

NORTH CAROLINA

CHATHAM COUNTY

THIS AGREEMENT (this "Agreement") made and entered into this 21 day of May, 2013, by and between **CHATHAM COUNTY**, a body politic and corporate of the state of North Carolina (the "County") and the **SPROTT YOUTH CENTER, INC.**, a North Carolina non-profit corporation having its registered office in Chatham County, North Carolina (the "Sprott Center"). The County and the Sprott Center may hereinafter be referred to as a "Party" or collectively as the "Parties".

WITNESSETH:

WHEREAS, the Sprott Center is a 501(c)(3) corporation organized for the purpose of creating an environment for recreation, family gatherings, sports training, and fellowship for youth and adults in the Moncure area and operating the Sprott Youth Center for use by all citizens regardless of race, creed, color, or religious and/or political affiliation; and

WHEREAS, the General Assembly of the State of North Carolina has found and determined that the public good and general welfare of the citizens of this state require adequate recreation programs, and that the creation, establishment, and operation of recreational programs by counties is a proper governmental function, and that it is the policy of North Carolina to forever encourage, foster, and provide these facilities and programs for all of its citizens; and

WHEREAS, the County is authorized to establish and conduct a system of supervised recreation, and to provide, equip, operate, and maintain recreation centers and recreation facilities, including all buildings, structures, and equipment necessary or useful in connection therewith; and

WHEREAS, the County is further authorized to contract with and appropriate funds to any corporation to carry out any public purpose that the County itself is authorized by law to engage in and carry out; and

WHEREAS, the Sprott Center owns a building located in Moncure, North Carolina known as the Sprott Youth Center which has served as a recreation center for area youth and adults for many years, but has fallen into a state of disrepair in recent years and needs substantial repair work (the "Sprott Center Building"); and

WHEREAS, the Sprott Center does not have sufficient funds available to repair and rehabilitate the Sprott Center Building and has requested that the County appropriate funds for that purpose; and

WHEREAS, the County has funds available to provide and support recreation facilities and activities for the public in the Moncure area; and

WHEREAS, the Sprott Center has agreed to provide recreation facilities and to carry out a recreation program for youth and adults in the Moncure area if the County will appropriate funds for the repair and restoration of the Sprott Center Building; and

WHEREAS, the County has determined that it is in the public interest to contract with and appropriate funds to the Sprott Center to repair the Sprott Center Building so that the Sprott Center can operate a recreation program for all County citizens as provided in this Agreement;

NOW, THEREFORE, for and in consideration of the premises and the respective benefits flowing to the parties, the County and the Sprott Center, intending to be legally bound, contract and agree as follows:

1. Repair and Restoration of the Sprott Center Building. The Sprott Center agrees to repair and restore the Sprott Center Building to a condition that is safe, secure, and suitable for the use by the youth and citizens and residents of Chatham County as a recreation center and facility. The Sprott Center represents and warrants that the Sprott Center Building can be repaired and restored to a safe, secure, and suitable condition, eligible to receive a County issued Certificate of Occupancy, for the County funds available for such repair and restoration work as set forth in Paragraph 2 below. The uses for the Sprott Center Building shall include, but not be limited to, scouting, basketball, volleyball, ping pong, summer camps and community events, and similar recreation and community oriented purposes (collectively the “Sprott Center Uses”).
2. County Appropriation for Repair and Restoration. The County agrees to appropriate and pay funds to the Sprott Center to be used for the repair and restoration of the Sprott Center Building as provided in this Paragraph 2. Prior to commencing any work to be paid for with County funds the Sprott Center shall submit a list of the improvements to be made to the Sprott Center Building to the County. The list of improvements shall include, at a minimum, a general description of the work to be done and the estimated cost of the labor and the materials required to accomplish such work. The Sprott Center submittal shall be in such detail as, in the reasonable judgment of the County, is sufficient for the County to determine the work to be done and the estimated cost thereof. The Sprott Center may submit one or more lists of improvements and shall not be required to submit for all of the work at one time. The County shall review the information submitted and approve a sum that it believes is reasonable in light of the work to be done and the County funds available for the repair and restoration of the Sprott Center Building. It is understood and agreed that the County funds available for the repair and restoration of the Sprott Center Building are limited to, and shall not exceed, the \$500,000 in funds received by the County from the Western Wake Partners (Apex, Cary, and Morrisville) under an Agreement dated April 1, 2011 (the “Western Wake Funds”) to address any adverse impacts that might occur as a result of the construction of a wastewater management system through the southeastern portion of Chatham County, less and except any Western Wake Funds that have been spent, or will be spent in the future, by the County for legal, engineering, inspection, or other services and cost related to the Sprott Center and the Sprott Center Building. The amount approved for the work shall be communicated to the Sprott Center in writing or by email. Upon receipt of the

County's approval, the Sprott Center is authorized to commence the work set out in the County's authorization. The Sprott Center may submit applications for payment at the end of any month during which repair or restoration work has taken place. The County shall have the right, but not the obligation, to inspect the work for which payment is being sought to determine whether it has been satisfactorily completed. The period during which the County may inspect the work shall begin on the date the payment request is received and end fifteen (15) business days thereafter (the "Inspection Period"). On or before the end of the Inspection Period the County shall pay the Sprott Center for all authorized expenditures made or incurred. If the County believes that any work included in a submittal was not authorized, or that cost thereof is unreasonable, it may withhold payment for that portion of the payment request until the County and the Sprott Center have discussed the payment request and mutually agreed upon a fair and equitable resolution.

3. Use of Sprott Center. As consideration for this Agreement and the payment by the County for the renovation and improvement to the Sprott Center Building, the Sprott Center covenants and agrees that the Sprott Center Property will be available for a period of not less than thirty (30) years for use by and for all citizens and residents of Chatham County, including the Chatham County Recreation Department, and other County departments and County sanctioned events or uses. The County shall be subject to such reasonable fees as other persons or entities making a similar use of the Sprott Center Building. The use and purposes for which the Sprott Center Building shall be used include the Sprott Center uses set forth above and those uses provided for in the restrictive covenants set out in the deed from Moncure United Methodist Church to the Sprott Center, dated the 3rd day of April, 2013, and recorded in Book 1681, Page 0179, Chatham County Registry, and other uses similar thereto, and such future uses as are similar in spirit or purpose to the uses set out in the foregoing deed. In addition, the use of the Sprott Center Property shall be fairly and indiscriminately made available, consistent with such reasonable rules and regulations as may be adopted by the Sprott Center, to all citizens and residents of Chatham County without regard to religious affiliation or belief or non-belief, and without regard to race, creed, color, political affiliation, or other distinction or viewpoint. The Sprott Center shall have the right to establish a fee schedule for the use of the Sprott Center Building setting forth reasonable charges for the use of the facility.
4. Operation solely by the Sprott Center. The Sprott Center Property shall be operated solely by the Sprott Center and in compliance with this Agreement and the County shall have no involvement in, nor responsibility for, the operation or the cost of operation of the Sprott Center Property.
5. Maintenance of Sprott Center. The Sprott Center shall, at its sole cost and expense, keep the Sprott Center Building, including its furnishings and grounds, in good order and condition and shall make or cause to be made all necessary

repairs, alteration and/or replacements thereto, interior, exterior, structural and nonstructural, required to maintain the same in good order and condition during the term of this Agreement. All such repairs, alterations, and replacements shall be equal in quality to the County funded improvements. The County shall have no responsibility whatsoever in respect to maintenance or repair, it being understood and agreed that the Sprott Center shall have full responsibility for the maintenance and upkeep of the Sprott Center Building.

6. Future County Appropriation to Sprott Center . After the completion of the repair and restoration of the Sprott Center Building and the issuance of a certificate of occupancy by the County, the Sprott Center may apply to the County for funds for eligible programs under the County's standard, annual nonprofit allocation process.
7. Term. The term of this Agreement is thirty (30) years from the date the County issues a certificate of occupancy for the Sprott Center Building.
8. Insurance. The Sprott Center shall keep the Sprott Center Building and all associated improvements on the property, now or hereafter erected, constantly insured against loss by fire, windstorm, and other casualties and contingencies, in such manner and with such companies and for such amounts as the Sprott Center determines are sufficient, but not less than the amount of funds provided by the County for the repair and restoration of said building. The Sprott Center shall purchase such insurance, pay all premiums thereon, and, upon request, shall deliver to the County evidence of premium payments. All proceeds from any insurance so maintained shall be applied to the repair or reconstruction of the Sprott Center Building in the event of damage or destruction.
9. Termination. This Agreement shall automatically terminate if a building permit has not been issued and substantial work to repair and restore the Sprott Center Building has not commenced on or before November 1, 2013.
10. Notices. All notices, payments, or other correspondence given or made pursuant to this Agreement shall be in writing, delivered in person, mailed by certified mail, return receipt requested, or delivered by a recognized overnight courier, postage or fees prepaid, addressed to a Party at the address given below, and shall be deemed effective upon the date received, via personal delivery, certified mail, or overnight delivery. The Parties shall be responsible for notifying each other of any change of address.

Mailing addresses for Parties are as follows:

If to County: Chatham County
Post Office Box 1809
Pittsboro, North Carolina 27312
Attention: County Manager
Email: _____

If to Sprott Center: Sprott Youth Center, Inc.
c/o Kennie Ellis
147 Willow Creek Road
Sanford, North Carolina 27330
Email: _____

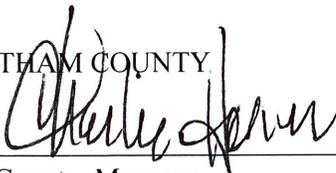
11. Miscellaneous. This Agreement constitutes the entire agreement and understanding between the Parties and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements, and agreements heretofore entered into between the Parties with respect to the matters contained herein are merged in this Agreement. This Agreement may not be changed orally, but only by a written document signed by all Parties. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the Party against whom it is sought to be enforced. This Agreement may not be assigned without the written consent of both Parties. The provisions of this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns to the extent such assignment has been consented to by both Parties. The provisions of the Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina. The headings contained in the Agreement are solely for the convenience of the Parties and do not constitute a part of this Agreement and shall not be used to construe or interpret any provisions hereof. This Agreement shall be considered for all purposes as having been prepared by the joint efforts of the Parties and shall not be construed against one Party or the other as a result of preparation, substitution, submission, or other event of negotiation. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect, and , if any such unenforceable provision hereof is enforceable in any part or to any lesser extent, such provision shall be enforceable in all such parts and to the greatest extent permissible under applicable law. This Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument, and the Parties hereto may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, Chatham County and the Sprott Youth Center, Inc., have executed this Agreement as of the day and year first written above.

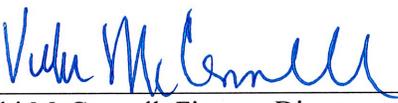
SPROTT YOUTH CENTER, INC.

By: 
Chair Person

CHATHAM COUNTY

By: 
County Manager

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


Vicki McConnell, Finance Director

NORTH CAROLINA

COUNTY OF Chatham

I Cacie Langley, a Notary Public of the County and State aforesaid, do hereby certify that Houston V. Blair, Jr personally appeared before me this day and acknowledged that he/she is the Chair Person of Sprott Center, Inc., and as Chair Person, being authorized to do so, executed the foregoing instrument on behalf of Sprott Center, Inc..

Witness my hand and official seal this 21st day of May, 2013.

Cacie Langley
Notary Public in and for the State of North Carolina

Cacie Langley
Printed Name

My Commission Expires: 9/30/2017



NORTH CAROLINA

COUNTY OF Chatham

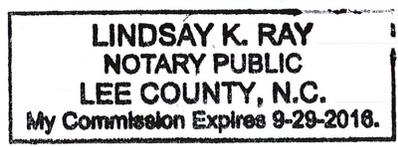
I Lindsay K. Ray, a Notary Public of ^{Lee}~~the~~ County and State aforesaid, do hereby certify that Charlie Horne personally appeared before me this day and acknowledged that he is the County Manager of Chatham County, North Carolina, and he as County Manager, being authorized to do so, executed the foregoing instrument on behalf of the said County.

Witness my hand and official seal this 21 day of May, 2013.

Lindsay K. Ray
Notary Public in and for the State of North Carolina

Lindsay K. Ray
Printed Name

My Commission Expires: 09-29-2016



(Affix Notary Seal)