



## Horry County Council

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Bill Howard  
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Vacant  
District 3

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Vice Chairman  
District 9

Jody Prince  
District 10

Al Allen  
District 11

Patricia S. Hartley  
Clerk to Council

(843) 915-5120  
(843) 915-6120 Fax

The Honorable Nikki R. Haley  
Office of the Governor  
1205 Pendleton Street  
Columbia, SC 29201

December 18, 2015

Dear Governor Haley:

As you are aware, South Carolina's beaches were severely damaged by erosion associated with the rains and floods from Hurricane Joaquin. In Horry County and its municipalities, it is estimated that 700,000 cubic yards of sand were lost from the beaches due to the storm. In several sections of the beach, there is no beach at high tide (photos attached).

Myrtle Beach, North Myrtle Beach, Surfside Beach, and Garden City make up the core of South Carolina's tourism industry, our state's largest industry. Without near-term action to rebuild our beaches, that economic driver is at risk. A recent study by the Myrtle Beach Area Chamber of Commerce indicates that the storm damage **could result in a direct annual economic loss of up to \$561 million and a reduction in state and local tax revenues of up to \$54.3 million.**

The majority of the beachfront in Horry County, Myrtle Beach, North Myrtle Beach, and Surfside Beach is included in the Army Corps of Engineers' Myrtle Beach Shore Protection Project. The project began in 1996 under a 50-year agreement between federal, state, and local governments as a partnership to protect over \$3.5 billion in private property. It provides for periodic renourishment at a 65% federal/17.5% state/17.5% local cost share. In addition, any post-storm damage is paid for at a 100% federal cost share. **Because this project is funded by the Army Corps of Engineers, it is ineligible for assistance from the Federal Emergency Management Agency. The Grand Strand is dependent on the budget decisions of the Army Corps of Engineers to repair, rebuild, and renourish our beaches.** Our most recent estimates indicate it will require up to \$70,000,000 to repair, rebuild, and fully renourish our beaches. Under the traditional cost shares of the agreement, \$52,500,000 would come from the federal government, \$8,750,000 from the state, and \$8,750,000 from the local governments.

Horry County and its municipalities have worked with Congressman Tom Rice to get funding included in the FY16 Omnibus budget to repair, rebuild, and renourish our beaches. Thanks in large part to his efforts, the budget passed by Congress includes an additional \$350 million in funding to the Army Corps of Engineers for shore protection, flood control, and flood and storm damage protection. There is a 60-day window available to get those funds allocated in the Army Corps of Engineers work plan to repair, rebuild, and renourish our beaches in Horry County. **I respectfully request your support in encouraging the Army Corps of Engineers to allocate \$52,500,000 to the Myrtle Beach Shore Protection Project so that the federal government can uphold its 50-year agreement to repair, rebuild, and fully renourish our beaches.**

In the Long-Term Recovery meeting you held on December 14, 2015, you reiterated to the state's County Council Chairmen and County Administrators that South Carolina's tourism industry will not miss a beat and that a plan to renourish South Carolina's beaches is being developed, including funds from the state budget if funds from the federal government cannot be obtained. Your commitment to fund the gap by any shortfall from the Army Corps of Engineers' budget for this crucial driver of our state's economy is very reassuring.

**While funding has been included in the federal budget that can potentially be allocated to repair, rebuild, and renourish the beaches of the Myrtle Beach Shore Protection Project, it is by no means guaranteed.** Following up on the commitment you made in the December 14 meeting, I also respectfully request including repairing, rebuilding, and renourishing Horry County's beaches in your proposed budget to the General Assembly to protect our economy in the event the funds are not allocated in the Army Corps of Engineers work plan. I specifically request inclusion of the following funds in the FY 16-17 state budget:

- \$20,000,000 to repair and rebuild the beaches of the Myrtle Beach Shore Protection Project to where the beaches were on October 1, 2015.
- \$41,250,000 to provide a full renourishment to protect against future storm damages and to preserve South Carolina's tourism economy.

Local governments are prepared to provide the local match of \$8,750,000, consistent with the cost share normally required by the federal and state governments. Should the Corps of Engineers provide the \$52,500,000 necessary to meet their requirements, the funding required from the state would be reduced to \$8,750,000.

I share your passion for creating jobs. My administration as Chairman of Horry County Council has been dedicated to building and diversifying our local economy. Preserving and protecting jobs we already have are as equally important to me. **I consider funding for beach renourishment to be the single largest job retention initiative facing the state in the coming year.**

Thank you for your continued leadership in helping South Carolina rebuild and recover. With your support of these requests, the state's largest industry can continue to thrive. Please do not hesitate to contact me at (843) 915-5120 should you have any questions.

Sincerely,



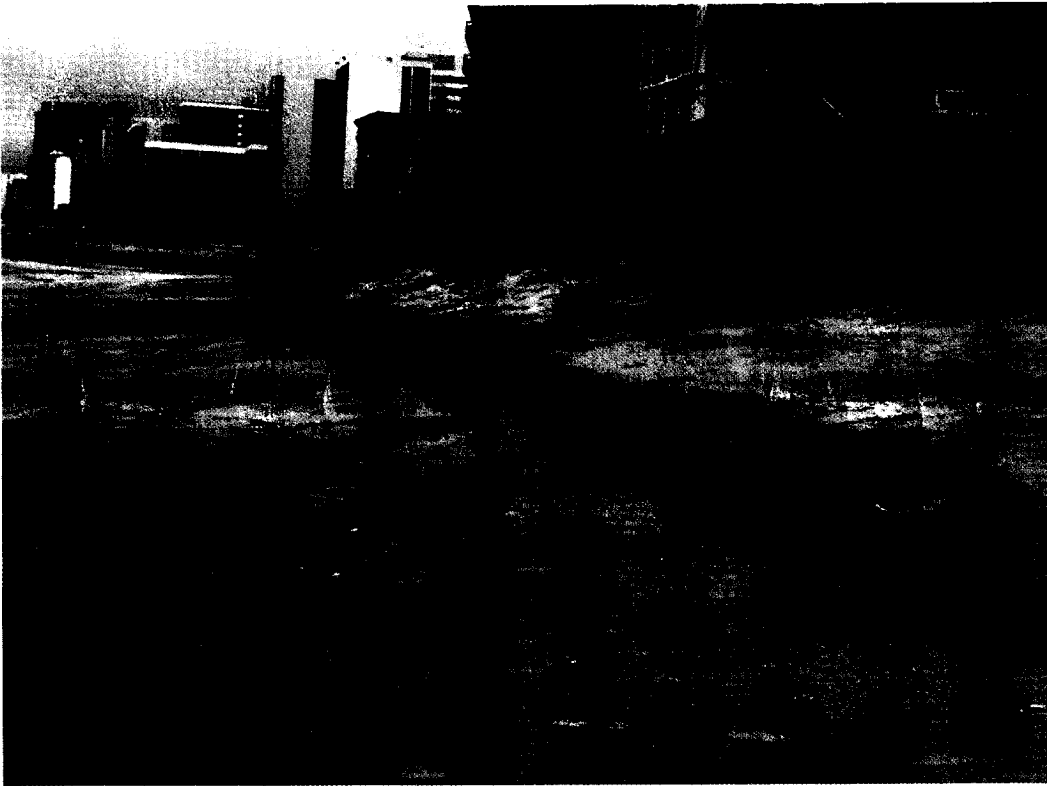
Mark Lazarus  
Chairman, Horry County Council

CC: The Honorable Hugh K. Leatherman, Sr., President Pro Tempore of the South Carolina Senate  
The Honorable James H. Lucas, Speaker of the South Carolina House of Representatives  
The Honorable W. Brian White, Chairman of the House Ways and Means Committee  
The Honorable Members of the Horry County Legislative Delegation  
The Honorable Members of Horry County Council  
The Honorable Johnny Morant, Chairman of Georgetown County Council  
The Honorable John Rhodes, Mayor of Myrtle Beach  
The Honorable Marilyn Hatley, Mayor of North Myrtle Beach  
The Honorable Douglas Samples, Mayor of Surfside Beach  
Col. Kevin Shwedo, State Recovery Coordinator  
Mr. Duane Parrish, Director of the Department of Parks, Recreation, and Tourism

## REACH 1: City of North Myrtle Beach



## REACH 2: City of Myrtle Beach





**REACH 3: Unincorporated Horry County/Town of Surfside Beach**

