
1 **2025-34 (2ND READING): AN ORDINANCE APPROVING THE EXECUTION AND DELIVERY BY THE**
2 **CITY OF MYRTLE BEACH, SOUTH CAROLINA, OF AN AGREEMENT OF LEASE BETWEEN THE CITY**
3 **OF MYRTLE BEACH AND COUNTY OF HORRY, AS LANDLORD, AND MYRTLE BEACH PELICANS LP,**
4 **AS TENANT, WITH RESPECT TO PELICAN STADIUM**

5 **Applicant/Purpose:** Staff / to approve a lease between the City and Horry County and the MB Pelicans
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7 **Brief:**

- 8 • The City and Horry County jointly own Pelican Stadium in a 70% (city)/30% (county) split.
- 9 • The Myrtle Beach Pelicans have played baseball in Myrtle Beach since 1998.
- 10 • The 1998 lease expired in 2018. Since then the parties have worked under a series of extensions.
- 11 • The current stadium does not meet the current standards established by Major League Baseball.
- 12 • To meet the new standards the stadium requires significant capital improvements.
- 13 • Under the proposed lease the team is responsible for all future MLB required improvements.
- 14 • Since 1st reading there have been no changes regarding any of the business points.
- 15 • Changes since 1st reading:
 - 16 ○ Clarifying language to the Preamble, and Article 1.
 - 17 ○ Language added to Article 3, Section 3.2 clarifying when MLB will confirm PDL compliance.
 - 18 ○ Language added to Article 6, Section 6.3 clarifies the lease can be voided if the ballpark is
 - 19 sold to an entity prohibited from having a contractual relationship under the PDL Rules and
 - 20 Regulations.
 - 21 ○ Language in Article 16, Section 16.3 clarifies the Landlord can require the tenant to directly
 - 22 fund any PDL alterations or improvements during the last five years of the Term.

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24 **Issues:**

- 25 • This is a 30-yr lease.
- 26 • The estimated cost to meet current MLB standards is \$20 million.
- 27 • The City/County are responsible for capital maintenance and upkeep of the facility.

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29 **Public Notification:** Normal meeting notification.
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31 **Alternatives:**

- 32 • Add, delete, or modify certain provisions.
- 33 • Deny proposed ordinance.

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35 **Financial Impact:**

- 36 • Lease payments are
 - 37 ○ \$750,000/yr. for yrs., 1-10; \$850,000/yr., for yrs. 11-20; and \$950,000 for yrs., 21-30.
 - 38 ○ There is an annual admission ticket fee to help offset on-going capital and annual
 - 39 maintenance

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41 **Manager's Recommendation:**

- 42 • I recommend 1st reading (4.22.25)
- 43 • I recommend approval (5.13.25)

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45 **Attachment(s):** Ordinance / proposed lease
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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:

SECTION 1. Findings. 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.

April 22, 2025 – 1st reading
May 13, 2025 – presented for approval

2025-34

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EXHIBIT A
FORM OF LEASE