1 <u>2025-37 (1st READING):</u> AUTHORIZING THE CITY MANAGER TO 2 NEGOTIATE THE TERMS OF THE ACQUISITION OF HORRY COUNTY'S 3 INTEREST IN THE LAND AND IMPROVEMENTS CONSTITUTING THE 4 MYRTLE BEACH PELICANS STADIUM, AND MATTERS RELATED THERETO

<u>Applicant/Purpose</u>: Horry County/COMB / authorizing the City to negotiate the terms of acquisition of Horry County's interest in the land and improvements constituting Pelican Stadium.

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Brief:

- - interest and Horry County owns 30%.
 Through Major League Baseball's Player Development League (PDL) significant renovations, repairs, and upgrades at the stadium are necessary.
 - Changes since 1st reading:
 - Horry County has increased their contribution from \$6,000,000 to \$8,250,000.

Currently the City and Horry County jointly own Pelican stadium. The City owns 70%

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Issues:

- The County has agreed to contribute up to \$8,250,000 to the City to defray a portion of the costs of the Required Improvements contingent upon the City accepting the conveyance by the County to the City of all of the County's right, title and interest in and to the Property and the City undertaking Required Improvements \$27,500,000.
- By the terms of the County's proposal, the County Contribution would be payable by the County in whole or in part upon the conveyance of the County's interest in the Property and as certain of the Required Improvements are undertaken.

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<u>Public Notification</u>: Normal meeting notification.

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Alternatives:

• Do not accept the County's contribution.

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Financial Impact:

- The estimated cost of PDL repairs is \$20,000,000.
- An additional \$15,500,000 +/- is also necessary for capital repairs to the structure outside of PDL repairs.
- If the City accepts the County's ownership the City would be 100% owner of the stadium and be responsible for all future capital repairs to the stadium.
- Any future PDL improvements are the tenant's responsibility.

Manager's Recommendation:

- I recommend 1st reading (5.27.25)
- I recommend 2nd and final reading (6.10.25)

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Attachment(s): Ordinance

ORDINANCE 2025-37

CITY OF MYRTLE BEACH COUNTY OF HORRY STATE OF SOUTH CAROLINA

AUTHORIZING THE CITY MANAGER TO NEGOTIATE THE TERMS OF THE ACQUISITION OF HORRY COUNTY'S INTEREST IN THE LAND AND IMPROVEMENTS CONSTITUTING THE MYRTLE BEACH PELICANS STADIUM, AND MATTERS RELATED THERETO

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, 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) By virtue of a deed dated September 10, 1998 and recorded January 25, 2002 in Deed Book 2447 at Page 342 in the Office of the Horry County ROD, Horry County (the "County") and the City maintain ownership interests in certain real property and improvements thereon located on 21st Avenue North within the City (the "Property").
- (d) The improvements to the Property are currently in need of renovation, maintenance, and repair, as more particularly detailed in the SKA Report dated October 10, 2024, and, as mandated by Major League Baseball ("MLB"), must be upgraded to comply with MLB's player development league ("PDL") standards in order to continue to be used as a minor league baseball stadium for an MLB-licensed team (such needed renovation, maintenance, repair, and upgrades being referenced to herein as the "Required Improvements"), and the County has requested that the City accept the conveyance of the County's interest in the Property so that the Required Improvements may be undertaken by the City and the Property may continue to be used as a minor league stadium for an MLB-licensed team.
- (e) The County has agreed to contribute up to \$8,250,000 to the City (the "County Contribution") to defray a portion of the costs of the Required Improvements contingent upon the City accepting the conveyance by the County to the City of all of the County's right, title and interest in and to the Property and the City undertaking Required Improvements having a cost of at least \$27,500,000. By the terms of the County's proposal, the County Contribution would be payable by the County in whole or in part upon the conveyance of the County's interest in the Property and as certain of the Required Improvements are undertaken.

1 The Council is informed and believes that such a conveyance is consistent with the 2 value and use of the Property, and that conveyance by the County to the City will allow for the 3 continued beneficial use of the Property for a public purpose and will provide the public an opportunity 4 to continue to attend and view professional baseball and other events at the Ballpark, will serve the 5 6 recreational and cultural needs and general welfare of the public, and is in the best interest of the City. 7 8 SECTION 2. Approval and Authorization. The City Manager, for and on behalf of the City, 9 is hereby authorized to engage in negotiations on the part of the City of such agreements as he may 10 determine for the conveyance by the County of the County's right, title, and interest in and to the 11 Property, and to accept, on behalf of the City, a deed to convey the County's ownership of the 12 Property on such terms as the City Manager may determine. 13 14 SECTION 3. Ballpark Management Agreement. The City Manager is hereby authorized to 15 execute an Amendment to the Ballpark Management Agreement and various other documents to 16 enable the transfer by the County of its 30% ownership to the City, to provide for the terms and 17 conditions under which the County Contribution will be paid and to otherwise carry out the foregoing 18 purposes. 19 20 SECTION 4. Effective Date. The provisions of this Ordinance shall be effective upon its 21 adoption. 22 23 ENACTED by the City Council of the City of Myrtle Beach, South Carolina, this 10th day of 24 June 2025. 25 26 27 Mayor, City of Myrtle Beach, South Carolina 28 (SEAL) 29 30 31 32 Jennifer Adkins, City Clerk 33 City of Myrtle Beach, South Carolina 34 35 Date of First Reading: May 27, 2025 36 Date of Second Reading: June 10, 2025 37