

November 9, 2021 – Presented for 1st Reading

1 **2021-47 (1st READING): APPROVING THE SALE OF PROPERTY AT 513 AND 515 9TH**
2 **AVENUE NORTH AND AUTHORIZING ACTION NECESSARY TO EFFECT THE SALE.**

3 **Applicant/Purpose:** Staff / approving the sale of 513 and 515 9th Ave., North
4

5 **Brief:**

- 6 • The City of Myrtle Beach owns 513 and 515 9th Ave North
- 7 • Archetype SC, Inc. desires to acquire the property to open a full service technology business and
- 8 cyber security firm with plans of creating 25-50 jobs
- 9 • It is in the best interest of the City sell this property and return the property to the tax rolls.
- 10 • Archetype would further the goals of the Downtown Master Plan, including – in particular – the
- 11 Arts & Innovation District;
- 12 • Sale is subject to deed restrictions limiting the future use of the property to purposes that are
- 13 consistent with the Arts & Innovation District

14
15 **Issues:**

- 16 • City and Buyer will enter into employment performance agreement with clawback provisions prior
- 17 to closing.
 - 18 ○ Archetype shall develop a plan for occupancy that shall provide for a minimum of about 25
 - 19 onsite employees.
 - 20 ○ The development plan may be developed in phases, but shall be completed within 6
 - 21 months of the closing of the purchase of the Property.
 - 22 ○ Archetype will employ approximately 35 additional employees or independent
 - 23 contractors, whose primary work location is the Property, within 60 months after the receipt
 - 24 of a certificate of occupancy or business license, whichever comes first.
- 25 • These clawback provisions expire 7 yrs., from the effective date of the Agreement.

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27 **Public Notification:** Normal meeting notification.
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29 **Alternatives:** Do not sell the property.
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31 **Financial Impact:**

- 32 • The sale of the property is for \$1,624,908
33

34 **Manager's Recommendation:** I recommend 1st reading (11/9/2021).
35

36 **Attachment(s):**

- 37 • Proposed ordinance
- 38 • Purchase Contract
- 39 • Use Development, and Employment Performance Agreement (UDEPA)
- 40 • Exhibit 1 to the UDEPA - Option to Purchase

ORDINANCE 2021-47

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

AN ORDINANCE APPROVING THE
SALE OF PROPERTY AT 513 AND 515
9TH AVENUE NORTH AND
AUTHORIZING ACTION NECESSARY
TO EFFECT THE SALE.

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

WHEREAS, the City of Myrtle Beach is the owner of property located at 513 and 515 9th Ave North within the municipal limits (bearing TMS Numbers 1810707010, 1810707023, and 1810707011) as reflected in the plat/survey attached hereto as Exhibit A; and

WHEREAS, Archetype (need full name) desires to acquire the property to open a full service technology business and cyber security firm with plans of creating 25-50 jobs; and

WHEREAS, South Carolina Code Ann. § 5-7-40 authorizes the City of Myrtle Beach to sell real property; and

WHEREAS, City Council has determined that it is in the best interest of the City to enter into the purchase and sales agreement as the sale of the property would return the property to the tax rolls of the City and that the sale to Archetype would further the goals of the Downtown Master Plan, including – in particular – the Arts & Innovation District; and

WHEREAS, the sale of the property is being made subject to terms and conditions including but not limited to the following:

- 1. The property is being sold in an "AS IS WHERE-IS" condition. The buyer is responsible for conducting any and all inspections and testing of the property at its own cost and expense.
2. No representation is made by the City of Myrtle Beach as to the utility, usability or environmental condition of the property.
3. Buyer shall be responsible for all taxes that may accrue as a result of the transfer.
4. Buyer shall pay all costs and fees associated with the sale and closing including but not limited to preparation of the deed and other documents associated with the transfer, attorney's fees, closing costs, and filing and recording fees to include deed stamps.
5. City and Buyer will enter into employment performance agreement with clawback provisions prior to closing.
6. Sale is subject to deed restrictions limiting the future use of the property to purposes that are consistent with the Arts & Innovation District.

NOW, THEREFORE, IT IS ORDAINED that, City Council finds it desirable and in the public's interest and welfare to sell the properties located at 513 and 515 9th Avenue North (TMS Numbers

1 1810707010, 1810707023, and 1810707011) in accordance with the Purchase and Sale
2 Agreement attached hereto as Exhibit _____. The sale of the subject property located at 513 and
3 515 9th Avenue North is hereby approved.
4

5 The City Manager and Assistant City Manager, or either one of them, acting alone, are hereby
6 authorized and directed to execute, acknowledge and deliver the Purchase and Sale Agreement in
7 the name and on behalf of the City. The Purchase and Sale Agreement are to be in substantially
8 the form attached to this Ordinance as Exhibit A, with such changes as shall be approved by the City
9 Manager or Assistant City Manager, or either one of them, acting alone, such person's or persons'
10 execution and delivery thereof to constitute conclusive evidence of approval of any and all changes
11 or revisions therein from the Purchase and Sale Agreement now before this meeting.
12

13 The City Manager and the Assistant City Manager, for and on behalf of the City, are fully empowered
14 and authorized to take such further action and to execute and deliver such additional documents as
15 may be necessary to effectuate the acquisition and transfer and the action of such officers consistent
16 herewith is hereby fully authorized. All action taken in the name of or on behalf of the City in
17 connection with the property acquisition prior to the effective date of this Resolution are expressly
18 ratified and confirmed.

19
20 This ordinance shall become effective immediately upon its adoption.
21
22

23 ATTEST:
24

25 _____
26 BRENDA BETHUNE, MAYOR

27 _____
28 JENNIFER ADKINS, CITY CLERK

29 1ST Reading: 11-9-2021

30 2nd Reading: