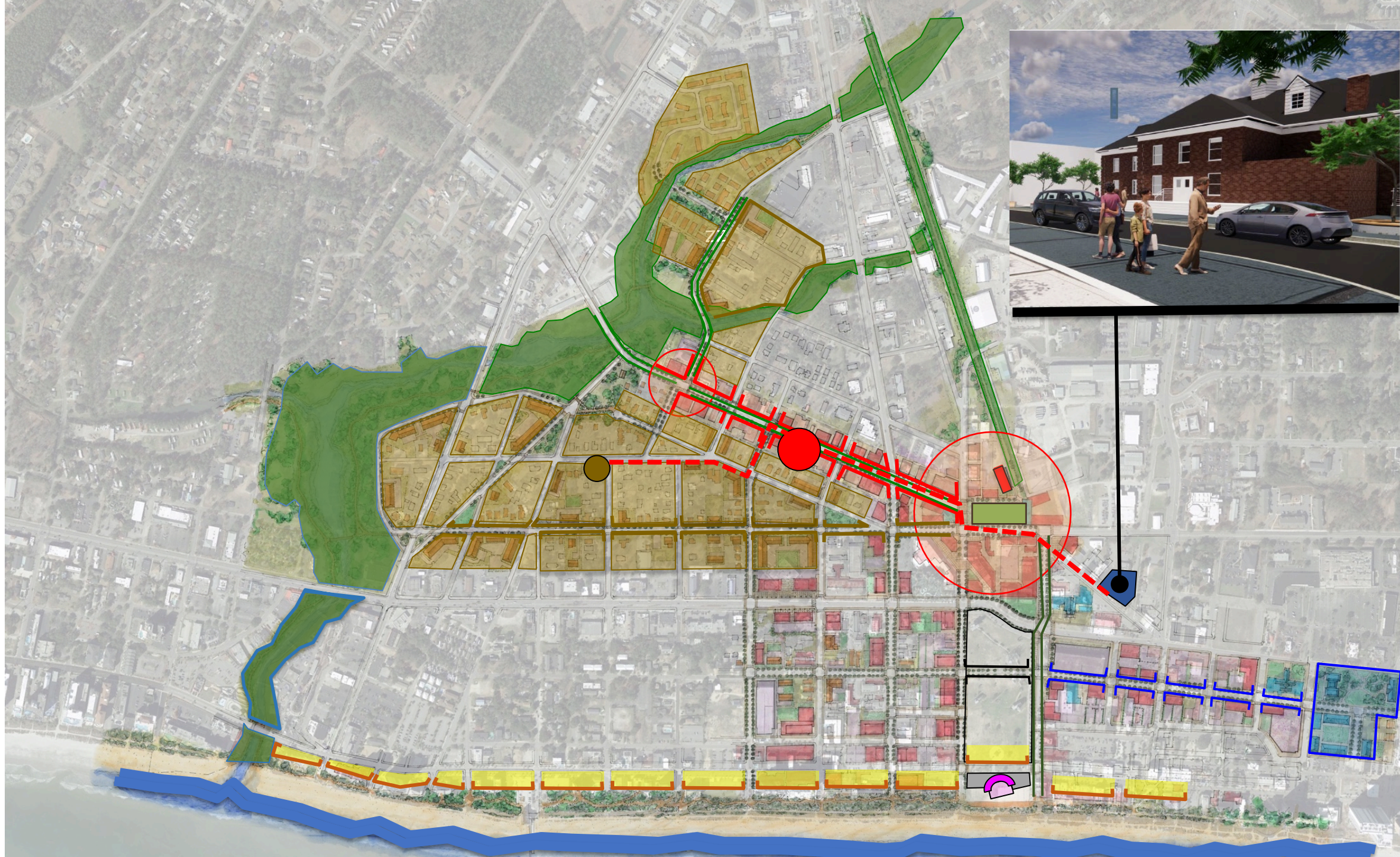


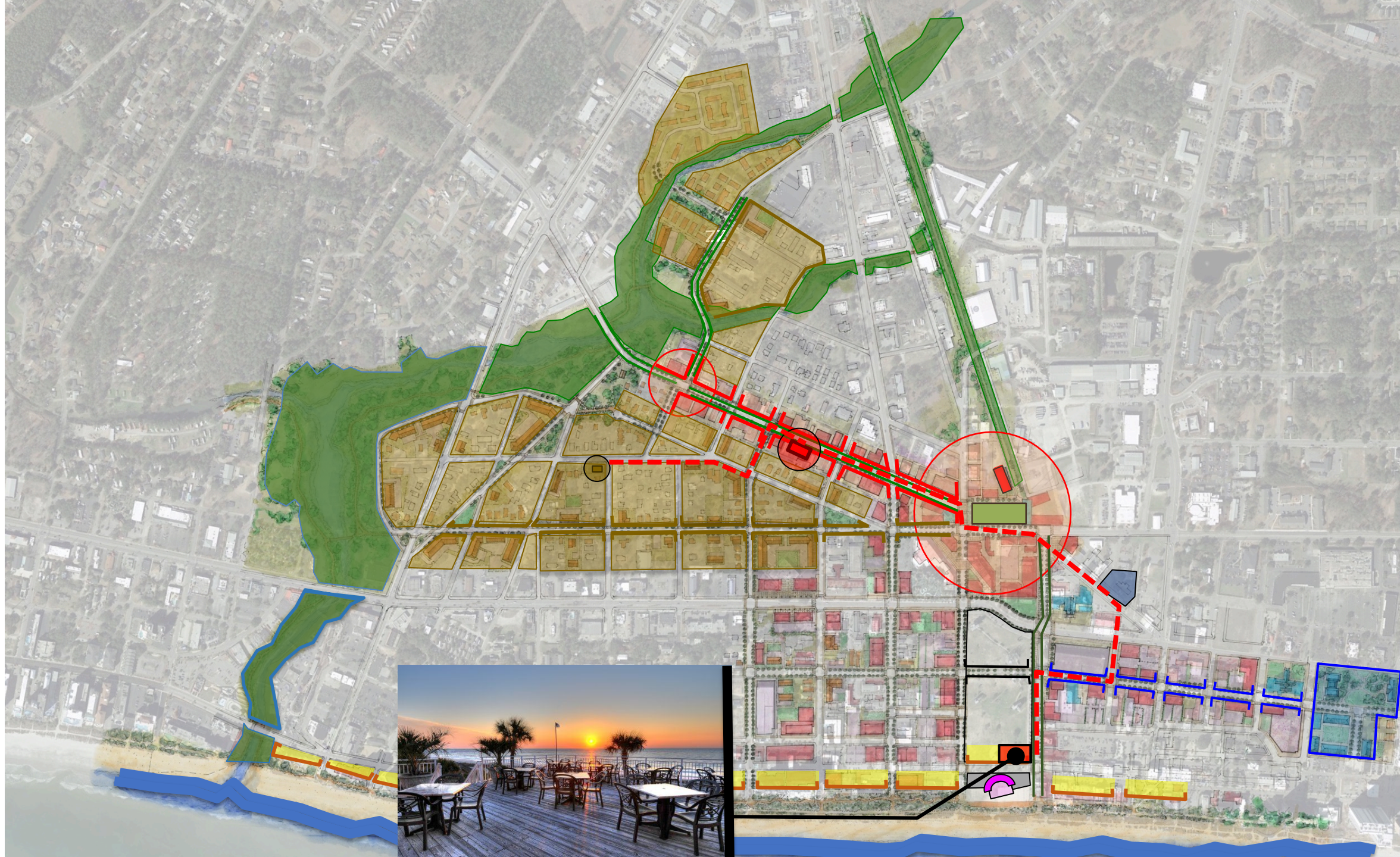














Recommended City Council Actions

Direct the City Manager to:

- Develop a draft business plan, including a proposed budget and sources of funding that will support a new place management organization for Council's consideration and adoption by February 2021
- Develop an Advanced Implementation Plan based upon the progress made to date on the original Implementation Plan and Council's subsequent adoption and approval of the Advance Master Plan, and the One Grand Strand Downtown Development Framework