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Fee Amt: \$0.00 Page 1 of 2  
Revenue Tax: \$0.00  
Jackson County, NC  
Joe Hamilton Register of Deeds  
BK 2051 PG 355-356

THIS INSTRUMENT PREPARED BY:  
J.K. Coward, Jr., a licensed North Carolina Attorney  
Coward, Hicks & Siler, P.A.  
705 W Main Street  
Sylva NC 28779  
PIN Number: 7631-44-3600

REVENUE \$ 0.00

NORTH CAROLINA  
JACKSON COUNTY

#### NONWARRANTY DEED

THIS NONWARRANTY DEED, made, executed and delivered, this the 7<sup>th</sup> day of October, 2014, by and between THE TOWN OF DILLSBORO, a body politic organized and existing under the laws of the State North Carolina, whose address is: PO Box 1088, Dillsboro NC 28725, hereinafter "Grantor", and THE COUNTY OF JACKSON, a body politic organized and existing under the laws of and a political subdivision of the State of North Carolina, whose address is 401 Grindstaff Cove Road, Sylva NC 28779, hereinafter "Grantee";

#### WITNESSETH:

BY THE AUTHORITY VESTED IN HIM AS MAYOR of the Town of Dillsboro, and upon the resolution adopted by unanimous vote of the Town of Dillsboro Board of Aldermen in a duly called open meeting on the 26<sup>th</sup> day of September, 2014 authorizing the Mayor to execute this instrument on its behalf;

AND IN CONSIDERATION OF the sum of Three Hundred and Fifty Thousand Dollars (\$350,000), which is the professionally appraised value of the property described herein, the sufficiency and receipt of which is hereby acknowledged by the Grantor,

NOW THEREFORE, the said Grantor, does hereby give, grant, bargain, sell and convey unto the said Grantee, its successors and assigns, all of that certain piece, parcel or tract of land, lying and being in, Dillsboro Township, Jackson County, North Carolina, and more particularly described as follows:

BEING all of the lands described in and conveyed by North Carolina Non-Warranty Deed from Duke Energy Carolinas, LLC to Town of Dillsboro, dated August 20, 2014 as recorded in Book 2045 Page 742 of the Jackson County Public Registry, and more fully described as follows:

Exhibit B

"Being all of that certain tract of land lying and being in Dillsboro Township in Jackson County, North Carolina, consisting of approximately 17.647 acres as more particularly shown and identified as the property of "Duke Energy Carolinas, LLC" on that certain plat entitled "Project Boundary Survey for Duke Energy Carolinas, LLC" dated October 14, 2013, last revised April 4, 2014, and recorded in Plat Cabinet 20 at Slide 366 in the Jackson County, North Carolina Public Registry,

TO HAVE AND TO HOLD the aforesaid and above described parcel or tract of land, with all the rights, privileges and appurtenances thereunto belonging, or in anywise appertaining, unto the said Grantee, its successors and assigns, to them and their only use and behoof in fee simple, forever.

IN TESTIMONY WHEREOF, the said Grantors have hereunto set its hand and seal, this the day and year first above written.

TOWN OF DILLSBORO

Michael Fitzgerald (SEAL)  
MICHAEL FITZGERALD, Mayor

ATTEST:

Debra Coffey (SEAL)  
DEBRA COFFEY, Clerk to the Board

NORTH CAROLINA  
JACKSON COUNTY

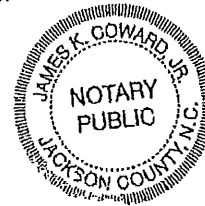
I, James K. Coward, Jr., A Notary Public of such County and State, certify that Michael Fitzgerald, Mayor and Debra Coffey, Clerk to the Board, personally came before me this day and acknowledged that they are the Mayor and Clerk to the Board, respectively, of the governing body of the Town of Dillsboro, North Carolina, and that by authority duly given and as the act of the Town of Dillsboro, North Carolina, the forgoing instrument was signed in the Town's name by such Mayor sealed with its corporate seal and attested by such Clerk to the Board.

WITNESS my hand and Notarial Seal, this the 7 day of October, 2014.

James K. Coward, Jr.  
NOTARY PUBLIC

My Commission Expires:

6/13/2017  
Z:\New\Jackson County\Dillsboro 16 Jackson 2014.doc





## EXHIBIT D

### MEMORANDUM OF UNDERSTANDING REGARDING INFRASTRUCTURE

This Memorandum of Understanding (herein "MOU") is made and entered into the \_\_\_\_ day of February, 2017, by and between Jackson County, a body politic organized and existing under the laws of North Carolina, and a political subdivision of the State of North Carolina (herein "County"), and WNC Outdoor Development, LLC (herein "Company").

### WITNESSETH

WHEREAS , the parties have, of even date herewith, entered into an Economic Development Agreement (herein "Agreement"), wherein the County agrees to convey certain property identified therein (herein "Property") to the Company; and

WHEREAS, Company has agreed to construct certain facilities on the Property and to operate its business (herein "Project") thereon; and

WHEREAS, the investment, employment and tax revenue projections are set out in that Agreement in detail; and

WHEREAS, County has agreed to perform certain Site Preparation work on the Property as a further inducement to Company to locate the Project there; and

WHEREAS, the purpose of this MOU is to summarize the County's commitment to perform the Site Preparation work on the Property; and

WHEREAS, the County has the authority, pursuant to N.C.G.S. 159-7.1(b) to undertake the activities described in the MOU; and

NOW, THEREFORE, in consideration of the mutual covenants, warranties, and representations set out in this MOU and made a part hereof, and for other good and valuable

consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The County will use its best efforts to design, permit, and construct, or contract for the construction of, the following infrastructure improvements (herein "Site Preparation") in connection with the Project as set out herein;
2. Water Supply Line. The County will design, permit and construct a public water line connection or stub-out for the Project, or will contract for the performance of said work. Said line will be a minimum of six (6) inches in diameter, and the connection point will be approximately where shown on Exhibit A. Said lines will be sufficient to supply the project with water during times when water usage restrictions are not in effect.

Except as set forth above, Company shall construct and install all water distribution lines and plumbing facilities for the Project, and shall be responsible for the maintenance and repair thereof.

3. Sewage Disposal Line. The County will design, permit and construct a public sewage disposal line and connection or stub-out for the Project, or will contract for the performance of said work. Said line will be a minimum of four (4) inches in diameter for a force main system and eight (8) inches in diameter for a gravity sewer system, and the connection point will be located approximately where shown on Exhibit A. Said line will be sufficient to dispose of sewer during times when restrictions on sewage disposal are not in effect.

Except as set forth above, Company shall construct and install all sewage collection lines and facilities for the Project, and shall be responsible for the maintenance and repair thereof.

4. Rough Grading. County shall rough grade the Property to Company's specifications, as shown on Exhibit B, or shall contract for the performance of said work.
5. Permitting. The County will obtain all necessary permits to complete the Site Preparation, including all federal, state, and local permits, prior to beginning construction.
6. Construction. The County will use its best efforts to coordinate all construction activity for which it is responsible so that access to the Property is maintained to allow Company access to the Property for the purpose of completing construction of the facilities it has committed to provide in the Economic Development agreement with the County, dated \_\_\_\_\_, 2017, in a timely manner. The Site Preparation will be designed and constructed so as to meet or exceed applicable standards of the State of North Carolina, and any local codes or regulations.
7. Schedule. The County will complete the construction and installation of the Site Preparation in accordance with the Schedule attached hereto as Exhibit C.
8. Cost and Sources of Funds. The County will pay for the Site Preparation in accordance with the Schedule of Costs and Sources, attached here as Exhibit D, and expects the sources and amounts of the funds for said costs to be as indicated on Exhibit C. Any changes or alterations in the Site Preparation requested by Company will be paid for by Company, or as the parties may agree.

9. Easements and Right of Way. If any easements or right of way across property other than County property are needed for construction of the Site Preparation, Company will acquire them at Company's cost. To this end, the Site Preparation has been designed so that acquisition of right of way or easements is not necessary.
10. Limitations. Nothing herein shall be constructed to establish a joint venture or similar business relationship between the County and the Company. Nothing herein shall be construed as a guarantee by the County to provide water and sewage disposal services of any particular amount, or as a guarantee of the County's ability to provide such services at any particular level. Nothing herein shall be construed to require the County to exercise its power of eminent domain in connection with the Project, but the County reserves the right to do so, in its discretion, and as allowed by law
11. Public Nature of Improvements. The Site Preparation provided for herein, while benefitting the Company, will also benefit the public at large in that they extend public utilities to other properties, and enable the Property to be used for multiple purposes, or sold to other purchasers, and will increase the value of the Property, regardless of ownership or use. County represents affirmatively that it would have performed the Site Preparation work for the Property regardless of the Agreement.
12. Comparable Benefits. In the event that any incentives, or benefits to Company whether statutory or set forth in the MOU, are declared to be unconstitutional, modified by a court, amended by legislation in such a manner as to deprive Company of or diminish the benefits to Company of one of more such benefits, the parties to this MOU agree to meet to discuss whether and to what extent efforts should and can be appropriately taken,



given legal, economic, political, and other considerations, to provide Company with other incentives or benefits.

13. Authority. The County and Company each hereby certifies that (i) it has full power and authority to enter into this MOU and to enter into and carry out the transactions contemplated by this MOU; and (ii) by proper action it has duly authorized the execution and delivery of this MOU.

14. Understanding. The parties hereto agree that this MOU serves only as an expression of their respective current understanding and good faith intentions with respect to location of the Project in the County, and nothing contained herein shall be construed as a binding agreement between or among the parties. In the event that the terms of this MOU differ from or conflict with the commitment letters for the Project and/or applicable statutes, the commitment letters and/or applicable statutes are deemed by the parties to control their mutual understanding of the commitments and incentives summarized herein.

IN WITNESS WHEREOF, each party has caused this MOU to be duly executed by their authorized representatives on the day and year first above written.

**JACKSON COUNTY**

By: \_\_\_\_\_  
Brian Thomas McMahan, Chairman  
Jackson County Board of Commissioners

ATTEST:

\_\_\_\_\_  
Angela M. Winchester, Clerk to the Board  
Jackson County Board of Commissioners

**WNC OUTDOOR DEVELOPMENT, LLC**

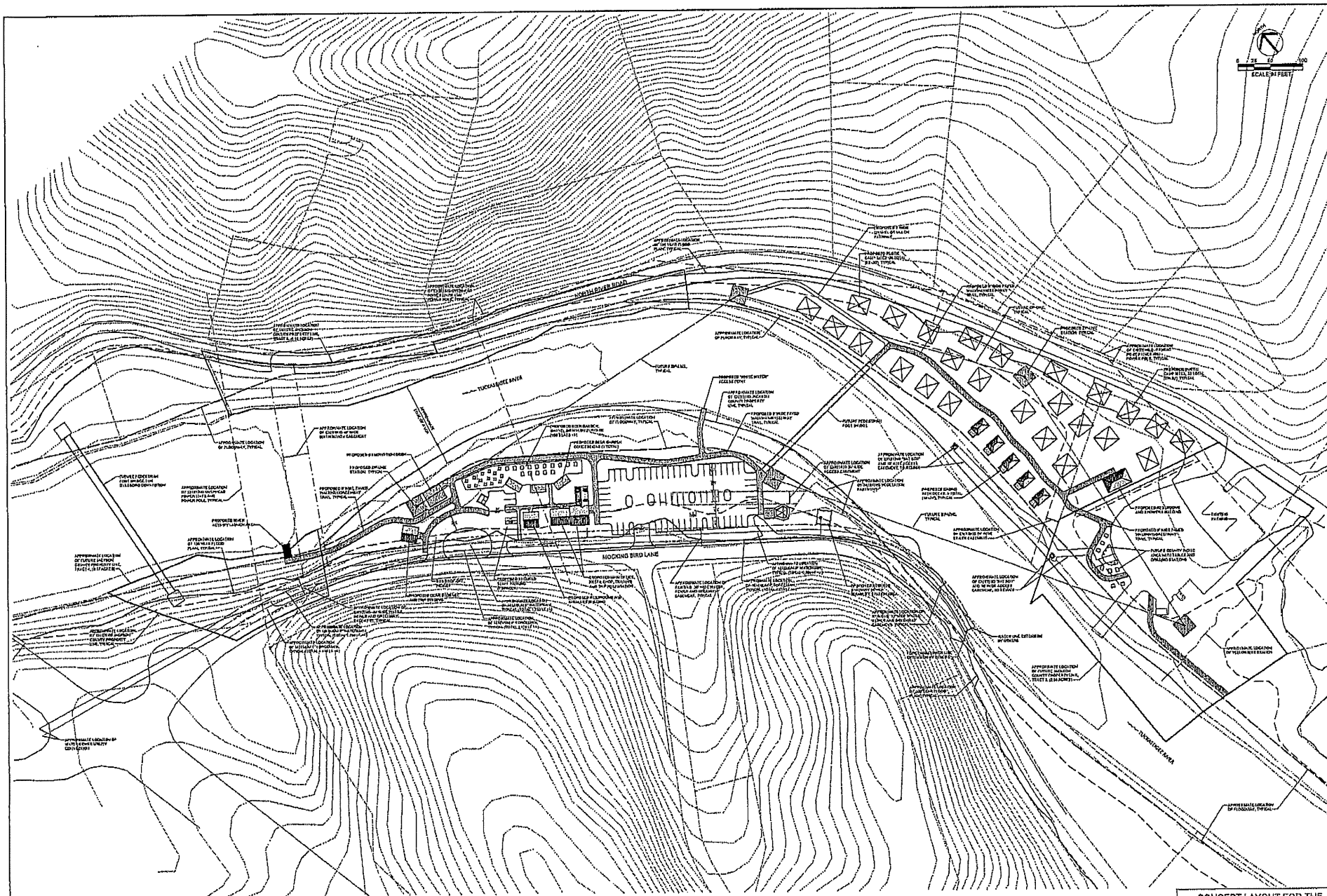
By: \_\_\_\_\_  
Kelly T. Custer, Managing Member

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

\_\_\_\_\_  
Finance Officer

Approved as to Form:

\_\_\_\_\_  
County Attorney



NOTE:  
THIS IS A CONCEPT LAYOUT ONLY AND IS NOT TO BE  
USED FOR CONSTRUCTION OR THE CONVEYANCE OF  
LAND. IT IS RECOMMENDED THAT THE PROPERTY  
OWNER/DEVELOPER RETAIN THE SERVICES OF AN  
APPROPRIATE DESIGN PROFESSIONAL TO COORDINATE  
ALL SITE CONSTRUCTION ACTIVITIES.

# EXHIBIT "A"

CONCEPT LAYOUT FOR THE  
JACKSON COUNTY  
WNC OUTDOOR DEVELOPMENT  
FEBRUARY 2017

## **MOU Exhibit B**

- I.** The County shall provide rough grading for both parcels as agreed upon, including the following:
  - a. Remove underbrush and designated trees as well as other loose rock and debris and fill ruts/ravine to level grade and compact on river-right parcel, adjacent to North River Road and C.J. Harris river access area.
  - b. Remove underbrush and designated trees as well as other loose rock and debris, and grade to level on river-left parcel, adjacent to Mockingbird Lane.

## Exhibit C

- I. The County shall complete improvements to the site in accordance with the following Improvement Schedule.

- a) Under-brushing, selected tree removal and fill for campsite locations, along North River Road and adjacent to the C.J. Harris river access area.

Timeline: 60-90 days from closing.

- b) Light grading, under-brushing and debris removal from activity site location, along Mockingbird Lane.

Timeline: 90-180 days from closing.

- c) The completion of a water and sewer extension to the activity site location, along Mockingbird Lane.

Timeline: 12 months based upon the following project schedule:

i. Design and submittal of permit applications	1.5 months
ii. Permit Reviews and Approvals, and advertise and received Construction Bids	3.0 months
iii. Award contract and begin construction	1.0 months
iv. Complete Construction	6.5 months

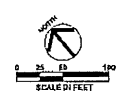
**MOU Exhibit D**  
**Schedule of Costs and Sources**

**I.** The County will pay for the Site Preparation in accordance with the following schedule:

- a) Rough Grading, under-brushing, debris/tree removal, fill and compaction:
  - Approximately \$74,000, Jackson County General Fund appropriation
  
- b) Water and Sewer extension design, construction which includes sewer pumping station:
  - \$300,000 – Appalachian Regional Commission Grant (pending)
  - \$ 50,000 – North Carolina Utility Fund (pending)
  - \$ 50,000 – Golden LEAF Foundation
  - \$447,000 – Jackson County General Fund appropriation

## **Exhibit E**

- I.** The Company shall complete construction of the following structures/buildings/improvements as shown on the attached site plan also marked as Exhibit E, within five (5) years of the commencement date, as set forth in this agreement. Structures/buildings/improvements must include, but are not limited to the following:
- a) Building(s) that will house rafting sales, training and trip briefs, retail sales, bathing and restroom facilities, and gear storage.
  - b) One (1) Observation deck
  - c) Multiple improved camping sites (exact number dependent upon available space and configuration).
  - d) Five (5) rental cabins
  - e) One (1) Parking area
  - f) One (1) Food and beverage center
  - g) One (1) Bath and Shower Facility
  - h) Zip Line and/or ropes course and/or climbing wall
  - i) One (1) Rafting launch area.
  - j) Multiple pedestrian walkways/trails
- II.** The Company shall construct all buildings and structures, as outlined above, using natural materials so as to enhance the rustic appeal of the project. Exterior finishes of wood, stone, or brick are preferred. Applications of metal for roofing are acceptable.



# EXHIBIT "E"

CONCEPT LAYOUT FOR THE  
JACKSON COUNTY  
WNC OUTDOOR DEVELOPMENT  
FEBRUARY 2017



**EXHIBIT F**  
**SCHEDULE FOR REIMBURSEMENT OF COUNTY INCENTIVES**  
Sales, Occupancy & Property Taxes

It is anticipated that the company will invest approximately \$1.4 million dollars in taxable real & business personal property over the next 10 years. It is also anticipated that the company will generate approximately \$10,811,993 in sales and rentals over the next 10 years which will generate additional sales and occupancy tax for the County.

The following table illustrates the anticipated sales, occupancy and property tax revenue by year. If the company fails to generate the minimum annual accumulative taxes for years 4, 7 and 10 then the Company must reimburse the County the amount necessary to reach the minimums set forth in the following table. The examples below demonstrate the application of this reimbursement provision.

Year	Annual Sales, Occupancy and Property Tax Payments	Minimum Annual Accumulative Taxes
1	6,547	6,547
2	14,711	21,258
3	52,017	73,302
4	78,709	152,011
5	98,699	250,710
6	115,065	365,553
7	119,239	484,792
8	126,253	611,045
9	132,648	743,639
10	137,291	880,984

Example 1. On Year 4 the Company's accumulative taxes paid is \$120,000. The Company must pay an additional \$31,984 (\$152,011 - \$120,000) to meet the Minimum Annual Accumulative Tax of \$151,984 unless the County gives up to a two year extension in accordance with this agreement.

Example 2. On Year 7 the Company's accumulative taxes paid is \$500,987. The Company owes nothing under this schedule and the additional \$16,000 (\$500,987 - \$484,792) will be applied to future years.

Example 3. On Year 10 the Company's accumulative taxes paid is \$800,000. The Company must pay an additional \$81,179 (\$880,984 - \$800,000) to meet the Minimum Annual Accumulative Tax of \$880,984. No waivers.

EXHIBIT F.1  
SCHEDULE FOR REIMBURSEMENT OF COUNTY INCENTIVES  
Employment

County has the ability to terminate this Agreement if Company fails, by the end of year three (3) of this Agreement, to create ten (10) full-time jobs, as defined in this Agreement, and retain the ten (10) full-time jobs created through year ten (10) of this Agreement. If Company fails to create or retain the jobs required in this Agreement, County may choose to negotiate an alternative remedy, outlined below, instead of terminating the Agreement.

Failure of the County to elect to terminate this Agreement if Company fails its obligation in one year does not constitute a waiver of the right of the County to make such election in a later year.

If Company fails to meet its obligation related to creation or retention of jobs as defined in the Agreement, County may terminate this Agreement or apply the following alternative remedy:

County has credited the Company \$100,000 for the creation of 10 full-time jobs as defined by this agreement. Company has agreed to maintain these jobs for seven (7) years creating 70 job units. If the company fails to maintain ten (10) full-time jobs each year then the County may choose to allow Company to reimburse the County \$1,429 (\$100,000 / 70 units) per job per year for job units that have not been created or retained instead of terminating this Agreement. The examples below demonstrate the application of this reimbursement provision. This provision becomes effective in year three (3) of this Agreement.

Example 1. In year three (3), Company maintains seven (7) full-time jobs as defined by this Agreement. Company must reimburse the County \$4,287 (3 jobs units short x \$1,429 per job).

Example 2. In year 4, Company maintain nine (9) full-time jobs as defined by this Agreement. Company must reimburse the County \$1,429 (1 job unit short x \$1,429).

Example 3. In year five (5), Company maintains 13 full-time jobs as defined by this agreement. The Company does not owe the County any reimbursements and receives a credit of \$4,287 (3 additional job units x \$1,429) to be applied to future years.

Example 4. In year six (6), Company maintain nine (9) full-time jobs as defined by this Agreement. Company may use its credit from year five to offset this short fall. The Company credit will be reduced from \$4,287 to \$2,858 (\$4,287 - \$1,429).

Example 5. In year seven (7), Company maintains seven (7) full-time jobs as defined by this Agreement. Company may use its credit from year six to offset this short fall. The

Company will owe \$4,287 (3 job units short x \$1,429). \$2,858 of credit from year six (6) can be applied leaving \$1,429 owed to the County (\$4,287 - \$2,858).

Substantial Job creation is a material part of this Agreement and it is therefore unlikely that County will apply this alternative remedy for failure to create or retain ten (10) full-time jobs each year for two consecutive years.