



**CITY COUNCIL  
AGENDA  
September 14, 2021  
6:30 p.m.**

- 1. Opening of meeting by Mayor Steve Morris.**
- 2. Invocation by Mayor Steve Morris.**
- 3. Amendments and Changes to Agenda.**
- 4. Consent Agenda:**
  - A. Disposition of Minutes of the August 10, 2021 Regular Meeting.**
  - B. Tax Collector's Report. (See Pages 4-8)**

**Informational Items:**

  - 1.) Monthly Collection Report**
  - 2.) Uncollected Taxes as of August 31, 2020**

**Action Items:**

  - 1.) Refunds per County Assessor's Office.**
  - 2.) Discovery bills added to Tax Scroll.**
  - 3.) Releases per County Assessor's Office.**
- 5. Business by Planning Board.**
  - A. Set Public Hearings. (none)**
  - B. Hold Public Hearings: (none)**
  - C. Minutes from Various Boards. (none)**

**City Council Agenda  
September 14, 2021**

- 6. Consideration of Approval of first (5) year option to extend the lease of Discovery Place Kids Rockingham as requested by DPK and in accordance with original lease agreement signed December 14, 2011.  
(See enclosed lease agreement 2. Option to Renew) (See Pages 9-23)**
  
- 7. Business by City Clerk.**
  
- 8. Closed Session reference GS 143-318.11 (a) (4) Economic development  
(Request for Downtown Development Loan)**
  
- 9. Business by City Attorney.**
  
- 10. Items of discussion by City Council Members.**
  
- 11. Business by Mayor.**
  
- 12. Adjournment.**

**Rockingham, NC**

**City Council Agenda**

**SUPPORT DOCUMENTS**

**CITY OF ROCKINGHAM  
MONTHLY TAX COLLECTION REPORT**

**MONTH:** AUGUST

**YEAR:** 2021

**PRIOR YEAR RECORD**

<b>YEAR</b>	<b>AD VALOREM TAXES</b>	<b>COST AND INTEREST</b>	<b>TOTAL COLLECTED</b>	<b>PERCENT THIS DATE</b>	<b>YEAR TO DATE COLLECTIONS</b>	<b>SAME MONTH COLLECTIONS</b>	<b>PERCENT OF TOTAL</b>
<small>PREPAID</small> 2022	280.90		280.90		2,691.54	100.00	
2021	736,436.15	-	736,436.15	22.09%	764,290.55	715,426.62	21.71%
2020	2,103.07	193.43	2,296.50	99+%	3,065.94	1,957.14	99+%
2019	136.73	32.11	168.84	99+%	136.73	44.20	99+%
2018	164.01	48.33	212.34	99+%	183.99	213.14	99+%
2017	143.02	64.73	207.75	99+%	143.02	136.74	99+%
2016	235.53	73.15	308.68	99+%	284.00	12.59	99+%
2015	127.36	77.52	204.88	99+%	127.36	49.34	99+%
2014	195.06	65.34	260.40	99+%	195.06	-	99+%
2013	64.03	-	64.03	99+%	64.03	-	99+%
2012	-	33.65	33.65	99+%	-	-	99+%
2011	-	-	-	99+%	-	81.48	99+%
	739,885.86	588.26	740,474.12		771,182.22	718,021.25	



CITY OF ROCKINGHAM  
MONTHLY RELEASES REGISTER  
AUGUST 31, 2021

DATE	ACCOUNT	NAME	EXPLANATION	YEAR	BILL #	VALUE	CITY TAX	CITY LATE	INTEREST	DVERTISIN	SP. ASSESS.	RELEASED
8/5/21	102259304	MCRAE RENTALS LLC	BAL UNDER \$1.00	2021	10146		0.37					0.37
8/10/21	480362	ROBINSON, WENDELL	BAL UNDER \$1.00	2021	5733		0.20					0.20
8/10/21	26361	QUICK, DANNY	NOT LOCATED IN CITY LIMITS	2021	5540	11,111	64.44	6.44				70.88
8/10/21	964303	BRYANT, DON	CORRECTING VALUE	2021	5764	5,000	29.00					29.00
8/10/21	14059101	EQUIP CO INC	CORRECTING VALUE	2021	7859	1,241	7.20					7.20
8/10/21	14059101	EQUIP CO INC	NO BILL UNDER \$5.00	2021	7859	310	1.80					1.80
8/11/21	14659301	STORE MASTER FUNDING V, LLC JEFFREY TRANSPORTATION	CORRECT POSTING OF SPECIAL ASSESSMENT	2020	2435						806.96	806.96
8/18/21	114024201	INC GREAT AMERICA	BUSINESS CLOSED RELEASE & REBILL TO	2021	10631	21,116	122.47					122.47
8/30/21	82426101	FINANCIAL SVC	CORRECT VALUE	2021	9698	88,796	515.02					515.02
		TOTALS				127,574	740.50	6.44	0.00	0.00	806.96	1,553.90

CITY OF ROCKINGHAM  
MONTHLY REFUNDS REGISTER  
AUGUST 31, 2021

DATE	ACCOUNT	NAME	EXPLANATION	YEAR	AMOUNT	LATE LIST	TAGS	INTEREST	REFUNDED	CHECK #
8/3/21	19043898	DENNEY, DORIS	VEHICLE TAX REFUND	2021			2.18		2.18	79418
8/3/21	60841620	HILTON, SAMUEL JR	VEHICLE TAX REFUND	2021			4.41		4.41	79427
8/3/21	6277672	HOLDEN, MICHELLE M	VEHICLE TAX REFUND	2021			11.09		11.09	79428
8/3/21	35391770	WALLACE, TERRI	VEHICLE TAX REFUND	2021			54.87		54.87	79461
8/5/21	24098301	DUNN, CHANDRA	OVERPMT	2021	412.04				412.04	79470
8/30/21	9119301	MASKE, JIMMY & PEGGY	OVERPMT < \$1.00	2021	0.01				0.01	
8/30/21	9547301	OUTEN TOM	OVERPMT < \$1.00	2021	0.16				0.16	
8/30/21	72228301	MOORE WENDY & JOHN	OVERPMT < \$1.00	2021	0.50				0.50	
8/30/21	72228302	MOORE WENDY & JOHN	OVERPMT < \$1.00	2021	0.50				0.50	
8/31/21	98708302	FIRSTHEALH OF THE CAROLINAS	OVERPMT	2021	392.70				392.70	79634
									0.00	
									0.00	
									0.00	
		TOTALS			\$805.91	\$0.00	\$72.55	\$0.00	\$878.46	

**UNCOLLECTED TAXES**

<b>YEAR</b>	<b>AMOUNT</b>	<b>Aug-21</b>
2021	2,697,570.37	
2020	22,648.84	
2019	9,270.39	
2018	7,780.26	
2017	7,007.33	
2016	6,508.63	
2015	6,938.87	
2014	7,063.35	
2013	8,328.57	
2012	6,232.89	
2011	5,870.15	
	2,697,570.37	Total Current Year
	87,649.28	Total Past Years
	2,785,219.65	Total All Years





**DISCOVERY PLACE**  
SCIENCE | KIDS | NATURE

[discoveryplace.org](http://discoveryplace.org)

August 30, 2021

Mr. Monty Crump  
City Manager  
City of Rockingham  
514 Rockingham Road  
Rockingham, NC 28379

**Subject:** Discovery Place and City of Rockingham Lease Extension

Dear Monty -

Discovery Place greatly values and appreciates the relationship we've developed with you, your team, and the city of Rockingham over the past decade. Thanks to your leadership, Discovery Place Kids – Rockingham has a bright future, despite the challenges we've all encountered over the past 18 months. We look forward to working with you and your leadership to continue to make Rockingham a vibrant & attractive city for people and businesses to call home.

Per the terms of our lease agreement with the City of Rockingham, we are 180 days from the expiration of our current 10-year term. Discovery Place would like to exercise our option to renew our lease for the first of three (3) successive five (5) year options.

Please let us know what additional information is needed for this extension.

Sincerely,

Catherine Horne  
President & CEO, Discovery Place

Monty R. Crump  
City Manager



December 14, 2011

Mr. John L. Mackay, Jr.  
President & CEO  
Discovery Place  
301 N. Tryon St.  
Charlotte, NC 28202

Re: Lease Agreement  
Discovery Place KIDS-Rockingham

Dear John,

Enclosed are two (2) originals of the lease agreement for Discovery Place KIDS-Rockingham which have been executed by the City of Rockingham. The execution of the lease was unanimously approved during the December 13, 2011 Rockingham City Council meeting.

Please sign both documents and return one to me for the City's files.

Sincerely,

A handwritten signature in black ink, appearing to read "Monty R. Crump", is written over the word "Sincerely,".

Monty R. Crump  
City Manager

MRC:th

Enclosures: 2

## LEASE AGREEMENT

This lease agreement (this Lease) I made as of this 1<sup>st</sup> day of December 2011, by and between the City of Rockingham, a North Carolina municipal corporation ("Landlord") and Discovery Place, Inc., a North Carolina nonprofit corporation ("Tenant").

### BACKGROUND

1. Landlord has entered into a joint fundraising campaign (the "Campaign") with Discovery Place, Inc. to raise funds for Discovery Place KIDS-Rockingham. The goal of this Campaign is \$14,585,940. Minimum attainment of goal for the project to proceed is \$11,623,250. Included in the minimum goal is:
  - a. Building purchase, design, and renovation,
  - b. Exhibition design, fabrication, and installation as well as programming costs,
  - c. Operating endowment;
  - d. Accessibility endowment,
  - e. Fundraising costs,
  - f. Pre-opening marketing costs, and
  - g. Other pre-opening costs, debt service, doubtful accounts, staff, travel, and contingency.The total goal includes, in addition to those items in the minimum goal, the following:
  - h. Exhibition maintenance/renewal endowment, and
  - i. Discovery Place ScienceReach to Richmond County endowment.
2. Discovery Place KIDS-Rockingham will be housed in the building located at 233 East Washington Street in Rockingham, formerly known as the McKenzie Furniture Building (the "Premises").
3. Upon the terms and conditions set forth in this Agreement, and the successful completion of the minimum goal for the fundraising campaign, Landlord will cause the Premises and local Parking Spaces to be designed and constructed, and upon their substantial completion, Landlord will deliver possession of the Premises to Tenant, in the condition required by this Lease, for the installation and operation of a children's museum that will serve younger children (0-10) and engage their caregivers.

### LEASE OF PREMISES

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises (described below) to be renovated by Landlord and paid by the Campaign, together with the nonexclusive right and license for Tenant and its employees, guests and invitees to use the adjacent and public Parking Spaces, upon the terms and conditions set forth in this Lease.

### TERMS AND CONDITIONS OF LEASE

1. Term of Lease. This Lease term shall begin on the date that the Campaign meets its minimum goal (the "Commencement Date") and shall terminate at midnight on the date ten (10) years after the Commencement Date (the "Expiration Date"), unless sooner terminated or subsequently extended as hereinafter provided. Landlord and Tenant will execute a memorandum of this Lease in recordable form specifying the Commencement Date and the Expiration Date of the initial lease term.

2. Option to Renew. Provided that (a) Tenant is not in default under the terms of this Lease beyond any applicable cure period and (b) the Premises have been visited at an average annual rate of at least 30,000 persons during the initial lease term, (and maintained during each option period for purposes of subsequent renewals) then Tenant shall have three (3) successive five (5) year options to renew the Lease, each of which may be exercised by giving Landlord notice of renewal at least 180 days prior to the expiration of the then current term.
3. Design and Renovation Premises
  - a. The Premises shall be renovated substantially as shown on the rendering and schematic design drawings attached hereto as composite Exhibit A (the "Schematic Design Documents"), as the same may be modified by Landlord with Tenant's consent, not to be unreasonably withheld or delayed. The Premises shall have high-quality finishes, fixtures and equipment. The Premises and adjacent and public Parking Spaces shall be attractively landscaped and shall provide for safe, convenient access. The Schematic Design Documents are based on minimum program requirements of Tenant attached hereto as Exhibit B.
  - b. Based on the approved Schematic Design Documents, Landlord shall, at the Campaign's expense, cause WHN Architects or other qualified architect reasonably acceptable to Tenant (the "Architect") to prepare Design Development Documents and Construction Documents (as those terms are used in standard AIA documents) for the Premises. The Design Development Documents and Construction Documents relating to the Premises and the exterior appearance of the Premises shall be subject to approval by Landlord and Tenant, which approval shall not be unreasonably withheld or delayed.
  - c. Landlord shall, at its expense, repair and/or replace all sidewalks and parking lot(s) adjacent to Premises.
  - d. If despite their reasonable efforts, Landlord and Tenant are unable to agree upon mutually acceptable Design Development Documents by February 15, 2012 and Construction Documents by March 31, 2012, either party may terminate this Lease by giving written notice of termination to the other party.
  - e. To the extent described in this Lease, Landlord shall, at the Campaign's expense, cause the Premises and the adjacent and public Parking Spaces (collectively "Landlord's Work") to be constructed in accordance with the approved Construction Documents, in good and workmanlike manner, and in compliance with all applicable laws, ordinances, regulations and building codes (including the applicable provisions of the Americans with Disabilities Act).
4. Rental. For the term of this Lease, as the same may be extended by Tenant's exercise of one or more of its options to renew, Tenant shall pay Landlord, in advance, rental of One Dollar (\$1.00) per year.
5. Delivery of Premises; Tenant Improvements.
  - a. Upon substantial completion of Landlord's Work, Landlord shall deliver the Premises to Tenant in a clean, "turnkey" condition, with all utilities and building systems installed and available for use, ready for Tenant to install the exhibits, furniture, trade fixtures and supplemental equipment required for its intended use (the "Tenant Improvements"). Tenant shall examine the Premises before accepting delivery which action shall constitute conclusive evidence that the Premises are in good order and

satisfactory condition, except for latent defects and such matters as may be agreed upon by both parties prior thereto. Notwithstanding the foregoing, Tenant may enter the Premises prior to delivery thereof by Landlord, to facilitate the design and installation of the Tenant Property; provided that such entry shall not unreasonably delay or otherwise interfere with completion of Landlord's Work.

- b. Upon delivery of the Premises in the condition required by this Lease, Tenant shall, at the Campaign's expense, place or install the Tenant Improvements in the Premises. The Tenant Improvements shall be of high-quality design and construction and shall include exhibits at least comparable to those currently installed in Discovery Place in Charlotte and Discovery Place KIDS-Huntersville.
- c. If Landlord fails to deliver the Premises to Tenant in the condition required by this Lease by September 30, 2012, Tenant may terminate this Lease by giving written notice of termination to Landlord, and neither party shall thereafter have any further obligation to the other party under this Lease. If Tenant fails to install its Tenant Improvements and open a Children's Museum in the Premises within six (6) months after delivery of the Premises to Tenant in the condition required by this Lease, Landlord may terminate this Lease by giving written notice of termination to Tenant; and neither party shall thereafter have any further obligation to the other party under this Lease.

6. Use of Premises.

- a. Tenant shall use the Premises for the purpose of operating a state-of-the-art, first-class children's museum designed primarily to promote the learning process of the younger child (ages 1 to 10) (a "Children's Museum") and for purposes related to the operation of a Children's Museum (including fund raising and other promotional events). Tenant shall, at its expense, be responsible for operating a Children's Museum in the Premises continuously for the entire lease term, except as interrupted for necessary repairs, maintenance, exhibits changes and upgrades, and any casualty or other event beyond Tenant's control.
- b. Recognizing that a Children's Museum will be an integral part of downtown Rockingham, increases the quality of life in Richmond County, and forms the basis for the lease terms offered by Landlord, Tenant agrees that the Children's Museum will be operated and open to the public (except during necessary down time as provided in Section 6(a) above) on a minimum five-day-a-week basis, excluding major holidays, during reasonable operating hours appropriate to its targeted users. Tenant agrees to use reasonable efforts to promote the Children's Museum and maintain its attractiveness to the community that it serves.
- c. Subject always to Tenant's prior right to use the Premises for its purposes, Tenant shall, in good faith, consider requests from Landlord, in its governmental capacity, for occasional use of the Premises for events conducted or sponsored by Landlord that do not interfere with the operation of the Children's Museum and that are compatible with reputation and image of the Children's Museum. For such use, Landlord shall not be charged any rental or other usage fee, but shall be responsible for providing and paying for all expenses attributable to such use including, but not limited to the cost of utility, security, catering, Children's Museum staff services, janitorial and cleaning services and any repairs or replacements occasioned by such use.
- d. This Lease is or may be considered a sale of property to an entity carrying out a public purpose under Section 160A-279 of the North Carolina General Statutes. Accordingly, the Premises shall not be used in any manner inconsistent with the public purpose



provisions of that statutory provision; however, the parties agree that incidental rental of the Premises for private functions shall not be considered inconsistent with the statutory public purpose provision. The Premises shall be used without discrimination in violation of any applicable law, subject to such reasonable and nondiscriminatory rules and regulations as may be adopted from time to time by Tenant.

7. Parking. Landlord shall during the lease term provide, without charge, paved and landscaped adjacent and public surface Parking Spaces reasonably sufficient to accommodate the parking needs of the Premise's occupants, specifically their employees, agents, customers and invitees.
8. Landlord's Installation, Repair and Maintenance Obligations.
  - a. Landlord shall be responsible for the installation, repair, maintenance and operation of the heating, ventilating air-conditioning (HVAC) systems; the structural and permanent partitioning elements of the Premises; all electrical and plumbing systems (excepting such specialized electrical elements as are to be installed for particular exhibits and not of general usage); elevators, escalators, landscaping and grounds; basic wall paintings and coverings and floor surfacing, but excluding specialized painting and coverage unique to Tenant's exhibits and facilities such as specialized carpets in certain play areas and wall paintings for particular exhibits; electrical, gas, water and sewer systems; facility service lighting, including fixtures and bulbs for both general building lighting (LSI) and work lighting (but not specialized lighting for particular exhibits); fire suppression and smoke detector systems; security system(s), daily after hours janitorial service, including all supplies related to this service, waste removal, and pest control services for the Premises. Installation expenses will be borne by the Campaign. Repair, maintenance and operation expenses will be borne by Landlord.
  - b. Tenant Neglect. Regardless of obligations hereinabove imposed upon the Landlord for repairs and maintenance, Tenant shall be responsible for the cost of repairs or damage resulting from the negligent, unlawful or willful acts or omissions of its employees, representatives or invitees, except for loss or damage insurable under the property coverage required of Landlord under this Lease.
  - c. Landlord's Liability. Landlord shall not be liable to Tenant for failure to make repairs or perform maintenance required of Landlord unless written notice of the necessity thereof has been given by Tenant to Landlord, specifying in reasonable detail the repairs required, and Landlord shall not have made such repairs within a reasonable period of time sufficient to accomplish such repairs after receipt of such notice, due allowances being made for delays beyond control of Landlord. Landlord's sole obligation for failure to make the repairs shall be the actual cost of the repairs and Landlord shall under no circumstances be responsible for any consequential damages suffered by Tenant. If Landlord shall have failed to perform required repairs within such reasonable period of time, Tenant may perform such repairs and shall be entitled to reimbursement from Landlord for the costs thereof promptly following submission of an itemized bill and reasonable supporting documentation.
9. Tenant's Obligations for Repairs and Maintenance.
  - a. Tenant, at its own expense, shall be responsible for all exhibition maintenance and upgrades, communication costs, including repairs and maintenance for telephone, internet, cable, radio and pager services; all licensing requirements related thereto, and similarly related expenses, and all daily porter (during operating hours) janitorial service.

- b. Tenant, at its own expense, shall keep the interior of the Premises in good repair, except where such repairs and maintenance are the obligation of Landlord under this Lease, and shall at all times keep its own furniture, fixtures, equipment and exhibitions in good order and repair. Tenant shall promptly cause repairs to be made to the Premises resulting from damage obligating the Tenant to make such repairs.

10. Tenant Alterations Subsequent to Initial Occupancy.

- a. Pursuant to the provisions of Paragraph 3 of this Lease, Landlord and Tenant will have approved the initial build-out of the Premises as required to be made by Landlord under this Lease as part of Landlord's Work. Such build-out includes, but is not limited to, the items identified in Paragraph 8(a) and all interior walls (except removable partitions which are the responsibility of the Tenant), restroom facilities, mezzanine and mezzanine level facilities (if any) and any similar permanent build-out items.
- b. Tenant shall not make any structural alterations to the initial build-out of the Premises without the consent of the Landlord, which consent shall not be unreasonably withheld. Such structural alterations shall be made only at Tenant's expense unless the Landlord and Tenant mutually agree that alterations are for the benefit of both parties and both parties agree to a cost sharing arrangement. If Landlord consents to such alterations before commencement of any such work or delivery of materials into the Premises or the building, Tenant shall furnish to Landlord for approval: architectural plans and specifications, names and addresses of all contractors, contracts, necessary permits and licenses, certificates of insurance and instruments of indemnification against any and all claims, costs, expenses, damages and liabilities which may arise in connection with such work, all as may be satisfactory to Landlord. All such alterations shall be subject to the reasonable approval of Landlord's architect and Tenant shall be responsible for any costs incurred by Landlord to such architect. Notwithstanding anything herein contained, nothing herein shall be deemed to require Landlord's consent for decorative alterations such as installation of wall coverings, hanging, paintings, prints or other wall hangings, painting of walls or similar alterations affecting only the interior of the Premises, nor shall anything herein be deemed to require Landlord's consent for the installation from time to time of Tenant's exhibits and removable facilities, including any necessary temporary walls associated with temporary exhibits.
- c. With respect to any improvements by Tenant within the Premises, Tenant shall, upon request, provide Landlord with reasonably satisfactory evidence of Tenant's ability to pay for such work and materials in full and Tenant shall not permit any contractors or material liens to attach to the building or the Premises or shall within ten (10) days cause the same to be bonded or otherwise discharged. Tenant will hold Landlord, and its respective officers, agents and employees harmless against all claims and liabilities of every kind, nature and description which may arise out of, or in any way be connected with such work. All such work shall be in compliance with all applicable legal, governmental and quasi-governmental requirements, ordinances and rules, and all requirements of applicable insurance companies. Such work will be done in a good and workmanlike manner with the use of good grades of materials equivalent to those initially used throughout the building. Tenant shall permit Landlord reasonable rights of inspection to assure compliance with this Paragraph.

11. Utilities. Except as otherwise provided herein, Landlord shall be responsible for providing and paying for water and sewer service, natural gas service, electrical utility service, security service,

facility service lighting and fixture and bulb replacement cost and installation. Landlord shall furnish heating and air conditioning to the Premises comparable to that provided in other Class A buildings. Tenant shall be responsible for Landlord's actual cost of providing heating and air conditioning that is made necessary by Tenant's misuse of the Premises or the utility services. Tenant shall also be responsible for all costs of maintenance and usage of communication systems, including telephone, internet, cable, radio and pager service and any similar service, and for the installation of any wiring and conduits for such services after the initial installation of wiring and conduits in the build-out of the Premises.

12. Taxes. Landlord shall be responsible for and shall pay, prior to delinquency, any ad valorem taxes and assessments for the building and the Premises. Tenant shall pay, prior to delinquency, all taxes and assessments of every kind or nature imposed or assessed with respect to furnishings, fixtures, equipment and other property of the Tenant placed in the Premises.

13. Insurance.

- a. Landlord will keep the building and the Premises (except as hereinafter provided) insured against loss or damage by fire and other casualties insurable under an "all risk" policy in an amount determined by Landlord, but which shall be reasonably calculated to repair or replace the building and Premises in the event of such casualty loss. Nevertheless, if such insurance proves to be insufficient, Landlord shall not be required to use or appropriate funds in excess of the amount of insurance to effect any necessary repairs or replacements.
- b. Landlord shall obtain and maintain adequate public liability insurance for any losses, damages or claims occurring within and outside the building Premises. Such insurance shall be in an amount not less than One Million Dollars (\$1,000,000) per incident.
- c. Tenant shall obtain and maintain insurance against any casualty losses to furniture, fixtures, equipment, inventory and exhibits. The amount of such insurance shall be reasonably calculated to effect repair or replacement thereof in the event of loss, so that Tenant shall be able to resume its normal operations in a timely manner. Nevertheless, if such insurance prove to be insufficient, Landlord shall not be required to use or appropriate funds in excess of the amount of insurance to effect any necessary repairs or replacements.
- d. Tenant shall maintain public liability insurance against losses and claims occurring within the Premises, insuring both Landlord and Tenant, in an amount of not less than One Million Dollars (\$1,000,000) per incident.
- e. All property insurance coverage required of Landlord or Tenant under this Lease shall contain waivers of subrogation against Landlord and Tenant and their employees and agents.
- f. Policies required hereunder of either Landlord or Tenant may be obtained under blanket policies, and in the case of Landlord, under a risk management facility for municipalities.

14. Damage by Fire or Other Casualty.

- a. If the Premises is damaged by fire or other casualty, but is not rendered substantially untenable, then Landlord shall diligently proceed to repair and restore the damaged portions thereof, other than the leasehold improvements installed by Tenant, to substantially the same condition as existed immediately prior to such fire or casualty. In such event, this Lease shall continue in full force and effect.



- b. If the Premises is rendered substantially untenable by fire or other casualty, but the damage is such that can be reasonably repaired or restored to its condition prior to the fire within a period of nine (9) months from the date of the casualty loss, then Landlord shall undertake to make such repairs and restoration to the extent that casualty insurance maintained by it is available for such repair or restoration and this Lease shall continue in effect.
  - c. If the Premises are made substantially untenable by fire or other casualty so that it cannot reasonably be restored within a period of nine (9) months from the date of the casualty, then either party, by written notice to the other giving not more than ninety (90) days following the date of the casualty, may elect to terminate this Lease. If not so terminated, Landlord will proceed to restore the building and the Premises to the condition as existed immediately prior to the casualty, to the extent that the casualty insurance maintained by it is available for such repair or restoration.
  - d. Notwithstanding anything herein contained, if during the last two (2) years of an existing term, the Premises are damaged to the extent of more than twenty five percent (25%) of the reasonable value of the improvements, Landlord shall be under no obligation to repair and replace said Premises, unless Tenant within thirty (30) days after demand of Landlord, extends the Lease for the period of the first renewal term then authorized.
  - e. If all or any part of the Premises are damaged by fire or other casualty and this Lease is not terminated, Tenant shall promptly and with due diligence repair and restore its leasehold improvements, personal property, furniture, fixtures and equipment and exhibits for the continued operation of the facility pursuant to this Lease.
15. Eminent Domain. In the event the whole of the Premises, (or such a substantial part thereof that they are rendered unsuitable for Tenant's usage) shall be taken by any public authority under the power of eminent domain or like power, this Lease shall terminate as of the date possession thereof shall be required to be delivered to the appropriate party. In the event of only a partial taking under such power, which does not materially render the Premises unsuitable for Tenant's usage, this Lease shall not terminate. Landlord shall be entitled to any awards for damages under the power of eminent domain for the taking of the Premises; Tenant shall be entitled to such awards for damages as may be allowed for taking of any of the furniture, fixtures or equipment that may result therefrom.
16. Entry of Landlord for Inspections. Landlord may, at all reasonable times and in any reasonable manner, enter the Premises to inspect and protect the Premises or any of its equipment thereon, effect compliance with any law, order or regulation of any lawful authority, make and supervise repairs, alterations and additions, and, during the last six (6) months prior to the expiration of the term of the Lease (or such earlier time in the event of Tenant default) show the Premises to others and affix to any suitable part of the Premises notice of the availability of the Premises. Notwithstanding, in the exercise of its rights hereunder, Landlord shall not interfere with Tenant's operations in the Premises.
17. Default and Remedies.
- a. Tenant's Default. If Tenant fails to pay any rent or other amount due hereunder and such failure shall continue for ten (10) days after Tenant is given written notice of such failure; fails to observe or perform any of the other covenants or conditions of this Lease to be observed or performed by Tenant and fails to cure such default within thirty (30) days after Tenant is given written notice of such failure, is adjudicated bankrupt or

insolvent according to law or makes any assignment for the benefit of creditors, or vacates or abandons the Premises, then Landlord may:

- i. terminate this lease and Tenant's right of possession of the Premises, and recover all damages to which Landlord is entitled under law;
  - ii. terminate Tenant's right of possession of the Premises without terminating this Lease, in which event Landlord may, but shall not be obligated to, relent all or part of the Premises for the account of Tenant, for such rent and term and upon such terms and conditions as are acceptable to Landlord; or
  - iii. exercise such other rights and remedies as may be available at law or in equity.
- b. Landlord's Default. If Landlord fails to observe or perform any of the covenants or conditions of this Lease to be observed or performed by Landlord and fails to cure such default within thirty (30) days after Landlord is given written notice of such failure, then Tenant may:
- i. Cure the default and recover from Landlord the reasonable and necessary costs thereof;
  - ii. Terminate this Lease; or
  - iii. Exercise such other rights and remedies as may be available at law or in equity.

18. Sole Location Within Target Area. Landlord and Tenant acknowledge that the Children's Museum to be operation by Tenant may be one of several such facilities operated by Tenant in other locations. Nevertheless, Tenant agrees that the Premises shall be the sole location for such facility within the target area for its proposed usage, generally Richmond County. During the term of the Lease, as the same may be extended, Tenant agrees that it will not operate a similar Children's Museum within that target area. Further, at the end of the term of the Lease, or upon any earlier termination of the Lease, unless occasioned by Landlord's default, Tenant shall not operate a similar facility within the target area for a period of one (1) year after the expiration or termination of this Lease.

19. Hazardous Materials.

- a. Tenant shall not use the Premises for producing, storing, disposing of or otherwise generating any toxic or hazardous substance on the Premises, nor will Tenant use the Premises for any purpose that poses a substantial risk or damage to public health, public safety or environment; and Tenant further agrees to defend, indemnify and save harmless Landlord from any claims or demands arising from such generating, storage or disposal of any such toxic or hazardous materials, in or from the Premises during the term of the Lease.
- b. The indemnification provisions of this Paragraph 19 shall survive the expiration or termination of this Lease.

20. Signage. Tenant shall be responsible for all signage within the Premises. Landlord shall provide appropriate signage, with Tenant's advance approval, within the City of Rockingham designating the location of the Children's Museum. Landlord will further provide directional signage from major roadways and other transportation corridors to the Children's Museum. Tenant is responsible for providing any temporary external signage.

21. Indemnity and Waiver.

- a. Tenant agrees to defend, indemnify, and hold harmless Landlord, its officers, employees and agents, from and against any and all liabilities, claims, demands, costs and expenses

of every kind and nature (including attorney's fees) arising from any injury or damage to any person, (including death), property or business (i) sustained in or about the Premises, (ii) resulting from the negligence or willful act of Tenant, its employees, agents, servants, invitees, licensee or sub-tenants, or (iii) resulting from the failure of Tenant to perform its obligations under this Lease. In case of any action or proceeding brought against Landlord, its employees, officers, or respective agents, by reason of any such claim, upon written notice from Landlord, Tenant covenants and agrees to defend such action or proceeding using counsel reasonably satisfactory to Landlord. Notwithstanding anything to the contrary contained in the foregoing, Tenant shall not be obligated to defend, indemnify or hold harmless Landlord from or against any liability, claim, demand, cost or expense caused by Landlord's sole negligence of willful misconduct.

- b. To the full extent permitted by law, Tenant hereby releases and waives all claims against Landlord, its officers, employees and agents, for injury or damage to the person, property or business sustained in or about the Premises by Tenant, agents, or employees, other than damages caused by the negligence, willful misconduct, or breach of this Lease of or by Landlord or its officers, employees, or agents.
22. Tenant's Property. All exhibits, furniture, fixtures and equipment in the Premises, which are supplied or installed at the sole expense of Tenant, shall remain Tenant's property. Tenant may remove these items prior to the expiration or termination of this Lease; provided that Tenant shall immediately repair or reimburse Landlord for the costs of repairing damage or defacement caused by such removal. Otherwise, such items shall become Landlord's property. Tenant shall be and remain the sole owner of all trademarks and service marks used by Tenant to identify the Children's Museum, including, but not limited to, "Discovery Place KIDS".
23. Quiet Possession. If Tenant shall pay the rent and perform and observe all of the other covenants and conditions to be performed by Tenant hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment of the Premises without interference of the Landlord or any person claiming through Landlord, subject, however, to the terms of this Lease Agreement and any mortgage or deeds of trust as provided hereafter.
24. Subordination and Attornment. Tenant agrees that this Lease is subject and subordinate to any mortgage or mortgages which may hereafter affect the real property of which the Premises form a part and to all renewals, replacements and extensions thereof; provided that each mortgagee enters into a non-disturbance agreement which will protect Tenant's continued occupancy under the terms of this Lease for so long as Tenant is not in default hereunder beyond any applicable cure period, notwithstanding any foreclosure of the mortgage. This clause shall be self-operative and no further instrument or subordination shall be required by any mortgagee. Tenant agrees to attorn to the mortgagee, trustee, or beneficiary under any such mortgage or deed of trust and to the purchaser at a sale pursuant to the foreclosure thereunder, providing that such documents shall include a non-disturbance agreement as to the rights of the Tenant hereunder.
25. Notices. Any notice required or permitted to be given under this Lease shall be in writing and shall deem to have been given when deposited in the United States Mail, registered or certified mail, postage prepaid, by deposit with any reputable, national, "next day" delivery service, such as Federal Express or UPS, or by hand delivery, delivered and addressed as follows:

As to Landlord: City of Rockingham  
514 Rockingham Road  
Rockingham, NC 28379  
Attention: City Manager

As to Tenant: Discovery Place, Inc.  
301 N. Tryon Street  
Charlotte, North Carolina 28202  
Attention: Chief Operating Officer

Either party may, from time to time, by notice as herein provided, designate a different address to which notices may be sent.

26. Assignment and Subletting. Tenant shall not assign this Lease nor sublet all or any portion of the Premises, or otherwise transfer any right or interest hereunder without Landlord's prior written consent which shall not be unreasonably withheld, and any such approval shall be effective only for the particular instances described in the consent. In the event of any such assignment or subletting, Tenant shall nevertheless remain liable for the performance of all covenants and conditions of this Lease.

Notwithstanding the foregoing, Landlord acknowledges that Tenant intends to create another entity to occupy the Premises and operate the Children's Museum therein. Landlord herewith consents to such assignment to the related entity to be created, provided that Tenant remains liable to Landlord for all of the Tenant's obligations hereunder.

27. Governing Law and Interpretation. This Lease shall be governed by and interpreted under the laws of the State of North Carolina, and the sole venue for the litigation of any disputes between the parties shall be Richmond County, North Carolina.
28. Miscellaneous. Headings are for convenience only and are not to be construed as parts of the particular Paragraph to which they refer. Any separate or attached sketch, drawing plan, specification, rider or schedule shall be deemed an original part of this Lease and shall be initialed by the parties. Failure of either party to insist upon strict performance of any of the covenants or conditions of this Lease or the exercise of any option herein conferred in any one or more instances shall not be construed as a waiver or relinquishment of any such covenant, condition or option, but the same shall remain in full force and effect.
29. Successors. This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns, except as otherwise provided in this Lease.
30. Short Form Memorandum. The parties shall execute and file a Memorandum or short form of this Lease, which shall include such provisions hereof as either party may wish to be incorporated or which are required by law for notice.
31. Joint Efforts. Landlord and Tenant will cooperate in joint efforts to assure the successful opening and ongoing operations of the Children's Museum. The parties will establish a working executive team with representatives from each party to meet on a periodic basis to assist in the

implementation of the Children's Museum. This team will attempt to address and make recommendations for the resolution of any problems that arise during the construction, opening, or operation of the Children's Museum. To this end:

- a. Landlord will:
  - i. Renovate the Premises with a high visibility in the downtown area of the City of Rockingham;
  - ii. To the extent permissible and practicable, assist in Tenant's efforts to raise capital funds to open and operate a Children's Museum in the Premises;
  - iii. Assist Tenant in realizing and maintaining a constructive, working relationship with the community; and
  - iv. Assist Tenant in its community research, facility planning research and program development research.
- b. Tenant will:
  - i. Use its best efforts to raise adequate capital to open and continually operate a first-class, state-of-the art Children's Museum in accordance with this Lease;
  - ii. Plan, implement and manage the day-to-day operation of the Children's Museum in the Premises in accordance with this Lease; and
  - iii. Be responsible for ongoing marketing and promotion of the Children's Museum in the Premises in accordance with this Lease.

32. Time of Performance. Time is of the essence of this Lease and the performance of all obligations hereunder. However, except with respect to the payment of money, the time allowed to either party for performing its obligations under this Lease shall be extended by the number of days of delays resulting from force majeure. As used in this Lease, "Force Majeure" means with respect to delays affecting the performance of one party (a) unreasonable interference by the other party or a separate contractor employed by the other party, or (b) acts of God, governmental restrictions, war or enemy action or invasion, terrorism, civil commotion, insurrection, malicious mischief, sabotage, labor disputes, fire or other casualty, condemnation, or other causes beyond the control of the delayed party. If a party intends to claim entitlement to an extension, that party must give notice to the other party within thirty (30) days after the later of (i) the occurrence of the Force Majeure event or (ii) the date on which the claiming party first recognizes the Force Majeure condition giving rise to the claimed extension. The notice shall include an estimate of the probable effect and extent of the delay caused by the Force Majeure event. If adverse weather conditions are the basis for a claimed extension, the claim must ultimately be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated and had a material adverse effect on the scheduled performance.

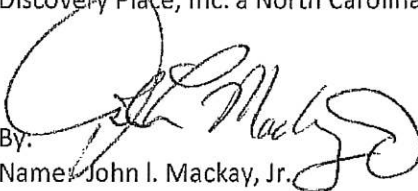
33. Brokers. Each party represents and warrants to the other party that it has not engaged any person, firm or entity to serve or act as a broker, agent or finder with respect to this Lease. Each party agrees to defend, indemnify and hold harmless the other party from and against any claim, damage, loss or expense resulting from the breach of the representation and warranty set forth in this Paragraph.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed effective the date first above written.

City of Rockingham, a North Carolina municipal corporation

By:   
Name MONTY R CRUMP  
Title CITY MANAGER

Discovery Place, Inc. a North Carolina nonprofit corporation

By:   
Name John I. Mackay, Jr.  
Title President and CEO

**EXHIBIT B**  
**TENANT'S MINIMUM PROGRAM REQUIREMENTS**

<b>Space Needs</b>	<b>Approximate Size Required (square feet)</b>
Lobby	600
Lobby/Program Storage	450
Exhibition Space	13,000
Lab Space	280
Vending/Snack Area	300
Public Restrooms	As determined by code
Family Restroom/Nursing Area	200
Office Back of House	800
Classroom 1	400
Classroom 2	400
Kitchen Space for Classrooms	75
Exhibit Shop Storage/Loading Dock	1,280
Janitor's Closet	150
Server/Telephone	80
Electrical/Mechanical	400
Riser	As determined by existing condition
Elevator/Elevator Service Room	As determined by existing condition

**DEPARTMENTAL  
ACTIVITY REPORTS  
for  
COUNCIL'S INFORMATION**





# Rockingham Police Department



W.D. Kelly, Chief of Police

To: Monty Crump

*WDC*  
From: W. D. Kelly  
Chief of Police

Date: September 2, 2021

Ref: August Activity Report

On behalf of the Rockingham Police Department, I am pleased to submit this report for your consideration. The following activities have been undertaken by officers of the Rockingham Police Department.

<b>Total Calls for the Month:</b>	<b><u>1457</u></b>
<b>Public Service Calls - INCLUDES</b> <i>Alarms, Unlocks and Battery Boosts)</i>	<b><u>424</u></b>

<b>Charges Generating Arrest:</b>	
<b>Felonies:</b>	<b><u>29</u></b>
<b>Misdemeanors:</b>	<b><u>29</u></b>
<b>Drug Violations:</b>	<b><u>01</u></b>
<b>Juvenile:</b>	<b><u>09</u></b>
<b>Warrants Served:</b>	<b><u>106</u></b>
<b>Citations:</b>	<b><u>50</u></b>

<b>Accidents Reported/Investigated:</b>	
<b>Property Damage only:</b>	<b><u>54</u></b>
<b>Personal Injury:</b>	<b><u>05</u></b>

<b>Officer Hours Spent in Court:</b>	<b><u>22</u></b>
<b>Officer Training Hours Logged</b>	<b><u>160</u></b>

**FIRE CHIEF**  
HAROLD ISLER  
**ADMIN. ASST.**  
KRISTY PLAYER



**August-21**

We are pleased to submit the monthly fire report on the activities undertaken by the Rockingham Fire Department during the month of August 2021.

Total Alarms:	<u>34</u>	In Town:	<u>34</u>	Out of Town:	<u>0</u>
Turn In Alarms:	<u>2</u>	Silent Alarms:	<u>32</u>	Structure:	<u>2</u>
Wrecks:	<u>8</u>	Alarm Malf:	<u>10</u>	Good Intent:	<u>3</u>
Service Call:	<u>3</u>	Vehicle fire :	<u>1</u>	Trash/outside fire:	<u>1</u>
Power line down:	<u>3</u>	Assist Ems:	<u>0</u>	Gas Leak/Spill:	<u>0</u>
Cooking fire:	<u>0</u>	Co detector:	<u>0</u>	Assist Police:	<u>0</u>
Electrical:	<u>1</u>	Smoke/odor removal:	<u>1</u>	Land Search:	<u>1</u>

**Hours Spent on Calls: 16 hours 43 minutes**

Total Property Exposed to Fire:	<u>\$9,500.00</u>
Total Property Damaged by Fire:	<u><u>\$9,500.00</u></u>
Total Property Saved:	<u>\$0.00</u>

During the month of August full time members of the fire department averaged 43 training hours per person; part-paid members averaged 7 hours per person for the month.

Respectfully Submitted,

Fire Chief  
Harold Isler

**To:** Monty Crump, City Manager  
**From:** Dave Davis, Parks and Recreation Director  
**Date:** September 7, 2021  
**Subject:** Activity Report

The following is an update on current Parks and Recreation activities.

**Youth Soccer** – All aspects of this very popular sport are falling into place as we begin our twenty-eight season on Saturday, September 11th.

Approximately 425 children are registered to participate and if everything progresses accordingly we should complete our season the latter part of October.

**Youth Volleyball** – Registration begins on Monday, September 20<sup>th</sup>. After six seasons of solid enrollment we are hopeful this program is establishing a good foundation for continued growth.

**Hinson Lake** – Reservations are in place for every week-end through the end of this calendar year. Additionally, this facility will play host to the annual ultra-marathon race the weekend of September 25<sup>th</sup>.