

**R2020-26: TO CERTIFY A BUILDING SITE AS AN ABANDONED BUILDING SITE PURSUANT TO THE SC ABANDONED BUILDINGS REVITALIZATION ACT, TITLE 12, CHAPTER 67, SECTION 12-67-100, OF THE SC CODE OF LAWS (1976), AS AMENDED REGARDING PROPERTY LOCATED AT 3421 KNOWLES STREET (FORMERLY DUSENBURY STREET) IN THE CITY OF MYRTLE BEACH, HORRY COUNTY TMS#1860001110 AND HORRY COUNTY PIN# 44602020076.**

**Applicant/Purpose:** Property owner, TCB Properties Grand Strand LLC (applicant), to approve City certification of property located at 3421 Knowles Street as an Abandon Building per the Abandoned Buildings Revitalization Act of 2013.

**Brief:**

- The property owner has purchased the property at 3421 Knowles Street for the purpose of rehabilitating the structure into a Brewery/Restaurant.
- In 11/18 Ordinance 2018-062 approved a Zoning Ordinance change allowing Brewpubs in the Light Manufacturing Zone, where the building is located.
- Included in the supporting documents are letters from 2 previous owners stating that the property has not been in use or produced income since 2013.
- Staff has done its due diligence to determine the building to be abandoned as that term is defined by the Abandoned Buildings Revitalization Act of 2013.

**Issues:**

- The Act is a State effort to incentivize the redevelopment of buildings that are at least 66% vacant for the past 5 years & are not income-producing. Single-family residences are not eligible.
- The minimum threshold for investment is \$250,000 for cities or counties w/ a population >25,000.
- Available tax credits:
  - Income tax credit:
    - Credit equals 25% of actual expenses (not exceed \$500,000 for any taxpayer in a tax year).
    - Credit must be taken over 3 years (beginning when the building is placed back in service).
  - Property tax credit:
    - Credit equals 25% of actual expenses but the credit may not exceed 75% of the real property taxes due on the building.
    - Credit may be taken up to 8 years (beginning when the building is placed back in service).

**Public Notification:** Normal meeting notifications.

**Alternatives:** None considered.

**Financial Impact:**

- No financial implications for the City.
- The Act benefits owners by reducing the costs of repurposing a vacant building.

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

**Attachment(s):** Proposed resolution and supporting documents.

RESOLUTION R2020-26

CITY OF MYRTLE BEACH  
COUNTY OF HORRY  
STATE OF SOUTH CAROLINA

) TO CERTIFY A BUILDING SITE AS AN  
) ABANDONED BUILDING SITE  
) PURSUANT TO THE SOUTH CAROLINA  
ABANDONED BUILDINGS  
REVITALIZATION ACT, TITLE 12,  
CHAPTER 67, SECTION 12-67-100, OF  
THE SOUTH CAROLINA CODE OF LAWS  
(1976), AS AMENDED REGARDING  
PROPERTY LOCATED AT 3421  
KNOWLES STREET (FORMERLY  
DUSENBURY STREET) IN THE CITY OF  
MYRTLE BEACH, HORRY COUNTY TMS#  
1860001110 AND HORRY COUNTY PIN#  
44602020076

WHEREAS, the South Carolina  
Abandoned Buildings Revitalization Act of 2013 (the "Act") was enacted in Title 12,  
Chapter 67 of the South Carolina Code of Laws to create an incentive for the  
rehabilitation, renovation and redevelopment of abandoned buildings and abandoned  
building sites located in South Carolina; and

WHEREAS, the Act provides that restoration of abandoned buildings into productive assets  
for the communities in which they are located serves a public and corporate purpose and  
results in job opportunities; and

WHEREAS, Section 12-67-120 of the Act provides the following definitions (in pertinent  
part):

(1) "Abandoned Building" means a building or structure, which clearly may be delineated from  
other buildings or structures, at least sixty-six percent of the space in which has been closed  
continuously to business or otherwise nonoperational for income producing purposes for a  
period of at least five years immediately preceding the date on which the taxpayer files a "Notice  
of Intent to Rehabilitate". For purposes of this item, a building or structure that otherwise qualifies  
as an "abandoned building" may be subdivided into separate units or parcels, which units or  
parcels may be owned by the same taxpayer or different taxpayers, and each unit or parcel is  
deemed to be an abandoned building site for purposes of determining whether each subdivided  
parcel is considered to be abandoned.

(2) "Building Site" means the abandoned building together with the parcel of land upon which  
it is located and other improvements located on the parcel. However, the area of the building  
site is limited to the land upon which the abandoned building is located and the land  
immediately surrounding such building used for parking and other similar purposes directly  
related to the building's income producing use; and,

1 WHEREAS, Section 12-67-140 of the Act provides that a taxpayer who rehabilitates an  
2 abandoned building or an abandoned building site is eligible either for a credit against  
3 certain income taxes, license fees or premium taxes, or a credit against local real property  
4 taxes; and,

5  
6 WHEREAS, TCB Properties Grand Strand LLC, EIN 84-37455067, (the "Taxpayer") is or shall  
7 be the owner and developer of certain real property located at 3421 Knowles Street

8  
9 Myrtle Beach S.C. (the "Property"), which property is further identified on the Horry  
10 County Tax Maps as TMS No. 1860001110 ; and

11 WHEREAS, no portion of the Property was placed in service before November 1,  
12 2019; and

13 WHEREAS, this abandoned building site is being redeveloped for use as a brewery  
14 and restaurant, (the "Building Site"); and

15 WHEREAS, the Property is located within the city limits of Myrtle Beach, South  
16 Carolina; and

17 WHEREAS, the Taxpayer has requested that the City certify that this Building Site  
18 is an eligible abandoned building site as defined by Section 12-67-120;

19  
20 NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF  
21 THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, this day of April 14<sup>th</sup>, 2020,  
22 as follows:

23  
24 Section 1. The Taxpayer has submitted to the City a request to certify this t Building Site  
25 pursuant to Section 12-67-160 of the Act (the "Request to Certify").

26 Section 2. The City has reviewed the Request to Certify, supporting documentation,  
27 conferred with the Taxpayer and conducted its own review of the Property.

28 Section 3. The City hereby certifies that (i) each of the Building Site constitutes a separate  
29 abandoned building site as defined in Section 12-67-120(1) of the Act, and (ii) the  
30 geographic area of the Building Site is consistent with Section 12-67-120(2) of the Act.

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35  
36 \_\_\_\_\_  
37 BRENDA BETHUNE, MAYOR

38  
39 \_\_\_\_\_  
40 JENNIFER STANFORD, CITY CLERK

# ROGERS ♦ LEWIS

— ROGERS LEWIS JACKSON MANN & QUINN, LLC —

Robert Lewis  
rlewis@rogerslewis.com

December 9, 2019

VIA EMAIL ([ccoleman@cityofmyrtlebeach.com](mailto:ccoleman@cityofmyrtlebeach.com))

Ms. Carol Coleman  
Planning Director  
City of Myrtle Beach  
937 Broadway Street  
Myrtle Beach, South Carolina 29577

Re:   Property Owner:                   TCB Properties Grand Strand LLC  
      Employee Identification No: 84-3745067  
      Property Address:               3421 Knowles Street, Myrtle Beach, South Carolina  
      Property Identification No.: 44602020076  
      Horry County TMS No.:       1860001110

Dear Carol:

As you may be aware, the South Carolina Abandon Buildings Revitalization Act, South Carolina Code § 12-67-100 et. seq. provides for a 25 % state income tax credit for those properties which qualify as abandoned sites under the provisions of this act. South Carolina Code § 12-67-160 provides a procedure allowing for the municipality or county in which the abandoned building is located, to certify by ordinance or resolution, a site as being an abandoned building site.

The pertinent provision of this code section states:

- (A) Notwithstanding any other provision of law, the taxpayer may apply to the municipality or county in which the abandoned building is located for a certification of the abandoned building site made by ordinance or binding resolution of the governing body of the municipality or county. The certification must include the findings that the:
- (1) abandon building site was an abandoned building as defined by Section 12-67-120(1); and,
  - (2) geographic area of the abandon building site is consistent with Section 12-67-120(2).

Rogers Lewis Jackson Mann & Quinn, LLC  
PO Box 11803 (29211)  
1901 Main Street, Suite 1200  
Columbia, SC 29201

T: 803-978-2838  
F: 803-252-3653  
[www.rogerslewis.com](http://www.rogerslewis.com)

**ROGERS ♦ LEWIS**  
— ROGERS LEWIS JACKSON MANN & QUINN, LLC —

Robert Lewis  
rlewis@rogerslewis.com

...

(C) The taxpayer conclusively may rely upon the certification in determining the credit allowed; provided, however, that if the taxpayer is relying upon the certification, the taxpayer shall include a copy of the certification on the first return for which the credit is claimed.

Section 12-67-120 of the South Carolina Abandon Buildings Revitalization Act provides that an Abandoned Building "means a building or structure, which clearly may be delineated from other buildings or structures, at least 66 % of the space in which has been closed continuously to business or otherwise non-operational for income producing purposes for a period of at least five (5) years immediately preceding the date on which the taxpayer files a "Notice of Intent to Rehabilitate."

I enclose for your review a letter from Harry Karetas who owned this property beginning in January 22, 2018 until he sold the property to my client and also a letter from Elizabeth and Tommy Minton who owned the property from March 19, 2004 until it was sold to Harry Karetas on January 22, 2018. As you can see from a review of these two letters, the property qualifies as an abandoned building as it was at least 66 % vacant and non-operational for income producing purposes for a period exceeding five (5) years from November 2019.

Accordingly, I have prepared a draft Resolution certifying this site as an abandon building site pursuant to the South Carolina Abandon Buildings Revitalization Act. I would appreciate you having this approved by the Myrtle Beach City Council at your earliest convenience.

We appreciate your assistance with this matter and if you have any questions please do not hesitate to contact me.

Sincerely,



Robert B. Lewis  
Attorney at Law

RBL/  
Enclosure

10/8/19


Letter Regarding 3421 Knoles St. Vacancy

To Whom It May Concern:

We, Elizabeth & Tommy Minton, purchased 3421 Knoles St. on 3/19/2004 from Myrtle Beach Air Base and sold to Harry Karetas on 1/22/2018.

We listed the property for sale in June 2015. For the two years preceding the listing of the property, it was used for limited storage and was less than 33% utilized.

  
Elizabeth Minton

  
Tommy Minton

32 Plantation Road  
Myrtle Beach, SC 29588  
843-293-3161

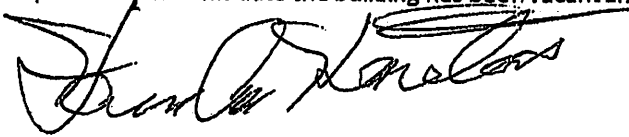
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10/2/19

Letter Regarding 3421 Knoles St. Vacancy

To Whom It May Concern:

I, Harry Karetas, purchased 3421 Knoles St. on 1/22/2018 from Elizabeth Minton. From the time of its purchase until this date the building has been vacant and not in use for any business.

A handwritten signature in black ink, appearing to read "Harry A. Karetas", with a horizontal line drawn through the middle of the signature.

Harry A. Karetas

321 Poinsett Rd.  
Myrtle Beach, SC 29577  
843-340-2203  
hakaretas@yahoo.com

**RESOLUTION NO. \_\_\_\_\_**

*Certifying a Building Site as an Abandoned Building Site Pursuant to the South Carolina Abandoned Buildings Revitalization Act, Title 12, Chapter 67, Section 12-67-100 et seq., of the South Carolina Code of Laws (1976), as amended, regarding property located at 3421 Knowles Street (formerly Dusenbury Street) in the City of Myrtle Beach, Horry County TMS # 1860001110 and Horry County PIN # 44602020076.*

**WHEREAS**, the South Carolina Abandoned Buildings Revitalization Act of 2013 (the "Act") was enacted in Title 12, Chapter 67 of the South Carolina Code of Laws to create an incentive for the rehabilitation, renovation and redevelopment of abandoned buildings and abandoned building sites located in South Carolina; and

**WHEREAS**, the Act provides that restoration of abandoned buildings into productive assets for the communities in which they are located serves a public and corporate purpose and results in job opportunities; and

**WHEREAS**, Section 12-67-120 of the Act provides the following definitions (in pertinent part):

(1) "Abandoned Building" means a building or structure, which clearly may be delineated from other buildings or structures, at least sixty-six percent of the space in which has been closed continuously to business or otherwise nonoperational for income producing purposes for a period of at least five years immediately preceding the date on which the taxpayer files a "Notice of Intent to Rehabilitate". For purposes of this item, a building or structure that otherwise qualifies as an "abandoned building" may be subdivided into separate units or parcels, which units or parcels may be owned by the same taxpayer or different taxpayers, and each unit or parcel is deemed to be an abandoned building site for purposes of determining whether each subdivided parcel is considered to be abandoned.

(2) "Building Site" means the abandoned building together with the parcel of land upon which it is located and other improvements located on the parcel. However, the area of the building site is limited to the land upon which the abandoned building is located and the land immediately surrounding such building used for parking and other similar purposes directly related to the building's income producing use; and,

**WHEREAS**, Section 12-67-140 of the Act provides that a taxpayer who rehabilitates an abandoned building or an abandoned building site is eligible either for a credit against certain income taxes, license fees or premium taxes, or a credit against local real property taxes; and,

**WHEREAS**, TCB Properties Grand Strand LLC, EIN 84-37455067, (the "Taxpayer") is or shall be the owner and developer of certain real property located at 3421 Knowles Street



, Myrtle Beach S.C. (the "Property"), , which property is further identified on the Horry County Tax Maps as TMS No. 1860001110 ; and

**WHEREAS**, no portion of the Property was placed in service before November 1, 2019; and

**WHEREAS**, this abandoned building site is being redeveloped for use as a brewery and restaurant, (the "Building Site"); and

**WHEREAS**, the Property is located within the city limits of Myrtle Beach, South Carolina; and

**WHEREAS**, the Taxpayer has requested that the City certify that this Building Site is an eligible abandoned building site as defined by Section 12-67-120;

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA**, this \_\_\_\_ day of \_\_\_\_\_, 2020, as follows:

Section 1. The Taxpayer has submitted to the City a request to certify this t Building Site pursuant to Section 12-67-160 of the Act (the "Request to Certify").

Section 2. The City has reviewed the Request to Certify, supporting documentation, conferred with the Taxpayer and conducted its own review of the Property.

Section 3. The City hereby certifies that (i) each of the Building Site constitutes a separate abandoned building site as defined in Section 12-67-120(1) of the Act, and (ii) the geographic area of the Building Site is consistent with Section 12-67-120(2) of the Act.

Requested by:

\_\_\_\_\_  
Planning Director-Carol Coleman

\_\_\_\_\_  
Mayor-Brenda Bethune

Approved by:

\_\_\_\_\_  
City Manager-John Pederson

Approved as to form:

ATTEST:

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City Attorney

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City Clerk

Introduced:

First Reading: