

**CITY OF THOMASVILLE COUNCIL BRIEFING AGENDA**  
**Monday, February 14, 2022 – 6:00 P.M.**

In Person Only at: 7003 Ball Park Road, Thomasville, NC 27360  
Mayor Raleigh York, Jr. ~ Mayor *Pro Tempore* Ron Bratton

1. Call to Order
2. Additions and Deletions to the Agenda
3. Proclamations and Recognitions - Developmental Disability Awareness Month  
(March) presented to Teresa McKeon, Executive Director of the Arc of Davidson County and self-advocates
4. Public Forum on February 21, 2022 – Please sign up in person to speak for two minutes on any topic. Provide your contact information, if you want staff to contact you. *The two-minute time limit will be enforced.*
5. Public Hearing on February 21, 2022  
Request for Rezoning (Z-22-01)  
Applicant/Owner: Martha White, LLC  
Location: Payne Road  
Tax Parcel ID #: 16-313-0-000-004A  
Existing Zoning: R-10 Low Density Residential  
Proposed Zoning: M-1 Light Industrial  
Conditions: N/A  
  
*The Board of Planning & Adjustment conducted a public hearing on January 25, 2022. This matter was passed unanimously 7-0 because it is consistent with the Land Use Plan and the surrounding parcels.*
6. Consent Agenda for action on February 21, 2022
  - A. Approval of Minutes of the Briefing Meeting on 01/10/22
  - B. Approval of Minutes of the Council Meeting on 01/17/22
7. Regular Agenda for action on February 21, 2022
  - A. Consideration of ARPA Grant Project Ordinance
  - B. Consideration of General Fund Budget Amendment – Appropriation of City Contribution to Unilin - Project Tower CDBG Project.
  - C. Consideration of Unilin - Project Tower CDGB Grant Project Ordinance
  - D. Consideration of Update to Thomasville Fiscal Policy, adding Section D. 4. Daily Cash Deposit Requirement
  - E. Consideration of Amendment to Ordinance Sec. 78-463.1, Schedule 3.1: Thirty-Five Miles Per Hour Speed Zones on Streets in State Highway System
  - F. Consideration of Initiating Foreclosure Process on 200 Kern Street Property

(Over)

8. Committee Reports and Appointments, Mayor's Report and Appointments, City Manager's Report, City Attorney's Report on February 21, 2022
9. Closed Session – Personnel on February 14, 2022
10. Additional Items
11. Adjournment

# Proclamation

**WHEREAS,** the month of March has been designated as "Developmental Disability Awareness Month" to celebrate and recognize people with developmental disabilities; and

**WHEREAS,** disability is a natural part of the human experience and in no way diminishes the right of individuals with disabilities to live independently, enjoy self-determination, make choices, contribute to society and experience fully in the economic, political, social, cultural and educational mainstream of American society; and


**WHEREAS,** family members, friends and members of the community can play a central role in enhancing the lives of people with developmental disabilities especially when the family and community are provided with necessary support services; and public and private employers are aware of the capabilities of people with developmental disabilities to be engaged in competitive work in inclusive settings; and

**WHEREAS,** the goals of this city and state properly include providing individuals with developmental disabilities the opportunities and support to make informed choices and decisions; live in homes and communities where such individuals can exercise their full rights and responsibilities as citizens; pursue meaningful and productive lives; contribute to their family, community, State and Nation; have interdependent friendships and relationships with others; and achieve full inclusion in society.

**NOW, THEREFORE,** I, Raleigh York, Jr., Mayor of Thomasville, North Carolina, do hereby proclaim the month of March as

**DEVELOPMENTAL DISABILITY AWARENESS MONTH.**

This the 21<sup>st</sup> day of February, 2022.

  
Raleigh York, Jr., Mayor

To: Michael Brandt, City Manager  
From: Chuck George, Planning Director  
Date: February 4, 2022  
Re: Item for Thomasville City Council Meeting on Monday, February 21, 2022

The following item has been before the Board of Planning & Adjustment on Tuesday, January 25, 2022.

Request for Rezoning (Z-22-01)  
Applicant/Owner: Martha White, LLC  
Location: Payne Road  
Tax Parcel ID #16-313-0-000-004A  
Existing Zoning: R-10 Low Density Residential  
Proposed Zoning: M-1 Light Industrial  
Conditions: N/A

A public hearing was conducted, and the board voted 7-0 to approve the request for the following reason:

Motion to approve the rezoning request because it's consistent with the Land Use Plan and the surrounding parcels.

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES  
OF THE CITY OF THOMASVILLE, NORTH CAROLINA**

**BE IT ORDAINED**, that the Code of Ordinances of the City of Thomasville be amended in the following respects:

**SECTION 1.** That the Official Zoning Map of the City of Thomasville, North Carolina as set out in Appendix A (Zoning), Article IV (Establishment of Districts), Section 2 (Location and Boundaries of Districts) be amended by changing certain property from R-10 (Low Density Residential) Zoning District to M-1 (Light Industrial) Zoning District as shown on the attached map (Z-22-01).

**SECTION 2.** That this Ordinance shall become effective upon its adoption by the City Council of the City of Thomasville.

**ADOPTED** this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the City Council of the City of Thomasville.

\_\_\_\_\_  
Raleigh York, Jr., Mayor

**ATTEST:**

\_\_\_\_\_  
Wendy S. Martin, City Clerk

**City of Thomasville**  
**Rezoning Case # Z-22-01**  
**Staff Report: Chuck George, Planning Director**

**Applicant Owner:** Martha White

**Location:** Payne Road

**Tax Parcel ID Number:** 1631300000004A

**Request:** Rezoning from R-10 to M-1

**Conditions:** NA

**Requested Zoning District Characteristics:**

The current zoning is R10 Low Density Residential - This district is defined as low density residential areas of mostly single-family dwellings plus open areas where similar residential development will likely occur. The uses permitted in this district are designed to stabilize and protect the essential characteristics of the area and to prohibit all activities of a commercial nature except certain home occupations controlled by specific limitations.

The proposed zoning is M-1 light industrial - This district is defined as certain areas more suited for industrial use than residential use, but situated where residential development, or prospective development, is in close proximity on one or more sides of the district. The uses which are permitted in this district are those characterized by low traffic density, low land coverage, and absence of objectionable external effects. Large setbacks are required in this district and landscaping in keeping with residential areas encouraged.

**Site Information**

<b>Size of Parcel</b>	3.13 Acres		
<b>Existing Land Use</b>	Low Density Residential		
<b>Proposed Land Use</b>	Light Industrial		
<b>Surrounding Property Zoning and Use</b>	<b>Direction</b>	<b>Zoning</b>	<b>Use</b>
	N	R-10	Residential
	E	M-1	Light Industrial
	S	M-1	Light Industrial
	W	R-10	Residential
<b>General Site Information</b>	The site is currently undeveloped.		
<b>Historic Properties</b>	NA		

**History of Denied Cases:** N/A

**Compatibility with Adopted Plans**

The 2035 Land Development Plan indicates the areas that have not been identified for development or redevelopment are suitable for infill development that is consistent with the existing surrounding land uses. Development or redevelopment in these areas should not be discouraged, and as land development market changes occur, this plan should be updated to reflect the changing conditions.

## Staff Comment

The site is currently undeveloped with access easement in the business park. The proposed zoning would allow for light industrial use. The requested district is consistent with the Land Development Plan and consistent with the existing surrounding land uses.

## Attachments

- Application
- Legal description
- Site map
- DC GIS Map
- Zoning map
- 2035 Land use map
- Table of permitted uses
- Consistency statement to approve or deny request

## Public Notice

<i>Notification</i>	<i>Zoning Board</i>	<i>City Council</i>
Public Hearing Notice	1-14-2022 & 1-18-2022	2-8-2022 & 2-15-2022
Property Posted	1-13-2022	2-4-2022
Notification Letter Sent	1-13-2022	2-4-2022

## Zoning Board Recommendation

A public hearing was conducted, and the board voted 7-0 to approve the request for the following reason:

Motion to approve the rezoning request because it's consistent with the Land Use Plan and the surrounding parcels.

# CITY OF THOMASVILLE

Planning & Zoning Department

PO BOX 368 • THOMASVILLE, NC 27360 • (336) 475-4255

## REZONING APPLICATION

File No. Z- 22-01

Date 12-17-21

Applicant Martina White, LLC (Christophe Corp) Phone 336-240-0986

Applicant's Address 508 S. MAIN ST

Property Owner Martina White, LLC Phone SAME

Property Owner's Address SAME

Existing Zoning RURAL AC R-10 Requested Zoning INDUSTRIAL M-1

Address or Location of Property to be Rezoned Payne Rd.

Description of Property VACANT LAND, INDUSTRIAL SECTION 3.13 ACRES

Fee Received \$ 500. Map No 16-313-000-000-04A

(PLEASE MAKE CHECK PAYABLE TO "CITY OF THOMASVILLE")

Applicant's Signature C Corp

Planning Board Hearing Date 1-25-2022

Planning Board Action ☒ Approved ☐ Denied Vote of: 7-0

City Council Hearing Date 2-21-2022

City Council Action ☐ Approved ☐ Denied Vote of: \_\_\_\_\_

Signed \_\_\_\_\_

Secretary to Planning Board



**2021029330**

DAVIDSON COUNTY NC FEE \$28  
NO TAXABLE CONSIDERATION  
PRESENTED & RECORDED  
11/17/2021 12:23:15 PM  
MICHAEL HORNE  
REGISTER OF DEEDS  
BY: SHERRY KEPLEY  
DEPUTY  
BK: DE 2515  
PG: 743 - 746

Submitted electronically by "Douglas B. Elliott PA"  
in compliance with North Carolina statutes governing recordable documents  
and the terms of the submitter agreement with the Davidson County Register of Deeds.

**NORTH CAROLINA GENERAL WARRANTY DEED**

Excise Tax: \$ 0.00 (NTC)

Parcel Identifier No. Part 1631300000004A

All or a portion of the property herein conveyed \_\_\_\_\_ includes or X does not include the primary residence of a Grantor.

This instrument prepared by: Douglas B. Elliott, a licensed North Carolina attorney. Delinquent taxes, if any, to be paid by the closing attorney to the county tax collector upon disbursement of closing proceeds.

Mail/Box to: Record/E-Record; mail to Grantee: 528 S. Main St., Lexington NC 27292

This instrument was prepared by: Douglas B. Elliott, P.A. Without Title Examination

THIS DEED made this \_\_\_\_\_ day of November, 2021, by and between

GRANTOR (name and address)

GRANTEE (name and address)

**Lexington Investment Properties, LLC**

**Martha White, LLC**

528 S. Main Street  
Lexington, NC 27292

528 S. Main Street  
Lexington, NC 27292

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in:

Thomasville Township, Davidson County, North Carolina and more particularly described as follows:

SEE EXHIBIT "A", attached hereto and incorporated herein by reference

Back Deed Reference: Book \_\_\_\_\_, at Page \_\_\_\_\_.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

- 1) Restrictions, Easements and Rights of Way of record

SIGNATURES:

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

Entity Name: Lexington Investment Properties, LLC OR

By:  (SEAL)  
Signature

Christopher Crisp, Manager  
Printed Name and Title:

Individuals:  
\_\_\_\_\_  
Name: (SEAL)

\_\_\_\_\_  
Name: (SEAL)

**NOTARY ACKNOWLEDGEMENT(S):**

STATE: NC

COUNTY: Davidson

I, the undersigned notary public in the above County and State certify that the following person(s) personally appeared before me this day and acknowledged the due execution of the foregoing instrument, in the capacity (individually, on behalf of the entity, or otherwise) as indicated above:

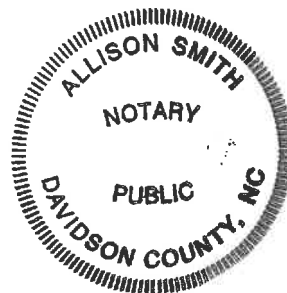
Christopher Crisp, Manager of Lexington Investment Properties, LLC

WITNESS my hand and official stamp or seal, this the 15th day of Nov,  
20      .

NOTARY PUBLIC: Allison Smith  
Signature and Printed Name Allison Smith

[SEAL]

My commission expires: 7-17-2025 APB



## EXHIBIT "A"

Beginning at an iron pin found at the southwest corner of Book 1805, Page 1761, and also being in the northern line of Book 1487, Page 1712, thence from said beginning point North 84 degrees 43 minutes 16 seconds West 24.99 feet to an iron pin found; thence North 85 degrees 22 minutes 30 seconds West 634.34 feet to a computed point in the northern line of Book 1753, Page 839, and the southern line of Book 757, Page 578; thence the following courses and distances along the eastern and/or southern lines of Book 757, Page 578, Book 1257, Page 430, Book 1388, Page 90, and Book 842, Page 38: North 87 degrees 48 minutes 54 seconds East 94.15 feet; North 68 degrees 19 minutes 58 seconds East 36.84 feet; North 10 degrees 31 minutes 01 seconds East 81.06 feet; North 55 degrees 59 minutes 56 seconds East 45.26 feet; North 50 degrees 12 minutes 52 seconds East 102.78 feet; North 73 degrees 50 minutes 49 seconds 128.06 feet; North 81 degrees 53 minutes 54 seconds East 62.06 feet; North 65 degrees 20 minutes 06 seconds East 43.68 feet; North 24 degrees 40 minutes 41 seconds East 85.36 feet; North 84 degrees 48 minutes 23 seconds East 48.31 feet; North 11 degrees 09 minutes 23 seconds West 33.58 feet; North 85 degrees 19 minutes 01 seconds West 80.86 feet to an iron pin found in the southern line of Book 842, Page 38, and the northern line of 1805, Page 1761; thence South 00 degrees 25 minutes 27 seconds East 346.42 feet to the point and place of beginning. This property contains approximately 3.13 acres and is shown on the Map of Survey for Brokers, Inc. entitled "118 Payne Road" prepared by Four Points Surveyors dated October 18, 2011. For access to Payne Road, see the private right of way easement in Book 1805, Page 1761.

DEED NORTH  
D.B.757, PG.578

Gregory M. Gornell, certify that this map was drawn under my supervision from an actual survey made under my supervision and that the boundaries and dimensions shown are correct to the best of my knowledge and belief.

DATE: 10-19-2011

**LEGEND**

- Iron pipe found (IPF)
- Compensated Point (Not Set)
- Minimum / Max Building Line
- Power Pole

**Professional Land Surveyor**

Overhead Lines

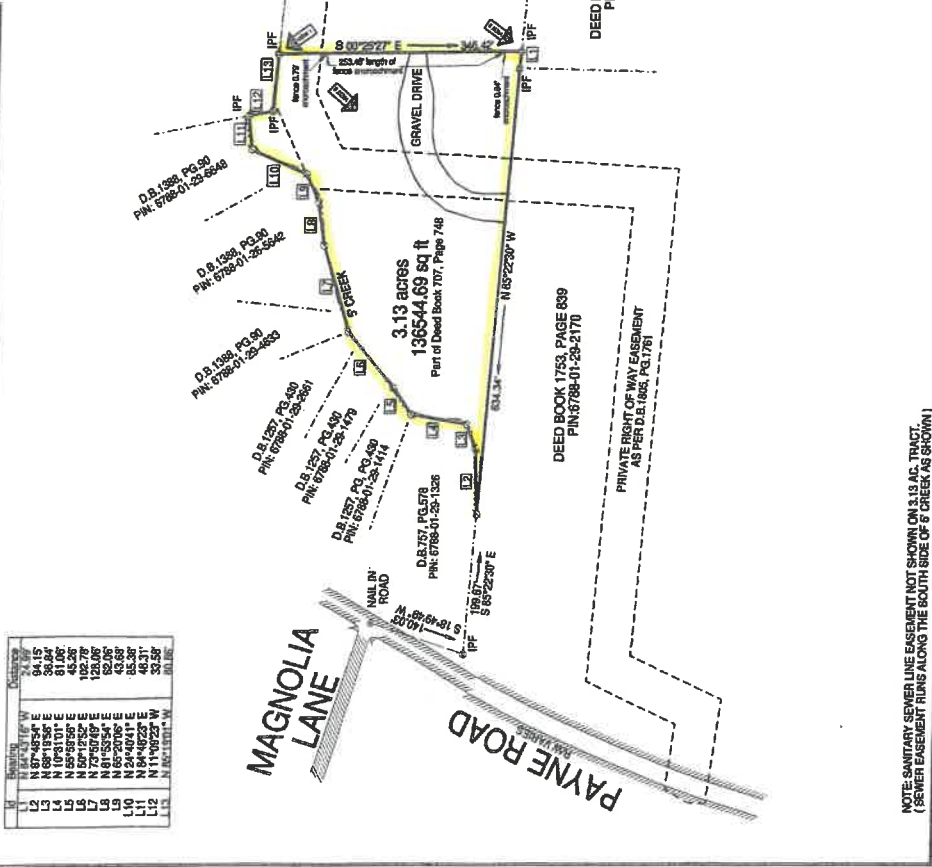
Fence Line

Neighbors Property Line

Edge of Easement

Location Map: Not To Scale

Photos were taken at time survey was completed and the position and viewing direction are indicated on map of survey.



**NOTES: SANITARY SEWER LINE EASEMENT NOT SHOWN ON 3.13 AC. TRACT. (SEWER EASEMENT RUNS ALONG THE SOUTH SIDE OF 6' CREEK AS SHOWN.)**

Drawn by: G.M.G.

Scale: 1" = 120'

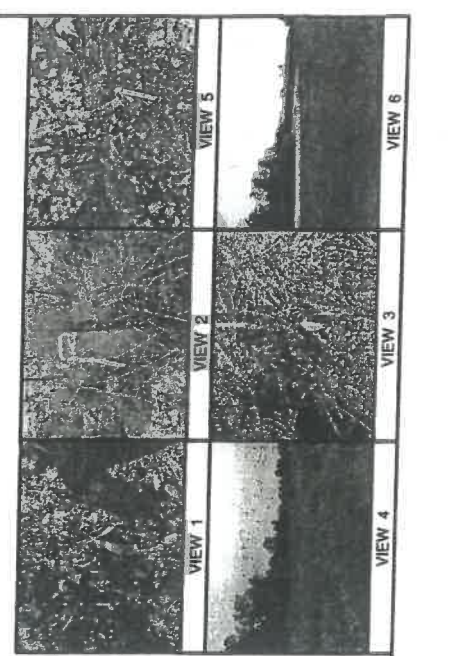
DATE: 10-19-2011

**Map of Survey For:**

Brokers Inc.  
118 Payne Road  
Thomasville Township  
Davidson County, NC  
Deed Ref. P1: 707 @ 748 &  
Deed Ref. 757 @ 980  
PIN: 6788-01-295472

**FOUR POINTS SURVEYORS**

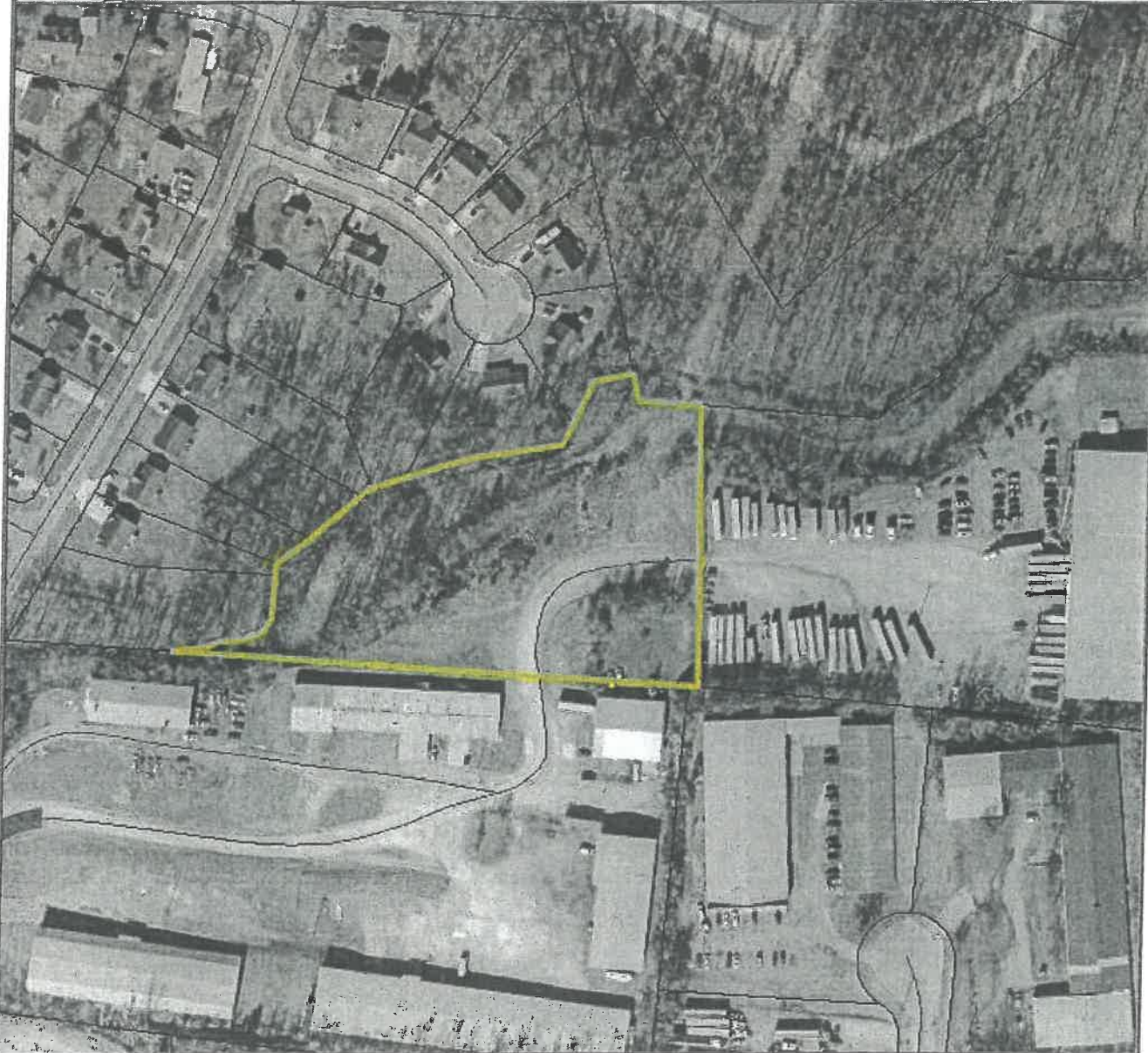
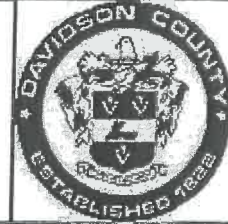
Gregory Matthew Gornell, Professional Land Surveyor  
Office: 227 Creek Drive, Summerfield, N.C. 27358  
Home: 336.342.7780, Fax: 336.342.7780, Cell: 336.689.0209  
www.fourpointsurveyors.com, Four Points Surveyors, PLLC (firm no. P-0078) is owned and operated by Gregory Matthew Gornell, P.E.-4417







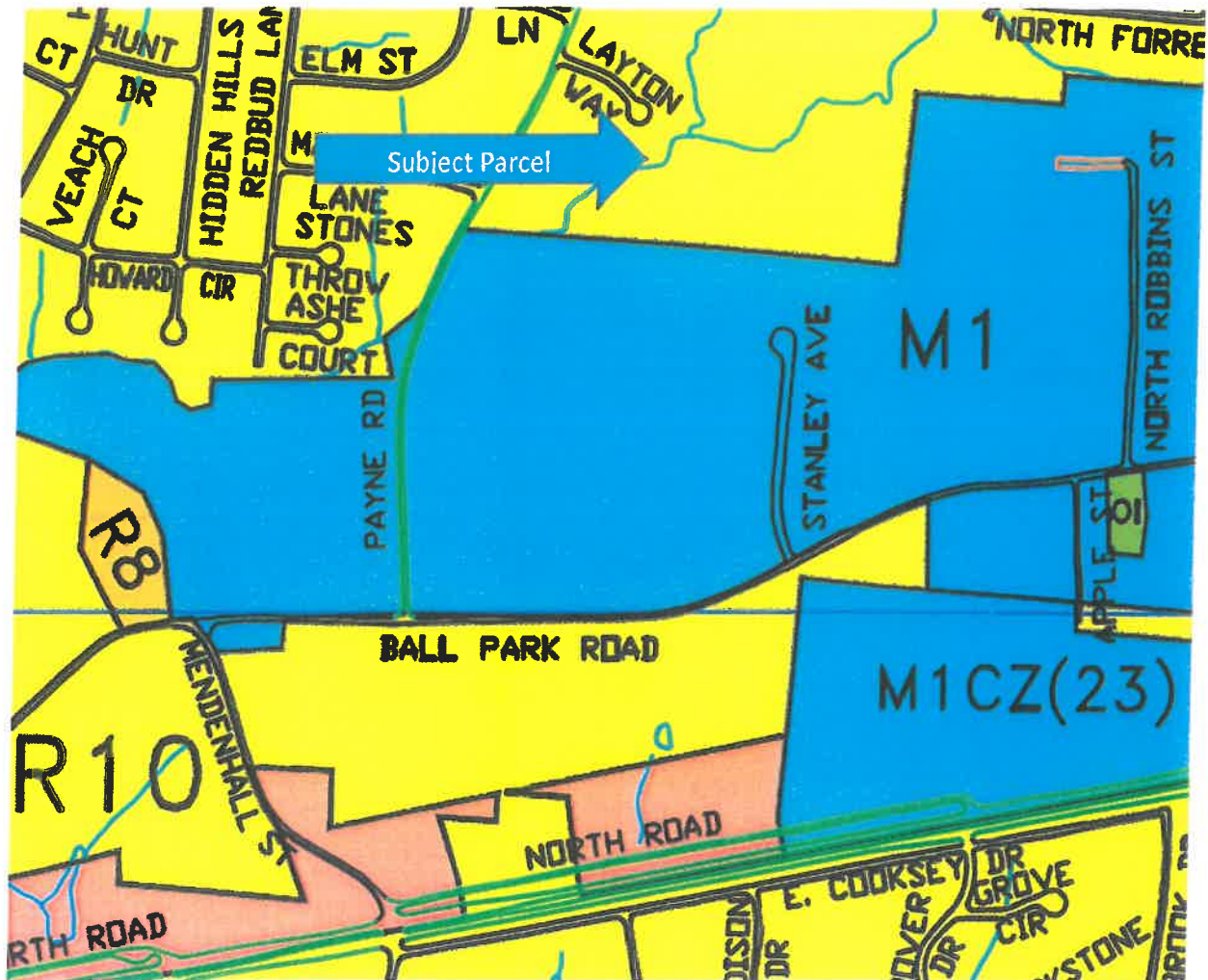
## Davidson County GIS



<b>Parcel Number :</b>	1631300000004E	<b>Land Units:</b>	3.13 AC
<b>Pin Id :</b>	6788-01-29-5472	<b>Deed Book:</b>	2515 Pg: 0743
<b>Owner :</b>	MARTHA WHITE LLC 528 SOUTH MAIN ST LEXINGTON NC 27292	<b>Deed Date:</b>	11/17/2021
<b>Property Address:</b>	PAYNE RD	<b>Account Number:</b>	9210829
<b>Township:</b>	16	<b>Exempt Code:</b>	
<b>Building Value:</b>	\$0	<b>Other Building Value:</b>	\$0
<b>Land Value:</b>	\$35,890	<b>Market Value:</b>	\$35,890
<b>Assessed Value:</b>	\$35,890	<b>Deferred Value:</b>	\$0
<b>Legal Description :</b> L4E BK2515-743 PAYNE			

Rezoning Case: Z-22-01  
Payne Road  
Parcel ID: 1631300000004A

Zoning Map



**Legend**

Blue: M-1 Light Industrial District  
Yellow: R-10 Low Density Residential District  
Orange: R-8 Medium Density Residential District  
Pink: C-2 Highway Commercial





# City of Thomasville Land Development Plan

## DEVELOPMENT & RE-DEVELOPMENT AREAS



- |          |                  |                                      |                     |
|----------|------------------|--------------------------------------|---------------------|
| Highway  | Municipal Limits | Downtown Business District           | Industrial          |
| Road     | ETJ Boundary     | Commercial & Mixed-use               | Medical & Mixed-use |
| Railroad | County Boundary  | National Highway Commercial Corridor |                     |
| Stream   |                  |                                      |                     |

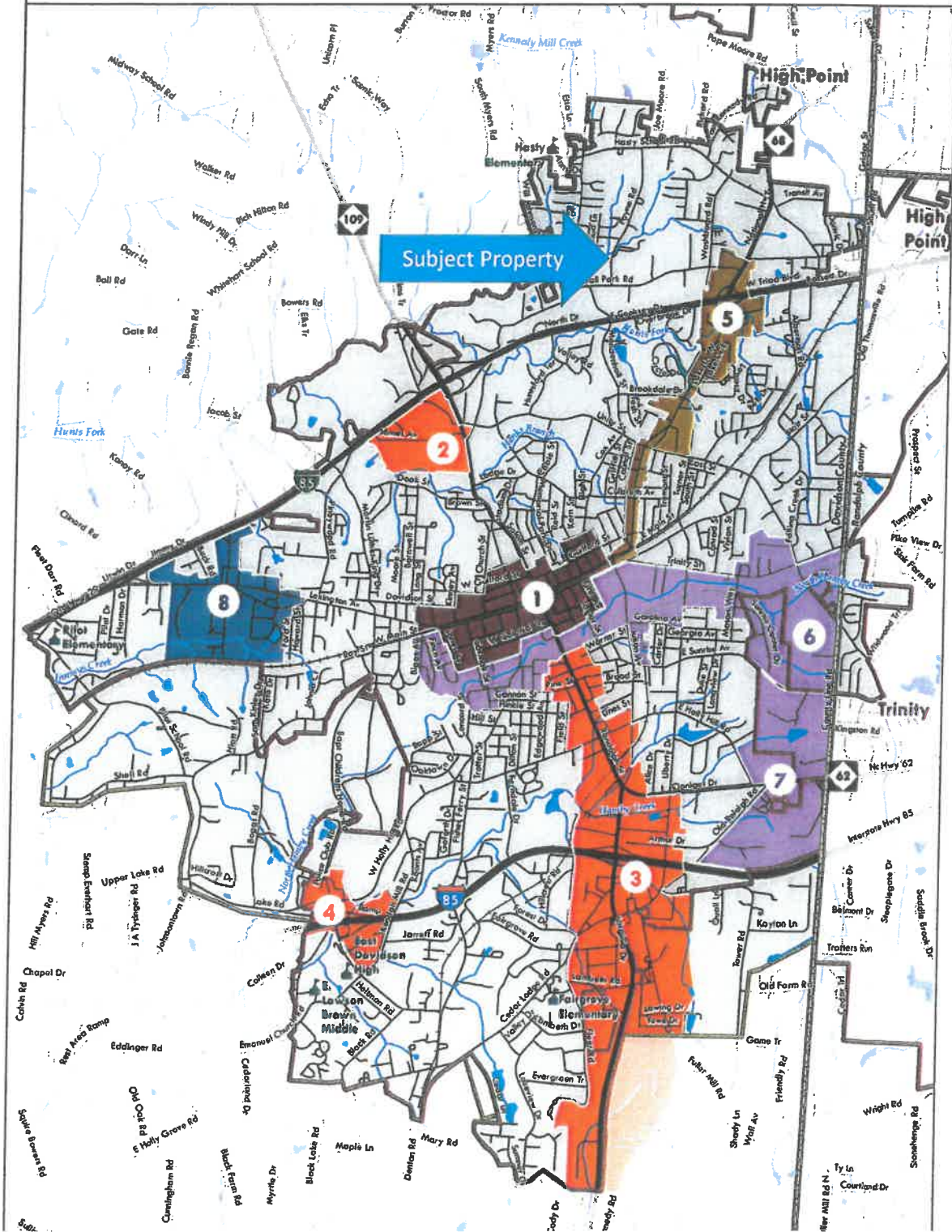
0 0.5 1  
Miles

Mapping provided by the  
Piedmont Triad Regional Council  
Planning Department  
Date: February 20, 2018



1 Inch = 3,000 feet

0 3,000 6,000  
Feet





## Section 2. - Table of permitted uses.

Districts in which particular uses are permitted as a use by right are indicated by "X." Districts in which particular uses are permitted as a use by right with certain conditions are indicated by "X" with a reference to a footnote to this table [see section 31]. Districts in which particular uses are permitted as a use by right are indicated by a blank.

Permitted Uses	R-20	R-15	R-10	R-10M	R-8	R-6	O-1	C-1	C-2	C-3	C-4	M-1	M-2	Special Requirements
Accessory building, including but not limited to fallout shelters, garages, guesthouses, toolsheds, swimming pools	X	X	X	X	X	X	X	X	X	X	X	X	X	See note 1.
Agencies, including but not limited to travel, brokers, insurance, loan, employment							X	X	X	X	X	X		
Agricultural uses, nurseries, truck farms, greenhouses, etc.								X	X	X	X	X		
Antiques and gift retail sales								X	X	X	X	X		
Any industrial use not otherwise prohibited by law or by this ordinance which would not create a nuisance or a hazard							X	X	X	X	X			
Amusements, commercial, including but not limited to bowling alleys, roller skating rinks; not including drive-in theaters, commercial stables, roller coasters, carousels, fairgrounds, automobile racetracks, circuses or the like								X	X	X	X	X		See notes 5 and 7.
Appliance distributors for wholesale														
Arts and crafts supply and retail sales								X	X	X	X	X		
Assembling of electrical appliances, electronic instruments and devices, radios and phonographs, including electroplating; and the manufacturing of small parts only such as coils, capacitors, transformers, crystal holders and the like							X	X	X	X	X	X		
Athletic fields, recreational buildings, playgrounds, no commercial gain, no automobile or motorcycle racing	X	X	X	X	X	X	X	X	X	X	X	X		
Auditoriums, indoor theaters, assembly halls														
Automobile accessories sales								X	X	X	X	X		
Automobile assembling, painting, upholstering, rebuilding, reconditioning, body and fender works, truck repairing or overhauling, tire retreading or recapping, and similar uses							X	X	X	X	X	X		See note 9.
Automobile repair shops including body and fender work conducted within a completely enclosed building														
Automobile sales, new and used								X	X	X	X	X		See note 9.
Automobile laundry														
Automobile parking lots, commercial, may be for monetary gain								X	X	X	X	X		See note 9.



Permitted Uses	R-20	R-15	R-10	R-10M	R-8	R-6	O-I	C-1	C-2	C-3	C-4	M-1	M-2	Special Requirements
Day care center, child								X	X	X		X	X	See note 20.
Day care facility, adult, (for six or more persons)								X	X	X	X	X	X	
Drive-in restaurants								X	X	X	X	X	X	
Drive-in theaters								X	X	X	X	X	X	
Dwellings, single-family detached	X	X	X	X	X	X	X						X	
Dwellings, single-family attached, two-family, and multifamily including townhouses, patio homes and other styles					X	X	X			X	X			See note 18.
Dwellings for caretaker or domestic employee on premises where employed	X	X	X	X	X	X	X			X	X			See notes 13 and 18.
Electrical shops														See note 14.
Exhibition buildings, galleries or showrooms									X	X	X	X	X	
Facilities within a physician's or dentist's office building or within a convalescent home or hospital, not to exceed 50 percent of the ground floor area of such office or building, for the dispensing, and sale, on and within the premises, of prescription medicines and medical appliances customarily prescribed by licensed physicians and dentists and dispensed upon such prescription by licensed pharmacists under the laws of the state							X		X	X	X	X	X	
Family care home	X	X	X	X	X	X								
Fairgrounds, carousels, roller coaster, Ferris wheels, super slides and the like of a permanent nature									X			X	X	
Fences and walls									X			X	X	
Flammable liquids or gases, bulk storage in quantities less than 100,000 gallons	X	X	X	X	X	X	X	X	X	X	X	X	X	
Flea markets, open air sales not incidental to the operation of an otherwise permitted use, farmers' markets, antique fairs, craft fairs, used or new merchandise promotion									X			X	X	
Flower, plant sales, not enclosed									X	X		X	X	
Foundry casting, lightweight, nonferrous metal not causing noxious fumes, noise or odors							X	X	X	X	X	X	X	
Frozen food lockers												X	X	
Funeral homes														
Furniture, retail sales								X	X			X	X	
Golf courses, except par three or miniature courses							X	X	X	X	X	X	X	
Golf courses, par three or miniature courses	X	X	X	X	X	X						X	X	
								X				X	X	

Permitted Uses	R-20	R-15	R-10	R-10M	R-8	R-6	O-1	C-1	C-2	C-3	C-4	M-1	M-2	Special Requirements
Golf driving range									X			X	X	
Hardware and building materials sales								X	X	X	X	X	X	See note 1.
Home occupations	X	X	X	X	X	X	X	X						See note 2.
Hospitals, sanatoria, homes for aged, nursing homes								X	X	X	X	X	X	
Hotels, motels									X	X	X	X	X	
Junkyards														
Laboratories, experimental photo or motion picture, film or testing												X	X	See note 15.
Laboratories, medical, research							X		X		X	X	X	
Laundries								X	X	X	X	X	X	See note 4.
Laundries, self-service								X	X	X	X	X	X	See note 4.
Lock and gunsmiths								X	X	X	X	X	X	
Machine shop, excluding: punch press over 20 tons' rates [rated] capacity, drop hammers and automatic screw machines												X	X	
Manufacturing, compounding, assembling or treatment of articles or merchandise from the following previously prepared materials: bone, cellophane, canvas, cloth, cork, feathers, felt, fiber, fur, glass, hair, horn, leather, paper, plastics, precious or semiprecious metals or stones, shell, textiles, wood (excluding planing mills), tars and paint not employing a boiling process												X	X	See note 5.
Manufacturing, compounding, processing, packaging or treatment of such products as baking goods, candy, cosmetics, dairy products, drugs, perfumes, pharmaceuticals, toilet soap, toiletries, and food products												X	X	
Manufacturing and maintenance of electric and neon signs, billboards and commercial advertising structures and light sheet metal products, including heating and ventilating ducts and equipment, cornices, eaves and the like												X	X	
Manufacturing of musical instruments, toys, novelties and rubber and metal stamps												X	X	
Manufacturing of pottery and figurines or similar ceramic products, using only previously pulverized clay and kilns fired only by electricity or gas												X	X	
Medical, dental, paramedical, chiropractor offices							X	X	X	X	X	X	X	
Metal shops involving fabrication of sheet metal only												X	X	
Mobile home parks				X								X	X	See note 16.



Permitted Uses	R-20	R-15	R-10	R-10M	R-8	R-6	O-1	C-1	C-2	C-3	C-4	M-1	M-2	Special Requirements
Storage, outdoor, not including junkyards or storage of petroleum products in quantities over 100,000 gallons, not otherwise listed herein									X			X	X	See note 6.
Stores or shops, retail, but not automobile sales or repair and not otherwise listed herein								X	X	X	X	X	X	
Telephone exchanges, radio and television towers, cell towers									X	X	X	X	X	See note 17
Temporary buildings incidental to a construction project, a temporary permit for which has been issued concurrent with the permit for the permanent building(s) or construction	X	X	X	X	X	X	X	X	X	X	X	X	X	
Temporary events, uses and structures including but not limited to: circuses, carnivals, fairs, rides, sideshows, open air exhibits, musicals, dramas, religious events, stage shows, art and craft shows, sales and displays, all of a nonpermanent nature, whether held in conjunction with permanent or temporary buildings, in the open air or any combination thereof								X	X	X	X	X	X	See note 8.
Tobacco processing and storage												X	X	
Tourist homes							X	X						
Transportation terminals, freight									X			X	X	
Transportation terminals, passengers									X	X	X	X	X	
Travel trailer parks									X	X	X	X		
Upholstery, paper hanging, and decorator shops									X	X	X	X		
Veterinary establishments									X	X	X	X	X	
Wholesale establishments									X	X	X	X	X	
Warehouses, sales or service									X			X	X	
Woodworking shops												X	X	

(Ord. of 11-18-96, § II; Ord. of 9-20-05, § 1; Ord. of 5-19-08, § 1)



MOTION TO REZONE INCLUDING NCGS 160D-604(d); -605(a); -701 LANGUAGE

I move to rezone the property from \_\_\_\_\_ to \_\_\_\_\_  
for the following reasons:

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Further, I move that the City Council find that this rezoning is reasonable and in the public interest due to its consistency with the comprehensive plan and, as a result, its furtherance of the goals and objectives of the comprehensive plan.

MOTION TO DENY INCLUDING NCGS 160D-604(d); -605(a); -701 LANGUAGE

I move to deny the rezoning of the property from \_\_\_\_\_ to \_\_\_\_\_  
\_\_\_\_\_ for the following reasons:

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Further, I move that the City Council find that this rezoning is unreasonable and not in the public interest due to its inconsistency with the comprehensive plan and, as a result, is a hindrance to the goals and objectives of the comprehensive plan.

MINUTES FOR THE THOMASVILLE CITY COUNCIL BRIEFING MEETING ON MONDAY, JANUARY 10, 2022 AT 6:00 PM AT 7003 BALLPARK ROAD, THOMASVILLE, NC.

Elected officials in attendance: Mayor Raleigh York, Jr.; Mayor *Pro Tempore* Hunter Thrift, and Council Members Ron Bratton, Doug Hunt, Wendy Sellars, Lisa Shell, Jeannette Shepherd and Payton Williams.

The following staff members attended the meeting: City Manager Michael Brandt; Planning Director Chuck George; Finance Director Thomas Avant; Police Chief Mark Kattner; and City Clerk Wendy Martin

1. Call to Order – Mayor Raleigh York, Jr. called the meeting of the Thomasville City Council to order.

2. Additions and Deletions to the Agenda

There were no additions or deletions to the agenda.

Mayor *Pro Tempore* Thrift moved that Council approve the agenda as presented. The motion was seconded by Council Member Hunt. No discussion. *Motion unanimously approved 7 – 0.*

3. Proclamations and Recognitions to be presented on January 18, 2022

Thomasville School Choice Week Proclamation (1/23-29/22)

4. Public Forum on January 18, 2022 – Citizens will be given two minutes to speak on any topic at the Council Meeting.

5. Public Hearings on January 18, 2022

- A. Request for Rezoning: (Z-21-05) RESUMED

Applicant:	Leoterra Development, Inc.
Owner:	William Lynn Hinkle, et al.
Location:	Lexington Avenue
Tax Parcel ID #:	16-325-0-000-0089
Existing Zoning:	R-10 Low Density Residential
Proposed Zoning:	CZ-R6 Conditional Zoning High Density Residential

Conditions: Permitted uses to include: Single Family Residential, Town Homes, Twin Homes, Duplexes; Permitted uses to exclude: All R-6 uses not listed as included shall be prohibited; Development Conditions: Density shall be limited to 280 units; Other Conditions: 20-ft. semi-opaque buffer yard. *The Board of Planning and Adjustment held a public hearing on 11/30/21 and voted 5-1 in favor of this rezoning because, "It does not conflict with adjoining properties and homes, it stabilizes and protects the essential characteristics of the area, and it is compatible with the 2035 Land Development Plan, providing the City of Thomasville with high quality single family housing."*



City Manager Brandt advised that this hearing has been re-advertised, since we weren't sure when the transportation impact analysis would be ready. We have received it, so the hearing was advertised.

The report recommends right turn lanes into the development, and the Developer has included those in the proposed plan. Left turn lanes are not recommended.

Mr. Brandt said, "The overall traffic impact is not terribly significant to that area, based on the traffic load of Lexington Avenue and the surrounding roads in that area."

A copy of the report is on file with the Clerk and is available upon request.

Planning Director Chuck George said the Developer had excluded "all other uses," but they may want to consider including more things such as: accessory buildings, privacy screen/fences, patio pads, home occupation usage (up to 400 sq. feet of their home for office space) and signs, such as monument signs at the entrance of the complex.

Council Member Bratton asked why, if there would be an HOA to maintain the retention ponds, why would we monitor if there are fences and patios and such. Mr. George explained that the Developer can only build based on the permitted zoning.

City Manager Brandt clarified that the Developer added those conditions on the property, perhaps, without taking those items into account. Mr. George will reach out to them to make sure they meant to remove those types of elements when they were proposing the conditional zoning.

Mr. Brandt said, "They limited themselves very specifically to certain uses, but there were other things that normally would be handled either through regular zoning or through an HOA that they removed." They could make changes during the Council Meeting, if they wish.

Mr. George said the Developers clarified on their plan that there would be "no apartments". They also increased the buffer from 15 to 25-feet "undisturbed area," unless they need to disturb it just for construction, which is what a lot of the neighbors are wanting. A height limitation of two stories was also added. They also won't disturb the area on the southern point and down, by Jimmy's Creek.

Council Member Shepherd asked if they're going to clear all of the property to make room for the curbs and roads prior to building phase 1.

Mr. George explained that developers usually develop infrastructure improvement up front, and then they record the plat, get permission to start selling lots, then they start building structures for sale. So usually all the improvements are done, and then they start building in phases.

B. Public Hearing on Economic Incentive Grants re: Project Viceroy

Craig Goodson from Davidson County Economic Development Commission will present this item on January 18, 2022.

C. "Generic" First Public Hearing – North Carolina Department of Commerce Community Development Block Grant Program

This is a required first hearing before Thomasville may apply for CDBG grants from the State.

The following items were put on the consent agenda by the Council members for consideration on January 18, 2022:

6. Consent Agenda

- A. Approval of Minutes of the Organizational Meeting on 12/06/21
- B. Approval of Minutes of the Briefing Meeting on 12/13/21
- C. Approval of Minutes of the Council Meeting on 12/20/21
- D. Consideration of General Fund Budget Amendment to Appropriate Funding for Payment to Martin Starnes & Associates on behalf of the Thomasville Tourism Commission  
  
City Manager Brandt explained this "audit" is to review the hotel occupancy taxes paid to the City of Thomasville and then forwarded to the Tourism Commission. Tourism is going to reimburse the City for this fee.
- E. Consideration of Beautification Fund Budget Amendment for \$5,000 contribution from Doak Finch Foundation for the Beautification Christmas Display Reserve
- F. Consideration of Changes to Order of Business on Section 6 of Rules and Procedures Manual

The following items were put on the regular agenda by the Council members for consideration on January 18, 2022:

7. Regular Agenda

- A. Consideration of Fiscal Year 2022 Audit Contract – Martin Starnes & Associates
- B. Consideration of 2022 Revenue Bond Refunding – Capital Project Ordinance
- C. Consideration of Series Resolution – 2022 Revenue Bond Refunding
- D. Consideration of Proposal to Reduce Speed Limit on Randolph Street – Cedar Lodge to Lambeth Road

8. Committee Reports and Appointments, Mayor's Report and Appointments, City Manager's Report, City Attorney's Report

Reports will be given at the Council meeting on January 18, 2022.

9. ADDITIONAL ITEMS

10. ADJOURNMENT – Council Member Sellars moved to adjourn. Council Member Willams seconded the motion. No discussion. *Motion unanimously approved 7 – 0.*

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Raleigh York, Jr., Mayor

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Wendy S. Martin, City Clerk

MINUTES FOR THE THOMASVILLE CITY COUNCIL MEETING ON TUESDAY,  
JANUARY 18, 2022 AT 6:00 PM AT 7003 BALLPARK ROAD, THOMASVILLE, NC.

Elected officials in attendance: Mayor Raleigh York, Jr.; Mayor *Pro Tempore* Hunter Thrift, and Council Members Ron Bratton, Doug Hunt, Wendy Sellars, Lisa Shell, Jeannette Shepherd and Payton Williams.

The following staff members attended the meeting: City Manager Michael Brandt; Assistant City Manager Eddie Bowling; City Attorney Misti Whitman; Planning Director Chuck George; Finance Director Thomas Avant; Police Chief Mark Kattner; MIS Director Justin Trogon; and City Clerk Wendy Martin

1. Call to Order – Mayor Raleigh York, Jr. called the meeting of the Thomasville City Council to order.
2. Additions and Deletions to the Agenda

There were no additions or deletions to the agenda.

Mayor *Pro Tempore* Thrift moved that Council approve the agenda as presented. The motion was seconded by Council Member Sellars. No discussion. *Motion unanimously approved 7 – 0.*

3. Proclamations and Recognitions

Thomasville School Choice Week Proclamation (1/23-29/22) was presented by Mayor *Pro Tempore* Thrift.

4. Public Forum – No one came forward to speak.
5. Public Hearings on January 18, 2022

A. Request for Rezoning: (Z-21-05) - CONTINUED from 12/20/21

Applicant:	Leoterra Development, Inc.
Owner:	William Lynn Hinkle, et al.
Location:	Lexington Avenue
Tax Parcel ID #:	16-325-0-000-0089
Existing Zoning:	R-10 Low Density Residential
Proposed Zoning:	CZ-R6 Conditional Zoning High Density Residential

Mayor York re-opened the hearing on this matter. He asked Planning Director Chuck George to review this matter and explain the new conditions.

Mr. George advised that the Conditions were revised as follows:

Permitted uses to include: Single Family Residential, Town Homes, Twin Homes, Duplexes, as well as the following conditions which were added: *accessory structures, fences and walls, home occupation businesses, and signs.*

Permitted uses to exclude: All R-6 uses not listed as included shall be prohibited, *including apartments* (that was added).

He said the density would remain at 280 units.

Other Conditions: The buffers were increased to a 25-foot undisturbed perimeter, except where the structure requires buffer penetration. Where buffer disturbance cannot be avoided during the construction, the Developer will replant that part of the buffer with evergreen trees and shrubs.

Mr. George added was that there would not be any disturbance south of Jimmy's Creek or, of course, north (by law).

He said the height limitation is restricted to no more than two stories for this site.

He advised that the Developer hired Davenport Engineering to conduct a Transportation Impact Analysis (TIA). They reported that the projected daily trips in that area would increase from 5,800 to about 7,898 vehicles per day, which is well below the \$14,000 threshold. Therefore, Lexington Avenue could meet this capacity as is.

Two left-turn lanes already exist. The Developer had already agreed to put in two right-turn lanes.

Mayor York explained that the information from the hearing in December has been added to the record. He opened the public hearing for any new testimony.

Tom Terrell, legal council for Leoterra, spoke regarding the TIA. He explained that Leoterra likes to build near highways, because people like having easy access to jobs. He said according to the report, this area is not an overburdened road, and the addition of this development may add only very minimal delays. The benefits of having more people in our tax base would far outweigh any negative aspects.

Cindy Wright, a resident from the Jimmy's Creek area, spoke against the rezoning. She said traffic in that area is already bad.

She asked for a further delay in the development of this property, though, because of the creek. She advised that the homeowners around the creek are responsible for upkeep of this stream, and it is already struggling with flooding.

She said her street and the creek are like a bowl between the railroad and the property in question.

She said the lower section of the development and the retaining pond have her concerned. She said, "It's too close to the creek. It's just a matter of time before that retaining pond becomes part of the creek." She said when that retaining pond goes, so will her neighborhood, because that creek can't hold that much water.

She also expressed concern about the additional traffic at Pilot School.

She asked Council that if they approve the rezoning to please require the developers to dispose of the trash themselves and not to burn it.

Council Member Hunt moved that Council rezone this property from R-10 Low Density Residential to Conditional Use R-16 with the conditions that were listed. He said, "It does not conflict with adjoining properties and homes, it stabilizes and protects the essential characteristics of the area."

Council Member Williams asked if the Developer planned on burning the debris. Attorney Terrell said "Leoterra does not burn, and if you would like for them to make that as a condition, we're pleased to do that." Mayor York said that would be in the record as a condition.

The motion was seconded by Council Member Bratton. No discussion. *Motion unanimously approved 5 – 2.* Council Members Sellars and Shepherd voted against this motion. Motion approved.

**B. Public Hearing on Economic Incentive Grants re: Project Viceroy**

Mayor York opened the hearing.

Craig Goodson, President of the Davidson County Economic Development Commission came forward to speak in favor of this matter. He said, "Project Viceroy is an existing industry in Thomasville. They wish to expand their facility with an additional building and equipment. They will invest a minimum of \$14M, up to \$22M. They will create a minimum of 75 jobs, and up to 96 full-time jobs. The grant would not exceed .0031 x the total of the company's investment. The grant will be paid annually over a period of 10 years."

No one spoke against this matter. Mayor York closed the public hearing.

Mayor *Pro Tempore* Thrift moved that Council approve the Economic Incentive Grants for Project Viceroy as presented. The motion was seconded by Council Member Hunt. No discussion. *Motion unanimously approved 7 – 0.*

**C. "Generic" First Public Hearing – North Carolina Department of Commerce Community Development Block Grant Program**

Mayor York explained that this annual "generic" public hearing was required by the State for Thomasville to be able to have hearings for CDBG grants from the State later in the year.

Mayor York opened the hearing. No one came forward to speak. Mayor York closed the hearing. No action was taken.

**6. Consent Agenda**

**A. Approval of Minutes of the Organizational Meeting on 12/06/21**

B. Approval of Minutes of the Briefing Meeting on 12/13/21

C. Approval of Minutes of the Council Meeting on 12/20/21

D. Consideration of General Fund Budget Amendment to Appropriate Funding for Payment to Martin Starnes & Associates on behalf of the Thomasville Tourism Commission

City Manager Brandt explained that the Tourism Commission has requested a review of the hotel occupancy tax for a local hotel to ensure proper accounting and submission of the hotel occupancy tax as required by local ordinance. Martin Starnes & Associates will perform the review. Thomasville Tourism Commission will reimburse the City for the work performed.

E. Consideration of Beautification Fund Budget Amendment for \$5,000 contribution from Doak Finch Foundation for the Beautification Christmas Display Reserve

The Doak Finch Foundation donated \$5,000 to the Beatification Committee to support their Downtown Christmas Display Reserve. City Manager Brandt said this donation was very timely, as the heavy winds caused damage to some of the Christmas display. He extended his thanks on behalf of the Committee for the much appreciated donation.

F. Consideration of Changes to Order of Business on Section 6 of Rules and Procedures Manual

City Manager Brandt explained that this would update the City Council's Rules and Procedures Manual to allow for a slightly different agenda layout that would allow the consent agenda to be placed before the regular agenda.

Council Member Sellars moved that Council approve the items on the Consent Agenda as presented. The motion was seconded by Council Member Williams. No discussion. *Motion unanimously approved 7 – 0.*

7. Regular Agenda

A. Consideration of Fiscal Year 2022 Audit Contract – Martin Starnes & Associates

Finance Director Thomas Avant asked Council to approve the \$55,000 annual contract with Martin Starnes & Associates to complete our annual external audit and prepare our annual financial statements.

Council Member Hunt moved that Council approve the audit contract for \$55,000. The motion was seconded by Council Member Sellars. No discussion. *Motion unanimously approved 7 – 0.*

B. Consideration of 2022 Revenue Bond Refunding – Capital Project Ordinance

Finance Director Avant explained that revenue bond refunding, or refinancing at a lower interest rate, will allow the City to save approximately \$299,176. The original savings estimate was only about \$250,000.

This is a refinancing/refunding the Combined Enterprise System Series 2012 Bonds. The closing is scheduled to occur on February 8, 2022.

This capital project ordinance was required to establish a budget and appropriate funding for this project.

Council Member Sellars moved that Council approve the 2022 Revenue Bond Refunding Capital Project Ordinance. The motion was seconded by Council Member Shepherd. No discussion. *Motion unanimously approved 7 – 0.*

C. Consideration of Series Resolution – 2022 Revenue Bond Refunding

Finance Director Avant said this is the second component of the Revenue Bond Refunding Package for this agenda. This Series Resolution serves as acceptance of the winning bid by Pinnacle Bank and sets forth the terms of the bond, including a 1.14% interest rate.

The resolution authorizes the issuance of a not to exceed \$4,825,000 combined enterprise system revenue refunding bond, Series 2022 of the City of Thomasville, N.C., to refund certain of the city's outstanding combined enterprise system revenue refunding bonds, Series 2012. The resolution also authorizes and approves the execution and delivery of the bond purchase agreement in connection therewith.

The resolution also includes the form of the bond and authorizes certain officers to execute and deliver the bond and other financing documents in connections with the closing, which is set for February 8, 2022.

Council Member Sellars moved that Council approve the Series Resolution for the 2022 Revenue Bond Refunding. The motion was seconded by Council Member Williams. No discussion. *Motion unanimously approved 7 – 0.*

D. Consideration of Proposal to Reduce Speed Limit on Randolph Street – Cedar Lodge to Lambeth Road

Police Chief Mark Kattner explained that the police department evaluated Randolph Street, "south of Cedar Lodge, down toward Lambeth Road," due to increased traffic and accidents there. He said there were 109 crashes in just three years in that area. He is hopeful that slowing down traffic in that area will make it safer.

He asked that Council approve a reduction to 35 mph at the following areas:



Change 45-mph state road ordinance (Sec. 78-463) at a point 650 feet south of Liberty Drive to the intersection of Lambeth Road; and

Change 55-mph state road ordinance (Sec. 78-463.1) "from the area at Randolph Street from Main Street to a point 650 feet south of Liberty Drive."

Mayor *Pro Tempore* Thrift moved that Council approve the proposal to reduce the speed limit on Randolph Street from Cedar Lodge to Lambeth Road. The motion was seconded by Council Member Hunt.

Council advised him to get a lot of signage to let people know of the change. Chief Kattner said they would put up a lot of signs, including electric notice boards, and the press will be informing people, as well.

*Motion unanimously approved 7 – 0.*

8. Committee Reports and Appointments, Mayor's Report and Appointments, City Manager's Report, City Attorney's Report

Council Member Hunt thanked everyone involved in the Budget Workshop. He said it went well, and he thinks it's going to "drive things forward."

On behalf of the Personnel Committee, Mayor Pro Tem Thrift moved to appoint:

- Pat Shelton to Planning and Zoning for the remainder of Doug Hunt's unexpired term;
- Eric Kuppel to Planning and Zoning as the Corporate Limits Alternate; and
- Tyler Allred to Beautification

Council Member Williams seconded. *Motion unanimously approved 7 – 0.*

Council Member Williams thanked the streets department for doing an outstanding job on clearing the roads.

Mayor York was happy to report that there was a ribbon cutting on National Highway at Bella's Max Market (service station). He welcomed them to Thomasville and thanked them for opening a business here.

City Manager Brandt reported that City Staff put in over 400 hours over the weekend to clear the streets following the snow storm. He said the City was ready with the EMC on standby, but thankfully we didn't receive as much ice as had been predicted.

He asked everyone who received a National Citizen Surveys to complete it and return it as soon as possible. He said these were going to help guide our community's future development and would help us benchmark ourselves against other cities.

City Attorney Misti Whitman has kept busy answering questions by the new council members, working on the revenue bond refunding, and making sure the Aquatic Center moves along on schedule.

9. ADDITIONAL ITEMS

10. ADJOURNMENT – Council Member Sellars moved to adjourn. Council Member Shell seconded the motion. No discussion. *Motion unanimously approved 7 – 0.*

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Raleigh York, Jr., Mayor

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Wendy S. Martin, City Clerk

CITY OF THOMASVILLE  
Grant Project Ordinance

BE IT ORDAINED by the Thomasville City Council that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project is hereby adopted:

Section 1. The project authorized is the American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) Grant Project described in the work statement contained in the grant agreement between this unit and the U.S. Department of the Treasury.

Section 2. The officers of this unit are hereby directed to proceed with the Grant Project within the terms, rules and regulations of the funding agreement, and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

060-0000-322-0605	Federal Grants/ARPA	\$1,323,988.00
061-0000-322-0605	Federal Grants/ARPA	\$1,111,500.00
xxx-xxxx-xxx-xxxx	Unassigned	\$6,057,480.00
Total		\$8,492,968.00

Section 4. The following amounts are appropriated for this project:

060-4210-511-0201	Salaries/Full-Time – Grant Administrator	\$ 157,211.00
060-4210-511-0204	Vaccine Incentive Payments	\$ 6,500.00
060-4210-511-0205	Vaccine Incentive Payments (Rev. Repl.)	\$ 31,000.00
060-4210-511-0206	Premium Pay	\$ 805,905.00
060-4210-511-0207	Premium Pay (Revenue Replacement)	\$ 44,900.00
060-4210-511-0401	Taxes/FICA – Grant Administrator	\$ 9,904.00
060-4210-511-0402	Taxes/Medicare – Grant Administrator	\$ 2,358.00
060-4210-511-0403	Taxes/FICA – Premium Pay	\$ 50,772.00
060-4210-511-0404	Taxes/FICA – Premium Pay (Rev. Repl.)	\$ 2,829.00
060-4210-511-0405	Taxes/Medicare – Premium Pay	\$ 12,089.00
060-4210-511-0406	Taxes/Medicare – Premium Pay (Rev. Rep.)	\$ 674.00
060-4210-511-0501	Group Health Insurance – Grant Admin.	\$ 21,906.00
060-4210-511-0502	Group Life Insurance – Grant Admin.	\$ 241.00
060-4210-511-0601	Retirement/N.C. Retirement – Grant Admin.	\$ 20,365.00
060-4210-511-0603	Retirement/N.C. Retirement – Premium Pay	\$ 91,859.00
060-4210-511-0604	N.C. Retirement – Premium Pay (Rev. Rep.)	\$ 5,173.00
060-4210-511-0605	Retirement/Deferred Comp. – Premium Pay	\$ 9,663.00
060-4210-511-0606	Retirement/Deferred Comp. – PP (RR)	\$ 330.00

	General Project Fund: Personnel Services	\$ 1,273,679.00
060-6221-552-1503	Maintenance & Repairs - Equipment (RR)	\$ 50,309.00
	General Project Fund: Operations	\$ 50,309.00
061-7097-574-7400	Capital Outlay/Equipment	\$ 325,000.00
061-7098-572-4504	Contracted Services/Engineering	\$ 425,000.00
061-7098-572-4504	Contracted Services/Engineering	\$ 225,000.00
061-7098-574-7300	Capital Outlay/Other Improvements	\$ 130,000.00
061-7098-572-5800	Contingency	\$ 6,500.00
	Water/Sewer Project Fund	\$1,111,500.00
xxx-xxxx-xxx-xxxx	Unassigned	\$6,057,480.00
	Unassigned	\$6,057,480.00
Total		\$ 8,492,968.00

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and federal and state regulations.

Section 6. Requests for funds should be made in an orderly and timely manner as funds are obligated and expenses incurred.

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

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this Grant Project in every budget submission made to this Council.

Section 9. Copies of this Grant Project Ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

ADOPTED this 21<sup>st</sup> day of February, 2022

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Raleigh York, Jr., Mayor

ATTEST:

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Wendy Martin, City Clerk

# Budget Amendment

**To:** City Manager  
**From:** Finance Director *TA*  
**Date:** 1/18/2022  
**Re:** 2021-2022 General Fund Budget Amendment

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The General Fund Budget needs to be amended to appropriate the city's contribution to the Unilin - Project Tower CDBG project.

## GENERAL FUND

### DECREASE APPROPRIATION

010-9010-505-58-00	Contingency	\$25,000.00
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### INCREASE APPROPRIATION

010-4110-512-90-65	Contribution to CDBG	\$25,000.00
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CITY OF THOMASVILLE  
Grant Project Ordinance

BE IT ORDAINED by the Thomasville City Council that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project is hereby adopted:

Section 1. The project authorized is the CDBG Unilin/Project Tower Grant Project described in the work statement contained in the Grant Agreement between this unit and the North Carolina Department of Commerce and the budget contained herein.

Section 2. The officers of this unit are hereby directed to proceed with the Grant Project within the terms of the funding agreement, the rules and regulations of the North Carolina Department of Commerce and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

065-9410-322-0507	CDBG Building Reuse Grant	\$500,000.00
065-9410-390-0100	City of Thomasville	\$ 25,000.00
Total		\$525,000.00

Section 4. The following expenditures are anticipated to be available to complete this project:

065-9410-524-7300	Construction Rehabilitation	\$525,000.00
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Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreements and federal and state regulations.

Section 6. Requests for funds should be made in an orderly and timely manner as funds are obligated and expenses incurred.

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

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this Grant Project in every budget submission made to this Council.

Section 9. Copies of this Grant Project Ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

ADOPTED this 21<sup>st</sup> day of February, 2022

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Mayor

ATTEST:

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City Clerk



**NC DEPARTMENT  
of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

Roy Cooper  
GOVERNOR

Machelle Baker Sanders  
SECRETARY

Kenny Flowers  
ASSISTANT SECRETARY

December 30, 2021

The Honorable Raleigh York  
Mayor  
City of Thomasville  
PO Box 368  
Thomasville, NC 27361-0368

Re: Contract Agreement for Grant Number 2022-046-3201-2587; Your Signature and Reply is Requested  
Project Title: "Unilin North America, LLC/Mohawk Industries, LLC/Project Tower"

Dear Mayor York:

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

Document:	Document Description:	Signed By:
Grant Agreement	Contract: Outlines the terms of Grant Agreement between the Department of Commerce and the Unit of Local Government.	Highest Elected Official - Unit of Local Government
Exhibit A	Scope of Services: Outlines the scope of the renovation/construction project.	No Signature Required
Exhibit B	Payment Schedule: Outlines the process for the Unit of Local Government to request reimbursements from Department of Commerce.	No Signature Required
Exhibit C	Reporting Schedule: Outlines the schedule of reports that are due from the Unit of Local Government to the Department of Commerce and when they are due.	No Signature Required
Exhibit D	Closeout/Job Requirements: Outlines the process for the Unit of Local Government to report the creation and maintenance of jobs to the Department of Commerce.	No Signature Required
Exhibit E	Legally Binding Commitment (LBC): Outlines terms and conditions of the Loan.	Highest Elected Official - Unit of Local Government and Legal Property Owner listed on the Deed.
Exhibit F	Promissory Note: Defines the repayment terms of the Loan in the event of default.	Legal Property Owner listed on the Deed.
Exhibit G	Limited Waiver of Confidentiality: Contains employment information reported to the Department of Commerce's Division of Employment Security.	Each Business involved in the project.
Exhibit H	Deed of Trust Documentation	Highest Elected Official - Unit of Local Government

Execute these documents, scan a quality copy and return to my attention at [rgnreports@nccommerce.com](mailto:rgnreports@nccommerce.com). If you have any questions or if I can be of any assistance, please contact me at [nichole.gross@nccommerce.com](mailto:nichole.gross@nccommerce.com).

Sincerely,

Nichole M. Gross  
Grant Manager

Enclosure



The North Carolina Department of Commerce ("Commerce"), an agency of the State of North Carolina ("State"), enters into this Rural Economic Development Grant Agreement ("Grant Agreement") with the **City of Thomasville** (the "Governmental Unit" and, together with Commerce, the "Parties").

WHEREAS, the North Carolina General Assembly ("General Assembly") has determined that it is the policy of the State to stimulate economic activity and to create new jobs for citizens of the State by providing matching grants or loans to specific local governmental units so as to productively reuse certain buildings and properties or expand rural health care facilities subject to the requirements of N.C.G.S. §§143B-472.127 and .128; and

WHEREAS, under N.C.G.S. §143B-472.128, the General Assembly created the North Carolina Rural Infrastructure Authority ("Rural Authority") to review applications for and, where appropriate, authorize such matching grants or loans, and, under N.C.G.S. §§143B-472.126 and .127, the General Assembly authorized Commerce to administer such grants or loans; and

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, and based on the terms, conditions and representations in this Grant Agreement's Exhibits A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (LBC), Exhibit F (Promissory Note) and Exhibit G (Waiver of Confidentiality ("Waiver")), the Rural Authority has approved a grant (the "Grant") to the Governmental Unit; and

WHEREAS, without limitation, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated by reference herein; (2) based on the representation in the application that **Unilin Decor NC, LLC** a North Carolina limited liability company (the "Owner") owns certain real property located at:  
550 Cloniger Drive  
Thomasville, NC 27360

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

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

1. Scope of Program/Agreements to be Executed.

- (a) As conditions of the Grant Agreement:
  - i. The highest elected official of the Governmental Unit shall execute two originals of this Grant Agreement in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one of them to Commerce;
  - ii. The Governmental Unit shall ensure that its highest elected official and a duly authorized representative of the Owner execute two originals of the Rural Economic Development Loan Agreement and Legally Binding Commitment ("LBC") in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one such original to Commerce with the one executed original of the Grant Agreement;
  - iii. The Governmental Unit shall ensure with the Owner that every individual or entity that has any ownership interest in the real property which is the subject of the Project executes two originals of the Promissory Note attached as Exhibit F in its exact form and shall return one such original to Commerce with the one executed originals of the Grant Agreement; and
  - iv. Exhibit A refers to the entity (or entities, as applicable) required to create and maintain certain full-time new jobs ("New Jobs") to complete the Project as the "Company," the "Employer" and the "Business" (together and hereinafter, the "Business"). The Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver of Confidentiality ("Waiver"), attached as Exhibit G, and shall return the original of any such Waiver to Commerce with the executed originals of the Grant Agreement. The Governmental Unit shall also ensure that any additional Business which becomes involved in the Project after the Grant Agreement is finalized executes a Waiver upon its involvement, the original of which the Governmental Unit shall promptly forward to Commerce.
- (b). The Governmental Unit shall provide Commerce with any information obtained pursuant to the LBC and allow Commerce to execute any rights of the Governmental Unit under the LBC, including the Governmental Unit's rights of access, review or monitoring and Commerce's rights as a third-party beneficiary thereunder.
- (c). The Governmental Unit shall exercise all of its rights and duties under the LBC in a prudent and timely manner to ensure the use of the Grant funds for the intended purposes and objectives and to preserve the rights of Commerce in this Grant Agreement and the LBC.
- (d). The LBC specifies how many New Jobs the Business must create and maintain in the performance of the Project and, if the Business fails to do so, those Grant funds that the Owner must repay to the Governmental Unit for return to Commerce or else repay directly to Commerce, upon request and as directed. If such New Jobs are not created or maintained, then the Governmental Unit shall return to Commerce any Grant funds it has not already disbursed to the Owner, make a timely demand for repayment from the Owner and, if such repayment is not forthcoming, initiate and fully litigate legal proceedings against the Owner to recover such repayment.

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

2. Changes in the Project or Other Conditions.

- (a). A "Project Change" is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the loan under the LBC ("Loan"), the required number of New Jobs, the matching investment in the Project, any cessation of business by the Owner or any Business and any filing of bankruptcy by the Governmental Unit, the Owner or any Business. There shall be no Project Changes unless expressly approved of by Commerce in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.  
  
Notwithstanding the foregoing and wherever referred to in this Grant Agreement, "cessation of business," "ceasing to do business" and "ceases to do business" shall not include (1) ceasing operations to maintain, service or upgrade real or personal property of the Owner, (2) seasonal shutdowns of operations as long as such cessation do not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure as described below) and (3) under the circumstances of for the period of time described in Paragraph 17 below.
- (b). Additionally, the Governmental Unit shall immediately notify Commerce of any change in conditions or local law, or any other event, which may significantly affect its ability to oversee, administer or perform this Grant Agreement, the LBC or the Project. In its sole and unreviewable discretion, Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.

- 3. Term of Grant Agreement. The effective period of this Grant Agreement shall commence on 12/9/2021 ("Effective Date") and shall terminate on 12/9/2023 unless terminated on an earlier date under the terms of this Grant Agreement (either one of which dates shall constitute the "Termination Date") or unless extended for an express term in writing by the Governmental Unit.
- 4. Funding. The Rural Authority grants to the Governmental Unit an amount not to exceed \$500,000.00 for expenditures directly relating to the Project. The Governmental Unit hereby represents and warrants that all Grant funds shall be utilized exclusively for the purpose of the Project and consistent with all applicable laws, rules, regulations and requirements, and that the Governmental Unit shall not make or approve of any improper expenditure of Grant funds (including Loan funds). Administrative expenses of the

Governmental Unit are not eligible for Grant funding and any such use of Grant funds will violate this Grant Agreement.

5. Independent Status of the Governmental Unit.

- (a). The Governmental Unit is an entity independent from the Rural Authority and Commerce. The Grant Agreement, the LBC, the Project and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between or among Commerce, the Rural Authority, the Governmental Unit or any third party (including, without limitation, the Owner or any Business). Nor shall the Grant Agreement, the LBC or the Project be construed to make the Governmental Unit (including its employees, agents, members or officials) or any third party (including, without limitation, the Owner or any Business) employees, agents, members or officials of Commerce or the Rural Authority. Neither the Governmental Unit nor any third party (including, without limitation, the Owner or any Business) shall have the ability to bind Commerce or the Rural Authority to any agreement for payment of goods or services or represent to any person that they have such ability.
- (b). The Governmental Unit shall be responsible for payment of all of its expenses, including rent, office expenses and all forms of compensation to employees. The Governmental Unit shall provide worker's compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with its operations, for itself and its employees who are performing work pursuant to this Grant Agreement. All expenses incurred by the Governmental Unit are its sole responsibility, and neither Commerce nor the Rural Authority shall be liable for the payment of any obligations incurred in the performance of the Project.

6. Method of Payment. Commerce shall pay the Grant funds to the Governmental Unit in accordance with the Payment Schedule attached hereto as Exhibit B after receipt of written requests for payment from the Governmental Unit certifying that the conditions for such payment under this Grant Agreement have been met and that the Governmental Unit is entitled to receive the amount so requested and any other documentation that may be required by Commerce.

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

8. Project Records.

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

- (b). The Governmental Unit shall retain all financial records, supporting documents and all other pertinent records related to the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all Project records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

9. Monitoring, Reports and Auditing.

- (a). The Governmental Unit agrees to ensure compliance and provide its assistance with such monitoring and auditing requirements as the State may request, including following the Termination Date of this Grant Agreement. Additionally, the Governmental Unit shall regularly monitor all performance under Grant-supported activities, including activities performed by the Owner and any Business, to ensure that time schedules are being met, New Jobs are being created and maintained and other performance goals are being achieved.
- (b). The Governmental Unit shall furnish Commerce detailed written progress reports according to the time periods specified in Exhibit C or as otherwise requested by Commerce. Such reports should describe the progress made by the Governmental Unit, the Owner and any Business toward achieving the purpose(s) of the Project, including specifically the goals of New Job creation and maintenance. Such descriptions should include the successes and problems encountered during the reporting period. Failure to submit a required report by the scheduled submission date will result in the withholding of any forthcoming payment until Commerce is in receipt of the delinquent report and the report meets with Commerce's approval, in Commerce's sole discretion.
- (c). The Governmental Unit acknowledges and agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S. §159-34, Local Government Finance Act - Annual Independent Audit; rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of Grant funding received by the Governmental Unit and are subject to change from time to time.
- (d). Within thirty (30) days after the Termination Date, the Governmental Unit shall submit a final report to Commerce describing the activities and accomplishments of the Project. The final report shall include a review of performance and activities over the entire Project period. In the final report, the Governmental Unit should describe the Project, how it was implemented, to what degree the established Project objectives were met and the difficulties encountered, what the Project changed and its cost.
- (e). The Governmental Unit grants the State and any of its related agencies, commissions or departments (including, without limitation, Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records and other documents relating to the Grant Agreement, the LBC or the Project. Likewise, the Governmental Unit

shall ensure that the Owner and any Business provide the same access. In addition, the Governmental Unit agrees to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

10. Termination: Availability of Funds.

- (a). If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under this Agreement, if the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC or if any Business fails to fulfill those requirements applicable to it in the LBC, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, Commerce shall have no responsibility to make additional Grant payments. Upon such termination, the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.
- (b). The obligations of the Rural Authority and/or Commerce to pay any amounts under this Grant Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant (and therefore the Loan) become unavailable, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving written notice specifying the Termination Date, which Commerce shall determine in its sole discretion. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

11. Liabilities and Loss. The Governmental Unit hereby agrees to release, indemnify and hold harmless the State (including, without limitation, the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (together, the "Indemnified Parties"), from any claims of third parties (including, without limitation, the Owner and the Business) arising out of any act or omission of the Governmental Unit or any third party (including, without limitation, the Owner and the Business) in connection with the performance of this Grant Agreement, the LBC or the Project, and for all losses arising from their implementation. Without limiting the foregoing, the Governmental Unit hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in

connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether arising out of acts, omissions, or negligence of the Governmental Unit or of any third party (including, without limitation, the Owner and the Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

12. Governmental Unit Representations and Warranties. The Governmental Unit hereby represents and warrants that:

- (a). The execution and delivery of this Grant Agreement have been duly authorized by all necessary Governmental Unit action and are not in contravention of law or in contravention of the provisions of any indenture agreement or undertaking to which the Governmental Unit is a party or by which it is bound.
- (b). There is no action, suit proceeding, or investigation at law or in equity or before any court, public board or body pending, or to the knowledge of the Governmental Unit, threatened against or affecting it, the Owner or the Business, that could or might adversely affect the Project or any of the transactions contemplated by this Grant Agreement or the validity or enforceability of this Grant Agreement or the abilities of the Governmental Unit or the Owner to discharge their obligations under this Grant Agreement. If it is subsequently found that an action, suit, proceeding, or investigation did or could threaten or affect the development of the Project, the Governmental Unit shall be liable to Commerce for repayment of the entire amount of the Grant and this Grant Agreement may be terminated by Commerce effective upon notice.
- (c). No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Grant Agreement by the Governmental Unit or the performance of any of its obligations hereunder, or all such requisite governmental consents or approvals have been obtained. The Governmental Unit shall provide Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this Grant Agreement.
- (d). The Governmental Unit is solvent.
- (e). A cash match grant, loan or other funding ("Cash Match") equal to the amount of the Loan shall have been unconditionally committed to the Project. The Governmental Unit shall have procured and contributed at least five percent (5%) of this Cash Match, but no part of this 5% contribution can have derived, either directly or indirectly, from any other State or federal source. All Cash Match funds shall be utilized exclusively for the purpose of the Project, and there shall be no improper expenditures of Cash Match funds. All Cash Match funds shall be expended prior to or simultaneously with and at the same rate as the Owner's expenditure of Loan funds.

- (f). Upon the Governmental Unit's reasonable inquiry of and receipt of supporting evidence from the Owner, both the Owner and any Business are duly authorized to do business under North Carolina law and are not delinquent on any federal, state or local taxes, licenses or fees.

13. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.

- (a). Under the LBC, the Owner agrees at all times to preserve its legal existence, except that it may merge or consolidate with or into, or sell all or substantially all of its assets to, any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Owner contained in the LBC. If the Owner so merges, consolidates or sells its assets without such an undertaking being provided, it agrees in the LBC to repay to the Governmental Unit or Commerce, upon request and as directed, all unspent Loan funds. Further, a merger, consolidation or sale without such an undertaking shall constitute a material default under the LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner and hold the Owner liable for any other repayment provided for under the LBC.
- (b). Other than as provided for in Paragraph 13(a) above, if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall be the sole responsibility of the Governmental Unit to (i) immediately notify Commerce and (ii) pursue any claim for Grant funds owed the State by the Owner or Business, including in any legal proceeding, to obtain the maximum payment allowed by law. To the extent the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and obtain the maximum payment allowed by law, and without limitation, the Governmental Unit shall be liable to Commerce for all amounts that should have been awarded to the Unit in the proceeding if it had taken the necessary action (notwithstanding whether such amounts would have actually been paid by the Owner or Business). Alternatively, without limitation, if the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all legal costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.
- (c). If the Governmental Unit fails to provide Commerce notice of the Owner or any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this Grant Agreement. If there is such a cessation or such a proceeding, Commerce may terminate the Grant Agreement upon written notice to the Governmental Unit. If there is such a cessation or such a proceeding, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, the Governmental Unit, the Owner and any Business shall not expend any Grant or Loan



funds without Commerce's express written authorization and shall return all unspent Grant or Loan funds to Commerce upon demand and if permissible under applicable bankruptcy, dissolution or insolvency law.

14. Additional Repayment Requirements and Remedies.

- (a). The repayment requirements and remedies addressed in this Paragraph 14 are in addition to those repayment requirements and other remedies set forth elsewhere in this Grant Agreement, including the requirements to repay unspent Grant funds. No remedy conferred or reserved by or to the State is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this Grant Agreement, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.
- (b). If there is a breach of any of the requirements, covenants or agreements in this Grant Agreement or the LBC, or if there are any representations or warranties which are untrue as to a material fact in this Grant Agreement, the LBC or in relation to the LBC or the Project (including the performance thereof), the Governmental Unit agrees that Commerce has the sole discretion to require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement. Such requirements, covenants or agreements include but are not limited to Paragraphs 1, 2(a), 4, 10(a), 12 and 13 of this Grant Agreement and include but are not limited to the creation and retention of the New Jobs and the retention of the Baseline Number of jobs under the LBC.

15. No Waiver by the State. Failure of the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this Grant Agreement or the LBC shall in no manner affect the rights of the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the State of any condition or the breach of any term, provision or representation contained in this Grant Agreement or the LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.

16. Waiver of Objections to Timeliness of Legal Action. The Governmental Unit knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including, without limitation, the Rural Authority or Commerce) to enforce its rights under this Grant Agreement. This waiver includes any objections the Governmental Unit may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

17. Force Majeure. If (a) during the term of this Grant the real or personal property located on or constituting the Property suffers damage or destruction caused by acts of God, fires, floods, storms, insurrection, riots, acts of the public enemy, national catastrophe, or similar unexpected events, (b) such damage or destruction was not principally caused by the negligence, willful misconduct or violation of applicable law by the Owner, (c) the Owner uses reasonable efforts to repair, or to work around, such damage or destruction reasonably promptly, and (d) as a direct result of such damage or destruction the Owner cannot satisfy the requirements and obligations of Sections 3 of the LBC as and when the LBC requires, then the Owner will be entitled to an extension of time not to exceed sixty (60) days to satisfy the requirements and obligations of Section 3 of the LBC; provided that the Governmental Unit in its sole discretion with respect to the obligations it is owed by the Owner, may elect to extend that sixty day period to give the Owner additional time to satisfy those requirements.
18. Special Provisions and Conditions.
- (a). Non-discrimination. The Governmental Unit agrees not to discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this Grant Agreement.
  - (b). Conflict of Interest. The Governmental Unit shall adopt and keep on file, along with the executed copies of this Grant Agreement, a copy of its policy and any ordinance or resolution it has adopted addressing conflicts of interest that may arise involving the members of the Governmental Unit's governing body and/or any of its employees or officers involved in the Grant, the LBC or the Project. Such policy, ordinance or resolution shall address situations in which any of these individuals may directly or indirectly benefit, other than through receipt of their normal compensation in their capacities as the Governmental Unit's employees, officers or members of its governing body, from the Grant, the LBC or Project, and shall include actions to be taken by the Unit or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. Additionally, the Governmental Unit certifies that, as of the date it executes this Grant Agreement, no such individuals have such a conflict of interest or will directly or indirectly benefit, except in the capacities described above, from the Grant, LBC or Project. Throughout the duration of this Grant Agreement, the LBC and the Project, the Governmental Unit has the duty to promptly inform Commerce of any such conflict of interest or direct or indirect benefit of which it becomes aware.
  - (c). Compliance with Laws. The Governmental Unit shall at all times observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the Grant Agreement, the LBC or the Project.
  - (d). Non-Assignability. The Governmental Unit shall not assign or transfer any interest in the Agreement without the prior written consent of Commerce; provided, however, that claims for money due to Governmental Unit from Commerce under this Agreement may be assigned to any commercial bank or other financial institution without such approval.

- (e). Personnel. The Governmental Unit represents that it has, or will secure at its own expense, all personnel required to monitor, carry out and perform the scope of services of this Agreement. Such employees shall not be employees of Commerce. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.
19. Notice. All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mails, certified, return receipt requested, first class, postage prepaid and addressed as follows:

If to the Rural Authority or Commerce:   Attn: **Hazel Edmond**  
Program Manager  
North Carolina Department of Commerce  
Rural Economic Development Division  
301 North Wilmington Street  
4346 Mail Service Center  
Raleigh, North Carolina 27699-4346

If to the Governmental Unit:                   Attn: **The Honorable Raleigh York**  
Mayor  
City of Thomasville  
PO Box 368  
Thomasville, NC 27361-0368

or addressed to such other address or to the attention of such other individual as Commerce or the Governmental Unit shall have specified in a notice delivered pursuant to this subsection.

20. Entire Agreement. This Grant Agreement supersedes all prior agreements between or among the Rural Authority and/or Commerce and the Governmental Unit with regard to the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Commerce and the Governmental Unit.
21. Execution. This Grant Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Grant Agreement which shall be sufficiently evidenced by one of such original counterparts.
22. Construction. This Grant Agreement shall be construed and governed by the laws of the State of North Carolina.
23. Severability. Each provision of this Grant Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Grant Agreement, but this Grant Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

Rural Economic Development Grant Agreement, Private Owner  
BUILDING REUSE PROGRAM

2022-046-3201-2587

24. Acceptance. If the Governmental Unit agrees to the Grant conditions as stated, please return the executed documents specified in Paragraph 1(a). This Grant may be withdrawn if Commerce has not received such documents within thirty (30) days from the date of the cover letter from Commerce to the Governmental accompanying this Grant Agreement and its Exhibits.

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

City of Thomasville

Signature:

*Raleigh York, Jr.*

[SEAL]

Printed Name:

*Raleigh York, Jr.*

Title:

*Mayor*

Date:

*1/06/2022*

North Carolina Department of Commerce

Signature:

*Kenny Flowers*

[SEAL]

Printed Name: Kenny Flowers

Title:

Assistant Secretary for Rural Economic Development

Date:

12/30/2021

**EXHIBIT A  
SCOPE OF PROJECT**

Summary: The project will support the expansion of a building located at 550 Cloniger Drive. The building was constructed in 2004. Unilin North America, LLC is a manufacturer of a variety of flooring products. Brands include Quick-Step and Pergo. The company plans to add 1.6M SF to their existing property. This is the second grant to benefit the company.

**EXHIBIT B  
PAYMENT SCHEDULE**

**Eligible Expenditures:**

**Vacant Building Category:** within the existing building footprint

**Existing Business Building Category:** within the existing building and/or additions

**Rural Health Care Category:** within the existing building, additions and/or new construction

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

The following costs are specifically prohibited under the program and may not be submitted for reimbursement or the matching funds requirement: building purchase, architectural costs, engineering costs, permit fees, surveys, legal fees, machinery & equipment, telephone hardware and software, computer hardware and software, furnishings, paving, fencing, kitchen equipment, refrigeration equipment, etc. This is not an exhaustive list; grantees should contact the Rural Development Division for questions about whether a specific expense is eligible under the program.

Any company in which any project partner has an ownership or management interest in may act as a contractor for the renovation project only if the company holds a valid NC General Contractors license. The relationship must have been disclosed to the Rural Development Division and a copy of the company's license must have been included in the application. Licensed contracting companies owned or operated by any project partner that are used in the renovation project will be required to submit original invoices from the provider for all labor, materials, services and subcontracted work plus proof that those invoices have been paid in full.

**Reimbursement Requirements:**

The Department of Commerce will reimburse 50% of eligible expenditures up to the total grant amount upon receipt of the following:

1. A completed financial request form,
2. Copies of eligible project invoices that support the request amount,
3. Evidence that the invoices submitted for reimbursement have been paid-in-full. Evidence may include copies cleared checks, wire transfer or ACH receipts, and/or credit card receipts. Invoices paid with cash and those not paid in full will not be reimbursed, and
4. Satisfaction of reporting requirements according to Exhibit C below.

Eligible expenditures may not be incurred prior to the effective date or subsequent to the termination date of the grant. Payments are subject to the availability of funds.

**EXHIBIT C  
REPORTING SCHEDULE**

Progress reports are due on January 15<sup>th</sup> and July 15<sup>th</sup> for each year that the grant remains open. The final report and job verification documentation are due at the time of project completion or no later than 30 days after the grant end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant including time extensions.

**Failure to submit progress reports as required:**

1. Will result in non-payment of payment requests,
2. Can result in the immediate termination of the grant,
3. Can result in the demand for immediate repayment of any funds paid by The Department of Commerce, and
4. Will negatively impact the grantee's eligibility for future Commerce grants.

**EXHIBIT D  
JOB VERIFICATION AND CLOSE OUT REQUIREMENTS**

Building Reuse and Rural Health Care loans are eligible for forgiveness once the creation and maintenance of the full-time jobs committed for the project, as well as, all reporting requirements are approved by Commerce. Below are the requirements and procedure for approval.

**Job Verification**

To be considered eligible, a full-time job must be filled with one employee who works at least 35 hours per week and is paid at least minimum wage. Part-time, full-time equivalents, or contract/consulting positions are not eligible.

**Grantees should submit the following as evidence of job creation and maintenance:**

1. **Job Certification Form**—both the grantee and the participating business are required to complete respective sections of this form that attests to the creation of the number of jobs full-time jobs committed to receive the grant. The form must be signed by the authorized representatives of the local government grantee and the participating business.
2. **NCUI 101 Forms**—The grantee should submit copies of each company's *Employer's Quarterly Tax and Wage Report* (NCUI 101 forms) that have been submitted to the North Carolina Employment Security Commission according to the requirements below.
  - NCUI 101 Forms should be submitted to Commerce.
  - The forms must include the appropriate number of quarters to show that the company maintained the required employment level for six-consecutive months.
  - The employment level reported must meet or exceed the baseline number of employees reported at the time of the application plus the number of new, full-time jobs committed for the grant.
  - The jobs created and the baseline must be maintained concurrently during the same six-month period.
  - If the NCUI 101 forms include employees from other locations in North Carolina, the names of the employees working in the grant funded project facility should be highlighted, and a multi-site report should be provided.
  - If the NCUI 101 forms include both full and part-time employees an "F" should be written next to the name of each full-time employee and a "P" should be written next to the name of each part-time employee.
3. **Final Report**—the grantee must submit the Final Report Form that describes the activities and outcomes of the project.
4. **Photos**—the grantee must submit digital photos that show a variety of views of the completed project.

All forms, including reporting and request for payment, can be found on the Commerce website at <http://www.nccommerce.com/ERP>  
Email completed forms and reports to [erp@nccommerce.com](mailto:erp@nccommerce.com)

Rural Economic Development Loan Agreement and  
Legally Binding Commitment, Private Owner  
**BUILDING REUSE PROGRAM**

**EXHIBIT E**  
2022-046-3201-2587

City of Thomasville (the "Governmental Unit") enters into this Loan Agreement and Legally Binding Commitment (the "LBC," including the "Loan," defined below with **Unilin Decor NC, LLC** a North Carolina limited liability company (the "Owner" and, together with the Governmental Unit, the "Parties").

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, the North Carolina Rural Infrastructure Authority (the "Rural Authority") of the State of North Carolina ("State") has awarded a grant (the "Grant") to the Governmental Unit, and the North Carolina Department of Commerce ("Commerce"), an agency of the State, will administer the Grant; and

WHEREAS, the Grant is memorialized in an agreement (the "Grant Agreement") between Commerce and the Governmental Unit, and the Grant Agreement includes Exhibit A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (this LBC, which incorporates by reference the Grant Agreement and its other Exhibits), Exhibit F (Promissory Note) and Exhibit G (Waiver of Confidentiality ("Waiver")); and

WHEREAS, without limitation, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated into the Grant Agreement by reference; (2) based on the representation in the application that the Owner owns certain real property located at:

550 Cloniger Drive  
Thomasville, NC 27360

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

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

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

1. **Third-Party Beneficiary.** The Parties agree that the State (including, without limitation, Commerce and the Rural Authority) is an intended third-party beneficiary of this LBC (including the Loan) and may, at its option, enforce the terms of this LBC or appear as a party in any litigation concerning the LBC.



2. Loan.

- (a) The Governmental Unit hereby loans to the Owner the sum of \$500,000.00 (the "Loan"), which consists entirely of State Grant funds, to fund the Project. Exhibit A to the Grant Agreement refers to the entity (or entities, as applicable) required to create and maintain certain full-time new jobs, as defined in Paragraph 3(a), to complete the Project under this LBC as the "Company," the "Employer" and the "Business" (together and hereinafter, the "Business"). The Owner specifically acknowledges that: it must repay the Loan in accordance with the terms of this LBC if the Business does not create and maintain the new jobs required by Paragraph 3(a) below; and as evidence of its obligation to repay the Loan, the Owner has executed the Promissory Note, Exhibit F to the Grant Agreement, which the Owner represents, acknowledges and agrees has been signed by every individual or entity that has any ownership interest in the Property and is fully binding on the Owner.
- (b) As conditions of receiving the Loan:
- i. The highest elected official of the Governmental Unit and a duly authorized representative of the Owner shall execute two originals of the LBC in its exact form (unless Commerce approves of a change to its terms in writing), and the Governmental Unit shall return one such original to Commerce;
  - ii. Every individual or entity that has any ownership interest in the Property shall execute two originals of the Promissory Note in its exact form, and the Governmental Unit shall return one such original to Commerce; and
  - iii. The Owner and the Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver, Exhibit G to the Grant Agreement, and the Governmental Unit shall forward the original of any such Waiver to Commerce.
- (c) The Owner hereby represents and warrants that all Loan funds shall be utilized exclusively for the purpose of the Project and that it shall not make or approve of any improper expenditures of Loan funds.

3. New Job Creation, Maintenance of New Jobs and Baseline Number of Jobs and Verification.

- (a) New Job Creation and Maintenance of New Jobs and Baseline Number of Jobs. A "New Job" shall mean a full-time job (consisting of at least 35 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Business) which is with the Business, is located in North Carolina, has a wage at least equal to the minimum wage, is created and maintained by the Business in order to complete the Project and is over and above the 686 full-time jobs in North Carolina ("Baseline Number") that the Business reported having at the time of the application for the Project. The Owner agrees that the Business shall be required to create and maintain in existence for six (6) consecutive months 87 New Jobs prior to the Termination Date, unless this term is extended pursuant to Paragraph 5. Separate and apart from these New Jobs, the Owner agrees that the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs.

- (b). Verification. When the New Jobs required by Paragraph 3(a) have been created and maintained for six (6) consecutive months, the Owner shall notify the Governmental Unit so that it and/or Commerce can verify their creation and maintenance, as well as the maintenance of the Baseline Number of jobs and the satisfaction of all other conditions and terms of this LBC and the Project. The Owner shall cause any Business to provide to the Governmental Unit and Commerce, or their respective designees, full and complete access to all records of the Business necessary to verify the number and types of jobs created and maintained, the wages paid to employees and all other conditions and terms of this LBC and the Project. Failure of any Business to provide such access upon request shall constitute a material default by the Owner under the terms of this LBC and, in the sole discretion of the Governmental Unit and/or Commerce, may subject the Owner to repayment in an amount calculated under Paragraph 13 below.
- 4. Changes in the Project or Other Conditions.
  - (a). A "Project Change" is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the loan under the LBC, the required number of New Jobs, the matching investment in the Project, any cessation of business by the Owner or any Business and any filing of bankruptcy by the Owner or any Business. There shall be no Project Changes unless expressly approved of by Commerce and the Governmental Unit in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.
  - (b). Additionally, the Owner shall immediately notify the Governmental Unit of any change in conditions or local law, or any other event, which may significantly affect the ability of it or any Business to perform the LBC or the Project. In their sole discretion, the Governmental Unit or Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.
- 5. Term of LBC. The effective period of this LBC shall commence 12/9/2021 ("Effective Date") and shall terminate 12/9/2023 unless terminated on an earlier date under the terms of this LBC (either one of which dates shall constitute the "Termination Date") or unless extended for an express term in writing by the Governmental Unit.
- 6. Independent Status of the Governmental Unit.
  - (a). The State (including, without limitation, the Rural Authority and Commerce) and the Governmental Unit are independent entities from one another and from the Owner and any third party (including, without limitation, any Business). The Grant Agreement, the LBC, the Project and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between the State and the Governmental Unit or between or among either of them and the Owner or any third party (including, without limitation, any Business). Nor shall the Grant Agreement, the LBC or the Project be construed to make any employees, agents or members of the Owner or any third party (including, without limitation, any Business) into employees, agents, members or officials of the Governmental Unit or the State or to make employees, agents, members or officials of the Governmental Unit into

employees, agents, members or officials of the State. Neither the Owner nor any third party (including, without limitation, any Business) shall have the ability to bind the Governmental Unit or the State to any agreement for payment of goods or services or represent to any person that they have such ability. Nor shall the Governmental Unit have the ability to bind the State to any agreement for payment of goods or services or represent to any person that it has such ability.

- (b). The Owner and any third party (including, without limitation, any Business) shall be responsible for payment of all their expenses, including rent, office expenses and all forms of compensation to their employees. The Owner and any third parties (including, without limitation, any Business) shall provide worker's compensation insurance to the extent required for their operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with their operations, for themselves and their employees who are performing work pursuant to this LBC or the Project. All expenses incurred by the Owner or any third party (including, without limitation, any Business) are their sole responsibilities, and neither the Governmental Unit nor the State (including, without limitation, Commerce and the Rural Authority) shall be liable for the payment of any obligations incurred in the performance of the Project.

7. Project Records.

- (a). The Owner shall maintain and cause any Business to maintain full, accurate and verifiable financial records, supporting documents and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this LBC separate from accounts for other awards, monetary contributions or other revenue sources for this Project.
- (b). The Owner shall retain and cause any Business to retain all financial records, supporting documents and all other pertinent records related to this LBC, the Loan and the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

8. Monitoring, Reports and Auditing. The Owner agrees to generate and to cause any Business to generate such reports regarding the LBC or the Project as may be requested by the Governmental Unit or the State (including, without limitation, the Rural Authority or Commerce) in such form as they may request, including after the Termination Date. The Owner further grants and shall cause any Business to grant the Governmental Unit or the State (including any of its agencies, commissions or departments such as Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor and examine all of the books, papers, records and other documents relating to the LBC or the Project. In addition, the Owner agrees to comply and to cause any Business to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal

monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

9. Termination: Availability of Funds.

- (a). If the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC or if any Business fails to fulfill those requirements applicable to it in the LBC, the Owner agrees that the Governmental Unit or Commerce has the right to terminate the LBC by giving the Owner written notice specifying the Termination Date, which shall be determined by the Governmental Unit or Commerce in their sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.
- (b). If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under its Grant Agreement with Commerce, the Owner agrees that Commerce has the right to terminate its Grant Agreement with the Governmental Unit and/or terminate this LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.
- (c). The obligations of the Rural Authority and/or Commerce to pay any Grant funds to the Governmental Unit and for the Governmental Unit to pay any Loan amounts to the Owner under this LBC are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant and therefore the Loan become unavailable, the Owner agrees that either Commerce or the Governmental Unit has the right to terminate this LBC by giving written notice specifying the Termination Date, which either the Governmental Unit or Commerce may determine in their sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed.

10. Liabilities and Loss. The Owner hereby agrees to release, indemnify and hold harmless the Governmental Unit and the State (including the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (hereinafter collectively referred to as "Indemnified Parties"), from any claims of third parties (including, without limitation, any Business) arising out of any act or omission of the Owner or any third party (including, without limitation, any Business) in connection with the performance of this LBC or the Project, and for all losses arising from implementation of this LBC or the Project. Without limiting the foregoing, the Owner hereby releases the

Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether or not arising out of acts, omissions or negligence of the Owner or of any third party (including, without limitation, any Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

11. Owner Representations and Warranties. The Owner hereby represents and warrants that:
- (a). The Owner and every Business are duly authorized to do business under North Carolina law and are not delinquent on any federal, state or local taxes, licenses or fees.
  - (b). This LBC has been entered into and executed on behalf of the Owner by an individual with full actual and apparent authority to bind the Owner to the terms hereto, and the execution and delivery of this LBC have been duly authorized by all necessary action, and are not in contravention of law nor in contravention of any certificate of authority, bylaws or other applicable organizational documents of the Owner, nor are they in contravention of the provisions of any indenture, agreement or undertaking to which the Owner is a party or by which it is bound.
  - (c). The Promissory Note has been executed by every individual or entity that has any ownership interest in the Property and is fully binding on the Owner.
  - (d). There is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending, or, to the Owner's knowledge, threatened against or affecting the Owner, that could or might adversely affect the Project, the creation of the New Jobs or any of the transactions contemplated by this LBC, or the validity or enforceability of this LBC or the Owner's ability to discharge its obligations under this LBC.
  - (e). Upon the Owner's reasonable inquiry of any Business, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending, threatened against or affecting any Business that could or might adversely affect the Project, the creation of the Jobs or any of the transactions contemplated by this LBC or the validity or enforceability of this LBC or the ability of any Business to create the Jobs specified herein.
  - (f). No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this LBC by the Owner or the performance of any of its obligations hereunder, or else all such requisite governmental consents or approvals have been obtained. The Owner shall provide the Governmental Unit or Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this LBC.

- (g). The Owner is solvent and has inquired of and received reasonable evidence from any Business of the solvency of that Business.
- (h). A cash match grant, loan or other funding ("Cash Match") equal to the amount of the Loan shall have been unconditionally committed to the Project. The Governmental Unit shall have procured and contributed at least five percent (5%) of this Cash Match, but no part of this 5% contribution can have derived, either directly or indirectly, from any other State or federal source. All Cash Match funds shall be utilized exclusively for the purpose of the Project, and there shall be no improper expenditures of Cash Match funds. All Cash Match funds shall be expended prior to or simultaneously with and at the same rate as the Owner's expenditure of Loan funds.

12. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.

- (a). The Owner shall at all times preserve its legal existence, except that it may merge or consolidate with or into or sell all or substantially all of its assets to any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Owner contained in this LBC. If the Owner so merges, consolidates or sells its assets without such an undertaking being provided, it agrees to repay to the Governmental Unit or Commerce, upon request and as directed, all unspent Loan funds. Further, any merger, consolidation or sale without such an undertaking shall constitute a material default under this LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner and hold the Owner liable for any other repayment provided for under this LBC.
- (b). Other than as provided for in Paragraph 12(a), if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, the Owner shall give the Governmental Unit immediate notice of the event, shall not expend any Loan funds without the express written authorization of the Governmental Unit and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed and if permissible under applicable bankruptcy, dissolution or insolvency law.
- (c). If the Owner fails to provide the Governmental Unit notice of the Owner or any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this LBC. If there is such a cessation or such a proceeding, the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner. Upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and shall return all unspent Loan funds to the Governmental Unit or Commerce upon demand and as directed and if permissible under applicable bankruptcy, dissolution or insolvency law.
- (d). Notwithstanding the foregoing and wherever referred to in this LBC, "ceases to do business" shall not include (1) ceasing operations to maintain, service or upgrade real or personal property of the Owner, (2) season shutdowns of operations as long as such cessation does not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure as described below) and (3) under the

circumstances for the period of time described in Paragraph 22 below.

13. **Additional Repayment Requirements and Remedies.**

- (a). The repayment requirements and remedies addressed in this Paragraph 13 are in addition to those repayment requirements and other remedies set forth elsewhere in this LBC, including the requirements to repay unspent Loan funds. No remedy conferred or reserved by or to the State or the Governmental Unit is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this LBC, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.
- (b). The Owner acknowledges that the Grant by the Rural Authority and the Loan by the Governmental Unit are predicated upon the creation and maintenance of the New Jobs and maintenance of the Baseline Number of jobs required by Paragraph 3(a) and that failure to create and/or maintain them will constitute a material default of this LBC.
  - i. If the Business fails to create and maintain such New Jobs, then the Owner shall repay to the Governmental Unit or Commerce, as directed, an amount equal to the product of (i) **\$5,747.13** (the amount of Loan funds divided by the number of New Jobs required to be created in Paragraph 3(a) and (ii) the number of New Jobs required to be created in Paragraph 3(a), minus the number of New Jobs actually created, above the Baseline Number reported, that have been in existence for six (6) consecutive months.
  - ii. Additionally, in the event that the Business fails to maintain its Baseline Number of jobs as required under Paragraph 3(a), the Business shall lose credit for any qualifying New Jobs under this LBC by the same number of jobs that the Baseline Number is short. For example, if the Baseline Number of jobs falls short by three (3) jobs as of the date the Business has created and maintained all required New Jobs, the number of New Jobs deemed created and maintained shall be reduced by three (3). The amount the Business must repay shall then be calculated in accordance with Paragraph 13(b)i.
  - iii. Either Commerce or the Governmental Unit shall notify the Owner in writing of the amount to be repaid and direct the Owner whether to repay such amount to the Governmental Unit for return to Commerce or repay the amount directly to Commerce. All such amounts shall be due immediately upon demand by the Governmental Unit or Commerce. If not paid within thirty (30) days following demand, the unpaid amount due hereunder and under the Promissory Note shall bear interest at the rate of 10% per annum after demand until paid. Upon default in such payment, the Governmental Unit or Commerce may employ an attorney to enforce their respective rights and remedies, and the Owner hereby agrees to pay the legal costs and reasonable attorneys' fees of the Governmental Unit and Commerce plus all other reasonable expenses incurred by such party in exercising any of its rights and remedies upon such defaults.

- (c). If there is a breach of any of the requirements, covenants or agreements in this LBC (including, without limitation, a failure to repay the amount required under Paragraph 13(b) within the time required), or if there are any representations or warranties which are untrue as to a material fact in this LBC or in relation to the LBC or the Project (including the performance thereof), the Owner agrees that the Governmental Unit or Commerce may require repayment from the Owner of an amount of Loan funds to be determined in their sole discretion but not to exceed the amount of Loan funds the Owner has already received under this LBC. Such requirements, covenants or agreements include but are not limited to Paragraphs 2, 3, 4, 9, 11 and 12 of this LBC.
14. No Waiver by Governmental Unit or the State. Failure of the Governmental Unit or the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this LBC shall in no manner affect the rights of the Governmental Unit or the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the Governmental Unit or the State of any condition or the breach of any term, provision or representation contained in this LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.
15. Waiver of Objections to Timeliness of Legal Action. The Owner knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the Governmental Unit or the State (including Commerce) to enforce their rights under this LBC. This waiver includes any objections the Owner may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.
16. Special Provisions and Conditions.
- (a). Nondiscrimination. The Owner agrees that it will not, and will ensure that the Business will not, discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this LBC or the Project.
- (b). Compliance with Laws. The Owner shall at all times, and shall cause any Business at all times to, observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the LBC or the Project.
- (c). Non-Assignability. The Owner shall not assign or transfer any interest in the LBC without the prior written consent of the Governmental Unit and Commerce; provided however, that claims for money due to the Owner from the Governmental Unit under this LBC may be assigned to any commercial bank or other financial institution without such approval.
- (d). Personnel. The Owner represents that it and any Business have or will secure at their own expense all personnel required to monitor, carry out and perform the scope of services of this LBC and the Project. Such employees shall not be employees of the State (including, without limitation, the Rural Authority or Commerce) or the Governmental Unit. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.



Rural Economic Development Loan Agreement and  
Legally Binding Commitment, Private Owner  
**BUILDING REUSE PROGRAM**

**EXHIBIT E**  
2022-046-3201-2587

17. Notice. All notices required or permitted hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States Mail, certified, return receipt requested, postage prepaid, and addressed as follows:

If to the Governmental Unit:

Attn: Raleigh York, Jr.  
Mayor  
City of Thomasville  
PO Box 363  
Thomasville, NC 27361-0363

To the Owner:

Attn: Bart Stofferis  
VP Operations  
Unitil North America, LLC  
550 Cloniger Drive  
Thomasville, NC 27360

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

18. Entire Agreement. This LBC supersedes all prior agreements between the Governmental Unit and the Owner with regard to the Loan and the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Parties.
19. Execution. This LBC may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same LBC which shall be sufficiently evidenced by one of such original counterparts.
20. Construction. This LBC shall be construed and governed by the laws of the State of North Carolina.
21. Severability. Each provision of this LBC is intended to be severable and, if any provision of this LBC is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this LBC, but this LBC shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

Rural Economic Development Loan Agreement and  
Legally Binding Commitment, Private Owner  
BUILDING REUSE PROGRAM

EXHIBIT E  
2022-046-3201-2587

22. Force Majeure. If (a) during the Grant Term the real or personal property located on or constituting the Property suffers damage or destruction caused by acts of God, fires, floods, storms, insurrection, riots, acts of the public enemy, national catastrophe, or similar unexpected events, (b) such damage or destruction was not principally caused by the negligence, willful misconduct or violation of applicable law by the Owner, (c) the Owner uses reasonable efforts to repair, or to work around, such damage or destruction reasonably promptly, and (d) as a direct result of such damage or destruction the Owner cannot satisfy the requirements and obligations of Sections 3 of this Agreement as and when this Agreement requires, then the Owner will be entitled to an extension of time not to exceed sixty (60) days to satisfy the requirements and obligations of Section 3 of this Agreement; provided that the Governmental Unit in its sole discretion with respect to the obligations it is owed by the Owner, may elect to extend that sixty day period to give the Owner additional time to satisfy those requirements.

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

Governmental Unit Name: City of Thomasville

Signature: Raleigh York, Jr. [SEAL]

Printed Name: Raleigh York, Jr.

Title: Mayor

Owner Name: Unitin North America, LLC

Signature: [Signature] 01/18/22 [SEAL]

Printed Name: Bert Stofferis

Title: VP Operations

Promissory Note, Private Owner  
**BUILDING REUSE PROGRAM**

**EXHIBIT F**

**2022-046-3201-2587**

For VALUE RECEIVED and subject to the terms of and secured by the Rural Economic Development Loan Agreement and Legally Binding Commitment – Private-Owner Building Reuse Program, Reference Number 2022-046-3201-2587 ("LBC," which is incorporated by reference herein), the undersigned borrower[s] (the "Owner") jointly and severally promise[s] to pay to lender the City of Thomasville or its assigns (together, the "Governmental Unit") or to the intended third-party beneficiary of this Promissory Note, the North Carolina Department of Commerce ("Commerce"), upon demand and as directed by either the Governmental Unit or Commerce, an amount of principal loan ("Loan") funds under the LBC up to and including \$500,000.00 Dollars but which amount shall not exceed the amount of Loan funds the Owner has actually received under the LBC, plus interest and attorney's fees as addressed below. Unless otherwise specified herein, capitalized terms in this Promissory Note shall have the same meaning as those set forth in the LBC.

The Owner acknowledges and represents that: (i) the undersigned is or are the only person(s), entity or entities who or that have any ownership interests in the certain real property located at:

550 Cloniger Drive  
Thomasville, NC 27360

in Davidson County, North Carolina (the "Property"); and (ii) the undersigned shall be jointly and severally liable for any and all debts secured by this Promissory Note.

The Owner further acknowledges that: (i) in order for the Owner to receive the Loan, the LBC requires the Owner to complete a "Project"; (ii) in order for the Owner to receive the Loan, what the LBC identifies as the "Business" must maintain certain jobs and create and maintain certain other jobs in working with the Owner to complete the Project; (iii) the Loan from the Governmental Unit to the Owner under the LBC consists entirely of a grant from the State of North Carolina to the Governmental Unit, subject to certain clawback provisions; (iv) Commerce is an intended third-party beneficiary to the LBC and to this Promissory Note; and (v) the LBC specifies those circumstances in which the Governmental Unit or Commerce can terminate the LBC and require the Owner to repay an amount of Loan funds according to a formula or else in an amount to be determined in the sole discretion of the Governmental Unit or Commerce but which amount shall not exceed the amount of Loan funds the Owner has actually received under the LBC.

Upon default, the Governmental Unit and/or Commerce may employ attorneys to enforce their rights and remedies under this Promissory Note and the LBC, and the Owner agrees to pay their reasonable attorneys' fees, plus all other reasonable expenses they incur in exercising their rights and remedies upon default. The rights and remedies of the Governmental Unit and Commerce, as described in this Promissory Note and the LBC, shall be cumulative and may be pursued singly, successively or together against the Owner (including each of the undersigned), the Property, or any other funds, property or security held by the Owner for payment or security, in the sole discretion of the Governmental Unit and Commerce. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

Promissory Note, Private Owner  
**BUILDING REUSE PROGRAM**

**EXHIBIT F**

2022-046-3201-2587

The Owner hereby waives protest, presentment, notice of dishonor and notice of acceleration and maturity and agrees to remain bound for the payment of principal, interest and all other sums due under this Promissory Note and the LBC, notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Promissory Note, or by way of any extension or extensions of time for the payment of principal and interest; and the Owner waives all and every kind of notice of such change or changes and agrees that the same may be made without notice of or consent to any of them.

This Promissory Note may not be amended, changed or altered except in writing executed by the Owner, the Governmental Unit and Commerce.

If not repaid within 30 days following demand hereunder, the Loan funds demanded by the Governmental Unit or Commerce under this Promissory Note shall bear interest at the rate of 10% per annum after demand until repaid. If either the Governmental Unit or Commerce initially demands Loan repayment from the Owner ("First Demand") in an amount less than the Loan funds the Owner has actually received under the LBC but, failing to receive repayment and, in its discretion under the LBC, increases the Loan repayment demand ("Second Demand") to the full amount the Owner has received under the LBC, then such interest on the difference between the First and Second Demands shall begin to accrue as of the date of the Second Demand.

For example, if under the terms of the LBC, a Business engages in an improper expenditure of Loan funds, the Governmental Unit has the discretion to require in a First Demand the partial repayment of Loan funds received by the Owner. Interest will begin to accrue at 10% per annum on whatever portion of the sum is not repaid as of the 31<sup>st</sup> day after the First Demand. Further, if the Owner fails to repay the First Demand in full, the Governmental Unit retains the discretion under the LBC to terminate the LBC and issue a Second Demand for the full repayment by the Owner of all Loan funds. Interest will continue accruing at 10% per annum on the original principal amount still unpaid from the First Demand and, following the expiration of 30 days from the Second Demand, interest will begin to accrue at 10% per annum on the additional unpaid principal Loan amount in the Second Demand.

Payment shall be made in lawful money of the United States of America via United States Mail First Class, Federal Express or UPS to the attention of the person at the address or in person at the address of the Governmental Unit or Commerce as directed in writing.

This Note shall be governed by, and construed in accordance with, the laws of the State of North Carolina.

Promissory Note, Private Owner  
BUILDING REUSE PROGRAM

EXHIBIT F  
2022-046-3201-2587

IN WITNESS WHEREOF, the undersigned has (have) caused these presents to be executed under seal, pursuant to authority duly given, the day and year first above written.

EVERY SIGNATORY BELOW EXPRESSLY REPRESENTS THAT ALL INDIVIDUALS OR ENTITIES WITH ANY OWNERSHIP INTERESTS IN THE PROPERTY HAVE EXECUTED THIS PROMISSORY NOTE.

Dated as of: \_\_\_\_\_, 20 \_\_\_\_\_

If by Individual: \_\_\_\_\_

Signature: \_\_\_\_\_ [SEAL]

Printed Name: \_\_\_\_\_

Dated as of: 01/19, 20 22

If by Entity: Union North America, LLC

Signature: [Signature] [SEAL]

Printed Name: Bart Stofferis

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


EXHIBIT G  
2022-046-3201-2587

Name of Taxpayer Union North America, LLC  
Address: P.O. Box 12069  
City: Calhoun State: GA Zip: 30703 Phone: 336 313-4011  
NC Unemployment Insurance Acct #: 00785766 Fed Tax ID #: 04-8202542

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

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

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

 01/19/2022  
Signature of Chief Financial Officer or Other Authorized Company Official  
Bart Stofferis VP Operations  
Print Name Title

The Department of Commerce strongly encourages, but does not require, the Governmental Unit secure the funds loaned to the property owner, Unilin Decor NC, LLC a North Carolina limited liability company, with a Deed of Trust on the property.

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

- ☐ The Governmental Unit will secure the funds with a Deed of Trust listing the City of Thomasville as the beneficiary in the amount of \$500,000.00.
- ☒ The City of Thomasville ("Governmental Unit") has elected NOT to secure with a deed of trust on the subject property the \$500,000.00 in grant funds awarded by the North Carolina Department of Commerce ("Commerce") for a building reuse grant. Governmental Unit acknowledges and agrees that it is liable to the State for any grant funds that must be repaid under the Grant Agreement or Legally Binding Commitment, including (without limitation), any required repayments due to the property owner's failure to create and maintain jobs, which could include the full amount of the grant. Governmental Unit acknowledges that its liability to Commerce arises whether or not it is able to collect any repayment from the property owner under the Legally Binding Commitment, but still elects not to obtain a deed of trust on the subject property.

Please fill in the box below:

Governmental Unit Name:	<u>City of Thomasville</u>
By (Signature):	<u>Raleigh York, Jr.</u>
Printed Name:	<u>RALEIGH YORK, JR.</u>
Title:	<u>CITY OF THOMASVILLE, Mayor</u>
Date:	<u>JANUARY 6, 2022</u>

CITY OF THOMASVILLE  
FISCAL POLICIES  
Last Revision: February 21, 2022

Fiscal policies guide the City in the financial management of all funds. Although the North Carolina Local Government Budget and Fiscal Control Act restrict North Carolina governmental units, the City has chosen to impose a more restrictive policy than those implemented by the state. These fiscal policies allow the City to function as a fiscally sound governmental unit.

A. Revenue Policy

1. As provided by the North Carolina Local Government Budget and Fiscal Control Act, estimated revenue for the Ad Valorem Tax levy and from user fees will be budgeted as follows:
  - a) Assessed valuation shall be estimated based on historical trends and growth pattern in a conservative manner.
  - b) The estimated percentage rate of collection shall not exceed the percentage rate of the preceding year.
  - c) The tax rate shall be set each year based on the cost of providing general government services.
  - d) The City sets fees that will optimize user charges for identifiable services.
  - e) The rate and fee structure established for water and sewer customers will be sufficient to finance all operating, capital, and debt service costs for providing said services, to operate the utility fund as a self-supporting enterprise fund.
  - f) To the extent practical, any City service that is of a higher level to or benefits specific recipients shall be supported by user fees designed to recover from these recipients. Examples are certain recreation programs, programs to be funded through user fees and registration charges, and building and code enforcement activities funded through permit fees.
  - g) When user fees are based on cost recovery, said costs shall be reviewed annually and fees adjusted as practical.
  - h) The City will project revenues for five years and will update the projections annually.



- i) The Water & Sewer Fund will reimburse the General Fund quarterly for expenditures paid on its behalf. The basis for this reimbursement is costs which are charged to the General Fund that are associated and performed on behalf of the Water & Sewer Fund. The City will use the previous year Water & Sewer Fund budget stated as a percentage of the total City budget to allocate these costs. This percentage will be applied to the annual proposed budget for the next fiscal year for the departmental budgets of Governing Body, Administration, Personnel, Finance, MIS, Legal, City Hall, Inspections, Engineering, Public Works Building, Radio, and Fleet Services.
- j) If Golf Fund revenues are not sufficient to meet debt service obligations the General Fund will transfer to the Golf Fund an amount sufficient to meet annual debt service requirements.

#### B. Operating Budget Policy

- 1. Current operating revenues will be sufficient to support current operating expenditures. Fund balance may be appropriated to fund capital items valued over \$10,000 in any fiscal year in which the unassigned fund balance exceeds the 24% policy amount.
- 2. The City will prepare a five-year operating budget projection that will include projections of annual growth plus allowances for operating costs of new capital facilities.
- 3. The City will maintain a designation on its fund balance for Economic Development. The equivalent of one half of one cent of the tax rate will be appropriated annually to this designation less any contribution to the Davidson County Economic Development Commission.
- 4. The City will maintain an unassigned Capital Reserve Fund to replace capital outlay items with a life of more than one year and a value of \$10,000.00 or greater. All General Fund unassigned fund balance exceeding 24% may be earmarked for capital reserve purposes. This is in addition to assigned projects in the Capital Reserve Fund.
- 5. The City Manager is granted the authority to transfer funds from one line item to another within departments the maximum of \$10,000.00 without having to bring the transfer before the City Council – this is exclusive of all salary accounts.
- 6. It is the City's policy not to fund requests from outside agencies which provide health and human services.
- 7. It is the City's policy that the operating budget must be prepared in accordance with Generally Accepted Accounting Principles and adopted at the departmental level by the City Council.

C. Capital Improvement Policy

1. The City will update and readopt annually a five-year Capital Improvement Program which details each capital project, the estimated cost, and description.
2. The Capital Improvement Program should be tied to the City's long-range master plans to ensure that the capital items requested meet the future growth needs of the City.

D. Accounting Policy

1. An independent certified public accounting firm will issue an official opinion on the annual financial statements and will perform an annual audit.
2. Financial systems will be maintained to monitor revenues and expenditures on a monthly basis.
3. The City will use the NC Department of the State Treasurer Policies Manual for accounting, budgeting, and financial reporting.
4. *The City shall follow GS 159-32 for all cash deposits. Notwithstanding State law, the City will require all deposits over \$250 be deposited on a daily basis. Each department shall have the authority to set a lower threshold and to determine when their "day" starts and ends.*

E. Debt Policy

1. Capital projects financed through the issuance of bonds or through an installment purchase contract (N.C.G.S. 160-A 20) shall be financed for a period not to exceed the anticipated useful life of the project.
2. In compliance with the North Carolina General Statutes, the general obligation debt of the City will not exceed eight percent of the assessed valuation of the taxable property of the City.
3. The City will maintain its financial condition so as to continue a minimum bond rating of A+ with Standard & Poor's and an A1 with Moody's rating agency. The City will have the New York rating agencies periodically review its bond rating.
4. The annual budgeted capital expenditures of all funds combined will be financed at a minimum of 30% from current budget revenues ("pay as you go"). The remaining 70% may be financed with any combination of grants, donations, contributions, and/or installment financing contracts.

F. Reserve Policy

1. The City will maintain an unassigned fund balance to be used for unanticipated emergencies of 24% of the general operating budget, (excluding capital outlay). These funds will be used to avoid cash-flow interruptions, generate interest income, eliminate the need for short-term borrowing, and assist in maintaining an investment grade bond rating.
2. The City may appropriate unassigned fund balance to fund capital items valued at \$10,000 or greater, this appropriation can only be made after the City has exceeded the 24% unassigned fund balance policy amount.
3. The City will establish a contingency reserve to provide for unanticipated expenditures of a nonrecurring nature or to meet unexpected increases in service delivery costs. This reserve will be budgeted at a minimum of 1% of the General Fund revenue estimated for that fiscal year and at a minimum of 2% of the Water and Sewer Fund revenue for that fiscal year.

Adopted this 21<sup>th</sup> day of February, 2022.

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Mayor

Attest: \_\_\_\_\_  
City Clerk

**§ 159-32. Daily deposits.**

(a) Except as otherwise provided by law, all taxes and other moneys collected or received by an officer or employee of a local government or public authority shall be deposited in accordance with this section. Each officer and employee of a local government or public authority whose duty it is to collect or receive any taxes or other moneys shall, on a daily basis, deposit or submit to a properly licensed and recognized cash collection service all collections and receipts. However, if the governing board gives its approval, deposits or submissions to a properly licensed and recognized cash collection service shall be required only when the moneys on hand amount to five hundred dollars (\$500.00) or greater. Until deposited or officially submitted to a properly licensed and recognized cash collection service, all moneys must be maintained in a secure location. All deposits shall be made with the finance officer or in an official depository. Deposits in an official depository shall be immediately reported to the finance officer by means of a duplicate deposit ticket. The finance officer may at any time audit the accounts of any officer or employee collecting or receiving taxes or other moneys, and may prescribe the form and detail of these accounts. The accounts of such an officer or employee shall be audited at least annually.

(b) The Secretary may, during an emergency declaration issued under G.S. 166A-19.20, set the amount of moneys on hand requiring daily deposits and may require deposits on less than a daily basis, provided the moneys are maintained in a secure location and deposited at least weekly. (1927, c. 146, s. 19; 1929, c. 37; 1939, c. 134; 1955, cc. 698, 724; 1971, c. 780, s. 1; 1973, c. 474, s. 27; 2017-204, s. 6.1(a); 2020-3, s. 4.28(a).)

**AN ORDINANCE AMENDING A  
TRAFFIC AND VEHICLES ORDINANCE OF THE CITY**

City Council of the City of Thomasville

The City Council finds that the City of Thomasville Code of Ordinances Chapter 78-463.1, Schedule 3.1: *Thirty-five miles per hour speed zones on streets in the State Highway System* should be amended as follows:

Add:

NC 109 (Randolph Street, aka Hwy 109) starting at a point 650' south of SR 2055 (Liberty Drive) to the intersection of SR 2067 (Lambeth Road); and

NC 109 (Randolph Street, aka Hwy 109) from West Colonial Drive to a point 650 feet south of SR 2055 (Liberty Drive).

**It should read as follows:**

The following streets or portions of streets shall be subject to the 35 miles per hour speed limit provided by [section 78-62\(c\)](#):

The stretch of West Holly Hill Road, State Road 2087, running from the point of its intersection with Baptist Children's Home Road, State Road 2085, northward to the intersection of West Holly Hill Road and Kendall Mill Road, State Road 2060;

NC 109 (Randolph Street, aka Hwy 109) starting at a point 650' south of SR 2055 (Liberty Drive) to the intersection of SR 2067 (Lambeth Road); and

NC 109 (Randolph Street, aka Hwy 109) from West Colonial Drive to a point 650 feet south of SR 2055 (Liberty Drive).

SR 2123 (Old US Highway 29) from city corporate limits to SR 2123 (Lexington Avenue) in both directions; and

SR 2123 (Lexington Avenue) from city corporate limits, eastward to the intersection at Hoover Street, and westward from the intersection at Hoover Street to SR 2123 (Old US Highway 29); and

*SR 1772 (Hasty School Road) from the corporate limit of Thomasville, a point approximately 0.07 mile west of SR 1777 (Hasty Hill Road) eastward to NC 68.*

Upon the motion of Council Member \_\_\_\_\_ and a second by Council Member \_\_\_\_\_, the foregoing ordinance was passed upon its first reading by a vote of \_\_\_\_ - \_\_\_\_.

This Ordinance shall be effective the 21<sup>st</sup> day of February, 2022.

CITY OF THOMASVILLE

By: \_\_\_\_\_  
Raleigh York, Jr., Mayor

[SEAL]

Attest: \_\_\_\_\_  
Wendy S. Martin, City Clerk