



Board of Adjustment

MINUTES
September 21, 2023
6:00 PM

Members Present

Robert Davis
Donald Brooks-Alt
Vickie Mullins
Kenneth Turner-Alt

Absent Members

Gregory Parks-Chair
Marva Lucas-Moore
Jovan Bowser-Alt
Gary Silverman- Alt
Linda Amos, Vice-Chair
Breneo Orozco-Alt

Staff/Others Present

David Moon
Christopher Portman
Amanda Ozanich

Rick Moorefield (County Attorney)

Vickie Mullins motioned for Robert Davis to act as Chair. Kenneth Turner 2nd the motion. All are in favor. Mr. Davis called the meeting to order at 6:00 p.m. in Public Hearing Room #3 of the Historic Courthouse.

1. INVOCATION

Vickie Mullins read the invocation.

PLEDGE OF ALLEGIANCE

Recited by all.

2. ROLL CALL

Mr. Moon called the roll. Mr. Moon made note of the absence of Gregory Parks, Mrs. Marva Lucas-Moore, Jovan Bowser, Gary Silverman, Linda Amos, and Brenee Orozco. Mr. Moon stated we do have a quorum. Mr. Moon noted that Mr. Hasty could not attend and Mr. Morefield, the county attorney, is here representing the county, tonight.

SWEAR IN OF STAFF

Chair Davis swore in staff Christopher Portman and David Moon.

3. ADJUSTMENTS TO THE AGENDA

There were none.

4. APPROVAL OF THE AUGUST 17, 2023, MINUTES

Mr. Kenneth Turner made a motion to approve the minutes from the August 17, 2023, meeting as written, seconded by Vickie Mullins. All are in favor.

5. ABSTENTIONS BY BOARD MEMBERS/BOARD MEMBER DISCLOSURES (SITE VISITS AND/OR PERSONAL AFFILIATIONS)

There were none.



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6. PUBLIC HEARING DEFERRALS/WITHDRAWALS

There were none.

Chair Davis stated the procedural matters are to turn off all cell phones or to place them on silent and requested to limit time per speaker to 5 minutes. If any Board member wishes to speak, please ask to be recognized by the Chair and to speak loud and clearly into the microphone.

7. POLICY STATEMENT REGARDING APPEAL PROCESS:

Mr. Moon read the policy statement.

8. PUBLIC HEARING(S)

David Moon read: Chair I would like to bring you to the one and only item on the agenda today. It is.

BOA-2023-0010: Consideration of a Special Use Permit to allow a temporary Public Utility Works, Shop, or Storage Yard in an A1 Agricultural District on 7.29 +/- acres, located at the south side of Old Bluff Church Road, west of Sisk Culbreth Road; submitted by Duke Energy Progress, LLC (applicant) on behalf of Karla Lockamy (owner).

(5:02) David Moon: Allow me a moment to upload the presentation. I will give an introduction of the project and Mr. Portman, the senior to my left, will give the majority of the presentation. Ok we are up and running. The case this evening involves the property at the northeast corner of the county and the applicant owner is Karla Lockamy and the agent is Duke Energy Progress, and the request is a special use permit, and the intent is to have a storage area, laydown yard on 7.29 acres on a much larger parcel. This is a special use and as we have new members serving as regular members this evening, I will go over the process. Special use are those uses which the permit required for the proposed activity which are essentially compatible with other uses or activities permitted in a zoning district but which present unique challenges or possess unique characteristics or qualities that require conference with you at a public hearing by the county board of adjustment and which may be allowed only at the finding of fact and the decision of reasonable conditions per the county zoning code as you see from our use matrix the proposed activity of the storage yard is a special use in the A1 agricultural zoning district. As a special use the proposed use generally must follow these 4 criteria, which the board should take into consideration in their action that its use will not materially dangerous to the public health and safety if located according to plan submitted and the proposed that plan is the special use site plan that will be presented this evening. Second, the use meets all required conditions and specifications. The use will maintain or enhance the values of adjoining or abutting properties, or that the use is a public necessity. The location and character of the use, if developed according to the plan as submitted and recommended, will be in harmony with the area in which it is to be located and is in general conformity with the Cumberland county's most recent land use plan, either comprehensive or detailed area plan. And finally in granting a special use permit the board has authority to approve, deny or approve with conditions. If the BOA approves with conditions, then the applicant should also agree to those conditions. With that, I will turn the microphone over to Mr. Portman, Sr. Planner, who will review the findings of fact and information about the site map and application.

(9:50) Christopher Portman: Good evening, Chris Portman senior planner in current planning office. As you can see, the proposed site is owned by Karla Lockamy, and it's leased by Duke Energy LLC and is located on approximately 7.29 acres of a 30.92-acre parcel. As mentioned previously, the property is located south of Old Bluff Church Rd and west of Sisk Culbreth Road. A storage yard in A1 district must comply with the development standards and requirements set forth in Section 901 and 918 of the zoning code including the submittal of a site plan. As you can see there is vacant land farm and land surrounding the property and a single-family residence lot to the west. Here is the associated zoning districts, it is predominantly A1 and CD to the west and R40A to the east and north as well. As



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you can see, there is no water or sewer line. There is hydric soils but no Hydric inclusion soils. They are not proposing any septic or wells for this storage yard. This falls within the Wade Land Use Plan, which calls for farmland. Attached you will see here the proposed site plan for a maximum period of up to 4 years, Duke Energy Proposes a temporary storage yard as a staging area for the line construction crew to pick the materials and replacing aging vertical infrastructure associated with the electro-transmitting lines. Given the temporary nature of the storage yard, no permanent signage or landscaping is proposed. As stated, no well or septic systems are proposed. Although the site will maintain a job site porta john. (11:37). With in 4 years of the SUP approval, the temporary gravel storage yard will be removed, and the land will return back to its current existing condition. The proposed Special Use Permit establishes a sunset clause that terminates a special use after 4 years. However, it includes and extension clause that allows the BOA to extend the expiration date another 2 years. Here is the subject property. Here is the northwest view along old bluff church rd. and this is the north view looking directly across the property and the east view down old bluff church rd. Some of the key conditions for this site is that it is a temporary use and a maximum use of 4 years. The applicant may ask for an extension of up to 2 years. They are limited to the area on the special use site plan, and they cannot go outside of that. There is no outdoor lighting were proposed, but they may request it for security reasons but that must be consistent with the outdoor lighting features and the zoning ordinance. That concludes my presentation.

David Moon: as mentioned previously, the board has the ability to approve, deny or approve with conditions as part of your special use case package. There is a special use proposed with a special use site plan and the conditions of approval. So, any action to approve will include the special use site plan in the package. If you have any additional conditions you may want to add this evening, if that's the case, then the applicant will also need to agree to those conditions. Chair, that concludes staff presentation. If you have any questions for us, we're ready to address them. (13:37)

Donald Brooks: I think that you mentioned it is a residential area in that vicinity. If so, how far are they set back from those sites?

Christopher Portman: That is a church on that lot.

Donald Brooks: only a church, no houses.

Christopher Portman: yes, just a church.

David Moon: The surrounding areas are farmland and you saw from the pictures.

Donald Brooks: Right, but I thought you said residential area in his presentation.

David Moon: There are homes there, across the street, there you can see the smaller lots in the area where there are some homes to the east, but its primarily farmland or undevelopable conservation lands.

Mr. Moorfield: I think what Mr. Brooks is referencing is you got that area that shows single family residential. Would you say that is not a house on it. It's a church lot.

Christopher Portman: it is a church lot.

Kenneth Turner: (14:51)What kind of trucks will be driving on this property or up and down old bluff church rd.? Will it be heavy trucks or smaller trucks or what?



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David Moon: The applicant can address that question, but it may have semi-trucks and some service trucks but for the most part it is a storage yard that will be used to expand the regional power system, electric power system in the Cumberland County area, but I will leave it to the applicant to give more detail.

Donald Brooks: I notice that the time says from 6am -7pm. It gets dark at night and there is no lighting required, so it gets dark at 4:30 so that's 2.5 hrs. of darkness, so nobody during that time, nobody is planning to be there?

David Moon: that's correct. Based on their operations at the site, they are not proposing to have outdoor lighting. They did mention that in the event that they had security issues at the site, potential break-ins, they would like to have the option to have security lighting. So, within the special use condition sheet there is a term that allows them to have security lighting. They still have to meet the counties standards for outdoor lighting, and they have to submit a site plan demonstrating that they meet the counties zoning code.

Robert Davis: that's exhibit 1, special use. It says that if we approve it that they have to meet this and here on I it says that it will be done to standards at the time its needed.

Donald Brooks: On the very first page it says that they request the board to grant a special use permit for a temporary storage yard. Then next paragraph says public workshop or storage yard. Does the first paragraph where it says a temporary storage yard and could be a workshop or whatever, as it suggests?

David Moon: We are following the terminology, within section 403 of the zoning ordinance that defines the use, as you see on the screen, as a public utility ,works shop, or storage yard. They primarily fall within that storage yard area of that defined use within the use matrix.

Donald Brooks: so, storage yard includes shops and other things.

David Moon: That's not what appears on the site plan. They have a management trailer on the site, and they will be storing the materials that they use, like wires and poles that will be used to expand the electric grid.

Donald Brooks: oh, I understand the storage. I also, see it says shops here.

David Moon: Correct. That is part of the use, but they are not proposing any buildings on the site.

Donald Brooks: I see shops here. I see shops on

David Moon: Correct. That is following the criteria that falls under with in the permissible use table.

Robert Davis: That is one statement that can be used for 3 different situations.

David Moon: Correct.

Robert Davis: the way it falls under the book, it says if you use and one of these three things, then it falls under that section. They are not trying to do all three. They are trying to do one that is put under that section. Is that correct?

David Moon: Correct.

Mr. Moorfield: Mr. Chair before you get into it, it may have some bearing on the questions you have of the applicant. Under proposed conditions, number 3 has the hours of operation Monday thru Friday 6am-7pm except



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during periods of emergency. Typically, you want a permit like this, a special use permit to be as exact as you can make it and I don't know what the conversation been with staff now. My recommendation would be for considering, you could ask the applicant if its ok, to say periods of emergency, instead say during any period of state emergency's to be declared of any portion of the county. Because a state of emergency, when you're saying during a period of emergency, that's, they may be the only ones that knows about it. If a state of emergency has been declared everyone will know, including the property owners. Does that make sense?

David Moon: Yes, but I would want to give the opportunity for the applicant to speak. (20:36)

Robert Davis: Does anyone want to speak for the applicant?

David Moon: The speakers, we have listed tonight, we have 6 speakers. They are all representing the applicant. We have no speakers who are opposed to the project. The first speaker listed is Allen Hair. They may have someone else already scheduled to speak first. Is that the case? And your name is?

Amy Crout: Amy Crout

David Moon: Amy will speak first. You will come to the podium, and you will be sworn in.

Robert Davis: Please state your name and address.

Amy Crout: Amy Crout 150 Fayetteville St. Suite 2300, Raleigh NC.

Robert Davis: Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

Amy Crout: I do.

Robert Davis: mic is yours

Amy Crout: thank you. I have a presentation but first I will just introduce myself again. Amy Crout, I am an attorney at smith Anderson. I'm representing Duke in this matter. We do have 6 people signed up but not all 6 plan to present. We are just here to answer questions if you need us to. So, I will start with that. We are requesting that you approve the special use for the temporary laydown yard. First, I would like to thank staff. I think they did a thorough job presenting and answering some of your questions already. My presentation will be going through the application materials and explaining how Dukes requests meet all 4 of the relevant requirements. Shown on the screen and we would just ask that this presentation, the materials, all go in the record for this. So first, what I like to talk a little bit about and might help answer some of your questions is what a laydown yard is and why it's necessary. This temporary laydown yard is a public necessity. As staff mentioned, it is going to support the temporary transition line update along the nearby transition line corridor. The purpose of this laydown yard is truly just to store materials and contractor equipment in a central location that will be used in that transmission line update. So, to kind of go to some of the questions earlier, there will be bucket trucks, poles, nuts, and bolts. There's no energized material here. It is not an active construction site or there will be no full-time employees there and we've limited it to Monday thru Friday's from 6am to 7pm and to just take into account minimizing the traffic and the noise impacting on the surrounding area. We have talked thru those limits with staff on that. To the question about trucks, the largest trucks that are to come in are those that carry our poles, but even our poles are brought in in segments. (2356) and they really will only be there on delivery of the main poles, and they are not going to be the primary kind of trucks that will be often on the property. It will be typically, maybe smaller trucks that the workers will be using. Importantly, this use is temporary. As staff said, it is really thought to only be about 4yrs and it's important that according to site



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plan, it will be returned in the same or better condition as we found it. So, we do not plan to leave the gravel or the fencing. We will return it back a vacant field. The line update project does serve duke energies continuous commitment to provide the customers with reliable, safe, and increasing clean energy. As such, the temporary use doesn't materially endanger the public health or safety. In fact, it helps it, and it helps achieve the vision statements 1 and 3 of the Cumberland County growth vision plan which calls for a more diversified economy and infrastructure that keeps pace with development. The storage yard and associated transmission line project do that by extending and expanding electrical infrastructure for the region. Looking at the location, we are always really sensitive to where we put these laydown storage yards in relation to surrounding land uses and we really do make every effort to minimize impact and ensure again that it doesn't materially endanger public health and safety and make sure it's in harmony with the areas. And here I think those goals have been met. The subject property is located within a remote and rural portion of Cumberland County and it is in real close proximity to that transmission line we are updating and really important for our use and it is surrounded primarily by agricultural uses. Again, the only non-agricultural use directly abutting is that bluff Presbyterian church and the proposed storage yard is over 700' away from that site and it is set back 200' from the property line, from old bluff church road. So, there is some existing vegetation there and we are doing our best to minimize the impact of that use. I want to just quickly talk about our site plan from a broad perspective. As staff report notes, they found that the site plan is consistent with the zoning code. This is almost a 31 acre property that is outlined in red up there and we are really only impacting 7.29 acres of that property and our impervious surface is even smaller than that, only about 5.71. So, our proposed density is about 18% of the total site. Taking a closer look at the actual laydown yard and how it will be set up, we have that access road and again it will be about 200-250' back from that property line. Getting into the laydown yard, its accessible to emergency vehicles. So that shouldn't be a concern there. You see it includes a 20' drive isle for truck to easily maneuver through this site and there will be a mobile office, porta johns and a parking area to that right corner. Again, limiting impact, parking only allows 20 vehicles. There is no full-time staff there it's really just a setup, take down place to meet. So minimal impact on traffic in the surrounding areas. Again, nothing requires any water, sewer or other utilities which means we are mitigating that environmental impact there again. Around the actual laydown yard there is a 7' chain link fence and it has an additional 1' barbed wire for security purposes. We are requesting and proposed the see thru chain link fence with no screening. Again, this is for security. We have found because there are no actual residential uses adjoining and safety issues when you have a clear, not screen chain linked fence, it allows anyone walking by to see what's in there. Noone really wants a big transmission line pole and if the police patrol by they can readily see what's in the property. So that clear chain link fence is usually what we propose there. As staff mentioned, we did put some proposed conditions on this site. In talking about the lighting, yah know, initially we haven't proposed it but if we determine there's worker or safety concerns, we will submit a lighting plan and while we have proposed hours of operation in to 7pm, its really likely that those workers aren't going to be there during those dark hours. So, we're not concerned about that. If it does become a problem, then we will submit a lighting plan for the area. Again, we are asking that this site plan be the final site plan. (29:17)For those operation hours and period of emergency, in terms of limiting to a state of emergency, we would have to have a quick conversation with the client. I would ask that we be considerate of that whether it's limited to a full state of emergency or in times of hurricane or other emergencies that might not fall under that typical state of emergency from Cumberland County. We would be able to want to access that site if a line goes down and something happens. We want to be able to get in there and get what we need. Otherwise, we ask that no landscaping be required between the front yard security fencing and old bluff church road. This is another thing we typically ask. Duke doesn't like any landscaping up against their fences. It ends up being more of a security issue then help for security screening. You can't see in, it helps people climb the fence, it helps animals climb the fence. So, we typically make that request. Just to be noted, this site plan and this SUP really only apply to the 7.29 acres of disturbed area. Based on our application materials, our presentations, we really do think that our application meets these 4 standards required by your ordinance and we think it's reasonable and in harmony with the surrounding areas. Given the temporary nature, limited use during the week, the site design, location, and the fact that we will be returning it back to the same or better condition, it's temporary use. While we do believe this is a public necessity supporting that



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transmission line rebuild, we did do an impact study and we found that the temporary laydown yard will have a neutral effect and maintain the value of the adjoining and abutting property owners. I have the impact study with us and the appraiser here to talk a little bit more about that study or answer any questions you might have about that study. So, with that I would ask to hand out that impact report and have him speak if you all have questions about that or you could ask question of me first.

(3140)Donald Brooks: you mentioned that access road is 200'. Is that something you are going to build or are you going to maintain it or is it going to become a county road or part of the property?

Amy Crout: It's just part of the property, it's not already there and it's just not a true road. It's just a driveway. A driveway would be a better way to put it and that will also be returned to the original condition when we are done with the use.

Kenneth Turner: is Old Bluff Road a DOT maintained road or a county-maintained road or does that church own that road?

Amy Crout: I am not entirely sure of that answer, does the planning department know the answer to that question?

Vickie Mullins: The church wouldn't have it.

Allen Hair: It's a state secondary road.

Kenneth Turner: So, its state maintained. Dot Maintained.

Allen Hair: yes sir

Kenneth Turner: the reason I'm asking is I don't know the weight of the trucks and people that use old bluff church and if we have potholes and stuff that developed. It would be nice to make sure that those are repaired. That's the only reason I ask.

David Moon: I would add that the fire marshal's office was involved in the review of the special use site plan and if they had concerns about the ability to access the site, they would have raised those concerns. We did not have those concerns in the comments from the fire marshal's office. Mr. Chair if I could ask the applicant a question.

Robert Davis: you can, I was going to return about the light.

David Moon: You can discuss that when we reach the board discussion but before we reach that I would like to ask Ms. Crout, seeing she is the primary representative of Duke Energy, if they accept the current proposed conditions within the draft of the special use permit?

Amy Crout: We do as we have been told that of them many of them will apply to the site unless it's developed a certain way.

David Moon: It would be exhibit I with in your case package. If you have no other questions for Ms. Crout. Ms. Crout who do you present as your next speaker?

Amy Crout: It will be Mr. Hair. He was the one who prepared the impact study and I have a copy of that study.



David Moon: ok Mr. Hair.

Robert Davis: State your name and address

Allen Hair: My name is Marcus Allen Hair the second. My address is 1204 Arsenal Avenue, Fayetteville NC

Robert Davis: Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

Allen Hair: Yes sir.

Robert Davis: Alright, go ahead.

Allen Hair: As I said, I'm Marcus Allen Hair and I go by Allen. I own cedar creek appraisal company here in Fayetteville and we do appraisals and studies on commercial real-estate. In this case we were engaged to determine if this temporary laydown yard would have any effect on the surrounding properties and the way we did that is we studied appreciation rates. Due to the temporary nature of these laydown yards, we couldn't find any data that would be applicable to a temporary yard, so we actually looked into actual construction projects one of which was the i295 outer loop project. We looked at the properties in close proximity to that to see if there is any impact on the value of those properties over the time of the construction period. We also looked at the Kinsley Park townhome project which is in the intersection of Cliffdale road and Wall Hariss Road to see if Cliffdale Forest had any impact or suppression of values. So, we had 3 different studies that we did. Individual studies and in those studies, we found that the actual construction project which would be more intrusive than the temporary laydown yard had no material impact on the values of those properties. All those properties appreciated above the base rate of appreciation for zip code of that project. So, the values of the properties beside this temporary laydown yard will maintain their current value during the period that this is being used. Do you have any questions of me? I am glad to go into the study in further detail or.

Donald Brooks: You said it would maintain its value. So, does that mean in 4yrs is that what its going to be worth today?

Allen Hair: Nah, what I mean by maintaining is that there will be no decrease. There will be no deleterious effect to the property adjoining it because of this laydown yard. Due to the temporary nature and the rural setting this thing would be there and gone before we could even measure any deleterious effects of value on the properties. And note they are going to remediate it fully back to a field.

David Moon: Ms. Crout who is your next speaker?

Amy Crout: unless there are any questions on the site plan or any additional question for me, we have completed our presentations.

David Moon: do the board members have any more questions for the applicant? Then Chair at this point you would close the public hearing and open up the discussion with a motion and a second and then the discussion.

Robert Davis: Public hearing is now closed. We can open up for discussion.

David Moon: First a motion.

Robert Davis: A motion to?



David Moon: Who ever would make a motion would make a motion to approve, deny or approve with conditions.

Robert Davis: We do that before the discussion?

David Moon: typically, when the second has been made, the discussion occurs. If the county attorney says that you can discuss it first, then it's up to him.

Rich Moorfield: They can. Either way is fine.

Kenneth Turner: I think it's a great thing, I don't see any problems with this other than we probably need to listen to our county attorney in the case that we need to stipulate that the emergency needs to be defined by the state of NC not by Duke Power. I think that's why he's here.

Robert Davis: would that be added on as an amendment?

(40:00)David Moon: My suggestion is since the conditions are already set the board would take a separate action on any of the changes or additions to the conditions and then have a second motion on that change as well as on the conditions. Why? Because the applicant may want to have discussions on the specific conditions.

Rich Moorfield: Mr. Chair, I think that Ms. Crout indicated that she has comments on.

Amy Crout: We respect the county attorneys' position; however, I would really push back and say that the definition of a county state of emergency would really limit our use here because it's not an emergency as just a county declared emergency if someone's power goes out down the street or a nearby location that wouldn't rise that level of declared emergency happens. Our teams really need to get access into that temporary storage yard and so the purpose of those hours of operation piece is to truly minimize use and minimize impact on a day-to-day routine basis. We don't expect these periods of emergency to happen frequently, but when we do it would generally need to be at Dukes discretion for a one time, being able to access it at night or access it in an early morning or on a Saturday or Sunday morning without that heightened level of needing it to be a declared state emergency before Cumberland County. So, we would ask that you keep the language as is and trust Dukes discretion on that. They do not intend to be accessing it on the weekends or declare there is an emergency when it's not necessary, but to serve its customers and constituents of Cumberland County well and to get them energy and services that they need. That's why we have that exception in there.

Robert Davis: except for emergencies, from Monday thru Friday 6am-7pm except for emergencies.

Rick Moorfield: They are asking to leave it as emergency and that's ok. I was under the impression that this was associated with some large electrical transmission project, the way that it reads but apparently, it's not and I understand what she's saying here if it's an emergency and it could be an emergency for just one household some mile down.

Vickie Mullins: my husband was a lineman, so I know, ok. And I know when he got called out and I agree with what you're saying. When there is an emergency and these guys need these materials to put your power back, if you limit them to a specific time to get into that yard to get this, then you are not going to get your power like you want because it is, yah know when they're called out, just keep in mind, it could be at anytime with an emergency within the state or within the county and they are going to pull materials from every yard that you have. So just keep that in



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mind and I believe that is why you have this stated this way. It would have to be an emergency for them to come in to pull the materials and it could be anywhere in the state of NC and I believe that is why it is stated that way.

Kenneth Turner: At this point, I would like to make a motion that we approve the special use permit as identified by Duke power.

David Moon: and with your motion, are you also basing that on exhibit I, the special use permit conditions, the special use site plan and exhibit J, the applicants written response to those 4 criteria.

Kenneth Turner: correct

Robert Davis: We are agreeing with evidence and the finding of fact, and we are including exhibit I, site plan and

David Moon: exhibit J is the applicant response.

Robert Davis: Ok is there a second?

Vickie Mullins: Second the motion.

All are in favor.

Robert Davis	Yes
Donald Brooks-Alt	Yes
Vickie Mullins	Yes
Kenneth Turner	Yes

Robert Davis: closed public hearing portion and motion to adjourn.

Kenneth Turner: seconded and all are in favor.

Robert Davis: Adjourned at 6:50pm.

A STUDY OF THE POTENTIAL IMPACT THAT THE "PROPOSED" 7.29-ACRE DUKE ENERGY PROGRESS TEMPORARY LAYDOWN YARD MIGHT HAVE ON THE REAL ESTATE VALUES OF PROPERTIES IN CLOSE PROXIMITY TO THE PROJECT. THE "PROPOSED" 7.29-ACRE DUKE ENERGY PROGRESS TEMPORARY LAYDOWN YARD IS TO ENCUMBER A PORTION OF A 30.92-ACRE TRACT THAT IS LOCATED ALONG THE SOUTHERN MARGIN OF OLD BLUFF CHURCH ROAD (N.C.S.R. 1709), BEING APPROXIMATELY 1,530 FEET TO THE WEST OF THE INTERSECTION OF SISK CULBRETH ROAD (N.C.S.R. 1802), NEAR THE TOWN OF WADE, IN CUMBERLAND COUNTY, NORTH CAROLINA 28344

AT THE REQUEST OF
MR. TOBY COLEMAN
SMITH ANDERSON LAW FIRM
150 FAYETTEVILLE STREET
RALEIGH, NORTH CAROLINA 27601

AS OF
SEPTEMBER 9, 2023

PREPARED BY
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PREPARED ON
SEPTEMBER 16, 2023



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September 16, 2023

Mr. Toby Coleman
Smith Anderson Law Firm
150 Fayetteville Street
Raleigh, North Carolina 27601

Re: The study of the potential impact that the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard might have on the real estate values of properties in close proximity to the project. The “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard is to encumber a portion of a 30.92-acre tract that is located along the southern margin of Old Bluff Church Road (N.C.S.R. 1709), being approximately 1,530 feet to the west of the intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. According to the Cumberland County Tax Assessor’s office, the subject property is a vacant tract of land and does not have a physical street address. The “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will be leased from the current owner of the 30.92-acre “parent tract” for a period of two (2) years with six (6) renewal options of one (1) month each. The site improvements of the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will include 5.71-acres of 8” thick ABC stone, 7 foot high chain link fencing with a one foot high barbed wire arm at the top. The “proposed” 7.29-acre Laydown Yard will not include any above ground fuel storage tanks. No permanent signage or landscaping is planned for the laydown yard. No wells or septic systems are planned for the laydown yard. Upon termination of the lease/laydown yard, the 7.29-acre area disturbed for the development of the laydown yard will be remediated to the original condition of the “parent tract”.

Dear Mr. Coleman:

As requested, I have personally examined the relevant market information as it pertains to the influence of a temporary construction laydown yard on the real estate values of properties located in close proximity to the temporary construction laydown yard. The purpose of this research is to formulate the data so as to comprehend any relationship between surrounding real estate values and the proximity to a temporary laydown yard for construction purposes. Primarily the study is developed to determine if a temporary construction laydown yard has any negative influences on real estate values of properties located in close proximity to the temporary construction laydown yard. The foundation for this research was premised by the desire to acquire zoning approval, via a special use permit, to develop a temporary construction laydown yard in northeastern Cumberland County, which would require a “special use permit” zoning designation. The findings of this research are to be used as evidence at a hearing before the local zoning board and/or any governing board or panel with whom requests have been made to consider the “special use permit” designation for a temporary construction laydown yard as it relates to the current Cumberland County zoning ordinance. The approval of the “special use permit” designation would allow the subject development to move forward.

The “proposed” 7.29-acre temporary laydown yard is to encumber a portion of a vacant 30.92-acre agricultural tract, which does not have a physical street address, that is located on the southern margin of Old Bluff Church Road (N.C.S.R. 1709) and being approximately 1,530 feet to the west of the

intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. Being outside the Town of Wade, the location of the subject tract could best be described as rural and agricultural. The northern most 1.45-acres of the 30.92-acre "parent" subject tract is currently located in an area zoned "R40A"-Residential District by Cumberland County. The southwestern most 3.94-acre portion of the 30.92-acre "parent" subject tract is currently located in an area zoned "CD"-Conservancy District by Cumberland County. The remaining 25.53-acres of the 30.92-acre "parent" subject tract is located in an area currently zoned "A1"-Agricultural District by Cumberland County. The "proposed" 7.29-acre temporary laydown yard will only encumber the areas with the zoning designations of "A1"-Agricultural District and "R40A"-Residential District. It is noted that only the access road to the laydown yard will encumber the area currently zoned "R40A"-Residential District, with the majority of the laydown yard area encumbering the area currently zoned "A1"-Agricultural District. The area surrounding the subject tract consists predominantly of scattered residential development and vacant/undeveloped agricultural land. During the information gathering phase of this study, locations of multi-year construction projects, with the most similar characteristics to the subject, were researched and visited. Efforts were made to find situations that are most similar to those of the subject. Due to the ephemeral nature of temporary construction laydown yards, no direct comparison between temporary construction laydown yards and real estate values could be derived. Thus, the appraiser has studied the effect that a multi-year construction project has on the surrounding real estate values before and during the actual construction process.

Findings:

The data found within the current market indicates that being in close proximity to a planned or "on-going" construction project, i.e. similar to a laydown yard area, has little to no affect on the real estate values of properties located in close proximity to the project. Thus, real estate values are not impacted by either the use or proximity of a construction project or laydown yard. The data shows that a construction project or temporary construction laydown yard can coexist with surrounding real estate, in close proximity, without detriment. There was no evidence to support the concept that a temporary construction laydown yard has a deleterious effect on the values of the surrounding properties.

Assumptions:

1) This study is based on the assumption that the 7.29-acre "proposed" Duke Energy Progress temporary laydown yard will be developed as illustrated on the provided plan. The plan was prepared by John R. McAdams Company, Inc. located at 621 Hillsborough Street, Suite 500, Raleigh, North Carolina 27603. The version of the plan utilized for this study is dated August 18, 2023. 2) It is noted that this study has been perform by utilizing data extracted from various Multiple Listing Services (MLS) and various public records, it is assumed that the acquired information is accurate.

This letter itself does not constitute the study; it merely transmits the final conclusions of the accompanying study. I would like to thank you for the opportunity to have been of service to you with regards to this study. Should you have any questions, please call.

Respectfully submitted,



Marcus Allen Hair II, MAI
Cedar Creek Appraisals
1204 Arsenal Avenue
Fayetteville, North Carolina 28305
Phone: (910) 433-2919

AN IMPACT STUDY OF REAL ESTATE VALUES IN PROXIMITY TO A LAYDOWN YARD

CLIENT: Mr. Toby Coleman
Smith Anderson Law Firm
150 Fayetteville Street
Raleigh, North Carolina 27601

RESEARCHER: Marcus Hair MAI
Cedar Creek Appraisals
1204 Arsenal Avenue
Fayetteville, North Carolina 28305

SUBJECT: The study of the potential impact that the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard might have on the real estate values of properties in close proximity to the project. The “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard is to encumber a portion of a 30.92-acre tract that is located along the southern margin of Old Bluff Church Road (N.C.S.R. 1709), being approximately 1,530 feet to the west of the intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. According to the Cumberland County Tax Assessor’s office, the subject property is a vacant tract of land and does not have a physical street address. The “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will be leased from the current owner of the 30.92-acre “parent tract” for a period of two (2) years with six (6) renewal options of one (1) month each. The site improvements of the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will include 5.71-acres of 8” thick ABC stone, 7 foot high chain link fencing with a one foot high barbed wire arm at the top. The “proposed” 7.29-acre Laydown Yard will not include any above ground fuel storage tanks. No permanent signage or landscaping is planned for the laydown yard. No wells or septic systems are planned for the laydown yard. Upon termination of the lease/laydown yard, the 7.29-acre area disturbed for the development of the laydown yard will be remediated to the original condition of the “parent tract”.

PURPOSE OF THE STUDY: The purpose of this impact study and research is to formulate the data to determine and comprehend any relationship between surrounding real estate values and the proximity to a temporary construction laydown yard. Primarily the study is developed to determine if a temporary construction laydown yard has any negative influences on real estate values of properties located in close proximity to said temporary construction laydown yard.

INTENDED USE OF STUDY: The intended use of the study is to present the findings as evidence at a hearing before the local zoning board and/or any governing board or panel with whom requests have been made to consider the “special use permit” designation for a temporary construction laydown yard as it relates to the current Cumberland County zoning ordinance. The approval of the “special use permit” designation would allow the subject development to move forward.

EFFECTIVE DATE OF STUDY: September 9, 2023 – *date of the inspection of the subject property.*

DATE OF REPORT: September 16, 2023

SCOPE OF WORK FOR THE STUDY: The purpose of this study is to research relevant market data and to formulate the data in order to determine if any relationship between surrounding real estate values and the proximity to a temporary construction laydown yard exists. Primarily the study is developed to determine if a temporary construction laydown yard has any negative influences on the real estate values of properties located in close proximity to the said temporary construction laydown yard. **Methodology Employed:** Given the ephemeral nature of a temporary construction/utility laydown yard, the appraiser was not able to identify any recent comparables in close proximity to a temporary laydown yard. As a result of this the appraiser has studied the effects of a publicized, planned or “on-going” multi-year construction project on the surrounding real estate values. The study involved analyzing the appreciation rates of properties within 1,500 feet of a well publicized, planned or “on-going” construction project in relation to the property appreciation rates of a broader market area. The comparable properties selected were determined to have no “direct benefit” from the construction project, although there may be “general benefits” to the broader market area; however, these benefits would not be realized until the completion of the project. The basic premise of the analysis is that if there was to be a detrimental impact on real estate values from a multi-year construction project it would occur during the construction phase of the project, due to the increase in traffic, construction noise and the less than desirable aesthetics, i.e. eye sore. These detrimental conditions are considered to be similar to those that might be created by a temporary laydown yard. As a result, the results of the study are considered to be a good correlation for a temporary utility/constriction laydown yard. The researcher identified three (3) subdivisions that are in close proximity to multi-year construction projects. One of the subdivisions is located in close proximity to the recently constructed Kingsley Park Townhomes and the other two (2) subdivisions are “abutting” the new I-295 corridor. Thus, the researcher has utilized the appreciation rates of the real estate values of properties within 1,500 feet of the construction project and compared this appreciation rate to that of the broader market, i.e. the zip code for the area. If the construction project has a negative influence or effect on the surrounding real estate values, the appreciation rate for the properties in close proximity to the construction project would be less than the appreciation rate for that of the broader market. Conversely, if the construction project has a positive influence on the real estate values, the appreciation rate for the properties in close proximity to the construction project would be greater than that of the broader market. In addition, if the proximity to the construction project has a neutral effect on the real estate values, then the appreciation rates of the properties close to the construction project would be relatively similar to that of the broader market. The parameters utilized for this methodology are 1) for a property to be considered to be close to a construction project, the property has to be located within 1,500 feet of the construction project. 2) the broader market has been considered to be the area within the zip code of the construction project.

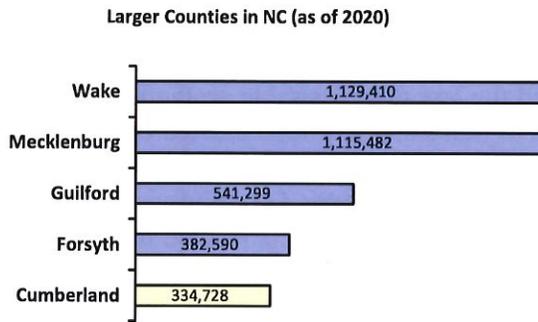
The **relevant characteristics** for this study are that the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard is to encumber a portion of a 30.92-acre tract that is located along the southern margin of Old Bluff Church Road (N.C.S.R. 1709), being approximately 1,530 feet to the west of the intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. According to the Cumberland County Tax Assessor’s office, the subject property is a vacant tract of land and does not have a physical street address. The Cumberland County Tax Assessor’s office identifies the subject’s “parent tract” as Parcel Identification Number (P.I.N.) 0582-20-2778. The “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will be leased from the current owner, Vickey Ray Lockamy or heirs, of the 30.92-acre “parent tract” for a period of two (2) years with six (6) renewal options of one (1) month each. The site improvements of the “proposed” 7.29-acre Duke Energy Progress Temporary Laydown Yard will include 5.71-acres of 8” thick ABC stone, 7 foot high chain link fencing with a one foot high barbed wire arm at the top. The “proposed” 7.29-acre Laydown Yard will not include any above ground fuel storage tanks. No permanent signage or

landscaping is planned for the laydown yard. No wells or septic systems are planned for the laydown yard. Upon termination of the lease/laydown yard, the 7.29-acre area disturbed for the development of the laydown yard will be remediated to the original condition of the “parent tract”. This report is a brief recapitulation of the researcher’s analyses and conclusions.

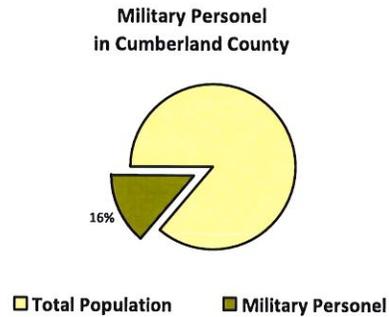
DESCRIPTION AND ANALYSIS OF THE MARKET AREA

The following regional analysis focuses on the social, economic, governmental, and environmental forces that shape the elements of supply and demand, and subsequently affect local real estate values. The property that is the subject of this appraisal is located in the southeast region of the United States and more specifically, in the southeastern portion of North Carolina.

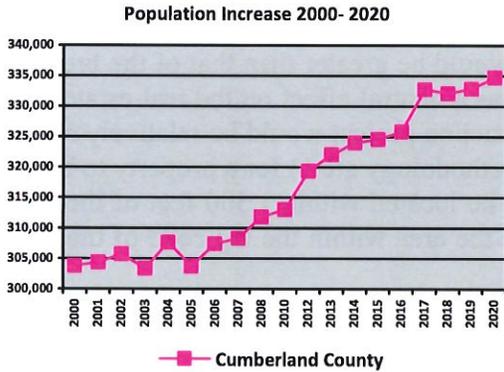
Social Forces



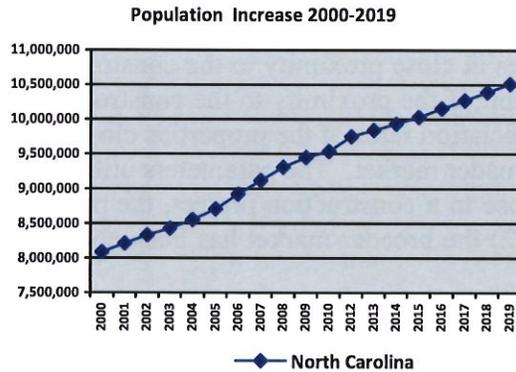
(Source: U.S. Census Bureau)



(Source: The City of Fayetteville)

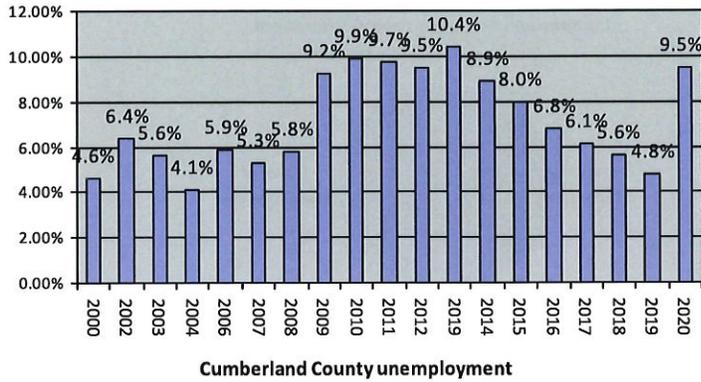


(source: U.S. Census Bureau)



Since the early 2000s, the population of Cumberland County has been directly and negatively affected by military deployments abroad. The population of the City of Fayetteville increased significantly in 2005 as a result of a major annexation in the western portion of Cumberland County and an influx of additional military personnel to Fort Bragg resulting from base closings around the country, i.e. BRAC - Base Realignment and Closure. BRAC was reportedly to have concluded in 2011/2012 and as a result the population growth of both Cumberland County and the City of Fayetteville has slowed; however, both municipalities continue to increase in population at a reduced growth rate, as evidenced by the 2020 population.

Economic Forces



The unemployment rate dramatically increased as a result of the Covid-19 pandemic. The current rate as of 11/2021 is reported to have dropped to 5.1%.

The City of Fayetteville & Cumberland County:
 Major commercial center
 Regional shopping center
 Regional medical service center

(source: U.S. Census Bureau & Employment Security Commission of NC)

Cumberland County taxable sales:
 \$5,238,200,000 in 2020
 Median Household income - Cumberland county
 \$46,292 in 2019 (+0.908% over 2018)

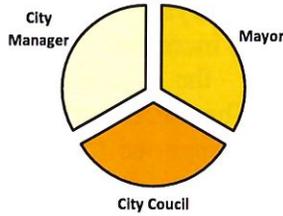
Top 10 Employers for Cumberland County

Department of Defense	Public Administration	1000+
Cumberland Co Board of Education	Education & Health Services	1000+
Cape Fear Valley Health Systems	Education & Health Services	1000+
Wal-Mart Associates, Inc.	Trade, Transportation & Utilities	1000+
Goodyear Tire & Rubber, Inc.	Manufacturing	1000+
County of Cumberland	Public Administration	1000+
City of Fayetteville	Public Administration	1000+
Fayetteville Technical Community Coll.	Education & Health Services	1000+
Veterans Administration	Public Administration	1000+
Non-Appropriated Fund Activity-Army	Leisure & Hospitality	1000+

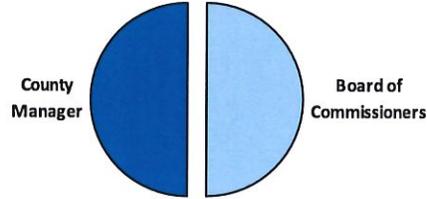
(source: The Economic Development Alliance of Fayetteville and Cumberland County, North Carolina)

Governmental Forces

City of Fayetteville Form of Government

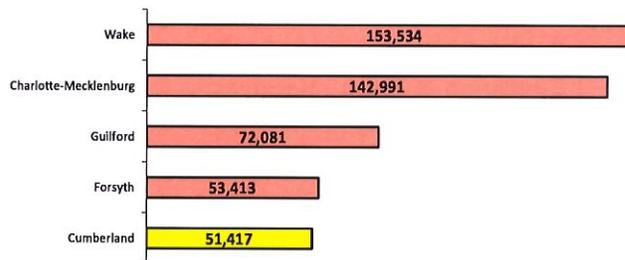


Cumberland County Form of Government



- Police and fire protection: City and County
- Ambulatory services: City and County
- Electricity: Duke Energy Progress
- Telephone: Century Link
- Gas: Piedmont Natural Gas
- Water & sewer: City of Fayetteville Public Works Commission in the City
- Well & septic tank systems in the County

Largest School Districts in NC (as of 2016)



Cumberland County:
 4 higher education learning establishments
 4 hospitals or 1,055 beds

(source: American Schools and Universities website)

Environmental Forces

Climate: Mild
Soils: Sandy with high clay content in some areas
Location: Southeastern of North Carolina
Access: Highway 95-north/south artery from Maine to Florida, U.S. Highway 401-north/south highway from Virginia to South Carolina, U.S. Highway 301, North Carolina Highways 87, 210, 24, 59 and 53
Public transportation: Buses (Fayetteville Area System of Transit), Greyhound Bus Lines & Carolina American Tours, Amtrak rail service
Air transportation: Fayetteville Regional Airport

Conclusion

The Fayetteville Area is a major economic hub for North Carolina and is the largest economic hub in the southeastern part of North Carolina. The presence of the Military has permitted the area to continue to grow during peace time despite the past national recession that began in 2008. Unemployment in Cumberland County fluctuated around 5% from 2000 to 2006, but dramatically increased as a direct result of the financial crisis that started in 2008. In recent years the unemployment rate has declined as the economy slowly improves, in 2019 the unemployment rate was 4.8%. The rate increased to 9.5% in 2020 due to the Covid-19 pandemic, but reduced to 5.1% as of the current date. The population of Cumberland County has increased at a reduced rate since the 2010 census population of 319,431 and was 334,728 in 2020. Natural disasters, instability and conflicts abroad indirectly affect the local economy by requiring continuing military involvement, which in return lessens growth locally as a “fall out” effect caused by changes in the allocation of national resources. Based on the increasing population and lowering of the unemployment rate, the area is expected to continue to grow.

DESCRIPTION OF THE SUBJECT PROPERTY



Aerial of the 30.92-Acre "Parent Tract" of the Subject Property

The "parent tract" of the subject property consists of a vacant tract of land that contains a total area of 30.92-acres. The 30.92-acre tract is located along the southern margin of Old Bluff Church Road (N.C.S.R. 1709), being approximately 1,530 feet to the west of the intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. According to the Cumberland County Tax Assessor's office, the subject property is a vacant tract of land and does not have a physical street address. The Cumberland County Tax Assessor's office identifies the subject's "parent tract" as Parcel Identification Number (P.I.N.) 0582-20-2778. The 'proposed' 7.29-acre laydown yard is to encumber the northern portion of the "parent tract". The northern most 1.45-acres of the "parent tract" is located in an area that is currently zoned "R-40A"-Residential District by Cumberland County. The southwestern most 3.94-acres of the "parent tract" is located in an area that is currently zoned "CD"-Conservancy District by Cumberland County. The remaining 25.53-acres is located in an area currently zoned "A1"-Agricultural District by Cumberland County. The majority of the "proposed" 7.29-acre temporary laydown yard will encumber the area of the "parent tract" that is currently zoned "A1"-Agricultural District. It is noted that the laydown yard's access road will partially encumber a portion of the area that is currently zoned "R-40A"-Residential District. The northern most third of the "parent tract" is cleared farmland and the remaining southern two thirds is woodland. The topography of the subject tract slopes downward from east to west and has a total elevational difference of approximately 12 feet. The area of the subject tract that is designated as 'wetlands' basically corresponds to the area encompassed by an existing stream and a small pond, both of which are outside of the project area. The "parent tract" is located "outside" of any flood hazard area. The soils are a combination of well and poorly drained soils.

Description of the Subject's "Parent Tract" Parcel						
Parcel No.	Street Address	PIN	Parcel Size (Ac.)	Frontage(GIS)	Assessment*	R.E. Taxes
1	Old Bluff Church Road	0582-20-2778	30.92 Ac.	210.56 Ft.	\$119,649	\$1,195.30
*Assessment is the non-deferred value			Totals:	30.92 Ac.	210.56 Ft.	Total: \$1,195.30



**#1 – View South of the Subject Tract from Old Bluff Church Road
*Taken By Cedar Creek Appraisals 9/9/2023***



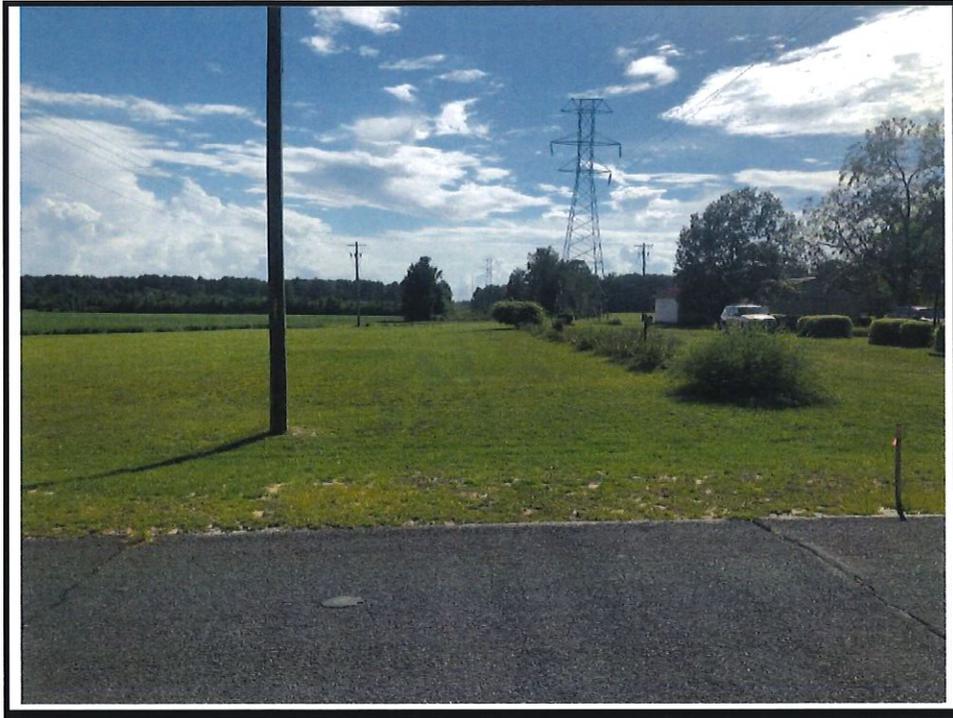
**#2 - View Southeast of the Subject from Old Bluff Church Road
*Taken By Cedar Creek Appraisals 9/9/2023***



#3 – View East of Old Bluff Church Road, Subject on the right
Taken By Cedar Creek Appraisals 9/9/2023



#4 – View west of Old Bluff Church Road, Subject Property on the Left
Taken By Cedar Creek Appraisals 9/9/2023



#5 – View South Powerline Right-of-Way that parallels the Subject's western property line
Taken By Cedar Creek Appraisals 9/9/2023



#6 – View East of the right of way stakes on adjoining property
Taken By Cedar Creek Appraisals 9/9/2023



#7 – View Southwest of the Subject Property
Taken By Cedar Creek Appraisals 9/9/2023



#8 – View Southeast of the Subject Property
Taken By Cedar Creek Appraisals 9/9/2023

Location: The subject's "parent tract" is a 30.92-acre tract that is located along the southern margin of Old Bluff Church Road (N.C.S.R. 1709), being approximately 1,530 feet to the west of the intersection of Sisk Culbreth Road (N.C.S.R. 1802), near the Town of Wade, in Cumberland County, North Carolina 28344. According to the Cumberland County Tax Assessor's office, the subject property is a vacant tract of land and does not have a physical street address.

Parcel Id. Number: 30.92-Ac. Parcel – 0582-20-2778

Legal description: The legal "metes and bounds" descriptions for the 30.92-acre tract can be found on the plat recorded in Plat Book 82 at Page 147 of the Cumberland County Registry. The subject tract is identified as Lot 2 on the recorded plat.

Site Size: The "parent tract" has a size of 30.92-Acres. Project size is 7.29-Acres.

Shape: The subject tract is irregular in shape.

Access: The subject tract has adequate access from the 210.56 feet of frontage on the south side of Old Bluff Church Road (N.C.S.R. 1709), which is two-laned "dead end" asphalt paved road.

Frontage: The subject tract's total road frontage of 210.56 feet along the south side of Old Bluff Church Road (N.C.S.R. 1709).

Visibility: Typical Rural View

Topography: The subject tract has a slightly sloping topography and slopes down from east to west. The total elevational difference is estimated to be approximately 12 feet. The subject's topography is considered to be conducive to development.

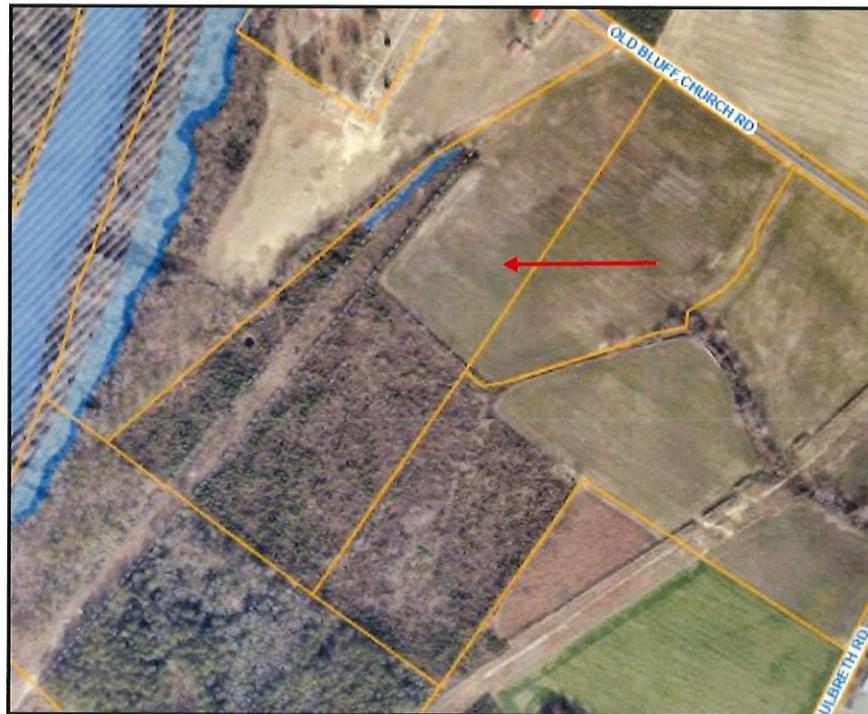


Subject Soils Map

Soil Conditions: The subject soil types are identified as suitable for development and unsuitable for development. **Suitable soils:** NoA – Norfolk loamy sand, 0 to 2 percent slopes; LaB – Lakeland sand, 1 to 8 percent slopes; ExA – Exum loam, 0 to 2 percent slopes. **Unsuitable soils:** Gr – Grantham loam; Le-Leon

sand. In order to develop the subject's "parent tract" a detailed soil analysis is recommended due to the combination of well drained and poorly drained soils.

Utilities: Electricity: Duke Energy Progress (Assumed)
Sewer: Septic System
Water: Well
Adequacy: Yes
Site Improvements: Street lights: No
Sidewalk: No
Curb & Gutter: Open Drainage Ditches
Landscaping: Undeveloped Tract



Subject Flood Plain Map – Hashed Area is Flood Plain/Floodway

Flood Zone: The entire subject "parent tract" is **not** located in a flood hazard area, i.e. zone X (*FIRM #3720058200J, published by FEMA. Effective date is 1/5/2007.*)

Wetlands/Watershed: There is a small existing stream and a pond along the western property line of the subject's "parent tract" that are designated as wetlands. Both of these wetland areas are located outside of the "project area" and are considered to have minimal impact on development potential. Source: Cumberland County GIS.

Restrictions The subject tract is subject to the local zoning ordinance, building codes, health department requirements and environmental laws. No deed restrictions were found; however, a title search is recommended.

Environmental Issues: None known on subject

Encumbrance/ Easement:	The is an existing 90 foot wide powerline easement that encumbers the western third of the subject's "parent tract". No other adverse easements or encroachments were noted during the "due diligence" of the appraiser.
Earthquake Hazard:	No evidence was found during the course of the investigation that might indicate that the subject property is in an earthquake hazard area. Thus, it is assumed that the subject property is not located in an earthquake hazard area.
Zoning:	1.45-Ac. "R-40A" -Residential District; 3.94-Ac. "CD"-Conservancy District and 25.53-Ac. "A1"-Agricultural District.
Surrounding Uses:	The surrounding uses are rural residential and agricultural in nature.

HISTORY OF SUBJECT PROPERTY OWNERSHIP

Transfer

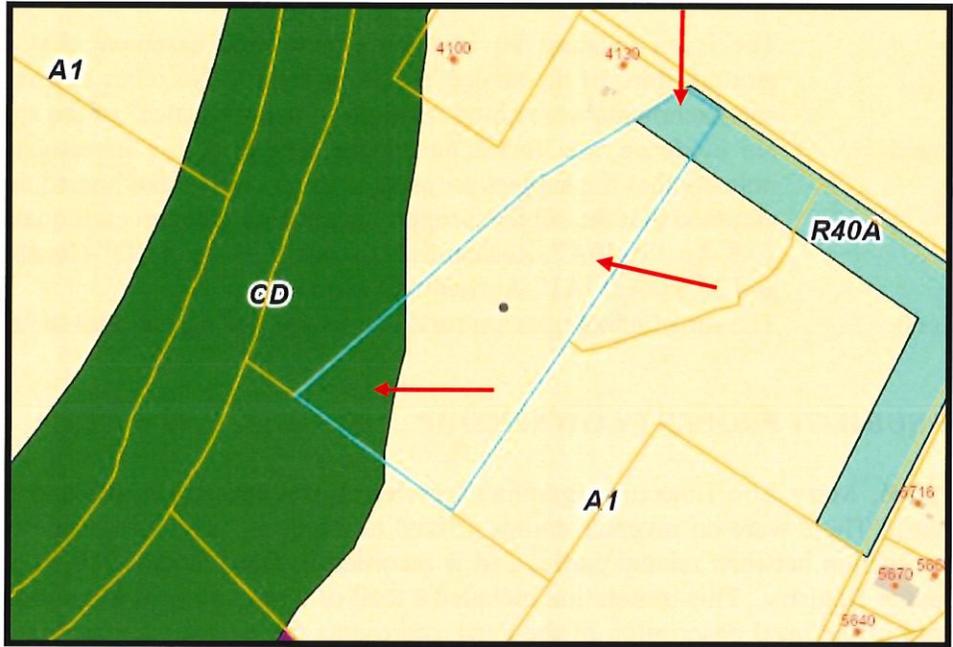
On April 27, 2006, Mary Lou Lockamy (grantor) transferred multiple tracts of land to Vickey Ray Lockamy(grantee). There were no revenue stamps affixed to the deed. This is considered to be a 'non-arm's length' transaction between related parties and is recorded in Deed Book 7218, at page 510 of the Cumberland County Registry. This transaction included a total of three tracts (3) individual tracts of land. Tract Two, found in the legal description of the deed, represents the overall subject "parent tract". The plat recorded in Plat Book 82 at page 147 of the Cumberland County Registry has the subject "parent tract" as Lot 2. It is noted that the Cumberland County Tax Assessor's office has the ownership of the subject's "parent tract" as Karla M. Lockamy who is assumed to be an heir of Vickey Ray Lockamy.

Current Lease of the 7.29-acre Laydown Yard

Currently there is an executed land lease for the 7.29-acre subject property. The lease is dated March 7, 2023 and is between Karla M. Lockamy (lessor) and Duke Energy Progress, LLC (lessee). This lease has a commencement date of October 1, 2023 with an initial term of 2 years and includes six (6) renewal options of one (1) month each.

The lease states that with the exception of fencing no permanent structures are to be constructed on the property and that the 7.29-acres is to be utilized for the storage of materials, equipment, vehicles (including heavy equipment), and construction trailers. At the termination of the lease the property is to be restored to a reasonably similar condition as it was prior to the lease.

ZONING



Subject Zoning Map

“CD” – Conservancy District – Southwestern most 3.94-Acre

The southwestern most 3.94-acres of the subject tract is located in an area that is currently zoned “CD” – Conservancy District by Cumberland County. **“CD” - Conservancy District:** This district is designed to preserve and protect identifiable natural resources from urban encroachment. The general intent of the district is to provide open area uses for such resource areas that will continue to provide limited development potential while preserving existing conditions to the extent feasible. Areas to be zoned in this district shall be identifiable as swamp, marsh, flood land, poor or very severe soils areas or managed and unmanaged woodland on USGS (Geological Survey) maps, soil maps prepared by the USDA (Department of Agriculture) Soil Conservation Service or other appropriate sources and on file in the County Planning and Inspections Department. **Permitted Uses Include:** Accessory Uses, Agriculture or Rural Farm Use, Fish Hatchery, Home Occupations, Nursery Operations, Public Utility Substations, Recreation/Amusement Outdoor, Riding Academies, Sawmills, Swimming Pools. The subject is a vacant tract and as a result is considered to conform to the permitted uses.

The following table illustrates the dimensional standards for the Conservancy District.

Dimensional Standard	Required Setback
Min front & corner side setbacks (ft)	50' from R-O-W or 80' from Centerline of the St.
Min side setback (ft)	50
Min rear setback (ft)	50

The subject is a vacant tract and is considered to conform to the zoning’s setback requirements. Parking requirements are based on the use of the site, as a vacant lot the subject does not have to comply with any parking requirements. The subject tract is vacant and therefore, is considered to be a legally conforming use,

as there are no zoning requirements for a minimum lot size or direct access in the “CD” – Conservancy District.

“A1” – Agricultural District – 25.53-Acre center section

The center 25.53-acres of the subject property is zoned “A1” – Agricultural District by the Cumberland County Planning Department. The “A1” – **Agricultural District’s** general purpose is “to promote and protect agricultural lands, including woodland, within the County”, and **permits**, but is not limited to, the following uses: accessory uses, agricultural or rural farm use, assemblies, bed & breakfast, single family and multiple family dwellings, convenience retail with gasoline sales, grocery store, religious worship activities, nursery, sawmill, swimming pool. The dimensional requirements of the “A1” District are as follows:

Minimum Area	2 acres
Minimum lot width	100 ft
Minimum front yard	50 ft from the street right-of-way line
Minimum side yard	1 story: 20 ft, 2 story: 25 ft
Minimum rear yard	50 ft
Parking and Loading Requirements	Based on use

There are also sign regulations and other regulations within the Zoning Ordinance for Cumberland County that require compliance, but which are not quoted here. There are no improvements on the subject tract. Thus, the subject tract “as is” is considered to be a legally conforming use.

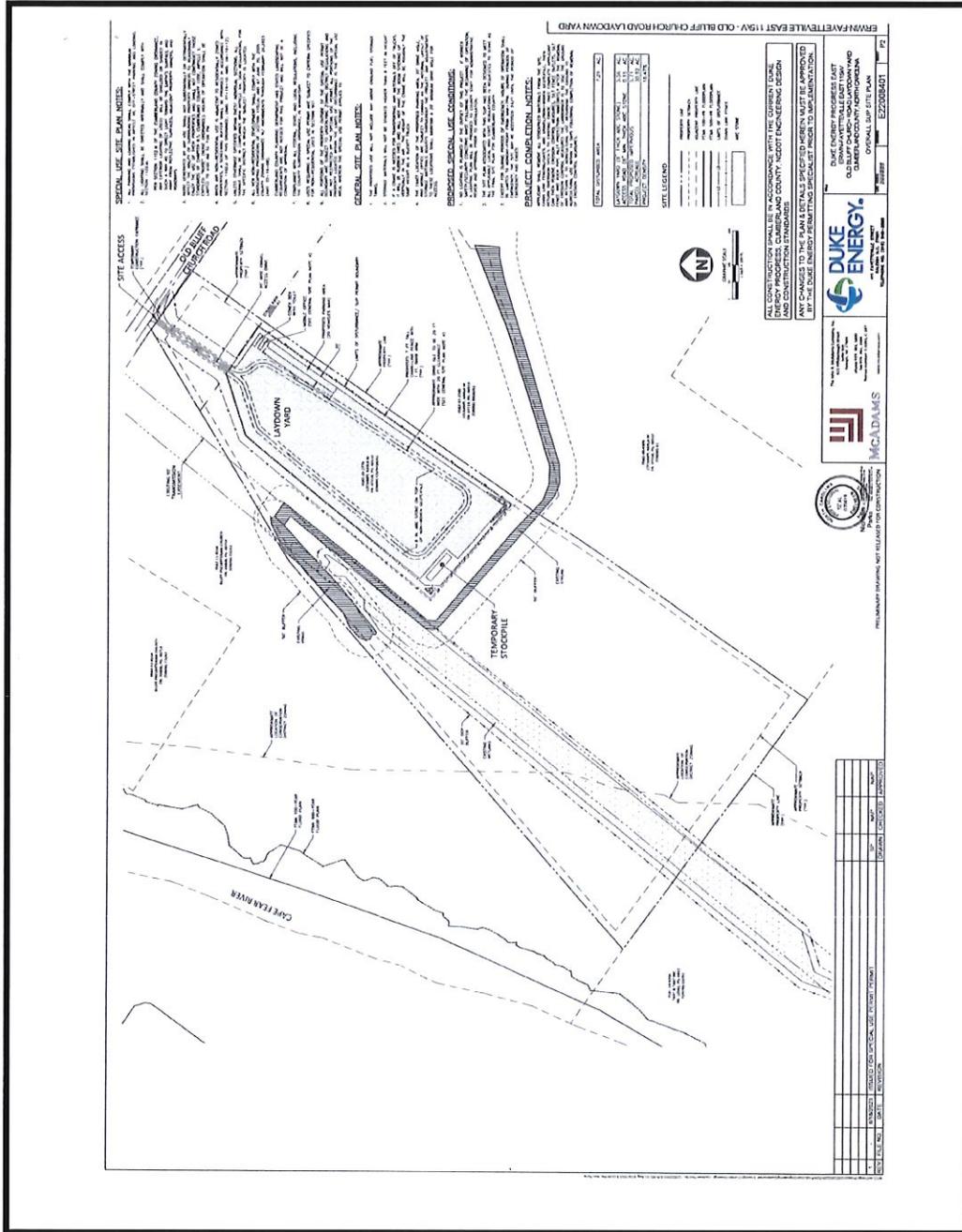
“R-40A” – Residential District-Northern most 1.45-Acres

According to the Cumberland County’s GIS Zoning Map, the subject’s northern most 1.45-acres is located in the “R-40A”- Residential District. The “R-40A” – **Residential District** is designed primarily for single-family dwelling units, including the use of manufactured homes on individual lots, with a lot area of 40,000 square feet or above. **Permitted uses** in the “R-40A”-Residential District include but are not limited to single family dwellings including manufactured homes, multifamily dwellings and duplexes. Schools and churches are also permitted in the “R-40A”-Residential District. The subject’s use as vacant land is a permitted use. The dimensional requirements for lots in the “R-40A”-Residential District are as follows:

Minimum Area	40,000 sq. ft.
Minimum lot width	100 ft
Minimum front yard	30 ft
Minimum side yard	15 ft and adding 10 ft for each story over two stories
Minimum rear yard	35 ft
Parking and Loading Requirements	Two spaces per dwelling unit.

The vacant subject lot is considered to conform to all of the zoning requirements. Thus, the vacant subject tract is considered to be a “legally conforming use”. The entire vacant subject “parent tract” is considered to conform to all of the zoning requirements and as a result is considered to be a legally conforming use.

PROPOSED USE OF THE 7.29-ACRE PORTION OF THE SUBJECT 30.926-ACRE TRACT



OVERALL DEVELOPMENT LAYOUT 7.29-ACRE TEMPORARY LAYDOWN YARD

Proposed Use: The “proposed” 7.29-acre Temporary Utility Construction Laydown Yard will be utilized for the storage of materials, vehicles and equipment for a maximum of 2.5-years. There will be no permanent improvements built on the site, with the exception of fencing. Approximately 5.71-acres of the site will be covered with 8 inches of ABC stone. The site will be restored to the original condition at the termination of the lease.

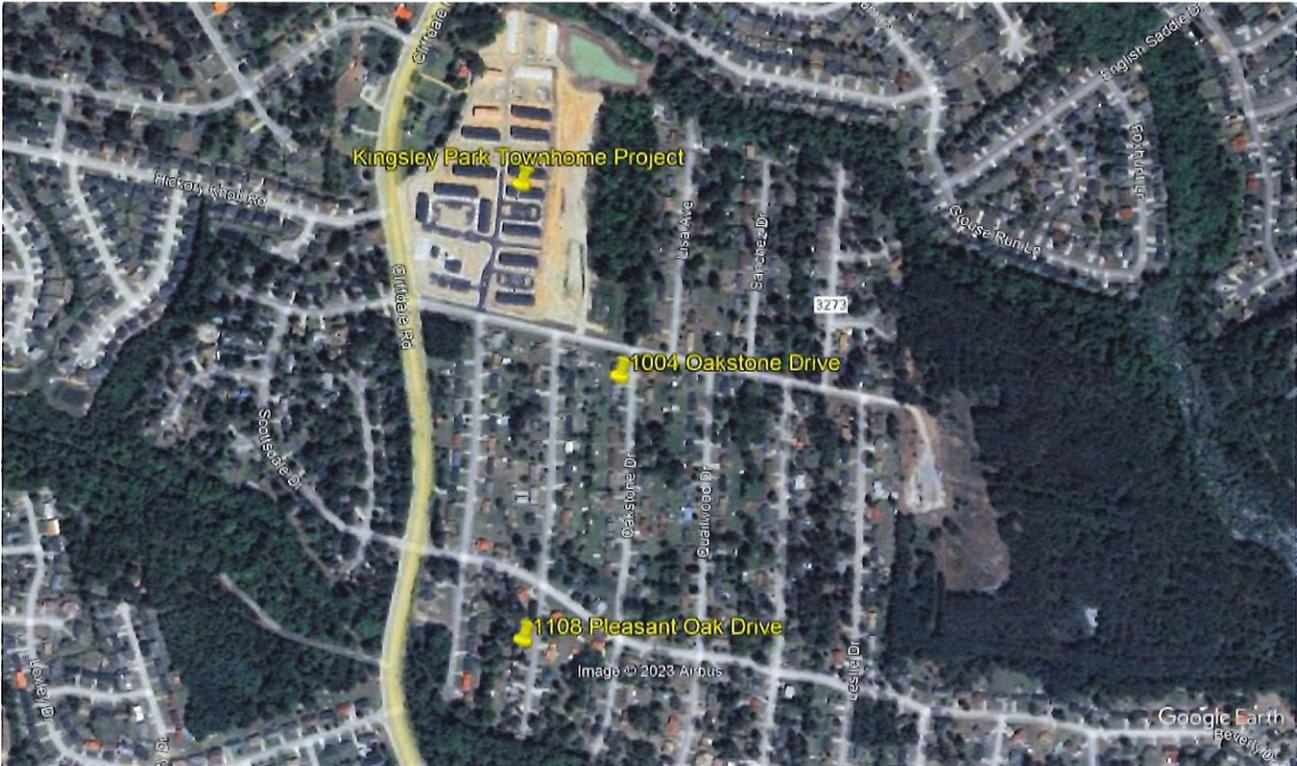
RESEARCH AND STUDIES

Methodology: The researcher has utilized the appreciation rates of the real estate values of properties in close proximity to the multi-year construction projects and compared these appreciation rate to that of the broader market area. If the multi-year construction project has a negative influence or effect on the surrounding real estate values, the appreciation rate for the properties in close proximity to the construction project would be less than the appreciation rate for that of the broader market area. Conversely, if the multi-year construction project has a positive influence on the real estate values, the appreciation rate for the properties in close proximity to the construction project would be greater than that of the broader market area. In addition, if the proximity to the multi-year construction project has a neutral effect on the real estate values, then the appreciation rates of the properties close to the construction project would be relatively similar to that of the broader market area. The parameters utilized for this methodology are 1) for a property to be considered to be close to a multi-year construction project, the property has to be located within 1,500 feet of the construction project. 2) the broader market has been considered to be the area within the zip code of the multi-year construction project. 3) for a comparable to be considered, the associated construction project must be “on-going”, planned or well publicized. 4) the multi-year construction project may provide general benefits to the broader market area; however, it can not provide any direct benefits, i.e. enhanced access, to a comparable utilized in the study.

A multi-year construction project is considered to have similar influences on the surrounding properties as a temporary construction laydown yard, i.e. increased traffic, increased noise, and less than desirable aesthetics. As a result of the similar influences, a multi-year construction project should have a similar or greater impact on the surrounding properties than a temporary construction laydown yard.

For the methodology employed in this study, transactions of single family residences have been researched. Transactions of single family residences have been employed as these types of transactions represent the largest and most formalized segment of the real estate market as a whole. In addition, this property type is considered to be the most sensitive to influences of characteristics located outside of the boundary lines of the individual property. The combination of more transactional data and higher sensitivity to market influences, results in the ability to measure the impact that a characteristic would have in the real estate market overall.

1. Kingsley Park Townhome Development/Cliffdale Forest S/D – Cumberland County



The Kingsley Park Townhome development is an “on-going” multi-family development located in the northeastern quadrant of the intersection of Cliffdale Road and Lowell Harris Road in the City of Fayetteville. The 29.53-acre site was purchased on September 19, 2019 and the 13 existing buildings are cited to have been constructed in 2022 by the Cumberland County Tax Assessor’s Office. The Kingsley Park Townhome development adjoins the Cliffdale Forest Subdivision. As a result of the close proximity to the development, the properties in the Cliffdale Forest Subdivision so be reflective of any influences generated by the construction of the Kingsley Park Townhome development.

The researcher identified two single family residences within 1,500 feet of the Kingsley Park Townhome development that had sold and resold during the construction phase of the project. The sale and resale of these single family residences is utilized to determine if the construction of the project had any impact on the appreciation rates of homes in the Cliffdale Subdivision. Based on the analysis below, it appears that the proximity to the construction activity of the Kingsley Park Townhomes had no impact on the real estate appreciation rates.

Cliffdale Forest S/D - Proximity to Kingsley Park Townhomes 256' to 1,358'							
Lot	Address		Size SF	Year Built	Date Sold	Sales Price	Difference
292	1108	Pleasant Oak Drive	1,814	1986	5/1/2019	\$75,000	Compounded
					8/8/2019	\$140,000	Appreciation
					2/17/2022	\$230,000	21.44%/Year
259	1004	Oakstone Drive	1,564	1985	10/29/2021	\$170,000	Compounded
					12/12/2022	\$210,000	20.54%/Year
Average Compounded Annualized Appreciation Rate for 2 Resales near Kingsley Park:							20.99%/Year
Annual Compounded Appreciation Rate for SFR in Zip Code 28314 from 1/20 to 8/23:							17.86%/Year

As can be seen in the table above, the appreciation rates for the Cliffdale Forest subdivision ranges from a low of 20.54%/year (1004 Oakstone Drive) to a high of 21.54%/year (1108 Pleasant Oak Drive) with an average of compounded appreciation rate of 20.99%/year. The broader market for zip code 28314 is indicating a compounded appreciation rate of 17.86%/year. This indicates that that the proximity to the construction activity did not have any negative influence on the real estate values. There was no circumstance where a decline in value was present.

The conclusion for this individual study is that the close proximity to the construction activity of the Kingsley Park Townhome development had no influence on the real estate values.

2. I-295 Outer Loop Project/Peartree West S/D – Cumberland County



I-295 Outer Loop Project

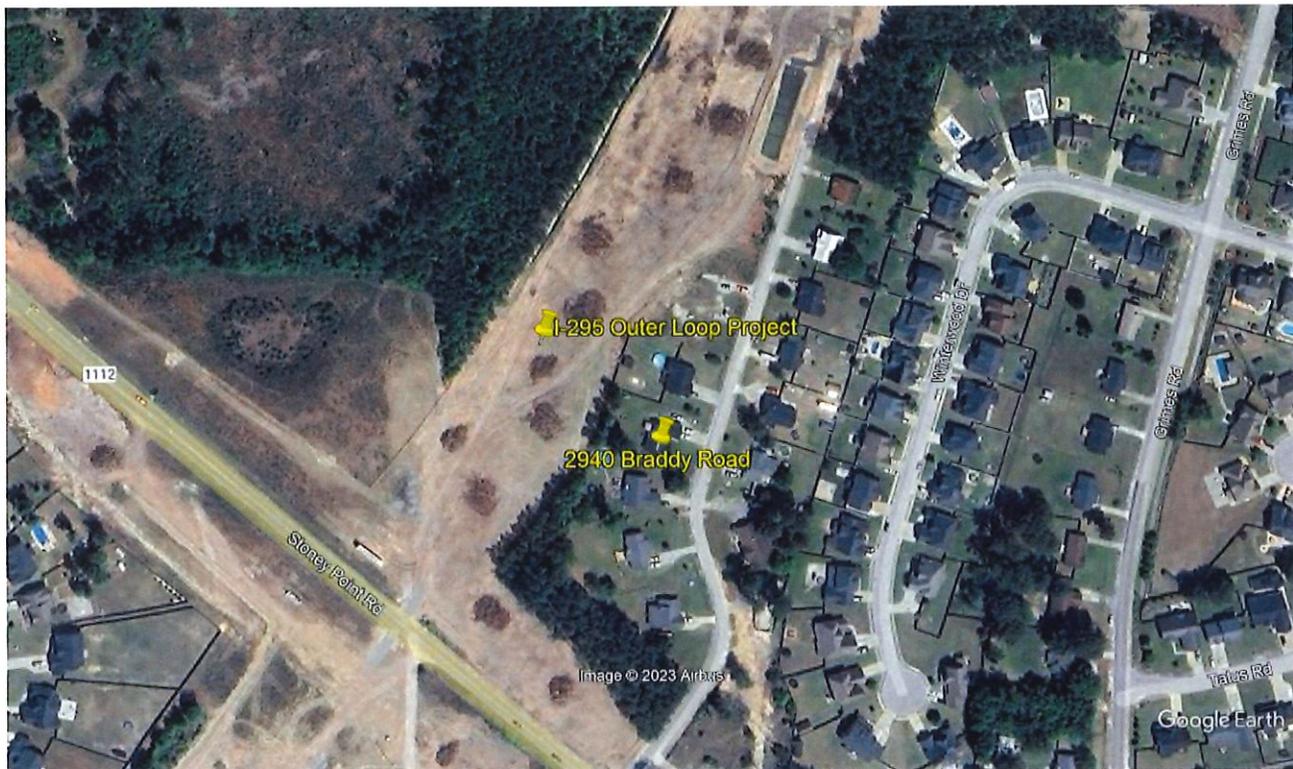
The I-295 Outer Loop of Fayetteville has been a well publicized project over the past couple of decades. The Peartree West Subdivision adjoins the I-295 outer loop. The researcher found four sales and resales of single family residences in the Peartree West S/D to extract appreciation rates. When these

appreciation rates are compared to the baseline appreciation rate for zip code 28306, no negative impact on the real estate values was exhibited.

Peartree West S/D - Adjoins I-295 Outer Loop Project						
Lot	Address	Size SF	Year Built	Date Sold	Sales Price	Difference
39	3221 Hunting Lodge Road	2,310	2019	12/17/2019	\$255,520	Compounded
				2/4/2022	\$320,000	11.07%/Year
127	3216 Hunting Lodge Road	2,363	2019	12/3/2019	\$256,000	Compounded
				6/30/2023	\$375,000	11.23%/Year
63	4708 Ritson Lane	2,418	2020	6/23/2020	\$254,541	Compounded
				5/22/2023	\$375,000	14.20%/Year
51	4756 Ritson Lane	2,222	2020	4/9/2020	\$260,000	Compounded
				1/14/2023	\$370,000	13.54%/Year
Average Annualized Appreciation Rate for 4 Resales in Peartree West near I-295:						12.51%/Year
Annual Compounded Appreciation Rate for SFR in Zip Code 28306 from 1/20 to 8/23:						10.81%/Year

The properties located in the Peartree West subdivision had appreciation rates that range from a low of 11.07%/Year (3221 Hunting Lodge Road) to a high of 14.20%/Year (4708 Ritson Lane). The lowest appreciation rate is illustrated by 3221 Hunting Lodge Road which adjoins the I-295 Outer Loop project. However, the lower appreciation rate is not considered to be the effect of the I-295 Outer Loop project as it is more likely attributed to the fact that the resale of this single family residence was in 2022 when all the other resales occurred in 2023. As a result of the shorter duration between the sale and resale of the single family residence at 3221 Hunting Lodge Road, a lower compounded appreciation rates results. The appreciation rate of 3221 Hunting Lodge Road at 11.07%/Year is still above the base line appreciation rate of 10.81%/Year for zip code 28306. The single family residence located at 4756 Ritson Lane had the second highest appreciation rate at 13.54% and this property adjoins a retention pond to the rear. The average compounded appreciation rate for the four resales is 12.51%/Year, which is above the 10.81%/Year for the 28306 zip codes baseline. None of the four resales exhibited a decline in value. Based on the above analysis, there appears to be no adverse effect on property values due to proximity to the construction of the I-295 Outer Loop Project.

3. I-295 Outer Loop Project/McDougald S/D – Cumberland County



I-295 Outer Loop Project

The I-295 Outer Loop of Fayetteville has been a well publicized project over the past couple of decades. The McDougald Subdivision adjoins the I-295 outer loop. The researcher found one sale and resale of a single family residences in the McDougald S/D to extract appreciation rates. When these appreciation rates are compared to the baseline appreciation rate for zip code 28306, no negative impact on the real estate values was exhibited.

McDougald S/D - Adjoins I-295 Outer Loop Project							
Lot	Address		Size-SF	Year Built	Date Sold	Sales Price	Difference
21	2940	Braddy Road	1,538	1993	4/30/2020	\$145,000	Compounded
					5/17/2022	\$190,000	14.18%/Year
Compounded Annual Appreciation Rate for Resale in McDougald S/D adjoining I-295:							14.18%/Year
Annual Compounded Appreciation Rate for SFR in Zip Code 28306 from 1/20 to 8/23:							10.81%/Year

This is the sale and resale of the single family residence located at 2940 Braddy Road and the time frame of the two transactions coincided with the establishment of the I-295 Outer Loop. The single family residence at 2940 Braddy Road adjoins the I-295 Outer Loop to the rear. As illustrated above the appreciation rate of this home is calculated to be 14.18%/Year, which is compared to the broader market at 10.81%/Year for the 28306 zip code. Based on this “pairing” there is no evidence to support any negative influences on property values due to the proximity to the construction of the I-295 Outer Loop.

CONCLUSIONS

Based on all of the research and analysis performed, the researcher found no evidence to support any influence of an “on-going” construction project on real estate values of properties in close proximity. An “on-going” construction project is deemed to be more intrusive than a temporary laydown yard. Thus, by extension a temporary construction laydown yard, with a maximum duration of 2.5 years, is not considered to have any negative impact on the real estate values of properties located in close proximity. There was not one case identified where the construction project was suspected of having a negative influence on the surrounding real estate values. In some cases, the rates extracted for properties in close proximity to the construction project were higher than the indicated rate of the broader market; however, the variance was not statistically significant. The determination has been made that a temporary construction laydown yard has a neutral effect on the value of the surrounding properties. Thus, the temporary construction laydown yard can coexist with other surrounding properties without detriment to the real estate values.

ADDENDA

CERTIFICATE OF THE STUDY

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon an action that favors the cause of the client or the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the study.
- The subject property was personally inspected by Marcus Allen Hair II, MAI on September 9, 2023.
- No one provided significant real estate assistance to the persons signing this report.
- The researcher has not performed any prior services regarding the subject property within the previous three years of the study's effective date.

Prepared by:



Marcus Allen Hair II, MAI
Cedar Creek Appraisals
1204 Arsenal Avenue
Fayetteville, North Carolina 28305
Phone: (910) 433-2919
Email: hairmai@aol.com

ASSUMPTIONS AND LIMITING CONDITIONS

This study is made with the following general assumptions:

- 1) No opinion as to the condition of the title is rendered. Title is assumed to be marketable free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is assumed to be under responsible ownership and competent management, and available for its highest and best use.
- 2) The legal description of the subject property is assumed to be correct and no responsibility is assumed for legal matters.
- 3) Information furnished to the researcher by outside sources is considered to be reliable; however, no responsibility is accepted for the validity or accuracy.
- 4) All the engineering associated with the subject is assumed to be correct. The sketches and illustrations presented in the report are only included to assist the reader in visualizing the subject property and no responsibility is assumed for the accuracy of the exhibits.
- 5) The assumption that there are no hidden or unapparent conditions of the property, subsoil, or structure which would render it more or less valuable is made. No responsibility is accepted for such conditions or the arranging of engineering studies that may be required to discover them. It is assumed that the site and the structures are free and clear of all hazardous materials, or any other potential health risks, unless otherwise stated in the appraisal report. Hazardous materials are to include, but are not limited to, asbestos-containing materials, urea-formaldehyde insulation, PCP, and toxic waste. No potential environmental hazards were observed.
- 6) Full compliance with all applicable federal, state, and local environmental regulations and laws is assumed, unless noncompliance is stated, defined, and considered in the study.
- 7) Unless otherwise noted in the report, it is assumed that there is no encroachment or trespass. It is also assumed that the utilization of the land and improvements is within the property lines of the property described in the study.

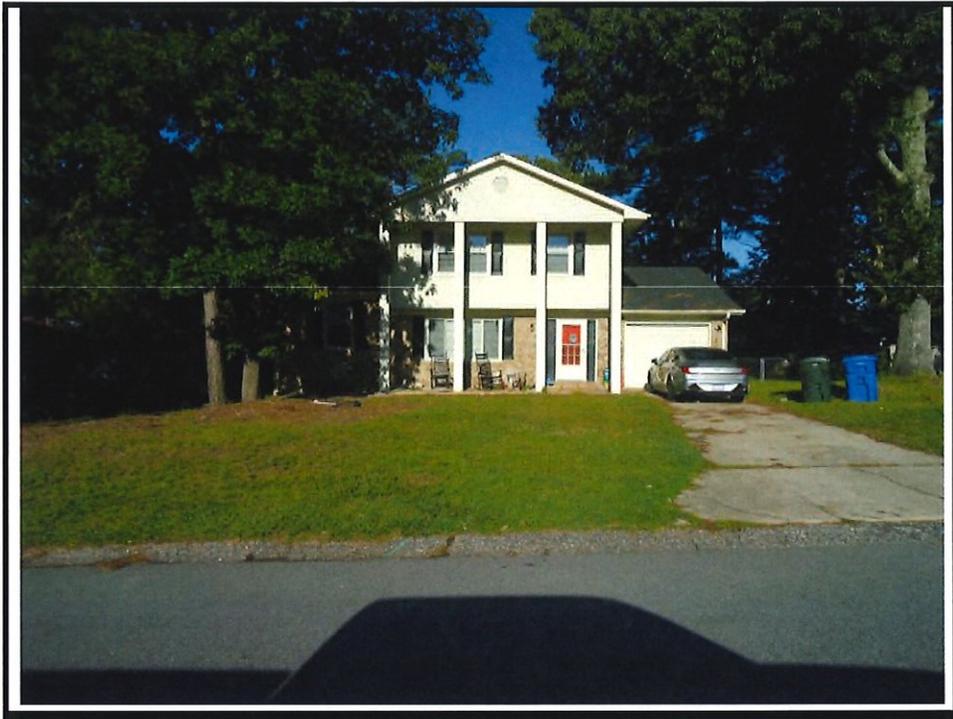
The study has been made with, and is subject to, the following general limiting conditions:

- 1) The report contains conclusions and opinions, which are the result of the training, experience, and judgment of the researcher in the particular circumstances under which the report was prepared. No representation or warranty is made and none may be assumed or implied as to whether any other researcher working in the same or different circumstances would agree with the conclusions or opinions contained in the report.
- 2) The researcher, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court unless previous arrangements have been made.
- 3) The right of publication is not carried with the possession of the study, or any copy of the study, in any form.

- 4) Neither all nor any part of the contents of this study (especially any conclusions, the identity of the researcher, or the firm with which the researcher is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the researcher.
- 6) **Extraordinary Assumption:**
 - 1) This study is based on the assumption that the 7.29-acre "proposed" Duke Energy Progress temporary laydown yard will be developed as illustrated on the provided plan. The plan was prepared by John R. McAdams Company, Inc. located at 621 Hillsborough Street, Suite 500, Raleigh, North Carolina 27603. The version of the plan utilized for this study is dated August 18, 2023.
 - 2) It is noted that this study has been performed by utilizing data extracted from various Multiple Listing Services (MLS) and various public records, it is assumed that the acquired information is accurate.

Hypothetical Condition:

None.



#1 – 1108 Pleasant Oak Drive – Cliffdale Forest S/D



#2 – 1004 Oakstone Drive – Cliffdale Forest S/D



#3 – 3221 Hunting Lodge Road – Peartree West



#4 – 3216 Hunting Lodge Road – Peartree West S/D



#5 – 4708 Ritson Lane – Peartree West S/D



#6 – 4756 Ritson Lane – Peartree West S/D



#7 – 2940 Braddy Road – MCDougald S/D

Property Summary

Tax Year: 2023

REID	0582202778000	PIN	0582-20-2778	Property Owner	LOCKAMY, KARLA M
Location Address	0 N/A DR	Property Description	ALLEN LOCKAMY PROP RECOMB LO2 SE01 PL0082-0147	Owner's Mailing Address	5640 SISK CULBRETH RD GODWIN NC 28344

Administrative Data		Transfer Information		Property Value	
Plat Book & Page	0082-0147	Deed Date	4/28/2006	Total Appraised Land Value	\$119,649
Old Map #		Deed Book	007218	Total Appraised Building Value	
Market Area	4085	Deed Page	00510	Total Appraised Misc Improvements Value	
Township	NONE	Revenue Stamps		Total Cost Value	\$119,649
Planning Jurisdiction	COUNTY	Package Sale Date		Total Appraised Value - Valued By Cost	\$119,649
City		Package Sale Price		Other Exemptions	
Fire District	0121-FIRE-SERV-DIST	Land Sale Date	4/28/2006	Exemption Desc	
Spec District	RECREATION	Land Sale Price		Use Value Deferred	\$112,674
Land Class	F100-RURAL	Improvement Summary		Historic Value Deferred	
History REID 1		Total Buildings	0	Total Deferred Value	\$112,674
History REID 2		Total Units	0	Total Taxable Value	\$6,975
Acres	30.92	Total Living Area	0		
Permit Date		Total Gross Leasable Area	0		
Permit #		Photograph			

No Photo Found

Building Summary

Misc Improvements Summary

Card #	Unit Quantity	Measure Type	Base Price	Eff Year	Phys Depr (% Bad)	Econ Depr (% Bad)	Funct Depr (% Bad)	Common Interest (% Good)	Value
No Data									
Total Misc Improvements Value Assessed:									

SUBJECT PROPERTY'S TAX CARD

Land Summary

Land Class: F100-RURAL		Deeded Acres: 0		Calculated Acres: 30.51			
Zoning	Soil Class	Description	Size	Rate	Size Adj. Factor	Land Adjustment	Land Value
A1		2096-RURAL-ACREAGE	24.18 BY THE ACRE PRICE	\$13,500	0.357		\$108,962
A1		2300-SWAMP-WASTE	4.68 BY THE ACRE PRICE	\$300			\$1,404
R40A		2096-RURAL-ACREAGE	2.06 BY THE ACRE PRICE	\$13,500	0.7036		\$9,283
Total Land Value Assessed: \$119,649							

Ownership History

	Owner Name	Deed Type	% Ownership	Stamps	Sale Price	Book	Page	Deed Date
Current	LOCKAMY, KARLA M	WD-WARRANTY DEED	100	0		007218	00510	4/28/2006
1 Back	EDWARDS, FRANK T, DARYL K/ ERNEST, E CAIN	QC-QUIT CLAIM DEED	100	0		004601	00847	1/15/1997
2 Back	LOCKAMY, MARY LOU	WD-WARRANTY DEED	100	0		004462	00694	3/22/1996
3 Back	EDWARDS, DARYL K, FRANK T/ JANNIE, F HANSON	WD-WARRANTY DEED	100	0		004462	00692	3/22/1996
4 Back	EDWARDS, FRANK	OD- ORDR/COURTCOMMISS	100	0		004423	00061	12/29/1995
5 Back	MCCORQUODALE, JAMES SHELDON/ BEVERLY, N	WD-WARRANTY DEED	100	0		004101	00594	1/28/1994
6 Back	LOCKAMY, ALLEN E/ LOCKAMY, WIFE	WD-WARRANTY DEED	100	0		000654	00274	7/1/1984

Notes Summary

Building Card	Date	Line	Notes
No Data			

SUBJECT PROPERTY'S TAX CARD

NORTH CAROLINA
CUMBERLAND COUNTY

Site: 108159
LU: 1722722
PN: 108159-463265

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of this March 7th day of 2023, by and between KARLA M. LOCKAMY, ("Lessor") and DUKE ENERGY PROGRESS, LLC, a North Carolina public service corporation ("DEP").

WITNESSETH:

WHEREAS, Lessor is the owner of certain tracts of land in Black River Township, Cumberland County, North Carolina, being further described in a deed from Mary Lou Lockamy, widow to Vicky Ray Lockamy, dated April 27th 2006, and recorded in Book 7218 Page 510 of the Cumberland County Registry ("Lessor's Land"); and

WHEREAS, Lessor hereby agrees to lease a portion of Lessor's Land unto DEC for storage of materials pursuant to the terms of this Lease as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the sum of [REDACTED] and 00/100 paid by DEC to Lessor and the covenants and subject to the terms and conditions herein contained, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Lessor and DEC hereby agree as follows.

1. **Lease of Premises.** Lessor hereby leases to DEP that portion of Lessor's Land described in Exhibit A attached hereto and incorporated herein (the "Premises") for the storage of materials, equipment, vehicles (including heavy equipment) construction trailers, and installation of fencing. DEP shall not erect any permanent structures on the Premises, other than fencing which shall be removed by DEP at the end of Term or earlier termination of this Lease. DEP shall have the right to improve the Premises as reasonably necessary in order to afford convenient access to the Premises including, without limitation, grading, leveling, and filling the land, removing trees and shrubs, and installing roadways and walkways, and shall have the right to fence the Premises and exclude all persons, including Lessor, from the Premises during the term of this Lease. It is expressly agreed, however, that DEP's obligations and rights under this Lease are contingent upon DEP obtaining all necessary permits for its planned construction project on or before October 1, 2023.

2. **Term.** The base term of this Lease shall commence on October 1, 2023 and continue through September 30, 2025 (the "Initial Term"). Thereafter, DEP shall have the right to extend the Lease on a monthly basis (the "Renewal Term", and, collectively with the Initial Term, the "Term") for up to six (6) additional one-month periods. Lessor covenants and agrees that DEP, on payment of the rent and other charges provided for in this Lease and fulfillment of the obligations under the covenants, agreements, and conditions of this Lease, shall lawfully and quietly hold, occupy, and enjoy the Premises during the Term of this Lease without any interference from anyone claiming through or under Lessor. DEP, its employees, agents, and invitees shall have access to the Premises twenty-four (24) hours a day, seven (7) days a week, including with heavy equipment.

3. **Rent.** During the Term of this Lease, DEP shall pay Lessor rent in the amount of [REDACTED] ("Rent"). DEP's monthly rent payment shall be due and payable before the first (1st) day of each calendar month without notice, demand, offset, or deduction. If DEP fails to pay all or part of the Rent by the fifth (5th) day of any calendar month during the Term, DEP also shall pay Lessor a late fee equal to [REDACTED]. During the Renewal Term, either party may, upon fifteen (15) days written notice to the other, cancel said monthly extensions at will.

4. **Indemnification.** DEP will indemnify, defend, and hold harmless Lessor from and against damage to any property of Lessor or others, and injuries to or death of persons proximately arising from DEP's use of the Premises, except to the extent such damage or injury to or death of persons results from the negligence of Lessor, its employees, invitees, or agents.

5. **Assignment.** DEP shall not assign, sublet, or in any manner transfer this Lease or any interest in this Lease, or permit the use of the Premises by anyone other than DEP, its employees, agents, and contractors, without the prior written consent of Lessor.

6. **Default.** If DEP shall fail to comply with any of the terms of this Lease or shall violate any of the conditions hereof or shall cease to use said Premises, Lessor may declare DEP in default by sending a written notice of default to DEP outlining the alleged violations(s) and stating a reasonable period of time, no less than thirty (30) days from DEP's receipt of the notice of default, in which DEP may cure

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SUBJECT PROPERTY'S LEASE

such alleged violation(s). If DEP shall fail to cure the alleged violation(s) within the time specified in Lessor's notice of default, then Lessor may declare this Lease terminated and enter upon the Premises and take immediate possession thereof.

7. **Surrender of Premises.** Upon the expiration or sooner termination of this Lease, in whatever manner and whenever terminated, all equipment, materials, and improvements upon said Premises shall remain the property of DEP and may be removed by it any time prior to thirty (30) days after the date of termination or expiration of this Lease. Upon the termination or expiration of this Lease, in whatever manner and whenever terminated, DEP shall, to the extent reasonably practical, return the Premises to substantially the same condition as it was at the commencement of this Lease.

8. **Binding Authority.** This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

9. **Entire Agreement.** This instrument contains the entire agreement between Lessor and DEP, and no statement, promise, inducement, representation, or prior agreement which is not contained in this written Lease shall be valid or binding.

10. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of North Carolina.

11. **Notice.** All notices and demands of any kind that either party may be required or may desire to give to the other in connection with this Lease must be given by registered or certified mail, return receipt requested, with postage fully prepaid, or by nationally recognized overnight courier, and addressed to the party to be served at the party's address as set forth below:

To Lessor: Karla M. Lockamy
5460 Sisk Culbreth Rd.
Godwin, NC 28344

To DEP: Duke Energy Progress, LLC
c/o Joe Louis
Real Estate/Land Unit
Post Office Box 1551, DEP 3A
Raleigh, North Carolina 27602

Any notice shall be deemed received upon actual receipt or refusal thereof. Any party may change the address to which notices to that party are to be directed by notice given in the manner provided in this Section.

12. **Duplicate Originals.** This Lease is executed in duplicate originals, each party retaining a copy, and the rights, privileges, and obligations hereunder shall inure to the benefit of, and be binding upon the heirs, successors, executors, administrators, and assigns of the parties hereto.

IN WITNESS WHEREOF, this Lease has been duly executed by Lessor and DEP under seal as of the day and year first above written.

Lessor:

By: Karla M. Lockamy (SEAL)

Name: Karla M. Lockamy

Title: Owner

DEP:

By: Martha S. Purser (SEAL)

Name: Martha S. Purser

Title: Manager Land Services II

2

SUBJECT PROPERTY'S LEASE

Duke Presentation

Old Bluff Road Temporary Laydown Yard Special Use Permit

Cumberland County Board of Adjustment

BOA-2023-0010

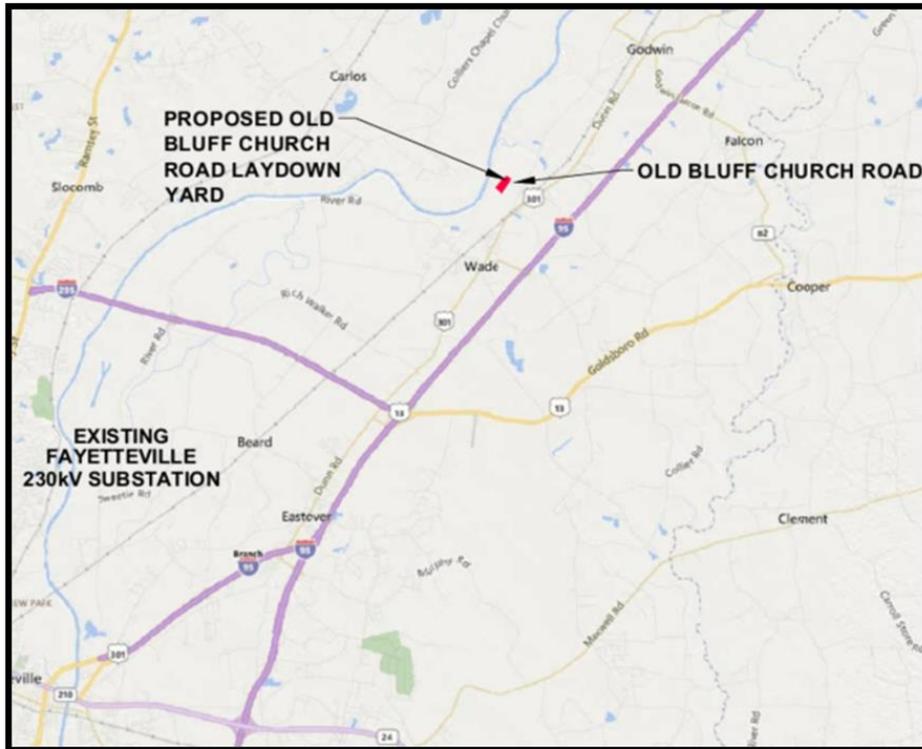
SEPTEMBER 21, 2023



BUILDING A SMARTER ENERGY FUTURE®

- 1) The use will not materially endanger the public health or safety if located according to the plan submitted and proposed;
- 2) The use meets all required conditions and specifications;
- 3) The use will maintain or enhance the value of adjoining or abutting properties, or that the use is a public necessity; and
- 4) The location and character of the use, if developed according to the plan as submitted and recommended, will be in harmony with the area in which it is to be located and is in general conformity with Cumberland County's most recent Land Use Plan, either comprehensive or a detailed area plan.

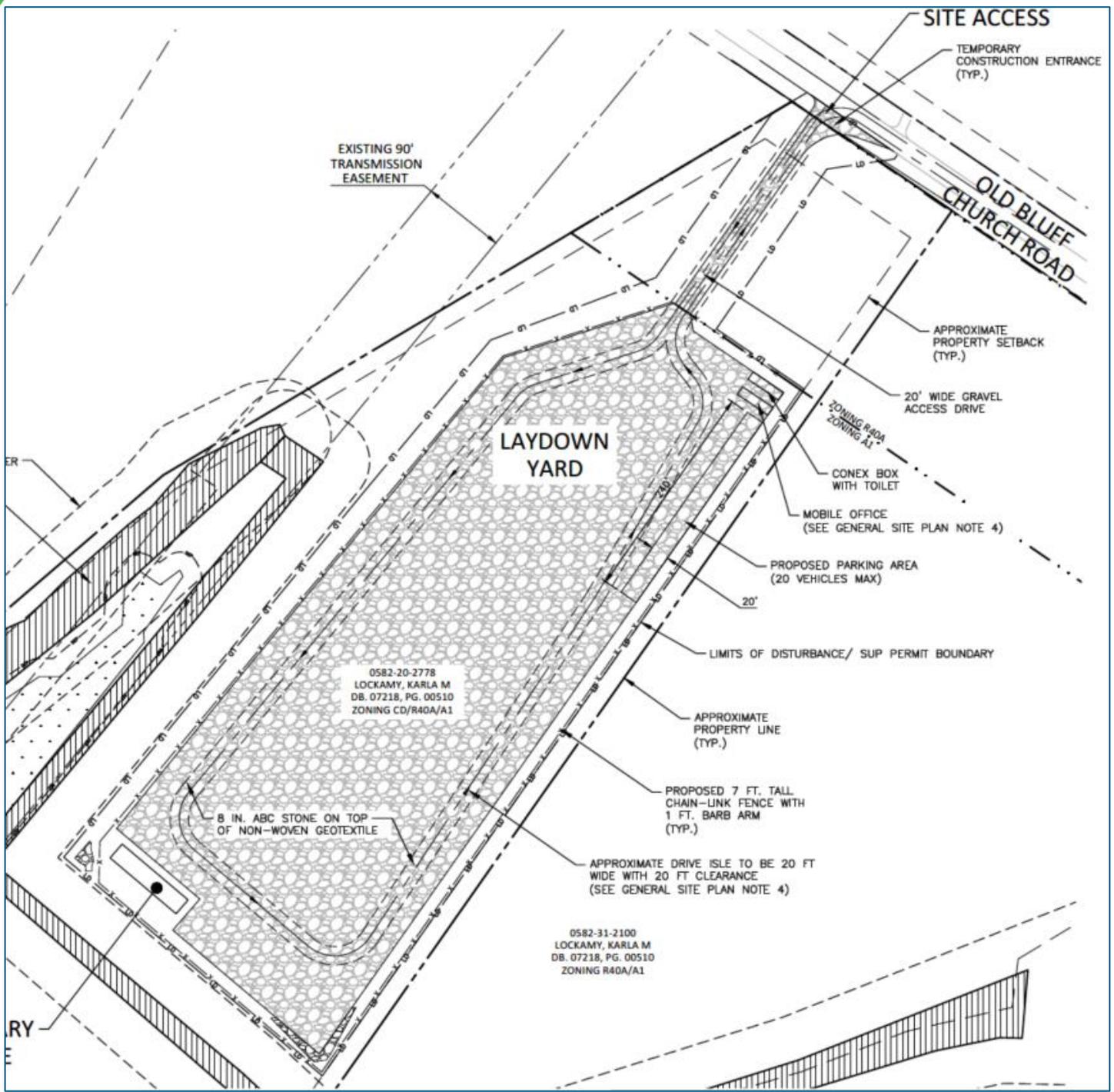
What is a Laydown Yard & Why is it Necessary?



- The temporary laydown yard is a public necessity and supports the nearby transmission line update along an existing transmission line corridor.
- The purpose of the laydown yard is to store non-energized materials and contractor equipment in a central location that are required to construct the project.
- The line update project serves Duke Energy's continuous commitment to provide customers with reliable, safe and increasingly clean energy.

Location & Aerial Map





Applicant's Proposed Conditions

- 1) No lighting is planned at the outset of this project. If worker safety/security concerns arise following the beginning of operation, a lighting plan will be provided to County staff for administrative review and approval prior to installation.
- 2) The site plan associated with this Special Use Permit has been designed to meet all applicable local and state regulations. The site plan associated with this Special Use Permit is requested to serve as the final site plan for Cumberland County.
- 3) Except for during periods of emergency, hours of operation shall be limited to Monday to Friday from 6 am to 7 pm. During periods of emergency, the site may be accessed at any time until the period of emergency has ended.
- 4) Given the rural and remote location of this use, no landscaping shall be required between the front yard security fencing and Old Bluff Church Road.
- 5) All portions of the property outside of the Special Use Permit Boundary (as identified on the SUP Site Plan as following the prescribed limits of disturbance) are subject to underlying zoning district regulations and are not restricted by the Special Use Permit.

Overall Consistency with SUP Standards and Considerations

- This request meets the four standards required by Section 1606.C.
- Given the temporary nature, site design, location, and requirement that the site be returned to the same or better condition at the end of the use, the request is reasonable and is in harmony with the surrounding area.
- Aside from being a public necessity, the Impact Study conducted by Cedar Creek Appraisal Co. found that the temporary laydown yard will have a neutral affect, and thus maintain, the value of adjoining or abutting properties.

Questions?

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