

December 14, 2021 – 1st Reading

1 **2021-52 (1st READING):** APPROVING THE EXECUTION AND DELIVERY BY
2 **THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, OF A LEASE BETWEEN**
3 **THE CITY, AS LESSOR, AND EMYRGE, INC., AS LESSEE, WITH RESPECT TO**
4 **BUILDING LOCATED AT 509 NINTH AVENUE NORTH IN THE CITY OF MYRTLE**
5 **BEACH.**

6 **Applicant/Purpose:** City of Myrtle Beach / to enter into a lease with eMYRge, for 509 9th Ave.,
7 North

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9 **Brief:**

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- 11 • The City owns 509 9th Ave., North – a historic building
 - 12 • eMYRge, Inc. desires to lease the property
 - 13 • The tenant is partnering with the City of Myrtle Beach to offer a co-working space and
14 business incubator ecosystem
 - 15 • The tenant cannot sublease without the City's consent.

16 **Issues:**

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- 18 • The building is historic and cannot be sold for a period of five years.
 - 19 • eMYRge, Inc. has agreed to use the space to create a co-working and business
20 incubator ecosystem that will further the mission of the overall Arts & Innovation District.
 - 21 • The renovations and the upfit of the building will be completed prior to the beginning of
22 the lease term.

23 **Public Notification:** Normal meeting notification

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25 **Alternatives:** Deny the lease.

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27 **Financial Impact:**

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- 29 • The lease is for 5 yrs., (1.1.22 – 12.31.26)
 - 30 • Rental rates:
 - 31 ○ 1.22 – 12.24 = \$2,350/month
 - 32 ○ 1.25 - 12.26 = \$2,350/month + adj. for inflation based on CPI with a 5% cap

33 **Manager's Recommendation:**

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- 35 • I recommend 1st reading

36 **Attachment(s):** Proposed ordinance, lease agreement

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**CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA**

APPROVING THE EXECUTION AND DELIVERY BY THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, OF A LEASE BETWEEN THE CITY, AS LESSOR, AND eMYRge, Inc., AS LESSEE, WITH RESPECT TO BUILDING LOCATED AT 509 NINTH AVENUE NORTH IN THE CITY OF MYRTLE BEACH.

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

WHEREAS, 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; and

WHEREAS, the City is the fee owner of certain historic buildings located on Ninth Avenue North including 509 Ninth Avenue, in the City of Myrtle Beach; and

WHEREAS, the City desires to enter into a Lease Agreement ("Lease") with eMYRge, Inc., for the purpose of leasing property located at 509 Ninth Avenue North; and

WHEREAS, it is in the best interest of the City to enter into the lease as it will further the City's program of downtown redevelopment as well as the goals of the Arts and Innovation District;

NOW, THEREFORE, IT IS ORDAINED that City Council does hereby approve the lease of 509 Ninth Avenue North to eMYRge, Inc. pursuant to the Lease attached hereto as Exhibit A and incorporated herein by reference; and

The form, terms and provisions of the Lease, together with such changes as the officers of the City authorized to execute and deliver the Lease shall approve, are hereby approved. The City Manager and Assistant City Manager, or either one of them, acting alone, are hereby authorized and directed to execute, acknowledge and deliver, the Lease in the name of and on behalf of the City. The Lease is to be in substantially the form attached to this Ordinance as Exhibit A, with such changes as shall be approved by the City Manager or Assistant City Manager, or either one of them, acting alone, such person's or persons' execution and delivery thereof to constitute conclusive evidence of approval of any and all changes or revisions therein from the Lease now before this meeting.

The City Manager and the Assistant City Manager, for and on behalf of the City, are fully empowered and authorized to take such further action and to execute and deliver such additional documents as may be necessary to effect the execution and delivery of the Lease in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby, and the action of such officers in executing and delivering any of such documents is hereby fully authorized.

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The provisions of this Ordinance shall be effective upon its adoption.

ENACTED by the City Council of the City of Myrtle Beach, South Carolina, this 11th day of January, 2022.

BRENDA BETHUNE, MAYOR

ATTEST:

JENNIFER ADKINS, CITY CLERK

1st Reading: 12-14-2021

2nd Reading: