

DEVELOPMENT AGREEMENT

**BY AND BETWEEN
CHATHAM PARK INVESTORS LLC,
CHATHAM DEVELOPMENT ONE INC., PRIVATO LLC, PRIVATO III LLC,
AND
THE TOWN OF PITTSBORO, NORTH CAROLINA**

Effective Date:

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STATE OF NORTH CAROLINA

DEVELOPMENT AGREEMENT

COUNTY OF CHATHAM

This Development Agreement (hereinafter the "Agreement") is made and entered into as of the [REDACTED] day of [REDACTED] by and among CHATHAM PARK INVESTORS LLC, a North Carolina limited liability company, CHATHAM DEVELOPMENT ONE INC., a North Carolina corporation, PRIVATO LLC, a North Carolina limited liability company, PRIVATO III LLC, a North Carolina limited liability company, and the Town of Pittsboro, North Carolina ("Town"), a municipal corporation of the State of North Carolina.

ARTICLE 1. LEGAL FRAMEWORK

- 1.1 North Carolina General Statutes (hereinafter "G.S.") 160A-400.20(a)(1) provides that "large-scale development projects often occur in multiple phases extending over a period of years, requiring a long-term commitment of both public and private resources."
- 1.2 G.S. 160A-400.20(a)(3) provides that "because of their scale and duration, such large-scale projects often require careful integration between public capital facilities planning, financing, and construction schedules and the phasing of the private development."
- 1.3 G.S. 160A-400.20(a)(4) provides that "because of their scale and duration, such large-scale projects involve substantial commitments of private capital by developers, which developers are usually unwilling to risk without sufficient assurances that development standards will remain stable through the extended period of development."
- 1.4 G.S. 160A-400.20(a)(5) provides that "because of their size and duration, such developments often permit communities and developers to experiment with different or nontraditional types of development concepts and standards, while still managing impacts on the surrounding areas."
- 1.5 G.S. 160A-400.20(a)(6) provides that "to better structure and manage development approvals for such large-scale developments and ensure their proper integration into local capital facilities programs, local governments need the flexibility in negotiating such developments."
- 1.6 In view of the foregoing, G.S. 160A-400.20(b) and 160A-400.22 expressly authorize local governments and agencies to enter into development agreements with developers pursuant to the procedures and requirements of G.S. 160A-400.20 through 160A-400.32, which procedures and requirements include approval of the development agreement by the governing body of the local government by ordinance after a duly noticed public hearing.
- 1.7 G.S. 160A-400.23 provides that "a local government may enter into a development agreement with a developer for the development of property as provided in this Part for developable property of any size ..." and that "development agreements shall be of a reasonable term specified in the agreement".
- 1.8 In addition to any force of law conferred upon this Agreement by North Carolina law related to local governments, the terms of this Agreement are also contractual in nature, are a significant inducement and consideration to enter into this Agreement, and may be enforced as contractual terms.

- 1.9 The Town Development Agreement Ordinance (as defined herein) provides additional legal requirements for development agreements in the Town.

ARTICLE 2. DEFINITIONS

In the construction of this Agreement and its incorporated Exhibits, the following capitalized terms shall have the respective meanings set forth below wherever they appear in this Agreement. Except as otherwise provided in this Agreement, terms used in the relevant portions of the North Carolina General Statutes, the Town of Pittsboro Zoning Ordinance (“Zoning Ordinance”), or the Town of Pittsboro Development Agreement Ordinance shall have the same meanings as employed in those statutes and ordinances.

- 2.1 *Additional Elements.* The term “Additional Elements” shall mean those items and plans described in Section VIII (Additional Elements) of the Master Plan and adopted by the Town in accordance with Section VIII (Additional Elements) and Section X (Additional Provisions) of the Master Plan. The Additional Elements are attached hereto as **Exhibit E**.
- 2.2 *Agreement.* The term “Agreement” shall mean this Development Agreement.
- 2.3 *Board.* The term “Board” or “Town Board,” shall mean the legislative body of the Town of Pittsboro, which together with the Mayor of the Town constitutes the governing body of the Town.
- 2.4 *Chatham Park Planned Development District.* The term “Chatham Park Planned Development District”, or “Chatham Park PDD”, is the land zoned planned development district by the Board on August 10, 2015 in Town zoning case no. REZ-2015-04, and includes all land added to such planned development district in accordance with Town ordinances, but excludes all land deleted from such planned development district in accordance with Town ordinances.
- 2.5 *Developer.* The term “Developer” shall mean Chatham Park Investors LLC, and any successor in title who acquires a Parcel in fee simple from the Developer and to whom the transferring Developer, with respect to that Parcel, expressly assigns all of its then existing rights and obligations as Developer under this Agreement to the Person acquiring the Parcel from the Developer, which assignment shall be recorded in the Registry. Any other Person who acquires a Parcel in fee simple title from the Developer shall be a “Parcel Owner” and not a “Developer.” On the Effective Date of this Agreement, Chatham Park Investors LLC is the Developer.
- 2.6 *Development or Develop.* The term “Development” or “Develop” shall mean any activity on the Property involving, requiring, or consisting of: (i) the construction of a new building; (ii) the construction or installation of structures or facilities such as, but not limited to, roads, greenways, paved trails, sidewalks, parking lots, and utility infrastructures; (iii) the clearing or alteration of land as an adjunct of such construction; or (iv) the expansion of an existing building; or (v) the division of land into two or more Parcels or the recombination of Parcels. It is contemplated by the Parties that numerous Development projects will occur in the Property during the Agreement Term.
- 2.7 *Effective Date.* The term “Effective Date” shall mean the effective date of this Agreement, which is .

- 2.8 *Existing Parcel Owner.* The term “Existing Parcel Owner” shall mean each of Chatham Development One Inc., Privato LLC, and Privato III LLC, and each of the Parcel Owners described in **Exhibit D** attached hereto.
- 2.9 *Manager.* The terms “Manager” or “Town Manager” shall mean the Town Manager of the Town of Pittsboro, or his/her designee.
- 2.10 *Master Plan.* The term “Master Plan” shall mean the Chatham Park Planned Development District Master Plan as adopted by the Town Board on August 10, 2015, attached hereto as **Exhibit E**. The Master Plan shall include Additional Elements.
- 2.11 *Parcel.* The term “Parcel” shall mean each separate tract of the Property as the same may be constituted from time to time, including a tract as acquired by the Developer, a tract that has been subdivided out of another tract, or a tract that results from the recombination of two or more tracts. Each separate portion of a tract remaining after dedication of road right of way from that tract also constitutes a Parcel for the purposes of this definition.
- 2.12 *Parcel Owner.* The term “Parcel Owner” shall mean each Person, other than the Developer, who owns a fee simple title interest in a Parcel, including all of the Existing Parcel Owners.
- 2.13 *Participant or Participants.* The term “Participants” shall mean the Town, the Developer, and the Parcel Owners.
- 2.14 *Party or Parties.* The terms “Party” or “Parties” shall mean the Town and the Developer. Neither the Representative, nor any Parcel Owner, is a Party for purposes of this definition.
- 2.15 *PDD.* The term “PDD” shall mean the Planned Development District as described in Article V of the Zoning Ordinance.
- 2.16 *Periodic Review.* The term “Periodic Review” shall have the meaning ascribed in Section 4.13 of this Agreement.
- 2.17 *Person.* The term “Person” shall mean a natural person or persons, a corporation, a limited liability company, a partnership, a joint venture, a trust, or any other legal entity. The term “Person” also shall include the Development Review Committee for Chatham Park PDD required by the Master Plan and any successor committee.
- 2.18 *Property.* The term “Property” shall mean the land described in **Exhibit A** attached hereto and shown on the survey attached hereto as **Exhibit B**. The Property also includes any public street rights-of-way and private streets that may be located within the Property.
- 2.19 *Registry.* The term “Registry” shall mean the Chatham County Register of Deeds.
- 2.20 *Representative.* The term “Representative” shall mean a Person designated by the Developer to act for and on behalf of the Developer and Parcel Owners wherever indicated and subject to the terms of this Agreement. As of the Effective Date, the Representative is the Development Review Committee. At any time and from time to time the Developer may designate a successor or replacement Representative and shall notify the Town of any change in the Representative.

- 2.21 *Small Area.* The term “Small Area” shall mean any one of the twenty-seven (27) portions of the Property identified in the Land Use Plan Map and Table of Permitted Uses in the Master Plan.
- 2.22 *Small Area Plan.* The term “Small Area Plan” shall mean the plan required by the Master Plan to be approved by the Town for Development of land within a Small Area. A Small Area Plan may include one or more Small Areas.
- 2.23 *State.* The term “State” shall mean the State of North Carolina.
- 2.24 *Town.* The terms “Town” or “the Town” shall mean the Town of Pittsboro in the County of Chatham and the State of North Carolina and its successors in interest.
- 2.25 *Town Attorney.* The term “Town Attorney” shall mean the attorney for the Town.
- 2.26 *Town Clerk.* The term “Town Clerk” shall mean the clerk for the Town.
- 2.27 *Town Development Agreement Ordinance.* The term “Town Development Agreement Ordinance” shall mean the ordinance adopted by the Town on September 28, 2015 that is entitled “An Ordinance Providing Standards And Procedures For Consideration And Adoption Of Development Agreements For The Town Of Pittsboro”. A copy of the Town Development Agreement Ordinance is attached hereto as **Exhibit G**.
- 2.28 *Town Planning Director or Planning Director.* The terms “Town Planning Director” and “Planning Director” shall mean the planning director for the Town.
- 2.29 *Town Regulations.* The term “Town Regulations” shall mean any ordinance, regulation, resolution, technical or design manual, or policy officially adopted by the Town.
- 2.30 *Zoning Ordinance.* The term “Zoning Ordinance” shall mean the Zoning Ordinance of the Town of Pittsboro in effect as of the Effective Date, a copy of which is attached hereto as **Exhibit H**.

ARTICLE 3. RECITALS

- 3.1 The Developer and the Existing Parcel Owners are the fee simple owners of the Property on the Effective Date. The Property is located within either the corporate limits or the extra territorial jurisdiction of the Town.
- 3.2 On August 10, 2015, the Town Board approved the Developer’s rezoning request (REZ-2015-04) to amend the zoning map of the Town to apply a zoning district classification of Planned Development District to the Property and approved the May, 2015 Chatham Park PDD Master Plan submitted with Developer’s rezoning request. Subsequently, in accordance with the May, 2015 Chatham Park PDD Master Plan, the Town Board approved the Additional Elements on [REDACTED], which became part of the Master Plan upon such approval.
- 3.3 On September 28, 2015, the Town adopted the Town Development Agreement Ordinance.
- 3.4 Pursuant to Article 5, Step 1 of the Town Development Agreement Ordinance, a pre-application meeting was held on December 7, 2016.

- 3.5 Pursuant to Article 5, Step 2 C.6. of the Town Development Agreement Ordinance, Developer submitted a draft of this Agreement to the Town on December 8, 2016.
- 3.6 The Developer estimates that the appraised value of the Development of the Property at build out to exceed \$20,000,000.00.
- 3.7 The purpose of this Agreement is to facilitate the Development of the Property in a way that best realizes the public benefits to the Parties. The Development of the Property requires a major investment by the Developer and/or Parcel Owners in facilities, substantial initial investment in on-site and off-site improvements, participation in other programs for public benefit and purposes, and substantial commitment of resources to achieve the benefits of the Development for the Parties. The Developer will be unable to make and realize the benefits from such commitments without the assurances of the Town as provided by this Agreement.
- 3.8 The general benefits to be received by the Town from Development of the Property include, without limitation:
- a) Implementation of the Master Plan and furthering the goals of securing an appropriate mix of uses and densities for the Property;
 - b) Protection of natural resources and environmentally sensitive property within the Property, minimization of adverse off-site impacts, and incorporation of sustainability principles in the Development of the Property;
 - c) Provision of an efficient, effective, and practical overall plan for addressing the Development of the Property, including the protection of natural resources, the provision of open space and parkland, and commitments with respect to transit, bikeways, greenways, sidewalks, and road improvements;
 - d) Substantial commitments to public infrastructure and amenities as a result of Development of the Property.
- 3.9 The general benefits to be received by the Developer and Parcel Owners from Development of the Property include without limitation:
- a) Obtaining sufficient certainty, timeliness, and predictability in the Town's development review and approval process to justify the required substantial initial capital investment for Development projects in the Property that will require multiple years to complete;
 - b) Realization of the opportunity to implement the Master Plan for a mixed use Development that is consistent with Parties' goals and needs; and
 - c) Coordination with the Town to achieve the public benefits necessary for the Development.
- 3.10 In exchange for providing these benefits to the Town, the Developer, for itself, Existing Parcel Owners, and future Parcel Owners, desires to receive the assurance that Development projects in the Property may proceed in accordance with this Agreement and the PDD zoning of the Property as it exists on the Effective Date.

- 3.11 The terms and conditions of this Agreement have undergone extensive review by the Town's staff, the Town Planning Board, and the Town Board and have been determined to be fair, just and reasonable. After careful review and deliberation, the Town Board has determined and concluded that the Agreement meets the goals and needs of the Parties and complies with all statutory requirements and Town Regulations.
- 3.12 The Town, by electing to enter into this Agreement in accordance with statutory procedures and Town Regulations, acknowledges that the obligations of the Town shall survive beyond the term or terms of the present Town Board and that such action will serve to bind the Town and future Town Boards to the obligations thereby undertaken. By approving this Agreement, the Town Board has elected to exercise certain governmental powers at the time of entering into this Agreement rather than deferring its actions to some undetermined future date.
- 3.13 Pursuant to G.S. 160A-400.24, the Town Board conducted a public hearing on this Agreement on [REDACTED], 201[REDACTED]. The notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the development uses proposed on the Property in accordance with the Master Plan, and a place where a copy of the proposed Agreement could be obtained. The initial draft of this Agreement was posted on the Town website on [REDACTED], and was available for public inspection at Town offices and online at that time. Revisions to the draft of this Agreement were posted on the Town website on [REDACTED] and were available for public inspection at Town offices and online from and after such date(s).
- 3.14 On [REDACTED], the Town Board approved this Agreement and authorized the Town's execution of the same. The approval of this Agreement constitutes a legislative act of the Town Board.

ARTICLE 4. TERMS

NOW, THEREFORE, based upon the terms and conditions set forth herein and in consideration of the mutual promises and assurances provided herein, the Parties' hereby agree as follows:

- 4.1 Recitals. The Parties agree that the foregoing Recitals in Article 3 are true and correct and are incorporated herein by reference.
- 4.2 Agreement Term. The period of duration of this Agreement (the "Agreement Term") shall commence upon the Effective Date and it shall expire after forty (40) years from the Effective Date, unless sooner terminated in accordance with the provisions of this Agreement. The Agreement Term has been established by the Parties as a reasonable estimate of the time required to complete most, if not all, of the Development projects in the Property subject to this Agreement and to obtain the public benefits of such Development projects. The Town finds that the Agreement Term is reasonably necessary to assure the Town of the realization of the public benefits from the various Development projects in the Property. Expiration of the Agreement Term shall not terminate mutually agreed to obligations and commitments included within this Agreement that are expressly specified to extend beyond the Agreement Term. The Agreement Term may be extended as provided in Section 4.10.
- 4.3 Land Subject to Agreement. The land subject to this Agreement includes all of the Property.

- 4.4 Law in Effect at Time of the Agreement Governs the Development; Vested Rights. Except as provided in G.S. 160A-400.26, G.S. 160A-400.29(b), the Master Plan, and this Agreement, the Town may not apply subsequently adopted Town Regulations to the Property during the Agreement Term without the written consent of the Developer. The consent of Parcel Owners shall not be required unless the Parcel owned by the Parcel Owner is directly and adversely affected by such subsequently adopted Town Regulations, in which case the affected Parcel Owner must also provide written consent under this Section of this Agreement for such subsequently adopted Town Regulations to be effective with respect to that Parcel. During the Agreement Term the Developer and Parcel Owners shall have a vested right to Develop their respective portions of the Property in accordance with (i) this Agreement, (ii) the Master Plan and Additional Elements, (iii) the Zoning Ordinance, (iv) Town Regulations, (v) any other applicable laws (except to the extent modified by the Master Plan and the Additional Elements), all of the foregoing (i) through (v) as they exist as of Effective Date, and (vi) any Additional Elements adopted by the Town subsequent to the Effective Date. In accordance with G.S. 160A-400.25(a)(7), the Participants agree, intend, and understand that all conditions, terms, restrictions, or other requirements applicable to the Development and determined to be necessary by the Town for the public health, safety, or welfare of its citizens, are provided for by the foregoing (i) through (v) as they exist as of Effective Date, as well as any Additional Elements adopted by the Town subsequent to the Effective Date. This Agreement does not abrogate any rights that may vest pursuant to statutory or common law or otherwise in the absence of this Agreement. The Participants agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. In accordance with G.S. 160A-400.26(c), in the event State or federal law is changed after the Effective Date and the change prevents or precludes compliance with one or more provisions of this Agreement, the Town may modify the affected provisions with the consent of the Developer, upon a finding that the change in State or federal law has a fundamental effect on the Agreement, by ordinance after notice and a hearing and upon such modification the Town shall record the modification in the Registry. If the Developer fails to consent, the Developer may terminate this Agreement (with the Developer and any Parcel Owners retaining any rights with respect to any Parcel obtained prior to termination) and said termination will be recorded in the Registry.
- 4.5 Development Uses. In accordance with G.S. 160A-400.25(a)(3), a broad range of residential, institutional, and commercial land uses are authorized and provided for in the Master Plan Additional Elements and Small Area Plans. Up to 22,000 residential units and 22,000,000 square feet of non-residential uses are allowed by the Master Plan. Residential and non-residential uses will be located generally as depicted in the Master Plan and more specifically as provided in Small Area Plans and site and subdivision plans approved by the Town. Building types will include single family detached dwellings, apartments and other forms of attached residences, mixed-use buildings, offices, and a variety of institutional and commercial structures. Architectural styles and designs will vary within the Chatham Park Planned Development District, but will be context oriented.
- 4.6 Public Facilities.
- a) In accordance with G.S. 160A-400.25(a)(4), the public facilities that will service the various Development projects on the Property, the responsibility for provision of such public facilities, and the timing of the provision of such public facilities are described in one or more of the following: the Master Plan; the Additional Elements; Small Area Plans; and this Agreement. The Master Public Facilities Plan Additional Element addresses additional items and/ or provides more details with respect to items addressed in the utility plan and public service plan included

in the Master Plan. The Master Public Facilities Plan Additional Element addresses all of the following public facilities:

- 1) Town Administration.
- 2) Police.
- 3) Fire.
- 4) Schools.
- 5) Parks and Recreation.
- 6) Water Supply and Distribution.
- 7) Sewer Collection and Treatment.

b) In addition to the facilities provided in the Master Public Facilities Plan Additional Element, collection and treatment of wastewater (i.e., sewer) from the Property will be provided by one or more of the following alternatives:

- 1) Utilization of the Town's existing wastewater treatment plant.
- 2) Treatment by wastewater treatment facilities owned by the Town of Sanford, North Carolina ("Sanford"). Implementation of this alternative would involve construction by the Town of a wastewater transmission line to Sanford, to be financed by a loan through the North Carolina Local Government Commission. In connection with this alternative, the Town and the Developer would enter into an agreement providing for payment of portions of the loan by each party and allocation of wastewater treatment capacity to the Developer and credits against specified Town wastewater fees for amounts paid by Developer. It is anticipated that this sewer line will be sized to transport to Sanford up to 3 million gallons per day of wastewater, but initially will treat up to 2 million gallons per day. This sewer line to Sanford is proposed to be in operation by no later than the year 2020.
- 3) Construction by a private utility company of a wastewater treatment and reclaimed water distribution plant at a location in the Property (the "Chatham Park Plant"). The Chatham Park Plant will be designed to treat up to 1 million gallons per day of wastewater, with an initial treatment amount of up to 250,000 gallons per day. The Chatham Park Plant will provide reclaimed water for distribution in the Property and other places in the Town. To implement this alternative, the private utility provider and the Town will work cooperatively to have the Town's Pollutant Discharge Elimination System (NPDES) permit for discharge of treated wastewater into Robeson Creek modified to allow up to 499,000 gallons per day to be discharged into Robeson Creek from the Chatham Park Plant. The Chatham Park Plant is proposed to be in operation by the end of 2018.
- 4) Additional wastewater treatment to service the Property could be provided by one or more of the following: an increase in the amount of wastewater being sent to Sanford; additional wastewater treatment services provided by a governmental entity other than the Town or Sanford; expansion of the treatment capacity of the Chatham Park Plant; construction by the Town of a new wastewater treatment plant; or upgrading of the Town's existing wastewater treatment plant.

c) Construction of streets and related transit facilities (for example, bus stops) on the Property will be provided by the Developer or Parcel Owners as necessary to serve the applicable Development projects in the Property, except for any streets and

related facilities that are constructed by Town or the North Carolina Department of Transportation (“NCDOT”).

- d) As provided in the Master Plan and Master Stormwater Plan Additional Element, stormwater facilities serving the Property will be private facilities under management by a property owners association established for the Property. However, stormwater pipes and drains located in publicly dedicated street rights of way will be public facilities owned and maintained by the Town or NCDOT, depending upon whether the applicable street is a Town or NCDOT street.
- e) Applicable public facilities that are to serve a Parcel will be provided, or payments-in-lieu of such public facilities will be made, prior to the issuance of a certificate of occupancy for the first building on a Parcel, unless applicable Town Regulations allow financial security to be provided for completion of one or more such public facilities after issuance of the certificate of occupancy.

4.7 Dedication or Reservation of Land for Public Purposes. In accordance with G.S. 160A-400.25(a)(5), a description of certain land to be reserved and/or dedicated for public purposes, and provisions to protect environmentally sensitive property, is provided for in one or more of the following: the Master Plan; Additional Elements; and Small Area Plans.

4.8 Local Development Permits.

- a) In accordance with G.S. 160A-400.25(a)(6), the following local development permits, approvals, certificates, or plans, when necessary, must be approved for the Development:
 - 1) Zoning Compliance Certificates;
 - 2) Certificates of Occupancy;
 - 3) Site Plans;
 - 4) Subdivision Plans;
 - 5) Building Permits;
 - 6) Special Use Permits;
 - 7) Conditional Use Permits;
 - 8) Variances;
 - 9) Riparian Buffer Authorization Certificates;
 - 10) Encroachments into Riparian Buffers;
 - 11) Floodplain Development Permits;
 - 12) Stormwater Permits;
 - 13) Sign Permits;
 - 14) Temporary Use Permits;
 - 15) Subdivision Plat Approvals;
 - 16) Sedimentation and Soil Erosion Control Permits;
 - 17) Grading Permits, if issued separately from Sedimentation and Soil Erosion Control Permits;
 - 18) Utility Extension Permits; and
 - 19) Encroachment Agreements into public street rights of way for utilities, driveways or street connections, and other encroachments.
- b) The failure of this Agreement to address a particular permit, approval, certificate, plan, condition, term or restriction does not relieve the Developer or Parcel Owners of the necessity of complying with such permits, approvals, certificates, plans,

conditions, terms or restrictions, except as may be limited or otherwise provided in this Agreement.

- c) Application may be made for more than one type of local permit, approval certificate, or plan at a time, and applications for such permits, approvals, certificates, plans shall be reviewed concurrently by the Town to the extent possible. Additionally, the Town shall exercise reasonable diligence to expedite the processing of the required permit, approval, certificate, or plan, or other applications for the Development of the Property. The Developer, Representative, or applicable Parcel Owners, shall in a timely manner provide the Town with all documents, applications, plans, and other information necessary for the Town to carry out its obligations hereunder.

4.9 Preservation and Restoration of Historic Structures (G.S. 160A-400.25(a)(8)). Prior to approval by the Town of the first site plan or subdivision plan for land in any Small Area that is subject to an approved Small Area Plan, the Developer will obtain an assessment of the applicable Small Area to identify any archaeological sites, historical structures, or other resources that might have substantial potential for historical research and/or preservation.

- a) The assessment may consist of one or more of the following:
 - 1) Field surveys of those portions of the land that exhibit map or aerial photographic evidence of past occupations to document former historic home sites, cemeteries, road traces, or other evidence of past historic occupations. Field surveys also may include subsurface investigations, photographs, and mapping of potential historical sites.
 - 2) Cemeteries that are discovered will be documented with detailed mapping and photography, including examination of each grave marker, along with limited probing as needed to establish the cemetery boundaries. Cemetery boundaries will be located.
 - 3) Recovered artifacts will be forwarded to an appropriate laboratory for examination, including examination, cleaning, and cataloging.
- b) The Developer either will provide a report to the Town containing matters related to preservation and restoration of historical structures that it determines are appropriate for the applicable Small Area, or will require each subdivision plan or site plan submitted for approval in the applicable Small Area to include matters related to preservation and restoration of historical structures that the Developer determines are appropriate for the proposed Development project. Such matters may include one or more of the following:
 - 1) Cooperative research with the Chatham County Historical Association or other groups to gather additional information on selected resources Preservation or appropriate use of historic buildings and structures.
 - 2) Documentation and preservation of historical cemeteries.
 - 3) Preservation of other appropriate historic sites and resources, as appropriate, within open space, including incorporation of historic elements into greenways or buffers.
 - 4) Development of interpretive materials that explain the history of the applicable historic period relative to the historic resources.
 - 5) Site tours and presentations to the Chatham County Historical Association or other interested groups.

An example of preservation of historic structures in Chatham Park PDD prior to the Effective Date of this Agreement is the gift made by the Developer to The Historic Preservation Foundation Of North Carolina, Inc. of a structure known as the "Historic Griffin House", which is located on a portion of the Property on U.S. Highway 64 Business.

- 4.10 Amendment; Modification; Termination; or Extension of the Agreement Term. This Agreement may be amended, modified, or terminated, or the Agreement Term extended, by the mutual consent of the Parties. Amendment, modification, or termination of this Agreement, or extension of the Agreement Term, shall not require the consent of any Parcel Owner. Either Party may propose a proposed modification to this Agreement. Within fifteen (15) days after receipt of a proposed modification of this Agreement, the Town Planning Director shall determine whether it is a major modification or a minor modification and shall notify the Developer of that determination. The Town Planning Director shall consider the following criteria in making the determination as to whether a proposed modification is a major modification or a minor modification to this Agreement:
- a) A proposed increase or decrease in the acreage of the Property subject to this Agreement of more than five (5) percent shall be considered a major modification. A cumulative increase of fifteen (15) percent or more in the acreage of the Property subject to this Agreement shall be considered a major modification.
 - b) A change in the Agreement Term is a major modification.
 - c) Any other proposed modifications to this Agreement shall be considered a minor modification. Examples of minor modifications include, but are not limited to, modification of the development schedule required by G.S. 160A-400.25(b) and any changes in the dates referenced in this Agreement, other than the Agreement Term.

A major modification of this Agreement shall follow the same procedures as required by North Carolina law for the adoption of a development agreement, and shall follow any applicable provisions of the Town Development Agreement Ordinance. The Developer shall file an application for approval of a major modification on the applicable Town form, if any. A minor modification may be approved by the Town Planning Director in accordance with the Town Development Agreement Ordinance, without following the same procedures as required by North Carolina law for the adoption of a proposed development agreement. Approval or disapproval of a minor modification by the Town Planning Director shall be memorialized by letter from the Town Planning Director to the Developer and shall include written findings by the Town Planning Director that the proposed minor modification would be consistent with the purposes and goals of this Agreement, would comply with the Town Development Agreement Ordinance, and would not adversely affect the public health, safety, or general welfare. The Town may modify or suspend the provisions of this Agreement if the Town determines that the failure to do so would place the residents of the Property subject to this Agreement, or residents of the Town, or both, in a condition dangerous to their health or safety, or both. A copy of each minor modification approved by the Town Planning Director shall be maintained on file by the Town Clerk.

- 4.11 Recordation/Binding Effect. Within fourteen (14) days after the Town enters into this Agreement, the Developer shall record this Agreement in the Registry. Within fourteen (14) days after the Town provides the Developer with a document in a form acceptable for recording in the Registry evidencing approval of a major modification of this Agreement,

the Developer shall record such document in the Registry. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to the Town and its successors in interest, to the Developer and its assignees to whom such burdens and/or benefits are assigned in accordance with this Agreement, and, to the extent provided in this Agreement, to the Parcel Owners and their successors and assigns, including successors in title. All of the provisions of this Agreement shall be enforceable during the Agreement Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law.

4.12 Periodic Compliance Review and Enforcement.

- a) Periodic Review. Pursuant to G.S. 160A-400.27, the Town Manager shall conduct a periodic compliance review (the "Periodic Review") at least every twelve (12) months, at which time the Developer, or the Representative on behalf of the Developer, shall be required to demonstrate good faith compliance with the terms of this Agreement. The Town Manager shall promptly report the results of this review to the Developer and Town Board. Failure of the Town to conduct this Periodic Review shall not constitute a waiver by the Town of its rights to otherwise enforce the provisions of this Agreement, nor shall the Developer or Parcel Owners have or assert any defense to such enforcement by reason of such failure to conduct a Periodic Review.
- b) Material Breach. If, as a result of the Periodic Review, the Town Board finds and determines that the Developer has committed a material breach of the terms or conditions of the Agreement, the Town Manager shall serve notice in writing to the Developer (the "Notice"), within fifteen (15) days after the Periodic Review setting forth with reasonable particularity the nature of the material breach and the evidence supporting the finding and determination. A material breach by a Parcel Owner shall not be deemed or considered a material breach by the Developer.
- c) Right to Cure. After such notice of material breach has been served, the Developer shall have a reasonable time in which to cure the material breach (the "Cure"), but in no event shall the Developer have less than thirty (30) days for the Cure. Notwithstanding the foregoing, the Developer shall be afforded an additional reasonable period of time to cure the material breach if cure is commenced within the applicable time period and thereafter diligently pursued but cannot be completed within said time period.
- d) Termination or Modification by the Town. If the Developer fails to timely cure its material breach of this Agreement, then the Town Board may elect to terminate or modify this Agreement after the Parties have completed the mediation requirements in **Section 4.13** of this Agreement. If the material breach issue is not resolved through the mediation process, the Town may elect to terminate or modify this Agreement by giving the Developer notice of its election to terminate or modify this Agreement. The notice shall contain the effective date of the termination or proposed modification, which shall not be less than thirty (30) days immediately following Developer's receipt of the notice. If the election is to modify this Agreement, the notice shall describe the proposed modifications. Within thirty (30) days after receiving notice of termination or modification, the Developer, may appeal the termination or proposed modification to the Town's Board of Adjustment in the manner provided by G.S. 160A-388(b1). An appeal stays all proceedings in furtherance of the action appealed from unless the Town Planning Director, Town Manager, or designee of the Town Planning Director or Town Manager, certifies

to the Town's Board of Adjustment, after notice of appeal has been filed, that delay in the termination or proposed modification of this Agreement would cause imminent peril to life or property. An appeal to the Town's Board of Adjustment shall not constitute a waiver or election of any other rights or remedies in law or in equity available to the Developer with respect to the termination or proposed modification of this Agreement. In addition to the foregoing, rather than accede to a proposed modification of this Agreement or a proposed modification of this Agreement that has been affirmed in whole or in part by the Town's Board of Adjustment, within thirty (30) days after receipt of notice of the Town's proposed modification of this Agreement or receipt of notice of the affirmation of the proposed modification in whole or in part by the Town's Board of Adjustment, the Developer may terminate this Agreement by giving notice of termination to the Town. If the Developer so elects to terminate this Agreement, **Section 4.27** of this Agreement shall apply and the Developer shall have the right to file a termination of this Agreement in the Registry.

- 4.13 Mediation. In the event any Participant believes another Participant is in default under this Agreement, the applicable Participants shall make a good faith effort to negotiate and informally resolve the issues in dispute prior to terminating or modifying this Agreement. In the event of an impasse between the Participants in reaching any mutual agreement under this Agreement, the Participants shall make good faith efforts to negotiate and informally resolve the issue in dispute (the "Claim"). If the Participants do not resolve the Claim through negotiation within thirty (30) days of the date of the notice of default, the Participants agree to submit the claim to mediation pursuant to the following process:
- a) The non-defaulting Participant (the "Claimant") shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of any dispute resolution center or other such independent agency providing similar services upon which the Participants may mutually agree.
 - b) If Claimant does not submit the claim to mediation within thirty (30) days after notice of default, Claimant shall be deemed to have waived the claim, and the defaulting Participant (the "Respondent") shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons other than a Participant.
 - c) If the Participants do not settle the Claim within thirty (30) days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings. Such notice shall set forth when and where the Participants met, that the Participants are at an impasse, and the date that mediation was terminated.
 - d) If settlement does not occur and mediation is terminated, the Participants may pursue any and all actions at law and equity permitted under this Agreement subject to any applicable right to notice and cure provided for in this Agreement.
 - e) The costs of the mediation shall be paid in equal shares by the Participants; provided, however, a Participant who refuses to participate in a mediation that has been requested pursuant to this Section may be assessed the entire costs of the mediation.

- 4.14 Development Timing and Moratoria. The Developer and Parcel Owners may, but shall not be obligated to, Develop the Property pursuant to this Agreement. If the Developer or a Parcel Owner so elects to Develop a portion of the Property, the Development may be done in such order and sequence as the Developer or Parcel Owner, as applicable, shall determine in its discretion, provided such does not violate an express provision of this Agreement or the Master Plan. The proposed development schedule for phasing of the Development, in five (5) year increments, is shown on **Exhibit I** attached hereto and incorporated by reference. Phasing of the Development shall be based on sound engineering practices as determined by the Developer's or applicable Parcel Owner's engineers to ensure functional and safe street circulation and utility systems at all times. Phasing shall be based in such a way that all infrastructure improvements to be constructed within the Property will be provided when or before they are necessary for that phase of the Development. Absent an imminent threat to public health or safety, neither the right to Develop nor the timing of Development shall be affected by a moratorium or suspension of development rights adopted by the Town, except to the extent imposed by this Agreement or by supervening federal or state law, order, rule or regulation. If Development is delayed by any moratorium or suspension of development rights adopted by the Town, the Term of this Agreement shall be extended by the number of days that Development is delayed.
- 4.15 Default. Apart from the Periodic Review process set forth in **Section 4.12** of this Agreement, the failure of any Participant to comply with the terms of this Agreement shall constitute a default, entitling the non-defaulting Participant or Participants to pursue such remedies as allowed under applicable law against the defaulting Participant, after following mediation requirements in **Section 4.13** of this Agreement, provided, however, that no termination of this Agreement may be declared by a Party prior to the notice and opportunity to cure process set out in **Section 4.12** of this Agreement. A Parcel Owner shall not have the right to terminate this Agreement. A Participant believing another Participant to be in default shall provide notice of that default to the other Participant within fifteen (15) days of the date that the non-defaulting Participant first has knowledge of such default, and shall provide the defaulting Participant and the Developer on behalf of the defaulting Participant, if a Parcel Owner, an opportunity to cure any default as provided in the manner for providing for cure in **Section 4.12** of this Agreement.
- 4.16 Force Majeure. In addition to specific provisions of this Agreement, no Participant shall be responsible for any default, delay or failure to perform if such default, delay or failure to perform is due to causes beyond such Participant's reasonable control, including, but not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, wars, embargoes, fires, hurricanes, adverse weather, acts of God, interference duly caused by any other Participant, or the default of a common carrier. In the event of a default, delay or failure to perform due to causes beyond such Participant's reasonable control or due to interference by another Participant, any date or times by which the Participating's are otherwise scheduled to perform, if any, shall be extended automatically for a period of time equal in duration to the time lost by reason of the cause beyond the reasonable control of such Participant. If written notice of such delay is given to the other Participant after the commencement of such delay, an extension of time for such cause shall be deemed granted for the period of the enforced delay, or longer as may be mutually agreed to by the Participants.
- 4.17 Disclaimer of Joint Venture, Partnership and Agency. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between or among the Participants, or to impose any partnership obligation or liability upon such Participants.

- 4.18 No Third Party Beneficiaries. The Agreement is not intended to and does not confer any right or benefit on any third party that is not a Participant.
- 4.19 Legal Actions. In addition to any other rights or remedies, and subject to the mediation requirements in **Section 4.13** of this Agreement, and further subject to the notice and right to cure provisions in **Section 4.12** of this Agreement, any Party may institute legal action against a defaulting Party or a defaulting Parcel Owner to cure, correct, or remedy any default or breach, to specifically enforce any covenants or agreements set forth in the Agreement or to enjoin any threatened or attempted violation of the Agreement, or to obtain any remedies consistent with the purposes of the Agreement. Legal actions shall be instituted in the Superior Court of the County of Chatham, State of North Carolina, and the Parties submit to the personal jurisdiction of such court without application of any conflicts of laws provisions of any jurisdiction.
- 4.20 Notices. Unless specifically provided otherwise by this Agreement, any notice, demand, request, consent, approval or communication which a Participant is required to or may give to another Participant hereunder shall be in writing and shall be delivered or addressed to other applicable Participants at the address below set forth or to such other address as such Participant may from time to time direct by written notice given in the manner herein prescribed. Such notice or communication shall be deemed to have been given or made when communicated by personal delivery or by independent courier service or by facsimile or by email with a hard copy to be delivered by independent courier service by the next business day. Unless a Parcel Owner gives notice of a change of address in the manner required herein for giving notices, notice to a Parcel Owner shall be to the address designated in the deed conveying the Parcel to the Parcel Owner or to the address for the Parcel Owner in the records of the Chatham County Tax Administrator.

All notices, demands, requests, consents, approvals or communications to the Town shall be addressed to:

Town Manager
Town of Pittsboro
PO Box 759
Pittsboro, NC 27312
919- [REDACTED] - [REDACTED] (fax)

bgruesbeck@pittsboronc.gov (email)

All notices, demands, requests, consents, approvals or communications to the Developer shall be addressed to:

Chatham Park Investors LLC
c/o Preston Development Company
Attn: Tim Smith
100 Weston Estates Way
Cary, NC 27513
919-677-8600 (fax)
tim@prestondev.com (email)

- 4.21 Entire Agreement. This Agreement sets forth and incorporates by reference all of the agreements, conditions and understandings between the Participants relative to this Agreement and the Property. There are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the Participants relative to

the matters addressed herein other than as set forth or as referred to in this Agreement or as contained in the Zoning Ordinance or the Master Plan as of the Effective Date.

- 4.22 Construction. All Participants agree that, in the interpretation of this Agreement, any amendments to this Agreement, or any Exhibits to this Agreement, there shall be no presumptions, preferences, or resolution of ambiguities in favor of or against any Party with respect to any part of this Agreement drafted by legal counsel of that Party.
- 4.23 Assignment. The Developer, or a Parcel Owner may at any time and from time to time assign such Person's respective rights and responsibilities hereunder, which assignee and subsequent assignees will also retain the right to assign their respective rights and/or responsibilities hereunder or any part of all or any portion of the Property as Developer or Parcel Owner. A written assignment of rights and responsibilities shall be executed by the Developer and the assignee and recorded in the Registry. A deed from a Parcel Owner to a subsequent Parcel Owner shall be deemed to assign the conveying Parcel Owner's rights and obligations under this Agreement to the subsequent Parcel Owner. Without the written consent of the Town, no assignment as to a portion of the Property will relieve the assigning Developer or Parcel Owner of responsibility with respect to the remaining portion of the Property owned by the assigning Developer or Parcel Owner or, with respect to the portion of the Property subject to the assignment, for the period prior to the assignment. However, the assigning Developer or Parcel Owner will be relieved of any further obligations or responsibilities hereunder for the portion of the Property subject to the assignment for the period after the assignment. Any violation of the terms and conditions of this Agreement occurring after such an assignment will be the responsibility of the then current Developer or Parcel Owner in violation.
- 4.24 Governing Law. This Agreement shall be governed by the laws of the State of North Carolina. Any reference in this Agreement to a North Carolina General Statute ("G.S.") shall be deemed to include any successor or replacement statute as to the same matters subject to the statute that has been succeeded or replaced.
- 4.25 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.
- 4.26 Agreement to Cooperate. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the applicable Participants hereby agree to cooperate in defending such action; provided, however, each Participant shall retain the right to pursue its own independent legal defense.
- 4.27 Termination. Unless the Agreement Term is extended by the Town and Developer, this Agreement shall terminate on the earlier of the expiration of the Agreement Term specified in **Section 4.2** of this Agreement or a specific termination made by operation of the provisions of this Agreement, or by agreement of the Parties. Notwithstanding the foregoing, the Developer shall have the unilateral right to terminate this Agreement upon any change in the Developer's plan for Development that renders this Agreement inapplicable. Any termination other than by expiration of the Agreement Term shall be recorded in the Registry. Termination of this Agreement as to the Developer and Parcel Owners shall not affect any of the following:

- a) any requirements to comply with the applicable terms and conditions of the Zoning Ordinance, approval and acceptance of infrastructure improvements, and any applicable permits; or
- b) rights under this Agreement with respect to which a permit has been issued by the Town prior to the termination or expiration but for which construction is not completed by the expiration of the Agreement Term or not completed prior to termination.

In the event consideration is given to termination of this Agreement, the Parties agree that each will identify appropriate representatives to meet and participate in good faith negotiations and mediation as provided in **Section 4.13** of this Agreement, aimed at resolving the issues prompting that consideration.

- 4.28 No Deemed Waiver. Failure of a Participant to exercise any right under this Agreement shall not be deemed a waiver of any such right and shall not affect the right of such Participant to exercise at some future time said right or any other right it may have hereunder.
- 4.29 Severability. If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions. The Participants agree that if any provision of this Agreement is judicially determined to be invalid because it is inconsistent with a provision of state or federal law, this Agreement shall be amended to the extent necessary to make it consistent with state or federal law and the balance of the Agreement shall remain in full force and effect.
- 4.30 Authority. Each Party and Existing Parcel Owner represents that it has undertaken all actions necessary for approval of this Agreement, and that the person signing this Agreement on behalf of such Party or Existing Parcel Owner has the authority to bind that Party or Existing Parcel Owner.
- 4.31 Estoppel. Each Participant agrees, from time to time, within twenty (20) days after request of another Participant, to deliver to the requesting Participant or such Participant's designee, an estoppel certificate stating that this Agreement is in full force and effect, the unexpired term of this Agreement, and whether or not, to such Participant's knowledge, there are any existing defaults or matters which, with the passage of time, would become defaults under this Agreement. It is understood and agreed that the Participants' obligations to furnish such estoppel certificates in a timely fashion is a material inducement for execution of this Agreement.
- 4.32 Parcels and Parcel Owners. This Agreement shall apply to the Property and to all Parcels and Parcel Owners, and by acceptance of a deed of conveyance, each subsequent Developer and Parcel Owner agrees to be bound by and abide by the terms and conditions of this Agreement as a Developer or Parcel Owner, as applicable to such Person's respective Parcel.
- 4.33 Representations and Warranties of the Developer. The Developer and each Existing Parcel Owner represents and warrants to the Town that:
 - a) it is an entity duly organized, existing, and in good standing under the laws of the State of North Carolina; and

- b) it has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder.
- 4.34 Indemnification. Pursuant to Section 4.2(9) of the Town Development Agreement Ordinance, Developer and each Parcel Owner agrees to indemnify, defend, and hold harmless the Town and its authorized agents from liability for injury or death to any Person, or damage to any property, that arises out of or results from the direct or indirect acts or omissions of the indemnifying Developer or Parcel Owner, as applicable, in connection with any one or more of the following: (i) Development by the applicable Developer or Parcel Owner on the Property; and (ii) operation of any portion of the Property owned by the applicable Developer or Parcel Owner.
- 4.35 Reimbursement Agreements. This Agreement sets forth the authority for and procedures and terms under which the Town Manager or other Person authorized by the Town Board, may negotiate and enter into reimbursement agreements on behalf of the Town for public infrastructure improvements, which reimbursement agreements may include fee credits. Additional authority for such agreements and fee credits may exist elsewhere, and this Agreement is meant to be supplementary to such authority. Reimbursement agreements under this Agreement are authorized under the following Sections of the North Carolina General Statutes: G.S. 160A-20.1; G.S. 160A-309; G.S. 160A-320; and G.S. 160A-499. If any applicable Section of the North Carolina General Statutes referenced in this Section of the Agreement is repealed, amended or increased, the authority of the Town Manger or other authorized Person to negotiate and approve such agreements pursuant to this Section shall be deemed to be amended to conform to the amended provisions of applicable North Carolina General Statutes. The following types of reimbursement agreements are available for use in connection with public infrastructure improvements in or serving the Property.
- a) Public Enterprise Reimbursement Agreements (G.S. 160A-320). The Town may enter into reimbursement agreements with the Developer, a Parcel Owner, or a private party under contract with such Developer or Parcel Owner, for the design and construction of public enterprise improvements that are in addition to those required by applicable Town Regulations and that are adjacent or ancillary to any Development project in the Property. As used in this paragraph, the term “public enterprise” has the definition provided in G.S. 160A-311 (including any subsequently amended or successor statute). Prior to entering into any such reimbursement agreement, the Town shall determine that (i) the public cost will not exceed the estimated cost of providing for such improvements through either eligible force account qualified labor or through a public contract let pursuant to G.S. Article 8, Chapter 143, and (ii) the coordination of separately constructed improvements would be impracticable. Such reimbursement agreements shall not be subject to G.S. Chapter 143, Article 8 if the public cost will not exceed two hundred fifty thousand dollars (\$250,000). The public enterprises improvements subject to the reimbursement agreement may be constructed on any property owned by a Participant. Reimbursements to a Developer or Parcel Owner may be paid or credited from any lawful source including, without limitation, development fee credits that may be applied to payment of otherwise applicable development fees charged by the Town, and reimbursement from development fees paid to the Town by third parties. The public enterprise improvements may be constructed on any portion of the Property owned or acquired by a Participant. The Developer or Parcel Owner may assist the Town in obtaining easements in favor of the Town on a portion of the Property or other land on which the public enterprise improvements

are to be located, and the reimbursement agreement may be entered into before the acquisition of any land necessary for the public enterprise improvements.

- b) Intersection and Roadway Improvement Agreements (G.S. 160A-309). The Town may enter into reimbursement agreements with the Developer, a Parcel Owner, or a private party under contract with such Developer or Parcel Owner, for public intersection and roadway improvements that are adjacent or ancillary to any Development project on the Property. Prior to entering into any such reimbursement agreement, the Town shall determine that (i) the public cost will not exceed the estimated cost of providing for such improvements through either eligible force account qualified labor or through a public contract let pursuant to G.S. Article 8, Chapter 143, or (ii) the coordination of separately constructed public intersection or roadway improvements, and the adjacent or ancillary improvements to the applicable Development project, would be impracticable. Such reimbursement agreements shall not be subject to G.S. Chapter 143, Article 8 if the public cost will not exceed two hundred fifty thousand dollars (\$250,000). Reimbursements to the Developer or a Parcel Owner may be paid or credited from any lawful source including, without limitation, development fee credits that may be applied to payment of otherwise applicable development fees charged by the Town and reimbursement from development fees paid to the Town by third parties.

- c) Municipal Infrastructure Reimbursement Agreements (G.S. 160A-499). The Town may enter into reimbursement agreements with the Developer or a Parcel Owner for the design and construction of municipal infrastructure that is included on the Town's capital improvement plan and serves the Developer or Parcel Owner. For these reimbursement agreements, municipal infrastructure includes, without limitation, water mains, sanitary sewer lines, lift stations, stormwater lines, streets, curb and gutter, sidewalks, traffic control devices, and other associated facilities. Reimbursement agreements under this subsection shall not be subject to G.S. Chapter 143, Article 8, except as provided in this subsection. The applicable Developer or Parcel Owner shall solicit bids in accordance with G.S. Chapter 143, Article 8 when awarding contracts for work that would have required competitive bidding if the contract had been awarded by the Town. Reimbursements to the Developer or a Parcel Owner may be paid or credited from any lawful source including, without limitation, development fee credits that may be applied to payment of otherwise applicable development fees charged by the Town and reimbursement from development fees paid to the Town by third parties.

- d) Other Public Purposes (G.S. 160A-20.1). The Town may enter into reimbursement agreements with the Developer, a Parcel Owner, or a private party under contract with such Developer or Parcel Owner, in order to carry out any public purpose the Town is authorized by law to engage in. In connection with reimbursement agreements authorized by this subsection, the Town may not require a private contractor to abide by regulations or controls on the contractor's employment practices or mandate, or prohibit the provision of goods, services, or accommodations to any member of the public, as a condition of bidding on a contract or a qualification-based selection, except as otherwise required or allowed by the laws of the State of North Carolina. Reimbursements to the Developer or a Parcel Owner may be paid or credited from any lawful source including, without limitation, development fee credits that may be applied to payment of otherwise applicable development fees charged by the Town and reimbursement from development fees paid to the Town by third parties.

4.36 Existing Parcel Owners. Chatham Development One Inc., a North Carolina corporation, Privato LLC, a North Carolina limited liability company, and Privato III, LLC, a North Carolina limited liability company, are Existing Parcel Owners on the Effective Date of this Agreement, their respective Parcels being described in Exhibit C attached hereto, and each of them joins in the execution of this Agreement to acknowledge and agree that its respective Parcel is subject to this Agreement. Chatham Development One Inc. also joins in this Agreement to acknowledge and agree that the Parcels described in Exhibit D attached hereto are subject to this Agreement, such authority of Chatham Development One Inc. being described in Exhibit D.

(End of Page; Execution Pages Follow)

IN WITNESS WHEREOF, the Parties hereby set their hands and seals, effective the date first above written.

Town of Pittsboro

By: _____
Title: Town Manager

=====
State of North Carolina

County of _____

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that _____ personally came before me this day and acknowledged that he or she is Town Manager of the Town of Pittsboro and acknowledged, on behalf of the Town of Pittsboro, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the _____ day of _____, 20_____.

Notary Public

My Commission Expires:

Town of Pittsboro

By: _____
Title: Finance Director

=====
State of North Carolina

County of _____

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that _____ personally came before me this day and acknowledged that he or she is Finance Director of the Town of Pittsboro and acknowledged, on behalf of the Town of Pittsboro, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the _____ day of _____, 20_____.

Notary Public

My Commission Expires:

Town of Pittsboro

By: _____
Title: Town Attorney

=====
State of North Carolina

County of _____

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that _____ personally came before me this day and acknowledged that he or she is Town Attorney of the Town of Pittsboro and acknowledged, on behalf of the Town of Pittsboro, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the _____ day of _____, 20_____.

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Parties hereby set their hands and seals, effective the date first above written.

Chatham Park Investors LLC,
a North Carolina limited liability company

By: _____
Title: Manager

=====
State of North Carolina

County of Wake

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Timothy R. Smith personally came before me this day and acknowledged that he is a Manager of Chatham Park Investors LLC and acknowledged, on behalf of Chatham Park Investors LLC, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the ____ day of _____, 20_____.

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Parties hereby set their hands and seals, effective the date first above written.

Chatham Development One Inc,*
a North Carolina limited liability company

By: _____
Title: Vice President

* With respect to the following Lots shown on the map recorded in Plat Slide 2015, Pages 291 through 298: 1, 2, 3, 6, 7, 8, 9, and 10 and the underlying fee to land that was conveyed to Chatham Development One Inc. by the deed recorded in Book 1809, Page 167 that has been dedicated for public street rights of way.

=====

State of North Carolina

County of Wake

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Timothy R. Smith personally came before me this day and acknowledged that he is a Vice President of Chatham Development One Inc. and acknowledged, on behalf of Chatham Development One Inc., the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the ____ day of _____, 20____.

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Parties hereby set their hands and seals, effective the date first above written.

Privato LLC,
a North Carolina limited liability company

By: _____
Title: Vice President

=====
State of North Carolina

County of Wake

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Timothy R. Smith personally came before me this day and acknowledged that he is Vice President of Privato LLC and acknowledged, on behalf of Privato LLC, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the ____ day of _____, 20____.

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Parties hereby set their hands and seals, effective the date first above written.

Privato III LLC,
a North Carolina limited liability company

By: _____
Title: Vice President

=====
State of North Carolina

County of Wake

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Timothy R. Smith personally came before me this day and acknowledged that he is Vice President of Privato III LLC and acknowledged, on behalf of Privato III LLC, the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this the _____ day of _____, 20____.

Notary Public

My Commission Expires:

EXHIBITS INCORPORATED BY REFERENCE

- EXHIBIT A Legal Description of the Property
- EXHIBIT B Survey of the Property
- EXHIBIT C Parcels of Various Parcel Owners
- EXHIBIT D Parcels Subject to Rights of Chatham Development One Inc.
- EXHIBIT E Chatham Park Planned Development District Master Plan
- EXHIBIT F Additional Elements
- EXHIBIT G Town of Pittsboro Development Agreement Ordinance
- EXHIBIT H Town of Pittsboro Zoning Ordinance
- EXHIBIT I Development Schedule (Phasing)