

**REQUEST FOR CITY COUNCIL CONSIDERATION**

Meeting Date: March 7, 2022

Agenda Item: 7D	Prepared by: Chris Noury, City Attorney
Agenda Section: New Business: Ordinance. First Reading	Date: March 4, 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, which extends to Long Bay Road.

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 reduces the density regarding Tracks 2 and 3 (the two parcels located in front of Park Pointe) from 270 units in the aggregate to not more than 220 units in the aggregate.

**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<sup>nd</sup> By \_\_\_\_\_ To \_\_\_\_\_

**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.**

**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

**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: 3.7.2022  
SECOND READING: \_\_\_\_\_

REVIEWED:

\_\_\_\_\_  
City Manager

ORDINANCE: \_\_\_\_\_

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF HORRY )

**AMENDMENT TO MASTER  
DEVELOPMENT AGREEMENT**

THIS AMENDMENT TO MASTER DEVELOPMENT AGREEMENT (this “**Amendment**”) is entered into and effective as of this \_\_\_\_ day of \_\_\_\_\_, 2022 by and between the **CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA** ( the “**City**”) and **SLF IV/SBI SANDRIDGE, LLC**, A Texas limited liability company (“**Sandridge**”)

RECITALS:

**WHEREAS**, the City, Sandridge, SLF IV / SBI Bay Landing, LLC, a Texas Limited Liability Company (“**Bay Landing**”); SLF IV / SBI Spice Hill, LLC, a Texas Limited Liability Company (“**Spice Hill**”); and Main Street Commercial Partners, LLC, a South Carolina Limited Liability Company (“**Main Street**”) (collectively referred to as “**Landowners**”) entered into a Master Development Agreement (“**Development Agreement**”) dated June 23, 2011, and recorded in the Office of the Registrar of Deeds for Horry County that same day in Deed Book 3526 at Page 1764;

**WHEREAS**, Bay Landing and Spice Hill have merged into Sandridge;

**WHEREAS**, the Development Agreement was previously amended by Amendment (the “**First Amendment to Development Agreement**”) dated August 20, 2019, recorded August 22, 2019 in Deed Book 4236 at page 372, records of Horry County, South Carolina;

**WHEREAS**, Sandridge is the current owner of the real property described on Exhibit C and Exhibit D attached to and made a part of the First Amendment to Development Agreement (the “**Remaining Sandridge Property**”);

**WHEREAS**, the Development Agreement provides that the City of North Myrtle Beach Zoning Ordinance in effect as of the Effective Date of the Development Agreement governs;

**WHEREAS**, the City has recently amended Sections 23-117 and 23-119.1 of its Zoning Ordinance by text amendment to allow for duplex and “In Common” development within the R-2A Zoning District;

**WHEREAS**, the City and Sandridge desire to further amend the Development Agreement as it pertains to the Remaining Sandridge Property to allow for duplex and “In Common” developments as provided in Sections 23-117 and 23-119.1 of the Code of Ordinances of the City of North Myrtle Beach, South Carolina within any portions of the Remaining Sandridge Property that are within the R2-A Zoning District;

**WHEREAS**, as a condition of allowing the “In Common” developments within the Remaining Sandridge Property, Sandridge has agreed to reduce the allowable density on the property more particularly described on **Exhibit “H”** attached hereto (the “**Tract 2 and 3 Property**”), as set forth below;

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

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

**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. The intended effect of this provision is to provide that for purposes of the Development Agreement, as amended, the R2-A Zoning District applicable to the Remaining Sandridge Property shall be the R2-A Zoning District which is in effect and applicable within the City of North Myrtle Beach as a result of the above referenced amendments, as of the date of this Amendment

5. As a condition to the above referenced change in the respective version of the City's prior and current R2-A Zoning Districts, Sandridge agrees that the allowable density for the Tract 2 and 3 Property shall be reduced from in excess of 270 units in the aggregate to not more than 220 units in the aggregate.

6. 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.

7. 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.

8. 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:

Allison K. Spelmeester  
City Clerk

Marilyn Hatley  
Mayor Marilyn Hatley

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

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

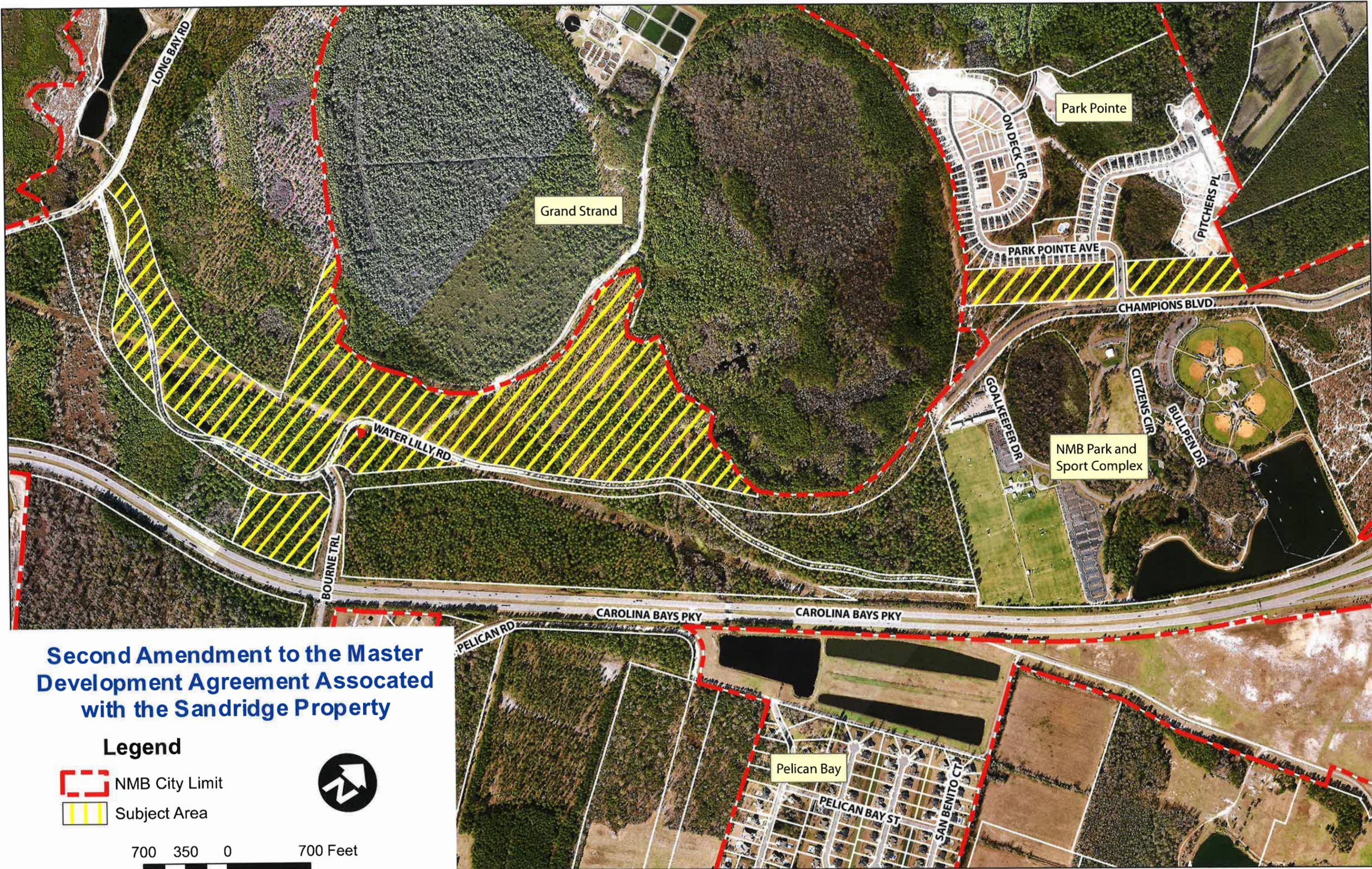
REVIEWED: [Signature]  
City Manager A. Horney  
City Manager

ORDINANCE: 21-15

## **EXHIBIT H**

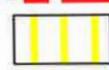
### Description of the Tract 2 and Tract 3 Property

Those certain parcels described as Tract 2, Champions Boulevard, containing 8.87 acres, more or less, (***Tract 2***) and Tract 3, Champions Boulevard, containing 6.57 acres more or less, (***Tract 3***) as set forth on that certain plat entitled “Map of Tract 2 & Tract 3, City of North Myrtle Beach, Horry County, South Carolina, Easement Plat”, prepared for SLF IV/ SBI Sandridge, LLC by DDC Engineers, last revised August 14, 2019 and recorded in Plat Book 288 at Page 241, records of Horry County, South Carolina



## 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.