CITY OF HENDERSONVILLE

AGENDA ITEM SUMMARY

SUBMITTER:	Angela Beeker, City Attorney	**MEETING DATE:**	July 2, 2026
AGENDA SECTION:	RESOLUTION	**DEPARTMENT:**	Legal
TITLE OF ITEM:	Public Hearing to Consider Amendments to Three Party Agreement, Interlocal Agreement and Restrictive Covenants Related to Garrison Industrial Park– *Angela Beeker, City Attorney*		

SUGGESTED MOTION(S):

I move that City Council adopt the ***Resolution to Approve Amendments to Three Party Agreement, Interlocal Agreement and Restrictive Covenants Related to Garrison Industrial Park***, as presented.

SUMMARY:

The purpose of this public hearing is to consider the amendment of two agreements and the Restrictive Covenants originally entered into for the development of Garrison Industrial Park located off Upward Road, Commercial Blvd, and Garrison Lane, East Flat Rock, NC ("Park"). The first of those agreements, an interlocal agreement, was entered into on November 18,2020 between the City of Hendersonville and Henderson County, pursuant to the authority of NCGS § 160A-20, to provide for the loan of a total of $2,346,668.56, to the Economic Investment Fund of Henderson County, Inc, a North Carolina nonprofit, ("EIF") by the City of Hendersonville (1/2 of the loaned funds, or $1,173,334.28,000) and Henderson County (1/2 of the loaned funds, or $1,173,334.28) to purchase +/- 41.35 acres, being all of Lots 1, 3, 4, 5, the open space and road beds as shown on that plat recorded in Plat Book 2021 at Plat Slide 13013 of Henderson County Registry, for the development of Garrison Industrial Park, and the subsequent sale of Lot 4 of the Park to be developed and occupied by an industrial client. ("Interlocal Agreement") The second agreement is a three party agreement between the City of Hendersonville, Henderson County, and the EIF, which outlines the loan terms and repayment terms, and terms governing development of the Park ("Three Party Agreement"). As of the date of this notice, the EIF owes a principal balance to the City of Hendersonville of $460,483.78. The EIF has requested that both agreements be amended to provide that the interest on the principal balance owed will be waived in exchange for paying off the loan early and for agreeing that the remaining property owned by the EIF will only be sold to an industry meeting at least 80% of the City's Economic Development Incentives Guidelines. The fair market value of the City's interest in the loan is the principal balance owed plus interest owed of approximately $154,000. The City finds that a sale to an industry meeting at least the 80% threshold will stimulate the local economy, promote business prospects of the City, and result in the creation of a substantial number of jobs paying at or above the median average wage in the County. Additionally, both agreements would be amended to allow the addition of property to Garrison Industrial Park, the additional property being Lot 2 shown on Plat Book 2021 at Page 13013. Lot 2 is not currently a part of the Park, and is not subject to the Park's Restrictive Covenants. Lastly the Restrictive Covenants, recorded in Book 3721 at Page 204 of the Henderson County Registry, will be amended to provide a mechanism for the addition of Lot 2 to the Park. When added to the Park, Lot 2 will become subject to these Covenants.

ATTACHMENTS:

Proposed Amended Three Party Agreement
Proposed Amended Interlocal Agreement
Proposed Amended Restrictive Covenants
Plat
Resolution