

November 9, 2021 – 1st reading
December 14, 2021 – Presented for approval

1 **2021-43 (2ND READING): AN ORDINANCE TO RATIFY M2020-63 AND**
2 **AMEND SECTION 20.13 OF THE LEASE AGREEMENT WITH AMERICAN**
3 **SURF PARKS, LLC.**

4 **Applicant/Purpose:** American Surf Parks, LLC (applicant) / to ratify the lease
5 agreement approved in M2020-63 and extend the deadline in Section 20.13 to 12.31.22.

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7 **Brief:**

- 8 ▪ The applicant proposes to develop a surf park on City-owned property behind the
9 Sports Center, east of RGP & south of Burroughs & Chapin Boulevard.
- 10 ▪ The applicant and the City signed a Lease Agreement in May, 2020 via Motion
11 (M2020-63 – 5.12.20).
- 12 ▪ Leases should be executed via Ordinance.
- 13 ▪ Due COVID-19 the applicant is requesting an extension to obtain the necessary
14 financing as outlined in Section 20.13 of the Lease Agreement.
- 15 ▪ The applicant wishes to extend the deadline to 12.31.22.
- 16 ▪ No changes since 1st reading.

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18 **Issues:**

- 19 • The proposed ordinance ratifies the Lease Agreement between the two parties
- 20 • The proposed Ordinance also extends the deadline in Section 20.13 to 12.31.22

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22 **Public Notification:** Normal meeting notification.

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24 **Alternatives:** Do not approve or amend the Ordinance.

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26 **Financial Impact:**

27 Once completed, the Surf Park is projected to generate nearly \$450k/year. This
28 estimate includes city property taxes, business license fees, TDF, Hospitality Fees, & the
29 City's portion of the State Admissions Tax.

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31 **Manager's Recommendation:**

- 32 • I recommend 1st reading (11/9/2021)
- 33 • I recommend approval (12/14/2021)

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35 **Attachment(s):** Proposed ordinance, lease agreement.

CITY OF MYRTLE BEACH
COUNTY OF Horry
STATE OF SOUTH CAROLINA

AN ORDINANCE TO RATIFY M2020-63 AND
AMEND SECTION 20.13 OF THE LEASE
AGREEMENT WITH AMERICAN SURF
PARKS, LLC.

WHEREAS, the City and American Surf Parks, LLC entered into a lease agreement via M2020-63 that was passed on May 12, 2020; and

WHEREAS, COVID-19 has negatively impacted business frustrated American Surf Parks, LLC's efforts to secure required financing outlined in Section 20.13 of the lease agreement; and

WHEREAS, American Surf Parks, LLC is still committed to the Surf Park project and the adjacent amphitheater; and

WHEREAS, City Council finds that a surf park operation and amphitheater are desirable uses of the property and that the lease and lease amendment are in the best interest of the City and its residents; and

NOW, THEREFORE, BE IT ORDAINED that City Council hereby ratifies the lease agreement between the City of Myrtle Beach and American Surf Parks, LLC dated May 27, 2020 and authorizes the City Manager to enter into a lease amendment extending the deadline in Section 20.13 to December 31, 2022

This ordinance is effective upon second reading.

BRENDA BETHUNE, MAYOR

ATTEST:

JENNIFER ADKINS, CITY CLERK

1ST READING: 11-9-21

2ND READING: 12-14-2021