

STATE OF NORTH CAROLINA
COUNTY OF GUILFORD

PETERS DEVELOPMENT, LLC	)	
	)	
AND	)	SUPPLEMENTAL AGREEMENT
	)	TO THE LEGAL INSTRUMENTS
BETHANY MEDICAL, PA	)	EXECUTED TO OBTAIN
	)	BUILDING REUSE PROGRAM
AND	)	GRANT FUNDING (IDENTIFIER)
	)	
THE COUNTY OF GUILFORD	)	

THIS SUPPLEMENTAL AGREEMENT is made and entered into this the _____ day of _____, 2021, by and between Peters Development, LLC a North Carolina limited liability corporation authorized to do business in North Carolina, (“Owner”); Bethany Medical Center, PA, a North Carolina company authorized to do business in North Carolina, (“Business”); and the County of Guilford, a North Carolina (“Governmental Unit” or “County”).

WITNESSETH:

WHEREAS, pursuant to Section 143B-472.127 and Section 143B-472.128 of the North Carolina General Statutes, the North Carolina Rural Infrastructure Authority (“Rural Authority”) has awarded to the County a building reuse program grant that will be administered by the North Carolina Department of Commerce (“Commerce”); and

WHEREAS, the County applied for this grant as part of an economic development project with Bethany Medical Center, PA, an independent group of health care providers with a mission to provide excellent medical care through a multi-specialty approach from prevention to intervention of potentially life-threatening health problems; and

WHEREAS, the economic development project undertaken by the County and Bethany Medical Center, PA is focused on investment and job creation associated with Bethany Medical Center, PA’s proposed operational use of a previously vacant approximately 4912 square foot building located at 108 W. Main St. in Jamestown, North Carolina (the “Property”); and

WHEREAS, Peters Development, LLC owns the Property; and

WHEREAS, in order to access the funding (\$592,858.00) awarded to the County by the Rural Authority, the building reuse program grant award must be

processed by the County as pass-through funding that is, in turn, loaned by the County to the owner of the Property, Peters Development, LLC; and

WHEREAS, the building reuse program money loaned by the County to Peters Development, LLC must be used in strict compliance with requirements and guidelines administered by Commerce that include specific investment as well as job creation and maintenance requirements; and

WHEREAS, the above-referenced requirements and guidelines are found in legal instruments executed by the County and Peters Development, LLC at the direction of Commerce, specifically including an instrument identified as the “Legally Binding Commitment, Private Owner” (the “LBC”); and

WHEREAS, with specific regard to any potential failure to satisfy the job creation and maintenance requirements imposed under the building reuse program, the liability of Peters Development, LLC for repayment of the funding administered by Commerce is stated, in pertinent part, in Paragraph 2(a) of the LBC as follows:

The Governmental Unit hereby loans to the Owner the sum of \$592,858.00 (the “Loan”). . . . The Owner specifically acknowledges that: it must repay the Loan in accordance with the terms of this LBC if the Business does not create and maintain the new jobs required by Paragraph 3(a) below; and as evidence of its obligation to repay the Loan, the Owner has executed the Promissory Note, Exhibit F to the Grant Agreement, which the Owner represents, acknowledges and agrees has been signed by every individual or entity that has any ownership interest in the Property and is fully binding on the Owner; and

WHEREAS, Paragraph 3(a) of the LBC provides, in pertinent part, as follows:

*New Job Creation and Maintenance of New Jobs and Baseline Number of Jobs. A “New Job” shall mean a full-time job (consisting of at least 35 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Business) which is with the Business, is located in North Carolina, has a wage at least equal to the minimum wage, is created and maintained by the Business in order to complete the Project and is over and above the **four hundred seventy-three (473)** full-time jobs in North Carolina (“Baseline Number”) that the business reported having at the time of the application for the Project. The owner agrees that the Business shall be required to create and maintain in existence for six (6) consecutive months thirty (30) New Jobs Separate and apart from these New Jobs, the Owner agrees that the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs; and*

WHEREAS, along with requiring the Owner to execute the above-referenced Promissory Note, Commerce “strongly encourages, but does not require,” the County to secure the funds loaned to the Owner with a Deed of Trust on the Property; and

WHEREAS, the County, Peters Development, LLC, and Bethany Medical Center, PA have jointly concluded that, in lieu of encumbering the Property with the Deed of Trust recommended by Commerce, it is mutually beneficial for the parties to agree that the County will not request grant funds from Commerce until the entirety of the investment requirements as well as the job creation and maintenance requirements imposed upon Peters Development, LLC and Bethany Medical Center, PA as part of the building reuse program are satisfied; and

WHEREAS, by means of entering into this Supplemental Agreement, the County, Peters Development, LLC, and Bethany Medical Center, PA wish to formalize their mutual commitments, above and beyond, but not in contradiction to, the legal instruments mandated by Commerce for the successful utilization of the building reuse program grant funding awarded by the Rural Authority to the County and administered by Commerce.

NOW, THEREFORE, in consideration of the benefits received by Peters Development, LLC and Bethany Medical Center, PA as a consequence of the County’s decision to not encumber the Property with a Deed of Trust and the additional benefits to all of the parties from the mutual covenants exchanged between the parties hereto, it is agreed as follows:

1. The County, Peters Development, LLC, and Bethany Medical Center, PA hereby mutually agree that the County will not request any actual funds from Commerce and, consequently, the County will not loan any funds to Peters Development, LLC until Peters Development, LLC and Bethany Medical Center, PA have satisfied the entirety of both the investment and the new job creation and maintenance requirements and the 5% local government cash match specified in the LBC referenced herein and such satisfaction has been verified by Commerce. As part of this agreement, Peters Development, LLC, and Bethany Medical Center, PA, release the County from any and all claims for compensation or payment arising out of any type of contention that damages or losses, whether direct or indirect, were experienced by any party as a consequence of the County not loaning building reuse program funding to the Owner until the above-referenced investment and new job creation and maintenance requirements were satisfied in their entirety and such satisfaction has been verified by Commerce.

2. The County hereby agrees to use all reasonable efforts to lawfully obtain the entire amount of building reuse program funding awarded to the County by the Rural Authority and to expeditiously loan these funds to the Owner as soon as the Owner and the Business have achieved full compliance with the investment and new job creation and maintenance requirements and the 5% local government cash

match specified in the LBC and such satisfaction has been verified by Commerce.

3. The County agrees to not secure the building reuse program funds loaned to Peters Development, LLC with a Deed of Trust on the Property.

4. In case of a conflict between the terms and conditions found in this Supplemental Agreement and the terms and conditions found in any legal instrument(s) required by Commerce, the terms and conditions found in the legal instrument(s) required by Commerce shall control.

5. In order to enable the County to comply with contracting requirements prescribed for the County by Section 143-133.3 (E-Verify Compliance) of the North Carolina General Statutes (the "General Statutes"), Peters Development, LLC and Bethany Medical Center, PA agree to comply, to the extent required by law, with the requirements of Article 2 of Chapter 64 of the General Statutes. Furthermore, if Peters Development, LLC and Bethany Medical Center, PA utilize subcontractors in connection with the implementation of this Supplemental Agreement, the company letting the contract in question will require the subcontractor(s) to comply, to the extent required by law, with the requirements of Article 2 of Chapter 64 of the General Statutes.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, effective the day first above written.

(Remainder of page intentionally left blank)

[SIGNATURE PAGE TO FOLLOW]

PETERS DEVELOPMENT, LLC

a North Carolina limited liability corporation:

By: _____(SEAL)
Signature of Authorized Officer

Typed/Printed Name of Authorized Officer

Typed/Printed Title of Authorized Officer

BETHANY MEDICAL CENTER, PA

a North Carolina company:

By: _____(SEAL)
Signature of Authorized Officer

Typed/Printed Name of Authorized Officer

Typed/Printed Title of Authorized Officer

COUNTY OF GUILFORD,

a North Carolina Unit of Government:

By: _____(SEAL)
Melvin "Skip" Alston, Chair
Board of Commissioners