

**CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA
NORTH MYRTLE BEACH CITY HALL
CITY COUNCIL MEETING
Monday, April 3, 2023, 7:00 PM**

Minutes

1. ROLL CALL:

Mayor Hatley called the meeting to order and asked the Clerk to call the roll.

Marilyn Hatley
JO Baldwin
Bubba Collins
Fred Coyne
Nicole Fontana
Trey Skidmore
Hank Thomas

A quorum was established.

Mayor Hatley asked Manager Mahaney to deliver the invocation.

Mayor Hatley led the Pledge of Allegiance.

2. MINUTES:

The motion to approve the minutes for the City Council Meeting of Monday, February 20, 2022 and the City Council Workshop of Monday, March 20, 2023, as presented, was made by Councilman Collins and seconded by Councilwoman Fontana. The motion to approve passed 7-0.

3. COMMUNICATIONS:

Mayor Hatley stated that the Departmental Monthly Reports for February 2023 were available online.

4. ANNOUNCEMENTS BY MAYOR AND CITY COUNCIL:

Mayor Hatley wanted everyone to enjoy the upcoming Easter holiday. Councilman Coyne stated there was an exceptional turnout for the Touch-A-Truck event and thanked those that participated. The Council reminded everyone of the 41st Easter Egg Hunt on Saturday, April 8, 2023.

5. CONSENT AGENDA:

- A. RESOLUTION: To endorse the updated 2023 Horry County Solid Waste Management Plan
- B. MOTION TO APPOINT: One appointment to the Accommodation Tax Committee
- C. MOTION TO APPOINT: One appointment and one reappointment to the NMB Tree Board
- D. MOTION TO APPROVE: Music on Main Concert Series
- E. MOTION TO APPROVE: 2023 Junior Lifeguard Camps
- F. MOTION TO APPROVE: Wheel to Surf Event
- G. MOTION TO APPROVE: Lake Tillery Shag Club Gathering
- H. MOTION TO APPROVE: Ocean Drive Shag Club Beach Party
- I. ORDINANCE/SECOND READING: An Intergovernmental Agreement relating to South Carolina Local Revenue Services, to participate in one or more local revenue service programs, and to execute and deliver one or more participant program supplements

Mayor Hatley asked the Council to consider Items A-I together. The Council agreed and Mayor Hatley read Items A-I by title and called for a motion. The motion to approve was made Mayor Pro Tempore Baldwin and seconded by Councilman Thomas. Councilman Collins thanked Luke Sharp for having the Wheel to Surf event every year.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

6. UNFINISHED BUSINESS:

ORDINANCE/SECOND READING: Amend Chapter 5, Beaches and Waterway, of the Code of Ordinances of the City of North Myrtle Beach adopting Section 5-28, Mooring Boats or Vessels. Mayor Hatley read the ordinance by title and called for a motion. The motion to approve was made by Councilwoman Fontana and seconded by Mayor Pro Tempore Baldwin.

Having no comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

7. NEW BUSINESS:

A. ORDINANCE/FIRST READING: Petition for Annexation and Zoning Designation for 0.18 acres on Cashmere Lane. Mayor Hatley read the ordinance by title and called for a motion. The motion to approve was made by Mayor Pro Tempore Baldwin and seconded by Councilwoman Fontana. Mayor Pro Tempore Baldwin stated this property was pre-annexed in 2006 and was now contiguous with the city.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

B. ORDINANCE/FIRST READING: Amendment to the Parkway Group Planned Development District (PDD) amending Rosewood in Waterside. Mayor Hatley read the ordinance by title and called for a motion. The motion to approve was made by Councilwoman Fontana and seconded by Mayor Pro Tempore Baldwin. Mayor Hatley expressed no problem with amending the PDD because it reduced the density, and the project went from townhomes to single-family units. Councilman Thomas asked if the developer would consider a 22'-24' setback for longer driveway lengths to accommodate vehicles. Robert Guyton, agent for the Developer, stated the Planning Commission had the same comment. There would be at least 24' between the garage and sidewalk to comply with a 24' clearance.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

C. ORDINANCE/FIRST READING: Amendment to the Parkway Group Planned Development District (PDD) creating the McDowell Corporate Center. Mayor Hatley read the ordinance by title and called for a motion. The motion to approve was made by Councilwoman Fontana and seconded by Councilman Coyne. Mayor Hatley confirmed there would be only one building built right now and the remaining four would come later. Aaron Rucker, Senior Planner, explained building one was before them, and the remaining would come back before them when more was known. Ed McDowell, agent for the Developer, stated there would be a wholesale distributor and supplier as a tenant. He explained the company would be relocating from the Myrtle Beach area and would employ approximately 20-25 people. Mayor Pro Tempore Baldwin stated this would be an asset to the city.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

- D. **SECOND PUBLIC HEARING:** Regarding the amendment to the Parkway Group PDD Development Agreement creating the McDowell Corporate Center. Chris Noury, City Attorney, gave an overview of the different provisions of the Development Agreement. Mayor Pro Tempore Baldwin asked for a clarification for what the triggers would be tied to. Mr. Noury explained they were typically tied to the issuance of the building permit and the Developer was requesting for it to be tied to the certificate of occupancy. Mr. McDowell explained it had to do with the economies of scale. He was the developer and general contractor. It was important for them to have the work done at the same time as the tenant was ready to move in. Mayor Pro Tempore Baldwin confirmed that the roadwork would be completed before the certificate of occupancy. Mayor Hatley stated this had never been done before and expressed concern over the site work not being completed. Councilman Thomas stated this needed to be bonded and it should be at 125% of the estimated cost. The Council and staff discussed requiring the project to be bonded, roadwork completions, and concerns over setting a precedent. Councilman Thomas asked what the cost of the roadwork improvements would be. Mr. McDowell stated approximately \$300,000. Councilman Thomas suggested a requirement of 125% for the percentage of completion for the bond and for it to be reviewed by Public Works and then get a permit. Kevin Blayton, Director of Public Works, stated they could review a cost estimate and approve a bond. The Council continued to discuss requiring the bond. Mr. McDowell stated the work would be done by the time the certificate of occupancy was finished. Mayor Hatley stated she would like to send it back to the staff to discuss and work through it better. Mr. Noury clarified that the Council would like this tied to just the bonding requirement. Councilman Thomas stated they wanted to make sure the roadwork would be completed. Mayor Pro Tempore Baldwin stated the bond would more than guaranteed the work would be done. He said he would be okay passing the ordinance on first reading because it was time sensitive. Mr. Blayton stated they would need to hire an engineer to prepare an estimate. They would review and approve the estimate. The bond would be 125% of that number.

Having no further comment from the Council or public, Mayor Hatley closed the floor for public comment.

- E. **ORDINANCE/FIRST READING:** Amendment to the Parkway Group PDD Development Agreement creating the McDowell Corporate Center and to authorize the City Manager to sign the document on behalf of the City. Mayor Hatley read the ordinance by title and called for a motion. Councilman Thomas motioned to accept the ordinance with the amendment that the Developer would post a construction bond at 125% of the construction costs of the road improvements at the time of the issuance of the building permit and was seconded by Councilwoman Fontana.

Having no comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

- F. **SECOND PUBLIC HEARING:** Regarding the Second Separate and Independent Amendment to the Master Development Agreement regarding the Village at Waterway Hills. Mr. Noury gave an overview of the different provisions of the Development Agreement. He explained the applicant was requesting to modify the approved agreement by shifting the obligation triggers for offsite roadway improvements and onsite amenities from issuance of the building permit to issuance of the certificate of occupancy (CO). The Council agreed this was confusing and wanted to see a chart before second reading. Mr. Guyton stated there were three separate projects within the zoning, a commercial district, detached single-family homes, and multi-family traditional apartments. Due to interest rates increasing and the demand for construction subcontractors, there was a concern if it was tied to

building permits, they could not draw down on a construction loan, start buildings and have to stop and lose their subcontractors to another contract. It would lead to a delay. The plan would be to build the amenities with all the buildings in both projects at one time. When they start, they don't want to stop. The Council and staff discussed bonding the project and the number of units that would need to be built before the amenities could be built. Mr. Guyton suggested in the multi-family project there were 7 buildings, they could move the trigger for the offsite roadway improvements and building the amenity center after the 2nd CO. On the single-family project instead of 100, they could move it after the 60th CO. Mayor Hatley asked there be a guarantee it would be done, and the triggers lowered, but was still uncomfortable and concerned with it. Councilman Collins stated he was comfortable with bonding the public street improvements, the multi-family down to 2 and the single-family to 60. The Council was in agreement. Councilman Coyne asked if a table or chart could be added before second reading in order to understand it better.

Having no further comment from the Council or public, Mayor Hatley closed the floor for public comment.

- G. **ORDINANCE/FIRST READING:** Regarding the Second Separate and Independent Amendment to the Master Development Agreement regarding the Village at Waterway Hills and to authorize the City Manager to sign the document on behalf of the City. Mayor Hatley read the ordinance by title and called for a motion. Councilman Collins motioned to accept the ordinance with the amendment that the onsite multi-family amenity center would start at the 2nd certificate of occupancy and the single-family amenity center would start at 60th certificate of occupancy. The public road improvements would also need to be bonded at 125% of the cost. The commercial would be tied to permitting. The motion was seconded by Mayor Pro Tempore Baldwin. Mayor Hatley asked for a chart to be provided to all the Council members.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

8. PUBLIC COMMENT:

Gary Dearing, 1625 South Ocean Boulevard, North Myrtle Beach, stated they were one of the few people that lived in their condo full time. Every year they have gotten the yearlong resident package. They paid \$800-\$900 for the package. He called this year and was told this year it would be \$2,000 and there was not a discount for residents. The reason they were given was it didn't make economic sense. Mr. Dearing stated this would double their cost to enjoy the beach. He was hoping the Council would help. Mayor Hatley stated they would discuss it but could not make a decision tonight because it was a policy change. Mr. Dearing stated he was surprised there was a change without notifying people. He stated he was shocked at the new price and that a discount wasn't available to residents. Mayor Hatley stated they would probably discuss this topic at the Budget Retreat.

Robert Pugliese, 6095 Catalina Drive, North Myrtle Beach, stated he was from the Tanglewood neighborhood in Barefoot, and he was there in reference to the short-term rental trash fee. He wanted to know why the trash fee could not be paid when the business license was taken out. Manager Mahaney stated they had discussed this before, and the HOA needed to determine who was the short-term rental. Mr. Blayton stated they discussed at the staff level and elected to include the fee in the regular utility bill to the metered account. He didn't recall a request to pay those fees at the time of business licensing. Business licensing was conducted under state law and utility services were done under the city code. Those may not have wanted the two regulations to be mixed with fees not related to business license. Mr. Pugliese stated the HOA was now in this for \$13,000 for attorney fees and units that refuse to pay or moved without paying. They had no recourse to shut the water off because it wasn't fair to the other

families in that building. He didn't know why they couldn't collect the fees at the business license level. He asked if Tanglewood could be left out of policy. If a can was out, the HOA would fine them. They could control it themselves. Mayor Hatley stated that was a management decision. Mr. Pugliese stated they were told they could install separate water meters, but that was impossible due to the expense. Mayor Hatley asked if the HOA could put a lien on their property. Mr. Pugliese stated prior to this, they were not part of the Master Deed or rules or regulations. They could not put a lien on it because it was an individual business that had no part of the HOA. Councilman Collins asked how the city knew which cans to pick up. Mr. Pugliese stated that was another problem. He asked a sanitation worker if he had a list of who to pick up. The worker showed him a list that had 6095 Catalina Drive listed, not the individual units that were short-terms. He was told by his boss to pick up any cans that were left out. Mr. Pugliese stated now they had cans being picked up that didn't have a business license or were short-term rentals. It was not fair for those that were paying. He was told that maybe the HOA could put a sticker on the can that identified short-term rentals. Mr. Blayton stated they did not have the land for a compactor. Mr. Pugliese stated it would be simpler to collect it at the time of the business license. Manager Mahaney stated there were 15,000 water bills and 9,000 business licenses. They had been told a few years ago they needed to change the covenants of their HOA to solve this internally. There was a reason for the fee. Mr. Pugliese stated this was very difficult to track because the business license website had been changed. The option to download the spreadsheet on who was a short-term or long-term rental had been taken away. They cannot see if it's long-term or short-term. Now he has to call Darwin Reed to get help. He also found errors with the business licenses. Manager Mahaney asked Randy Wright, Director of Finance, to discuss this with Sarah Wood, the manager of the Business License Department. Mayor Hatley stated they would work to see what they could do. Mr. Pugliese suggested the city could give out a sticker during the business license process to put on trash cans.

9. **ADJOURNMENT:**

Mayor Hatley thanked everyone for coming and hoped they had a wonderful Easter holiday. The meeting adjourned at 8:09 PM.

Respectfully submitted,

Allison K. Galbreath, City Clerk

MARILYN HATLEY, MAYOR

Minutes approved and adopted this 1st day of May 2023