

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

EXTENSION OF TAX COLLECTIONS AGREEMENT

This Extension of Tax Collections Agreement made and entered into effective as of July 1, 2025 by and between County of Buncombe, a political subdivision of the State of North Carolina (hereinafter sometimes "County") and the City of Asheville, a municipal corporation organized and existing under the laws of the State of North Carolina (hereinafter sometimes referred to herein as "City") collectively herein sometimes referred to as the "Parties."

Witnesseth:

Whereas, on or about January 29, 2019 the Parties entered into a tax collections agreement "(Agreement)" pursuant to N.C. Gen. Stat. § 153A-445 and Article 20 of Chapter 160A of the North Carolina General Statutes in order to jointly exercise any function which they have been granted the power to exercise alone and to enter into contracts or agreements to specify the details of these joint undertakings;

Whereas, the Agreement provides that the County will bill and collect both the County and City taxes upon the terms and conditions set forth therein for a Three (3) year period beginning July 1, 2019 and ending June 30, 2022; and

Whereas, the parties amended and/or extended the Agreement as follows:

- a. June 2022 – Addendum replaced paragraph 8 related to transfer of amounts collected;
- b. July 2022 – Extension 07/01/2022 through 06/30/25;
- c. September 2023 – Addendum to replace paragraph 9 and add sections 21 through 26;
- d. May 2025 – Addendum added the Asheville Downtown Business Improvement taxing district and established the implementation and collection fees associated with the district; and

Whereas, as provided in the Agreement, the Parties desire to extend the Agreement and any prior Addendums for an additional term of three (3) years.

Now Therefore, in consideration of the mutual covenants of the parties hereto and for the purposes aforesaid, it is hereby agreed between the County and City as follows:

A. That as provided in paragraph 2 of the Agreement, the Parties agree to extend the Agreement for a new term of three (3) years beginning July 1, 2025 and ending June 30, 2028.

B. That paragraph 5 of the Agreement is modified to reflect the adjusted automatic annual escalation, and reads as follows:

That for its services in billing and collecting City taxes for Fiscal Year 2026, the City will pay the County a flat fee of \$945,150 payable in four quarterly payments of \$236,287.61 beginning July 1, 2025. The fee for these services shall increase annually with an automatic annual escalation rate of 2.5% for each successive fiscal year of the initial term and any renewal term hereof.

C. That paragraph 29 of the Agreement is modified to reflect the automatic annual escalation, and reads as follows:

That for its services in billing and collecting Asheville Downtown Business Improvement District taxes for fiscal year 2026, the City will pay the County a flat fee of \$27,092.91. The fee for these services shall increase annually with an automatic escalation rate of 2.5% for each successive year of any renewal term hereof.

D. The individual signatories below have the expressed and implied authority on behalf of their respective Boards to execute this Agreement. The Parties may execute this Agreement in separate counterparts and the execution of a copy shall have the same effect as the execution of an original. Such execution may be by facsimile or PDF attachment to an email.

E. That each and every other of the terms and conditions of the said original Agreement remain in full force and effect except as modified herein.

{Signatures on Following Pages}

IN WITNESS WHEREOF, the parties have executed this Extension of Tax Collections Agreement a of the day and year set forth below.

BUNCOMBE COUNTY


By:_____

Avril M. Pinder, County Manager

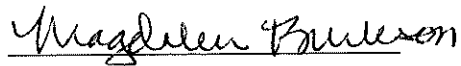
ATTEST:

Sarah Scarnecchia, Clerk to the Board

City of Asheville

By: 

ATTEST:



City Clerk

This instrument has been preaudited
in the manner required by The Local
Government Budget and Fiscal Control Act



Name: Tony McDowell

Finance Officer, City of Asheville

RESOLUTION NO. 25- 91

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN EXTENSION TO THE TAX COLLECTIONS AGREEMENT BETWEEN THE CITY OF ASHEVILLE AND BUNCOMBE COUNTY

WHEREAS, on or about January 29, 2019 the County and the City entered into a tax collections agreement "(Agreement)" pursuant to N.C. Gen. Stat. § 153A-445 and Article 20 of Chapter 160A of the North Carolina General Statutes in order to jointly exercise any function which they have been granted the power to exercise alone and to enter into contracts or agreements to specify the details of these joint undertakings; and

WHEREAS, the Agreement provides that the County will bill and collect both the County and City taxes upon the terms and conditions set forth therein for a THREE (3) year period beginning July 1, 2019 and ending June 30, 2022; and

WHEREAS, the County and the City previously extended the agreement through June 20, 2025; and

WHEREAS, as provided in the Agreement, the County and the City desire to extend the Agreement and any prior Addendums for an additional term of three (3) years;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:


A. That as provided in paragraph 2 of the Agreement, the Parties agree to extend the Agreement for a new term of three (3) years beginning July 1, 2025 and ending June 30, 2028.

B. That paragraph 5 of the Agreement is modified to reflect the adjusted automatic annual escalation, and reads as follows: That for its services in billing and collecting City taxes for Fiscal Year 2026, the City will pay the County a flat fee of \$945,150 payable in four quarterly payments of \$236,287.61 beginning July 1, 2025. The fee for these services shall increase annually with an automatic annual escalation rate of 2.5% for each successive fiscal year of the initial term and any renewal term hereof.

C. That paragraph 29 of the Agreement is modified to reflect the automatic annual escalation, and reads as follows: That for its services in billing and collecting Asheville Downtown Business Improvement District taxes for fiscal year 2026, the City will pay the County a flat fee of \$27,092.91. The fee for these services shall increase annually with an automatic escalation rate of 2.5% for each successive year of any renewal term hereof.

D. That each and every other of the terms and conditions of the said original Agreement remain in full force and effect except as modified herein.

Read, approved and adopted this 13th day of May, 2025.


City Clerk


Mayor

Approved as to form:


City Attorney