

## Executive Summary

The Committee studied the issues in depth and considered the solutions from a pragmatic perspective. All of the financial analysis was conducted from a “worst case scenario”. To accomplish this when data was in conflict, the most conservative data was chosen. For example, some reputable sources show as many as 25,000 households as the current estimate for the study area. The committee, however, used the lowest household estimate of 18,112 to ensure that when tax revenue was projected that it would not be over projected. At the same time when considering costs, the highest estimate found was used.

This creates a situation where the reader should understand that the projections would be on the low side when incoming tax revenue was projected and on the high side when expenses were projected.

The survey was designed to identify issues and then quantify the criticality of the issues by offering 3 levels to measure the satisfaction level on each issue. The first level indicated an overall satisfaction with the status quo. The second level indicated a moderate level of dissatisfaction. The third level indicated extreme dissatisfaction. The Committee found the following through the survey to identify issues:

- The vast majority of the respondents were homeowners versus renters
- The top 5 issues identified in order were:
  - Roads & Traffic
  - Public Safety
  - Planning
  - Beach Access
  - Other Infrastructure
- Roads and traffic was by far the most important issue on the minds of respondents with 85.93% picking it in their top 3 issues.
- Police protection is the driver of public safety concerns with only 16.82% of the respondents feeling secure at this time.
- Over 92% of the respondents have serious concerns with planning in the area. Since roads and traffic are in all reality a component of planning one can assume that better planning is a critical need in a vast majority of the Community’s mind.
- Beach Access is a real issue, but the view of criticality is almost evenly split between the three satisfaction indicators.

In looking at possible solutions, the same approach was taken to quantifying the options; however, a fourth level of “I don’t know enough to respond now” was added. The survey showed:

- Almost 70% of the respondents do not see inaction as an option.

- The clear majority sees political action as a reasonable approach to the issues.
- The majority does not see a special tax district as an option, but that majority is not as strong, or as clear, as with other answers.
- The majority does not see annexation as an option at this point, but it is a slim majority and most are neutral, or do not know enough, to form an opinion at this time.
- When considering incorporation for Carolina Forest, the respondents are split with a slight majority not favoring this option. The difference, however, is within the margin of error for the survey instrument. The comments associated with the survey indicate that those not favoring incorporation believe that taxes will sky rocket if this option is chosen.

The Committee then considered the possible solutions. The Committee found that the following were not viable options:

- Doing nothing – the Committee concluded that the response was so clear that taking this approach would be inadvisable.
- Special Tax District – the Committee concluded that State Law would not allow a special tax district to raise monies to address the issues identified by the survey and, therefore, was not applicable.
- Annexation – The Committee concluded that the adjacent localities had been approached and had not shown interest. This lack of interest, coupled with the ambivalence of the response in the survey, indicated that this was not a course that required further consideration.

The committee found two of the five options viable. After careful consideration, the Committee found that each had benefits and risks associated with them. Both options would be difficult and complex undertakings, and the final decision will be subjective individual conclusions based on the person's values, experiences, and vision.

- Political Action – Political Action is a viable alternative that can address the issues identified. It is a cost-effective option; however, the committee recommends that a new and comprehensive approach be taken to achieve the best results. This approach is detailed in the accompanying report and its appendices. The committee also recommends a new, regional approach be taken to address the current beach access problem which would meet the long-term needs of the community.
- Incorporation – Incorporation is also a viable alternative that can address the issues identified. It can even be accomplished with no increase in out-of-pocket taxes to the citizens. Under this scenario, the goals of the new city would have to be both limited and realistic. Additionally, there are protections in state law that would address the

main concern associated with this approach, which is “skyrocketing taxes.” State law caps increases in property taxes, i.e. the millage cap for 2018 is 1.26%. Millage is calculated by the state as the sum of the CPI plus the growth in population.<sup>1</sup>

The committee found that neither approach would quickly address the number one issue, which is roads and traffic, at the pace that is wanted by the Carolina Forest citizens. There simply is a lack of funding available at the local level. An undesirable tax increase would be necessary to complete such road improvements. The committee found that roads will need to be addressed through better planning and growth control, incremental improvements as allowed by available funds, and perhaps fees associated with new growth (requiring state legislative changes). The only hope for immediate improvement to roads, above what the County is currently proposing, would require a significant increase in state funds.

Regardless of the approach taken, the committee identified the following objectives to address the issues identified:

- a. **Continued residential growth at the rate being experienced today is not sustainable** and is only compounding the issues. It is the first rule of holes— “when you find yourself in one, quit digging.” The solutions should focus on slowing growth to a sustainable level. There is also a need for more balanced growth in the area— to add more commercial and industrial uses. The need for economic development as a planned component should not be ignored. While the County is rightly focusing on manufacturing and industrial areas as economic development elsewhere in the County, the fact that there are 35,000 plus citizens who need commercial access near them and convenient to them cannot be ignored. Traffic should also be considered in economic development efforts reducing trips and mileage when possible for commercial, work, and other activities. Slowing residential growth only improves the situation going forward. It does not address the backlog of issues from previous growth being experienced today.
- b. **Solving the issues of roads and traffic cannot be accomplished affordably and quickly.** The situation can be addressed affordably, but it will take time, or it can be addressed quickly, but it will take a significant tax increase. Serious consideration should be given as to whether or not the current efforts of the County are the best that can be done at the present time. Road improvements should be part of a comprehensive planning effort focusing on the area studied.
- c. **Policing must be improved to maintain the community’s confidence** in the system. There are both quantity and quality issues

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<sup>1</sup> “Millage Caps.”

that need to be addressed. The system is designed and staffed as a rural operation, but the Carolina Forest area is no longer rural. Changes are being implemented, but not at a pace that is acceptable to the Community. The political leadership of the County is recognizing this fact and beginning efforts. Much more must be done, however, and quickly, to maintain a sense of security in the community. Changing the focus of law enforcement should be a priority of any effort.

- d. **Beach access is a real issue** to the Carolina Forest Community. Public access is lacking for current residents and the situation will only get worse as growth continues. While removing parking fees in Myrtle Beach would help with the current situation, and lower the emotions now in play, it is not a long-term solution. While providing beach access for millions of visitors each year, the County should not forget the need for beach access for its almost 400,000 citizens. **There needs to be a long-term regional plan to provide beach access for all citizens.** The County alone does not have enough beachfront area to provide adequate access. Any proposed solution will require the cooperation of the oceanfront cities/towns. This plan will require a totally different approach than has been considered to date. The longer this issue is ignored, the more expensive and difficult it will be to solve.