MINUTES – REGULAR MEETING
BOONE TOWN COUNCIL
April 21, 2020

CALL TO ORDER

A regular meeting of the Boone Town Council was called order at 6:00 p.m. The meeting was held electronically. Mayor Rennie Brantz presided. Council Members present included Mayor Pro-Tem Loretta Clawson, Connie Ulmer, Sam Furgiuele, Dustin Hicks and Nancy LaPlaca. Staff present included Town Manager John Ward, Town Clerk Nicole Harmon, Public Works Deputy Director Todd Moody, Police Chief Dana Crawford, Fire Chief Jimmy Isaacs, Planning Director Jane Shook, Human Resources Director Dale Presnell and Finance Director Amy Davis. Town Attorney Allison Meade was also in attendance.

ANNOUNCEMENTS

Mayor Brantz welcomed all in attendance. Mr. Ward thanked Chief Crawford for his more ten years of service to the Town of Boone. Mayor Brantz shared that sentiment, as did members Ulmer and LaPlaca.

PUBLIC COMMENT

Dalton George spoke in support of Council Member Furgiuele's resolution regarding predatory and unfair rental housing practices in Boone and noted that in his opinion, rental companies in Boone historically attempted to skirt the law when it came to student tenant rights. He further noted that he had personally experienced fees being added to his lease, and rental companies threatening to add fees that were not included in the original lease.

Emma Strange stated that she rented an apartment from Boone High Country Rentals and was told that she had until December 18, 2019 to renew her lease wtih an increase of $60 per month. She noted that there was no reason given for this raise in rent other than housing was scarce and there was more demand. Ms. Strange stated that in the same email communication, she was told that she would be homeless for about a week between the time her original lease expired and the time that her new lease began. After consideration, Ms. Strange decided that she would be unable to afford the increase in rent, and applied to rent from the Winkler Organization with an application fee of $60. She indicated that she was rejected from all five apartments she applied for, and added that she was not informed of this fact until after the lease deadline had passed. Ms. Strange felt that once Boone High Country Rentals realized they were not going to be able to rent rooms out at the original $60 per month increase, they lowered the increase to $5 per month. Ms. Strange explained that she was able to stay in the Boone High Country Rentals apartment due to a change in circumstances, but believed that local rental companies often took advantage of students and the lack of affordable housing in the area. She also noted that tenants had been threatened with the termination of their lease if they did not properly heat their homes which led to pipes freezing during the winter months, threats of $10 maintenance fees for pumpkins being found near a tenant's property, as well as other vague and confusing charges on rental accounts which often could not be explained by rental office staff.

Mayor Brantz took roll to confirm that all members were still active in the virtual meeting.

Council Member LaPlaca asked how much Ms. Strange paid in rent each month and how that had changed in the time she had lived in Boone. Ms. Strange replied this was the first time she had ever rented in Boone, but that she paid $625 per month all inclusive, and noted that she paid rent with a scholarship she received, which was why the increased rent was not feasible for her to pay. She added that she shared the property with three other people, each paying the same amount, and that the tenants did not get a say in who they lived with. Mr. Furgiuele asked if tenants had guarantors, which Ms. Strange confirmed. Mr. Furgiuele asked if Ms. Strange's guarantor had to guarantee rent for the entire property or only her rent in the event Ms. Strange became unable to pay. Ms. Strange replied that her guarantor only had to pay her rent.

Seth Rosson spoke in favor of the resolution regarding predatory and unfair rental housing practices in Boone and noted that last year Boone High Country Rentals took over the management of his complex, and that since then, he had seen an increase in arbitrary fees. He stated that people he knew were in constant debt to companies such as Boone High Country Rentals due to these arbitrary fees, which included $400 transfer fees, $10 carved pumpkin fees, and believed this to be the goal of companies such as Boone High Country Rentals. He believed that some oversight from the Attorney General would be beneficial to the situation in Boone as well as other college towns where rental companies preyed on student renters.

Mr. Ward read the following comments into the record:

Talia Claudio "I vote yes on the freeze of mortgage and rent payments due to COVID-19 affecting our town"

Brock Suitt "I'm asking that you all please vote "yes" on the rent and mortgage freeze for residents of Watauga County. Thank you"

Kaitlyn Mangum “I lived at the Village of Meadowview for about a year and a half. I lived there with two different sets of roommates. During my first year, my experience was virtually problem-free; although, one of my roommates warned me that the management office was shady and did questionable things to her before I moved in. After my first year, my two roommates moved out, and I got two new roommates. This is when everything started to hit the fan.
My two new roommates and I had issues from day 1. We couldn't agree on anything-- what temperature to set the A/C, how to decorate, etc. It seemed really minor at first. Then my experience turned more into bullying. My roommates would intentionally break our A/C unit so I couldn't change the temperature. I had to call maintenance to fix it two separate times. My roommates would flip the breaker so I couldn't do my laundry. My roommates would lock me out of the apartment when I went out to bars, and I would be forced to break into my own bedroom. My roommates also despised my dog, and would regularly complain to management about him.

I understand that right now, this sounds like I'm writing about roommates and not landlords. However, the overarching issue was my landlord's complacency during this entire ordeal. When my issues first got brought up, my landlord told me to "be the bigger person" since I am older than my two roommates. I was also accused by my landlord of lying to her when I told her about them breaking my A/C unit and flipping breakers on me.

After two months of this, I came home to a note on my door telling me that my dog had to be removed from the apartment within 24 hours. I called my landlord to ask why, and she told me that my dog bit my roommate. Except there was no proof of this at all. My roommate never came to me and told me that my dog bit her. She had no wound to prove that he bit her. My landlord didn't ask for proof of this "attack" that happened. She just immediately forced me to remove my dog (who has never had issues of aggression, I should add).

On the flip side, my landlord also required that one of my roommates remove her cat from the apartment because it had been living there illegally. She never paid a pet deposit or pet rent. However, my roommate never got rid of her cat. I regularly told my landlord that the cat was still there, and I was accused of lying every single time. I was told that nobody from the management office would come to verify my claims because "they are adults and they listened when they were told to remove the cat."

The story I've provided barely even scratches the surface of what I had to deal with when I lived at the Village of Meadowview. I was consistently ignored and written off by my management team, who clearly took sides in a battle between their tenants. I spent the first semester of my senior year miserable and receiving no help from my landlords. I was so unhappy, in fact, that I let one of my roommates buy out my lease and lived in a hotel room for 3 months to escape the Village of Meadowview.

For a separate (and shorter) comment, I also had countless issues with Holton Mountain Rentals, who just regularly exploit their tenants. I was constantly accused of not paying rent by my landlord, who would constantly lose my rent check. I was charged obscene amounts of money for repairs (like $50 for a new set of blinds). I was regularly berated by my landlord when we had issues. Holton Mountain Rentals is a completely unprofessional, exploitative agency.”

Upon a motion by Mayor Pro-Tem Clawson, seconded by Council Member Ulmer, Council voted to approve the agenda as presented.

VOTE:	Aye:	All
	Nay:	None

REQUESTED APPEARANCES

DERON GEOUQUE - WATAUGA COUNTY

Mr. Geouque presented a request for Council to consider allowing the County to pave the Anne-Marie lot at a cost of $150,000. He reminded members that in 2018, Council granted approval to the County to pave the Tot Lot and felt that the update had been well received by the community. Mr. Geouque noted that the paving of the Anne-Marie lot was a part of the overall plan for the new recreation facility. He added that in the near future, the Town and County would retain joint ownership of the National Guard Armory property which would potentially increase parking for the various facilities in the area. Mayor Brantz asked what kind of surfacing would be used by the County if the request were granted. Mr. Geouque responded that the lot would be paved with asphalt. Mr. Furgiuele stated that in one of the attachments, it was written that the Greenway would be removed and asked whether that was accurate. Mr. Geouque answered that there were no plans to alter the Greenway, but that the old plans Mr. Furgiuele saw in the attachment were probably referring to an old road that had been removed years prior. Mr. Furgiuele asked whether the fields shown on the plans had been relocated. Mr. Geouque answered that the fields had not been moved and there were no plans to do so. Mr. Furgiuele wondered if new lighting had an effect on the neighboring residential area. Mr. Geouque clarified that the Complex Fields were reoriented with the Recreation Center. Mr. Furgiuele asked whether the Anne-Marie parking lot was located in a floodplain, to which Mr. Geouque answered he believed it was, but that he would have to look on the map to confirm. Mr. Furgiuele asked what kind of stormwater controls there would be at the site. Mr. Geouque stated that the County was not proposing any additional controls other than what already existed at the site presently. He also noted that the County had replaced more trees than what they removed and were planting more trees along the Greenway. Ms. LaPlaca asked why the County was not considering installing permeable concrete instead of asphalt at parking areas. Mr. Geouque answered that one big reason was cost, and pointed out that if the Town would like to pay the difference between permeable concrete and asphalt, the County would be willing to consider that. He also noted that permeable concrete was difficult to maintain in this environment. Mr. Ward clarified that the paving of the Anne-Marie lot was discussed in 2018 when Council granted approval to the County to pave the Tot Lot, but was not included in the actual motion. Mr. Furgiuele stated that given the Town's financial situation and the fact that staff was still in the process of testing the permeable concrete, he was in support of this request. He then made a motion to approve the request as presented. Mayor Pro-Tem Clawson seconded the motion.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Sam Furgiuele, Council Member
SECONDER:	Loretta Clawson, Mayor Pro-Tem
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

JAMES MILNER - APPALACHIAN COMMERCIAL REAL ESTATE

Mr. Milner spoke to give an update on the surplus properties which were currently listed on the market. The first property, the Public Works property located at 321 East King Street was listed and upset twice and he noted that the contract was on the agenda for Council's consideration later in the meeting. Mr. Milner stated that the property located at 1500 Blowing Rock Road continued to bring in limited activity, and noted that he believed the low amount of activity was due to the high listing price. He asked Council to consider further reducing the asking price on the property in an attempt to duplicate the success of the Public Works property. Mr. Furgiuele asked, in terms of the current atmosphere, whether any property was moving right now. Mr. Milner responded that there were a number of properties that were under contract and scheduled to close, but in terms of properties that were going under contract and being marketed he would say no. He added that things locally, and nationally were slowing down, but believed that the Town should be very pleased that in the midst of all that has been going on, it was able to secure this offer on the Public Works property. Mr. Furgiuele indicated that he was pleased with the offer on the Public Works property, but that it seemed to him that it was not a question of what the asking price was but rather how things with the Coronavirus played out and a potentially uncertain market. Mr. Milner stated that he would not suggest to take the property off the market right now, but did suggest that Council revisit the current price based on analysis of sales that have closed. He added that he believed it was important for Council to take into consideration that the Blowing Rock Road property, while it was the more favorable property of the two, did have limitations in terms of its shape characteristics. Mr. Milner added that if the property were more square, he believed it would have sold by now, even in the current environment, just at a different price. Council Member Hicks asked if there was a reason for wanting to rush the sale of the Blowing Rock Road property. Mr. Milner answered that from his perspective, the

Town should take hold of a strong market. Mr. Ward indicated that the purpose in putting the properties on the market was to attempt to be able to financially support moving forward with the new municipal complex. He added that there would be an increased cost due to mobilization of the Public Works and Police Departments, and increased cost due to multiple smaller contracts. Mr. Ward encouraged Council to consider keeping the property on the market.

APPROVAL OF ITEMS ON CONSENT AGENDA

Upon a motion by Council Member Furgiuele, seconded by Council Member Ulmer, Council approved the following items on the Consent Agenda:

1. Resolution - Chief of Police Dana Crawford
2. Town Council Workshop Minutes - Budget Retreat February 4, 2020
   Town Council Workshop Minutes - Budget Retreat February 5, 2020
   Town Council Special Meeting Minutes - February 13, 2020
3. Budget Amendments: Miscellaneous Supplies (Miscellaneous Revenue $4,000) - Police Department
   Special Projects Events/Advertising (Donations $7,500) - Cultural Resources

Council Member Furgiuele stated that it would be a great loss to the Town of Boone for Chief Crawford to retire. Mr. Furgiuele added that he had the pleasure of working with Chief Crawford when he was the Town Attorney, and that Chief Crawford has an excellent attitude and disposition, terrific skills, and brought an attitude to police and law enforcement into this town that set a new tone that most people value. Mayor Pro-Tem added that she had enjoyed working with Chief Crawford when she served as Mayor, and noted that she swore Chief Crawford in when he first came to Boone as Chief. Council Member Ulmer thanked Chief Crawford for all the things he had taught her. Council Members LaPlaca and Hicks also thanked Chief Crawford for his service

VOTE: Aye: All
Nay: None

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RESOLUTION

The members of the Boone Town Council, meeting in regular session on April 21, 2020, do hereby adopt and pass the following resolution:

WHEREAS, the following person has served the citizens of Boone for over 10 years:

Chief of Police Dana Crawford began employment with the Town of Boone October 22, 2009. He is retiring with a total of 32 years of law enforcement service; 10 ½ of those years were in service to the Town of Boone as Chief of Police. Chief Crawford previously served with the Avery County Sheriff's Office, Sugar Mountain Police Department and the Beech Mountain Police Department.

WHEREAS, Chief Dana Crawford will be retiring on May 01, 2020, after serving as the Chief of Police for the Boone Police Department in an exemplary fashion; and

WHEREAS, his contribution in the service of the Town of Boone and its citizens will always be appreciated;

NOW, THEREFORE, BE IT RESOLVED, that Police Chief Dana Crawford shall be awarded his Police badge and a service weapon as follows:

Rock River, F.A.R. 15, 5.56 MM, Serial # CM278706

Furthermore, a copy of this Resolution shall be given to Chief Dana Crawford

Adopted this the 01st day of May, 2020,

Renne Brantz, Mayor

ATTEST:

Nicole Harmon, Town Clerk

COUNCIL MATTERS

COVID - 19 UPDATE

Mr. Ward stated that he appointed Fire Chief Jimmy Isaacs as Incident Commander of the COVID-19 response team based on his knowledge and experience in such matters. Chief Isaacs gave a PowerPoint presentation on the matter. A copy of which can be viewed here http://boonenc.iqm2.com/Citizens/Detail_Meeting.aspx?ID=2164 . Chief Isaacs indicated the need for the Town to have its own Emergency Operation Plan for matters such as pandemics, natural disasters, and civil unrest. He noted that the Town had adopted the County's plan several years ago, but believed the Town needed a plan to address its specific needs. Mr. Furgiuele asked whether there were any actions being considered by the North Carolina legislature for reimbursing the loss of revenue experienced by the Town for things such as parking. He also asked whether the Town's lobbyists were involved in trying to secure cost reimbursement funding for the Town. Mr. Ward answered that the NC League of Municipalities has submitted on behalf of all North Carolina municipalities requests to the legislature for funding to offset the loss of revenue. He added that the Town's lobbyists were communicating with him every three days about their efforts. Mr. Ward stated that infrastructure legislature had not yet been approved and added that the Town was ready to apply for reimbursement the moment funding became available. Chief Isaacs clarified that currently the Town could file for reimbursement for overtime reimbursement and some supplies and administrative costs. Mayor Pro-Tem Clawson asked how fast test results were being turned around, to which Mr. Ward answered that the most recent information received by the AppHealthCare indicated that results were being turned around in a day or two. Mayor Brantz asked whether there was pressure in Boone to reopen like there has been in other parts of the state. Mr. Ward answered that there had been a little bit of pressure, but that the current game plan was to take the Governor's lead on reopening he and anticipated having additional direction coming out of the Governor's office in the upcoming days. Mr. Furgiuele was concerned with what may happen as more governors came under pressure to reopen the economy, and asked that Council have a special or emergency meeting if restrictions are lifted since the Town would likely see an influx of visitors from different states where infection rates may have been higher than what has been seen here. Mr. Furgiuele asked that at the time the restrictions were slated to be lifted, that Council hold a special or emergency meeting to talk specifically about whether the Town should be taking actions hopefully in coordination with the County and the Health Department, that may not be perfectly in synch with what is being done at the state level. Mr. Ward was in agreement with this suggestion. Council Member Ulmer felt that the Town should not wait to react and should have a plan in place. Mr. Ward reminded Council to keep in mind that any decision such as this would affect property tax collection, which could in turn call for a raise in taxes or a decrease in services to balance out.

TOWN MANAGER UPDATE

Mr. Ward noted that there had been several contracts which staff had been able to move forward on that were exempt from the executive order, and announced that the Town had been awarded multiple grants. Council Member Furgiuele left the meeting at 7:20 p.m. He logged back into the meeting at 7:21 p.m. He stated that the Hospitality House had been working directly with the Health Department and the County and that the three agencies had worked together during the pandemic to set up alternative housing sites for homeless individuals who were showing symptoms or those who have undergone testing until their results were received. Mr. Ward added that local agencies have partnered with ASU and their food services to provide a "meals on wheels" program to provide food to any individuals who are quarantined if needed.

Mr. Ward stated that staff's ability to gain access to their in-office workstations had been phenomenal thanks to Chief Isaacs' IT assistance, and added that staff was staggered so that there would be no delay in service should someone become sick. He added that employees were quarantining between fire stations to avoid contact and assured Council that there was no decrease in the amount of customer service to the community.

Mr. Furgiuele stated that in terms of the organizations that Council chose to fund via Outside Agency Funding, many of them were involved in congregate living/gathering situations. He asked whether places such as OASIS and other places such as the Children's Playhouse which were non-residential were continuing to provide their services during this time, and if so, how were they protecting the people who were already there. Mr. Ward answered that there was a strict screening process that involves the Health Department. Other organizations such as Mountain Alliance and Western Youth Network were operating via Zoom and not participating in group events they normally would. Mr. Furgiuele asked whether people were being tested before they were allowed to come in as new residents to the Hospitality House or OASIS. Mr. Ward responded that they were going through the medical screening, but did not believe they were being tested. Mayor Pro-Tem Clawson asked about the procedures for nursing homes. Mr. Ward answered that they are going through the Health Department as well, with increased testing for staffing and a prioritization of testing. He added that there had not been any cases found in our long term care facilities.

ATTORNEY UPDATE

Ms. Meade confirmed her understanding of Mr. Furgiuele's request for Council to hold a special or emergency meeting should the Governor not only decide to lift the executive order, but amend the order and lessen restrictions as well. Mr. Furgiuele agreed that this was what he was advocating for due to the potential of an influx of tourists from other states.

Ms. Meade stated that she was continuing as best she could to perform her normal support work with Planning and Public Works staff in particular. She noted that Council approved an emergency response ordinance in 2016 or 2017 which made staff's ability to respond in this matter much easier than if there had not been such an ordinance in place.

In terms of the sales tax lawsuit against Watauga County, Ms. Meade stated that the court's hearing dates have been extended out to no earlier than June 1. Ms. Meade noted that there was an exception given for remote arguments via video or telephone for cases where the parties agreed to do so. She stated that she had reached out to the County to see if they would be agreeable to a remote hearing and argued that it would be in their favor to resolve this issue before the budget season, but they declined. Ms. Meade continued to say that she expected the case to continue in due course after June 1 depending on how things played out, and would proceed as an ordinary case. Mr. Furgiuele stated that he had received emails regarding compliance with previous consent orders that the Town had, and wondered if there would be the capacity for closed session if needed to allow for additional updates on the matter. Ms. Meade responded that there was the possibility for closed session and suggested that Council consider holding a closed session after the next meeting.

CONSIDERATION OF APPROVAL OF OFFER TO PURCHASE - 321 E. KING STREET

Mr. Ward presented an Offer to Purchase on the surplus property located at 321 East King Street as well as a draft Lease Agreement between the Town and the potential buyer. Mr. Ward noted that the purchase price of the property came in at $1,190,802.50. Ms. Meade added that a change would need to be made to the contract before Council and that after the examination period and due diligence period, which was expected to be around the end of July, the closing could be expected to take place around the first week of August. Mr. Ward noted that the main issue was staff being able to remain in the building, and stated that rent had been negotiated down to approximately $92,400 per year. He added that the rent would be offset by the increase in price seen as a result of the upset bid process. Mr. Ward noted that the lease could be extended if needed, and added that rent funds would be included in the upcoming budget process. Mr. Furgiuele asked how much additional funds were brought in through the upset bid process, and what portion of the lease-back amount would be covered by the increase from the upset bid process. Ms. Meade answered that $110,000 over the original asking price was received. Mr. Furgiuele stated that it was unclear to him in the lease whether the Town was allowed to terminate the contract during a mid-year renewal period. He also stated that since the closing was scheduled to occur mid-year and the termination could potentially occur mid-year, he felt there should be language in the lease that prorated property taxes in the event that there was a mid-year termination, which he felt was likely. Ms. Meade felt that the intention in the language was pro-ration, but believed it would be best to make the language explicit and stated that she would do that. She also felt that in respect to Mr. Furgiuele's first question, she believed that any normal understanding would be that section three made it clear that all obligations would be terminated, including the obligation to pay rent, but she would be happy to include additional language to make that more explicit if Council wished. Mr. Furgiuele stated that it would make him more comfortable if that language were more explicit because, even though unlikely, in the event that an attorney for the purchaser read that we were terminating as of the end of a rental period, which are defined as one-year periods, he would be concerned about a dispute arising. Upon a motion by Mr. Furgiuele, seconded by Mayor Pro-Tem Clawson, Council voted to accept the offer to purchase as presented and to approve the lease agreement with the changes Ms. Meade has agreed to make. Mr. Ward noted that this would begin the due diligence process which would allow the purchaser time to inspect the property.

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REALTORS' Commercial*Alliance*

REALTOR® North Carolina Association of REALTORS®

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT, including any and all addenda attached hereto ("Agreement"), is by and between **Blowing Rock Green Building Group, LLC or its assigns**, a(n) **NC Limited Liability Company** ("Buyer"), and
(individual *or* State of formation and type of entity)
Town of Boone, a(n) **NC Municipal Corporation** ("Seller").
(individual *or* State of formation and type of entity)

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Terms and Definitions: The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) **"Property":** (Address) **321 East King Street, Boone, NC 28607**

Plat Reference: Lot(s) ________, Block or Section ________, as shown on Plat Book or Slide ________ at Page(s) ________, ________ County, consisting of ________ acres.

☐ If this box is checked, "Property" shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference,

(For information purposes: (i) the tax parcel number of the Property is: **2910-28-0382-000**; and, (ii) some or all of the Property, consisting of approximately **0.999** acres, is described in Deed Book **203**, Page No. **299**, **Watauga** County.)

together with all buildings and improvements thereon and all fixtures and appurtenances thereto and all personal property, if any, itemized on **Exhibit A.**

$ **1,190,802.50** (b) **"Purchase Price"** shall mean the sum of **One Million, One Hundred Ninety Thousand, Eight Hundred Two 50/100** Dollars, ***payable on the following terms:***

$ **59,540.13** (i) **"Earnest Money"** shall mean **Fifty-Nine Thousand, Five Hundred Forty 13/100** Dollars or terms as follows: ________

Upon this Agreement becoming a contract in accordance with Section 14, the Earnest Money shall be promptly deposited in escrow with **Town Clerk, Town of Boone** (name of person/entity with whom deposited- "Escrow Agent"), to be applied as part payment of the Purchase Price of the Property at Closing, or disbursed as agreed upon under the provisions of Section 10 herein.

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This form jointly approved by:
North Carolina Bar Association
North Carolina Association of REALTORS®, Inc.

STANDARD FORM 580-T
Revised 7/2017
© 7/2019

Buyer Initials MEB Seller Initials [initials]

Appalachian Commercial Real Estate, LLC P.O. Box 1392 Boone, NC 28607 Phone: (828) 719-0408 Fax: (828) 435-2845 Town of Boone
James Milner Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

DocuSign Envelope ID: 76E34869-330D-490B-BA1D-3BF965E9E6D8

X ANY EARNEST MONEY DEPOSITED BY BUYER IN A TRUST ACCOUNT MAY BE PLACED IN AN INTEREST BEARING TRUST ACCOUNT, AND: *(check only ONE box)*

☐ ANY INTEREST EARNED THEREON SHALL BE APPLIED AS PART PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY AT CLOSING, OR DISBURSED AS AGREED UPON UNDER THE PROVISIONS OF SECTION 10 HEREIN. (Buyer's Taxpayer Identification Number is: ______________________)

X ANY INTEREST EARNED THEREON SHALL BELONG TO THE ACCOUNT HOLDER IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

$ ______________ (ii) **Proceeds of a new loan** in the amount of ______________________________ Dollars for a term of ______ years, with an amortization period not to exceed ______ years, at an interest rate not to exceed ________ % per annum with mortgage loan discount points not to exceed ________ % of the loan amount, or such other terms as may be set forth on **Exhibit B**. Buyer shall pay all costs associated with any such loan.

$ ______________ (iii) **Delivery of a promissory note** secured by a deed of trust, said promissory note in the amount of ______________________________ Dollars being payable over a term of ______ years, with an amortization period of ______ years, payable in monthly installments of principal, together with accrued interest on the outstanding principal balance at the rate of ______________________ percent (________%) per annum in the amount of $ ______________, with the first principal payment beginning on the first day of the month next succeeding the date of Closing, or such other terms as may be set forth on **Exhibit B.** At any time, the promissory note may be prepaid in whole or in part without penalty and without further interest on the amounts prepaid from the date of such prepayment. **(NOTE: In the event of Buyer's subsequent default upon a promissory note and deed of trust given hereunder, Seller's remedies may be limited to foreclosure of the Property. If the deed of trust given hereunder is subordinated to senior financing, the material terms of such financing must be set forth on Exhibit B. If such senior financing is subsequently foreclosed, the Seller may have no remedy to recover under the note.)**

$ ______________ (iv) **Assumption** of that unpaid obligation of Seller secured by a deed of trust on the Property, such obligation having an outstanding principal balance of $ ______________ and evidenced by a note bearing interest at the rate of ______________________ percent (________%) per annum, and a current payment amount of $ ______________.

$ 1,131,262.37 (v) **Cash, balance of Purchase Price,** at Closing in the amount of **One Million, One Hundred Thirty-One Thousand, Two Hundred Sixty-Two 37/100** Dollars.

(c) **"Closing"** shall mean the date of completion of the process detailed in Section 11 of this Agreement. Closing shall occur on or before ______________________ or **on or before fifteen (15) days after the expiration of the "Examination Period" as defined in Section 1(e), but in no event prior to July 2, 2020.**

(d) **"Contract Date"** means the date this Agreement has been fully executed by both Buyer and Seller.

(e) **"Examination Period"** shall mean the period beginning on the first day after the Contract Date and extending through 5:00pm (based upon time at the locale of the Property) on **Ninety (90) days from the "Contract Date" as outlined in Section 1(d).**

TIME IS OF THE ESSENCE AS TO THE EXAMINATION PERIOD.

Buyer Initials DS MEB Seller Initials RWB Page 2 of 8

STANDARD FORM 580-T
Revised 7/2017
© 7/2019

(f) **"Broker(s)"** shall mean:
Appalachian Commercial Real Estate, LLC ("Listing Agency"),
James R. Milner III ("Listing Agent" - License # **255106**)
Acting as: [X] Seller's Agent; [ ] Dual Agent
and **The Northgate Group Real Estate Company, LLC** ("Selling Agency"),
M. Eric Brinker ("Selling Agent" - License # **263740**)
Acting as: [X] Buyer's Agent; [ ] Seller's (Sub) Agent; [ ] Dual Agent

(g) **"Seller's Notice Address"** shall be as follows:
John Ward, Town Manager; 567 West King Street, Boone, NC 28607

e-mail address: **john.ward@townofboone.net** fax number:
except as same may be changed pursuant to Section 12.

(h) **"Buyer's Notice Address"** shall be as follows:
Eric Brinker, Blowing Rock Green Building Group, LLC; 184 Willy Austin Road, Blowing Rock, NC 28605

e-mail address: **eric@thenorthgategroup.com** fax number:
except as same may be changed pursuant to Section 12.

[X] (i) **If this block is marked, additional terms of this Agreement are set forth on Exhibit B attached hereto and incorporated herein by reference. (Note: Under North Carolina law, real estate agents are not permitted to draft conditions or contingencies to this Agreement.)**

[ ] (j) If this block is marked, additional terms of this Agreement are set forth on the Additional Provisions Addendum (Form 581-T) attached hereto and incorporated herein by reference.

Section 2. Sale of Property and Payment of Purchase Price: Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price.

Section 3. Proration of Expenses and Payment of Costs: Seller and Buyer agree that all property taxes (on a calendar year basis), leases, rents, mortgage payments and utilities or any other assumed liabilities as detailed on attached **Exhibit B,** if any, shall be prorated as of the date of Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Agreement, excise tax (revenue stamps), any deferred or rollback taxes, and other conveyance fees or taxes required by law, and the following:
N/A

Buyer shall pay recording costs, costs of any title search, title insurance, survey, the cost of any inspections or investigations undertaken by Buyer under this Agreement and the following:
N/A

Each party shall pay its own attorney's fees.

Section 4. Deliveries: Seller agrees to use best efforts to deliver to Buyer as soon as reasonably possible after the Contract Date copies of all material information relevant to the Property in the possession of Seller, including but not limited to: title insurance policies (and copies of any documents referenced therein), surveys, soil test reports, environmental surveys or reports, site plans, civil drawings, building plans, maintenance records and copies of all presently effective warranties or service contracts related to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys. If Buyer does not consummate the Closing for any reason other than Seller default, then Buyer shall return to Seller all materials delivered by Seller to Buyer pursuant to this Section 4 (or Section 7, if applicable), if any, and shall, upon Seller's request, provide to Seller copies of (subject to the ownership and copyright interests of the preparer thereof) any and all studies, reports, surveys and other information relating directly to the Property prepared by or at the request of Buyer, its employees and agents, and shall deliver to Seller, upon the release of the Earnest Money, copies of all of the foregoing without any warranty or representation by Buyer as to the contents, accuracy or correctness thereof.

Buyer Initials DS MEB Seller Initials JWD Page 3 of 8

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Section 5. Evidence of Title: Seller agrees to convey fee simple insurable title to the Property without exception for mechanics' liens, free and clear of all liens, encumbrances and defects of title other than: (a) zoning ordinances affecting the Property, (b) Leases (as defined in Section 7, if applicable) and (c) specific instruments on the public record at the Contract Date agreed to by Buyer (not objected to by Buyer prior to the end of the Examination Period), which specific instruments shall be enumerated in the deed referenced in Section 11 (items 5(a), 5(b) and 5(c) being collectively "Permitted Exceptions"); provided that Seller shall be required to satisfy, at or prior to Closing, any encumbrances that may be satisfied by the payment of a fixed sum of money, such as deeds of trust, mortgages or statutory liens. Seller shall not enter into or record any instrument that affects the Property (or any personal property listed on **Exhibit A**) after the Contract Date without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 6. Conditions: This Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon fulfillment (or waiver by Buyer, whether explicit or implied) of the following conditions:

(a) **New Loan:** The Buyer must be able to obtain the loan, if any, referenced in Section 1(b)(ii). Notwithstanding, after N/A, Seller may request in writing from Buyer a copy of the commitment letter. If Buyer fails to provide Seller a copy of the commitment letter within five (5) days of receipt of Seller's request, then Seller may terminate this Agreement by written notice to Buyer at anytime thereafter, provided Seller has not then received a copy of the commitment letter, and Buyer shall receive a return of Earnest Money.

(b) **Qualification for Assumption:** The obligations of Buyer under this Agreement are conditioned upon Buyer being able to assume the existing loan described above. If such assumption requires the lender's approval, Buyer agrees to use its best efforts to secure such approval and to advise Seller immediately upon receipt of the lender's decision. Approval must be granted on or before N/A. On or before this date, Buyer has the right to terminate this Agreement for failure to be able to assume the loan described above by delivering to Seller written notice of termination by the above date, *time being of the essence*. If Buyer delivers such notice, this Agreement shall be null and void and Earnest Money shall be refunded to Buyer. If Buyer fails to deliver such notice, then Buyer will be deemed to have waived this condition. Unless provided otherwise in Section 3 hereof, Buyer shall pay all fees and costs associated with any such assumption, including any assumption fee charged by the lender. At or before Closing, Seller shall assign to Buyer all interest of Seller in any current reserves or escrows held by the lender, any property management company and/or Seller, including but not limited to any tenant improvement reserves, leasing commission reserves, security deposits and operating or capital reserves for which Seller shall be credited said amounts at Closing.

(c) **Title Examination:** After the Contract Date, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property before the end of the Examination Period. In the event that such title examination shall show that Seller's title is not fee simple insurable, subject only to Permitted Exceptions, then Buyer shall promptly notify Seller in writing of all such title defects and exceptions, in no case later than the end of the Examination Period, and Seller shall have thirty (30) days to cure said noticed defects. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, then Buyer may terminate this Agreement and receive a return of Earnest Money (notwithstanding that the Examination Period may have expired). If Buyer is to purchase title insurance, the insuring company must be licensed to do business in the state in which the Property is located. Title to the Property must be insurable at regular rates, subject only to standard exceptions and Permitted Exceptions.

(d) **Same Condition:** If the Property is not in substantially the same condition at Closing as of the date of the offer, reasonable wear and tear excepted, then the Buyer may (i) terminate this Agreement and receive a return of the Earnest Money or (ii) proceed to Closing whereupon Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property.

(e) **Inspections:** Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of inspecting, examining, conducting timber cruises, and surveying the Property; provided, however, that Buyer shall not conduct any invasive testing of any nature without the prior express written approval of Seller as to each specific invasive test intended to be conducted by Buyer. Buyer shall conduct all such on-site inspections, examinations, testing, timber cruises and surveying of the Property in a good and workmanlike manner, at Buyer's expense, shall repair any damage to the Property caused by Buyer's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Seller's or any tenant's use and enjoyment of the Property. In that respect, Buyer shall make reasonable efforts to undertake on-site inspections outside of the hours Seller's or any tenant's business is open to the public. Buyer shall provide Seller or any tenant (as applicable) reasonable advance notice of and Buyer shall cause its agents or representatives and third party service providers (e.g. inspectors, surveyors, etc.) to give reasonable advance notice of any entry onto the Property. Buyer shall be obligated to observe and comply with any terms of any tenant lease which conditions access to such tenant's space at the

Property. Upon Seller's request, Buyer shall provide to Seller evidence of general liability insurance. Buyer shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Property and shall be entitled to review such books and records of Seller that relate directly to the operation and maintenance of the Property, provided, however, that Buyer shall not disclose any information regarding this Property (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Buyer shall obtain their agreement to maintain such confidentiality. Buyer assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Section 6(e) and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Buyer shall survive the Closing or earlier termination of this Agreement. Except as provided in Section 6(c) above, Buyer shall have from the Contract Date through the end of the Examination Period to perform the above inspections, examinations and testing. **IF BUYER CHOOSES NOT TO PURCHASE THE PROPERTY, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO SELLER THEREOF PRIOR TO THE EXPIRATION OF THE EXAMINATION PERIOD, THEN THIS AGREEMENT SHALL TERMINATE, AND BUYER SHALL RECEIVE A RETURN OF THE EARNEST MONEY.**

Section 7. Leases (Check one of the following, as applicable):

[X] If this box is checked, Seller affirmatively represents and warrants that there are no Leases (as hereinafter defined) affecting the Property.

[ ] If this box is checked, Seller discloses that there are one or more leases affecting the Property ("Leases") and the following provisions are hereby made a part of this Agreement.

(a) A list of all Leases shall be set forth on **Exhibit B**. Seller represents and warrants that as of the Contract Date, there are no other Leases, oral or written, recorded or not, nor any subleases affecting the Property, except as set forth on **Exhibit B**;

(b) Seller shall deliver copies of any Leases to Buyer pursuant to Section 4 as if the Leases were listed therein;

(c) Seller represents and warrants that as of the Contract Date there are no current defaults (or any existing situation which, with the passage of time, or the giving of notice, or both, or at the election of either landlord or tenant could constitute a default) either by Seller, as landlord, or by any tenant under any Lease ("Lease Default"). In the event there is any Lease Default as of the Contract Date, Seller agrees to provide Buyer with a detailed description of the situation in accordance with Section 4. Seller agrees not to commit a Lease Default as Landlord after the Contract Date, and agrees further to notify Buyer immediately in the event a Lease Default arises or is claimed, asserted or threatened to be asserted by either Seller or a tenant under the Lease.

(d) In addition to the conditions provided in Section 6 of this Agreement, this Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon the assignment of Seller's interest in any Lease to Buyer in form and content acceptable to Buyer (with tenant's written consent and acknowledgement, if required under the Lease). Seller agrees to deliver an assignment of any Lease at or before Closing, with any security deposits held by Seller under any Leases to be transferred or credited to Buyer at or before Closing. The assignment shall provide: (i) that Seller shall defend, indemnify and hold Buyer harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Buyer which are caused by or the result of any default by Seller under any Lease prior to the date of Closing, and (ii) that Buyer shall defend, indemnify and hold Seller harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Seller which are caused by or the result of any default by Buyer under any Lease after the date of Closing.

(e) Seller also agrees to execute and deliver (and work diligently to obtain any tenant signatures necessary for same) any estoppel certificates and subordination, nondisturbance and attornment agreements in such form as Buyer may reasonably request.

Section 8. Environmental: Seller represents and warrants that it has no actual knowledge of the presence or disposal, except as in accordance with applicable law, within the buildings or on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Part 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302.4) and amendments thereto, or such substances, materials and wastes, which are or become regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 311 of the Clean Water Act of 1977 (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act of 1977 (33 U.S.C. §1317), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601). Seller has no actual knowledge of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts.

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Buyer Initials DS MEB ______ Seller Initials ______ ______

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Section 9. Risk of Loss/Damage/Repair: Until Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. Except as to maintaining the Property in its same condition, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

Section 10. Earnest Money Disbursement: In the event that any condition hereto is not satisfied, then the Earnest Money shall be refunded to Buyer. In the event of breach of this Agreement by Seller, the Earnest Money shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Agreement by Buyer, the Earnest Money Deposit shall be paid to Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Section 6(e) or Section 22 of this Agreement. It is acknowledged by the parties that payment of the Earnest Money to Seller in the event of a breach of this Agreement by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The payment of the Earnest Money to Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach.
NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money held in escrow, a licensed real estate broker is required by state law (and Escrow Agent, if not a broker, hereby agrees) to retain the Earnest Money in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a broker or an attorney licensed to practice law in North Carolina is holding the Earnest Money, the broker or attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S.§93A- 12.
Seller and Buyer hereby agree and acknowledge that the Escrow Agent assumes no liability in connection with the holding of the Earnest Money pursuant hereto except for negligence or willful misconduct of Escrow Agent. Escrow Agent shall not be responsible for the validity, correctness or genuineness of any document or notice referred to under this Agreement. Seller and Buyer hereby agree to indemnify, protect, save and hold harmless Escrow Agent and its successors, assigns and agents pursuant to this Agreement, from any and all liabilities, obligations, losses, damages, claims, actions, suits, costs or expenses (including attorney fees) of whatsoever kind or nature imposed on, incurred by or asserted against Escrow Agent which in any way relate to or arise out of the execution and delivery of this Agreement and any action taken hereunder; provided, however, that Seller and Buyer shall have no such obligation to indemnify, save and hold harmless Escrow Agent for any liability incurred by, imposed upon or established against it as a result of Escrow Agent's negligence or willful misconduct.

Section 11. Closing: At or before Closing, Seller shall deliver to Buyer a special warranty deed unless otherwise specified on Exhibit B and other documents customarily executed or delivered by a seller in similar transactions, including without limitation, a bill of sale for any personal property listed on Exhibit A, an owner's affidavit, lien waiver forms (and such other lien related documentation as shall permit the Property to be conveyed free and clear of any claim for mechanics' liens) and a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act), and Buyer shall cause to be delivered the funds necessary to pay to Seller the Purchase Price. The Closing shall be conducted by Buyer's attorney or handled in such other manner as the parties hereto may mutually agree in writing. Possession shall be delivered at Closing, unless otherwise agreed herein. The Purchase Price and other funds to be disbursed pursuant to this Agreement shall not be disbursed until the Buyer's attorney's (or other designated settlement agent's) receipt of authorization to disburse all necessary funds.

Section 12. Notices: Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing (which shall include electronic mail) and shall be deemed to have been properly given and received (i) on the date delivered in person or (ii) the date deposited in the United States mail, registered or certified, return receipt requested, to the addresses set out in Section 1(g) as to Seller and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith, (iii) upon the sender's receipt of evidence of complete and successful transmission of electronic mail or facsimile to the electronic mail address or facsimile number, if any, provided in Section 1(g) as to Seller and in Section 1(h) as to Buyer or (iv) on the date deposited with a recognized overnight delivery service, addressed to the addresses set out in Section 1(g) as to Seller and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith. If a notice is sent by more than one method, it will be deemed received upon the earlier of the dates of receipt pursuant to this Section.

Section 13. Counterparts; Entire Agreement: This Agreement may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Agreement may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Agreement constitutes the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Agreement shall not affect the validity of any other provisions hereof and this Agreement shall be construed and enforced as if such invalid provisions were not included.

Buyer Initials DS MEB ______ Seller Initials ______ ______ Page 6 of 8

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Section 14. Enforceability: This Agreement shall become a contract when signed by both Buyer and Seller and such signing is communicated to both parties; it being expressly agreed that the notice described in Section 12 is not required for effective communication for the purposes of this Section 14. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Agreement are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives.

Section 15. Adverse Information and Compliance with Laws:

(a) **Seller Knowledge:** Seller has no actual knowledge of (i) condemnation(s) affecting or contemplated with respect to the Property; (ii) actions, suits or proceedings pending or threatened against the Property; (iii) changes contemplated in any applicable laws, ordinances or restrictions affecting the Property; or (iv) governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, and no pending or confirmed owners' association special assessments, except as follows (Insert "None" or the identification of any matters relating to (i) through (iv) above, if any):
None

Note: For purposes of this Agreement, a "confirmed" special assessment is defined as an assessment that has been approved by a governmental agency or an owners' association for the purpose(s) stated, whether or not it is fully payable at time of closing. A "pending" special assessment is defined as an assessment that is under formal consideration by a governing body. Seller shall pay all owners' association assessments and all governmental assessments confirmed as of the date of Closing, if any, and Buyer shall take title subject to all pending assessments disclosed by Seller herein, if any.
Seller represents that the regular owners' association dues, if any, are $ **N/A** per **N/A** .

(b) **Compliance:** To Seller's actual knowledge, (i) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to or affecting the Property; (ii) performance of the Agreement will not result in the breach of, constitute any default under or result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property is bound; and (iii) there are no legal actions, suits or other legal or administrative proceedings pending or threatened against the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

Section 16. Survival of Representations and Warranties: All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments, and take such other action as Buyer may reasonably request or as may be necessary to more effectively transfer to Buyer the Property described herein in accordance with this Agreement.

Section 17. Applicable Law: This Agreement shall be construed under the laws of the state in which the Property is located. This form has only been approved for use in North Carolina.

Section 18. Assignment: This Agreement is freely assignable unless otherwise expressly provided on Exhibit B.

Section 19. Tax-Deferred Exchange: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

Section 20. Memorandum of Contract: Upon request by either party, the parties hereto shall execute a memorandum of contract in recordable form setting forth such provisions hereof (other than the Purchase Price and other sums due) as either party may wish to incorporate. Such memorandum of contract shall contain a statement that it automatically terminates and the Property is released from any effect thereby as of a specific date to be stated in the memorandum (which specific date shall be no later than the date of Closing). The cost of recording such memorandum of contract shall be borne by the party requesting execution of same.

Section 21. Authority: Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement and such instruments as may be necessary to effectuate any transaction contemplated by this Agreement on behalf of the party for whom he or she signs and that his or her signature binds such party.

Buyer Initials DS MEB Seller Initials JWD Page 7 of 8

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Section 22. Brokers: Except as expressly provided herein, Buyer and Seller agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the sale of the Property to Buyer. Buyer and Seller represent and warrant to each other that: (i) except as to the Brokers designated under Section 1(f) of this Agreement, they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Buyer and/or the Seller.

Section 23. Attorneys Fees: If legal proceedings are instituted to enforce any provision of this Agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

☐ **EIFS/SYNTHETIC STUCCO:** If the adjacent box is checked, Seller discloses that the Property has been clad previously (either in whole or in part) with an "exterior insulating and finishing system" commonly known as "EIFS" or "synthetic stucco". Seller makes no representations or warranties regarding such system and Buyer is advised to make its own independent determinations with respect to conditions related to or occasioned by the existence of such materials at the Property.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

BUYER:	**SELLER:**
Individual	**Individual**
______________________	______________________
Date:	Date:
______________________	
Date:	Date:
Business Entity	**Business Entity**
Blowing Rock Green Building Group, LLC	**Town of Boone**
(Name of Entity)	(Name of Entity)
DocuSigned by: By: M. Eric Brinker 20DCCCBAFAE1474...	By: Rennie Brantz
Name: **M. Eric Brinker**	Name: **Rennie Brantz**
Title: **Member-Manager**	Title: **Mayor**
Date: **April 22, 2020**	Date: April 23, 2020

The undersigned hereby acknowledges receipt of the Earnest Money set forth herein and agrees to hold said Earnest Money in accordance with the terms hereof.

____
(Name of Escrow Agent)

Date: By:

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RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Sam Furgiuele, Council Member
SECONDER:	Loretta Clawson, Mayor Pro-Tem
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

CONSIDERATION OF APPROVAL OF AGREEMENT - QUEEN STREET PARKING CAPACITY STUDY

Mr. Ward began by noting that Dr. Plaag had recently discovered that the Tuner House had once been the home of one of Blowing Rock's former mayors, which added to the historical significance of the house. He stated that the Town and County and sought out consulting services who would provide modeling for parking decks as well as the geotechnical work that would be needed. Mr. Ward indicated that the Town's on-call engineer came in cheaper than the County's engineer at $22,900. He added that the County manager had asked that if the parties agreed to move forward on the project, the Town consider reissuing the demolition permit so that they were not under the pressure to work under an expired demolition permit, and added that the County manager had agreed that the County would pay 50% of the proposed project cost. Mr. Furgiuele felt that Council should support the study and enter into an agreement which would extend the time of the demolition permit so that the County was not under pressure to demolish the house while the parties explored alternatives. He stated that he noticed in the agreement under the geotechnical section that the engineer referred to a 3-4 story parking deck and that surprised him, since he did not think the project would be that tall. Mr. Ward answered that the reason 3 stories was mentioned in the study was because the plan was to have 1 story underground and reiterated that there were no plans to have a deck as tall as 3 or 4 stories without significant excavation. Mr. Furgiuele felt the Town should do what it could to save the house, and added that Dr. Plaag had adequately demonstrated that the house had historical value whether it was on the national registry or not. Mr. Furgiuele made a motion to approve the agreement and allocation of funds with the stipulation that the County contribute half of the cost. Mr. Ward clarified that the Town would reissue a demolition permit to the County at a later date so that the work could be done within the Town's ordinances. Mayor Pro-Tem Clawson seconded the motion. Mr. Ward thanked the County for stepping forward to work with the Town on this project and helping to fund it.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Sam Furgiuele, Council Member
SECONDER:	Loretta Clawson, Mayor Pro-Tem
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

CONSIDERATION OF TEMPORARY PERSONNEL POLICY - COVID-19 RESPONSE ACT

Mr. Ward indicated that the COVID-19 Response Act required staff to revise the personnel policy in terms of emergency paid sick leave, and noted that a copy had been made available to all employees. He stated that since the act became law on April 1, it needed to be ratified after the fact, and noted that the amendment had met UNC School of Government and attorney review. Mr. Furgiuele questioned whether Mr. Ward currently had authority under his contract or state law to amend the personnel policy without approval of Council. He stated that if not, it would be easy to amend the personnel policy grant that authority for future amendments by the manager if needed. Mr. Furgiuele further noted that in terms of providing leave to employees who needed to stay at home to quarantine themselves or to take care of a sick family member, he did not see a direct requirement to do so in the added language, and felt that it should be explicit in the language that employees were required to stay home if they or a family member were believed to be infected. Ms. Meade answered that the policy was required by law to be adopted, that the Town had an obligation to follow federal law and she did not feel it could wait until Council could take official action during a regular meeting. Mr. Furgiuele agreed, but noted that the personnel policy stated that it had to be amended by Council. Speaking to Mr. Furgiuele's second question, Ms. Meade felt that the policy should capture federal law precisely, and that to the extent the policy could be different from what federal law required, whether more strict or more relaxed, she believed anything like that would have to be done by Council, which was why some of those things were not done initially. Mr.

Furgiuele felt that the policy should be amended to go beyond the federal mandate to make sure employees were able to stay home when they or a family member were exposed or ill. He asked that the policy be looked into to make sure that employees were not being forced to come to work while they were sick due loss of leave time or other disincentives. On the other hand, Mr. Furgiuele felt that employees coming into work when sick should possibly be subject to disciplinary action and needed to be addressed in the personnel policy. Upon a motion by Mayor Pro-Tem Clawson, seconded by Council Member LaPlaca, Council voted to approve the Temporary Personnel Policy: Families First Covid-19 Coronavirus Response Act: Emergency Paid Sick Leave and Family Medical Leave as presented.

Town of Boone

TEMPORARY PERSONNEL POLICY

Families First Covid-19 Coronavirus Response Act:

Emergency Paid Sick Leave and Family Medical Leave

Effective Date: April 1, 2020 – December 31, 2020

The federal **Families First Coronavirus Response Act (FFCRA or Act)** was signed into law on March 18, 2020 and is effective as of April 1, 2020. The Act is intended to ease the economic consequences of the coronavirus outbreak by expanding paid leave available to employees.

The Act provides for new leave benefits, called Federal Emergency Paid Sick Leave and Federal Emergency FMLA Leave, both of which are addressed in this policy.

Federal Emergency Paid Sick Leave and Emergency FMLA Leave expire December 31, 2020. No unused portions of either leave can be carried over or used after the expiration date.

Eligibility

This policy applies to all full-time, temporary with benefits, and part-time Town employees who are not excluded from this policy under Section III herein. To qualify for Emergency FMLA, an employee must have worked for the Town for no less than 30 days.

Definitions

Child – includes biological, foster, or step-child, or other legal dependent under the age of 18 (unless the adult child is incapable of "self-care" because of a mental or physical handicap) for whom the employee stands in place of a parent.

Full-time employee – An employee who normally works 40 hours a week.

Health Care Provider – includes doctor of medicine or osteopathy, podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner, nurse-midwife, Christian Science practitioner, clinical social worker, and health care providers from whom the employer or the employer's group health care plan will accept certification of a serious health condition, and any health care provider meeting the preceding definition authorized to practice in another country.

Immediate Family Member – for the purposes of the FMLA, an immediate family member is defined as the spouse, child, legal dependent, or parent of the employee.

Parent – the biological or step-parent of an employee or an individual who stands or stood in loco parentis to an employee when he or she was a child.

Part-time employee – An employee who normally works less than 40 hours a week.

I. FEDERAL EMERGENCY PAID SICK LEAVE

A. Reasons for Leave

An employee may take Federal Emergency Paid Sick Leave if he or she is unable to work (or telework) for one of the following reasons:

1. The employee is subject to a federal, state or local quarantine or isolation order related to COVID-19;
2. The employee has been advised by their healthcare provider to self-quarantine because they are infected with or have been exposed to COVID-19 or because they are at high risk of complications from COVID-19;
3. The employee is showing symptoms of COVID-19 and is seeking but has not yet received a medical diagnosis;
4. The employee is caring for an immediate family member who is subject to a federal, state or local quarantine or isolation order related to COVID-19 or has been advised by their healthcare provider to self-quarantine for COVID-19 related reasons;
5. The employee is caring for his or her child because the child's school or childcare facility has been closed or the childcare provider is no longer available because of a COVID-19 related reason; or
6. The employee is experiencing any other substantially similar conditions as specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.

B. Duration/Compensation

Full-time employees are entitled to up to 80 hours of Emergency Paid Sick Leave. Part-time employees are entitled to Emergency Paid Sick Leave for up to the number of hours the employee works, on average, over a two-week period.

Emergency Paid Sick Leave is paid at the employee's regular pay rate for leave for reasons 1, 2 or 3 above, to a maximum of $511 per day ($5,110 total). For leave for reasons 4, 5, and 6, sick leave is paid at two- thirds the employee's regular rate, to a maximum of $200 per day ($2,000 total). An employee may elect to use any other appropriate accrued leave (vacation, sick, management, COVID, etc.) to supplement the part of their regular pay that otherwise would be unpaid under this section.

C. Leave Rules

Employees may elect to use Federal Emergency Paid Sick Leave before using other accrued paid leave.

D. Requesting Emergency Paid Sick Leave

Employees wishing to take Emergency Paid Sick Leave are required to notify Human Resources in advance if possible and in any event within one business day of the first day of absence.

1. An employee wishing to take Emergency Sick Leave for any reason must contact the human resource department (828-268-6203) to receive a Federal Emergency Sick Leave and Emergency FMLA Form to be completed.

2. For reasons 1, 2 and 3 above, employees will be required to provide a doctor's note electronically to confirm the visit/contact; where possible the note must be provided within one business day of the initial visit.

3. Employees will be asked to provide documentation of care for an immediate family member. Employees caring for a family member under reason 4 will need to provide a doctor's note with the form to qualify for these provisions.

4. If an employee has already provided documentation for dependents because they are covered under the Town of Boone's benefits (medical or dental) they will not have to resubmit this information. They need only supply the name or names of the dependents on the form for verification purposes.

5. If the employee's dependents are not already documented as covered under the Town of Boone's standard benefits program, eligibility documentation will need to be provided. Acceptable documentation could include, but is not limited to:
    a. Birth certificate(s)
    b. Adoption/legal guardianship documentation
    c. Marriage license

6. Employees who stay home for any reason must contact their supervisors via established departmental protocols.

E. Retaliation

The Town will not retaliate against employees who request or take leave in accordance with this policy.

F. Expiration

This policy expires on December 31, 2020. Emergency Paid Sick Leave does not carryover from one year to the next. Any unused balances will lapse after this date. Employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.

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II. EMERGENCY FAMILY AND MEDICAL LEAVE (FMLA)

A. Reason for Leave

An employee may request Federal Emergency Paid FMLA leave **ONLY** if the employee is unable to work (or telework) because the employee is caring for his or her child because the child's school or childcare facility has been closed or a child care provider is no longer available because of a COVID-19 related reason. For these purposes, a child care provider means a provider who receives compensation for providing child care services on a regular basis

B. Duration/Compensation

Employees are entitled to:

1. **Full-time employees**: up to 12 weeks of leave, including 10 weeks' pay at two-thirds their regular salary; up to $200 per day ($10,000 in total if combined with other leave resources)

2. **Part-time employees**: up to 12 weeks of leave, including 10 weeks' pay at two-thirds their regular pay for the average number of hours the employee works. Hours to be paid are based on the average number of hours the employee worked calculated over a 6-month period prior to taking leave. If the employee did not work over such period, the average number of hours worked per week shall be deemed to be the reasonable expectation of the employee at the time of hiring of the average number of hours per day that the employee would normally be scheduled to work.

3. Emergency FMLA is paid leave after a 10-day waiting period. Employees can supplement this 10-day unpaid waiting period as follows:

   a. Employees may use Emergency Paid Sick Leave per Section I above.

   b. Employees may use any combination of appropriate accrued leave (vacation, sick, management, comp, etc.) consistent with the Town's general policies.

4. The Town has the same obligations as under traditional FMLA to return any employee who has taken Emergency FMLA leave to the same or equivalent position upon the return to work.

C. Leave Rules

1. Employees are limited to a total of twelve weeks of FMLA leave within a 12-month period for all FMLA reasons combined, including Emergency FMLA leave.

2. Employees who have already used up their traditional FMLA allotment for the year are not entitled to Federal Emergency FMLA leave.

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3. As with regular FMLA leave, where the need for leave is foreseeable, employees must provide the Town as much advance notice as practicable.

4. Provisions under the regular FMLA Act still apply and are available to employees that meet eligibility requirements as it pertains to protected leave because the employee needs to care for a spouse, child, or parent with a serious health condition, or because of the employees own serious medical condition.

5. Employees who stay home for any reason must contact their supervisors via established departmental protocols.

D. Requesting Emergency FMLA

1. Employees will need to contact the human resource department (828-268-6203) to receive a Federal Emergency Sick Leave and Emergency FMLA Form to be completed.

2. If an employee has already provided documentation for dependents because they are covered under the Town of Boone's benefits (medical or dental) they will not have to resubmit this information. They need only supply the name or names of the dependents on the form for verification purposes.

3. If the employee's dependents are not covered under the Town of Boone's benefits program, standard eligibility documentation will need to be provided. Acceptable documentation could include, but is not limited to: (i) Birth certificate(s) or (ii) adoption or legal guardianship documentation

4. Employees who stay home for any reason must contact their supervisors via established departmental protocols.

E. Retaliation

The town will not retaliate against employees who request or take leave in accordance with this policy.

F. Expiration

This policy expires on December 31, 2020. Emergency FMLA Leave does not carryover from one year to the next. Any unused balances will lapse after this date. Employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.

III. EXCLUSIONS

In order for the Town to maintain the highest possible level of operation and responsiveness in order to protect and preserve the public welfare in the face of the COVID 19 epidemic, the following positions are excluded from coverage of Emergency FMLA and reasons 4, 5 and 6 of

Emergency Paid Sick Leave: the Town Manager, all Police Department and 911 Communications personnel, all Fire Department Personnel, Public Works Department personnel, GIS personnel, and Building Inspectors.

Please direct any questions to the Town of Boone Human Resource Department – 828-268-6203.

Dated: April 10, 2020

John Ward, Town Manager

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RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Loretta Clawson, Mayor Pro-Tem
SECONDER:	Nancy LaPlaca, Councilwoman
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

CONSIDERATION OF RESOLUTION REGARDING PREDATORY & UNFAIR RENTAL HOUSING PRACTICES IN BOONE

Council Member Furgiuele left the meeting at 8:05 p.m. Council Member Ulmer left the meeting at 8:06 p.m. Council Member Furgiuele logged back into the meeting at 8:07 p.m. Council Member Ulmer rejoined the meeting at 8:08 p.m. Mr. Furgiuele then read the following resolution into the record:

RESOLUTION RELATING TO PREDATORY LANDLORD-TENANT PRACTICES IN BOONE

WHEREAS, Boone, North Carolina is the home of Appalachian State University (hereafter, "ASU"); and

WHEREAS, due to the sustained and enormous growth of ASU and ASU's inability to provide on-campus housing for the many students in need of housing accommodations, there has been a concomitant and rapid development of multi-family housing in Boone; and

WHEREAS, certain predatory practices now appear to predominate the rental housing market in Boone; and

WHEREAS, the Town of Boone's own authority to regulate and control the predatory rental practices in Boone is severely hampered by the lack of municipal home rule in North Carolina and court decisions such as *King v. Town of Chapel Hill*, 758 S.E.2d 364 (N.C. 2014), the 2014 North Carolina Supreme Court decision which struck down Chapel Hill's attempt to limit what it saw as predatory towing practices; and

WHEREAS, a collective attempt by tenants of rental housing in Boone to challenge non-refundable fees charged by landlords was rebuffed by the North Carolina Court of Appeals in *Neil v. Kuester Real Estate Servs., Inc.*, 764 S.E.2d 498 (N.C. App. 2014), the Court finding that the North Carolina Tenant Security Deposit Act did not prohibit several challenged practices and the Court further placing any responsibility to try to address even illegal practices on the individual tenants, including with respect to the charging of non-refundable fees and fines, the Court stating the following:

> As for Plaintiffs' allegation that Defendants have violated [the Tenant Security Deposit Act] by deducting the administrative fee—essentially a fine for breaking the rules and regulations listed in the lease addendum—from their security deposits, we likewise conclude that any such violations would entitle them only to the appropriate refund remedy, damages remedy, and/or attorney's fees remedy. Withholding money for an issue not on the list of permitted uses for security deposits directly implicates the proper amount of a tenant's security deposit refund, thereby triggering the appropriate refund remedy.
>
> Further, we can find nothing in the Act that would prevent a landlord from fining tenants for violating health, safety, or other rules and regulations such as those Plaintiffs agreed to in their lease addenda. The Act simply bars landlords from taking those amounts out of security deposits.

and

WHEREAS, the Boone Town Council has been advised of a number of practices that it believes are predatory or unfair, but for which it lacks apparent authority to regulate, including but not limited to the following:

1. That landlords are charging as much as $800 per apartment in non-refundable fees, purportedly to pursue credit checks on prospective tenants and their parents, but may not actually be paying such high amounts for credit checks or in some cases checking credit with these funds at all;

2. That certain landlords do not publish or disclose either their actual rental charges and/or the additional application, credit check and other non-refundable fees they impose until the tenant is in the process of applying for housing, neither advising the tenant in advance of such fees so that fair comparison shopping can take place, nor allowing the tenant a way to determine if the amounts quoted are customary for the landlord or unique with respect to that particular applicant, thus leaving open questions regarding possible discrimination against potential tenants to whom the landlord might not wish to lease;

3. That it has become a practice in some multi-family complexes to impose a series of fines on tenants which are not disclosed or directly included in the leases, but at most incorporated by reference, the lease providing that the tenant agrees to abide by "rules and regulations promulgated by the management" which themselves are freely altered and impose exorbitant fines for such things as placing a pumpkin outside the tenant's door at Halloween;

4. That some landlords have made it a practice to rent by the bedroom, but require each tenant to guarantee full payment of the monthly rent for an entire four-bedroom apartment, even though the tenant may not have any prior relationship or knowledge about the other tenants, also requiring the tenant's parents to not only guarantee the individual tenant's share of the full apartment rent, but also the other tenants' shares;

5. That there are many multi-family housing complexes in Boone which have been built in flood zones and which have been subject to devastating flooding in which the personal possessions of tenants have been destroyed, but the tenants were not properly or effectively advised of the propensity for the property to flood, nor of the landlord's refusal to take responsibility for damages caused to the tenant's property by flooding until after the loss;

6. That some landlords are regularly deducting amounts from security deposits that represent charges for normal wear and tear; and

7. That many landlords are using leases which are so complex that no person untrained in the law is capable of deciphering their many predatory and one-sided provisions; and

WHEREAS, although tenants may have the theoretical ability to protect themselves against some of the aforesaid practices through the initiation of lawsuits, in reality, most tenants do not have the financial means to do so and in many cases are present in Boone for a short time and therefore are not prepared to engage in extensive litigation against well-funded and well-represented landlords; and

WHEREAS, the Boone Town Council finds that the foregoing practices contribute to the lack of affordability of rental housing in Boone and that they place an unfair burden on tenants and particularly students attending ASU; and

WHEREAS, the Boone Town Council finds that certain practices, such as charging non-refundable fees for stated purposes, but then not using the fees for those purposes, constitute unfair and deceptive trade practices; and

WHEREAS, many of the cited practices could be prohibited or clarified through amendments to North

Carolina General Statutes which set appropriate parameters or disallow such practices; and

WHEREAS, the Boone Town Council finds that it would be most effective for the North Carolina Attorney General to investigate and take action to stop unfair and deceptive housing practices in the Town of Boone rather than individual tenants trying to stop such practices:

NOW, THEREFORE, BE IT RESOLVED that the Boone Town Council respectfully requests that the Honorable Josh Stein, the North Carolina Attorney General, investigate and take action to stop unfair and deceptive rental housing practices in the Town of Boone; and

That Boone's representatives to the North Carolina General Assembly, the Honorable Senator Deanna Ballard and the Honorable Representative Ray Russell initiate amendments to the North Carolina Residential Rental Agreements Act and the North Carolina Tenant Security Deposit Act to prohibit or establish appropriate parameters and prohibitions addressing the aforesaid practices.

Adopted this ____ day of ___________________________________, 2020.

Rennie Brantz, Mayor

Attested to:

Nicole Harmon
Clerk, Town of Boone, North Carolina

Mr. Furgiuele stated that he had recently discussed this resolution with Representative Ray Russell, and that Rep. Russell had stated that he had heard of the same practices taking place in Boone. Ms. Ulmer felt that unfair practices had always existed within the Town, and added that it was not just Boone that experienced practices such as these. Mr. Furgiuele felt that since different landlords had different practices, state law should be clarified to either explicitly authorize or to prohibit some of these practice so that everyone was on the same page and dealing with the same law. Upon a motion by Council Member Furgiuele, seconded by Council Member Ulmer, Council approved the resolution as presented. Mayor Pro-Tem Clawson echoed Mr. Furgiuele's comments, and added that, though she knew there were many good landlords in Town, there were also many who were not so good and believed Council should pass this resolution. Council Member Hicks stated that they were in support of the resolution and that they had heard many horror stories from renters. Council Member LaPlaca confirmed that this resolution was not binding, to which Mr. Ward replied that the resolution was a request to attempt to get others to act since the Town had limited authority.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Sam Furgiuele, Council Member
SECONDER:	Connie Ulmer, Council Member
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

CONSIDERATION OF RESOLUTION - RENT AND MORTGAGE MORATORIUM

Council Member Hicks presented a resolution for Council's consideration regarding a potential moratorium on rent and mortgage payments within the Town of Boone in an attempt to make sure no one is made homeless during the pandemic as a result of not being able to pay their rent or mortgage. Council Member Hicks noted that Congress Member Omar recently presented a similar resolution in Congress. Council Member Hicks read the following resolution into the record:

A RESOLUTION OF BOONE TOWN COUNCIL in support of ensuring that the people of Boone, North Carolina do not experience instability with their housing and/or business ownership due to inability to pay rent and/or mortgage payments during the COVID-19 pandemic; calling on Governor Roy Cooper to impose an immediate moratorium on rent payments and urging the Governor to call on federal legislators and the Trump administration to impose an immediate moratorium on rent and mortgage payments; and calling on federal legislators and the Trump administration to impose an immediate moratorium on rent and mortgage payments; and for other purposes.

WHEREAS , novel coronavirus (COVID-19) first appeared in December 2019 and has spread throughout the world; and

WHEREAS , the first case in the United States was identified on January 21, 2020; the first death in the United States was identified on February 24, 2020; and the World Health Organization declared the outbreak a global pandemic on March 11, 2020; and

WHEREAS , the Governor of the State of North Carolina declared a State of Emergency to address the growing COVID-19 crisis on March 20, 2020; and

WHEREAS , on March 26, 2020, pursuant to the authority vested in him as the Mayor of the Town of Boone under N.C.G.S. 166A-19.22(b)(2) and Chapter 101 of the Town of Boone Code of Ordinances, Mayor Rennie Brantz extended the State of Emergency declaration to be in line with the Watauga County Commission’s concurrent declaration; and

WHEREAS , on March 27, 2020, Governor Roy Cooper issued a stay-at-home order for across the state; and

WHEREAS , because of these orders and the impact on service and other industries, labor organizations representing hospitality workers estimate that 80 percent or more of hospitality workers will lose their jobs; along with thousands of arts, travel, nonprofit, retail, and service workers; and

WHEREAS , 636,894 unemployment claims have been filed to the North Carolina Department of Labor as of April 16th with 551,261 being related to the necessary COVID-19 related orders and this number will likely increase as time goes on; and

WHEREAS , despite Governor Cooper's Executive Order 118 which increased access to unemployment benefits this still will not be enough to cover all losses financial losses associated with COVID-19 and will leave some more vulnerable to houselessness than others; and

WHEREAS , the Federal Reserve has found that 40 percent of Americans do not have cash on hand to cover an unexpected expense of $400;

WHEREAS , though North Carolina Supreme Court Justice Cheri Beasley issued an order halting eviction proceedings for 30 days which ended on April 17th , that time period has passed and renters are still under threat of evictions being filed and carried out at a later date; and

WHEREAS stimulus checks will not be delivered to all residents putting some, such as persons who file taxes as dependents and some immigrant families, without necessary financial support; and

WHEREAS , renters are still obligated to pay landlords, and mortgage-holders are still obligated to pay lenders; and

WHEREAS , data from the North Carolina Housing Coalition suggests that 40% of households in Watauga county are housing cost-burdened (paying more than 30% of their income for housing) with renters being especially housing cost burdened at 68%; and

WHEREAS , retaining the obligation to pay would mean that those who defer payments will accumulate significant personal debt; and

WHEREAS , the Town of Boone believes that housing is a human right and that it is critically important that Boone residents who currently have housing are not made homeless or destitute because of this public health crisis; and

WHEREAS , on March 12, 2020, one of the first responses to the economic impact of the COVID-19 crisis by the US federal government was to inject $1.5 trillion in loans to banks to stabilize the economy; and

WHEREAS , to date no rent relief program is in place and mortgage forbearance guidance for single-family homeowner mortgages has been issued by Freddie Mac, but that guidance remains subject to individual banks to decide if and how to implement; and

WHEREAS , banks are therefore able to withstand nonpayment of debt during this emergency and work out extensions and other ways for debt to be refinanced when the health emergency is over; and

WHEREAS , by halting mortgage payments during this time, the urgent need for landlords to collect rent will be paused;

NOW, THEREFORE ,

BE IT RESOLVED BY THE BOONE TOWN COUNCIl THAT:

Section 1. The Mayor and Council of the Town of Boone call on all landlords renting or leasing commercial or residential property that lies within the Town of Boone to enact the following for the duration of the crisis:

Freeze rents on all residents & pledge to not issue any rent increases.

A. Halt evictions on renters, absent extraordinary circumstances.
B. Waive late fees for residents who pay rent after the rent due date because they have been affected by the COVID-19 pandemic and related government actions.
C. Offer flexible payment plans for residents who cannot pay rent by the due date.
D. Direct renters to available resources to assist with food, health, and financial assistance.
E. Communicate with residents proactively that you are available to assist them and want to work with them to ensure they remain housed.
F. When necessary and possible, offer discounted rental rates or waive rent.

Section 2. The Mayor and Council of the Town of Boone call on all mortgage and lien holders of residential, commercial, and personal property within the Town of Boone to enact the following throughout the duration of the crisis:

A. Halt foreclosures and repossessions of property, absent extraordinary circumstances.

B. Waive late fees for property owners who make payment after the due date because they have been affected by the COVID-19 pandemic and related government actions.
C. Offer flexible payment plans for property owners who cannot pay by the due date.
D. Offer to freeze interest accrual when necessary
E. Communicate with property owners proactively that you are available to assist them and want to work with them to ensure they remain housed.

Section 3. The Mayor and Council of the Town of Boone call on Governor Cooper:

A. To use emergency powers to impose an immediate moratorium on residential and commercial rent payments, such that no Boone resident should be required to pay rent during this health emergency or accumulate debt for unpaid rent; and

B. To call on federal legislators and President Trump's administration to impose an immediate moratorium on residential and commercial mortgage payments, such that no owner of Boone property should be required to pay mortgage payments during this health emergency or accumulate additional debt for unpaid mortgage payments.

Section 4. The Mayor and Council of the Town of Boone call on members of the United States Congress, specifically all representatives of the High Country, to impose an immediate moratorium on residential and commercial mortgage payments and rents, such that no owner of property in the nation should be required to pay mortgage during this health emergency or accumulate additional debt for unpaid mortgage payments, and no renter in the nation should be required to pay rent during this health emergency or accumulate debt for unpaid rent.

Section 5. The Mayor and Council of the Town of Boone call on President Trump to issue an executive order to impose an immediate moratorium on residential and commercial mortgage payments and rents, such that no owner of property in the nation should be required to pay mortgage during this health emergency or accumulate additional debt for unpaid mortgage payments, and no renter in the nation should be required to pay rent during this health emergency or accumulate debt for unpaid rent.

Section 6. The Mayor and Council of the Town of Boone requests that the Office of Intergovernmental Relations deliver copies of this resolution, upon adoption, to Governor Roy Cooper, All Representatives of the High Country in both the state and federal Congress and Senate and President Donald Trump.

Adopted by the Mayor and Council of the Town of Boone the 21st day of April 2020, and signed by me in open session in authentication of its adoption this ________________day of __________________________ , 2020.

Council Member Furgiuele noted that Justice Beasley extended her order to June 1, so he suggested that the corresponding date be changed within the resolution. He also did not believe that an “Office of Intergovernmental Relations” existed in North Carolina, and recommended that term be changed to “Town Manager”. Mr. Furgiuele asked that Council Member Hicks add to the resolution that Council instruct the Town Manager to distribute the resolution in a press release to all media. Council Member LaPlaca asked if Ms. Meade had any comments on the resolution. Ms. Meade confirmed Mr. Furgiuele’s statement that the court order had been extended to June 1 so evictions could not take place until that time. Ms. Meade also noted that the Town did not have any direct authority to put in place any direct regulations, but the Town could resolve whatever it wanted as a recommendation. Mayor Brantz wondered how the end of the crisis could be determined. Mr. Ward answered that he believed the end of the crisis would come when the executive orders were lifted, and when the local emergency orders were lifted. Ms. Meade noted that there could be a wave if orders were relaxed and then put back into place if case number rose again at a later date. She added that the State was allowing towns and counties to have more restrictive measures in place as they wished, and could be open to the Town and the County to maintain more restrictions even if they were lifted at the State level if they wished to do so. Mr. Ward was unsure if it was possible or feasible to recommend a moratorium until a vaccine were available, since he believed it could be a year or more. Ms. Ulmer expressed the business point of view, and believed that landlords might look to the Town for funding if they were denied rent money for such a long period of time. She stated that she was in support of the resolution, but asked members to consider all sides and consequences. Council Member Hicks noted that Congress Member Omar provided in her legislation an avenue for landlords to obtain financial support which did come along with stipulations that they did not evict anyone illegally and that renters were protected from predatory rental practices. Mr. Furgiuele stated that he first balked at the idea of supporting the moratorium for commercial tenants, but that the more he thought about it, the life-blood of the Town of Boone was its small businesses and many of the small businesses rented these buildings. He expressed his support and noted that it would be a different matter if Council were adopting a rule itself, and not only encouraging the idea. Mr. Furgiuele added that if the idea received traction at either the State or Federal level, it would be for the minimum amount of time necessary for people to survive. He believed that whether or not this type of thing had ever been done before was irrelevant and believed the Town should do whatever it could to protect its people. Mr. Furgiuele felt that members should support the resolution with a few small changes, send it to various representatives at the State and Federal level so that they might consider this approach. He added that if they did not take this approach, he believed Council should look into whether there was a local approach that could be adopted, at which time specific time periods would be discussed along with the Town’s emergency powers. Ms. Ulmer reiterated her support for the resolution, but asked members to keep the consequences in mind if the policy were adopted. Mayor Pro-Tem Clawson expressed her support for the resolution and thanked Council Member Hicks for the hard work. Council Member LaPlaca indicated that she supported the resolution as well and that she had heard from many young people about the resolution that they had been going to their landlords with concerns about paying rent with mixed results. She believed that since most of the students would be leaving soon anyway, there may not be as big of a problem as originally thought. Ms. LaPlaca also appreciated Ms. Ulmer’s comments about businesses and thanked Council Member Hicks for doing the research that went into the resolution. Upon a motion by Council Member Ulmer, seconded by Council Member Hicks, the resolution was approved as amended. Mr. Ward indicated that he would move forward with sending out the resolution to State and Federal representatives and would send a copy of the resolution and press release to Council as well.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Connie Ulmer, Council Member
SECONDER:	Dustin Hicks
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

REQUEST TO SCHEDULE SPECIAL TOWN COUNCIL MEETING

Council Member Furgiuele left the meeting at 9:00 p.m. He reentered the meeting at 9:02 p.m. Upon a motion by Mayor Pro-Tem Clawson, seconded by Council Member Ulmer, Council voted to schedule an electronic special Town Council meeting on May 6, 2020 at 6:00 p.m. to discuss items from the cancelled March meetings.

Council Member Hicks stated that the Immigrant Justice Coalition was having a drive to support immigrant families who were receiving assistance, and asked whether there was a way the Town could publicize this program. Mr. Ward indicated that this idea came from a discussion he and Council Member Hicks had about whether or not the Town could give funding assistance to the Immigrant Justice Coalition. Since the Town was not able to give funding to the program, Mr. Ward stated that if other members were not opposed, he would work with Council Member Hicks on a press release regarding the program. Mr. Furgiuele and Ms. Ulmer suggested that Council Member Hicks bring a proposal back for Council's consideration back to the next regular meeting. He also suggested the Faith in Action organization be contacted as a local representative in the alternative.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Loretta Clawson, Mayor Pro-Tem
SECONDER:	Connie Ulmer, Council Member
AYES:	Clawson, Furgiuele, Ulmer, LaPlaca, Hicks

ADJOURNMENT

Upon a motion by Council Member Furgiuele, seconded by Council Member Ulmer, Council voted to adjourn the meeting at 9:13 p.m.

VOTE: Aye: All
Nay: None

Nicole Harmon, Town Clerk

Rennie Brantz, Mayor