



AGENDA

Town Council Work Session

Tuesday, March 24, 2026: 3:00 PM

C. Michael Haney Community Room: Southern Pines Police Department
450 W. Pennsylvania Ave

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. TOWN MANAGER'S COMMENTS

4. PUBLIC HEARINGS - LEGISLATIVE

a. AX-01-26: Public Hearing for Annexation of 1.25 acres at 609 Clark Street

Mr. Carter Spencer and Mrs. Annette Spencer are petitioning the Town of Southern Pines for annexation of +/- 1.25 acres of land located at 609 Clark Street. The reason for the annexation is to connect to town water services.

5. CONSENT AGENDA

a. Budget Amendment: Municipal Service District Adjustments

Budget amendment to adjust Municipal Service District collection fees to cover expenditures for FY 2026 due to a higher property valuation than the original estimate available at budget preparation last year.

b. Budget Amendment: Fire Department Overtime

Budget amendment to adjust the Fire Department Overtime budget to cover expected expenditures in FY 2026.

c. Meeting Minutes

Staff has prepared the following minutes for approval:

- February 10, 2026, Town Council Business Meeting Minutes
- February 24, 2026, Town Council Work Session Minutes

6. COUNCIL UPDATES AND DISCUSSION

a. Seaboard Station - Train Depot Revised Lease Agreement

Mr. Kevin Drum requested the following changes to the lease agreement discussed in the February 2026 Work Session:

- In Section 1 of the Lease extend the latest possible commencement date from June 1, 2026 to July 1, 2026.
- In Section 1 add a sentence to read: "If Lessee exercises the option for an additional five (5) year term, the annual rent shall increase by three percent (3%) each and every year of the extension."
- Section 2. The lease shall be deemed amended as of the date the amended version is executed by the Town and Seaboard Speakeasy, LLC. All rights and responsibilities of the parties conferred and actions taken under the Lease adopted in February 2026 remain valid and unaffected by this amendment.

Town Attorney McCarley has reviewed the proposed revisions prior to presentation to the Council.

b. Budget Retreat Preview

Preview of items that will be further discussed as part of the April 2 Council Budget Retreat

7. COUNCIL ROUNDTABLE

8. ADJOURNMENT

Meetings/work sessions of the Southern Pines Town Council are now available on the Town's Website at sopinesnc.info/agendas
Video of the Town Council meetings will be live-streamed on the website for viewing either during the meetings or after they have concluded. Please note, the video is provided only for the purposes of viewing the meetings; public comments or questions are not accepted via the live stream.



MEMO

To: Reagan Parsons, Town Manager
From: Cindy Williams, Planning Technician
Date: March 24, 2026
Re: AX-01-26 Annexation of 1.25 Ac. on Clark Street

I. SUMMARY OF APPLICATION REQUEST:

Carter and Annette Spencer and others are requesting voluntary annexation of a 1.25-acre parcel that is currently outside of the corporate limits of the Town of Southern Pines. Per the Moore County tax record, the subject property is identified as PIN 858200716458 (PARID 99000096) and owned by Carter and Annette Spencer.

II. PRIOR TOWN COUNCIL ACTION:

During the January 20, 2026 Town Council Work Session, the Town Council approved Resolution #1142 Directing the Clerk to Investigate a Petition Received Under G.S. 160A-31.

During the February 24, 2026 Town Council Work Session, the Town Clerk certified the sufficiency of the application and the Town Council approved Resolution #1142A setting March 24, 2026 as the date of the public hearing.

III. PROJECT INFORMATION:

A. Physical Address:

609 Clark Street
Southern Pines, NC 28387

B. Property Owner/Applicant:

Carter and Annette Spencer
615 Clark Street
Southern Pines, NC 28387

C. Property Identification & Parcel Identification Numbers:

PIN 858200716458 (PARID 99000096)

D. Size of Property:

Total area: 1.25 acres

IV. STAFF COMMENTS:

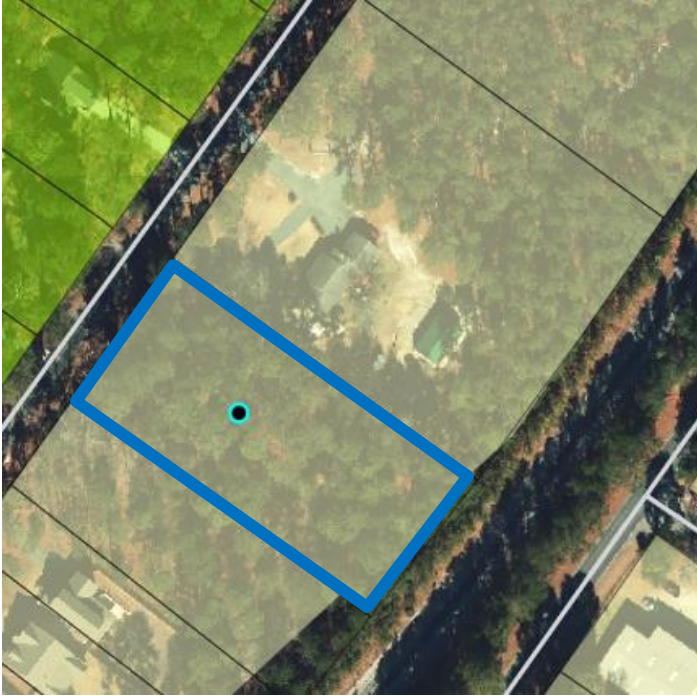
- The applicant has submitted a Petition for Voluntary Annexation of 1.25 acres accompanied by a plat of the subject property recorded on January 14, 2026 in Book 21 Page 106.
- The request is a voluntary request for non-contiguous annexation as it is located between two parcels that are currently outside of the corporate limits of the Town of Southern Pines (see Figure 1).
- The subject property is presently zoned RS-1 (Residential Single-Family) and the adjacent properties are also zoned RS-1.
- The reason for this request for annexation is to connect to Town utilities.

Figure 1: Adjacent Properties (Area to be Annexed Outlined in Red)



 Town of Southern Pines Corporate Limits  Town of Southern Pines ETJ

Figure 2: Zoning Map (Area to be Annexed Outlined in Blue)



V. ATTACHMENTS:

1. Petition
2. Petitioner's Survey of Subject Property
3. Town Legal Description of Subject Property

VI. TOWN COUNCIL ACTION:

To either approve or deny the voluntary annexation, the Town Council may choose one of the following motions or any alternative they wish:

- 1) I move to adopt an Ordinance approving voluntary annexation request AX-01-26 for the property as defined in the submitted legal description and to have the Ordinance effective immediately.

-or-

- 2) I move to deny voluntary annexation request AX-01-26 for the property as defined in the submitted legal description.

SUBMITTAL REQUIREMENTS:

- Completed Petition for Voluntary Annexation (attached).** Petition signed with original wet ink by the owners of all real property located within the subject area to be considered for annexation.
- Legal Description.** Written metes and bounds legal description of the subject property.
- Accurate Map.** Provide a survey or accurate map of subject property.
- Electronic copy (.pdf) of all application materials.** E-mail to admin@southernpines.net.
- NCGS § 160A-31** governs the Town's authority to annex property by a voluntary petition.

REVIEW & APPROVAL PROCESS:

- **Submittal (2nd Monday – month #1 of process):** Submit a packet as detailed above to the Town Clerk no later than close of business on the 2nd Monday of the month. Hard copies shall be submitted in person or by mail to: Town Clerk, Town of Southern Pines Administration Dept., 125 SE Broad St., Southern Pines, NC 28387.
- **Review by Staff:** Town staff will review the petition to ensure all required materials are submitted and properly executed. If the petition is complete, staff will forward it, along with a report, to the Town Council for review at their work session (4th Monday of the same month a complete application is submitted).
- **Town Council Work Session (4th Monday of month #1):** Staff and the petitioner will present the details of the petition to the Town Council. The Council will vote on a Resolution Directing the Town Clerk to Investigate the Sufficiency of a Petition for Annexation.
- **Investigation by Town Staff:** The Town Clerk will investigate the sufficiency of the petition per North Carolina General Statute §160A-31 and prepare a Certificate of Sufficiency.
- **1st Town Council Regular Meeting (2nd Tuesday of month #2):** The Town Council will receive the Certificate of Sufficiency and vote on a resolution scheduling a public hearing for the petition.
- **Legal Notice:** Town staff will publish a notice of the public hearing in the newspaper, at least 10 days prior to the date of the public hearing.
- **2nd Town Council Regular Meeting (2nd Tuesday of month #3):** The Town Council will hold a public hearing to receive public comment on petition and then vote to either approve or deny the petition. If approved, the annexation generally becomes effective the same day.

Application for VOLUNTARY ANNEXATION

To the Town Council of the Town of Southern Pines, North Carolina:

- 1, I/We the undersigned owner(s) of real property respectfully request that the area described in the attached Exhibit A be annexed to the Town of Southern Pines.
- 0, The area to be annexed is **contiguous** to the Town of Southern Pines and the boundaries of such territory are described in the attached metes and bounds description, Exhibit A.
- 1, The area is identified as PIN: 858 200716 458; PARID: 09 0000 96.

Property Owner(s):

Print Name: Clark Spencer

Name: Clark Spencer

Signature: Clark Spencer

Address: 615 Clark St So. Pines NC

Print Name: Annette Spencer

Name: Annette Spencer

Signature: Annette Spencer

Address: 615 Clark St
Southern Pines NC 28387

Print Name: _____

Name: _____

Signature: _____

Address: _____

Print Name: _____

Name: _____

Signature: _____

Address: _____

(Duplicate this form to add names, addresses and signatures of property owners, as necessary.)

(<https://www.moorecountync.gov/gis/>)



Search Results Layers

Results List

Details

Soil Report
 (<https://gis.moorecountync.gov/MooreSoilReport/soilreport.aspx?PARID=99000096>)
 Tax Bill Information
 (<https://bttaxpayerportal.com/ITSPublicMO/TaxBillSearch>)

Parcel ID: 99000096
 PIN: 858200716458
 Owner's Name: SPENCER, CARTER T
 Owner's Name 2: SPENCER, ANNETTE J & OTHERS
 Mailing Address: 615 CLARK ST
 Mailing Address 2:
 City: SOUTHERN PINES
 State: NC
 Zip: 28387
 Tax Jurisdiction: A
 Description: SPENCER LAND LOT 2
 Township: 07
 Neighborhood: 748
 Transaction Date: 06/13/2023
 Deed Book: 6029

Buffer



I, DAVID R. ESSICK, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL GPS/GNSS SURVEY MADE UNDER MY SUPERVISION AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THE SURVEY:

- (1) CLASS OF SURVEY: CLASS A
- (2) POSITIONAL ACCURACY: <0.10'
- (3) TYPE OF GPS FIELD PROCEDURE: RTK NETWORKS
- (4) DATES OF SURVEY: DECEMBER 17, 2025
- (5) DATUM/EPOCH: NAD83(2011)
- (6) PUBLISHED/FIXED-CONTROL USE: NC CORS
- (7) GEOID MODEL: ContinentalUS_NGS2012B
- (8) COMBINED GRID FACTOR(S): 0.99998184
- (9) GPS / GNSS SCALE POINT:
N: 521,596.98' E: 1,887,506.20' Z: 448.25'
- (10) UNITS: US SURVEY FEET

I, DAVID R. ESSICK, PROFESSIONAL LAND SURVEYOR, CERTIFY:

IN ACCORDANCE WITH NC GENERAL STATUTE 47-30(11c.1), THAT THE SURVEY IS OF AN EXISTING PARCEL OR PARCELS OF LAND OR ONE OR MORE EXISTING EASEMENTS AND DOES NOT CREATE A NEW STREET OR CHANGE AN EXISTING STREET. FOR THE PURPOSE OF THIS SUBSECTION, AN "EXISTING PARCEL" OR "EXISTING EASEMENT" IS AN AREA OF LAND DESCRIBED IN A SINGLE, LEGAL DESCRIPTION OR LEGALLY RECORDED SUBDIVISION THAT HAS BEEN OR MAY BE LEGALLY CONVEYED TO A NEW OWNER BY DEED IN ITS EXISTING CONFIGURATION.

I, DAVID R. ESSICK, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN (SEE REFERENCE TABLE), ETC.) (OTHER), THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION FOUND IN (SEE REFERENCE TABLE), THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY AS CALCULATED IS 1:10,000+ THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED, WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL.

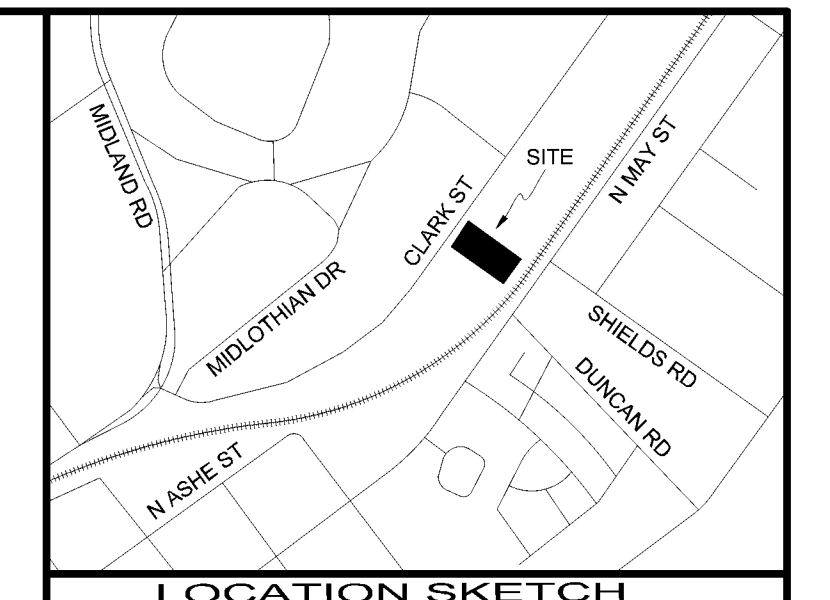
THIS THE 13TH DAY OF JANUARY, A.D., 2026.

David R. Essick
 PROFESSIONAL LAND SURVEYOR L-5423



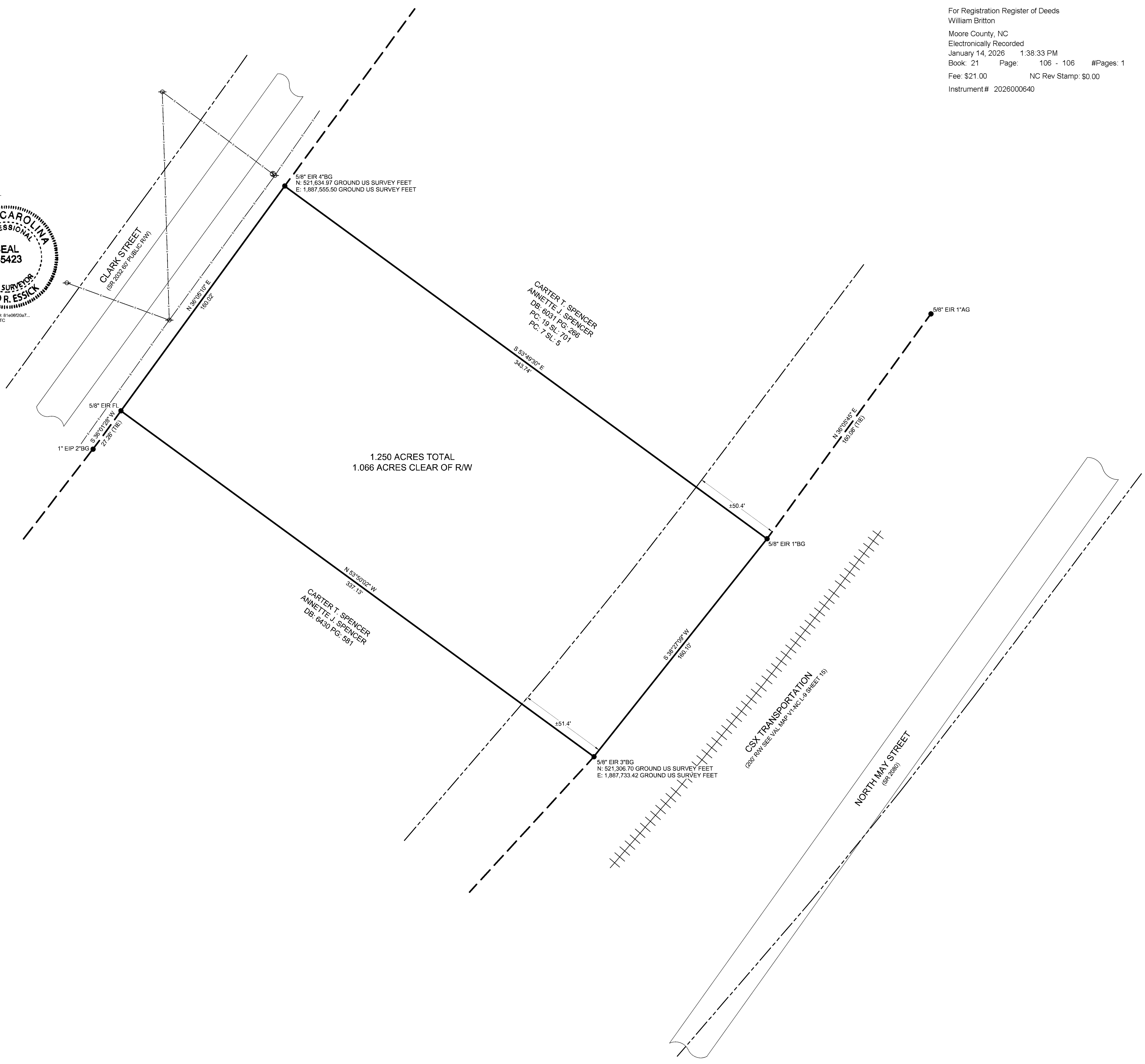
SignNow e-signature ID: 8140920a7...
01/13/2026 16:22:45 UTC

For Registration Register of Deeds
 William Britton
 Moore County, NC
 Electronically Recorded
 January 14, 2026 1:38:33 PM
 Book: 21 Page: 106 - 106 #Pages: 1
 Fee: \$21.00 NC Rev Stamp: \$0.00
 Instrument# 2026000640



LEGEND OF SYMBOLS AND ABBREVIATIONS

- CP ▲ COMPUTED POINT
- EA ■ EXISTING AXLE
- ECM ■ EXISTING CONCRETE MONUMENT
- EIP ● EXISTING IRON PIPE
- EIR ● EXISTING IRON ROD
- NIR ○ NEW IRON ROD
- NIP ○ NEW IRON PIPE
- FIRE HYDRANT
- GAS VALVE
- POWER POLE
- LIGHT POLE
- SANITARY SEWER MANHOLE
- STORM MANHOLE
- TELEPHONE PEDESTAL
- TRANSFORMER
- WATER METER
- WATER VALVE
- WELL
- CLEAN OUT
- AG ABOVE GRADE
- BG BELOW GRADE
- CB CATCH BASIN
- CL CENTERLINE
- CO CLEAN OUT
- CMP CORRUGATED METAL PIPE
- CPP CORRUGATED PLASTIC PIPE
- DI DROP INLET
- EJB ELECTRIC JUNCTION BOX
- EM ELECTRIC METER
- EMN EXISTING MAG NAIL
- EN EXISTING NAIL
- EOP EDGE OF PAVEMENT
- EPK EXISTING PK NAIL
- ERRS EXISTING RAILROAD SPIKE
- FO FIBER OPTIC
- FL FLUSH WITH GRADE
- ICV IRRIGATION CONTROL VALVE
- MBS MINIMUM BUILDING SETBACKS
- NIF NOW OR FORMERLY
- NMN NEW MAG NAIL
- RCP REINFORCED CONCRETE PIPE
- RW RIGHT-OF-WAY
- TBC TOP BACK CURB
- TOC TOE OF CURB
- YI YARD INLET
- SURVEYED PROPERTY BOUNDARY
- COMPUTED / ADJOINER PROPERTY LINE
- RIGHT-OF-WAY
- TIE LINE
- SETBACK LINES
- SANITARY SEWER LINE
- STORM LINE
- WATER LINE
- FENCE
- OVERHEAD ELECTRIC LINES
- EASEMENTS



1.250 ACRES TOTAL
 1.066 ACRES CLEAR OF R/W

- NOTES:
1. THIS PROJECT IS NOT LOCATED WITHIN A SPECIAL FLOOD HAZARD AREA PER NCFRIS. MAP # 371088202J EFFECTIVE DATE: OCTOBER 17, 2006
 2. ACREAGE DETERMINED BY COORDINATE METHOD
 3. ALL LINES SURVEYED BY DZT LAND SURVEYING, PLLC ARE SHOWN BY BOLD LINES. ALL LINES NOT SURVEYED ARE INDICATED BY DASHED LINES.
 4. TAX PARCEL ID: 99000096
 5. ZONING: RS-1
 6. PUBLIC WATER SUPPLY WATERSHED: WS-III LITTLE RIVER (INTAKE NO. 2)
 7. NO ATTEMPT WAS MADE BY THIS SURVEY TO LOCATE ALL UNDERGROUND UTILITIES NOR ANY OTHER EASEMENTS OR CONVEYANCES THAT WOULD BE REVEALED BY A TITLE SEARCH
 8. VERIFY MINIMUM BUILDING SETBACKS BEFORE CONSTRUCTION.
 9. LOCATION OF UNDERGROUND UTILITIES, IF SHOWN, ARE BASED ON VISIBLE EVIDENCE AND DRAWINGS PROVIDED TO THE SURVEYOR. LOCATION OF UNDERGROUND UTILITIES AND STRUCTURES MAY VARY FROM SHOWN LOCATIONS. ADDITIONAL UTILITIES MAY EXIST. LOCAL UTILITY COMPANIES SHOULD BE CONSULTED FOR FURTHER INFORMATION ON UTILITIES AFFECTING THE PROPERTY.

EXISTING PARCEL SURVEY FOR:
SHERELLE SPENCER
 JANUARY 13, 2026
 TOWN OF SOUTHERN PINES ETJ
 MCNEILL TOWNSHIP
 MOORE COUNTY, NORTH CAROLINA

0 30 60 90
 SCALE 1"=30'

REFERENCE TABLE: DEED BOOK 6430, PAGE 581
 PLAT CABINET 7, SLIDE 5
 MOORE COUNTY REGISTRY

PROPERTY ADDRESS: 609 CLARK STREET
 SOUTHERN PINES, NC 28387

OWNER'S ADDRESS: CARTER T. SPENCER
 ANNETTE J. SPENCER
 615 CLARK STREET
 SOUTHERN PINES, NC 28387

DZT
 LAND SURVEYING, PLLC NC FIRM: P-2686
 SUITE 5 7500 NC HWY 15501 WEST END, NC 27376
 JOB#: 3298

BEGINNING at an existing iron pipe located at N: 521,634.97 E: 1,887,555.50 along the Southeastern right of way of Clark Street, S 53°59'30" E 343.74 feet to an existing iron rod, thence S 38°27'09" W 160.10 feet to an existing iron rod located at N: 521,306.70 E: 1,887,733.42, thence N 53°50'02" W 337.13 feet to an existing iron rod along the Southeastern right of way of Clark Street, thence N 36°05'10" E 160.02 feet to the BEGINNING, containing 1.25, acres more or less, as described on the map entitled "Existing Parcel Survey For: Sherelle Spencer" dated January 13, 2026, Moore County Register of Deeds Plat Cabinet 21 Page 106



ORDINANCE #3170
TO EXTEND THE CORPORATE LIMITS OF THE TOWN OF SOUTHERN PINES,
NORTH CAROLINA AX-01-26; 609 Clark Street

THAT WHEREAS, the Town Council has been petitioned under G.S. 160A-31 as amended to annex the area described herein; and

WHEREAS, the Town Council has by resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation, AX-01-26, was scheduled to be held in regular session of the Town Council at the Southern Pines Police Station at 3:00 P.M. on the 24th day of March, 2026, after due notice by publication; and

WHEREAS, after the completion of said public hearing and upon consideration of any comments, objections or presentation at that hearing, and

WHEREAS, based on the certification of the Town Clerk and other information presented at said hearing, Council finds it proper and in the best interest of the Town to annex the following parcel according to the requirements of G.S. 160A-31:

BEGINNING at an existing iron pipe located at N: 521,634.97 E: 1,887,555.50 along the Southeastern right of way of Clark Street, S 53°59'30" E 343.74 feet to an existing iron rod, thence S 38°27'09" W 160.10 feet to an existing iron rod located at N: 521,306.70 E: 1,887,733.42, thence N 53°50'02" W 337.13 feet to an existing iron rod along the Southeastern right of way of Clark Street, thence N 36°05'10" E 160.02 feet to the BEGINNING, containing 1.25, acres more or less, as described on the map entitled "Existing Parcel Survey For: Sherelle Spencer" dated January 13, 2026, Moore County Register of Deeds Plat Cabinet 21 Page 106

A map of the area herein described is provided with this Ordinance as Attachment A.

NOW, THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Southern Pines, North Carolina in regular session this 24th day of March, 2026:

Section 1. By virtue of the authority granted by G.S. 160A-31, as amended, the above-described territory is hereby annexed and made part of the Town of Southern Pines as of the 24th day of March, 2026.

Section 2. Upon and after the 24th day of March, 2026, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Southern Pines and shall be entitled to the same privileges and benefits as other parts of the Town of Southern Pines. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Town Clerk of the Town of Southern Pines shall cause to be recorded in the office of the Register of Deeds of Moore County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof.

Such a map shall also be delivered to the County Board of Elections as required by G.S. 163-288.1.

Section 4. This Ordinance shall be and remain in full force and effect from and after the date of its adoption.

Adopted this 24th day of March, 2026.

I certify that this Ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting on March 24, 2026, as shown in the Minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

DRAFT



ORDINANCE #3171
AMEND THE MUNICIPAL SERVICE DISTRICT SPECIAL REVENUE FUND BUDGET

BE IT ORDAINED, by the Town of Southern Pines Town Council, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following special revenue fund budget is hereby amended:

Section 1: The project authorized is the Municipal Service District #1, described in Ordinance #1993, dated the 12th of April, 2022 and approved at two meetings, May 10th, 2022 and June 14th, 2022.

Section 2: The officers of this unit are hereby directed to proceed with the project within the terms of the ordinance documents, the rules and regulations of the appropriate state laws and the budget contained herein.

Section 3: The following additional revenue is anticipated to be available for this project:

Ad Valorem Tax Revenue	<u>\$ 8,944</u>
Total Additional Project Revenues	<u>\$ 8,944</u>

Section 4: The following additional amount is appropriated for the project:

Collection Fee	<u>\$ 8,944</u>
Total Additional Project Appropriation	<u>\$ 8,944</u>

Section 5: The Finance Officer will hereby maintain a separate special revenue fund for the Municipal Service District project. The Finance Officer is hereby directed to maintain within the Special Revenue Fund sufficient specific detailed accounting records to provide accounting to the agency required by the agreement and federal and state regulations.

Section 6: Copies of the special revenue project ordinance shall be made available to the Finance Officer for direction in carrying out this project.

Section 7: The Finance Officer is directed to report annually on the financial status of each project element in Section 4 and on the total revenues received or claimed.

Section 8: The Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this project in every budget submission made to this council.

Section 9: This amended ordinance becomes effective March 24, 2026.

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of March 24, 2026 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk



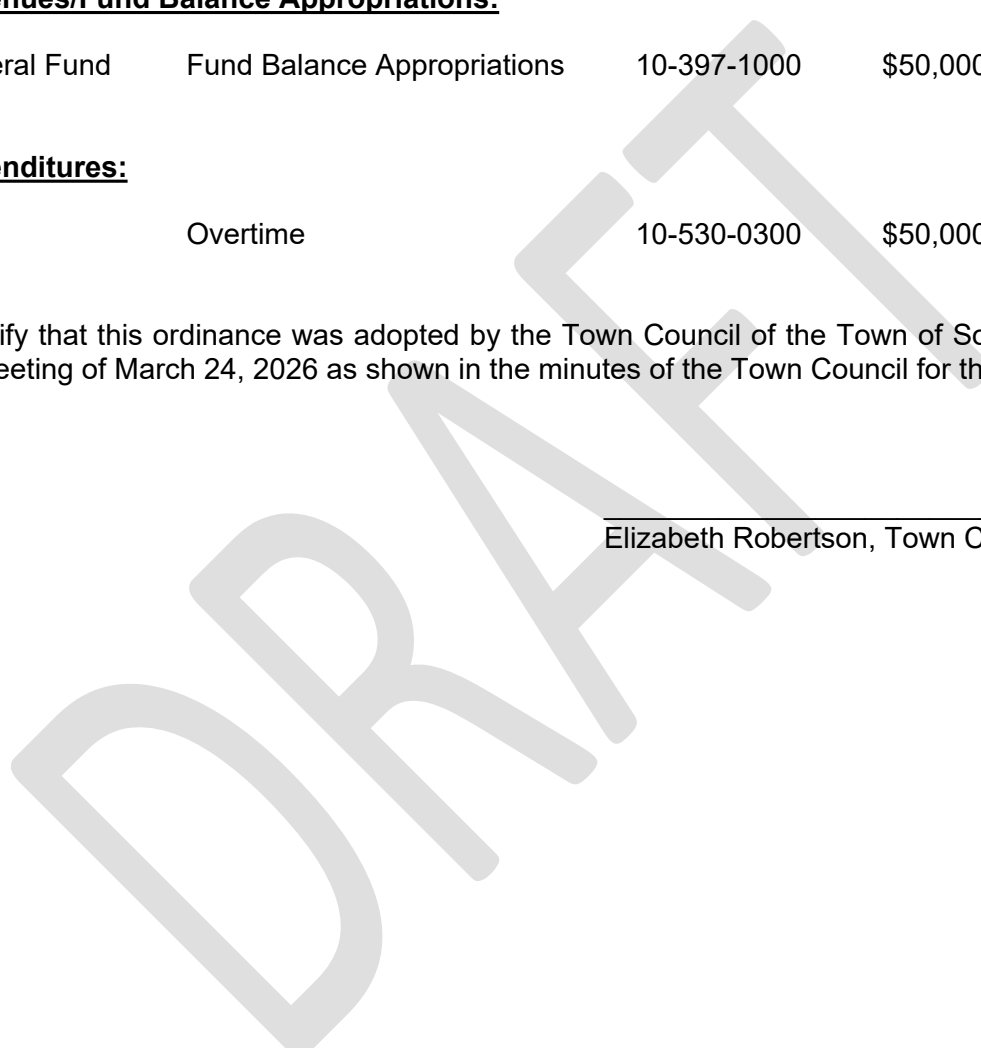
ORDINANCE #3172
AMEND THE 2025-2026 FISCAL YEAR BUDGET
Fire Department Overtime

BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Southern Pines in regular session assembled this 24th day of March, 2026 that the Operating Budget for the Fiscal Year 2025-2026 be and hereby is amended as follows:

<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>CODE</u>	<u>INCREASE</u>	<u>DECREASE</u>
<u>Revenues/Fund Balance Appropriations:</u>				
General Fund	Fund Balance Appropriations	10-397-1000	\$50,000	
<u>Expenditures:</u>				
Fire	Overtime	10-530-0300	\$50,000	

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of March 24, 2026 as shown in the minutes of the Town Council for that date.

 Elizabeth Robertson, Town Clerk





MINUTES

Tuesday, February 10, 2026: 6:00 PM

Town Council Business Meeting

E.S. Douglass Community Center: 1185 W. Pennsylvania Ave

1. CALL TO ORDER

Mayor Clement called the meeting to order. The following members of Town Council were present: Mayor Taylor Clement; Bill Pate; Ann Petersen; Debra Gray; and Brandon Goodman.

2. PLEDGE OF ALLEGIANCE

3. TOWN MANAGER'S COMMENTS

Town Manager Reagan Parsons reviewed the agenda.
Discussion ensued.

a. Adoption of Agenda

Mayor Pro Tem Pate moved to approve the meeting agenda, seconded by Councilmember Petersen; the vote was unanimous.

Motion passed.

4. PUBLIC COMMENTS

Dorothy Brower addressed the Council regarding event rentals.

5. CONSENT AGENDA

Mayor Pro Tem Pate moved to approve the Consent Agenda, seconded by Councilmember Gray; the vote was unanimous.

Motion passed.

a. Budget Amendments: Reservoir Dam

Recognizing interest and a portion of Q1 sales tax exceeding budgeted amounts, then appropriating these revenues and monies from the Garage CPF to the Reservoir Dam project to allow for water level controls

b. Budget Amendments: Whitehall Carriage House & Town Hall Loan Payment

Recognizing interest and sales tax revenues, then appropriating them to an installment loan payment for the Town Hall and the Whitehall CPF toward the Carriage House project

c. Resolution #1144 - Request to NCDOT to Lower the Speed Limit on Airport Road north of the Airport/22 Traffic Circle adjacent to the Caropines subdivision located in Southern Pines.

d. Meeting Minutes

Staff has prepared the following meeting minutes for approval:

- January 13, 2026, Town Council Business Meeting
- January 20, 2026, Town Council Work Session Meeting

6. ACTION ITEMS

a. Comprehensive Plan Phase 3 Implementation Projects

At the January 20, 2026 Work Session the Planning Director presented a draft list of projects for Phase 3 of implementing the 2023 Comprehensive Plan. Planning staff are seeking Town Council approval of a final list of projects.

Mayor Clement opened the item.

Planning Director Grieve presented the staff report to the Council. Councilmember Curtin's comments were addressed at the end of the report.

Discussion ensued regarding Councilmember Curtin's comments that a new survey is needed and that community members need to be more involved.

Discussion ensued regarding Councilmember Petersen's questions around Phase II Goal #7 to encourage more workforce housing.

Councilmember Gray moved to approve the Comprehensive Plan Phase 3 Implementation Projects, seconded by Mayor Pro Tem Pate; the vote was unanimous.

Motion passed.

7. PUBLIC HEARINGS - LEGISLATIVE

a. Character District Amendments to Zoning Map and UDO (Continued from Nov. 6, 2026 Meeting)

A continuation of a legislative public hearing that first began at the November 12, 2024 meeting and that has been continued six times. The public hearing is regarding the creation of a Downtown Character District and a West Southern Pines Character District. Date on Agenda to be corrected to November 6, 2025.

Senior Planner James Broadwell presented the 2 amendments and staff recommendations to the Council.

Discussion ensued after Councilmember Petersen questioned if anyone knew about the Town's lobbying for a decision or whether exceptions were given.

Mayor Pro Tem Pate moved that after considering the criteria for a map amendment found in UDO §2.17.9, the first of which is consistency with the Comprehensive Plan, the Town Council finds that the proposed map amendment (Z-04-24) is consistent with the Comprehensive Plan but is inconsistent with North Carolina Session Law 2024-57 (Senate Bill 382), given the nonconformities it would create in the Southern Pines jurisdiction. The motion was seconded by Councilmember Gray and the vote was unanimous.

Motion passed.

Mayor Pro Tem Pate then moved to deny Z-04-24 in order to prevent inconsistencies between the Southern Pines Unified Development Ordinance and North Carolina General

Statute, seconded by Councilmember Gray; the vote was unanimous.
Motion passed.

Mayor Pro Tem Pate moved that after considering the criteria for text amendments found in UDO §2.17.10, the first of which is consistency with the Comprehensive Plan, the Town Council finds that the proposed text amendments (OA-04-24) are consistent with the 2040 Comprehensive Plan, but are inconsistent with North Carolina Session Law 2024-57 (Senate Bill 382), given the nonconformities they would create in the Southern Pines jurisdiction. The motion was seconded by Councilmember Gray; the vote was unanimous.
Motion passed.

Mayor Pro Tem Pate then moved to deny OA-04-24 in order to prevent inconsistencies between the Southern Pines Unified Development Ordinance and North Carolina General Statute, seconded by Councilmember Gray; the vote was unanimous.
Motion passed.

b. Landscaping & Tree Protection Amendments to UDO (Continued from Nov. 6, 2025 Meeting)

A continuation of a legislative public hearing that first began at the November 12, 2024 meeting and that has been continued six times. The public hearing is regarding proposed amendments to the UDO covering topics related to landscaping and tree protection requirements for new commercial development and subdivisions.

Senior Planner Broadwell presented the item to the Council.

Discussion ensued after Councilmember Petersen asked that staff confirm that Cherry Laurels be removed from the approved list and staff confirmed.

Mayor Pro Tem Pate moved that after considering the criteria for text amendment found in UDO §2.17.10, the first of which is consistency with the Comprehensive Plan, the Town Council finds that the proposed text amendments are consistent with the Comprehensive Plan and are a reasonable way to implement the Comprehensive Plan for the reasons set forth in the Planning Board’s resolution that is included as an attachment to the staff report for OA-03-24, but only with certain changes to ensure consistency with North Carolina Session Law 2024-57. The motion was seconded by Councilmember Gray and the vote was unanimous.
Motion passed.

Mayor Pro Tem Pate moved to approve only the amendments within OA-03-24 as follows:

1. Strike UDO Appendix F, Section F-10, subsections a) through f) as well as Sections F-11 through F-16, as shown, and
2. Add the chart listing recommended small trees, large trees, small shrubs, and large shrubs under UDO Appendix F Section F-10, as shown except for:
 - o the proposed small tree number 23, and
 - o the proposed large tree number 20, and
3. Strike the sentence “Sections F-11 through F-16 contain descriptions of the trees and

shrubs listed here” from Appendix F Section F-10.

The motion was seconded by Councilmember Gray and the vote was unanimous.

Motion passed.

c. Waiting Periods, Signs & Appendix B Amendments to the UDO

The Town of Southern Pines Planning Department is proposing UDO text amendments that remove prohibited waiting periods for refiling applications, align temporary political sign regulations with state law, and update Appendix B to reflect recent state legislation and technical standards, including pavement design, roadway testing, ADA compliance, and sight distance measurements. The Planning Board has recommended approval of the proposed amendments.

Mayor Clement opened the hearing.

Planning Director BJ Grieve presented the item and staff report to the Council.

Councilmember Curtin questioned how the regulations are disseminated to the public and was told that our staff and Moore County Board of Elections will give out the information prior to the election.

Town Engineer James Michel presented details regarding the engineering standards addressing road standards in the request.

Discussion ensued. The time frame for signs to remain up after an election was amended to 7 days.

Public comments were requested and none voiced.

Mayor Pro Tem Pate moved that, after considering the criteria found in UDO 2.17.10, I find the proposed text amendments are consistent with the Comprehensive Plan and are a reasonable way to implement that plan for the reasons set forth in the planning board's resolution that was included as an attachment to the Staff Report for OA-01-26.

Councilmember Curtin seconded the motion and the vote was unanimous.

Motion passed.

Mayor Pro Tem moved to approve the proposed amendments to the UDO as shown on the attachments to Staff Report OA-01-26 in the February 10, 2026, Town Council meeting packet with the following additional changes to revise 4.6.16F reducing the number of days upon which political signs must be removed following an election from 10 to 7.

Councilmember Curtin seconded the motion and the vote was unanimous.

Motion passed.

8. ADJOURNMENT

Upon motion by Councilmember Petersen, seconded by Councilmember Gray and carried unanimously, Council adjourned at 7:45 pm.

Motion passed.

Respectfully submitted:

Elizabeth Robertson, Town Clerk

DRAFT



MINUTES

Town Council Work Session

Tuesday, February 24, 2026: 3:00 PM

C. Michael Haney Community Room: Southern Pines Police Department
450 W. Pennsylvania Ave

1. CALL TO ORDER

Mayor Clement called the meeting to order. The following members of Town Council were present: Mayor Taylor Clement; Bill Pate; Ann Petersen; Debra Gray; and Bob Curtin.

2. PLEDGE OF ALLEGIANCE

3. TOWN MANAGER'S COMMENTS

Town Manager Reagan Parsons provided an overview of the meeting agenda.

4. ACTION ITEMS

a. Sandhills Bogeys User Agreement

This is a final draft agreement for the Sandhills Bogeys to operate at Southern Pines Sport Park.

Recreation Director Greg Thompson and Town Attorney Mac McCarley presented the final draft user agreement for the Sandhills Bogeys to operate at Southern Pines Sport Park. Recreation Director Thompson explained that the town maintains priority for all open times, with the Bogeys managing rental agreements for other groups during available periods.

Mayor Clement asked about rental operations and revenue sharing on naming rights. Town Attorney McCarley explained that for the first five years, the Bogeys retain naming rights revenue with town approval over names, and after year five, revenue goes back into field improvements rather than general fund or to the Bogeys.

Councilmember Curtin inquired about field maintenance responsibilities. Recreation Director Thompson clarified that the town continues current maintenance except for the infield, which the Bogeys will convert to grass and maintain. He confirmed that youth baseball engagement opportunities exist and that alcohol sales, critical to the Bogeys' financial model, will be addressed through upcoming policy changes.

Councilmember Petersen raised detailed questions about the agreement terms, including force majeure provisions, parking lot requirements, game day operations, and porta john arrangements. She noted concerns about seasonal porta johns and their impact on neighboring residents. Recreation Director Thompson explained that the Bogeys will use trailer-style facilities and handle their own arrangements.

Councilmember Petersen also questioned sewage infrastructure, septic tank maintenance, and the potential for future sewer line installation. Town Engineer James Michel explained the challenging topography and costs involved in bringing sewer service to the site, noting ongoing FEMA discussions for the Longleaf dam sewer relocation project.

Mayor Pro Tem Pate asked about field configuration compatibility with different league requirements. Recreation Director Thompson confirmed the field will accommodate various base distances with portable mounds when needed.

Town Attorney McCarley agreed to amend the agreement to clarify that town access exceptions apply in section 9b and to define "superintendent" in the tree removal section.

Mayor Pro Tem Pate moved to approve the Sandhills Bogeys user agreement as amended by Town Attorney McCarley's comments. Councilmember Petersen seconded. Motion carried unanimously.

Motion passed.

b. Seaboard Station - Train Depot Lease

A presentation will be offered by Kevin Drum regarding his speakeasy concept and a lease allowing for the unfit and eventual operation will be considered.

Assistant Town Manager Cameron presented the train depot lease on behalf of Kevin Drum, who was unable to attend. He reported that Mr. Drum has reviewed and approved the contract as stated and is currently in the design phase with a tentative April 1st contractor start date and June 1st opening target.

Mayor Clement asked about inflation indexing for renewals. Town Attorney McCarley suggested adding a 3% annual increase starting with the five-year renewal period after the initial two-year term.

Councilmember Curtin inquired about alcohol service impacts and safety considerations. Assistant Town Manager Cameron explained that the previous operator (305 Trakside) had similar operations, and Police Chief Cameron is well-versed in the licensing and oversight processes required.

Councilmember Petersen asked about rent proration if opening occurs mid-month. Town Attorney McCarley confirmed the agreement includes daily proration based on actual opening date.

Councilmember Curtin moved to approve the lease as amended by Town Attorney McCarley. Councilmember Petersen seconded. Motion carried unanimously.

Motion passed.

c. Budget Amendments: Close Water Treatment Process Modernization Fund and Open Water Treatment Process Modernization-Phase II Fund

Closing Water Treatment Process Modernization Fund since phase I projects have been completed and capitalized. Transfer the remaining balance to a new Water Treatment Process Modernization - Phase II Fund to track phase II of these improvements.

Town Manager Reagan Parsons explained this budget amendment closes an existing fund containing completed water treatment plant projects and opens a new fund for future projects, allowing for clean accounting moving forward. The amendment involves no additional fund transfers, simply closing one account and moving remaining funds to track new projects.

Mayor Pro Tem Pate moved to approve the budget amendments regarding the closed Water Treatment Process Modernization Fund and open Water Treatment Process Modernization Phase 2 Fund. Councilmember Petersen seconded. Motion carried unanimously.

Motion passed.

d. Approve Resolution #1145 - Setting a Public Hearing Date for Annexation Petition AX-01-26: 609 Clark Street

Mr. Carter Spencer and Mrs. Annette Spencer are petitioning the Town of Southern Pines for annexation of +/- 1.25 acres of land. Per Resolution #1142 — Directing the Clerk to Investigate a Petition Received Under G.S. 106A-31, the Clerk has certified the sufficiency of the application and the application is ready for a hearing date to be set.

Town Manager Parsons reported that Mr. Carter Spencer and Mrs. Annette Spencer are petitioning for annexation of approximately 1.25 acres. The Clerk has certified the sufficiency of the application following Resolution #1142, and the application is ready for a public hearing date.

The public hearing was scheduled for the March 24th work session due to required notice timing.

Mayor Pro Tem Pate moved to approve resolution #1145 regarding the setting of a public hearing date for annexation petition AX-01-26. Councilmember Gray seconded. Motion carried unanimously.

Motion passed.

e. Adoption of Water and Sewer Asset Management Plan (AMP) and Capital Improvement Plan (CIP)

The Engineering Consultant WithersRavenel has been working to complete two Asset Inventory and Assessment (AIA) grants. WithersRavenel will present a summary of their work and findings which include an Asset Management Plan (AMP) and Capital Improvement Plan (CIP). To close out the project with the funding agency, the AMP and CIP must be adopted by Council.

Town Engineer James Michel introduced Eddie Staley from WithersRavenel, the engineering firm that assisted with obtaining AIA grants and performed the asset management work. Mr. Staley presented comprehensive findings on both sewer and water systems.

Sewer System Presentation: Mr. Staley reported excellent system conditions with 64% in very good condition and 19% in good condition for gravity mains. The assessment covered 151 miles of sanitary sewer representing approximately \$250 million in assets. He explained risk analysis based on likelihood of failure times consequence of failure, noting that 100% of force mains show high consequence due to pressurized wastewater impacts.

Mr. Staley discussed level of service standards, recommending management to a 5-year design storm standard rather than 2-year minimum or costly 10-year standards. Hydraulic modeling showed areas approaching capacity during storm events, with some pipes flowing 75-99% full (orange) or nearly full (red) during 5-year storm conditions.

The 10-year Capital Improvement Plan recommends continuing annual rehabilitation funding of \$400-500,000, consistent with previous recommendations from six years ago. Priority projects include the Longleaf dam sewer relocation (\$1.8 million) necessitated by Hurricane Chantel damage, where the existing line is currently suspended after the dam washed away.

Water System Presentation: The water distribution system includes 253 miles of line and 5,000 valves, representing approximately \$300 million in assets. Mr. Staley reported exceptional conditions with nothing in the very poor category. Less than 1% of fire hydrants are in extreme risk category, with most critical assets being aged hydrants requiring replacement.

The water system CIP recommends new annual rehabilitation funding of \$160-175,000, as this was the first comprehensive water system assessment. Town Manager Reagan Parsons noted this differs from sewer funding as the water system has been managed through project-based capital funds rather than dedicated annual rehabilitation.

Councilmember Petersen asked numerous technical questions about pipe materials, with Town Engineer Michel explaining that PVC is preferred for most applications due to flexibility and maintenance advantages, with ductile iron used for larger transmission mains.

Mr. Staley emphasized that maintaining and updating the asset management plan creates a roadmap for prioritizing projects and positions the town competitively for grant funding opportunities. Town Engineer Michel noted recent success securing a \$5 million grant/loan combination for rehabilitation work.

Mayor Pro Tem Pate moved to adopt the water and sewer asset management plan as well as the capital improvement plan as presented. Councilmember Gray seconded. Motion carried unanimously.

Motion passed.

5. COUNCIL UPDATES AND DISCUSSION

a. American 250 Patriots Marker

The [Alfred Moore Chapter](#) of the National Society Daughters of the American Revolution (DAR) would like to donate a commemorative plaque at Town Hall. This is an initiative of the national chapter to honor the 250th anniversary of the United States and to recognize local Patriots of the Revolutionary War. They seek formal authorization by the Town to submit to the national organization. A chapter representative will attend the work session.

Assistant Town Manager Jessica Roth introduced Marsha Jacobs, Regent of the Alfred Moore Chapter, Daughters of the American Revolution. Ms. Jacobs presented two project proposals to commemorate the 250th anniversary of the United States.

Project One - American Flag Donation: Ms. Jacobs proposed donating a 4x6 American flag and commemorative marker (14x11 inches) for the new Town Hall dedication. The marker would be mounted on the seating wall and acknowledge the donation by the DAR chapter. The project is fully funded by the Alpha Moore Chapter, with an estimated June 1st dedication date for application timing.

Project Two - Revolutionary War Patriots Marker: Ms. Jacobs proposed a freestanding patriot marker commemorating Revolutionary War patriots, noting the area's historical significance with migration routes including the PD Road, Yadkin Trail, and Old Buffalo Trail bringing Highland Scots and other nationalities between the 1760s and 1774. The marker requires six months minimum for National DAR approval and research verification, plus two months production time.

Councilmember Gray expressed concerns about DAR's historical reputation in the Black community while acknowledging the organization's current inclusivity efforts. Ms. Jacobs responded by explaining the organization's specialty research programs for diverse ancestry including African American patriots, noting she is currently working on applications for African American members.

Councilmember Gray suggested incorporating more inclusive language to represent the entire town, given that Town Hall serves all residents. She requested private discussions to explore options for broader community representation.

The council agreed to make decisions on both projects at the March 10th meeting to allow time for continued discussions and refinement of the proposals.

b. Town Hall Status Report

Staff will update the Council regarding progress on the new Town Hall facility.

Assistant Town Manager Cameron provided a comprehensive update on Town Hall construction progress. The project is divided into three phases: completed exterior repairs, ongoing entryway upgrades (50% complete pending parts delivery), and council chambers construction requiring significant demolition and design work around unexpected building supports and electrical challenges.

Staff is managing furniture orders, IT infrastructure including fiber installation, and developing a phased move-in plan starting with upper floors before public-facing departments. The goal remains to populate floors gradually to test systems before full occupancy, with public notification campaigns planned once firm dates are established.

Assistant Town Manager Cameron expressed confidence in June 1st occupancy while noting challenges with council chamber design due to ceiling height and space constraints. Multiple layout options are being evaluated to optimize sightlines for both in-person and remote viewing.

Councilmembers praised the acquisition and renovation approach, with Councilmember Bob Curtin calling it "a grand slam" representing the community well.

c. Admin & Finance Buildings

With the opening of Town Hall in 2026, staff will relocate from the current administration and finance buildings and they will become vacant. Staff seeks direction from Council on the disposition of each building and whether to advance any capital projects that were funded for FY 26, but are currently on hold due to this status.

Town Manager Parsons initiated discussion about the disposition of the current administration building (125 Southeast Broad) and finance building (old library) once staff relocates to Town Hall. He presented options including lease, sale, or continued town use, noting considerations for each approach.

Parks and Recreation and Library departments expressed interest in using the administration building for teen programming and additional study spaces, which would require minimal renovation beyond current configuration.

Councilmembers discussed various factors including historic preservation, tax revenue implications, maintenance costs (\$20,000+ annually per building), and the town's role as property owner versus private ownership with historic tax credit benefits.

Mayor Clement emphasized that historic buildings generate no tax revenue or historic tax credits for the town, suggesting private ownership might better serve preservation goals while adding to the tax base.

Town Manager Parsons explained that zoning changes would be required regardless of disposition choice, particularly for the administration building in the park requiring CB (Central Business) designation. He recommended conditional zoning to restrict incompatible uses.

Planning Director Grieve noted that conditional zoning could lock in specific site plans and development standards but might affect property values. He recommended establishing zoning standards in advance rather than responding to specific buyer requests.

The discussion will continue with council members providing additional input to staff for future decision-making processes.

d. FY 2026 Mid-Year Financial Update

Staff will provide a review of major revenues and expenditures through December 2025.

e. SoPines Sustainovates! Update

SoPines Sustainovates! is a new initiative launched with the FY 25-26 budget. Staff will provide a brief status update, as we plan to request continued funding for FY 26-27.

Assistant Town Manager Roth presented the first-year results of the employee innovation program with accompanying video presentations. The program received \$35,550 funding (0.1% of the FY 24-25 budget) and has authorized all available funds due to strong participation.

The presentation highlighted successful projects including robot vacuums for library cleaning efficiency and staff culture-building initiatives like the coffee crawl supporting local businesses. Assistant Town Manager Roth requested approximately \$32,000 for next year's program.

Planning Director Grieve presented his Sustainovates project creating challenge coins featuring the Town's TOSP values (Teamwork, Opportunity, Superior Service, Pride). The initiative provides every employee with two coins - one received from supervisors for demonstrating values and one to give recognizing others. Early feedback shows meaningful impact with employees carrying coins and supervisors using them for recognition moments.

Planning Director Grieve presented challenge coins to council members, acknowledging their support of planning department work and challenging them to recognize community members demonstrating TOSP values.

f. Planning Department Update

Planning staff will briefly update the Town Council on agenda items coming in March.

Planning Director Grieve distributed an agenda summary for March meetings including Town Council, Historic District Commission, and Planning Board items. He introduced QR code stickers now placed on development signs allowing public access to pending applications information.

Mayor Clement praised the quick implementation of QR codes, noting they address community concerns about accessing information on local development projects. The system allows residents to scan signs and immediately access detailed project information rather than calling the Planning department.

6. COUNCIL ROUNDTABLE

Councilmember Curtin requested follow-up meetings with staff on historic preservation grants and CLG opportunities with specific deadlines. He asked for information on the Bicycle and Pedestrian Advisory Committee schedule (confirmed as second Tuesday monthly) and Technical Review Committee meetings (Tuesdays at 1:30 PM, open to public). He expressed interest in attending TRC meetings to better understand development processes and praised staff responsiveness to his questions as a new council member.

Mayor Pro Tem Pate noted the completion of A Street sidewalk project after years of incremental progress. He attended the Tri Cities meeting with Mayor Clement discussing legislative updates and emphasized caution regarding building disposition decisions, wanting to explore all options including historical impact before making purely financial decisions.

Mayor Clement reported on productive meetings with North Carolina mayors, Small Business Center discussions about downtown business opportunities, and Southern Pines Business Association feedback. She suggested creating a community input board at the administration building for business ideas, working with the Small Business Center to connect entrepreneurs with community needs.

Councilmember Gray praised the Martin Luther King service featuring diverse community participation including Southern Pines United Methodist Church Choir, highlighting the town's unique inclusivity compared to other communities.

Councilmember Petersen reported on Douglas Center evening availability clarification (buildings remain available after 6 PM with staff approval), noted street light outages on Broad Street, and advocated for proactive MS4 compliance preparation. She requested DOT meetings on traffic light improvements, particularly left-turn signals at May Street and Indiana Avenue where traffic backs up two blocks. She emphasized support for the Knollwood sewer project's tree preservation efforts and advocated for the \$25 reconnection fee increase and pressure monitoring implementation for fire hydrants.

7. ADJOURNMENT

Upon motion by Councilmember Petersen, seconded by Mayor Pro Tem Pate and carried unanimously, Council adjourned at 6:45 pm.

Respectfully submitted:

Elizabeth Robertson, Town Clerk

THIS AMENDED LEASE AGREEMENT made this the ____ day of _____, 2026 by and between the TOWN OF SOUTHERN PINES, an incorporated municipality in Moore County, North Carolina, (hereinafter sometimes referred to as Town or Lessor); and Seaboard Speakeasy, LLC a duly chartered limited liability corporation with a current address of: in Moore County, North Carolina, (hereinafter sometimes referred to as Lessee);

WITNESSETH;

That the Lessor hereby demises and leases unto the Lessee the premises identified as 305 NW Broad Street in Southern Pines, and described as follows:

(SEE PARCEL A of EXHIBIT A, attached hereto, exclusive of those areas currently occupied by CSX for office and storage purposes per the terms outlined in EXHIBIT B, BILL OF SALE from CSX to TOSP, also attached hereto)

The terms, provisions, conditions, covenants, agreements and obligations, hereby agreed to by the parties are as follows:

1. The initial term of this lease shall be for two (2) years beginning with the first month the Lessee's business is open and in operation in the leased premises, and the Lessee shall have an option to extend for an additional five (5) years upon giving the Town at least sixty (60) days' notice of intent to exercise the option. The commencement date shall be no later than July 1, 2026 but may be earlier, at the discretion of Lessee. Between the date of execution of this lease and the commencement of the term the Lessee shall have a right of entry and license to commence upfit and renovation of the leased premises. Upon commencement of the term Lessee agrees to pay rent at the rate of \$3,000.00 (**three thousand dollars and 00/100**) per month, payable by the 10th of each month. During the period between execution of this lease and the commencement of the lease term Lessee shall pay the sum of \$1,000 (**one thousand dollars and 00/100**) per month or a prorated amount of \$34.00 (**thirty-four dollars and 00/100**) per day in any partial month until the commencement of the lease term as described above. If Lessee exercises the option for an additional five (5) year term, the annual rent shall increase by three percent (3%) each and every year of the extension. At the end of the initial term or any option period, lacking a new Lease, Lessee will vacate the facility and remove all personal property by the final date of the final month of the Lease terms.
2. The Lessor shall keep the property insured against fire or other casualty loss and shall pay all premiums for all said insurance, and for any other insurance that might be necessary to protect the property of Lessor, but not the contents placed thereon by the Lessee. Lessee covenants and agrees that it will carry, during the term of this lease,

liability insurance naming the Town as insured, to protect Lessor for liability that may arise during the period of this lease, up to \$1,000,000, and shall pay the premium therefor.

3. The Lessee agrees to pay all water, electricity, gas, telephone and fuel bills incurred in connection with the use of the leased premises throughout the full term of this agreement.
4. This lease shall not be assigned, or leased premises sublet, without the written consent of the Lessor, by the Town Manager or designee, first being had and received.
5. The Lessee shall make and keep buildings on the property weather tight, shall allow no deterioration of buildings, and shall keep them painted and in a good state of repair.
6. Lessee agrees to keep the grounds surrounding the buildings maintained in a suitable manner.
7. The Lessee shall keep such personal property as it may have on the premises adequately insured, and agrees to hold harmless the Lessor for any damages that might occur to Lessee's property while on the premises during the term of this lease.
8. It shall be the duty and obligation of Lessee to obtain any necessary approvals or permits for any work on the premises requiring such approvals or permits, and Lessor shall be held harmless by Lessee during the term of the lease. All upfit and renovation costs, including but not limited to, plumbing and electrical work, construction or installation of a bar, and modifications to entrances and exits shall be the responsibility of Lessee. It is the responsibility of Lessee to apply for and obtain any required approvals of renovations including construction permits and Historic District Commission approvals.
9. Lessee hereby agrees that all personal property it may have in its possession at any time shall be stored within the enclosure of the buildings covered by this lease, and at no time will any such property be allowed to remain outside said buildings longer than is reasonably necessary to move it in or out of the buildings.
10. Lessee shall make no changes or additions to the exterior of the building or on the exterior grounds of the building, outside of those outlined in Exhibit C, without the express written consent of Lessor, given by the Town Manager or designee. Any exterior changes are subject to approval through the Historic District Commission process and any applicable Architectural Review by the Town.
11. The Lessee shall have the right and privilege at any time during the term of this lease to make, at its own expense, such minor changes, improvements, and alterations to the premises as the Lessee may desire; provided, however, the Lessee shall not make any material or structural changes to the Premises without the written consent of the Lessor, and such alterations so made shall be sole cost and expense of the Lessee. Upon the termination or expiration of this Lease, all the said improvements shall remain in the Premises and become the sole property of the

Lessor, and the Lessee will take any and all action and sign any and all documents reasonably required by the Lessor to effect or confirm the Lessor's ownership of said improvements.

12. The Lessee may, during the term of this lease and any extensions, remove from the premises all trade fixtures which the Lessee may have installed at its own expense in the said Premises, or otherwise acquired, provided that Lessee is not in default under any of the terms and conditions of this Lease and provided further that the same can be removed without damage to the Premises. Lessee shall repair any damages to the Premises caused by the removal of such trade fixtures. No trade fixture shall be removed unless the Lessor has previously given its written consent prior to its installation confirming that such item is a trade fixture. In the event no such written confirmation is obtained from the Lessor by the Lessee prior to installation, then such improvement shall be conclusively deemed an alteration or improvement subject to the terms of paragraph 11 above.
13. The Lessee covenants and agrees that it will take good care of the premises, and upon the termination of this lease will surrender said premises back to Lessor in as good order and condition as it is in at the time of the entering into of this lease agreement, ordinary wear and tear excepted; and that Lessee, its employees, agents or helpers will make no unlawful or offensive use of the premises during the term of this lease.
14. If during the term of this lease the leased premises are so damaged by fire, tornado, or other catastrophe or casualty as to render the same uninhabitable or not usable for the purposes of Lessee, this Lease shall terminate and thereafter be of no further force and effect, and both parties hereto, by the happening of such catastrophe, shall be discharged from this lease agreement and their mutual obligations hereunder. However, Lessor shall have the right to decide whether it is willing to make any repairs as a result of such disaster-damage, or to terminate this lease and require Lessee to vacate the premises within thirty (30) days after notice of said termination is delivered to it in writing by Lessor.
15. If the Lessee should fail or neglect to properly fulfill any of the requirements made upon it under this lease, or shall violate any of the provision of the lease, otherwise, then the Lessor, without any other notice or demand, may terminate this lease and require the Lessee to vacate the premises hereby demised, or may enter the premises and expel the Lessee therefrom, or the Lessor in lieu of the above or in conjunction therewith may pursue any other lawful right or remedy incident to the relationship created by this lease.

IN WITNESS WHEREOF, the Lessor has caused this lease to be executed in its Municipal Corporate name, by its Mayor, attested by its Town Clerk, all by authority of its Town Council duly given; and said Lessee has executed this agreement all on this day and year first above written.

ATTEST:

TOWN OF SOUTHERN PINES

By: _____

Beth Robertson, Town Clerk

Taylor Clement, Mayor

Seaboard Speakeasy, LLC

By: _____

Kevin Drum, Owner

STATE OF NORTH CAROLINA

COUNTY OF MOORE

I, _____, notary public of the State of North Carolina, certify that

Beth Robertson personally came before me this day and acknowledged that she is Town Clerk of the Town of Southern Pines, a North Carolina municipality, and that by authority duly given, the foregoing instrument was signed in its name by Mayor Taylor Clement, and attested by herself as Town Clerk.

Witness my hand and official seal, this the _____ day of _____, 2019.

My commission expires: _____

Notary Public

STATE OF NORTH CAROLINA

COUNTY OF MOORE

I, _____ a Notary Public of the County and State aforesaid, certify that _____, personally came before me this day and acknowledged that he is Owner of Seaboard Speakeasy, LLC., a North Carolina limited liability corporation, and that by authority duly given, the annexed document was signed in its name by him as Owner.

Witness my hand and official stamp or seal, this _____ day of _____, 2026.

