

December 13, 2022 – 1st reading
January 10, 2023 – presented for approval

2022-55 (2ND READING): TO AUTHORIZE A PROPERTY EXCHANGE BETWEEN THE CITY OF MYRTLE BEACH AND AUTO REBUILT, LLC

Applicant/Purpose: Staff / to authorize a property exchange between the City and Auto Rebuilt, LLC

Brief:

- The City has purchased eight properties within the last year for needed stormwater facilities in this immediate area.
- The City is the fee simple owner of two parcels along Alder Street, PINs 44301020037 and 44304020036
- Auto Rebuilt, LLC is the fee simple owner of a lot along 8th Avenue North, PIN 44304020027
- The Auto Rebuilt property on 8th Ave., North is better situated for a stormwater retention facility than the City owned properties on Alder Street.
- No changes since 1st reading.

Issues:

- Auto Rebuilt, LLC does not wish to sell their property, but is willing to enter in to a property exchange with the City
- The value of the City's two combined parcels is comparable to the value of Auto Rebuilt, LLC's parcel.

Public Notification: Normal meeting notification

Alternatives:

- Deny the ordinance.

Financial Impact:

- The City paid \$128,000 for both lots.

Manager's Recommendation:

- I recommend 1st Reading: (12.13.22)
- I recommend approval (1.10.23).

Attachment(s): Proposed ordinance, purchase agreement

ORDINANCE 2022-55

CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA

TO AUTHORIZE A PROPERTY
EXCHANGE BETWEEN THE CITY OF
MYRTLE BEACH AND AUTO REBUILT,
LLC

WHEREAS, City is the fee simple owner of two parcels along Alder Street with PINs 44301020037 and 44304020036 shown in Exhibit A; and

WHEREAS, Auto Rebuilt, LLC is the fee simple owner of a lot along 8th Avenue North with PIN 44304020027 shown in Exhibit A; and

WHEREAS, through the adoption of Resolution 2019-20, enacted March 12, 2019, City Council adopted the Downtown Master Plan and the Downtown Master Plan Implementation Plan to facilitate development and increase business activity, and serve as the general blueprint for future revitalization and redevelopment of the area traditionally known as "Downtown Myrtle Beach"; and

WHEREAS, by Resolution 2020-37, City Council adopted the Advanced Plan of the Downtown Master Plan to further the plan and vision of creating a resilient, adaptive, sustainable and innovative district; and

WHEREAS, it has been determined the Auto Rebuilt Property is better situated to be included in construction of stormwater retention facilities than the City owned property on Alder Street; and

WHEREAS, Auto Rebuilt, LLC and the City desire to exchange property upon the terms and conditions described in the "Contract of Exchange of Property" attached as Exhibit B.

SO THEREFORE, City Council declares the City property, PINs 44301020037 and 44304020036, to be deemed surplus property, and the City Manager, the Assistant City Manager, the Chief Financial Officer, the City Attorney and the City Clerk, 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 effectuate the acquisition and transfer and the action of such officers consistent herewith is hereby fully authorized. All actions taken in the name of or on behalf of the City in connection with the property acquisition prior to the effective date of this Resolution are expressly ratified and confirmed.

SIGNED, SEALED and DATED, this 10th day of January, 2023.

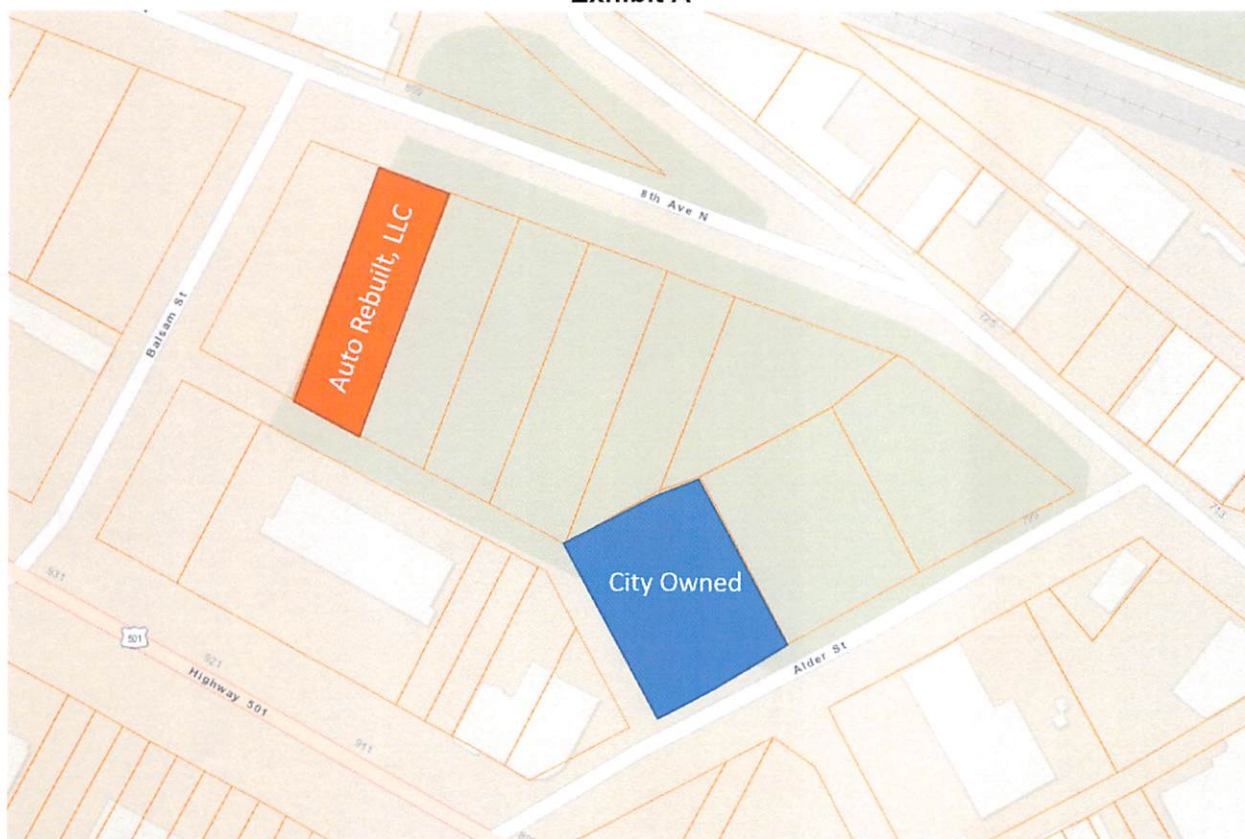
ATTEST:

BRENDA BETHUNE, MAYOR

JENNIFER ADKINS, CITY CLERK
1st Reading: 12/13/2022
2nd Reading: 1/10/2023

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Exhibit A



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**CONTRACT OF
EXCHANGE OF
PROPERTY**

THIS CONTRACT OF EXCHANGE ("Contract") is made between Auto Rebuilt, LLC("Auto") and The City of Myrtle Beach ("City") on 11-07-2022.

WHEREAS, Auto is the fee simple owner of that certain lot identified as Lot 6, Block 54, Hotel Section of Myrtle Beach, Horry County, South Carolina Horry County TMS 181-06-13-002 (the "Auto Property"); and

WHEREAS, City is the owner of those certain lots of land identified as Lot 4 and Lot 5 of Block 54, Hotel Section of Myrtle Beach, Horry County, South Carolina Horry County TMS 181-06-13-011, and TMS 181-06-13-012 (the "City Property"); and

WHEREAS, Auto and the City desire to exchange property upon the terms and conditions described below.

THEREFORE, based upon the mutual promise and covenants contained herein, including the exchange of the property, the parties agree as follows:

TERMS AND CONDITIONS

1. Auto and the City shall exchange ownership interest in their respective properties (the "Properties") with no additional consideration being paid to the other.

2. Auto and City will furnish a marketable and insurable title in fee simple, free and clear of all liens and encumbrances to each other for their respective Properties except the following:

a. Real estate taxes for the year in which the deed is delivered, which will be prorated at Closing as defined in Paragraph 8. The Grantee of each of the Properties will be responsible for roll-back taxes if applicable;

b. Restrictions, covenants, conditions and easements applicable to the subdivision in which the Property is located and appearing of record;

c. Such zoning ordinances as may be applicable to the Properties.

d. ^{Page 1 of} Auto shall convey its property by full general warranty of title. City shall convey its property by quit claim deed.

3. Each Grantor shall pay for real estate transfer fees and preparation of the deed conveying each of the Properties. Auto and the City shall pay for any survey, preparation of note and mortgage, if applicable, and the recording of the deed and mortgage for the property it will receive under this agreement. The cost of any title examination requested by either Grantee on the property they will receive shall be paid by such respective Grantee. Each party will pay its own attorney's fees.

5. Possession of the Property will be given to each party at the time of delivery of the deeds.

6. This Contract may not be assigned or transferred by either party without the prior written consent of the other.

7. The closing ("Closing") will take place on or before December 15, 2022 at the offices of MacDonald & Hicks, P.A., or at such other place as the parties may agree on.

8. Time is of the essence for all terms and conditions of this Contract.

9. The parties acknowledge that neither party is represented by a broker in this transaction. In the event a brokerage relationship exists between either party and a real estate agent at the time of closing, such party will be responsible for any commission to be paid at Closing.

10. This Contract will not be binding until the date last executed by both Auto and the City and both parties agree that receipt of a signed Contract by facsimile or by email will be the same as receipt of an original signed Contract.

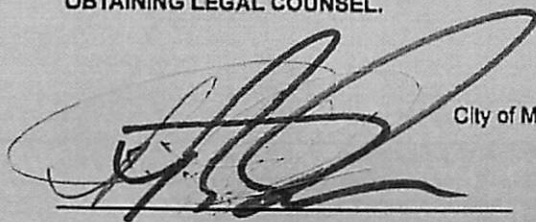
11. This Contract supersedes all understandings and agreements between Auto and the City and constitutes the sole and entire agreement between them. No oral statements or representations whatsoever will be considered a part of this Contract. Any modifications must be in writing and acknowledged by Auto and the City. Auto and the City acknowledge that they have not received or relied on any statements or representations by either Broker or their agents that are not expressly stipulated in this Contract. The terms and conditions of this Contract will apply to and bind the heirs, executors, administrators, successors and permitted assigns of Auto and the City.

12. THIS CONTRACT IS CONTINGENT ON THE FOLLOWING ITEMS (In the event the contingencies are not satisfied or waived, this Contract will be terminated with no further liability or obligations to either party):

- a. Auto and the City will have until 30 Days after Execution of Contract to determine that the Properties are suitable for their intended use. If Auto or the City finds the Property to be unsuitable for its intended use, for any reason, the obligations of the parties to this Contract will be terminated. Both parties intend on determining that soil borings indicate stable foundation material, financing can be secured, site and environmental inspections are satisfactory, and water and sewer are available to the site.

13. Auto and the City will allow, its agents, consultants, contractors and subcontractors to enter the Properties to conduct or make any and all inspections and tests (including, without limitation, soil and environmental assessments of the Property) as either party may, in their sole and absolute discretion, consider necessary or desirable. Provided, if this transaction does not close, each party will supply the other with all copies of reports done on the Properties subject to any transfer restrictions placed on such reports by the party preparing the reports for the parties. In addition, each party will indemnify the other against any liability from consultants, agents, contractors and subcontractors entering the Properties prior to Closing.

THIS IS A LEGALLY BINDING AGREEMENT. REAL ESTATE LICENSEES RECOMMEND OBTAINING LEGAL COUNSEL.



City of Myrtle Beach

Witness By: Date

Its:

Ruslan V Osipov Auto Rebuilt, LLC 11-07-22

Witness

Date