



Town of Blowing Rock

Board of Commissioners Meeting

Date: **Tuesday, August 12, 2025, 6:00 p.m.**

Location: **1036 Main Street, Blowing Rock, NC 28605**

Agenda

Item	Topic	Presenter and Participants
I.	CALL TO ORDER – ROLL CALL FOR ATTENDANCE	Mayor Charles Sellers
II.	PLEDGE OF ALLEGIANCE	Mayor Charles Sellers
III.	APPROVAL OF MINUTES – By Roll Call 1. July 8, 2025 – Regular Meeting Minutes and Closed Session Minutes REGULAR AGENDA ADOPTION	Mayor & Council Mayor & Council
IV.	CONSENT AGENDA: 1. Budget Amendment – #2025-16 2. Middle Fork Greenway – Easement	Mayor & Council
V.	PUBLIC COMMENTS <i>Comments shall be limited to three (3) minutes</i>	
VI.	SPECIAL RECOGNITION 1. Blowing Rock Police Department – Pinning Ceremony	Police Chief Nathan Kirk
VII.	REGULAR AGENDA: 1. Shoppes on the Parkway 2. Food Truck Discussion – Possible Public Hearing Date 3. 2025 Equipment Installment Financing Bid	Planning Director Kevin Rothrock Manager Shane Fox
VIII.	OFFICIALS REPORTS & COMMENTS: 1. Mayor 2. Council Members 3. Town Attorney 4. Town Manager	

IX.	CLOSED SESSION – NCGS 143-318.11. (a)(5) Discussion of potential property acquisition and NCGS 143-318.11.	
X.	ADJOURNMENT/RECESS...Mayor Charles Sellers entertains a motion and second to adjourn or recess the meeting.	

DRAFT
MINUTES
Town of Blowing Rock
Town Council Meeting
July 8, 2025

The Town of Blowing Rock Town Council met for their regular monthly meeting on Tuesday, July 8, 2025, at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street, Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Doug Matheson, Council Members Cat Perry, David Harwood, Melissa Pickett and Pete Gherini. Others in attendance were Town Manager Shane Fox, Town Attorney Joey Petrack, Police Chief Nathan Kirk, Finance Director Tasha Brown, IT Director Thomas Steele, Emergency Services Director Kent Graham and Town Clerk Hilari Hubner, who recorded the minutes.

CALL TO ORDER

Mayor Sellers called the meeting to order at 6:00 p.m. and welcomed everyone. Mayor Sellers verified attendance via roll call.

THE PLEDGE OF ALLEGIANCE

MINUTE APPROVAL

Mayor Pro-Tem Matheson made the motion to approve the minutes from June 10, 2025, regular session and June 24, 2025 Mid-Year Retreat open and closed sessions, seconded by Council Member Pickett. Unanimously approved.

REGULAR AGENDA ADOPTION

Council Member Perry made a motion to adopt the regular agenda, seconded by Council Member Pickett. Unanimously approved.

CONSENT AGENDA

1. Annual Tax Report and Order of Collection
2. Fireworks Permit – Blowing Rock Chamber
3. Blue Ridge Relay
4. 321 Resolution – Safety

Council Member Perry made a motion to approve the consent agenda as presented, seconded by Council Member Pickett. Unanimously approved.

SPEAKERS FROM THE FLOOR

Eric Brinker – 232 Flannery Fork Farms Road – spoke in favor of the Town considering allowing food trucks in town. Mr. Brinker is the owner of the Speckled Trout Restaurant and Bottle Shop, and he understands the difficulty restaurants in town have with being able to accommodate the heavy influx of tourists during busy times and felt allowing food trucks would take some of the pressure off the restaurants.

SPECIAL PRESENTATION

Kristi Brantley and Sarah Wood from the North Carolina Department of Natural and Cultural Resources office in Raleigh presented via zoom information on historic preservation.

PUBLIC HEARING

1. Proposed Debt Financing

Town Manager Shane Fox stated Town Staff, along with First Tryon Financial Advisors, propose the Town move forward with soliciting bids from financial institutions for an installment loan in the amount of approximately \$2.25M. The loan covers the cost of the Memorial Park Project, along with the purchase of two parcels of property, and much needed upgrades at Fire Station One. If the resolution is approved, staff along with First Tryon will begin the bid solicitation process. Once bids are received, staff will bring to the Town Council the results for consideration. If Council finds the bid process to be satisfactory and recommends a bidder for the installment loan, then staff will proceed with formal approval from the Local Government Commission.

This resolution does not approve the financing, but it authorizes making applications to the Local Government Commission and beginning the bid process as required and making certain findings that the Local Government Commission requires as part of the application process.

Mayor Sellers opened the public hearing.

Mayor Pro-tem Matheson asked for clarification if this was a ten (10)-year loan.

Manager Fox stated it would be and noted the first payment would not be due until 2026, which would be in the FY 26-27 budget. He further stated the town will have two major debts rolling off, the Fire Station and the Buxton Property which will free \$500,000 in funds for this loan which the estimated loan payment is \$225,000.

With no questions or comments from the public, Council Member Gherini made a motion to close the public hearing, seconded by Mayor Pro-Tem Matheson. Unanimously approved.

Council Member Perry made a motion to approved as presented, seconded by Council Member Perry. Unanimously approved.

2. Loading Zones

Town Manager Shane Fox explained during the Mid-year Retreat, Town Staff and the Town Council discussed the possibility of installing permanently marked loading zones within the Town, including Sunset Drive and Main Street. Town staff have identified two areas, one on Sunset Drive near the intersection of Maple Street and a second location on Main Street, in front of Memorial Park and the 1888 Museum. Staff would like to have a discussion and possible approval of permanent marked loading zone on Sunset and Main Street. Three

(3) parking spots will be eliminated on Main Street for the loading zone.

Council Member Harwood asked what steps would be taken towards future enforcement and taking steps to make business owners and their suppliers aware of this.

Manager Fox explained he and Chief Kirk have discussed starting with notifying the business owners, then the delivery truck drivers making sure they are aware of the designated areas. Manager Fox further explained if loading zones are not utilized a conversation of enforcement/fines can be had.

Mayor Pro-Tem Matheson felt the penalty piece really needed to be discussed at some point because without a penalty there is no real incentive to make drivers utilize the loading zones.

Manager Fox mentioned the hope was they would be encouraged to utilize the loading zone from a safety standpoint and felt communication would be the first step in the process.

Council Member Pickett asked if the handicap spot that will be lost due to the loading zone will be replaced in another location.

Manager Fox stated another spot close to the area can be designated a handicap space to replace the one eliminated.

Council Member Perry stated she remembered discussing at the retreat there were only a few businesses that had delivery trucks. She is on board with the loading zone on Sunset but has concerns about losing three (3) parking spots on Main Street as well as two (2) other spaces already being removed due to the Main Street paving making a total of five (5) spaces eliminated on Main Street.

Council Member Harwood made a motion to approve the loading zones as presented, seconded by Mayor Pro-tem Matheson. Unanimously approved.

3. Code of Conduct

Town Manager Shane Fox reviewed during the Mid-Year Retreat a draft of a Code of Conduct for elected officials and appointed board members of the Town of Blowing Rock. The topic of the Code of Conduct began at the Winter Retreat and staff have worked diligently to draft a copy for review and possible adoption by the Council.

Council Member Pickett asked if any decision had been made as to how often signatures will be required for Council and board members.

Manager Fox thought a yearly refresher and signature would be sufficient and could be done when the board members are appointed in March.

Council Member Harwood had several changes and reviewed those with Manager Fox and Council.

Council Member Gherini made a motion to approve as amended and noted he appreciated all of Manager Fox's hard work he had put into this and thanked Council Member Harwood for his attention to detail on his corrections, seconded by Council Member Pickett. Unanimously approved.

Manager Fox asked when the Council would like to implement the Code of Ethics and Conduct.

Council consensus was to have all boards have their Code of Ethics and Conduct signed and back to staff by August 31st.

OFFICIAL REPORTS & COMMENTS

- Mayor Sellers – Apologized the paving wasn't completed by the July 4th weekend in time for the parade but noted the asphalt plant had to close and Maymead wasn't able to finish before the holiday. He thanked Parks and Recreation, Public Works, Police Department, Administration, Volunteers, Town Council and Town Manager Fox for their hard work to make the 4th of July parade a success. Reminded sign up to run for an elected official began on July 8th and will end at noon on July 18th. Sent out his prayers to all the folks in Texas that have lost lives, land, homes etc. in the devastating floods as well as the Piedmont/Eastern North Carolina region that have lost so much as well due to flooding.
- Council Member Perry – None
- Council Member Harwood – None
- Council Member Pickett – None
- Mayor Pro-Tem Matheson – Attended Retreat for Risk Management two weeks ago and was informed more than likely House Bill 205 will heading back to be heard again in session. He noted House Bill 765 is not completely dead, what is being done is taking some of the things out of the big Bill and moving to the smaller bills as they are trying to "piece mill" to get moved through. Thanked Representative Pickett for working hard to try to get everything stopped. Was made aware it's beginning for any police departments that have drones to make sure their operators are certified.
- Council Member Gherini – Speeding down by Chetola has increased since the paving has been completed in that area. Manager Fox stated staff can have some visual radars placed.
- Town Attorney Joey Petrack – None.
- Town Manager Shane Fox – Thanked Parks and Recreation, Police, Fire, Public Works, Landscaping, IT for their hard work with the parade. Gave updates on Main Street paving and Memorial Park.

EXECUTIVE SESSION

At 8:05 p.m. Council Member Perry made a motion to go into closed session pursuant to NCGS 143-318.11.(a)(5) – discussion of potential property acquisition, seconded by Council Member Gherini. Unanimously approved.

ADJOURNMENT

At 8:40 p.m. Council returned to open session. With no further action, Council Member Perry made a motion to adjourn, seconded by Council Member Gherini. Unanimously approved.

MAYOR _____
Charlie Sellers, Mayor

ATTEST _____
Hilari Hubner, Town Clerk

Attachments – July 8, 2025

Annual Tax Report and Order of Collection – Attachment A

321 Safety Resolution – Attachment B

Historic Preservation PowerPoint – Attachment C

Proposed Debt Financing – Attachment D

Code of Conduct – Attachment E



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council
From: Tasha Brown, Finance Officer
Subject: Budget Amendment Ordinance to Account for Various Items
(Ordinance #2025-16)
Date: August 12, 2025

Enclosed please find a Budget Amendment Ordinance for the fiscal year 2025-2026 for your consideration.

Section 1 (General Fund) allocates funding as follows:

- Allocates fund balance (\$5,904) towards the cost to repair a Police vehicle (2022 Ford). These funds were received from insurance in the previous fiscal year (FY 25), but the repairs were not complete until this fiscal year (FY 26). This allocation has been directed towards Maintenance/Repair – Vehicles - Police.

Section 2 (General Fund) allocates funding as follows:

- Allocates Miscellaneous Income (\$5980) received from insurance proceeds to cover the cost to repair a Planning & Inspections vehicle (2020 Ford). This allocation has been directed towards Maintenance/Repair – Vehicles – Planning & Inspections.

Please let me know if you need further details on the proposed amendment.

Be it ordained by the Town Council of the Town of Blowing Rock, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2026:

Section 1. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>	<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-10-4310-017 Maintenance/Repair - Vehicles	\$ 16,000	\$ -	\$ 5,904	\$ 21,904

This will result in a net increase of \$5,904 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>	<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-399 Fund Balance Appropriated	\$ -	\$ -	\$ 5,904	\$ 5,904

Section 2. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>	<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-10-4350-017 Maintenance/Repair - Vehicles	\$ 1,000	\$ -	\$ 5,980	\$ 6,980

This will result in a net increase of \$5,980 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>	<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-335 Miscellaneous Income	\$ 30,000	\$ -	\$ 5,980	\$ 35,980

Copies of this budget amendment shall be furnished to the Clerk to the Town Council and to the Finance Officer for their implementation.

Adopted this 12th day of August 2026.

Attested by:

Charles Sellers, Mayor

Hilari Hubner, Town Clerk

MEMORANDUM

TO: Mayor Sellers and Blowing Rock Board of Commissioners

FROM: Brian Johnson, Zoning Enforcement Officer

SUBJECT: Middle Fork Greenway Easements – Appalachian Regional Healthcare System, Headwaters of the New River, and Town of Blowing Rock

DATE: August 12, 2025

The Middle Fork Greenway project is progressing towards a tentative construction bid date and construction start date between September 2025 – November 2025 for Phase 1A and 1C. Phase 1A will start at the current trailhead in front of Shoppes on the Parkway and end at the 4 Forty Four property. Phase 1C will begin at the Foley Center bridge through to the other end of their property. Phase 1B is still in the planning stages with that route connecting Phase 1A and Phase 1C along NCDOT right-of-way and the Blue Ridge Parkway property.

Attached for consideration is the needed Permanent and Temporary Construction Easements for the Appalachian Regional Healthcare System property, Headwaters of the New River property and the Town of Blowing Rock property.

It is requested that approval be subject to any technical corrections between the Town Attorney, Town Manager, and the property owners as the project planning is finalized.

Enclosure: ARHS Easement, Easement Exhibit and Legal Description
Headwaters of the New River Easement, Easement Exhibit and Legal Description
Town of Blowing Rock Easement, Easement Exhibit and Legal Description

This instrument drawn by: Eggers Law Offices, 815 West King Street, Boone, North Carolina 28607

STATE OF NORTH CAROLINA
COUNTY OF WATAUGA

**GREENWAY EASEMENT AND TEMPORARY CONSTRUCTION
EASEMENT AGREEMENT**

**THIS GREENWAY EASEMENT AND TEMPORARY CONSTRUCTION
EASEMENT AGREEMENT** (the "Agreement"), made as of March 31, 2025, by and between **ARHS Properties, Inc.**, a North Carolina non-profit corporation, of: 336 Deerfield Road, Boone, North Carolina 28607, hereinafter referred to as "Grantor," and the **Town of Blowing Rock**, a North Carolina Municipality, of: 1036 Main Street, P.O. Box 47, Blowing Rock, NC, 28605, hereinafter referred to as "Grantee,"

W I T N E S S E T H :

WHEREAS, the Town of Blowing Rock is a municipal corporation and body politic of the State of North Carolina; and

WHEREAS, Grantor is the owner of certain tracts or parcels of land lying and being in the Town of Blowing Rock, Watauga County, North Carolina, as set out and recorded in Deed Book 2420 at Page 710, Watauga County, North Carolina, Public Registry, reference to said deed being made for a more complete description of said property ("Grantor's Property").

WHEREAS, Grantor's predecessor previously granted Watauga County (the "County") a non-exclusive easement for a walking and biking trail and a temporary construction easement pursuant to the terms of an Easement Agreement as recorded in Deed Book 1896 at Page 454, Watauga County, North Carolina, Public Registry (the "Prior Easement") as part of the Middle Fork Greenway system (the "Greenway");

WHEREAS, Grantee, and not the County, currently administers, constructs and maintains the Greenway;

WHEREAS, Grantee wishes to construct that portion of the Greenway that crosses Grantor's Property; and

WHEREAS, upon termination of the Prior Easement and subject to the terms and conditions of this Agreement, Grantor is willing to provide the easements described below to the Town of Blowing Rock to be part of the Greenway expansion, for so long as the Greenway exists.

NOW, THEREFORE, in consideration of \$10.00 and other good, valuable and sufficient considerations, together with the mutual covenants and conditions hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee agree as follows:

1. **Greenway Easement.**

a. Grantor hereby conveys and grants to Grantee a 20-foot-wide non-exclusive easement for a walking and biking paved and/or boardwalk trail as part of the Greenway, in the area identified as Permanent Access Easement "A" and Permanent Access Easement "B", on Exhibit A hereto (the "**Greenway Easement**"). The scope of the Greenway Easement includes installing, constructing, and maintaining a paved trail and/or boardwalk trail to be used by the public for recreational purposes and associated fixtures such as benches, trash receptacles, and other similar items located within the Greenway Easement; and preserving and enhancing the vegetation and stream bank in the area included within the Greenway Easement.

b. The parties agree that any maintenance to the Greenway and the Greenway Easement will be the sole responsibility of Grantee. Such maintenance obligation includes, without limitation, the regular emptying of Greenway trash receptables in order to maintain a neat and orderly appearance.

c. It is understood and agreed that, in the event that the Greenway Easement is not used as a trail for the benefit of the public, then the Greenway Easement shall automatically terminate and the property shall automatically revert to Grantor without further action and any such improvements on the Greenway Easement shall become the property of the Grantor. If requested by Grantor, upon termination of the Greenway Easement, Grantee will remove all Greenway improvements on the Grantor Property and restore Grantor Property to its natural condition (including grading the Greenway Easement area and reseeding the grass). Grantor may, but is not required, to unilaterally execute, acknowledge, and record a memorandum

evidencing the termination of the Greenway Easement. At Grantor's request, Grantee will sign such memorandum, though Grantee's signature is not required for the termination to be effective.

2. **Temporary Construction Easement.**

a. Grantor hereby conveys and grants to Grantee a non-exclusive temporary construction easement for construction of the Greenway, in the area identified as Temporary Construction Easement "A", Temporary Construction Easement "B", Temporary Construction Easement "C", and Temporary Construction Easement "D" on Exhibit A hereto (the "**Temporary Construction Easement**").

b. Grantee agrees to repair any damage caused to Grantor's Property as a result of such Temporary Construction Easement and associated construction activity and Grantee will restore the area to its original condition, if requested by Grantor within 30 days of Grantor's request.

c. The Temporary Construction Easement shall expire December 31, 2027, or upon completion of the Greenway construction, whichever is first to occur.

3. **Miscellaneous.**

a. Grantee shall, to the maximum extent permitted by applicable law, indemnify, defend, and hold Grantor and Grantor's successors, assigns, employees, agents, customers, tenants, licensees, and invitees ("**Grantor's Indemnitees**") harmless from and against any and all losses, costs, damages, liens, claims, liabilities, or expenses (including, but not limited to, reasonable attorneys' fees, court costs, and disbursements) incurred by Grantor or Grantor's Indemnitees arising from or by reason of (i) Grantee's and Grantee's users' access to or use of Grantor's Property or the Greenway, or (ii) Grantee's breach of this Agreement, except to the extent caused by Grantor's or Grantor's Indemnitees' gross negligence or willful misconduct.

b. This Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, executors, and administrators and assigns of each of the parties hereto.

c. This Agreement shall be governed by the laws of the State of North Carolina. The parties specifically agree that, should a dispute arise over the terms and/or enforcement of this Agreement, that the venue of such a dispute shall be Watauga County, North Carolina.

d. The parties agree that if any part of this Agreement shall be found by a court to be unenforceable, the remaining parts of this Agreement shall continue in full force and effect.

e. The parties represent that each has carefully read this Agreement, that they know and understand the contents and consequences thereof, and that they have signed this Agreement voluntarily and with informed consent.

f. This Agreement constitutes the entire and integrated agreement of the parties and supersedes all prior negotiations, representations, or agreements, either written or oral.

g. The parties agree that this Agreement will be recorded with the Watauga County, North Carolina, Public Registry, contemporaneous with the recordation of a termination of the Prior Easement, which termination will be signed and acknowledged by the County. The full execution, acknowledgement and recordation of the termination (in form and substance acceptable to Grantor) is a condition precedent to the grant of the easements contemplated hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each of Grantor and Grantee has caused this instrument to be signed in its name by its duly authorized officer, as of the day and year first above written.

GRANTOR:
ARHS PROPERTIES, INC.,
a North Carolina
non-profit corporation

BY:

(SEAL)

(Print)

Name)

(Title)

STATE OF _____

COUNTY OF _____

I, _____, Notary Public, do hereby certify that _____, personally appeared before me this day and acknowledged that he is the _____ for ARHS Properties, Inc., a North Carolina non-profit corporation, and that by authority duly given and as an act of the said **ARHS Properties, Inc.**, the foregoing instrument was signed in its name by self as its _____.

WITNESS my hand and notarial seal, this _____ day of _____, 2025.

Notary Public

My commission expires _____

(SEAL)

IN WITNESS WHEREOF, each of Grantor and Grantee has caused this instrument to be signed in its name by its duly authorized officer, as of the day and year first above written.

GRANTEE:
TOWN OF BLOWING ROCK,
a North Carolina Municipality

By: _____ (SEAL)
Charlie Sellers, Mayor

ATTEST:

Hilari Hubner, Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

I, _____, a Notary Public of the County and State aforesaid, certify that **Charlie Sellers** personally appeared before me this day and acknowledged that he is the Mayor for the **Town of Blowing Rock, a North Carolina Municipality**, and that by authority duly given and as an act of the **Town of Blowing Rock**, the foregoing instrument was signed in its name by himself as its Mayor, and attested by **Hilari Hubner**, as its Clerk.

WITNESS my hand and notarial seal, this _____ day of _____, 2025.

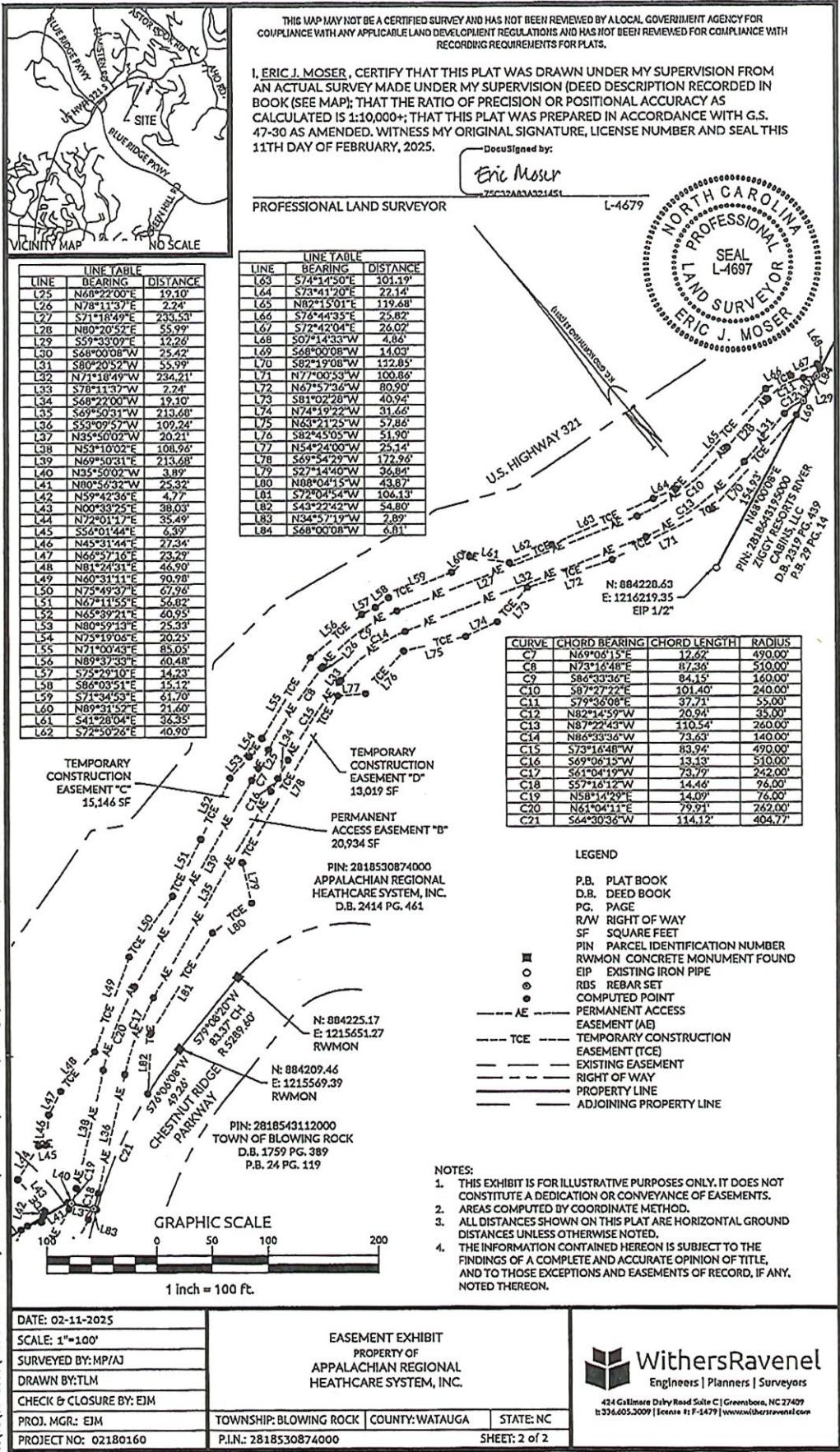
Notary Public

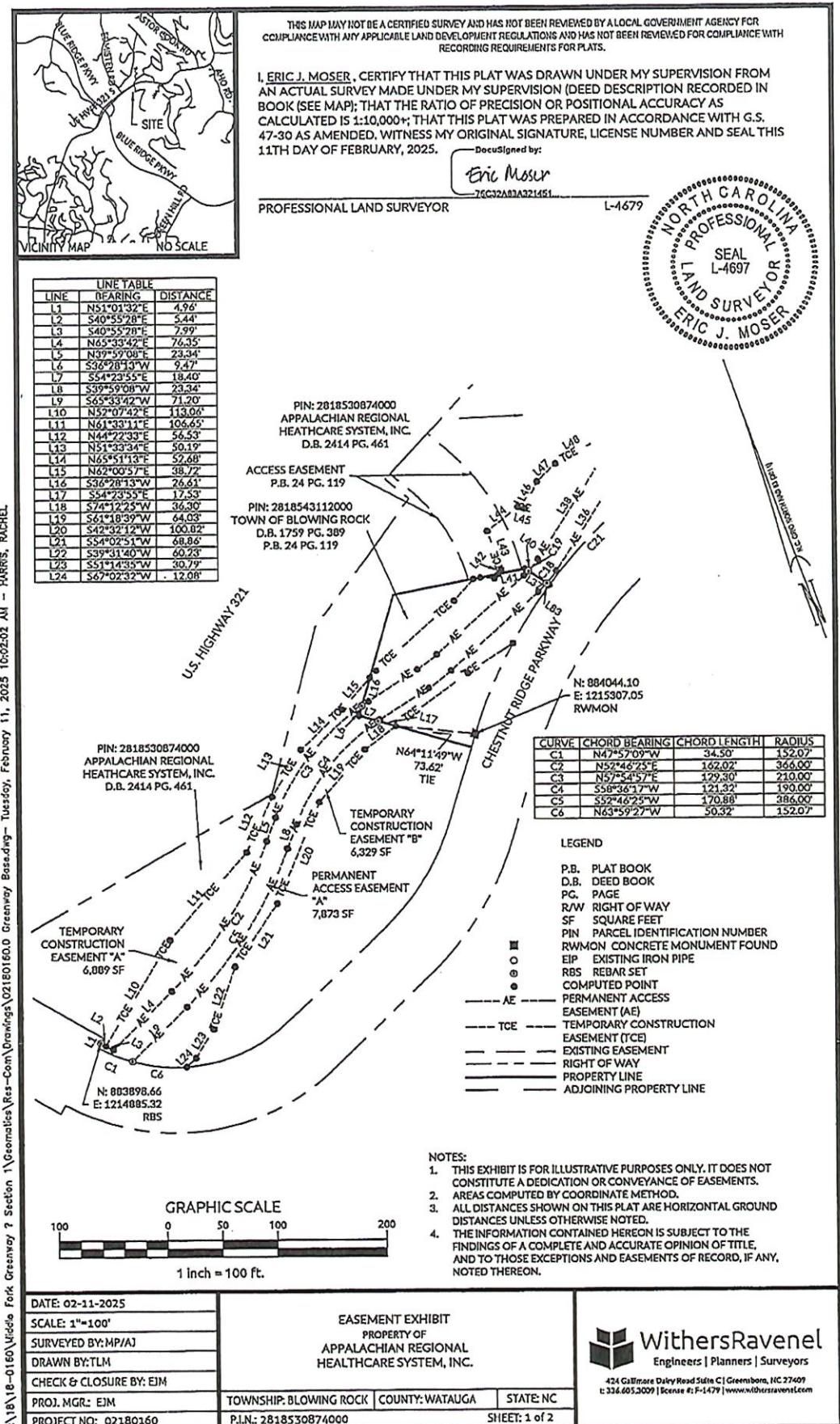
My commission expires _____

(SEAL)

Exhibit A

See attached.





Legal Description

Being two Permanent Access Easements and four Temporary Construction Easements, lying in Blowing Rock Township, Watauga County, North Carolina, being a portion of Parcel Identification Number 2818530874000 and more particularly described as follows:

Permanent Access Easement "A" (AE)

Commencing from a Right of Way Monument (RWMON) along Chestnut Ridge Parkway, said RWMON having NC Grid Coordinates Northing: 884,044.10 Easting: 1,215,307.05 (NAD83, 2011), thence N64°11'49"W a distance of 73.62' to a computed point (CP), thence N54°23'55" W a distance of 17.53' to a rebar set (RBS), the Point of Beginning; thence with a curve to the left having a radius of 190.00', an arc length of 123.49', a chord bearing of S58°36'17" W, and distance of 121.32', to a CP; thence S39°59'08" W a distance of 23.34' to a CP; thence with a curve to the right having a radius of 386.00', an arc length of 172.30', a chord bearing of S52°46'25" W, and distance of 170.88', to a CP; thence S65°33'42" W a distance of 71.20' to a RBS, thence with a curve to the right having a radius of 152.07', an arc length of 34.58', a chord bearing of N47°57'09" W, and distance of 34.50' to a CP; thence N51°01'32" E a distance of 4.96' to a RBS; thence S40°55'28" E a distance of 5.44' to a CP; thence S40°55'28" E a distance of 7.99' to a CP; thence N65°33'42" E a distance of 76.35' to a CP; thence with a curve to the left having a radius of 366.00', an arc length of 163.38', a chord bearing of N52°46'25" E, and distance of 162.02', to a CP; thence N39°59'08" E a distance of 23.34' to a CP; thence with a curve to the right having a radius of 210.00', an arc length of 131.44', a chord bearing of N57°54'57" E, and distance of 129.30' to a RBS; thence S36°28'13" W a distance of 9.47' to a CP; thence S54°23'55" E a distance of 18.40' to a RBS, the point of beginning, containing 7,873 square feet, more or less.

Permanent Access Easement "B" (AE)

Commencing from a $\frac{1}{2}$ " Existing Iron Pipe (EIP), having NC Grid Coordinates Northing: 884,228.63 Easting: 1,216,219.35 (NAD83, 2011), thence N68°00'08"E a distance of 168.96' to a Rebar Set (RBS), the Point of Beginning, Thence with a curve to the left having a radius of 35.00', an arc length of 21.26', a chord bearing of N82°14'59" W, and distance of 20.94', to a Computed point (CP); thence S80°20'52" W a distance of 55.99' to a CP; Thence with a curve to the right having a radius of 260.00', an arc length of 111.39', a chord bearing of N87°22'43" W, and distance of 110.54', to a CP; thence N71°18'49" W a distance of 234.21' to a CP; Thence with a curve to the left having a radius of 140.00', an arc length of 74.51', a chord bearing of N86°33'36" W, and distance of 73.63', to a CP; thence S78°11'37" W a distance of 2.24' to a CP; Thence with a curve to the left having a radius of 490.00', an arc length of 84.04', a chord bearing of S73°16'48" W, and distance of 83.94', to a CP; thence S68°22'00" W a distance of 19.10' to a CP; Thence with a curve to the right having a radius of 510.00', an arc length of 13.13', a chord bearing of S69°06'15" W, and distance of 13.13', to a CP; thence S69°50'31" W a distance of 213.68' to a CP; Thence with a curve to the left having a radius of 242.00', an arc length of 74.08', a chord bearing of S61°04'19" W, and distance of 73.79', to a CP; thence S53°09'57" W a distance of 109.24' to a CP; Thence with a curve to the right having a radius of 96.00', an arc length of 14.47', a chord bearing of S57°16'12" W, and distance of 14.46', to a RBS; thence N35°50'02" W a distance of 20.21' to a RBS; Thence with a curve to the left having a radius of 76.00', an arc length of 14.11', a chord bearing of N58°14'29" E, and distance of 14.09', to a CP; thence N53°10'02" E a distance of 108.96' to a CP; Thence with a curve to the right having a radius of 262.00', an arc length of 80.23', a chord bearing of N61°04'11" E, and distance of 79.91', to a CP; thence N69°50'31" E a distance of 213.68' to a CP;

Thence with a curve to the left having a radius of 490.00', an arc length of 12.62', a chord bearing of N69°06'15" E, and distance of 12.62' to a CP; thence N68°22'00" E a distance of 19.10' to a CP; Thence with a curve to the right having a radius of 510.00', an arc length of 87.47', a chord bearing of N73°16'48" E, and distance of 87.36', to a CP; thence N78°11'37" E a distance of 2.24' to a CP; Thence with a curve to the right having a radius of 160.00', an arc length of 85.15', a chord bearing of S86°33'36" E, and distance of 84.15', to a CP; thence S71°18'49" E a distance of 233.53' to a CP; Thence with a curve to the left having a radius of 240.00', an arc length of 102.17', a chord bearing of S87°27'22" E, and distance of 101.40', to a CP; thence N80°20'52" E a distance of 55.99' to a CP; Thence with a curve to the right having a radius of 55.00', an arc length of 38.49', a chord bearing of S79°36'08" E, and distance of 37.71', to a CP; thence S59°33'09" E a distance of 12.26' to a RBS; thence S68°00'08" W a distance of 25.42' to a RBS, the point of beginning, containing 20,934 square feet, more or less.

Temporary Construction Easement "A" (TCE)

Commencing from a Rebar Set (RBS) along Chestnut Ridge Parkway, said RBS having NC Grid Coordinates Northing: 883,898.66 Easting: 1,214,885.32 (NAD83, 2011), thence S40°55'28"E a distance of 5.44' to the Point of Beginning, thence N52°07'42" E a distance of 113.06' to a computed point (CP); thence N61°33'11" E a distance of 106.65' to a CP; thence N44°22'33" E a distance of 56.53' to a CP; thence N51°33'34" E a distance of 50.19' to a CP; thence N65°51'13" E a distance of 52.68' to a CP; thence N62°00'57" E a distance of 38.72' to a CP; thence S36°28'13" W a distance of 26.61' to a RBS; Thence with a curve to the left having a radius of 210.00', an arc length of 131.44', a chord bearing of S57°54'57" W, and distance of 129.30', to a CP; thence S39°59'08" W a distance of 23.34' to a CP; Thence with a curve to the right having a radius of 366.00', an arc length of 163.38', a chord bearing of S52°46'25" W, and distance of 162.02', to a CP; thence S65°33'42" W a distance of 76.35' to a CP; thence N40°55'28" W a distance of 7.99' to a CP, the point of beginning, containing 6,889 square feet, more or less.

Temporary Construction Easement "B" (TCE)

Commencing from a Right of Way Monument (RWMON) along Chestnut Ridge Parkway, said RWMON having NC Grid Coordinates Northing: 884,044.10 Easting: 1,215,307.05 (NAD83, 2011), thence N64°11'49"W a distance of 73.62' to a CP, the Point of Beginning, thence S74°12'25" W a distance of 36.30' to a CP; thence S61°18'39" W a distance of 64.03' to a CP; thence S42°32'12" W a distance of 100.82' to a CP; thence S54°02'51" W a distance of 68.86' to a CP; thence S39°31'40" W a distance of 60.23' to a CP; thence S51°14'35" W a distance of 30.79' to a CP; thence S67°02'32" W a distance of 12.08' to a CP; Thence with a curve to the right having a radius of 152.07', an arc length of 50.56', a chord bearing of N63°59'27" W, and distance of 50.32', to a RBS; thence N65°33'42" E a distance of 71.20' to a CP; Thence with a curve to the left having a radius of 386.00', an arc length of 172.30', a chord bearing of N52°46'25" E, and distance of 170.88' to a CP; thence N39°59'08" E a distance of 23.34' to a CP; Thence with a curve to the right having a radius of 190.00', an arc length of 123.49', a chord bearing of N58°36'17" E, and distance of 121.32', to a RBS; thence S54°23'55" E a distance of 17.53' to a CP, the point of beginning, containing 6,329 square feet, more or less.

Temporary Construction Easement "C" (TCE)

Commencing from a $\frac{1}{2}$ " Existing Iron Pipe (EIP) along, said EIP having NC Grid Coordinates Northing: 884,228.63 Easting: 1,216,219.35 (NAD83, 2011), thence N68°00'08"E a distance of 194.38' to a rebar set (RBS) being the Point of Beginning, thence N59°33'09" W a distance of 12.26' to a CP; Thence with a curve to the left having a radius of 55.00', an arc length of 38.49', a chord bearing of N79°36'08" W, and distance of 37.71', to a CP; thence S80°20'52" W a distance of 55.99' to a CP; Thence with a curve to the right having a radius of 240.00', an arc length of 102.17', a chord bearing of N87°27'22" W, and distance of 101.40', to a CP; thence N71°18'49" W a distance of 233.53' to a CP; Thence with a curve to the left having a radius of 160.00', an arc length of 85.15', a chord bearing of N86°33'36" W, and distance of 84.15', to a CP; thence S78°11'37" W a distance of 2.24' to a CP; Thence with a curve to the left having a radius of 510.00', an arc length of 87.47', a chord bearing of S73°16'48" W, and distance of 87.36', to a CP; thence S68°22'00" W a distance of 19.10' to a CP; Thence with a curve to the right having a radius of 490.00', an arc length of 12.62', a chord bearing of S69°06'15" W, and distance of 12.62', to a CP; thence S69°50'31" W a distance of 213.68' to a CP; Thence with a curve to the left having a radius of 262.00', an arc length of 80.23', a chord bearing of S61°04'11" W, and distance of 79.91', to a CP; thence S53°10'02" W a distance of 108.96' to a CP; Thence with a curve to the right having a radius of 76.00', an arc length of 14.11', a chord bearing of S58°14'29" W, and distance of 14.09', to a RBS; thence N35°50'02" W a distance of 3.89' to a CP; thence N80°56'32" W a distance of 25.32' to a CP; thence N59°42'36" E a distance of 4.77' to a CP; thence N00°33'25" E a distance of 38.03' to a CP; thence N72°01'17" E a distance of 35.49' to a CP; thence S56°01'44" E a distance of 6.39' to a CP; thence N45°31'44" E a distance of 27.34' to a CP; thence N66°57'16" E a distance of 23.29' to a CP; thence N81°24'31" E a distance of 46.90' to a CP; thence N60°31'11" E a distance of 90.98' to a CP; thence N75°49'37" E a distance of 67.96' to a CP; thence N67°11'55" E a distance of 56.82' to a CP; thence N65°39'21" E a distance of 60.95' to a CP; thence N80°59'13" E a distance of 25.33' to an thence N75°19'06" E a distance of 20.25' to a CP; thence N71°00'43" E a distance of 85.05' to an thence N89°37'33" E a distance of 60.48' to a CP; thence S75°29'10" E a distance of 14.23' to an thence S86°03'51" E a distance of 15.12' to a CP; thence S71°34'53" E a distance of 61.70' to an thence N89°31'52" E a distance of 21.60' to a CP; thence S41°28'04" E a distance of 36.35' to a CP; thence S72°50'26" E a distance of 40.90' to a CP; thence S74°14'50" E a distance of 101.19' to an thence S73°41'20" E a distance of 22.14' to a CP; thence N82°15'01" E a distance of 119.68' to a CP; thence S76°44'35" E a distance of 25.82' to a CP; thence S72°42'04" E a distance of 26.02' to a CP; thence S07°14'33" W a distance of 4.86' to a CP; thence S68°00'08" W a distance of 6.81' to a RBS, the point of beginning, containing 15,146 square feet, more or less.

Temporary Construction Easement "D" (TCE)

Commencing from a $\frac{1}{2}$ " Existing Iron Pipe (EIP) along, said EIP having NC Grid Coordinates Northing: 884,228.63 Easting: 1,216,219.35 (NAD83, 2011), thence N68°00'08"E a distance of 154.93' to the Point of Beginning, thence S82°19'08" W a distance of 112.85' to a CP; thence N77°00'53" W a distance of 100.86' to a CP; thence N67°57'36" W a distance of 80.90' to a CP; thence S81°02'28" W a distance of 40.94' to a CP; thence N74°19'22" W a distance of 31.66' to a CP; thence N63°21'25" W a distance of 57.86' to a CP; thence S82°45'05" W a distance of 51.90' to a CP; thence N54°24'00" W a distance of 25.14' to a CP; thence S69°54'29" W a distance of 172.96' to a CP; thence S27°14'40" W a distance of 36.84' to a CP; thence N88°04'15" W a distance of 43.87' to a CP; thence S72°04'54" W a distance of 106.13' to a CP; thence S43°22'42" W a distance of 54.80' to a CP; Thence with a curve to the left having a radius of 404.77', an arc length of 114.50', a chord bearing of S64°30'36" W, and distance of 114.12', to a CP; thence N34°57'19" W a distance of 2.89' to a rebar set (RBS); Thence with a curve to the left having

a radius of 96.00', an arc length of 14.47', a chord bearing of N57°16'12" E, and distance of 14.46', to a CP; thence N53°09'57" E a distance of 109.24' to a CP; Thence with a curve to the right having a radius of 242.00', an arc length of 74.08', a chord bearing of N61°04'19" E, and distance of 73.79', to a CP; thence N69°50'31" E a distance of 213.68' to a CP; Thence with a curve to the left having a radius of 510.00', an arc length of 13.13', a chord bearing of N69°06'15" E, and distance of 13.13', to a CP; thence N68°22'00" E a distance of 19.10' to a CP; Thence with a curve to the right having a radius of 490.00', an arc length of 84.04', a chord bearing of N73°16'48" E, and distance of 83.94', to a CP; thence N78°11'37" E a distance of 2.24' to a CP; Thence with a curve to the right having a radius of 140.00', an arc length of 74.51', a chord bearing of S86°33'36" E, and distance of 73.63', to a CP; thence S71°18'49" E a distance of 234.21' to a CP; Thence with a curve to the left having a radius of 260.00', an arc length of 111.39', a chord bearing of S87°22'43" E, and distance of 110.54', to a CP; thence N80°20'52" E a distance of 55.99' to a CP; Thence with a curve to the right having a radius of 35.00', an arc length of 21.26', a chord bearing of S82°14'59" E, and distance of 20.94', to a RBS; thence S68°00'08" W a distance of 14.03' to a CP, the point of beginning, containing 13,019 square feet, more or less.

This instrument drawn by: Eggers Law Offices, 815 West King Street, Boone, North Carolina 28607

STATE OF NORTH CAROLINA
COUNTY OF WATAUGA

**GREENWAY EASEMENT AND DEDICATION OF PUBLIC
PROPERTY AND TEMPORARY CONSTRUCTION EASEMENT
AGREEMENT**

**THIS GREENWAY EASEMENT AND DEDICATION OF PUBLIC PROPERTY
AND TEMPORARY CONSTRUCTION EASEMENT AGREEMENT** (the
“Agreement”), made this ____ day of March, 2025, by and between **The
Headwaters of the New River, LLC**, a North Carolina Limited Liability Company,
of: Post Office Box 1967, Blowing Rock, North Carolina 28605, hereinafter
referred to as Grantor or party of the first part; and the **Town of Blowing Rock**, a
North Carolina Municipality, of: 1036 Main Street, P.O. Box 47, Blowing Rock, NC,
28605, hereinafter referred to as Grantee or party of the second part;

WITNESSETH:

WHEREAS, the Town of Blowing Rock is a municipal corporation and body
politic of the State of North Carolina; and

WHEREAS, N.C. Gen. Stat. §160D-806 authorizes the Town of Blowing
Rock to accept ground offered for dedication to public use within its corporate
boundaries for public purposes; and

WHEREAS, Grantor is the owner of certain tracts or parcels of land lying
and being in the Town of Blowing Rock, Watauga County, North Carolina, as set
out and recorded in Deed Book 1981 at Page 757, Watauga County, North
Carolina, Public Registry, reference to said deed being made for a more complete
description of said property (“Grantor’s Property”). The portion of the Grantor’s

Property that is subject to the below-described Greenway Easement and the Temporary Construction Easement shall be the servient property.

NOW, THEREFORE, in consideration of Ten and no/100 Dollars (\$10.00) and other good, valuable and sufficient considerations, together with the mutual covenants and conditions hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the parties of the first and second part herein agree as follows:

1. Grantor has agreed to grant, bargain, sell, and convey an easement for purposes of maintaining a greenway devoted to public recreational purposes to said party of the second part, its successors and assigns, said easement to lie on the above-described tracts of land as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference, (hereinafter "**Greenway Easement**"). The Greenway Easement shall extend over, within, and across said real property of the Grantor for all purposes related to or associated with a greenway, including but not limited to: installing, constructing, and maintaining a paved trail to be used by the public for recreational purposes and associated fixtures such as benches, trash receptacles, and other items; preserving and enhancing the vegetation and stream bank in the area included within the Greenway Easement. Grantor further grants to Grantee reasonable access to said Greenway Easement area for purposes of developing and maintaining the greenway from time to time. It is understood and agreed that the Greenway Easement is hereby dedicated in perpetuity to Grantee and to the common use of the public, and shall constitute a covenant running with the land in perpetuity, for the benefit of Grantee, its successors and assigns. By execution of this Agreement and acceptance of the Greenway Easement, Grantee accepts such dedication on behalf of its citizens and the public.

2. The Grantor agrees to dedicate and submit the entire property described hereabove as the Greenway Easement to be dedicated to public use of the citizens of the Town of Blowing Rock as shown by the plats, as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference.

3. The parties herein agree that any maintenance to the Greenway Easement will be the sole responsibility of the Grantee herein, its successors and assigns.

4. The parties herein agree that it shall be the sole responsibility of the Grantee, its successors and assigns, to maintain all signage that Grantee installs in the Greenway Easement.

5. This Greenway Easement is effective upon the execution of this Agreement.

6. This Greenway Easement shall remain in effect in perpetuity after its effective date.

7. This Agreement serves as Declarant's signed statement declaring that no vested rights with respect to their property have been established under G.S. §160D-108 and G.S. §160D-1007.

8. It is understood and agreed in the event that the Greenway Easement ever ceases to be used as an easement as set out herein, then in that event the Greenway Easement shall terminate and the property shall revert back to the Grantor.

9. Grantor has further agreed to grant, bargain, sell, and convey a temporary construction easement to lie on the above-described tracts of land as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference, (hereinafter "**Temporary Construction Easement**"). The Temporary Construction Easement shall extend over, within, and across said real property of the Grantor for all purposes related to or associated with a greenway, including but not limited to: installing, constructing, and maintaining a paved trail to be used by the public for recreational purposes and associated fixtures such as benches, trash receptacles, and other items.

10. The party of the second part agrees to repair any damages caused to the property of the party of the first part as a result of such Temporary Construction Easement and the party of the second part will restore the access area to its original condition, if requested by said party of the first part, by its heirs, successors, and assigns within thirty (30) days of the request of said party of the first part, its heirs, successors and assigns.

11. The Temporary Construction Easement shall be valid for a period of eighteen (18) months from the execution hereof.

12. This Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, executors, and administrators and assigns of each of the parties hereto.

13. This Agreement shall be governed by the laws of the State of North Carolina. The parties specifically agree that, should a dispute arise over the terms

and/or enforcement of this Agreement, that the venue of such a dispute shall be Watauga County, North Carolina.

14. The parties agree that if any part of this Agreement shall be found by a court to be unenforceable, the remaining parts of this Agreement shall continue in full force and effect.

15. Acceptance of dedication of lands or facilities shall not place on the Grantee any duty to open, operate, repair, or maintain any street, utility line, or other land or facility except as provided by the ordinances, regulations, or specific acts of the Grantee, or as provided by the laws of the State of North Carolina.

16. The Parties represent that each has carefully read this Agreement, that they know and understand the contents and consequences thereof, and that they have signed this Agreement voluntarily and with informed consent.

17. This Agreement constitutes the entire and integrated agreement of the parties and supersedes all prior negotiations, representations, or agreements, either written or oral.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Grantor and Grantee herein, have hereunto caused this instrument to be signed in its names by its duly authorized officers, the day and year first above written.

GRANTOR:
THE HEADWATERS OF THE
NEW RIVER, LLC,
A NORTH CAROLINA
LIMITED LIABILITY COMPANY

BY: _____ (SEAL)

(Print Name)
(Title)

STATE OF _____

COUNTY OF _____

I, _____, Notary Public, do hereby certify that _____, personally appeared before me this day and acknowledged that _____ he is the _____ for **The Headwaters of the New River, LLC**, a North Carolina Limited Liability Company, and that by authority duly given and as an act of the said **The Headwaters of the New River, LLC**, the foregoing instrument was signed in its name by _____ self as its _____.

WITNESS my hand and notarial seal, this _____ day of _____, 2025.

Notary Public

My commission expires _____
(SEAL)

IN WITNESS WHEREOF, the Grantors and Grantees herein, have hereunto caused this instrument to be signed in its names by its duly authorized officers, the day and year first above written.

GRANTEE:
TOWN OF BLOWING ROCK,
A NORTH CAROLINA MUNICIPALITY

By: _____ (SEAL)
Charlie Sellers, Mayor

ATTEST:

Hilari Hubner, Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

I, _____, a Notary Public of the County and State aforesaid, certify that **Charlie Sellers** personally appeared before me this day and acknowledged that he is the Mayor for the **Town of Blowing Rock, a North Carolina Municipality**, and that by authority duly given and as an act of the **Town of Blowing Rock**, the foregoing instrument was signed in its name by himself as its Mayor, and attested by **Hilari Hubner**, as its Clerk.

WITNESS my hand and notarial seal, this _____ day of _____, 2025.

Notary Public

My commission expires _____

(SEAL)



THIS MAP MAY NOT BE A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS AND HAS NOT BEEN REVIEWED FOR COMPLIANCE WITH RECORDING REQUIREMENTS FOR PLATS.

I, ERIC J. MOSER, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK (SEE MAP); THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY AS CALCULATED IS 1:10,000+; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL THIS 12TH DAY OF JANUARY, 2024.

Decusigned by:

Eric Moser

PROFESSIONAL LAND SURVEYOR

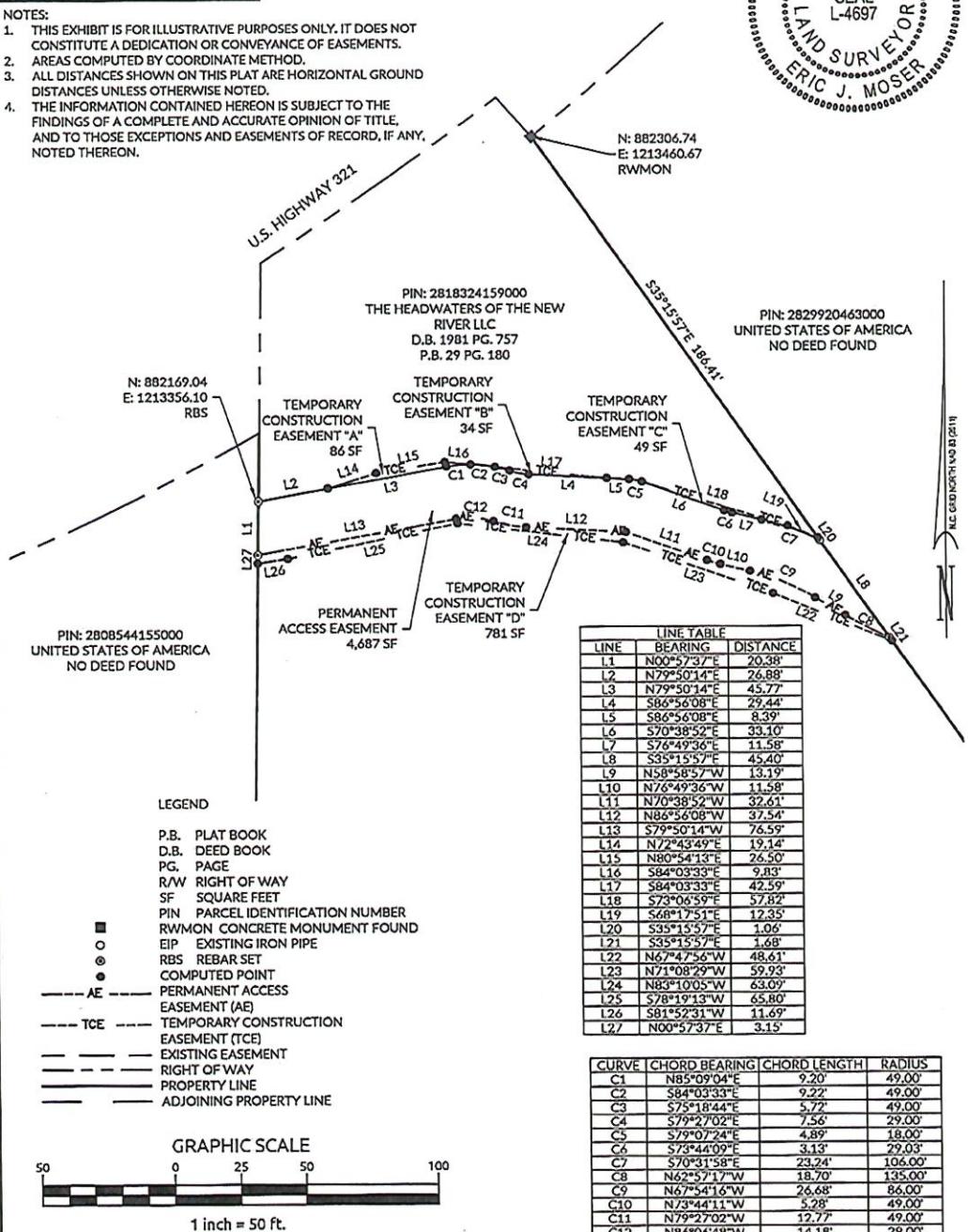
L-4679



NOTES:

1. THIS EXHIBIT IS FOR ILLUSTRATIVE PURPOSES ONLY. IT DOES NOT CONSTITUTE A DEDICATION OR CONVEYANCE OF EASEMENTS.
2. AREAS COMPUTED BY COORDINATE METHOD.
3. ALL DISTANCES SHOWN ON THIS PLAT ARE HORIZONTAL GROUND DISTANCES UNLESS OTHERWISE NOTED.
4. THE INFORMATION CONTAINED HEREON IS SUBJECT TO THE FINDINGS OF A COMPLETE AND ACCURATE OPINION OF TITLE, AND TO THOSE EXCEPTIONS AND EASEMENTS OF RECORD, IF ANY, NOTED THEREON.

N: 882306.74
E: 1213460.67
RWMON



DATE: 01-11-2024
SCALE: 1"=50'
SURVEYED BY: MP/AJ
DRAWN BY: TLM
CHECK & CLOSURE BY: EJM
PROJ. MGR: EJM
PROJECT NO: 02180160

EASEMENT EXHIBIT
PROPERTY OF
THE HEADWATERS OF THE NEW RIVER LLC

TOWNSHIP: BLOWING ROCK COUNTY: WATAUGA STATE: NC

P.I.N.: 2818324159000

 WithersRavenel
Engineers | Planners | Surveyors

424 Calmire Dairy Road Suite C | Greensboro, NC 27409
t: 336.605.3009 | license # F-1479 | www.withersravenel.com

Legal Description

Being a Permanent Access Easement and four Temporary Construction Easements, lying in Blowing Rock Township, Watauga County, North Carolina, being a portion of Parcel Identification Number 2818324159000 and more particularly described as follows:

Permanent Access Easement (AE)

Commencing from a Right of Way Monument (RWMON) along U.S Highway 321, said RWMON having NC Grid Coordinates Northing: 882,306.74 Easting: 1,213,460.67 (NAD83, 2011), thence S35°15'57"E a distance of 187.47' to a Rebar Set (RBS), the Point of Beginning, thence S35°15'57" E a distance of 45.40' to an RBS, thence with a curve to the right having a radius of 135.00', an arc length of 18.72', a chord bearing of N62°57'17" W, and distance of 18.70', to a computed point, thence N58°58'57" W a distance of 13.19' to a computed point, thence with a curve to the left having a radius of 86.00', an arc length of 26.78', a chord bearing of N67°54'16" W, and distance of 26.68', to a computed point, thence N76°49'36" W a distance of 11.58' to a computed point, thence with a curve to the right having a radius of 49.00', an arc length of 5.29', a chord bearing of N73°44'11" W, and distance of 5.28', to a computed point, thence N70°38'52" W a distance of 32.61' to a computed point, thence N86°56'08" W a distance of 37.54' to a computed point, thence with a curve to the right having a radius of 49.00', an arc length of 12.80', a chord bearing of N79°27'02" W, and distance of 12.77', to a computed point, Thence with a reverse curve to the left having a radius of 29.00', an arc length of 14.32', a chord bearing of N86°06'48" W, and distance of 14.18', to a computed point, thence S79°50'14" W a distance of 76.59' to an RBS, thence N00°57'37" E a distance of 20.38' to an RBS, thence N79°50'14" E a distance of 26.88' to a computed point, thence N79°50'14" E a distance of 45.77' to a computed point, thence with a curve to the right having a radius of 49.00', an arc length of 9.22', a chord bearing of N85°09'04" E, and distance of 9.20', to a computed point, thence with a compound curve to the right having a radius of 49.00', an arc length of 9.24', a chord bearing of S84°03'33" E, and distance of 9.22', to a computed point, thence with a compound curve to the right having a radius of 49.00', an arc length of 5.72', a chord bearing of S75°18'44" E, and distance of 5.72', to a computed point, thence with a reverse curve to the left having a radius of 29.00', an arc length of 7.58', a chord bearing of S79°27'02" E, and distance of 7.56', to a computed point, thence S86°56'08" E a distance of 29.44' to a computed point, thence S86°56'08" E a distance of 8.39' to a computed point, thence with a curve to the right having a radius of 18.00', an arc length of 4.91', a chord bearing of S79°07'24" E, and distance of 4.89', to a computed point, thence S70°38'52" E a distance of 33.10' to a computed point, thence with a curve to the left having a radius of 29.03', an arc length of 3.13', a chord bearing of S73°44'09" E, and distance of 3.13', to a computed point, thence S76°49'36" E a distance of 11.58' to a computed point, thence with a curve to the right having a radius of 106.00', an arc length of 23.29', a chord bearing of S70°31'58" E, and distance of 23.24', to an RBS, the point of beginning, containing 4,687 square feet, more or less.

Temporary Construction Easement "A" (TCE)

Commencing from a Rebar set (RBS), said RBS having NC Grid Coordinates Northing: 882,169.04 Easting: 1,213,356.10 (NAD 83, 2011), thence N00°57'37"E a distance of 26.88' to a computed point, the Point of Beginning, thence N72°43'49" E a distance of 19.14' to a computed point, thence N80°54'13" E a distance of 26.50' to a computed point, thence S84°03'33" E a distance of 9.83' to a computed point, thence with a curve to the left having a radius of 49.00', an arc length of 9.22', a chord bearing of

S85°09'04" W, and distance of 9.20', to a computed point, thence S79°50'14" W a distance of 45.77' to a computed point, the point of beginning, containing 86 square feet, more or less.

Temporary Construction Easement "B" (TCE)

Commencing from a Rebar set (RBS), said RBS having NC Grid Coordinates Northing: 882,169.04 Easting: 1,213,356.10 (NAD 83, 2011), thence N79°50'14" E a distance of 26.88' to a computed point, thence N79°50'14" E a distance of 45.77' to a computed point, thence with a curve to the right having a radius of 49.00', an arc length of 9.22', a chord bearing of N85°09'04" E, and distance of 9.20', to a computed point, thence with a curve to the right having a radius of 49.00', an arc length of 9.24', a chord bearing of S84°03'33" E, and distance of 9.22', to a computed point, the Point of Beginning, thence S84°03'33" E a distance of 42.59' to a computed point, thence N86°56'08" W a distance of 29.44' to a computed point, Thence with a curve to the right having a radius of 29.00', an arc length of 7.58', a chord bearing of N79°27'02" W, and distance of 7.56', to a computed point, thence with a reverse curve to the left having a radius of 49.00', an arc length of 5.72', a chord bearing of N75°18'44" W, and distance of 5.72', to a computed point, the point of beginning, containing 34 square feet, more or less.

Temporary Construction Easement "C" (TCE)

Commencing from a Right of Way Monument (RWMON) along U.S Highway 321, said RWMON having NC Grid Coordinates Northing: 882,306.74 Easting: 1,213,460.67 (NAD83, 2011), thence S35°15'57"E a distance of 186.41' to a computed point, the Point of Beginning, thence S35°15'57" E a distance of 1.06' to a Rebar Set (RBS), thence with a curve to the left having a radius of 106.00', an arc length of 23.29', a chord bearing of N70°31'58" W, and distance of 23.24', to a computed point, thence N76°49'36" W a distance of 11.58' to a computed point, thence with a curve to the right having a radius of 29.03', an arc length of 3.13', a chord bearing of N73°44'09" W, and distance of 3.13', to a computed point, thence N70°38'52" W a distance of 33.10' to a computed point, thence S73°06'59" E a distance of 57.82' to a computed point, thence S68°17'51" E a distance of 12.35' to a RBS, the point of beginning, containing 49 square feet, more or less.

Temporary Construction Easement "D" (TCE)

Commencing from a Right of Way Monument (RWMON) along U.S Highway 321, said RWMON having NC Grid Coordinates Northing: 882,306.74 Easting: 1,213,460.67 (NAD83, 2011), thence S35°15'57"E a distance of 232.87' to a Rebar set (RBS), the Point of Beginning, thence S35°15'57" E a distance of 1.68' to a computed point, thence N67°47'56" W a distance of 48.61' to a computed point, thence N71°08'29" W a distance of 59.93' to a computed point, thence N83°10'05" W a distance of 63.09' to a computed point, thence S78°19'13" W a distance of 65.80' to a computed point, thence S81°52'31" W a distance of 11.69' to a computed point, thence N00°57'37" E a distance of 3.15' to a RBS, thence N79°50'14" E a distance of 76.59' to a computed point, thence with a curve to the right having a radius of 29.00', an arc length of 14.32', a chord bearing of S86°06'48" E, and distance of 14.18', to a computed point, Thence with a reverse curve to the left having a radius of 49.00', an arc length of 12.80', a chord bearing of S79°27'02" E, and distance of 12.77', to a computed point, thence S86°56'08" E a distance of 37.54' to a computed point, thence S70°38'52" E a distance of 32.61' to a computed point, thence with a curve to the left having a radius of 49.00', an arc length of 5.29', a chord bearing of S73°44'11" E, and distance of 5.28', to a computed point, thence S76°49'36" E a distance of 11.58' to a computed point, thence with a

curve to the right having a radius of 86.00', an arc length of 26.78', a chord bearing of S67°54'16" E, and distance of 26.68' to a computed point, thence S58°58'57" E a distance of 13.19' to a computed point, thence with a curve to the left having a radius of 135.00', an arc length of 18.72', a chord bearing of S62°57'17" E, and distance of 18.70', to a computed point, the point of beginning, containing 781 square feet, more or less.

This instrument drawn by: Eggers Law Offices, 815 West King Street, Boone, North Carolina 28607

STATE OF NORTH CAROLINA
COUNTY OF WATAUGA

**GREENWAY EASEMENT AND DEDICATION OF PUBLIC
PROPERTY AND TEMPORARY CONSTRUCTION EASEMENT
AGREEMENT**

**THIS GREENWAY EASEMENT AND DEDICATION OF PUBLIC PROPERTY
AND TEMPORARY CONSTRUCTION EASEMENT AGREEMENT** (the
"Agreement"), made this ____ day of March, 2025, by and between **The Town
of Blowing Rock**, a North Carolina Municipality, of: 1036 Main Street, P.O. Box
47, Blowing Rock, NC, 28605, hereinafter referred to as Grantor or party of the
first part; and the **Town of Blowing Rock**, a North Carolina Municipality, of: 1036
Main Street, P.O. Box 47, Blowing Rock, NC, 28605, hereinafter referred to as
Grantee or party of the second part;

WITNESSETH:

WHEREAS, the Town of Blowing Rock is a municipal corporation and body
politic of the State of North Carolina; and

WHEREAS, N.C. Gen. Stat. §160D-806 authorizes the Town of Blowing
Rock to accept ground offered for dedication to public use within its corporate
boundaries for public purposes; and

WHEREAS, Grantor is the owner of certain tracts or parcels of land lying
and being in the Town of Blowing Rock, Watauga County, North Carolina, as set
out and recorded in Deed Book 1759 at Page 389, Watauga County, North
Carolina, Public Registry, reference to said deed being made for a more complete
description of said property ("Grantor's Property"). The portion of the Grantor's

Property that is subject to the below-described Greenway Easement and the Temporary Construction Easement shall be the servient property.

NOW, THEREFORE, in consideration of Ten and no/100 Dollars (\$10.00) and other good, valuable and sufficient considerations, together with the mutual covenants and conditions hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the parties of the first and second part herein agree as follows:

1. Grantor has agreed to grant, bargain, sell, and convey an easement for purposes of maintaining a greenway devoted to public recreational purposes to said party of the second part, its successors and assigns, said easement to lie on the above-described tracts of land as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference, (hereinafter "**Greenway Easement**"). The Greenway Easement shall extend over, within, and across said real property of the Grantor for all purposes related to or associated with a greenway, including but not limited to: installing, constructing, and maintaining a paved trail to be used by the public for recreational purposes and associated fixtures such as benches, trash receptacles, and other items; preserving and enhancing the vegetation and stream bank in the area included within the Greenway Easement. Grantor further grants to Grantee reasonable access to said Greenway Easement area for purposes of developing and maintaining the greenway from time to time. It is understood and agreed that the Greenway Easement is hereby dedicated in perpetuity to Grantee and to the common use of the public, and shall constitute a covenant running with the land in perpetuity, for the benefit of Grantee, its successors and assigns. By execution of this Agreement and acceptance of the Greenway Easement, Grantee accepts such dedication on behalf of its citizens and the public.

2. The Grantor agrees to dedicate and submit the entire property described hereabove as the Greenway Easement to be dedicated to public use of the citizens of the Town of Blowing Rock as shown by the plats, as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference.

3. The parties herein agree that any maintenance to the Greenway Easement will be the sole responsibility of the Grantee herein, its successors and assigns.

4. This Greenway Easement is effective upon the execution of this Agreement.

5. This Greenway Easement shall remain in effect in perpetuity after its effective date.

6. This Agreement serves as Declarant's signed statement declaring that no vested rights with respect to their property have been established under G.S. §160D-108 and G.S. §160D-1007.

7. It is understood and agreed in the event that the Greenway Easement ever ceases to be used as an easement as set out herein, then in that event the Greenway Easement shall terminate and the property shall revert back to the Grantor.

8. Grantor has further agreed to grant, bargain, sell, and convey a temporary construction easement to lie on the above-described tracts of land as shown on the map, attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in the description, attached hereto as Exhibit B and incorporated herein by reference, (hereinafter "**Temporary Construction Easement**"). The Temporary Construction Easement shall extend over, within, and across said real property of the Grantor for all purposes related to or associated with a greenway, including but not limited to: installing, constructing, and maintaining a paved trail to be used by the public for recreational purposes and associated fixtures such as benches, trash receptacles, and other items.

9. The party of the second part agrees to repair any damages caused to the property of the party of the first part as a result of such Temporary Construction Easement and the party of the second part will restore the access area to its original condition, if requested by said party of the first part, by its heirs, successors, and assigns within thirty (30) days of the request of said party of the first part, its heirs, successors and assigns.

10. The Temporary Construction Easement shall be valid for a period of eighteen (18) months from the execution hereof.

11. This Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, executors, and administrators and assigns of each of the parties hereto.

12. This Agreement shall be governed by the laws of the State of North Carolina. The parties specifically agree that, should a dispute arise over the terms and/or enforcement of this Agreement, that the venue of such a dispute shall be Watauga County, North Carolina.

13. The parties agree that if any part of this Agreement shall be found by

a court to be unenforceable, the remaining parts of this Agreement shall continue in full force and effect.

14. Acceptance of dedication of lands or facilities shall not place on the Grantee any duty to open, operate, repair, or maintain any street, utility line, or other land or facility except as provided by the ordinances, regulations, or specific acts of the Grantee, or as provided by the laws of the State of North Carolina.

15. The Parties represent that each has carefully read this Agreement, that they know and understand the contents and consequences thereof, and that they have signed this Agreement voluntarily and with informed consent.

16. This Agreement constitutes the entire and integrated agreement of the parties and supersedes all prior negotiations, representations, or agreements, either written or oral.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Grantors and Grantees herein, have hereunto caused this instrument to be signed in its names by its duly authorized officers, the day and year first above written.

GRANTOR:
TOWN OF BLOWING ROCK,
A NORTH CAROLINA MUNICIPALITY

By: _____ (SEAL)
Charlie Sellers, Mayor

ATTEST:

Hilari Hubner, Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

I, _____, a Notary Public of the County and State aforesaid, certify that **Charlie Sellers** personally appeared before me this day and acknowledged that he is the Mayor for the **Town of Blowing Rock, a North Carolina Municipality**, and that by authority duly given and as an act of the **Town of Blowing Rock**, the foregoing instrument was signed in its name by himself as its Mayor, and attested by **Hilari Hubner**, as its Clerk.

WITNESS my hand and notarial seal, this _____ day of _____, 2025.

Notary Public

My commission expires _____

(SEAL)

IN WITNESS WHEREOF, the Grantors and Grantees herein, have hereunto caused this instrument to be signed in its names by its duly authorized officers, the day and year first above written.

GRANTEE:
TOWN OF BLOWING ROCK,
A NORTH CAROLINA MUNICIPALITY

By: _____ (SEAL)
Charlie Sellers, Mayor

ATTEST:

Hilari Hubner, Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

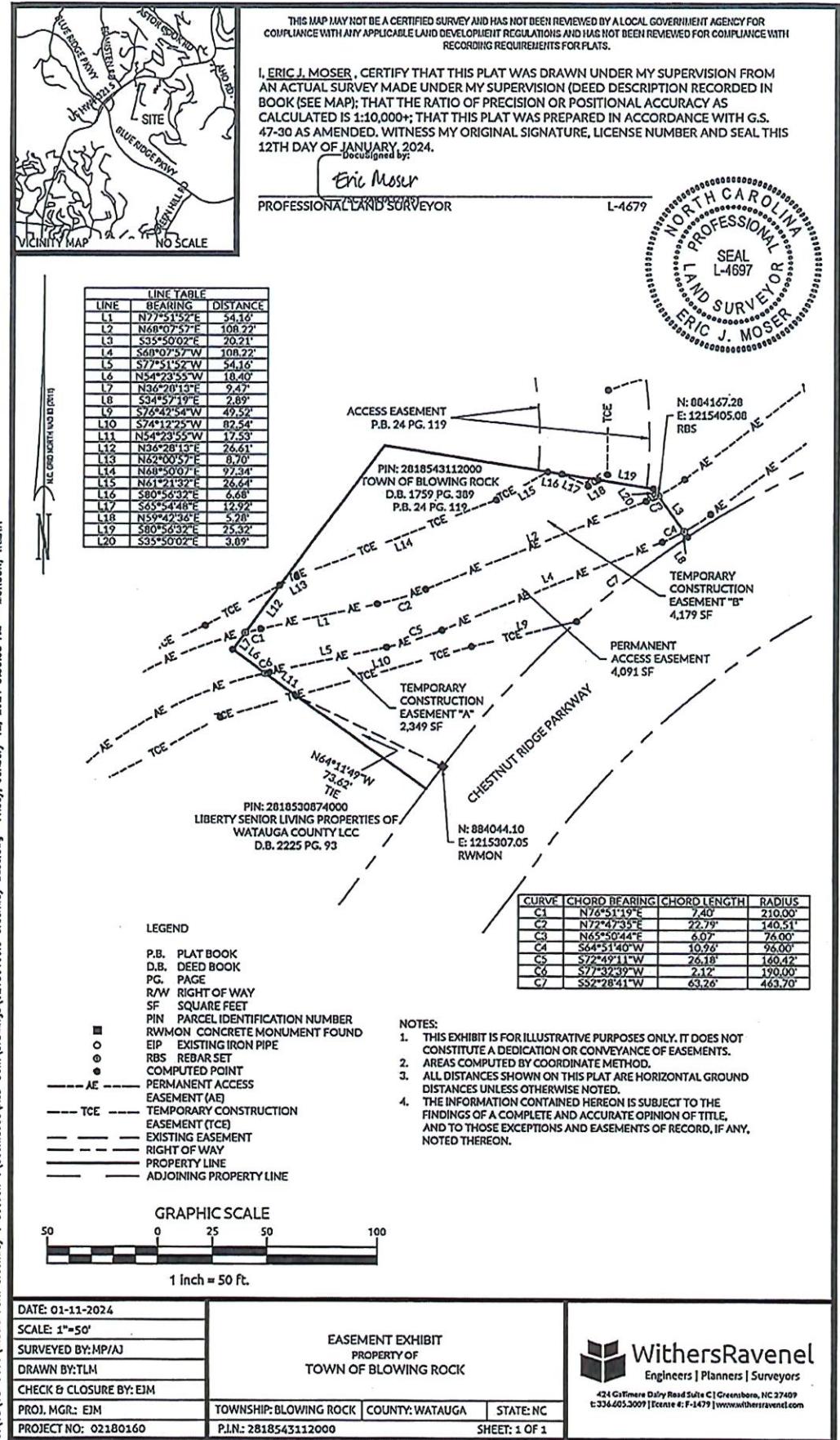
I, _____, a Notary Public of the County and State aforesaid, certify that **Charlie Sellers** personally appeared before me this day and acknowledged that he is the Mayor for the **Town of Blowing Rock, a North Carolina Municipality**, and that by authority duly given and as an act of the **Town of Blowing Rock**, the foregoing instrument was signed in its name by himself as its Mayor, and attested by **Hilari Hubner**, as its Clerk.

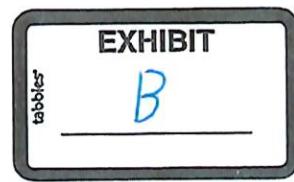
WITNESS my hand and notarial seal, this _____ day of _____, 2025.

Notary Public

My commission expires _____

(SEAL)





Legal Description

Being a Permanent Access Easement and two Temporary Construction Easements, lying in Blowing Rock Township, Watauga County, North Carolina, being a portion of Parcel Identification Number 2818543112000 and more particularly described as follows:

Permanent Access Easement (AE)

Commencing from a Right of Way Monument (RWMON) along Chestnut Ridge Parkway, said RWMON having NC Grid Coordinates Northing: 884,044.10 Easting: 1,215,307.05, thence N64°11'49"W a distance of 73.62' to a CP; thence N54°23'55" W a distance of 17.53' to a rebar set (RBS), being the Point of Beginning; thence N54°23'55" W a distance of 18.40' to a CP; thence N36°28'13" E a distance of 9.47' to a RBS; thence with a curve to the right having a radius of 210.00', an arc length of 7.40', a chord bearing of N76°51'19" E, and distance of 7.40' to a CP; thence N77°51'52" E a distance of 54.16' to a CP; Thence with a curve to the left having a radius of 140.51', an arc length of 22.82', a chord bearing of N72°47'35" E, and distance of 22.79', to a CP; thence N68°07'57" E a distance of 108.22' to a CP; thence Thence with a curve to the left having a radius of 76.00', an arc length of 6.07', a chord bearing of N65°50'44" E, and distance of 6.07', to a RBS; thence S35°50'02" E a distance of 20.21' to a RBS; thence with a curve to the right having a radius of 96.00', an arc length of 10.96', a chord bearing of S64°51'40" W, and distance of 10.96', to a CP, thence S68°07'57" W a distance of 108.22' to a CP; Thence with a curve to the right having a radius of 160.42', an arc length of 26.21', a chord bearing of S72°49'11" W, and distance of 26.18', to a CP; thence S77°51'52" W a distance of 54.16' to a CP; Thence with a curve to the left having a radius of 190.00', an arc length of 2.12', a chord bearing of S77°32'39" W, and distance of 2.12', to a RBS, the point of beginning, containing 4,091 square feet, more or less.

Temporary Construction Easement "A" (TCE)

Commencing from a Right of Way Monument (RWMON) along Chestnut Ridge Parkway, said RWMON having NC Grid Coordinates Northing: 884,044.10 Easting: 1,215,307.05, thence N64°11'49"W a distance of 73.62' to a computed point (CP), the Point of Beginning, thence N54°23'55" W a distance of 17.53' to a rebar set (RBS); Thence with a curve to the right having a radius of 190.00', an arc length of 2.12', a chord bearing of N77°32'39" E, and distance of 2.12', to a CP; thence N77°51'52" E a distance of 54.16' to a CP; Thence with a curve to the left having a radius of 160.42', an arc length of 26.21', a chord bearing of N72°49'11" E, and distance of 26.18', to a CP; thence N68°07'57" E a distance of 108.22' to a CP, thence with a curve to the left having a radius of 96.00', an arc length of 10.96', a chord bearing of N64°51'40" E, and distance of 10.96', to a RBS; thence S34°57'19" E a distance of 2.89' to a CP, thence with a curve to the left having a radius of 463.70', an arc length of 63.31', a chord bearing of S52°28'41" W, and distance of 63.26', to a CP, thence S76°42'54" W a distance of 49.52' to a CP; thence S74°12'25" W a distance of 82.54' to a CP, the point of beginning, containing 2,349 square feet, more or less.

Temporary Construction Easement "B" (TCE)

Beginning at a Rebar set (RBS), said RBS having NC Grid Coordinates Northing: 884,167.28 Easting: 1,215,405.08 (NAD83, 2011), thence with a curve to the right having a radius of 76.00', an arc length of 6.07', a chord bearing of S65°50'44" W, and distance of 6.07', to a computed point (CP), thence

S68°07'57" W a distance of 108.22' to a CP, Thence with a curve to the right having a radius of 140.51', an arc length of 22.82', a chord bearing of S72°47'35" W, and distance of 22.79', to a CP, thence S77°51'52" W a distance of 54.16' to a CP, thence with a curve to the left having a radius of 210.00', an arc length of 7.40', a chord bearing of S76°51'19" W, and distance of 7.40', to a RBS, thence N36°28'13" E a distance of 26.61' to a CP, thence N62°00'57" E a distance of 8.70' to a CP, thence N68°50'07" E a distance of 97.34' to a CP, thence N61°21'32" E a distance of 26.64' to a CP, thence S80°56'32" E a distance of 6.68' to a CP, thence S65°54'48" E a distance of 12.92' to a CP, thence N59°42'36" E a distance of 5.28' to a CP, thence S80°56'32" E a distance of 25.32' to a CP, thence S35°50'02" E a distance of 3.89' to a RBS, the point of beginning, containing 4,179 square feet, more or less.

TO: Mayor Charlie Sellers and the Blowing Rock Town Council

FROM: Kevin Rothrock, Planning Director

SUBJECT: CZ 2024-05 Conditional Rezoning from GB to CZ-GB – Villages at Shoppes on the Parkway – Phase 1

APPLICANT: Shoppes on the Parkway, LLC

DATE: August 5, 2025

REQUEST

Shoppes on the Parkway, LLC is requesting a conditional rezoning of the Shoppes on the Parkway property at 278 Shoppes on the Parkway Road from GB, General Business to Conditional Zoning – General Business (CZ-GB). The Applicant is requesting to redevelop the property from a single-level retail center to a mixed-use development with retail, restaurants, and residential units. In March 2025 the Applicant submitted plans seeking approval of Phase 1 consisting of an addition of 34 dwelling units in a 3 to 4 story building on the south end of the property along the Middle Fork New River. The Applicant also shared the Master Plan for future long-term expectations but anything beyond Phase 1 would require additional approval. The property is further identified by Watauga County PIN 2818-10-4788-000.

The public hearing was held at the March 11, 2025 Town Council meeting. After reviewing the conditional zoning application and project plans, hearing from the applicant, and taking public comment, Council closed the public hearing and tabled the decision requesting more information and some modifications to the Phase 1 condominium building.

RESPONSE

In response to requests by Town Council, the Applicant divided the condominium building into three (3) buildings, reduced the number of units from 34 to 27, and modified the architectural elevations and building materials.

The Applicant also has provided a revised Master Plan with more details on the future phases of the project including building renderings showing the mixed unit buildings in single-story, 2-story, and 3-story structures.

Additionally, the Applicant has provided a response to information requested by Council after the public hearing.

Building Height

The highest point of the roof on the buildings has been reduced from 53 feet to 51'7" on building # 2 and from 53 feet to 47'1" on buildings # 1 and # 3.

Parking

The current parking lot will be adjusted to accommodate the proposed residential buildings once the end of the retail building is removed. Parking for the residential buildings will be separated from the rest of the retail center with buffering.

As a requested condition of approval, the Applicant proposes 1 parking space for every 1 bedroom unit, and 2 parking spaces for every 2 or 3+ bedroom units plus 1 space for every 4 units in the residential building.

There are 27 units in the proposed condo buildings requiring 61 spaces as proposed by the Applicant. The site plan indicates 61 spaces including 3 that are ADA-accessible.

Storm Water

The proposed impervious areas are being reduced with Phase 1 and the overall build out of the project. The Applicant is proposing rain gardens and bio swales to treat storm water and provide water quality benefits.

Utilities

Public water and sewer currently serves the property but the Applicant will need to relocate some of the lines and related right-of-way to accommodate the proposed building location.

All electrical services will be provided underground.

Garbage Collection

A new dumpster area will be provided and screened in the redesigned parking lot between the proposed residential building and the retail building. All other dumpsters on the property currently without screening will be required to add screening that meets the Land Use Code requirements.

Landscaping

With the removal of the south end units of the current retail building, the parking lot in front of the proposed residential building will be reorganized. There are additional parking lot shade trees and a line of buffer trees to separate the residential building from the retail building.

There is a gap on the southern edge of the property adjacent to the Chetola maintenance area where a buffer screening needs to be added. This buffer will be required in the final plan review.

The stream side of the building has an existing vegetated stream buffer that will remain and help to screen the proposed building from Hwy 321.

Site Deficiencies

With an approval of the project, staff has included a section in the rezoning ordinance that addresses the correction of any site deficiencies. These may include lack of dumpster screening, inadequate or excessive site lighting, signage violations, fire access, and/or ADA parking or access issues. Any site deficiencies shall be itemized by the Town prior to issuance of any zoning or building permit, and correction is required before issuance of a Certificate of Occupancy for Phase 1.

Applicant Proposed Conditions

1. Parking: 1 space for 1 bedroom units, 2 spaces for each unit with 2 or more bedrooms, and visitor spaces to remain at 1 space per 4 dwelling units.
2. That the maximum building height of any condo buildings in Phase 1 be no more than 52 feet measured from the finished grade at the primary entrance.

Staff Proposed Conditions

1. If within 2 years after the issuance of the final Certificate of Occupancy for the Phase 1 condominium building the Applicant decides not to proceed with future phases of the development, then exterior modifications shall be completed on the remaining shopping center buildings. The modifications shall include painting, roofing, bark and wood siding treatments, rock treatments, timber beams and similar finishes that cause the shopping center buildings to blend and/or match the materials in the Phase 1 condominium. If the modification work is required for failure to move forward with future phases, the work shall be completed within 36 months of the final C.O. issuance for the Phase 1 condominium.
2. A sidewalk shall be constructed along the access road to connect the proposed Phase 1 condominiums to the intersection of Hwy 321 (Valley Blvd) and the future Middle Fork Greenway trail head area. *(This is currently shown on the revised plans.)*

Planning Board Proposed Conditions

1. Any future phases will need to address the parking demand of the entire built-out development, including Phase 1.

NEIGHBORHOOD MEETING

A neighborhood meeting was held at Town Hall on February 13, 2025 where the Applicant shared their immediate and future phased plans for the property.

PLANNING BOARD RECOMMENDATION

At their meeting on February 20, 2025, the Planning Board made a recommendation to approve the conditional rezoning request for Shoppes of the Parkway with the applicant-proposed conditions, additional staff conditions, and one Planning Board condition.

ATTACHMENTS

1. Ordinance No 2025-04 - revised
2. Ord No. 2025-04 Exhibit A
3. Ord No. 2025-04 Exhibit B - revised
4. Revised Project Narrative
5. Revised - Phase 1 site, grading, utility, drainage, and landscape plans and revised long-term future Master Plan
6. Revised architectural renderings and elevations of the proposed residential buildings
7. Revised architectural renderings of future Master Plan

ORDINANCE NO. 2025-04**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE
TOWN OF BLOWING ROCK;
CREATING THE SHOPPES ON THE PARKWAY
CONDITIONAL ZONING DISTRICT (CZ-GB)**

WHEREAS, the Town of Blowing Rock has the authority, pursuant to Chapter 160D-703 of the North Carolina General Statutes, to adopt zoning regulations, to establish zoning districts and to classify property within its jurisdiction according to zoning district, and may amend said regulations and district classifications from time to time in the interest of the public health, safety and welfare; and

WHEREAS, this Ordinance is consistent with NC General Statutes 160D-703, establishing conditional zoning districts in local zoning jurisdictions; and

WHEREAS, this Ordinance is consistent with the Town's 2024 Comprehensive Plan Update for the reasons set out herein; and

WHEREAS, the Town of Blowing Rock has reviewed the proposed ordinance and recommends its enactment by the Board of Commissioners;

**NOW, THEREFORE, THE TOWN OF BLOWING ROCK BOARD OF
COMMISSIONERS, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF
THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, HEREBY ORDAINS THE
FOLLOWING.**

Section One. Upon petition of Shoppes on the Parkway, LLC, the Official Zoning Map of the Town of Blowing Rock is hereby amended to create the Shoppes on the Parkway Conditional Zoning District (CZ-GB, General Business) as more particularly set forth herein.

Section Two. This Ordinance is found to be consistent with the Town of Blowing Rock 2024 Comprehensive Plan Update, particularly with the Development Objective No. 14, "Proactively collaborate with the owners of large/prominent sites (such as Shoppes on the Parkway) on their plans for development and redevelopment."

Section Three. The zoning classification of that certain real property shown on the aerial photo map, attached hereto as **Exhibit A** and made a part hereof, is currently zoned GB, General Business and is regulated by a Special Use Permit. The proposed zoning is to CZ-GB, General Business. Said property is also identified as Watauga County PIN 2818-10-4788-000.

Section Four. The Shoppes on the Parkway Conditional Zoning District is a conditional zoning district established pursuant to the Land Use Ordinance of the Town of Blowing Rock by means

of authority granted by the North Carolina General Statutes. Future development and use of lands situated within the Shoppes on the Parkway Conditional Zoning District, and the processing of applications to develop and use such lands, shall comply with the conditions set forth on the document entitled, Shoppes on the Parkway Conditional Zoning District: List of Standards & Conditions, which is attached to this ordinance as **Exhibit B** and incorporated herein. The aforementioned List of Standards & Conditions, made a part thereof, shall run with the land and shall be binding on Shoppes on the Parkway, LLC, its heirs and assigns.

Section Five. Pursuant to Section 16-9.6 of the Town of Blowing Rock Land Use Ordinance, the Master Plan (Phase 1) replaces all conflicting development regulations set forth in the Land Development Standards, and such development regulations are varied to the extent they conflict with the Master Plan (Phase 1) and List of Standards & Conditions. The Master Plan (Phase 1) specifically includes the architectural plans (February 20, 2025, revised July 24, 2025) and civil engineering and site plans (December 12, 2024, revised July 25, 2025) submitted to Town Council and subsequent construction drawings revised as a result of additional conditions imposed by Town Council after the March 11, 2025 public hearing. Construction drawings include at a minimum: site plan, utility plan, grading plan, landscape plan, and architectural plan and elevations. Any substantial change to the Master Plan (Phase 1) as noted below shall be reviewed by the Planning Board and approved or denied by the Town Council as an amended conditional zoning district.

The following changes to the Master Plan (Phase 1) shall require approval by the Town Council:

- a. Final exterior elevations of the residential buildings in Phase 1, unless Town Council is satisfied with exterior elevations and materials presented by the Applicant at the time of the ordinance decision.
- b. Land area being added or removed from the conditional district.
- c. Modification of special performance criteria, design standards, or other requirements specified by the enacting ordinance.
- d. A change in land use or development type beyond that permitted by the approved master plan.
- e. When there is introduction of a new vehicular access point to an existing street, road or thoroughfare not previously designated for access.
- f. Hours of operation and/or delivery hours.

All other changes to the Master Plan (Phase 1) shall receive approval by the Administrator. However, if in the judgment of the Administrator, the requested changes alter the basic development concept of the Conditional Zoning District, the Administrator may require concurrent approval by the Town Council.

Section Six. Any site features on the subject property that are not consistent with the Land Use Ordinance shall be brought into compliance prior to a Certificate of Occupancy for Phase 1. This includes, but is not limited to:

- a. Inadequate dumpster screening

- b. Inadequate site lighting or lighting that exceeds the 1-foot candle limit at the property line
- c. Stream bank erosion issues
- d. Lack of parking lot landscaping
- e. Signage violations
- f. Fire access
- g. ADA parking space deficiencies

Section Seven. Enactment of this Ordinance constitutes the approval of a site-specific development plan resulting in the establishment of a vested right, pursuant to N.C.G.S. 160D-108, to undertake and complete the development and use of the property under the terms and conditions specified in the Master Plan (Phase 1) and the List of Standards & Conditions. Such vested right shall have a term of two years from the date of adoption of this Ordinance.

Section Eight. Any future review of additional phases of the overall Master Plan shall require a formalized submission of all future plan elements including final design of the remaining commercial, retail, restaurant, mixed-use, and parking facility plans. The Applicant has the option of constructing the overall Master Plan in incremental phases, but the future conditional rezoning amendment application review and approval process by staff, Planning Board, and Town Council shall be summarized in the next submittal.

Section Nine. The Office of the Zoning Administrator is hereby authorized and directed to modify the Town's Official Zoning Map consistent with this Ordinance.

Section Ten. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of the ordinance.

Section Eleven. All ordinances or portions thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section Twelve. This ordinance shall be in full force and effect from and after the date of adoption.

Adopted this _____ day of _____, 2025.

Mayor

ATTEST:

Town Clerk

CZ 2024-05 Shoppes on the Parkway

GB to CZ-GB

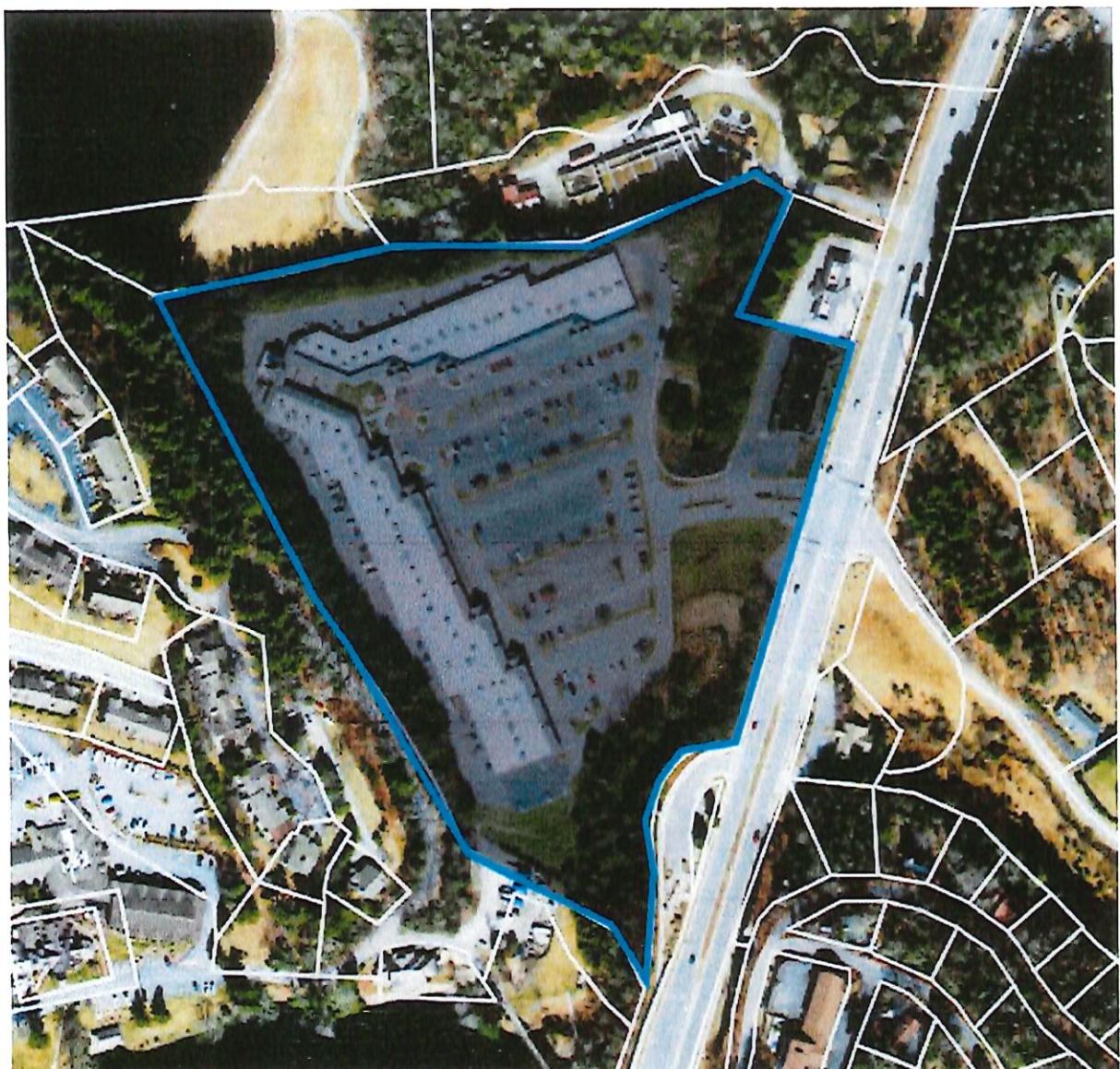


Exhibit A

Ordinance 2025-04 - Exhibit B

Shoppes on the Parkway Conditional Zoning District – CZ-GB
PINs 2818-10-4788-000
278 Shoppes on the Parkway Road

Phase 1 - List of Standards & Conditions

Applicant Proposed Conditions

1. Parking: 1 space for 1 bedroom units, 2 spaces for each unit with 2 or more bedrooms, and visitor spaces to remain at 1 space per 4 dwelling units.
2. That the maximum building height of any condo buildings in Phase 1 be no more than 52 feet measured from the finished grade at the primary entrance.

Staff Proposed Conditions

1. If within 2 years after the issuance of the final Certificate of Occupancy for the Phase 1 condominium building the Applicant decides not to proceed with future phases of the development, then exterior modifications shall be completed on the remaining shopping center buildings. The modifications shall include painting, roofing, siding treatments, rock treatments, timber beams and similar finishes that cause the shopping center buildings to blend and/or match the materials in the Phase 1 condominium. If the modification work is required for failure to move forward with future phases, the work shall be completed within 36 months of the final C.O. issuance for the Phase 1 condominium.
2. A sidewalk shall be constructed along the access road to connect the proposed Phase 1 condominiums to the intersection of Hwy 321 (Valley Blvd) and the future Middle Fork Greenway trail head area.

Planning Board Proposed Conditions

1. Any future phases will need to address the parking demand of the entire built-out development, including Phase 1.

SHOPPES ON THE PARKWAY REDEVELOPMENT

PROJECT NARRATIVE (Phase 1)

July 2025

We are proposing the redevelopment of the Shoppes on the Parkway into a vibrant Village Community. Our plan aims to transform this currently underutilized property into an economic benefit for the Town of Blowing Rock and surrounding communities. The redeveloped property will feature a mix of retail, restaurants, and residential components, centered around a green area with ground-floor retail and residential units on upper floors. This design will foster a strong sense of community and provide many essential needs for both residents and visitors in one convenient location. We believe this redevelopment will be a significant asset to the Town, enhancing the local economy and creating a more cohesive and thriving community.

Here are some details regarding the proposed plans:

Parking: We recognize the importance of sufficient residential parking and have provided what we believe is needed for the first phase, which is entirely residential. For the remainder of the project, we have planned for parking to meet the needs of the project based on the mix of commercial & residential uses.

Landscaping: As this is the first of several phases, the proposed landscaping is designed to provide a sufficient buffer for the residential building while blending into the commercial areas and overall development. Once the last phase has been approved and completed, we can finish landscaping in the common areas to provide a cohesive look and feel to the village.

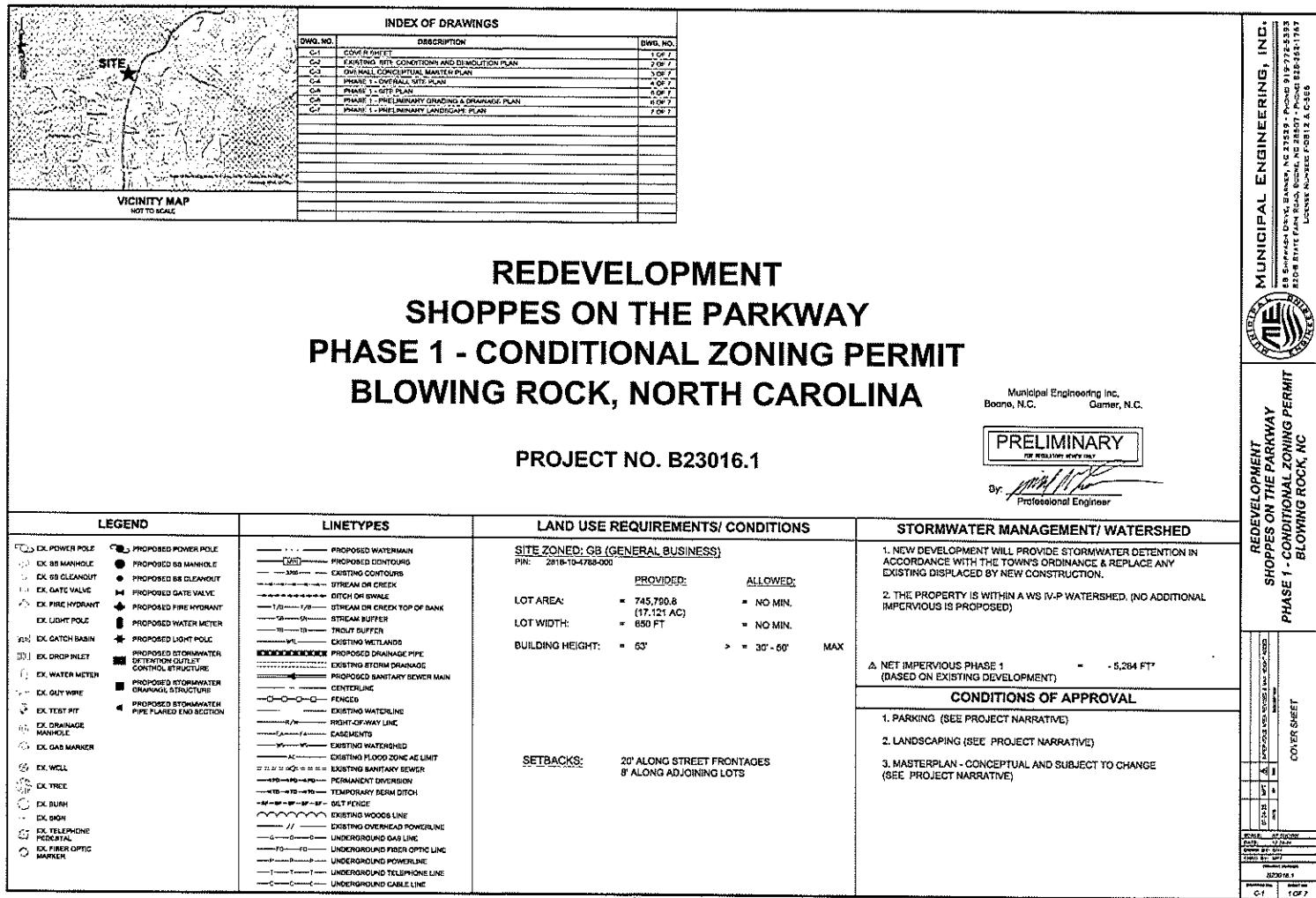
Stormwater: Both Phase 1 and the overall Masterplan will see a reduction in impervious surface. We are proposing innovative stormwater solutions, such as bioswales and rain gardens, to manage runoff. These measures will provide detention and improve water quality. The existing stormwater basin on the southern border will be replaced with these new solutions, along with any others required during the design development phase.

Utilities: During this phase, both a water and sewer main will need to be relocated. We have met with the Town's Public Utility Director and are working with him to meet both Town and State requirements.

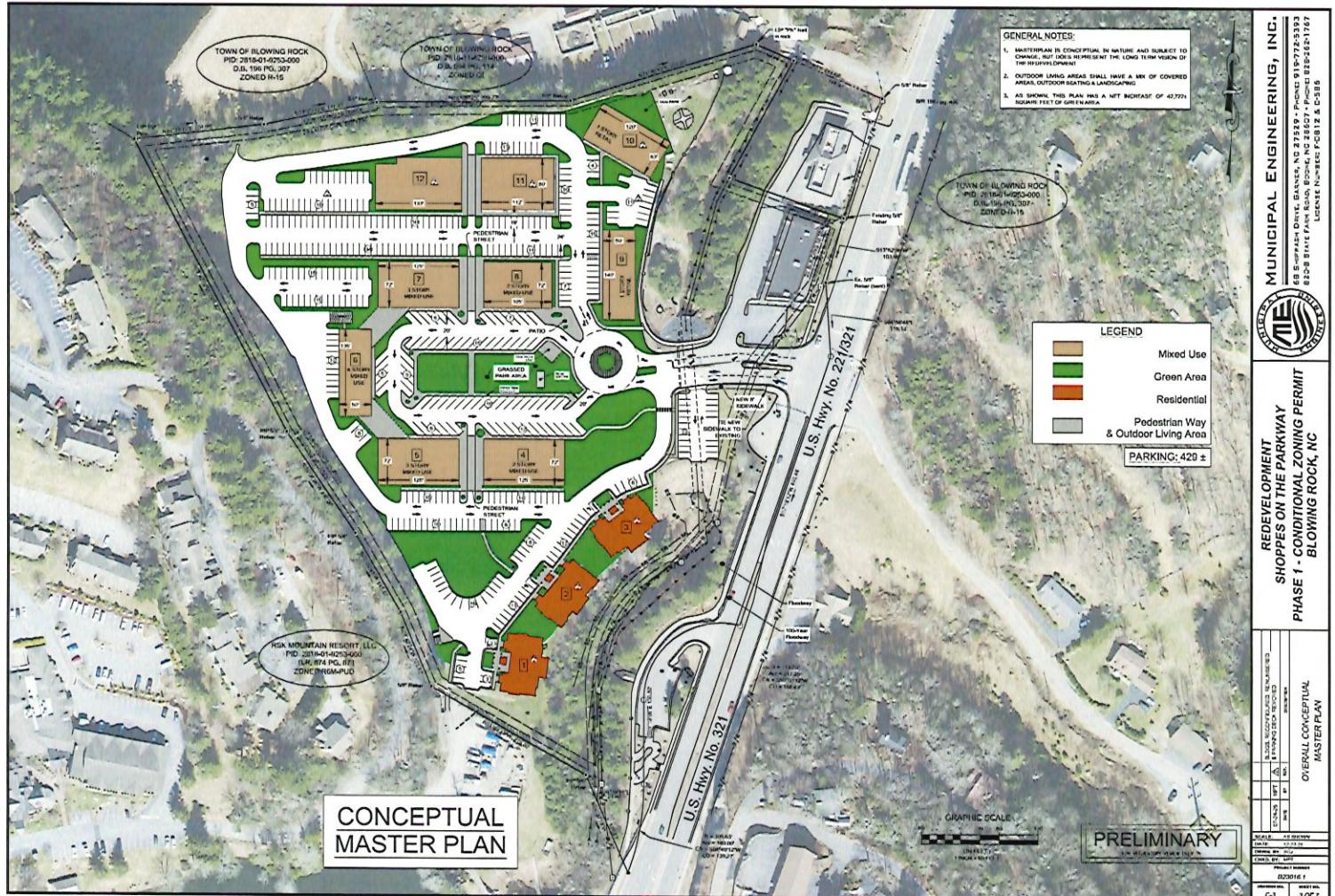
Fire Protection: We have collaborated with the Town's Fire Department and have provided the access and clearances they requested. The residential buildings will be sprinklered as required.

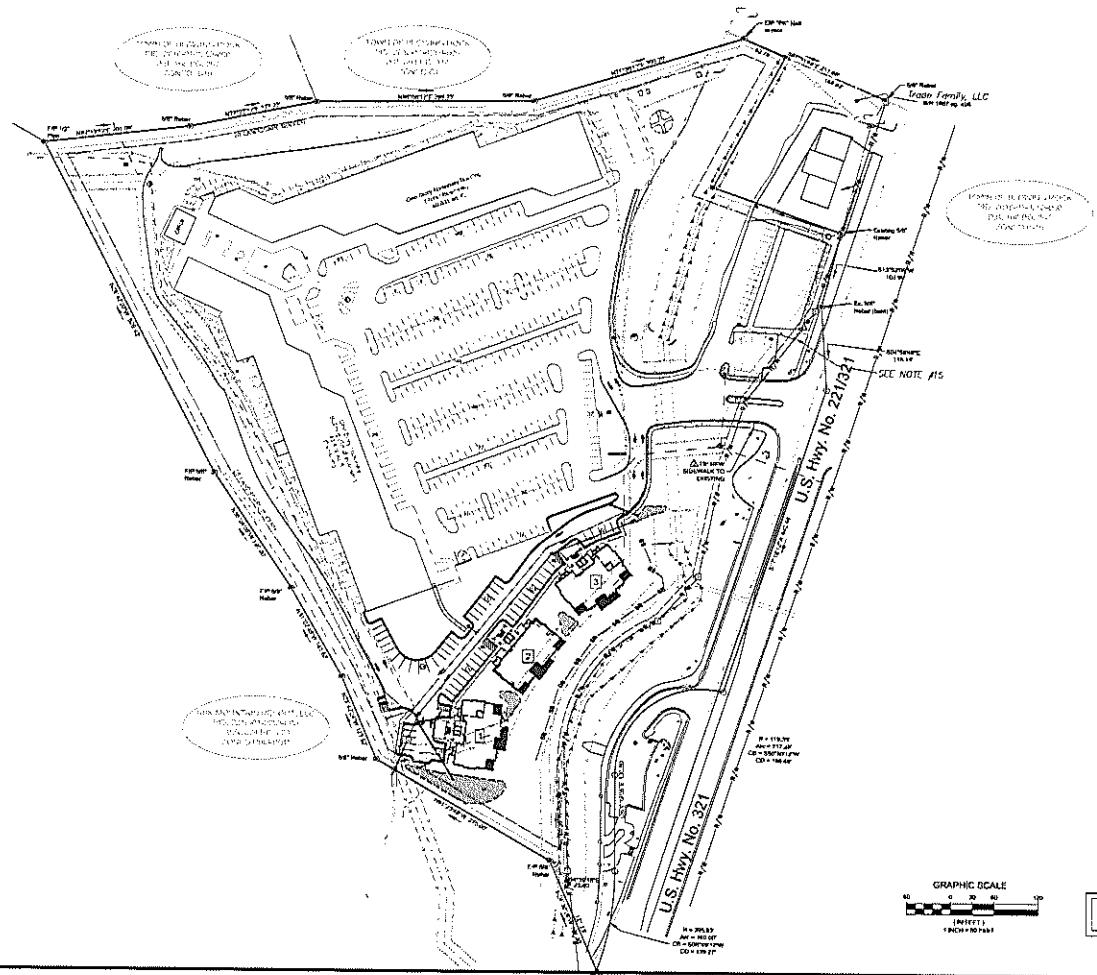
Height: The requested small increase in height is limited to the peaks and ridges of the gabled roofs, allowing a variation of the height of the rooflines which will be more pleasing to the eye. The average eave height is 33'.

Masterplan: The layout and look of the buildings beyond the first phase shown illustrates our plan for phases that are not before the council for consideration for a vote. Rather, we are providing a vision that is conceptual in nature based on feedback and requests that we do so. The plans for buildings after the first phase are subject to change based on several factors, including the success of early phases. It is included to illustrate our vision for the completed redevelopment for which will be presented in more detail in future applications.







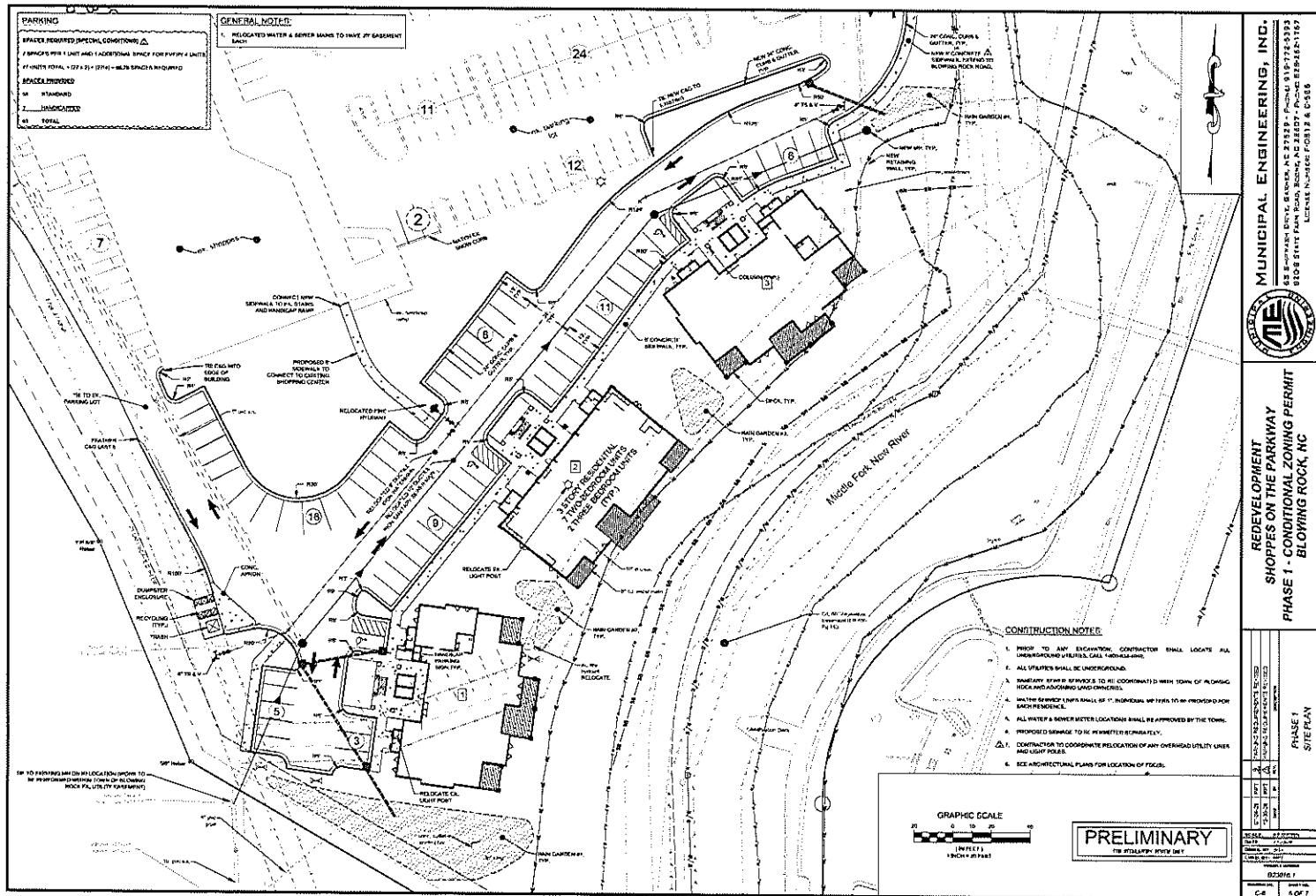


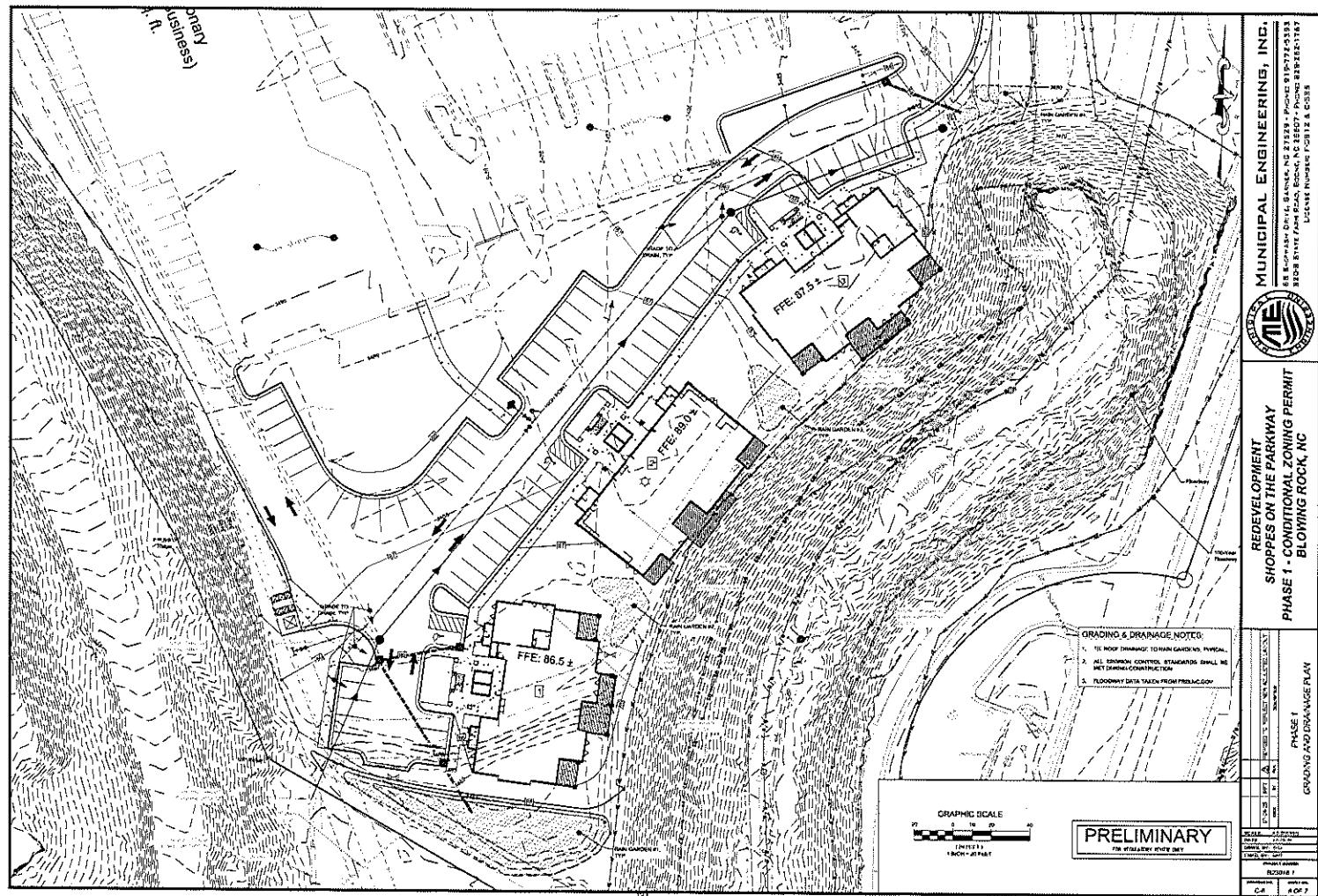
MUNICIPAL ENGINEERING, INC.
100 W. WILMINGTON DRIVE, DURHAM, NC 27709 • PHONE: 919-772-5921
S208 State Farm Plaza, Suite 200, RALEIGH, NC 27607 • FAX: 919-762-1267
LICENSE NUMBER: P-0112 & C-0112



REDEVELOPMENT
SHOPPES ON THE PARKWAY
PHASE 1 - CONDITIONAL ZONING PERMIT
BLOWING ROCK, NC

PHASE 1 - OVERALL SITE PLAN	
REDEVELOPMENT SHOPPES ON THE PARKWAY PHASE 1 - CONDITIONAL ZONING PERMIT BLOWING ROCK, NC	
PRELIMINARY FOR REGULATORY REVIEW ONLY	
DRAWING 1 C4 4 OF 7	





BUILDING 1 & 3

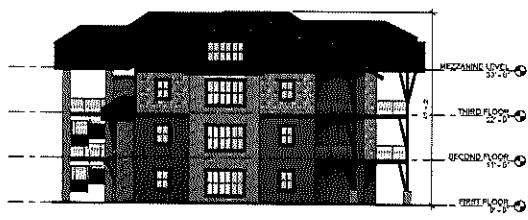


BUILDING 1 & 3 - FRONT ELEVATION



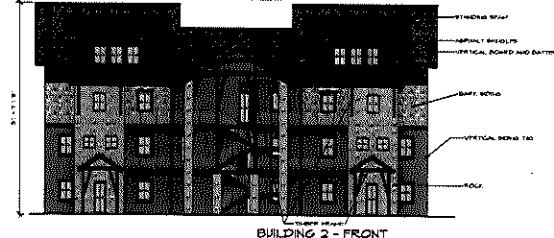
BUILDING 1 & 3 REAR ELEVATION

BUILDING 1 & 3



BUILDING 1 & 3 - RIGHT ELEVATION (LEFT SIM.)

BUILDING 2



BUILDING 2 - FRONT ELEVATION



BUILDING 2 - REAR ELEVATION

MATERIALS

TYPE: VERTICAL SIDING
COLOR - KATMAI IC
BRAND - RESAWN TIMBER
OR EQUAL

TYPE: BOARD AND BATTEN
COLOR - DARK BROWN
3W039 - TOBACCO OR SIM.
BRAND - SOLID STAIN

TYPE: BARK SIDING

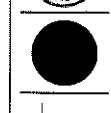
TYPE: REAL VENEER STONE
QUEENSBURY ELONGATED ASHLAR
OR ROCK SIM. TO BLOWING ROCK
FIRE DEPARTMENT

TYPE: HEAVY TIMBERS
COLOR: CHESTNUT

TYPE: ASPHALT SHINGLES
COLOR: WEATHERWOOD
TYPE: STANDING SEAM METAL
ROOFING
COLOR: CHARCOAL GRAY
ALTERNATE COLOR - DARK
BRONZE

EXTERIOR ELEVATIONS
VILLAGES @ SHOPS
BLOWING ROCK, N.C.

APPALACHIAN
ARCHITECTURE P.A.
DELL'EVOCATION INC.
101 PINE ST.
BOONE, NC 28607
828-264-2409
WWW.APPALARCH.COM
ADATE: 7-04-29



● DRAWN BY
● CHECKED BY
● SHEET NO.

A-1



RENDERING A



RENDERING B



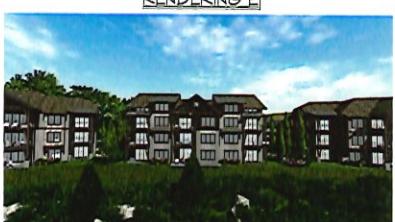
RENDERING C



RENDERING D



RENDERING E



RENDERING F



CONCEPTUAL
MASTER PLAN

INDICATES CAMERA LOCATION/
VIEW ANGLE FOR CORRESPONDING
RENDERING



PHASE I RENDERINGS
VILLAGES @ SHOPPES
BLOOMING ROCK, NC.



RENDERING G



RENDERING H



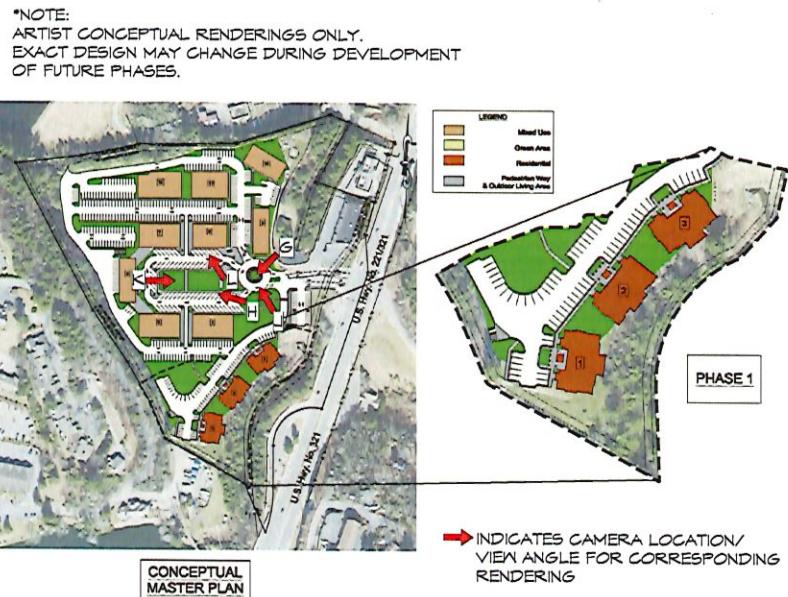
RENDERING I



RENDERING K



RENDERING L



TO: Mayor Charlie Sellers and the Blowing Rock Town Council

FROM: Kevin Rothrock, Planning Director

SUBJECT: Food Trucks

DATE: August 6, 2025

Food trucks operators are considered itinerant merchants and the Land Use Ordinance and Town Code address them differently.

Land Use Ordinance:

Itinerant Merchant. A person, other than a merchant with an established retail store in the town, who transports an inventory of goods to a building, vacant lot, or other location in the town and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail.

- The Land Use Code used to allow itinerant merchants for the sale of produce on vacant lots along Valley Blvd. In 2002, when the first store front produce business (Ma's Produce) operated along Valley Blvd, a change was made to the Land Use Code to remove itinerant merchants as a permissible use.
- Chapter 8 of the Town Code does not allow itinerant merchants in Central Business unless part of a charity event (School, Non-profit or Church-related) or a charity organization (Boy Scouts selling hot dogs) at a special event (Art in the Park, or Farmers Market).
- If food trucks are going to be permitted perhaps there should be different types of approvals for each situation. For example, if allowed through a public special event such as Art in the Park or Trout Derby, the food trucks would be approved by Council through a special event application. If the event is private such as a wedding or party, then the food truck could be permitted on the private property sponsoring the private event.

Procedure/Next Steps

If Council chooses to consider a draft ordinance, it must first be reviewed by Planning Board for a recommendation. Food Trucks is tentatively scheduled for discussion on the August Planning Board agenda.

Attachments

- Email from Eric Brinker – Speckled Trout
- City of Sanford, NC – Guide to Food Truck Regulations
- Town of Butner, NC – food truck regulations
- Town of Mount Pleasant, SC – food truck regulations

Kevin Rothrock

From: Eric Brinker <eric@thenorthgategroup.com>
Sent: Wednesday, August 6, 2025 3:24 PM
To: Kevin Rothrock; Shane Fox
Cc: TST Owners
Subject: RE: Revisiting Food Truck Request

Kevin-

What day is the public hearing in August?

Here are the items we would like to see addressed in the creation of a new ordinance. This is in absence of there being a special event.

1. Must be located on private property.
2. Must be able to demonstrate that parking loss due to having a food truck has been offset.
3. Must close by 930PM.
4. Should only be allowed during the busy season(Memorial Day Weekend thru the end of October). This is important in polling other restaurants. We need convenient options for the tourists when we are all over capacity.
5. Must make an attempt to control noise. The standard generators that most food trucks use are loud. This can be mitigated in a number of ways. (IE. Direction the generator faces, using quieter generators, using some sort of sound dampening device, or the preferred method(which may be cost prohibitive for some) would be installing permanent 50 or 30 AMP Plug Pedestal.)

We are not in favor of the idea getting thrown around of just having them ONLY be allowed in The Shoppes On The Parkway parking lot. I do not think that will benefit the greater village. For this to accomplish the goals its needs to be easily walkable and convenient.

Other important notes:

1. This will improve numbers for businesses both retail and restaurant. Happy to elaborate on this and provide real data like that provided at last council meeting.
2. There is a misnomer that food trucks are going to take away a huge portion of business and that they make huge amounts of money. They are usually lucky to break even for the day and a great day is 1200 to 1500 dollars. Compare this to the 12 to 20K most of the established restaurants are doing during this period of time.
3. This is a great way to support those small businesses that are our neighbors.

In the event we are unable to attend I would appreciate if you would read this to the council.

Thanks-

M. ERIC BRINKER, MCE, EI, Broker, [LEED AP](#), [HAAG Certified](#)
[The Northgate Group One, LLC – WBE HUB Certified](#)
Construction and Development Manager
222 N Person St Suite 22
Raleigh, NC 27601
O 919 810 6871 I C 919 796 3704
www.thenorthgategroup.com

THE CITY OF
SANFORD
NORTH CAROLINA

GUIDE TO FOOD TRUCK REGULATIONS

The City of Sanford has enacted a set of regulations addressing the increase of mobile food vendors, commonly known as **food trucks**, throughout our community. These regulations will go into effect **February 1st, 2023**.

WHAT IS A MOBILE FOOD VENDOR?

A mobile food vendor is any licensed, motorized vehicle or food unit that sells food, drink, or other consumable products. Mobile food vendors may operate as a food truck, food trailer, food cart, or other similar mobile or temporarily parked vehicle.

WHERE CAN I OPERATE MY FOOD TRUCK?

Mobile food vendors can operate on any already-developed commercially- or industrially-zoned property with the property owner's permission.

Mobile food vendors may also operate in residentially-zoned areas designated as common open space and owned by an HOA (typically pools, clubhouses, and other community-oriented areas in a neighborhood).

Mobile food vendors may not utilize vacant lots to operate; they must set up on property already used by an existing principal use.

Mobile food vendors may operate in public parks, but only with authorization from the City's Park Administrator, Caroline Jeffries (919-777-1203 or caroline.jeffries@sanfordnc.net).



WHAT ABOUT SPECIAL EVENTS WITH MULTIPLE FOOD TRUCKS?

Any private business, charity, civic organization, church, or other group may host special events with multiple food trucks. They'll simply need to obtain a **Temporary Use Permit** for their event, notify the Police Department (919-775-8268), and check with the Fire Marshal's Office to ensure all safety requirements are met (919-777-1300).

WHAT DO I HAVE TO DO TO OPERATE IN SANFORD?

Fill out a **Mobile Food Vendor Application** and submit it to the Planning Department (zoning@sanfordnc.net or 919-718-4656) for review. There is a **\$25 fee, which is good for an entire calendar year!** Please also let Lee County Environmental Health know that you plan to operate in our county (envhealth@leecountync.gov or 919-718-4641).



WHAT ARE THE NEW REGULATIONS?

Mobile food vendors must:

- Be limited to one (1) mobile food unit per parcel/lot
- Park at least 15 feet away from fire hydrants
- Avoid parking in ADA handicap-accessible parking spaces
- Only operate between 6AM and 12AM (midnight)
- Provide adequate solid waste receptacles
- Refrain from dumping liquid waste or grease onto sidewalks, streets, storm drains, or tree pits.
- Use signs that comply with Article 11 of our Unified Development Ordinance
- Supply their own independent electrical source (generator, etc.)
- Remain in compliance with all NC DHHS health code regulations (specifically § 15A NCAC 18A.2670 regarding sanitary food handling regulations).

Town of Butner, NC

7.5.3 Specific regulations for certain temporary uses and structures.

(H) Food trucks.

- (1) Food trucks shall obtain a food truck permit from the town, which must be displayed on the rear bumper at all times.
- (2) Food trucks may not be operated on public property such as parks or plazas, parking lots, public street rights-of-way, or public sidewalks except as specifically authorized by the town or as part of an official public event sponsored or co-sponsored by the town.
- (3) The vendor shall provide evidence of having obtained any applicable permits from Granville-Vance Public Health and any other required governmental approvals, a North Carolina sales and use certificate for collecting and paying the proper sales taxes and prepared meals taxes, and a means for the disposal of grease within an approved grease disposal facility as part of their food truck application. All required town, county, and state permits and licenses shall be clearly displayed on the food truck.
- (4) Food trucks shall be located at least 15 feet from fire hydrants, utility boxes and vaults, and handicapped ramps.
- (5) Food trucks shall not impede parking or traffic or encroach upon fire lanes, vehicular access ways, or pedestrian walkways.
- (6) The food truck operator shall not make excessive noise or cause a nuisance that interferes with the peace and quiet of the surrounding area.
- (7) The food truck operator shall maintain the premises in a clean and orderly condition and shall not leave litter or other debris on the premises or in the surrounding area.
- (8) Food trucks are not permitted on vacant property, residential lots with the primary use being a single-family home, or a manufactured home on an individual lot.
- (9) Food trucks may only operate between the hours of 6:00 a.m. to midnight. Food trucks must be removed from all permitted locations during the hours when they are not permitted to be in operation, and may not be stored, parked, or left overnight on any public street or sidewalk.
- (10) If at any time, required permits are revoked by any other governmental agency, the town approval of the food truck permit shall be immediately revoked or suspended.

The Town of Mount Pleasant (SC) allows Mobile Food Vending as a Conditional Use (approved at staff level) in most of our commercial districts. We differentiate between Mobile Food Vending and Mobile Retail Vending. The Mobile Food Vending conditions follow:

(h) *Mobile food vending.*

1. A valid mobile vending permit issued by the Department of Planning, Land Use and Neighborhoods is required prior to setting up or selling merchandise. Permit certificates shall be attached to the mobile vending unit where they are readily visible, and shall include the current name, mailing address and valid phone number of the mobile food vending unit owner;
2. Permitted merchandise shall be limited to edibles, hot and cold beverages containing no alcohol, and items related to such merchandise;
3. Permission to operate must be obtained from the property representative;
4. No more than one mobile food vendor shall be allowed on any given lot at the same time without first obtaining a special events permit, except that there shall be no limit on the number of pushcart vendors occupying a particular lot, nor shall there be a limit on the number of pushcart vendors or vendors with small, tow-behind carts occupying a shopping center;
5. Required parking for the primary business(es) shall be minimally affected;
6. Signage shall be permitted on the vehicle only to identify the name of the product or the name of the vendor, and the posting of prices. A separate menu board is allowed, not exceeding 12 square feet in area and 40 inches height. This sign must be located on the same property as and within close proximity to the mobile vending unit, and should not be placed on the sidewalk or in the public right-of-way;
7. The mobile vendor shall only use single-service plates and utensils. Garbage and recycling receptacles must be made available for patron use and removed from the site daily by the vendor;
8. Vendors shall meet all applicable DHEC regulations for mobile food units and possess a valid DHEC permit where applicable;
9. Any mobile food vendor or vending unit that has been issued a notice of health violation by any department of the State of South Carolina, which remains uncorrected upon a subsequent inspection, shall have its mobile food vendor permit revoked;
10. All vendors must obtain from the town an appropriate, current business license;
11. No vendor shall:
 - a. Leave any vehicle unattended;
 - b. Store, park or leave any vehicle overnight on any street or sidewalk;
 - c. Leave from any location without first picking up, removing and disposing of all trash or refuse remaining from sales made by the vendor;
 - d. Solicit or conduct business with persons in motor vehicles;
 - e. Sell anything other than that for which a license to vend has been issued;
 - f. Sound or permit the sounding of any device that produces a loud and raucous noise, or use or operate any loudspeaker, public address system, radio, sound amplifier or similar device to attract the attention of the public;
 - g. Allow any item relating to the operation of the vending business to lean against or hang from any building or other structure lawfully placed on public property;
 - h. Change vending locations without first notifying the Planning Department and submitting the required permissions and site plan; and
 - i. Discharge fat, oil, grease, or waste water into the sanitary sewer system. All waste shall be properly stored and disposed of at a properly designated disposal location.
12. *Exemptions.* Catered events, special events, and mobile food vendors that fall under a peddler's permit.

Regular Agenda - Staff Report

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

Subject: Capital Loan 2025-2026 – bids and financing approval

Date: August 12, 2025

Information:

As a part of the 2025-2026 approved annual budget, the Town Council approved staff to proceed with soliciting bids for a Capital Loan to purchase vehicles and equipment requested and submitted within the annual budget. Those items for purchase total \$709,000 and included the following:

- Finance Software
- Police Vehicle
- Chipper Truck
- Dump Truck
- Snow Plows (2)
- Gator
- Mini Truck
- Backhoe
- Leak Detection System
- Water Valve

The Town publicly advertised and solicited bids on July 15th with all bids due by August 5th. We received a total of 7 qualified bids, with a low bid received from First National Bank with terms of 4 years at 3.45% interest.

Recommendation:

Staff recommends the Town Council approves the low bid received from First National Bank for a term of 4 years at 3.45% interest.

Attachments:

1. Term Sheet – First National Bank
2. Financing Calendar
3. Resolution – to accept financing and terms from First National Bank
4. Installment Financing Agreement
5. Bank RFP



August 5th, 2025

Town of Blowing Rock

Shane Fox: sfox@townofblowingrocknc.gov

Tasha Brown: tbrown@tobr.us

Paul C Jacobson: pjacobs@sandsanderson.com

Ashley L Anderson: aanderson@sandsanderson.com

Amy Vitner: avitner@firsttryon.com

Brandon DeCoste: bdecoste@firsttryon.com

We are pleased to express our interest in providing the Credit Facilities described herein. This Summary of Terms and Conditions does not constitute a commitment to lend on the part of First National Bank of Pennsylvania (“FNB” or the “Bank” or “Lender”), but only to summarize for discussion purposes the credit accommodations which we are interested in considering at this time. We at First National Bank appreciate the opportunity to review your banking needs.

The Summary of Terms and Conditions is delivered to you on the understanding that any of the terms of substance hereunder shall not be disclosed, directly or indirectly, to any other person except your officers, agents and advisors who are directly involved in the consideration of this matter unless prior written consent has been given by FNB.

Town of Blowing Rock Equipment Installment Financing Agreement

Project	Town of Blowing Rock 2025 Equipment Installment Financing Contract.
Borrower	Town of Blowing Rock, North Carolina (“Borrower”).
Guarantors	None.
Lender	First National Bank of Pennsylvania (“FNB” or “Lender”).
Credit Facility	\$709,000.00.
Purpose	The purpose of the loan is to finance the city’s proposed purchases under the 2025 Equipment Installment Financing Agreement as described in the Bid Request.
Tax Status	Bank Qualified, Tax-Exempt.
Rate	3.45% fixed rate.
Closing Date	August 26 th , 2025.
Rate Lock	September 5 th , 2025 – 30 days from the due date of the RFP.
Other Information	<ul style="list-style-type: none">• Loan terms noted above subject to being bank-qualified and tax-exempt under NCGS Section 265 (b)(3).• Borrower will have obtained any and all Local Government/Council Approvals needed to borrow the funds.• First National Bank requests the opportunity to discuss deposits, treasury, and other ancillary services with the Town Of Blowing Rock.
Maturity	August 1 st , 2029.
Amortization	4 years.

Repayment Payments of principal plus interest are to be made annually with the first payment due on August 1st, 2026. The amortization will be structured as proposed in the RFP with the following principal reductions:

Maturity Date	Principal
8/1/2026	169,000
8/1/2027	173,000
8/1/2028	180,000
8/1/2029	187,000
Total	709,000

Any outstanding principal and interest will be due at maturity.

Prepayment Prepayable in whole on any payment date without penalty.

Security Installment Purchase Contract with a security interest in the vehicles/equipment being financed with proceeds of the loan.

Covenants None.

Financial Reporting Audited financial statements due within 210 days of Borrower's fiscal year-end.

Fees None.

This Term Sheet is not a commitment to lend. As such, normal due diligence must be completed and deemed satisfactory. Appropriate credit approvals must also be obtained by the Lender. It is anticipated that if all due diligence is deemed satisfactory, credit approval is received, and all other conditions are met as required, Lender will proceed to documentation, with satisfactory documentation a definitive requirement. All terms and conditions of this Term Sheet shall only be disclosed to your officers, agents, and advisors.

The information contained herein is confidential, for the sole benefit of the proposed borrower and should not be shared with unrelated third parties without consent of the Bank. The proposed terms outlined above, in particular the interest rate and fees, will expire within 60 days from the date of this term sheet. Thank you for providing this opportunity to FNB. We look forward to working with you on this transaction.

Sincerely,

Ryan Postlethwait
Senior Vice President
postlethwaitr@fnb-corp.com
828-355-2203

Agreed and Accepted by the Town of Blowing Rock:

By: _____

Title: _____

Date: _____

TOWN OF BLOWING ROCK, NORTH CAROLINA
2025 INSTALLMENT FINANCING (EQUIPMENT)
FINANCING SCHEDULE

Jul-25							Aug-25						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4						1	2
6	7	8	9	10	11	12	3	4	5	6	7	8	9
13	14	15	16	17	18	19	10	11	12	13	14	15	16
20	21	22	23	24	25	26	17	18	19	20	21	22	23
27	28	29	30	31			24/31	25	26	27	28	29	30

DATE	TASK	RESPONSIBILITY
July 1	Distribute Draft of Bank RFP	FTA
July 15	Distribute Bank RFP to Banks	FTA
August 5	Bank Bids Due; Call to Select Winning Bank	Working Group
August 12	Town Council Adopts Approving Resolution; Approves Winning Bidder	T
August 14	Circulate Drafts of Closing Documents	BC
August 26	Closing	Working Group

Town Council typically meets 2nd Tuesday of each month

Responsibility Legend:

Role	Entity	Defined
Issuer	Town of Blowing Rock	"T"
Bond Counsel	Sands Anderson PC	"BC"
Financial Advisor	First Tryon Advisors	"FTA"
Bank Lender	TBD	"BL"
Bank Counsel	TBD	"LC"

A regular meeting of the Town Council of the Town of Blowing Rock, a municipal corporation of the State of North Carolina, was duly held on August 12, 2025, proper notice of such meeting having been given as required by North Carolina statute, and minutes of said meeting have been duly recorded in the minutes of the Town in accordance with law for the purpose of recording the minutes of said Town Council.

Present: _____

Absent: _____

Also Present: _____

* * * * *

Town Manager Fox introduced the following resolution, the title of which was read and a copy of which had been previously distributed to each member of the Town Council:

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN
INSTALLMENT FINANCING AGREEMENT AND RELATED DOCUMENTS IN
CONNECTION WITH THE FINANCING OF EQUIPMENT FOR THE TOWN OF
BLOWING ROCK, NORTH CAROLINA**

WHEREAS, the Town Council (the "Town Council") of the Town of Blowing Rock, North Carolina (the "Town") desires to finance the costs of acquiring vehicles and other equipment for Town municipal purposes (together, the "Equipment"), as more particularly described in the request for proposals (the "RFP") sent by the Town's financial advisor to financial institutions by executing and delivering an installment financing contract, as authorized under Section 160A-20 of the General Statutes of North Carolina; and

WHEREAS, in response to the RFP First National Bank (the "Lender") submitted a proposal to the Town dated August 5, 2025 (the "Lender's Proposal") pursuant to which the Lender will enter into an installment financing agreement with the Town in an amount of up to

\$709,000 to finance the Equipment and pay certain costs associated with the financing (the “**Installment Financing Agreement**”), to be secured by a lien on some or all of the Equipment for the benefit of the Lender; and

WHEREAS, the Installment Financing Agreement shall be for a term of less than five years and the Town is not included on the most recently published Unit Assistance List issued by the Department of State Treasurer and therefore the Installment Financing Agreement is not subject to approval by the North Carolina Local Government Commission.

NOW, THEREFORE, BE IT RESOLVED by the Town Council as follows:

1. There exists in the Town a need to finance the costs of the Equipment.
2. After due consideration, the Town Council accepts the Lender’s Proposal and has determined that the most efficient manner of financing the Equipment will be through entering into the Installment Financing Agreement between the Town and the Lender.
3. Pursuant to the Installment Financing Agreement, the Lender will advance an amount sufficient, together with any other available funds, to (i) pay the costs of the Equipment and (ii) pay certain financing costs associated therewith, and the Town will repay the advancement in installments, with interest thereon (the “**Installment Payments**”).
4. In order to provide for the financing of the Equipment and the payment of the financing costs associated therewith, the Town is hereby authorized to enter into the Installment Financing Agreement and receive an advancement pursuant thereto in the principal amount not to exceed \$709,000. The Town shall repay the advancement in installments due in the amounts and at the times set forth in the Installment Financing Agreement. The payments of the Installment Payments shall be designated as principal and interest as provided in the Installment Financing Agreement. The interest rate payable under the Installment Financing Agreement shall be 3.45%

per annum (subject to adjustment in certain events as may be provided in the Installment Financing Agreement), and the final Installment Payment due under the Installment Financing Agreement shall be less than five years from the date of the execution and delivery of the Installment Financing Agreement.

5. The Town Council hereby approves the Installment Financing Agreement in substantially the form presented at this meeting. The Mayor or Mayor Pro-Tem, the Town Manager and the Finance Director of the Town are each hereby authorized to execute and deliver the Installment Financing Agreement in substantially the form presented at this meeting and not inconsistent with the Lender's Proposal, containing such modifications as the person executing such documents, with the advice of counsel, shall approve, such execution to be conclusive evidence of approval by the Town Council of any such changes. The Town Clerk or any Deputy Town Clerk or Assistant Town Clerk is hereby authorized and directed to affix the corporate seal of the Town to the Installment Financing Agreement and to attest the same as may be required.

6. The Town Council believes that funds sufficient to make payment of all amounts payable under the Installment Financing Agreement can be obtained. While recognizing that it is not empowered to make any binding commitment to make such payments beyond the current fiscal year, the Town Council hereby states its intent to make annual appropriations for future fiscal years in amounts sufficient to make all such payments and hereby recommends that future Town Councils do likewise during the term of the Installment Financing Agreement. In accordance with Section 160A-20 of the General Statutes of North Carolina, no deficiency judgment may be rendered against the Town in any action for breach of any contractual obligation under the Installment Financing Agreement, and the taxing power of the Town is not and may not be pledged directly or indirectly to secure any moneys due under the Installment Financing Agreement.

7. The Chair or Vice Chair, the Town Manager, the Finance Director, the Town Attorney, the Clerk to the Town Council or any Deputy or Assistant Clerk to the Town Council, Sands Anderson PC as special counsel to the Town, and any other officers, agents and employees of the Town, are hereby authorized and directed to execute, deliver, and affix the corporate seal of the Town as needed, to such other agreements (including any escrow agreement as may be required by the Lender in relation to proceeds to be received under the Installment Financing Agreement), documents, instruments, closing certificates, tax certificates, opinions and other items of evidence and take such other actions as shall be deemed necessary or appropriate to consummate the transactions described above. The actions of the Town Manager and the Town Finance Officer in retaining the assistance of First Tryon as financial advisor for the Town and Sands Anderson PC as bond counsel for the Town to assist with the financing of the Equipment, including execution of an engagement agreement, are approved and ratified. Any such actions heretofore taken by such persons prior to the date hereof that is within the authority conferred herein is hereby ratified, confirmed and approved.

8. The Town covenants that it will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income of the recipient thereof for federal income tax purposes of the interest components of the Installment Payments. The Town acknowledges that the continued exclusion of interest on the Bond from the owner's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and covenants that it will comply with all the requirements of Section 148 of the Code, including the rebate requirements.

9. The Town Council, on behalf of the Town, intends for the Installment Financing Agreement to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code and Section 1.148-8 of the U.S. Treasury Regulations thereunder, which provides an exception from such rebate requirements, since the Installment Financing Agreement (1) is issued by the Town which is a governmental unit with general taxing powers, (2) no obligation which is a part of this Installment Financing Agreement issue is a private activity bond, (3) 95% or more of the net proceeds of the Installment Financing Agreement are to be used for local governmental activities of the Town, and (4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Town during the calendar year 2025 (and bonds issued by any subordinate entity of the Town) is not reasonably expected to exceed \$5,000,000 increased by the lesser of \$10,000,000 or so much as are attributable to the financing of the construction of public school facilities within the meaning of Section 148(f)(D)(vii) of the Code.

10. The Town Council, on behalf of the Town, certifies by this resolution that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$10,000,000 in “qualified tax-exempt obligations” (excluding private activity bonds) during the calendar year 2025 and will not designate (excluding any tax-exempt obligations deemed designated pursuant to the provisions of § 265(b)(3)(D)(ii) of the Code), or permit the designation by any of its subordinate entities of any tax-exempt obligations during the calendar year 2025 which would cause the \$10,000,000 limitation of Section 265(b)(3)(D) of the Code to be violated, and hereby designates the Installment Financing Agreement as “qualified tax-exempt obligations” for the purpose of § 265(b)(3) of the Code.

11. This resolution shall take effect immediately upon its adoption.

* * * * *

Upon motion of _____, and seconded by Council Member _____, the foregoing resolution entitled "RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE FINANCING OF EQUIPMENT FOR THE TOWN OF BLOWING ROCK, NORTH CAROLINA" was adopted by the following vote:

Ayes:

Noes: None

* * * * *

I, Hilari Hubner, Town Clerk for the Town of Blowing Rock, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Town Council for said Town at a regular meeting held on August 12, 2025, as it relates in any way to the adoption of the foregoing resolution and that said proceedings are to be recorded in the minutes of said Town Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Town this ____ day of August, 2025.

Hilari Hubner
Town Clerk
Town of Blowing Rock, North Carolina

[SEAL]

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

Tasha Brown
Finance Director
Town of Blowing Rock, North Carolina

INSTALLMENT FINANCING AGREEMENT

THIS INSTALLMENT FINANCING AGREEMENT (this "Agreement") is dated as of August __, 2025 and is between the **TOWN OF BLOWING ROCK, NORTH CAROLINA**, a public body of the State of North Carolina (the "Town"), and **FIRST NATIONAL BANK** (the "Lender").

RECITALS:

The Town has the power, pursuant to Section 160A-20 of the North Carolina General Statutes, to enter into installment contracts to finance the purchase of personal property and to secure its obligations under such contracts by security interests in all or a portion of the property purchased. This Agreement provides for the Lender to advance \$709,000 to the Town to enable the Town to acquire the Equipment (as defined below), and provides for securing the Town's obligations under this Agreement by creating certain security interests in favor of the Lender.

NOW THEREFORE, for and in consideration of the mutual promises in this Agreement, and other good and valuable consideration, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

"Additional Payments" means any of the Lender's reasonable and customary fees and expenses related to the transactions contemplated by this Agreement, any of the Lender's expenses (including reasonable attorneys' fees) in prosecuting or defending any action or proceeding in connection with this Agreement, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which the Lender is required to pay as a result of this Agreement, inspection and reinspection fees, and any other amounts payable by the Town (or paid by the Lender on the Town's behalf) as a result of its covenants under this Agreement (together with interest that may accrue on any of the above if the Town shall fail to pay the same, as set forth in this Agreement).

"Amount Advanced" has the meaning assigned in Section 2.02.

"Bond Counsel Opinion" means a written opinion (in form and substance acceptable to the Lender) of an attorney or firm of attorneys acceptable to the Lender.

"Business Day" means any day on which banks in the State are not by law authorized or required to remain closed.

"Closing Date" means the date on which this Agreement is first executed and delivered by the parties.

"Code" means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the County's obligations under this Agreement and all proposed (including temporary) regulations which, if adopted in the form proposed, would apply to such obligations. Reference to any specific Code provision shall be deemed to include any successor provisions thereto.

"Equipment" has the meaning assigned in Section 2.03, and is generally expected to include the personal property described in Exhibit A.

"Event of Default" means one or more events of default as defined in Section 6.01.

"Event of Nonappropriation" means any failure by the Governing Council to adopt, by the first day of any Fiscal Year, a budget for the Town that includes an appropriation for Required Payments as contemplated by Section 3.05.

"Finance Officer" means the Town officer from time to time charged with preparing the Town's draft budget as initially submitted to the Governing Board for its consideration.

"Fiscal Year" means the Town's fiscal year beginning July 1 or such other fiscal year as the Town may later lawfully establish.

"Governing Council" means the Town's governing board as from time to time constituted.

"Installment Payments" means the payments payable by the Town pursuant to Section 3.01.

"Net Proceeds," when used with respect to any amounts derived from claims made on account of insurance coverages required under this Agreement, any condemnation award arising out of the condemnation of all or any portion of the Equipment, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds thereof all expenses (including reasonable attorneys' fees and costs) incurred in the collection of such proceeds, and after reimbursement to the Town or the Lender for amounts previously expended to remedy the event giving rise to such payment or proceeds.

"Payment Dates" means the dates indicated in Exhibit B.

"Required Payments" means Installment Payments and Additional Payments.

"Section 160A-20" means Section 160A-20 of the North Carolina General Statutes, as amended, or any successor provision of law.

"Security Property" means the Equipment.

"State" means the State of North Carolina.

"Town" means the Town of Blowing Rock, North Carolina.

"Town Representative" means the Town's Finance Director or such other person or persons at the time designated, by a written certificate furnished to the Lender and signed on the Town's behalf by the presiding officer of the Town's Governing Town Council, to act on the Town's behalf for any purpose (or any specified purpose) under this Agreement.

"UCC" means the Uniform Commercial Code or any successor law as in effect from time to time in the State, currently Chapter 25 of the North Carolina General Statutes.

All references in this Agreement to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Agreement. The words "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

ARTICLE II

SECURITY PROVIDED BY THIS AGREEMENT; ADVANCE

2.01. Security for Payment and Performance. This Agreement secures the Town's payment, as and when the same shall become due and payable, of all Required Payments and the Town's timely compliance with all terms, covenants and conditions of this Agreement.

2.02. Advance. The Lender advances \$709,000 (the "Amount Advanced") to the Town on the Closing Date, and the Town hereby accepts the Amount Advanced from the Lender. All of the Amount Advanced and all investment earnings thereon, if any shall be used only for acquisition of the Equipment and costs of issuing and delivering this Agreement (the "Project Costs"). The Amount Advanced shall be distributed on the Closing Date by wire transfer in accordance with the Closing Memorandum prepared by the Town's Financial Advisor, including (a) transfer of the amount of \$ _____ to an account of the Town established at North Carolina Capital Management Trust (the "2025 Equipment Project Account") and (b) transfer of amounts by wire transfer to pay costs of issuance related to this Agreement. The Town shall withdraw funds from the 2025 Equipment Project Account for Project Costs only after submitting a requisition to the Lender in the form attached hereto as Exhibit C (the Requisition Form") and receiving Lender's written approval on the Requisition Form to such withdrawal.

2.03. Security Agreement.

(a) This Agreement is intended as and constitutes a security agreement pursuant North Carolina law with respect to all property acquired by the Town with funds advanced by the Lender pursuant to this Agreement, all personal property obtained in substitution or replacement therefor, and all personal property obtained in substitution or replacement for any portion of the Security Property, and all proceeds of the foregoing, including insurance proceeds (collectively, the "Equipment").

The Town hereby grants to the Lender a security interest in the Equipment to secure the Required Payments.

(b) The Town shall cause Equipment title documents to reflect the security interests granted herein and, if requested by the Lender, to execute, deliver and file, or cause to be filed, in such place or places as may be required by law, financing statements (including any continuation statements required by the UCC or requested by the Lender) in such form as the Lender may reasonably require to perfect and continue the security interest in the Equipment.

2.04. Town's Limited Obligation. (a) THE PARTIES INTEND THAT THIS TRANSACTION COMPLY WITH SECTION 160A-20. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE TOWN'S FAITH AND CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS AN IMPROPER DELEGATION OF GOVERNMENTAL POWERS OR AS A DONATION OR A LENDING OF THE TOWN'S CREDIT WITHIN THE MEANING OF THE STATE CONSTITUTION. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE TOWN IN VIOLATION OF SECTION 160A-20. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Town's moneys (other than the funds held under this Agreement), nor shall any provision of this Agreement restrict the future issuance of any of the Town's bonds or obligations payable from any class or source of the Town's moneys (except to the extent this Agreement restricts the incurrence of additional obligations secured by the Security Property). To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

(b) Nothing in this Section is intended to impair or prohibit execution on the Security Property if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Agreement.

2.05. Town's Continuing Obligations. The Town shall remain liable for full performance of all its covenants under this Agreement (subject to the limitations described in Section 2.04), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

- (a) The Lender's waiver of any right granted or remedy available to it;
- (b) The forbearance or extension of time for payment or performance of any obligation

under this Agreement, whether granted to the Town, a subsequent owner of the Equipment or any other person;

- (c) The release of all or part of the Security Property or the release of any party who assumes all or any part of such performance;
- (d) Any act or omission by the Lender (but this section provision does not relieve the Lender of any of its obligations under this Agreement);
- (e) The sale of all or any part of the Security Property; or
- (f) Another party's assumption of the Town's obligations under this Agreement.

ARTICLE III

TOWN'S PAYMENT OBLIGATION AND RELATED MATTERS

3.01. Installment Payments. The Town shall repay the Amount Advanced by making Installment Payments to the Lender in lawful money of the United States at the times and in the amounts set forth in Exhibit B, except as otherwise provided in this Agreement. As indicated in Exhibit B, the Installment Payments reflect the repayment of the Amount Advanced and include designated interest components.

3.02. Additional Payments. The Town shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

3.03. Prepayment. The Town may prepay the outstanding principal component of the Amount Advanced, at its option, on any Payment Date by payment of an amount equal to such outstanding principal amount plus interest thereon accrued to such date of prepayment.

3.04. [Reserved]

3.05. Appropriations. (a) The Finance Officer shall include in the initial proposal for each of the Town's annual budgets the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies. Notwithstanding that the Finance Officer includes such an appropriation for Required Payments in a proposed budget, the Governing Council may determine not to include such an appropriation in the Town's final budget for such Fiscal Year.

(b) The Finance Officer shall deliver to the Lender, within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the Installment Payments and estimated Additional Payments coming due during the next Fiscal Year has been appropriated by the Town in such budget for such purposes. If such amount has not been so appropriated, the Finance Officer shall send by U.S. mail, postage prepaid, a copy of such certificate to the LGC, to the attention of its Secretary, at 3200 Atlantic Avenue, Raleigh NC 27604.

(c) The actions required of the Town and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every Town official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Town to carry out and perform the actions required pursuant to this Section and the remainder of this Agreement to be carried out and performed by the Town.

(d) The Town reasonably believes that it can obtain funds sufficient to pay all Required Payments when due.

3.06. No Abatement. There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Equipment, except as expressly provided in this Agreement. The Town assumes and shall bear the entire risk of loss and damage to the Equipment from any cause whatsoever. The Installment Payments shall be made in all events unless the Town's obligation to make Installment Payments is terminated as otherwise provided in this Agreement.

ARTICLE IV

TOWN'S COVENANTS, REPRESENTATIONS AND WARRANTIES

4.01. Indemnification. To the extent permitted by law, the Town shall indemnify, protect and save the Lender and its officers and directors harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including reasonable attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Security Property or the transactions contemplated by this Agreement, including without limitation the possession, condition or use of the Equipment. The indemnification arising under this Section shall survive the Agreement's termination.

4.02. Covenant as to Tax Exemption. (a) The Town shall not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Agreement to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which such components would otherwise be entitled. If the Town should take or permit, or omit to take or cause to be taken, any such action, the Town shall take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

(b) In particular, the Town covenants that it shall not permit the Amount Advanced, plus the investment earnings thereon (the "Proceeds"), to be used in any manner that would result in 5% or more of the Installment Payments being directly or indirectly secured by an interest in property, or derived from payments in respect of property or borrowed money, being in either case used in a trade or business carried on by any person other than a governmental Town, as provided in Code

Section 141(b), or result in 5% or more of the Proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental Town, as provided in Code Section 141(c); provided, however, that if the Town receives a Bond Counsel Opinion that compliance with any such covenant is not required to prevent the interest components of Installment Payments from being includable in the counterparty's gross income for federal income tax purposes under existing law, the Town need not comply with such covenant.

(c) Unless the Town qualifies for one or more exceptions to the arbitrage rebate requirement with respect to this financing, the Town shall provide for the rebate to the United States of (i) at least 90% of the required rebate amount (A) on or before 60 days after the date that is five years from the Closing Date, and (B) at least once during each five years thereafter while the Obligations remain outstanding, and (ii) the entire required rebate amount on or before 60 days after the date of final payment of the Obligations. Payments shall be made in the manner prescribed by the Internal Revenue Service. The Town shall cause the required rebate amount to be recomputed as of each fifth anniversary of the Closing Date, and again as of the date of final payment of the Obligations. The Town shall provide the Lender with a copy of the results of such computation within 20 days after the end of each computation period or final payment of the Obligations. Each computation shall be prepared or approved, at the Town's expense, by a person with experience in matters of accounting for federal income tax purposes, a bona fide arbitrage rebate calculating and reporting service, or nationally-recognized bond counsel, in any case reasonably acceptable to the Lender. The Town shall engage such rebate consultant to perform the necessary calculations not less than 60 days prior to the date of the required payment.

(d) The Town acknowledges that its personnel must be familiar with the arbitrage rebate rules, because the tax-exempt status of the interest on the Obligations depends upon continuing compliance with such rules. The Town therefore covenants to take all reasonable action to assure that Town personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

4.03. Validity of Organization and Acts. The Town is validly organized and existing under State law, has full power to enter into this Agreement and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of this Agreement. This Agreement is a valid, legal and binding obligation of the Town.

4.04. Maintenance of Existence. The Town shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the Town's obligations under this Agreement.

4.05. Acquisition of Permits and Approvals. All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the Town's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the acquisition of the Equipment have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

4.06. No Breach of Law or Contract. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement, (a) to the best of the Town's knowledge, constitutes a violation of any provision of law governing the Town or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the Town is a party or by which the Town is bound.

4.07. No Litigation. There is no litigation or any governmental administrative proceeding to which the Town (or any official thereof in an official capacity) is a party that is pending or, to the best of the Town's knowledge after reasonable investigation, threatened with respect to (a) the Town's organization or existence, (b) its authority to execute and deliver this Agreement or to comply with the terms of this Agreement, (c) the validity or enforceability of this Agreement or the transactions contemplated by this Agreement, (d) the title to office of any Governing Council member or any other Town officer, (e) any authority or proceedings relating to the Town's execution or delivery of this Agreement, or (f) the undertaking of the transactions contemplated by this Agreement.

4.08. No Current Default or Violation. (a) The Town is not in violation of any existing law, rule or regulation applicable to it, (b) the Town is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the Town is a party or by which it is bound or to which any of its assets are subject, including this Agreement, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Agreement, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

4.09. No Misrepresentation. No representation, covenant or warranty by the Town in this Agreement is false or misleading in any material respect.

4.10. Environmental Warranties and Indemnification. (a) The Town warrants and represents to the Lender that, to the best of the Town's knowledge after thorough investigation, the Equipment is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials.

(b) The Town covenants that the Equipment shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in connection with the normal maintenance and operation of the Equipment, and the Town shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the Town or any lessee, the release of Hazardous Materials onto the Equipment or suffer the presence of Hazardous Materials on the Equipment, except in connection with the normal maintenance and operation of the Equipment.

(c) The Town shall comply with, and ensure compliance by all users and lessees with, all applicable federal, State and local laws, ordinances, rules and regulations with respect to Hazardous Materials and shall keep the Equipment free and clear of any liens imposed pursuant to such laws, ordinances, rules and regulations. If the Town receives any notices from any

governmental agency or any lessee with regard to Hazardous Materials on, from or affecting the Equipment, the Town shall immediately notify the Lender. The Town shall conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Equipment in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and policies and to the Lender's satisfaction.

(d) "Hazardous Materials" means any explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, asbestos or any materials containing asbestos, or any other substance or material as defined by any federal, State or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. sections 9601 *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. sections 1801 *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. sections 9601 *et seq.*), and the regulations adopted and publications promulgated pursuant thereto.

(e) To the extent permitted by law, the Town shall indemnify and hold the Lender harmless from and against (i) any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against the Lender as a direct or indirect result of any warranty or representation made by the Town in subsections (a) through (c) above being false or untrue in any material respect, or (ii) any requirement under any law, regulation or ordinance, local, State or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by the Lender or the Town or any transferee or assignee the Lender or the Town.

(f) The Town's obligations under this Section shall continue in full force and effect notwithstanding full payment of the Required Payments or execution on the security interests created under this Agreement.

4.11. Further Instruments. Upon the Lender's request, the Town shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by the Lender to carry out more effectively the purposes of this Agreement or any other document related to the transactions contemplated by this Agreement, and to subject to the liens and security interests hereof and thereof all or any part of the Security Property intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to the date of this Agreement.

4.12. The Lender's Advances for Performance of Town's Obligations. If the Town fails to perform any of its obligations under this Agreement, the Lender is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by the Lender (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Security Property, and any associated legal or other expenses), shall be secured as Additional Payments under this Agreement. The Town promises to pay all such amounts to the Lender immediately upon demand.

4.13. Equipment Will Be Used and Useful. The acquisition of the Equipment is necessary and expedient for the Town, and will perform essential functions of the Town appropriate for units of local government. The Town has an immediate need for, and expects to make immediate use of, all of the Equipment, and does not expect such need or use to diminish in any material respect during the term of the Agreement. The Equipment will not be used in any private business or put to any private business use.

4.14. Financial Information. (a) The Town shall send to the Lender a copy of the Town's audited financial statements for each Fiscal Year within 30 days of the Town's acceptance of such statements, but in any event within 120 days of the completion of such Fiscal Year.

(b) The Town shall furnish the Lender, at such reasonable times as the Lender shall request, all other financial information (including, without limitation, the Town's annual budget as submitted or approved) as the Lender may reasonably request. The Town shall permit the Lender or its agents and representatives to inspect the Town's books and records and make extracts therefrom.

4.15. Taxes and Other Governmental Charges. The Town shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Agreement. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Town shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the Agreement term. The Town shall not allow any liens for taxes, assessments or governmental charges with respect to the Security Property or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Security Property or any portion thereof which, if not paid, will become a charge on any interest in the Security Property, including the Lender's interest, or the rentals and revenues derived therefrom or hereunder).

4.16. Town's Insurance. (a) The Town shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all Equipment in an amount equal to the estimated replacement cost of the Equipment. Such property damage insurance shall include the Lender as a loss payee. The Town shall provide evidence of such coverage to the Lender promptly upon acquisition of the Equipment. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 5.15.

(b) The Town shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance in an amount not less than \$1,000,000 for personal injury or death and \$1,000,000 for property damage.

(c) The Town shall also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the Town against liability for compensation under applicable State law as in effect from time to time.

(d) All insurance shall be maintained with generally recognized responsible insurers and may carry reasonable deductible or risk-retention amounts. All such policies shall be deposited with the Lender, provided that in lieu of such policies there may be deposited with the Lender a certificate or certificates of the respective insurers attesting the fact that the insurance required by this Section is in full effect. Prior to the expiration of any such policy, the Town shall furnish the

Lender evidence satisfactory to the Lender that the policy has been renewed or replaced or is no longer required by this Agreement.

(e) No Town agent or employee shall have the power to adjust or settle any property damage loss greater than \$50,000 with respect to the Equipment, whether or not covered by insurance, without the Lender's prior written consent.

(f) The Lender shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Lender.

(g) The Town shall deliver to the Lender annually by June 30 of each year a certificate stating that the risk coverages required by this Agreement are in effect, and stating the carriers, policy numbers, coverage limits and deductible or risk-retention amounts for all such coverages.

ARTICLE V

THE EQUIPMENT

5.01. Acquisition. The Town shall comply with the provisions of Article 8 of Chapter 143 of the North Carolina General Statutes, accept all portions of the Equipment when properly delivered, and thereafter promptly place each such portion in service.

5.02. Changes in Location. The Town shall promptly inform the Lender if any component of the Equipment shall be moved from the location designated for garaging of such Equipment at the time of its acquisition if such location is outside the Town.

5.03. Acquisition within Funds Available. The Town represents that, based upon its examination of the plans and specifications for the Equipment, the Equipment can be acquired for a total price within the total amount of funds to be available under this Agreement, income anticipated to be derived from the investment thereof (if any) and other funds previously identified and designated for such purposes. If the total amount available for such purposes shall be insufficient to pay the entire cost of acquiring the Equipment, the Town promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the Town under this Agreement.

5.04. Disclaimer of Warranties. The Town agrees that the Lender has not designed the Equipment, that the Lender has not supplied any plans or specifications with respect thereto and that the Lender (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar Equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition and equipping thereof, (c) has not at any time had physical possession of the Equipment or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment

or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Town intends therefor, or (iii) is safe in any manner or respect.

THE LENDER MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Equipment's ability to perform any function; that the Amount Advanced will be sufficient to pay all costs of the acquisition of the Equipment; or any other characteristic of the Equipment; it being agreed that the Town is to bear all risks relating to the Equipment and the transactions contemplated by this Agreement, and the Town hereby waives the benefits of any and all implied warranties and representations of the Lender.

The provisions of this Section shall survive the Agreement's termination.

5.05. Right of Entry and Inspection. The Lender and its representatives and agents shall have the right to enter upon the Town's property and inspect the Equipment from time to time, and the Town shall cause any vendor, contractor or sub-contractor to cooperate with the Lender and its representatives and agents during such inspections.

No right of inspection or approval granted in this Section shall be deemed to impose upon the Lender any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by the Lender shall be deemed to impose upon the Lender any duty or obligation whatsoever to identify or correct any defects in the Equipment or to notify any person with respect thereto, and no liability shall be imposed upon the Lender, and no warranties (either express or implied) are made by the Lender as to the quality or fitness of any improvement, any such inspection and approval being made solely for the Lender's benefit.

5.06. Compliance with Requirements. (a) The Town shall observe and comply promptly with all current and future requirements relating to the Equipment's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Equipment or any portion thereof or (ii) any insurance company writing a policy covering the Equipment or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Equipment.

(b) The Town shall obtain and maintain in effect all licenses and permits required for the Equipment's operation.

(c) The Town shall in no event use the Equipment or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Equipment or any part thereof, nor any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or violable any insurance then in force with respect

thereto.

5.07. Use and Operation. The Town shall use and operate the Equipment and related property as vehicles for Town use, and for no other purpose unless required by law. The Town shall be solely responsible for the Equipment's operation, and shall not contract with any other person or entity for the Equipment's operation.

5.08. Maintenance and Repairs; Additions. (a) The Town shall keep the Equipment in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Equipment might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The Town may, also at its own expense, make from time to time any additions, modifications or improvements to the Equipment that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Equipment. The Town shall do, or cause to be done, all such things as may be required by law in order fully to protect the security of and all the Lender's rights under this Agreement.

(c) Any and all additions to or replacements of the Equipment and all parts thereof shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the "Equipment" for the purposes of this Agreement.

(d) Notwithstanding the provisions of subsection (c) above, however, the Town may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Equipment. All such property shall remain the Town's sole property in which the Lender shall have no interest; provided, however, that any such property which becomes permanently affixed to the Equipment shall be subject to the lien and security interest arising under this Agreement if the Lender shall reasonably determine that the Equipment would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

5.09. Security. The Town shall take all reasonable steps necessary to safeguard the Equipment against theft. The security afforded the Equipment shall at all times be equal to or better than the security afforded the Town's personal property that is not subject to this Agreement.

5.10. Utilities. The Town shall pay all charges for utility services furnished to or used on or in connection with the Equipment.

5.11. Risk of Loss. The Town shall bear all risk of loss to and condemnation of the Equipment.

5.12. Condemnation. The Town shall immediately notify the Lender if any governmental authority shall institute, or shall notify the Town of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Equipment or any interest therein under the power of eminent domain, or if there shall be any damage to the Equipment due to governmental

action, but not resulting in a taking of any portion of the Equipment. The Town shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to the Lender, and to the extent permitted by law hereby irrevocably authorizes and empowers the Lender, in the Town's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the Town receives any Net Proceeds arising from any such action, the Town shall apply such Net Proceeds as provided in Section 5.15.

5.13. Title. Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall at all times be in the Town, subject to the lien of this Agreement. Upon the Town's payment in full of all Required Payments, the Lender, at the Town's expense and request, shall cancel this Agreement.

5.14. No Encumbrance, Mortgage or Pledge of Equipment.

(a) The Town shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Equipment. The Town shall promptly, at its own expense, take such action as may be duly necessary to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

(b) The Town shall reimburse the Lender for any expense incurred by the Lender to discharge or remove any such mortgage, pledge, lien, security interest, encumbrance or claim.

5.15. Damage and Destruction; Use of Net Proceeds. (a) The Town shall promptly notify the Lender if (i) the Security Property or any portion thereof is stolen or is destroyed or damaged by fire or other casualty, (ii) a material defect in the Equipment shall become apparent, or (iii) title to or the use of all or any portion of the Equipment shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking.

(b) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is not more than \$50,000, the Town shall retain such Net Proceeds and apply the same to the prompt completion, repair or restoration of the Equipment, and shall promptly thereafter report to the Lender regarding the use of such Net Proceeds.

(c) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is more than \$50,000, then the Town shall cause such Net Proceeds to be paid to an escrow agent (which shall be a bank, trust company or similar entity exercising fiduciary responsibilities) or deposit in a special escrow fund to be held by such escrow agent. The Town shall thereafter provide for the application of all Net Proceeds to the prompt completion, repair or restoration of the Equipment, as the case may be. The escrow agent shall disburse Net Proceeds for the payment of such costs upon receipt of requisitions therefor. If the Net Proceeds shall be insufficient to pay in full the cost of completion, repair or restoration, the County shall either (i) complete the work and pay any cost in excess of the Net Proceeds, or (ii) not carry out such completion, repair or restoration, and instead apply the Net Proceeds, together with other available

funds as may be necessary, to the prepayment of all outstanding Required Payments pursuant to Section 3.03.

(d) Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of Net Proceeds shall be the Town's property and shall be part of the Equipment.

ARTICLE VI

DEFAULTS AND REMEDIES; EXECUTION

6.01. Events of Default. An "Event of Default" is any of the following:

(a) The Town's failing to make any Installment Payment when due.

(b) The occurrence of an Event of Nonappropriation.

(c) The Town's breaching or failing to perform or observe any term, condition or covenant of this Agreement on its part to be observed or performed, other than as provided in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the Town by the Lender, unless the Lender shall agree in writing to an extension of such time prior to its expiration.

(d) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the Town as a debtor, or the appointment of a receiver, custodian or similar officer for the Town or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.

(e) Any warranty, representation or statement made by the Town in this Agreement is found to be incorrect or misleading in any material respect on the Town Date (or, if later, on the date made).

(f) Any lien, charge or encumbrance prior to the security interest created under Section 2.03, or affecting the validity of the Agreement, is found to exist, or proceedings are instituted against the Town to enforce any lien, charge or encumbrance against the Equipment and such lien, charge or encumbrance would be prior to the lien of this Agreement.

6.02. Remedies on Default. Upon the continuation of any Event of Default, the Lender may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments immediately due and payable;

(b) Proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof;

(c) Avail itself of all available remedies under this Agreement, including execution as provided in Section 6.03, and recovery of reasonable attorneys' fees and other expenses.

Notwithstanding any other provision of this Agreement, the Town and the Lender intend to comply with Section 160A-20. No deficiency judgment may be entered against the Town in violation of Section 160A-20.

6.03. Execution on Personal Property. Upon the continuation of any Event of Default and in addition to all other remedies granted in this Agreement, the Lender shall have all the rights and remedies of a secured party under the applicable law of the State of North Carolina and may proceed to execute upon the Security Property.

6.04. Possession of Equipment. After a foreclosure sale, the Town shall immediately lose the right to possess, use and enjoy the Equipment (but may remain in possession of the Equipment as a lessee at will of the Lender), and thereupon the Town (a) shall pay monthly in advance to the Lender a fair and reasonable rental value for the use and possession of the Equipment (in an amount the Lender shall determine in its reasonable judgment), and (b) upon the Lender's demand, shall deliver possession of the Equipment to the Lender or, at the Lender's direction, to any purchaser of the Equipment after an execution sale.

In addition, upon the continuation of any Event of Default, the Lender, to the extent permitted by law, is hereby authorized to (i) take possession of the Equipment, with or without legal action, (ii) lease the Equipment, (iii) collect all rents and profits therefrom, with or without taking possession of the Equipment, and (iv) after deducting all costs of collection and administration expenses, apply the net rents and profits first to the payment of necessary maintenance and insurance costs, and then to the Town's account and in reduction of the Town's corresponding Required Payments in such fashion as the Lender shall reasonably deem appropriate. The Lender shall be liable to account only for rents and profits it actually receives.

6.05. No Remedy Exclusive; Delay Not Waiver. All remedies under this Agreement are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by the Lender, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Agreement.

6.06. Payment of Costs and Attorney's Fees. If the Lender employs an attorney to assist in the enforcement or collection of Required Payments, or if the Lender voluntarily or otherwise shall become a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Equipment, to protect the lien of this Agreement, to enforce collection of the Required Payments or to enforce compliance by the Town with any of the provisions of this Agreement, the Town agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs shall be secured as Required Payments.

ARTICLE VII

MISCELLANEOUS

7.01. Notices. (a) Any communication required or permitted by this Agreement must be in writing.

(b) Any communication under this Agreement shall be sufficiently given and deemed given when delivered by hand or five days after being mailed by first-class mail, postage prepaid, addressed as follows:

(i) If to the Town, to Shane Fox, Manager, 1036 Main Street, P.O. Box 47, Blowing Rock, NC 28605

(ii) If to the Lender, to _____, _____, _____, _____, _____, Attention: _____

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

7.02. No Assignments by Town. The Town shall not sell or assign any interest in this Agreement.

7.03. Assignments by the Lender. The Lender may, at any time and from time to time, assign all or any part of its interest in the Security Property or this Agreement, including, without limitation, the Lender's rights to receive Required Payments. Any assignment made by the Lender or any subsequent assignee shall not purport to convey any greater interest or rights than those held by the Lender pursuant to this Agreement. Any assignment by the Lender may be only to a bank, insurance company, or similar financial institution.

The Town agrees that this Agreement may become part of a pool of obligations, and the Lender or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement, but only if such certificates are sold only to a bank, insurance company, or similar financial institution. The Lender or its designees may assign or reassign either this entire contract or a partial interest herein, subject to the foregoing restrictions. Notwithstanding the foregoing, no assignment or reassignment of the Lender's interest in the Equipment or this Agreement shall be effective unless and until the Town shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each such assignee.

The Town further agrees that the Lender's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Agreement, provided the Town receives a copy of such agency contract and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

The Town agrees to execute any document reasonably required in connection with any

assignment. Any assignor must provide notice of any assignment to the Town, and the Town shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the Town shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

7.04. Amendments. No term or provision of this Agreement may be amended, modified or waived without the prior written consent of the Town and the Lender.

7.05. Governing Law. The Town and the Lender intend that State law shall govern this Agreement.

7.06. Liability of Officers and Agents. No officer, agent or employee of the Town 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 by this Agreement. Such officers or agents shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, agent or employee of the County from the performance of any official duty provided by law.

7.07. Severability. If any provision of this Agreement shall be determined to be unenforceable, that shall not affect any other provision of this Agreement.

7.08. 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.

7.09. Entire Agreement. This Agreement constitutes the Town's entire agreement with respect to the general subject matter covered by this Agreement.

7.10. Binding Effect. Subject to the specific provisions of this Agreement, and in particular Section 7.03, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have duly signed, sealed and delivered this Agreement by duly authorized officers, all as of the date first above written.

(SEAL)

ATTEST:

**TOWN OF BLOWING ROCK,
NORTH CAROLINA**

Town Clerk

By: Shane Fox
Town Manager

By: _____
Printed Name: _____
Title: _____

[Signature Page- Financing Agreement between Town of Blowing Rock, North Carolina, and First National Bank]

EXHIBIT A -- EQUIPMENT DESCRIPTION

Finance Software (Smart Fusion)
1 Police SUV with Lights, Graphics, Cameras
Upfit 1 - in car radio
Chipper Truck
2-Ton Dump Truck
2 Snow Plows
Cameras for Fleet Trucks
Kubota Gator
Mini Truck
Finished Water Valve Installation
Backhoe with Hammer
Leak Detection System (20 sensors, system)
Truck – for water and sewer field operations

EXHIBIT B -- PAYMENT SCHEDULE

See attached

EXHIBIT C – FORM OF REQUISITION

Attn: _____

() _____; _____@_____ .com

Amount Requested: \$ _____

Total Disbursements to Date: \$ _____

Requisition No.: _____

1. The undersigned officer or official of the Town of Blowing Rock, North Carolina (the "Town"), hereby requests _____ (the "Lender") to approve the amount specified above for the payment or reimbursement of costs of Equipment described below from the Town's 2025 Equipment Project Account at North Carolina Capital Management Trust (the "Project Account") in accordance with the requirements of the Installment Financing Agreement dated as of August __, 2025 between the Town and the Lender (the "IFA").

2. The Purchaser hereby certifies that:

(a) each obligation listed herein has been properly incurred, is a proper charge against the Project Account and has not been the basis of any previous disbursement;

(b) insurance requirements of the IFA have been complied with and such coverage is in force;

(c) as of the date of this Requisition no Event of Default or Event of Nonappropriation, if any, as such terms are defined in the IFA has occurred and is continuing and no event which with notice or lapse of time, or both, has occurred and is continuing which would constitute such Event of Default or Event of Nonappropriation; and

3. The equipment subject to this Requisition is described below. Relevant invoices and purchase orders are attached hereto.

Town of Blowing Rock, North Carolina

By: _____

Name: _____

Title: _____

Date: _____

Approved by Lender:

By: _____

Name: _____

Title: _____

Date: _____

\$709,000*
Town of Blowing Rock, North Carolina
2025 Installment Financing Contract (Equipment)

The Town of Blowing Rock, North Carolina (the “Town”), is requesting proposals from financial institutions with respect to an up to \$709,000* Installment Financing Contract (the “2025 Contract”), proceeds of which will be used to fund the cost of acquiring various equipment and to pay related financing costs.

Your response to the RFP would be greatly appreciated. The following key assumptions are to be utilized in preparing your proposal:

Issuer: Town of Blowing Rock, North Carolina

Use of Proceeds: The proceeds of the 2025 Contract will be used 1) to pay the costs of acquiring various equipment, as detailed below and 2) to pay the costs of issuance.

Department	Item	Amount
Admin/Finance	Finance Software (Smart Fusion)	\$ 45,000
Police	1 Police SUV with Lights, Graphics, Cameras	85,554
Police	Upfit 1 - in car radio	12,000
PW - Street	Chipper Truck	65,000
PW - Street	2-Ton Dump Truck	110,000
PW - Street	2 Snow Plows	24,000
PW - Street	Cameras for Fleet Trucks	14,000
Landscaping	Kubota Gator	30,000
Landscaping	Mini Truck	30,000
W/S - Plant Ops	Finished Water Valve Installation	45,000
W/S - Field Ops	Backhoe with Hammer	141,000
W/S - Field Ops	Leak Detection System (20 sensors, system)	33,000
W/S - Field Ops	Truck	44,000
	Issuance Costs / Contingency	30,446
Total		\$ 709,000

Tax Treatment: Tax-Exempt

Bank Qualified: Yes

Financial Advisor: First Tryon Advisors

Audit: The Town’s latest audited financial statements are available from the Town’s website using the following link:

[Blowing Rock Audits](#)

Security: The 2025 Contract will be secured by granting a security interest in the equipment financed by the proceeds of the 2025 Contract. The Town’s obligation to pay the debt service under the 2025 Contract will be subject to annual appropriation by the Town Council. The taxing power of the Town will not be pledged to secure repayment.

Rating: No rating is expected to be obtained for the 2025 Contract. The Town currently maintains a General Obligation credit rating of AA+ from S&P Global.

Issue Size: Estimated to be \$709,000*

First Tryon Advisors

*Preliminary; Subject to Change

1

Interest Rate: The interest rate shall be fixed for the entire term and will not be subject to adjustment due to changes in the tax code or bank capital requirements.

Interest Payments: Annual interest payments on August 1 commencing August 1, 2026, calculated on a 30/360 basis.

Principal Amortization: The following amortization schedule has been provided below and should be used in preparation of your bid. Please provide a fixed interest rate. Please note that this schedule is preliminary and subject to change.

Maturity Date	Principal
8/1/2026	169,000
8/1/2027	173,000
8/1/2028	180,000
8/1/2029	187,000
Total	709,000

Note: Preliminary, subject to change

Optional Redemption: The Town is seeking flexibility with respect to redemption provisions. Please specify the redemption structure(s) that would provide the Town with flexibility at the lowest cost of funds. Proposals with multiple redemption options are permitted.

Closing: Closing is anticipated to take place on August 26, 2025. The Town requests bidders to hold their bid for a minimum of 30 days.

Ongoing Disclosure: The Town will provide its audit to the purchaser of the 2025 Contract annually within 210 days of the end of the fiscal year.

Closing Costs: Disclose any additional costs or fees, including origination fees or counsel fees. The Town may not consider any fees not disclosed within your proposal.

Annual/Ongoing Costs: None expected to be paid to or on behalf of the bank. Please specify any exceptions.

Increased Cost: The Town will not consider any proposals that include future interest rate adjustments relating to the bank's increased costs, changes in tax rate, capital adequacy, capital requirements, etc.

Documentation: Bond Counsel to the Town, Sands Anderson PC, will draft the financing documents. By submitting a proposal, the financial institution shall waive any conflict of interest with respect to Sands Anderson PC serving as Bond Counsel to the Town.

Loan Treatment: By submitting a bid in response to this RFP, each bidder acknowledges and represents to the Town and its Financial Advisor that (1) no official statement or other offering material will be furnished other than this RFP; (2) the bidder has knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of making the commercial loan to be evidenced by the 2025 Contract and is financially able to bear the economic risk of holding the 2025 Contract; (3) no CUSIP number will be obtained for the 2025 Contract; and (4) the bidder intends to acquire the 2025 Contract solely for its own account as a vehicle for making a commercial loan and with no present intention to distribute or resale the 2025 Contract or any portion thereof.

Award:

The Town reserves the right to request additional information from the bidders and to waive any irregularity or informality and to negotiate provisions and covenants directly with any bidder. The Town also reserves the right to reject all proposals for any reason. Although the selection will be based substantially on lowest total financing cost (including both interest cost and upfront fees and expenses), the Town reserves the right to select the bidder that best meets the needs of the Town.

To be considered, a proposal must be received by 10:00am on Tuesday, August 5, 2025. Please email your proposal to the following individuals.

Shane Fox:	sfox@townofblowingrocknc.gov
Tasha Brown:	tbrown@tobr.us
Paul C. Jacobson:	pjacobson@sandsanderson.com
Ashley L. Anderson:	aanderson@sandsanderson.com
Amy Vitner:	avitner@firsttryon.com
Brandon DeCoste:	bdecoste@firsttryon.com

DATE	TASK
July 15	Distribute bank RFP to potential lenders
August 5	Bank Bids Due
August 12	Approval of Town Council
August 26	Closing

Questions may be addressed to the Town through its financial advisor or bond counsel:

Financial Advisor	Bond Counsel
Amy Vitner / Brandon DeCoste	Paul C. Jacobson / Ashley Anderson
First Tryon Advisors	Sands Anderson PC
(704) 926-2457	(919) 313-0045
(704) 926-2981	(919) 313-0047
avitner@firsttryon.com	pjacobson@sandsanderson.com
bdecoste@firsttryon.com	aanderson@sandsanderson.com