



**CITY OF SOUTHPORT
BOARD OF ALDERMEN
SPECIAL MEETING AGENDA**
223 E. BAY STREET February
17, 2025
12:30 PM

Agenda

Please turn off all cell phones

Meetings are open to the public. If you are not able to attend the Board of Aldermen meetings in person, the meeting will be available for you to watch via live-stream on the City of Southport website (<https://cityofsouthport.com/board-of-aldermen-meetings/>), Facebook page, and YouTube channel.

ETHICS STATEMENT:

"If any members know of any conflict of interest or the appearance of a conflict of interest concerning matters on the agenda, please so state at this time."

A. Call to Order

B. Invocation

C. Pledge of Allegiance

D. Public Comment

E. Approval of Agenda

F. Agenda

1. Cades Cove Rezoning and PUD Modification (City Planner Wendell Biddle Pgs. 2-11)
2. Old City Hall/Courthouse (City Engineer Tom Zilinek 12-17)
3. NC Wildlife Sunny Point Property Sale Extension Request (Ben Solomon Assistant Chief and Land Acquisition Manager NCWRC Pgs. 18-23)
4. Concession Agreements (Director of Community Relations Allayna Taylor Pgs. 24-48)
5. Potential UDO Updates (Mayor Alt)

G. City Manager's Report

H. Mayor's Comments

I. Board Comments

J. Closed Session NCGS 143-318.11

1. Motion to go into closed session pursuant to NCGS 143-318.11
 - (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.
 - (5) To establish, or to instruct the public body's staff or negotiating agents concerning the

position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

(6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee

2. Motion to close the Closed Session and re-enter Regular Session.
3. Possible action relating to items discussed during the Closed Session.

K. Adjourn



BOARD OF ALDERMEN

AGENDA ITEM SUMMARY

DATE: 02/13/2025

DEPARTMENT: Development Services

PRESENTED BY: Maureen Meehan, Planning Services Director

ITEM SPONSORED BY: Cades Cove Homeowners Association

ITEM/TOPIC: Rezoning and PUD Modification for Cades Cove Subdivision

COST: N/A

BUDGET LINE ITEM: N/A

JUSTIFICATION: The Cades Cove Homeowners Association requests a rezoning and modification to their Planned Unit Development (PUD) master plan to allow a gate to be installed for limited access to the subdivision and subsequently change the dedication of the streets on the final plat to private. A duly advertised public hearing was held on December 12, 2024, followed by Board questions and discussion with the applicant and staff.

IMPACT IF NOT APPROVED: This is a legislative decision defined by the NC General Statutes. The Board is not obligated to approve the amendment. A statement of consistency must be adopted in conjunction with a motion to approve or deny the proposal.

DEPARTMENT HEAD COMMENTS: The decision for this application is whether the Planned Unit Development Master Development Plan should be amended to include a gate restricting connectivity through the neighborhood. Past events related to streets should not be part of the decision to create a gated community.

CITY MANAGER COMMENTS:

Police-Fire-EMS services continue regardless of a gate or no gate, as they would with any citizen and homeowner. Traffic enforcement has always been limited on private roads because of their Public Vehicular Area status (but still allow patrolling for citation for reckless driving, endangerment, intoxication etc).

The real issue then is whether traffic connectivity with the City should be restricted, especially as development increases off Robert Ruark Road, and future development.

ATTACHMENTS: Staff Report, Application, Planning Board signed consistency statement

REQUESTED ACTION: Consider a Zoning Map Amendment as presented at the public hearing and in the attached report.

PROPOSED MOTION: 1.) Motion to approve the Land Use Consistency Statement citing consistency with Policy 2.4 of the Land Use Plan; 2.) Statement of Reasonableness; and 3.) the Zoning Map Amendment and Master Development Plan as presented. OR Motion to deny the Land Use Consistency Statement and Zoning Map Amendment.

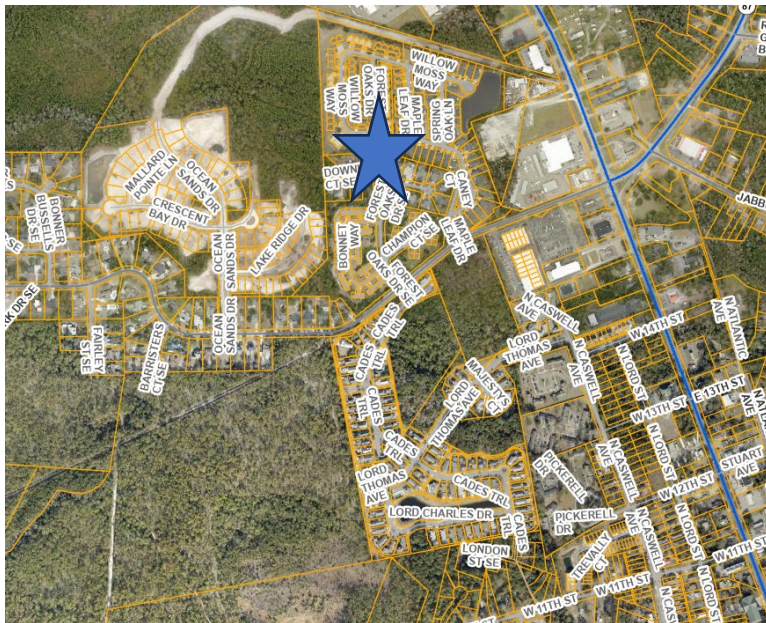
STAFF REPORT FOR CADES COVE PLANNED UNIT DEVELOPMENT MODIFICATION REZONING AND MASTER DEVELOPMENT PLAN

APPLICATION SUMMARY	
Presentation Dates	December 12, 2024 January 9, 2025 February 13, 2025 Board of Aldermen
Applicant	Rick Jones, President Board of Directors
Property Owner	Cades Cove Homeowners' Association
Zoning District	PUD

PROJECT OVERVIEW

Rick Jones, applicant, on behalf of the Cades Cove Homeowners' Association, is requesting approval of a modification to the Planned Unit Development and a rezoning request to modify the PUD zoning district. This modification includes adding a gated entrance and exit on Robert Ruark Drive and subsequently changing the street dedication to private if approved.

LOCATION



Subject property is situated west of North Howe Street before Smithville Woods, with access from Robert Ruark Drive and North Caswell Avenue.

BACKGROUND AND PROPOSED AMENDMENT

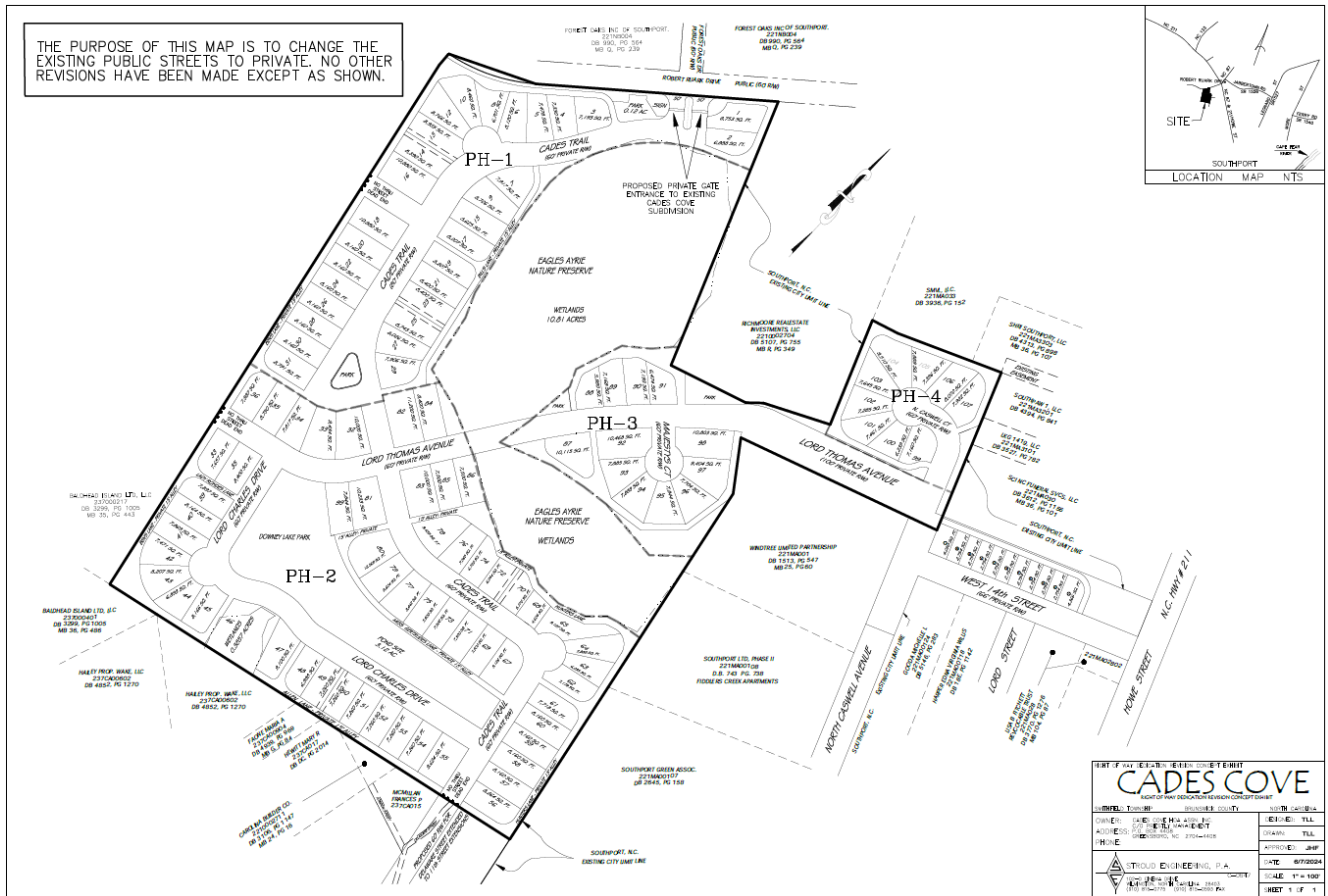
Cades Cove was approved as a Planned Residential Development, similar to the existing PUD process. A master site plan with standards was conditionally approved. All conditions of the approval must be followed throughout the life of the subdivision. The approved master plan and preliminary plat include public right of way with through streets for interconnectivity. The streets, while dedicated as a public right of way, have yet to be accepted by the city due to several different stormwater and other infrastructure projects that the developer abandoned.

In the Spring of 2023, the Cades Cove Homeowners' Association approached staff with a request to add a gate to their entrance. The Development Services Director at the time, in consultation with Brady Herman, City Attorney, determined the following:

- The city is not involved in the community's desire to rescind the public dedication of streets. If the community can meet statutory requirements to rescind the streets, city ordinances are not violated.
- If the dedicated streets are rescinded, the city has the right to all city easements within the streets and the Cades Cove community.
- The placement of a gate will violate the original development approval since it is placing a new structure not on an approved plan. The gate would impede the public from traveling roadways that are dedicated to public use. A modification to the PUD and rezoning to amend the master plan will be required.

Per staff direction, the applicant has submitted a PUD modification and rezoning application, including a proposed plat showing private street rights-of-way and a gated entrance and exit on Robert Ruark Drive. The entrance on Lord Thomas from North Caswell Avenue will remain open. There will be siren-activated sensors to ensure emergency vehicles have access through both gates. Buses and delivery service drivers can receive access with personalized codes and/or remotes.

The applicant also includes updated articles of incorporation that grant the HOA authority to assume private streets, a current assessment of the condition of the streets, and financial documentation showing how the HOA will accommodate future funding for maintenance and repairs. The documents mentioned are attached to this report.



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GATE POSITIONING RUARK ENTRANCE
View from Ruark, center island at left



EXIT ON TO RUARK FROM CADES TRAIL



REVIEW PROCESS

Proposed amendments to the zoning map may be initiated by the Board of Aldermen, Planning Board, city administration, or by the owner, or his or her agent, of property within the area proposed to be changed. Every amendment, supplement, change, modification, or repeal of the zoning map/ordinance shall be referred to the Planning Board for its recommendation and report to the Board of Aldermen.

A Planned Unit Development (PUD) is planned and developed as an integral unit in a single development operation or a defined series of development according to an approved master plan. Per Section 2.9 C of the City of Southport Unified Development Ordinance, the Planning Board shall review the proposal and transmit a formal recommendation to the Board of Aldermen. The Board of Aldermen is the final decision maker on all Master Development Plans within the City of Southport.

A PUD requires an amendment to the City's zoning map in conjunction with the approval of the master development plan. Applications for both the master development plan and rezoning are submitted concurrently. The master plan outlines the framework for development within the PUD, including intended uses, dimensional standards for parking, landscaping, design guidelines, and buffers. The proposal must comply with the design guidelines provided in Section 4.15 of the Unified Development Ordinance.

When evaluating the application for a PUD zoning district, the Planning Board and the Board of Aldermen shall consider the following:

- a) The application's consistency to the general policies and objectives of the City's Comprehensive Plan, any other officially adopted plan that is applicable, and the Unified Development Ordinance.
- b) The potential impacts and/or benefits on the surrounding area and adjoining properties.

The Planning Board will provide a recommendation to the Board of Aldermen.

Prior to the Board of Aldermen's consideration of a change, a public hearing must occur on a set day and time. The hearing is notified to adjacent property owners by mail, published in a local newspaper of general circulation, and posted on the property for two (2) consecutive weeks, not less than 10 days and not more than 25 days before the hearing.

The Board of Aldermen may adopt the approval, conditional approval, or denial of the rezoning after the duly advertised public hearing and upon the approval of a plan consistency statement and a statement of reasonableness.

Following an affirmative decision by the Board of Aldermen, the official zoning map will be updated to PUD, and all development shall follow the approved master development plan.

LAND USE PLAN CONSISTENCY

The 2014 CAMA Land Use Plan (LUP), along with subsequent updates, is the plan that is used for policy decisions in the City. The Planning Board and Board of Aldermen shall consult the plan's policies when considering a zoning change. Further, each rezoning must be recommended and ultimately adopted with a statement describing if the action is consistent or inconsistent with the adopted land use plan.

Policy 2.1 "...rezonings and amendments in classifications to the future land use map should be carefully balanced with a demonstrated need for such proposed development

The modified master development plan proposes a gated single-family development with private streets.

Policy 6.1: Southport supports the interconnectivity of residential and non-residential subdivisions through the enforcement of street design standards contained in the UDO.

The modified master development plan is not consistent with the land use policy above or with the requirement of subdivisions to provide interconnectivity with existing streets.

The following policy supports the proposed rezoning request.

Policy 2.4: Southport will permit residential development to occur in response to market needs provided the following criteria are met:

- 1) Due respect is offered to all aspects of the environment.
- 2) Concurrent planning for improvements to community facilities, infrastructure, and services provided.

This policy is appropriate for the site due to the unique characteristics of the tract of land and changing development patterns on Robert Ruark Drive.

STAFF'S RECOMMENDATION

The application has been deemed complete and is eligible for review. Staff also find that the request is inconsistent with the 2014 CAMA Land Use Plan and Unified Development Ordinance.

An amendment to a master development plan and rezoning that is inconsistent with adopted plans can be approved if the governing board recognizes that they are doing so and there is documentation of the reasoning for the decision. The statement of reasonableness shall consider the following factors:

- i. the size, physical conditions, and other attributes of the area proposed to be rezoned;
- ii. the benefits and detriments to the landowners, the neighbors, and the surrounding community;

- iii. the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment;
- iv. why the action taken is in the public interest; and
- v. any changed conditions warranting the amendment.

You do not have to consider each of the factors, as not all will be appropriate for every zoning amendment.

PLANNING BOARD RECOMMENDATION

The Planning Board recommends **DENIAL** of the proposed zoning map amendment and planned unit development modification to the Board of Aldermen. The proposal is inconsistent with the 2014 CAMA Core Land Use Plan and unreasonable due to attributes of the area proposed to be rezoned and detriments to the neighbors and surrounding community.

Attachments:

- 1) Applications – Zoning and Planned Unit Development
- 2) Proposed Plat with Private R/W and proposed gated entrances
- 3) Applicant's Summary of the proposed amendment and accompanying documents
- 4) Consistency Statements



**City of Southport Board of Aldermen
Statement of Plan Consistency
(As per NC General Statute 160D-605)**

When conducting a review of proposed zoning text or map amendments pursuant to this section, the Board of Aldermen shall approve a statement describing whether the proposed action is consistent or inconsistent with any comprehensive plan that has been adopted and any other officially adopted plan that is applicable.

**AMENDMENT: ZMA 24-02 – Cades Cove Rezoning and Planned Unit
Development Master Plan Modification**

STATEMENT OF CONSISTENCY AND RECOMMENDATION:

The City of Southport Board of Aldermen hereby **ADOPT** the proposed Zoning Map Amendment and Master Development Plan Modification and find that it is consistent with the City's 2014 CAMA Core Land Use Plan originally adopted Nov. 13, 2014 and subsequently amended. More specifically, the proposed amendment is consistent with **Policy 2.4:** Southport will permit residential development to occur in response to market needs provided the following criteria are met: 1) Due respect is offered to all aspects of the environment. and 2) Concurrent planning for improvements to community facilities, infrastructure, and services provided. Further, the proposed text amendment is reasonable due to the size, physical conditions, and other attributes of the area.

The statement and motion was seconded and passed _____.

Noah Saldo, City Clerk

Richard Alt, Mayor



**City of Southport Board of Aldermen
Statement of Plan Consistency
(As per NC General Statute 160D-605)**

When conducting a review of proposed zoning text or map amendments pursuant to this section, the Board of Aldermen shall approve a statement describing whether the proposed action is consistent or inconsistent with any comprehensive plan that has been adopted and any other officially adopted plan that is applicable

**AMENDMENT: ZMA 24-02 – Cades Cove Rezoning and Planned Unit
Development Master Plan Modification**

STATEMENT OF CONSISTENCY AND RECOMMENDATION:

The City of Southport Board of Aldermen hereby **DENY** the proposed Zoning Map Amendment and finds that it is inconsistent with the City's 2014 CAMA Core Land Use Plan originally adopted Nov. 13, 2014 and subsequently amended and not reasonable due to the size, physical conditions, and other attributes of the area.

The statement and motion was seconded and passed _____.

Noah Saldo, City Clerk

Richard Alt, Mayor



BOARD OF ALDERMEN

AGENDA ITEM SUMMARY

DATE: 2/13/2025_____ **DEPARTMENT:** Public Services_____

PRESENTED BY: Tom Zilinek, City Engineer_____

ITEM SPONSORED BY: Public Services Department

ITEM/TOPIC: Old City Hall Update_____

_____.

COST: N/A_____ **BUDGET LINE ITEM:** N/A_____

JUSTIFICATION: This is an update on Old City Hall and potential use by the City_____

_____.

IMPACT IF NOT APPROVED: N/A_____

_____.

DEPARTMENT HEAD COMMENTS: This is an update on Old City Hall following a building walkthrough with Moseley Architects. This will aid in the Boards determination of the future use for the building._____

drawing of Old City Hall as Police Use and related Cost Estimate_____

_____.

Old City Hall Update 2/4/2025

Chief Coring and Engineer Tom Zilinek met with Moseley on January 21st for a building walkthrough. Moseley had never been in the building due to the recently abated environmental concerns. During the walkthrough, Moseley determined the building had sufficient capacity for current and future Police needs. They have prepared a preliminary drawing and cost estimate for the Police use.

Moseley Preliminary Space Needs Report for Police

Space needs for current, 2028, 2033, and 2044 are as follows:

Current	2028	2033	2044
7151 SF	7594 SF	8428 SF	8658 SF

- These space needs include a 35% internal circulation factor
- They also include an 800 SF sallyport that is not part of the existing building but can be constructed behind the building if required

Taking out the Sallyport square footage reduces the space needs to:

Current	2028	2033	2044
6351 SF	6794 SF	7628 SF	7858 SF

- These space needs include a 35% internal circulation factor

Old City Hall is approximately 8500 sf

Moseley space needs includes both a training room and a 30 seat multi-purpose room.

These spaces will be the court room which will also be the Board of Alderman, Planning Board, and Board of Adjustment as well as other committee meeting rooms.

Other Old City Hall Government Use

Moseley Preliminary Space Needs Report for Administration

Space needs for current, 2028, 2033, and 2044 are as follows:

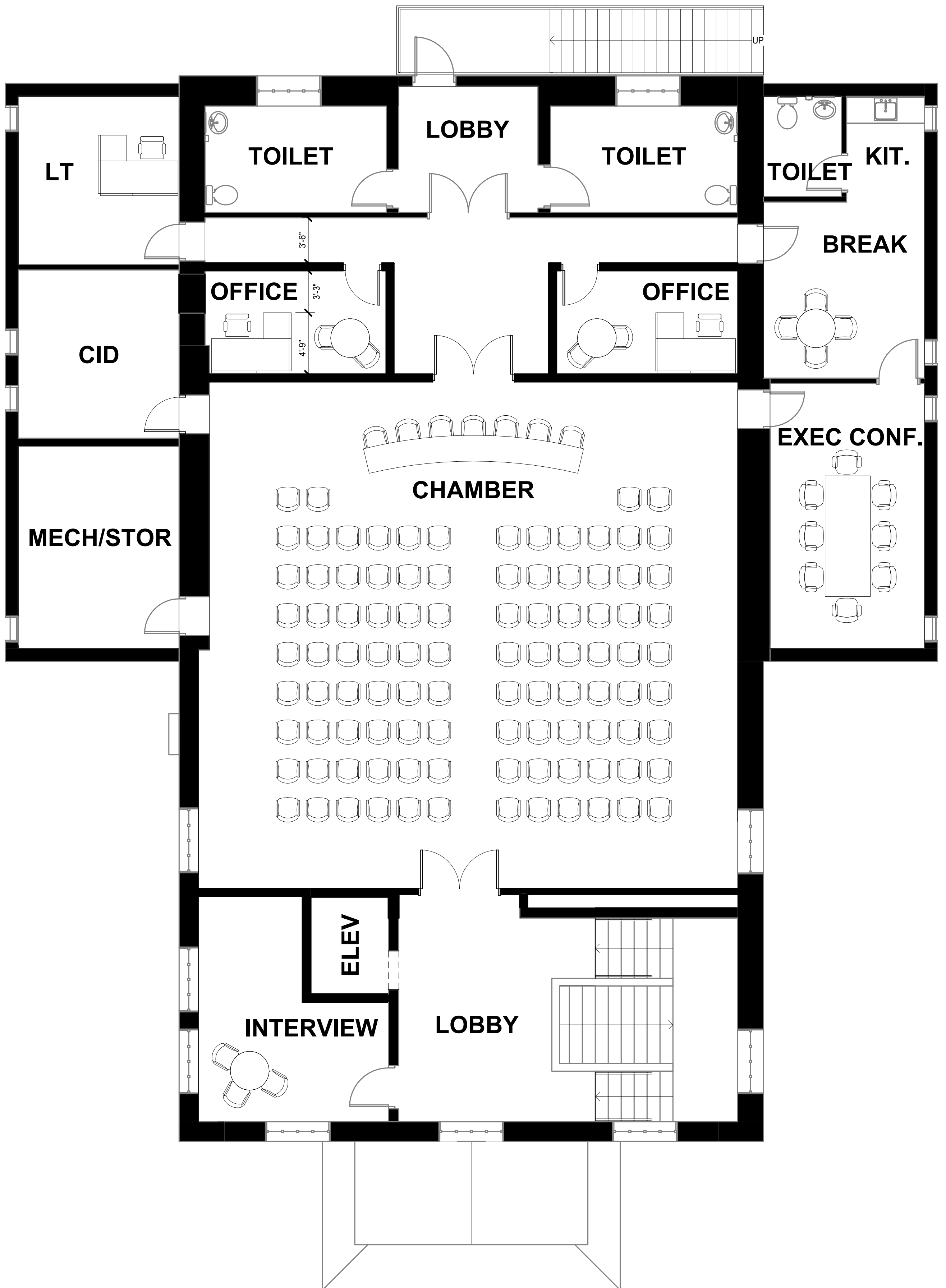
Current	2028	2033	2044
7769 SF	8466 SF	8822 SF	8887 SF

- These space needs include a 35% internal circulation factor

Old City Hall is approximately 8500 sf and that includes approximately 1800 SF of Courtroom.

Leaving 6700 SF of Office Space.



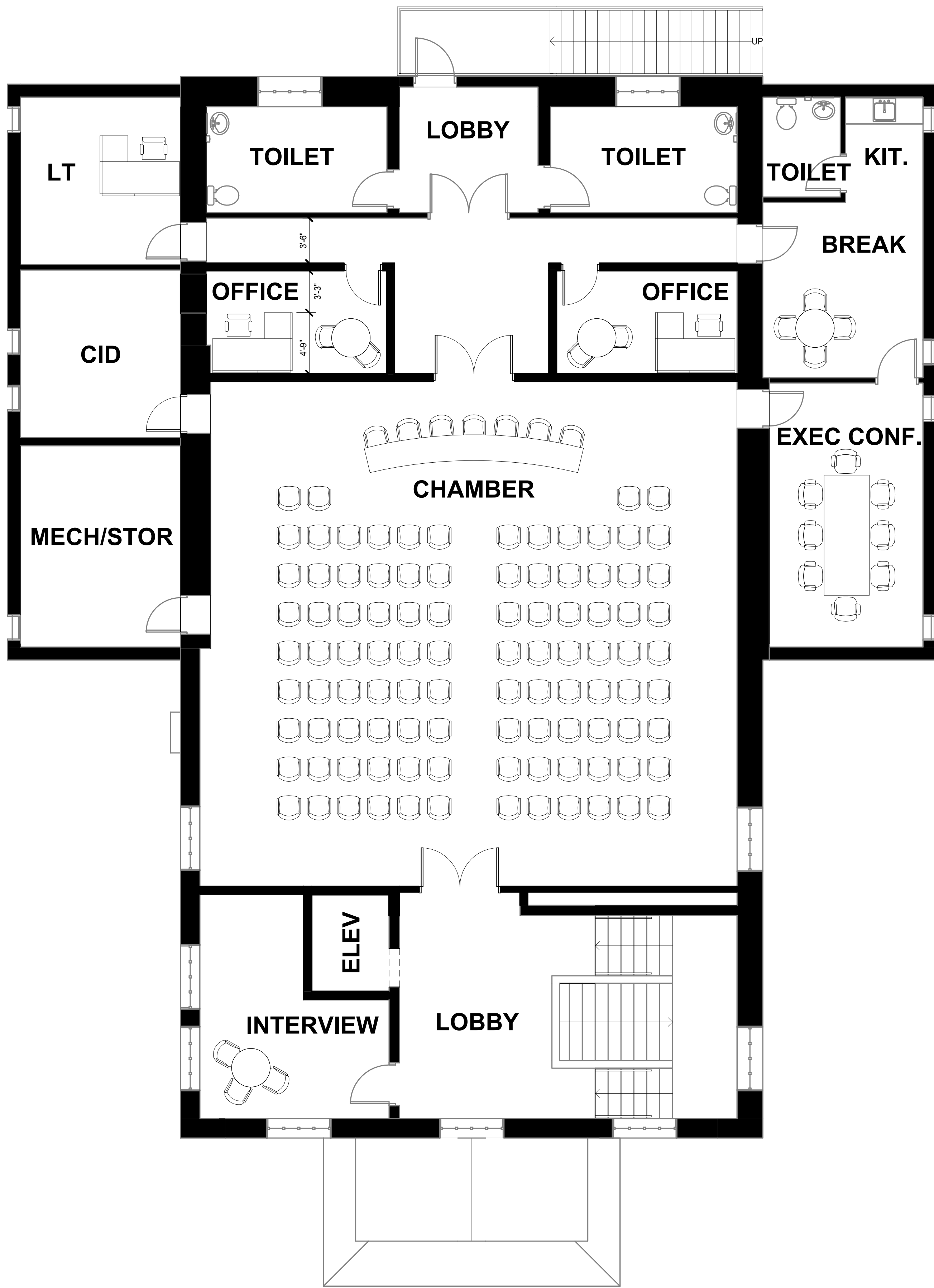


2/3/2025 11:08:05 AM

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FIRST FLOOR PLAN
3/16" = 1'-0"



SECOND FLOOR PLAN
3/16" = 1'-0"

NOTE: THE ABOVE PLAN PROVIDES STAFF AND SUPPORT SPACE TO MEET THE PROJECTED 20 YEAR NEEDS OF THE SOUTHPORT POLICE DEPARTMENT

MOSELEYARCHITECTS

SOUTHPORT POLICE HEADQUARTERS - RENO HISTORIC COURTHOUSE SOUTHPORT, NC BUDGET ESTIMATE - 2044 Needs

February 7, 2025

Since we have no control over the cost of labor and materials, current market conditions, or competitive bidding, we cannot guarantee the accuracy of this estimate of probable construction costs.

CONSTRUCTION COSTS

Two Story Building Renovation	9,780 SF @	\$360.00	\$3,520,800
Site work (no off-site improvements)	0.5 AC @	\$200,000	\$100,000
Construction Cost Subtotal		\$370.22	\$3,620,800

OTHER COSTS

Misc Building Systems

Furniture Allowance (\$30 PSF)	\$293,400
Graphics & Signage (\$1.25 PSF)	\$12,225
Voice and data systems (\$6 PSF)	\$58,680
Appliances - 3 refrigerator, 2 microwaves, 2 coffee pots	\$14,000

Site Improvements

Permitting and Utility Connection Allowance	\$25,000
Utility Relocation Costs	Not included
Environmental mitigation cost	Not included
Legal/ILA, Plans and closing fees	Not included
Property Acquisition Allowance	Not included
Legal Expenses	Not included
Financing Expenses	Not included

Design soft costs

Architectural/Engineering Services	\$440,000
Boundary and Topographic Survey	included in A/E services cost

Construction soft costs

Moving Expenses Allowance	\$20,000
Geotech/const materials testing	\$27,156
Special/third party inspect (0.75% of constr cost)	\$27,156

Other Costs Subtotal	\$917,617
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Project Cost Subtotal	\$4,538,417
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Contingency (10%)	\$454,000
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TOTAL	\$4,992,417
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BOARD OF ALDERMEN

AGENDA ITEM SUMMARY

DATE: February 13, 2025

DEPARTMENT: Administration

PRESENTED BY: City Manager

ITEM SPONSORED BY:

ITEM/TOPIC: Sale of Land at Sunnypoint – Request for Extension of Option Agreement (PIN #19000002), Southport Tract, Brunswick County SPO# 10-LA-197

COST: N/A

BUDGET LINE ITEM: N/A

JUSTIFICATION: Extension Needed to complete survey to close sale of property

IMPACT IF NOT APPROVED: Survey is Needed to Move Property to Sale

DEPARTMENT HEAD COMMENTS: N/A

CITY MANAGER COMMENTS: The remaining obstacle to move this to closure is a property survey. The survey is the hold up. I have been communicating with the State Purchasing office to move this forward. We found a surveyor who started but could not complete the work.

Nevertheless, if the survey can be completed in the next few months with a sale date on September, 2025, we can increase fund balance with the sale price of \$637,545.

ATTACHMENTS:

- Extension request from State Property Office
- Original Option Agreement.

REQUESTED ACTION: Approve the extension request

PROPOSED MOTION: Motion to extend the expiration date of the Option Agreement (PIN #19000002) to a new expiration date of July 31, 2025 with closing to occur on or before September 5, 2025.

State Property Office
Tim Walton | Director

Josh Stein | Governor
Gabriel J. Esparza | Secretary

February 3, 2025

City of Southport
c/o Richard Alt, Mayor
109 N. Howe Street
Southport, NC 28461

RE: Extension of Option Agreement (PIN #19000002), Southport Tract, Brunswick County
SPO# 10-LA-197

Dear Mr. Alt:

Due to delays in the survey of this property, the State of North Carolina would like to extend the March 21, 2025 expiration date of the Option Agreement on the subject property entered into on *March 21, 2024*, to a new expiration date of **July 31, 2025** with closing to occur on or before **September 5, 2025**. All the same terms, provisions and conditions will apply from the March 21, 2024 Option Agreement except for the aforementioned expiration dates.

Please acknowledge your acceptance of this extension by signing below and returning one copy to this office.

Sincerely,

Tripp Steinbock
Real Property Agent

Seller:

Richard Alt, Southport City Mayor

ATTEST:

Noah Saldo, City Clerk

STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

OPTION AGREEMENT
SPO# 10-LA-197

THIS OPTION AGREEMENT, hereinafter referred to as Option, made and entered into this 21st day of March, 2024 by and between **City of Southport**, hereinafter referred to as the **Seller**, and the **State of North Carolina**, and its successors and assigns, hereinafter referred to as the **State**.

WITNESSETH

In consideration of \$10 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and of the agreements contained in this Option, **Seller** hereby grants to the **State**, and its successors and assigns, the exclusive right and option to purchase all of that certain tract or parcels of land, located in Brunswick County, North Carolina, containing **±426.65 acres** which are more particularly described in **Deed Book 2282, Page 305 and Deed Book 2403, Page 1368, Brunswick County Registry, Brunswick County PID 19000002**.

The following terms, provisions, and conditions are further agreed to:

1. **OPTION PERIOD.** This option shall remain in effect from the date that this Option has been executed by the **Seller** until March 21, 2025. This Option shall be exercised upon posting, by certified mail, a written notice to the **Seller** at the following address: City of Southport c/o Richard Ait Mayor, Southport City Hall, 1029 N. Howe Street, Southport, NC 28461. Exercise shall be deemed timely if such written notice is mailed on or before the date first set forth in this paragraph.
2. **PURCHASE PRICE.** The total purchase price for the Property shall be **\$637,545.00 (Six Hundred and Thirty-Seven Thousand, Five Hundred and Forty-Five Dollars), ±\$1,497 per acre subject to survey.**
3. **CLOSING.** A closing of the sale of this property under this Option shall be within **60 days of the exercise of the Option**, provide, however, in the event of objections to title or condition of land at closing, and diligent efforts on **Seller's** part to cure said

objections, a closing shall be held within a reasonable time following the removal of said objections.

4. **EVIDENCE OF TITLE.** Upon exercise of this Option, the **State** will have title to the property examined, and if applicable, obtain a preliminary title insurance commitment on the Property. The title examination and/or commitment must evidence the **Seller's** ability to deliver title at closing as set forth below. All costs necessary to procure the title examination and, if applicable, the title commitment and final title insurance policy to be issued at closing, shall be the responsibility of the **State**.
5. **TITLE.** At closing, the **Seller** shall convey good, insurable and marketable title to the property together with all rights belonging to the Property, including insurable legal access (if any) and all water rights, to the **State** in fee simple, free and clear of all liens, encumbrances, restrictions, rights, or exceptions except those of record that are acceptable to the **State**.
6. **TITLE DEFECTS.** If for any reason the **Seller** cannot deliver title at closing as required by Paragraph 5 of this Option, the **State** may elect to a) accept the Property with title as is; b) refuse to accept the Property; or c) allow the **Seller** additional time to pursue reasonable efforts to correct the problem, including bringing any necessary quiet title actions or other lawsuits.
7. **FIXTURES.** Unless otherwise agreed to in writing, all trees, shrubbery and plants and all fixtures attached to the land or improvements, including, but not limited to, plumbing, heating, lighting fixtures, and all existing appurtenances, are included in this sale, and shall, upon closing be considered property of the **State**, and its successors and assigns. The **Seller** hereby warrants and represents that **Seller** is the lawful owner of said fixtures and appurtenances, and that said fixtures are free and clear of all liens and encumbrances.
8. **DOCUMENTS FOR CLOSING.** The **Seller** shall execute and deliver at closing a General Warranty Deed, any owner's affidavits or documents required by a title insurance company to remove the standard title policy exceptions, and any other documents necessary to close in accordance with the terms of this Option. These documents will be prepared at the expense of the **State**.
9. **PROPERTY TAXES.** Any delinquent real estate taxes and all levied assessments are the **Seller's** responsibility and should be satisfied of record by the **Seller** at or before closing. Any deferred taxes on the Property, which become due as a result of this conveyance, shall be the responsibility of the **Seller**. Any real estate taxes for the year in which the transaction is closed shall be prorated between **Seller** and **State** as of the date of closing.
10. **MISCELLANEOUS CLOSING EXPENSES.** The **Seller** will pay any documentary stamp tax, real estate transfer fee or any similar charge due upon conveyance of title to the **State**. The **State** will pay recording fees.

11. **POSSESSION.** The **Seller** will deliver possession of the Property to the **State** at closing subject to no leases, mortgages, liens or other reserved rights, and in the condition set forth below in Paragraph 12.

12. **CONDITION OF PROPERTY/ RISK OF LOSS.** The **Seller** shall not transfer or encumber any interests in the Property prior to closing. The **Seller** shall remove all rubbish or trash including any hazardous or harmful chemical substances, from the Property prior to closing but shall otherwise keep the Property in its current condition until closing and shall prevent and refrain from any use of the Property, for any purpose or in any manner, that would diminish its value or adversely affect the **State's** intended use of the Property.

In the event of any adverse change in the condition of the Property, whether said change is caused by **Seller** or by forces beyond **Seller's** control, the **State** may elect to a) refuse to accept the property; b) accept the Property, or a portion thereof, in which case there may be an equitable adjustment of the purchase price based on a change in circumstances; or c) require restoration of the Property to its condition at the time this Option was granted.

13. **RIGHT OF ENTRY AND INSPECTION.** The **State** and its agents shall have the right to enter upon the Property at reasonable times for surveying, conducting environmental inspections and assessments to detect hazardous or toxic substances, and other reasonable purposes related to this transaction. Based upon the results of the environmental inspections and assessments, or upon other conditions revealed to be unsuitable to the **State**, the **State** may elect to refuse to accept the Property.

14. **REMEDIES.** In addition to any other remedy specifically set forth in this Option, the **State** has the right to enforce the provisions of this Option through an action for specific performance, injunctive relief, damages, contribution or any other available proceedings in law or equity. The election of any one remedy available under this Option shall not constitute a waiver of any other available remedies.

15. **BINDING EFFECT.** This Option becomes effective when signed by the **Seller** and shall then apply to and bind the **Seller** and **Seller's** heirs, executors, administrators, successors, and assigns.

16. **COMPLETE AGREEMENT.** This Option constitutes the sole and complete agreement between the parties and cannot be changed except by written agreement. No representation or promise not included in this Option shall be binding upon the parties.

17. **NO WAIVER.** No provision of the Option shall be deemed amended or waived unless such amendment or waiver is set forth in writing signed by the **State**. No act or failure to act by the **State** shall be deemed a waiver of its rights hereunder, and no waiver in any one circumstance or of any one provision shall be deemed a waiver in other circumstances or of other provisions.

18. **ASSIGNMENT.** The **State** has the right to assign this Option. In the event of such assignment, the assignee will have all the rights, powers, privileges and duties held by the **State** pursuant to this Option.

IN TESTIMONY THEREOF, the parties have hereunto set their hands and seals, or if corporate have caused this instrument to be executed in their corporate names by their duly authorized representatives as of the dates indicated below

Seller:

City of Southport

By: Richard B. ALT

R. B. ALT, Mayor of Southport

STATE OF NC

COUNTY OF Brunswick

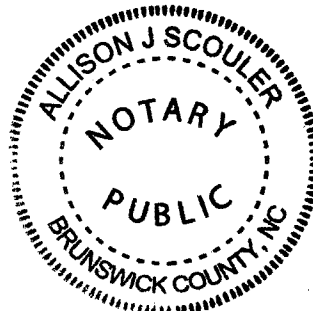
I, Allison J Scouler, a Notary Public in and for the County and State aforesaid, do hereby certify that Rich Alt, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. WITNESS my hand and Notarial Seal this 21st day of March, 2024.

Allison J Scouler
Notary Public

My Commission Expires:

DEC 04 2028

EXPIRATION DATE





BOARD OF ALDERMEN

AGENDA ITEM SUMMARY

DATE: 2/13/2025

DEPARTMENT: Community Relations

PRESENTED BY: N/A

ITEM SPONSORED BY: Allayna D. Taylor

ITEM/TOPIC: Susie Carson Research Room – Concession's Agreement

COST: \$0.

BUDGET LINE ITEM: N/A

JUSTIFICATION:

The Southport Historical Society (SHS) has been operating the Susie Carson Research Room under a previous Concession Agreement and has been instrumental in preserving and presenting Southport's historical materials to the public. This new agreement formalizes the relationship and ensures that SHS will continue to use the space for public purposes, including archival storage, research, and historical displays. SHS has demonstrated a long-standing commitment to maintaining and enhancing the space for educational and historical purposes.

IMPACT IF NOT APPROVED:

If this agreement is not approved, SHS would lose the exclusive rights to operate the Susie Carson Research Room, potentially disrupting public access to the valuable historical resources housed there. This would require the City to reconsider its role in managing and maintaining the space.

DEPARTMENT HEAD COMMENTS:

The Southport Historical Society has been a critical partner in preserving and presenting the history of Southport. It allows SHS to continue its important work with the Susie Carson Research Room.

ATTACHMENTS:

Revised Concession Agreement

- Term: 2-year term, renewable for up to 4 additional 2-year terms by mutual agreement. The term is subject to the City's legal authority, and non-compliance by the SHS can result in termination with 60 days' notice.
- Premises: Exclusive use of the easternmost room in the Fort Johnston Garrison House, approximately 239 sq. feet, known as the Susie Carson Research Room.
- Rent: SHS will pay \$1.00 annually for rent.
- Use of Premises: SHS must operate the premises for archival storage and research and coordinate activities with the City's Community Relations Department.
- Maintenance: SHS is responsible for maintenance of the Susie Carson Research Room up to \$5,000 annually. Maintenance beyond that amount is the City's responsibility.

- Insurance and Liability: SHS must provide general liability insurance and insurance for the contents of the premises. SHS agrees to indemnify the City against any liabilities related to the operation of the premises.
- Accounting: Both parties are required to provide financial records upon request, including revenues and expenses related to the property.

REQUESTED ACTION: Approval

PROPOSED MOTION: “I move to approve the Susie Carson Research Room Concession Agreement between the City of Southport and the Southport Historical Society, which grants SHS exclusive use of the easternmost exhibit room in the Garrison House for archival storage and research in accordance with the terms outlined in the agreement..”

CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT ("Agreement") is made and entered into this ____ day of _____ 2025 by and between THE CITY OF SOUTHPORT, a North Carolina municipal corporation ("City"), for the benefit of its Department of Community Relations ("Department"), and SOUTHPORT HISTORICAL SOCIETY ("SHS"). This agreement replaces the original Concession Agreement dated July 14, 2011, and supersedes all subsequent written communications and decisions, including emails and Board of Alderman votes, related to the extension of that agreement.

W I T N E S S E T H:

WHEREAS, on August 30th, 2006, the United States of America, acting by and through the Southeast Regional Director, National Park Service, under and pursuant to the power and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 163 Stat. 377, as amended, and particularly as amended by Public law 485, 91 Congress, and regulations and orders promulgated there under, conveyed by quitclaim deed ("the Quitclaim Deed") to the City, its successors and assigns, subject to certain reservations, exceptions, restrictions conditions and covenants contained therein, all of its right, title and interest in and to that certain land and improvements therein described. Subsequently, a corrective deed was recorded in Deed Book 2634, Page 0269, Brunswick County Register of Deeds Office (hereinafter "Property"), a copy of which corrective deed is attached hereto as Exhibit A and made part hereof as hereinafter set out (the quitclaim deed and corrective deed collectively shall hereinafter be referred to as the "Quitclaim Deed"); and

WHEREAS, the Quitclaim Deed requires that the Property be used and maintained for public purposes and that the City conforms to certain requirements with respect to the Property contained in the Quitclaim Deed; and

WHEREAS, the SHS desires to assist the City, on an exclusive basis, in preserving the historical value of the property and presenting historical displays and media for public use and benefit and assistance to the public for the use of said materials.

NOW, THEREFORE, for and in consideration of the mutual terms, covenants, and conditions contained herein, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed between the City and the SHS as follows:

1. TERM. The City agrees to grant an exclusive Concession Agreement for the use of the easternmost exhibit room of the Garrison House, said room being approximately 239 sq feet and known as the 'Susie Carson Research Room'. This space will hereinafter be referred to as the "Premises", for the purposes set forth herein, consistent with the provisions of the Quitclaim Deed, for a two (2) year term from the date first above written, to

be renewed by agreement by the joint parties upon the same terms and conditions for up to four additional two (2) year terms, all subject to the right of termination contained herein. The parties hereto acknowledge that the term of this Concession Agreement is subject to the legal authority of the City of Southport to enter into an agreement of such term and duration as set forth herein: in the event that a court of competent jurisdiction should determine that the authority of the City is exceeded, then the terms of this Agreement shall be rendered null and void, in which event the SHS shall have no claim for damages or recourse against the City. In the event that the SHS fails to comply with any covenants provided within, the City shall be entitled to terminate this Concession Agreement by giving sixty (60) days written notice to the SHS.

2. RESTRICTIONS. No interest in the Premises is conveyed hereunder that would violate the provisions of the Quitclaim Deed. Where the terms herein conflict with those contained in the Quitclaim Deed, those in the Quitclaim Deed shall govern.

3. NO AGENCY. Services performed by the SHS hereunder shall be at no cost to the City. The SHS shall not have the power, authority, or right to obligate or bind the City in any respect for any purpose without the prior written approval of the City.

4. RENT and UTILITIES. The SHS shall pay to the City \$1.00 (One Dollar) per year as rent which shall be paid on or before each anniversary date of this agreement. All rentals payable under this Concession Agreement shall be paid to the City at 1029 N. Howe Street, Southport, North Carolina, 28461, or such other address as may be designated in writing by City to SHS.

5. MODIFICATIONS TO PREMISES. Any and all modifications and improvements to the Premises shall conform to the provisions of the Quitclaim Deed and Section 106 of the National Historic Preservation Act and be approved by the North Carolina Department of Historic Preservation prior thereto in writing. Any and all contractor's or mechanic's liens placed upon the Property as a result of work ordered by the SHS shall be removed by the SHS within thirty (30) days of the filing of such lien or liens in the public records of Brunswick County, North Carolina. The SHS covenants not to make any changes, alterations on, in, or about the said building or Premises without first obtaining the written consent of the City and in no event do anything that shall weaken or damage the building or structure now on the Premises.

6. USE OF PREMISES. The SHS further covenants that the Premises shall be used only and exclusively for public use and any and all activities and purposes reasonably related thereto, and no part of the premises shall be used in any manner whatsoever in violation of the laws of the United States, the State of North Carolina, or the ordinances and regulations of the City of Southport or Brunswick County, including all federal, state and local laws and regulations with reference to hazardous waste and environmental protection. The SHS shall indemnify and hold the City harmless for violation of any law, statute, ordinance or regulation. It is understood and agreed that the SHS shall be entitled to enter into sub-concession agreements with vendors and/or providers

who provide services and/or exhibit items which are consistent with the purposes of SHS and the Community Relations Department. SHS shall be responsible for the acts or omissions of said vendors and providers.

It is further agreed and understood, consistent with the policy of the National Parks Services, that all revenues generated on the subject premises must be utilized on the subject Property for additional development, operation, and/or maintenance. Under no circumstances may revenues generated from or upon the Premises be utilized by the SHS for purposes which are inconsistent with the terms and conditions of the Quitclaim Deed to the City of Southport.

7. USE OF THE PREMISES: CONTINUOUS OPERATION. SHS agrees, a material covenant to this Concession Agreement, to operate the leased Premises as an extension of the SHS for archival storage, research and historical displays. SHS agrees to coordinate their activities with the City of Southport Parks and Recreation Department (lawn) and the Department of Community Relations (interior).

8. USE OF THE PREMISES: FUNDRAISING. The SHS shall seek funds for the preservation and display of historical documents and public displays on the Premises through public and private donations, grants and other authorized activities, consistent with the provisions of the Quitclaim Deed. The City shall cooperate with the SHS in seeking grants in connection with improvements to the Property or Premises provided it shall incur no cost in doing so, unless it agrees otherwise in writing.

9. ACCESS. The City and its authorized officers, agents, and employees shall have access to the Property at reasonable times, and anytime in case of an emergency.

10. MAINTENANCE. The City shall be responsible for maintenance of the roof, sowing of the grass, trimming of the bushes on the property, and all exterior maintenance, including windows and doors, at own expense. Any and all other maintenance and/or repairs including, but not necessarily limited to, the interior of the Premises shall be the responsibility, obligation, and expense of the SHS, but only to the extent of \$5,000.00 per annum, either for a single repair or cumulative repairs. The total amount of repairs and/or maintenance for which the SHS shall be responsible in any calendar year shall not exceed the sum of \$5,000.00. Any necessary repairs and/or maintenance in excess of \$5,000.00 shall be the responsibility of the City: PROVIDED, HOWEVER, that the SHS shall notify the City in advance of any necessary repairs or maintenance which are reasonably expected to exceed the annual Limit of \$5,000.00 and, in such event, the City shall determine whether to make said repairs or perform said maintenance at its own expense.

11. ADDITIONAL COVENANTS. The SHS further covenants and agrees that it shall be obligated to:

- a. Keep the premises clean at all times.

- b. Provide reasonable access to City inspection personnel, provide access to the United States of America, and any representative it may so delegate, the right of entry upon the Property or Premises at any time to conduct inspections.
- c. Provide a list of inventories updated yearly to the Community Relations Department to be used for interpretive and insurance purposes.
- d. Use its best efforts to assure that its employees are persons of good moral reputation, respectable and willing to provide the public a service of excellence.
- e. Not place, or allow to be placed, temporary or permanent advertisements or commercial propaganda in the facilities granted under this Concession Agreement, except those necessary and convenient for the efficient operation of its activities in accordance with its mission statement. Prior approval from the City is required for the placement of any advertisement, commercial propaganda or signage.
- f. The SHS shall provide general liability insurance and insurance on the contents of Premises. A copy of the policy shall be delivered to the City upon commencement of the term hereof, and it shall contain a provision providing for a 30-day prior notification to the City before any modification or termination thereof. A copy of any and all subsequent policies, which shall be in force and effect from time to time, shall be provided to the City.
- g. Operate the granted area competently, professionally, and in compliance with the provisions of the Quitclaim Deed.
- h. In the operation of the Premises, as well as in the employment or contracting of services, the SHS shall observe federal norms prohibiting discrimination under title VI of the Civil Rights Act of 1969, as amended, and the Rehabilitation Act of 1973. In other words, it shall abstain from discriminating against any person or group due to its race, sex, color, national origin, religion, political affiliation, or physical, mental, or sensory disabilities.
- i. In any construction that takes place on the Property or Premises at the SHS's direction, the SHS shall be required to pay, or contract with general contractors and subcontractors to pay, the prevailing wage rate, if applicable, pursuant to state requirements at the time the contract is entered into. Further, in all phases of any construction on the Property the SHS shall use appropriate competitive bidding procurement procedures.

12. INDEMNITY. The SHS shall save and hold the City harmless from and against all liability claims, causes of action, and demands on account of personal injuries (including, without limitation of the foregoing, workers' compensation and death claims) or property loss or damage of any kind whatsoever, which arise out of or are in any manner connected with, or are claimed to arise out of or be in any manner connected with, the operation of the Premises by the SHS, or any agents or employees of the SHS, pursuant to this Concession Agreement, including reasonable attorney's fees.

13. DEFAULT. The SHS understands and agrees that its failure to comply with any of the provisions of this Concession Agreement shall constitute an event of default. The default shall exist at the time of the failure to comply with the provisions of this Concession Agreement, whether or not either party has notice. The SHS also understands and agrees that the City may elect, at the City's option, any single remedy or penalty or any combination of remedies and penalties, as available and allowed by law, including termination of this Agreement.

14. REGULATIONS. The SHS agrees to adhere to and comply with any and all federal, state and local safety laws, regulations, and ordinances, including but not limited to, all building and fire codes established to ensure safety of occupants as well as secure the Premise prior to or during events.

15. REMOVAL OF HAZARDS. The SHS shall be responsible for keeping the Property and Premises clear, safe and free from hazards ~~resulting from SHS' use of the Premises projects the SHS are undertaking~~ that could result in personal injury or property damage and for reporting hazards to the City.

16. TERMINATION PROVISION. In addition to any other termination provision contained herein, the failure of SHS to observe any of the provisions of this Concession Agreement shall constitute a breach of the Concession Agreement for which the City may terminate the Concession Agreement upon providing the SHS (60) sixty days written notice after which time it can take immediate possession of the property. The SHS shall be entitled to terminate this Concession Agreement at any time upon giving one hundred and eighty (180) days written notice to the City.

17. END OF TERM. The SHS agrees at the end of this Concession Agreement term should no new Concession Agreement be reached between the parties to vacate the Property and Premises within thirty (30) days without any demand and without any notice, removing all equipment of a temporary nature necessary for the operation of the SHS and leaving the Property and Premises in as good a condition as it was at the time of entry thereon by the SHS, except for reasonable use and wear thereof, acts of God, or damage by casualties beyond the control of the SHS, and on vacating shall leave the Property free and clean of all rubbish and debris. If the SHS fails to perform its obligations set out herein, the City has the option of doing so at the expense of the SHS.

18. FUTURE AGREEMENTS. Any executory agreement hereafter made between the parties hereto shall be ineffective in changing, modifying, or discharging this Concession Agreement in whole or in part unless the executory agreement is in writing and signed by the party against whom the enforcement of the change, modification, or discharge is sought.

19. DEED RESTRICTIONS. The SHS shall do nothing with respect to the property that would violate any of the provisions of the Quitclaim Deed, or cause title to the Property to revert to the United States of America.

20. CONDEMNATION. Should the building upon the leased Premises be totally destroyed by fire, condemnation, or other cause, or so damaged that rebuilding or repairs cannot be completed within (1) one year from the date of the fire or other cause of damage, this Concession Agreement shall terminate, and the SHS shall be allowed an abatement of rent from the date of such damage or destruction.

21. CONTINGENCY. Neither party shall have any obligation under this Concession Agreement until the consent contained below is duly executed by an authorized agent of the United States of America, acting by and through the Secretary of the Interior.

22. ACCOUNTINGS. The City shall deliver to the SHS within two (2) weeks of a written request of the SHS, an accounting of its activities including financial records pertaining to gift shop, revenues, and profit/loss reports.

The SHS shall deliver to the City within two (2) weeks of a written request of the City, an accounting of its activities including financial records pertaining to fundraising, revenues, and profit/loss reports.

23. EXECUTION OF LEGAL INSTRUMENTS. The SHS shall, at the request of the City, execute all legal instruments necessary to permit the City to complete any financial arrangements or grant applications which may be required from time to time by lending institutions or government agencies relating to the premises or wherein the leased premises are required to be used as collateral for said financing, but SHS shall not be required to sign any instrument which increases or decreases SHS's obligations as set forth herein.

IN WITNESS WHEREOF, the parties hereto, through their duly authorized representatives, have executed this Concession Agreement as of the dates herein below.

[This space is intentionally left blank, signature pages to follow:]

**CITY OF SOUTHPORT,
a North Carolina municipal corporation**

By: _____
Richard Alt, City Mayor

ATTEST:

Noah Saldo, City Clerk

(Seal)

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State do hereby certify that Noah Saldo personally came before me this day and acknowledged that he is the City Clerk of the City of Southport and that by authority duly given and as an act of the City of Southport, the foregoing instrument was signed by Richard Alt, Southport Mayor, attested by himself as Clerk and sealed with the common seal.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 202__.

(SEAL)

Notary Public

Print Name: _____

My commission expires: _____

SOUTHPORT HISTORICAL SOCIETY

By:

Liz Fuller, President of Southport Historical
Society

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State do hereby certify that Liz Fuller, President of Southport Historical Society, personally came before me this day and acknowledged that she has signed the foregoing instrument on behalf of the Southport Historical Society for the purposes therein expressed

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 202__.

(SEAL)

Notary Public

Print Name: _____

My commission expires: _____

EXHIBIT A



BOARD OF ALDERMEN

AGENDA ITEM SUMMARY

DATE: 2/13/2025

DEPARTMENT: Community Relations

PRESENTED BY: N/A

ITEM SPONSORED BY: Allayna D. Taylor

ITEM/TOPIC: Old Jail Lease Agreement

COST: \$0.

BUDGET LINE ITEM: N/A

JUSTIFICATION:

The Southport Historical Society (SHS) has been leasing this building from the City since the 1990s. During this time, the SHS has taken on the responsibility of its maintenance and historical interpretation, and has made it a beloved icon of Southport. Their ongoing stewardship has significantly contributed to the preservation and public appreciation of this historic site.

IMPACT IF NOT APPROVED:

If this request is not approved, the Southport Historical Society will no longer be able to continue operating and maintaining the building. As a result, responsibility for the building would shift to City staff, who would be required to manage the site without the SHS.

DEPARTMENT HEAD COMMENTS:

The Southport Historical Society is a cherished community partner, and I look forward to continuing to support their valuable efforts at the Old Jail.

ATTACHMENTS:

Revised Old Jail Lease

- Term of Lease: 5-year lease, from signing to 2030, unless terminated earlier.
- Rent Payment: \$1.00 per year.
- Use of Property: For activities related to the Southport Historical Society only.
- Maintenance and Repairs: Tenant responsible for all property maintenance and repairs.
- Insurance Requirements: Tenant must maintain fire, hazard, casualty, and public liability insurance.
- Utility and Operational Expenses: Tenant responsible for paying all utilities and related expenses.
- No Subletting or Assignment: Tenant cannot sublet or assign the lease without prior consent.
- Failure to Perform/Termination: City can terminate if obligations are not met or in case of emergency situations.

REQUESTED ACTION: Approval

PROPOSED MOTION: “I move to approve the lease agreement as presented between the City of Southport and the Southport Historical Society for the management, maintenance, and operation of the Old Jail building.”

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF BRUNSWICK

THIS LEASE, made and entered into this ____ DAY OF _____, 2025, by and between the CITY OF SOUTHPORT, a North Carolina municipal corporation (hereinafter called "Owner"), and SOUTHPORT HISTORICAL SOCIETY (hereinafter called "Tenant").

WITNESSETH:

For and in consideration of the mutual terms, covenants and agreements set forth herein, the rent to be paid by Tenant to Owner, and other good and valuable consideration, Owner hereby leases to Tenant and Tenant hereby leases from Owner the Brunswick County jail site located at 318 E. Nash Street in the City of Southport (Parcel ID: 238IA003 and PIN: 209616835574), together with any buildings or improvements located or to be located thereon (hereinafter the "Property"), upon the following terms and conditions:

1. The term of this Lease begins on the day of this signing and runs for five (5) years, ending in the year 2030, unless sooner terminated as provided herein.
2. Tenant shall pay to Owner as rent, without notice or demand therefore, the sum of One Dollar (\$1.00) per year for the lease term. Each rental payment shall be payable in advance.
3. The Tenant shall comply with all applicable building codes, laws, and regulations in the construction of any permitted improvements, alterations and additions to the Property. No structural change, material alteration or addition shall be made to the Property without the prior written consent of the Owner and then only in accordance with the plans and specifications previously approved by the Owner. All improvements, alterations and additions shall be at Tenant's expense, and shall become a permanent part of the real estate (excluding Tenant's trade fixtures and personal property) and as such the property of Owner. At the expiration or termination of the Lease, and upon the request of Owner, Tenant shall remove any equipment and other property and repair all damage caused by such removal within thirty (30) days.
4. Owner and its duly authorized employees, agents and other representatives shall have free access for inspecting, repairing, altering, and exhibiting the Property at any reasonable time.
5. Tenant shall use the Property for activities which are part of the function of the Southport Historical Society and for no other use unless prior written consent of Owner is obtained.
6. Tenant shall make any and all repairs as are required to maintain any buildings or other structures or improvements on the Property in good condition and shall be responsible for all maintenance of the buildings and grounds. Any and all maintenance and/or repairs shall be the responsibility, obligation, and expense of the Tenant. Owner makes no warranties

or representations as to the condition of the Property or its suitability for any particular purpose.

7. Tenant shall provide, pay for and keep in force in **tenant's-its name** fire, hazard and casualty insurance on said Property in an amount sufficient to insure the value of all personal property in the interior of the building, including without limitation, leasehold improvements, fixtures, furnishings, supplies, materials, inventory or equipment located in or on Property. In addition, Tenant shall provide, pay for and keep in force in its name and Owner's name throughout the term of this Lease a policy of comprehensive general liability insurance with combined single limit coverage of not less than One Million Dollars (\$1,000,000.00) per occurrence and an aggregate amount of Two Million Dollars (\$2,000,000.00) against any and all liability for injury and/or death of a person or persons or for damage to property arising on or about the Property. Tenant agrees to indemnify and save harmless Owner from any loss, cost or expense, including attorneys' fees, arising out of any claims asserted or alleged or actions brought against Owner based upon Tenant's use of said Property. Tenant shall be required to submit proof of these insurances each year.
8. Tenant shall pay and be responsible for all electric, water, sewage and other expenses arising out of Tenant's use of said Property.
9. Tenant shall not have the right to assign this lease in whole or in part or to sublet any part of the Property.
10. If Tenant shall fail to perform any obligation, duty or responsibility hereunder, Owner shall notify Tenant in writing who shall then have ten (10) days to correct said failure. If Tenant fails to correct said failure within the ten (10) day period, Owner may terminate this Lease upon sixty (60) days written notice to Tenant without any liability or obligation to Tenant whatsoever.
11. In addition to the termination rights set forth in paragraph 10 above, Owner shall have the right to terminate this Lease immediately without notice in the event of a natural disaster, emergency or other unusual situation or occurrence upon a finding by the Board of Aldermen that said Property is needed by Owner for the efficient operation of City government.
12. Upon the termination of this Lease for any cause, Tenant shall immediately, quietly and peaceably vacate the premises and deliver possession thereof to Owner in good order and condition as when received. If Tenant shall fail to vacate and surrender the possession of the premises at the termination of this lease, whether by expiration of the terms hereof, default or any other basis herein provided, such holdover by Tenant shall create no more than a month-to-month tenancy at the rental amount set forth herein, and to the extent applicable, on all other terms and conditions herein provided.
13. This Lease constitutes the entire agreement between the parties and replaces and supersedes all prior leases between the parties.

[This space is intentionally left blank, signature pages to follow:]

IN WITNESS WHEREOF, the parties have executed this lease the day and year first above written.

OWNER:

CITY OF SOUTHPORT,
a North Carolina municipal corporation

By: _____
Richard Alt, City Mayor

ATTEST:

Noah Saldo, City Clerk

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State do hereby certify that Noah Saldo personally came before me this day and acknowledged that he is the City Clerk of the City of Southport and that by authority duly given and as an act of the City of Southport, the foregoing instrument was signed by Richard Alt, Southport Mayor, attested by himself as Clerk and sealed with the common seal.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 202__.

Notary Public

(SEAL)

Print Name: _____

My commission expires: _____

TENANT:

SOUTHPORT HISTORICAL SOCIETY

By: _____
Liz Fuller, President of Southport Historical Society

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the
aforesaid County and State do hereby certify that Liz Fuller, President of Southport Historical
Society, personally came before me this day and acknowledged that she has signed the foregoing
instrument on behalf of the Southport Historical Society for the purposes therein expressed

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____
day of _____, 202__.

Notary Public

(SEAL)

Print Name: _____

My commission expires: _____

EXHIBIT A



B2634 P0269 06-29-2007 10:55:38.000
Robert J. Robinson
Brunswick County, NC Register of Deeds page 1 of 10

Presenter Mike Isenbers Ret: IS
10 - Total 41 Rev Int.
Ck \$ 41 Ck # 3404 Cash \$
Refund: Cash \$ Finance
☐ Portions of document are illegible due to condition of original.
☐ Document contains seals verified by original instrument that cannot be reproduced or copied.

CORRECTIVE QUITCLAIM DEED

The UNITED STATES OF AMERICA, acting by and through the Secretary of the Interior, acting by and through the Southeast Regional Director, National Park Service, under and pursuant to the power and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, and particularly as amended by Public Law 485, 91st Congress, and regulations and orders promulgated thereunder (hereinafter designated "Grantor"), for and in consideration of the perpetual use of the hereinafter described premises for public park and public recreation area purposes by the City of Southport, North Carolina (hereinafter designated "Grantee"), released and quitclaimed to Grantee, and to its successors and assigns, subject to the reservations, exceptions, restrictions, conditions and covenants hereinafter expressed and set forth, all Grantor's right, title and interest in and to the following approximately 6.00 acres (2.428 hectares) of property, known as the Fort Johnston Family Housing Area, City of Southport, Brunswick County, North Carolina, located at 203 East Bay Street, City of Southport, Brunswick County, North Carolina 28461, bounded on the northwest by Moore Street (North Carolina Highway 211), on the southwest by Davis Street, on the northeast by Ft. Johnston Place, and on the southeast by the Cape Fear River. Bay Street extends across the property on the southeast side connecting the two segments of the street on either side of the property. It includes the following improvements:

Building 400 - Carport
Building 401 - Garrison House
Building 402 - Playground
Building 403 - Three bedroom duplex
Building 404 - Two bedroom duplex
Building 405 - Tennis court

The conveyed property is more particularly described as follows:

All that tract or parcel of land situate in the City of Southport, Brunswick County, North Carolina known as Fort Johnston, being described more particularly as:

Beginning at an existing iron pin located within the right-of-way of Davis Street, thence the following bearings and distances: N 77° 30' E 143.90 feet to a stone, N 55° 00' E 232 feet to a point, said point located approximately 10 feet from a U.S. corner stone, thence along the U.S. right-of-way line S 35° 00' E 451 feet to a point on the high water line of the Cape Fear River, thence meandering along the high water line of the Cape Fear River in a southwesterly direction approximately 551 feet to a point, thence leaving the high water line of the Cape Fear River N 12° 30' W 50 feet to a U.S. corner stone and N 12° 30' W 410 feet to the point of beginning and containing 6.0 acres more or less.

This conveyance is made subject to any and all existing rights-of-way, easements and covenants and agreements affecting the above-described premises, whether or not the same now appear of record, including but not limited to the following:

Prepared by U. S. Government

Grantee address: 201 E. Moore St.
Southport, NC



1. A revocable license issued to the Southport Light and Power Company on January 3, 1913 for construction and maintenance of an electric transmission line.

To Have and to Hold the hereinbefore described property, subject to the reservations, exceptions, restrictions, conditions and covenants herein expressed and set forth unto the Grantee, its successors and assigns, forever.

Pursuant to authority contained in the Federal Property and Administrative Services Act of 1949, as amended, and applicable rules, regulations and orders promulgated thereunder, the General Services Administration determined the subject property to be surplus to the needs of the United States of America and assigned the property to the Department of the Interior for further conveyance to the City of Southport, North Carolina.

The purpose of this corrective quitclaim deed is to correct an error in two survey calls of the conveyed property described in the original quitclaim deed to the City of Southport, North Carolina, which deed was executed by the United States of America on August 30, 2006 and recorded in the Brunswick County, North Carolina Register of Deeds, Book 2465, Pages 0454 - 0467 on September 6, 2006.

It is agreed and understood by and between the Grantor and Grantee, and the Grantee, by its acceptance of this deed, does acknowledge its understanding of the agreement, and does covenant and agree for itself, and its successors and assigns, forever, as follows:

1. The property shall be used and maintained for the public purposes for which it was conveyed in perpetuity as set forth in the Program of Utilization and Plan contained in the application, submitted by the Grantee on April 21, 2005, which program and plan may be amended from time to time at the request of either the Grantor or Grantee, with the written concurrence of the other party, and such amendments shall be added to and become a part of the original application.

2. The Grantee shall, within 6 months of the date of this deed of conveyance, erect and maintain a permanent sign or marker near the point of principal access to the conveyed area which says:

This park land was acquired through the FEDERAL LANDS TO PARKS PROGRAM of the United States Department of the Interior, National Park Service, for the public's recreational use and enjoyment.

3. The property shall not be sold, leased, assigned, or otherwise disposed of except to another eligible governmental agency that the Secretary of the Interior agrees in writing can assure the continued use and maintenance of the property for public park or public recreational purposes, subject to the same terms and conditions in the original instrument of conveyance. Any mortgage, lien, or any other encumbrance not wholly subordinate to the reverter interest of the Grantor shall

constitute an impermissible disposal. However, this provision shall not preclude the Grantee and its successors or assigns from issuing revenue or other bonds related to the use of the property to the extent that such bond shall not in any way restrict, encumber, or constitute a lien on the property. Further, nothing in this provision shall preclude the Grantee from providing related recreational facilities and services compatible with the approved application, through concession agreements entered into with third parties, provided prior concurrence to such agreements is obtained in writing from the Secretary of the Interior.

4. From the date of this conveyance, the Grantee, its successors and assigns, shall submit biennial reports to the Secretary of the Interior, setting forth the use made of the property during the preceding 2-year period, and other pertinent data establishing its continuous use for the purposes set forth above, for ten consecutive reports and as further determined by the Secretary of the Interior.

5. All revenue received by the Grantee through concession agreements, use permits, or other fees generated by activities on the property shall be used only for the implementation of an approved Program of Utilization or the operation of park and recreation facilities and programs on the property. After the Program of Utilization is completed, and as long as the property is properly and sufficiently operated and maintained, the revenue may be used for other public park and recreational purposes by the Grantee. Any revenue received by the Grantee which is generated on or by the operation of the property shall not be used for non-recreational purposes. Any revenue received by the Grantee which is generated through the operation of the property shall be listed and accounted for in its biennial reports to the National Park Service.

6. The Grantor, and any representative it may so delegate, shall have the right of entry upon said premises at any time to conduct inspections of the property for the purpose of evaluating the Grantee's compliance with the terms and conditions of this deed.

7. As part of the consideration for the Deed, the Grantee covenants and agrees for itself, its successors and assigns, that (1) the program for or in connection with which this Deed is made will be conducted in compliance with, and the Grantee, its successors and assigns, will comply with all requirements imposed by or pursuant to the regulations of the Department of the Interior in effect on the date of this Deed (43 C.F.R. Part 17) issued under the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-1); (2) this covenant shall be subject in all respects to the provisions of said regulations; (3) the Grantee, its successors and assigns, will promptly take and continue to take such action as may be necessary to effectuate this covenant; (4) the United States shall have the right to seek judicial enforcement of this covenant, and (5) the Grantee, its successors and assigns, will (a) obtain from each other person (any legal entity) who, through contractual or other arrangements with the Grantee, its successors and assigns, is authorized to provide services or benefits under said program, a written agreement pursuant to which such other person shall, with respect to the services or benefits which he is authorized to provide, undertake for himself the same obligations as those imposed upon the Grantee, its successors and assigns, by this covenant, and (b) furnish a copy of such agreement to the Secretary of the Interior, or his successor; and that this covenant shall run with the land hereby conveyed, and shall in any event, without regard to technical



classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit of, and in favor of the Grantor and enforceable by the Grantor against the Grantee, its successors and assigns.

8. The Grantee agrees to comply with the requirements of Public Law 90-480 (82 Stat. 718), the Architectural Barriers Act of 1968, as amended by Public Law 91-205 of 1970 (84 Stat. 49), and the Americans with Disabilities Act of 1990 (104 Stat. 337) to assure that development of facilities on conveyed surplus properties for public park and recreation purposes are accessible to the physically handicapped; and, further assure in accordance with Public Law 93-112, the Rehabilitation Act of 1973 (87 Stat. 394), that no otherwise qualified handicapped individual shall solely by reasons of his handicap be excluded from the participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

9. The Grantee, by acceptance of this deed, acknowledges that it has received the following notice of hazardous substance activity and reservation of access by the Grantor concerning the herein described lands. Each of these statements is given by the Grantor in compliance with Section 120(h)(3) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA), 42 U.S.C. §9620(h)(3):

(A) NOTICE Regarding Hazardous Substance Activity. Pursuant to 40 C.F.R. 373.2 and Section 120(h)(3)(A)(I) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA)(42 U.S.C. § 9620(h)(3)(A)(I), and based upon a complete search of agency files, the United States gives notice that no hazardous substances have been released or disposed of or stored for one year or more on the conveyed property.

(B) CERCLA Covenant. The Grantor warrants that all remedial action necessary to protect human health and the environment has been taken before the date of this conveyance. Grantor warrants that it shall take any additional response action found to be necessary after the date of this conveyance regarding hazardous substances located on the subject property on the date of this conveyance.

(1) This covenant shall not apply:

(a) in any case in which Grantee, its successors or assigns, or any successor in interest to the subject property or part thereof is a Potentially Responsible Party (PRP) with respect to the subject property immediately prior to the date of this conveyance; or

(b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Grantee, its successors or assigns, or any party in possession after the date of this conveyance that either:



(I) results in a release or threatened release of a hazardous substance that was not located on the subject property on the date of this conveyance; or

(ii) causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this conveyance.

(2) In the event Grantee, its successors or assigns, seeks to have Grantor conduct any additional response action, and, as a condition precedent to Grantor incurring any additional cleanup obligation or related expenses, Grantee, its successors or assigns, shall provide Grantor 45 days written notice of such a claim. In order for the 45-day period to commence, such notice must include credible evidence that:

(a) the associated contamination existed prior to the date of this conveyance; and

(b) the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Grantee, its successors or assigns, or any party in possession.

(C) Access. Grantor reserves a right of access to all portions of the subject property for environmental investigation, rededication or other corrective action. This reservation includes the right of access to and use of available utilities at reasonable cost to Grantor. These rights shall be exercisable in any case in which a remedial action, response action or corrective action is found to be necessary, or in which access is necessary to carry out a remedial action, response action, or corrective action on adjoining property. Pursuant to this reservation, the United States of America, and its respective officers, agents, employees, contractors and subcontractors shall have the right (upon reasonable advance written notice to the record title holder) to enter upon the subject property and conduct investigations and surveys, to include drilling, test-pitting, bores, data and records compilation and other activities related to environmental investigation, and to carry out remedial or removal actions as required or necessary, including but not limited to the installation and operation of monitoring wells and pump wells, and treatment facilities. Any such entry, including such activities, responses or remedial actions, shall be coordinated with Grantee, its successors and assigns, and shall be performed in a manner that minimizes interruption with activities of authorized occupants.

10. NOTICE Regarding Asbestos-Containing Materials. Grantee acknowledges that it was warned that the property contains asbestos-containing materials; the material sampled included thermal system insulation (TSI) on/in vinyl asbestos floor tile, and it is possible that it may occur in other areas. The unprotected or unregulated exposures to asbestos in product manufacturing, shipyard, and building construction places have been associated with asbestos-related diseases. Both the Occupational Safety and Health Administration (OSHA) and the Environmental Protection



Agency (EPA) regulate asbestos because the potential hazards associated with exposure increases the risk of asbestos-related diseases, which include certain cancers and which can result in disability or death.

Grantee acknowledges that it was invited, urged and cautioned to inspect the property prior to acquiring the property, especially as to its asbestos content and condition and any hazardous environmental conditions relating thereto. Grantee acknowledges that it relied solely on its own judgment in assessing the overall condition of the property, including without limitation, any asbestos hazards or concerns.

Grantee acknowledges that no warranties either express or implied are given with regard to the condition of the property including without limitation, whether the property does or does not contain asbestos or is not safe for a particular purpose. Grantor assumes no liability for damages for personal injury, illness, disability or death, to the Grantee, or to the Grantee's successors, assigns, employees, invitees, or any other person subject to Grantee's control or directions, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the property whether the Grantee, its successors or assigns has or have properly warned or failed properly to warn the individual(s) injured.

11. Grantee acknowledges that this property is listed on the National Register of Historic Places. Grantee shall be on the lookout for archeological artifacts during any construction activities and shall take appropriate action should any artifacts be discovered. Grantee shall comply with the provisions of 36 C.F.R. Part 800, regarding protection of historic and cultural properties. Grantee's development plans shall avoid sites identified by a Cultural Resources Assessment of the property, and, prior to any alteration or construction on the property, Grantee shall consult with the North Carolina State Historic Preservation Office. The Grantee agrees that the structures situated on the said property will be preserved and maintained in accordance with plans approved in writing by the North Carolina State Historic Preservation Office and development of the property shall be in compliance with the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and the development plans shall be approved by the North Carolina State Historic Preservation Office.

Historic Preservation Covenant. Further, Grantee covenants and agrees that in the event the property is sold or otherwise disposed of the following covenants and restrictions shall be inserted in the instrument of conveyance:

A. The Grantee acknowledges that the Fort Johnston property is listed in the National Register of Historic Places and that the property will be preserved and maintained in accordance with the Fort Johnston Historic Preservation Plan as set forth in Exhibit "A", which is attached hereto and made a part hereof.



B. The Grantee shall identify a responsible party (Owner) for the implementation of the Historic Preservation Plan. The Grantee shall notify the North Carolina State Historic Preservation Office (SHPO) in writing of the responsible party within sixty (60) days of conveyance.

C. In the event of violation of the above restrictions, the General Services Administration (GSA) or the SHPO may institute a suit to enjoin such violation or for damages by reason of any breach thereof.

D. These restrictions shall be binding on the Grantee and its successors and assigns in perpetuity.

E. The acceptance of the delivery of this Deed shall constitute conclusive evidence of the agreement of the Grantee to be bound by the conditions, restrictions, and limitations, and to perform the obligations herein set forth.

F. If, as a result of consultation required by the SHPO, the Grantee, its successors and assigns, and the SHPO are unable to agree on a proposed undertaking, the Grantee shall forward all documentation relevant to the dispute to the ACHP. The Grantee, its successors and assigns, SHPO and the ACHP shall reach an agreement regarding the proposed development. If such an agreement cannot be reached, the ACHP shall forward all relevant project materials with comments to GSA. GSA will consider such comments; and, if necessary, take action in accordance with the terms and conditions of these covenants.

12. The Grantee covenants for itself, its successors and assigns, and every successor in interest to the property herein described, or any part thereof, that any construction or alteration is prohibited unless a determination of no hazard to air navigation is issued by the Federal Aviation Administration in accordance with Title 14, Code of Federal Regulation, Part 77, entitled "Objects Affecting Navigable Airspace", or under authority of the Federal Aviation Act of 1958, as amended.

13. The Grantee agrees to comply with the National Environmental Policy Act of 1969, as amended, the 1977 Amendments to the Federal Water Pollution Control Act (Clean Water Act of 1977), the Federal Disaster Protection Act of 1973 (87 Stat. 975), Executive Order 11288, Executive Order 11990 (May 24, 1977) for Protection of Wetlands and Executive Order 11988 (May 24, 1977) for Floodplain Management, where and to the extent said Amendments and Orders are applicable to the property herein conveyed, and Grantee shall be subject to any use restrictions issued under said Amendments and Orders.

14. The structures on this site were erected prior to 1978, at which time the use of lead-based paint (LBP) was common throughout the United States, including on government buildings. The age of the structures on the subject property suggests that there is a likelihood that LBP is present on these structures. While there have been significant efforts to limit dosages of lead in the



workplace, these efforts to date have not identified the historical use of LBP as requiring special measures. Therefore no action has been taken with regard to LBP. The Grantee acknowledges that there is LBP on the structures and will comply with the regulations regarding LBP. Grantee agrees to indemnify the United States from any liability arising by reason of the Grantee's failure to comply with these regulations. Further, the Grantee shall be responsible for abating all LBP hazards prior to occupancy of the property by children six (6) years of age and under, as described in 24 C.F.R. § 35.24.

15. If any of the buildings that are on the property at the date of this deed are subsequently demolished, and any document box is found, which should be located behind the cornerstone, the Grantee agrees that it shall remain the property of the United States Government and shall be delivered unopened, to the National Archives and Records Administration, Washington, D.C.

16. The Grantee shall comply with all applicable Federal, State, and local laws, regulations and standards that are or may become applicable to the Grantee's activities on the property being conveyed.

17. In the event there is a breach of any of the conditions and covenants herein contained by the Grantee, its successors and assigns, whether caused by the legal or other inability of the Grantee, its successors and assigns, to perform said conditions and covenants, or otherwise, all right, title and interest in and to said premises shall revert to and become the property of the Grantor at its option, which in addition to all other remedies for such breach shall have the right of entry upon said premises, and the Grantee, its successors and assigns, shall forfeit all right, title and interest in said premises and in any and all of the tenements, hereditaments and appurtenances thereunto belonging; provided, however, that the failure of the Secretary of the Department of the Interior to require in any one or more instances complete performance of any of the conditions or covenants shall not be construed as a waiver or relinquishment of such future performance, but the obligation of the Grantee, its successors and assigns, with respect to such future performance shall continue in full force and effect. The Grantee, by its acceptance of this deed, covenants and agrees for itself, and its successors and assigns, that in the event the Grantor exercises its option to revert all right, title, and interest in the property to the Grantor, or the Grantee voluntarily returns title to the property in lieu of a reverter, then the Grantee shall provide protection to and maintenance of said property at all times until such time as the title is actually reverted or returned to and accepted by the Grantor, including the period of any notice of intent to revert. Such protection and maintenance shall, at a minimum, conform to the standards prescribed by the General Services Administration in its Federal Property Management Regulations, 41 C.F.R. 101 - 47.402, in effect at the time of the reversion.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the 25 day of JUNE, 2007.

UNITED STATES OF AMERICA
acting by and through the



Secretary of the Interior

Through:

Regional Director
Southeast Region
National Park Service

WITNESSES:

[Signature]
Carolyn Bard

By: [Signature]
Chris Abbett
Acting Chief, Recreation and
Conservation Division

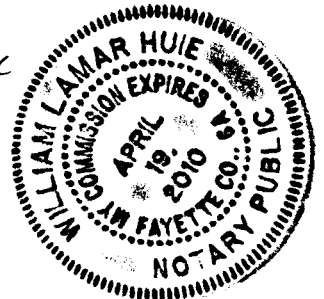
STATE OF GEORGIA)
)ss
COUNTY OF FULTON)

On this 25th day of JUNE, 2007, before me, the subscriber, personally appeared Chris Abbett, Chief, Recreation and Conservation Division, National Park Service, of the United States Department of the Interior, a governmental agency of the United States of America, and known to me to be the same person described in and who executed the foregoing instrument, as the act and deed of the United States of America, for and on behalf of the Secretary of the Interior, duly designated, empowered and authorized so to do by said Secretary and he acknowledges that he executed the foregoing instrument for and on behalf of the United States of America for the purposes and uses therein described.

William Lamar Huie
NOTARY PUBLIC

My commission expires:

APRIL 19, 2010



The foregoing conveyance is hereby accepted and the undersigned agrees, by this acceptance, to assume and be bound by all the obligations, conditions, covenants and agreements therein contained.

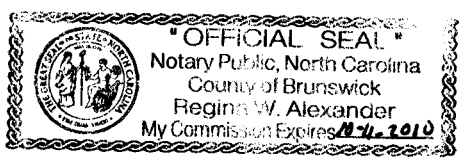


CITY OF SOUTHPORT
STATE OF NORTH CAROLINA

By: Norman R. Holden
Norman R. Holden
Mayor

STATE OF NORTH CAROLINA)
)ss
COUNTY OF BRUNSWICK)

On this 28 day of June, 2007, before me, the undersigned Officer, personally appeared Norman R. Holden, to me known and known to me to be the same person whose name is subscribed to the foregoing acceptance, who being by me duly sworn, did depose and say that he is Mayor of the City of Southport, North Carolina, that he is duly designated, empowered and authorized by Resolution/Certification of Authority to Acquire Property by the Board of Alderman of the City of Southport, North Carolina, which resolution was presented and adopted on March 10, 2005, to execute the foregoing acceptance and sign his name thereto; and that he signed his name thereto and acknowledges that he executed the foregoing instrument for and on behalf of the City of Southport, North Carolina, for the purposes and uses therein described.



Regina W. Alexander
NOTARY PUBLIC

My Commission expires:
10-11-2010