
1 **2019-62 (1ST READING):** TO AMEND THE MUNICIPAL BUDGET FOR THE FISCAL
2 YEAR BEGINNING JULY 1, 2019, AND ENDING JUNE 30, 2020, TO APPROPRIATE
3 FUNDING FOR DOWNTOWN REDEVELOPMENT, TO ACCEPT AND APPROPRIATE
4 GRANT FUNDING FOR A SCHOOL RESOURCE OFFICER, TO ADD THE RELATED
5 POSITIONS TO THE TABLE OF AUTHORIZED POSITIONS IN THE 2019-20
6 MUNICIPAL BUDGET; AND OTHER MATTERS RELATED THERETO.

7 **Applicant/Purpose:** Staff/to provide for the absorption of Downtown Redevelopment
8 Responsibilities by the City and to add a School Resource Officer for Myrtle Beach Intermediate
9 School.

10
11 **Brief:** This ordinance amends the 2019-20 Budget Ordinance to accomplish two purposes:

- 12 • It appropriates sufficient estimated parking revenue from the second half of this fiscal
13 year to fund the administrative expenditures of the Downtown Redevelopment Office as
14 an office of the City, given the pending dissolution of the Downtown Redevelopment
15 Corporation; and
- 16 • It adds a school resource officer funded fully by a grant from the South Carolina
17 Department of Education.

18
19 **Issues:**

- 20 • Parking revenues are appropriated *only in amounts to fund administrative*
21 *expenditures*; remaining parking revenues are pledged to the Revolving Loan Pool and
22 are not addressed here, so as not to disturb the security for the loan until such time as
23 the new loan structure has been put into place.

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25 **Public Notification:** Normal advertising for first reading.

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27 **Alternatives:** No viable alternatives are recommended for consideration.

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29 **Financial Impact:** Financial impact, if any, will be negligible.

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31 **Attachment(s):** Ordinance, DRC Staff Report.
32

CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA

TO AMEND THE MUNICIPAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2019, AND ENDING JUNE 30, 2020, TO APPROPRIATE FUNDING FOR DOWNTOWN REDEVELOPMENT, TO ACCEPT AND APPROPRIATE GRANT FUNDING FOR A SCHOOL RESOURCE OFFICER, TO ADD THE RELATED POSITIONS TO THE TABLE OF AUTHORIZED POSITIONS IN THE 2019-20 MUNICIPAL BUDGET; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Section 5-13-30(3) of the Code of Laws of South Carolina requires that a municipal council shall act by ordinance to adopt budgets and to levy taxes pursuant to public notice; and

WHEREAS, Ordinance 2019-30, the City’s Budget Ordinance for FY 2019-20 was adopted by City Council on June 11, 2019; and

WHEREAS, the City Council has determined that promoting a High Quality of Life and Public Safety are high priority goals for this community; and

WHEREAS, the restructuring of the Downtown Redevelopment Corporation (the “DRC”)and absorption of its redevelopment responsibilities by the City will result in certain revenues flowing into the City treasury as opposed to the DRC treasury; and

WHEREAS, the former employees of DRC will become City employees and their positions will be added to the City’s table of authorized positions; and

WHEREAS, grant funding for a Student Resource Officer will result in additional revenues to the City, and will require the addition of one Police Officer position to the table of authorized positions in the Police Department;

NOW, THEREFORE, BE IT ORDAINED by the governing body of the City of Myrtle Beach, in Council duly assembled, and by the authority of the same,

Sec. 1. Estimates of Revenue.

- a. The sum of \$387,049 is hereby estimated to become available from parking fees be collected by the City during the remainder of the current fiscal year.
- b. The sum of \$81,772 is hereby estimated to be available in the form of a grant from the South Carolina Department of Education (“SCDOE”).

Sec. 2. Appropriation.

- a. The sum of \$387,049 is hereby appropriated to the General Fund–Downtown Development Office for administration of the downtown development program.

1 b. The sum of \$81,772, referenced in Sec. 1.b. above, is hereby appropriated for the
2 purpose of supporting one School Resource Officer at Myrtle Beach Intermediate
3 School.

4 **Sec. 3. Amendment of Tables of Authorized Positions.** The tables of authorized positions
5 in the 2019-20 budget are hereby amended as follows:

6 a. adding a table for the Downtown Redevelopment Office with two (2) authorized
7 positions for the Director and Executive Assistant;

8 b. increasing the number of allocated police officers by one (1) officer, which
9 additional position will be designated the School Resource Officer for Myrtle
10 Beach Intermediate School.

11 **Sec. 4. Execution and Delivery of SCDOE grant.** The City Manager and his designees are
12 hereby authorized to execute and deliver the grant agreement and such related
13 documents as may be required for this purpose.

14 **Sec. 5. Validity of this ordinance.** If, for any reason, any sentence, clause, or provision of
15 this ordinance shall be declared invalid, such declaration shall not affect the
16 remaining provisions thereof.

17 **Sec. 6. Conflicts with preceding ordinances.** Should conflicts arise between this and any
18 preceding ordinances, this ordinance shall prevail with respect to the conflicting
19 sections.
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23

BRENDA BETHUNE, MAYOR

24
25 ATTEST:

26
27
28 _____
29 JENNIFER STANFORD, CITY CLERK

Downtown Development Office

Budget Recommendations for:
Nov 1, 2019 – June 30, 2020

Staff Report (11/26/19)

The purpose of this staff report is to recommend a budget to City Manager and Council for the newly created Downtown Development Office for the remainder of FY 19-20 (Nov 1, 2019 – June 30, 2020). Total expenses requested to function through June 30, 2020 total **\$387,049.00**. Revenue is estimated to total **\$91,600.00**. Revenue is presented as a net-zero budget item in this report. The DDO will resume responsibilities related to sponsoring and operating the Myrtle Beach Food Truck Festival in 2020. Assuming Expenses and Revenues for this festival are net-zero, and all other proposed accounts are spent in full, the Downtown Development Office would have a positive cash flow of \$91,600.00 strictly to function as a source to own and operate shoulder season events on behalf of the City of Myrtle Beach. A detailed staff report is available below.

EXPENSES

I. Wages and Benefits = \$111,633.00

- a. #411.00 – Salaries and Wages
 - **\$80,404.00** - needed for two staff members. This includes (+) 3% adjustment to salaries beginning first pay period after January 1, 2020.
- b. #412.00 – Other Wages
 - **\$3,370.00** - This includes holiday bonus pay for the 3 former DRC employees paid after Nov 1
- c. #415.00 – Retirement
 - **\$10,835.00** - needed for two staff members. This includes (+) 3% adjustment to salaries beginning first pay period after January 1, 2020.
- d. #416.00 – FICA
 - **\$6,151.00** - needed for two staff members. This includes (+) 3% adjustment to salaries beginning first pay period after January 1, 2020.
- e. #417.00 – Hospital Insurance
 - **\$10,903.00** - needed for two staff members.

II. Office and Leases = \$10,925.00

- a. #436.00 – M&R Buildings & Grounds
 - **\$1,190.00** – Amount requested is the remaining funds available after DRC is allotted \$840.00 for electricity payments to the proposed downtown theater. DRC paid a \$900 deposit fee to establish services in November 2019. This request of \$1,190.00 includes the (-) \$900 deposit initially placed on the service that will eventually fall back to the DRC. This Budget line will read as (-) \$900 in the DRC Sensitivity Analysis until that deposit is rewarded back from the utility.
- b. #436.01 – Pavilion Site Costs
 - **\$7,200.00** - This includes 8 months of Pavilion Site landscaping costs from Nov 1, 2019 – June 30, 2020.

- c. #452.00 – Telephone
 - **\$815.00** - This includes 2 staff phones from Nov 1, 2019 – June 30, 2020.
- d. #491.00 – Postage and Freight
 - **\$416.00** - Amount requested is the remaining funds available. Also assumes that DDO will absorb all costs of postage for DRC from Nov 1, 2019 – June 30, 2020.
- e. #493.00 – Office Supplies and Printing
 - **\$1,054.00** - Amount requested is the remaining funds available.
- f. #494.00 – Books and Periodicals
 - **\$250.00** - Amount requested is the remaining funds available.

III. Downtown Investments = \$99,000.00

- a. #436.03 – Plyler Park Renovations
 - **\$20,000.00** – Amount requested is the remaining funds available.
- b. #436.03.01 – Beautification Fund
 - **\$76,000.00** - Amount requested is the remaining funds available.
- c. #436.03.03 – Pedestrian Counters
 - **\$3,000.00** - Amount requested is the remaining funds available.

IV. Engagement, Networking, and Meetings = \$17,578.00

- a. #453.00 – Membership and Dues
 - **\$2,600.00** – Amount requested is the remaining funds available.
- b. #455.00 – Advertising & Marketing
 - **\$2,978.00** - Amount requested is the remaining funds available. Staff may propose to subdivide this budget item. For example: #455.00 – Advertising & Marketing, #455.01 – Website Hard Costs & Enhancements
- c. #476.00 – Travel, Meetings and Schools
 - **\$12,000.00** - Amount requested is less than the remaining funds available. Staff requests \$12,000 to secure funds for unknown engagement, education, and travel opportunities.

V. Events = \$91,350.00

- a. #454.02 – MBFTF 2020 Expenses Funds
 - **\$79,350** – Amount requested is the remaining funds available for 2020 Food Truck Festival
- b. #454.02.01 – Petty Cash MBFTF 2020
 - **\$12,000.00** - Amount requested is the remaining funds available to secure a petty cash withdraw during the 2020 Food Truck festival. This net-zero amount will be represented in the deposits section of this report.

VI. Professional Fees = \$50,000.00

- a. #457.00 – Professional Fees
 - **\$50,000.00** – Amount requested is the remaining funds available after DRC is allotted \$17,353.00 for ongoing retainer fees and legal fees. Benchmark Planning has a \$14,489.62 balance remaining. Monthly invoices average \$2,500.00 - \$3,000.00. Staff anticipates the relationship with Benchmark planning and the City to continue or grow. The \$50k requested would cover this anticipated growth and cover unknown opportunities for professional contracts.

- b. #457.00.01 – Master Plan Consultant Fees
 - **\$0.00** – This budget item was not considered during the FY 19-20 planning but remains a subset of professional fees should future monies need to relocate.

VII. Equipment & Special Projects = \$6,533.00

- a. #474.00 – Other Specialized Supplies / Projects
 - **\$1,133.00** – Amount requested is the remaining funds available.
- b. #474.02 – Boardwalk Signs/Plaques
 - **\$5,000.00** - Amount requested is the remaining funds available.
- c. #536.00.01 – Capital Equipment Purchase
 - **\$400.00** - Amount requested exceeds the remaining funds available. Staff requests \$400 to secure funds for conference room microphone system and other enhancements. This Budget line will read as (-) \$180.00 in the DRC Sensitivity Analysis.

REVENUES

I. Events = \$91,350.00

- a. #338.19.(00-03) – MBFTF Revenue from Vendor, Drink, Commission, & Sponsorships
 - **\$79,350** – Amount requested equals the budgeted amount of expenses for Food Truck festival 2020
- b. # 338.19.02 – Cash Reimbursement (used for MBFTF 2020)
 - **\$12,000.00** - Amount requested equals the budgeted amount of petty cash withdraw for Food Truck festival 2020

SUMMARY

This proposed budget for the newly created Downtown Development Office is fair and reasonable by DDO staff estimates. Much of this request include hard numbers that are unavoidable and those deemed to be an estimated are clearly stated in this report. As this office begins to navigate uncharted waters of redevelopment and revitalization, we would ask City Management and City Council to strongly consider this request. Our hopes are to have a much better grasp on financial priorities closer to FY 20-21 budget discussion and to constantly analyze this proposed budget over the next 7 months so that we ensure funds are put to their highest and best use. Thank you for your consideration.