

REQUEST FOR CITY COUNCIL CONSIDERATION

Meeting Date: February 7, 2022

Agenda Item: 7A	Prepared by: Chris Noury, City Attorney
Agenda Section: Unfinished Business: Ordinance. First Reading	Date: February 1, 2022
Subject: Regarding a proposed amendment to the Sandridge Development Agreement and authorize the City Manager to sign the document on behalf of the City	Division: Legal

Background:

Attorney Edwin Hinds, on behalf of Sandridge, has submitted a proposed amendment to the Master Development Agreement regarding a portion of the Sandridge site located across the entryway to the Park and Sports Complex on Champions Boulevard *and* to an area of the Sandridge site located adjacent to the future extension of Champions Boulevard as depicted in the yellow hatched area in the attached aerial photo. The hatch-marked areas are zoned as R-2A.

The proposed amendment would allow duplex and multiplex buildings as “in common” development as per Sections 23-117 and 23-119.1 of the Code of Ordinances for the City within the portions of the property that are hatch-marked in the rendering referenced above.

Although duplex and multiplex buildings as “in common” development are *now* authorized in all other R-2A districts within the City, these uses are NOT currently authorized in Sandridge, because these uses were not authorized in R-2A until AFTER the adoption of the original Sandridge Development Agreement which froze the regulations in place at the time of the adoption of the original Development Agreement.

The proposed amendment would also allow for a contribution to the City in the amount of \$180,000 in lieu of the current requirement to construct an “all-weather” emergency road regarding Tract 2 and Tract 3 (which are the two parcels located in front of the Park Pointe neighborhood adjacent to Champions Boulevard). Currently, the “all-weather” road is required if “prior to the completion of the Roadway either Tract 2 or Tract 2 is developed such that either Tract 2 or Tract 3 includes thirty or more units, such development will require that a temporary dirt, “all-weather” emergency road be constructed. Tract 2 and Tract 3 shall be considered separately such that both Tract 2 and Tract 3 could be developed up to 29 lots or units before construction of the “all-weather” emergency road is required.”

NOTE: During the first public hearing before the Planning Commission (PC) regarding the proposed amendment to the development agreement, the PC commented that \$180,000 seemed to be an inadequate amount regarding payment to the City in lieu of constructing the “all-weather” road. Upon review, the City Manager and staff believe the developer should provide additional documentation regarding the cost to construct the “all-weather” road before staff can make a recommendation to City Council regarding the request to amend the development agreement.

Recommended Action:

Approve or deny the proposed ordinance on first reading

Reviewed by City Manager		Reviewed by City Attorney
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Council Action: Motion By _____ 2 nd By _____ To _____
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AN ORDINANCE

AN ORDINANCE TO AMEND THE SANDRIDGE DEVELOPMENT AGREEMENT TO ALLOW DUPLEX AND MULTIPLEX BUILDING AS "IN COMMON" DEVELOPMENT IN THE AREAS OF SANDRIDGE ZONED AS R-2A AND TO AUTHORIZE A CONTRIBUTION FROM THE DEVELOPER TO THE CITY IN THE AMOUNT OF \$180,000 IN LIEU OF BUILDING AN "ALL-WEATHER" EMERGENCY ACCESS ROAD

Whereas, The Developers for the Sandridge site have proposed an amendment to the Sandridge Development Agreement; and

Whereas, the proposed amendment would authorize duplex and multiplex building as "In Common" development in areas of the Sandridge site zoned as R-2A; and

Whereas, the proposed amendment would authorize a contribution to the City in the amount of \$180,000 in lieu of building an "all-weather" emergency access road.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL FOR THE CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA:

Section 1: The amendment to the Sandridge Development Agreement is hereby approved.

Section 2: The City Manager is authorized to sign the Amendment to the Development Agreement on behalf of the City.

Section 3: This ordinance shall be effective upon the date of passage.

DONE, RATIFIED AND PASSED, THIS _____ DAY OF _____, 2022.

ATTEST:

Mayor Marilyn Hatley

City Clerk

APPROVED AS TO FORM:

City Attorney

FIRST READING: 2.7.2022

SECOND READING: _____

REVIEWED:

City Manager

ORDINANCE: _____

provide for, in lieu thereof, a contribution toward the construction of the further extension of “Champions Boulevard” by Sandridge, its successors or assigns; and

WHEREAS, it is not the intent of the Parties to otherwise amend the provisions of the Development Agreement; and

WHEREAS, Section 6.7 of the Development Agreement provides that the same may be amended by mutual consent of the parties; and

WHEREAS, the City and Landowners agree to this Amendment to the Development Agreement as further described below.

NOW, THEREFORE, in return for the mutual promises herein and other valuable consideration, the City and Landowners agree to, and do hereby amend, the Development Agreement as follows:

1. All capitalized terms in this Amendment that are defined terms in the Development Agreement have the same meaning as set forth in the Development Agreement. Other capitalized terms that are defined terms shall have the meaning described herein.

2. The recitals herein are incorporated into this Amendment.

3. All of the Remaining Sandridge Property is currently zoned R2-A, Mid-Rise Multifamily Residential District, subject to the standards of the R2-A zoning district as more particularly provided in the Development Agreement and the First Amendment to Development Agreement.

4. Although Section 2.8 of the Development Agreement provides, in part, that the Zoning Ordinances in effect at the time of the original Effective Date of the Development Agreement govern the Project, the parties hereby agree that the provisions of Section 23-117(14) and Section 23-119.1 of the Code of Ordinances of the City of North Myrtle Beach (with the amendments thereto passed by Ordinance #21-15 ratified and passed on May 3, 2021) as the same exists as of the date of this Amendment, a copy of which is attached hereto as **Exhibit “G”** shall also govern as to any development of the Remaining Sandridge Property.

5. Section 6 of the First Amendment to Development Agreement is hereby amended to delete the following language:

If prior to the completion of the Roadway (as hereinafter defined) either Tract 2 or Tract 3 of the Remaining Sandridge Property is developed such that either Tract 2 or Tract 3 includes thirty or more units, such development will require that a temporary dirt of “all-weather” emergency road be constructed (the “Emergency Road”). Tract 2 and Tract 3 shall be considered separately such that both Tract 2 and Tract 3 could be developed up to 29 lots or units before construction of the “Emergency Road” is required. The “Emergency Road” would be located within Parcel CB (or other available property) and begin from the current terminus of

Champions Boulevard and continue to the currently existing "Water Lily Road". The "Emergency Road" shall be an ongrade road of twenty (20') feet in width and Sandridge shall have, and is hereby granted, all easements necessary for the construction of such "Emergency Road".

6. The following language shall be added at the end of revised Section 6 as contained in the First Amendment to Development Agreement (as revised herein):

At such time as the City obtains the necessary permits for the construction of extension of Champions Boulevard from the current terminus of Champions Boulevard to Water Lily Road, or beyond, City shall send notice to Sandridge of City's intent to proceed with construction of the extension to Champions Boulevard, as set forth herein, and thereafter, Sandridge shall contribute the sum of \$180,000.00 to the City to be used by the City for payment of a portion of the costs of construction of the extension of Champions Boulevard. Such payment shall be made to City within thirty (30) days after receipt by Sandridge of the foregoing notice.

7. The provisions of this Agreement are intended to amend the Development Agreement with respect to only those parcels of real property identified by Parcel Identification Numbers: 34800000036, 35802020004, 34909010001, 35803030001 and 34908030001. All other terms, conditions, and provisions of the Development Agreement shall remain in full force and effect.

8. This Agreement shall be binding upon and inure to the benefit of Sandridge and the City and their respective heirs, successors and assigns. References herein to Sandridge shall mean and include Sandridge and its successors and assigns.

9. The City and Sandridge shall cooperate with one another in good faith to fulfill the covenants and obligations of the Parties hereunder, as well as with regard to any development pursuant to this Agreement. Furthermore, the City and Sandridge agree to execute and/or deliver to each other or to Escrow Agent, as appropriate, such other instruments and documents as may be reasonably necessary to fulfill the covenants and obligations to be performed by such party pursuant to this Agreement.

IN WITNESS WHEREOF, this Amendment to the Agreement has been entered and enacted this _____ day of _____, 2022.

Signature pages to follow.

SANDRIDGE:

SLF IV / SBI SANDRIDGE, LLC

A Texas limited liability company

By: SLF IV/ SBI Properties MM, LLC, its Managing Member

By: SB Investments, LLC, its Managing Member

By: _____
Jeffery B. Turner, Co-Manager

STATE OF NORTH CAROLINA)
)
COUNTY OF DUPLIN)

ACKNOWLEDGMENT
(SLF IV / SBI SANDRIDGE, LLC)

THE FOREGOING INSTRUMENT was acknowledged before me by SLF IV/ SBI Properties Sandridge, LLC, by SLF IV/ SBI Properties MM, LLC, its Managing Member, by SB Investments, LLC, its Managing Member, by Jeffery B. Turner, its Co-Manager, this ____ day of _____, 2022.

_____(SEAL)
Notary Public for North Carolina
Printed Name of Notary: _____
My Commission Expires: _____

EXHIBIT G

Section 23-117(14) and Section 23-119.1 of the Code of Ordinances of the City of North Myrtle Beach (with the amendments thereto passed by Ordinance #21-15 ratified and passed on May 3, 2021)

(See attached)

ORDINANCE

**AN ORDINANCE OF THE CITY OF NORTH MYRTLE BEACH
PROVIDING THAT THE CODE OF ORDINANCES, CITY OF
NORTH MYRTLE BEACH, SOUTH CAROLINA, BE AMENDED
BY REVISING CHAPTER 23, ZONING, ARTICLE VII, GENERAL
AND SUPPLEMENTAL REGULATIONS, § 23-117 AND § 23-119.1
OF SAID CODE.**

**BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE
CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA, IN
COUNCIL DULY ASSEMBLED, THAT:**

Section 1:

That *Section 23-117. – Number of principal buildings on a lot.*, be amended to read as follows (*new matter underlined, deleted matter struck-through*):

Sec. 23-117. - Number of principal buildings on a lot.

Except for the following types of buildings and developments, no more than one (1) principal building may be located upon a tract or lot:

- (1) Institutional buildings.
- (2) Public and semipublic buildings.
- (3) Multifamily dwellings.
- (4) Buildings in a commercial center.
- (5) Industrial buildings.
- (6) Homes for the aged.
- (7) Planned Development District (PDD).
- (8) Mobile home and RV parks.
- (9) Hotels, motels and resort accommodations.
- (10) Townhouse buildings on land owned "in common."
- (11) Single-family in common projects.
- (12) Mixed-use buildings.
- (13) Duplexes.
- (14) Multiplex buildings on land owned "in common."

Section 2:

That *Section 23-119.1. - Detached single-family and duplex in common developments.*, be amended to read as follows (*new matter underlined, deleted matter struck-through*):

Sec. 23-119.1. - Detached single-family and duplex in common developments.

It is the intent of this section to provide an alternative development type where multiple dwellings are located on commonly owned property and ownership of the land is held in common by all owners of the dwellings. Such developments shall be permitted in the R-2, R-2A and R-3 districts subject to their respective development standards pertaining to single-family and duplex construction and the following pertaining specifically to in common development:

1. Minimum site size—Five (5) acres.
2. Minimum building setback from exterior project property lines—Twenty (20) feet.

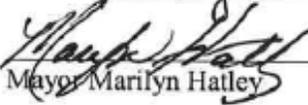
3. Minimum building setback from the right-of-way—Fourteen (14) feet from public right-of-way, six and one-half (6.5) feet from edge of private street easement.
4. Minimum distance between homes back to back—Twenty (20) feet.
5. Density—One (1) single-family unit for each five thousand (5,000) square feet of buildable land and one (1) duplex building for each seven thousand (7,000) square feet of buildable land, excluding streets and jurisdictional wetlands, but not excluding amenity areas, manmade ponds and open space.
6. Street right-of-way shall meet all standards of the city's Complete Street Designs Guidelines of Appendix A of the city's land development regulations.
7. Driveways shall meet all engineering standards as per the city engineer, fire apparatus access road requirements as defined in the latest edition of the South Carolina Fire Code shall be met.
8. Minimum separation between single-family buildings—Ten (10) feet. Minimum separation between duplex buildings—Fifteen (15) feet.
9. Direct access to all structures from the street or driveway.
10. All structures must front the approved street or driveway.
11. Ownership and maintenance of common areas shall be regulated by section 23-119(4).
12. A minimum of twenty-five (25) percent of the total project site shall be devoted to common open space as defined in section 23-109.

Section 3:

That the North Myrtle Beach Planning Commission has provided the required public notice of this request and has held the necessary public hearings in accordance with applicable State Statutes and City Ordinances.

DONE, RATIFIED AND PASSED, THIS 3 DAY OF May, 2021.

ATTEST:

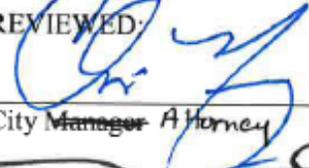
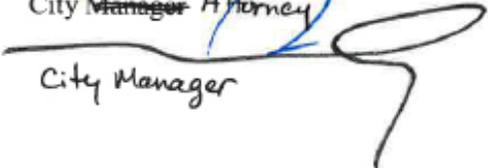

 Mayor Marilyn Hatley


 City Clerk

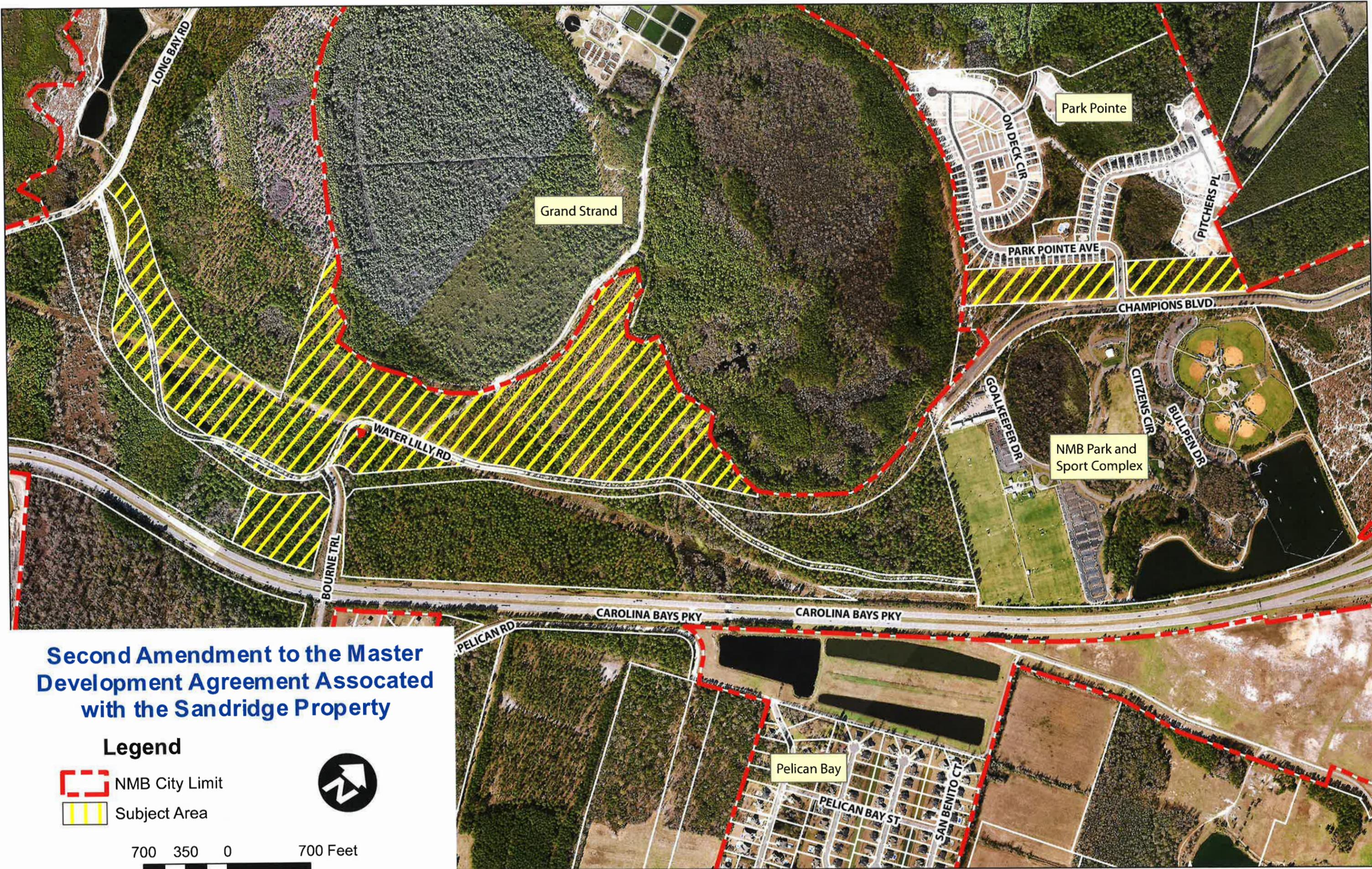
APPROVED AS TO FORM:

 City Attorney

FIRST READING: 4-19-2021
 SECOND READING: 5-3-2021

REVIEWED:

 City Manager A Horney

 City Manager

ORDINANCE: 21-15



Second Amendment to the Master Development Agreement Associated with the Sandridge Property

Legend

-  NMB City Limit
-  Subject Area



7E. FIRST PUBLIC HEARING REGARDING SECOND AMENDMENT TO THE MASTER DEVELOPMENT AGREEMENT ASSOCIATED WITH THE SANDRIDGE TRACT: The North Myrtle Beach Planning Commission will host the first of two public hearings regarding the proposed Development Agreement amendment for the Sandridge Tract. The proposal would allow certain parcels in this tract to utilize recent zoning text amendments, as well as providing a contribution of \$180,000 towards extension of Champions Boulevard.

The City, Sandridge, SLF IV/SBI Bay Landing, LLC, SLF IV/SBI Spice Hill, LLC, and Main Street Commercial Partners, LLC, entered into a Master Development Agreement on June 23, 2011, covering approximately 1,647 acres of private property abutting Robert Edge Parkway, Champions Boulevard, Carolina Bays Parkway, Water Lily Road, and Water Tower Road.

The original Development Agreement was previously amended on August 20, 2019.

The proposed Development Agreement amendment provides for the following:

ITEMS of NOTE

1. Applies to PINs 348-00-00-0036, 580-20-20-004, 349-09-01-0001, 358-03-03-0001, 490-80-30-001. All other terms, conditions and provisions of the Development Agreement shall remain in full force and effect.
2. Would allow duplex and multiplex buildings as "in common" developments as per Sections 23-117 and 23-119.1 of the Code of Ordinances of the City of North Myrtle Beach within any portions of the remaining Sandridge property that are zoned R-2A (Mid-Rise Multifamily Residential District).

FEES and PUBLIC BENEFITS

1. Contribution of \$180,000 toward the construction of the further extension of Champions Boulevard.

The Planning Commission's role in Development Agreements is limited to HOSTING the first of two required public hearings. Planning Commission will take no action and will not vote on the Development Agreement, but may offer comments for City Council's consideration. After hosting the public hearing, a second public hearing, first reading of ordinance, will take place at the City Council meeting anticipated to occur on Monday, January 3, 2022.