



AGENDA

Monday, May 23, 2022: 3:00 PM

Town Council Work Session

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

1. CALL TO ORDER

2. TOWN MANAGER'S COMMENTS

3. ACTION ITEMS

a. Consider RA-01-22: Request to Abandon a Section of Hill Crest Road

Mr. Will Huntley, on behalf of Longleaf Pines Storage, LLC, has submitted a request for the abandonment of a 5,050 square foot section of Hill Crest Rd to allow for the recombination of the surrounding parcels. A public hearing for this item was opened on April 12, 2022, was continued to April 25, 2022 and was continued again to May 23, 2022.

b. Consider Amendments to FY 21-22 Budget

Staff has identified a number of recommended amendments to the FY 21-22 budget and requests Council approval:

1. Facility Modernization Project Fund Budget: When the 2019 Facility Condition Assessment was completed, a project budget was established to fund needed repairs and renovations. Since that time, the funding has been allocated specific to each facility. Staff recommends consolidating the total funds of \$520,401 into more general appropriations by General Fund and Enterprise Fund. This will provide the flexibility needed to fund the needed repairs and renovations as they become a priority, regardless of the facility.
2. Water & Sewer Capital Funds: In FY 12-13, a capital project fund was established for water and sewer improvements. Staff recommends closing the existing fund and transferring all funds to two new funds, one for water and sewer improvements and then a separate fund for upgrades to lift stations.
3. Public Safety Extra Duty Pay: This is an amendment to the general fund to account for the revenue and associated expenses of extra duty pay for the Police and Fire departments to accommodate the Women's US Open in June.
4. Fire Department Vehicles: The proposed FY 22-23 budget includes funds to purchase two vehicles for the Fire department. Staff recommends ordering these before the end of the current fiscal year in order to take advantage of current pricing. This amendment allows the order to proceed, but the vehicles will not actually be paid for until the 22-23 fiscal year begins. As a result, this will not impact the fund balance included in the draft FY 22-23 budget.

4. COUNCIL UPDATES AND DISCUSSION

a. Planning & Community Development Specialist Update

Planning & Community Development Specialist Rachel Mann would like to provide the Town Council with a summary of work undertaken since she started in the position on April 11, 2022.

b. DFI Phase II Project Update

Sarah Odio from DFI will discuss outcomes from the recent public meetings

c. Partners in Progress Agreement for Economic Development Services

Partners in Progress (PIP) provides economic development services for the Town as well as Moore County and other municipalities. Executive Director Natalie Hawkins has requested that the Town consider entering into a contract to formally define these services, the Town's financial obligation, and other relevant details. Ms. Hawkins will attend the meeting to answer any questions about her proposal and to provide an update on PIP's recent activities in Southern Pines. Consideration of a contract with PIP will be included on the June 14th business meeting agenda, unless Council prefers otherwise.

d. Parkway Reimbursement Agreement

Staff will present the final draft of the proposed agreement, to be considered by Council at a future meeting.

e. NCDOT Truck Route

Discussion regarding the potential elimination of through trucks on E. Indiana Avenue and E. Morganton Rd. Next steps would include a Resolution of Support from Council to forward to NCDOT.

f. Budget Update and CIP Review

This is a final check-in prior to the final public hearing and requested adoption to discuss any Council questions or concerns. Additionally, staff will discuss updates to the CIP based on capital transfers and purchases outlined in the FY 22-23 budget.

5. ADJOURNMENT

Meetings/work sessions of the Southern Pines Town Council are now available on the Town's [YouTube channel](#). Video of the Town Council meetings will be live streamed on the channel 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. To receive notifications when new content is published, please "subscribe" to the Town's channel at <https://bit.ly/3hXx2Qk>

1. In most cases the city holds only an easement in the street. An easement is the interest acquired when the city's title arises either from dedication or prescription.⁴³ Even when they acquire the street by purchase or eminent domain, many cities still acquire only an easement. If all the city holds is an easement for a public street, that is all it has to convey. Therefore once the city decides that no street is necessary, the city has nothing of value to sell.
2. Even if the city holds the fee to the street, abutting property owners also have an easement of sorts in the street, entitling them to access to their property from the street system.⁴⁴ If a street provides the only access to the property, this private right of access survives vacation of the street,⁴⁵ further reducing what the city has to sell.
3. If these private rights of access do not survive, however (because alternative access exists), and if the city does hold fee simple title to the street, the city may have the choice of following the vacation procedure and thereby abandoning all title to the street or of ignoring the vacation procedure and treating the street as normal surplus property. Courts in other states have allowed cities holding fee title to streets to convey the streets as surplus property.⁴⁶
4. The vacation statute includes no provision for payment for the vacated streets. In such a circumstance, case law from other states holds that a city may not condition use of the statute on payment, any more than other police power actions may be conditioned upon payments from benefited citizens.⁴⁷ The North Carolina courts would probably agree.

Even though courts in some states support a city's right to sell a street it holds in fee, a city considering such a sale may still wish to obtain specific legislative authority to do so. The question is sufficiently unclear that the absence of legislation may create uncertainties about the title. The General Assembly can clearly enact such authority,⁴⁸ and it can enact authority per-

43. *White v. Northwestern N.C.R.R.*, 113 N.C. 611, 18 S.E. 330 (1893).

44. *Department of Transp. v. Harkey*, 308 N.C. 148, 301 S.E.2d 64 (1983).

45. *Mosteller v. Southern Ry.*, 220 N.C. 275, 17 S.E.2d 133 (1941).

46. *E.g.*, *Hoogenboom v. City of Beaufort*, 433 S.E. 2d 875 (S.C. Ct. App. 1992). *But see Walker v. Coleman*, 540 So. 2d 983 (La. Ct. App. 1989), in which the court held that a city that no longer wants a street right-of-way must proceed through the vacation procedure rather than the general authority to sell surplus property.

47. *Overton v. Scott Co.*, 356 So. 2d 134 (Ala. 1978).

48. In *Church v. Dula*, 148 N.C. 262, 61 S.E. 639 (1908), the North Carolina Supreme Court upheld statutory authority to sell city streets, granted in a local act of the General Assembly.

C. Easements and Air Rights

1. Easements When the Local Government Owns the Fee or Easements Over or within a City Street

G.S. 160A-273 authorizes those local governments subject to Article 12 to grant easements “over, through, under, or across” any property of the government.¹⁰³ Cities may, in addition, grant an easement in a street or alley that is within the city and not maintained by the Department of Transportation, as long as the easement does not “substantially impair or hinder” use of the street or alley as a way of passage.¹⁰⁴ The statute does not establish any procedural requirements for the grant of these easements (except some grants of air rights, discussed in the next paragraph), and such a grant may consequently be made through private negotiation.¹⁰⁵

G.S. 160A-273 also speaks to the granting of air rights over local government property. With the exception noted below, the statute requires that transfers of air rights be treated as sales of real property, therefore requiring use of one of the competitive procedures discussed in Section 609 or of an appropriate private sale procedure. The exception permits a city to grant air rights over a street right-of-way in order to permit construction of a bridge or passageway between buildings on each side of the street, and to do so in the same manner it grants other easements. That is, the statute permits private negotiation of such grants and requires no procedural steps before the grant is made.

2. Easements When the Local Government Owns Only the Easement

G.S. 160A-273 clearly is concerned with the grant of easements by a local government when it owns more than the easement. But what if the government owns only an easement and it wishes to convey that interest to someone else? Section 506-C discusses whether a city might sell a street easement and concludes that the only way to convey such an easement is through the street vacation procedure. But there is no comparable statute applicable to utility easements, and there is no procedure set out in Article 12 for conveying utility easements. How, then, might a local government convey a utility easement if no longer wants or needs?

103. G.S. 115C-518 authorizes school administrative units to grant utility easements and to dedicate street and sidewalk easements. These authorizations duplicate that of G.S. 160A-272.

104. *Id.* § 160A-296(a)(6) also permits cities to “license . . . pipes, poles, wires, fixtures, or appliances” on or under city streets. Most cities license utility use of their streets rather than granting easements for that purpose.

105. Use of the word *grant* does not block a local government from receiving fair consideration for any easement it conveys, including easements for air rights.

In answering that question, it is important to ask what it is the local government owns: an easement or fee. If the local government no longer needs it, and another utility operator needs it, that easement can be conveyed. In such a situation, a common practice is to note the facts, declare that the local government has no further use, and direct the administrative staff to give the easement to the owner of the underlying fee simple.

If the easement will still be used, however, the local government wishes to convey it to some other utility operator, it must determine if it might fit the circumstances. If the new use is for a different utility, the easement can be conveyed pursuant to G.S. 160A-279.¹⁰⁷ But if the new user is a for-profit utility, the statutory authority for the conveyance is not clear. The methods included in Article 12—public auction and upset bid.¹⁰⁸

D. Profits à Prendre

A profit à prendre (profit) is a right to take something from land, such as gravel, timber, and comparable materials. While some local governments might have real property, and the question arises as to whether they can convey it, so. Article 12 does not specifically mention profits, but they are frequently characterized as being closely related to easements. Therefore, the government, therefore, use the procedure for conveying a profit, or must it use the procedure for conveying an easement?

The best answer is that a local government can convey a profit for fee interests—that is, it must use the procedure for negotiated sale. G.S. 160A-273 permits a local government to convey the property interests likely to be involved in a profit. If the government is most likely to use this authority for one kind or another, and such easements

106. *See infra* § 613-A.

107. *See supra* § 608-E.

108. *See supra* § 609.

109. “A profit à prendre, though similar to an easement, is a right in land. *Builders Supplies Co. v. Gainey*, 282 N.C. 261 (1944). *JON W. BRUCE & JAMES W. ELY, JR., THE LAW OF EASEMENTS* 1.04 (rev. ed. 1995) [hereinafter *BRUCE & ELY*].” (citing *Builders Supplies Co. v. Gainey*, 282 N.C. 261 (1944)).

Agenda Item

To: Reagan Parsons, Town Manager

From: Cindy Williams, Planning Technician

Subject: RA-01-22: Request for Abandonment of a Town Right-of-Way to Vacate a Section of Hill Crest Road

Date: May 23, 2022

I. SUMMARY OF REQUEST

Mr. Will Huntley, on behalf of Longleaf Pines Storage, LLC, has submitted a request for the abandonment of a 5,050 square foot section of Hill Crest Road extending from the intersection with Bell Avenue between the parcels identified as PIN 857100865323 (PARID 00055046) and PIN 857100865141 (PARID 00047591) (see Figure 1). The purpose of the request is to allow the recombination of the aforementioned parcels.

II. PRIOR TOWN COUNCIL REVIEW:

The public hearing was opened during the April 12, 2022 Regular Business Meeting.

James Michel, Town Engineer, addressed the Council and stated that Town staff has reviewed the right-of-way and confirmed that there are no existing utilities and the Town has never collected Powell Bill funds related to the subject right-of-way.

Councilmember Pate asked Mr. Michel if the right-of-way is a cost to the Town and Mr. Michel responded that it is not, and that the Town does not clear the right-of-way.

Councilmember Peterson stated that it was her understanding that the reason the applicant wants the right-of-way to be abandoned is to connect their two properties and requested clarification of the area that is the subject of the abandonment.

Tim Carpenter of LKC Engineering, presenting on behalf of the applicant, distributed maps of the properties that are owned by Longleaf Pines Storage and the right-of-way to the Council and stated that the parcels are within the Highway Corridor Overlay, in which building area is limited to 30% of the property. Phase 2 of the self-storage development consists of five (5) outdoor storage units, three (3) of which will be permitted without abandonment of the right-of-way. The property owner does not intend to develop the right-of-way. There are building setback and buffering requirements so the portion adjacent to US 1 will be heavily landscaped. The second reason for the request allow a recombination of the two parcels that are currently separated by the right-of-way into a single parcel.

Councilmember Peterson asked how the Town would benefit from releasing the right-of-way and Mr. Carpenter responded that the developer would be paying taxes on that property.

Councilmember Peterson asked if the property owner had ever considered donating the small parcel to the Town and Mr. Carpenter responded that he could not speak for the property owner.

Councilmember Pate asked B.J. Grieve if this is normal procedure to request this abandonment at this stage of development and Mr. Grieve responded that this project may move forward as approved but acquiring the additional land would provide enough land area to build the additional units.

Mr. Carpenter stated that they can currently build three (3) outside units, but the additional property would allow them to build two (2) additional outside units.

Councilmember Peterson said they are essentially asking the Town to give them the right-of-way so that they can build two more units.

Councilmember Clement asked what the Town could do with the right-of-way if it is not vacated.

Mr. Clement responded that the right-of-way is not real property that the Town owns so there are limitations on what the Town can do on that property. The primary uses are transportation related and underground utilities.

Councilmember Peterson asked if an electric vehicle charging station could be installed in the right-of-way in the future. Mr. Michel responded that almost anything is feasible, but that is probably not realistic.

Councilmember Clement stated that a right-of-way is shared space and if a right-of-way is closed, it is divided between the owners on either side, and in this case the adjacent owners happen to be the same. The abandoned right-of-way will become taxable property.

Councilmember Peterson asked if the project will be smaller if the right-of-way is not vacated and Mr. Carpenter responded yes, but it will be a very small change. The two end units that could be placed there would be eliminated. Mr. Carpenter said they would be adding value to the property that would benefit the Town in the long run.

Councilmember Peterson asked if they had contacted the owners of the properties in that area and Mr. Carpenter responded that Will Huntley may have at some point but that he had not.

Mr. Carpenter stated that there will be two traditional internal climate control buildings and the two outside buildings are more appropriate for a boat, RV or vehicle. The

garage doors of these units will be interior to the site and the UDO requires significant landscape screening.

Attorney Marsh Smith addressed the Council and stated that he recently had a case in commercial district in another city and the property sold by the square foot.

Mr. Michel stated that he does not believe that the right-of-way is property that the Town could sell.

Mr. Smith responded that it is real property and the Town owns that right and can sell that right. He urged the Council to consider a more fiscally responsible approach by continuing the hearing and negotiating a price with the developer.

Chris Smithson addressed the Council and stated that the Council should hold a very high standard in determining whether to abandon rights-of-way and he encouraged the Council to not just give up the right-of-way without careful consideration.

Mr. Carpenter said the developer has intention of developing that portion of the property and may be amenable to a utility or some type of right-of-way that could be used by the Town. They would not be blocking an existing access or impeding daily traffic.

Councilmember Peterson asked Mr. Carpenter if he was authorized to offer the Town any money for the right-of-way and Mr. Carpenter responded that he did not have that authority.

Elizabeth May, 265 Hill Road, stated that there are a lot of questions and the Council owes it to the rest of the residents who pay taxes to find out what is the exact nature of this property so they can determine the best way to proceed.

Councilmember Pate asked if something could be built on the right-of-way if the property is abandoned in the future and Mr. Grieve responded that is not outside of the realm of possibility that the right-of-way could be useful in the distant future.

Councilmember Clement stated that she thought it needs to be determined whether the right-of-way is Town property and therefore could be sold.

Town Manager Reagan Parsons stated that the Town does not own the property. It is recognized right-of-way.

Councilmember Peterson asked if an easement has value and Doug Gill, Town attorney, responded that typically it is simply a right that can be transferred. He is not aware of a precedent for a municipality to transfer that right to a private owner.

Mr. Carpenter said no one could build a structure on the right-of-way given the setbacks.

Discussion ensued. Councilmember Clement made a motion, which was seconded by Councilmember Murphy, to continue the public hearing to the April 25, 2022 Work Session. The motion carried.

The public hearing was continued at the Town Council Work Session on April 25, 2022. Councilmember Petersen addressed the Council regarding the ownership and valuation of the property. Discussion ensued. Town Attorney Doug Gill indicated that he was unclear as to how the Town could apply a valuation to this property. Mayor Pro Tem Murphy stated that he feels the context being argued is wrong. Discussion ensued. Mr. Carpenter advised that the applicant has not spoken to the Department of Transportation regarding this matter as they do not feel the Department has any right to the property. Discussion ensued. Pro Tem Murphy made a motion to continue the public hearing RA-01-22 to the May 23, 2022 Town Council Work Session, seconded by Councilmember Clement; the vote was unanimous. Motion passed.

III. STAFF REVIEW

A. Notice and Dates of Action:

- Resolution of Intent approved by the Town Council: March 8, 2022
- Notice of Public Hearing:
 - Posted on site: March 21, 2022
 - Publication Dates: March 16, March 23, March 30 & April 6, 2022
 - Mailed: March 21, 2022
- Public hearing and continuance: April 12, 2022
- Council discussion and continuance: April 25, 2022
- Further Council discussion: May 23, 2022

B. Review Process:

A request to vacate a Town right-of-way is reviewed pursuant to NCGS §160A-299 and UDO §2.29.

C. Criteria:

When reviewing a request for abandonment of a Town right-of-way, the hearing body shall consider and be guided by the following criteria, as set forth in UDO §2.29.4:

“ (...) If it appears to the satisfaction of the Town Council after the hearing that closing the street or alley is not contrary to the public interest, and that no individual owning property in the vicinity of the street or alley or in the subdivision in which it is located would thereby be deprived of reasonable means of ingress and egress to his property, the Council may adopt an order closing the street or alley (...).”

D. Staff Comments:

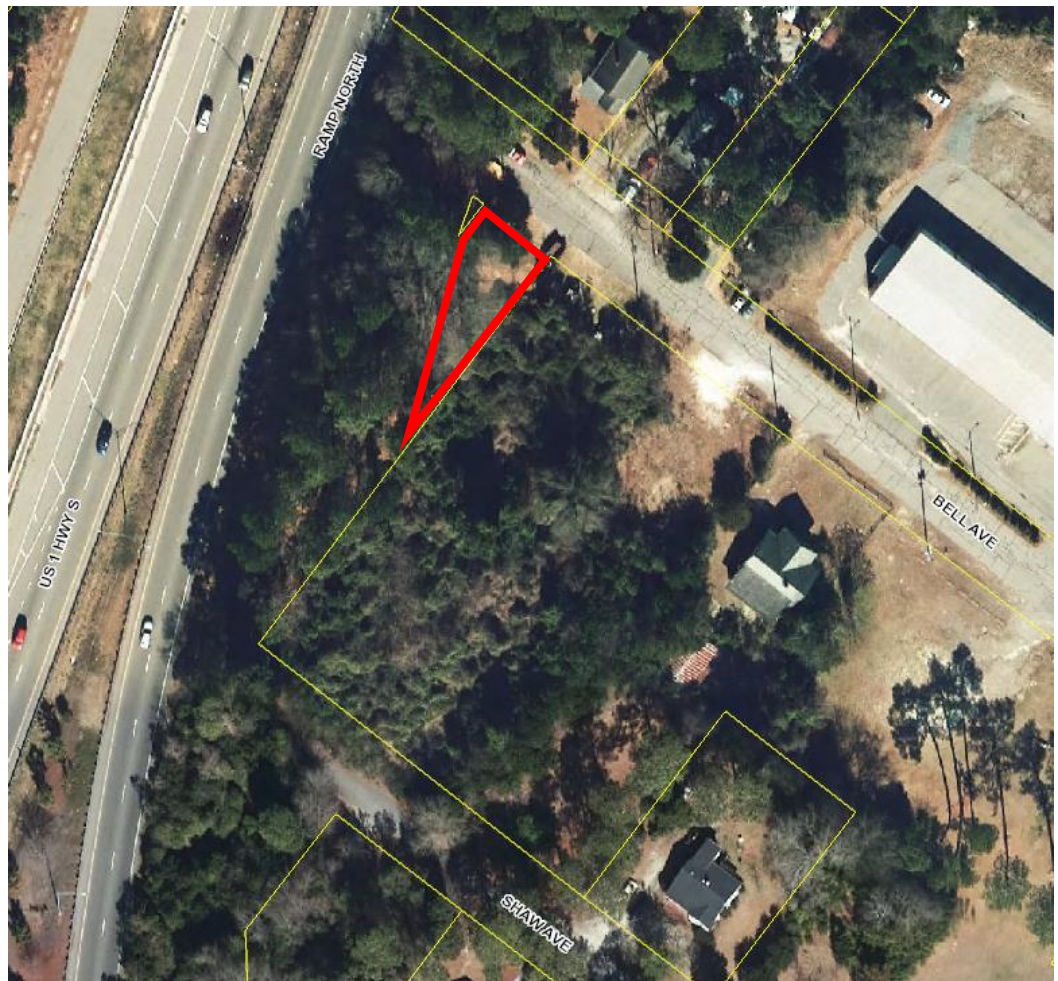
The section of Hill Crest Road that extends from its intersection with Bell Avenue consists of 5,050 square feet. Hill Crest Road is a 50' right-of-way that

was first shown on a plat recorded in the Moore County Registry in Map Book 1 Page 7.

The section of right-of-way that has been requested to be abandoned does not contain any public utility infrastructure and is not included in the Town's street listing. The Town does not receive any state street aide allocations under the Powell Bill Program for this section of right-of-way.

The requested closure is to facilitate the recombination of parcels owned by the applicant. Town staff has prepared a draft Order calling for the closure of Hill Crest Road which is attached to this report for the Town Council's consideration.

Figure 1: Vicinity Map



IV. ATTACHMENTS

1. Request to abandon the right-of-way
2. Pinedene subdivision plat recorded in Map Book 1 at Page 7
3. Recombination survey recorded in Plat Cabinet 19 at Slide 110

V. TOWN COUNCIL ACTION

The Town Council shall vote on whether the proposed street or alley vacation request is not contrary to the public interest, and that no individual owning property in the vicinity of the street or alley or in the subdivision in which it is located would thereby be deprived of reasonable means of ingress and egress to their property. The Town Council could make one of the following motions for recommendations or any alternative they wish:

I move that the proposed right-of-way vacation request...

- 1) **is not contrary to the public interest, and that no individual** owning property in the vicinity of the street or alley or in the subdivision in which it is located would thereby be deprived of reasonable means of ingress and egress to their property, therefore...
- 2) **is contrary to the public interest, and those individuals** owning property in the vicinity of the street or alley or in the subdivision in which it is located would thereby be deprived of reasonable means of ingress and egress to their property, therefore...

I move to:

- 1) **Approve** RA-01-22 for the abandonment of the section of Hill Crest Road as specified on the attached map;
- 2) **Deny** RA-01-22 for the abandonment of the section of Hill Crest Road as specified on the attached map;
- 3) **Approve** RA-01-22 for the abandonment of the section of Hill crest Road as specified on the attached map **with the following additional conditions...**

Longleaf Pines Storage, LLC
8 Clark Court
Pinehurst, NC 28374

January 7, 2022

Reagan Parsons, Town Manager,
Town of Southern Pines
125 SE Broad Street
Southern Pines, NC 28387

RE: Right-of-Way Abandonment Request
Hill Crest Road at the intersection of Bell Avenue

Dear Mr. Parsons,

On Behalf of Longleaf Pines Storage LLC we respectfully request the abandonment of the remainder of Hill Crest Road of the original Pinedene Subdivision recorded in Map Book 1 Page 7 of the Moore County Register of Deeds. The remainder of the Hill Crest Road right of way divides our property on Bell Avenue. Hill Crest Road right of way currently dead ends into the Right of Way of US Hwy 1 (NCDOT). Our properties consist of PARID 00055046 and PARID 00047591 the latter being part of a recombination survey recorded in the Moore County Register of Deeds Office PC 19 Slide 110.

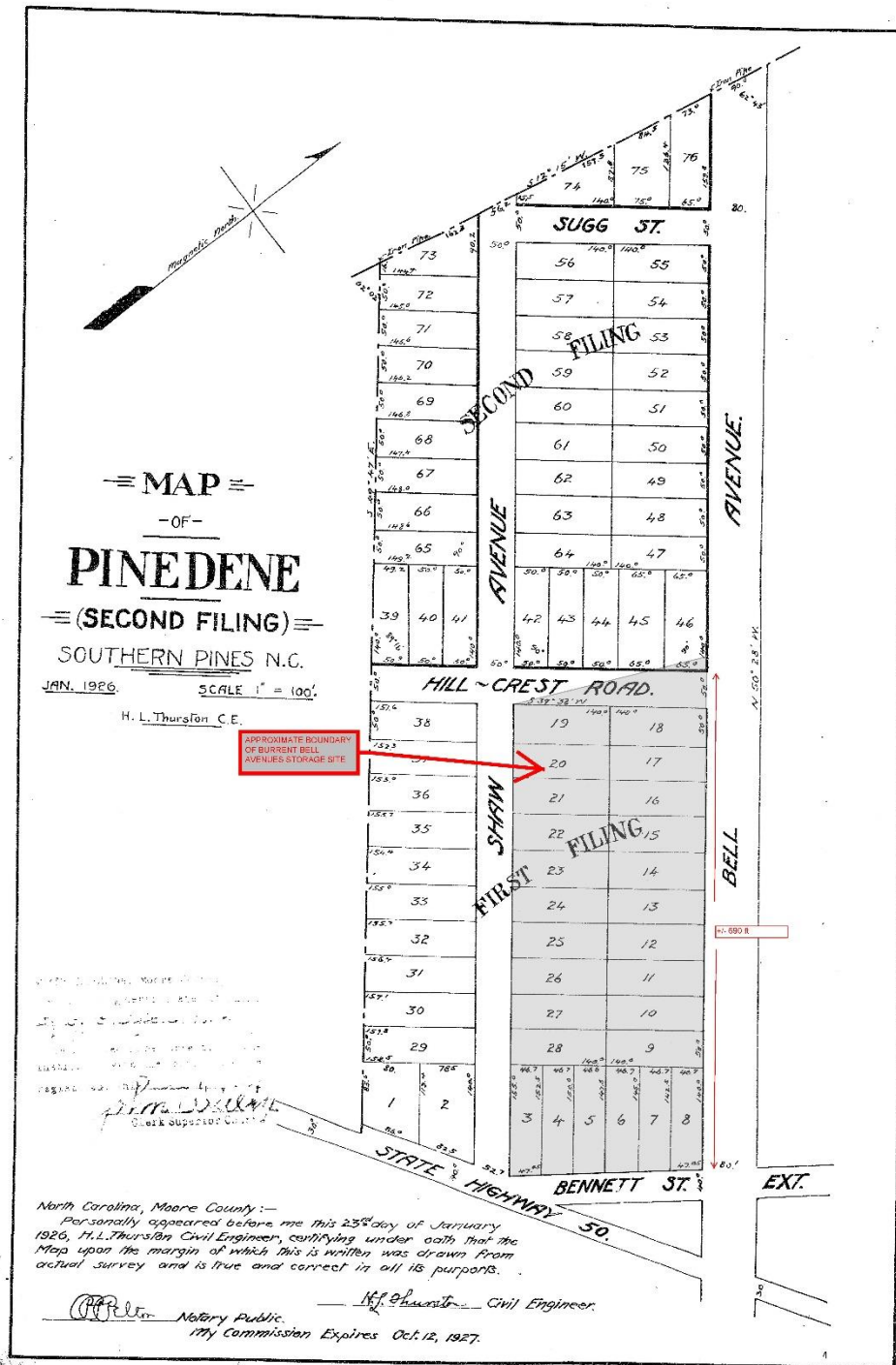
According to the Town's GIS website and previous site design plans approved by the Town there are no water or sewer utilities within the remainder of Hill Crest Road, which contains approximately 5,050 sf. This abandonment would allow us to recombine the afore mentioned parcels into our overall site. There are no residences, roadways or other infrastructure located on this parcel of land.

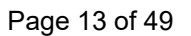
Longleaf Pines Storage, LLC requests the abandonment of the aforementioned road be considered by the Town Council and pursuant to UDO Section 2.29.2 to advertise and conduct a public hearing at its next available meeting.

Please advise of any additional information need by the Town to execute this abandonment process.

Sincerely,


Will Huntley
Longleaf Pines Storage, LLC
8 Clark Court
Pinehurst, NC 28374
919-427-6042





**ORDER TO VACATE A SECTION OF TOWN RIGHT-OF-WAY
FOR A PORTION OF HILL CREST ROAD
(RA-01-22)**

THAT WHEREAS, North Carolina General Statute 160A-299 authorizes towns to vacate streets or portions thereof; and

WHEREAS, the Town has adopted, at its Agenda Meeting on March 8, 2022, a Resolution Declaring Its Intent to Vacate a Section of Town Right-of-Way for Hill Crest Road and calling a public hearing thereon; and

WHEREAS, the Town published notice each week for four (4) weeks before a hearing thereon and posted notice in at least two (2) locations on Hill Crest Road; and

WHEREAS, the Town held a public hearing on April 12, 2022 and continued the public hearing to the April 25, 2022 Work Session, at which the Town continued the public hearing again to the May 23, 2022 Work Session, at which the Town Council found, and hereby finds, that closing a portion of Hill Crest Road is not contrary to the public interest and that no individual owning property in the vicinity of the street or in any subdivision in which it is located will be deprived of reasonable means of ingress and egress to that individual's property by the vacation of the portion of the street.

NOW THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Town of Southern Pines Town Council in work session assembled this 23rd day of May, 2022:

- A. That the portion of right-of-way in the Town of Southern Pines is hereby vacated and closed as a public street, but the Town reserves all of its right, title and interest in any and all utility improvements or easements within the street, together with utility improvements or easements.
- B. That the section of right-of-way to be vacated is an approximately 5,050 square foot section of Hill Crest Road between the parcels identified as PIN 857100865323 (PARID 00055046) and PIN 857100865141 (PARID 00047591). The unimproved right-of-way begins at the right-of-way for Bell Avenue and extends toward US 1 Highway and is described as follows:

A PORTION REMAINDER OF HILL CREST ROAD BEING LOCATED IN SOUTHERN PINES, SANDHILLS TOWNSHIP, MOORE COUNTY, NORTH CAROLINA AS SHOWN ON THE MAP ENTITLED "RECOMBINATION SURVEY FOR LONGLEAF PINES STORAGE, LLC" RECORDED IN PLAT CABINET 19 SLIDE 110 IN THE MOORE COUNTY REGISTRY, LOCATED IN SANDHILLS TOWNSHIP, MOORE COUNTY, NORTH CAROLINA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT 0.5" IRON ROD LOCATED AT THE INTERSECTION OF THE SOUTHWEST LINE OF BELL AVENUE AND THE SOUTHEAST LINE OF HILL CREST ROAD AS DEPICTED ON A MAP ENTITLED "RECOMBINATION SURVEY FOR LONGLEAF PINES STORAGE, LLC" RECORDED IN PLAT CABINET 19

SLIDE 110 IN THE MOORE COUNTY REGISTRY, THE SAME BEING THE NORTHWEST CORNER OF LOT 18 AS DEPICTED ON A MAP ENTITLED "MAP OF PINEDENE" RECORDED IN MAP BOOK 1 PAGE 7 IN THE MOORE COUNTY REGISTRY, SAID IRON ROD BEING FURTHER LOCATED THE REVERSE CALL N52°03'56"W A DISTANCE OF 500.05 FEET FROM A 1" IRON PIPE IN THE SOUTHWEST LINE OF BELL AVENUE AND RUNNING THENCE FROM THE BEGINNING N52°23'22"W A DISTANCE OF 50.05 FEET TO A 1.5" IRON PIPE BEING THE MOST EASTERN CORNER OF TRACT 5 AT THE INTERSECTION OF THE SOUTHWEST LINE OF BELL AVENUE AND NORTHWEST LINE OF HILL CREST ROAD AS DEPICTED ON THE MAP "RECOMBINATION SURVEY FOR LONGLEAF PINES STORAGE, LLC" AS DESCRIBED ABOVE; THENCE WITH THE NORTHWEST LINE OF HILL CREST ROAD THE REVERSE CALL S38°11'30"W A DISTANCE OF 24.57 FEET TO A 0.5" IRON ROD IN SAID LINE; THENCE WITH THE US 1 HWY RIGHT-OF-WAY (STATE PROJECT REFERENCE No. U-3324) S19°37'36"W A DISTANCE OF 159.52 FEET TO A 0.5" IRON ROD IN THE SOUTHEAST LINE OF HILL CREST ROAD; THENCE WITH SAID SOUTHEAST LINE THE FOLLOWING CALLS: N37°44'43"E A DISTANCE OF 20.63 FEET TO A 0.75" IRON ROD; THENCE N37°59'37"E A DISTANCE OF 140.41 FEET TO A 1" IRON PIPE; THENCE N37°50'02"E A DISTANCE OF 15.25 FEET TO THE POINT OF BEGINNING AND HAVING AN AREA OF 5,032 SF.

- C. That this Order shall be and remain in full force and effect from and after the date of its adoption.

Adopted this the 23rd day of May, 2022.

ATTEST:

TOWN OF SOUTHERN PINES

Elizabeth Robertson, Town Clerk

Carol R. Haney, Mayor

I certify that this Order was adopted by the Town of Southern Pines Town Council at its work session on May 23, 2022, as shown in the Minutes of the Town of Southern Pines Town Council for that date.

Elizabeth Robertson, Town Clerk

COUNTY OF MOORE
STATE OF NORTH CAROLINA

I swear that this is a true and accurate copy of an Order to Vacate Right-of-Way For a Portion of Hill Crest Road adopted on May 23, 2022.

Date: _____

Elizabeth Robertson, Town Clerk

TOWN OF SOUTHERN PINES ORDINANCE #1996
AMENDING THE FACILITY MODERNIZATION PROJECT 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 capital project budget is hereby amended:

Section 1: The project authorized is for the purpose of addressing immediate needs of Town owned buildings as designated by the 2019 Facility Condition Assessment.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3: The following additional amounts are appropriated for the project:

Construction – Building Repair & Renovation -General Fund	\$ 416,567
Construction – Building Repair & Renovation -Enterprise Fund	<u>103,834</u>
Total Additional Project Appropriation	<u>\$ 520,401</u>

Section 4: The following additional revenues are anticipated to be available for this project:

\$ 102,750	Transfer - Facility Modernization – Douglass Comm Center	
	Transfer - Facility Modernization – Finance Bldg GF	45,967
	Transfer - Facility Modernization – Public Works Offices GF	56,500
65,250	Transfer - Facility Modernization – Library GF	
	Transfer - Facility Modernization – Fleet Maintenance GF	24,350
	Transfer - Facility Modernization – Campbell House GF	63,750
	Transfer - Facility Modernization – Finance Bldg - EF	22,984
	Transfer - Facility Modernization – Public Works Offices EF	56,500
	Transfer - Facility Modernization – Fleet Maintenance EF	24,350
	Transfer - Facility Modernization – Other Building GF	<u>\$ 58,000</u>
	Total Additional Project Revenues	<u>\$ 520,401</u>

Section 5: Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Finance Officer for direction in carrying out this project.

Section 6: This amended ordinance becomes effective May 23, 2022.

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of May 23, 2022 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

MEMORANDUM

TO: Town Council
Reagan Parsons, Town Manager

FROM: Tess Brubaker - Speis, Finance Director

DATE: May 18, 2022

SUBJECT: Closing of Water & Sewer Capital Project Fund

I am requesting the authorization to close the Water and Sewer Improvement Fund.

The Water and Sewer Improvement capital project fund was created in fiscal year 2012-2013 for the purpose of funding improvements to the water distribution and sewer collection systems. The fund has been open for almost nine fiscal years and any funds remaining would be transferred to a new fund serving the same purpose and the Lift Station Upgrade fund for the ARO lift station project.

Please authorize the closing of the Water and Sewer capital project fund. In addition, please authorize the transfer of unspent funds and interest from the Water and Sewer Improvement capital project fund to the new Water and Sewer Upgrade fund and the Lift Station Upgrade fund.

Thank you in advance for your consideration.

TOWN OF SOUTHERN PINES ORDINANCE #1994
AMENDING WATER & SEWER IMPROVEMENTS PROJECT 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 capital project budget is hereby amended:

Section 1: The project authorized is for the purpose of funding improvements to the water distribution and sewer collection systems.

Section 2: The following amount is reduced for the project:

Construction - Water	\$ 378,368
Construction - Sewer	<u>963,878</u>
 Total Project Appropriation Reduction	 <u>\$1,342,246</u>

Section 3: The following additional amount is appropriated for the project:

Transfer to Capital Project Fund – Lift Station Upgrade Fund	\$ 477,000
Transfer to Capital Project Fund – Water Upgrade Fund	471,398
Transfer to Capital Project Fund – Sewer Upgrade Fund	<u>499,018</u>
 Total Additional Project Appropriation	 <u>\$1,447,416</u>

Section 4: The following additional revenue is appropriated for this project:

Interest on Investments - Water	\$ 93,030
Interest on Investments - Sewer	<u>12,140</u>
 Total Additional Project Revenues	 <u>\$ 105,170</u>

Section 5: Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Finance Officer for direction in carrying out this project.

Section 6: This amended ordinance becomes effective May 23, 2022

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of May 23, 2022 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

TOWN OF SOUTHERN PINES ORDINANCE #1995
CAPITAL PROJECT WATER & SEWER UPGRADES FUND

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 capital project budget is hereby adopted:

Section 1: The project authorized is to establish a fund for the purpose of upgrading and repairing the Town’s water distribution system and the sewer collection system.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3: The following amount is appropriated for the project:

Construction – Water	\$ 471,398
Construction – Sewer	<u>499,018</u>
 Total Project Appropriation	 <u>\$ 970,416</u>

Section 4: The following revenue is anticipated to be available to complete this project:

Transfer In-Water Improvements	
\$ 471,398	
Transfer In-Sewer Improvements	<u>499,018</u>
 Total Project Revenues	 <u>\$ 970,416</u>

Section 5: Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Finance Officer for direction in carrying out this project.

Section 6: This ordinance becomes effective May 23, 2022.

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of May 23, 2022 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

TOWN OF SOUTHERN PINES ORDINANCE #1997
AMENDING THE LIFT STATION UPGRADES CAPITAL PROJECT FUND

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 capital project budget is hereby amended:

Section 1: The project authorized is to establish a fund for the purpose of upgrading area Town lift stations to increase capacity in the lift station’s sewer basins.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3: The following additional amounts are appropriated for the project:

Construction	<u>\$ 477,000</u>
Total Project Appropriation	<u>\$ 477,000</u>

Section 4: The following revenue is anticipated to be available to complete this project:

Transfer In-Sewer Improvements	<u>\$ 477,000</u>
Total Project Revenues	<u>\$ 477,000</u>

Section 5: Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Finance Officer for direction in carrying out this project.

Section 6: This ordinance becomes effective May 23, 2022.

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of May 23, 2022 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

**TOWN OF SOUTHERN PINES ORDINANCE #1998
AMENDING THE 2021/2022 FISCAL YEAR BUDGET
(EXTRA DUTY)**

BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Southern Pines in regular session assembled this 23rd day of May, 2022 that the Operating Budget for the Fiscal Year 2021/2022 be and hereby is amended as follows:

<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>CODE</u>	<u>INCREASE</u>	<u>DECREASE</u>
Police Department	PD Extra Duty Fees Revenue	10-370-0050	15,000.00	
Fire Department	Fire Extra Duty Fees Revenue	10-362-0050	30,000.00	
Police Department	PD Extra Duty Fee	10-511-0150	15,000.00	
Fire Department	Fire Extra Duty Fee	10-530-0150	30,000.00	
Fire Department	Capital – Motor Vehicles	10-530-7402	78,000.00	
General Fund	Fund Balance Appropriations	10-397-1000	78,000.00	

I certify that this ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting of May 23, 2022 as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk

Work Session Agenda Item

To: Reagan Parsons, Town Manager

From: Rachel Mann, Planning & Community Development Specialist

Subject: West Southern Pines Initiatives Overview

Date: May 18th, 2022

I. SUMMARY:

Rachel Mann, Planning and Community Development Specialist, will provide information on past, present and future Town initiatives in West Southern Pines. Rachel's presentation will provide context on the engagement of UNC's Development Finance Initiative and goals that arose from their involvement with the Town of Southern Pines.

II. ATTACHMENTS:

No attachments; Staff will be presenting a PowerPoint slideshow.

III. TOWN COUNCIL ACTION:

No action requested or necessary; Staff will be making a presentation for informative purposes.

Message from the Director

Moore County Partners in Progress (PIP) continues to advance our mission to increase economic prosperity and improve the quality of life in Moore County. Inside this Quarterly Report you'll find information about our projects and initiatives to support:

1. Business Retention & Expansion,
2. Business Recruitment,
3. Business Creation, and
4. Workforce & Community Development.



What makes Moore County so special is the high quality of life we enjoy in a rural setting. At Partners in Progress, we understand how critical it is to ensure future commercial growth enhances and improves our quality of life. That's why we're in the business of both economic development and community development.

On the community development side of the coin, we've worked diligently to support several workforce development initiatives this quarter in collaboration with the Moore County Chamber of Commerce, Sandhills Community College, Moore County Schools, and private employers. We've supported grant applications to extend high-speed broadband into the northern part of Moore County and we're spearheading the 2022 Moore County Employer Survey to better understand our employers' workforce needs and gauge their satisfaction.

We have also been very successful at securing grant funding to support commercial and industrial development in Moore County. **This quarter alone, we secured over \$367,000 in grants & incentives** for site improvements and existing business expansion. As Moore County has a limited number of suitable commercial sites and buildings, this represents one of our best opportunities to expand our commercial tax base.

With recent announcements that represent over \$5.3 billion in investment and over 9,000 jobs at two mega sites just north of Moore County, we should expect to feel the ripple effects of these announcements in the upcoming years. I anticipate we'll see increased demand for supplier sites and buildings, increased demand for housing, and increased demands on our school systems to prepare our workforce. It's important we recognize this potential impact and act accordingly.

I hope you enjoy reading about the progress we've made at Partners in Progress in this Quarterly Progress Report!

Natalie D. Hawkins

Natalie D. Hawkins, PMP
Executive Director
Moore County Partners in Progress

INSIDE THIS REPORT

Business Recruitment	2
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Business Creation	3
Workforce & Community Development.....	4

SPECIAL POINTS OF INTEREST

- Product Development
- Carthage Buggy Building
- Workforce Development Roundtables
- 2022 Moore County Employer Survey
- Town of Vass Community Economic Recovery & Resiliency Initiative (CERRI)

BUSINESS RECRUITMENT

Product Development

Never in PIP's 20-year history have we seen this level of grant funding available for industrial buildings & sites. PIP worked diligently this quarter to pursue as much of this unprecedented funding as possible to increase Moore County's critically low inventory of available buildings and sites and increase our ability to recruit businesses who seek pad-ready sites to increase speed to market.



Golden LEAF SITE Program

In March, PIP applied for a Golden LEAF Foundation grant to identify potential industrial sites in and around the Robbins community. This is a strategic opportunity for northern Moore County given significant industry announcements at two nearby mega sites, the Toyota Battery Plant and VinFast. Combined, these two announcements represent a **\$5.3 billion investment** and over **9,000 new jobs**. To put this in perspective, Moore County employs a total of 35,000 workers. Each of these announcements positions the Town of Robbins, and other communities like Carthage and Vass, as potential locations for suppliers and other auxiliary companies that want to be near these two large manufacturing facilities.

NC Railroad Company Build Ready Sites

On March 1st, the NC Railroad Company (NCRR) announced that our Build-Ready Sites grant application submitted on behalf of the Town of Aberdeen was one

of only six (6) recipients in the state to be selected. The **\$167,670** grant will be used to clear, grub, and grade 40 acres in the Iron Horse Industrial Park to get the site pad-ready.

NC Southeast (NCSE) Product Development Fund

NC's Southeast unveiled its new Product Development Fund that offers grant funding to create new and enhance existing industrial building & sites for business recruitment and expansion. Moore County has received a **\$262,000** allocation under the new \$5 million Product Development Fund appropriated by the NC General Assembly. PIP intends to pursue this funding to advance both the Iron Horse Industrial Park in Aberdeen and the Southern Pines Corporate Park. The application deadline is June 30th.

Iron Horse Access Road

This quarter, PIP secured a commitment from the NC Department of Transportation (NCDOT) to construct and offset **\$200,000** of the \$800,000 cost to install a public access road into the Iron Horse Industrial Park to support an existing Moore County business planning to locate in the park. We are currently evaluating other potential funding sources for the remaining \$600,000 needed to construct the road.

Recruitment Win

This quarter, PIP assisted ICON Electric Vehicles, a Tampa FL-based manufacturer of electric golf carts, secure a lease for +/- 4,000 square feet of retail space in the Dick's Sporting Goods (Center Park) shopping center in Aberdeen. ICON is also pursuing another +/- 1,200 square feet of leased space in Moore County.



"With unprecedented levels of product development grants available and a surge in demand for industrial sites & buildings, now is the time to invest in industrial sites in Moore County."

BUSINESS RETENTION & EXPANSION

Carthage Buggy Building



PIP is working closely with the Town of Carthage to secure a tenant for the approximately 4,700 square-foot historic Buggy Building located on S. Ray Street downtown. This quarter, we assisted Carthage with preparing a Request for Proposals to solicit proposals from “parties interested in rehabilitating the histor-

ic Tyson & Jones Buggy Company office building for purposes of developing a restaurant/brewery.” The Town is currently evaluating 2 proposals received from local businesses. We also assisted in clarifying uses for the \$600,000 appropriation received from the NC General Assembly to cover a portion of the cost to renovate the Buggy Building.

“Repurposing the historic Buggy Building can be a catalyst for downtown revitalization in the Town of Carthage.”

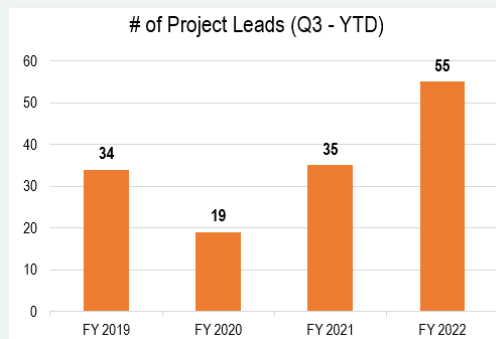
BUSINESS CREATION

The Entrepreneurship Task Force established by PIP continues to work to achieve the Certified Entrepreneurial Community designation for Moore County. This quarter, the group identified 100 local, state, and national entrepreneurial resource providers to include in an online resources portal that will be launched on PIP’s website next quarter. The portal will include the Resource Navigator feature from the Sandhills Entrepreneurial Engagement Network (SEEN), an initiative of UNC Pembroke’s Thomas Entrepreneurship Hub to assist entrepreneurs and small business owners in the Sandhills 10-county region that includes Moore County. On PIP’s website, the Resource Navigator will be customized for Moore County, and users will be able to input various filters to narrow their search to find the specific assistance and resources they need.

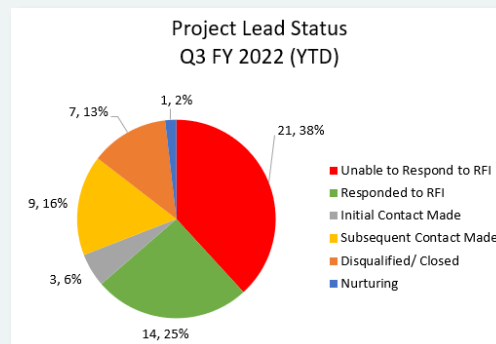


BUSINESS LEADS

Through March 31st, we’ve seen a **57% increase** in the number of businesses looking to locate or expand in Moore County over this time last year. Between January and March, we responded to a total of **26 NEW** business leads, or roughly two a week.



The status of project leads through March 31st is shown below.



Did You Know?

A 2019 study commissioned by Moore County indicates that for **every \$1 in county expenditures**, the following revenue is generated for Moore County:

- **Residential** — \$0.75
- **Agriculture** — \$1.31
- **Commercial/Industrial** — \$2.45

WORKFORCE & COMMUNITY DEVELOPMENT

Workforce Development Roundtables

The Moore County Chamber of Commerce and PIP hosted the first **Workforce Development Roundtable** on March 23rd at Sandhills Community College. The meeting was well-attended by more than 50 representatives from local employers. The group engaged in constructive dialogue about the workforce development programs & services that Sandhills Community College provides and the workforce challenges employers are experiencing.



March 23rd Workforce Development Roundtable

A second roundtable is scheduled for May 25th at 9:00 am at Union Pines High School that will focus on the programs and services offered by the Moore County Schools' Career & Technical Education (CTE) Program.



"The Workforce Development Roundtable Meetings are an effective way to connect employers with our workforce development partners at Sandhills Community College and Moore County Schools."

2022 Moore County Employer Survey

In partnership with the Moore County Chamber of Commerce, Moore County Schools, and Sandhills Community College, PIP has contracted with the National Business Research Institute (NBRI) to conduct the **2022 Moore County Employer Survey**. This survey will seek feedback and input from over 3,400 Moore County businesses to gather information in four key areas:



1. Recruitment, hiring, & retention,
2. Education, skills & training,
3. Business outlook, and
4. Satisfaction with the business environment.

NBRI will administer the survey and provide an analysis of the results. The 2022 Moore County Employer Survey will be distributed in May and results should be presented in August.

Be on the lookout for the postcard with instructions on how to access the online survey.

Complete the survey and your business could win a **FREE** iPad Air!

USGA GREENKEEPER APPRENTICESHIP PROGRAM

This quarter, PIP facilitated several meetings to advance the USGA Greenkeeper Apprenticeship Program. The goal of this program is to create a new skilled occupation with a national credential that can be replicated across the U.S.

A collaborative group has been assembled with representatives from PIP, the USGA, Pinehurst Resort, Sandhills Community College, Moore County Schools, and Apprenticeship NC. This group is currently working together to develop the curriculum for the Greenkeeper Apprenticeship Program which is planned to be launched in January 2023.



Broadband Expansion

In support of the Moore County Digital Inclusion Task Force (DITF), PIP provided letters of support to Charter Communications and Randolph Telephone Membership Corporation for GREAT grant applications to expand high-speed Internet in northern Moore County this quarter. The Growing Rural Economies with Access to Technology (GREAT) Program provides state-funded grants to private providers of broadband services to facilitate the deployment of broadband service to unserved areas of North Carolina.



The DITF facilitated the completion of over 3,000 NC Broadband Surveys, which represents approximately 7% of Moore County households. Two key results of the survey to date indicate:

- 59% of respondents were not satisfied with their internet service, and
- 41% of respondents were not satisfied with their cellular service.

Moore County residents and businesses can complete the NC Broadband Survey at NCBroadband.gov/survey. It may also be completed by phone:

919-750-0553 (English)
919-750-8860 (Spanish)

“Residents, business owners, and elected officials in Vass are working collaboratively to identify a vision for their community and the strategies they should employ to achieve that vision.”

Town of Vass Community Economic Recovery and Resiliency Initiative (CERRI)



This quarter, PIP joined the CERRI workgroup for Vass that was created in January 2022. The NC Main Street & Rural Center designed the CERRI

program to help small towns and rural communities recover from the economic impacts of the COVID-19 pandemic and build local economies that are more resilient to future crises. The **Town of Vass** was one of only 16 NC towns selected to participate in the 2nd round of the program.

Over the first three months of the project, the group has interviewed stakeholders, conducted a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis, surveyed Vass businesses, and begun crafting a vision statement.

Key findings from the Vass CERRI stakeholder interviews indicate:

- 100% believe job creation and business growth is an important issue facing the town
- 85% would like to see additional retail and industrial growth in their town

MOORE ALIVE STATS

(January — March 2022)

8,098

Visitors

13,275

Page views

Top Markets for Visitors:

**Charlotte, Raleigh, Atlanta, Los Angeles,
and New York**

moorealive.com



ABOUT US

Moore County Partners in Progress is a not for profit public/private partnership for economic development in Moore County, NC.

Our **mission** is to **increase economic prosperity and improve the quality of life** for Moore County's citizens through the creation of quality jobs and capital investment in our communities.

UPCOMING MEETINGS & EVENTS

FirstHealth Innovation Summit

May 18th (8am-4:30 pm)
Cardinal Ballroom at the Carolina Hotel

Workforce Development Roundtable

May 25th (9-10:30 am)
Union Pines High School

Moore Co. Employer Breakfast

May 26th (7:30-10 am)
Lighthouse at Little River

Moore 100 Member Meeting

June 2nd (4-6 pm)
Bradshaw Performing Arts Center at Sandhills Community College

15 Chinquapin Rd, 2nd Floor
PO Box 5885
Pinehurst, NC 28374

910.246.0311
moorebusiness.org
moorealive.org
econdev@moorebusiness.org



MOORE 100

On March 16th, PIP hosted this quarter's Moore 100 Members Meeting at Pine Needles Lodge & Resort. More than 100 members, elected officials, and guests attended the Moore Co. Planners Panel Discussion that featured planning directors from Moore County, Aberdeen, Pinehurst, and Southern Pines. Panelists discussed development projects in the pipeline and some of the growth trends they are seeing in their respective jurisdictions.

Upcoming Moore 100 Member Meetings and guest speakers include:

- June 2nd – Mike Whan, CEO of the USGA
- October (TBD) – John Silverman, President of Midland Atlantic Properties

Know someone interested in joining Moore 100? Call us at 910-246-0311.

PROGRESS CUP

On March 28th, we hosted our 15th annual Progress Cup Golf Tournament at Forest Creek Golf Club. The event was sold out with 25 teams hitting the course and we secured several sponsorships for the first time ever. This year, we raised over \$20,000 to supplement our annual operating budget. A special thanks goes to everyone who participated and sponsored this event!



Moore Co. Progress Cup Team

OUR PARTNERS

Moore County Partners in Progress is proud to partner with these economic development agencies to help existing businesses succeed and recruit new businesses to Moore County.



TOURISM ECONOMY IS STRONG

Year to date stats compared to the prior year provided by the Pinehurst, Southern Pines, and Aberdeen Area Convention & Visitors Bureau (CVB) show:

- Hotel occupancy is up 33%
- The hotel average daily rate (room rate) is up 15.2%
- Occupancy tax collections are up 55%, with 11 out of the past 12 months being a record high



April 13, 2022

Mr. Reagan Parsons, Town Manager
Town of Southern Pines
125 SE Broad Street
Southern Pines, NC 28387

Dear Reagan,

It's hard to believe, but Partners in Progress (PIP) has been providing economic development services for all of Moore County for almost 25 years! In exchange for those services, Moore County and several municipalities, including Southern Pines, provide annual contributions to PIP to support our operating budget. During that time, there has never been a formal written agreement in place specifically relating to PIP providing economic development services to the Town of Southern Pines, even though the Town is legally authorized by state statute to enter into such contracts to procure those services.

Since fiscal year 2015, Moore County has executed an annual funding agreement with PIP that specifies the core services we will provide to promote economic development in the County, as well as the annual payment the County will make to PIP to support our efforts. I am proposing that PIP enter into similar agreements with the Town of Southern Pines and our other municipal contributors for fiscal year 2023.

A draft funding agreement is attached for your consideration. Note that it does not reflect an increase in Southern Pines' current funding level.

This agreement will serve to better define PIP's role and the services we provide to Southern Pines, in exchange for the Town's commitment to provide funding to PIP. For the Town, it will ensure that PIP provides relevant services to meet the Town's current and future economic development goals. For PIP, the guarantee of funding assists with our budget planning and provides a level of financial security for our organization.

If you would like to discuss this agreement further, please contact me. Otherwise, we would appreciate the Town's execution of the agreement by June 30th. As always, we greatly appreciate Southern Pines' support of PIP!

Sincerely,

Natalie D. Hawkins
Executive Director

Enclosure

**TOWN OF SOUTHERN PINES
COUNTY OF MOORE
STATE OF NORTH CAROLINA**

AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of May, 2022, by and between the Town of Southern Pines, a political subdivision of the State of North Carolina (the “Town”), and Moore County Partners in Progress, a North Carolina non-profit corporation (“Partners”).

WITNESSETH

WHEREAS, the Town has a public purpose of promoting economic development in order to provide jobs for its citizens, encourage investment within the Town, improve business prospects and the quality of life of its citizens, and to increase the Town's tax base; and

WHEREAS, Partners is a 501(c)(3) non-profit public/private organization incorporated in 2002 organized for the promotion of economic development in Moore County, North Carolina and in all municipalities located therein; and

WHEREAS, the services, goods and programs offered by Partners constitute a public purpose offered to benefit the Town.

NOW, THEREFORE, for and in consideration of the appropriation of Twenty-Six Thousand Two Hundred Fifty Dollars (\$26,250.00), Partners and the Town agree as follows:

1. **Term**: Partners will undertake efforts to promote economic development within the Town and its Extraterritorial Jurisdiction (collectively the “Town”) for the twelve (12) month period commencing on July 1, 2022 and terminating June 30, 2023.
2. **Core Services**: In order to promote economic development in the Town, Partners will provide the following services:

2.1. General Services

- a. Respond promptly with a high level of service to the Town’s requests for economic development assistance.
- b. Communicate on a regular frequency with Town’s elected officials and staff to understand and stay informed about the Town’s specific goals for current and future economic development, including awareness of opportunities, challenges, and trends that may impact successful economic development in the Town.
- c. Collaborate with the Town, in partnership with regional, state, and federal economic development organizations, and community & business partners to: i) promote the Town’s economic development interests, ii) achieve the Town’s identified economic development goals, and iii) provide coordinated services and resources to clients.

- d. Incorporate the Town's economic development interests in Partners' planning, development, and implementation of a Strategic Economic Development Plan for Moore County.
- e. Serve as the Town's primary economic development resource/contact by i) maintaining general knowledge of the Town's existing conditions/situation analysis, including but not limited to demographic profile, key economic indicators, labor market, major industry sectors, land use plans, taxes, and regulations; and ii) maintaining general knowledge of the Town's resources and amenities that support economic development, including but not limited to quality of life, business climate, community services, education & training, available product, infrastructure, incentive policies, and entrepreneurial resources.
- f. Distribute economic development information to Town officials through written quarterly reports that include updates on Partners' projects & initiatives, accomplishments & outcomes, and performance metrics.
- g. Attend Town Council work sessions and/or board meetings as required or requested.
- h. Ensure a Town representative serves on Partners' Board.

2.2. New Business & Industry Recruitment Services

- a. Proactively recruit new business/industry to attract new capital investment and quality jobs to the Town through strategies that complement the Town's recruitment goals, including but not limited to focusing on industries desired/targeted by the Town.
- b. Maintain a database of available development sites and commercial & industrial properties for sale or lease in the Town to provide site location assistance to business/industry.
- c. Collaborate with the Town to develop industrial and commercial product, including site(s), park(s), and speculative building(s), as desired by the Town.
- d. Identify high priority infrastructure needs & collaborate with the Town to seek grants to fund improvements and provide grant administration support as requested.
- e. Market & promote the Town as an ideal business/industry location through Partners' website(s), social media accounts, and other effective marketing collateral and efforts.
- f. Respond promptly with a high level of service to project leads and other client requests for information (RFIs) about the Town, coordinating with Town staff as needed to collect information required to complete RFIs.

- g. Maintain project lead data for reporting & analysis and keep the Town Manager informed about project leads in which a property in the Town was submitted.
- h. Coordinate with and engage Town officials & staff in visits from prospective clients to include providing tours of available commercial & industrial properties, as well as tours of the broader community.
- i. Conduct appropriate follow-up with prospective clients, keeping the Town informed about the project's status and directly engaging Town officials and staff as needed, until such time that the client successfully locates in the Town or the project is no longer viable.

2.3 Existing Businesses/Industries Support Services

- a. Respond promptly with a high level of service to existing business/industry's requests for information and support.
- b. Collaborate with the Town's existing business/industry to understand and stay informed about their business needs, challenges, and goals through regular onsite visits, Employer Surveys, and/or other means of regular communication.
- c. Serve as a liaison between the Town and existing business/industry to facilitate communication to address businesses' needs and issues, and to expedite conflict resolution if needed.
- d. Work with Town officials and staff to help ensure that a pro-business climate is maintained within the Town.
- e. Expansion Support: Facilitate and expedite business/industry efforts to expand operations within the Town by:
 - i. Identifying available commercial & industrial buildings and/or sites to accommodate the expansion;
 - ii. Identifying employee recruitment & hiring assistance, and identifying workforce development training opportunities;
 - iii. Identifying potential grants/incentives at the local, state, and federal levels, and collaborating with the Town to apply for grants/incentives to support property renovation, infrastructure development/improvement, and/or other needs, and providing grant administration support for the Town and/or project company as requested; and
 - iv. Providing other assistance as requested or needed.
- f. Retention Support: If an existing business/industry is in jeopardy of terminating operations or relocating outside of the Town, work with the business to identify and address the needs & issues that are barriers to the business' successful

operations within the Town in an effort to retain the business' operations within the Town.

2.4 Business Creation & Small Business Growth Services

- a. Respond promptly with a high level of service to entrepreneurs' and small businesses' requests for information and support.
- b. Collaborate with the Town & other community partners to expand & enhance the local entrepreneurial ecosystem and identify & address any resource gaps.
- c. Achieve and maintain the Certified Entrepreneurial Community® designation for Moore County and leverage the designation to promote the area to entrepreneurs and small business owners.
- d. Maintain & promote the online entrepreneurial resources portal on Partners' website to connect entrepreneurs to startup and growth resources at the local, regional, and state levels.

2.5 Other Services

- a. Provide additional economic development support and assistance as may be specifically requested by the Town.
3. Payment. The appropriation of Twenty-Six Thousand Two Hundred Fifty Dollars (\$26,250.00) will be remitted to Partners by July 31, 2022.
4. Financial Recordkeeping. Partners will account to the satisfaction of the Town for all funds received from the Town under this Agreement. This accounting will include a) Quarterly Financial Statements presented to Partners' Board of Directors, which includes the Town's representative who serves on the Board, at their quarterly Board meetings, and b) an annual Independent Accountant's Review Report summarizing the financial position of Partners. This Review Report may be prepared by any Certified Public Accountant or any Certified Public Accounting firm licensed to operate in North Carolina. Partners will submit the annual Report to the Town on or before 12/31/22 via an email to the Town Manager.

Partners will provide additional financial documentation as may be requested by the Town.

5. Termination of the Agreement. This Agreement may be terminated for cause by either party after giving the breaching party written notice that a material breach has occurred and if the breaching party subsequently fails to cure the material breach within 30 days of receiving the notice. In the event of such a termination, Partners will provide the Town with all pertinent information regarding the current status of all projects and initiatives directly associated with and involving the Town.

6. Independent Contractor. Partners' is an independent contractor and will not represent itself as an agent of the Town. Partners is responsible for paying all federal, state, and local taxes as well as business license fees arising out of Partners' activities in accordance with this Agreement.
7. Notice. All notices and other communications required or permitted by this Agreement will be in writing and delivered via a recognized national overnight delivery service or by certified mail, return receipt requested, to the following addresses:

TOWN: TOWN OF SOUTHERN PINES
ATTN: TOWN MANAGER
125 SE BROAD STREET
SOUTHERN PINES, NC 28387

PARTNERS: PARTNERS IN PROGRESS
ATTN: EXECUTIVE DIRECTOR
P.O. BOX 5885
PINEHURST, NC 28370-5885

8. Insurance and Liability. Partners will maintain employer's liability insurance for employees as required by law. Partners will maintain insurance policies at all times with the minimum limits as follows:

a. Coverage and Minimum Limits

- i. General Liability of \$500,000 per occurrence
- ii. Automobile Liability of \$500,000 per occurrence
- iii. Umbrella of \$1,000,000 per occurrence

- b. Partners will provide the Town with a Certificate of Insurance from an "A" rated insurance company upon request.

9. Indemnification. Partners will, to the fullest extent permitted by law, indemnify, defend, and hold harmless, the Town from and against any and all claims, liabilities, losses, damages, costs, or expenses. This includes, without limitation, reasonable attorney's fees, awards, fines, or judgments arising out of, or relating to, any or all of the following:

- a. Inaccurate information or information known to Partners relating to the services provided to the Town by Partners and any and all actions, advice, decisions, or judgments made or recommended to the Town; and
- b. Damages to persons, personal property, or the Town caused by an act or omission of Partners; and
- c. All claims, suits, losses, injuries, death, and property liability, including, without limitation, expenses in connection with any such claim or suit, including reasonable attorney's fees, occurring in the performance of the proposed services.

- d. All claims and liabilities resulting from Partners' violation of federal, state, or local statute, regulation, or ordinance; and
 - e. In the event that any good, service, or process sold and delivered or sold and performed is defective in any respect whatsoever, Partners will indemnify and hold harmless the Town from all loss or the payment of all sums of money by reason of all accidents, injuries, or damages to persons or property that happen or occur in connection with the use or sale of such good, service, or process.
10. Intellectual Property. If any claim based upon alleged infringement of rights in any patent, copyright, trademark, or trade name is asserted against the Town by virtue of the purchase of any good, service, or process by Partners, Partners will indemnify and hold the Town harmless from all claims, demands, and legal obligations against the Town in preparation, defense, or settlement of such claims.
11. Strict Compliance. The Town may at any time insist upon strict compliance with these terms and conditions despite any previous course of dealing or course of performance between the parties that may have been contrary to the terms of this Agreement.
12. Severability. In the event that any provision herein is deemed invalid or unenforceable, the other provisions will remain in full force and effect, and binding on both parties.
13. Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the Town and Partners will survive the completion of the services and the termination of the Agreement.
14. Governing Law. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, is governed by the laws of the State of North Carolina. The parties agree and submit, solely for matters concerning this Agreement, to the exclusive jurisdiction of the General Courts of Justice of North Carolina. In addition, the parties agree that the exclusive venue for any legal proceeding will be Moore County, North Carolina.
15. Assignment. No assignment of this Agreement or any of the rights, benefits, or duties under this Agreement, is permitted except by the written agreement of both parties.
16. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties. This Agreement supersedes all prior agreements, whether written or oral, that may exist between the parties. In addition, no subsequent amendment or modification to this Agreement or waiver of any provisions will be effective unless in writing and signed by both parties.
17. Iran Divestment Act. The Contractor certifies that: (i) the Contractor is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58 (the "Final Divestment List"). The Final Divestment List can be found on the State Treasurer's website at the address <https://www.nctreasurer.com/office-state-treasurer/divestment-and-do-not-contract-rules>. Any contract in violation of this Act is void.

- 18. Divestment From Companies Boycotting Israel Act.** This Contractor certifies that the Contractor is not identified as an entity by the North Carolina Secretary of State that is engaged in a boycott of the State of Israel pursuant to N.C.G.S., Article 6G, Chapter 147. The Final Divestment List can be found on the State Treasurer's website at <https://www.nctreasurer.com/office-state-treasurer/divestment-and-do-not-contract-rules>. Any contract in violation of this Act is void.

**[SIGNATURES ON THE FOLLOWING
PAGE]**

IN WITNESS WHEREOF, the parties have expressed their agreement to these terms by causing this Agreement to be executed by their duly authorized officers or agents. This Agreement is effective as of the date first written above.

TOWN OF SOUTHERN PINES

ATTEST:

Carol R. Haney
Mayor, Town of Southern Pines

Beth Robertson
Town Clerk

**MOORE COUNTY
PARTNERS IN PROGRESS**

ATTEST:

Natalie D. Hawkins
Executive Director, Partners in Progress

Melanie Thompson
Office Manager

PREAUDIT CERTIFICATE

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

**REIMBURSEMENT AGREEMENT
FOR THE PARKWAY**

This Reimbursement Agreement (the “Agreement”) is made this ___ day of _____, 2022 (the “Effective Date”) by and between Midland Southern Pines Retail, LLC (the “Owner”) and the Town of Southern Pines (the “Town”).

WHEREAS, the Owner is or will be the owner of a tract of land containing approximately forty-four (44) acres, more or less, located in the Town of Southern Pines, North Carolina, together with all appurtenances thereunto appertaining, and more particularly identified on Exhibit A (the “Total Property”); and

WHEREAS, the Owner will retain or has retained a portion of the Total Property containing approximately thirty-one (31) acres, more or less, together with all appurtenances thereunto appertaining, as more particularly identified as Morganton Park South-Phase I on Exhibit A (the “Retail Property”) for a retail development; and

WHEREAS, in addition to the Retail Property, the Owner intends to convey to an unaffiliated third-party a portion of the Total Property containing approximately thirteen (13) acres, more or less, together with all appurtenances thereunto appertaining, as more particularly identified on Exhibit A (the “Multi-Family Property”) for multi-family development. After the conveyance of Multi-Family Property to an unaffiliated third party, other than the inclusion of the Multi-Family Property into the District (as hereinafter defined), the owner of the Multi-Family Property shall have no obligations or benefits under this Agreement, including, but not limited to, the construction of the Parkway or entitlement to any reimbursement under this Agreement; and

WHEREAS, pursuant to the Town of Southern Pines Unified Development Ordinance adopted October 8, 2013 and amended from time to time thereafter (the “UDO”), the Owner has submitted, and the Town has approved, a Conceptual Development Plan Ord. #1947 PD-08-21 (“CDP”) and a Preliminary Development Plan (PD-09-21) with an effective date of October 28, 2021 (“PDP”) that includes an approximately 220,000 square foot retail center with associated parking and other site improvements to be constructed on the Retail Property (the “Retail Component”); and

WHEREAS, as part of the development of the Retail Property, Owner has agreed to construct a new to-be named road to connect U.S. Highway 15-501 to Morganton Road identified as the “Parkway” on Exhibit A (the “Parkway”).

WHEREAS, the Parkway is part of the Town’s long term capital improvement plan, as evidenced by the Town of Southern Pines 2022-2023 CIP which has been provided to the Owner; and

WHEREAS, the Town has agreed to enter into this Agreement in order to allow the Parkway to be completed as quickly as possible in connection with the development of the Retail Property; and

WHEREAS, Owner intends to obtain all permits from local, state and federal agencies for the development of the Retail Property and the construction of the Retail Component and the Parkway; and

WHEREAS, the Town has adopted Town of Southern Pines Ordinance #1951 amending Chapter 34 Establishing Section 34.20 Reimbursement Policy for Public Infrastructure, a copy of which has been provided

to Owner, which sets forth the procedures and terms under which the Town can enter into reimbursement agreements relating to infrastructure; and

WHEREAS, subject to the terms and conditions contained herein, the Town has agreed to reimburse Owner for a portion of the costs and the construction of the Parkway upon its completion, approval and acceptance for dedication by the Town, pursuant to N.C.G.S. § 160A-499; and

WHEREAS, pursuant to Article 23 of Chapter 160A of the North Carolina General Statutes (the “Municipal Service District Act”), the Town has agreed to create a municipal service district that will encompass the Total Property, and (i) an adjacent approximately fifty-two (52) acre parcel currently owned by Morganton Road Enterprises, LLC, Thomas M. Van Camp, as Trustee of the Ashley Ann Reader Irrevocable Trust, under Agreement dated December 2, 1996, Robert W. and Julie M. Van Camp, as Trustee of the Robert W. and Julie M. Van Camp Living Trust under Agreement dated December 22, 1998 and WSF Land Holding Company, and (ii) and an approximately three (3) acre tract owned by Robert W. and Julie M. Van Camp, as Trustee of the Robert W. and Julie M. Van Camp Living Trust under Agreement dated December 22, 1998 ((i) and (ii) collectively, the “Van Camp Properties”), as outlined on Exhibit A (the “District”), in order to further the economic well-being of the Southern Pines central city by providing direct access from U.S. Highway 15-501 to Morganton Road and the Town’s central city; and

WHEREAS, the Owner and the owners of the Van Camp Properties have consented to having their real property included in the District; and

WHEREAS, as permitted by the Municipal Service District Act, the Town intends to impose additional property taxes within the District in order to provide funds to pay for the cost of reimbursing the Owner for the construction of the Parkway and other related infrastructure, including, but not limited to, utilities, sidewalks and storm water facilities;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements hereinafter contained, it is agreed by and between the parties hereto as follows:

1. Design of the Parkway. The Owner has selected LKC Engineering PLLC (the “Engineering Firm”) to design and prepare construction documents for the Parkway. The Engineering Firm shall also administer the contract for the construction of the Parkway, shall prepare the appropriate right-of-way and/or easement maps, and coordinate and secure any required State and Federal environmental and encroachment permits. The Parkway shall extend from U.S. Highway 15-501 to Morganton Road approximately 4,000 linear feet across the Retail Property, the Multi-Family Property, the Van Camp Properties and property of Duke Energy, as shown on the attached Exhibit A and as more particularly described in the plans referenced in Exhibit B. Design specifications shall be mutually agreed upon by the Town and Owner. Construction of the Parkway will also include associated water lines, sewer lines, storm water lines, planted median and/or turn lanes, sidewalks, multi-use paths, street trees, street lighting and curb and gutter sections (collectively, the “Associated Construction Items”), in accordance with the approved CDP, and appropriate to such a cross section in accordance with the Town’s UDO. The Town and Owner shall mutually agree upon a name for the Parkway prior to dedication to the Town.
2. Acquisition of Right-of-Way. Upon the preparation of right-of-way and/or easement maps for the Parkway by the Engineering Firm, Owner or its designee intends to secure all of the rights-of-way and/or easements for the Parkway, including slope and construction easements where required.
3. Construction of the Parkway. The Town and the Owner acknowledge and agree that the Owner will construct the Parkway in accordance with the bidding requirements of Article 8 of Chapter 143 of the North

Carolina General Statutes. The Engineering Firm has completed design documents to enable a solicitation of public bids for the construction of the Parkway, and has selected, through public bidding conducted in compliance with normal Town policies and applicable law, a contractor for the construction of the Parkway (the “Contractor”).

4. Reimbursement. Upon completion of the construction of the Parkway, the Town shall, subject to the terms of this Agreement, reimburse Owner for the Project Costs up to a maximum amount of Six Million Eight Hundred Thousand Dollars (\$6,800,000.00) (the “Maximum Amount”). As used hereunder, the term “Project Costs” shall mean:

- (a) Actual costs paid to the Contractor (or its subcontractors) under the construction contract for the construction of the Parkway and associated improvements required at the intersections, including, but not limited to, those intersections with U.S. Highway 15-501 and Morganton Road;
- (b) Design costs paid to the Engineering Firm (or its subcontractors) for the design and oversight of construction of the Parkway, including, but not limited to, traffic impact studies and geotechnical investigations;
- (c) Costs of relocating and burying electrical lines impacted by the construction of the Parkway, to include the reconnection of existing facilities; and
- (d) Cost of installation of the Associated Construction Items required as part of the Parkway as set forth in Section 1.

The Developer shall be responsible for the portion of Project Costs exceeding the Maximum Amount.

5. Completion of the Parkway; Termination of Agreement. Owner or its designee and the Town shall use their best efforts to complete the construction of the Parkway as soon as reasonably and practicably possible. If within twelve (12) months from the execution of this Agreement, the construction of the Parkway has not begun, then this Agreement shall terminate and the Town shall have no obligation to participate in any Project Costs unless an extension of this Agreement is mutually agreed to in writing. In addition, in the event that the Owner fails to close on the purchase of the Total Property by _____ [insert date], then the Owner or Town may terminate this Agreement upon written notice to the other party, whereupon the District implementation shall become null and void, with the Town taking any necessary steps to evidence the same.

6. Condition to Obligate to Reimburse. The Town’s obligation to reimburse the Owner for the cost of the Parkway is subject to the following conditions, which the Town agrees to timely and diligently pursue:

- (a) The Town is able to obtain financing for the reimbursement of the cost of the Parkway in accordance with Section 7.
- (b) The Town has implemented the District.

7. Arrangement for Financing of the Parkway. The Town agrees to arrange for financing to reimburse the Owner for the costs of the Parkway upon its completion. The Town expects to work with Davenport & Company, its financial advisor, in obtaining such financing. The Town agrees that it shall use timely and good faith efforts to obtain such financing.

(a) The Town will take such steps as are required under the Municipal Service District Act to establish the District on or before June 30, 2022 in order to be effective for the fiscal year beginning July 1, 2022. The Owner agrees to cooperate with the Town in creating such District, and will formally consent to the

Property being included in the District, and to any required additional taxes related to this Agreement in the District. The owners of the Van Camp Properties are executing this Agreement to indicate their consent to the Van Camp Properties being included in the District and to any required additional taxes related to this Agreement in the District.

(b) The Town Manager will include an additional property tax within the District equal to (i) 40 cents (.40) per \$100 in value of property subject to taxation in the Town's proposed budget for the 2022-23 fiscal year and (ii) thereafter, an additional property tax per \$100 in value (up to the maximum permitted by applicable law less the then current Town tax rate) to permit the Town to pay the principal and interest due with respect to the IFC (as defined below) and to pay for any other additional services deemed necessary or desirable, and eligible for funding in the District under applicable law.

(c) Upon completion of the Parkway, the Owner shall provide reasonable evidence of the associated construction costs to the Town (which may include copies of draw requests or pay applications along with paid invoices, affidavits and lien waivers), and shall initiate the dedication of the Parkway to the Town as a public Street. Provided the Parkway conforms to the requirements of this Agreement, the Town will inform the Owner in writing that the Town will accept the dedication of the Parkway (the "Acceptance Notice"). Within thirty (30) days of the Town's Acceptance Notice, the Town will issue a Request for Proposals to various banks requesting term sheets for an installment financing contract (the "IFC") with the Town to finance the costs of the Parkway to be paid under this Agreement, to be secured by various fixtures that are part of the Parkway. The amount to be financed will not exceed the Maximum Amount plus costs of issuance for a term of not more than 20 years.

(d) The Town will timely apply for and diligently pursue in good faith the approval of the IFC from the North Carolina Local Government Commission (the "LGC"), including attending a preapplication conference, filing a formal application and undertaking such other items as the LGC may require. The Owner will cooperate with the Town in this process, including attending meetings with the LGC and providing copies of construction documentation, as required.

8. Dedication of Parkway. Upon completion of the construction of the Parkway, the Owner will offer the Parkway to the Town by giving written notice to the Town (the "Parkway Offer Notice"). Upon receipt of the Parkway Offer Notice, the Town shall promptly review the construction of the Parkway and notify Owner of any deficiencies. When the Parkway is in form ready for dedication, the Town shall notify the Owner of its acceptance of the dedication of the Parkway.

9. Reimbursement for the Parkway. As soon as reasonably practicable but in no event later than July 1, 2024, the Town will use the proceeds of the IFC to reimburse the Owner the sum of the actual Project Costs of the construction of the Parkway permitted under Section 3, as evidenced in the accounting for costs required by Section 7(c), not to exceed the Maximum Amount.

10. Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties hereto and their successors and assigns.

11. Choice of Law. All matters relating to this Agreement shall be governed by the laws of the State of North Carolina, without regard to its choice of law provisions, and venue for any action related to the Agreement shall be the Moore County Superior Court or the United States District Court for the Middle District of North Carolina.

12. Notices. Any notice given pursuant to this Agreement, shall be deemed given if delivered by hand or if deposited in the United States Mail, postage paid, certified mail, return receipt requested, and addressed as follows:

If to Town:

Town of Southern Pines
125 SE Broad Street
Southern Pines, NC 28387
Attention: Town Manager

And a copy to:

Douglas R. Gill
Town Attorney
225 N. Bennett Street
Southern Pines, North Carolina 28387

If to Owner:

Midland Southern Pines Retail, LLC
c/o Midland Atlantic Properties
8044 Montgomery Road, Suite 370
Cincinnati, Ohio 45236
Attention: John Silverman

And a copy to:

Suzanne Schaffer
Lodestar Law
4722 Park Road, Suite B
Charlotte, North Carolina 28209

13. Amendments. This Agreement constitutes the entire agreement and understanding of the Town and the Owner with respect to the subject matter hereof, and shall not be amended or modified except in writing signed by both parties hereto.

14. Default. The terms and conditions of this Agreement shall be enforceable by actions for specific performance or injunction in addition to any other remedies available at law or in equity, provided that the non-defaulting party provides due notice setting forth with reasonable particularity the nature of the default and the evidence supporting the finding and determination and an opportunity to cure to the defaulting party and the defaulting party fails to cure the breach within a reasonable time. Any failure or omission of the non-defaulting party to exercise any right or remedy provided herein shall not be deemed a waiver of such party's right to enforce strictly the defaulting party's obligations in any other instance.

15. Severability. If any provision of this Agreement shall be determined to be void by any court of competent jurisdiction, such determination shall not effect any other provision hereof, all of which other provisions shall remain in full force and effect. It is the intention of the parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

16. Attorney's Fees. If any suit, action or proceeding in law or equity is brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable costs and attorneys' fees.

17. Authority to Enter into Agreement. Owner and the Town certify that they are legally empowered to enter into this Agreement

18. Force Majeure. Notwithstanding anything to the contrary herein, the Owner shall not be liable to the Town for any failure to perform under this Agreement as a result of a force majeure, including, without limitation, the following, acts of governmental authorities, including, without limitation, the denial of permits which Owner has pursued in good faith, delays in the acquisition or condemnation of necessary rights of way or other property for public infrastructure, embargoes, fire, flood, hurricanes, tornadoes, explosions, acts of God or a public enemy, strikes, labor disputes, vandalism, civil riots, or acts of terrorism.

[Remainder of page intentionally left blank]

In witness whereof, the parties here to have executed this Development Agreement as of the date first above written.

MIDLAND SOUTHERN PINES RETAIL, LLC,
a Delaware limited liability company

By: Midland Southern Pines Venture Partners, LLC,
a Delaware limited liability company,
its sole Member

By: _____
Name: _____
Title: _____

TOWN OF SOUTHERN PINES, NORTH CAROLINA

By: _____
Name: _____
Title: _____

[Signatures of the Owners of the Van Camp Properties on next page]

The undersigned hereby acknowledge their consent to inclusion of their portion of the Van Camp Properties in the Municipal Service District described in Section 7(a) hereof.

MORGANTON ROAD ENTERPRISES, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

WSF LAND HOLDING COMPANY,
a North Carolina charitable organization

By: _____
Name: _____
Title: _____

ROBERT W. AND JULIE M. VAN CAMP
LIVING TRUST UNDER AGREEMENT
DATED DECEMBER 22, 1998

Robert W. Van Camp, Trustee

Julie M. Van Camp, Trustee

ASHLEY ANN READER IRREVOCABLE
TRUST, UNDER AGREEMENT DATED
DECEMBER 2, 1996

Thomas M. Van Camp, Trustee

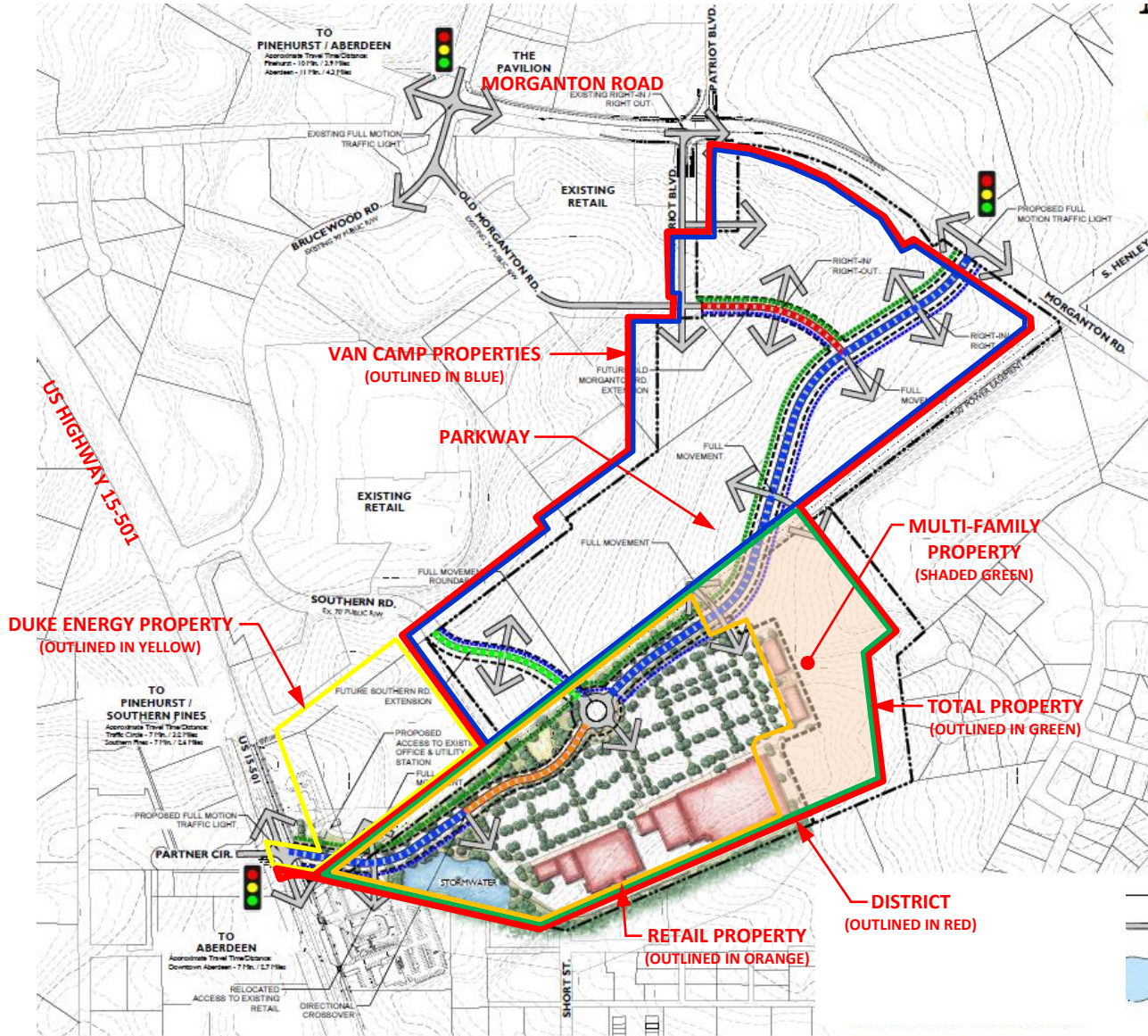
[End of Signatures]

Exhibit A

Map

See attached Map identifying the following:

1. Total Property
2. Morganton Park South-Phase I - Retail Property
3. Multi-Family Property
4. Parkway
5. District
6. Van Camp Properties
7. Duke Energy Property



LEGEND:

Yellow Outline	-	Due Energy Property
Orange Outline	-	Retail Property
Red Outline	-	District
Green Outline	-	Total Property
Blue Outline	-	Van Camp Properties
Green Shaded Area	-	Multi-Family Property

Exhibit B

Plans for the Parkway

- Those certain Civil Plans for Pine Ridge Parkway prepared by LKC Engineering, PLLC dated February 18, 2022 (Sheets C.0 – C-30 and Sheets D-01 – D-10) approved by the Town on _____.
- Those certain Streetscape Plans for Pine Ridge Parkway prepared by Koontz Jones Design dated December 20, 2021 (Sheets L-1.0 – L-3.0) approved by the Town on _____.
- Those certain Offsite Improvement Plans for Pine Ridge Parkway prepared by Kimley-Horn & Associates, Inc. dated January 9, 2022 (Sheets R0.00 – R7.03) approved by the Town on _____.
- Those certain Signal Plans for Pine Ridge Parkway prepared by Kimley-Horn & Associates, Inc. dated February 2022 (Sheets Sig 1.0 – Sig 2.0) approved by the Town on _____.
- Those certain Lighting Plans for Pine Ridge Parkway prepared by Duke Energy dated March 3, 2022 (Sheets 1 – 2) approved by the Town on _____.