

NORTH CAROLINA
CHATHAM COUNTY

THIS AGREEMENT (this “Agreement”), made and entered into this 1st day of August, 2025, by and between CHATHAM COUNTY, a body politic and corporate of the state of North Carolina (the “County”) and SECOND BLOOM OF CHATHAM, INC, a North Carolina non-profit corporation having its registered office in Chatham County, North Carolina (“Second Bloom”). The County and Second Bloom may hereinafter be referred to as a “Party” or collectively as the “Parties”.

WITNESSETH

WHEREAS, Second Bloom is a 501(c)(3) corporation organized for the purpose of preventing and responding to incidents of domestic violence and sexual assault in Chatham County and operating programs which empower families to live free from violence and abuse through programs of education, prevention, and intervention; and

WHEREAS, the General Assembly of the State of North Carolina has authorized counties to appropriate funds to support programs intended to further the welfare, education, and safety of its citizens, including inter alia, programs to prevent and respond to incidents of domestic violence and sexual assault; and

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

WHEREAS, the County has funds available to provide and support nonprofit entities such as Second Bloom which carry out activities that improve the health and public welfare of its citizens; and

WHEREAS, the County has determined that it is in the public interest to contract with and appropriate funds to Second Bloom to purchase land and construct a building or purchase land with an existing building so that Second Bloom can operate a shelter for victims of domestic violence and sexual assault as provided in this Agreement; and

WHEREAS, the County has determined that it is in the public interest to contract with and appropriate funds to Second Bloom for operational expenses; specifically, to assist with available cash on hand while awaiting reimbursements associated with grant awards from outside funding entities.

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

1. Purpose of Agreement; Second Bloom Obligations. This Agreement is entered into to provide Second Bloom (1) funds for the purchase of real estate and construction of a

facility, or the purchase of real estate with an existing building to house the Second Bloom Services defined herein; as well as, (2) funds to assist with costs related to providing programs which prevent and respond to incidents of domestic violence and sexual assault and empower families to live free from violence and abuse (the “Second Bloom Services”), while Second Bloom seeks reimbursements associated with grant awards from outside funding entities. Second Bloom covenants and agrees that it will use the County funds appropriated and paid under this Agreement for the sole purposes as herein stated and defined, and, in addition, for and in consideration of the receipt of the County funds hereunder, Second Bloom contracts, covenants, and agrees that it will provide the Second Bloom Services to citizens and residents of Chatham County during the full twenty (20) year term of this Agreement.

2. Compensation. The County agrees to provide funds in an amount not to exceed the total of \$450,000 (four hundred fifty thousand dollars).
3. Term. The term of this Agreement is twenty (20) years from the date a certificate of occupancy is issued for the Building. At the end of the term of this agreement, Second Bloom of Chatham, Inc. will retain sole ownership of the property.
4. County Appropriations for the Purchase of Land. The County agrees to appropriate funds in the amount set forth above for the purchase of a lot or parcel of real estate, with or without improvements, provided the same can be acquired at a reasonable price. The real estate purchased with County funds pursuant to this Section shall be used solely as a location to construct a facility, or to acquire a facility if one already exists, to be used to provide the Second Bloom Services.
 - a. Prior to entering into any purchase agreement of which any portion will be paid for with County funds, Second Bloom shall submit a copy of the purchase agreement to the County for its approval. The County’s approval shall be in writing and shall specify the amount of County funds which are available to be appropriated to Second Bloom for the purchase of the real estate. The County agrees to respond within any due diligence parameters or deadlines.
 - b. The County funds shall be available to be drawn by Second Bloom upon the receipt of written draw requests providing such information related to each draw as is reasonably requested by the County.
5. County Appropriation for Building Construction. As set forth in Section 1, the County funds may be used for the construction of a facility (the “Building”) as provided in this Section. The Building shall be used solely to provide the Second Bloom Services, and other ancillary services or operations related thereto. This restriction shall apply to any building constructed in whole or in part with County funds pursuant to this Section.
 - a. Prior to entering into any contract, any portion of which is to be paid for with

County funds, Second Bloom shall submit a copy of the contract to the County for its approval. The County's approval shall be in writing and shall specify the total amount of County money which is available to be appropriated to Second Bloom for the construction of the Building.

- b. The County funds shall be available to be drawn by Second Bloom upon the receipt of written draw requests providing such detail as, in the reasonable judgment of the County, is sufficient for the County to determine the work for which payment is requested has been satisfactorily completed, and, shall at a minimum, include the customary approval by the architect or other design professional for the Building or his or her designee. Second Bloom may submit draw applications for payment at the end of any month during which work has taken place.
- c. The County shall have the right, but not the obligation, to inspect the work for which payment is being sought to determine whether in its opinion the work has been satisfactorily completed. The period during which the County may inspect the work shall begin on the date the payment request is received and end fifteen (15) business days thereafter (the "Inspection Period"). On or before the end of the Inspection Period the County shall pay Second Bloom for all authorized obligations included in the draw request for the construction. If the County believes that any work included in a draw request was not satisfactorily completed it may withhold payment for that portion of the payment request until the County and Second Bloom have discussed the payment request and mutually agreed upon a fair and equitable resolution.

6. Conditions to County's Obligation to Appropriate Funds

- a. Deed of Trust. To ensure that the County funds appropriated under this Agreement are used for the purposes set forth herein, Second Bloom agrees to execute a second priority deed of trust in favor of Chatham County as consideration for the County funds. The deed of trust shall be executed in accordance with terms and conditions mutually agreeable to the Parties and shall include provisions ensuring that: (1) the real estate, including any building or structure located thereon, shall be used solely for the purposes set forth in this Agreement; and (2) in the event Second Bloom ceases to operate or ceases to carry out the purpose of this Agreement, the deed of trust shall serve as security for the County's interest in the funds provided herein. At the end of the 20 year term, the County agrees to satisfy the deed of trust on the public record within 30 days after expiration of the term.
- b. Operation Solely by Second Bloom. The Building shall be operated solely by Second Bloom and in compliance with this Agreement and the County shall have no involvement in, nor responsibility for, the operation or the cost of operation of the Second Bloom Building. Second Bloom may continue to apply for funding

through the County's nonprofit process. This stipulation in no way restricts that application or the items that may be funded.

- c. Maintenance of Second Bloom. Second Bloom shall, at its sole cost and expense, keep the Building, including its furnishings and grounds, in good order and condition and shall make or cause to be made all necessary repairs, alteration and/or replacements thereto, interior, exterior, structural and nonstructural, and required to maintain the same in good order and condition during the term of this Agreement. All such repairs, alterations, and replacements shall be equal in quality to the County funded improvements. The County shall have no responsibility whatsoever in respect to maintenance or repair, it being understood and agreed that Second Bloom shall have full responsibility for the maintenance and upkeep of the Second Bloom Building.
7. Status of Parties: Nothing contained in this Agreement shall be construed as establishing a partnership or joint venture relationship between Second Bloom and the County. Second Bloom and its employees and representatives are independent contractors, solely responsible for its or their performance under this Agreement and shall have no legal authority to bind the County
8. County Appropriation for Operational Expenses. The County agrees to a one-time appropriation – not to exceed \$150,000 of the \$450,000 – for costs related to providing the Second Bloom Services, while it awaits reimbursements associated with grant awards from outside funding entities (“Operating Funds”). The Operating Funds shall be used solely for costs or expenses related to providing the Second Bloom Services, which may include administrative or operational costs. Such funds shall be available upon receipt of a written draw request. The Operating Funds may be retained and shall be used according to this Section for a period not to exceed 24 (twenty-four) months from the date of disbursement (“Operating Funds Use Period”). During the Operating Funds Use Period, Second Bloom shall supply the County sufficient accounting of the use and status of the Operating Funds once every six months to and fulfill any request by the County for information pertaining to the use and status of the Operating Funds. At the conclusion of the Operating Funds Use Period, Second Bloom shall remit the total portion of the Operating Funds back to the County, which the Operating Funds are herein contemplated to be reinvested into Second Bloom in a mutually agreed to manner.
9. Second Bloom Reporting Requirements. Second Bloom shall provide at least annually to the County during the term of the Agreement and to any member of the public within thirty (30) days of receipt of a written request for such information, the following financial information:
 - a. Second Bloom's financial statements. The financial statements shall include, at a minimum, a balance sheet as of the end of the fiscal year and statement of operations for that year. Such financial statements shall also contain details about

the amount of public funds received and how those funds were used; and

- b. Second Bloom Tax Returns. Second Bloom's most recently filed Internal Revenue Service (IRS) Form 990, Form 990-EZ, or a copy of its Form 990- N submittal confirmation shall be provided. Second Bloom may redact any information not required for public disclosure pursuant to 26U.S.C. § 6104(d)(3). Alternatively, in lieu of responding to a request from a member of the public, Second Bloom may satisfy this requirement if it posts this information on its website or if another entity posts the information as part of a database of similar documents. The information must be accessible by the general public without charge. Also, if another entity maintains the information, Second Bloom must include a link to the other entity's website on its own website.
 - c. Program Reporting. Second Bloom shall include information related to the number of individuals served; partnership organizations; training, outreach, and educational services; substance use counseling; and other programming. For the avoidance of doubt, this information shall not include any information which would endanger the health, safety, or welfare of Second Bloom's clients or information otherwise prohibited from disclosure by law.
10. Insurance. Second Bloom shall maintain insurance policies as shown in Appendix 1 for the entire term of this Agreement as well as any subsequent amendments.

All insurance policies shall be issued by companies authorized to do business under the laws of the State of North Carolina and shall be rated not less than "A" by A.M. Best and Company. Second Bloom shall furnish Certificates of Insurance to the County, naming the County as an additional insured, prior to the commencement of Services. The certificates shall clearly indicate that Second Bloom has obtained insurance of the type, amount, and classifications as required for strict compliance with this paragraph and that no material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to the County. Compliance with the foregoing requirements shall not relieve Second Bloom from any liability or obligations under this Agreement.

The County requires that all contractors and sub-contractors carry workers' compensation insurance as required by North Carolina law. The County recognizes that contractors with fewer than three employees are not statutorily required to carry said insurance. The County reserves the right to waive the requirement to carry workers' compensation insurance on a case-by-case basis. If the contractor's status changes during the term of an agreement and worker's compensation insurance becomes statutorily required, the contractor must provide proof of said coverage to the County.

11. Termination. If Second Bloom is not under contract to purchase real estate within one year from the date of this Agreement, then this Agreement shall automatically terminate, and the County be under no obligation to provide additional funds.

12. Notices. All notices, payments, or other correspondence given or made pursuant to this Agreement shall be in writing, delivered in person, mailed by certified mail, return receipt requested, or delivered by a recognized overnight courier, postage or fees prepaid, addressed to a Party at the address given below, and shall be deemed effective upon the date received, via personal delivery, certified mail, or overnight delivery. The Parties shall be responsible for notifying each other of any change of address.

Mailing addresses for Parties are as follows:

Second Bloom of Chatham, Inc.,
117 East Salisbury Street
Pittsboro, NC 27312

Chatham County
Manager's Office
PO Box 1809
Pittsboro, NC 27312

13. State and Federal Requirements: By signing this Agreement, Contractor certifies that (*if applicable*) Contractor, and any of Contractor's subcontractors are in compliance with State and Federal laws, including any divestment list by the NC State Treasurer, and Federal or State debarment or suspension lists. The County Terms and Conditions are incorporated herein, made an integral part of this Agreement, and may be found at the County's web site: <https://www.chathamcountync.gov/government/departments-programs-a-h/finance/forms>. A hard copy of the Terms and Conditions is available upon request.

14. Miscellaneous.

- a. This Agreement constitutes the entire agreement and understanding between the Parties and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements, and agreements heretofore entered into between the Parties with respect to the matters contained herein are merged in this Agreement.
- b. This Agreement may not be changed orally, but only by a written document signed by both Parties.
- c. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the Party against whom it is sought to be enforced.
- d. This Agreement may not be assigned without the written consent of both Parties.
- e. The provisions of this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns to the extent such

assignment has been consented to by both Parties.

- f. The provisions of the Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina.
- g. The headings contained in the Agreement are solely for the convenience of the Parties and do not constitute a part of this Agreement and shall not be used to construe or interpret any provisions hereof.
- h. This Agreement shall be considered for all purposes as having been prepared by the joint efforts of the Parties and shall not be construed against one Party or the other as a result of preparation, substitution, submission, or other event of negotiation. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect, and, if any such unenforceable provision hereof is enforceable in any part or to any lesser extent, such provision shall be enforceable in all such parts and to the greatest extent permissible under applicable law.
- i. This Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument, and the Parties hereto may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the Parties have executed this Agreement in their official capacities with legal authority to do so.

CHATHAM COUNTY

By: _____
Bryan Thompson, County Manager

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

Roy Lynch, Finance Director

SECOND BLOOM OF CHATHAM

By: _____

Name: _____

Title: _____

Appendix I

INSURANCE REQUIREMENTS

Worker's Compensation

Statutory Limits

Automobile Liability

\$250,000 bodily injury per person
\$100,000 property damage

General / Professional Liability

\$100,000 bodily injury per person
\$500,000 bodily injury per
occurrence
\$100,000 property damage

Additionally, upon purchase of any real estate as contemplated by this Agreement, insurance covering any peril generally included in the classification "special form" (including without limitation damage by fire, windstorm, flooding, and earthquake) covering all building and other real property improvements now or in the future located on the Premises in an amount not less than 100% of their full replacement cost.