ATLANTIC BEACH, SOUTH CAROLINA
MASTER PLAN
# Executive Summary

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This Master Plan is intended to promote the revitalization of the Town of Atlantic Beach and provide guidance on the implementation of a new Town Vision. The primary objective is to provide for redevelopment in a manner that respects and balances the goals of the Town and its unique historical and physical characteristics. In order to achieve this balance and to better position the Town to benefit from the added social and economic value of redevelopment, the Master Plan provides guidance on public and private physical improvements targeted at the re-invention of a unique sense of place, as it is this uniqueness that will distinguish the Town within the regional and national context and provide both the impetus and sustaining power for redevelopment efforts.
The Master Plan proposals for improvements to the Town are intimately tied to the Town’s existing conditions, including its historical and cultural context; its position in the local and regional marketplace; its valuable physical characteristics; and its existing development regulations.

History and Culture

The Town’s unique historic and cultural characteristics include a blend of Gullah/Geechee heritage, historic black ownership and a unique role as a entertainment and recreation haven for African-Americans during the era of racial segregation. The Town’s physical characteristics and predominantly black ownership was created out of segregation, and it remains one of only two black-owned and black-governed oceanfront towns on the east coast today. During the Town’s heyday, which extended from the 1930’s until desegregation, Atlantic Beach was a hub for black business owners, vacationers, and popular musical entertainers. Largely due to the impacts of de-segregation and the new freedoms afforded to blacks, these activities gradually tapered off, and to this day, the Town has had difficulty re-inventing itself and attracting quality redevelopment. The Master Plan seeks to build on these unique characteristics and provide a stage for sustainable redevelopment efforts.

"Atlantic Beach’s Amusement Center glowed at night with the neon a bright lights of its amusement attractions, seen around 1950." ("Postcard History Series, Myrtle Beach and Conway In Vintage Postcards" by Susan Hoffer Mc Millan)
The Marketplace

The Master provides a general assessment of the current economic conditions of the local and regional marketplace and identifies opportunities and targets for redevelopment efforts. This includes:

- Housing opportunities for single family and second homes, condominiums and timeshares;
- Opportunity for the creation of an entertainment district with a unique beachfront character;
- Retail opportunities for the Town’s historic commercial avenues and Highway 17;
- Opportunities for office development; and
- Opportunities for the development of community cultural amenities.

Existing Physical Characteristics

The Master Plan seeks to promote new development while protecting the valuable physical characteristics that are unique among its neighboring communities. At the forefront of this effort is the protection of the beachfront and its current high degree of physical and visual accessibility. This is a characteristic that harkens back to the days of segregation when Atlantic Beach was one of very few places along the east coast where blacks were allowed to visit and enjoy the beach. Today, this accessibility is retained by virtue of public right of way that extends to the beach and the lack of development along the beachfront, characteristics that neighboring communities do not enjoy. The Master Plan provides a development framework that will retain this all important characteristic while promoting quality beachfront development efforts.

Existing Development Regulations

The Town’s current development regulations serve as the basis for many of the Master Plan proposals. While current regulations have a clear intent to protect the great natural beauty of the beachfront and the recreational opportunities it affords, the regulations fail to provide the critical balance needed for economically feasible development efforts. Coupled with small beachfront properties initially intended for the development of small cottages and second homes, today’s private development proposals for high density development are not sufficiently addressed in the regulations. The Master Plan provides a framework for the creation of more appropriately sized development parcels and zoning recommendations that balance the economic realities of development with the protection of the beachfront and its intimate relationship with the Town.
The focus of the objectives and vision for the Master Plan is to provide for the re-invention of a unique sense of place that borrows from the Town’s past while looking to the future. To this end, the primary objectives are to:

- Provide for Redevelopment and Economic Sustainability
- Recognize and Build on Historic Identity
- Preserve Valuable Physical Characteristics

Objectives

Provide for Redevelopment and Economic Sustainability: The redevelopment and economic future of the Town will be greatly impacted by the Town’s ability to provide a unique sense of place that borrows from the past while embracing the future. Finding this balance will greatly improve the chances for economic sustainability as it will provide a unique development stage within the local and regional market. Physical improvements are needed to reach this objective and to create a more appealing magnet for private development and new residents while increasing the standard of living for the Town’s current population.

Recognize and Build on Historic Identity: Of the Town’s greatest assets is its unique history and identity that combines Gullah-Geechee heritage, African-American ownership, and its role as a recreational and entertainment haven for African-Americans during the era of segregation. Opportunities to build on this identity include the development of an entertainment district proximate to the beachfront that would include retail, dining, nightclub and cultural uses. These uses, combined with new residential development would echo the experience of the Town as a recreational and entertainment haven in its heyday. Additionally, other improvements such as streetscapes and open spaces can provide queues to the historic and cultural identity through the incorporation of additional historical markers, paving patterns, native landscaping and buildings that reflect vernacular customs. While historical identity alone will not revitalize the Town, its uniqueness in the national context provides a foundation for building new opportunity and a revitalized sense of place.

Preserve Valuable Physical Characteristics: The paradox of the Town of Atlantic Beach is that, while the effects of de-segregation are undoubtedly responsible for its current state of underdevelopment and inactivity, it is these same effects that have “preserved” the Town in a relatively underdeveloped state. The benefits of underdevelopment are that the town possesses valuable physical characteristics that are unique among its neighbors. The Town’s physical relationship with the beach and the lack of existing beachfront development affords it a unique level of accessibility both visually and physically. It is this degree of accessibility, which is rooted in the era of segregation when Atlantic Beach was one of the few places where African Americans could enjoy the beach, that has led to a proud sense of ownership among the Town’s residents. Additionally, the Town retains a high percentage of tree canopy and native landscape elements that lend a rural and vernacular sense of place and relaxed character. Preservation of these characteristics to the greatest degree possible will play a large role in distinguishing Atlantic Beach among its neighbors and providing a sense of place critical to its revitalization as a unique destination.
Vision

The Vision for the Master Plan includes a series of proposals oriented towards achieving a renewed and unique sense of place and provisions that will provide a more viable redevelopment framework. Proposals include the preservation of valuable physical characteristics; the creation of important gateways and improved “curbside appeal” for the Town; improved connectivity and mobility with new street connections; streetscape and pedestrian improvements; new public open space in the form of pocket parks, plazas and a beachfront boardwalk entertainment district; and the development of community and cultural facilities.
Implementation of the Master Plan will require a cooperative effort among the Town’s residents, government officials, property and business owners and the private development community. It will also require a substantial contribution for infrastructure improvements and other projects to improve the quality of life for both existing and new residents. The Master Plan provides a preliminary financial plan that addresses the following questions:

- What are the capital improvement recommendations of the Master Plan?
- Who should pay for capital improvements?
- What financial resources and tools may be available and appropriate for the Town of Atlantic Beach?
- How should any public debt be financed and managed?
- What steps should be taken to design, finalize, and implement the Capital Financing Plan?

These questions are answered through the identification of the capital improvement requirements and the financing resources and tools available to achieve them. In the end, the recommended strategy for financial implementation is one of “Tax Increment Financing Plus” which includes the establishment of a Tax Increment Financing District supplemented with other local, state and federal funding programs.

Additionally, the implementation of the Master Plan will rely on the ability for property owners to improve their properties or to partner with private developers in development efforts. Zoning recommendations that are supportive of these partnerships and the objectives of the Master Plan are provided to aide in the implementation of the Plan.
SECTION 1 EXISTING CONDITIONS
Nicknamed The Black Pearl, the Town of Atlantic Beach has a unique historic context that is a blend of Gullah/Geechee heritage and historic black ownership. The town was created out of segregation, and it remains one of only two black-owned and black-governed oceanfront towns on the east coast today. During its heyday, which extended from the 1930’s until desegregation, Atlantic Beach was a place where black men and women brought their families to vacation. They also invested in the Town by purchasing property and opening businesses: hotels, restaurants, night clubs, and novelty shops that flourished. Additionally, the Town became a hub for black musicians and entertainers traveling the east coast and quickly became a hub for black entertainment. Unfortunately, largely due to the impacts of de-segregation and the new freedoms afforded to blacks, these activities tapered off in the Town and to this day, the Town has had difficulty in re-inventing itself. Very little physical evidence of the “heyday” exists today with historic buildings lost to devastating hurricanes and lack of maintenance over time. What does remain is perhaps one of the most beautiful stretches of beach on the Grand Strand, a healthy percentage of black property ownership and a strong desire to revitalize the Town.
Atlantic Beach, nicknamed “The Black Pearl” was established about 1934 as an oceanfront community for blacks denied access to other area beaches by segregation. Many became year-round residents, but most spent their vacations here. From the 1930’s to the 1970’s “The Black Pearl” was one of the most popular beach resorts on the East Coast for blacks from Va. to Fla. Its hotels, nightclubs, restaurants, shops, and pavilion were packed every May to September.

George Tyson was the first to develop this area, from 1934 to 1943. In 1943 the Atlantic Beach Co. - J.W. Seabrook, R.K. Gordon, and P.C. Kelly III - bought the tracts and continued to develop them. As other area beaches began desegregating in the 1970’s the beach saw fewer visitors. The town of Atlantic Beach, chartered in 1966 with Emery Gore and Millard Rucker as its first two mayors, is one of the few black-owned and governed oceanfront communities in the United States.
Copy of the Town’s 1966 Charter. Atlantic Beach celebrated its 40th Anniversary in 2006. (Courtesy of the Atlantic Beach Historical Society)

Beachfront Hotel Gordon, between 29th and 30th Avenue (above); The historic hotel was destroyed by Hurricane Hazel in 1954 (below).

Postcard of the Historic Hotel Marshall (above) (“Postcard History Series”) and the current condition of the building (below).
Atlantic Beach’s sister city, American Beach in Florida has a similar history. It was settled in the early 1930’s as a resort town for African-American’s and soon became a mecca for black vacationers and popular black entertainers of the time. Given its historical significance, American Beach was added to the U.S. National Register of Historic Places in 2002.

The Register is administered by the National Park Service and is the United States’ official list of districts, sites, buildings, structures and objects worthy of preservation. It is a primary tool to recognize historic significance and does not restrict private property owners from the use of their property. The benefits of inclusion on the Register include:

- Recognition that a property is of significance to the Nation, the State, or the community.
- Consideration in the planning for federally assisted projects.
- Eligibility for Federal tax benefits.
- Qualification for Federal assistance for historic preservation, when funds are available.

While Atlantic Beach doesn’t have a historical building stock, the role that the Town played during the era of segregation is certainly noteworthy. American Beach was listed on the Register under the “National Register Criterion A: Event – made a significant contribution to the broad patterns of our history”. Given this recognition and the similar historical context, it’s reasonable to assume that Atlantic Beach may qualify for listing on the Register as well. The Master Plan recommends that the Town consider pursuing listing on the Register, if not for the above stated benefits, then for the added recognition and commemoration of the Town’s history, the potential for added exposure and the beneficial economic impact that may result.

Today, Atlantic Beach is host to the largest gathering of black motorcycle enthusiasts in the country, drawing an average of 300,000 motorcyclists and other visitors each year to the annual Memorial Day weekend festival. Bike Fest is the fourth largest bike rally in the U.S. and the largest single event in South Carolina.

Additionally, the Town sponsors an annual Gullah/Geechee Festival, which celebrates traditions such as sweetgrass basket weaving, ethnic cooking and rhythmic clapping. The festival includes storytelling, games, African drumming and dancing as well as food, souvenirs and information about community services.
The following excerpt is taken from the Low Country Gullah Culture Special Resource Study and Final Environmental Impact Statement conducted by the National Park Service in July 2005 and provides an overview of the origins and development of the culture.

Since scholars are not in agreement as to the origins of the terms “Gullah” and “Geechee,” the vernacular use of the terms will suffice for the purpose of this study. Gullah people are, therefore, those located in coastal South Carolina and Geechee people are those who live along the Georgia coast and into Florida. Geechee people in Georgia refer to themselves as Freshwater Geechee if they live on the mainland and Saltwater Geechee if they live on the Sea Islands. In some circumstances, the term “Geechee” has been used as a blanket term to describe people who live in the Low Country, regardless of ethnicity. “Geechee” has also been used in a derogatory manner to show disdain for African American people from the Low Country region, regardless of specific location.

Gullah/Geechee people of today are descendants of enslaved Africans from various ethnic groups of west and central Africa who were brought to the New World and forced to work on the plantations of coastal South Carolina, Georgia, North Carolina, and Florida. According to the records of the Port of Charleston, South Carolina, their African origins include Angola (39%), Senegambia (20%), the Windward Coast (17%), the Gold Coast (13%), Sierra Leone (6%), and Madagascar, Mozambique, and the two Bights (5% combined) (Pollitzer, 1999:43).

Once in the Low Country, men and women of various African ethnic groups mixed in ways that did not occur in their homeland. On the plantation, enslaved Africans met other enslaved Africans from more ethnic groups than they ever would have encountered in a lifetime of living in Africa. Diverse African cultural traditions, languages, and religions were mixed and fused in combinations that did not exist in Africa. This new culture, African in origin but unlike any particular African culture, developed and flourished along the southeast Atlantic coastline and barrier islands. The new culture came to be called Gullah or Geechee, depending on geographic location (Joyner 1994).

Gullah/Geechee people are survivors – unique groups of African Americans who lived near the coast and on barrier islands that were separated from the mainland by creeks, rivers, and marshes. Because of their geographic protection from outsiders and strong sense of family and community, Gullah/Geechee people maintained a separate creole language and developed a distinct culture, which included more of the African cultural tradition than in the cultural patterns of African American populations in other parts of the United States.

The isolation of sea island communities from outsiders was vital to the survival of Gullah/Geechee community cultures. Although Gullah/Geechee people traveled to and from the mainland and to nearby islands, outsiders seldom came into their communities, especially after the Civil War. The separation of Gullah/Geechee people, which began in colonial times in response to tropical fevers, later became an isolation of choice. People chose to come back to their homes, their families, their language, and their way of life – a slow-paced life among majestic trees, tidal marshes, and dirt roads traversed by ox and mule carts – places where small boats, horses, mules and feet were the primary forms of transportation. Thus, within these rural communities, people were able to maintain the language, arts, crafts, religious beliefs, folklore, rituals, and food preferences that are distinctly connected to their West African roots. The islands were accessible only by boat until the first bridges were built around 1950.

Coastal development, changing job markets, and population shifts have forced many Gullah/Geechee people to leave their ancestral family lands. The traditional economy of farming, fishing, hunting, and small-scale marketing of subsistence products has been replaced by a suburban and resort service economy. These changes threaten Gullah/Geechee cultural survival and their distinct identity as a people who have survived since colonial times.

Many traditional Gullah/Geechee communities have been lost to real estate development, encroachment by outsiders, and the resulting economic hardship. The remaining communities have become models for understanding negative as well as positive impacts of burgeoning tourism and large scale economic development in coastal regions of the American South. Despite the losses of recent decades, the Gullah/Geechee people remain a testament to the power of human adaptability and survival amid major stresses and assaults from many fronts in the rapidly changing economic environment of the modern world.
EXISTING ECONOMIC CONDITIONS

The purpose of this section is to identify existing economic conditions that will help the Town of Atlantic Beach plan and implement the Master Plan. In this context, economic conditions refer to those factors having to do with the science of economics; and, in dealing with the ways in which goods and wealth, including real estate, is produced, distributed, and used.

There are a number of economic factors that can impact, either positively or negatively, the development process in Atlantic Beach. Many of these factors can be found at a more macro level (Horry County) while others are at the micro level of Atlantic Beach proper. Under most scenarios, given the relatively very small size of the Town of Atlantic Beach, the macro factors would dominate. However, in development and redevelopment, there are often socio-political/economic factors that express themselves in micro terms that can often way heavily on development fortunes. Given the history of Atlantic Beach as a historically African-American resort area, and given a strong constituency advocating a continued identification with its past, more micro factors are likely to come into play.

This report attempts first to identify the economic factors likely to impact future development potential; and second, to evaluate the current status of each of these elements.

Components of the Existing Economic Conditions

For purposes of this analysis, the assessment of economic conditions will focus on factors of growth or decline and economic strengths and weaknesses. Among the economic factors that need to be taken into account are the following:

- The Regional Context
- Race
- Size
- Land and Property Ownership Patterns
- Populations Growth Trends
- Household Growth Trends
- Income
- Employment and Unemployment
- Home Ownership
- Tourism
- Office Market Condition
- Hotel Market Conditions
- Retail Market Condition

Each of these economic factors will play a role in terms of being able to formulate a redevelopment plan that captures the vision of residents, land owners, and potential developers while at the same time responding to market demand. Each of these factors will ultimately be viewed in terms of their ability to either increase or reduce the risk of both public and private investment.
Review of Existing Conditions

Following is an assessment of each of the components of the economic conditions that we believe impact the development potential of the Town of Atlantic Beach.

The Regional Context

The Town of Atlantic Beach is a very small subset of the Southeast Region of the United States and the State of South Carolina. The Southeast Region is defined as extending from the northern Outer Banks of North Carolina to the southern tip of Florida. According to the U.S. Bureau of the Census, the southeast region will grow by 1.1 million people between 2003 and 2008. While much of this growth will occur in the southernmost portion of Florida, the State of South Carolina is projected to see its population increase from about 4 million in 2000 to 4.5 million in 2025.

As is true with Florida, tourism in the State of South Carolina is a key component of the economic engine. This industry posted $14.4 billion in economic activity in 2000 and despite the events of 9/11 is expected to grow to 425.5 billion by 2010. This growth in population has been occurring despite significant economic losses in textiles and tobacco. This can be largely attributed to the growth in tourism which is expected to add 52,500 travel and tourism related jobs to the South Carolina economy by 2010.

Race

The racial makeup of the jurisdiction in which there is a development opportunity is important because often a different set of development objectives are imposed. These are frequently much different from those found in the more traditional development process. The difference in development objectives generally reflects the degree to which the minority racial group is dominant.

According the US Census the Town of Atlantic Beach had a total population of 351 persons in 2000. Of this total population more than 82 percent were of black or African-American origin.

This is substantially different than a town in which blacks or African-Americans are a small minority. In development, as in other endeavors, racial or ethnic groups often bring to the process a different view of the world as a basis formulating their development expectations and their participation levels.

Consequently, more intensive work is generally required before a consensus on direction can be developed and usually at a greater cost.

Size

The Town of Atlantic Beach is very small. In purely physical terms it is a rectangular shaped town measuring approximately 1,400 feet wide and 3,100 feet long. Within this 4,340,000 square foot area there is only about 98.5 acres of land. This land is broken down into streets and other public right-of-ways and approximately 470 lots measuring in most cases 50 x 150 or 7,500 square feet, less than one-fifth of an acre. According to the Comprehensive Plan of 2001 only about 54 percent of the town’s land, or approximately 53.19 acres has been developed. That leaves only about 45 acres left for development. However, we should note that there have been more recent land surveys conducted by WWACOMA that have found that only 47 percent of the Town’s land has been developed.

<table>
<thead>
<tr>
<th>Population Group</th>
<th>2000 Census</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Black or African American</td>
<td>288</td>
<td>82.1</td>
</tr>
<tr>
<td>White</td>
<td>34</td>
<td>9.7</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>25</td>
<td>7.1</td>
</tr>
</tbody>
</table>

Source: US Census Bureau
Land and Property Ownership Patterns
Land ownership is very fragmented with small lot sizes. This makes the assembly process difficult for larger projects and is perhaps a major reason that the town has not captured some of the major development over the last decade. Many of the land owners are African-American but do not reside in the town on a permanent basis. As a result, in the past sometimes there may have been insufficient communication between outside land owners and the political process necessary to forge a consensus on development direction. At the current time there are developers making and active effort to assemble larger development parcels.

Population Growth Trends
At a micro level, population growth for the Town of Atlantic Beach has been up and then down over the past 15 years. Shortly after its incorporation as a Township, the town had a population of 215 in 1970. By 1980 the population had increased to 289, an increase of 34 percent. This was followed by an increase of over 45 percent between 1980 and 1990 with the population level reaching 412 persons. However between 1990 and 2000 the town saw a sharp decline in its permanent population, which dropped to 351. This represented a loss of over 17 percent. This drop in population between 1990 and 2000 stood in sharp contrast to what was happening in the rest of Horry County, South Carolina. More recent US Census Bureau estimates suggest that there has been a very small increase in population since 2000.

During the same period, 1990 to 2000, the City of North Myrtle Beach grew from 8,731 to 10,974 while the Town of Surfside Beach grew from 3,845 to 4,425. Only the City of Myrtle Beach showed a similar decline to that of Atlantic Beach dropping from 24,848 in 1990 to 22,759 in 2000. This decline of about 9.1 percent was still far less than that of Atlantic Beach.

At the macro level, the County, as a whole, grew from 144,053 in 1990 to 196,629 in 2000 for an increase of 36.4 percent. More recent estimates placed the county’s population at nearly 227,000 in 2005.

Household Growth Trends
At the macro level, Horry County exhibited strong household growth between 1990 and 2000. During the ten year period households grew from 55,764 in 1990 to 81,800 in 2000. This represented an annual average of just more than 2,600 new households per year. The 26,036 new households in the county represented an increase of 46.6 percent during the decade of the 1990’s. According to most estimates that level of growth has been continuing.

However, during the same time of this tremendous growth in households in the county, the Town of Atlantic Beach was losing households. According to the US Census the town had 189 households in 1990. By the year 2000 the number of households had declined to only 132 households. This represented an annual average loss of about 5.7 households each year. There is no evidence that this loss was brought on by displacement as a result of any redevelopment activity.

This loss of 30 percent of its households would be equivalent to Horry County losing 16,729 households over the same period. The fact that the Town of Atlantic Beach is so much smaller does not substantially diminish the economic consequences.
**Income**

For the Town of Atlantic Beach, median household income in 1999 dollars was $24,375; median family income was $20,313; and per capita income was $12,492. As compared with Horry County these income levels were low. In comparison, Horry County median household income was $36,470; median family income was $42,676; and per capita income was $19,949. Thus median household income in Atlantic Beach was only 66% of the County as a whole; median family income was only 47.6 percent of the county; and per capita income was only 62.6 percent of that of the county as a whole. While inflation has increased these income levels, experience suggest that the comparative income levels between town and county have not changed over the past six years.

**Employment and Unemployment**

In March of 2006 the Myrtle Beach-Conway-North Myrtle Beach Metropolitan area had an unemployment rate of 5.2 percent as compared with a national average of 4.6 percent. This was a decrease from the 6.1 percent unemployment rate for the previous month. However, this may have been due to a job expansion brought on by seasonal employment. A March of 2005 comparison might be a better gauge for trend analysis since the seasonal job factor would be eliminated. In March 2005 the unemployment rate stood at 6.8 percent, a full 1.6 percent higher than in March of 2006.

While specific data could not be obtained for the Town of Atlantic Beach, the unemployment rates for African-Americans traditionally are 1.5 to 2 times as high as the overall metropolitan rates. If tradition holds true for Atlantic Beach, unemployment rates in Atlantic Beach would range between 7.8 and 10.4 percent.

**Home Ownership**

In the 2000 Census the Town of Atlantic Beach had a total of 244 housing units. Of these units 132 units were occupied by permanent residents. Of the units occupied by permanent residents only 44 units were owner occupied. This represented only 33.3 percent of the occupied units. This does not compare favorably with a national average of 66.2 percent.

Renters are therefore dominant in the Town of Atlantic Beach occupying 66.7 percent of the occupied units. Many of these units are public housing units.

**Tourism**

According to the Statistical Abstract for the Myrtle Beach Area of South Carolina the number of visitors to the Grand Strand has been on a rebound from the low of 11.9 million estimated in 2001 following the events of 9/11. This represented a decrease of 1.9 million visitors from the high of 13.8 million estimated in 2000. However, since 2001 there has been a rebound with 12.7 million estimated in 2002; 12.8 million in 2003; and 13.2 million estimated in 2004.

Estimates indicate that as many as 36 percent of the visitors travel from New York, Pennsylvania, Ohio and New Jersey and 22 percent come from the State of North Carolina. The largest number of foreign visitors comes from Canada. However it has been estimated that at least 65,000 visitors come overseas with the largest number coming from the United Kingdom followed by Germany.

**Table 2. Visitor Estimates, SC Grand Strand**

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Number of Visitor (In Millions)</th>
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<tbody>
<tr>
<td>1998</td>
<td>12.2</td>
</tr>
<tr>
<td>1999</td>
<td>13.7</td>
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<tr>
<td>2000</td>
<td>13.8</td>
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<td>2002</td>
<td>12.7</td>
</tr>
<tr>
<td>2003</td>
<td>12.8</td>
</tr>
<tr>
<td>2004</td>
<td>13.2</td>
</tr>
</tbody>
</table>

Source: S. C. Department of Parks, Recreation and Tourism
Using data from 2002 the dominant visitor profile for the Grand Strand would be as follows:

- Occupation: Professional
- Age Group: 35-54
- Income Group: $49,000-$74,000
- Party Type: Families
- Length of Stay: 4-7 Nights
- Visitor Activity: Shopping/beach

**Office Market Conditions**
Office market demand remains strong buttressed by an expanding real estate market with vacancy rates below double digits. Office rental rates in free standing buildings are in the $15-$17 per square foot range. Space in Class A buildings are commanding from $25-$35 per square foot. The conditions bode well for growth in the office market as long as there continues to be growth in the overall economy. The office market is dominated by small space users.

**Hotel Market Conditions**
There is some weakness in the hotel market. Average occupancy rates have been relatively flat. In 2002, the average occupancy rate was 55 percent. This was followed by an occupancy rate of 55.4 percent in 2003 and 55.8 percent in 2004. During this same period average daily rates were $68.38 in 2002; $68.98 in 2003; and $73.89 in 2004. Since tourism has remained rather flat in recent years, the overall hotel market still has excess capacity. There have been several sales recently of hotels for the purpose of converting them to time-shares where the market appears to be stronger.

**Retail Market Conditions**
The retail market has not yet reached a point of oversupply. Gross retail sales in Horry County increased from $6 billion in 2002 to about $7.085 billion in 2004. During the same period retail sales in North Myrtle Beach (which surrounds the Town of Atlantic Beach) increased from $473 million to $601 million. All evidence suggests that these trends are continuing. As a result, rents have been pushed higher with rates for neighborhood centers ranging from $14 to $16 per square foot and for regional centers at $30 to $35 per square foot.
ASSESSMENT OF HOUSING POTENTIAL

This section contains our assessment of the housing potential for the Town of Atlantic Beach utilizing secondary source data and our own experience. The redevelopment of the Town of Atlantic Beach will require rehabilitation of some of the existing housing stock, the development of new permanent housing, and the development of higher density condo units designed to meet second home and investment property needs.

Over the past five years housing demand on the Grand Strand has been strong and has been fuel by a combination of factors. These factors have included a growing population with a reduction in household size, a larger segment of retirees creating new households and moving to the Grand Strand, baby boomers investing in a second home, the bust in the stock market channeling more investors into the housing market, and Federal Reserve policies from mid 2003 to mid 2004 which held its short term target to 1% out of concern that a tepid recovery from the recession would cause low inflation to turn into deflation. This policy led to very cheap financing in the housing market.

All of these factors created strong demand for housing in the Grand Strand marketplace but also all over the country.

The Permanent Residence Market

Demand for permanent residences in the Town of Atlantic Beach will be a function of population growth in Horry County, household growth and the degree to which the Town of Atlantic Beach can make itself attractive for permanent residents. At a minimum the preconditions would require the creation of an attractive physical environment and the ability to develop and market permanent housing products within price ranges affordable by Horry County residents.

Since the Town of Atlantic Beach has been a historically black township, one possible niche target is the black retiree. According to the Statistical Abstract for the Myrtle Beach Area of South Carolina 2006, “Horry County is no. 1 among the top five regions in the state where retirees are locating. Recent trends suggests that many blacks who migrated from the south to the north seeking better job opportunities during the era of racial segregation upon retirement are now returning to their home states. Given a moderate climate, lower cost of living, beach access and the amenity of hundreds of golf courses nearby, the Town of Atlantic Beach might prove to be competitive assuming that the preconditions can be achieved.

Horry County has experienced strong growth over the last several decades. In 1980 the county had a population of 101,419. As Table 1 shows, by the year 2000 the population had increased to 196,629. This represented nearly a 94 percent increase or an average increase of nearly 4.7 percent annually over the two decades.

Current projections suggest that by 2015 the population is expected to grow to 265,460. This would represent an increase in population of 68,831. Assuming an average household size of 2.37 this would support the construction of an additional 29,042 housing units by the 2015 or an average of nearly 2000 units per year to meet population growth needs countywide.

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<thead>
<tr>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>69,992</td>
</tr>
<tr>
<td>1980</td>
<td>101,419</td>
</tr>
<tr>
<td>1990</td>
<td>144,053</td>
</tr>
<tr>
<td>2000</td>
<td>196,629</td>
</tr>
<tr>
<td>2005</td>
<td>226,992</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
*Projection
Potential Capture: It would not be unreasonable for the Town of Atlantic Beach to capture 4.5 units of this demand per year, given both size and cost considerations, or approximately 45 units over the initial 10 year development period.

These projections are based upon homes sales prices ranging from $255,000-$335,000 in today’s dollars.

The Second Home/Single Family House Market

The second home single-family market is very much a market in transition except for the wealthy. The expansion of the condominium concept into condo hotels and time-share arrangements has reduced total purchase and operating costs to the consumer and provided more choices with respect to the use of second home dollars.

Despite this new competition however a sizable second home single-family housing market remains. According to the National Association of Realtors “typical vacation home buyers in 2005 were 52 years old, earned $82,800 and purchased a property that was a median of 197 miles from their primary residence; however, 47 % of vacation homes were less than 100 miles away, and 43 % were 500 miles or more.

The median price of a vacation home in 2005 was $204,100, up 7.4% from 2004. We expect second home sales to remain strong given the fact that the baby boomers are at the stage of life when people are interested in making that kind of lifestyle purchase. However, much will depend upon consumer confidence in the economy over the next ten years; discretionary purchases for second homes are always more likely in a healthy economy that is looking positive as well.

How much of this market that can be captured by the Town of Atlantic Beach will be very much a function of product pricing. With median prices at $204,100 in 2005 many households are beginning to be forced out of the market for the single-family second home product, especially on or near ocean fronts. For nearby ocean front properties, housing prices have reflected underlying land values which have appreciated sharply during the 2002 to 2005 housing boom. With asking prices in the North Myrtle Beach area hovering around $8 million per acre for ocean front lots, and lots located 3 quarters of a mile from the beach at nearly $600,000 the market in the Town of Atlantic Beach for single-family second home product is limited.

Given these factors we would expect that the single-family second home component in the Town of Atlantic Beach will remain those existing second home properties that resist the urge to sell and instead reinvest in their properties. These owners will benefit from the substantially higher values that will come from the implementation of a new plan and substantially increase their net worth.

At the same time this may be an opportunity for well designed townhouse villas selling in the $300,000-$350,000 price range which could be introduced west of Route 17.

Potential Capture: The Grand Strand has a strong exposure to the potential single-family second home market. Over the past seven years the estimated number of tourist per year has averaged approximately 12.9 million. This base of tourism is the key market generator for all of the second home activity.
For purposes of methodology, we have established an income base of $90,000 as potential qualifiers for second home properties in the Town of Atlantic Beach. According to the 2002 Conversion Study compiled by D.K. Shifflet & Associates, Inc., the Grand Strand attracts middle to high-income travelers, and further that visitor income has increased steadily over the years. Table 3 provides a breakdown of income groups visiting the Grand Strand area.

As Table 3 indicates approximately 17% of all visitors to the Grand Strand have incomes above $90,000. However in seeking to determine the possible capture for the single-family second home market in the Town of Atlantic Beach we have used a methodology that capitalizes on data provided by the Bureau of the Census. This methodology is set forth in Table 4 below.

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Percentage of Total Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>$120,000 +</td>
<td>4%</td>
</tr>
<tr>
<td>$105,001- $120,000</td>
<td>3%</td>
</tr>
<tr>
<td>$90,000- $105,000</td>
<td>10%</td>
</tr>
<tr>
<td>$74,001- $90,000</td>
<td>10%</td>
</tr>
<tr>
<td>$49,001- $74,000</td>
<td>42%</td>
</tr>
<tr>
<td>$25,001- $49,000</td>
<td>20%</td>
</tr>
<tr>
<td>$25,000 or Less</td>
<td>11%</td>
</tr>
</tbody>
</table>

Table 3. Income Groups of Visitors to Grand Strand

<table>
<thead>
<tr>
<th>Total Households Visiting Grand Strand</th>
<th>2,580,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Owning a Home @69.2%</td>
<td>1,785,360</td>
</tr>
<tr>
<td>Percent Owning a Second Home @6%</td>
<td>107,122</td>
</tr>
<tr>
<td>Percent Owning a Second Home by 2010</td>
<td>178,536</td>
</tr>
<tr>
<td>Potential Second Home Seekers Annually, Including Investors</td>
<td>71,414</td>
</tr>
<tr>
<td>Potential Market Capture For Grand Strand @7%</td>
<td>4,999</td>
</tr>
<tr>
<td>Total Atlantic Beach Capture @2%</td>
<td>100</td>
</tr>
<tr>
<td>Atlantic Beach Single Family Market @5%</td>
<td>5</td>
</tr>
</tbody>
</table>

Table 4. Potential Absorption Rates for Single-Family Second Homes

The capture rates used in this methodology constitutes our best judgment given current market conditions and anticipated future market conditions but will remain sensitive to product price levels and meeting the preconditions established earlier in this section.

This analysis suggests that approximately 5 single-family second home units could be sold annually for a total of 50 units over a 10 year development period.
The Condominium Market

While the Condominium Market in the Grand Strand has experienced strong demand over the past five years, more recent data strongly suggests that the market is weakening rapidly. The Grand Strand has been a very hot market with 9,222 units sold in 2005. Unfortunately, much of this demand has been driven by speculators who are the first to leave the market when demand begins to weaken.

Table 5 uses data from 2004, as compiled by The Local Market Monitor, to show the investor percentage of homes purchased in 2004.

<table>
<thead>
<tr>
<th>City</th>
<th>2004 Number of Homes Purchased</th>
<th>Investor Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Myrtle Beach, S.C.</td>
<td>12,346</td>
<td>58%</td>
</tr>
<tr>
<td>Naples, Florida</td>
<td>15,551</td>
<td>45</td>
</tr>
<tr>
<td>Cape Coral, Ft. Myers, Fla.</td>
<td>29,670</td>
<td>40</td>
</tr>
<tr>
<td>Wilmington, NC</td>
<td>10,792</td>
<td>38</td>
</tr>
<tr>
<td>Atlantic City, N.J.</td>
<td>7,460</td>
<td>25</td>
</tr>
<tr>
<td>Honolulu, H.I.</td>
<td>16,954</td>
<td>23</td>
</tr>
<tr>
<td>Reno, Nev</td>
<td>14,157</td>
<td>21</td>
</tr>
<tr>
<td>Miami-West Palm Beach</td>
<td>180,939</td>
<td>21</td>
</tr>
<tr>
<td>Phoenix, Ariz.</td>
<td>171,633</td>
<td>21</td>
</tr>
<tr>
<td>Charleston, S.C.</td>
<td>18,338</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: The Real Estate Journal and The Local Market Monitor

Table 5 clearly shows that much of the market in the Grand Strand Area has been fueled by investors. Myrtle Beach had the highest percentage of investor purchases at fifty eight percent of the total units sold. Given the boom year of 2005, most housing economist estimate that the percentage of investor purchases increased. A part of the attractiveness of this market may have been the relatively modest price structure of condo units in the Grand Strand area. This market speculation has been good for driving sales in the past but may prove to be problematic for the future as investors leave the market.

Between 2004 and 2005 the median price for condos increased by 37 percent from $113,000 to $155,000. These are fairly modest prices for a beach community. The increase in overall values may have, in some cases, reflected an expansion of the inventory by the building of more expensive condo units.
At the same time, these median prices do not adequately reflect what is happening in the upscale market for Ocean Front Condo properties or for properties with ocean views. For this purpose we have reviewed current asking prices for seven quality ocean front properties. Table 6 shows the results of our survey.

Table 6. Square Foot Asking Prices for Ocean Front Properties, July 2006

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>Class Type</th>
<th>Square Feet</th>
<th>Price (Asking)</th>
<th>Price Per Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>202 70th Ave. N</td>
<td>Condo</td>
<td>3000 plus</td>
<td>$3,000,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>122 Vista Del Mar</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$2,995,000</td>
<td>$990</td>
</tr>
<tr>
<td>8500 Margate Cir</td>
<td>Condo</td>
<td>3000 plus</td>
<td>$2,650,000</td>
<td>$876</td>
</tr>
<tr>
<td>5900 N. Ocean</td>
<td>Condo</td>
<td>3000 plus</td>
<td>$2,599,900</td>
<td>$859</td>
</tr>
<tr>
<td>1702 Margate</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$2,495,000</td>
<td>$824</td>
</tr>
<tr>
<td>1101 S. Ocean</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$2,450,000</td>
<td>$809</td>
</tr>
<tr>
<td>82nd Ave N</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$2,379,900</td>
<td>$786</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td>3000</td>
<td>$2,652,828</td>
<td>$877</td>
</tr>
</tbody>
</table>

Source: Coa Association of Realtors and George Henry George Partners, LLC

Table 6 shows that high end oceanfront properties currently on the market have asking prices ranging from $786 to $1,000 per square foot. The average per square foot price for the units reviewed was $877 and the average price was $2.65 million.

Units with ocean views, but that are not oceanfront, cost somewhat less. As Table 7 shows units with ocean views, but not ocean front have asking prices ranging from $555 to $777 per square foot with an average asking price of $631 per square foot.

Table 7. Square Foot Asking Prices for Ocean View Properties, July 2006

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>Class Type</th>
<th>Square Feet</th>
<th>Price (Asking)</th>
<th>Price Per Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1101 S. Ocean</td>
<td>Condo</td>
<td>3000 plus</td>
<td>$2,350,000</td>
<td>$777</td>
</tr>
<tr>
<td>701 S. Ocean</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$1,929,000</td>
<td>$638</td>
</tr>
<tr>
<td>213 76th Ave. N</td>
<td>Duplex</td>
<td>3000 plus</td>
<td>$1,800,000</td>
<td>$595</td>
</tr>
<tr>
<td>9500 Shore Dr.</td>
<td>Condo/Townhouse</td>
<td>2725</td>
<td>$1,699,900</td>
<td>$623</td>
</tr>
<tr>
<td>2500 S. Ocean</td>
<td>Condo/Townhouse</td>
<td>3000 plus</td>
<td>$1,680,000</td>
<td>$555</td>
</tr>
<tr>
<td>302 Fordam</td>
<td>Condo/Townhouse</td>
<td>2625</td>
<td>$1,550,000</td>
<td>$590</td>
</tr>
</tbody>
</table>
The moderately priced market is made up of both older and new units. For this market we looked at condo units in the $300,000 to $400,000 range which are still twice the median value of a condo in the area. Table 8 presents our findings for this price range at or near the ocean front.

<table>
<thead>
<tr>
<th>Address of Property</th>
<th>Class Type</th>
<th>Square Feet</th>
<th>Price (Asking)</th>
<th>Price Per Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>408 N. 24th Ave</td>
<td>Condo</td>
<td>1251-1300</td>
<td>$385,900</td>
<td>$303</td>
</tr>
<tr>
<td>5600 N. Ocean</td>
<td>Condo</td>
<td>851-900</td>
<td>$352,500</td>
<td>$402</td>
</tr>
<tr>
<td>2301 N. Ocean</td>
<td>Condo</td>
<td>851-900</td>
<td>$389.90</td>
<td>$445</td>
</tr>
<tr>
<td>811 Waters Edge</td>
<td>Condo</td>
<td>1051-1100</td>
<td>$399,500</td>
<td>$372</td>
</tr>
<tr>
<td>1520 Waccamaw</td>
<td>Condo</td>
<td>1151-1200</td>
<td>$399,000</td>
<td>$339</td>
</tr>
<tr>
<td>806 Waccamaw</td>
<td>Condo</td>
<td>851-900</td>
<td>$389,900</td>
<td>$445</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td><strong>1024</strong></td>
<td><strong>$386,116</strong></td>
<td><strong>$377</strong></td>
</tr>
</tbody>
</table>

Source: Coa Association of Realtors and George Henry George Partners, LLC

The first major difference noted between the upscale units and the moderately priced units is price. On average the upscale units are priced at 6.8 times the price of the moderately scaled units. The second major difference is size. On average the upscale units are 2.9 times the size of the moderately scaled units. The price per square foot for the upscale units are two and one-third the price of the more moderately priced units.

This shows that there are many price points which can be targeted in the Grand Strand market. The price points range from approximately $350,000 - $2.5 million for new product. The price points targeted by the developers will be a major factor in determining the quality of redevelopment that is likely to take place in the Town of Atlantic Beach.

It is now clear however that the market of 2002-2005 will not continue. Most housing economists, including George Henry George Partners, are predicting a slowing down in both price appreciation and absorption. While condo prices will continue to increase at a less rapid rate, largely because of the number of luxury condos being built, overall supply is expected to be more balanced with demand as investors leave the market.

As evidence of this the numbers show that more people are trying to cash out of the condo market. In the Grand Strand Market Condo listings have increased from 2,237 in 2005 to approximately 6,867. However, some of this may have been due to hotel conversions. Even if the hotel conversions are discounted, the numbers of condos that have been newly listed have doubled from the previous year.
Capture Potential. Table 9 shows our estimates of the capture potential for condos with ocean views. This analysis is based upon an assumption that many investor/speculators are likely to leave the market given higher interest rates, greater carrying cost because of the rise in HOA fees, and a more competitive rental market.

At the same time, the number one attraction of the Grand Strand is the beach. That is where people have said that they want to be. It is because of this market driver that we expect that the development of condos with ocean views will still drive the redevelopment of the Town of Atlantic Beach even as the condo market returns to normalcy.

Table 9 shows that demand will support the capture of approximately 95 units annually of condo units with ocean views in the Atlantic Beach. This projection assumes that the units will be quality units, attractively priced for the market.

Table 9: Potential Absorption Rates for Ocean View Condo Market, July 2006

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Households Visiting Grand Strand</td>
<td>2,580,000</td>
</tr>
<tr>
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<tr>
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<td>Potential Second Home Seekers Annually, Including Investors</td>
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</tr>
<tr>
<td>Potential Market Capture For Grand Strand @7%</td>
<td>4,999</td>
</tr>
<tr>
<td>Total Atlantic Beach Capture @2%</td>
<td>100</td>
</tr>
<tr>
<td>Ocean View Condo Market Capture @95%</td>
<td>95</td>
</tr>
</tbody>
</table>

Source: George Henry George Partners and U.S. Census Bureau

Table 10 provides our assessment of the type, size, and range of square foot prices per unit that we believe can be achievable in

Table 10. Mix and Pricing of Units, July 2006

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Number of Units</th>
<th>Total Square Feet</th>
<th>Per Square Foot Cost</th>
<th>Unit Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Bedroom</td>
<td>15</td>
<td>800</td>
<td>$600-$625</td>
<td>$480,000-$500,000</td>
</tr>
<tr>
<td>2 Bedroom</td>
<td>62</td>
<td>1,000</td>
<td>$550-$600</td>
<td>$550,000-$600,000</td>
</tr>
<tr>
<td>3 Bedroom</td>
<td>15</td>
<td>2,100</td>
<td>$550-$600</td>
<td>$1,155,000-$1,260,000</td>
</tr>
</tbody>
</table>
ASSESSMENT OF THE ENTERTAINMENT POTENTIAL

This section contains our assessment of the entertainment market utilizing secondary source data and our own experience. We define the entertainment opportunity as the ability to introduce venues for eating, drinking and entertainment. The Town of Atlantic Beach has a historical connection to black entertainment since it served as a haven for African American Entertainers who provided entertainment for whites during the days of segregation. As the area that provided housing for these entertainers, the town often benefited from after hour performances and became a destination for entertainment in the African-American Community. Many residents of the town have a vision that a new entertainment node featuring jazz music, eating and drinking, and other forms of black culture and entertainment can be recreated as a new niche in a desegregated marketplace. We have set out to assess this possibility.

Perhaps the most critical element in an entertainment retail feasibility analysis is the identification of the existing competitive supply of entertainment nodes and/or venues. While we have not been able to identify them all, we have identified the following as the most prominent.

- Broadway at the Beach
- Barefoot Landing
- Legends in Concert
- Dixie Stampede
- Carolina Opry
- Tribute. The Concert

Following is a brief description of each of the entertainment districts or venues.

**Broadway at the Beach.** This is a 350 acre entertainment district featuring more than 100 shops, 20 restaurants, and 15 attractions plus night clubs, hotels and theaters. The site plan was designed so that the development surrounds a lake. The district includes a sixteen screen movie theater, a NASCAR SpeedPark, Myrtle Waves and a Water Park. Restaurants include both a Planet Hollywood and the Hard Rock Café. Broadway at the Beach is also the location of The Palace Theater. The Palace Theater is the home of Le Grand Cirque a show with over 40 world class acrobats and performers in a highly entertaining production. The show uses sensational lighting, mesmerizing costumes, and incredible acts.

**Barefoot Landing.** Barefoot landing is a water oriented shopping and entertainment destination. It is located along Highway 17 in North Myrtle Beach. The development is built around a 23 acre lake. Included in the development are thirteen factory direct stores and over 100 specialty shops. There are thirteen restaurants and seven entertainment venues including the House of Blues and the Alabama Theater. The House of Blues is an entertainment venue fashioned after an old southern delta juke joint featuring acts such as the Black Crowes, Delbert McClinton, Bela Fleck, Fiona Apple and BB King. Each Sunday there is a Gospel Brunch. The Alabama Theater’s Celebrity concerts include acts such as the Neville Brothers, The Temptations, Kenny Rogers, Billy ray Cyrus, and Terri Clark. Most believe that the additional attractions The Alligator Adventure and Ghost and Legends are also worth seeing.
Carolina Opry. This is a 2200 seat venue which has been the recipient of the Most Outstanding Attraction Award. Now in its 20th season, the Opry House presents a two hour show featuring everything from Rock & Roll and Country to Classic Pop and Broadway Hits.

Legends in Concert. This is a show featuring quality tribute artists performing with orchestra, singers and dancers. The tribute artists (impersonators) present stars such as Elvis Presley, Rod Stewart, Alan Jackson, and Madonna. The show is located in Surfside Beach.

Tribute! The Concert. A tribute artist show similar to Legends in Concert located in North Myrtle Beach providing tributes to stars such as Tina Turner, Diana Ross, Elton John, Neil Diamond, Liberace and, of course, Elvis Presley.

Dixie Stampede. A dinner show promoted by Dolly Parton featuring beautiful horses, romantic costumes and a four-course meal.

In addition to these key attractions the Grand Strand has 40 screens in 3 Cinema Complexes, Briarcliffe Cinema 10, Broadway 16, and Cinemark 14 and an Imax Discovery Theatre located at Broadway at the Beach. The area has at least 14 nightclubs and dance clubs, at least one comedy club, and a piano bar. There are also at least 4 sports bars.

The Market

The Market for this entertainment base is made up of the residents of Horry County and the tourism base. As a part of this assessment we have calculated the entertainment dollar base that may be available from residents of Horry County as well as from the tourism base.

Table 1 provides our estimate of the entertainment dollars available from residents of Horry County to support pure entertainment activities. Using data from the 2000 census we have calculated that given the income base in Horry County approximately $100 million might be available for pure entertainment, not including eating and drinking activities outside of the home. While the Department Labor surveys indicate that 4.6 percent of income is used for entertainment the category includes boats and recreational vehicles. We have therefore used a more conservative 2.6% of household income to establish our potential base.

| Total Population | 196,629 | Total Households | 81,800 | Per capita Income | $19,949 | Average Household Size | 2.37 | Average Household Income | $47,208 | Total Household Income | $3,861,614,400 | Pure Entertainment Percent of HHI | 2.60% |

Table 1. Entertainment Dollars in Horry County, South Carolina
The second component of the entertainment dollar base for the Town of Atlantic Beach would be the Food Away From Home (Evening Dining and Alcoholic Beverages). Table 2 which follows provides our assessment of the dollar base that may be available from these expenditure categories.

Table 2. Food Away from Home and Alcoholic Beverages Base

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Households</td>
<td>81,800</td>
<td></td>
</tr>
<tr>
<td>Food Away From Home Per Household</td>
<td>$2,100</td>
<td></td>
</tr>
<tr>
<td>Percentage Capture for Evening Meals</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Total Food Away from Home for Evening Meals</td>
<td>$420</td>
<td></td>
</tr>
<tr>
<td>Total Expenditure Base (Evening Meals)</td>
<td>$34,400,000</td>
<td></td>
</tr>
<tr>
<td>Total Alcoholic Beverages Per Household</td>
<td>$280</td>
<td></td>
</tr>
<tr>
<td>Percentage Capture for Evening Meals</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Total Alcoholic Beverages Away from Home (EM)</td>
<td>$28</td>
<td></td>
</tr>
<tr>
<td>Total Expenditure Base Evening Meals</td>
<td>$2,290,400</td>
<td></td>
</tr>
<tr>
<td>Total Market Potential</td>
<td>$36,690,400</td>
<td></td>
</tr>
</tbody>
</table>

Source: George Henry George Partners, US Census Bureau, US Department of Labor

Our analysis suggests that an additional $36.6 million from the residents of Horry County may be available to support of restaurant/nightclub activity. This would create a potential market base of approximately $137,100,000.

In addition to the local market, the tourism market provides a strong base for eating, drinking, and entertainment activity. According to the Statistical Abstract for the Myrtle Beach Area of South Carolina 2006 the average leisure traveler spent an average of $101.76 per day, and group business travelers spent an average of $208.11 per person per day. The average length of stay was 5.3 days for leisure travelers and 2.63 days for business travelers. In order to calculate the market expenditure base from tourism we have assumed averaged expenditures of $150 per day with an average stay of 4 days.
Table 3 provides our analysis of the expenditure potential base that might be available from tourism to support eating, drinking, and entertainment activity in the Town of Atlantic Beach.

Table 3. Visitor Expenditure Potential (Evening Entertainment)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Expenditures</td>
<td>$125</td>
</tr>
<tr>
<td>Trip Expenditures</td>
<td>$500</td>
</tr>
<tr>
<td>Percent Evening Entertainment</td>
<td>10%</td>
</tr>
<tr>
<td>Evening Entertainment Expenses</td>
<td>$50</td>
</tr>
<tr>
<td>Number of Visitors</td>
<td>12,900,000</td>
</tr>
<tr>
<td>Total Evening Entertainment Dollars</td>
<td>$645,000,000</td>
</tr>
</tbody>
</table>

Table 3 shows that local tourist probably add an additional $645,000,000 to the expenditure base for evening entertainment. When this amount is combined with the local base of $137 million it creates a total market base of approximately $782,000,000 for evening entertainment.

**Probability Analysis**

The probability analysis is designed to determine how much space might be developed in the Town of Atlantic Beach assuming a 1 percent capture of the expenditure potential base. Table 4 shows the results. This would be the likely demand if there were not an integrated attempt on the part of the town and developers to make the Town of Atlantic Beach a destination location for entertainment.

Table 4. Probability Analysis

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Base</td>
<td>$782,100,000</td>
</tr>
<tr>
<td>Market Capture</td>
<td>0.01</td>
</tr>
<tr>
<td>Potential Sales Volume</td>
<td>$7,821,000</td>
</tr>
<tr>
<td>Sales Volume Per Square Foot</td>
<td>$500</td>
</tr>
<tr>
<td>Supportable Square Footage</td>
<td>15,642</td>
</tr>
</tbody>
</table>

**Source:** George Henry George Partners, LLC

The probability analysis indicates that the Town of Atlantic Beach, under this condition, would be able to capture sufficient market to support approximately 15,000 square feet of restaurant/entertainment establishments. This would support between 3 and 7 establishments depending upon function and size.
Market Creation Strategy Approach

However, under ideal circumstances, using a strategy designed to create a destination/entertainment node reminiscent of its past, the town should be able to increase its market capture to between 3% and 6%. This increase would be due to the fact that a new entertainment dynamic would be introduced in the market which would be substantially different in character to that available in the market at this time.

The development of a market creation approach would begin by developing an entertainment district concept, and second by “branding” the type of entertainment district that the Town, working in partnership with developers, would seek to create.

The Town of Atlantic Beach, during the days of segregation, had a history as the entertainment location for the African-American population. This came about because many of the African-American entertainers, working professional engagements on the Grand Strand, had to lodge in the Town of Atlantic Beach. The town seeks to translate this history into an entertainment concept that will have strong market acceptance in today’s market. The general concept therefore is for an entertainment district that reflects the southern African-American musical experience and which is further supported by food, drink, art, books, and other products in a beachside setting.

*Atlantic Beach’s Amusement Center glowed at night with the neon a bright lights of its amusement attractions, seen around 1950.*

("Postcard History Series, Myrtle Beach and Conway In Vintage Postcards" by Susan Hoffer Mc Millan)
It would be expected that the mix of establishments in the district would include clubs, southern style restaurants, tourist oriented retail such as African-American Art, books and jewelry stores, and other miscellaneous establishments.

Branding is important as a quick way of selling a concept. Just as "Broadway" has become the branding name for the live theater district in New York, and "Tin Pan Alley" defined the musical publishing district, as has "Beal Street" come to define the blues and jazz district in Memphis, Tennessee. In a similar fashion, the Town of Atlantic Beach will have to brand and market its entertainment district, perhaps using a historical reference when naming the district. A much used branding tool is a music festival which could be incorporated into any promotion program.

As the following Table 5 shows, such an approach would generate support for between 47,000 and 94,000 square feet of space. Obviously much additional work needs to be done to refine the concept and the effective implementation will require the full cooperation and support of the Town of Atlantic Beach and the developers. Much will depend upon the caliber of entrepreneurs that can be attracted to carryout the implementation of the concept.

### Table 5. Market Creation Approach

<table>
<thead>
<tr>
<th></th>
<th>$782,100,000</th>
<th>$782,100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Base</td>
<td>$782,100,000</td>
<td>$782,100,000</td>
</tr>
<tr>
<td>Market Capture</td>
<td>0.03</td>
<td>0.06</td>
</tr>
<tr>
<td>Potential Sales Volume</td>
<td>$23,463,000</td>
<td>$46,926,000</td>
</tr>
<tr>
<td>Sales Volume Per Square Foot</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Supportable Square Footage</td>
<td>46,926</td>
<td>93,852</td>
</tr>
</tbody>
</table>

Source: George Henry George Partners, LLC

A new vision for a boardwalk entertainment district connecting the Town with the beachfront and new private development. The boardwalk is proposed to be coupled with the Gullah/Geechee Trail and East Coast Greenway.
ASSESSMENT OF MARKET SUPPORT FOR RETAIL DEVELOPMENT

This section contains our assessment of the potential for a retail component as a part of the redevelopment plan for the Town of Atlantic Beach utilizing secondary source information and our own experience.

Retail Base: The existing retail base within the Town of Atlantic Beach is extremely modest. Its primary location is along Route 17 and the retail establishments include Sand Beachwear, Nothing Over $3.99, The Pawn Shoppe, Dynamite, Blockbuster Video, and the China Dragon Restaurant. Within the interior of the town there is also a Skeeter’s Food Market which sells bread, milk, meats, beer, wine, soda, and ice cream. There is also Nora Lener’s Seafood Country Cooking which offers only private dining. At the present time, a location on Route 17 is important for retail market access. This is because the market is very limited in the Town of Atlantic Beach.

Trade Area Definition: For purposes of this assessment we have used a geographic trade area of five miles from the center point of 30th Avenue and Route 17 in the Town of Atlantic Beach. This trade area largely embraces the Towns of Atlantic Beach and North Myrtle Beach.

Trade Area Demographics: The key demographics for this area are the following:

- The current population for the trade area is estimated to be 19,110, a growth of 17.6% since 2000. Over the next five years, the population is expected to grow by 12.8%. This growth will be more than twice the growth projected for the United States as a whole.
- The population makeup at this time is 86.6% White, 10.1% are Black or African-American, 0.9% are Asian, 0.2% are Nat. Hawaiian and Other Pacific Isl., 6.3% are Some Other Race and 2.7% are two or more races.
- The average household income is estimated to be $55,323 for the current year which is substantially below the U.S. average estimate of $65,849.
- Per capita income is estimated to be $26,996 which is slightly higher than the US average.
- The number of households for 2006 is estimated to be 9,312; by 2011 the total number of households is projected to increase to 10,689.
- A total of 12,900,000 tourists, on average, visit the Grand Strand. They represent an additional market base.

Trade Area Expenditure Potential

Table 1 which follows shows a breakdown of the potential expenditure potential for 2006 and 2011. This analysis is based upon the Bureau of Labor Statistics Survey of consumer expenditures in the Southern Region of the United States. The purchasing percentages have been applied to the total expenditure potential to determine potential expenditures in the five mile trade area.
For the retail assessment for the Town of Atlantic Beach we would limit our assessment to a select group of categories. These categories are shown in Table 2.

For the retail assessment for the Town of Atlantic Beach we would limit our assessment to a select group of categories. These categories are shown in Table 2.

<table>
<thead>
<tr>
<th>Table 1. Trade Area Expenditure Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>---------------</td>
</tr>
<tr>
<td>Number of Households</td>
</tr>
<tr>
<td>Household Income</td>
</tr>
<tr>
<td>Total Household Expenditure Potential</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
</tr>
<tr>
<td>Housing</td>
</tr>
<tr>
<td>Apparel and Service</td>
</tr>
<tr>
<td>Transportation</td>
</tr>
<tr>
<td>Health Care</td>
</tr>
<tr>
<td>Entertainment</td>
</tr>
<tr>
<td>Personal Care Products &amp; Services</td>
</tr>
<tr>
<td>Reading</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>Tobacco Products &amp; Supplies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2. Trade Area Expenditure Potential for Retail Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>---------------</td>
</tr>
<tr>
<td>Number of Households</td>
</tr>
<tr>
<td>Household Income</td>
</tr>
<tr>
<td>Total Household Expenditure Potential</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
</tr>
<tr>
<td>Apparel and Service</td>
</tr>
<tr>
<td>Entertainment</td>
</tr>
</tbody>
</table>
The categories included in the analysis, which excludes automobile sales, indicates that the market can support sales volumes of $146 million at the current time increasing to $181 million by the year 2011.

Obviously many of these sales are now being captured locally at the Surfwood Shopping Center, Colonial Mall, Barefoot Landing and the strip retail stores along Route 17. However, it is a competitive market place so the ability to capture expenditure will be highly dependant upon the creativity of the retail offerings proposed and the ability to attracting quality retailers to implement the concept.

Tourism Expenditure Potential

In addition to the residential market base for retail there is also a strong tourism market base. Shopping ranks second only to the beach as the most favored activity by tourist in the Myrtle Beach area market. Table 3, that follows, presents our analysis of the potential expenditure potential by tourist for retail goods.

<table>
<thead>
<tr>
<th>Table 3. Tourism Expenditure Potential for Retail Goods and Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Daily Visitor Expenditure</strong></td>
</tr>
<tr>
<td><strong>Average Trip Expenditure</strong></td>
</tr>
<tr>
<td><strong>% Retail Shopping</strong></td>
</tr>
<tr>
<td><strong>Total Retail Shopping Per Trip</strong></td>
</tr>
<tr>
<td><strong>Total Number of Visitors</strong></td>
</tr>
<tr>
<td><strong>Total Expenditure Potential</strong></td>
</tr>
</tbody>
</table>

Source: George Henry George Partners, LLC

Using our estimates of average daily expenditures, trip days, and percentage of expenditures used for shopping we have calculated the expenditure potential for retail. With an average visitation of 12.9 million people over the last five years the tourist market would generate approximately $645 million in expenditure potential for retail by visitors annually.

Probability Analysis: In the probability analysis we have assumed a capture percentage of 5% of the retail expenditure potential from retail from the primary trade area and 2% of the visitor expenditure potential. As a second step, we have made the assumption that a $500 per square foot sales productivity volume will be needed for quality development.

Table 4 presents the results of our probability analysis.

This analysis suggest that if the appropriate parcels could be assembled along Route 17 within the Town of Atlantic Beach there is a high probability that current and future expenditure potential could support the development of an additional 40,000-50,000 square feet of retail space.
Mix of Retail

The mix of retail along Route 17 should include the following:

- Convenience Grocery
- Alcohol Tobacco
- Services
- Apparel
- Hobby and Crafts
- Specialty Retail
- Restaurants

Any effort to improve the retail structure of Route 17 should attempt to

- Induce demand by improving the critical mass of stores and services available.
- Stimulate both day and evening activity.
- Create a more unique sense of place than exists presently.
- To encourage and improve pedestrian mobility.
- To efficiently provide for parking needs.

Capture Potential for Retail within a Village Concept

As much as 10,000-12,500 square feet of this retail potential might be captured in a location off Route 17. This would be in a location closer to the water’s edge. However, this would be largely restaurants and specialty retail establishments. The extent to which a substantial retail, eating and drinking node can be created off of Route 17 will be dependent on how access to the node is provided; and, if parking is not only adequate but easy to use.

### Table 4. Probability Analysis

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Area Expenditure Capture (5%)</td>
<td>$7,300,000</td>
<td>$9,065,000</td>
</tr>
<tr>
<td>Visitor Expenditure Capture (2%)</td>
<td>$12,900,000</td>
<td>$16,018,900</td>
</tr>
<tr>
<td>Total Capture</td>
<td>$20,200,000</td>
<td>$25,083,900</td>
</tr>
<tr>
<td>Sales Volume Per Square Foot</td>
<td>$500</td>
<td>$525</td>
</tr>
<tr>
<td>Supportable Space</td>
<td>40,400</td>
<td>47,778</td>
</tr>
</tbody>
</table>

Source: George Henry George Partners, LLC
ASSESSMENT OF HOTEL/MOTEL DEVELOPMENT POTENTIAL

The local hospitality market in the Town of Atlantic Beach is made up exclusively of small motels. In the past these hotels have served African-American families who were coming to the Town of Atlantic Beach to vacation. However, in more recent years they have largely served the underclass. This has created many social problems for the town. Many of these hotels now serve as permanent residences for a few who can not afford housing elsewhere.

Among the motels in or near the Town of Atlantic Beach are the following.

- Evans Motel
- E & E Motel
- Skeeter’s Motel
- The Budget Inn

Altogether, motel facilities in the Town of Atlantic Beach have a total of 53 hotel rooms. Properties which largely function in the same market include the Woods Apartments, DeWitts Efficiency Apartments and Rooms, and Park View Apartments and Rooms. Most of these properties are smaller properties with less than 25 rooms.

The competitive market for these properties has largely dried up after desegregation. The only market left therefore is for people who need really inexpensive places to stay or live for short periods of time. This makes for a very difficult business for motel and apartment owners. In most cases the underlying land value may be worth more than the business leading to the conclusion that many of the owners may sell at the appropriate time.

This condition has not been limited to the Town of Atlantic Beach. According to reporters from the Sun News, “the City of Myrtle Beach witnessed the close of 18 of its mom and pop hotels to make way for high rise condominium towers, even as tourism leaders speculated whether the growth in the number of visitors is keeping up with the growth in the number of lodging units.

The Future Market

Therefore, long term prospects for the hotel market in the Town of Atlantic Beach are mixed. The obvious asset is the beach which would make a wonderful setting for a resort hotel. Unfortunately, the economic performances of hotels in the Grand Strand have been rather lack luster over the past five years.

In the hotel market, solid occupancy levels and sustainable average daily rates are the key to long term viability and profitability.
Occupancy Rates: Table 1 provides the average occupancy rates for the years 2002-2004 by month for local hotels and motels in the Grand Strand.

<table>
<thead>
<tr>
<th>Month</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>30.6</td>
<td>29.1</td>
<td>32</td>
</tr>
<tr>
<td>February</td>
<td>46.1</td>
<td>41.7</td>
<td>46.1</td>
</tr>
<tr>
<td>March</td>
<td>56.8</td>
<td>53.4</td>
<td>57.6</td>
</tr>
<tr>
<td>April</td>
<td>63.8</td>
<td>65.5</td>
<td>67.9</td>
</tr>
<tr>
<td>May</td>
<td>59.5</td>
<td>60.1</td>
<td>58.4</td>
</tr>
<tr>
<td>June</td>
<td>75.1</td>
<td>75.7</td>
<td>72.1</td>
</tr>
<tr>
<td>July</td>
<td>83.5</td>
<td>83.8</td>
<td>86.7</td>
</tr>
<tr>
<td>August</td>
<td>72</td>
<td>77.3</td>
<td>63.9</td>
</tr>
<tr>
<td>September</td>
<td>49.9</td>
<td>49</td>
<td>48</td>
</tr>
<tr>
<td>October</td>
<td>47.5</td>
<td>53.4</td>
<td>51</td>
</tr>
<tr>
<td>November</td>
<td>39.8</td>
<td>41.9</td>
<td>42.7</td>
</tr>
<tr>
<td>December</td>
<td>27.4</td>
<td>33.7</td>
<td>31.1</td>
</tr>
</tbody>
</table>

Yearly Average: 55, 55.4, 54.8

Source: S.C. Department of Parks, Recreation & Tourism

The occupancy rates for the three year period 2002-2004 were not impressive. The average occupancy over the three years was 55 percent according to the South Carolina Department of Parks, Recreation and Tourism. Clearly, hotels in Myrtle Beach must make it during the summer months of June, July and August when occupancy rates averaged 76.6 over the three-year period.

In comparing results for 2005 and 2006, we found the following. Occupancy rates in May of 2005 were 50.3, and 55.5 percent in 2006, as compared with 58.4 percent in 2004. June rates were 76.6 percent in 2005 as compared with 72.1 percent in 2004.

These occupancy rates suggest that the market is just holding its own; helped somewhat by a reduction in the number of hotel rooms due to sale or condo conversion. It has been estimated that as many as 1500 hotel rooms were converted to condo over the last year.
Average Daily Rates: Hotel properties have been attempting, if possible, to make up for the short fall in occupancy by improving their average daily rates. To a large extent these efforts have been successful. Table 2 shows average daily room rates by month for the three year period 2002-2004.

Table 2. Average Daily Rates Grand Strand Hotels and Motels

<table>
<thead>
<tr>
<th>Month</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>$43.46</td>
<td>$46.48</td>
<td>$45.01</td>
</tr>
<tr>
<td>February</td>
<td>$46.27</td>
<td>$50.60</td>
<td>$52.78</td>
</tr>
<tr>
<td>March</td>
<td>$59.07</td>
<td>$60.83</td>
<td>$62.48</td>
</tr>
<tr>
<td>April</td>
<td>$68.75</td>
<td>$75.49</td>
<td>$75.62</td>
</tr>
<tr>
<td>May</td>
<td>$85.91</td>
<td>$86.10</td>
<td>$90.80</td>
</tr>
<tr>
<td>June</td>
<td>$97.93</td>
<td>$96.87</td>
<td>$102.45</td>
</tr>
<tr>
<td>July</td>
<td>$106.92</td>
<td>$108.64</td>
<td>$116.05</td>
</tr>
<tr>
<td>August</td>
<td>$90.82</td>
<td>$95.12</td>
<td>$99.21</td>
</tr>
<tr>
<td>September</td>
<td>$67.05</td>
<td>$62.86</td>
<td>$79.71</td>
</tr>
<tr>
<td>October</td>
<td>$61.79</td>
<td>$57.22</td>
<td>$62.98</td>
</tr>
<tr>
<td>November</td>
<td>$49.66</td>
<td>$49.10</td>
<td>$53.63</td>
</tr>
<tr>
<td>December</td>
<td>$42.91</td>
<td>$38.49</td>
<td>$45.94</td>
</tr>
<tr>
<td>Yearly Average</td>
<td>$68.38</td>
<td>$68.98</td>
<td>$73.89</td>
</tr>
</tbody>
</table>

Source: S.C. Department of Parks, Recreation & Tourism

As Table 2 shows, average daily hotel and motel rates increased from $68.38 in 2002 to $73.89 in 2004. More recent data available for June 2006 indicates how rates have increased sharply since 2004. Data for the week of June 25- July 1, 2006 provided by Smith Travel shows the following:

- Average Daily Rates for the Myrtle Beach North Area ranged from a high of $203 on Friday to a low of $146 on Tuesdays.
- Average Daily Rates for the Myrtle Beach South Area ranged from a high of $127 on Saturday to a low of $91.88 on Monday.

The rates in the North Area of the market reflect the introduction of premier properties such as the Marriott Grand Dunes which was recently awarded the AAA 4 Diamonds rating.
While increases in the average daily rate have been positive, the overall profitability of the hotel sector has been weak. Occupancy rates have been well below the national average and average daily rates do not compare with some other ocean front resort areas such as Hilton Head. Faced with these problems, small hotels have been selling out and larger hotels have been converting to condominium units. The City of Myrtle Beach has lost a lot of money on its convention hotel due to low occupancy and the inability to increase its average daily rates.

**Conclusion**

The state of the hotel market is in flux. The tremendous growth in time share properties has cut into the hotel market. Overall occupancy rates remain weak with only a small degree of help from the summer months. However, the long-term hotel market will be brought into balance as the number of hotel rooms are reduced through attrition. This will usher in higher occupancy rates during the high season as well as a more favorable revenue rate per available room. For the immediate period, 1-5 years, newer concepts such as the condo-hotel should be considered.
ASSESSMENT OF OFFICE DEVELOPMENT POTENTIAL

Office market demand remains strong at the present time buttressed by an expanding real estate market. The Sun Times has reported that as a result of the recent real estate boom in condo and single-family home “law firms have been hiring real estate paralegals, banks are expanding, especially in mortgage lending; builders are seeking more workers and the number of realtors selling on the Grand Strand has almost doubled.”

According to the Coastal Carolinas Association of Realtors between 2004 and 2005 the number of real estate agents having access to the Multiple Listing Service increased from 2,500 to 4,200. These increases in office employment have translated into greater demand for office space.

Office rental rates in free standing buildings are in the $15-$17 per square foot range. Space in Class A buildings are commanding from $25-$35 per square foot. These conditions bode well for growth in the office market as long as there continues to be growth in the overall economy.

While all of these trends are positive, one needs to exercise some caution given an office market that has principally benefited from the recent real estate boom. What goes up may come down.

Office Employment

The total non-agricultural wage and salary employment for Horry County in 2002 was 87,727. According to the 2005 Year End Review of the Employment Security Commission of the State of South Carolina, the Myrtle Beach MSA was one of five MSA in the state to experience job growth over the year. The Myrtle Beach MSA added 4,100 jobs, primarily in government (+1,000), and leisure and hospitality (+1,000). The non-agricultural job base has been estimated to be around 111,425 in 2005.

Office employment as a percentage of total non-agricultural employment has been going up in recent years largely due to the information technology revolution. This revolution has impacted office employment resulting in office employment being approximately 40% of the total non-agricultural employment base. Using this test, the Myrtle Beach MSA would have approximately 40,000 office jobs. However, we have discounted the office percentage to approximately 25% due to the high incidence of hospitality service jobs in the local economy. This assumption would support an office job base of approximately 25,000 at the present time.

Table 1 shows that employment by industry for Horry County for the year 2004.

Table 1 does show that the services category, which includes hospitality and leisure, is by far the largest industry sector. Because fewer of these workers generate office space we have made the appropriate adjustments.

The labor force is expected to expand as Horry County grows. By 2025 Horry County is expected to have a total population of 275,900 people. We project that the labor force will keep pace with population growth resulting in a labor force base of 143,468 in 2025.
Given the information revolution in the labor market we would expect the percentage of office workers to increase from 25% to 30% by 2025. This would yield a base of approximately 43,040 office workers by 2025.

Existing Office Space

We could not find a primary or secondary data source that had undertaken an inventory of the Horry County office market. This is because the market is relatively small and highly fragmented. As an alternative we have estimated the existing office space based upon our estimates of the number of office employees currently in the economy. Table 2 shows our findings.

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Square Ft. Per. Employee</th>
<th>Estimate of Office Workers</th>
<th>Total Office Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Range</td>
<td>150</td>
<td>25,000</td>
<td>3,750,000</td>
</tr>
<tr>
<td>Medium Range</td>
<td>125</td>
<td>25,000</td>
<td>3,125,000</td>
</tr>
<tr>
<td>Low Range</td>
<td>100</td>
<td>25,000</td>
<td>2,500,000</td>
</tr>
</tbody>
</table>

Source: George Henry George Partners, LLC

Table 2 shows an estimated range of between 2.5 million and 3.75 million square feet of space for the county. We would estimate that approximately half of this space would be located in the Myrtle Beach area. Hill Partners has estimated that as much as 1,000,000 square feet of this space, which is Myrtle Beach’s largest concentration, is located within one mile of the intersection of Carolina Bay Parkway and International Drive.

Future Office Space Potential

The amount of future space needed will be a function of the expanded office market employment base. In this analysis we have projected that as the population grows the office market base will increase. In Table 3, which follows, we have calculated the amount of space that we believe will be supportable in the county in the year 2025.

As Table 3 shows, projected future office space in 2025 would range from a low of 4.3 million square feet of office space to a high of 8.6 million. The median range of 6.45 million is the most probable.
**Net Increase in Office Space**

The net increase in office space is the difference between existing space and future projected space. Our estimates suggest, using the medium range, that Horry County may be able to add as much as 2.26 million square feet of office space between 2006 and 2025. That works out to an annual absorption rate of approximately 100,000 square feet per year county-wide.

Over the next 10 year period, demand should be generated for approximately 1 million square feet of office space. A great deal of this demand will be generated by government employment and the rest by finance, insurance, real estate and other business services.

<table>
<thead>
<tr>
<th>Estimate</th>
<th>2006</th>
<th>2025</th>
<th>Net Increase by 2025</th>
<th>Annual Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Range</td>
<td>3,750,000</td>
<td>6,456,000</td>
<td>2,706,000</td>
<td>128,857</td>
</tr>
<tr>
<td>Medium Range</td>
<td>3,125,000</td>
<td>5,389,000</td>
<td>2,264,000</td>
<td>107,809</td>
</tr>
<tr>
<td>Low Range</td>
<td>2,500,000</td>
<td>4,304,040</td>
<td>1,804,040</td>
<td>86,000</td>
</tr>
</tbody>
</table>

*Source: George Henry George Partners, LLC*

**Probability Analysis:** The short-term prospect for speculative office buildings is more difficult to determine due to the heavy demand now being generated by the real estate boom. With any significant decline in the real estate industry, some currently leased space may be freed up. However, longer-range the prospects appear strong for speculative office development targeted to the smaller firms.

For the probability analysis, we have projected a potential capture of 2% of the probable absorption of 1,000,000 square feet of office space over the next 10 years. A 2% capture would be 20,000 square feet of space capable of housing 6-10 small businesses.
ASSESSMENT POTENTIAL FOR COMMUNITY/CULTURAL CENTER

This section addresses the market opportunity for the development of a community/cultural center in the Town of Atlantic Beach, South Carolina. A community/cultural center could be supportive of building a support structure in the Town of Atlantic Beach by supporting family, friends and neighbors and by expressing the town’s history and culture. However, it is also true that a town must have sufficient population to support the provision of public facilities. Given the currently small population base of the Town of Atlantic Beach it seems clear that a different model for a community/cultural center needs to be developed.

Any analysis of probability should first begin with a definition of a community/cultural center. For our purposes we will define a community cultural center as a facility in which a mix of community activities and cultural activities can be offered. There are a number of community and cultural activities and venues that could be offered in the center. These activities and venues could include the following:

- Education venues including preschool and after school programs; special classes for senior citizens such as classes in self-improvement and computers.
- Recreational venues including basketball, including summer basketball camp, golf, including summer golf camp, game room, and martial arts.
- Museum celebrating the history of the Town of Atlantic Beach.
- Dance Studio
- Small auditorium/meeting room/theater

The ultimate mix of activities should be determined by the degree to which the program or activity is needed as determined by support for the activity by membership, participation or attendance. Venues programs or activities should have the flexibility to change.

Non-Revenue Generating Components

Should the Town of Atlantic Beach decide to proceed with the educational and recreational venues, the Town or some other government agency, such as the State and/or County School System would probably have to subsidize the programs. These programs would include preschool and after school programs and special classes for senior citizens. Such financing would also be required for the recreational venues including basketball, golf, game room, and martial arts. There may be some opportunities for grants in support of some of these activities which we will discuss later in the financing strategy.

The Town would most likely also have to subsidize the operating cost of the auditorium/meeting room/theater and the dance studio. As in the case of other program areas previously discussed, there may also be grant opportunities in support of a dance program. Much will be determined by the creativity of any program that is offered and the profile of the participants.
Museum Celebrating History of Town of Atlantic Beach

The community/cultural center could include a museum celebrating the history of the Town of Atlantic Beach and its cultural heritage. The museum could be composed of two galleries. One gallery could have a permanent exhibition featuring the history and culture of the town. The second gallery could be a changing exhibition gallery.

Under ideal circumstances the museum would become affiliated with a program such as Museum on Main Street, a program affiliated with the Smithsonian Museum that serves small town museums and residents of rural areas.

The objective of the program is to combine the cultural resources at the federal, state, and local level to provide high-quality educational events to underserved rural citizens and to spark professional improvement to small town museums.

An affiliation with this type of program, if available, would help to broaden the appeal of the museum and therefore maximize its attraction potential.

The Town of Atlantic Beach museum could present lectures and undertake other activities relating to the history and accomplishments of African-Americans who have lived in Atlantic Beach through paintings, photographs, books and other memorabilia. The museum could be the repository for private collections of photographs depicting the town during the 1940’s, 1950’s and 1960’s when the town served as an oasis for African-American families during the period of segregation.

The museum could provide classes in the history of African-Americans in Horry County as a part of Black History Month and use its photo collection to develop slide presentations and temporary exhibits to showcase different aspects of African American history and culture in the Town of Atlantic Beach.

While all of these things might be possible with the right leadership, the market base for museums of this type is quite small. However, there is an emerging market of people who enjoyed delving into the history of places, as well as trained historians, who might see the museum as an attractive destination. A lot will depend on the depth of the collection that can be assembled and the creativity of the presentation.

Based upon our experience with similar museums we would estimate between 3,500 - 6,000 visitors on a paid basis of no more than $5.00. On a non-pay special donation only basis the museum could see attendance reach as many as 8,000 annually.

Conclusion

Given the small population base of the Town of Atlantic Beach, there may not adequate market support for the development of a typical community center. However, there is the opportunity to develop a facility that can have special market appeal for residents of Atlantic Beach and some in the broader market. We believe that this could be a small modern facility with a community history museum, a gymnasium, auditorium/theater, and dance studio.
As a separate initiative, the Town of Atlantic Beach might consider building a separate facility to house an African American Golf Hall of Fame. A museum creating an African American Golf Hall of Fame has been suggested in the past as one possible attraction for the town. The Grand Strand area is known for the number of golf courses and its reputation as a destination area for golfers. Many of the golfers are African-American who would have an affinity to the location of such a memorial in the Town of Atlantic Beach.

This probability analysis examines museums and halls of fame that are comparable to the proposed African American Golf Hall of Fame. An important component to a museum and hall of fame feasibility study is to look at other comparable facilities and their experiences. The experiences of these facilities with market issues, such as attracting visitors, can provide a base to evaluate the proposed project. For the African American Golf Hall of Fame, comparable facilities fall into two general categories (1) those that have both the characteristics of a museum and a hall of fame and (2) those that have a general focus on African-American history. Here we summarize eleven such museums throughout the country to provide a rough estimate of the drawing power of hall of fame museums and museums with historical emphases not unlike those of the proposed African American Golf Hall of Fame. Although a wide range of attendance figures were produced in varying markets, such an analysis gives a general indication of similar facilities’ attendance experiences.

The first group described is comprised of seven hall of fame museums. These facilities have the characteristics of a museum as well as those of a hall of fame. In this analysis, a hall of fame is characterized, primarily, as a facility that performs an induction ceremony while a museum is characterized, primarily, as an audience support facility that contains historical artifacts. Our analysis of this first group is strictly limited to those facilities that function as both a hall of fame as well as a museum because this is how the proposed African American Golf Hall of Fame could be structured. Our review of these seven facilities will highlight major facts such as the facility’s opening date, size, including its spatial layout and how the space is used, annual attendance, induction process, and admission fees. We examined these facilities to provide a rough estimate of the drawing power of halls of fame and museums not unlike that of the proposed African American Golf Hall of Fame.

The following seven hall of fame museums have been used for this analysis:

- College Football Hall of Fame – South Bend, IN
- Naismith Memorial Basketball Hall of Fame – Springfield, MA
- National Baseball Hall of Fame and Museum – Cooperstown, NY
- National Cowboy and Western Heritage Museum - Oklahoma City, OK
- National Inventor’s Hall of Fame - Akron, OH
- Pro Football Hall of Fame - Canton, OH
- Rock and Roll Hall of Fame and Museum – Cleveland, OH
The following is a profile of each of the comparable halls of fame.

**College Football Hall of Fame – South Bend, IN**
The College Football Hall of Fame sits on a 58,000 sq. ft. site. The site includes outdoor parking and outdoor gridline. The mission of the Hall is to honor accomplishments of players, coaches and contributors in collegiate football. The Hall welcomes more than 65,000 visitors each year.

Exhibits consist of interactive displays, photos, statues, and artifacts from the game in different eras. The Hall also includes a research library, which charges a research fee of $50 an hour. The museum has extended operation hours on the University of Notre Dame’s game day.

Admission rates are $10 for non-residents, $7 for senior citizens, $7 for students ages 15 to 21, $4 for children 6 to 14, children 5 and under enter for free. General admission for residents is $8. Annual enshrinement ceremony tickets cost $10 each. Each year the College Football Hall of Fame attracts over 6,000 visitors to its annual Enshrinement Festival.

**Naismith Memorial Basketball Hall of Fame - Springfield, Massachusetts**
The Naismith Memorial Basketball Hall of Fame, named for the game’s inventor, was founded in 1968. Today, the new Hoop Hall is an 80,000-square foot state-of-the-art facility located on Springfield’s riverfront. Hoop Hall receives more than 300,000 visitors each year. The 18-acre site includes office and retail space, restaurants, a visitor information center, hotel, community center, and underground parking.

The Hall features an assortment of exhibits and activities, including a virtual reality exhibit with more than 900 artifacts on display. The museum uses audiovisual, memorabilia (photos, uniforms, basketballs), statues, interactive exhibits, education programs, and resource library to honor enshrines and the game.

Admission rates for adults are $15; special rates for senior citizens are $12.50. Youth rates for ages 5 to 15 are $10, and children less than 4 years of age enter for free.

**National Baseball Hall of Fame and Museum - Cooperstown, NY**
The mission of the National Baseball Hall of Fame and Museum is to preserve baseball history, pay homage to the greatest players of the game and their achievements, and unite generations of baseball fans. Initially, the Hall of Fame was established in Cooperstown, New York in 1939 as a shrine to house treasures of the game. Today, the museum preserves over 35,000 artifacts, the library and archive houses more than 2.6 million documents, recordings, and photos, and the Hall of Fame exhibits enormous collections of artifacts related to the inductees. The Hall awards baseball’s greatest players with a plaque in the Hall of Fame Gallery. This attraction welcomes more than 350,000 visitors each year. Museum officials anticipate 20,000 visitors for its annual induction ceremony next year despite renovation. The ceremony is a free event.

Admission rates are $9.50 for adults, $8.00 for senior citizens and veterans, $4 for children ages 7 to 12, and children less than 7 years of age enter for free. Due to the renovation project the museum is currently offering a 20% reduction in admission rates.
National Cowboy and Western Heritage Museum - Oklahoma City, Oklahoma

The National Cowboy and Western Heritage Museum opened in 1965 as a tribute to the men and women who helped establish the West as an integral part of America's cultural heritage. The Museum honors people who have embodied and perpetuated the heritage of the American West through their exemplary lives, careers, and achievements.

This 200,000 square foot facility, residing on an 18-acre site, is home to three Halls of Fame: Hall of Great Westerners, Hall of Great Western Performers, and Rodeo Historical Society. The Museum receives more than 140,000 visitors annually.

The Museum's 16 galleries exhibit statues, cowboy attire and equipment, commemorative rodeo with audio visual and interactive programming, painting and sculptures, cultural and historical objects (i.e. books, publications, photographs, slides, and audio recordings), interactive discovery exhibit for children, Native American gallery commemorate spiritual, social, economic and cultural influences embodied in Native American art that spans thousands of years; and guns of the late 1800's.

In 1994, the Museum added 80,000 square feet, increasing the total size to more than 200,000 square feet. The site also includes a gift shop, restaurant, research center and botanical and natural gardens.

Admission rates are $8.50 for Adults, $7.00 for Senior Citizens, $4.00 for Children ages 6 to 12 years, Children under the age of 6 years old enter for free.

National Inventors Hall of Fame - Akron, Ohio

The National Inventors Hall of Fame is dedicated to honoring and fostering creativity and invention. It honors the women and men responsible for the great technological advances that make human, social and economic progress possible. The facility is a 77,000 square foot building surrounded by a plaza and garden.

Since opening in 1995, the Hall welcomes more than 100,000 visitors annually. The museum offers visitors opportunity to explore the world of invention through hands-on, minds-on exhibits. Inventors Hall of Fame hosts science clubs and summer camp programs for school children between the second and sixth grades. The Hall issues five awards totaling $220,000 each year at the annual collegiate inventor's competition.

Admission rates are adults for $7.50, youth under the age of 18 for $6.00, senior citizens for $6.00, and family ticket are available for $25.00.

Pro-Football Hall of Fame - Canton, Ohio

Founded in 1963, the mission of the Pro-Football Hall of Fame’ is to enhance the understanding and appreciation for the positive values of football in American culture. They seek to accomplish this mission through its annual induction program and 14 galleries exhibiting artifacts, audio tape, photographs, and interactive displays. Part of this mission is carried out through the Archives and Information Center (AIC) where thousands of requests for information are handled each year. The AIC houses the largest most comprehensive collection related to the history of professional football. The 83,000 square foot Hall greets more than 200,000 visitors yearly.
Inductions are celebrated with a Pro Football Hall of Fame Festival. This four-day event has received acclaim by an elite tourism industry selection committee as one of the nation’s top 100 events. Several festival package rates are offered ranging from $38 to $162 per person. The activities include a parade, tailgate party, enshrinement ceremony, and museum tours. The festival events drew as many 225,000 people one year. More than 3,500 volunteers are used to staff the event each year.

Admission rates for adults are $12.00; children 14 years and under $8.00; senior citizens are $6.00. Family packages are $30.

Rock and Roll Hall of Fame - Cleveland, Ohio

Though the Rock and Roll Hall of Fame was created as a non-profit foundation in 1983, it wasn’t until 10 years later that founder and city officials broke ground on a site. The Foundation’s mission is to “recognize the people who have created this music which has become the most popular music of our time.” The 150,000 square foot Rock and Roll Hall of Fame and Museum opened in 1995 and is one of Cleveland’s largest attractions. In 2002, a banner year, the Hall received 575,000 visitors.

The Hall is a non-profit institution supported through public investment, corporate sponsors, private donors, membership programs and the revenues generated at the Museum (i.e. concessions, ticket sales and museum store sales).

Admission rates for adults are $18; senior citizens $14; children 9 to 12 are $11; children 8 and under enter for free.

This second group is comprised of four museums whose program content is focused on African-American culture and history. In this analysis, museums that are dedicated to the collection, preservation, interpretation and dissemination of the history and culture of African-Americans are considered to have a program content that is focused on African-American culture and history. Our analysis of this second group is strictly limited to museums whose program content is focused on African-American culture and history because this is inline with the program content of the proposed African American Golf Hall of Fame. In our review of such museums we came across the King Center for Non-Violence, located in Atlanta, Georgia. We excluded the King Center for Non-Violence from our analysis. Unlike the proposed African American Golf Hall of Fame, the King Center for Non-Violence has a free admission policy. Comparing attendance rates of free to fee-based venues would be impractical. One would expect attendance rates at free venues to be significantly higher than those at fee-based venues. We found this to be true in our analysis of the four museums in this section of the report. Attendance rates at the King Center for Non-Violence were more than four times higher than those at the most highly attended of the four museums we reviewed in this group.

Our review of the four museums will highlight major facts such as the facility’s opening date, size, including its spatial layout and how the space is used, annual attendance, and admission fees. We examined these facilities to provide a rough estimate of the drawing power of museums not unlike that of the proposed African American Golf Hall of Fame. The following four museums are comparable to the African American Golf Hall of Fame:

- 18th & Vine Street Museums – Kansas City, MO
- African Museum in Philadelphia - Philadelphia, PA
- Birmingham Civil Rights Institute – Birmingham, AL
- National Civil Rights Museum – Memphis, TN
The following is a profile of each of the comparable museums.

**18th & Vine Street Museums – Kansas City, MO**
The 18th and Vine Historic District is reputed as the “birthplace of Kansas City Jazz.” During the 1920's – 60's, this historic district served as epicenter of business for African-American communities of the Midwest. Today the 18th and Vine museum and performing arts complex is a 72,000 square foot facility in the center of this historic district. The complex houses other historical sites of Kansas City, including: American Jazz Museum, Negro League Baseball Museum, Black Archives of Mid-America, and the Gem Theater. Combined, the attractions welcome more than 130,000 visitors each over its first 10 years of operation; in recent years there has been a decline in attendance.

The American Jazz Museum celebrates and exhibits jazz as an original American art form through research, exhibition, education, and performance. The 6,000 sq. ft. museum exhibits legendary jazz performers in their own audio listening station, personal artifacts, rare photographs and timelines documenting their lives and musical careers. Admission rates are $8 for admission into both museums, and $6.00 for adults, $2.50 for children under 12 years of age.

Negro League Baseball Museum commemorates the great players of the historic league of yesteryear. The Museum features a 10,000 square-foot multi-media exhibit, including two film exhibits, two video exhibits, and 15 computer interactive stations. The gallery is arranged on a time line of African American and baseball history from the 1860s-1950s. Admission rates are $6.00 for adults, $2.50 for children under 12 years of age.

Black Archives of Mid-America is a non-profit organization that collects and preserves artifacts of African-American achievement for research and exhibition, educating others, and collaborating with other cultural and educational institutions. Admission rate is $2.00 for adults and children enter for free.

The Gem Theater is a 4,440 square foot area of the facility. Constructed in 1912 this former “coloreds-only” movie house, today houses a 500-seat cultural and performing arts center.

**African Museum in Philadelphia – Philadelphia, PA**
The mission of the African American Museum in Philadelphia is to educate people on the contributions of African Americans in Philadelphia, the broader Delaware Valley Region and the Americas. Established in 1976, the museum is the first founded by a municipality dedicated to the preservation of African American culture. The museum provides tours, interactive storytelling, workshops, lectures and other educational programs. Exhibits display more than 500,000 artifacts including artwork, textiles and costumes, photographs, and memorabilia. The museum has plans to expand its exhibit collection and is working with the Smithsonian on a variety of projects planned over the next five years. The exhibitions account for about 15,000 square feet of the facility. The Museum attracts 57,000 visitors each year.
**Birmingham Civil Rights Institute – Birmingham, AL**

The Birmingham Civil Rights Institute, located in downtown Birmingham, Alabama is a cultural and educational research center that promotes the understanding and appreciation for the importance of civil and human rights developments in Birmingham, Alabama through its exhibits and archives research facility. BCRI enables visitors to bare witness to civil and human rights from segregation to the birth of the Civil Rights Movement and the worldwide struggle. The Birmingham Civil Rights Institute welcomes more than 150,000 visitors each year.

The 58,000 square foot facility was dedicated in 1992. The Institute sits next door to the historical A.G. Gaskin Motel, once a “coloreds-only” motel where black leaders of the Civil Rights era lodged during their stay in Birmingham. This historic landmark is being considered for purchase as part of the Institutes expansion plans in the next three years. The motel would be used as a conference center providing additional meeting space, food, and lodging accommodations.

Original copies of the Declaration of Independence and the United Nation’s Universal Declaration of Human Rights have made appearances at the Institute’s Traveling Exhibition gallery. The Institute also features an Oral History Project. Started in 1994, the project is a collection of interviews of people involved in the civil rights struggle. To date, more than 350 interviews have been recorded. The interviews are available on audio and videotape.

Admission rates are $8 for adults, $5 for senior citizens, $4 for students; children less than 17 enter for fee. Sundays are free for all patrons.

**National Civil Rights Museum – Memphis, TN**

As the first museum in the nation dedicated to the Civil Rights movement, the National Civil Rights Museum in Memphis ranks as one of the nation’s preeminent civil rights-based tourist attractions. The museum focuses on a wide range of issues pertaining to the U.S. Civil Rights movement, its impact, and its legacy.

The National Civil Rights Museum is located on the site of the infamous Lorraine Motel, the building in which Dr. Martin Luther King was assassinated in 1968. After many years of planning and fundraising, the museum opened in 1991. Funds were raised from a variety of private sources, but the museum was largely supported by state and local government grants. In 2002, the museum expanded by purchasing the former boarding house across the street from the motel. The expansion was funded largely by corporate and private donations. The original museum now stands at nearly 40,000 square feet, including the 2002 expansion of 12,800 square feet. The facility includes a museum shop, gallery, auditorium, 19 exhibit halls, and 2 multi-purpose rooms, archives library and a cafe.

As fitting as its location, the Museum concentrates a significant portion of its programming content to Dr. King’s life, and also to his assassination. Other content of the museum focuses on landmark civil rights events, such as the Montgomery Bus Boycott, the 1963 March on Washington, the school desegregation movement, and others. The museum’s overall focus is on civil rights topics ranging from the era of slavery up until the present day.
The Museum also sponsors an annual “Freedom Award” which is granted to dignitaries and high-profile individuals in the Civil Rights community. The “Freedom Award” ceremony is also a solid fundraiser for the facility.

The museum averages 150,000 visitors each year. Admission rates are $10 for adults, $8 for seniors and students. Children under 3 years of age enter for free.

Forecasting attendance for an idea is a great risk. This is especially true in the absence of a storyline and no sense of the size or quality of facility. However, if a good storyline is developed and a quality facility, although small, could be developed we believe that there would be sufficient interest to generate attendance in the range of 50,000-65,000 per year.

**Conclusion**

Forecasting attendance for an idea is a great risk. This is especially true in the absence of a storyline and no sense of the size or quality of facility. However, if a good storyline is developed and a quality facility, although small, could be developed we believe that there would be sufficient interest to generate attendance in the range of 50,000-65,000 per year. This would create an additional destination attraction for the town.
The Town of Atlantic Beach encompasses an area of approximately 100 acres bordered on three sides by the City of North Myrtle Beach and on the fourth by the Atlantic Ocean. Relative to Myrtle Beach and the communities that make up the Grand Strand, Atlantic Beach is grossly underdeveloped. This is due primarily to the Town’s history as a racially segregated community and the physical characteristics produced by the segregation era, such as a lack of street connectivity to its neighbors. Coupled with small individual properties (primarily measuring 50’ x 150’) and generational ownership patterns, the difficulty of aggregating land for development has trumped past development efforts. On the other hand, it is those same factors that have ironically “preserved” the Town, its intimate relationship with the oceanfront and its beach and the development potential that exists today.

The Town measures about 1,400 feet wide along its NE/SW axis (oceanfront/Hwy. 17) and 3,100 feet along its NW/SW axis. It is organized in a grid pattern with a total of 9 streets, 5 in the NE/SW direction and 4 in the NW/SE direction. Of these streets, only Highway 17 connects to neighboring communities while the remainder terminate in dead ends. Regardless of its undeveloped
character, a number of distinct “zones” exist that define the current physical character of the town. These “zones” include: 1) Strip retail along Highway 17 with a high percentage of adult oriented uses; 2) Primarily low density residential development along 29th and 32nd Avenues; 3) An area NW of Highway 17 composed primarily of multi-family residential (public housing) and the Town’s Community Center; 4) Neighborhood scale commercial/retail/motel uses along 30th and 31st avenues; and 4) Largely vacant land along the oceanfront within what is commonly referred to as the “1st and 2nd Row”. The physical condition of existing building stock encompasses a broad spectrum ranging from newly developed and well-kept existing single family residential, small commercial and hotel structures undergoing improvements, to dilapidated structures and conditions that could be generally characterized as slum and blight.

That being said, Atlantic Beach possesses an intimate physical relationship with one of the more beautiful stretches of beach along the Grand Strand. Lack of development has protected unfettered beach access, the Town’s tree canopy and a small scale character along the beach uncharacteristic of neighboring communities.
30th Avenue looking towards the beach and its dunes

View along 1st Avenue with the beach dunes to the left

32nd Avenue looking towards the beach
The Town of Atlantic Beach Zoning Ordinance and Comprehensive Plan define the current parameters for development in the Town. While the Master Plan makes recommendations for changes in the zoning ordinance, these changes are in accordance with the intent and general principles of both documents as provided below. The Zoning Ordinance clearly acknowledges the importance of the Town’s relationship with the oceanfront and the need for protections against development encroachment. Section 5.6.2 Intent provides the following:

“Atlantic Beach is unique in that a portion of the State’s beaches and dunes exist within its boundaries. This area possesses great natural beauty and provides needed open space for general outdoor recreational use so necessary for health and general welfare of the Town’s residents. The regulations that apply within this district are designed to preserve such areas for the purposes outlined herein and to discourage any encroachment by residential, commercial, or other uses capable of adversely affecting the relatively undeveloped character of the district and to provide development in location consistent with the Land Use Plan, goals, and objectives of the Atlantic Beach Comprehensive Plan.”

Additionally, the Atlantic Beach Comprehensive Plan provides the following principles (“Visions”) for the development of the Town:

Population Vision: Promote in Atlantic Beach a high quality of life that attracts a diverse community of permanent residents, well-educated families, young adults, home owners, retirees, vacationers and second home owners that comprises a balance of age groups, income groups and lifestyles.

Economic Development Vision: To establish and implement strategies to support a sustainable economy through the creation of a mix of large and small commercial enterprises through the creation of public-private partnerships, by encouraging landowners to work together to assemble parcels of land to attract developers whose projects will attract tourists and create jobs, while ensuring an attractive community and the protection of the natural resources of the Town.

Natural Resources Vision: Promote the management of the Town of Atlantic Beach’s natural environment in a manner that ensures balanced and sustainable growth and the preservation of environmental resources and green spaces for future generations.

Cultural Resources Vision: The Town of Atlantic Beach will promote its cultural resources through the preservation of its Gullah-Geechee, African American, and low country mixed heritage, historic traditions, arts and entertainment attractions for the enjoyment and education of residents and visitors.

Community Facilities Vision: Provide for an adequate, sustainable, attractive, and efficiently managed network of facilities and infrastructure that will accommodate the present population, support continued growth, preserve the Town’s natural environment and promote desired patterns of development.

Housing Vision: Ensure a safe, affordable, balanced and attractive supply of housing that accommodates the diverse preferences of the Town’s present population and the permanent residents the Town plans to attract with residential growth to reinforce the aesthetic appeal of the Town.

Land Use Vision: The Town of Atlantic Beach will provide for a high quality of life by planning for population growth, public and private development, and redevelopment and by planning the proper distribution, location, and intensity of land uses with adequate levels of services while maintaining and protecting the natural resources, improving and rebuilding residential neighborhoods, commercial centers, and creating a local flavor for the Town.
The Zoning Ordinance provides a series of districts which regulate the development of uses, density, maximum impervious coverage, minimum open space height and setbacks. The following pages summarize those requirements, notable issues and their potential impact on future development.

**Conservation Preservation District: CP**

“The purpose in establishing this conservation district is to regulate very low intensity development in environmentally sensitive areas along the beachfront. Only development which will minimally disrupt natural features or systems, whether temporarily or permanently, will be allowed.” (Sec. 5.6.22 A)

**Uses:** None (Sec. 5.6.33)
**Maximum Impervious Coverage:** None (Sec. 5.6.51)
**Minimum Open Space:** None (Sec. 5.6.51)
**Height:** None (Sec. 5.7.70)
**Setbacks:** None (Sec. 5.7.82A)

**Notable:** The CP District is defined by the OCRM Beachfront Baseline and was established to protect the existing beach dune system. No uses are allowed within the District.
Residential Low Density Districts: R-1

“It is the intent of this residential district to allow, preserve and protect the character of low density, detached single family areas and neighborhoods at densities ranging from one unit per lot (single family), or two units per lot (duplex whose design features are similar to single family in appearance).” (Sec. 5.6.23 A)

- **Uses**: Primarily Single Family, Detached and Community Parks (Sec. 5.6.33)
- **Maximum Impervious Coverage**: 35% (Sec. 5.6.51)
- **Minimum Open Space**: 65% (Sec. 5.6.51)
- **Height**: 45' / 3 Stories (Sec. 5.7.70)
- **Setbacks**: Front/25'; Rear/20'; Side/5' (Sec. 5.7.82A)

*Notable: The R-1 District allows a density of two units per lot, atypical of most R-1 designations.*

Medium Density Residential: R-2

“It is the intent of this residential district to protect and preserve the unique character of Atlantic Beach areas and neighborhoods at densities ranging from one lot detached single family or to the multi-family lots or more zero lot lines. This district is used to encourage a variety of residential opportunities.” (Sec. 5.6.24 A)

- **Uses**: Primarily Single Family, Detached or Attached, Multi-Family and Community Parks (Sec. 5.6.33)
- **Maximum Impervious Coverage**: 35% (Sec. 5.6.51)
- **Minimum Open Space**: 65% (Sec. 5.6.51)
- **Height**: 45' / 3 Stories (Sec. 5.7.70)
- **Setbacks**: Front/20'; Rear/10'; Side/7' (Sec. 5.7.82A)

*Notable: The District allows multi-family density but with parameters (other than setbacks) equal to that of the R-1 District.*

Mixed Use District: MU

“It is the intent of the Mixed Use District to encourage development in a flexible manner in areas where transition is imminent but the direction has not yet been manifest, or in areas of spars residential settlement, but which area would reasonably be expected to begin to mature in the near future.” (Sec. 5.6.25 A)

- **Uses**: Primarily Single Family, Detached or Attached, Multi-Family, Commercial, Office, Resorts and Retail (Sec. 5.6.33)
- **Maximum Impervious Coverage**: 35% up to 4 DU/net acre; 45% over 4 DU/net acre; 45% nonresidential (Sec. 5.6.51)
- **Minimum Open Space**: 65% up to 4 DU/net acre; 55% over 4 DU/net acre; 45% nonresidential (Sec. 5.6.51)
- **Height**: Beachfront/Unlimited; Non-Beachfront/85'/5 habitable stories & 2 levels of parking (Sec. 5.7.70)
- **Setbacks**: Front/25'; Rear/20'; Side/5' (Sec. 5.7.82A)

*Notable: According to the Use Table in Sec. 5.6.33, the MU District is divided into two distinct districts, “BF” [Beachfront] and “CB”, The MU “BF” District does not allow Household Living Residential Uses.*
Resort Commercial District: C-1

“It is the intent of the Resort Commercial (C-1) District to recognize certain areas of the town that are special water oriented sites and as such have a unique ability to provide an environment conducive to water oriented commercial and residential uses. In order to service the residents of these areas, and to serve the transient boat and minor tourist use component of the district, water oriented commercial uses are permitted” (Sec. 5.6.26 A)

Uses: Beachfront: Most Uses are Conditional; Non-Beachfront: Residential Uses not allowed (Sec. 5.6.33)
Maximum Impervious Coverage: 55% (Sec. 5.6.51)
Minimum Open Space: 40% residential; 20% nonresidential (Sec. 5.6.51)
Height: Beachfront/Unlimited; Non-Beachfront/85’/5 habitable stories & 2 levels of parking (Sec. 5.7.70)
Setbacks: Front/40’; Rear/20’; Side/5’ (Sec. 5.7.82A)

Notable: According to the Use Table in Sec. 5.6.33, the C-1 District is divided into two distinct districts, “BF” (Beachfront) and “CB”. The C-1 “CB” District does not allow Household Living Residential Uses.

Office Professional/Institutional Districts: OPI

“These Office/Institutional Districts are established between major commercial areas of the island and are intended to limit the types of nonresidential uses permitted. Land uses permitted are office and institutional in order to minimize travel impacts on the street system, encourage better compatibility in and among land uses on the Island, provide balance among land use types in major corridors and improve visual appearance along major corridors” (Sec. 5.6.27)

Uses: Public and Civic, Outdoor Recreation, Office and Retail, (Sec. 5.6.33)
Maximum Impervious Coverage: 40% residential; 65% nonresidential (Sec. 5.6.51)
Minimum Open Space: 50% residential; 25% nonresidential (Sec. 5.6.51)
Height: 55’/3 habitable stories & 2 levels of parking (Sec. 5.7.70)
Setbacks: Front/25’; Rear/20’; Side/5’ (Sec. 5.7.82A)

Highway Commercial District: HC (C-2)

“The purpose of the Highway Commercial District is to provide for moderate to high intensity commercial development, especially office and general retail development. Traffic and pedestrian interconnections throughout this district are strongly encouraged.” (Sec. 5.6.28)

Uses: Second Floor Residential, Public and Civic, Commercial, Office, Resort, Retail (Sec. 5.6.33)
Maximum Impervious Coverage: 40% residential; 65% nonresidential (Sec. 5.6.51)
Minimum Open Space: 50% residential; 20% nonresidential (Sec. 5.6.51)
Height: 55’/3 habitable stories & 2 levels of parking (Sec. 5.7.70)
Setbacks: Front/40’; Rear/20’; Side/5’ (Sec. 5.7.82A)

Notable: While the description and intent of the HC District is obviously oriented towards Highway 17, the Zoning Atlas describes these areas as C-2, rather than HC. HC is not indicated on the Zoning Atlas.
Adult Use Buffers

The Town currently contains a high percentage of Adult Entertainment Uses and Businesses along Highway 17. According to the Zoning Ordinance (Sec. 5.6.61.3) these uses are non-conforming given the following location restrictions:

“An adult entertainment use or business shall not be operated within 750 feet of:
  a. A church, or
  b. A public park or public building, or
  c. The property line of a lot devoted to residential use;
  d. A daycare center, daycare educational center, public or private elementary or secondary school.”

Additionally, the following restrictions apply: “No adult entertainment use or business shall be operated, established, substantially enlarged or transferred in ownership or control if within 750 feet of another adult entertainment business;” and “No adult entertainment use or business shall be approved or established with said use having frontage on a major arterial as defined in Sec. 5.7.42.”

As illustrated below, these restrictions provide that any additional/future proposals for adult entertainment uses are not permitted within any portion of the Town, and that existing uses are currently non-conforming.
Required Buffers

Sec. 5.7.105 B of the Zoning Ordinance provides for “Adjacent Street Buffers”. These buffers are required along all streets based upon the street classification. Street classifications are provided in Sec. 5.7.43 and are as follows:

Major Arterials: US Highway 17 and Atlantic Street (30th Avenue)

Minor Arterials: Carolina Street (31st Avenue), Tyson Street (29th Avenue), Virginia Street (32nd Avenue), 1st Avenue (Ocean Boulevard), 2nd Avenue, 3rd Avenue and 4th Avenue.

Buffers are defined in Sec. 5.11.20 as “An area consisting of landscaping, walls, fences or berms designated to ensure protection against real or potential incompatibility between adjoining land uses of different types and/or intensities of development.”

As illustrated below, required buffers along Major Arterials are an average of 60 feet with a minimum of 50’. Required buffers along Minor Arterials are an average 30 feet with a minimum of 25’. Additionally, a buffer is required adjacent the OCRM Beachfront Base Line with an average of 40 feet and a minimum of 20 feet.
Maximum Impervious Coverage and Minimum Open Space

Sec. 5.6.51 of the Zoning Ordinance provides for “Maximum Impervious Coverage” and “Minimum Open Space”. The requirements are based on Zoning Districts and in some cases vary depending on land use (residential vs. non-residential). These requirements, as illustrated below, are essentially the negative “image” of the buffer requirements previously discussed and are intended to limit the overall footprint of buildings as well as other impervious areas to ensure sustainable stormwater runoff conditions.

Sec. 5.11.20 provides the following definition for Impervious Surface: “A surface which does not absorb or percolate water. It includes all buildings, and asphalt or concrete parking areas, driveways, roads, sidewalks and any areas of concrete or asphalt and/or any water bodies. Open Space is defined as “Land area not covered by buildings, parking areas or other accessory structures.”
Maximum Structure Height

Sec. 5.6.70 of the Zoning Ordinance provides for “Maximum Structure Height”. The requirements are based on Zoning Districts and in some cases vary depending on location (beachfront vs. non-beachfront). Height allowances, as illustrated below, exist only within the “Maximum Impervious Coverage” areas. Further, in most Districts, height is regulated by the number of stories and the “uses” associated with those stories such as parking and habitable uses, further restricting potential development.

Of particular note is the allowance of unlimited height within the C-1 and MU Beachfront Districts. It is the assumption of the Master Plan that this allowance will be subject to approval by the FAA given the proximity of the Grand Strand Airport.

Maximum Height

- Unlimited Heights are Governed by FAA Requirements
- Some Heights are not Practically Attainable Given Footprint Restrictions and Buffer Requirements

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Existing Maximum Impervious Coverage and Maximum Height
Flood Damage Prevention

Given the Town’s location on the Atlantic Ocean, flood issues will impact development along and near the oceanfront. The Town’s Flood Damage Prevention Ordinance (Ordinance #12-2003) regulates construction criteria in the Town as well as the FEMA requirements and established flood Zones. Generally, the lowest habitable uses in new construction are required to be elevated 3 feet above the base flood elevation. This will undoubtedly impact development along the first and second rows and will create a challenge in providing desirable pedestrian orientation for new development. On the other hand, the requirements also present an opportunity for the provision of “beachfront” public parking beneath new oceanfront development. These issues are discussed further in the Objectives and Vision section of the Master Plan.
Variances

It should be noted that according to South Carolina State Law, the following are the standards for granting variances from these requirements:

Standards for Granting Variances
The board may grant a variance in an individual case of unnecessary hardship if the board makes and explains in writing all of the following findings. S.C. Code § 6-29-800(A)(2).

- Extraordinary conditions. There are extraordinary and exceptional conditions pertaining to the particular piece of property. Extraordinary conditions could exist due to size, shape, topography, drainage, street widening, beachfront setback lines, or other conditions that make it difficult or impossible to make an economically feasible use of the property.
- Other property. These conditions do not generally apply to other property in the vicinity. See Bennett v. Sullivan’s Island Board of Adjustment, 313 S.C. 455, 438 S.E.2d 273 (Ct. App. 1993).
- Utilization. Because of these conditions, the application of the ordinance to the particular piece of property would effectively prohibit or unreasonably restrict the utilization of the property.
- Detriment. The authorization of a variance will not be of substantial detriment to adjacent property or to the public good, and the character of the district will not be harmed by the granting of the variance.

Additionally, the Town’s development ordinance requires that

- (The hardship) is not the result of the applicant’s own actions; and
- (The) granting of the variance does not substantially conflict with the Comprehensive Plan and the purposes of the Land Management Ordinance.

Other factors applicable to a variance also are prescribed by S.C. Code § 6-29-800(A)(2)(d):

- Profitability. The fact that the property may be used more profitably, if a variance is granted, may not be considered as grounds for a variance. See Groves v. Charleston, 226 S.C. 459, 85 S.E.2d 708 (1955).
Existing Beachfront Zoning Analysis

The following is an analysis of existing waterfront zoning and the resultant allowable development capacities expressed in terms of Floor Area Ratio (FAR). The purpose of the analysis is to establish an understanding of current development entitlements that can serve as a baseline for zoning recommendations within the Master Plan. The analysis represents a conservative approach that errs in favor of the property owner in order to ensure that zoning proposals do not infringe upon current entitlements. For instance, the existing Zoning Ordinance requires that all impervious surfaces, including driveways, water bodies, etc., count towards the Maximum Impervious requirements. Inclusion of these areas would ultimately reduce the buildable footprint of any proposed building, but for the purposes of the analysis, items such as these have been ignored.
Methodology
Step 1: The analysis first establishes which beachfront zoning district, C-1 or MU, allows for the greatest development capacity. This is done by assuming the assembly of two full blocks (Lot 1 and Lot 2) of property and overlaying the various requirements (buffers, setbacks, height and impervious coverage) to determine the greatest allowable development footprint. Given the greater setback requirements of C-1, it was determined that the MU District has the greatest available development footprint.

Step 2: Secondly, the analysis provides a “test building design” that provides basic program components and relatively efficient parking arrangements. The allowable development capacity, expressed as Floor Area Ratio, is then projected based on the test building design. The conclusion is that Lot 1 has an allowable FAR of 4.82 and Lot 2 has an allowable FAR of 1.52.

Step 3: Finally, a projected development capacity is determined based on the assembly of Lots 1 and 2. The combined average would yield an allowable floor area ratio of 3.17.

### Existing MU Zoning Requirements

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<thead>
<tr>
<th>LOT 1</th>
<th>BUFFERS</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM IMPERVIOUS COVERAGE</th>
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</thead>
<tbody>
<tr>
<td>MU DISTRICT</td>
<td>Beachfront</td>
<td>40' OCRM</td>
<td>Front: 25'</td>
<td>Unlimited (Restricted by FAA 200')</td>
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<tr>
<td></td>
<td>29th Ave.</td>
<td>60' avg.</td>
<td>Rear: 20'</td>
<td>Side: 5'</td>
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<td>Highway 17</td>
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### Hypothetical C1 Zoning Requirements

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<tr>
<th>LOT 1</th>
<th>BUFFERS</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM IMPERVIOUS COVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1 DISTRICT</td>
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<td>Unlimited (Restricted by FAA 200')</td>
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<td>29th Ave.</td>
<td>60' avg.</td>
<td>Rear: 20'</td>
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### Existing MU Zoning Requirements (non-beachfront)

<table>
<thead>
<tr>
<th>LOT 2 (non-beachfront)</th>
<th>BUFFERS</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM IMPERVIOUS COVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU DISTRICT</td>
<td>Beachfront</td>
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<td>Front: 25'</td>
<td>Non-Beachfront</td>
</tr>
<tr>
<td></td>
<td>29th Ave.</td>
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<td>Rear: 20'</td>
<td>Max. 5 Habitable Stories</td>
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<td></td>
<td>30th Ave.</td>
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<td>Max. 2 Levels of Parking</td>
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<td>31st Ave.</td>
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### Hypothetical C1 Zoning Requirements (non-beachfront)

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<tr>
<th>LOT 2 (non-beachfront)</th>
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<tr>
<td>C1 DISTRICT</td>
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<td>Front: 40'</td>
<td>Non-Beachfront</td>
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Existing Buffer Requirements

Maximum Footprint Calculation for MU and C1 Zoning

Accounts for Existing:
- Buffer Requirements
- Setback Requirements
- Maximum Height
- Maximum Impervious Coverage (Footprint)

MU Zoning Has Greatest Development Capacity Based on Maximum Footprint:
- Lot 1 = 20,000 SF (45%)
- Lot 2 = 18,449 SF (41%)
**ATLANTIC BEACH MASTER PLAN**

**EXISTING CONDITIONS**

**Area Calculations:**
- Gross SF
  - Ground Floor: 18,612 SF
  - Typical Parking: 19,479 SF
  - Typical Tower: 16,096 SF (14 units/Fl)

Total Parking + Mech (6 Fl above Ground): 13,616 SF (ground) + 116874 SF (typ) = 130,490 SF

Total Residential: 4,991 SF (ground) + 209248 SF (13 Floors) = 214,239 SF (Allowable Floor Area)

Total Gross: 344,729 SF

Residential Units: 182 Units
Parking: 265 Spaces (1.4 spaces/unit)

Podium Height: 75’ (7 Floors)
Total Height: 192’ (20 Floors)

**EXISTING WATERFRONT ZONING ANALYSIS**

**Existing Allowable FAR:**

**Lot 1 (First Row)**
- Max. Footprint of 20,000 SF
- Max. Height of 200’
- Min. 1.4 Parking Spaces/Unit

Test Building Allowable Floor Area = 214,239 SF = 4.82 FAR

Parking and Mechanical Spaces are Not Included in FAR Calculations
EXISTING WATERFRONT ZONING ANALYSIS

Existing Allowable FAR:

Lot 2 (Second Row)

- Max. Footprint of 18,449 SF
- Max. Height of 85’
- Max. 2 levels of Parking
- Max. 5 Habitable Levels
- Min. 1.4 Parking Spaces/Unit

Test Building Allowable Floor Area = 67,454 SF = 1.52 FAR

Parking and Mechanical Spaces are Not Included in FAR Calculations

Area Calculations:
Gross SF
- Ground Floor: 17,528 SF
- Typical Parking: 18,242 SF
- Typical Tower: 15,735 SF (14 units/Fl)

Total Parking + Mech (2 Fl above Ground): 13,014 SF (ground) + 36,484 SF (typ) = 49,498 SF

Total Residential: 4,514 SF (ground) + 62,940 SF (4 Floors) = 67,454 SF (Allowable Floor Area)

Total Gross: 116952 SF

Residential Units: 54 Units
Parking: 76 Spaces (1.4 spaces/unit)

Podium Height: 35’ (Ground + 2 Parking Floors)
Total Height: 75’ (7 Floors)
### Existing Zoning Test

<table>
<thead>
<tr>
<th>Lot</th>
<th>Buffers</th>
<th>Setbacks</th>
<th>Maximum Height</th>
<th>Maximum Impervious Coverage</th>
<th>Developable Area</th>
<th>Developable Area</th>
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<tbody>
<tr>
<td><strong>Lot 1</strong></td>
<td>Beachfront</td>
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<td>Front: 25’</td>
<td>Unlimited</td>
<td>45% Over 4 DU/Acre</td>
<td>44,444</td>
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<td></td>
<td>29th Ave.</td>
<td>30’ avg.</td>
<td>Rear: 20’</td>
<td>[Restricted by FAA 200']</td>
<td>45% Over 4 DU/Acre</td>
<td>20,000</td>
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<td>NonBeachfront 8.5’</td>
<td>45% Over 4 DU/Acre</td>
<td>44,492</td>
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**Combined FAR**

\[
\text{Combined FAR} = \frac{\text{Total Floor Area}}{\text{Total Lot Area}} = 3.17
\]
SECTION 2 OBJECTIVES AND VISION
The primary objective of the Master Plan is to promote the revitalization of the Town of Atlantic Beach in a manner that respects and balances the Town’s unique historical and physical characteristics with future redevelopment efforts, both public and private. This balanced vision for the Town focuses on concepts vital to sustainable redevelopment and addresses the full spectrum of qualities and characteristics necessary to achieve redevelopment success and to realize the re-invention of a sense of place lost long ago to the effects of desegregation. In order for the Town to benefit from the added social and economic value of redevelopment, the Master Plan provides guidance on public and private physical improvements targeted at this re-invention of a unique sense of place, as it is this uniqueness that will distinguish the Town within the regional and national context and provide both the impetus and sustaining power for redevelopment efforts.

MASTER PLAN OBJECTIVES

- Provide a Unique Sense of Place
- Provide for Redevelopment and Economic Sustainability
- Recognize and Build on Historic Identity
- Preserve Valuable Physical Characteristics
Without a doubt, the effort of implementing the Master Plan will require cooperative efforts among the Town’s residents (both permanent and seasonal), government officials, property and business owners and the private development community. The Master Plan objectives provide the framework for the Town Vision and should be reflected in future decision-making of the Town.

**Provide for Redevelopment and Economic Sustainability**

The redevelopment and economic future of the Town will be greatly impacted by the Town’s ability to provide a unique sense of place that borrows from the past while embracing the future. Achieving balance where all districts of the Town are supportive of one another is imperative to raising the value of the Town as a whole. Finding this balance will greatly improve the chances for economic sustainability as it will provide a unique development stage within the local and regional market. Physical improvements are needed to reach this objective and to create a more appealing magnet for private development and new residents while increasing the standard of living for the Town’s current population.

**Recognize and Build on Historic Identity**

Of the Town’s greatest assets is its unique history and identity that combines Gullah-Geechee heritage, African-American ownership, and its role as a recreational and entertainment haven for African-Americans during the era of segregation. Opportunities to build on this identity include the development of an entertainment district proximate to the beachfront that would include retail, dining, nightclub and cultural uses. These uses, combined with new residential development would echo the experience of the Town as a recreational and entertainment haven in its heyday. Additionally, other improvements such as streetscapes and open spaces can provide queues to the historic and cultural identity through the incorporation of additional historical markers, paving patterns, native landscaping and buildings that reflect vernacular customs. While historical identity alone will not revitalize the Town, its uniqueness in the national context provides a foundation for building new opportunity and a revitalized sense of place.

**Preserve Valuable Physical Characteristics**

The paradox of the Town of Atlantic Beach is that, while the effects of de-segregation are undoubtedly responsible for its current state of underdevelopment and inactivity, it is these same effects that have “preserved” the Town in a relatively underdeveloped state. The benefits of underdevelopment are that the town possesses physical characteristics that are unique among its neighbors. The Town’s physical relationship with the beach and the lack of existing beachfront development affords it a unique level of accessibility both visually and physically. It is this degree of accessibility, which is rooted in the era of segregation when Atlantic Beach was one of the few places where African Americans could enjoy the beach, that has led to a proud sense of ownership among the Town’s residents. Additionally, the Town retains a high percentage of tree canopy and native landscape elements that lend a rural and vernacular sense of place and relaxed character. Preservation of these characteristics to the greatest degree possible will play a large role in distinguishing Atlantic Beach among its neighbors and providing a sense of place critical to its revitalization as a unique destination.
The Master Plan Market Assessment provides a conceptual understanding of the Town’s current role in the regional market while also providing a potential development projection to support a sustainable future. This projection includes opportunities for new housing, retail, office and cultural facilities. Additionally, taking a cue from the Town’s musical and entertainment past and recognizing the strong recreational and entertainment market of the Myrtle Beach Area, the Master Plan proposes an entertainment district that not only provides an impetus for redevelopment but supports a unique sense of place to draw tourism and sustained redevelopment. In order to accomplish this, the entertainment district should be developed with an approach to provide an authentic and unique character within the very competitive regional market. With this in mind, an entertainment district that provides a low-scale village atmosphere should be developed at or near the beachfront and combined with publicly accessible open space that recalls the past and provides a strong sense of connection with the beach.

The following case studies illustrate similar concepts that have been executed throughout the country. Because the proposal for Atlantic Beach is unique, an exact model does not exist and the case studies were selected to address certain characteristics associated with Master Plan proposal.

Beale Street, Memphis, TN

Population Market Area
645,978

Median Income
$32,285

Retail Sales Per Capita
$10,382*

Annual Visitation
5,500,000

Sample of Project Tenants:
- Hard Rock Café
- BB King’s Blues Club
- Pat O’Briens
- Silky Sullivans
- Rum Boggle Café
- Westin Hotel
- Wet Willies
**Inner Harbor, Baltimore, MD**

Population Market Area  
628,000

Median Income  
$30,078

Retail Sales Per Capita  
$5,229*

Annual Visitation  
30,000,000

Sample of Project Tenants:  
- Ale Trail  
- Auntie Ann’s  
- Barker’s Frozen Custard  
- The Bread Factory  
- Boardwalk Fries  
- California Pizza Kitchen  
- Charlie’s Grilled Subs  
- The Flag Shop  
- Yankee Candle  
- Starbucks

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**Promenade at Westlake, Pacific Beach, CA**

Population Market Area  
586,692

Median Income  
$48,634

Retail Sales Per Capita  
$10,906

Annual Visitation  
N/A

Sample of Project Tenants:  
- Barnes and Noble  
- Bristol Farms  
- California Pizza Kitchen  
- Club Disney  
- Hallmark
Bay Street, Emeryville, CA

Population Market Area
817,932

Median Income
$42,000

Retail Sales Per Capita
$8,200

Annual Visitation
N/A

Sample of Project Tenants:
- Asgiew
- Buckhorn
- Cold Stone
- California Pizza
- Teacake Bake Shop
- Elephant Bar
- Hot Cups
- UpTown Jeans
- Gap Kids

Fruitvale Village, Oakland, CA

Population Market Area
398,000

Median Income
$40,055

Retail Sales Per Capita
$5,861

Annual Visitation
N/A

Sample of Project Tenants:
- Dry Cleaners
- Coffee Shop
- Convenience Store
- Delicatessen
- Donuts/Bakery
- Florist
- Gift/Cards Store
- Ice Cream Shop
- Jewelry Store
- Music/Books
- Restaurant
- Shoes
- Video
The following pages define the vision for the revitalization of the Town of Atlantic Beach. As previously discussed, central to the vision is the creation of an entertainment and recreational destination that builds on the historic and cultural identity of the Town, while preserving the Town’s existing distinguishing physical characteristics. The vision proposals include the creation of a gateway entrance to the Town; improved pedestrian and vehicular connectivity; improvements to the pedestrian realm; increased public parks and open space; and enhanced positioning of existing public properties.
Preserve Existing Characteristics

The Town currently possesses relatively unobstructed views to the oceanfront along its east-west corridors (29th, 30th, 31st, and 32nd Avenues). This is due to a number of factors, but is primarily due to the undeveloped or minimally developed state of beachfront properties. It is also due to the fact that street right of ways extend to the beachfront. The resulting view corridors play a large role in the town’s unique character and should be preserved and enhanced through new development. The Master Plan zoning recommendations are intended to ensure that this is the case.

Additionally, the Town has a relatively substantial tree canopy that serves to distinguish the Town. In order to ensure the future of this characteristic, the Town should enforce its tree protection ordinance by requiring proper construction methods to protect existing trees and the replacement of trees lost to development footprints. Proposed streetscape and open space improvements will also add to the tree inventory of the Town.
Highway 17 Gateway

As the history of the Myrtle Beach area suggests, it is highly likely that the redevelopment of the Town as a whole will be catalyzed and supported by beachfront development, but the success of this development will be highly dependant on redevelopment and physical improvements within the rest of the Town. Initially, these improvements should focus on Highway 17 and 30th Avenue, as these roadways provide the primary connectivity to the beachfront and will dramatically improve the Town’s “curbside appeal”. Improvements in these areas will provide the critical balance needed for developments throughout the Town to sustain one another.

Character and Sense of Place

Highway 17 Gateway

- Streetscape, Landscape and Building Signage Improvements
- Cultural Identity Markers
Improved Connectivity

One quality of the Town’s existing street network that is likely detrimental to redevelopment is a relative lack of connectivity. Blocks in the center of town stretch for more than 1,700 feet without access to neighboring blocks. This is detrimental to pedestrian and vehicular mobility in the town and also places an undue traffic burden on Highway 17. The Master Plan suggests the introduction of new streets to alleviate these problems. These new streets should be constructed as “pathways” incorporating permeable materials, narrow lanes and a high percentage of native landscaping in order to reinforce the existing rural character of the Town. It should be noted that the locations for new streets presented in the Master Plan are conceptual and are located based on current vacant properties and a reasonable block dimension more suitable to pedestrian traffic. Actual locations should be determined based on cooperative agreements between the town and property owners.

Additionally, the Master Plan proposes the closure of some existing streets in order to provide a more suitable development footprint and better parking arrangements for new (and existing) development. The closure of 3rd avenue would allow for the expansion of the Highway 17 zoning district and provide space for parking in the rear of buildings. The closure of 1st avenue, between 29th and 32nd avenues would allow for more appropriate development of beachfront properties. It should be understood that these closures may occur in phases on an “as needed” basis. For example, the closure of 1st Avenue could occur in up to 3 separate phases (between 29th & 30th; between 30th & 31st; and between 31st & 32nd).
**Improved Connectivity/1st Avenue to Ocean Boulevard**

Historically, the 1st Avenue/Ocean Boulevard corridor was not connected to neighboring communities through the Town because of racial segregation, and the roadway remains closed today. Undoubtedly, this condition has “protected” the town from additional traffic and private investment. Based on public meetings associated with the Master Plan process, this “protection” is viewed by many in the Town as a positive force, while others view it as detriment to future development. Both viewpoints are based on reasonable arguments and it is clear that resolution of the matter will require cooperation and goodwill among community members to resolve.

The Master Plan suggests that, at this time, it is not necessary for the Town to decide on the future opening or retained closure of 1st Avenue. The Town should be patient in this very important decision and should observe the impact of new development when it can make a more informed decision. Obviously, this assumes that new development will occur. In lieu of a recommendation one way or the other, the Master Plan describes the alternatives from the perspective of its fairly predictable redevelopment impacts.

**Option 1: Existing Condition/1st Avenue remains closed to thru-traffic**

The continued lack of connectivity with Ocean Boulevard, and the regional traffic it supports, is likely to continue to “protect” the Town from additional traffic and private investment and will also better protect the existing character of the Town. This is not to say that private investment will not occur, as it is obviously currently taking place. Private investment will however, most likely occur at lower levels and at a slower pace in comparison to Option 2 (below), as evidenced by the current development state of the Town.

The fact is, private developers strive to provide a product to customers that is easily accessible, highly visible and convenient. These characteristics impact the ability to sell the product. Additionally, retailers, restaurateurs and other businesses need traffic to help generate sales. The relative lack of convenient access currently afforded by the Town’s street network will likely impact the perceived return on investment and will therefore most likely temper that investment. A caveat to this likelihood is that, if the Town can make key improvements and bolster a positive identity within its current financial restraints, it is possible to speed up investment activity.

**Option 2: 1st Avenue is opened to thru-traffic**

Connecting 1st Avenue to Ocean Boulevard will likely increase development activity due to an increased level of access, visibility and convenience. It also will likely increase the value of properties and development pace. Additionally, it will improve the overall mobility of the area and it is for this reason that the South Carolina Department of Transportation (SCDOT) has expressed interest in the opening of the roadway. However, it is likely that the Town’s existing character will be impacted, whether that is perceived as positive or negative impact depends on individual perception.

If and/or when the roadway is opened, the recommended route for Option 2 is illustrated and discussed on the following page.
If 1st Avenue is opened to thru-traffic, the Master Plan proposes the following:

- That the connection through the Town be via 2nd Avenue with connections from 29th and 32nd Avenues as illustrated below. This will produce a traffic calming effect by forcing drivers to make multiple turns and operate at slower speeds.

- That the Town requests from SCDOT the ability to temporarily close the street for special events or other suitable reasons.

Improved Connectivity/1st Avenue to Ocean Boulevard

**Option 2: Recommended Route**

- Ocean Blvd. to 1st Ave
- 1st Ave to 29th Ave
- 29th Ave to 2nd Ave
- 2nd Ave to 32nd Ave
- 32nd Ave to 1st Ave
- 1st Ave to Ocean Blvd.
Streetscapes and Pedestrian Improvements

Successful streets balance the needs of pedestrian, bicycle and vehicular traffic and provide places for extra activities such as window shopping, small gatherings, and outdoor dining. These “extra” activities are crucial to the development of an economically sustainable Town and a unique sense of place.

Given the current state of the Town, pedestrian improvements are imperative for the future redevelopment of the Town. Not only will these improvements provide for a pleasant walking experience, the “walkability” of the town has economic impacts as well. “Walkability” is a measure of the pedestrians ease of movement and safety, and this movement directly impacts the ability to reach goods and services, overall transportation costs, social and environmental costs; the livability conditions of the Town and the health of its residents.

Conceptual Master Plan Diagram: Streetscapes and Pedestrian Improvements
Pedestrian improvements include components primarily associated with streetscapes such as ample sidewalk widths, well-defined pedestrian zones and crosswalks, attractive lighting and landscaping and on-street parking to provide pedestrian/vehicular buffers. They also include aesthetic issues such as utility locations and service locations. Additionally, pedestrian improvements include building components, such as awnings, canopies and well designed storefronts that promote and support pedestrian traffic. Those items are addressed in the Design guidelines section of the Master Plan. A good streetscape provides balance between the needs of pedestrians and vehicles. Because these improvements do not come with a small price tag, they should be strategically implemented to support the overall Town redevelopment effort. Therefore Highway 17, 30th Avenue and the Beachfront area should receive the initial attention.

The conceptual streetscapes presented on the following pages provide the design intent for streetscape with respect to general form, character, and dimensional definition. Proposals include that building setback areas be improved as an integral part of the streetscape design. This can be accomplished either through careful collaboration between the Town and property owners or through the enactment of streetscape easements. The intent is that sidewalk areas both in the public right of way and on private property are improved in a seamless manner, blurring the boundary between the two from the pedestrian perspective. Additionally, locating utilities below grade will improve the overall aesthetic character of the Town as well as protect against infrastructure damage in the event of a significant storm, such as a hurricane. The Town should seek a partnership with the local utility company to implement these improvements.

Below are general principles, which are supplemented in the Design Guidelines section of the Master Plan, to ensure that final designs reflect an appropriate character.

- Pedestrian comfort and safety is crucial and should be of greater concern than the convenience of drivers.

- Streetscapes should offer protection from the elements and to the greatest degree possible, continuous overhead cover should be provided.

- Streets should offer variety and encourage building occupants to add something to the street such as awnings, cafe seating, plants and flowers. The goal of street design within the Town should be to provide appropriate space for these things to occur, thus ensuring a vibrant and interesting public space. Site furnishings, plants, and hardscape treatments should be carefully selected and installed to reinforce the Town’s unique sense of place.

- Hardscape Materials: Materials should be of durable, low-maintenance quality. When pavers, textured or colored materials are used, they should reflect local/vernacular materials or customs (e.g., pavers may be composed of shell aggregate or be of light sand color. Patterned materials may reflect the rhythm and harmony of a sweetgrass basket weave, echoing the crafts of the Gullah-Geechee).

- Landscape Materials: Native landscape components should be used for all landscape elements. Planting techniques that provide for healthy root growth, long tree life, maximum drainage, and reduced risk of hardscape damage should be incorporated (e.g., continuous trench, proper tree pit sizing, maximum impervious areas). Shade trees are preferred over ornamental trees or palm species and should be incorporated when sufficient space is available for healthy growth.
30th Avenue

30th Avenue is the historic mainstreet of Atlantic Beach. In its heyday, the road served as the primary location for businesses and entertainment venues. Other than Highway 17, 30th Avenue has the widest right of way of all other streets in the Town. Judging from the existing condition of the street, it has received improvements in the recent past which were composed of on-street parking, median improvements and the addition of pavers. Future improvements should include the addition of shade trees and landscape buffers, bulb-outs at intersections and lighting improvements. The town should also consider new paving materials that better reflect a unique identity. Below is a conceptual design to guide these improvements.
East of 2nd Avenue, where the topography of the Town begins to slope towards the beach and where the Master Plan proposes an entertainment district, the streetscape should widen to enhance this important view corridor. In cooperation with private development, the streetscape should incorporate an elevated boardwalk along its edges, providing for an enhanced pedestrian relationship with retail activities and supporting entertainment uses that will be required to be elevated given flood prevention requirements.
Below is a conceptual drawing illustrating the streetscape improvements, the boardwalk and adjacent beachfront private development.

**Streetscape Typical Sections**

30th Avenue
(East of 2nd Avenue)
31st Avenue

31st Avenue also has historic importance for the Town and supports an interesting mix of uses. The proposals for 31st are similar to 30th Avenue, but without the median components.
2nd Avenue

The proposal for the closure of 1st Avenue between 29th and 32nd Avenues and the potential for 2nd Avenue to serve as the connective link to Ocean Boulevard, makes this street a very important component of the redevelopment effort. The streetscape should incorporate traffic calming measures that include on-street parking, bulb-outs at intersections and interesting paving. Given the narrow right of way of the street, the implementation of the measures will require cooperation with adjacent property owners and the improvement of proposed setback areas. It is proposed that the streetscape incorporate native palms between intersections and shade trees at intersection bulb-outs.
29th and 32nd Avenues

29th and 32nd Avenues are primarily residential in character and the streetscapes should reflect this. Swales should be improved and planted with native vegetation to improve stormwater runoff. Shade trees should be planted at regular intervals and lighting should be improved with fixtures that provide appropriate lighting levels. Sidewalks should be of minimum ADA compliance.
Highway 17

Improvements to Highway 17 will perhaps play the largest role in defining the Town’s future identity. In contrast to the visually cluttered corridor, the proposal for this streetscape is to provide heavily landscaped edges that will effectively buffer pedestrians from the busy roadway. Within the context of neighboring communities, this will provide an effective gateway to the Town by announcing to passers-by that they have entered a place that is unique. Much like 2nd Avenue, the execution of the concept is highly dependant on cooperation with adjacent property owners (and SCDOT), as there is minimal right of way that can be dedicated to improvements. Its effectiveness will also depend on the willingness of property owners to improve or redevelop their properties and especially their building signage.

The streetscape should also incorporate an announcing gateway feature at the intersection of the Highway and 30th Avenue. This could be as simple as incorporating a highly visible pavement design that reflects the desired character of the Town.

Streetscape Typical Sections

Highway 17

Existing Condition

Proposed Streetscape Character
Below is a conceptual drawing illustrating the Highway 17 streetscape improvements and potential redevelopment.
4th Avenue

4th Avenue is a street that should act as a buffering device between residential uses on the west and Highway 17 commercial uses on the east. To accomplish this, the streetscape should provide landscape buffers between the sidewalk and commercial off-street parking. The street has sufficient right of way to improve its western edges as public open space, adding an additional buffer between the uses. In some places, it may be appropriate to add on-street parking to support the commercial uses of Highway 17.
Below is a conceptual drawing (from 32nd Avenue looking north) illustrating the streetscape improvements and the incorporation of public open space to the west (left). This public space could serve as a gateway to the proposed Civic Center on 32nd Avenue.
New Streets/Pathways

As previously discussed, the Master Plan proposes a number of new streets with the Town. It is recommended that these new streets be improved with the character of a pathway, incorporating pervious materials such as shell with more subdued definition between travel lanes and on-street parking. Landscaping elements should have a more loose arrangement than those of the commercial streets to create a more rural character.
Public Parking

It is estimated that on-street parking associated with streetscape improvements will potentially provide up to 300 public parking spaces in the Town. This estimate accounts for on-street parking lost to curb cuts and intersection buld outs. An additional 100 spaces may be provided in the form of off-street parking below the beachfront public boardwalk and within the floodzone not otherwise usable for habitable development. Coupled with parking provided with new commercial development, it is anticipated that this parking will fulfill the needs of the public in the near future.

If successful redevelopment and heightened level of activity in the Town merits additional public parking beyond the 400 spaces discussed above, the Master Plan recommends construction of a centralized surface parking lot, preferably along 30th or 31st Avenues to better service commercial activities. Properly designed, a surface parking lot developed on 4 lots would yield approximately 70 additional spaces. Further, if the need arises, the parking lot could be developed as structured parking in the future.
Public Open Space

Public open space is a fundamental component of a healthy urbanized environment and provides the community opportunities for recreation and relaxation, exercise, cultural entertainment and education. The Master Plan identifies numerous opportunities for the development of public open space, as illustrated in the graphic below. These opportunities range from improvement of existing public right of way (along 4th Avenue and at street ends) along existing streets, to public plazas adjacent new street proposals, to beachfront open space situated in public right of way or associated with new beachfront development. Similar to the Master Plan proposals for new streets, it is not necessary that all of the identified spaces be improved as public open space. Areas identified that are currently under private ownership should only be considered with the willing cooperation of the property owner.
Given the current and historical importance of the beachfront and the ocean to the Town, and the high degree of accessibility enjoyed by current residents and visitors, a significant open space at the nexus of 30th Avenue and the Beachfront is a central component of the Master Plan Vision. The open space is proposed to be developed with a beachfront/boardwalk character supporting a renewed sense of place and would serve as the Town's primary center of activity. The proposed boardwalk would serve to provide continued unfettered public beach access and ocean vistas, while also serving as the central component of the entertainment district and adjacent private development. Additionally, the Town has expressed interest in constructing a pier connecting the entertainment district to the waterfront. This is an opportunity that would, on one hand, have a positive impact on the identity of the district but, on the other hand could also have negative impacts on existing beach character and swimming areas. the Town should discuss the potential of such a project with local environmental agencies to understand it feasibility. If the project proves to be feasible, the new pier should be located near 30th Avenue but should not obstruct the primary view corridor.

With or without the pier project, the elevated boardwalk concept solves a number of difficulties associated with new development, primarily issues associated with flooding and storm surge regulations. The successful development of the entertainment district,
associated retail, restaurants and nightclubs will be highly dependant on providing a good pedestrian relationship with these new uses. Given the topography of the Town and the slope downwards toward the beach, flood and storm surge regulations restrict the development of these uses (classified as “habitable”) at the lower elevations. An elevated boardwalk resolves those issues and also provides an opportunity for public and private parking below.
The Master Plan supports the East Coast Greenway and proposes that the route be combined with a commemorative Gullah/Geechee Trail. The East Coast Greenway, a project proposed by the East Coast Greenway Alliance, is proposed to be the nation’s first long-distance, city-to-city, multi-modal transportation corridor for cyclists, hikers, and other non-motorized users. The goal is to provide an urban alternative to the Appalachian Trail, located in the shadows of skyscrapers and within suburban greenspace, but also in surprisingly rural areas that still exist between east coast cities. While seeking the most direct feasible route between cities, the route will also offer an interesting, varied experience. It will link with a host of other greenways and trails being developed within the region, forming a true greenway network. The final trail will provide continuous connectivity from Maine to Florida by connecting existing and planned trails that are locally owned and managed to form a continuous, safe, green route – easily identified by the public through signage, maps, users guides, and common services. The route is proposed to be at least 80 percent off-road, using waterfront esplanades, park paths, abandoned railroads, canal towpaths, and parkway corridors.

- 2nd Ave to 29th Ave
- 29th Ave to Beachfront
- Beachfront to 32nd Ave
- 32nd Ave to Ocean Blvd
- Ocean Blvd to Windy Hill
According to the East Coast Greenway Master Plan for Horry and Georgetown Counties, prepared in Sept. 2003, the trail follows Ocean Boulevard in North Myrtle Beach to 28th Ave. South, where it turns west for its connection to the Town of Atlantic Beach along Second Ave. It winds through Atlantic Beach and returns to Ocean Boulevard. The Atlantic Beach Master Plan proposes that the route be aligned along the beachfront between 29th Ave. South and 32nd Ave. South and that the Greenway be coupled with the Gullah Geechee Trail. This alignment meets the “Route Selection Guidelines” of the East Coast Greenway Master Plan provided below:

Routing Goals
The goal of the East Coast Greenway (ECG) is to achieve a relatively direct off-road connection between the 23 cities identified by the East Coast Greenway Alliance (ECGA) as key destinations along our corridor.* This relatively flat route will serve muscle-powered users who wish to explore the region on foot or bicycle, on skates or by wheelchair. It is not targeted to hardcore road cyclists but to users of all abilities and ages.

- Making this route off-road is our highest priority. A more circuitous route that is off-road is preferred to a shorter route that is on-road.
- The ECG is above all an urban trail system. It is less a “coastal” route than an urban connector. It should maximize connections between the downtowns of the identified cities, as well as linking in smaller urban centers and towns
- Accessing key destinations for travelers is important, either directly from the ECG or by way of spur trails.
  - Key transportation nodes, such as transit, train and bus stations and airports.
  - Points of interest that a tourist will want to visit or which showcase the history, architecture and natural features along the route.
- The route should provide amenities and services that multi-day users will need. Overnight accommodations (hostels, camp sites, B&B’s and hotels), restaurants, food stores, convenience stores, libraries for internet access, tourist information centers and Chambers of Commerce, bike repair shops, emergency health services, telephones, drinking water, public restrooms.
- The route should be interesting, varied and appealing. We aim for a constantly changing landscape for the traveler, to avoid monotony.
  - Passes through built landscapes including residential (urban, suburban, small town), commercial, and industrial areas
  - Includes a variety of natural landscapes including rivers and lakes, coastal beaches, wetlands, farmland, forested areas

ECG Route Selection Criteria: Permanent Route Criteria
- Off road. A separate off-the-road greenway, trail or path not generally open to motorized vehicles, with minimum cross streets or driveway crossings.
- Firm surface. Easily navigated by a road bicycle or a wheelchair; may be paved or a fine stone dust surface.
- Open and free for public use.
- No mandatory width requirements. We generally aim for a 12 foot wide pathway but recognize that it may not always be achieved initially. We believe that over time and with increasing use, public demand will lead to increased path width as needed.
- No steep grades and no steps that prohibit wheelchair access.
In October 2006, President Bush signed the National Heritage Areas Act. This law instructed the U.S. Secretary of the Interior to establish a Gullah/Geechee Cultural Heritage Corridor Commission that will oversee the implementation and funding for the designated corridor that stretches from northern Florida, along Georgia’s and South Carolina’s coastlines, and into North Carolina. The law authorizes $1 million per year in funding to help protect the corridor. The Master Plan proposes the combination of these corridors with the proposed entertainment district and beachfront boardwalk.
Combined Public Facilities

The Town should pursue combining their public facilities (Town Hall, Community Center) into a contiguous development on the property now occupied by the community center. Relocating Town Hall will free up land on 30th Avenue within close proximity to Highway 17, both prime redevelopment targets. The new combined facility may be new construction or a renovated community center with necessary additions, depending on the financial resources available. The new facility may also include cultural components outlined in the Market Assessment section of the Master Plan.

Additionally, numerous properties in the Town are currently under public ownership at the State, County and Town levels and may serve as an important redevelopment tool. The majority of the properties are currently developed with subsidized public housing which provide approximately 54 units. Redevelopment of these properties through a public/private partnership could yield additional subsidized units as well as new market rate housing and would improve the overall housing mix of the Town.
SECTION 3 IMPLEMENTATION
The implementation of the Master Plan will require a substantial public financial contribution for infrastructure and other projects designed to improve the quality of life for both existing and new residents.

At the same time, the Town has been faced with a scarcity of financial resources to meet its operating requirements. This has been due to an undervalued tax base and the lack of any significant development in the town over the last three or four decades. In order to meet the implementation requirements of the new master plan there will need to be a variety of potential funding sources available to the township, local entrepreneurs, and developers.

In the broader sense, the Master Plan recognizes the need for funds to undertake the capital improvement requirements necessary to spur development while at the same time recognizes the need for financial resources in support of small and minority business development, affordable housing, housing and commercial renovations, and cultural arts activities.

The plan identifies potential resources to meet these needs while focusing more specifically on the financial responsibilities of the Town of Atlantic Beach and the resources that it will require to meet its capital improvement obligations.

The financial plan addresses five basic questions. These questions are the following:

- What are the capital improvement recommendations of the Master Plan?
- Who should pay for capital improvements?
- What financial resources and tools may be available and appropriate for the Town of Atlantic Beach?
- How should any public debt be financed and managed?
- What steps should be taken to design, finalize, and implement the Capital Financing Plan?

**Capital Improvement Requirements**

It is projected that there will be a number of elements of the plan that will require financing. These elements include the following:

- New Streets/Street Closures
- Streetscapes for Existing Streets
- Public Open Space
- Civic Center
- Cultural Facilities and Amenities
- Private Development (Housing/Retail/Entertainment, etc)

In order to begin the process of establishing an estimate of future financing needs, a conceptual order of magnitude estimate of the potential costs for each of these elements has been prepared.
It should be noted that these are order of magnitude estimates for conceptual planning purposes; the actual may prove to be higher or lower than the planning estimates since they will be based upon specific architectural and engineering studies and plans.

**New Streets/Street Closures**

To fully implement the plan, eight new streets will have to be constructed and two existing streets, 3rd Avenue and 1st Avenue should be closed. Table 1, indicates that in order to build the new streets it will costs approximately $11 million dollars. For first phase street additions approximately $5.2 million has been estimated, while second phase street additions are estimated at $5.8 million.

The Town of Atlantic Beach may be able to recoup some of this cost through the sale of land resulting from the closing of 1st Avenue and 3rd Avenue. It is estimated that this land may have a value of $2 million. Steps would have to be taken to gain title for this property since this land may not be technically owned by the Town of Atlantic Beach.
Streetscapes
Table 2 shows the estimate of costs for streetscape improvements. First phase streets that should be addressed would include Highway 17, 30th Avenue, and 2nd Avenue, which would support a new gateway entry to the Town, revitalization of the historic commercial corridor and the development of a beachfront entertainment district. The estimated costs for the first phase improvements are $9.6 million.

Table 2. Estimates of Cost for Streetscape Improvements

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<th>Streetscapes: Phase 1</th>
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<th>Total Private</th>
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<tr>
<td>Highway 17</td>
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<tr>
<td>30th Avenue</td>
<td>$4,050,000</td>
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<tr>
<td>2nd Avenue</td>
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<td><strong>Total</strong></td>
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<table>
<thead>
<tr>
<th>Streetscapes: Phase 2</th>
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Second phase improvements would proceed as soon as funding becomes available and would begin with 31st Avenue which is also an important historic street in the Town of Atlantic Beach. Total costs for improvements in Phase II have been estimated to be in the range of $14.4 Million dollars.

Public Open Space
The public open space component of the plan envisions the creation of a boardwalk/entertainment structure, plazas to be incorporated with new streets, and pocket parks within existing right-of-ways. Total cost for these improvements would be approximately $5.7 million. It should be noted that these costs address ALL open space opportunities identified by the Master Plan. As discussed in the Objectives and Vision section, it is unnecessary to implement the full spectrum of these opportunities and therefore, the actual costs will likely be less.
Most of these improvements would be phased in with private development activities either in Phase I or Phase II of the development process.

**Off-Street Parking**
In addition to new on-street parking provided through streetscape improvements, the Master Plan recommends the development of approximately 60,000 square feet of parking (approximately 200 space) that will be located at the beachfront or along one of the commercial streets, 30th or 31st Avenue.

The total cost for off-street parking would be approximately $510,000.

**Other Capital Improvement Costs**
In addition to the previously stated costs, the plan envisions the development of a new municipal center as well as the development of a cultural facility. For purposes of this planning process we have projected cost for a new municipal center at about $1,260,000 and for the cultural facility at $10,900,000.

**Private Development**
Private development activity (along the beachfront) is projected to cost approximately $380,160,625.
Cost Sharing—Who Should Pay

The implementation of the total plan will require a partnership effort between the township and the private sector, with each carrying a portion of the burden to implement the capital improvement needs.

The precise formula as to who should pay for what is very much a function of negotiation. Cost sharing should be guided by the following principles:

- Local government should be responsible for capital improvement costs that are essentially public goods. Public goods are goods for which the use or benefit by one person does not diminish the use or benefits available to others; and where, access to the good or its benefit can not be restricted.

- The private sector should be responsible for capital improvement costs that are essentially private goods. Private goods and services are goods that are essentially competitive in their use or benefits. These goods can be priced because it is possible to exclude those who do not pay from the use of the services.

Unfortunately, the lines become blurred between what is truly public and what is truly private as public and private development have become more integrated. This has created the need for substantial negotiation between the public and private sectors as it relates to the sharing of capital cost.

Table 5, below, presents a summary of the capital cost estimates for the implementation of the Town of Atlantic Beach Master Plan along with our cost sharing assumptions which were developed for planning purposes only.

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Public Investment</th>
<th>Private Investment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streetscapes: High Priority</td>
<td>$7,200,000</td>
<td>$2,400,000</td>
<td>$9,600,000</td>
</tr>
<tr>
<td>Streetscapes: Low Priority</td>
<td>$10,771,875</td>
<td>$3,590,625</td>
<td>$14,362,500</td>
</tr>
<tr>
<td>New Streets: High Priority</td>
<td>$5,180,000</td>
<td></td>
<td>$5,180,000</td>
</tr>
<tr>
<td>New Streets: Low Priority</td>
<td>$5,862,500</td>
<td></td>
<td>$5,862,500</td>
</tr>
<tr>
<td>Street Closures</td>
<td>-$2,140,000</td>
<td></td>
<td>-$2,140,000</td>
</tr>
<tr>
<td>Public Open Space</td>
<td>$1,775,000</td>
<td>$3,900,000</td>
<td>$5,675,000</td>
</tr>
<tr>
<td>Public Parking</td>
<td>$210,000</td>
<td>$300,000</td>
<td>$510,000</td>
</tr>
<tr>
<td>Civic Center</td>
<td>$1,260,000</td>
<td></td>
<td>$1,260,000</td>
</tr>
<tr>
<td>Cultural Amenities</td>
<td>$10,900,000</td>
<td></td>
<td>$10,900,000</td>
</tr>
<tr>
<td>Private Development</td>
<td>$370,020,000</td>
<td>$370,020,000</td>
<td>$370,020,000</td>
</tr>
</tbody>
</table>
Table 5 shows total project capital cost to be approximately $421,230,000. The public capital cost of approximately $41 million would be the responsibility of the Town of Atlantic Beach. The funding for the approximately $380 million in private investment would be the responsibility of the private sector.

**Financial Resources and Tools for Capital Improvements**

There are a number of financial resources and tools that may be available at the federal and state level to assist the Town of Atlantic Beach in generating the financial resources required to meet its $41 million dollar funding obligation.

The incentives and subsidies that may be available from various funding resources can be used to attract a pioneering land use to the area, reduce the density of a project below that supported by the market and zoning?? (I don’t understand this part of the statement), to increase the densities above market demand, or to enhance the overall quality of the project. Following are some examples of the types of capital improvements required and potential funding sources.

**Streetscapes**

Municipal Bonds have been the traditional source of financing for streetscape improvements. However, when such traditional financing has not been available, creative urban and community developer financing strategist have turned to more innovative tools. Among the most popular of these tools are the following:

- Special Tax Allocation Fund/TIF Fund
- Revenue Bonds
- CDBG Funds
- Gullah/Geechee, East Coast Greenway Funds

There is a lot of case history indicating that streetscape improvements are among the most popular uses for tax increment trust funds. There is also a lot of case history supporting the use of revenue bonds, tied to special tax districts, as a tool in financing streetscape improvements. And, in both smaller communities and larger cities, CDBG funds are often used to fund such improvements, especially in lower-income minority or ethnic areas.

At the present time there is only approximately $10 million in funds committed to the Gullah/Geechee East Coast Greenway statewide in South Carolina but more can be appropriated in coming years.

**Street Improvements**

Street improvement funding is generally financed by municipal bonds, or in tandem with State and Federal DOT resources. However, in selected instances the following sources might be used for gap financing. These sources are:

- Special Tax Allocation Fund/TIF
- Revenue Bonds
- State CDBG Funds
While different localities may have different policies governing the financing of street improvement projects, our view is that these funds should only be used for gap financing when street improvements are required as a component of a public-private project that will generate additional tax base and jobs for the community.

Public-Private Projects
Public-Private projects are defined herein as those private developments, either commercial or residential, which require some type of public subsidy or incentive to provide the developer with a sufficient return on investment to go forward with the project. In this context, the more creative that urban development professionals can be in responding to a private developer’s particular need, the more likely that a good portfolio of projects will get off the ground. There are a number of tools which can assist the urban development professional in this process. They are as follows:

- Special tax Allocation Fund/TIF Fund
- Property Tax Abatement
- Revenue Bonds
- EDA Public Works
- New Market Tax Credits
- State DOT Funds
- Federal DOT Funds
- CDBG Funds

In almost every case, private sector equity and financing will be the key tool in public-private development projects. However, the bottom line of these projects or their quality level can be enhanced through the creative use of other public financing tools. While some of the tools make good financing partners, others do not. For example, using property tax abatements in partnership with tax increment financing would be a terrible policy choice.

Infrastructure
For purposes of this report, infrastructure is being defined as water, sewer, bicycle paths, parks and other open space, and public transportation. The key sources that should be looked to when putting together a financing strategy for these projects, after maximizing traditional sources, should be the following:

- Special Tax Allocation Fund
- State DOT Funds
- Revenue Bonds
- EDA Public Works Funds
- New Market Tax Credits
- Federal DOT Funds

It should be noted that some of these sources may only be applicable to certain types of infrastructure projects. Other programs, such as new market tax credits, may still be in the process of fully defining the extent of their use for infrastructure projects.
Affordable Housing /Small and Minority Business Development Resources

While the Town of Atlantic Beach may not be directly responsible for generating the financial resources required for affordable housing and small and minority business development, it can help facilitate in those areas by helping to attract those types of resources as a part of the implementation strategy. Following are some of the programs and resources that might be available.

Affordable Housing
Escalating land cost within the Town of Atlantic Beach make the generation of affordable housing extremely difficult. However the creative use of some subsidy resources and incentives might make some workforce housing possible in the context of a larger mixed-use development made up of market-rate housing, retail, and workforce housing. There are non-oceanfront locations within the Town of Atlantic Beach where this may be possible. Among the tools that might help facilitate this effort are the following:

- Tax Increment Trust
- Zoning Incentives
- New Market Tax Credits
- Low-Income Tax Credits

The skillful use of zoning incentives allowing for increased project density, combined with the use of tax increment trust funds, new market tax credits, and low-income housing tax credits, could be sufficient to off-set the economic disadvantage of higher land cost.

The Town of Atlantic Beach, on a very selective basis, could also use the tool of eminent domain to efficiently assemble one or two sites for the development of workforce and affordable housing. The need to provide housing for city employees, service industry, and tourism industry employees is critical to the growth of the city’s economy. Since the Town of Atlantic Beach has a sizable base of existing public housing, it is possible that many of these sites could be redeveloped as mixed income housing with an adequate amount of affordable housing to respond to current resident needs. The idea would be for the Town to have its own min-HOPE VI Program.

Business Loans
Entrepreneurship is an important strategy component of the Master Plan, especially with respect to the sustaining of the minority business community of the Town of Atlantic Beach. To the maximum extent possible, the plan seeks to provide entrepreneurial opportunities for residents of the area, as well as support expansion opportunities for existing businesses. In addition to the traditional financing tools of personal equity, bank loans, or venture capital, the following additional resources may be accessed to help respond to this need:

- SBA 7A Loan Guarantees
- CDBG Funds
- New Market Tax Credits Loans
The skillful use of these resources in tandem with the local financial community resources could help make possible the implementation of quality business enterprise projects.

**Capital Improvement Financing Strategies**

There are only a limited number of options to the Town of Atlantic Beach in terms of how it can finance its redevelopment debt. These options include the following:

Option 1. Tax Increment Financing Plus  
Option 2. General Obligation Bonds Plus

These two options indicate that either tax increment bonds or general obligation bonds must be the key financing tools for the Town of Atlantic Beach. It is unlikely that any other tool would be effective in raising the amount of funds required for the town to meet its financial obligations.

The superior option is Option 1 since it has the potential to generate the most revenues. The additional revenues are because incremental taxes, or a percentage of those taxes (variable TIF), that would go to the county or school district would now go to support TIF District activities over the life of the TIF. Option 2 does not have the potential to capture revenues which otherwise would be captured by the County and Board of Education. Following is a brief description of this Option 1.

**Tax Increment Financing Plus**

The Tax Increment financing Plus option is based upon six principles which are fundamental to its implementation. These principles are as indicated below:

- **Use A Multiple Funding Approach.** Even in cases where the tax increment funds will be the major financing tool, funding should not rely on one source but seek to identify other local, state, and federal programs that can help leverage tax increment funds. This creates the “Plus” component of the strategy.

- **Tax Increment Leveraged Bond Financing.** The Town of Atlantic Beach should utilize the tool of revenue bonds to generate some of the financial resources needed to meet public funding obligations of the plan. The availability of such financing, backed by tax increment revenues, may provide the flexibility needed to have matching funds available for public-private initiatives while at the same time funding projects which must meet specific time schedules for implementation.

- **Maximize Public/Private Financing.** To the maximum extent possible, the Town of Atlantic Beach should strive to achieve the joint public/private financing of projects. This approach will allow for the greatest leverage of public dollars while at the same time assuring private sector participation. Since most of these initiatives are privately managed, they also reduce public management time requirements.
Optimize Flexible Funding Approach. While it is good discipline to have budgets, it is always good to keep in mind that development is a dynamic process. Opportunities that were not known yesterday can become available today. The financial strategy should be sufficiently flexible so that it can be modified if new opportunities present themselves. One approach would be to set aside reserve funds which could be used when new opportunities are presented. A second approach would be to have a relatively simple process for changing project priorities in the budget. In either case, an entrepreneurial approach to budget management is important.

Provide for Maintenance of Improvements. The Town of Atlantic Beach should require a maintenance plan, adequately funded, for all of its funded projects. The absence of a maintenance plan threatens the long-term viability of the project. By forcing consideration of maintenance requirements, the town will be helping to insure that public funds have been invested properly and that useful life will be extended.

The incorporation of these five principles into the town’s financial planning and commitment process will help to assure that funds from a variety of sources are efficiently used to achieve the Master Plan objectives.

Preliminary Project Financing Plan

The tax increment for the Town of Atlantic Beach will begin to accrue when the total taxable values of all of the properties within the Town of Atlantic Beach exceeds the total taxable values for the same properties, including their improvements, over the established base year.

The general procedures for calculating the tax increment revenue that may be available to the Town of Atlantic Beach are summarized as follows:

- Total assessed values of all properties in the Town of Atlantic Beach less any exemptions or exclusions will equal the total taxable value.
- The total taxable values less the total base year taxable value will equal the total tax increment base.
- The total tax increment base times the appropriate general millage rates will equal gross tax increment revenue.

Since the incremental increases in taxable values are not likely to kick in for several years care must be taken to come up with a sound plan for funding the initial improvements. The process should begin with a good assessment of what things are needed to get the process going and how they should be funded.

We have begun this process by categorizing each of the proposed publicly funded capital improvements as Phase I and Phase II projects.
As Table 6 shows, four capital improvement projects plus the street closures have been included in Phase I. The key funding sources identified to support Phase I funding include the following:

- SCDOT/Transportation Enhancement Program
- State of South Carolina CDBG Program
- Land Sales Revenue from Street Closures
- TIF Revenue Bonds

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Public Investment</th>
<th>Grants</th>
<th>Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streetscapes: Phase I</td>
<td>$7,200,000</td>
<td>TEP/Land Sales/EDA</td>
<td>TIF Revenue</td>
</tr>
<tr>
<td>New Streets: Phase II</td>
<td>$5,180,000</td>
<td>TEP/Land Sales/EDA</td>
<td>TIF Revenue</td>
</tr>
<tr>
<td>Street Closures</td>
<td>-$2,140,000</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Public Open Space</td>
<td>$1,775,000</td>
<td>TEP/CDBG</td>
<td></td>
</tr>
<tr>
<td>Public Parking</td>
<td>$210,000</td>
<td></td>
<td>Revenue Bonds</td>
</tr>
<tr>
<td>Total</td>
<td>$12,225,000</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

The revenues from the land sales from street closures becomes important since there is not likely be a sufficient revenue stream to support the sale of TIF Revenue bonds for several years. The idea would be to commit the land sales revenues to cover the gap. The financing strategy might look somewhat like the following:

<table>
<thead>
<tr>
<th>Table 7. Phase I Financing Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Funding Requirements</td>
</tr>
<tr>
<td>Grants from CBDG/TEP/EDA</td>
</tr>
<tr>
<td>TIF Revenue Bond Funding</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
However, assuming bond funding at 6% over 20 years, the TIF Revenue Bonds would require annual payments of approximately $810,072. Since these funds are not likely to be available from the tax increment initially the idea would be to use the approximately $2,140,000 to cover the gap. This amount would cover TIF Revenue Bond Financing for approximately 2.6 years.

This makes clear the need to do a comprehensive analysis of the TIF financing potential once the base year has been established. This will enable the staff to refine the financing strategy.

Table 8 shows the financing needs for Phase II along with the targeted sources of funds.

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Public Investment</th>
<th>Grants</th>
<th>Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streetscapes: Phase II</td>
<td>$10,771,875</td>
<td>TEP/EDA</td>
<td>TIF Revenue</td>
</tr>
<tr>
<td>New Streets: Phase II</td>
<td>$5,862,500</td>
<td>TEP/EDA</td>
<td>TIF Revenue</td>
</tr>
<tr>
<td>Civic Center</td>
<td>$1,260,000</td>
<td>General Obligation*</td>
<td></td>
</tr>
<tr>
<td>Cultural Amenities</td>
<td>$10,900,000</td>
<td>CBDG/Cul.Heritage</td>
<td>TIF Revenue</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$26,274,375</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Several statements need to be made with regard to these funding sources. The first is that the funding of a Town hall/Civic Center with General Obligation Bonds will require that the Town assures itself that it will receive a sufficient increase in revenues to meet its GO Bond obligations which in the case of the Town Hall Civic Center would be approximately $200,000 annually. The second is that the TIF analysis will need to confirm that there will be sufficient additional tax increment cash flow to meet the annual obligations of the financing for an additional $25 million in project cost. One approach would be to split these cost by creating additional development phases.
Steps to Designing and Implementing the Capital Financing Plan

The steps to be taken in designing the Capital Financing Plan should be similar to that of designing a municipality’s capital improvement and financing plan. This is particularly true since the entire township will constitute the redevelopment district. The steps should include the following:

- Prepare a set of estimate of expenditures for a 5-Year Capital Improvement Program
- Establish a Set of Capital Financing Policies much like the principles that we have included in this report.
- Work with people with the appropriate expertise to develop accurate cost for each project to be undertaken.
- Identify and begin preliminary discussions with potential financing sources and determine probability for funding.
- Prepare the final version of the CIP with sources of financing specifically identified.

This document should be used in support of the use of bond funds or direct funds from the Special tax Allocation Fund.
LAND PARTNERSHIPS

A central focus of the Master Plan process and community participation has been a discussion of implementation issues as they relate to private property. A number of Master Plan proposals support the concept of land assembly for the following reasons:

- Current beachfront (1st and 2nd Row) properties are too small to support proposed high-density development and still meet the objectives of the Master Plan and the goals of the Town. Land assemblage will provide development footprints that are more conducive to meeting these objectives.
- To improve the opportunity for property owners to participate in the development process and the implementation of the Master Plan.

Private property owners in the Town have a number of opportunities to participate in the revitalization of the Town, including:

- Retain ownership and invest in improvements to the property;
- Willingly sell their property to developers that are interested in investing in the Town; or
- Join in land partnerships with other property owners and/or developers.

One method for land partnership is the creation of Limited Liability Companies (LLC). An LLC is a form of legal entity that has the attributes of both a corporation and a partnership and also has an existence separate from its members and managers. An LLC partnership is contractual in nature and all members of the partnership will enter into an operating agreement to regulate the affairs of the company; conduct its business; and govern relations among the members, managers and company.

Membership in an LLC requires a contribution which may consist of tangible or intangible property or other benefit to the company, including money, promissory notes, services performed, or other agreements to contribute cash or property, or contracts for services to be performed.

There are two types of LLC management structures, a “member-managed” company or a “manager-managed” company. In a member-managed company, each member has equal rights in the management and conduct of the company’s business. In a manager-managed company, each member has equal rights, but a designated manager has exclusive decision making power regarding business matters. This manager must be designated, appointed, elected, removed, or replaced by a vote, approval, or consent of a majority of the members and holds office until a successor has been elected and qualified unless the manager sooner resigns or is removed.

The following considerations should be addressed when forming an LLC:

- Who would be the members?
- Will the LLC be member-managed or manager managed?
- What is the formula for estimated value of contribution?
- What is the formula for distribution of net revenues?
- What is the formulation for distribution upon dissolution of the LLC?
SECTION 4 ZONING RECOMMENDATIONS
**ZONING RECOMMENDATIONS**

The following zoning recommendations are intended to support the objectives and vision of the Master Plan. The recommendations are intended to provide an appropriate development framework that is protective of the Town’s historical, physical and social attributes while also promoting redevelopment efforts. Every effort has been made to provide for equitable development capacities based on an understanding of the Town’s existing zoning regulations. It should be understood that these recommendations do not constitute an official zoning ordinance, but should serve as the basis for a future revised ordinance to be enacted by the Town. It should also be understood that the recommendations are generalized for the purposes of the Master Plan and communicating a vision for the Town. The actual zoning ordinance to be enacted by the Town will be developed within a public process whereby the nuances of the regulations will be fine tuned. Additionally, these recommendations are intended to apply to development that is sensitive to the objectives of the Master Plan. In instances where that is not the case, the Town may choose to provide measures for the existing regulations to apply.

![Conceptual Master Plan Diagram: Proposed Zoning Districts](image)
It is recommended that the Town enact a series of new Zoning Districts designed to allow for and promote the implementation of the Master Plan. These districts will provide for appropriate development within given areas of the Town, while ensuring compatibility with adjacent districts with respect to use, massing and height. These proposed districts include:

- Waterfront 1 (WF1): Mixed-Use/Medium-Density Residential
- Waterfront 2 (WF2): Mixed-Use/High-Density Residential
- Mainstreet 1 (MS1): Flexible Use/Low-Density Residential Development Allowed
- Mainstreet 2 (MS2): Medium Density Residential/Mixed-Use Development
- Highway 17 (HWY): Flexible Use/Medium Density Residential Development Allowed
- Government (G): Government, Cultural and Institutional

It is further recommended that the Town retain the following existing districts:

- R2: Residential-Medium Density (replaces current R-1 District)
- CP: Conservation Preservation

In order to better communicate the proposals, the following concepts should be understood:

Measurement of Setbacks: Proposed setbacks, regardless of applicable height, should always be measured from the property line. Setbacks are not intended to be cumulative. For example, a 30’ setback required at elevation 35’ is measured from the property line and not from any other proposed setbacks.

Setback Encroachment: Unless otherwise provided in specific District recommendations, street level arcades, awnings and other pedestrian amenities may encroach into the setback by a distance of no more than 10’, provided that a minimum unobstructed horizontal pedestrian sidewalk of 8’ is provided. Additionally, off-street surface parking is allowed within rear setbacks. In no case should off-street parking be permitted within frontage setbacks.

Floor Area Calculations: Floor area calculations should be based on the taxable property area that is defined by the property lines. Floor area calculations do not include parking, mechanical, stairwell or common corridor areas. Within the WF1, WF2, and MS2 districts, publicly accessible uses characterized as entertainment uses should not be required in floor area calculations.

Measurement of Height: The measurement of height should begin at a point 3’ above the Base Flood Elevation, as this is the elevation where habitable uses may be developed. The measurement of height should terminate at the top of the roof and should be exclusive of typical projections such as parapets, elevator equipment and other mechanical systems.

Determination of Mixed-Use: A mixed use development is one that combines residential development with pedestrian oriented active uses at the street/boardwalk elevation. Pedestrian oriented active uses should be directly accessible by the general public from the public sidewalk/boardwalk.
PROPOSED HEIGHTS AND SETBACKS

The diagram below describes the intent of proposed height allowances and setbacks allowed by the various proposed districts. Height along the commercial corridors (Highway 17, 30th and 31st Avenues) is intended to be no more than 55’. Height along the beachfront is proposed to be 200’, and the height between the two and along the western side of 2nd Avenue is intended to be transition zone with a maximum height of 85’.

Setbacks at the street level are generally arranged to promote development that fronts the street and is more conducive to pedestrian activities. At higher elevations, the intent is for development to step back in order to accentuate important view corridors. This condition becomes more exaggerated at the beachfront for obvious reasons.
WATERFRONT 1 (WF1)

The intent of the WF1 District is to provide for pedestrian oriented, beachfront medium-density residential and mixed-use development. Mixed-use development should be required in conjunction with multi-family development. Uses are intended to be composed of retail, dining, nightclub and cultural uses (e.g. entertainment district uses) at the boardwalk/street level fronting the beach, while upper levels are generally composed of residential or transient residential uses. The district supports the aggregation of property to provide a more appropriate medium-density development footprint. Therefore, the District supports the closure of 1st avenue between 31st avenue and 32nd Avenues, provided agreement on the closure among all immediately adjacent property owners. The District recommendations are intended to be applicable to property assemblages with an area greater than 4 typical lots measuring roughly 50’ x 150’. It is further intended that publicly accessible uses characterized as entertainment uses should not be included in floor area calculations.

<table>
<thead>
<tr>
<th>WF1</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM FAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Applicable Elevation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frontages</td>
<td>0’ - 45’</td>
<td>&gt; 45’</td>
<td>8 Stories or 45’, whichever is less</td>
<td>1.5 X GLA</td>
</tr>
<tr>
<td>Beachfront</td>
<td>30’</td>
<td>60’</td>
<td>0’ - 45’ Elevation, Maximum 0.60 x GLA</td>
<td></td>
</tr>
<tr>
<td>29th Ave.</td>
<td>***</td>
<td>***</td>
<td>&gt;45’ Elevation, Maximum 15,000 SF</td>
<td></td>
</tr>
<tr>
<td>30th Ave.</td>
<td>***</td>
<td>***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31st Ave.</td>
<td>10’</td>
<td>30’</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32nd Ave.</td>
<td>10’</td>
<td>30’</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highway 17</td>
<td>***</td>
<td>***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st Ave.</td>
<td>10’</td>
<td>30’</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Ave.</td>
<td>10’</td>
<td>30’</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3rd Ave.</td>
<td>***</td>
<td>***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4th Ave.</td>
<td>***</td>
<td>***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Side</td>
<td>5’</td>
<td>See Frontages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rear</td>
<td>10’</td>
<td>30’</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key West, FL

Charleston, SC
WATERFRONT 2 (WF2)

The intent of the WF2 District is to provide for pedestrian oriented, beachfront high-density residential and mixed-use development. Mixed-use development should be required. Uses are intended to be composed of retail, dining, nightclub and cultural uses (e.g., entertainment district uses) at the boardwalk/street level fronting both 30th Avenue and the beachfront, while upper levels are generally composed of residential or transient residential uses. The district supports the aggregation of property to provide a more appropriate high-density development footprint. Therefore, the District supports the closure of 1st Avenue between 29th and 31st Avenues, provided agreement on the closure among all immediately adjacent property owners. The District recommendations are intended to be applicable to property assemblages with an area greater than 4 typical lots measuring roughly 50 x 150'. It is further intended that publicly accessible uses characterized as entertainment uses should not be included in floor area calculations. The following recommendations should only be adopted in conjunction with restrictions that no Planned Unit Development applications will be accepted by the Town.

<table>
<thead>
<tr>
<th>WF2</th>
<th>Frontages</th>
<th>MAXIMUM SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM FAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frontage</td>
<td>Applicable Elevation</td>
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<tr>
<td></td>
<td>Beachfront</td>
<td>0' - 45'</td>
<td>30'</td>
<td>16 Stories or 165', whichever is less</td>
<td>Between 29th Avenue and 31st Avenue: 3.50 x GLA</td>
</tr>
<tr>
<td></td>
<td>Beachfront</td>
<td>&gt; 45'</td>
<td>60'*</td>
<td></td>
<td>Additional 0.5 FAR Bonus</td>
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<tr>
<td></td>
<td>NE of 29th Ave</td>
<td>5'</td>
<td>5'</td>
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<tr>
<td></td>
<td>Beachfront</td>
<td>SW of 32nd Ave</td>
<td>5'</td>
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<td>29th Ave</td>
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<td>31st Ave</td>
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<td></td>
<td>1st Ave</td>
<td>SW of 32nd Ave</td>
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<td>4th Ave</td>
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<td>Side</td>
<td>5'</td>
<td>See Frontages; Fire Code</td>
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<td></td>
<td>Rear</td>
<td>10'</td>
<td>30'</td>
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</table>

*The 60' Beachfront setback may be encroached by 30', but in no case should exceed the lower level 30' setback. Such encroachment shall not occur within 100' of 30th Avenue and shall be limited to 80' of beachfront frontage.
The District should allow for bonus height and FAR when developments provide improvements deemed to be a benefit to the public good. Such improvements may include cultural and other public facilities; boardwalks and parks; public parking for beach access; streetscape improvements; underground utility and infrastructure improvements; and affordable or workforce housing.
WF2: Example Development Diagram

- Retail/Entertainment Uses Along 30th Ave and Beachfront
- Public Boardwalk and Beach Access
- Parking Concealed by Active and Residential Uses
- Private Amenity Areas

Example Development Diagram (EL 0’; FEMA BFE +3)
Example Development Diagram (EL +/- 15’)
Example Development Diagram (EL 45’)
Example Development Diagram (EL 45’ - 200’)

Legend:
- Red: Retail/Entertainment
- Yellow: Lobby/Common Areas
- Brown: Residential
- Gray: Service
- White: Parking
- Beige: Public Boardwalk
- Green: Private Amenity Areas
WF2: Example Development Diagram

- Retail/Entertainment Uses Along 30th Ave and Beachfront
- Public Boardwalk and Beach Access
- Parking Concealed by Active and Residential Uses
- Private Elevated Amenity Areas
MAINSTREET 1 (MS1)

The intent of the MS1 District is to provide for pedestrian oriented low-density development. The district as a whole is intended to be mixed-use and the development of mixed-use projects should be encouraged. However, single uses should be allowed in order to promote and ease infill development. Uses should be composed neighborhood scaled (less than 20,000 sf) retail and office uses as well as multi-family and transient residential uses. Single-family residential should not be allowed. To the greatest degree possible, surface parking should be developed on the rear or sides of the property behind or adjacent primary buildings. Curb cuts along the districts corridors, 30th and 31st Avenues, should be minimized to reduce traffic conflicts and maximize the Town’s on-street parking inventory. Retail and office uses developed on single lots (generally 50’ x 150’) should be permitted to pay a fee-in-lieu of off-street parking and to utilize on-street parking.

<table>
<thead>
<tr>
<th>MS1</th>
<th>SETBACKS</th>
<th>MAXIMUM</th>
<th>MAXIMUM</th>
<th>MAXIMUM</th>
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<td></td>
<td>Frontages</td>
<td>HEIGHT</td>
<td>FOOTPRINT</td>
<td>FAR</td>
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<td></td>
<td>Applicable Elevation</td>
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<td>0’ - 35’</td>
<td>&gt; 35’</td>
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<td>Beachfront</td>
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<td>Highway 17</td>
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<td>2nd Ave.</td>
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<td>4th Ave.</td>
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<td>20’</td>
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<td>Side</td>
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<td>1 Lot</td>
<td>5’</td>
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<tr>
<td>2 lots</td>
<td>10’</td>
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<td>&gt;2 lots</td>
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<tr>
<td>&gt;1 lots</td>
<td>60’</td>
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</tbody>
</table>

5 Stories or 55’, whichever is less

Maximum 0.60 x GIA

N/A
**Mainstreet 1 (MS1)**

**General Massing and Setbacks**

**Single Lot Development**
- Parking Below Residential/Hotel Units
- Commercial/Retail Parking Not Required

**Two Lot Development**
- Parking Located in Rear (within Rear Setback)
- Side Setbacks Accommodate Parking Access Driveways

**Greater Than Two Lot Development**
- Parking Located in Rear (within Rear Setback)
- Side Setbacks Accommodate Parking Access Driveways
MAINSTREET 2 (MS2)

The intent of the MS2 District is to provide for pedestrian oriented medium-density development. Mixed-use development should be required for development on multiple lots. Uses are intended to be composed of retail, dining, nightclub and cultural uses (e.g. entertainment district uses) at the boardwalk/street levelfronting 30th Avenue, while upper levels are generally composed of residential or transient residential uses. Single-family residential should not be allowed. To the greatest degree possible, surface parking should be developed on the rear or sides of the property behind or adjacent primary buildings. Parking garages should be largely concealed by pedestrian oriented active or residential uses. Curb cuts along the districts corridors, 30th, 31st and 2nd Avenues, should be minimized to reduce traffic conflicts and maximize the Town’s on-street parking inventory. The district supports the aggregation of property to provide a more appropriate medium-density development footprint.

<table>
<thead>
<tr>
<th>MS2</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM FAR</th>
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<tbody>
<tr>
<td></td>
<td>Applicable Elevation</td>
<td>0' - 45'</td>
<td>&gt; 45'</td>
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</tr>
<tr>
<td>Frontages</td>
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<tr>
<td>Beachfront</td>
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<tr>
<td>29th Ave.</td>
<td>10'</td>
<td>30'</td>
<td>15,000 SF</td>
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<tr>
<td>30th Ave.</td>
<td>10'</td>
<td>60'</td>
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<td>31st Ave.</td>
<td>10'</td>
<td>30'</td>
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<td>32nd Ave.</td>
<td>10'</td>
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<td>Highway 17</td>
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<td>2nd Ave.</td>
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<td>30'</td>
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<td>3rd Ave.</td>
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<td>4th Ave.</td>
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<td>Side</td>
<td># of Lots</td>
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<td>1 Lot</td>
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<td>&gt;2 Lots</td>
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<tr>
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<tr>
<td>&gt;1 Lot</td>
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<td>60'</td>
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</tbody>
</table>

8 Stories or 85', whichever is less

0' - 45' Elevation, Maximum 0.70 x GLA

>45' Elevation, Maximum 15,000 SF

1.75 x GLA
HIGHWAY 17 (HWY)

The intent of the HWY District is to provide for highway oriented retail and office development. The district as a whole is intended to be mixed-use and the development of mixed-use projects should be encouraged. However, single uses should be allowed in order to promote and ease infill development. Single use residential development should not be permitted. Uses should be composed of retail and office uses as well as multi-family and transient residential uses. Residential uses should be discouraged at the street level. To the greatest degree possible, surface parking should be developed on the rear or sides of the property behind or adjacent primary buildings. When parking is permitted on Highway frontage, it should be limited to single row of spaces fronting the buildings primary facade. In order to reduce pedestrian/vehicular conflicts, vehicular access to properties should be, to the greatest extent feasible, developed at the rear or sides of property, and should be minimized along the highway.

<table>
<thead>
<tr>
<th>HWY</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM FAR</th>
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<tr>
<td></td>
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<td>Applicable Elevation</td>
<td>0' - 35'</td>
<td>&gt; 35'</td>
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<tr>
<td>Frontages</td>
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<td></td>
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<tr>
<td>Beachfront</td>
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<tr>
<td>29th Ave.</td>
<td>10'</td>
<td>20'</td>
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<tr>
<td>30th Ave.</td>
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<td>31st Ave.</td>
<td>10'</td>
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<tr>
<td>32nd Ave.</td>
<td>10'</td>
<td>20'</td>
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<tr>
<td>Highway 17</td>
<td>20'</td>
<td>20'</td>
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<td>1st Ave.</td>
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<td>3rd Ave.</td>
<td>10'</td>
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<td>4th Ave.</td>
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<td>Side</td>
<td># of Lots</td>
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<tr>
<td>1 Lot</td>
<td>5'</td>
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<td>2 lots</td>
<td>10'</td>
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<tr>
<td>&gt;2 Lots</td>
<td>15'</td>
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<td>Rear</td>
<td>15'</td>
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</table>
GOVERNMENT (G)

The intent of the G District is to allow for the development of facilities for local government, public health, recreational, cultural or educational activities.

<table>
<thead>
<tr>
<th>G</th>
<th>SETBACKS</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM FAR</th>
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<tr>
<td></td>
<td>Applicable Elevation</td>
<td>0' - 45'</td>
<td>&gt; 35'</td>
<td>5 Stories or 55’, whichever is less</td>
</tr>
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<td>10'</td>
<td>20'</td>
<td>1st Ave.</td>
<td>5'</td>
</tr>
<tr>
<td>Beachfront</td>
<td>5'</td>
<td>5'</td>
<td>2nd Ave.</td>
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<td>29th Ave.</td>
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<td>3rd Ave.</td>
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<td>30th Ave.</td>
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<td>4th Ave.</td>
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<td>Highway 17</td>
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Government, Cultural and Institutional
RESIDENTIAL (R2)

The R2 District is intended to remain unchanged with respect to setbacks, height, footprint. With respect to density, 2 Units per 50’ of lot frontage should be allowed. Lot frontage means the dimension of a property line that fronts a public street.

### R2

<table>
<thead>
<tr>
<th>Frontages</th>
<th>MAXIMUM HEIGHT</th>
<th>MAXIMUM FOOTPRINT</th>
<th>MAXIMUM DENSITY</th>
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<td>Beachfront</td>
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<td>3 Stories or 45’, whichever is less</td>
<td>Maximum 0.40 x GLA</td>
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<td>4th Ave.</td>
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<tr>
<td>Side</td>
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<td>Rear</td>
<td>20’</td>
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ATLANTIC BEACH MASTER PLAN DESIGN GUIDELINES

DESIGN GUIDELINES: BUILDINGS

- Street Orientation
- Locations of Uses
- Shading and Air Movement
- Materials
- Fenestration
- Articulation
- Awnings and Canopies
- Rooftops
- Signage
- Lighting
- Parking
- Service Areas
DESIGN GUIDELINES: BUILDINGS

The following design guidelines supplement the Master Plan Zoning Recommendations and provide general guidance on the design of buildings and associated improvements within the Town. The role of the design guidelines is to ensure that new buildings contribute to the overall character of the Town and the development of a unique sense of place.

The design of buildings plays a major role in defining the character of a place. When properly executed, buildings can establish a unique character that stems from not only the treatment of building facades, but also from the orientation and placement of buildings within their surroundings. These guidelines acknowledge that the current building stock in the Town is currently composed of a multitude of “styles” and therefore it is not the intent of the guidelines to mandate any particular architectural style. However, it is recommended that building designs take cues from the various vernacular architectural styles of the southeastern United States, as these styles were developed with characteristics that respond to local climatic conditions, culture and customs. This should not be construed as a proposal for the recreation of historical styles, but rather a contemporary interpretation of characteristic components of those styles.

In the generally hot and humid climate of the southeastern United States, the common thread of the various vernacular styles is the incorporation of elements to reduce solar heat gain, increase natural ventilation and to provide protection from frequent summer rains. This is accomplished through the use of light colored materials and ample shading devices such as large roof overhangs, arcades, verandas and porches, light shelves, screens, shutters and landscaping elements. Additionally, the introduction of interior courtyards, breezeways, high ceilings and water elements serve to create a cooling effect and further define a unique vernacular character. These passive building techniques helped to provide for the relative comfort of the buildings occupants. With the advent of central air conditioning, much of these characteristics were forgotten and building stocks (nationwide) became more homogeneous to the detriment of a unique regional identities. Today, the reintroduction of these characteristics, coupled with efficient mechanical systems, can provide for lower building operating costs and energy savings while helping to rediscover a character that is linked with a particular region. Therefore, it is recommended that building designs incorporate these characteristics and strive to contribute to a harmonious and unique sense of place for the Town as a whole.

Buildings General Guidelines

- Provide passive cooling measures that respond to local climate.
- Build to and respond to the street and its activities.
- Provide pedestrian oriented uses at the street level. Parking should be located behind buildings to the greatest degree possible.
- Provide buildings with quality materials, variety in height and unique character.
- Screen parking garages and service areas.
Street Orientation

The way in which buildings interface with the street is possibly the most important element of creating effective public street space and contributing to the economic vitality of street level uses. It is within this space that much activity of the urban environment occurs. In general, buildings should be built to the street, especially along primary retail corridors such as 30th and 31st Avenues. This will provide a consistent public space where individual buildings acknowledge the importance of the street. Large gaps along the street edge should be discouraged as they will act much like a vacant lot and create areas of low activity and discontinuity in the pedestrian experience.

Buildings should have a clear relationship with the street and should reinforce the street framework by locating primary facades parallel to the street, as this will strengthen the urban spatial character. Building facades should be open and inviting on all facades. They should be richly detailed and varied to provide visual interest and pedestrian scale at the street level. Reinforcement of the pedestrian scale can be accomplished through the use of varied materials and appropriately scaled construction modules. Commercial street frontages should be largely transparent, allowing pedestrians to view the activities inside or displays related to those activities. Storefronts and entrances should be oriented towards the street, should be well lit and accentuated to provide pedestrian orientation. Building facades should incorporate components that protect pedestrian from the sun and rain. Through-lobbies or breezeways that address both the street and parking access should be encouraged.

Street Orientation General Guidelines

- Street level facades should have a pedestrian scale and should be largely transparent.
- Building entrances should be emphasized.
- Building components should provide pedestrian protection from the elements.
- All ground level space designed for pedestrian oriented uses should have external entrances directly accessible from public sidewalk and street space. At least one (1) external entrance should be located along the frontage of the street or on the corner intersection of two streets. Additionally, each building use, such as a retail store with a cafe or restaurant, should have separate entrances. All such entrances should be transparent.

Location of Uses

Commercial streets (30th and 31st Avenues and Highway 17) should have ground floor pedestrian oriented uses. When such uses are adjacent to sensitive uses such as residential, the location of uses should be coordinated with adjoining properties to avoid creating nuisances such as noise, light intrusion, invasion of privacy and vehicular traffic.
Location of Uses General Guidelines

- Ground floor pedestrian oriented uses should be required for 50% of the building/street property frontage.
- Parking garages and lots should not front streets and should be lined with active uses on all levels for 60% of the building/street property frontage.

Shading and Air Movement

Solar radiation is a major heat source in buildings. This increases the importance of protecting windows, walls and sliding glass storefronts. This can be accomplished by incorporating light colored and high albedo materials, insulated glass and shading devices. Shading devices include roof overhangs, arcades, awnings, porches and verandas, screens, shutters, trellises and landscaping elements. These devices are intended to play a major role in providing architectural character to the Town, but should be employed in a thoughtful and calculated manner that achieves shading benefits, and not simply to achieve a desired “look” or “style” for a building. Building design should account for the different solar exposures of a building so that shading measures produce a cooling benefit and energy conservation.

Inducing air movement can greatly increase the human tolerance for higher temperature and humidity levels. Ventilation of buildings has been a major cooling technique throughout the world, as it provides cooling by using air to carry heat away from the building and or from the human body itself. Buildings are encouraged to incorporate features, such as breezeways, that induce air movement, capture ocean breezes and further serve to cool the pedestrian. These breezeways can lead to interior courtyards that provide more intimate places for rest and relaxation.

Shading and Air Movement General Guidelines

- Provide shading measures for buildings.
- Provide building elements, such as breezeways and interior courtyards to induce air movement and provide comfortable places for rest and relaxation.

Materials

Possibly the most important element in conveying the quality of a building and the Town as a whole is the use of quality building materials. Therefore building materials should convey a sense of permanence and civic presence. Facade materials should reinforce the human scale at the street level, provide distinction between interior uses, and break down the scale of larger buildings through the use of a variety of materials, appropriately scaled construction details, modules and textures.
Creative and innovative high quality building materials with recycled content should be encouraged. A variety of building materials and combinations of materials should be utilized and should be appropriate to the character of the building and harmonious with adjacent buildings. Genuine materials should be utilized rather than simulated materials. Use of accent materials, such as metal, stone or wood, should be incorporated on all facades of the building and not just the primary facade of the building.

**Materials General Guidelines**

- Building Facades should incorporate at least two different materials. When used only for windows, glass should not count towards this requirement.
- Transparent glass should be used at the street level.
- The use reflective glass and faux treatments is discouraged.

**Fenestration**

A fundamental component of a successful retail environment is the placement of fenestration with respect to the sidewalk and street. Street/boardwalk level building facades should incorporate single and double height windows or general access entrances to encourage browsing and window shopping. Doors at storefronts with windows should match the materials, design and character of the display window framing. High quality materials such as crafted wood, stainless steel, bronze and other metals are recommended. Detailing such as carved woodwork, stonework or applied ornament should be used to create noticeable detail for pedestrians. Entrances may be flanked by columns, distinctive lighting fixtures or other details.

All windows on a building should be related in design. Windows on the upper floors should be smaller in size than storefront windows on the first floor and should encompass a smaller proportion of façade surface area. Upper story windows should be detailed with architectural elements such as projecting sills, molded surrounds and/or lintels. Deeply tinted glass or applied films should not be permitted. Windows should maintain consistency in shape and location across the facade and should be harmonious with facades of adjacent buildings. Treatments on windows or balconies should be consistent with the overall building aesthetic. Window reveals should be a minimum of 4 inches. Storefront, transom, display windows or doors should encompass 50% minimum of the front of a building wall area. False fronts or windows are discouraged.
Articulation

Buildings should provide for variety and interest from the street. For this reason, buildings are encouraged to have a variety of heights, scale and architectural character. Designers should incorporate elements that provide a scale and level of detail at the street level that is appropriate to the pedestrian. Different interior uses should be clearly articulated through changes in the plane of the facade, materials and/or architectural details.

Building facades should incorporate varied architectural elements, especially at the street level, to provide for visual interest and pedestrian scale. Large building volumes should be broken into a number of smaller components to decrease its apparent mass and volume, and thus reduce its visual impact. Reducing the visual impact of mass can be accomplished by creating building insets or projections, stepping back upper floors, varying the height of the roofline and repetitive architectural features and details. Changes in vertical mass should be used in an architecturally appropriate way to add interest and reduce the appearance of building height and bulk. Large, expansive blank surfaces should be prohibited.

Where multiple-tenant spaces are incorporated into a building, individual tenant spaces should be located within architecturally defined horizontal increments. This can be achieved by:

- Placing a column, pier or pilaster between building bays;
- Applying vertical slot or recess between building bays;
- Providing variation in plane along the building wall; or by
- Varying the building wall by recessing the storefront entrance or creating a niche for landscaping or additional pedestrian sidewalk area.
Entries to ground floor retail areas should occur from main commercial streets and should incorporate distinctive mass or architectural elements. A recessed entry or bay in the facade should be provided to create transitional spaces between the street and buildings. These recesses should include elements such as special paving and ceiling treatments, distinctive light fixtures and attractive decorative door pulls, escutcheons, hinges and other hardware. In addition, projecting awnings or canopies are encouraged to provide shelter and should be designed as a canvas or fabric awning, or as a permanent architectural canopy utilizing materials from the primary building. Entries should incorporate a change in roofline or major break in the surface of the subject wall.

Entrances to upper-story uses should be located between storefronts and should be accented by architectural elements such as sidelights and distinctive light fixtures. These entrances should be indicated by a recessed entrance, vestibule or lobby. Doorways should be recessed for privacy, but should be clearly expressed through awnings, high quality materials or other architectural treatments.

Where buildings are located at major or gateway intersections, such as 30th and 2nd Avenues or 30th Avenue and Highway 17, a prominent architectural corner treatment of the building mass should be incorporated. Near the corner, the building should either be sited on the setback lines or set back to provide a public open space with direct access to the buildings or frames an open space between multiple buildings. Attractively landscaped areas may also be permitted where siting of a building’s public open space at a corner is not feasible. Building corners should have continuity and all sides of a structure should be continuous in design with no side left unimproved. Architectural details, roof lines and parapets should continue around all visible sides.

**Articulation General Guidelines**

- Unbroken facades, in excess of 100’, without changes in wall planes should be avoided. Changes in wall plane should be employed to add shade and shadow. Such changes in plane should have a horizontal dimension of at least 2’.

- Building corners should utilize prominent architectural treatment.

**Awnings and Canopies**

Awnings, canopies and arcades should be used to enhance building facades and storefronts with color and dimension to provide shade for browsing and cafe seating. The type of awning used and its form, materials and color should be consistent with the design character of the building to which it is attached. The height of all awnings above the sidewalk should be consistent, with a minimum clearance of 8’ provided between the bottom of the valence and the top of the sidewalk/boardwalk. Awnings should be located between, rather than across significant vertical features that make up the composition of the facade.
The use of vinyl and plastic awnings should be prohibited. If used, lighting for awnings should be from fixtures located above the awning and designed and placed to enhance the appearance of the building facade. Awning color(s) should be compatible with the overall building color scheme.

**Awnings and Canopies General Guidelines**

- Awnings, canopies or arcades should be utilized on all commercial street frontages and should provide consistent and continuous pedestrian protection from the elements.
- Awnings or arcades should have a consistent depth as those of neighboring buildings and provide an unobstructed pedestrian vertical clearance of at least 8’.

**Rooftops**

The development of tall buildings allows views to adjacent buildings within the Town and to those building’s rooftops. Typically, rooftops are cluttered with unsightly service equipment, put there to save valuable space on the ground and because it is considered out of view. To avoid these views, rooftops should be designed in a way that they acknowledge their visibility from other buildings and from the street. Therefore, service equipment should be architecturally screened both from the street and neighboring buildings.

Additionally, rooftops should incorporate light colored/high albedo materials and roof overhangs should be ample to shade building walls and windows.

**Rooftops General Guidelines**

- Screen rooftop service equipment from view.
- Use light colored/high albedo materials.
- Roof overhangs should be sized to provide effective shading.
- Incorporation of recreational amenities and landscape elements in high and medium-density developments is highly encouraged.
Signage

Signs will play a major role in defining the overall character of the Town and every effort should be made to make a positive contribution to the overall visual character of streetscape and commercial areas. Therefore, signs should be of high quality materials and should be innovative and imaginative in design.

Given the proposed pedestrian orientation of the Town, signs should be primarily oriented to the pedestrian. Therefore, the majority of the Town signage should be composed of wall, hanging, projecting and awning signs. A possible exception may be major retail anchors and office uses situated along Highway 17, where signage visible to vehicles is important to the viability of these uses. Monument or ground signs should be minimal in number and placed with discretion at major entry points. Such signs should be integrated into gateway features and should be limited to general district announcement. In general, signs should be compatible with the building and the surrounding environment; should utilize quality materials; should be clearly legible; and should be carefully illuminated.

Well designed signs are effective tools to enhance storefronts and attract people. Signs should be appropriately scaled for the buildings on which they are placed and to the area in which they are located. Smaller buildings and storefronts should have smaller signage than larger buildings. The size and shape of the sign should be proportional with the scale of the building and should be integrated with and complement the design of the building. Given the close proximity of commercial and residential uses with the Town, signs should be located so that they have little or no impact on nearby residential uses.

Sign materials should complement the building design and should be extremely durable. Materials and finishes can contribute to the signs legibility. Signs should generally utilize flat or matte finishes, as glossy finishes are often difficult to read due to glare and reflections. In addition, color plays a major role in the attractiveness and legibility of a sign. A substantial contrast should be established between the colors of the sign background and lettering. The use of too many colors should be avoided for the primary copy of the sign. Small accents of additional color can provide uniqueness but should be limited in favor of clarity. Solid and void, such as a metal sign with cutout copy can also be very effective in providing contrast.

The message conveyed on the sign should be brief. Signs that use fewer words to convey a succinct message are easy to read and are visually more attractive than those with lengthy messages. In addition, letters and words should be appropriately spaced and the number of lettering styles should be limited.

Signs should be illuminated for legibility at night. Illumination should be accomplished by backlighting (solid letters) or from a projected light source (downlighting). Projected light sources and fixtures should be small and unobtrusive and should contribute to the overall character of the building. Special care should be taken to ensure that projected lighting does not spill over or produce glare for nearby residential uses or adjacent roadways.

Street Signage should be aluminum or galvanized steel. The lettering should be clear and easy to read and should be reflective. Text and edges should be extruded. All street signs throughout the Town should be of a consistent style. U-channel sign posts should not be used.
**Signage General Guidelines**

- Roof signs should not be permitted.
- Signs should be generally oriented and scaled for the pedestrian.
- Lettering styles should be limited to 2 per sign.
- Signs should not obscure windows or other architectural features including window trim/molding, grillework, piers, pilasters and other detail features.
- Wall-mounted signs on fascias above storefront windows should be sized to fit within friezes, lintels, spandrels and other similar features. Such signs should be generally centered over storefronts and/or primary entrances.
- Electrical transformer boxes, raceways and conduits should be concealed from public view. Raceways should be mounted internally behind the finished exterior wall.
- Signage on awnings should be limited to the front valance drop. Such signage should be centered, should not exceed 50% of the front length of the awning and letters should not exceed 8” in height. The vertical dimension of the valance drop should not exceed 12”.
- Signage illumination should not spill over or produce glare for nearby residential uses or adjacent roadways.
- Hanging and projecting signs:
  - should be limited to one sign per storefront or building use;
  - should provide a minimum vertical clearance of 8 feet from the top surface of the sidewalk;
  - should not project more than 42” from the building facade;
  - should be double faced and mounted at a 90 degree angle to the primary building facade; and

**Lighting**

Architectural lighting should be utilized to highlight landscaping, signage, and special architectural features. Lighting should be used to create shadows and depth and highlight distinguishing architectural elements and building materials. Lighting in store windows should be used to encourage window shopping and other evening activities when stores are typically closed.

Exterior lighting should be designed as an integral part of the building and landscape design. Lighting should generally be designed to include cutoffs to minimize the negative effects of lighting of the sky (light pollution) and should be located to minimize the impact of lighting on adjacent buildings and properties, especially residential uses. In general, the level of lighting should respond to the anticipated use and not exceed the amount of illumination required by users. Illumination over an entire area or use of overly bright lighting is strongly discouraged. Lighting for pedestrian safety should illuminate changes in grade, path intersections and other areas along paths which, if left unlit, would cause the user to feel insecure.

Recommended minimum levels of illumination along pedestrian paths between destinations is 0.5 foot-candles. At pedestrian destination points such as entryways, plazas and courtyards, lighting levels should typically achieve illumination of 1 foot-candle. The placement of light standards, whether for street lights or garden lights, should not interfere with pedestrian movement.
Parking

Parking garages are generally a necessary component of high-density development. Unfortunately, they are sometimes developed at the detriment of pedestrian oriented street-level activity. It is important that their design be handled with care. Parking garages and lots should be screened from public view by lining edges along streets with uses.

Because the Master Plan is focused on creating a pedestrian oriented environment and provides for ample on-street parking, the development of an excessive parking inventory is discouraged. Parking requirements should provide for the potential of shared parking concepts that account for a mix of uses and differing hours of operation between those uses. The Town should welcome shared parking proposals that utilize standardized data and procedures such as the Urban Land Institute Shared Parking Report, ITE Shared Parking Guidelines, or parking standards developed by neighboring communities that have a proven track record.

Parking General Guidelines

- Utilize shared parking when possible.
- Recommended parking for Commercial/Office/Retail/Restaurant/Entertainment Uses: 2 spaces per 1000 square feet of gross leasable area
- For all uses, perpendicular parking spaces should not be less than 9’-0” in width and 18’ in length.
- For all uses, parallel parking spaces should not be less than 8’ in width and 20’ in length.
- Screen parking garages from public view. Blank, unarticulated walls should not be permitted for parking garage facades that are not required to be lined with uses. Such facades should have architectural treatments designed to be compatible with adjacent buildings. Ramps, stairwells and any other portions of a garage should be buffered with the use of decorative grilles and screens, landscaping, and other varied materials.
- Surface parking lots should not front streets and should be screened by pedestrian oriented uses or dense landscape buffers. The landscape buffer should consisting of hedges, trees, walls, fences, or a combination thereof. A living barrier should be a minimum of 4 feet wide at its narrowest point and a minimum of three feet above finished grade. It should be continuously planted with a hedge or shrubs spaced a maximum of 30” apart. A nonliving buffer should consist of a wall that is a minimum of three feet above finished grade. Regardless of type of buffer chosen, one shade tree should be planted every 30’ or less.
Service Areas

To minimize the impact of service areas and site-related infrastructure on the aesthetic character of the Town, service areas, garbage receptacles, utility meters and mechanical and electrical equipment should be screened from public view and located for convenient access by service vehicles. Trash collection should be designed for from a side street, alleyway or parking area, to keep these activities generally out of view.

Screening of these areas should be integrated into the overall building and landscape design. Trash enclosures should be integrated to minimize visibility and accommodate truck access. Enclosures should be constructed of durable materials and the color, texture, and architectural detailing should be consistent with the overall site and building design. All screening should be supplemented with landscaping. Roofs of enclosures should be designed to complement the buildings’ roof style and colors.

Lighting of outdoor service, loading and storage areas should be the minimum necessary for security purposes and should be designed and directed so as not to create glare or lighting impacts at the street or on surrounding properties. A minimum one foot-candle at ground level should be designed and located as low to the ground as possible.

Service Areas General Guidelines

- Service areas, garbage receptacles, utility meters, mechanical and electrical equipment should be screened from public view.
- Lighting levels should be one foot-candle and should be located to avoid light pollution.
DESIGN GUIDELINES: STREETSCAPES, SETBACK AND SIDEWALK IMPROVEMENTS

The following design guidelines should serve as a “measuring stick” for streetscape improvements in the Town. It is recognized that the final design and implementation of streetscape projects will need to create balance between quality, character, maintenance, physical constraints and economic feasibility. Therefore, it may be difficult to meet the criteria of all design guidelines within project limitations. When making design decisions and balancing criteria, the following principles should apply.

**Safety**

Safety is of utmost importance and is key part of creating a pedestrian friendly environment. Streetscapes should employ methods that separate pedestrians from vehicular traffic and reduce traffic speed.

- Provide on-street parking and landscaped bump-outs at intersections to buffer pedestrians from moving vehicles.
- Pedestrian areas should be clearly defined through pavement markings, changes in material application or landscape buffers and on-street parking buffers.

**Comfort and Visual Appeal**

The public streetspace of the Town must be attractive in order to attract and retain visitors and residents.

- Provide ample sidewalk space and comfortable seating.
- Provide shade trees to the greatest extent feasible.
- Provide architectural detail in site amenities to recall the Town’s history and culture and to increase interest, appearance, and richness of the pedestrian experience.
- Use pavers or prominent and interesting markings at crosswalks and on major streets to define important intersections and gateways.

**Environmental Responsibility**

Site furnishings, plants, and hardscape treatments should be carefully selected and installed to have the least possible impact on the environment and to promote responsible stormwater drainage.

- Use pervious pavers and extensive plant beds reduce storm water runoff.
- Use shade trees and light surfaces to increase the tree canopy and reduce heat islands.
- Use xeriscaping principles to reduce water and fertilizer needs.
Streetscape Components

**Benches:** Benches should be comfortable to sit in. To discourage users from sleeping, benches longer than four (4') feet should have central armrests. Metal benches should be coated to protect users from heat. Recycled materials are preferred.

**Bike Racks:** Bike racks should be an integral component of the streetscape on commercial streets and should be placed at regular intervals to provide convenient access to area residents and visitors. Placement of bike racks should allow for safe storage, maneuvering and minimum sidewalk clearances. Racks should be aligned with other streetscape elements such as street furniture, landscaping, etc. Bike racks should be securely anchored and should allow for the bicycle frame and front wheel to be secured to the rack using a standard U-shape shackle lock.

**Bulb-outs:** All parallel parking spaces adjacent to an intersection should be replaced with a curbed landscaped area of the same width, planted with shrubs and one tree.

**Tree Plantings:** Continuous trenches are encouraged as a method of planting street trees that results in a look that is similar to standard methods but allows more room for tree root systems, resulting in longer life for the trees. They are composed of a trench that runs continuously parallel to the curb. The trench is filled with structural soil and then covered with geotextile, a base course, and paving. Openings are left for trees and shrubs, which are planted at intervals within the trench.

**On-Street Parking:** Parallel parking should consist of parking spaces a minimum of 8’ wide by 20’ long and is encouraged to be built with pavers or porous materials, such as shell, to aide in stormwater drainage.

**Pavers:** Pavers improve drainage are easy to replace when damaged, and provide easier access to utilities. Pavers should be set on a porous surface and be placed with a joint of at least 1/8” between all pavers. Interlocking pavers without spacers should not be permitted. It is recommended that pavers include at least 25% recycled content.

**Porous Paving:** Porous paving reduces stormwater runoff and if installed atop a porous reservoir helps to filter pollutants from runoff. It can be used in parking lots as well. Porous paving consists of open-graded angular aggregate, sorted to exclude fines and bound with an asphaltic, portland cement, or epoxy binder and must be installed on top of a porous reservoir consisting of stone or gravel enclosed in filter fabric.

**Street Lighting:** Street lighting should meet and not exceed the recommended levels set by the Illuminating Engineering Society (IES.) No light should be emitted above the horizontal (90 degrees). External signs, including advertising and building identification, should be lit by fully shielded top mounted fixtures. Flags, statues, and other items requiring uplighting should employ a narrow cone of light to minimize spill and glare.
All street lighting throughout the district should be of a consistent style.

- **Banner**: Cross arms for a banner or hanging basket should be added to designated lighting type.
- **Combination Lighting**: Post top luminaire (street lighting) with two cross arms, one for a banner and one for a pendant light (pedestrian lighting). Should not exceed twenty (20) feet in overall height.
- **Pedestrian Lighting**: Smaller-scale post top luminaire. Should not exceed fifteen (15) feet in overall height.
- **Street Lighting**: Larger-scale post top luminaire. Should not exceed twenty (20) feet in overall height.
**Albedo:** The ratio of reflected light to the total amount falling on a surface. A high albedo indicates high reflectance properties.

**Arcade/Colonnade:** An architectural/building element composed of arches or evenly spaced columns in a continuous row that forms a semi-enclosed corridor or passageway for pedestrians.

**Awnings:** An element attached to the building facade, which provides shade at ground level. Usually composed of fabric or metal and supporting elements.

**Base Flood Elevation (BFE):** The computed elevation to which floodwater is anticipated to rise during the base flood. Base Flood Elevations (BFEs) are shown on Flood Insurance Rate Maps (FIRMs) and on the flood profiles. The BFE is the regulatory requirement for the elevation or floodproofing of structures. The relationship between the BFE and a structure's elevation determines the flood insurance premium.

**Bulbout:** A curb extension typically employed at street intersections, intended to slow the speed of traffic, increase driver awareness, and to reduce the required distance for pedestrian movement across a street. A curb extension comprises an angled narrowing of the roadway and a widening of the sidewalk and allows pedestrians and vehicle drivers to see each other when vehicles parked in a parking lane would otherwise block visibility.

**Continuous Trench:** A trench, approximately 30” deep and six (6) to eight (8) feet wide that runs continuously parallel to the curb. It is filled with structural soil and then covered with geotextile, a base course, and paving. Openings are left for trees and shrubs, which are planted at intervals within the trench. This method of planting street trees results in a look that is similar to standard methods but allows more room for tree root systems, resulting in longer life for the trees and less damage to other streetscape elements.

**Easement:** A grant of one or more of the property rights by the owner to, or for the use by, the public, a corporation, or another person or entity.

**Encroachments:** Any element that crosses the right-of-way or required setbacks from a private development.

**Floor area ratio (FAR):** Determined by dividing the floor area of all buildings on a lot by the area of that lot. It expresses in one measure, instead of several, the mathematical relation between volume of building and unit of land. Floor area calculations should be based on the taxable property area that is defined by the property lines. Floor area calculations do not include parking, mechanical, stairwell or common corridor areas. Within the WF1, WF2, and MS2 districts, publicly accessible uses characterized as entertainment uses should not be required in floor area calculations.
**Habitable Use:** An area in a structure for living, sleeping, eating, cooking or commercial activities. NFIP regulations state that the area below an elevated building can be used only for building access, parking, and storage. These areas must not be finished or used for recreational or habitable purposes. No mechanical, electrical, or plumbing equipment is to be installed below the BFE.

**Height:** The vertical dimension of a building or structure.

**Height, Measurement of:** The measurement of height should begin at a point 3’ above the Base Flood Elevation, as this is the elevation where habitable uses may be developed. The measurement of height should terminate at the top of the roof (flat roof) and should be exclusive of typical projections such as parapets, elevator equipment rooms and other mechanical systems. In the case of pitched roofs, the measurement shall be taken to the average height of the roof.

**Impervious Surface:** A surface that does not permit the absorption of fluids. Impervious surface means any surface such as roads, rooftops, patios, or parking lots that does not allow water to soak into the ground. Impervious surfaces result in runoff from the surface in greater quantities and/or an increased rate when compared to natural conditions prior to development.

**Infill:** Developing on an empty lot(s) of land within an otherwise partially developed area of the City. Infill development fills a void between two existing structures.

**Lot:** A plot of land developed or to be developed. Typical lots in Atlantic Beach measure 50’ x 150’ and have an area of 7,500 square feet.

**Liner Uses:** Building uses that conceal a larger use (such as a parking garage) from view.

**Mixed Use:** The development of a lot, or designation of a zoning district that provides for more than one classification of activities (i.e. allowing residential, commercial, and/or office uses within the same building or within the same district). A mixed use development is one that combines residential development with pedestrian oriented active uses at the street/boardwalk elevation. Pedestrian oriented active uses should be directly accessible by the general public from the public sidewalk/boardwalk.

**National Register of Historic Places:** The National Register of Historic Places is the Nation’s official list of cultural resources worthy of preservation. Authorized under the National Historic Preservation Act of 1966, the National Register is part of a national program to coordinate and support public and private efforts to identify, evaluate, and protect our historic and archeological resources. Properties listed in the Register include districts, sites, buildings, structures, and objects that are significant in American history, architecture, archeology, engineering, and culture. The National Register is administered by the National Park Service, which is part of the U.S. Department of the Interior.
**Open Space:** Property that is set aside for public or private use and will not be developed. The space may be used for passive or active recreation, or may be reserved to protect or buffer natural areas.

**Park:** A piece of open land for active or passive recreation.

**Pedestrian Area:** The area within the public right-of-way primarily dedicated for pedestrian use. This area may contain a sidewalk, landscape verge, and outdoor seating spaces.

**Pedestrian Oriented Use:** A building use which is intended for use by the general public. Such uses should be directly accessible by the general public from the public sidewalk/boardwalk.

**Porous paving:** Porous paving reduces runoff and if installed atop a porous reservoir helps to filter pollutants from runoff. It can be used in parking lots, along canal type streets where there is little or no vehicular access. Consists of open-graded angular aggregate, approximately 3/8” in size, sorted to exclude fines and bound with an asphaltic, Portland cement, or epoxy binder. Must be installed on top of a porous reservoir consisting of stone or gravel enclosed in filter fabric.

**Right of way:** The line marking the boundary between the public domain and the private domain.

**Setback:** The minimum horizontal distance between the lot or property line and the nearest front, side, or rear line of the building.

**Zoning District:** A section of a city designated in the zoning ordinance text and delineated on the zoning map, in which requirements for the use of land and building and development standards are prescribed.