



Chatham County, NC

Legislation Text

File #: 17-2186, **Version:** 1

Vote on a request to Approve the Siler City CAM Megasite Option Agreement and authorize the county manager to sign the Agreement and authorize the county manager and county attorney to make minor changes to the option before it is finalized.

Action Requested:

Vote on a request to Approve the Siler City CAM Megasite Option Agreement

Introduction & Background:

The option is being done to meet the requirements for Golden Leaf's infrastructure grant program. Siler City has obtained a \$4M grant to construct a water line along US64, but the property must be under public control.

Tim's Farm and Forestry, I and Tim's Farm and Forestry, II and Buyer are parties to that certain Option Agreement, dated May 13, 2016 (the "**Prior Option Agreement**"), which Prior Option Agreement (i) grant to Buyer a presently-exercisable right to the purchase and sale of the Property (hereinafter defined) and (ii) is set to expire on June 30, 2017 (the "**Prior Option Expiration Date**");

Tim's Farm and Forestry, II and and DHG are parties to that certain Option Agreement dated November 3, 2014, and was thereafter amended and extended on May 19, 2016 (collectively, the "**DHG Option Agreement**"; memoranda of the DHG Option Agreement are recorded in the in the office of the Chatham County Register of Deeds at Book 1768, Page 0992; Book 1843 and Page 1858, Page 0795), which DHG Option Agreement relates to the purchase and sale of the Property (hereinafter defined) and other matters contained in this Agreement; and

In furtherance of Buyer's economic development initiatives in Chatham County, North Carolina, Buyer desires to obtain the Option (hereinafter defined) and to enter into this Agreement, and Seller desires to grant the Option and to enter into this Agreement.

1. **Grant of Option; Termination of Prior Option Agreement; Jordan Option.**

(a) Grant of Option. Seller does hereby give, grant, and convey unto Buyer the right, privilege and option to purchase, subject to and in accordance with all of the terms and conditions of this Agreement, all or a portion of those certain lot(s), tract(s) or parcel(s) of real estate more particularly described on **Exhibit A** attached hereto, together with all rights, ways, and easements appurtenant thereto, and together with all, if any, buildings, structures, and other improvements located thereon and all fixtures attached or affixed, actually or constructively, thereto or to any such buildings, structures or other improvements, and any and all other rights, privileges and appurtenances belonging or appertaining thereto (all of which is hereinafter collectively called the

“Property”). The option to purchase the Property granted hereby is hereinafter called the **“Option.”**

(b) Termination of Prior Option Agreement and DHG Option Agreement. Without limiting the effect of Section 20(h) hereof, the applicable parties to the Prior Option Agreement and the DHG Option Agreement hereby terminate the Prior Option Agreement and the DHG Option Agreement as of the Effective Date and further agree to look solely to the terms of this Agreement with respect to the subject matter hereof and thereof, and shall give no effect to provisions under the Prior Option Agreement which would otherwise survive the termination thereunder (if any).

2. **Term; Option Money**

(a) Term. Subject to the other terms of this Agreement, the Option shall remain open and in full force and effect from the Effective Date until 2:00 p.m. on June 30, 2022 (the **“Option Expiration Date”**).

(b) Option Money. Seller’s grant of the Option shall be in consideration of the following:

(i) Subject to Section 2(c) hereof, Buyer’s payment to Seller, on or before June 30, 2017 (the **“Option Money Payment Date”**) of the sum of **\$50,000.00**.

(ii) Subject to Section 2(c) hereof, Buyer’s payment to Seller, on or before the date that is the first (1st) anniversary of the Option Money Payment Date, or if such anniversary date falls on a Saturday, Sunday or a holiday during which Buyer’s administrative offices are closed, on the next business day to occur, of the sum of **\$50,000.00**.

(iii) Subject to Section 2(c) hereof, Buyer’s payment to Seller, on or before the date that is the second (2nd) anniversary of the Option Money Payment Date, or if such anniversary date falls on a Saturday, Sunday or a holiday during which Buyer’s administrative offices are closed, on the next business day to occur, of the sum of **\$50,000.00**.

(iv) Subject to Section 2(c) hereof, Buyer’s payment to Seller, on or before the date that is the third (3rd) anniversary of the Option Money Payment Date, or if such anniversary date falls on a Saturday, Sunday or a holiday during which Buyer’s administrative offices are closed, on the next business day to occur, of the sum of **\$50,000.00**.

(v) Subject to Section 2(c) hereof, Buyer’s payment to Seller, on or before the date that is the fourth (4th) anniversary of the Option Money Payment Date, or if such anniversary date falls on a Saturday, Sunday or a holiday during which Buyer’s administrative offices are closed, on the next business day to occur, of the sum of **\$50,000.00** (collectively, all sums paid or to be paid by Buyer pursuant to this Section 2(a), the **“Option Money”**).

3. **Purchase Price; Method of Payment.** The purchase price for the Selected Property (herein called the **“Purchase Price”**), shall be, (i) for each gross acre of the first 500 acres, **\$29,950.00**, and (ii) for each gross acre of any portion of the Selected Property in excess of the first 500 acres, **\$32,950.00**, each as determined in accordance with the Survey, provided that the purchase price for any partial acre shall be prorated. The Purchase Price, subject to the prorations and adjustments hereinafter described, shall be paid by Buyer to Seller at Closing, hereinafter defined.

Recommendation:

Vote on a request to Approve the Siler City CAM Megasite Option Agreement and authorize the county manager to sign the Agreement and authorize the county manager and county attorney to make minor changes to the option before it is finalized.