BOARD OF COMMISSIONERS

200 College Street, Room 326
Asheville, NC

October 20, 2026 – 5:00 PM

WORKING AGENDA

Public Comment is taken at the beginning of the meeting.

CALL TO ORDER

CONSENT

1. Approval of the October 6, 2026 Meeting Minutes
2. Purchase of Duty Weapon by Retired Officers
3. Budget Amendment to accept JAG 2025 Allocation

PUBLIC COMMENT

GOOD NEWS

MANAGER'S REPORT

PRESENTATIONS

1. National Disability Employment Awareness Month

PUBLIC HEARINGS

1. Appalachian Mountain Health Economic Development Agreement and Building Reuse Grant

OLD NEWS

NEW BUSINESS

1. Letter of Support for Fairview Holiday Parade
2. A Resolution of the Buncombe County Board of Commissioners Opposing Proposed Constitutional Amendments That Could Limit Local Fiscal Flexibility - added Oct. 20

BOARD APPOINTMENTS

1. Board Appointments for October 20, 2026

BOARD UPDATES

ANNOUNCEMENTS

CLOSED SESSION

[MEET_FOOT]

MINUTES OF THE BUNCOMBE COUNTY BOARD OF COMMISSIONERS'

REGULAR MEETING OF OCTOBER 6, 2026.

BE IT REMEMBERED: That the Board of Commissioners met to hold a Regular Meeting on October 6, 2026, in the Chamber at 200 College Street in downtown Asheville, North Carolina at 5:00 p.m.

Present: Chair Amanda Edwards; Vice-Chair Martin Moore, Commissioner Al Whitesides; Commissioner Jennifer Horton; Commissioner Drew Ball and Commissioner Parker Sloan.

Absent: Commissioner Terri Wells.

The Chair opened the meeting and provided opening remarks.

CONSENT

1. Approval of the September 15, 2026 Combined Meeting Minutes
2. Approval of the August 2026 Tax Collection Report
3. Request to waive occupancy tax penalty for Rock Haven Motel/Econo Lodge Biltmore
4. Resolution Approving Pyrotechnic Experts for Firework Displays
5. Appointment of Mr. Mark Matthews to the Reems Creek Volunteer Fire Department Firefighters' Relief Fund Board of Trustees

Commissioner Ball made a motion to remove agenda item New Business 5, a budget amendment. The motion was seconded by Commissioner Moore and carried unanimously.

Commissioner Ball made the motion to approve the consent agenda and the amended agenda. The motion was seconded by Commissioner Whitesides and carried unanimously.

PUBLIC COMMENT

Gerry Nugent- urged the board to adopt a resolution encouraging residents to vote no on all three proposed North Carolina constitutional amendments, citing concerns about unclear impacts on taxes, public services, and voting requirements. She emphasized that constitutional changes should be fully understood and justified to help residents make informed decisions.

Jackie Oerther – requested permission to hold the Fairview Christmas Parade on Charlotte Highway, emphasizing that the event represents hope and community after recent hardships. They noted that organizers are coordinating safety measures, and securing approvals, and funding.

Natalie Dorsey – urged the board to oppose all three proposed constitutional amendments, arguing they would reduce state and local revenue and harm essential services, particularly public education. They emphasized the significant financial impact of the income

and property tax amendments and asked the board to defend local decision-making and resources by passing a resolution against the measures.

Marissa Pack – requested support for Fairview Parade on Fairview Highway, noting it has become an important community tradition, emphasizing its emotional significance after the losses from Hurricane Helen and its role in supporting local families and small businesses. She explained that organizers are working on all safety, traffic, and insurance requirements and asked the county to provide a path for the parade to continue.

Sarah Kent- urged the board to scrutinize and oppose mass-surveillance technologies such as Axon's subscription-based system, expressing concerns about warrantless data collection and Fourth Amendment implications. She noted public uncertainty surrounding a recently pulled "camera project" budget item and said she will continue raising transparency and civil-liberty concerns at future meetings.

Anthony Pena – shared concerns about the safety of mRNA vaccine technology, citing a 2021 *Nature* article describing impurities that can form during lipid nanoparticle delivery and potentially affect mRNA stability and translation. He argued that these findings raise broader health and scientific questions as mRNA platforms expand beyond COVID-19 vaccines and urged commissioners to consider these issues carefully.

Gino Perez – raised concerns about the county's RIDE voucher program, noting that listed providers are limited or unsuitable and that voucher usage has dropped sharply despite reported capacity. He urged commissioners to require staff to present an alternative alongside the current program, arguing that RIDE delivers far fewer rides than promised and fails to meet real transportation needs.

Did not state name – expressed concerns about the upcoming election, alleging flaws in voting processes and warning of potential fraud in Buncombe County. He also shared personal frustrations related to identification, medical communication, and public safety.

PRESENTATIONS

1. **Domestic Violence Prevention and Awareness Month Proclamation**

Commissioner Ball read the proclamation which was accepted by April Burgess-Johnson, Executive Director of Helpmate. He stated that Domestic violence prevention and awareness are vital to Buncombe County and Western North Carolina because intimate partner violence impacts the safety, health, and stability of the entire community. Burgess-Johnson

thanked the Commissioners and provided detailed information for the upcoming Candlelight Vigil honoring the memory of domestic violence victims on October 29.

PUBLIC HEARING

1. **East Fork Economic Development Agreement**

Josh Halingse provided background information. He explained that in December 2025, East Fork Pottery LLC announced its plans to expand at its existing facility in Buncombe County. He further explained that East Fork Pottery is a leading manufacturer and distributor of ceramic dishware and plans to invest $2.5 million in capital expenditures and create 40 new full-time jobs, averaging $26 an hour.

Halingse further explained that prior to the December announcement, East Fork requested made formal application of incentives. The County, subject to formal approval by the Board of Commissioners at a Public Hearing, provided guidance on the utilization of economic development incentives to induce the Company to make capital investments and create jobs in Buncombe County. The Buncombe County incentives will total $21,000. Based on the County's policy, East Fork is eligible for a one-time incentive of $16,000 based on capital investment and job creation targets. Additionally, the Company may be eligible to receive up to $5,000 in employment incentives if the company demonstrates its ability to hire employees from workforce development programs. He stated that staff have analyzed the economic impact of the expansion project, drafted an Economic Development Agreement (EDA) between East Fork Pottery and Buncombe County, and are requesting the Board's formal approval for the incentive grant.

Alex Matisse, CEO of East Fork provided more detailed information related to the operations of the company and their commitments moving forward.

The Chair opened the public hearing at 5:48 p.m. There was one public comment:

Ashley Swanger – spoke in support of the investment in this community.

The Chair closed the public hearing at 5:49 p.m.

Commissioners expressed strong support for approving the economic development incentive agreement, praising East Fork as a model local business that invests in its employees, reflects community values, and contributes to the region’s creative and economic vitality. Multiple commissioners highlighted East Fork’s living-wage commitments, fair-chance practices, and positive workplace culture.

Commissioner Whitesides made the motion to approve economic development incentives for East Fork Pottery and the Economic Development Agreement between East Fork and Buncombe County. The motion was seconded by Commissioner Ball and carried unanimously.

2. **CDBG-NR Public Hearing**

Rachael Sawyer, Strategic Partnership Director, provided background information. She explained that Buncombe County received a $400,000 CDBG-NR grant in 2022 to support home repairs for low- and moderate-income homeowners, but no funds were spent due to program delays and Tropical Storm Helene. Because home-repair partners have shifted to disaster-recovery work, the state's Rural Economic Development Division offered the County the option to modify both the project scope and the award amount instead of canceling the grant. She noted that Staff has reviewed program guidelines and proposed redirecting the funds to support NCDOT's Swannanoa Sidewalks project, which addresses funding gaps for sidewalk construction on Whitson Avenue and several adjacent streets. The proposed modification would increase the grant to $719,400 with 90% allocated to infrastructure improvements and 10% to general administration. This would supplement other pending grants of $979,069 for Whitson Avenue, and $786,291 for Railroad Street, Alexander Place and South Avenue. The project meets HUD's low-to-moderate income national objective, supports livability principles by investing in existing communities, and aligns with multiple County plans, including the Comprehensive Land Use Plan and the Helene Recovery Plan.

The Chair opened the public hearing at 6:02 p.m. There were no public comments. The Chair closed the public hearing at 6:02 p.m.

Commissioner Sloan asked about the Rural Economic Development Division's openness to modifying the existing CDBG-NR grant to fund sidewalk construction and NCDOT's role. Sawyer said that staff has had multiple discussions about eligibility and feasibility, and that the division had responded favorably. She further clarified that NCDOT would serve as the lead agency for right-of-way acquisition, design, engineering, and construction, ensuring compliance with federal funding requirements.

Commissioner Moore made the motion to approve the resolution authorizing submission of grant modification documents for CDBG-NR 21-C-4009 Funding. Commissioner Sloan seconded the motion and it was carried unanimously.

NEW BUSINESS

1. **Economic Development Update and Building Reuse Grant Local Authorization**

Josh Halingse, Intergovernmental Affairs Director, provided background information. He explained that in spring 2026, Appalachian Mountain Health (AMH) purchased and began planning to renovate a 8,740 square-foot facility to establish a comprehensive Federally Qualified Health Center (FQHC) serving the Black Mountain and Swannanoa communities of Buncombe County. He said that this facility will address a gap in healthcare services that was closed when a medical practice in the same building closed in October 2025. In order to support the renovation of this facility, the restoration of healthcare services to this community, and the creation of full-time jobs at this facility, AMH and Buncombe County partnered to pursue a Building Reuse grant from N.C. Commerce. The Building Reuse grant program includes funding

to support the renovation of healthcare facilities. This program requires a local government sponsor in order to participate, and Buncombe County is serving in this role.

Halingse said that with the County's support, this project was awarded a $480,000 grant from the Building Reuse program. The Building Reuse Grant Program requires a non-State, non-Federal 5% match ($24,000). Appalachian Mountain Health has secured this match with a letter of commitment from Dogwood Health Trust. He further noted that this project will be at no cost to Buncombe County.

Commissioner Horton made the motion to authorize the County Manager to coordinate with Appalachian Mountain Health and participate in the NC Commerce Building Reuse Grant Program. The motion was seconded by Commissioner Whitesides and carried unanimously.

2. Approval of Revisions to the Affordable Housing Services Program Guidelines

Jonathon Jones, Lead Community Development Analyst, provided background information. He explained that Buncombe County created the Affordable Housing Services Program (AHSP) to ensure comprehensive opportunities for affordable and safe housing as a foundation for healthy and thriving families and neighborhoods. He fruther explained that the AHSP's Description, Requirements and Guidelines are amended, reviewed, and approved by the Board of Commissioners for final adoption. He said that at its regularly scheduled meeting on September 1, 2026, the Affordable Housing Subcommittee recommended the Board of Commissioners adopt revised AHSP Guidelines to modify funding requirements and provide administrative clarifications for potential applicants.

Jones reviewed the proposed revisions to the Affordable Housing Services Program (AHSP), in detail. He said that the revisions aim to clarify loan and grant language, align standards across programs, expand rental assistance to include mortgage assistance, eliminate historically unfunded activities, and strengthen financial requirements for loan applications. Key changes include new documentation standards, updated Tenant-Based Rental Assistance guidelines, a cap on administrative costs, and combining the New Start and Administrative grant programs. The Construction Loan Program revisions introduce clearer project scope requirements, a standardized for-sale loan maximum, and three updated underwriting standards to ensure financial soundness. He explained that the proposal also clarifies standard, optional, and special loan terms, along with new cashflow repayment rules designed to accelerate reinvestment in affordable housing. He concluded with the timeline for the FY27 AHSP cycle.

Commissioner Ball expressed appreciation for the work updating the Affordable Housing Services Program (AHSP) guidelines, noting that nearly all proposed revisions strengthened the program; he also highlighted his concerns about the guideline requiring 50% of available project cash flow to be directed toward loan repayment, explaining that its position in the capital stack could make it difficult for large-scale affordable housing developers to use the program. He shared feedback from financing experts, housing authorities, and developers, and requested to send the guidelines back to the subcommittee for further review of that section.

Chair Edwards noted that the subcommittee had already approved the revisions by a 4–1 vote and expressed reluctance to override its work, arguing that the new structure promotes fiscal responsibility and ensures loan dollars can be reinvested in future projects. The commissioners acknowledged concerns raised by some housing groups but stated that adopting the revisions now, with the option to revisit them after a year of implementation, would best serve taxpayers and maintain trust in the bond commitments that rely on loan repayment.

Commissioner Sloan asked about the timeline, and if delaying adoption for further subcommittee review would impact the upcoming cycle. Jones clarified that revisiting the guidelines would delay the application cycle by at least a month, and that the next feasible time to revise the guidelines again would be in the spring, after a full program cycle.
Commissioner Sloan made the motion to adopt the revisions approved by the Subcommittee. The motion was seconded by Commissioner Whitesides and passed 5-1 with Commissioner Ball voting no.

3. **Budget Amendment to Receive & Appropriate Grant Funding for Multifamily Recycling Pilot Program**

Cassandra Lohmeyer, Recycling Coordinator, provided background information. She explained the North Carolina Department of Environmental Quality's Division of Environmental Assistance and Customer Service has awarded the Solid Waste department $71,500 in grant funding to implement a pilot program to increase accessibility to recycling in multifamily communities over calendar year 2027. She said that total expenditures with matches are $78,650. She explained that the pilot program includes infrastructure improvements as well as a comprehensive educational initiative to multifamily residents. The City of Asheville's Sanitation division will be co-implementing this pilot project and, as such, will split the local grant match with Buncombe County.
Commissioner Sloan asked if this funding is related to Helene Recovery in any way. Lohmeyer clarified that this is a separate pot of money.

Commissioner Moore made the motion to Accept NC DEQ DEACS' $71,500 for the Multifamily Recycling Grant and to approve the budget amendment for Multifamily Recycling Grant. The motion was seconded by Commissioner Horton and carried unanimously.

4. **Budget Amendment to Accept Grant Agreements for Sidewalks Project**

Kevin Madsen, Helen Recovery Officer, provided background information. He explained that the Small Business Infrastructure Grant Program (SmBIZ) is a Helene recovery grant program managed by the N.C. Department of Commerce that provides funding for local governments to help support small business recovery from Hurricane Helene. This action is to accept two grant awards from the SmBIZ program. The first grant is for $979,069 to repair and extend sidewalks on Whitson Avenue. The second grant is for $786,291 to repair and extend sidewalks on Railroad, Alexander and South in

Downtown Swannanoa. He said that these projects will be completed in partnership with the N.C. Department of Transportation, who will provide construction management services. Madsen noted that no additional County funding is required.
Commissioner Horton made the motion to approve the Budget Amendment and accept the two Small Business Infrastructure Grant program awards. The motion was seconded by Commissioner Ball and carried unanimously.

BOARD APPOINTMENTS

Health and Human Services Board – Commissioner Horton made the motion to appoint Jennifer Farmer, Carmen Robinson, Caitrin Doyle, Thomas Kelly. The motion was seconded by Commissioner Ball and carried unanimously.

BOARD UPDATES

Chair Edwards provided update on School Justice Partnership Committee.

Commissioner Horton noted she attended the Public Education meeting and the HHS Steering Committee meeting.

Commissioner Whitesides said he will send the Helene Recovery Committee information.

Adjourned at 6:49 p.m.

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

CONSENT

Department: Sheriffs Office

Presenter(s): Michele Robinson, BCSO Business Administrator

Contact: Michele Robinson, BCSO Business Administrator

Subject: Purchase of Duty Weapon by Retired Officers

Brief Summary:

Deputy Jeffrey Gillstrap and Sergeant James Hammond retired from Buncombe County Sheriff's Office. NC Statute 17F-20 states that a law enforcement office can allow a retired deputy to purchase their service weapon for a price determined by and approval of its governing body. The Sheriff's Office has allowed purchase of service weapons for 10+ years and the purchase price has historically been set at $1.00 and waived by Buncombe County Sheriff's Office. BCSO would like approval for retired Deputy Jeffrey Gillstrap and retired Sergeant James Hammond to purchase their service weapon as statute allows.

Recommended Motion & Requested Action:

Approve resolutions for retired BC Sheriff's Officer Deputy Gillstrap and Sgt Hammond to purchase their service weapon for $1.00.

Attachments:

1. Resolution_Jeffery Gillstrap Firearm issuance
2. Resolution_James Hammond Firearm Issuance

RESOLUTION # _____

RESOLUTION AWARDING A SERVICE FIREARM TO A RETIRING DEPUTY OF THE BUNCOMBE COUNTY SHERIFF'S OFFICE

WHEREAS, Jeffery Gillstrap is retiring from the Buncombe County Sheriff's Office after 9 years of service; and

WHEREAS, N.C. Gen. Stat. § 17F-20 authorizes boards of county commissioners to award to a retiring member of a law-enforcement agency with countywide jurisdiction, such as a sheriff's office, or surviving relatives of such a member, upon request, the service side arm of such deceased or retiring members, at a price determined by such governing body, upon determining that the person receiving the weapon is not ineligible to own, possess, or receive a firearm under the provisions of State or federal law, or if the weapon has been rendered incapable of being fired.

WHEREAS, it is the practice of this Board to provide a member of the Buncombe County Sheriff's Office who retires through the North Carolina Local Government Retirement System with ten (10) or more years of service with said Office, or who retires due to medical disability, and who meets the qualifications of N.C. Gen. Stat. § 17F-20, with the service side arm used by the member at the time of the member's retirement at a price of zero ($0) dollars; and

WHEREAS, this board finds that the individual named above carried, at the time of the individual's retirement, a service side arm more particularly described as a Glock Model 17 serial number BEPX006, and that the individual named above has requested and is entitled to receive said service side arm in working order at a price fixed by this Board

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That pursuant to N.C. Gen. Stat. § 17F-20, the individual named above is hereby awarded the service side arm described above for a price of zero ($0) dollars.

2. That the County Manager or her designee is authorized to undertake any action(s) necessary to transfer the service side arm described above to the individual named above.

3. That this resolution shall become effective upon its adoption.

This the 20 day of October, 2026.

ATTEST

_____
Clerk

BOARD OF COMMISSIONERS FOR THE COUNTY OF BUNCOMBE
By: _____
Chair

APPROVED AS TO FORM

_____
County Attorney

RESOLUTION # _____

RESOLUTION AWARDING A SERVICE FIREARM TO A RETIRING
DEPUTY OF THE BUNCOMBE COUNTY SHERIFF'S OFFICE

WHEREAS, James Hammond is retiring from the Buncombe County Sheriff's Office after _30 years of service; and

WHEREAS, N.C. Gen. Stat. § 17F-20 authorizes boards of county commissioners to award to a retiring member of a law-enforcement agency with countywide jurisdiction, such as a sheriff's office, or surviving relatives of such a member, upon request, the service side arm of such deceased or retiring members, at a price determined by such governing body, upon determining that the person receiving the weapon is not ineligible to own, possess, or receive a firearm under the provisions of State or federal law, or if the weapon has been rendered incapable of being fired.

WHEREAS, it is the practice of this Board to provide a member of the Buncombe County Sheriff's Office who retires through the North Carolina Local Government Retirement System with ten (10) or more years of service with said Office, or who retires due to medical disability, and who meets the qualifications of N.C. Gen. Stat. § 17F-20, with the service side arm used by the member at the time of the member's retirement at a price of zero ($0) dollars; and

WHEREAS, this board finds that the individual named above carried, at the time of the individual's retirement, a service side arm more particularly described as a __Glock Model 17_____ *(for example: Glock Model 17),*, serial number __BMPA502_____, , and that the individual named above has requested and is entitled to receive said service side arm in working order at a price fixed by this Board

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That pursuant to N.C. Gen. Stat. § 17F-20, the individual named above is hereby awarded the service side arm described above for a price of zero ($0) dollars.

2. That the County Manager or her designee is authorized to undertake any action(s) necessary to transfer the service side arm described above to the individual named above.

3. That this resolution shall become effective upon its adoption.

This the 20 day of October, 2026.

ATTEST

__
_____
Clerk

BOARD OF COMMISSIONERS FOR THE COUNTY OF BUNCOMBE

By: _____
Chair

APPROVED AS TO FORM

_____
County Attorney

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

CONSENT

Department: Sheriffs Office

Presenter(s): John Hudson, Budget Director

Contact: Michele Robinson, BCSO Business Administrator

Subject: Budget Amendment to accept JAG 2025 Allocation

Brief Summary:

The JAG program funding for law enforcement is provided to the City of Asheville, Buncombe County Sheriff's Office is a sub-recipient. The JAG 2025 Allocation to Buncombe County is $13,845, to be used to purchase and upgrade the photography equipment and accessories for the Crime Scene Unit. This will improve the service and capabilities of BCSO Crime Scene Unit to process crime scenes and evidence. No County Funds are required.

Recommended Motion & Requested Action:

Approve the budget amendment; receive and accept the grant; and authorize the County Manager or other authorized delegates to execute the grant agreement and other documents necessary to accept and administer the grant, provided such documents are consistent with County policy, State or Federal law.

Attachments:

1. JAG 2025 MOU
2. Budget Ordinance

THE STATE of North Carolina

COUNTY of Buncombe

MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF ASHEVILLE, NC AND THE COUNTY OF BUNCOMBE, NC

2025 BYRNE JUSTICE ASSISTANCE GRANT (JAG) PROGRAM: LOCAL SOLICITATION

THIS AGREEMENT made and entered into this 25th day of August 2026, by and between the City of Asheville, a municipal corporation organized and existing under the laws of the State of North Carolina (hereinafter referred to as "CITY"), and the County of Buncombe, a body politic and corporate, organized and existing under the laws of the State of North Carolina (hereinafter referred to as "COUNTY").

WHEREAS, the JAG Program provides Federal funding for law enforcement operations;

WHEREAS, the Grant apportions grant funding between CITY and COUNTY law enforcement operations based on a Federal distribution formula; and

WHEREAS, CITY and COUNTY find receiving the grant under the terms of this Agreement is in the best interests of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates each party for the services or functions under this agreement.

NOW THEREFORE, the CITY and COUNTY agree as follows:

Section 1. CITY agrees to pay COUNTY a total of $13,845.00 of JAG funds. COUNTY agrees to use $13,845.00 for the purchase of new camera equipment, existing equipment conversions, external flashes and new infrared equipment.

Section 2. Nothing in the performance of this agreement shall impose any liability for claims against the CITY or COUNTY. Nor does anything in this agreement waive either party's use of the defense of governmental immunity.

Section 3. Each party to this Agreement will be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 4. The parties to this agreement do not intend for any third party to obtain a right by virtue of this agreement.

Section 5. By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein.

Section 6. CITY will be the administrating agent of this Grant. CITY will not charge the COUNTY a fee for administering the grant. COUNTY agrees to provide CITY all documentation necessary to demonstrate how the grant funds have been used and assist in the preparation of any audit if necessary.

CITY OF ASHEVILLE, NC

City Manager

COUNTY OF BUNCOMBE, NC

_____

County Manager

ORDINANCE # _____

BUNCOMBE COUNTY, NORTH CAROLINA

Grant Projects Ordinance

BOARD MEETING DATE: October 20, 2026

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2026-2027 Grants Projects outlined below in Exhibit "A" to the budget,

NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY2026-2027 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 20th day of October, 2026

Granting Agency:	Sheriff's Office
Grant Name:	JAG 2025

Description:

The Sheriff's Office receives Justice Assistance Grant (JAG) funding each year as a subrecipient through the City of Asheville. The allocation for the 2025 funding totals $13,845. The funding will be used to purchase and upgrade the photography equipment and accessories for the Crime Scene Unit.

Funding Source:	2025 Edward Byrne Memorial Justice Assistance Grant Funding
Award ID:	
CFDA Listing:	16.738

Exhibit A:	**Increase (Decrease)**	
Account Description	**Revenues**	**Expenditures**
JAG 2025	$ 13,845	$ 13,845
TOTAL	$ 13,845	$ 13,845

ATTEST:

Clerk to the Board

BOARD OF COMMISSIONERS FOR THE COUNTY OF BUNCOMBE:

By: _____

Chair of the Board

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

PRESENTATIONS

Department: Access and Human Affairs **Presenter(s):** Caroline Long, Recruiting Manager
Rocio Borghini, Employee Engagement Manager

Contact: Noreal Armstrong, Access and Human Affairs Director

Subject: National Disability Employment Awareness Month

Brief Summary:

National Disability Employment Awareness Month (NDEAM), is an annual recognition of the positive impact of people with disabilities in the workforce. It is celebrated in October each year and this year's theme is *Celebrating Value and Talent.* National Disability Employment Awareness Month recognizes employees with physical disabilities and acknowledges the importance of increasing employment opportunities for people with disabilities, including those with mental health conditions and other nonobvious disabilities.

Recommended Motion & Requested Action:

None

Attachments:

1. Disability Employment Awareness Month 2026

NATIONAL DISABILITY EMPLOYMENT AWARENESS MONTH

OCTOBER 2026

WHEREAS, in October 2026, we celebrate National Disability Employment Awareness Month (NDEAM), an annual recognition of the positive impact of people with disabilities in the workforce; and,

WHEREAS, the observance began in 1945 as a week recognizing workers with physical disabilities. In 1988, Congress designated the commemoration as National Disability Employment Awareness Month (NDEAM), which then evolved to acknowledging the importance of increasing employment opportunities for people with disabilities, including those with mental health conditions and other nonobvious disabilities; and,

WHEREAS, in 2001, the Office of Disability Employment Policy (ODEP) was created and entrusted to administer NDEAM, including the selection and promotion of its annual theme; and,

WHEREAS, this year's NDEAM theme will be "Celebrating Value and Talent," in honor of America's 250th birthday, highlighting the role people with disabilities have played in shaping workplaces, communities, and the economy; and,

WHEREAS, Buncombe County Government's Human Resources Department realizes the importance of a diverse professional workforce and the need to foster a responsive and innovative organizational culture, one that fully engages all of our employees in order to achieve our mission. We honor and build on each employee's unique experiences, talents, opinions, and perspectives. During this month, we celebrate the contributions of employees with disabilities and reaffirm our dedication to ensuring equal opportunities, accessibility, and respect for all,

NOW, THEREFORE, BE IT RESOLVED that the Buncombe County Board of Commissioners proclaims **October 2026** as **National Disability Employment Awareness Month** in Buncombe County and encourage our community to join us in celebrating the value, talent, and contributions of those working with disabilities in our county, state, and nation.

This 20th day of October, 2026.

Amanda Edwards, Chair
Buncombe County Board of Commissioners

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

PUBLIC HEARINGS

Department: County Manager

Presenter(s): Josh Hallingse, Intergovernmental Relations Director
Sam Riddle, Senior Budget Analyst

Contact: Elizabeth Odderstol, Economic Development Program Analyst

Subject: Appalachian Mountain Health Economic Development Agreement and Building Reuse Grant

Brief Summary:

In Spring 2026, Appalachian Mountain Health purchased a vacant medical facility on Hwy 70 in Black Mountain with the intention of renovating the building and opening a Federally Qualified Health Center to provide affordable health care services in Eastern Buncombe County. Prior to beginning construction, Appalachian Mountain Health requested Buncombe County's assistance with pursuing a Building Reuse grant from N.C. Commerce. Buncombe County applied and was successfully awarded $480,000 to support Appalachian Mountain Health's investment of $2.5 million in eligible construction costs and creation of 48 jobs.

The Build Reuse grant requires a 5% match ($24,000). A local non-profit, Dogwood Health Trust, has committed to providing these matching funds, and so this grant will be at no cost to Buncombe County Government. Buncombe County will administer the grant and the terms for our administration of the grant are outlined in the attached Economic Development Agreement. This Economic Development Agreement does not include any other incentives.

Recommended Motion & Requested Action:

Hold a public hearing in accordance with NCGS § 158-7.1, which directs local governments to hold a public hearing in advance of any appropriate or expenditure for economic development purposes.

Request for Board approval for:
1. Accept the Building Reuse Grant Agreement with N.C. Commerce and Appalachian Mountain Health and approve the budget amendment.
2. Economic Development Agreement between Appalachian Mountain Health and Buncombe County

Attachments:

1. Presentation
2. Appalachian Mountain Health EDA
3. Budget Amendment
4. Building Reuse Sample Contract

Appalachian Mountain Health

Building Reuse Grant and Public Notices for Economic Development Agreement

Buncombe County Board of Commissioners

Regular Meeting October 6th, 2026

Background

- Appalachian Mountain Health (AMH) is a Federally Qualified Health Center (FQHC) that provides affordable healthcare services in Buncombe County
- AMH purchased and is renovating a medical facility in East Buncombe County
- Awarded a **$480,000 Building Reuse Grant** from NC Commerce for job creation and building investment activities
  - Building Reuse Grant requires Board authorization to proceed
  - Require 5% match provided by local philanthropic organization
    - Project will be at no cost to the County
- **Building Reuse Project:**
  - **Eligible Construction Costs:** $2.5M
  - **Jobs:** 48
  - **Wages:** $39.81/hour average

Requested Action Items

Requested Board Action, with two motions:

1. Accept the Building Reuse Grant Agreement with N.C. Commerce and Appalachian Mountain Health and approve the budget amendment.
2. Approve Economic Development Agreement between Appalachian Mountain Health and Buncombe County
   - Does not include County incentive dollars, Agreement is for grant management purposes only

Appalachian Mountain Health

Who We Are

Appalachian Mountain Health
Who we are

18,799

unique patients cared for in 2025

65,236

patient visits across four counties in 2025

Federally Qualified Health Center
Healthcare for all, regardless of ability to pay

Buncombe, Cherokee, Graham, Jackson
Urban Asheville and rural mountain communities

Serving Western NC since 2015
PCMH-accredited primary care

Passion - Integrity - Results - Partnership

Appalachian Mountain Health
Service lines

- **Primary care**
- **Pediatrics**
- **Women's health**
- **Behavioral health**
- **Dental**
- **Pharmacy**
- **Mobile medical and dental**
- **School-based and telehealth**

Four pharmacies, a ten-seat dental clinic in Asheville, May's Care Center, and Asheville High School.

Passion - Integrity - Results - Partnership

Building Reuse Grant

Appalachian Mountain Health Building Reuse Grant Award

- As part of their $14 million total investment, AMH will **invest $2.5 million in renovations** to their new Black Mountain-Swannanoa facility
- To make these investments and hire 48 full-time positions, the Rural Economic Development Division of NC Commerce has awarded this project a **$480,000 Building Reuse grant**
- Partnership between Buncombe County, Appalachian Mountain Health and N.C. Commerce
- Buncombe County is the applicant and required direct recipient
  - Pass through of funds will be structured with an Economic Development Agreement with AMH
- Requires a **5% match ($24,000)** to enable this investment
  - Match will be provided by Dogwood Health Trust
  - This project will be at no cost to the County

Request to enter a public hearing in accordance with NCGS § 158-7.1, which directs local governments to hold a public hearing in advance of any appropriation or expenditure for economic development purposes.

Requested Action Items

Requested Board Action, with two motions:

1. Accept the Building Reuse Grant Agreement with N.C. Commerce and Appalachian Mountain Health and approve the budget amendment.
2. Approve Economic Development Agreement between Appalachian Mountain Health and Buncombe County

APPALACHIAN MOUNTAIN HEALTH

and

BUNCOMBE COUNTY, NORTH CAROLINA

ECONOMIC DEVELOPMENT AGREEMENT

Dated as of October 20, 2026

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT ("**Agreement**") is dated as of 20th day of October, 2026 ("**Effective Date**"), and is between **APPALACHIAN MOUNTAIN HEALTH,** a North Carolina federally qualified health center facility (FQHC), and **BUNCOMBE COUNTY**, a public body politic and a political subdivision of the State of North Carolina ("County").

R E C I T A L S:

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** is a federally qualified health center (FQHC) and health care provider located in Western North Carolina and headquartered in Asheville, NC;

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** currently employs 240 employees across its existing health care facilities and proposes to expand to a new facility in Eastern Buncombe County, located at 3160 US-Highway 70, Black Mountain, NC 28711 ("Facility");

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** desires to expand the Facility by investing $14,591,626, $2,544,153 million of which are eligible expenses under the North Carolina Department of Commerce Building Reuse program, and creating 48 new full-time project related jobs that pay an average wage of $39.81, not including benefits ("Project");

WHEREAS, the County has sought to support this project by applying to the North Carolina Department of Commerce for a Building Reuse grant in support of **APPALACHIAN MOUNTAIN HEALTH'S** capital investment to renovate their new facility and in support of the creation and retention of jobs in the course of completing the renovations and construction work.

WHEREAS, the County received notification from the North Carolina Department of Commerce of a contingent award of $480,000 for the Building Reuse grant.

WHEREAS, the Building Reuse grant award is contingent on a 5% grant match from a non-State, non-Federal funding source, which has been secured through a letter of commitment from Dogwood Health Trust for $25,000; and as a component of this State Program, the County, as the applicant, is required to administer the State Program and the County has agreed to do so and accepted the grant award.

WHEREAS, when approved and executed, this Economic Development Agreement will meet the State Program's grant administration requirements.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

1.1 **Definitions**. For all purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings:

"Abandonment of Operations" means that for a period in excess of four continuous months APPALACHIAN MOUNTAIN HEALTH ceases operations at the Facility.

"Business Day" means any day that is not a Saturday or a Sunday, or a day on which banks in the State of North Carolina are required by law to be closed.

"Confirmation Date" means the scheduled future dates when **APPALACHIAN MOUNTAIN HEALTH** will submit a certified confirmation letter to the County stating that all investment and job creation commitments have been met or maintained during the Retention Period as defined below. The Confirmation Dates for this agreement include April 30, 2027, April 30, 2028, and December 31, 2028.

"Confirmation Letter" means a certified letter submitted by APPALACHIAN MOUNTAIN HEALTH to the County certifying that commitments have been met and requesting release of incentive grants, or that commitments have been maintained during the said Retention Period. Each such letter must specifically state that **APPALACHIAN MOUNTAIN HEALTH** meets or exceeds the applicable Jobs Minimum and that it meets or exceeds the Direct Investment requirements on or before the Confirmation Date and each succeeding Confirmation Date during the said Jobs Retention Period.

"Eligible Expenses" means the improvements to real property that are eligible costs under the North Carolina Department of Commerce Building Reuse grant program.

"Facility" the Property and improvements located at Sand Hill Rd, Enka, North Carolina.

"Full-Time Project Related Jobs" means the total number of new full-time employees employed by APPALACHIAN MOUNTAIN HEALTH in connection with the Project as of August 31st, 2028. Such employees may be hired at any time on or prior to August 31st, 2028, so long as APPALACHIAN MOUNTAIN HEALTH hires the required number of new full-time employees as specified herein being paid at the average wages as set forth herein. "Part-Time" or "Temporary" employees may not be counted towards the "Full-Time Project Related Jobs" commitment. Full-Time Project Related Jobs in this agreement refers to the APPALACHIAN MOUNTAIN HEALTH's creation of 48 new full-time jobs that pay an average wage of $39.81, not including benefits.

"Project" has the meaning specified in the Recitals.

"Retention Period" is the period of time that the APPALACHIAN MOUNTAIN HEALTH must maintain jobs and investment commitments. For this agreement, the Retention Period is February 29th, 2028 to August 31st, 2028.

"State" means the State of North Carolina.

"State Program" means the N.C. Commerce Building Reuse Grant Program.

1.2 **Rules of Construction**. Unless the context otherwise indicates:

(a) Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter genders as well;

(b) All references to Articles, Sections or Exhibits are references to Articles, Sections and Exhibits of this Agreement;

(c) All references to officers are references to County officers; and

(d) The headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meanings, construction or effect.

ARTICLE II

2. The Recitals set forth above, along with the definitions of certain terms are incorporated herein by reference as if fully restated.

ARTICLE III

STATE PROGRAM

The parties understand and agree that the State Program is separate and apart from the terms and conditions of this Economic Development Agreement.

For purposes of administration of the State Program, APPALACHIAN MOUNTAIN HEALTH understands that the Milestone Dates for compliance with reporting requirements with regard to the State Program shall be April 30, 2027, April 30, 2028, and October 15, 2028. The April 2027 and April 2028 confirmation letters will serve to support required annual reporting and the December 2028 confirmation letter will include Appalachian Mountain Health's request for disbursement of the building reuse grant, based on performance outcomes. APPALACHIAN MOUNTAIN HEALTH will cooperate and take all necessary and appropriate actions to assist with the County's administration of the State Program, including providing documentation for all reports, which are due on January 15 and July 15 of each year.

The funds associated with the State program will be disbursed according to the State Grant Agreement, outlined in the below schedule.

Confirmation Date	Disbursement Date	Job Commitment	Eligible Expenses	State Grant Amount
April 30, 2027	N/A	Progress Report	Progress Report	N/A
April 30, 2028	N/A	Progress Report	Progress Report	N/A
October 15, 2028	December 31, 2028	48	$2,544,153.37	$480,000

State program funds will not be drawn down from the State by the County and disbursed to the company until the performance requirements are met and the supporting documentation has been provided. The confirmation letters outlined above will meet N.C. Commerce's reporting requirements. Upon completion of grant activities and confirmation that performance goals have been met, APPALACHIAN MOUNTAIN HEALTH will submit a Confirmation Letter to the County and show documentation of the Dogwood Health Trust match payment for the State Program ($25,000). An example of the Confirmation Letter and documentation is provided in Section IX.

APPALACHIAN MOUNTAIN HEALTH understands and agrees that the county is assisting with the State Program as an accommodation to APPALACHIAN MOUNTAIN HEALTH, Inc. Accordingly, APPALACHIAN MOUNTAIN HEALTH shall indemnify, defend and hold harmless the County and its subsidiaries divisions, officers, directors and employees from all liability, loos, costs, claims, damages, expenses, attorney fees, judgements and awards arising or claimed to have arisen, from any injury or financial damage caused by, or allegedly caused by, either in whole or in part, any act or omission of the County or any employee, agent or assignee of the County. APPALACHIAN MOUNTAIN HEALTH shall indemnify the County in all instances except where the County is primarily negligent through an act or omission or where the County engages in gross negligence or willful misconduct. Nothing herein shall be construed as a waiver on the part of the County to any defense of any claim, including, but not limited to the defense of governmental immunity.

And that the county's obligations under this paragraph shall be limited to the extent and manner of recovery pursuant to the County's self-insured claim policies and North Carolina law.

ARTICLE IV

TEMPORARY REDUCTIONS IN PERFORMANCE COMMITMENTS

Notwithstanding anything herein to the contrary, if APPALACHIAN MOUNTAIN HEALTH shall be prevented or delayed from fulfilling, or continuing to fulfill, either or both of the Performance Commitments as set forth in herein, by reason of a:

(e) government moratorium;

(f) delay in obtaining any governmental or quasi-governmental approvals, permits or certificates, despite reasonable efforts by APPALACHIAN MOUNTAIN HEALTH to obtain same;

(g) enemy or hostile governmental or terrorist action;

(h) act of God, including but not limited to hurricane, tornado, snowstorm, windstorm, earthquake or flood, fire or other extreme weather conditions or other casualty;

(i) strike, lockout or a labor dispute involving entities other than APPALACHIAN MOUNTAIN HEALTH which causes APPALACHIAN MOUNTAIN HEALTH an inability to obtain labor or materials;

(j) delay in funding from any state or local government incentive to or for the benefit of APPALACHIAN MOUNTAIN HEALTH, or;

(k) any other event, other than normal business exigencies, which is beyond the reasonable control of APPALACHIAN MOUNTAIN HEALTH.

then the Performance Commitments and Incentive Grants for the year(s) in which such event occurred shall be equitably reduced to reflect the effect of such event.

The parties shall negotiate in good faith to make an equitable reduction in the Performance Commitments for any affected year(s). However, if the parties cannot in good faith reach an agreement as to such adjustment, all parties agree to submit this issue to mediation to be conducted in accordance with local rules of the General Court of Justice of Buncombe County, North Carolina.

ARTICLE V

ASSIGNMENT

APPALACHIAN MOUNTAIN HEALTH will have the right to assign this Agreement, and any rights, privileges, or claims under this Agreement, to any future purchaser or lessee of the Facility without the consent of the County. If the assignee agrees in writing to assume APPALACHIAN MOUNTAIN HEALTH's obligations under this Agreement, then APPALACHIAN MOUNTAIN HEALTH will be relieved of its obligations under this Agreement. APPALACHIAN MOUNTAIN HEALTH will give the County written notice of any such assignment and assumption.

APPALACHIAN MOUNTAIN HEALTH may, without the consent of the County, pledge, mortgage, grant a security interest in, and collaterally assign this Agreement, and any rights, privileges or claims under this Agreement, to any person or entity, including a collateral agent acting on behalf of lenders providing financing for the Facility (collectively, "**Financing Parties**"). The County will cooperate with APPALACHIAN MOUNTAIN HEALTH, its affiliates, any assignee of this Agreement, and any Financing Parties from time to time, including by entering into a consent to assignment or other agreements in connection with any collateral assignment on such terms as may be customary under the circumstances and shall be reasonably required by such Financing Parties.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

APPALACHIAN MOUNTAIN HEALTH represents and warrants to the County that as of the Effective Date: (i) it is a 501(C)(3) and Federally Qualified Health Center (FQHC) duly organized and existing under the laws of the State of North Carolina; (ii) it has the power and authority to own its properties and assets and to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement; (iii) this Agreement (A) is the legal, valid and binding agreement of APPALACHIAN MOUNTAIN HEALTH, enforceable against APPALACHIAN MOUNTAIN HEALTH in accordance with its terms, (B) does not violate any order of any court or other agency of government binding on APPALACHIAN MOUNTAIN HEALTH or the charter documents of APPALACHIAN MOUNTAIN HEALTH, and (C) does not conflict with, result in a breach of, or constitute an event of default under any material indenture, agreement or other instrument to which APPALACHIAN MOUNTAIN HEALTH is a party; and (iv) APPALACHIAN MOUNTAIN HEALTH has not received written notice of any action or proceeding that challenges the validity of this Agreement or APPALACHIAN MOUNTAIN HEALTH's right and power to enter into and perform this Agreement.

The County represents and warrants to APPALACHIAN MOUNTAIN HEALTH that: (i) the County is a political subdivision and body politic of the State of North Carolina with power and authority to enter into and perform this Agreement; (ii) the County has taken all action necessary to authorize the execution, delivery and performance of this Agreement; (iii) this Agreement is a legal, valid, and binding obligation of the County, enforceable against the County in accordance with its terms; and (iv) the County has not received written notice of any action or proceeding that challenges the validity of this Agreement or the County's right and power to enter into and perform this Agreement.

ARTICLE VII

CONTINUING CONTRACT

The parties hereto understand that this Agreement is and shall be construed as a continuing contract pursuant to N.C.G.S. §153A-13.

ARTICLE VIII

MISCELLANEOUS

Governing Law. The parties intend that this Agreement shall be governed by the law of the State of North Carolina as follows:

Mediation

- Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to voluntary non-binding mediation as a condition precedent to the institution of legal or equitable proceedings by either party. If the parties are unable to agree upon a certified mediator to hear their dispute, the Buncombe County Resident Superior Court Judge shall name a mediator to hear the matter.
- The parties shall equally share the mediator's fee. The mediation shall be held in Asheville at a location designated by the mediator selected to hear the matter.

Legal Proceedings

- Claims, disputes and/or other matters in question between the parties that are not resolved by mediation shall be heard in the North Carolina General Courts of Justice in Asheville, Buncombe County, North Carolina, which said Court shall have jurisdiction to hear any dispute between the parties arising out of this agreement. The Parties hereby agree that this paragraph establishes exclusive and sole jurisdiction for any legal proceeding in Buncombe County, North Carolina.

Notices. Any notice permitted or required under this Agreement from one party to the other must be in writing and will be effective (a) on the date it was actually delivered to the addressee if delivered personally, or sent by a nationally recognized courier (such as FedEx or United Parcel Service) or sent by facsimile or email with return receipt requested, or (b) three days after having been deposited in the United States mail, if sent by certified mail, return receipt request, in each case to the respective addresses of APPALACHIAN MOUNTAIN HEALTH and the County listed below, or those other addresses

of which either party gives the other party written notice:

If to APPALACHIAN MOUNTAIN HEALTH, to:

Dr. Shantelle Simpson
President and CEO
141 Asheland Ave., 3rd Fl
Asheville, NC 28801
ssimpson@amchc.org

OR

Lisa Madden
Chief Financial Officer
141 Asheland Ave., 3rd Fl
Asheville, NC 28801
lmadden@amchc.org

If to the County, to:

Josh Hallingse
Director of Intergovernmental Relations
200 College Street, Suite 300
Asheville, NC 28801
Josh.Hallingse@buncombenc.gov

With copy to:

Curt Euler
Buncombe County
Senior Staff Attorney
200 College Street, Suite 400
Asheville, NC 28801
Curt.Euler@buncombenc.gov

Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

Severability. Each provision in this Agreement is severable. If any provision of this Agreement will be determined to be invalid or unenforceable by a court of competent jurisdiction, then: (a) such determination will not invalidate or render unenforceable any other provision of this Agreement; (b) such provision will be construed as closely as possible to the parties' original intent in order to render such provision valid or enforceable, as applicable; and (c) the remaining terms of this Agreement, together with such reconstructed provision, will constitute the parties' entire agreement.

Entire Agreement; Amendments. This Agreement constitutes the entire contract between the

parties, and this Agreement shall not be changed except in writing signed by both parties.

Binding Effect. Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Time. Time is of the essence in this Agreement and each and all of its provisions.

Liability of Directors, Officers and Agents. No director, officer, agent or employee of the County or APPALACHIAN MOUNTAIN HEALTH shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve any such officer, agent or employee from the performance of any official duty provided by law.

Confidentiality. The County will keep confidential and will not disclose or publish any of APPALACHIAN MOUNTAIN HEALTH's trade secrets as defined in Section 132-1.2(1) of the North Carolina General Statutes, will keep all records evidencing such trade secrets marked as "confidential trade secrets", and will keep all such records segregated in the County's files. If the County receives a request, subpoena or court order to disclose any information or records APPALACHIAN MOUNTAIN HEALTH or its representatives have provided or provide in the future relating to this Agreement or the project described in this Agreement, the County will give APPALACHIAN MOUNTAIN HEALTH prompt written notice of the request, subpoena or court order and will discuss any proposed disclosure of such information or records with APPALACHIAN MOUNTAIN HEALTH (and, to the extent possible, give APPALACHIAN MOUNTAIN HEALTH the opportunity to contest any disclosure of information or records APPALACHIAN MOUNTAIN HEALTH believes should not be disclosed) before making any such disclosure.

Counterparts. This Agreement may be executed in several counterparts, including separate counterparts. Each shall be an original, but all of them together constitute the same instrument.

ARTICLE IX

CONFIRMATION LETTER AND DOCUMENTATION

APPALACHIAN MOUNTAIN HEALTH agrees to submit a Confirmation Letter with Supporting Documentation when requesting disbursement of grant funds, or when certifying that performance commitments have been maintained. A sample confirmation letter is provided below. Acceptable forms of documentation are filings by APPALACHIAN MOUNTAIN HEALTH with the N.C. Employment Security Commission as to unemployment compensation taxes, and filings by APPALACHIAN MOUNTAIN HEALTH with the Buncombe County Tax Department as to business personal property listings. The below confirmation letter and associated language are for illustrative purposes and do not reflect any agreement between **APPALACHIAN MOUNTAIN HEALTH** and County.

Sample Confirmation Letter

To Whom It May Concern,

This statement made as of the _____ day of _____, 20## by _____ ("Company") is intended to certify that Company has [achieved / not achieved, maintained / not maintained] the investment, job creation, and average wage goals identified in the Economic Development Agreement (EDA) with Buncombe County. If any of the goals are not met, the exceptions are documented in this letter. Where all goals have been achieved, this letter serves as Company's request for disbursement based on the grant schedule defined in the EDA.

Company recognizes that building reuse grants can only be awarded if Company certifies that all goals have been met and provides adequate supporting documentation for these targets. Supporting documentation includes records showing the payment of matching funds by the philanthropic partner, Dogwood Health Trust. Company further realizes that all supporting documentation is subject to review by County staff. Company acknowledges that the definition and requirements for adequate supporting documentation are documented in the EDA.

Below is a summary of EDA goals and actual performance.

Type	**Goal (for Year Requesting Disbursement)**	**Actual Performance (for Year Requesting Disbursement)**	**Goal Status (Achieved, Not Achieved)**	**Prior Year**	**Total (since EDA Award)**
Eligible Expenses	$5,000,000.00	$5,123,987.00	Achieved	$1,234,698.15	$8,000,000
Jobs (Full-Time)	47	47	Achieved	12	64
Average Wage	$25.97	$32.23	Achieved	$15.05	$29.00

Enclosed please find supporting documentation for the data provided above.

BY: _____
[Chief Executive Officer/Chief Financial Officer/President]

ATTEST:

_____
NAME, APPALACHIAN MOUNTAIN HEALTH

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged that s/he is the TITLE of APPALACHIAN MOUNTAIN HEALTH a North Carolina for profit corporation, and that as TITLE, being authorized to do so, voluntarily executed the foregoing instrument on behalf of the corporation, as its act and deed.

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

_____
Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Grantor executes the foregoing instrument in the ordinary course of its business by the signature(s) below of its duly authorized representative(s) and as the act of such entity.

APPALACHIAN MOUNTAIN HEALTH

By: _____
NAME / TITLE

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

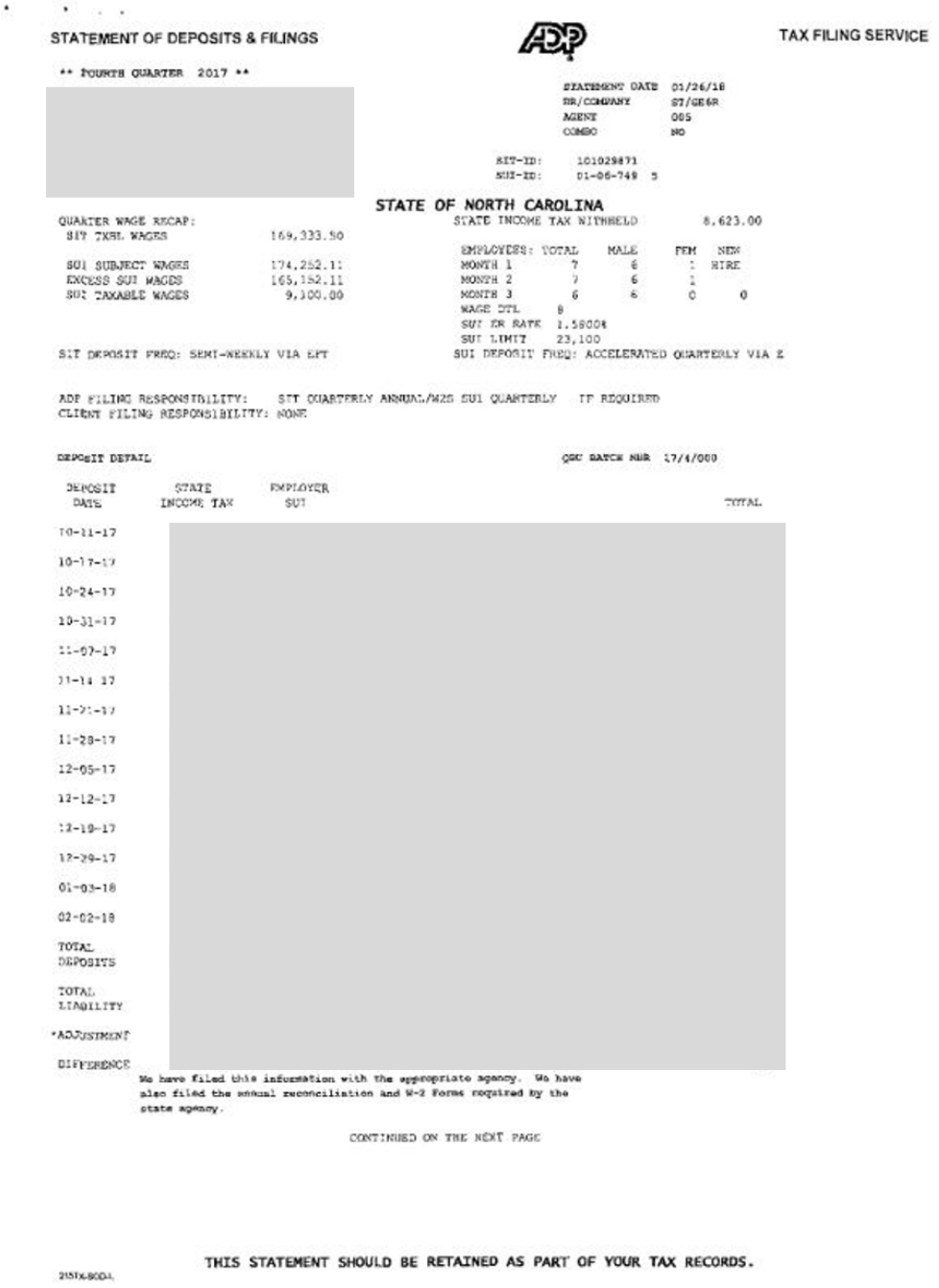
I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged his due execution of the foregoing instrument as a Member/Manager of APPALACHIAN MOUNTAIN HEALTH, a North Carolina limited liability company, on behalf of said limited liability company, by authority duly vested.

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

_____
My commission expires: NOTARY PUBLIC

Sample Supporting Job and Wage Documentation

Example job documentation with redacted information. Submitted documentation should redact personal information (e.g., social security numbers), but provide level of detail necessary to calculate number of full-time jobs employed during the period and average wage of full-time jobs in the period.



STATEMENT OF DEPOSITS & FILINGS

TAX FILING SERVICE

** FOURTH QUARTER 2017 **

[redacted]

STATEMENT DATE 01/26/18
DR/COMPANY ST/GE6R
AGENT 005
COMBO NO

SIT-ID: 101029871
SUI-ID: 01-06-749 5

STATE OF NORTH CAROLINA

QUARTER WAGE RECAP:

SIT TAXBL WAGES	169,333.50
SUI SUBJECT WAGES	174,252.11
EXCESS SUI WAGES	165,152.11
SUI TAXABLE WAGES	9,100.00

STATE INCOME TAX WITHHELD 8,623.00

EMPLOYERS:	TOTAL	MALE	FEM	NEW HIRE
MONTH 1	7	6	1	
MONTH 2	7	6	1	
MONTH 3	6	6	0	0

WAGE TTL 8
SUI ER RATE 1.5800%
SUI LIMIT 23,100

SIT DEPOSIT FREQ: SEMI-WEEKLY VIA EFT

SUI DEPOSIT FREQ: ACCELERATED QUARTERLY VIA E

ADP FILING RESPONSIBILITY: SIT QUARTERLY ANNUAL/W2S SUI QUARTERLY IF REQUIRED
CLIENT FILING RESPONSIBILITY: NONE

DEPOSIT DETAIL

QBC BATCH NBR 17/4/000

DEPOSIT DATE	STATE INCOME TAX	EMPLOYER SUI	TOTAL
10-11-17			
10-17-17			
10-24-17			
10-31-17			
11-07-17			
11-14-17			
11-21-17			
11-28-17			
12-05-17			
12-12-17			
12-19-17			
12-29-17			
01-03-18			
02-02-18			
TOTAL DEPOSITS			
TOTAL LIABILITY			
*ADJUSTMENT			
DIFFERENCE			

We have filed this information with the appropriate agency. We have also filed the annual reconciliation and W-2 Forms required by the state agency.

CONTINUED ON THE NEXT PAGE

THIS STATEMENT SHOULD BE RETAINED AS PART OF YOUR TAX RECORDS.

215TX-SCD1

[Signature Page Follows]

SIGNATURE PAGE 1 OF 2 TO ECONOMIC DEVELOPMENT AGREEMENT BETWEEN
APPALACHIAN MOUNTAIN HEALTH**, and BUNCOMBE COUNTY**

IN WITNESS WHEREOF, the parties have caused this Economic Development Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

[SEAL]

APPALACHIAN MOUNTAIN HEALTH

ATTEST:

By:_____
Printed Name: Dr. Shantelle Simpson

By:
Title: President and CEO
Printed Name:
Title:

[SEAL]

APPALACHIAN MOUNTAIN HEALTH

ATTEST:

By:_____
Printed Name: Lisa Madden

By:
Title: Chief Financial Officer
Printed Name:
Title:

SIGNATURE PAGE 2 OF 2 TO ECONOMIC DEVELOPMENT AGREEMENT BETWEEN
APPALACHIAN MOUNTAIN HEALTH **CO., LLC, and BUNCOMBE COUNTY**

[SEAL]

BUNCOMBE COUNTY

ATTEST:

By:_____
Printed Name:_____
Title:_____

_____
Sarah Gross, Clerk to the Board

This instrument has been preaudited
in the manner required by The Local
Government Budget and Fiscal Control Act

_____
Name: Melissa Moore
Finance Officer
Buncombe County, North Carolina

ORDINANCE # _____

BUNCOMBE COUNTY, NORTH CAROLINA

Grant Projects Ordinance

BOARD MEETING DATE: October 20, 2026

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2026-2027 Grants Projects outlined below in Exhibit "A" to the budget,

NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY2026-2027 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 20th day of October, 2026

Granting Agency:	NC Department of Commerce
Grant Name:	NC Commerce RBRG - Appalachian Mountain Health

Description:

This amendment establishes the budget for the NC Commerce Rural Building Reuse Grant (RBRG) on behalf of Appalachian Mountain Health (AMH). This grant totaling $480,000 requires a 5% match that will be met through the Dogwood Health Trust. Therefore, no county funds will be used. These funds will help AMH renovate a health care facility in Black Mountain, of which total investment by AMH will include $3M into the facility and 48 new full-time jobs.

Funding Source:

NC Department of Commerce Grant Funds

Exhibit A:	**Increase (Decrease)**	
Account Description	**Revenues**	**Expenditures**
NC Commerce Rural Building Reuse Grant - Appalachian Mountain Health	$ 480,000	$ 480,000
TOTAL	$ 480,000	$ 480,000

ATTEST:

Clerk to the Board

BOARD OF COMMISSIONERS FOR THE COUNTY OF BUNCOMBE:

By: _____

Chair of the Board

NC DEPARTMENT of COMMERCE
RURAL ECONOMIC DEVELOPMENT

Josh Stein
GOVERNOR

Lee Lilley
SECRETARY

Reginald Speight
ASSISTANT SECRETARY

August 20, 2025

«Contact_Name_Full»
«Contact_Title»
«Org_Name»
«Org_Address»

Re: Contract Agreement for Grant Number «Request_Reference_Number»; Your Signature and Reply is Requested
Project Title: "«Request_Project_Title»"

Dear «Contact_Title» «Contact_Last_Name»:

Enclosed for your review and signature is a complete set of contract documents required to finalize the grant award from the North Carolina Rural Infrastructure Authority. Below is a description of the documents enclosed along with an explanation of required actions for each document.

Document Description:	**Signed By:**
Deed of Trust Documentation	Highest Elected Official – Unit of Local Government. Return one original to Commerce.
Grant Agreement: Outlines the terms of Grant Agreement between the Department of Commerce and the Unit of Local Government.	Highest Elected Official - Unit of Local Government. Return one original to Commerce.
Exhibit A: Grant Application	Signatures gathered at application - Highest Elected Official – Unit of Local Government, Legal Property Owner listed on the Deed, and the Job Creating Business involved in the project. No additional signatures required.
Exhibit B: Program Guidelines	No Signature Required.
Exhibit C: Legally Binding Commitment (LBC): Outlines terms and conditions of the Loan.	Highest Elected Official -Unit of Local Government and Legal Property Owner listed on the Deed. Return one original to Commerce.
Exhibit D: Limited Waiver of Confidentiality: Contains employment information reported to the Department of Commerce's Division of Employment Security.	Each Business involved in the project.

Execute these documents, scan a quality copy and return to my attention at REIreports@commerce.nc.gov. If you have any questions or if I can be of any assistance, please contact me at bethany.davenport@commerce.nc.gov.

Sincerely,

Bethany P. Davenport

Bethany P Davenport
Fiscal and Compliance Manager

Enclosure

The Department of Commerce strongly encourages the Governmental Unit secure the funds loaned to the property owner, **«Request_Property_Owner_Legal_Name»**, with a Deed of Trust on the property.

Please check the appropriate box below indicating the intention of the Governmental Unit:

☐ The Governmental Unit will secure the funds with a Deed of Trust listing the **«Org_Name»** as the beneficiary in the amount of **$«Request_Grant_Amount»**.

☐ The **«Org_Name»** ("Governmental Unit") has elected NOT to secure with a deed of trust on the subject property the **$«Request_Grant_Amount»** in grant funds awarded by the North Carolina Department of Commerce ("Commerce") for a building reuse grant. Governmental Unit acknowledges and agrees that it is liable to the State for any grant funds that must be repaid under the Grant Agreement or Legally Binding Commitment, including (without limitation), any required repayments due to the property owner's failure to create and maintain jobs, which could include the full amount of the grant. Governmental Unit acknowledges that its liability to Commerce arises whether or not it is able to collect any repayment from the property owner under the Legally Binding Commitment, but still elects not to obtain a deed of trust on the subject property.

Please fill in the box below:

Governmental Unit Name: **«Org_Name»**_____

By (Signature): _____

Printed Name: _____

Title: _____

Date: _____

This Rural Economic Development Grant Agreement (the "Agreement") between the North Carolina Department of Commerce ("Commerce"), an agency of the State of North Carolina (the "State"), and the **«Org_Name»** (the "Governmental Unit" and, together with Commerce, the "Parties") is made effective as of **«Request_Project_Start_Date»** ("Effective Date") and shall remain in effect through **«Request_Project_End_Date»** ("Termination Date"), unless this Agreement is terminated on an earlier date under the terms of this Agreement or unless extended for an express term agreed upon in writing by the Governmental Unit and Commerce (such period of time running from the Effective Date to the applicable Termination Date described above shall constitute the "Grant Term");

WHEREAS, the North Carolina General Assembly (the "General Assembly") has determined that it is the policy of the State to stimulate economic activity and to create new jobs for citizens of the State by encouraging and promoting the expansion of existing business and industry within the State and by recruiting and attracting new business and industry to the State;

WHEREAS, the General Assembly has enacted legislation creating a program to provide matching grants or loans to specific local governmental units so as to productively reuse certain buildings and properties or expand rural health care facilities (the "Building Reuse Program"), subject to the requirements of N.C.G.S. §§ 143B-472.127 and .128, as a method of stimulating economic activity in the State;

WHEREAS, the General Assembly has created the Rural Economic Development Division ("REDD") within Commerce and has tasked REDD with administering the Building Reuse Program under N.C.G.S. §§ 143B-472.126 and .127;

WHEREAS, under N.C.G.S. § 143B-472.128, the General Assembly created the North Carolina Rural Infrastructure Authority (the "Rural Authority") and has empowered the Rural Authority to review applications for and, where appropriate, authorize such matching grants or loans to local government units under the Building Reuse Program;

WHEREAS, the Rural Authority under N.C.G.S. § 143B-472.128, is authorized to make such matching grants or loans: 1) based on the application ("Application") filed by the Governmental Unit and any subsequent materials supporting the Application that have been approved of by Commerce in writing as of the Effective Date, all of which are included as Exhibit A and are incorporated by reference herein; (2) based on the representation in the Application that **«Request_Property_Owner_Legal_Name»** (the "Owner") owns certain real property located at:

«Request_Property_Address_for_Proj»

In **«Codes_County_Request»** County, North Carolina ("Property"); (3) based on Commerce's Rural Economic Development Grant requirements and guidelines (the "Guidelines"), which are included as Exhibit B and are incorporated herein and which may be amended, modified, or supplemented and applied accordingly to this Agreement by Commerce in its sole discretion; and for (4) the creation and retention of certain jobs in the course of completing certain renovations/construction work at the Property (altogether, the "Project") as summarized below:

«Request_Project_Description»

WHEREAS, the Rural Authority grants to the Governmental Unit an amount not to exceed **$«Request_Grant_Amount»** for expenditures directly relating to the Project. The Governmental Unit hereby represents and warrants that all Grant funds shall be utilized exclusively for the purpose of the Project and consistently with all applicable laws, rules, regulations, and requirements, and that the Governmental Unit shall not make or approve of any improper expenditure of Grant funds (including Loan funds). Administrative expenses of the Governmental Unit are not eligible for Grant funding and any such use of Grant funds will violate this Agreement and may result in repayment of any funds used for such purposes; and

WHEREAS, based on the terms, conditions, and representations in the LBC of this Agreement, the Rural Authority has approved a grant (the "Grant") to the Governmental Unit.

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration as set out herein, the Parties mutually agree to the following terms and conditions:

SECTION 1. DEFINITIONS

1.1 "Agreement" means this Rural Economic Development Grant Agreement for Building Reuse between the Governmental Unit and the Department of Commerce, as amended, modified, revised, or supplemented from time to time and including the documents set forth in the Preamble and the Exhibits listed in Paragraph 6.16.

1.2 "Application" has the meaning set forth in the Preamble.

1.3 "Baseline Number" means the total number of full-time jobs in North Carolina that the Business reported having at the time of the Application for the Project. The Owner agrees that the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs.

1.4 "Business" means the entity (or entities, as applicable) required to create and maintain certain full-time New Jobs to complete the Project.

1.5 "Commerce" means the North Carolina Department of Commerce.

1.6 "Effective Date" has the meaning set forth in the Preamble.

1.7 "Facility" means the Owner's real property, as described in the Application.

1.8 "General Assembly" means the North Carolina General Assembly.

1.9 "Governmental Unit" has the meaning set forth in the preamble.

1.10 "Grant" means the Rural Economic Development Grant for Building Reuse awarded to [insert grantee name] on [award date] by the Rural Infrastructure Authority and subject to the terms and conditions of this Agreement and the LBC (defined in 1.10 below).

1.11 "Grant Term" means the effective period of this Agreement beginning on ("Effective Date") and terminating on, unless terminated on an earlier date under the terms of this Agreement (either one of which dates shall constitute the "Termination Date") or unless extended for an express term agreed upon in writing by the Governmental Unit and Commerce.

1.12 "Guidelines" has the meaning set forth in the Preamble, is incorporated herein by reference, and is included as Exhibit B.

1.13 "Legally Binding Commitment ("LBC")" means the Rural Economic Development Loan Agreement and Legally Binding Commitment between the Governmental Unit and the Property Owner that outlines the terms and conditions of the Loan. The LBC is incorporated herein by reference and included as Exhibit C.

1.14 "Loan" means the funds given by the Governmental Unit to the Property Owner, which consists entirely of State grant funds, to fund the Project.

1.15 "New Job" means any job or jobs filled by employees hired for the Project on or after the Effective Date who work for at least thirty-five (35) hours per week, are eligible for all benefits generally available to all full-time employees of the Business, and whose wages are subject to withholding under Article 4A of Chapter 105 of the North Carolina General Statutes. Independent contractors, consultants, and seasonal and temporary employees are not to be included as New Jobs.

The New Jobs cannot be existing North Carolina positions or employees of the Company or any of its related members or affiliates that are transferred or shifted such that a previously existing North Carolina job, or a North Carolina job that was not previously part of the Project, is counted towards performance under this Agreement.

1.16 "North Carolina Rural Infrastructure Authority" has the meaning set forth in the preamble.

1.17 "Owner" means every individual or entity that has any ownership interest in the real property which is the subject of the Project.

1.18 "Project" has the meaning set forth in the preamble.

1.19 "Project Change" means any material alteration, addition, deletion, or expansion of the Project, including material changes to construction or rehabilitation, the terms or conditions of the loan under the LBC ("Loan"), the required number of New Jobs, the matching investment in the Project, any cessation of business by the Owner or the Business and any filing of bankruptcy by the Governmental Unit or the Owner.

1.20 "Property" means that certain real property located at [insert location from above].

1.21 "State" means the State of North Carolina and any of its related agencies, commissions, or departments (including Commerce, the North Carolina State Auditor, the North Carolina Office of State Budget and Management, and the Joint Legislative Commission on Governmental Operations) and any of their authorized representatives.

SECTION 2. REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties by the Governmental Unit and the Owner

The Governmental Unit represents and warrants that the execution of this Agreement has been authorized by the necessary Governmental Unit and is not in violation of any law or statute, and:

a) To the knowledge of the Governmental Unit, no action or legal proceeding is threatened against or affecting it, the Owner, or the Business that may adversely affect the Project or any of the transactions contemplated by this Agreement or the validity or enforceability of this Agreement or the abilities of the Governmental Unit or the Owner to discharge their obligations under this Agreement. If it is subsequently found that such an action, suit, proceeding, or investigation did or could threaten or affect the development and/or completion of the Project, the Governmental Unit shall be liable to Commerce for repayment of the entire amount of the Grant, and this Agreement may be terminated by Commerce effective upon notice.

b) No approval is necessary, or if any approval is necessary, all such approvals have been obtained from any governmental authority as a condition to the execution of this Agreement by the Governmental Unit. The Governmental Unit shall provide Commerce with evidence of the existence of any such necessary approvals at the time of the execution of this Agreement.

c) The Governmental Unit is solvent.

d) A cash match grant, loan, or other funding ("Cash Match") equal to the amount of the Loan shall have been unconditionally committed to the Project. All Cash Match funds shall be used exclusively for the purpose of the Project, and there

shall be no improper expenditures of Cash Match funds. All Cash Match funds shall be expended prior to or simultaneously with and at the same rate as the Owner's expenditure of Loan funds.

e) Upon the Governmental Unit's reasonable inquiry into and receipt of supporting evidence from the Owner, both the Owner and any Business are authorized to do business under North Carolina law and are not delinquent on any federal, state, or local taxes, licenses, or fees, every Business is solvent, is financially capable of performing its LBC and Project responsibilities (including, without limitation for the Business, creating and maintaining the New Jobs and, if required, maintaining the Baseline Number of jobs), and is a going concern, If it is subsequently found that a Business was not solvent, was not financially capable of performing its LBC or Project responsibilities, was delinquent on its federal, state or local taxes, licenses or fees or, if applicable, was not a going concern or was not duly authorized to do business under North Carolina law, Commerce may require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement, and this Grant Agreement may be terminated by Commerce effective upon notice.

2.2 Changes in the Project or Other Conditions.

a) There shall be no Project Changes unless approved by Commerce in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.

b) Notwithstanding the foregoing and wherever referred to in this Agreement, "cessation of business," "ceasing to do business" and "ceases to do business" shall not include (1) ceasing operations to maintain, service, or upgrade real or personal property of the Owner, (2) seasonal shutdowns of operations, as long as such cessation does not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure, as described in Paragraph 6.15 of the LBC), and (3) under the circumstances of and for the period of time described in Paragraph 6.15 of the LBC.

c) Additionally, the Governmental Unit shall notify Commerce immediately of any change in conditions or local law, or any other event which may significantly affect its ability to oversee, administer, or perform as required under this Agreement, the LBC, or the Project. In its sole discretion, Commerce may deem such a change in conditions, local law, or other event a Project Change.

SECTION 3. TERMS AND CONDITIONS OF AGREEMENT

3.1 Project Records.

a) The Governmental Unit shall maintain full, accurate, and verifiable financial records, supporting documents, and all other relevant information for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this Agreement. Such records shall be separate from accounts for other awards, monetary contributions, or other revenue sources for this Project.

b) The Governmental Unit shall retain all financial records, supporting documents, and all other pertinent records related to the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all Project records shall be retained beyond the five-year period, until the audit is concluded and any and all audit findings have been resolved. Similarly, if any litigation or other action arising out of or related in any way to this Project is commenced before the end of such retention of records period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the record retentions period, whichever is later.

3.2 Monitoring, Reports, and Auditing.

a) The Governmental Unit agrees to ensure compliance and provide assistance with monitoring and auditing requirements requested by the State, including following the Termination Date of this Agreement. Additionally, the Governmental Unit shall monitor all performance of Grant-supported activities, including activities performed by the Owner and any Business, to ensure that time schedules are being met, New Jobs are being created and maintained, and other performance goals are being achieved.

b) The Governmental Unit shall furnish Commerce with detailed written progress reports according to the time periods specified below, or as otherwise requested by Commerce.

Progress reports are due on January 15th and July 15th for each year of the Grant Term. The final report and job verification documentation are due at the time of project completion or no later than thirty (30) days after the Termination Date, whichever is sooner. The reporting schedule remains in effect for the duration of the Agreement, including any time extensions.

Failure to submit progress reports as required:

1. Will result in non-payment of payment requests;
2. Can result in the immediate termination of the Grant and the Agreement;
3. Can result in the demand for immediate repayment of any funds paid by Commerce under the Agreement; and
4. Will negatively impact the grantee’s eligibility for future Commerce grants.

Such reports should describe the progress made by the Governmental Unit, the Owner, and any Business toward achieving the purpose(s) of the Project, including specifically the goals of New Job creation and maintenance. Such descriptions should include the successes and problems encountered during the reporting period. Failure to submit a required report by the scheduled submission date will result in the withholding of any forthcoming payment until Commerce is in receipt of the delinquent report and the report meets with Commerce's approval, in Commerce's sole discretion.

c) The Governmental Unit agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S § 159-34, Local Government Finance Act - Annual Independent Audit; rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of funding received by the Governmental Unit and are subject to change from time to time.

d) Within thirty (30) days after the Termination Date, the Governmental Unit shall submit a final report to Commerce describing the activities and accomplishments of the Project. The final report shall include a review of performance and activities over the entire Grant Term. In the final report, the Governmental Unit should describe the Project, how it was implemented, to what degree the established Project objectives were met and the difficulties encountered, the impact of the Project on the Governmental Unit's community, and its cost.

e) The Governmental Unit grants the State and any of its related agencies, commissions, or departments (including Commerce, the North Carolina State Auditor, the North Carolina Office of State Budget and Management, and the Joint Legislative Commission on Governmental Operations) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to this Agreement, the LBC, or the Project. The Governmental Unit shall ensure that the Owner and any Business provide the same access. In addition, the Governmental Unit agrees to comply at any time, including after the Termination Date, with any requests by the State (including the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

SECTION 4. GRANT ADMINISTRATION

4.1 Availability of Funds.

a) The obligations of the Rural Authority and/or Commerce to pay any amounts under this Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant (and therefore the Loan) become unavailable, Commerce has the right to terminate this Agreement and/or the LBC by giving written notice to the Governmental Unit. The effective date of such termination will be in Commerce's sole discretion and will be included in the written notice of termination. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

4.2 Method of Payment.

a) After receipt of written requests for payment from the Governmental Unit certifying that the conditions for such payment under this Agreement have been met, as well as any other documentation that may be required by Commerce, Commerce shall pay the Grant funds to the Governmental Unit in accordance with the Payment Details as described below:

Eligible Expenditures:
Vacant Building Category: within the existing building footprint
Existing Business Building Category: within the existing building and/or additions
Rural Health Care Category: within the existing building, additions and/or new construction

b) Eligible costs under all funding categories include, but are not limited to materials and labor to install HVAC, electrical, plumbing, fire alarm/suppression systems, roofing, flooring, carpentry, drywall, paint, etc. This is not an exhaustive list; grantees should contact the Rural Economic Development Division for questions about whether a specific expense is eligible under the program.

c) The following costs are specifically prohibited under the program and may not be submitted for reimbursement or the matching funds requirement: building purchase, architectural costs, engineering costs, permit fees, surveys, legal fees, machinery and equipment, telephone hardware and software, computer hardware and software, furnishings, paving, fencing, kitchen equipment, and refrigeration equipment. This list is not exhaustive. Grantees should contact the Program Manager for the Rural Economic Development Division, listed in Section 6.10, for questions regarding the eligibility of a specific expense is eligible.

d) Any business in which any Project partner has an ownership or management interest may act as a contractor for the renovation project only if the business holds a valid North Carolina General Contractors license. Disclosure of and a copy of the business's license must have been included in the Application. Licensed contracting companies owned or operated by any Project partner that are used in the renovation project will be required to submit original invoices from the provider for all labor, materials, services, and subcontracted work, as well as proof that those invoices have been paid in full.

4.3 Reimbursement Requirements.

a) The Department of Commerce will reimburse fifty percent (50%) of eligible expenditures up to the total Grant amount upon receipt of the following:

1. A completed financial request form;
2. Evidence that the five percent (5%) local government match has been satisfied (included with the first payment request only);
3. Copies of eligible Project invoices in support of the requested amount;
4. Evidence that the invoices submitted for reimbursement have been paid-in-full. Such evidence may include copies of cleared checks, wire transfer or ACH receipts, and/or credit card receipts. Invoices paid in cash and those not paid in full will not be reimbursed; and
5. Satisfaction of reporting requirements according to Section 3.2(b).

b) Eligible expenditures may not be incurred prior to the Effective Date or subsequent to the Termination Date of the Agreement. Payments are subject to the availability of funds.

4.3 Obligation of Funds.

a) The Governmental Unit shall not obligate Grant funds prior to the Effective Date or subsequent to the Termination Date of this Agreement. All obligations outstanding as of the Termination Date shall be liquidated within thirty (30) days.

SECTION 5. WAIVER

5.1 No Waiver by the State.

a) Failure of the State at any time to require performance of any term or provision of this Agreement or the LBC shall not affect the rights of the State to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions herein at a later date. No waiver by the State of any condition or the breach of any term, provision, or representation contained in this Agreement or the LBC, whether by conduct or otherwise, in any one or more instances, shall not operate as a continuing waiver of any such condition or of a future breach of any other term, provision, or representation.

5.2 Waiver of Objections to Timeliness of Legal Action.

a) The Governmental Unit waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including the Rural Authority or Commerce) to enforce its rights under this Agreement. This waiver includes any objections the Governmental Unit may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

SECTION 6. MISCELLANEOUS

6.1 Independent Status of the Governmental Unit.

a) The Governmental Unit is an entity independent from the Rural Authority and Commerce. This Agreement, the LBC, the Project, and any actions taken pursuant to this Agreement, the LBC, and the Project shall not create a partnership or joint venture with Commerce, the Rural Authority, the Governmental Unit, or any third party (including the Owner or any Business). This Agreement, the LBC, and the Project shall not be construed to make the Governmental Unit (including its employees, agents, members, or officials) or any third party (including the Owner or any Business) employees, agents, members, or officials of Commerce or the Rural Authority. Neither the Governmental Unit nor any third party (including the Owner or any Business) shall have the ability to bind Commerce or the Rural Authority to any agreement for payment of goods or services or represent to any person that they have such ability.

b) The Governmental Unit shall be responsible for payment of all of its expenses, including rent, office expenses, and all forms of compensation to employees. The Governmental Unit shall provide worker's compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes, or payroll deductions required by law in connection with its operations, for itself and its employees who are performing work pursuant to this Agreement.

6.2 Termination

a) If the Governmental Unit fails to fulfill its obligations in a timely or proper manner or violates any of the terms of this Agreement, if the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC, or if any Business fails to fulfill those requirements applicable to it in the LBC, Commerce has the right to terminate this Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice of termination. The effective date of such termination will be in Commerce’s sole

discretion and will be included in the written notice from Commerce to the Governmental Unit. Upon such termination, Commerce shall have no responsibility to make additional payments under the Agreement, and the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

b) If a breach of any of the requirements, covenants, or agreements in this Agreement or the LBC occurs, or if there are any representations or warranties which are untrue as to a material fact in this Agreement or the LBC or in relation to the LBC or the Project (including the performance thereof), the Governmental Unit agrees that Commerce has the sole discretion to require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit already has received under this Agreement.

c) Other than as provided for in Paragraph 6.4(a) of the LBC, if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution, or insolvency proceeding prior to the Termination Date, it shall be the sole responsibility of the Governmental Unit to (i) notify Commerce immediately and (ii) pursue any claim for Grant funds owed the State by the Owner or Business, including in any legal proceeding, to obtain the maximum payment allowed by law. To the extent the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and obtain the maximum payment allowed by law, and without limitation, the Governmental Unit shall be liable to Commerce for all amounts that should have been awarded to the Governmental Unit in the proceeding had it taken the necessary action (notwithstanding whether such amounts would have actually been paid by the Owner or Business). Alternatively, if the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all legal costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.

d) If the Governmental Unit fails to provide Commerce notice of the Owner or any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this Agreement. If such a material default occurs, Commerce may terminate this Agreement upon written notice to the Governmental Unit. The effective date of such termination will be in Commerce's sole discretion and will be included in Commerce's written notice to the Governmental Unit. Upon such termination, the Governmental Unit, the Owner, and any Business shall not expend any Grant or Loan funds without Commerce's express written authorization and shall return all unspent Grant or Loan funds to Commerce upon demand and if permissible under applicable bankruptcy, dissolution, or insolvency law.

6.3 Liabilities and Loss.

a) The Governmental Unit hereby agrees to release, indemnify, and hold harmless the State (including the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents, and attorneys (together, the "Indemnified Parties"), from any claims of third parties (including the Owner and the Business) arising out of any act or omission of the Governmental Unit or any third party (including the Owner and the Business) in connection with the performance of this Agreement, the LBC, or the Project, and for all losses arising from their implementation. The Governmental Unit hereby releases the Indemnified Parties from any and all liability or loss, cost, or expense, including reasonable attorneys' fees, fines, penalties, and civil judgments, resulting from any loss or damage to property, injury, or death of any person occurring in connection with the Project, whether arising out of acts, omissions, or negligence of the Governmental Unit or of any third party (including, without limitation, the Owner, and the Business, or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses resulting from any and all subcontractors, material men, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the Project.

6.4 Non-discrimination.

a) The Governmental Unit will not discriminate based on age, race, religion, color, sex, national origin, or disability related to the activities of this Agreement.

b) The Governmental Unit will ensure that the Business and the Owner will not discriminate based on age, race, religion, color, sex, national origin, or disability related to the activities of this Agreement.

6.5 Conflict of Interest.

a) The Governmental Unit shall adopt and keep on file, along with the executed copies of this Agreement, a copy of its policy and any ordinance or resolution it has adopted addressing conflicts of interest that may arise involving the members of the Governmental Unit's governing body and/or any of its employees or officers involved in the Agreement, the LBC, or the Project. Such policy, ordinance, or resolution shall address situations in which any of these individuals may directly or indirectly benefit, other than through receipt of their normal compensation in their capacities as the Governmental Unit's employees, officers, or members of its governing body, from the Agreement, the LBC, or Project. Such policy, ordinance, or resolution also shall include actions to be taken by the Governmental Unit, the individual, or both, to avoid conflicts of interest and the appearance of impropriety. Additionally, the Governmental Unit certifies that, as of the Effective Date, no such individuals have such a conflict of interest or will directly or indirectly benefit, except in the capacities described above, from the Grant, LBC, or the Project. Throughout the Grant Term, the Governmental Unit has the

duty to inform Commerce promptly of any such conflict of interest or direct or indirect benefit of which it becomes aware.

6.6 Compliance with Laws.

a) The Governmental Unit shall at all times observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of this Agreement, the LBC or the Project. This includes compliance with environmental laws and regulations.

b) The Business and the Owner shall obtain all required environmental permits necessary for the Project prior to requesting funds and shall maintain those permits for the duration of the Grant Agreement. Failure to obtain and maintain any required environmental permits may result in repayment of funds in Commerce's discretion.

6.7 Non-Assignability.

a) The Governmental Unit shall not assign or transfer any interest in the Agreement without the prior written consent of Commerce; however, claims for money due to the Governmental Unit from Commerce under this Agreement may be assigned to any commercial bank or other financial institution without such approval.

6.8 Personnel.

a) The Governmental Unit represents that it has, or will secure at its own expense, all personnel required to monitor, carry out, and perform the scope of services of this Agreement. Such employees shall not be employees of Commerce. Such personnel shall be fully qualified and shall be authorized under State and local law to perform such services.

6.9 Other Agreements.

a) The Governmental Unit understands and consents that, if it is a party to a separate grant agreement or loan with the State, then full compliance with that separate grant agreement or loan and with this Agreement is required. Similarly, the Governmental Unit understands that if the Business is a party to a separate grant agreement or loan with the State, then the Business's full compliance with that separate grant agreement or loan and with this Agreement is required. Any default under the separate grant agreement or loan during the term of this Agreement, as it may be extended, may be the basis for Commerce to deny payment under this Agreement or request repayment of any funds previous paid in Commerce's sole discretion.

6.10 Notice.

a) All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mails, certified, return receipt requested, first class, postage prepaid and addressed as follows:

If to the Rural Authority or Commerce:

Attn: **«Request_Staff_Person»**
Program Manager
North Carolina Department of Commerce
Rural Economic Development Division
301 North Wilmington Street
4346 Mail Service Center
Raleigh, North Carolina 27699-4346

If to the Governmental Unit:

Attn: **«Contact_Name_Full»**
«Contact_Title»
«Org_Name»
«Org_Address»

6.11 Entire Agreement.

a) This Agreement supersedes all prior agreements between or among the Rural Authority and/or Commerce and the Governmental Unit with regard to the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified, or altered, except pursuant to a writing signed by both Commerce and the Governmental Unit.

6.12 Execution.

a) This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Agreement which shall be sufficiently evidenced by one of such original counterparts.

6.13 Construction, Jurisdiction, and Venue.

a) This Agreement shall be governed by the laws of the State of North Carolina.
b) The Governmental Unit agrees and submits, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this Agreement, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.

6.14 Severability.

a) Each provision of this Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

6.15 Acceptance.

a) If the Governmental Unit agrees to the Agreement terms as stated, the Governmental Unit will return the executed documents specified in the cover letter accompanying this Agreement. This Grant may be withdrawn if Commerce has not received such documents within thirty (30) days from the date of the cover letter from Commerce to the Governmental Unit.

b) As conditions of the Agreement:

1) The highest elected official of the Governmental Unit shall execute the Agreement in its exact form, unless Commerce approves a change to its terms in writing;

2) The Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver of Confidentiality ("Waiver") located in the Application. The Governmental Unit shall also ensure that any additional Business which becomes involved in the Project after the Agreement is finalized executes a Waiver upon its involvement; and

3) After execution, the Governmental Unit shall scan quality copies of all the above listed documents and deliver them via email to the attention of reireports@commerce.nc.gov.

c) As conditions of the Legally Binding Commitment (LBC):

1) The highest elected official of the Governmental Unit and a duly authorized representative of the Owner shall execute the LBC in its exact form, unless Commerce approves a change to its terms in writing. After execution, the Governmental Unit shall scan a quality copy of the LBC and deliver it via email to the attention of reireports@commerce.nc.gov.

2) The Governmental Unit shall provide Commerce with any information obtained pursuant to the LBC and allow Commerce to execute any rights of the Governmental Unit under the LBC, including the Governmental Unit's rights of access, review, or monitoring and Commerce's rights as a third-party beneficiary thereunder.

3) The Governmental Unit shall exercise all of its rights and duties under the LBC in a prudent and timely manner to ensure the use of the Grant funds for the intended purposes and objectives and to preserve the rights of Commerce in this Agreement and the LBC.

4) The LBC specifies how many New Jobs the Business must create and maintain in the performance of the Project and, if the Business fails to do so, those Grant funds that the Owner must repay to the Governmental Unit for return to Commerce or else repay directly to Commerce, upon request and as directed. If such New Jobs are not created or maintained, then the Governmental Unit shall return to Commerce any Grant funds it has not already disbursed to the Owner, make a timely demand for repayment from the Owner, and, if such repayment is not forthcoming, initiate and fully litigate legal proceedings against the Owner to recover such repayment.

5) Without limitation, failure by the Governmental Unit to timely demand repayment from and, if necessary, initiate and fully litigate such legal proceedings against the Owner may affect the future consideration of the Governmental Unit for grant programs administered by Commerce. Further, and without limitation, if the Governmental Unit fails to timely initiate legal proceedings against the Owner for such repayment and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all litigation costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.

6.16 Exhibits. The following Exhibits are hereby incorporated by reference as though set forth in their entirety herein:

a) Exhibit A – Grant Application
b) Exhibit B – Program Guidelines
c) Exhibit C – Legally Binding Commitment
d) Exhibit D – Limited Waiver of Confidentiality

Signature page follows.

IN WITNESSETH WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

«Org_Name»

Signature: _____ [SEAL]

Printed Name: _____

Title: _____

Date: _____

North Carolina Department of Commerce

Signature: _____ [SEAL]

Printed Name: Reginald Speight

Title: Assistant Secretary for Rural Economic Development

Date: 8/20/25

Application # _____
(For internal use only)

Vacant Building ☐ Existing Business Building ☐ Rural Health Care ☐ Rural Infrastructure ☐

Applicant Information

Local Government Name: _____ County: _____ Tier #: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Primary Telephone: _____ Federal Tax ID #: _____

Website: _____

Chief Elected Official Name: _____ Title: _____

Telephone: _____ Email: _____

Manager/Administrator Name: _____ Title: _____

Telephone: _____ Email: _____

Local Government Project Manager (If different than above):

Name: _____ Title: _____

Telephone(s): _____ Email: _____

Grant Administrator Company Name (if applicable): _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Name: _____ Title: _____

Telephone(s): _____ Federal Tax ID #: _____

Website: _____ Email: _____

Project Information

Project Title: _____ **Grant Amount Requested ($):** _____

Number of Businesses to be Assisted: _____ Number of Jobs to be Created: _____

Project Description (provide a summary of the project below):

Has any project participant ever benefitted from a grant with the Department of Commerce? Yes ☐ No ☐ If **Yes**, please explain ↴

Project Budget

List all expenses related to the project, the amount of each expense, and the corresponding funding source(s) in the table below. The table should include costs for acquisition, construction, infrastructure improvements, equipment, training, etc. The table should clearly show all planned expenditures and all funding sources for the project.

	Source Name:	Source Name:	Source Name:	Source Name:
Project Expense	**Amount**	**Amount**	**Amount**	**Amount**
Sub Total ($)				

Total Construction Cost: ($) _____

Total Project Cost: ($) _____

Project Narrative

1 Provide a detailed description of the project company and the jobs to be created.

2 Provide a listing of all the company's existing locations along with the number of current full-time and part-time jobs and whether any change in employment are planned for each location.

3 Provide a detailed description of the construction/renovation project.

4 Provide description of the project property/building and its significance.

Property Owner Information

Property Owner Legal Name: _____

Property Owner Representative Name (First and Last): _____
(Authorized to sign loan documents for Building Reuse)

Property Owner Rep. Mailing Address: _____ City: _____ State: _____ Zip: _____

Property Owner Rep. Phone: _____ Email: _____

Property Information

Property Address for Project: _____ City: _____ State: _____ Zip: _____

Year Building Was Constructed: _____ Number of Months Building Vacant: _____ Square Footage of Building: _____

Is the property listed on the National Register of Historic Places? ☐ Yes ☐ No

If you are unsure whether the property is listed on the National Register of Historic Places, you can check the address by accessing the following website: http://gis.ncdcr.gov/hpoweb/. If the property is listed, the provisions of NCGS 121-12(a) will be required.

Company Information

BUSINESS Name: _____ Federal ID Tax #: _____

Business Representative Name: _____ NAICS Code: _____

Business Mailing Address: _____ City: _____ State: _____ Zip: _____

Business Representative Phone: _____ Business Representative Email: _____

Check ONE box below for the Industry Type of the Business:

☐ Data & Call Services ☐ Healthcare ☐ Manufacturing ☐ Processing ☐ Warehouse/Distribution

☐ Professional ☐ Service ☐ Restaurant ☐ Retail ☐ Non-Profit

Is the proposed Business a startup? Yes ☐ No ☐ If no, how many years in business **in NC**? _____

Number of existing part-time employees **in NC**: _____ Will the business provide health benefits? Yes ☐ No ☐

Number of existing full-time employees **in NC**: _____ What % of health benefits are employer paid? _____ %

Number of new full-time jobs committed: _____ Average annual wage of the new jobs committed? _____

If more than one company will participate in the project, please copy this page and complete for each additional company.

Average Annual Wage Computation Work Sheet

Number of New Employees	Position Type	Gross Annual Wages

Total [ ] **(A)**

Total Annual Wages		**(B)**
Divide Total Wages (B) by the Total Number of New Employees (A) for the **Average Annual Wage**		**(B/A)**
Percent Employer-Paid Health Insurance		**%**

Company Certifications

1 **Overdue Tax Debts** — Does the Company or the Related Member(s) currently have any overdue tax debts with any City, Town or County in, or with the State of North Carolina?

☐ Yes ☐ No

2 **Occupational Safety and Health Act Violations** — Does the Company, or the Related Member(s) have any citation under the Occupational Safety and Health Act that have become a final order within the past three years for willful serious violations or for failing to abate serious violations?

☐ Yes ☐ No

3 **Loan Defaults** — Is the Company, or the Related Member(s) currently in default on any loan or grant previously made by the State of North Carolina?

☐ Yes ☐ No

4 **Incentive History** — Has the Company, or Related Member(s) ever defaulted on an economic development grant or inventive or been sued by a grantor with respect to an economic development grant or incentive?

☐ Yes ☐ No

5 **Creditor Losses, Litigation, Government Investigations** — Has any member of management or any principal of the Company, or the Related Member(s) been involved in a financial reorganization, a bankruptcy, or other situation that led to losses by creditors or bond buyers, investor lawsuits, or government investigation alleging fraud or impropriety?

☐ Yes ☐ No

6 **Pending or Threatened Litigation** — Is the Company, or Related Member(s) subject to any claim, suit, action, proceeding, or government investigation that is pending or threatened that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on the proposed grantee's finances or operations or the ability to conduct the proposed project, or that would reasonably be expected to impact the Rural Infrastructure Authority's decision to award a grant?

☐ Yes ☐ No

If you answered YES to any of the questions above, please provide a detailed description:

If more than one company will participate in the project, please copy this page and complete for each additional company.

Local Government Certifications

The attached statements and exhibits are hereby made part of this application, and the undersigned representative of the applicant certifies that the information in this application and the attached statements and exhibits are true, correct, and complete to the best of the signatory's knowledge and belief. The signatory further certifies:

1 as Authorized Representative, the signatory has been authorized to file this application by formal action of the governing body;
2 that the governing body or agrees that if a grant is awarded, the applicant will provide proper and timely submittal of all documentation requested by the Grantor Agency;
3 that the applicant has substantially complied with or will comply with all federal, state, and local laws, rules, regulations, and ordinances as applicable to this project;
4 that the applicant has analyzed the participating companies' financial and organizational strength regarding the ability to successfully meet the terms of the job creation and maintenance requirements, carry out the renovation project, as well as, the ability to meet the potential for repayment of loan funds; and
5 that the project is in accordance with the applicant's economic development plan and that the applicant has investigated any impact that the project may have on existing businesses within the applicant's jurisdiction.

_____

Signature of Local Government Chief Elected Official

_____ , _____

Typed Name **Typed Title**

_____

Date

_____

Signature of Property Owner Representative

_____ , _____

Typed Name **Typed Title**

_____

Date

_____

Signature of Company CEO/CFO/COO/President

_____ , _____

Typed Name **Typed Title**

_____

Date

NC DEPARTMENT of COMMERCE
RURAL ECONOMIC DEVELOPMENT

Exhibit B: Program Guidelines
Rural Building Reuse and Infrastructure

The Rural Economic Development Division, as authorized under N.C.G.S. 143B-472.127, provides grants to local government units to support economic development activity that will lead to the creation of new, full-time jobs. The program gives priority to projects located in the 80 most distressed counties in the state; and resident companies as defined in N.C.G.S. 143B-472 (a) 4.

PROGRAM CATEGORIES

Rural Building Reuse—Three categories of funding are available for 1) the renovation of vacant buildings, 2) the renovation or expansion of a building occupied by an existing North Carolina company wishing to expand in their current location and 3) the renovation, expansion or construction of health care facilities that will lead to the direct creation of new, full-time jobs.

Rural Infrastructure—Funding is available for publicly-owned infrastructure including water, sewer, electric, broadband, rail, and road improvements that will lead to the direct creation of new, full-time jobs.

HOW TO APPLY

Funding Availability and Target Industry Projects

The potential funding available for each project will be assessed though analysis of the project and will be based upon the project's location, the quantity and quality of jobs committed, the overall economic impact of the project, and at the discretion of the Rural Infrastructure Authority.

Projects that meet all the criteria below may receive the highest priority consideration:

- Located in a Tier 1 or Tier 2 county,*
- Meet or exceed the county average annual wage,*
- Identified as a Target Industry (see table below),
- Offer at least 50% employer-paid health insurance
- Will create a significant number of new, full-time jobs

*Check County Tier Designations and County Average Private Sector Wages:: County Tier Designation and County Average Wages

Target industries are identified in the table below. The first step in assisting target industry projects begins with the developers at the Economic Development Partnership of North Carolina (EDPNC). EDPNC Representatives will guide the local government and business through the initial information gathering phase of the project and EDPNC will refer the project to Commerce. Applicants may find more information about the EDPNC at www.edpnc.com.

Target Industries
Aerospace/Aviation/Defense
Automotive/Truck/Heavy Equipment
Agriculture/Forestry/Food
Biotech/Life Sciences
Business and Financial Services
Energy
Information Technology
Manufacturing (Chemical/Furniture/Metals/Plastics/Textiles)
Other Headquarters

Conference Call

The application process requires a pre-application conference call. For a target industry projects, the conference call will be conducted after the project's referral to Commerce is complete.

- To request a pre-application conference call, submit pages 6-10 of this application package along with at least two proposed dates/times for the call to the appropriate program manager.
- The local government, business owner, and property owner (Building Reuse) are required to be on the call. Other project partners may also participate.
- Once the conference call is complete, eligible applicants should submit the full application package—pages 6-10 of this including any revisions discussed in the pre-application conference call, along with the documents requested in Tabs 1-5 on pages 4-5 of this application package.

ELIGIBLE APPLICANTS

- **Rural Building Reuse**—Eligible applicants are units of local government located in Tier 1 or Tier 2 counties, and rural census tracts in Tier 3 counties. As authorized in N.C.G.S. 143B-472.127(a)(2), a rural census tract† is an area having a population density of less than 500 people per square mile in accordance with the most recent decennial federal census.
- **Rural Infrastructure**—Eligible applicants are units of local government with priority given to the Tier 1 and Tier 2 counties.

†Check census tracts at: Rural Census Tract Map

BUILDING REUSE ELIGIBLE PROJECTS AND EXPENSES

Vacant Building Category

- renovation of buildings that have been vacant for at least three months prior to application deadline
- initial upfit of a shell building is eligible if the building is at least 5 years old and has never been occupied
- only renovations within the existing footprint are eligible

Existing Business Building Category

- buildings occupied for at least 12 months by one of a business identified as a target industry (see table on page 1)
- jobs are required to meet the county wage standard and provide 50% paid health insurance
- renovation within the existing footprint and connected additions are eligible

Rural Health Category

- new construction, renovation, or expansion or of health care facilities
- NC licensure required for participating health care companies

Eligible Expenses – Building Reuse, All Categories

- improvements to real property, including, but not limited to: materials and labor to install HVAC, electrical, plumbing, fire alarm/suppression system, roofing, flooring, carpentry, drywall, paint, etc.
- a company owned or operated by any project partner may not be used as a contractor for the renovation project unless the company holds a valid NC General Contractors license. A copy of the company's NC General Contractor's license must be included in Tab 3 of the application materials

Ineligible Expenses – Building Reuse, All Categories

- the following are examples of prohibited expenses and may not be submitted for reimbursement or to meet the matching funds requirement: building purchase, design costs, engineering costs, permit fees, surveys, legal fees, machinery & equipment, cranes, security, telephone, and computer hardware and software, solar panels, signage, landscaping, silo and other ancillary structures, furnishings, paving, fencing, kitchen equipment, and refrigeration equipment. This list is not comprehensive and specific items of concern should be discussed with program staff.
- renovations for housing or government uses are not eligible

INFRASTRUCTURE ELIGIBLE PROJECTS AND EXPENSES

- construct public infrastructure improvements
- upgrade or repair of public drinking water or wastewater treatment plants
- upgrade, extensions, or repair of public water or sewer lines
- publicly owned natural gas lines (requires an executed Pipeline Construction, Operating and Resale Agreement)
- installation or extension of public broadband infrastructure
- construction of publicly owned access roads not funded or owned by the Department of Transportation
- construction of public rail spur improvements

Eligible Expenses – Infrastructure

- eligible expenses include planning, materials, labor, and administration to complete public infrastructure improvements

Ineligible Expenses – Infrastructure

- privately owned infrastructure improvements
- projects that address building construction
- land acquisition costs or fees with the exception those associated with public easements for the project

JOB CREATION REQUIREMENTS

- Applicants must show that the improvements will result in the creation of new, full-time jobs in the private sector within 18 months of the grant award. Part-time, Full-Time Equivalents (FTE) positions, or contract and consulting jobs are ineligible.
- Each position must be filled with one full-time employee. Full-time employment is defined as one person working at least 35 hours per week, whose wages are subject to withholding, and who is employed in a permanent position.
- Priority will be given to projects that offer higher salaries/wages and provide at least 50% employer-paid health benefits to employees.
- The company must pay North Carolina Unemployment Insurance on each employee for whom a job is committed.
- The company will be expected to maintain all existing full-time jobs in North Carolina reported at the time of application (baseline) plus create the new, full-time jobs committed.
- The baseline will be established using the most recently filed NCUI 101 Form filed with the NC Department of Commerce Division of Employment Security at the time of application submittal.
- To meet the terms of the grant the company must maintain the baseline number plus the new, full-time jobs concurrently for at least six consecutive months.
- All participating companies must agree to provide the local government and the Department of Commerce access to company employment records necessary to verify the creation of new jobs.

LOCAL GOVERNMENT REQUIREMENTS & LIABILITIES

- The local government will coordinate and oversee all aspects of the project, including the application process, contracting process, reporting requirements, payments, job verification, and loan repayment if required.
- The local government is required to analyze the participating company's financial and organizational strength regarding its ability to successfully meet the terms of the job creation and maintenance requirements, and the ability to meet the potential for repayment of loan funds.
- In the event the company defaults on the job commitment, the local government is required to repay the loan to Commerce irrespective of whether the funds are collected from the property/business owner.
- When the improvements are owned by the local government, state regulations regarding procurement, including N.C.G.S.14-234 are required.
- Local governments are subject to state audit and reporting requirements.

MATCH REQUIREMENTS

- A cash match equivalent to at least 5% of the grant amount is required for all projects.
- The cash match shall come from local resources and may not be derived from other State or federal grant funds.
- Costs that are ineligible for grant funding may not be considered for the match. The only exception is paid grant administration when paid to an organization separate from the applicant organization.
- In-kind match is not allowable.
- In addition to the 5% match described above, the building reuse program requires a dollar for dollar match up to the total grant amount.

REPAYMENT REQUIREMENTS

- If job creation goals are not met, a pro-rata share of funds for each job not created must be repaid to the Department of Commerce by the local government.
- For Building Reuse projects, the local government will secure the funds through a Legally Binding Commitment executed between the local government and the property owner.
- For Infrastructure projects, the local government will secure the funds through a Legally Binding Commitment executed between the local government and the company owner.
- Repayment forgiveness is offered upon the successful verification of the required job creation by the Department of Commerce.

APPLICATION CHECKLIST

Submit a complete application package **including the application form and the documents listed within the checklist below. Please submit one complete pdf (pages 6-10 of this document and all materials required for Tabs 1-5) to reireports@commerce.nc.gov.**

Tab 1

☐ **Application Form.** The form should be signed by local government chief elected official.

☐ **Local Government Resolution**. Submit a signed resolution adopted by the governing board in support of application submission to the Department of Commerce. The resolution must state the purpose of the project, indicate the local government's support for the project, and commitment to provide a cash match of at least 5% of the grant request amount toward the project.

Tab 2

☐ **Job Commitment Letters.** Submit a signed letter of job commitment from each company that will participate in the project. The letter should include **(1)** the number of existing full-time and part-time employees (listed separately) at all company locations in North Carolina, and **(2)** the number of new, full-time jobs to be created by the company and maintained concurrently for six-consecutive months within two years of the grant award date. The letter must be printed on the company's letterhead and signed by the company's Chief Executive Officer, Chief Financial Officer or President.

☐ **Employer's Quarterly Tax and Wage Report—NCUI 101 Form(s).** Submit a copy of the of the *Employer's Quarterly Tax and Wage Report* (NCUI 101 form) for each company that will commit jobs to the project. The form must have been filed with the North Carolina Department of Commerce Division of Employment Security for the quarter ending closest to the application deadline. The entire Social Security Number for each person should be redacted (blacked out). The name and wages must remain readable. Any discrepancy in the number of employees listed on the NCUI 101 form(s) for the last month of the quarter and the number reported in the Job Commitment letter must be thoroughly explained in the narrative section of this application.

***NOTE:** If any company has more than one location in North Carolina, a NCUI-101 multi-site report or forms for each company location must be provided.*

☐ **Business Financial Documents.** Submit a copy of the most recent three years of certified or CPA prepared financial statements that include Balance Sheet, Income Statement and Statement of Cash Flows for each non-start-up company participating in the project.

Tab 3 – *Building Reuse Projects Only*

☐ **Line Item Budget.** Submit a line item budget that lists the proposed renovation/construction expenses and the cost for each expense (example expenses include, but are not limited to: HVAC, electrical, plumbing, roofing, flooring, painting, etc.).

☐ **Cost Estimates.** Submit cost estimates for each expense identified in the line item budget. The estimates must be prepared by a contractor, sub-contractor or architect and provided on that company's letterhead. A company owned or operated by any project partner may not provide estimates or be used as a contractor for the renovation project unless the company holds a valid NC General Contractors license. A copy of the company's valid NC General Contractor's license must be included in this section of the application materials.

☐ **Site Control Documents.** Submit a copy of the property deed. Also, if the job creating company does not own the building, submit a copy of an executed lease agreement. If the property ownership will change, provide a detailed explanation of the real estate transaction that will occur with the legal names of the seller and buyer and date that the sale will close. Once the transaction is complete, a copy of the new deed must be submitted. The project will not be placed under contract until all correct, complete site control documents are received.

Tab 3 – *Infrastructure Projects Only*

☐ **Preliminary Engineering Report (PER).** The PER should detail the proposed improvements and the current infrastructure that supports the proposed improvements. The PER should be sealed and dated and include an opinion of cost that is not more than six months old at the time of the application. The PER should include a map that shows the location of the business(es) as well as the location of the current infrastructure serving the project area and the proposed infrastructure improvements that will be supported through the project assistance.

☐ **Line Item Budget.** Submit a line item budget that lists the expenses associated with the proposed infrastructure improvements and the cost for each expense.

☐ **Proof of Funding Availability.** Submit a signed letter of funding availability from each source of funds committed for the project. The total of all funding commitment letters must meet or exceed the total project cost. If loan or other grant funds are pledged, a loan/grant commitment letter from each source of funds must be included.

Tab 4

☐ **Photographs.** Submit photographs representative of the proposed project. Include digital copies on a flash drive along with printed copies.

Tab 5 – *Start-Up Businesses Only*

☐ **Business Plan**. A complete and detailed Business Plan that includes three years of financial projections (including balance sheets, cash flow statements and income statements) along with a Source and Use of Funds statement, with detailed assumptions upon which the financial projections were built. The Business Plan must also include a marketing plan that details what the company plans to sell and how they will market the product or service. The Business Plan should also provide a thorough description of the management team and the members' background that support the success of the venture. A description of the company's competitors should be provided, with an explanation of how the company will garner its expected share of the market.

☐ **Capital Plan.** Details and evidence regarding the capital that has been or will be raised. This must include where the capital is currently on deposit and the total amount that is required to launch the business and sustain it in the early years. A letter from the depository holding the funds in escrow can serve as proof of the available capital.

- Evidence of initial capitalization (loans, private investor commitments), as well as the ability to meet working capital needs must be provided.
- A commitment letter from a bank for an operating line of credit needed to fund the "cash cycle" of the business and provide for unforeseen needs. In addition, the source of the funding for any machinery and equipment required for the project.

☐ **Articles of Incorporation**. For each start-up company submit a copy of the company's "Articles of Incorporation" filed with the NC Department of the Secretary of State.

☐ **Contracts with potential customers or letters of intent to buy from the company when it begins operations.**

☐ **Copies of the bylaws, shareholder agreement or operating agreement of the business.**

☐ **Copies of any certifications by regulatory bodies necessary to operate the business.**

☐ **An understanding with the principal owners that they may be required to sign a personal guarantee of the performance of the grant and provide complete personal financial statements for each guarantor.**

APPLICATION SUBMISSION

Applicants should submit pages 6-10 of this application package including any revisions discussed in the pre-application conference call, along with the documents requested in Tabs 1-5 on pages 4-5 of this application package. Full applications should be emailed by 5:00 p.m. on the selected full-application deadline. The full list of application deadlines can be found on the Commerce website at www.commerce.nc.gov/ruralgrants

E-Mail Application Materials:
reireports@commerce.nc.gov
Rural Engagement & Investment Programs
Rural Economic Development Division
North Carolina Department of Commerce

«Org_Name» (the "Governmental Unit") enters into this Loan Agreement and Legally Binding Commitment (the "LBC," including the "Loan") with **«Request_Property_Owner_Legal_Name»** (the "Owner" and, together with the Governmental Unit, the "Parties"). The effective period of this LBC shall commence **«Request_Project_Start_Date»** ("Effective Date") and shall terminate **«Request_Project_End_Date»** ("Termination Date") unless terminated on an earlier date under the terms of this LBC or unless extended for an express term in writing by the Governmental Unit (such period of time running from the Effective Date to the applicable Termination Date described above shall constitute the "LBC Term"); and

The North Carolina Rural Infrastructure Authority (the "Rural Authority") of the State of North Carolina (the "State") has awarded a grant (the "Grant") to the Governmental Unit, and the North Carolina Department of Commerce ("Commerce"), an agency of the State, will administer the Grant; and

The Grant is memorialized in an agreement (the "Agreement") between Commerce and the Governmental Unit, which is included as Exhibit A, and the Agreement includes this LBC; and

The Rural Authority awarded the Grant: (1) based on the Application filed by the Governmental Unit and any subsequent materials supporting the Application that have been approved of by Commerce in writing, all of which are incorporated into the Agreement by reference; (2) based on the representation in the Application that the Owner owns certain real property located at:

«Request_Property_Address_for_Proj»

in **«Codes_County_Request»** County, North Carolina (the "Property"); (3) based on Commerce's Grant requirements and guidelines, which are incorporated herein and may be amended, modified or supplemented and applied accordingly to the Agreement and this LBC by Commerce in its sole discretion; and for (4) the creation and retention of certain jobs in the course of completing certain renovations and/or construction work at the Property (altogether, the "Project," as summarized in the Agreement); and

The Governmental Unit and the Owner are required to enter into this LBC as a condition of the Governmental Unit loaning the Grant funds to the Owner.

In consideration of the mutual promises and such other valuable consideration set out herein, the Parties mutually agree to the following terms and conditions:

SECTION 1. OBLIGATIONS

1.1 Loan.

a) The Governmental Unit loans to the Owner the sum of **$«Request_Grant_Amount»** (the "Loan"), which consists entirely of State Grant funds, to fund the Project. The Agreement refers to the entity (or entities, as applicable) required to create and maintain certain New Jobs, as defined in Paragraph 1.2 of this LBC, to complete the Project under this LBC as the "Business," the "Employer" and the "Business" (collectively, the "Business"). The Owner acknowledges that the Owner must repay the Loan in accordance with the terms of this LBC if the Business does not create and maintain the new jobs required by Paragraph 1.2 below.

1.2 New Job Creation, Maintenance of New Jobs and Baseline Number of Jobs.

a) A "New Job" means any job or jobs filled by employees hired for the Project on or after the Effective Date who work for at least thirty-five (35) hours per week, are eligible for all benefits generally available to all full-time employees of the Business, and whose wages are subject to withholding under Article 4A of Chapter 105 of the North Carolina General Statutes, and shall be over and above the **«Request_Bus_1_No_of_Baseline_Jobs_Prese»** full-time jobs in North Carolina that the Business reported having at the time of the Application for the Project (the "Baseline Number"). The Owner agrees that the Business shall be required to create and maintain in existence for six (6) consecutive months **«Request_Jobs_Created_TOTAL»** New Jobs prior to the Termination Date, unless this term is extended pursuant to Subsection 1.10 of the Agreement. Separate from these New Jobs, the Owner agrees that the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs.

1.2 Verification of New Jobs.

a) When the New Jobs required by Subsection 1.2 of this LBC have been created and maintained for six (6) consecutive months, the Owner shall notify the Governmental Unit so that it and/or Commerce can verify the creation and maintenance of New Jobs, as well as the maintenance of the Baseline Number of jobs and the satisfaction of all other conditions and terms of this LBC and the Project. The Owner shall cause any Business to provide to the Governmental Unit and Commerce, or their respective designees, full and complete access to all records of the Business necessary to verify the number and types of jobs created and maintained, the wages paid to employees, and the satisfaction of all other conditions and terms of this LBC and the Project. Additionally, the Business must certify its performance by submitting a certification form at closeout (the Job Certification Form can be accessed at www.commerce.nc.gov/ruralgrants . Failure of any Business to provide access to records upon request, or failure to certify to its performance, shall constitute a

material default by the Owner under the terms of this LBC and, in the sole discretion of the Governmental Unit and/or Commerce, may subject the Owner to repayment in an amount calculated under Paragraph 1.4(b)(i) below.

1.4 Repayment Requirements and Remedies

a) The repayment requirements and remedies addressed in this Subsection 1.4 are in addition to those repayment requirements and other remedies set forth elsewhere in this LBC, including the requirements to repay unspent Loan funds. No remedy conferred or reserved by or to the State or the Governmental Unit is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this LBC or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

b) The Owner acknowledges that the Grant by the Rural Authority and the Loan by the Governmental Unit are predicated upon the creation and maintenance of the New Jobs and maintenance of the Baseline Number of jobs required by Paragraph 1.2 and that failure to create and/or maintain them will constitute a material default of this LBC.

i. If the Business fails to create and maintain such New Jobs, then the Owner shall repay to the Governmental Unit or Commerce, as directed, an amount equal to the product of (i) (the amount of Loan funds granted by Commerce to the Governmental Unit divided by the number of New Jobs required to be created in Paragraph 1.2) and (ii) (the number of New Jobs required to be created in Paragraph 1.2, minus the number of New Jobs actually created, above the Baseline Number reported, that have been in existence for six (6) consecutive months).

ii. Additionally, in the event that the Business fails to maintain its Baseline Number of jobs as required under Paragraph 1.2, the Business shall lose credit for any qualifying New Jobs under this LBC by the same number of jobs that the Baseline Number is short. For example, if the Baseline Number of jobs falls short by three (3) jobs as of the date the Business has created and maintained all required New Jobs, the number of New Jobs deemed created and maintained shall be reduced by three (3). The amount the Business must repay shall then be calculated in accordance with Paragraph 1.4 (b)(i). Any modification to the amount calculated for repayment in accordance with Paragraph 1.4 (b)(i) must be approved by Commerce in writing.

iii. Either Commerce or the Governmental Unit shall notify the Owner in writing of the amount to be repaid and direct the Owner whether to repay such amount to the Governmental Unit for return to Commerce or repay the amount directly to Commerce. All such amounts shall be due immediately upon demand by the Governmental Unit or Commerce. Upon default in such payment, the Governmental Unit or Commerce may employ an attorney to enforce their respective rights and remedies, and the

Owner hereby agrees to pay the legal costs and reasonable attorneys' fees of the Governmental Unit and Commerce plus all other reasonable expenses incurred by such party in exercising any of its rights and remedies upon such defaults.

c) If there is a breach of any of the requirements, covenants, or agreements in this LBC (including, without limitation, a failure to repay the amount required under Paragraph 1.4(b)(i) within the time required), or if there are any representations or warranties which are untrue as to a material fact in this LBC or in relation to the LBC or the Project (including the performance thereof), the Owner agrees that the Governmental Unit or Commerce may require repayment from the Owner of an amount of Loan funds to be determined in their sole discretion but not to exceed the amount of Loan funds the Owner has already received under this LBC. Such requirements, covenants, or agreements include but are not limited to Paragraphs 1.1, 1.2, 1.5, 2.2, 5.3 and 5.4 of this LBC.

1.5 Changes in the Project or Other Conditions.

a) A "Project Change" is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the LBC, the required number of New Jobs, the Baseline Number of jobs, the preliminary engineering report, any cessation of business by the Business and any filing of bankruptcy by the Business. There shall be no Project Changes, unless expressly approved of by Commerce and the Governmental Unit in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.

b) Additionally, the Owner shall immediately notify the Governmental Unit of any change in conditions or local law, or any other event, which may significantly affect the ability of it or any Business to perform the LBC or the Project. In their sole discretion, the Governmental Unit or Commerce may deem such a change in conditions, local law, or other event to constitute a Project Change.

SECTION 2. REPRESENTATIONS AND WARRANTIES

2.1 Loan Funds. The Owner hereby represents and warrants that all Loan funds shall be utilized exclusively for the purpose of the Project and that it shall not make or approve of any improper expenditures of Loan funds. The improper expenditure of Loan funds may result in repayment of those funds by the Owner to the Governmental Unit or Commerce.

2.2 Owner Representations and Warranties. The Owner hereby represents and warrants that:

a) The Owner and every Business are duly authorized to do business under North Carolina law and are not delinquent on any federal, state, or local taxes, licenses, or fees.

b) This LBC has been entered into and executed on behalf of the Owner by an individual with full actual and apparent authority to bind the Owner to the terms, and the execution and delivery of this LBC have been authorized by all necessary action, and are not in contravention of law nor in contravention of any certificate of authority, bylaws or other applicable organizational documents of the Owner, nor are they in contravention of the provisions of any indenture, agreement, or undertaking to which the Owner is a party or by which it is bound.

c) To the Owner's knowledge, there is no action, suit, proceeding, or investigation at law or in equity before any court, public board or body pending, or threatened against or affecting the Owner that could or might adversely affect the Project, the creation of the New Jobs, or any of the transactions contemplated by this LBC, or the validity or enforceability of this LBC or the Owner's ability to discharge its obligations under this LBC.

d) Upon the Owner's reasonable inquiry of any Business, there is no action, suit, proceeding, or investigation at law or in equity before any court, public board, or body pending, threatened against, or affecting any Business that could or might adversely affect the Project, the creation of the Jobs, or any of the transactions contemplated by this LBC, or the validity or enforceability of this LBC, or the ability of any Business to create the Jobs specified herein.

e) No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this LBC by the Owner or the performance of any of its obligations hereunder, or else all such requisite governmental consents or approvals have been obtained. The Owner shall provide the Governmental Unit or Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this LBC.

f) The Owner is solvent and has inquired of and received reasonable evidence from any Business of the solvency of that Business.

g) A cash match grant, loan, or other funding ("Cash Match") equal to the amount of the Loan shall have been unconditionally committed to the Project. The Governmental Unit shall have procured and contributed at least five percent (5%) of this Cash Match, but no part of this 5% contribution can have been derived, either directly or indirectly, from any other State or federal source. The Owner hereby represents and warrants that all Cash Match funds shall be utilized exclusively for the purpose of the Project and that it shall not make or approve of improper expenditures of Cash Match funds. The Owner shall expend all Cash Match funds prior to or simultaneously with and at the same rate as its expenditure of Loan funds.

SECTION 3. TERMS AND CONDITIONS OF AGREEMENT

3.1 Project Records.

a) The Owner shall maintain and cause any Business to maintain full, accurate, and verifiable financial records, supporting documents, and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this LBC separate from accounts for other awards, monetary contributions, or other revenue sources for this Project.

b) The Owner shall retain and cause any Business to retain all financial records, supporting documents, and all other pertinent records related to this LBC, the Loan, and the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved. However, if any audit, litigation or other action arising out of or related in any way to this project is commenced before the end of such retention of records period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the record retentions period, whichever is later.

3.2 Monitoring, Reports and Auditing.

The Owner agrees to generate and to cause any Business to generate such reports regarding the LBC or the Project as may be requested by the Governmental Unit or the State in such form as they may request, including after the Termination Date. The Owner grants and shall cause any Business to grant the Governmental Unit or the State and any of its authorized representatives, at all reasonable times and as often as necessary (including after the end of the LBC Term), access to and the right to inspect, copy, monitor and examine all of the books, papers, records and other documents relating to the LBC or the Project. Additionally, the Owner agrees to comply and to cause any Business to comply at any time, including after the end of the LBC Term, with any requests by the State for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

3.3 Termination.

a) If the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC, or if any Business fails to fulfill those requirements applicable to it in the LBC, the Owner agrees that the Governmental Unit or Commerce has the right to terminate the LBC by giving the Owner written notice to the Owner. The effective date of such termination will be in Commerce's or the Governmental Unit's sole discretion and will be included in the written notice of termination. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments under this

LBC or the Agreement. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.

b) If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under its Grant Agreement with Commerce, the Owner agrees that Commerce has the right to terminate its Grant Agreement with the Governmental Unit and/or terminate this LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice. Notice of such termination will specify the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments under this LBC or the Agreement. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.

3.4 Availability of Funds.

The obligations of the State (including the Rural Authority and/or Commerce) to pay any Grant funds to the Governmental Unit and for the Governmental Unit to pay any Loan amounts to the Owner under this LBC are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant and therefore the Loan become unavailable, the Owner agrees that either Commerce or the Governmental Unit has the right to terminate this LBC by giving written notice to the Owner. The effective date of such termination will be in Commerce's or the Governmental Unit's sole discretion and will be included in the written notice of termination. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments under the LBC or the Agreement. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed.

SECTION 4. WAIVER

4.1 No Waiver by Governmental Unit or the State.

a) Failure of the Governmental Unit or the State (including the Rural Authority and Commerce) at any time to require performance of any term or provision of this LBC shall in no manner affect the rights of the Governmental Unit or the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the Governmental Unit or the State of any condition or the breach of any term, provision, or representation contained in this LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or

construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision, or representation.

4.2 Waiver of Objections to Timeliness of Legal Action.

a) The Owner knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the Governmental Unit or the State (including Commerce) to enforce their rights under this LBC. This waiver includes any objections the Owner may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

SECTION 5. MISCELLANEOUS PROVISIONS

5.1 Third-Party Beneficiary. The Parties agree that the State (including Commerce and the Rural Authority) is an intended third-party beneficiary of this LBC (including the Loan) and may, at its option, enforce the terms of this LBC or appear as a party in any litigation concerning the LBC.

5.2 Independent Status of the Parties.

a) The State and the Governmental Unit are independent entities from one another and from the Owner and any third party (including any Business). The Agreement, the LBC, the Project, and any actions taken pursuant to the Agreement, the LBC, and the Project shall not be deemed to create a partnership or joint venture between the State and the Governmental Unit or between or among either of them and the Owner or any third party (including, without limitation, any Business) nor shall they be construed to make any employees, agents, or members of the Owner or any third party (including any Business) into employees, agents, members, or officials of the Governmental Unit or the State. Neither the Owner nor any third party (including any Business) shall have the ability to bind the Governmental Unit or the State to any agreement for payment of goods or services or represent to any person that they have such ability. Nor shall the Governmental Unit have the ability to bind the State to any agreement for payment of goods or services or represent to any person that it has such ability.

b) The Owner and any third party (including any Business) shall be responsible for payment of all their expenses, including rent, office expenses, and all forms of compensation to their employees, including worker's compensation insurance to the extent required for their operations, and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes, or payroll deductions required by law in connection with their operations, for themselves and their employees who are performing work pursuant to this LBC or the Project.

5.5 Liabilities and Loss.

a) The Owner hereby agrees to release, indemnify, and hold harmless the Governmental Unit and the State (including the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents, and attorneys (hereinafter collectively referred to as "Indemnified Parties"), from any claims of third parties (including, without limitation, any Business) arising out of any act or omission of the Owner or any third party (including, without limitation, any Business) in connection with the performance of this LBC or the Project, and for all losses arising from implementation of this LBC or the Project. Without limiting the foregoing, the Owner hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost, or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property, or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment, or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether or not arising out of acts, omissions, or negligence of the Owner or of any third party (including, without limitation, any Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the Project.

5.4 Cessation, Bankruptcy, Dissolution, or Insolvency.

a) The Owner shall at all times preserve its legal existence, except that it may merge or consolidate with or into or sell all or substantially all of its assets to any entity that expressly undertakes, assumes for itself, and agrees in writing to be bound by all of the obligations and undertakings of the Owner contained in this LBC. If the Owner so merges, consolidates, or sells its assets without such an undertaking being provided, it agrees to repay to the Governmental Unit or Commerce, upon request and as directed, all Loan funds. Further, any merger, consolidation, or sale without such an undertaking shall constitute a material default under this LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner and hold the Owner liable for any other repayment provided for under this LBC.

b) Other than as provided for in Paragraph 5.4(a), if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution, or insolvency proceeding prior to the end of the LBC Term, the Owner shall give the Governmental Unit immediate notice of the event, shall not expend any Loan funds without the express written authorization of the Governmental Unit, and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed and if permissible under applicable bankruptcy, dissolution, or insolvency law.

c) If the Owner fails to provide the Governmental Unit notice of the Owner or any business ceasing to do business or becoming the subject of any bankruptcy, dissolution, or insolvency proceeding prior to the end of the LBC Term, it shall constitute a material default under this LBC. If there is such a cessation or such a proceeding, the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner. Upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and shall return all unspent Loan funds to the Governmental Unit or Commerce upon demand and as directed and if permissible under applicable bankruptcy, dissolution, or insolvency law.

d) Notwithstanding the foregoing and wherever referred to in this LBC, "ceases to do business" shall not include (1) ceasing operations to maintain, service, or upgrade real or personal property of the Owner; (2) seasonal shutdowns of operations, as long as such cessation does not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure, as described below); and (3) under the circumstances for the period of time described in Subsection 5.16 below.

5.5 Nondiscrimination.

a) The Owner agrees that it will not, and will ensure that the Business will not, discriminate by reason of age, race, religion, color, sex, national origin, or disability related to the activities of this LBC or the Project.

5.6 Compliance with Laws.

a) The Owner shall at all times, and shall cause any Business at all times to, observe and comply with all laws, regulations, codes, rules, ordinances, and other requirements (together, "Laws") of the state, federal, and local governments which may in any manner affect the performance of the LBC or the Project. This includes compliance with all applicable federal, state, and local environmental laws and regulations.

b) The Business and the Owner shall obtain all required environmental permits necessary for the Project prior to requesting funds and shall maintain those permits for the duration of the LBC Term. Failure to obtain and maintain any required environmental permits may result in repayment of funds in Commerce's or the Governmental Unit's sole discretion.

5.7 Non-Assignability.

a) The Owner shall not assign or transfer any interest in the LBC without the prior written consent of the Governmental Unit and Commerce; however, claims for money due to the Owner from the Governmental Unit under this LBC may be assigned to any commercial bank or other financial institution without such approval.

5.8 Personnel.

a) The Owner represents that it and any Business have, or will secure at their own expense, all personnel required to monitor, carry out, and perform the scope of services of this LBC and the Project. Such employees shall not be employees of the State (including the Rural Authority or Commerce) or the Governmental Unit. Such personnel shall be fully qualified and shall be authorized under State and local law to perform such services.

5.9 Other Agreements.

a) The Owner warrants that, if it is a party to a separate grant agreement or a loan with the State, then it shall remain in full compliance with that separate grant agreement or loan and with this Agreement. Any default under the separate grant agreement or loan during the term of this Agreement, as it may be extended, may be the basis for Commerce to deny payment under this Agreement or request repayment of any funds previous paid in the discretion of Commerce.

5.10 Notice.

Unless Commerce approves an alternate method of delivery, notices, reports, and certifications under this Agreement shall be sent by certified mail, return receipt requested; hand delivery; or by overnight courier; or email, or other method approved by the Parties, as follows, unless the relevant Party provides prior written notice of a change in the following contact information:

If to the Governmental Unit: Attn: _____

_____

_____

_____

_____

To the Owner: Attn: _____

_____

_____

_____

_____

or addressed to such other address or to the attention of such other individual as either party above shall specify in a notice pursuant to this subsection.

5.11 Entire Agreement.

a) This LBC supersedes all prior agreements between the Governmental Unit and the Owner with regard to the Loan and the Project and expresses their entire understanding with respect to the transactions contemplated herein and shall not be amended, modified, or altered, except pursuant to a writing signed by both Parties.

5.12 Execution.

This LBC may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same LBC, which shall be sufficiently evidenced by one of such original counterparts.

5.13 Construction, Jurisdiction, and Venue.

a) This LBC shall be construed and governed by the laws of the State of North Carolina.

b) The Parties agree and submit, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this LBC, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.

5.14 Severability.

a) Each provision of this LBC is intended to be severable and, if any provision of this LBC is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this LBC, but this LBC shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

5.15 Force Majeure.

If (a) during the LBC Term, the real or personal property located on or constituting the Property suffers damage or destruction caused by acts of God, fires, floods, storms, insurrection, riots, acts of the public enemy, national catastrophe, or similar unexpected events; (b) such damage or destruction was not principally caused by the Owner's negligence, willful misconduct, or violation of applicable law; (c) the Owner uses reasonable efforts to repair, or to work around, such damage or destruction reasonably

promptly; and (d) as a direct result of such damage or destruction, the Owner cannot satisfy the requirements and obligations of Sections 1 of this Agreement as and when this Agreement requires, then the Owner will be entitled to an extension of time not to exceed sixty (60) days to satisfy the requirements and obligations of Section 1 of this Agreement, provided that the Governmental Unit in its sole discretion with respect to the obligations it is owed by the Owner, may elect to extend that sixty-day period to allow the Owner additional time to satisfy those requirements.

IN WITNESS WHEREOF, the parties hereto have executed this LBC as of the date first above written.

Governmental Unit Name: _____

Signature: _____ [SEAL]

Printed Name: _____

Title: _____

Owner Name: _____

Signature: _____ [SEAL]

Printed Name: _____

Title: _____

Limited Waiver of Confidentiality
Unemployment Tax and Wage Records
BUILDING REUSE PROGRAM

EXHIBIT D

«Request_Reference_Number»

Name of Taxpayer _____

Address: _____

City: _____ State: _____ Zip: _____ Phone: _____

NC Unemployment Insurance Acct #: _____ Fed Tax ID #: _____

I hereby waive any right to confidentiality, as found in N.C.G.S. 96-4 or otherwise, for the limited purpose of authorizing disclosure of certain information contained in the quarterly unemployment insurance tax records of the above-named taxpayer (hereinafter, "Company") filed with the Division of Employment Security ("DES") of the North Carolina Department of Commerce to the **«Org_Name»** ("Governmental Unit") and to the employees of the Rural Economic Division of the North Carolina Department of Commerce ("Rural Division") and members of the North Carolina Rural Infrastructure Authority ("Rural Authority") for the limited purpose of evaluating the issuance of and, in the event of such issuance, administering and ensuring compliance with, a grant and loan pursuant to N.C.G.S. 143B-472.127 and .128.

I recognize that DES is authorized to provide this information to the public officials of the Governmental Unit, the Rural Division and the Rural Authority in the performance of their public duties and that the verification of employment information for the purpose of administering the grant and loan at issue is within the scope of the public duties of the Governmental Unit, the Rural Division and the Rural Authority. I hereby authorize DES to disclose information contained in the Company's quarterly unemployment insurance tax records (the NCUI-101 or successor form) to the Governmental Unit, the Rural Division and/or the Authority for these purposes.

I recognize that unemployment insurance tax information provided in the aggregate to DES and disclosed to the Governmental Unit, the Rural Division and/or the Authority, and the Company's aggregated tax and wage information provided to or otherwise in possession of the Governmental Unit, the Rural Division and/or the Authority, may be treated as public information. This waiver is not intended to release the Governmental Unit, the Rural Division and/or the Authority from any obligation they may have under North Carolina law to maintain the confidentiality of any and all information which could reveal or permit someone to ascertain the identity of any individual employee or that employee's line-item unemployment insurance tax or other tax or wage information.

_____
Signature Chief Financial Officer or Other Authorized Company Official

_____ , _____
Print Name Title

_____
Date

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

NEW BUSINESS

Department: Governing Body

Presenter(s): Commissioner Horton
Commissioner Ball
Commissioner Moore

Contact: Commissioner Horton
Commissioner Ball
Commissioner Moore

Subject: Letter of Support for Fairview Holiday Parade

Brief Summary:

Buncombe County Commissioners Horton, Moore and Ball have requested the addition of an agenda item to discuss the Fairview Holiday Parade and the associated NCDOT requirements. Based on the approval of Ordinance # 25-10-10, the Fairview Holiday Parade was approved by Commissioners and held on US-74 in 2025 by adhering to NCDOT requirements.

The North Carolina Department of Transportation has guidelines for Special Events (Excerpts are attached in these materials). Those guidelines were last updated on July 25, 2014. These guidelines include two options for these types of events: “Special Events held by Counties and/or Municipalities, or Sponsored by Counties and/or Municipalities”, and “Special Events held by Non-Government Entities not Sponsored by Counties and/or Municipalities”. The latter guideline allows event organizers to work directly with NCDOT on the requirements for a specific event (as documented in the guideline and attached in these materials). As part of this process, Buncombe County Commissioners are requested to provide a formal Letter of Support for the specific event to NCDOT.

Pursuant to the DOT policy event guidelines, the event organizer is required to submit a traffic management plan (TMP) that meets the Manual on Uniform Traffic Control Devices (“MUTCD”) which are standards set forth by the federal government. The event organizer is also responsible for providing all traffic control devices and traffic control agents using appropriate law enforcement or individuals trained in traffic control as set forth in N.C. Gen. Stat. § 20-114.1. The event organizer is responsible for notifying

emergency services of the road closure and implementing any closures or detours. Finally, the event organizer is responsible for all cleaning up after the event.

Recommended Motion & Requested Action:

Motion to provide a Letter of Support for the Fairview Holiday Parade.

Attachments:

1. Draft Letter of Support
2. NCDOT Special Event Guidelines
3. 19A NCAC
4. GS 20-169

Buncombe County Board of Commissioners

Chair	District 1	District 2	District 3
Amanda Edwards	Al Whitesides	Martin Moore	Parker Sloan
	Jennifer Horton	Terri Wells	Drew Ball

October 20, 2026

Tim Anderson
Highway Division 13 North Carolina Department of Transportation
55 Orange Street
Asheville, NC 28801

RE: Fairview Holiday Parade

On behalf of Buncombe County Commissioners, I am providing a letter of support for the Fairview Holiday Parade. As you know, the Board unanimously approved the Fairview Holiday Parade by Ordinance 25-10-10 on October 21, 2025, and the parade was held on December 13, 2025. The parade resulted in no reported safety or traffic problems.

This year, the Fairview Holiday Parade organizers are requesting the same parade, on the same route, on Saturday, December 12, 2026. The organizers have committed to meeting NCDOT's Special Event Guidelines which include requirements such as a traffic management plan, cones and signage, and insurance naming NCDOT.

Buncombe County Commissioners understand that the Special Event Guidelines require a letter of support for "Special Events held by Non-Governmental Entities not Sponsored by Counties and/or Municipalities". The attached letter of support was approved during the October 20, 2026 Regular Meeting of the Board of Commissioners.

Thank you for all that you do to make Buncombe County a great place to live and work. If I can be of any further assistance, please do not hesitate to contact me.

Thank you,

Amanda Edwards
Commissioner, Buncombe County Board of Commissioners

DRAFT

North Carolina Department of Transportation

Special Event Guidelines

July 25, 2014

The following guidelines apply to all special events (including, but not limited to, parades, festivals, bicycle rides or races, marathons, 5K walks/runs, concerts, etc.) being held on highways under the jurisdiction of the North Carolina Department of Transportation that involve a road closure, lane closure, or repurpose the highway (travel lanes or shoulders) for something other than their intended use. However, the following are not eligible for special events under these guidelines:

- State Highway System roads that have full access control
- Bridges that have limited alternative routes
- Segments of State Highway System roads with bridges that have limited alternative routes

I. Special Events held by Counties and/or Municipalities, or Sponsored by Counties and/or Municipalities ("Special Events Request Form" not required)
The North Carolina Department of Transportation is only reviewing for conflicts and concerns, and is neither approving nor denying these events.

- Counties and/or municipalities may approve the use of a highway or highways within their jurisdiction by processions, assemblages, or anything that may be construed as a procession or assemblage, in accordance with §20-169. For bicycle races, see §20-171.2 for additional information.
- Counties and/or municipalities should consult with their local Highway Division or District office to verify that the proposed special event will not (1) interfere with other planned special events and (2) impact, or be impacted by, planned maintenance or other activities. No other action by the North Carolina Department of Transportation shall be necessary.
- Counties and/or municipalities shall pass an ordinance approving or the special event, and place signs giving notice of the special event, in accordance with §20-169. This ordinance is evidence that the county and/or municipality accept full responsibility for, and all liability related to, the special event. A copy of the ordinance should be forwarded to the local Highway Division office for their records. For bicycle races, see §20-171.2 for additional information.
- The North Carolina Department of Transportation considers these events official actions of the county and/or municipality and they will be responsible for safety, traffic flow, traffic control, appropriate signing, and ensuring that all debris, litter, decorations, and other items associated with the event are removed following the event.

II. Special Events held by Non-Government Entities not Sponsored by Counties and/or Municipalities ("Special Events Request Form" required)

- Non-government entities desiring to hold a special event shall submit a formal request to the local Highway Division office where the event is planned.
- Non-government entities shall attach a completed "Special Events Request Form" to their formal request(s). The purpose of the form is to primarily collect information on the event itself and identify the responsible parties.

Section C: Support Material (check list)

The following support documentation must be attached to this request before it will be considered (as applicable following discussions with the local Highway Division(s))…

☐ 1. Detailed location(s) of event including maps indicating proposed route(s) used by the event. Any changes to the proposed routes shall be submitted as soon as the change is made.

☐ 2. Detailed description of the event and how it will affect the route(s) used by the event.

☐ 3. Written acknowledgement and approval by all local governments whose jurisdiction the event is being held in.

☐ 4. Written acknowledgement and approval by local law enforcement and/or the State Highway Patrol.

☐ 5. Type, description, and location of any proposed temporary lane closures/interference, road closures/interference, traffic control and signing with appropriate maps, sketches, detour routes, and written acknowledgement from the agency providing the temporary closures/interference, traffic control, and/or signing accepting responsibility for such.

☐ 6. Description of notification to residents along the route as a safety and informational service.

7. Waiver modification or insurance (select one)

☐ a. Addition of the State of North Carolina and the North Carolina Department of Transportation into participant release waivers (see Appendix A). A copy of a blank waiver shall be provided.

– OR –

☐ b. Certificate of liability insurance as follows:
- General Liability, Each Occurrence: minimum amount of $1,000,000
- Description field: name and type of the event (as indicated in Section A, above)
- Description field: the State of North Carolina and the North Carolina Department of Transportation named as additional insured parties (this is at the discretion of the individual insurance company)
- Note – Additional liability insurance may be requested at the discretion of the Department

Section D: Terms and Conditions

The following applies to all approved events…

1. Requestor shall be responsible for proper closure of the lanes/roads according to the Manual on Uniform Traffic Control Devices (MUTCD).

2. Requestor shall be responsible for providing all necessary traffic control using the appropriate law enforcement agency/agencies or individuals trained in traffic control as set forth in General Statute §20-114.1.

3. Requestor shall be responsible for notification of all emergency services and other responders of any impending closures and/or interference.

4. Event shall be supported by, or endorsed by, the local governing body/bodies.

5. If the event is a bicycle race, requestor shall be responsible for following rules and statutes specific to bicycle racing as provided for in General Statute §20-171.2.

6. Requestor shall ensure that all debris, litter, decorations, and other items associated with the event are removed following the event.

Section E: Signatures

Requestor Signature: _____ Date: _____

North Carolina Administrative Code
Title 19a. Department of Transportation
Chapter 2. Division of Highways
Subchapter 2E. Miscellaneous Operations
Section .0400. General Ordinances

19A NCAC 2E.0413

.0413 PARADES ON HIGHWAY SYSTEM ROADS

Effective: February 1, 2019
Currentness

It shall be unlawful for any person, firm, organization, school, or other group of persons to conduct or participate in a **parade** on any street or highway of the State Highway System located outside the limits of a municipality.

Current with amendments received through July 6, 2026. Some sections may be more current; see credits for details.

19A NCAC 2E.0413, 19A NC ADC 2E.0413

End of Document

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§ 20-169. Powers of local authorities.

Local authorities, except as expressly authorized by G.S. 20-141 and 20-158, shall have no power or authority to alter any speed limitations declared in this Article or to enact or enforce any rules or regulations contrary to the provisions of this Article, except that local authorities shall have power to provide by ordinances for any of the following:

(1) Regulating traffic by means of traffic or semaphores or other signaling devices on any portion of the highway where traffic is heavy or continuous.
(2) Prohibiting other than one-way traffic upon certain highways.
(3) Regulating the use of the highways by processions or assemblages.
(4) Regulating the speed of vehicles on highways in public parks.
(5) Authorizing law enforcement or fire department vehicles, ambulances, and rescue squad emergency service vehicles, equipped with a siren to preempt any traffic signals upon city streets within local authority boundaries or, with the approval of the Department of Transportation, on State highways within the boundaries of local authorities. The Department of Transportation shall respond to requests for approval within 60 days of receipt of a request.

Signs shall be erected giving notices of the special limits and regulations under subdivisions (1) through (4) of this section. (1937, c. 407, s. 131; 1949, c. 947, s. 2; 1955, c. 384, s. 2; 1963, c. 559; 1973, c. 507, s. 5; 1979, c. 298, s. 2; 1991, c. 530, s. 5; 1999-310, s. 1.)

Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: October 20, 2026

NEW BUSINESS

Department: Governing Body **Presenter(s):** Commissioner Ball

Contact:

Subject: A Resolution of the Buncombe County Board of Commissioners Opposing Proposed Constitutional Amendments That Could Limit Local Fiscal Flexibility - added Oct. 20

Brief Summary:

The Commissioners discussed and approved adding the proposed resolution at their October 20 Briefing meeting.

Recommended Motion & Requested Action:

Approve resolution.

Attachments:

1. Resolution- Opposition to Tax Amends

RESOLUTION NO. _____

A Resolution of the Buncombe County Board of Commissioners Opposing Proposed Constitutional Amendments That Could Limit Local Fiscal Flexibility

WHEREAS, the Buncombe County Board of Commissioners (herein "Board") is committed to responsible fiscal management, careful stewardship of taxpayer dollars, and the effective delivery of essential public services; and

WHEREAS, county governments are charged by state law with providing and supporting essential public services, including public safety, emergency response, public education, infrastructure, public health, and human services; and

WHEREAS, property taxes constitute a primary, stable, and locally controlled source of revenue necessary to fund county services, meet ongoing operational needs, and fulfill long-term capital obligations; and

WHEREAS, the authority to levy and adjust property taxes allows county governments to respond responsibly to changing economic conditions, population growth, service demands, emergencies, and state and federal requirements; and

WHEREAS, county governments make tax and spending decisions through established public budget processes, including public meetings, opportunities for resident input, and elected officials who are accountable to the communities they serve; and

WHEREAS, Buncombe County must balance these responsibilities with the financial pressures facing residents, including housing costs, inflation, and the continuing recovery and resilience needs following Tropical Storm Helene; and

WHEREAS, proposals to restrict county property-tax authority could reduce local fiscal flexibility, undermine long-term budget planning, and shift pressure toward less stable revenue sources; and

WHEREAS, when local revenue options are constrained, counties may face difficult choices among maintaining essential services, deferring infrastructure investments, reducing expenditures, or increasing fees and charges; and

WHEREAS, such restrictions may have unintended consequences, including reductions in services, deferred infrastructure investments, increased fees and charges, and inequitable impacts on residents; and

WHEREAS, sales taxes and certain fees and charges may represent a greater share of household resources for lower-income residents, working families, and older

adults living on fixed incomes, raising concerns about the distribution of costs if governments rely more heavily on these alternatives; and

WHEREAS, Buncombe County's experience with Tropical Storm Helene demonstrates the importance of maintaining the capacity to respond to extraordinary circumstances, sustain essential services, make necessary investments, and address recovery needs that may extend over many years; and

WHEREAS, the Board believes that sound tax policy should preserve appropriate flexibility for state and local governments to respond to changing needs and circumstances while maintaining accountability to taxpayers; and

WHEREAS, county governments are well positioned to balance fiscal responsibility with service delivery, accountability, and responsiveness to local needs through transparent budgeting and elected representation; and

WHEREAS, sound tax policy should consider both the immediate effects on taxpayers and the long-term ability of state and local governments to meet their obligations and serve their communities.

NOW, THEREFORE, BE IT RESOLVED that the Board supports the current property tax authority in North Carolina, which enables counties to manage property tax rates within established statutory limits; and

BE IT FURTHER RESOLVED that the Board formally opposes any constitutional amendment that would restrict, cap, reduce, or otherwise limit county property tax authority.

ADOPTED this the 20th day of October, 2026.

ATTEST

_____
Sarah Gross, Clerk

BOARD OF COMMISSIONERS FOR THE COUNTY OF BUNCOMBE

By: _____
Amanda Edwards, Chair

APPROVED AS TO FORM

_____
Curtis W. Euler, County Attorney

October 20, 2026

County Board of Adjustment
(Quasi-Judicial, 3-year term)
(2 reappointments)

NAME	ZIP CODE	EMPLOYER	RACE/ GENDER	AGE
***Paul Wilczynski**	28803	Retired	White/Male	55+
***David Weinstein**	28732	DNA Property Management	White/Male	55+