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1 **2018-54 (2<sup>ND</sup> READING): AN ORDINANCE TO AMEND A LEASE**  
2 **DENOMINATED AS THE AGREEMENT OF LEASE BETWEEN THE CITY OF**  
3 **MYRTLE BEACH AND COUNTY OF HORRY AS LANDLORDS AND THE**  
4 **DURHAM BULLS BASEBALL CLUB, INC. AS TENANT DATED AS OF**  
5 **SEPTEMBER 1, 1998, DELETING UNNECESSARY TERMS, REFLECTING THE**  
6 **TRUE PARTIES IN INTEREST AND PROVIDING FOR THE EXTENSION OF**  
7 **LEASE FOR THREE (3) YEARS.**

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8 **Applicant/Purpose:** MB Pelicans & Staff / to amend the lease agreement b/w the  
9 City, County & the Myrtle Beach Pelicans

10  
11 **Brief:**

- 12 • The original 20-yr. lease agreement expires after this baseball season.
- 13 • The City & the team want to extend the current agreement for 3 years.
- 14 • The original agreement contains Articles that pertain to the stadium while it
- 15 was under construction in 1998. These Articles are removed from the
- 16 extension agreement because they are no longer applicable.
- 17 • Otherwise, there are no significant changes to the term of the agreement.
- 18 • The last debt service payment on the stadium is scheduled for September 2018.
- 19 • No changes since 1<sup>st</sup> reading.

20  
21 **Issues:**

- 22 • During the 3-year extension period, the parties will work w/ an architectural
- 23 firm to develop a modernization plan for the ballpark.
- 24 • This architectural report will serve as a basis for a new long-term lease
- 25 agreement.

26  
27 **Public Notification:** Normal meeting notification.

28  
29 **Alternatives:**

- 30 • To modify the agreement.
- 31 • To not approve the agreement.

32  
33 **Financial Impact:**

- 34 • The maintenance agreement pertaining to the stadium b/w the City & the
- 35 County is unchanged (70% City/30% County).
- 36 • Per the lease the team pays the City & County rent equal to 4% of Adjusted
- 37 Gross Revenues (defined as revenues arising from professional baseball games,
- 38 the souvenir store, concessions, & broadcasting revenues) in excess of \$3.25
- 39 million. For 2017, that amount was \$61,525.

40  
41 **Manager's Recommendation:**

- 42 • I recommend 1<sup>ST</sup> reading (8/28/18).
- 43 • I recommend 2<sup>nd</sup> reading & adoption (9/11/18).

44  
45 **Attachment(s):** Proposed ordinance, 1998 Agreement.

CITY OF MYRTLE BEACH  
COUNTY OF HORRY  
STATE OF SOUTH CAROLINA

AN ORDINANCE TO AMEND A LEASE DENOMINATED AS THE AGREEMENT OF LEASE BETWEEN THE CITY OF MYRTLE BEACH AND COUNTY OF HORRY AS LANDLORDS AND THE DURHAM BULLS BASEBALL CLUB, INC. AS TENANT DATED AS OF SEPTEMBER 1, 1998, DELETING UNNECESSARY TERMS, REFLECTING THE TRUE PARTIES IN INTEREST AND PROVIDING FOR THE EXTENTION OF LEASE FOR THREE (3) YEARS.

NOW THEREFORE, IT IS HEREBY ORDAINED that attached amended lease is approved, and direction is made for the City Manager to execute same, and do all things necessary to accomplish the purposes as set forth therein.

This ordinance shall become effective upon adoption.

\_\_\_\_\_  
BRENDA BETHUNE, MAYOR

ATTEST:

\_\_\_\_\_  
JENIFFER STANFORD, ACTING CITY CLERK

1<sup>st</sup> Reading:  
2<sup>nd</sup> Reading:



1  
2 "Plans and Specifications"  
3

4 "Project"  
5

6 "Trustee"  
7

8 (b) The definition of Completion Date is hereby amended in its entirety to read as follows:  
9

10 "Completion Date" means April 8, 1999.  
11

12 2. Amendment to Article 2. Section 2.2 of the Initial Lease is hereby amended in its  
13 entirety to read as follows:  
14

15 Section 2.2. Term. This Lease shall become effective upon execution and  
16 delivery by the Landlord and Tenant. The Term shall commence upon the  
17 execution and delivery hereof by the parties hereto, and shall continue until  
18 the date which is 30 days after the end of the 2021 Baseball Season (the  
19 "Lease Termination Date").  
20

21 3. Amendment to Article 3. Article 3 of the Initial Lease is hereby deleted  
22 in its entirety.  
23

24 4. Amendment to Article 4. The last sentence of Section 4.5 of the Initial Lease is  
25 hereby amended to read as follows:  
26

27 "The County and City shall not resell any Skybox tickets."  
28

29 5. Amendment to Article 23. Article 23 of the Initial Lease is hereby deleted in its  
30 entirety.  
31

32 6. Amendment to Article 24. Section 24.19 of the Initial Lease is hereby amended to  
33 delete the notice address for the Guarantor, and to change the notice address for the Tenant to:  
34

35 Myrtle Beach Pelicans LP  
36 1251 21<sup>st</sup> Avenue, N  
37 Myrtle Beach, SC 29577  
38 Attn: Chuck Greenberg  
39

40 7. Amendment to Exhibit C. Exhibit C of the Initial Lease is hereby deleted in its  
41 entirety.  
42

43 8. Effect Of Amendment. The terms and provisions of this First Amendment shall  
44 modify and supersede all inconsistent terms and provisions of the Initial Lease and shall not be  
45 deemed to be a consent to the modification or waiver of any other term or condition of the Initial  
46 Lease. Except as expressly modified and superseded by this First Amendment, the terms and  
47 provisions of the Initial Lease are ratified and confirmed without condition and shall continue in full

1 force and effect. All rights and remedies of the Landlord and the Tenant under the Initial Lease shall  
2 continue and survive execution and delivery of this First Amendment.  
3

4 **9. Miscellaneous.** This First Amendment: (a) may be executed in several counterparts,  
5 each of which shall be deemed an original but all of which shall constitute one and the same  
6 instrument; (b) contains the entire agreement of the parties with respect to the matters contemplated  
7 hereby and supersedes all prior written and oral agreements, and all contemporaneous oral  
8 agreements, relating to such matters; (c) shall be governed by, and construed and enforced in  
9 accordance with, the laws of the State of South Carolina, without giving effect to any conflict of laws  
10 rules; and (d) shall be binding upon, and inure to the benefit of, the parties and their respective  
11 successors and assigns.  
12

13 [SIGNATURE PAGE FOLLOWS]

1 IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to  
2 Agreement of Lease to be duly executed and delivered as of the date first written above, with the  
3 intent to be legally bound.  
4  
5

6 LANDLORD:

7  
8 CITY OF MYRTLE BEACH  
9

10  
11 By: \_\_\_\_\_

12 \_\_\_\_\_  
13 Witness

14 Name: \_\_\_\_\_

15 \_\_\_\_\_  
16 Witness

17 Title: \_\_\_\_\_

18 COUNTY OF HORRY  
19

20  
21 By: \_\_\_\_\_

22 \_\_\_\_\_  
23 Witness

24 Name \_\_\_\_\_

25 \_\_\_\_\_  
26 Witness

27 Title: \_\_\_\_\_

28  
29 TENANT:

30 MYRTLE BEACH PELICANS LP

31 By: Greensons Baseball II Inc., its  
32 General Partner  
33

34  
35 By: \_\_\_\_\_

36 \_\_\_\_\_  
37 Witness

38 Chuck Greenberg, President

39 \_\_\_\_\_  
Witness