

Memorandum of Understanding Between the City of Myrtle Beach and Coastal Carolina University

A Memorandum of Understanding, while not a legally binding document, does indicate a voluntary agreement of partners to assist in the implementation plans of a funded collaborative project, and is a prelude document to binding legal documents, such as leases, facility management agreements, and others as may be necessary. This MOU is a noncommittal writing that is preliminary to a contractual relationship.

The agreement is between the lead agency, the City and its discrete units, and a partnering entity, Coastal Carolina University. This MOU generally and broadly defines the overall program goals and describes the desired collaborative nature and relationship between the identified project and MOU-referenced participant. This Memorandum of Understanding (MOU) sets for the terms and understanding between the CTIY and the UNIVERSITY to construct, furnish and manage a theatre of performing arts, which will service both party's interests.

Goals

The City is interested in activating an Arts and Cultural District as an economic development tool, thus revitalizing a distinct area of the City.

The University is interested providing its students with an expanded performing arts experience in an urban and emergent vibrant environment.

These interests intersect, and provide a basis for cooperation to the party's mutual benefit. In furtherance of these goals, the parties shall engage in drafting appropriate legal documents, to include a lease and an intergovernmental agreement detailing facility management. The above goals will be accomplished by developing a contractual relationship based upon the following:

Key Business Points:

- City will build and own the theater, and will be responsible for all traditional landlord issues (e.g. structural issues, major system repairs, roof).
- CCU will salvage available theater equipment from the current theater facility on 79th N. and make it available for the proposed Theater.
- CCU will retain ownership of the equipment that it salvages.
- CCU will be the only tenant and will be responsible for operating costs including: electricity; water and sewer; janitorial, and for maintenance and replacement of all theater related equipment lighting, seats, curtains, sound system after the initial construction and upfit.
- City will retain the air rights associated with the theater and reserves the right to use this air space for subsequent construction of event space, offices, residential units, classroom space.
- CCU will have the first right to schedule the theater for academic uses and performances.
- The City will have the right to schedule up to 30 community events per year at times when the theater is not otherwise reserved for CCU's purposes. The City will pay CCU overhead costs relating to such uses.
- Profits earned from Concessions during CCU events will be retained by CCU. Concession profits earned during City events will be retained by the City.
- The initial term of the lease shall be 60 months. After two and a half years (30 months), at the end of each month the term shall automatically renew for an additional month unless one party puts the other on notice of its intent not to renew the agreement prior to the beginning of that month.

- CCU will pay the City rent in the amount of \$95,000 beginning at the end of year five for the following year. The beginning of the 60-month time period will begin after substantial completion of renovation.

Reporting

The City Council or its designee and the University President or its designee will evaluate effectiveness and adherence to the understanding.

Funding

Each party shall fund its respective endeavors in advancement of the goals of this MOU, but funding is done without expectation of reimbursement or concomitant action from the other party, and this MOU is not a binding commitment of funding by either party.

Duration

This MOU is at-will and may be modified by mutual consent of authorized persons who have approved this, and in the same manner and equal dignity of its approval. This MOU shall become effective upon signature by the authorized officials from the partners and will remain in effect until modified or terminated by any one of the partners by mutual consent. In the absence of mutual agreement by the authorized officials from the partners, this MOU shall terminate, and shall be null and void in its entirety.

Contact Information

Partner name: City of Myrtle Beach South Carolina

Partner representative: John Pedersen

Position: City Manager

Address: PO Box 2468, Myrtle Beach, SC 29578-2468

Telephone: (843) 918-1002

Fax: (843) 918-1028

E-mail: jpedersen@cityofmyrtlebeach.com

Partner name: Coastal Carolina University

Partner representative:

Position:

Address:

Telephone:

Fax:

E-mail:

(John Pedersen, City of Myrtle Beach, City Manager)

(Partner signature, Partner name, organization, position)