2025-34 (1ST READING): AN ORDINANCE APPROVING THE EXECUTION AND 1 DELIVERY BY THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, OF AN 2 AGREEMENT OF LEASE BETWEEN THE CITY OF MYRTLE BEACH AND COUNTY OF 3 HORRY. AS LANDLORD. AND MYRTLE BEACH PELICANS LP, AS TENANT, WITH **RESPECT TO PELICAN STADIUM** 5 6 Applicant/Purpose: Staff / to approve a lease between the City and Horry County and the MB Pelicans 7 8 9 Brief: 10 The City and Horry County jointly own Pelican Stadium in a 70% (city)/30% 11 (county) split. • The Myrtle Beach Pelicans have played baseball in Myrtle Beach since 1998. 12 The 1998 lease expired in 2018, and the parties have worked under a series of 13 14 15 The current stadium does not meet the current standards established by Major League Baseball. 16 17 • To meet the new standards the stadium requires significant capital improvements. Under the proposed lease the team is responsible for all future MLB required 18 19 improvements. 20 21 Issues: 22 This is a 20-yr lease. The estimated cost to meet current MLB standards is \$20 million. 23 The City/County are responsible for capital maintenance and upkeep of the facility. 24 25 Public Notification: Normal meeting notification. 26 27 Alternatives: 28 29 Add, delete, or modify certain provisions. 30 Deny proposed ordinance. 31 **Financial Impact:** 32 33 Lease payments are 34 o \$750,000/yr. for yrs., 1-10; and \$850,000/yr., for yrs. 11-20 o There is an annual admission ticket fee to help offset on-going capital and 35 annual maintenance 36 37 38 Manager's Recommendation:

I recommend 1st reading (4.22.2025)

39 40 41

Attachment(s): Ordinance / proposed lease

CITY OF MYRTLE BEACH COUNTY OF HORRY STATE OF SOUTH CAROLINA

AN ORDINANCE APPROVING THE EXECUTION AND DELIVERY BY THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, OF AN AGREEMENT OF LEASE BETWEEN THE CITY OF MYRTLE BEACH AND COUNTY OF HORRY, AS LANDLORD, AND MYRTLE BEACH PELICANS LP, AS TENANT, WITH RESPECT TO PELICAN STADIUM

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, IN COUNCIL DULY ASSEMBLED, AS FOLLOWS:

<u>SECTION 1</u>. <u>Findings</u>. The City Council of the City of Myrtle Beach, South Carolina (the "Council"), hereby finds and determines:

(a) The City of Myrtle Beach, South Carolina (the "City"), is an incorporated municipality located in Horry County, South Carolina (the "County"), and as such has all powers granted to municipalities by the Constitution and general laws of this State.

(b) Section 5-7-40 of the Code of Laws of South Carolina 1976, as amended, empowers all municipalities to own and possess real and personal property and such municipalities may lease any such property.

(c) There has been presented to Council for consideration a form of Agreement of Lease (the "Lease") between the City and the County, as landlord (together, the "Landlord"), and Myrtle Beach Pelicans LP, a Pennsylvania limited liability company (the "Tenant"), relating to the minor league baseball stadium and related land and improvements (the "Ballpark") which is jointly owned by Landlord.

(d) The Tenant owns and operates a minor league professional baseball club with the name "Myrtle Beach Pelicans" as part of the MLB Professional Development Leagues, which plays in the Ballpark.

(e) The term of the current lease of the Ballpark between Landlord and Tenant expires 30 days after the end of the 2025 Baseball Season.

(f) Council has reviewed the form of Lease and determined that providing the public with an opportunity to continue to attend and view professional baseball and other events at the Ballpark will serve the recreational and cultural needs and general welfare of the public and is in the best interest of the City.

(g) The City, as a Landlord, has determined to enter into the Lease for the purpose of leasing the Ballpark, detailing the necessary improvements to the Ballpark in order to comply with new facility standards, and the parties' respective financial obligations.

1 SECTION 2. Approval of Lease. The form, terms and provisions of the Lease, together with 2 such changes as the officers of the City authorized to execute and deliver the Lease shall approve, 3 is hereby approved. The City Manager or any Assistant City Manager, or either one of them, acting 4 alone, are hereby authorized, and directed to execute, acknowledge and deliver, and the City 5 Clerk is hereby authorized and directed to attest, the Lease in the name and on behalf of the City. 6 The Lease is to be in substantially the form attached to this Ordinance as Exhibit A, with such 7 changes to the form thereof as shall be approved by the City Manager or any Assistant City 8 Manager, or either one of them, acting alone, such person's or persons' execution and delivery 9 thereof to constitute conclusive evidence of approval of any and all changes or revisions therein 10 from the form of Lease now before this meeting. 11 12 SECTION 3. Authorization. The City Manager or any Assistant City Manager, for and on 13 behalf of the City, are fully empowered and authorized to take such further action and to execute 14 and deliver such additional documents as may be necessary to effect the execution and delivery 15 of the Lease in accordance with the terms and conditions therein set forth, and the transactions 16 contemplated hereby and thereby, and the action of such officers in executing and delivering any 17 of such documents is hereby fully authorized. 18 19 SECTION 4. Effective Date. The provisions of this Ordinance shall be effective upon its 20 adoption. 21 22 ENACTED by the City Council of the City of Myrtle Beach, South Carolina, this ___ day of 23 April 2025. 24 25 26 Mayor, City of Myrtle Beach, South Carolina 27 (SEAL) 28 29 30 31 Clerk, City Council of the City 32 of Myrtle Beach, South Carolina 33 Date of First Reading: April 22, 2025 34 35

EXHIBIT A

FORM OF LEASE