

**Work Session Agenda
Staunton City Council
Caucus Room
April 25, 2019
5:00 p.m.**

Invocation/Moment of Silence—Dull

- | | | |
|------------------|-------------------|---|
| 5:00 p.m. | 1. | Consideration of Work Session and Regular Meeting Agendas |
| 5:05 p.m. | 2. | Presentation by Shenandoah Green |
| 5:20 p.m. | 3. & E | Discussion of a Resolution Cancelling June 27, 2019 City Council Meeting |
| 5:25 p.m. | 4. & F | Discussion of a Resolution Consenting to the School Board Entering into a Construction Contract with Nielsen Builders, Inc. and Such Other Contracts Related to the High School Construction Project |
| 5:30 p.m. | 5. & B | Discussion of Conservation Easement on Property Adjacent to Betsy Bell Mountain Park |
| 5:45 p.m. | | Break |
| 6:00 p.m. | 6. | Closed Meeting for: (a) Consultation with the Special Advisor to City Council Related to Consideration of Information on Candidates Applying and Potentially Interviewing for the Position of City Manager; (b) Consultation with Legal Counsel Regarding Aspects of the Process Related to the Recruitment and Consideration of Candidates for the Position of City Manager; and (c) Discussion Concerning the Expansion of an Existing Business Where No Previous Announcement Has Been Made, as to Plans and Timetable That Would Involve the City's Public Rights of Way and Public Places |
| 7:15 p.m. | | Break |

**Regular Meeting Agenda
Staunton City Council
Council Chambers
April 25, 2019
7:30 p.m.**

Call to Order

Pledge of Allegiance

Mayor's Report

Proclamation—Arbor Day

Additional Items by Members of Council

Approval of Minutes

Special Called Meeting of March 27, 2019

Work Session and Regular Meeting of March 28, 2019

Budget Work Session of April 4, 2019

Special Called Meeting of April 4, 2019

REGULAR MEETING

- A. Recognition of Dave Pastors for Years of Service to the City of Staunton**
- B. Consideration of Conservation Easement on Property Adjacent to Betsy Bell Mountain Park**
- C. Public Hearing and Consideration of a Request by GAE, LLC to Amend *the City of Staunton, Virginia, Comprehensive Plan 2010–2030*, Recommended Land Use Map, by Changing the Recommended Land Use Designation for 806 Hunter Avenue, Parcel #100767, from Medium Density Planned Residential to Recreation/Conservation/Open Space**
- D. Public Hearing and Consideration of a Request by the City of Staunton to Amend Title 18.125, Minimum Off-Street Parking Requirements, of Title 18, Zoning, of the Staunton City Code**

- E. Consideration of a Resolution Cancelling June 27, 2019 City Council Meeting**
- F. Consideration of a Resolution to Authorize Consent to the School Board Entering into a Construction Contract with Nielsen Builders, Inc. and Such Other Contracts Related to the High School Construction Project**
- G. Consideration of an Ordinance to Increase Water User Fee**
- H. Consideration of an Ordinance to Increase Refuse and Recycling Rates**
- I. Consideration of an Ordinance to Increase Sewer Connection Fees**
- J. Consideration of Proposed Changes to Parking Rates**
- K. Consideration of an Ordinance to Establish a Budget and Appropriation for Fiscal Year 2020, July 1, 2019—June 30, 2020**

Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	City Council
Item #	1	
Ordinance #		
Department:	City Council	
Council Vision:	Responsive, Efficient Government	
Subject:	Work Session and Regular Meeting Agendas	

Background: Consistent with Procedural Memorandum No. 3, attached are draft meeting agendas for City Council's consideration and for approval as Council prefers.

Suggested Motion: I move to approve the Work Session agenda and the Regular Meeting agenda [as presented] [with the following changes: as to the Work Session, the addition/deletion of _____; as to the Regular Session, the addition/deletion of _____].

City Manager: Stephen F. Owen

**Work Session Agenda
Staunton City Council
Caucus Room
April 25, 2019
5:00 p.m.**

Invocation/Moment of Silence—Dull

- | | | |
|------------------|-------------------|---|
| 5:00 p.m. | 1. | Consideration of Work Session and Regular Meeting Agendas |
| 5:05 p.m. | 2. | Presentation by Shenandoah Green |
| 5:20 p.m. | 3. & E | Discussion of a Resolution Cancelling June 27, 2019 City Council Meeting |
| 5:25 p.m. | 4. & F | Discussion of a Resolution Consenting to the School Board Entering into a Construction Contract with Nielsen Builders, Inc. and Such Other Contracts Related to the High School Construction Project |
| 5:30 p.m. | 5. & B | Discussion of Conservation Easement on Property Adjacent to Betsy Bell Mountain Park |
| 5:45 p.m. | | Break |
| 6:00 p.m. | 6. | Closed Meeting for: (a) Consultation with the Special Advisor to City Council Related to Consideration of Information on Candidates Applying and Potentially Interviewing for the Position of City Manager; (b) Consultation with Legal Counsel Regarding Aspects of the Process Related to the Recruitment and Consideration of Candidates for the Position of City Manager; and (c) Discussion Concerning the Expansion of an Existing Business Where No Previous Announcement Has Been Made, as to Plans and Timetable That Would Involve the City's Public Rights of Way and Public Places |
| 7:15 p.m. | | Break |

**Regular Meeting Agenda
Staunton City Council
Council Chambers
April 25, 2019
7:30 p.m.**

Call to Order

Pledge of Allegiance

Mayor's Report

Proclamation—Arbor Day

Additional Items by Members of Council

Approval of Minutes

Special Called Meeting of March 27, 2019

Work Session and Regular Meeting of March 28, 2019

Budget Work Session of April 4, 2019

Special Called Meeting of April 4, 2019

REGULAR MEETING

- A. Recognition of Dave Pastors for Years of Service to the City of Staunton**
- B. Consideration of Conservation Easement on Property Adjacent to Betsy Bell Mountain Park**
- C. Public Hearing and Consideration of a Request by GAE, LLC to Amend *the City of Staunton, Virginia, Comprehensive Plan 2010–2030*, Recommended Land Use Map, by Changing the Recommended Land Use Designation for 806 Hunter Avenue, Parcel #100767, from Medium Density Planned Residential to Recreation/Conservation/Open Space**
- D. Public Hearing and Consideration of a Request by the City of Staunton to Amend Title 18.125, Minimum Off-Street Parking Requirements, of Title 18, Zoning, of the Staunton City Code**

- E. Consideration of a Resolution Cancelling June 27, 2019 City Council Meeting**
- F. Consideration of a Resolution to Authorize Consent to the School Board Entering into a Construction Contract with Nielsen Builders, Inc. and Such Other Contracts Related to the High School Construction Project**
- G. Consideration of an Ordinance to Increase Water User Fee**
- H. Consideration of an Ordinance to Increase Refuse and Recycling Rates**
- I. Consideration of an Ordinance to Increase Sewer Connection Fees**
- J. Consideration of Proposed Changes to Parking Rates**
- K. Consideration of an Ordinance to Establish a Budget and Appropriation for Fiscal Year 2020, July 1, 2019—June 30, 2020**

Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Mayor Carolyn Dull
Item #	2	
Ordinance #		
Department:	City Council	
Council Vision:	Resilience	
Subject:	Shenandoah Green	

Background: At the invitation of Mayor Carolyn Dull, representatives of Shenandoah Green will make a presentation to City Council about the organization and its activities. Shenandoah Green describes itself as “a non-partisan, grassroots organization devoted to environmental sustainability within the Shenandoah Valley.”

City Manager’s Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Stephen F. Owen

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Steve Rosenberg
Item #	3 & E	
Ordinance #		
Department:	City Manager	
Subject:	Cancellation of June 27, 2019 City Council Meeting	

Background: By adoption of a resolution dated July 2, 2018, City Council established its meeting schedule for fiscal years 2019 and 2020. The schedule includes a meeting on Thursday, June 27, 2019. Department heads have indicated that they will have no matters requiring City Council action at the June 27 meeting. Accordingly, it is recommended that Council consider cancellation of its regular meeting on that date. The cancellation will also allow Steve Owen and Steve Rosenberg to participate fully in the Virginia Local Government Management Association (VLGMA) conference, Wednesday, June 19, through Friday, June 21, when they would otherwise need to prepare and issue an agenda package during the same timeframe. State law requires the adoption of a resolution to cancel the meeting. A proposed resolution is attached.

City Manager's Recommendation: City Council discuss and consider the proposed resolution canceling City Council's June 27 meeting.

Suggested Motion: I move to adopt the proposed resolution cancelling City Council's June 27, 2019 meeting.

City Manager: Stephen F. Owen

**RESOLUTION
CANCELLING THE JUNE 27, 2019
CITY COUNCIL MEETING**

WHEREAS, according to its July 2, 2018 resolution, Council established its regular meeting schedule for the period of July 2018 through June 2020;

WHEREAS, Section 6 of Chapter II of the Charter for the City of Staunton provides that Council shall meet at such times as may be prescribed by ordinance or resolution provided that it hold at least one regular meeting each month;

WHEREAS, Section 2.10.070 of the Staunton City Code provides that Council will hold regular meetings on the second and fourth Thursday of each month and at any other time to which it may be regularly adjourned or postponed; and

WHEREAS, Council had determined that it would serve the best interests of the City to cancel its June 27 meeting;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Staunton, Virginia that its regularly scheduled June 27 meeting shall be and hereby is cancelled, with Council next reconvening at such time as may be designated by published agenda for such meeting, to be held at City Hall, 116 West Beverley Street, Staunton, Virginia; and that the Clerk of Council is directed to post an attested copy of this resolution at such location in City Hall where official notices are posted and to take such further actions as deemed appropriate to give notice of this change.

Adopted this 25th day of April, 2019.

Carolyn W. Dull, Mayor

ATTEST: _____
Suzanne F. Simmons, Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Jeanne Colvin
Item #	4 & F	
Ordinance #		
Department:	Budget Office	
Council Vision:	Responsive, Efficient Government Education	
Subject:	Resolution Consenting to the School Board Entering into a Construction Contract with Nielsen Builders, Inc. and Such Other Contracts Related to the High School Construction Project	

Background: On February 14, 2019, Council took initial action to authorize pooled borrowing through the Virginia Public School Authority (VPSA) for the construction, equipping, and furnishings for the high school construction project (Project). The Staunton City School Board pursued a procurement process for the Project's construction and issued an invitation for bids, and on March 28, 2019, Nielsen Builders, Inc. (Nielsen), was determined to be the apparent low bidder although its bid exceeded the expected funds available for the Project. On April 4, 2019, after it was briefed on the status of the procurement process, the bidding, and negotiations related to the Project, Council took initial action to authorize VPSA borrowing not to exceed \$46,000,000.

The School Board's negotiations with Nielsen have continued and have resulted in a total reduction of \$2,457,865 from the original bid. Nielsen has offered a total contract price of \$43,137,135, as a result of the negotiations. On April 19, 2019, the School Board, after discussion, voted to adopt a resolution seeking consent from Council to execute a construction contract with Nielsen. This consent is sought because under the provisions of Virginia Code § 22.1-91, "no school board shall expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the school board."

The School Board's adopted resolution is attached, along with a proposed resolution for City Council's consideration.

City Manager's Recommendation: Discuss and consider adoption of the proposed resolution.

Suggested Motion: I move that Council adopt the proposed resolution consenting to the Staunton City School Board entering into a construction contract with Nielsen Builders, Inc., and entering into or performing such other high school construction project contracts in an amount not to exceed appropriated funds.

City Manager: Stephen F. Owen

**RESOLUTION
OF THE STAUNTON SCHOOL BOARD
REQUESTING CITY COUNCIL'S CONSENT FOR THE SCHOOL BOARD TO
ENTER INTO A CONSTRUCTION CONTRACT
WITH NIELSEN BUILDERS, INC. AND ENTER INTO AND PERFORM SUCH OTHER
CONTRACTS RELATED TO THE HIGH SCHOOL CONSTRUCTION PROJECT**

Recitals

A. The Staunton School Board is a public body corporate charged under Article VIII, Section 7 of the Virginia Constitution and various provisions of the Virginia Code with the governance of the City of Staunton Public Schools Division (Division).

B. As an ongoing Division project, which has involved considerable public input and discussion and consideration by both the School Board and by the Staunton City Council over several years, the School Board hired an architectural firm to develop the concept, design, and eventual construction drawings and specifications for substantial new and renovation construction of the Division's high school (the Project).

C. The Staunton City Council, upon request of the School Board, took initial action on February 14, 2019 to authorize borrowing through the Virginia Public School Authority (VPSA) for the funding of the Project.

D. The School Board has pursued a procurement process for the Project's construction, issuing an invitation for bids, and on March 28, 2019, Nielsen Builders, Inc., was the apparent low bidder although its bid exceeded the expected available funds for the Project's construction as well as for other Project costs.

E. Extensive negotiations have ensued with Nielsen Builders, Inc. to conform the Project more closely to the Project's budget.

F. The School Board held a special called meeting on April 4, 2019, to review and discuss the status of negotiations with Nielsen Builders, Inc.

G. City Council, on April 4, 2019, took final action to authorize VPSA borrowing not to exceed \$46,000,000.00, after it was briefed on the status of the School Board's procurement process, the bidding, and negotiations related to the Project's construction and other Project costs.

H. Nielsen has offered, after Project construction-related modifications and after extensive negotiations, a total contract price of \$43,137,135.00, although both the School Board and Nielsen recognize that at some point(s) the total contract price is subject to modification if there are authorized change orders or directives under the terms of the contract so long as there are sufficient appropriated funds for the purpose of the contract.

I. The School Board, now after further review and discussion, has concluded that it is in the best interests of the Division to accept Nielsen Builders' negotiated offer of a total contract price conditioned on City Council's consent for the School Board to enter into the contract with Nielsen Builders, Inc. and such other Project contracts within contemplation of the Project. The School Board recognizes that Virginia law, specifically Va. Code § 22.1-91, prohibits the School Board from expending or contracting to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year absent an appropriation unless the governing body has given it consent, and there has not yet been an appropriation by City Council as to the contract with Nielsen Builders Inc. and some other Project contracts.

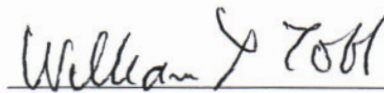
NOW, THEREFORE, BE IT RESOLVED by the School Board of the City of Staunton, Virginia, that it:

1. Conditionally awards the Project construction contract to Nielsen Builders, Inc. subject to and contingent upon the consent of the Staunton City Council and authorized execution of the contract on behalf of the School Board; and

2. Respectfully requests the Staunton City Council give its express consent by formal action, even in the absence of and until there is appropriation of sufficient funds, to the School Board for it to authorize and enter into a contract with Nielsen Builders, Inc. and enter into and perform such other Project contracts in a total Project amount not to exceed appropriated funds for such purposes.

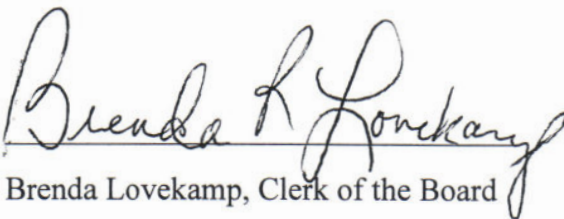
3. Upon City Council's consent, as requested, the School Board Chair is authorized and directed to execute a contract with Nielsen Builders, Inc., subject to approval of the form of contract by the School Board's legal counsel.

Adopted this 19th day of April, 2019.



William Lobb, Chair of the Board

ATTEST:



Brenda Lovekamp, Clerk of the Board

**RESOLUTION
OF THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA
CONSENTING TO THE SCHOOL BOARD ENTERING INTO A CONSTRUCTION
CONTRACT WITH NIELSEN BUILDERS, INC. AND SUCH OTHER CONTRACTS
RELATED TO THE HIGH SCHOOL CONSTRUCTION PROJECT**

Recitals

A. The Staunton School Board is a public body corporate charged under Article VIII, Section 7 of the Virginia Constitution and various provisions of the Virginia Code with the governance of the City of Staunton Public Schools Division (Division).

B. As an ongoing Division project, which has involved considerable public input and discussion and consideration by both the School Board and by the Staunton City Council over several years, the School Board engaged an architectural firm to develop the concept, design, and eventual construction drawings and specifications for substantial new and renovation construction of the Division's high school (the Project).

C. The Staunton City Council, upon request of the School Board, took initial action on February 14, 2019 to authorize borrowing through the Virginia Public School Authority (VPSA) for the Project funding.

D. The School Board has pursued a procurement process for the Project's construction, issuing an invitation for bids, and on March 28, 2019, Nielsen Builders, Inc., was the apparent low bidder although its bid exceeded the expected available funds for the Project's construction as well as for other Project costs.

E. The School Board held a special called meeting on April 4, 2019, to review and discuss the status of negotiations with Nielsen Builders, Inc.

F. After it was briefed on the status of the School Board's procurement process, the bidding, and ongoing negotiations related to the Project's construction and Project costs, City Council, on April 4, 2019, took final action to authorize VPSA borrowing not to exceed \$46,000,000.00,

G. City Council has received from the School Board a resolution, adopted April 19, 2019, seeking consent to enter into a construction contract with Nielsen Builders, Inc., and enter into and perform such other Project contracts in an amount not to exceed appropriated funds.

H. Extensive negotiations have continued with Nielsen Builders, Inc. to conform the Project more closely to the Project's budget. Nielsen has offered, after Project construction-related modifications, a total contract price as recited in the School Board's resolution.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Staunton, Virginia, that it consents to the School Board entering into a contract with Nielsen Builders, Inc. not to exceed \$43,137,135.00, although it is recognized that at some point(s) the total contract price is

subject to modification if there are authorized change orders or directives under the terms of the contract so long as there are sufficient appropriated funds for the purpose of the contract, and entering into and performing such other high school construction-related Project contracts in an amount not to exceed appropriated funds for such purposes.

Adopted this _____ day of April, 2019

Carolyn W. Dull, Mayor

ATTEST: _____
Suzanne F. Simmons
Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Steve Rosenberg
Item #	5 & B	
Ordinance #		
Department:	City Manager	
Council Vision:	Resilience	
Subject:	Conservation Easement on Property Adjacent to Betsy Bell Mountain Park	

Background: In early 2017, GAE, LLC, a Virginia limited liability company ("GAE"), affiliated with the Dahl family, proposed a conservation easement for the benefit of the City on 36 acres of land near the intersection of Statler Boulevard and Richmond Avenue and immediately adjacent to the City's Betsy Bell Wilderness Park. The property, identified by the City as Parcel ID No. 100767, is shown on the attached plat. After receipt of GAE's proposal, the City's development review team considered the proposed conservation easement restrictions and determined they were appropriate, given the future uses of the property contemplated by GAE.

Later in 2017, staff briefed City Council concerning GAE's proposal, and Council directed staff to proceed with the transaction. The City engaged Stephen Lemon, an attorney in Roanoke, with expertise in the area of conservation easements, to represent the City in the transaction. Since that time, Mr. Lemon has worked with staff to conduct the necessary due diligence, including review of an environmental audit and title report, and to negotiate the easement and related documents with counsel to GAE. (During the negotiations, GAE distributed title to the property to individual owners of the company and their family members. Staff understands that those individuals are expected to realize certain income tax benefits—a federal deduction for the gift and an award of Virginia land preservation tax credits—as a result of the donation of the easement to the City.)

The proposed easement, now ready for Council's consideration, is attached to this briefing. The restrictions set forth in Section II of the easement (pages 8-12 of the document) are extensive and preclude, in perpetuity, most uses of the property, protecting the City's adjacent mountain

park. In summary, the restrictions address division of the property; buildings, structures, roads and utilities (including park facilities); industrial or commercial activities; management of forest; grading, blasting, filling and mining; accumulation of trash; and signs. By its acceptance of the easement, the City agrees to serve as “steward” of the easement and to enforce the applicable restrictions. The easement terms additionally include an access easement that allows representatives of the City to enter the property to exercise the City’s right of inspection necessary to enforce the restrictions.

The Virginia Department of Conservation and Recreation (DCR) has preliminarily reviewed and approved the easement, in the form attached, as required by that department’s procedures for the grant of an easement expected to generate significant Virginia land preservation tax credits for the property’s owner. This higher standard of review by DCR—which ensures that the restrictions on the property justify the issuance of the tax credits—gives further confidence that the property will be protected, fulfilling the primary purpose of the City in accepting the easement. The department’s pre-filing review letter dated July 11, 2018, is attached to this briefing. Further background concerning the proposed easement is included in the attached draft Baseline Documentation Report dated January 16, 2019, and prepared by Alisande Tombarge and Sherri Tombarge.

Also attached to this briefing is a separate deed of easement dedication, intended to establish a separate easement for public access to the property (as distinguished from access by City representatives), if at a later date the property is acquired in fee simple by the City.

Of note, the Virginia Open-Space Land Act requires that use of the property as open-space land, as contemplated by the easement, conform with the City’s comprehensive plan. Because the current land use designation of the property in the City’s comprehensive plan is Medium Density Planned Residential (i.e., not an open space use), an amendment to the plan is required to reflect the use of the property after it is subjected to the easement. Public hearing and consideration of such an amendment, for which GAE applied previously, is also included on Council’s regular meeting agenda. At its meeting on December 5, 2018, the Planning Commission on a unanimous vote recommended approval of the request to amend the comprehensive plan.

Mr. Lemon will participate in Council’s work session by telephone to brief Council concerning the proposed transaction. See <https://www.martinhopkinsandlemon.com/stephen-w-lemon>.

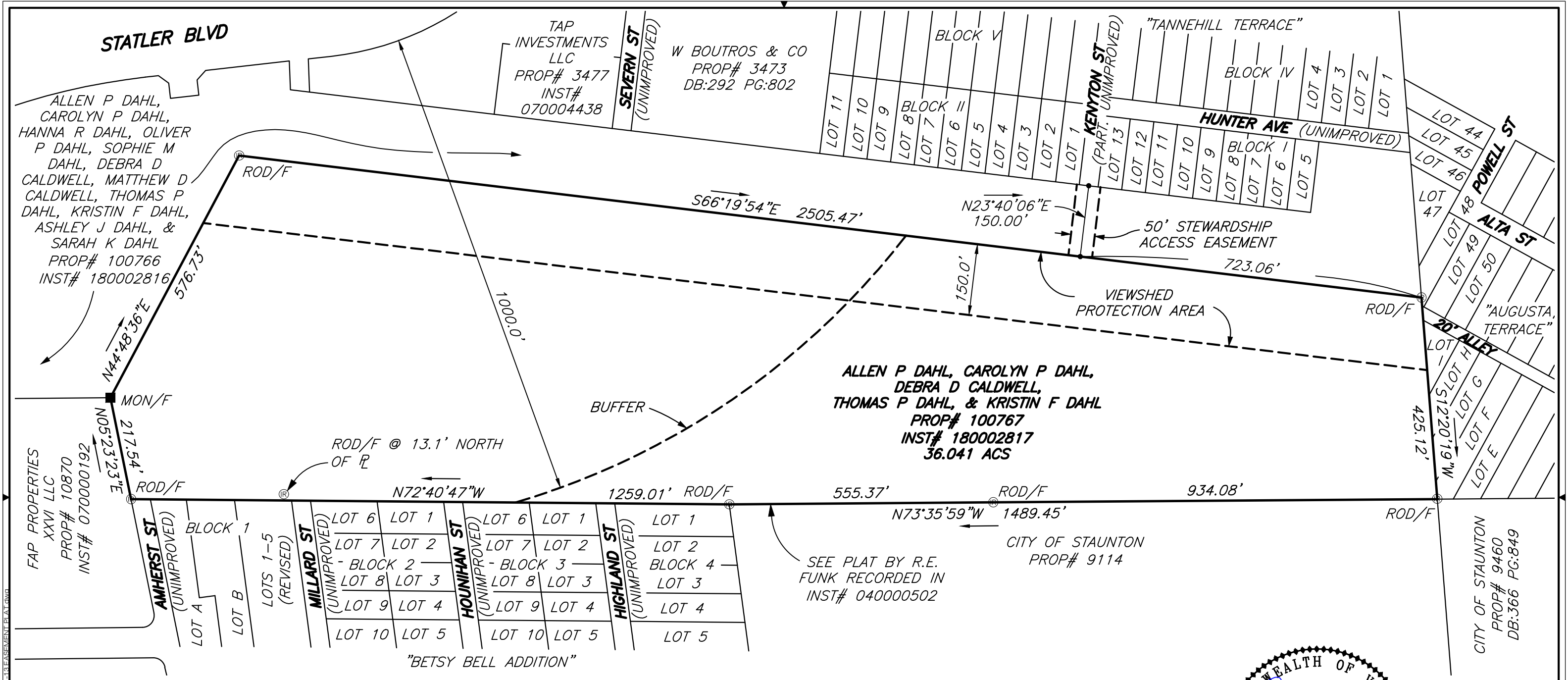
Attachments:

- Attachment No. 1— Exhibit A 36.041 Acres Conservation Easement Area and Stewardship Access Easement
- Attachment No. 2— Draft Deed of Gift of Easement
- Attachment No. 3— Draft Deed of Easement Dedication
- Attachment No. 4— Virginia Department of Conservation and Recreation Pre-filing Review Letter dated July 11, 2018
- Attachment No. 5— Draft Baseline Documentation Report

City Manager’s Recommendation: Approve the proposed deed of gift of easement and deed of easement dedication, accept the easements conveyed by such instruments, and authorize the City Manager to execute and deliver such instruments and such other documents as may be required in connection with the City’s acquisition of the proposed conservation easement, all upon final review and approval of Mr. Lemon, as special counsel.

Suggested Motion: I move that (i) the proposed deed of gift of easement and deed of easement dedication be approved, (ii) the easements conveyed by such instruments be accepted on behalf of the City, and (iii) the City Manager be authorized to execute such instruments, and such other documents as may be required in connection with the City's acquisition of the proposed conservation easement on the property designated as Parcel ID No. 100767, with such modifications and in final form as approved by the City Manager and special counsel, all conditioned upon Council's approval of the change of the recommended land use designation of the property in the City's comprehensive plan from Medium Density Planned Residential to Recreation/Conservation/Open Space.

City Manager: Stephen F. Owen



NOTES:

- 1) NO IMPROVEMENTS SHOWN HEREON.
- 2) THIS PLAT REPRESENTS A CURRENT FIELD SURVEY.
- 3) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND IS SUBJECT TO INFORMATION DISCLOSED BY SUCH.
- 4) PROPERTY IS LOCATED IN FEMA DEFINED ZONE "X"
COMMUNITY PANEL NO.: 51015C0339E
EFFECTIVE DATE: JANUARY 6, 2010
COMMUNITY PANEL NO.: 51015C0343D
EFFECTIVE DATE: SEPTEMBER 28, 2007
- 5) THE BUFFER AND VIEWSHED PROTECTION AREA ARE INTENDED TO ONLY ENCUMBER PROPERTY #100767.



EXHIBIT A

36.041 ACRES CONSERVATION EASEMENT AREA AND STEWARDSHIP ACCESS EASEMENT

CITY OF STAUNTON, VIRGINIA

PLANNERS / ARCHITECTS / ENGINEERS / SURVEYORS
ROANOKE / RICHMOND / NEW RIVER VALLEY / STAUNTON / HARRISONBURG / LYNCHBURG
1561 Commerce Road, Suite 401 / Verona, Virginia 24482 / Phone (540) 248-3220 / www.balzer.cc



REV: 03-25-2019
REV: 11-13-2018
REV: 02-05-2015
DATE: 09-15-2014
SCALE: 1" = 200'
JOB: 35180063.00
DRAWN BY: DEH

Prepared by: David S. Lionberger, Esquire
Hirschler Fleischer
2100 East Cary Street
Richmond Virginia, 23223

April 15, 2019 draft

PARCEL ID NO. 100767

Exempted from recordation tax
under the Code of Virginia (1950), as amended,
Sections 58.1-811 (A) (3), 58.1-811 (D) and 10.1-1803
and from Circuit Court Clerk's fee under Section 17.1-266

THIS DEED OF GIFT OF EASEMENT (this "Easement"), made this ____ day of _____, 2019, between Allen P. DAHL and Carolyn M. DAHL, husband and wife, Thomas P. DAHL and Kristen F. DAHL, husband and wife, and Debra D. CALDWELL, each a resident of Virginia, whose address is 2903 N. Augusta Street, Staunton, Virginia 24401 (collectively, "Grantor"), and CITY OF STAUNTON, VIRGINIA, a Virginia municipal corporation, whose address is P.O. Box 58, Staunton, Virginia 24402 ("Grantee") (the designations "Grantor" and "Grantee" refer to the Grantor and Grantee and their respective successors and assigns), and CITY NATIONAL BANK OF WEST VIRGINIA (f/k/a Community Bank), herein called the "Lender," and Victor M. SANTOS as trustee, hereinafter called the "Trustee".

WITNESSETH:

R-1 Grantor is the fee simple owner of a parcel of land containing approximately 36.041 ± acres, more or less, situated in the City of Staunton, Virginia, which parcel is identified as GPIN 100767 among the land records of the City of Staunton, Virginia, and being more particularly described below (the "Property"), and desires to give and convey to Grantee a perpetual conservation and open-space easement over the Property as herein set forth; and

R-2 Grantee is a municipal corporation and political subdivision of the Commonwealth of Virginia and a "qualified organization" and "eligible donee" under Section 170(h)(3) of the Internal Revenue Code (references to the Internal Revenue Code in this Easement shall be to the United States Internal Revenue Code of 1986, as amended, and the applicable regulations and rulings issued thereunder, or the corresponding provision of any subsequent federal tax laws and regulations) (the "IRC") and Treasury Regulation Section 1.170A-14(c)(1), and is willing to accept a perpetual conservation and open-space easement over the Property as herein set forth; and

R-3 Chapter 461 of the Acts of 1966 provides in part "that the provision and preservation of permanent open-space land are necessary to help curb urban sprawl, to prevent the spread of urban blight and deterioration, to encourage and assist more economic and desirable urban development, to help provide or preserve necessary park, recreational, historic and scenic areas, and to conserve land and other natural resources" and authorizes the acquisition of interests in real property, including easements in gross, as a means of preserving open-space land. The balance of the Chapter is codified in Chapter 17, Title 10.1, Sections 10.1-1700 through 10.1-1705 of the Code of Virginia, as amended (the "Open-Space Land Act"); and

R-4 The purposes of this Easement (as defined below in Section I) include retaining and protecting scenic and open-space values of the Property, as well as to protect the Property's agricultural and forestal values, and the limitation on division, residential construction and commercial and industrial uses contained in Section II ensures that the Property will remain perpetually available for agricultural, forestal, scenic open-space, protecting natural resources, and maintaining and enhancing air and water quality, all as more particularly set forth below; and

R-5 As required under Section 10.1-1701 of the Open-Space Land Act, the use of the Property for open-space land conforms to the City of Staunton 2010 - 2030 Staunton Comprehensive Plan (the "Plan"), adopted February 23, 2012, and the Property is located within an area designated as an Entrance Corridor Overlay District pursuant to the City's Comprehensive Plan; and

R-6 This Easement is intended to constitute (i) a "qualified conservation contribution" as defined in IRC Section 170(h)(1) as more particularly explained below, and (ii) a qualifying "interest in land" under the Virginia Land Conservation Incentives Act of 1999 (Section 58.1-510 et seq. of the Code of Virginia (1950), as amended); and

R-7 This Easement is intended to constitute "a restriction (granted in perpetuity) on the use which may be made of real property," which is "a qualified real property interest" under § 170(h)(2)(C) of the IRC; and

R-8 This Easement is granted "exclusively for conservation purposes" under IRC §170(h)(1)(C) because it effects "the preservation of open-space (including farmland and forest land)" under IRC 170(h)(4)(A)(iii); specifically the preservation of open-space on the Property is pursuant to clearly delineated state and local governmental conservation policies and will yield a significant public benefit; and

R-9 This open-space easement in gross constitutes a restriction granted in perpetuity on the use that may be made of the Property, and is in furtherance of and pursuant to the clearly delineated governmental conservation policies set forth below:

(i) Land conservation policies of the Commonwealth of Virginia as set forth in:

a. Section 1 of Article XI of the Constitution of Virginia, which states that it is the Commonwealth's policy to protect its atmosphere, lands and waters from pollution, impairment, or destruction, for the benefit, enjoyment, and general welfare of the people of the Commonwealth;

b. The Open-Space Land Act cited above;

c. The Virginia Land Conservation Incentives Act, Chapter 3 of Title 58.1, Sections 58.1-510 through 58.1-513 of the Code of Virginia, cited above, which supplements existing land conservation programs to further encourage the preservation and sustainability of the Commonwealth's unique natural resources, wildlife habitats, open spaces and forested resources;

d. Grantee's practices in reviewing and accepting this Easement. Grantee has

engaged in a thorough review, considered and evaluated the benefits provided by this Easement to the general public as set forth in these recitals, and concluded that the protection afforded the open-space character of the Property by this Easement will yield a significant public benefit and further the open-space conservation objectives of Grantee and the Commonwealth of Virginia. Treasury Regulation Section § 1.170A-14(d)(4)(iii)(B) states that such review and acceptance of a conservation easement by a governmental entity tends to establish a clearly delineated governmental conservation policy as required under IRC Section 170(h)(4)(A)(iii);

e. The Chesapeake 2000 Agreement, in which the Governor of the Commonwealth of Virginia and the Administrator of the United States Environmental Protection Agency acknowledged “that future development will be sustainable only if we protect our natural and rural resource land, limit impervious surfaces and concentrate new growth in existing population centers.” A goal of the Chesapeake 2000 Agreement is to “expand the use of voluntary and market-based mechanisms such as easements... to protect and preserve natural resource lands”;

f. The 2013 Virginia Outdoors Plan (“VOP”), discussing the Central Shenandoah Region (Region 6), which includes all of the City of Staunton, notes for the district that:

- “The U.S. Census Bureau estimates that Central Shenandoah’s recreation region had a population of 286,781 in 2010, comprising 3.58 percent of Virginia’s population. Continuing with a growth rate of 9.76 percent, the population will be 314,733 by 2020.” See VOP, Ch. 10, page 10.64.

- “Land conservation: Regional and local organizations and agencies should support land protection efforts on priority lands, as identified by conservation partners in the region. Lands for protection may include those located adjacent to rivers and tributaries, national and state park and forest lands, other parks and natural areas, important viewsheds, core battlefield areas, properties on the state and national historic registers, and state scenic byways.” See VOP, Ch. 10, page 10.64-10.65.

- “Regional Trails: Develop the Staunton Frontier Trail system linking the Frontier Culture Museum of Virginia to Betsy Bell and Gypsy Hill parks, as well as other public facilities in the area.” See VOP, Ch. 10, page 10.69.

(ii) The land use and conservation vision, goals and policies of City of Staunton, as set forth in the Plan, which provides, in part, as follows:

- Chapter B: Land Use and Development Guide, page 1: “Over the years, an overriding concern voiced by many citizens at the public planning area meetings has been a desire to protect the “quality of life” in Staunton. Residents consistently discuss the importance of maintaining or improving their lifestyles through a variety of methods including increased business opportunities downtown, constructing additional recreational facilities, and protecting the scenic beauty and historic character of the City. Therefore, the Committee maintained the following guidelines as they conducted the update process for the Comprehensive Plan:

- a desire to conserve and/or protect the City's natural resources, historic

character, and scenic qualities;” and

- Chapter B: Land Use and Development Guide, page 7: “In addition to growth, this plan addresses the strong desire of Staunton’s citizens to conserve and protect the City’s natural resources, historic character, and scenic qualities. This is accomplished by means of overlay zones. These zones, which experience a greater impact from growth, provide additional emphasis to protect the character, and scenic qualities of the area.”

- Chapter B: Land Use and Development Guide, page 13: “CORRIDOR, HISTORIC, AND SCENIC OVERLAY ZONES - These zones, which will impose additional constraints, can be applied to any land areas. However, emphasis should be placed on developed and undeveloped areas along major thoroughfares and entrance corridors, the Central Business District, Historic Districts, and other historic or scenic areas that could experience a negative impact from the adjacent development of land areas.”

- Chapter C: Priority Initiatives and Recommendations, page 3: Open Space/Environment -

“Conserve open space and protect the remaining environmentally sensitive areas in the Staunton-Augusta-Waynesboro region before they are faced with development pressures. ...

d. Support efforts to preserve Betsy Bell and Mary Gray mountains. Enhance use of the public area at Betsy Bell and look into the feasibility of conservation easements for both Betsy Bell and Mary Gray. ...

f. Support development of greenways in the City (especially along streams and creeks)”

- Chapter C: Priority Initiatives and Recommendations, page 4: Community Character –

Enhance the physical attractiveness of the City through a broad program addressing lighting, signage, and litter control; tree plantings and landscaping; and architecturally appropriate design standards for buildings or structures fronting corridors and thoroughfares.

a. Support enhancement and priority implementation of the City’s Master Landscaping Plan - especially along entrance corridors and the pedestrian network.

(iii) Land use policies of the City of Staunton as evidenced by correspondence from the City of Staunton dated [REDACTED], acknowledging that contribution of the Easement over the Property to the Grantee and restriction of the Property as provided in this Easement is consistent with the Plan; and

R-10 (i) The Property is a sizeable tract of land in a City that continues to develop, and is currently zoned R-4. The Property is currently comprised of timberland, and protection of the Property by this Easement preserves the local rural landscape and open space values (collectively, “conservation values”) of great importance to the Grantor, the citizens of the City of Staunton and the citizens of the Commonwealth of Virginia;

(ii) The Property is an important green infrastructure and recreational structure because the Property lies adjacent to Betsy Bell and Mary Gray Wilderness Parks, owned and operated by the City of Staunton, which contain and feature Betsy Bell and Mary Gray Mountains, and which the public enjoys using on a regular, year-round basis for walking, climbing, hiking, biking, picnicking and other outdoor activities, and protection of the Property will help further public benefit and use of such facilities by the general public. Various hardwood, pine and other tree varieties are located within the parks and they provide the public with access to a variety of wildlife. The protection of the Property will further the conservation purposes set forth herein and will protect the scenic qualities of Betsy Bell and Mary Gray Wilderness Parks, will help protect the views and viewsheds viewed by users of Betsy Bell and Mary Gray Wilderness Parks, as well as protect the continuity of natural habitats in the area of the Property and Betsy Bell and Mary Gray Wilderness Parks;

(iii) The Property lies south of Richmond Avenue (U.S. Route 250) near the Staunton National Cemetery, administered by Culpeper National Cemetery, which was designated a national cemetery in September 1868 and listed on the National Register of Historic Places in 1996, and protection of the Property and the landscape of the area will help further public benefit and use of such cemetery by the general public;

(iv) The Property in its undeveloped state contributes to the scenic views enjoyed by the public from Betsy Bell and Mary Gray Wilderness Parks, from which members of the public can view portions of the Property, and to the scenic views enjoyed by the public from Statler Boulevard (Route 261), as well as the local landscape in general;

(v) The public has views of substantially all of the Property from Betsy Bell Park, Mary Gray Wilderness Parks and Statler Boulevard (Route 261), and members of the general public regularly view a substantial portion of the Property therefrom, therefore the Property satisfies the requirements for “visual public access” as defined in IRS regulations §§ 170A-14(d)(4)(ii)(B). The protection of this viewshed provided by the no-build provisions provided herein contributes to the scenic views enjoyed by the public therefrom;

(vi) The Property does not include any perennial streams, creeks, rivers or other waterbodies with perennial outflow;

(vii) The Virginia Department of Conservation and Recreation has developed the Virginia Natural Heritage Data Explorer (the “NHDE”) and Virginia Conservation Lands Database (“VCLD”) as part of the Virginia Conservation Visions to identify, prioritize and link natural lands as targets for protection activities such as conservation easements and habitat restoration. The NHDE/VCLD identifies Betsy Bell Park and Mary Gray Wilderness Parks adjacent to the Property as a land conservation treasure pursuant to the VDCR Virginia Treasures initiative, and identifies part of the Property as being within an ecological core of moderate to high value, within a watershed integrity area of general value, and within an area of highest vulnerability for development and growth based on predicted growth patterns in Virginia; and

R-11 The conservation values of the Property are its agricultural, forestal and scenic open space

values, and the preservation of the conservation values of the Property as provided in this Easement will yield the following significant public benefits, taking into consideration factors suggested in Treas. Reg. §1.170A-14(d)(4)(iv)(A):

(i) furthers and is pursuant to clearly delineated state and local governmental conservation policies, and the Grantee, a municipal corporation of the Commonwealth of Virginia, requires a thorough review of the properties, terms of proposed easements and conservation purposes being served before agreeing to accept donations of conservation or open-space easements over real property. Grantor notes that Treasury Regulation Section 1.170A-14(d)(4)(iii)(B) states that such review and acceptance of this Easement by a governmental entity tends to establish a clearly delineated governmental conservation policy as required under IRC Section 170(h)(4)(A)(iii);

(ii) prevents significant development of the Property, which existing and foreseeable trends in the vicinity of the Property indicate is increasing and which would lead to or contribute to the degradation of the natural, forested, scenic open space and outdoor public recreational and educational character of the Property;

(iii) protects the visible viewshed of the Property from Betsy Bell and Mary Gray Wilderness Parks and Statler Boulevard (Route 261), which provide opportunities for the walking, hiking and driving public to appreciate the Property's scenic values, as well as the local landscape in general; and

(iv) prevents excessive development, soil disturbance, and pollution on the Property, thus enhancing water quality as well as aquatic and riparian habitat in the downstream Lewis Creek, Potomac River and Chesapeake Bay; and

R-12 The Property has not been dedicated as open space within, or as part of, a residential subdivision or any other type of residential or commercial development, or dedicated as open space in, or as part of, any real estate development plan, or dedicated for the purpose of fulfilling density requirements to obtain approvals for zoning, subdivision, site plan, or building permits, and this Easement is not being granted as part of or in connection with any residential or commercial development of the Property or any other real property; and

R-13 This Easement will yield significant public benefit to the citizens of the City of Staunton and the Commonwealth as set forth in these recitals and in Section I below; and

R-14 Grantor and Grantee desire to protect in perpetuity the conservation values of the Property as specified in Section I by restricting the use of the Property as set forth in Section II; and

R-15 Grantee has determined that the restrictions set forth in Section II (the Restrictions) will preserve and protect in perpetuity the conservation values of the Property documented in the Baseline Documentation Report described in Section IV, and will limit use of the Property to those uses consistent with, and not adversely affecting, such conservation values of the Property and the governmental conservation policies furthered by the Easement, and the rights, uses or improvements permitted or retained by the Grantor hereunder do not materially impair or destroy

such conservation values; and

R-16 Grantee, by acceptance of this Easement, designates the Property as property to be retained and used in perpetuity for the preservation and provision of open-space land pursuant to the Open-Space Land Act.

NOW, THEREFORE, in consideration of the foregoing recitals incorporated herein and made a part hereof and in consideration of the mutual covenants herein and their acceptance by Grantee, Grantor does hereby give, grant and convey to Grantee for the public purposes set forth in Section I below a conservation and open-space easement in gross (Easement) over, and the right in perpetuity to restrict the use of, the Property, which is described below, and consists of approximately 36.041± acres, more or less, located in the City of Staunton, Virginia (Parcel No: 10767), to-wit:

ALL that certain lot or parcel of land, together with any and all improvements thereon and all rights, privileges, appurtenances, easements and rights of way thereunto belonging or in anywise appertaining, lying and being in the City of Staunton, Virginia, more fully described as Tract 1 containing 36.041 acres on plat entitled "Plat Showing a Boundary Line Adjustment Between Properties #8324 and #11579, City of Staunton, Virginia" dated November 14, 2013, made by Howard L. Vance, Land Surveyor with Balzer and Associates, Inc., of record with Boundary Line Adjustment dated August 14, 2014 as Instrument No. 140001744 (the "Boundary Plat").

TOGETHER WITH a non-exclusive, perpetual 50' access easement appurtenant to the Property over the adjacent property identified by PIN #100766 as shown on the plat (the "Easement Plat") attached hereto as Exhibit "A" (the "Access Easement") and being the same area as the access easement granted to Grantor by deed recorded as Instrument No. 180002817, for use by Grantee in the exercise of its right of inspection as provided in Section III.

BEING the same real property conveyed to Grantor by Deed from GAE, LLC dated October 11, 2018, and recorded December 3, 2018, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 180002817.

The Property is shown as Tax Map No. 100767 among the land records of the City of Staunton, Virginia. Even if the Property consists of more than one parcel for real estate tax or any other purpose or if it may have been acquired previously as separate parcels, it shall be considered one parcel for purposes of this Easement, and the restrictions and covenants of this Easement shall apply to the Property as a whole.

SECTION I -PURPOSE

The conservation purpose of this Easement is to preserve and protect the conservation values of the Property in perpetuity by imposing the restrictions on the use of the Property set forth in Section II and providing for their enforcement in Section III. The conservation values of the

Property are described in the above recitals, are documented in the Baseline Documentation Report described in Section IV below and include the Property's scenic open-space values, its value as land preserved for rural uses such as forestry and/or agriculture (including livestock production) and its value as open space designated by state or local government. Pursuant to the Virginia Land Conservation Foundation's (VLCF's) Conservation Value Review Criteria the further purpose of this Easement is preservation of land for agricultural use, forestal use, preservation of scenic open space and its value as open space designated by state or local government.

Grantor covenants that no acts or uses are currently being conducted or will be conducted on the Property which are: (i) inconsistent with the conservation values as provided in Treasury Regulation Section 1.170A-14(g)(1); or (ii) consistent with the conservation values, but are destructive of other significant conservation interests as provided in Treasury Regulation Section 1.170A-14(e)(2) unless such acts or uses are necessary for the protection of the conservation values that are protected hereunder as provided in Treasury Regulation Section 1.170A-14(e)(3).

SECTION II – RESTRICTIONS

Restrictions are hereby imposed on the use of the Property pursuant to the public policies set forth above. The acts that Grantor covenants to do and not to do upon the Property, and the restrictions that Grantee is hereby entitled to enforce, are and shall be as follows:

1. DIVISION.

(i) Separate conveyance of a portion of the Property or division of the Property is prohibited. For purposes of this Easement, division of the Property includes, but is not limited to, creating a subdivision plat, judicial partitioning of the Property, or testamentary partitioning of the Property.

2. BUILDINGS, STRUCTURES, ROADS AND UTILITIES.

(i) No buildings, structures, roads or utilities, other than the following, are permitted on the Property; such buildings and structures are subject to subparagraph 2(ii) **Siting of buildings and structures** below:

(a) **Dwellings and non-residential outbuildings and structures.** No dwellings shall be permitted on the Property.

(b) **Farm buildings or structures.** No farm buildings or structures shall be permitted on the Property.

(c) **Buildings for the processing and sale of farm or forest products or certain animal-related uses.** No buildings for the processing and sale of farm or forest products or animal-related uses shall be permitted on the Property.

(d) **Roads and trails.**

(1) Private roads, trails and paths, access easements and parking lots with permeable surfaces to serve permitted park facilities as well as the Betsy Bell and Mary Gray Wilderness Parks, and for other permitted uses and activities, such as recreation or forestry, or for public safety needs. New roads or access ways may only be constructed on the Property after minimizing the impact of the siting of the proposed roads and access ways on the conservation values of the Property and with prior written approval of Grantee, which approval shall take into consideration the impact of the roads on the conservation values of the Property.

(e) **Utilities.** Public or private utilities including but not limited to septic or sewer and electric and water supply systems to serve permitted buildings, structures, facilities, and/or equipment on the Property or the Betsy Bell and Mary Gray Wilderness Parks only may be constructed and maintained. Public or private utilities, including easements for communication facilities, storm water drainage, and sewer, septic and water supply systems that do not serve the Property or the Betsy Bell and Mary Gray Wilderness Parks shall not cross the Property unless the construction and maintenance of such utilities will not significantly impair the conservation values of the Property protected hereby and the impact of the height and siting of the proposed utilities on the conservation values of the Property is minimized. Grantee reserves its separate rights to approve such public or private utilities and to grant necessary easements for such purposes; and

(f) **Alternative energy structures.** Alternative energy structures used to harness natural renewable energy sources, such as sunlight, wind, water, or biomass, and scaled to provide electrical energy or pump water for permitted buildings, structures, and activities on the Property, which limitation shall not be deemed to prohibit the sale of excess power generated incidentally in the operation of such structures and associated equipment, including, but not limited to, solar panels, wind turbines, and micro-hydro installations so long as such placement does not have significant impacts on the conservation values of the property; and

(g) **Small-scale miscellaneous buildings and structures.** Small-scale miscellaneous buildings and structures, the existence of which is consistent with the conservation purposes of this Easement and which will not impair the conservation values protected herein, such as wildlife observation structures, fences, boardwalks, structures for crossing streams or wetlands, and signs (but not billboards or other signs larger than 32 square feet in area).

(h) **Park Facilities.** Facilities normally associated with public recreational and outdoor activities on the Property and consistent with the conservation purposes of this Easement, including but not limited to a visitor center, pavilions, boardwalks, hiking and walking trails and paths, biking trails and paths, picnic facilities, bathrooms, maintenance and storage structures, support structures and facilities, unroofed parking facilities with permeable surfaces. In accordance with 4 V.A.C. 50-85-130 and 50-85-140 (formerly 4 Va. Admin. Code 5-15-150), the Grantor shall have and fully implement a current nutrient management plan approved by Grantee on the Property according to the Virginia Nutrient Management Standards and Criteria revised 2005, which nutrient management plan shall be approved by the Virginia Department of Conservation and Recreation and shall be in place prior to the first application of fertilizer to any permitted facilities constructed on the Property.

(ii) Grantor shall have the right to construct and use any permitted buildings, structures, roads,

trails and utilities permitted in Section II, Paragraph 2(i) above and to repair, maintain, renovate, expand, and replace any permitted park facilities, roads, trails and utilities on the Property within the limitations set forth in this Easement. Grantor shall give Grantee 30 days' written notice before beginning ground clearing for construction or enlargement of any structure permitted under Section II Paragraph 2(i) on the Property.

(iii) **Siting of buildings and structures.** To protect the scenic and conservation values of the Property, no building or other above-ground structure with a footprint larger than 500 square feet shall be constructed on the Property within 1,000 feet of Statler Boulevard (Route 261) (in its current alignment), as measured from the centerline of such road, or within the viewshed protection area as shown on the Easement Plat to protect the viewshed of the Property from Betsy Bell Mountain.

(iv) **Collective footprint limitation.** The collective footprint of all buildings and structures and parking lots on the Property, excluding linear surfaces, such as roads, sidewalks, trails, walls, fences, and boardwalks, shall not exceed 1% of the total area of the Property, provided that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the conservation values of the Property, Grantee may approve such increase. For the purpose of this paragraph the collective footprint is the ground area measured in square feet of the buildings and structures set forth in Section II Paragraph 2(i)(a) through (c), (f), (g) and (h) above and all other impervious surfaces, excluding linear surfaces, such as roads, sidewalks, trails, walls, fences, and boardwalks.

3. INDUSTRIAL OR COMMERCIAL ACTIVITIES.

(i) Industrial or commercial activities on the Property are limited to the following:

(a) agriculture (including livestock production), equine activities, or forestry;

(b) small-scale incidental commercial or industrial operations compatible with activities set forth in (a) above that Grantee approves in writing as being consistent with the conservation purposes of this Easement;

(c) activities, other than those already permitted in (a) above, that can be, and in fact are, conducted within permitted buildings without material alteration to their external appearance, provided that such activities to be conducted in buildings exceeding 4,500 square feet in ground area are subject to the written approval of Grantee, which approval shall take into consideration the impact of the activities and any proposed associated infrastructure improvements on the conservation values of the Property;

(d) the sale of excess power generated incidentally in the operation of approved alternative energy structures and associated equipment as provided in Section II Paragraph 2(i)(f) above;

(e) activities to restore or enhance wetlands or streams or restore, enhance, or develop other ecosystem functions on the Property including, but not limited to, stream bank restoration, wetland and stream mitigation, nutrient offset, biological carbon sequestration and biodiversity

mitigation, provided that such activities are not in conflict or inconsistent with the conservation purposes of or the restrictions set forth in this Easement and that prior written approval for same shall have been obtained from Grantee. Grantee is not responsible for monitoring any such activities and has no obligation to enforce the provisions of any permit(s), restriction(s), or easement(s) therefor. Subject to Grantee's approval, Grantor is free to participate in same in Grantor's discretion and to retain any remuneration derived therefrom;

(f) outdoor activities that do not permanently alter the physical appearance of the Property and that do not impair the conservation values of the Property herein protected;

(g) outdoor public recreation (including, but not limited to, visitor center, restrooms, outdoor education facilities, fishing, hunting, horseback riding, camping, hiking and cycling, and facilities and trails, paths, signs, equipment and kiosks for the same). In accordance with 4 V.A.C. 50-85-130 and 50-85-140 (formerly 4 Va. Admin. Code 5-15-150), the Grantor shall have and fully implement a current nutrient management plan approved by Grantee on the Property according to the Virginia Nutrient Management Standards and Criteria revised 2005, which nutrient management plan shall be approved by the Virginia Department of Conservation and Recreation and shall be in place prior to the first application of fertilizer to any permitted facilities constructed on the Property;

(h) natural resource-based educational, scientific, or recreational activities, provided that they are consistent with the conservation purposes of this Easement and do not impair the conservation values protected herein.

(ii) As to any portion of the Property in agricultural use, a written conservation plan stipulating the use of Best Management Practices (such as proper nutrient management, utilization of cover crops, and stabilization of highly erodible lands) shall be developed in consultation with the Headwaters Soil and Water Conservation District or Natural Resources Conservation Service representative and shall be implemented as long as such portions of the Property remain in agricultural production.

4. MANAGEMENT OF FOREST. Best Management Practices (BMPs), as defined by the Virginia Department of Forestry, shall be used to control erosion and protect water quality when any timber harvest (whether of healthy or diseased trees) or land-clearing activity is undertaken. A pre-harvest plan shall be submitted to Grantee for approval no later than 30 days before the proposed date of any timber harvest, which approval shall take into consideration whether or not the pre-harvest plan is consistent with the terms of this Easement. The pre-harvest plan shall describe the BMPs to be used in sufficient detail to ensure that water quality will be protected.

To protect the scenic and conservation values of the Property and subject to the other provisions of this Easement, no clear cutting of forest or cover is permitted on the Property within 1,000 feet of Statler Boulevard (Route 261) (in its current alignment), as measured from the centerline of such road, or within the viewshed protection area as shown on the Easement Plat to protect the viewshed of the Property from Betsy Bell Mountain; provided that cutting of forest or timber on the Property within such buffer may occur within such areas, such as cutting of trees for the construction of permitted playgrounds, roads, utilities, buildings, structures, facilities, parking lots

and hiking, biking and walking paths and trails with the prior written approval of Grantee that such cutting of forest or timber will not adversely affect the conservation values of the Property.

The following activities do not constitute timber harvesting or land clearing and do not require the submission of a pre-harvest plan but do require BMPs to be used to control erosion and protect water quality: the cutting, clearing, or removal of trees on less than 10 acres of the Property at any one time (i) for the construction or maintenance of permitted playgrounds, roads, utilities, buildings, structures, facilities, parking lots and hiking, biking and walking paths and trails, (ii) which are invasive species, (iii) which pose a threat to the health or safety of persons, property, or livestock, (iv) which are dead, diseased, or dying, or (v) for other permitted activities on the Property, except timber harvesting or land clearing.

5. GRADING, BLASTING, FILLING AND MINING.

(i) Grading, blasting, filling, or earth removal shall not materially alter the topography of the Property except (a) for clearing, grading, and dam construction to create and maintain ponds (but not storm water retention or detention ponds to serve properties other than Betsy Bell and Mary Gray Wilderness Parks), (b) for restoration, enhancement, or development of ecosystem functions on the Property as permitted and limited under Section II, Paragraph 3(i)(e) above, (c) for erosion and sediment control pursuant to an erosion and sediment control plan, or (d) as required in connection with construction as permitted by this Easement or as necessary to run utilities to adjoining properties and additional properties connecting to such adjoining properties. Grantee may require appropriate sediment and erosion control practices to be undertaken for buildings, structures, roads, or utilities that require Grantee's approval in Section II Paragraph 2(i) above, as a condition of such approval.

(ii) Grading, blasting, filling, or earth removal in excess of one acre for the purposes set forth in subparagraphs (a) through (d) above require 30 days' prior notice to Grantee. Generally accepted agricultural activities, including the conversion of forest land into farmland, shall not constitute a material alteration of the topography. Surface mining on the Property and subsurface mining from the surface of the Property and drilling for oil or gas or other minerals on the Property are prohibited. Dredging on or from the Property is prohibited, except for maintenance of any ponds on the Property.

6. ACCUMULATION OF TRASH. Accumulation or dumping of trash, refuse, junk or toxic materials is not permitted on the Property. This restriction shall not prevent generally accepted agricultural or wildlife management practices, such as creation of brush piles, composting, or the storage of farm machinery, organic matter, agricultural products or agricultural byproducts on the Property.

7. SIGNS. Display of billboards, signs, or other advertisements is not permitted on or over the Property except to: (i) state the name and/or address of the owners of the Property, (ii) advertise the sale or lease of the Property, (iii) advertise the sale of goods or services produced incidentally to a permitted use of the Property, (iv) provide notice necessary for the protection of the Property, (v) give directions to visitors, (vi) recognize historic status or participation in a conservation program, (vii) as a result of carbon sinks, carbon sequestration and biodiversity

mitigation on the Property as permitted under Section II, Paragraph 3, or (viii) as needed in connection with permitted playgrounds, roads, utilities, buildings, structures, facilities, parking lots and hiking, biking and walking paths and trails. Temporary political signs are allowed. No sign visible from outside the Property shall exceed nine square feet in size.

SECTION III – ENFORCEMENT

1. RIGHT OF INSPECTION. Representatives of Grantee may enter the Property from time to time for purposes of inspection (including photographic documentation of the condition of the Property) and enforcement of the terms of this Easement after reasonable notice to Grantor or Grantor's representative, provided, however, that in the event of an emergency, entrance may be made to prevent, terminate or mitigate a potential violation of these restrictions with notice to Grantor or Grantor's representative being given at the earliest practicable time.

2. ENFORCEMENT. Grantee, in accepting this Easement, commits to protecting the conservation purposes of this Easement and has the resources necessary to enforce the restrictions set forth herein. Grantee has the right to bring a judicial proceeding to enforce the restrictions, which right specifically includes the right (i) to require restoration of the Property to its condition at the time of the conveyance or to require restoration of the Property to its condition prior to a violation hereof, provided that such prior condition was in compliance with the provisions of this Easement; (ii) to recover any damages arising from non-compliance; (iii) to compel Grantor to disgorge to Grantee any proceeds received in activities undertaken in violation of the restrictions set forth herein; (iv) to require Grantor to replant or pay for the replanting of trees on the Property in the event that Grantor harvests timber in violation of any restrictions set forth in Section II above; (v) to enjoin non-compliance by temporary or permanent injunction, and (vi) to pursue any other appropriate remedy in equity or law. If the court determines that Grantor failed to comply with this Easement, Grantor shall reimburse Grantee for any reasonable costs of enforcement, including costs of restoration, court costs, expert-witness costs, and attorney's fees, in addition to any other payments ordered by the court. Grantee's delay shall not waive or forfeit its right to take such action as may be necessary to ensure compliance with this Easement, and Grantor hereby waives any defense of waiver, estoppel or laches with respect to any failure to act by Grantee. Notwithstanding any other provision of this Easement, Grantor shall not be responsible or liable for any damage to the Property or change in the condition of the Property (i) caused by fire, flood, storm, Act of God, governmental act, or other cause solely outside of Grantor's control or (ii) resulting from prudent action taken by Grantor to avoid, abate, prevent, or mitigate such damage to or changes in the condition of the Property from such causes. Nothing in this Easement shall create any right in the public or any third party to maintain any judicial proceeding against Grantor or Grantee.

SECTION IV – DOCUMENTATION

Grantor has made available to Grantee, prior to conveyance of this Easement, documentation sufficient to establish the condition of the Property at the time of the conveyance, and documentation retained in the office of Grantee, including, but not limited to, the Baseline Documentation Report describes the condition and character of the Property at the time of the conveyance. The Baseline Documentation Report may be used to determine compliance with and

enforcement of the terms of this Easement. However, the parties are not precluded from using other relevant evidence or information to assist in that determination. The parties hereby acknowledge that the Baseline Documentation Report contained in the files of Grantee is an accurate representation of the Property and contains a statement signed by Grantor and a representative of Grantee as required by Treasury Regulation 1.170A-14(g)(5)(i).

SECTION V – GENERAL PROVISIONS

1. DURATION. This Easement shall be perpetual. It is an easement in gross that runs with the land as an incorporeal interest in the Property. The covenants, terms, conditions and restrictions contained in this Easement are binding upon, and inure to the benefit of, the parties hereto and their successors in title to the Property, or any portion thereof or interest therein, and Grantee and its successors or assigns, and shall continue as a servitude running in perpetuity with the Property. The rights and obligations of an owner of the Property under this Easement terminate upon proper transfer of such owner's interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

2. NO PUBLIC ACCESS AND GRANTOR'S RETENTION OF USE. Although this Easement will benefit the public as described above, nothing herein shall be construed to convey to the public a right of access to, or use of the Property, and specifically no rights of any kind are granted to the public with respect to the Access Easement. Subject to the terms hereof, Grantor retains the exclusive right to such access and use, including, but not limited to, the right to hunt, fish or trap on the Property. The Grantor retains all rights not expressly conveyed herein including the right to contribute the Property outright to the Grantee or other qualified holders for conservation purposes subject to and consistent with this Easement.

3. GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor represents, covenants, and warrants that (a) Grantor has good fee simple title to the Property (including the mineral rights located under the surface of the Property), (b) Grantor has all right and authority to give, grant and convey this Easement, (c) the Property is free and clear of all encumbrances (other than restrictions, covenants, conditions, and utility and access easements of record), including, but not limited to, any leases, option contracts, mortgage liens, deeds of trust liens, or other liens not subordinated to this Easement, (d) no consent of any third party is required for Grantor to enter into this Easement, (e) each person and/or entity signing on behalf of Grantor is authorized to do so, and (f) to the best of Grantor's knowledge: (I) no asbestos or materials made from asbestos, urea formaldehyde foam insulation or hazardous waste or substances presently exist on the Property, (II) no underground storage tanks are located on the Property, (III) the Property has not been designated, listed or identified in any manner by the United States Environmental Protection Agency ("EPA") or under and pursuant to CERCLA or RCRA, or any other state or federal law, statute, or regulations enacted in connection with or relating to the protection or regulation of the environment ("Environmental Protection Statute") as a hazardous substance disposal or removal site, superfund or clean-up site or candidate for removal or closure pursuant to CERCLA, RCRA or any other Environmental Protection Statute or as being in violation of any Environmental Protection Statute, (IV) no lien arising under or in connection with any Environmental Protection Statute has attached to the Property, (V) Grantor has not received a summons, citation, notice, directive, letter or other communication, written or oral, from the EPA or any other federal or state

governmental agency or instrumentality authorized pursuant to the Environmental Protection Statute or any other statute or law dealing with the environment concerning any intentional or unintentional action or omissions by any party resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying, dumping or otherwise disposing of hazardous waste or hazardous substance, including petroleum products, into the environment resulting in damage thereto, and (VI) there is no contract to which Grantor is a party or that is binding on Grantor which is in conflict with this Easement.

4. ACCEPTANCE. Grantee accepts this conveyance, which acceptance is evidenced by the signature of the City Manager by authority granted by Grantee's City Council.

5. INTERACTION WITH OTHER LAWS. This Easement does not permit any use of the Property that is otherwise prohibited by federal, state, or local law or regulation. Neither the Property, nor any portion of it, has been or shall be proffered or dedicated as open space within, or as part of, a residential subdivision or any other type of residential or commercial development; proffered or dedicated as open space in, or as part of, any real estate development plan; or proffered or dedicated for the purpose of fulfilling density requirements to obtain approvals for zoning, subdivision, site plan, or building permits. No development rights that have been encumbered or extinguished by this Easement shall be transferred to any other property pursuant to a transferable development rights scheme, cluster development arrangement or otherwise.

6. CONSTRUCTION. Pursuant to the public policy of the Commonwealth of Virginia favoring land conservation, any general rule of construction to the contrary notwithstanding (including the common law rule that covenants restricting the free use of land are disfavored and must be strictly construed), it is the intent of the parties hereto that this Easement and all language contained herein shall be liberally construed in favor of the grant to effect the purposes of the Easement and the policies and purposes of Grantee. If any provision of this Easement is found to be ambiguous, an interpretation that is consistent with the purposes of this Easement (to protect the conservation values of the Property and prevent the exercise of reserved rights in a way that would impair such values) and that would render the provision valid shall be favored over any interpretation that would render it invalid. Notwithstanding the foregoing, lawful acts or uses consistent with the purposes of and not expressly prohibited by this Easement are permitted on the Property. Grantor and Grantee intend that the grant of this Easement qualify as a "qualified conservation contribution" as that term is defined in IRC Section 170(h)(1) and Treasury Regulation Section 1.170A-14, and the restrictions and other provisions of this Easement shall be construed and applied in a manner that will not prevent this Easement from being a qualified conservation contribution.

7. REFERENCE TO EASEMENT IN SUBSEQUENT DEEDS. This Easement shall be referenced by deed book and page number, instrument number or other appropriate reference in any deed or other instrument conveying any interest in the Property. Failure of Grantor to comply with this requirement shall not impair the validity of the Easement or the conveyance or limit the Easement's enforceability in any way.

8. NOTICE TO GRANTOR AND GRANTEE. For the purpose of giving notices hereunder the current address of Grantee is P.O. Box 58, Staunton, Virginia 24402, and any notice

to Grantor shall be given to the recipient at the address at which the real estate tax bill is mailed for the Property or portion thereof that is the subject of the notice and which is currently 2903 N. Augusta Street, Staunton, Virginia 24401.

Grantor shall notify Grantee in writing at or prior to closing on any *inter vivos* transfer, other than a deed of trust or mortgage, of all or any part of the Property.

In addition, Grantor agrees to notify Grantee in writing before exercising any reserved right that may have an adverse effect on the conservation interests associated with the Property as encumbered by this Easement. (The purpose of requiring such notice is to afford Grantee an adequate opportunity to monitor such activities to ensure that they are carried out in a manner consistent with the purposes of this Easement; such notice shall describe the proposed activity in sufficient detail to allow Grantee to judge the consistency of the proposed activity with the purposes of this Easement.)

Failure of Grantor to comply with these requirements shall not impair the validity of this Easement or limit its enforceability in any way

9. TAX MATTERS. The parties hereto agree and understand that any value of this Easement claimed for tax purposes as a charitable gift must be fully and accurately substantiated by an appraisal from a qualified appraiser as defined in Treasury Regulation Section 1.170A-13(c)(5), and that the appraisal is subject to review and audit by all appropriate tax authorities. Grantee makes no express or implied warranties that any tax benefits will be available to Grantor from conveyance of this Easement, that any such tax benefits might be transferable, or that there will be any market for any tax benefits that might be transferable. By its execution hereof, Grantee acknowledges and confirms receipt of this Easement and further acknowledges that Grantee has not provided any goods or services to Grantor in consideration of the grant of the Easement.

10. NO MERGER. Grantor and Grantee agree that in the event that Grantee acquires a fee interest in the Property, this Easement shall not merge into the fee interest, but shall survive the deed and continue to encumber the Property.

11. ASSIGNMENT BY GRANTEE. Assignment of this Easement is permitted by Virginia Code Section 10.1-1801, but Grantee may not transfer or convey this Easement unless Grantee conditions such transfer or conveyance on the requirement that (i) all restrictions and conservation purposes set forth in this Easement are to be continued in perpetuity, (ii) the transferee then qualifies as an eligible donee as defined in IRC Section 170(h)(3) and the applicable Treasury Regulations, and (iii) the transferee is a public body as defined in Section 10.1-1700 of the Open-Space Land Act.

12. GRANTEE'S PROPERTY RIGHT. Grantor agrees that the conveyance of this Easement gives rise to a property right, immediately vested in Grantee, with a fair market value that is equal to the proportionate value on the date hereof that this Easement bears to the value of the Property as a whole at that time.

13. CONVERSION OR DIVERSION. Grantor and Grantee intend that this Easement be

perpetual and acknowledge that no part of the Property may be converted or diverted from its open-space use except in compliance with the provisions of Section 10.1-1704 of the Open-Space Land Act, which does not permit loss of open space. In the event that the Property or a portion thereof is converted or diverted for an additional use pursuant to Section 10.1-1704, such use and the fee simple conveyance of such parcel to a third party shall be permitted, such parcel shall remain subject to this Easement, and Grantee shall be made a party to the fee simple conveyance of such parcel to the third party to ensure that the parcel remains subject to this Easement. Fee simple conveyance of such parcel does not constitute a division of the Property under Section II Paragraph 1 above.

14. EXTINGUISHMENT. If any unexpected change in the conditions surrounding the Property can make impossible or impractical the continued use of the Property for the conservation purposes of this Easement, the provisions of this Easement can be extinguished through a judicial proceeding. In such case, on a sale or exchange of the Property subsequent to and resulting from such an extinguishment, Grantee shall be entitled to a portion of the proceeds at least equal to the proportionate value of this Easement computed as set forth in Section V Paragraph 12 above. Grantee shall use all its share of the proceeds from the sale of the Property in a manner consistent with the conservation purposes of this Easement and the Open-Space Land Act.

15. AMENDMENT. Grantee and Grantor may amend this Easement to enhance the Property's conservation values or add to the restricted property by an amended deed of easement, provided that no amendment shall (i) affect this Easement's perpetual duration, (ii) conflict with or be contrary to or inconsistent with the conservation purposes of this Easement, (iii) reduce the protection of the conservation values, (iv) affect the qualification of this Easement as a "qualified conservation contribution" or "interest in land," (v) affect the status of Grantee as a "qualified organization" or "eligible donee," or (vi) create an impermissible private benefit or private inurement in violation of federal tax law. No amendment shall be effective unless documented in a notarized writing executed by Grantee and Grantor and recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia.

16. JOINT OWNERSHIP. If Grantor at any time owns the Property or any portion of or interest therein in joint tenancy, tenancy by the entirety, or tenancy in common, all such tenants shall be jointly and severally liable for all obligations of Grantor set forth herein.

17. SEVERABILITY. It is the express intent of the parties hereto that all provisions of this Easement be considered and construed as part of the whole and that no provision shall be applied in isolation without consideration of the overall purposes of this Easement. Nevertheless, if any provision of this Easement or its application to any person or circumstance is determined by a court of competent jurisdiction to be invalid, the remaining provisions of this Easement shall not be affected thereby.

18. ENTIRE AGREEMENT. This instrument sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement.

19. CONTROLLING LAW. The interpretation and performance of this Easement shall be governed by the laws of the Commonwealth of Virginia and the United States, resolving any ambiguities or questions of the validity of specific provisions in a manner consistent with the provisions of Section V, Paragraph 6 above in order to give maximum effect to its conservation purpose.

20. RECODIFICATION AND AMENDMENT OF STATUTES AND REGULATIONS. This Easement cites various federal and state statutes and regulations applicable to open-space easements. In the event that such statutes or regulations are re-codified or amended, this Easement will be interpreted and enforced according to the re-codified or amended statutes and regulations most closely corresponding to those cited herein and carrying out the purposes recited herein.

22. RECORDING. This Easement shall be recorded in the land records in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia, and Grantee may re-record it any time as may be required to preserve its rights under this Easement.

23. COUNTERPARTS. This Easement may be executed in one or more counterpart copies, each of which, when executed and delivered shall be an original, but all of which shall constitute one and the same Easement. Execution of this Easement at different times and in different places by the parties hereto shall not affect the validity of this Easement.

24. INDEMNIFICATION. The parties acknowledge and agree that Grantee has neither possessory rights in the Property, nor any right or responsibility to control the use of the Property (except to enforce the restrictions on use of the Property provided for in this Easement), nor to maintain, or keep up the Property, and the parties agree that Grantor retains all such rights and control exclusively.

Grantor shall indemnify Grantee, and its directors, officers, agents, volunteers, and employees (collectively, the "Indemnified Parties"), from any court awarded damages, together with reasonable attorney's fees and expenses incurred by Grantee and/or the Indemnified Parties, and all attorneys' fees and expenses assessed against Grantee and/or the Indemnified Parties, resulting from any and all of the following:

(i) Personal injury or property damage that occurs on the Property not due to the negligent or intentional act or failure to act of Grantee and/or its agents; and

(ii) Liability, including, but not limited to, liability under CERCLA, and/or similar local, state or federal laws, relating to cleanup of hazardous materials or substances that were released or in any way deposited on or migrated to the Property, other than by Grantee and/or its agents.

A party's rights and obligations pursuant to this Easement shall terminate upon transfer of that party's interest in the Easement, or in all of the Property, as the case may be, except that liability for the acts or omissions of such party during the time that such party held an interest in the Property shall survive transfer of any interest in the Property with respect to such party.

25. COST RECOVERY CHARGES. Grantee reserves the right to recover from Grantor, its

successors and assigns, its costs incurred in responding to requests initiated by Grantor involving matters such as boundary line adjustments, easement amendments, project reviews for ecosystem services, preparation of reports to facilitate sales, access or utility easements over the Property, and review of gas or oil plans.

26. SUBORDINATION. CITY NATIONAL BANK OF WEST VIRGINIA (f/k/a Community Bank), herein the Lender, is the note holder under a certain deed of trust dated February 12, 2009 and recorded February 12, 2009, in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia ("Clerk's Office") as Instrument No. 090000366, which subjects the Property to the Lender's lien. The Lender hereby consents to the terms, conditions, and restrictions of this Easement, including without limitation the grant of the Access Easement, agrees that the lien represented by said deed of trust shall be subordinated to and be held subject to this Easement including without limitation the Access Easement, and joins in this Easement to reflect its direction to the Trustee to execute this Easement to give effect to the subordination of such deed of trust to this Easement including without limitation the Access Easement. The Trustee joins in the execution of this Easement to confirm that in the event of foreclosure under the deed of trust or other sale of the property described in the deed of trust under judicial or non-judicial proceedings, the property will be sold subject to this Easement.

[Counterpart signature pages follow]

GRANTOR:

ALLEN P. DAHL

CAROLYN M. DAHL

THOMAS P. DAHL

KRISTEN F. DAHL

DEBRA D. CALDWELL

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Allen P. Dahl and Carolyn M. Dahl.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Thomas P. Dahl and Kristen F. Dahl.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Debra D. Caldwell.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

[Counterpart signature page 2 of 4]

Accepted:

GRANTEE:

CITY OF STAUNTON, VIRGINIA

By: _____

Its: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of
_____ 2019, by _____, a _____ of the City of Staunton, Virginia.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

[Counterpart signature page 3 of 4]

LENDER:

CITY NATIONAL BANK OF WEST VIRGINIA

By: _____

Its: _____

Dated: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me, the undersigned Notary Public, for and in the jurisdiction aforesaid, this _____ day of _____, 2019, by _____ [*name of officer*], as _____ [*title of officer*] of CITY NATIONAL BANK OF WEST VIRGINIA, on behalf of the corporation.

Notary Public

My commission expires: _____

Registration No. _____

(SEAL)

[Counterpart signature page 4 of 4]

_____, Trustee
Victor M. Santos
Dated: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Victor M. Santos,
Trustee.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

7704455.24 040218.00001

EXHIBIT A
Easement Plat

7704455.24 040218.00001

Returned To: _____

PIN: 100766

**THE RECORDATION OF THIS DEED IS EXEMPT FROM TAXATION PURSUANT TO
THE PROVISIONS OF SECTION 58.1-811 (3) OF THE 1950 CODE OF
VIRGINIA, AS AMENDED**

THIS DEED OF EASEMENT DEDICATION, made and entered into this ____ day of _____ 2019, by and among, **Allen P. DAHL, Carolyn M. DAHL, Hanna R. DAHL, Oliver P. DAHL, Allen P. DAHL and Carolyn M. DAHL as custodians for Sophie M. DAHL** under the Virginia Uniform Transfers to Minors Act, **Debra D. CALDWELL, Matthew D. CALDWELL, Thomas P. DAHL, Kristin F. DAHL, Ashley J. DAHL, and Thomas P. DAHL and Kristin F. DAHL as custodians for Sarah K. DAHL** under the Virginia Uniform Transfers to Minors Act, hereinafter, collectively, as the “Grantor” and the **CITY OF STAUNTON, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia, as the “Grantee,” whose address is P.O. Box 58, Staunton, Virginia, 24401; **City National Bank of West Virginia (f/k/a Community Bank)**, herein called the “Lender,” and **Victor M. SANTOS** as trustee, hereinafter called the “Trustee.”

WITNESSETH:

WHEREAS, the Grantor is the owner of Tract 2 containing 22.324 acres as shown on plat entitled “Plat Showing a Boundary Line Adjustment Between Properties #8324 & #11559, City of Staunton, Virginia” dated 12/23/2013 revised 07/10/2014 made by Howard L. Vance, Land Surveyor with Balzer & Associates, Inc. recorded with a Boundary Line Adjustment made by

GAE, LLC dated August 14, 2014, and recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia ("Clerk's Office") as Instrument No. 140001744 (the "Plat"). That Boundary Line Adjustment created two lots: Tract 1 containing 36.041 acres now known as Staunton PIN 10767; and Tract 2 containing 22.324 acres now known as Staunton PIN 100766 (the "Property"). Tract 2 was acquired by the Grantors by deed from GAE, LLC dated November 11, 2018, and recorded in the Clerk's Office as Instrument No. 180002816.

WHEREAS, the owners of Tract 1 have granted a conservation easement on Tract 1 to the City of Staunton (the "Conservation Easement").

WHEREAS, ASHLEY J. DAHL hereby affirms that she has attained the age of eighteen (18) years old and may sign for herself as a signatory to this instrument;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby grant, bargain and convey to the City of Staunton and dedicate for public use the following easement in gross (the "Easement"):

Effective upon the City becoming the owner of fee simple title to Tract 1, a perpetual RIGHT and EASEMENT to construct, improve, operate, inspect, use, monitor, maintain and repair or replace a public access road, trail and travel way upon, over, through and across that portion of Tract 2 identified as "50 Access & Utility Esmt." on the Plat, more fully described as a strip of land 50 feet in width centered 25' on both sides of the line S 23° 40' 06" W 150' beginning at the terminus of existing Kenyton Street and running through Tract 2 to Tract 1, in order to provide pedestrian and vehicular access to and from the public right of way of Kenyton Street and any adjoining lands in which Grantee now or hereafter holds an interest in real property, including without limitation, Tract 1, and Betsy Bell and Mary Gray Wilderness Parks.

Upon the Easement becoming effective as provided herein, the Easement shall be subject to and include the following essential conditions:

1. Members of the general public shall have free access to and use of any public access road, trail or travel way constructed by Grantee within the Easement, subject to the laws,

ordinances and regulations of the City of Staunton or its assigns, such access and use to include, but not be limited to: vehicular access, walking, jogging, hiking, bicycle riding, nature study, and horseback riding. There shall be no access by the Grantee or the public at large granted by this Easement to any property of the Grantor other than that described and conveyed herein. The general public shall have no right to undertake construction or improvements on or within any portion of the Easement.

2. No building, sign, guardrail, or other structure or barrier shall be erected on or within the Easement by the Grantor or located so as to render the Easement inaccessible.

3. The Grantee may construct, reconstruct, maintain and repair on or within the Easement a public access road, trail and travel way, as well as directional signs, trail markers, litter receptacles, vehicle control barriers, benches, bridges, fences and gates.

4. There shall be no dumping of ashes, garbage, waste, brush or other unsightly, offensive or hazardous material of any kind on or within the Easement by Grantor or Grantee.

5. Grantor shall not engage in any excavation or dredging on or within the Easement or removal of loam, rock, sand, gravel or other materials.

6. After construction of the public access road, trail or travel way, there shall be no other change by Grantee or Grantor in the natural topography of the Easement, except for Grantee's maintenance of the public access road, trail or travel way, control of erosion and vegetative screening. Any such change must be approved by the Grantor, in the exercise of Grantor's reasonable discretion.

7. Any construction of roads or driveways by Grantor on or within the Easement or crossing of the public access road, trail or travel way must be approved by the Grantee in the exercise of Grantee's reasonable discretion.

8. The Grantee and its agent shall have the right to inspect the Easement and to cut, clear, and remove all undergrowth, obstructions, or improvements lying on or within the Easement that in any way endanger or interfere with the proper use of the same.

9. The Grantee shall have the right and duty, at Grantee's sole expense, to ensure reasonable maintenance of the public access road, trail or travel way once constructed.

10. The Grantor shall be considered the fee owner of the Easement for purposes of determining development density standards under applicable zoning and land use regulations and shall be responsible for payment of taxes on the Property.

11. The Grantee agrees to relocate fences and to restore and repair any actual damage to the Property which may be directly caused by the Grantee in the exercise of Grantee's rights under this Easement. The Grantor agrees that the Grantee will not be expected to restore the Property to the identical original condition, but rather as near thereto as is practicable, and that the Grantor will cooperate with the Grantee in effectuating such restoration.

12. In the event any violation of these terms, conditions, or restrictions is found to exist, either party may, after a thirty (30) day written notice to the other party, institute a suit to enjoin by injunction such violation, to require the restoration of the Property, or for damages incurred.

13. The Grantor expressly reserves the right to continue the use of the Property for all purposes not inconsistent with the Easement herein granted.

14. The covenants agreed to and the terms, conditions, and restrictions imposed herein shall be binding upon the Grantor and its agents, heirs, personal representatives and assigns and shall continue as a servitude running in perpetuity with the described land. The Grantor agrees that the terms, conditions and restrictions of this Easement will be inserted by it in any subsequent deed or other legal instrument by which Grantor divests himself of either the fee simple title to, or of his possessory interest in, the Property.

15. The Easement conveyed herein shall run with the land and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

Grantor represents, covenants, and warrants that (a) Grantor has good fee simple title to the Property (including the mineral rights located under the surface of the Property), (b) Grantor has all right and authority to give, grant and convey this Easement, (c) the Property is free and clear of all encumbrances (other than restrictions, covenants, conditions, and utility and access easements of record), that are not subordinated to this Easement, including, but not limited to, any leases, option contracts, mortgage liens, deeds of trust liens, or other liens, (d) no consent of any third party is required for Grantor to enter into this Easement, (e) each person signing on behalf of Grantor is authorized to do so, and (f) to the best of Grantor's knowledge: (I) no asbestos or materials made from asbestos, urea formaldehyde foam insulation or hazardous waste or substances presently exist on the Property, (II) no underground storage tanks are located on the Property, (III) the Property has not been designated, listed or identified in any manner by the United States Environmental Protection Agency ("EPA") or under and pursuant to CERCLA or RCRA, or any other state or federal law, statute, or regulations enacted in connection with or relating to the protection or regulation of the environment ("Environmental Protection Statute") as a hazardous substance disposal or removal site,

superfund or clean-up site or candidate for removal or closure pursuant to CERCLA, RCRA or any other Environmental Protection Statute or as being in violation of any Environmental Protection Statute, (IV) no lien arising under or in connection with any Environmental Protection Statute has attached to the Property, (V) Grantor has not received a summons, citation, notice, directive, letter or other communication, written or oral, from the EPA or any other federal or state governmental agency or instrumentality authorized pursuant to the Environmental Protection Statute or any other statute or law dealing with the environment concerning any intentional or unintentional action or omissions by any party resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying, dumping or otherwise disposing of hazardous waste or hazardous substance, including petroleum products, into the environment resulting in damage thereto, and (VI) there is no contract to which Grantor is a party or that is binding on Grantor which is in conflict with this Easement.

City National Bank of West Virginia (f/k/a Community Bank) is the note holder under a certain deed of trust dated February 12, 2009, and recorded February 12, 2009, in the Clerk's Office as Instrument No. 090000366, which subjects the Property to the Lender's lien. The Lender hereby consents to this Deed of Easement Dedication and to the terms, conditions, and restrictions of this Easement, agrees that the lien represented by said deed of trust is and shall be subordinated to and be held subject to this Easement, and joins in this instrument to reflect its direction to the Trustee to execute this instrument to subordinate the lien of the deed to trust to this Easement. The Trustee joins in the execution of this Easement to confirm that in the event of foreclosure under the deed of trust or other sale of the Property described in the deed of trust under judicial or non-judicial proceedings, the Property will be sold subject to this Easement.

WITNESS the following signatures and seals

_____(SEAL) _____(SEAL)
Allen P. Dahl Carolyn M. Dahl

_____(SEAL) _____(SEAL)
Hanna R. Dahl Oliver P. Dahl

Sophie M. Dahl

By: _____(SEAL) By: _____(SEAL)
Allen P. Dahl Carolyn P. Dahl
Custodians under the Virginia Uniform Transfer to Minors Act

COMMONWEALTH OF VIRGINIA
CITY OF STAUNTON, TO WIT:

The foregoing deed of easement dedication was acknowledged before me this ____ day
of _____, 2019, by Allen P. Dahl and Carolyn M. Dahl, individually and as
custodian for Sophie M. Dahl under the Virginia Uniform Transfer to Minors Act and by Hanna
R. Dahl and Oliver P. Dahl.

NOTARY PUBLIC
Registration No. _____

My Commission Expires: _____

_____(SEAL) _____(SEAL)
Debra D. Caldwell Matthew D. Caldwell

_____(Seal)
Ashley J. Dahl

COMMONWEALTH OF VIRGINIA
CITY OF STAUNTON, TO WIT:

The foregoing deed of easement dedication was acknowledged before me this ____ day
of _____, 2019, by Ashley J. Dahl, Debra D. Caldwell and Matthew D. Caldwell.

NOTARY PUBLIC
Registration No. _____

My Commission Expires: _____

_____(Seal)
Thomas P. Dahl

_____(SEAL)
Kristin F. Dahl

[Ashley J. Dahl and] Sarah K. Dahl

By: _____ (Seal)
Thomas P. Dahl

By: _____ (SEAL)
Kristin F. Dahl

Custodians under the Virginia Uniform Transfer to Minors Act

COMMONWEALTH OF VIRGINIA
CITY OF STAUNTON, TO WIT:

The foregoing deed of easement dedication was acknowledged before me this ____ day of _____, 2019, by Thomas P. Dahl and Kristin F. Dahl, individually and as custodian for [Ashley J. Dahl and] Sarah K. Dahl under the Virginia Uniform Transfer to Minors Act and by Hanna R. Dahl and Oliver P. Dahl.

NOTARY PUBLIC

Registration No. _____

My Commission Expires: _____

LENDER:

City National Bank of West Virginia

By: _____

Name: _____

Office: _____

COMMONWEALTH OF VIRGINIA,

CITY/COUNTY OF _____, TO WIT:

The foregoing deed of easement dedication was acknowledged before me, the undersigned Notary Public, for and in the jurisdiction aforesaid, this _____ day of _____, 2019, by _____ *[name of officer]*, as _____ *[title of officer]* of CITY NATIONAL BANK OF WEST VIRGINIA, on behalf of the corporation.

Notary Public

My commission expires: _____

Registration No. _____

(SEAL)

_____, Trustee
Victor M. Santos

COMMONWEALTH OF VIRGINIA,

CITY/COUNTY OF _____, TO WIT:

The foregoing deed of easement dedication was acknowledged before me this ____ day of _____, 2019
by Victor M. Santos, Trustee.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

This Deed of Easement Dedication is accepted by the City of Staunton.

City of Staunton, Virginia

By: _____ (SEAL)
Stephen F. Owen, City Manager

10847979.11 040218.00001

10847979.11 040218.00001

10847979.11 040218.00001

Matthew J. Strickler
Secretary of Natural Resources

Clyde E. Cristman
Director



COMMONWEALTH of VIRGINIA
DEPARTMENT OF CONSERVATION AND RECREATION

Rochelle Altholz
*Deputy Director of
Administration and Finance*

Russell W. Baxter
*Deputy Director of
Dam Safety & Floodplain
Management and Soil & Water
Conservation*

Thomas L. Smith
Deputy Director of Operations

July 11, 2018

David S. Lionberger, Esq.
Hirschler Fleischer
P.O. Box 500
Richmond, Virginia 23218-0500

RE: Comment on the pre-file review for the GAE, L.L.C. Land Preservation Tax Credit application

Dear Mr. Lionberger:

Thank you for submitting a pre-filing application to the Department of Conservation and Recreation (DCR) regarding the donation of an open-space easement on a 36-acre property in the City of Staunton. We appreciate your client's efforts to conserve their land and to protect Virginia's natural resources.

At your request, I have reviewed the open-space easement donation in accordance with the requirements contained in the Conservation Value Review Criteria adopted by the Virginia Land Conservation Foundation (VLCF) on November 21, 2006, and amended on August 7, 2008, and March 27, 2009 (Criteria). The purpose of this review was to preliminarily determine what concerns DCR would have with verifying the conservation value of the donation should it be submitted to DCR as part of a final Land Preservation Tax Credit application.

To satisfy your request I have reviewed the materials you recently provided, visited the subject property on July 3, 2018, and performed research relevant to a determination of conservation value under the Criteria. The Conservation Purpose in your application that is verifiable in accordance with section A of the VLCF Criteria is: Preservation of Scenic Open Space.

The application-package for GAE, L.L.C. generally appears to be in good shape based on the materials provided so far: the LPC-1 application received on April 16, 2018, and the Deed of Gift of Easement language sent by electronic mail and received by DCR dated June 29, 2018, together with the site visit and research referenced above. DCR will not be looking for any other changes in the final recorded deed. However, the application package is not complete. We still need to receive confirmation from the city that the use of the real property for open-space land conforms to the official comprehensive plan, as required in § 10.1-1701 of the Code of Virginia (Open-Space Land Act).

Please note that this is a preliminary review prepared in response to your pre-filing review request and not a final determination of the Director of DCR pursuant to § 58.1-512(D)(3)(a) of the

600 East Main Street, 24th Floor | Richmond, Virginia 23219 | 804-786-6124

*State Parks • Soil and Water Conservation • Outdoor Recreation Planning
Natural Heritage • Dam Safety and Floodplain Management • Land Conservation*

Code of Virginia. Reliance on this review, by DCR and the applicant, requires that the final deed of gift be submitted in a form consistent with these comments. Please also be aware that in conducting this review I am not offering you legal or tax advice.

If you have any questions regarding our requirements or recommendations, please do not hesitate to contact me at (804) 371-5218 or at suzan.bulbulkaya@dcr.virginia.gov. I commend your clients on their decision to conserve their property.

Sincerely,

A handwritten signature in blue ink that reads "Suzan Bulbulkaya" with a stylized flourish at the end.

Suzan Bulbulkaya
Land Conservation Analyst

BASELINE DOCUMENTATION REPORT

City of Staunton, VA Open-Space Easement



Donor: Allen P. Dahl and Carolyn M. Dahl, Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell

Acres: 36.041

Locality: City of Staunton

Report Date: January 16, 2019

Site Visit Date: April 5, 2018

Report and photographs prepared by:
Alisande Tombarge and Sherri Tombarge

Conservation Partners, LLC
info@conservationpartnersllc.com
(540) 464-1899
PO Box 152
107 E Washington Street
Lexington, VA 24450

**BASELINE DOCUMENTATION REPORT
ACKNOWLEDGMENT FORM**

Grantor: Allen P. Dahl and Carolyn M. Dahl, Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell

Grantee: City of Staunton, Virginia

The attached Baseline Documentation Report (the “BDR”) describes the features and condition of the property comprising 36.041 +/- acres in the City of Staunton, Virginia, (the “Property”) being placed under open-space easement by deed from Grantor to Grantee (the “Easement”). The BDR, which was or is made available to Grantee before the donation of the Easement, contains baseline documentation that will serve as a reference in monitoring and enforcing the easement as required by Treas. Reg. § 170A-14(g)(5).

The Baseline Documentation Report includes:

- Cover Page
- BDR Acknowledgement Form
- Statement and Qualifications of BDR Preparer (includes signatures of preparer)
- Easement Summary
- Location Map (1:24,000)
- Topographic Map
- Aerial Map
- Survey Plat
- Special Conditions Map
- County Tax Map
- Photo Point Map, includes table (for photographs taken April 5, 2018)
- Photo Layout (containing photographs of property taken April 5, 2018)
- Virginia Land Conservation Foundation Land Preservation Tax Credit – Conservation Value Review Criteria
- Deed of Gift of Easement

Grantor and Grantee acknowledge that the BDR constitutes an accurate representation of the condition of the Property at the time of the transfer of the Easement to Grantee.

GRANTEE: City of Staunton, Virginia

By: _____

Date: _____

Print name

Title

GRANTOR: _____
Allen P. Dahl

Date: _____

GRANTOR: _____
Carolyn M. Dahl

Date: _____

GRANTOR: _____
Thomas P. Dahl

Date: _____

GRANTOR: _____
Kristen F. Dahl

Date: _____

GRANTOR: _____
Debra D. Caldwell

Date: _____

BDR Preparer Statement

This Baseline Documentation Report ("BDR") describes the features and condition of the property comprising 36.041 +/- acres in the City of Staunton, Virginia, being placed under open-space easement by deed from Allen P. Dahl and Carolyn M. Dahl, Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell (formerly GAE, L.L.C.), to the City of Staunton, Virginia. The BDR, which was or is made available to Grantee before the donation of the Easement, contains baseline documentation that will serve as a reference in monitoring and enforcing the easement as required by Treas. Reg. § 170A-14(g)(5).

Statement of Preparer

GAE, L.L.C., contracted Conservation Partners, LLC, ("BDR Preparer") to prepare this Baseline Documentation Report.

The BDR Preparers hereby certify that the property subject to the easement referenced above was visited by the BDR Preparers, photographed by the BDR Preparers, GPS data collected by the BDR Preparers and the full report completed by the BDR Preparers. The BDR Preparers further certify that the Baseline Documentation Report is a true and accurate representation of the features and conditions of the property subject to the easement referenced above as of April 5, 2018.

BDR Preparer:


Alisande Tombarge, Associate Director of Processing,
of Conservation Partners, LLC

Date: 10/14/18

BDR Preparer:


Sherri Tombarge, Communications Director,
of Conservation Partners, LLC

Date: 10/14/18

Qualifications of Preparer:

Conservation Partners, LLC: Established in 2001, Conservation Partners has assisted hundreds of landowners in completing the process of donating conservation easements on their properties. Conservation Partners provides comprehensive support services to land and conservation easement donors, conservation professionals, and sellers and purchasers of Virginia land preservation tax credits.

Alisande Tombarge: Ms. Tombarge holds a bachelor's degree in Geography with a concentration in GIS from George Mason University. Since 2007, she has worked with conservation easement donors, preparing maps to illustrate property boundaries and conservation features. She also founded and directs Conservation Partners' baseline documentation report service, preparing maps, compiling the reports, and managing the review process. Alisande has expertise in the entire Virginia easement donation and benefits process. She works with landowners' tax advisors to generate the documents required for a tax credit application and manages the process of tax credit registration and transfer for Conservation Partners.

Sherri Tombarge: Ms. Sherri Tombarge holds a bachelor's degree from the University of Mary Washington and a master's degree from Virginia Tech. She visits properties across the Commonwealth of Virginia to talk with landowners and conducts baseline documentation report site visits. She also assists with the preparation of BDR reports, manages Conservation Partners' online communications and overall communications strategy, and works with donors who are ready to sell their Virginia land preservation tax credits.

**Allen P. Dahl and Carolyn M. Dahl, Thomas P. Dahl and
Kristen F. Dahl, and Debra D. Caldwell**

City of Staunton, Virginia

Acres: 36.041 +/-

Property Features/Conservation Values

The property consists of 36.041 +/- acres of wooded land with no road frontage.

The property lies within a City of Staunton Entrance Corridor Overlay District, which districts are designated for the conservation and protection of the City's natural resources, historic character, and scenic qualities, according to the City's Comprehensive Plan.

The property is a sizeable tract of land in a developing urban environment, and protection of the property preserves the local rural landscape and open-space values

The property is an important green infrastructure and recreational structure because it is adjacent to Betsy Bell and Mary Grey Park, owned and operated by the City of Staunton, which offer the public the opportunity for walking, climbing, hiking, biking, picnicking and other outdoor activities.

Various hardwood, pine, and other tree varieties are located within the park, and it provides the public with access to a variety of wildlife. Protection of the property will preserve the continuity of natural habitats in the vicinity of Betsy Bell and Mary Grey parks.

Protection of the property will protect the scenic qualities of and viewsheds from Betsy Bell and Mary Grey parks.

The property lies south of Richmond Road (U.S. Route 250) near the Staunton National Cemetery, administered by Culpeper National Cemetery, which was designated a national cemetery in September 1868 and listed on the National Register of Historic Places in 1996.

The NHDE/VCLD identifies the adjacent Betsy Bell and Mary Gray Wilderness Parks as a land conservation treasure under the VDCR Virginia Treasures initiative and identifies part of the property as being within an ecological core of moderate to high value, within a watershed integrity area of general value, and within an area of highest vulnerability for development and growth based on predicted growth patterns in Virginia.

Property Conservation Values from Recitals and Section 1 of the Deed of Gift of Easement

R-10 (i) The Property is a sizeable tract of land in a City that continues to develop, and is currently zoned R-4. The Property is currently comprised of timberland, and protection of the Property by this Easement preserves the local rural landscape and open space values (collectively, “conservation values”) of great importance to the Grantor, the citizens of the City of Staunton and the citizens of the Commonwealth of Virginia;

(ii) The Property is an important green infrastructure and recreational structure because the Property lies adjacent to Betsy Bell and Mary Gray Wilderness Parks, owned and operated by the City of Staunton, which contain and feature Betsy Bell and Mary Gray Mountains, and which the public enjoys using on a regular, year-round basis for walking, climbing, hiking, biking, picnicking and other outdoor activities, and protection of the Property will help further public benefit and use of such facilities by the general public. Various hardwood, pine and other tree varieties are located within the parks and they provide the public with access to a variety of wildlife. The protection of the Property will further the conservation purposes set forth in the Easement and will protect the scenic qualities of Betsy Bell and Mary Gray Wilderness Parks, will help protect the views and viewsheds viewed by users of Betsy Bell and Mary Gray Wilderness Parks, as well as protect the continuity of natural habitats in the area of the Property and Betsy Bell and Mary Gray Wilderness Parks;

(iii) The Property lies south of Richmond Avenue (U.S. Route 250) near the Staunton National Cemetery, administered by Culpeper National Cemetery, which was designated a national cemetery in September 1868 and listed on the National Register of Historic Places in 1996, and protection of the Property and the landscape of the area will help further public benefit and use of such cemetery by the general public;

(iv) The Property in its undeveloped state contributes to the scenic views enjoyed by the public from Betsy Bell and Mary Gray Wilderness Parks, from which members of the public can view portions of the Property, and to the scenic views enjoyed by the public from Statler Boulevard (Route 261), as well as the local landscape in general;

(v) The public has views of substantially all of the Property from Betsy Bell Park, Mary Gray Wilderness Parks and Statler Boulevard (Route 261), and members of the general public regularly view a substantial portion of the Property therefrom, therefore the Property satisfies the requirements for “visual public access” as defined in IRS regulations §§ 170A-14(d)(4)(ii)(B). The protection of this viewshed provided by the no-build provisions provided herein contributes to the scenic views enjoyed by the public therefrom;

(vii) The Virginia Department of Conservation and Recreation has developed the Virginia Natural Heritage Data Explorer (the “NHDE”) and Virginia Conservation Lands Database (“VCLD”) as part of the Virginia Conservation Visions to identify, prioritize and link natural lands as targets for protection activities such as conservation easements and habitat restoration. The NHDE/VCLD identifies Betsy Bell Park and Mary Gray Wilderness Parks adjacent to the Property as a land conservation treasure pursuant to the VDCR Virginia Treasures initiative, and identifies part of the Property as being within an ecological core of moderate to high value, within a watershed integrity area of general value, and within an area of highest vulnerability for development and growth based on predicted growth patterns in Virginia; and

R-11 The conservation values of the Property are its agricultural, forestal and scenic open space values, and the preservation of the conservation values of the Property as provided in this Easement

will yield the following significant public benefits, taking into consideration factors suggested in Treas. Reg. §1.170A-14(d)(4)(iv)(A):

(i) furthers and is pursuant to clearly delineated state and local governmental conservation policies, and the Grantee, a municipal corporation of the Commonwealth of Virginia, requires a [rigorous][thorough] review of the properties, terms of proposed easements and conservation purposes being served before agreeing to accept donations of conservation or open-space easements over real property. Grantor notes that Treasury Regulation Section 1.170A-14(d)(4)(iii)(B) states that such review and acceptance of this Easement by a governmental entity tends to establish a clearly delineated governmental conservation policy as required under IRC Section 170(h)(4)(A)(iii);

(ii) prevents significant development of the Property, which existing and foreseeable trends in the vicinity of the Property indicate is increasing and which would lead to or contribute to the degradation of the natural, forested, scenic open space and outdoor public recreational and educational character of the Property;

(iii) protects the visible viewshed of the Property from Betsy Bell and Mary Gray Wilderness Parks and Statler Boulevard (Route 261), which provide opportunities for the walking, hiking and driving public to appreciate the Property's scenic values, as well as the local landscape in general; and

(iv) prevents excessive development, soil disturbance, and pollution on the Property, thus enhancing water quality as well as aquatic and riparian habitat in the downstream Lewis Creek, Potomac River and Chesapeake Bay.

The conservation purpose of this Easement is to preserve and protect the conservation values of the Property in perpetuity by imposing the restrictions on the use of the Property set forth in Section II of the Easement and providing for their enforcement in Section III of the Easement. The conservation values of the Property are described in the recitals, are documented in the Baseline Documentation Report and include the Property's scenic open-space values, its value as land preserved for rural uses such as forestry and/or agriculture (including livestock production) and its value as open space designated by state or local government. Pursuant to the Virginia Land Conservation Foundation's (VLCF's) Conservation Value Review Criteria the further purpose of this Easement is preservation of land for agricultural use, forestal use, preservation of scenic open space and its value as open space designated by state or local government.

Built Environment

No. of Existing Dwellings: None **Total No. of Dwellings Permitted:** None

No. of Existing Buildings: None **Total No. of Buildings Permitted:** See below

Small-scale miscellaneous buildings and structures, the existence of which is consistent with the conservation purposes of the Easement and which will not impair the Property's conservation values such as wildlife observation structures, fences, boardwalks, structures for crossing streams or wetlands, and signs (but not billboards or other signs larger than 32 square feet in area).

Facilities normally associated with public recreational and outdoor activities on the Property and consistent with the conservation purposes of the Easement, including but not limited to a visitor center, pavilions, boardwalks, hiking and walking trails and paths, biking trails and paths, picnic facilities, bathrooms, maintenance and storage structures, support structures and facilities, unroofed parking

facilities with permeable surfaces.

No building or other above-ground structure with a footprint larger than 500 square feet shall be constructed within 1,000 feet of Statler Boulevard (Route 261), as measured from the centerline of the road, or within the viewshed protection area as shown on the plat and on the Special Conditions Map included in this report to protect the viewshed of the property from Betsy Bell Mountain.

The collective footprint of all buildings and structures and parking lots on the Property, excluding linear surfaces, such as roads, sidewalks, trails, walls, fences, and boardwalks, shall not exceed 1% of the total area of the Property, provided that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the conservation values of the Property, Grantee may approve such increase.

Public Infrastructure Info	Conflicts with published plans	Yes	No
Roads: None		☐	☐
Rail: None		☐	☐
Utilities: None		☐	☐

Impervious Surface

Total impervious surface allowed = 1 percent, 0.36041 acre or 15,699.473 square feet.

DCR Conservation Purpose (VLCF Criteria)			
Agricultural Use	☒	Natural Habitat/Biological Diversity	☐
Forestal Use	☒	Natural-Resource Based Outdoor Recreation or Education	☐
Historic Preservation	☐	Preservation of Scenic Open Space	☒
Watershed Preservation	☐	Conservation of Open Space Lands Designated by Local Govt	☒

Tax Map or PIN	Locality Acreage
100767	36.041

Mapping Info/Easement Boundary	
Source Type (include citation and year)	Description of Use and Extent/Other Comments
Plat Showing 36.041 Acres to be Dedicated to the City of Staunton by Balzer and Associates, Inc., dated 9/15/2014.	Property boundary plotted by using ESRI's ArcGIS 10.3.1's COGO tools.
City of Staunton's tax map AutoCAD dwg files downloaded from the city's FTP site on March 28, 2018.	Used to help position boundary
Aerial Imagery – NAIP acquired August 15, 2016	Used to help position boundary
Acreage Difference (Legal description acreage minus GIS acres): 0.001	

Notes for Stewardship

Property Access information: Property can be accessed from Kenyton Street off Richmond Avenue by following a driveway on the left that runs behind an old Shoney's restaurant and becomes a rough, dirt road or path heading south toward property line. Final access is by foot through woods. GPS coordinates of driveway off Kenyton Street: 38.141258, -79.053442.

All GPS points were collected with Trimble's R1 GNSS receiver and the TerraFlex app.

Site Visit Dates/Staff:

4/5/2018 – Sherri Tombarge, Conservation Partners, LLC

Extent of Site Visit

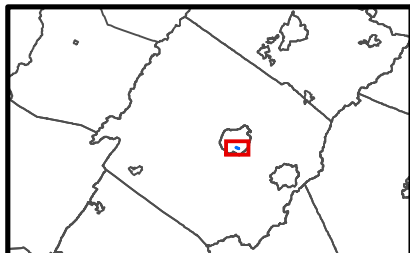
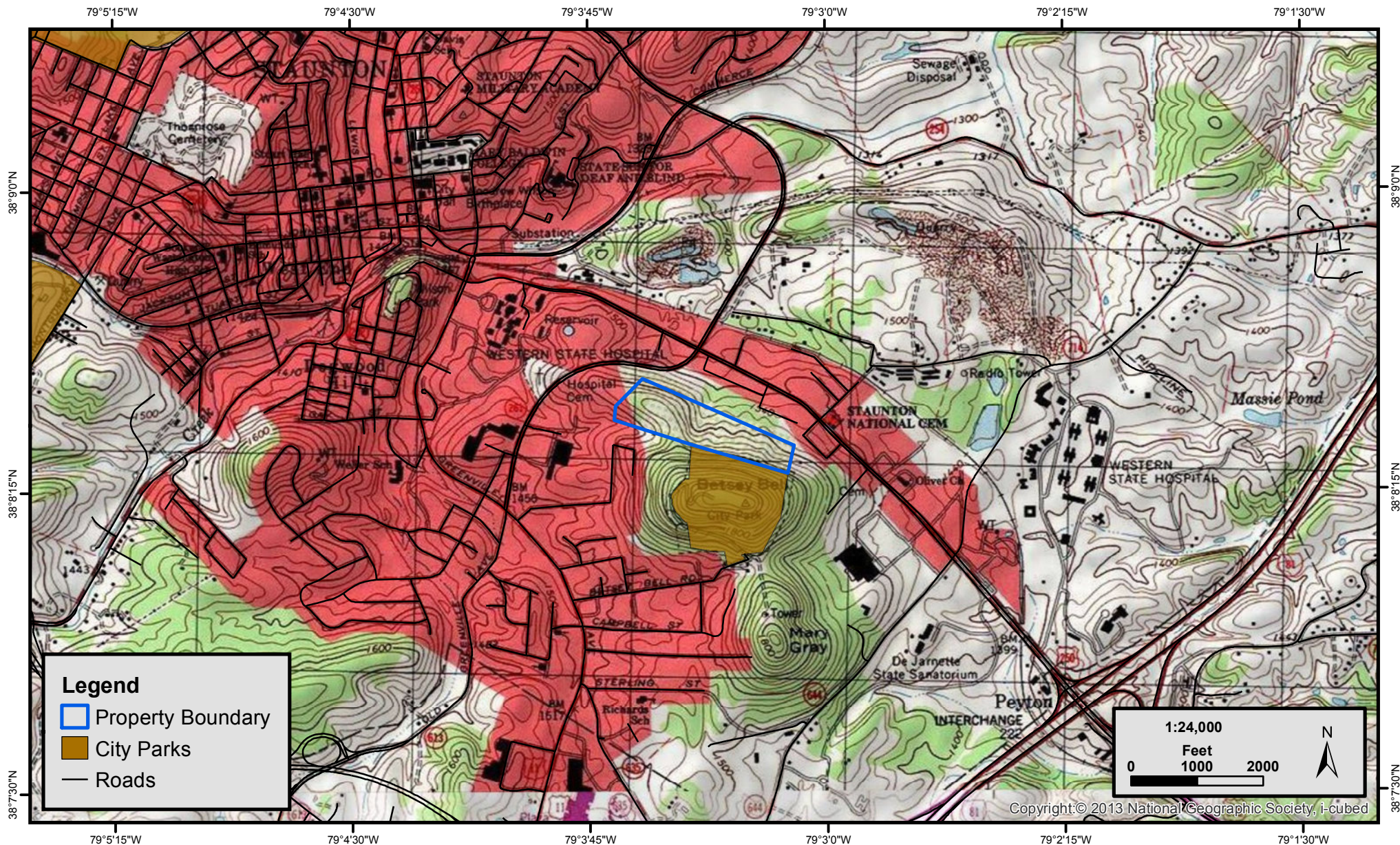
4/5/2018: Sherri toured as much of the property as possible on foot, collecting GPS points and photographs. Allen Dahl, representing GAE, LLC, helped identify the property line and then departed. Much of the property was too steep and densely vegetated to access.

Property Address of Easement

Address on property card is given as 793 Statler Blvd, Staunton, VA

However, there is no obvious access from Statler Blvd. The property is accessed from rough, dirt road from Kenyton Street off Richmond Avenue. GPS coordinates: 38.141258, -79.053442.

Grantor #1 Contact Info. (Primary contact person)	Additional Contact Info
Allen P. Dahl and Carolyn M. Dahl, Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell Allen P. Dahl (primary contact) 2903 N. Augusta Street Staunton, VA 24401 540-849-0358 allenpdahl@gmail.com	David S. Lionberger, Esq. Hirschler Fleischer (804) 771-9543 (804) 644-0957 (fax) dlionberger@hf-law.com

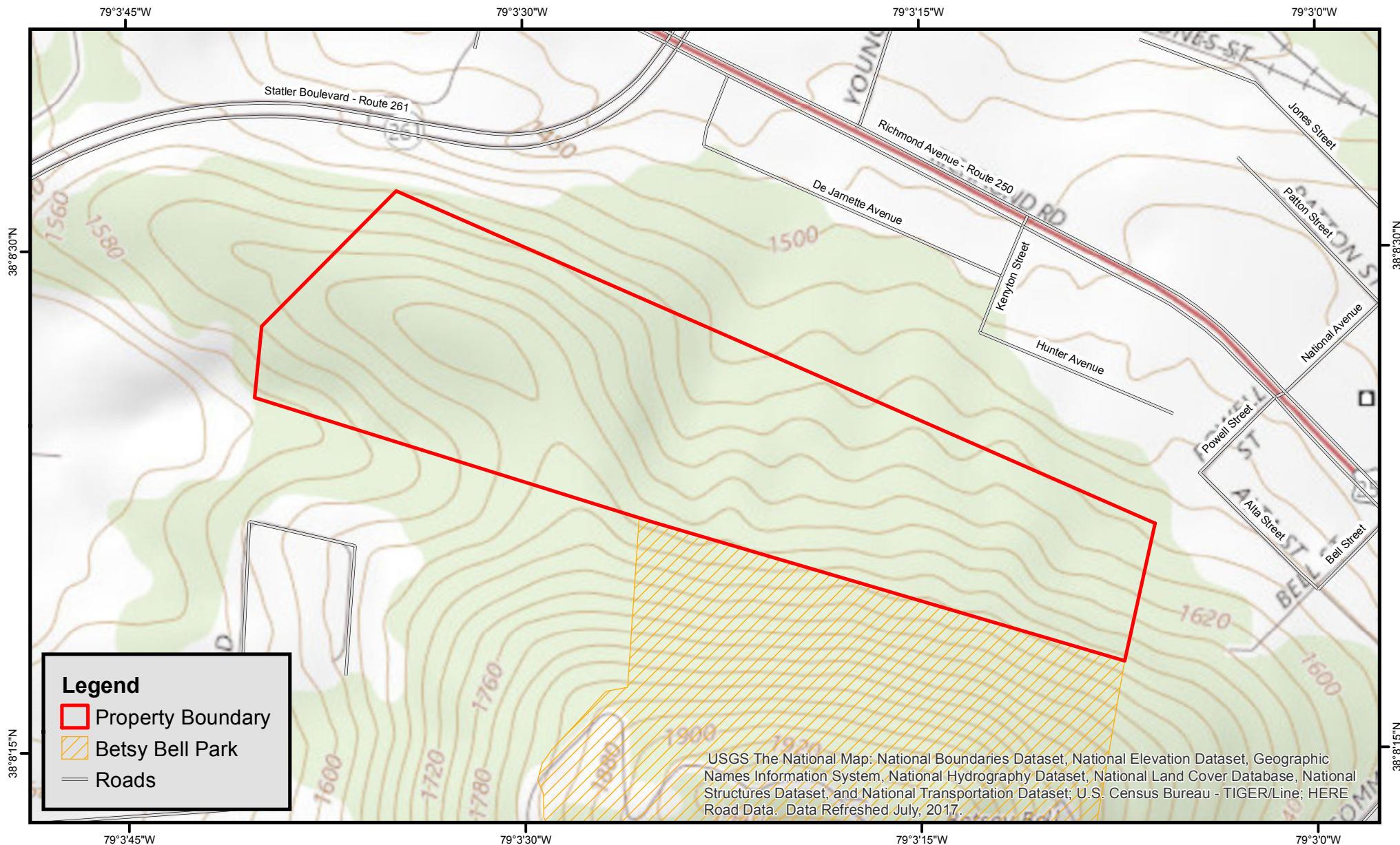


Location Map
 Allen P. Dahl and Carolyn M. Dahl,
 Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
 36.014 +/- acres in City of Staunton
 Site Visit Date: April 5, 2018

Projection: Lambert Conformal Conic
 GCS North America 1983
 Datum: D North America 1983

Map created 4/9/2018 by Conservation Partners, LLC (CP).
 Property boundary plotted by CP using ArcGIS 10.3.1 from
 the Plat Showing 36.041 Acres to be Dedicated to the City
 of Staunton by Balzer and Associates, Inc. dated 9/15/2014.
 Source data provided by VGIN (roads and streams), USGS
 Quadrangle: Staunton.

This map is for general reference and display purposes
 only.



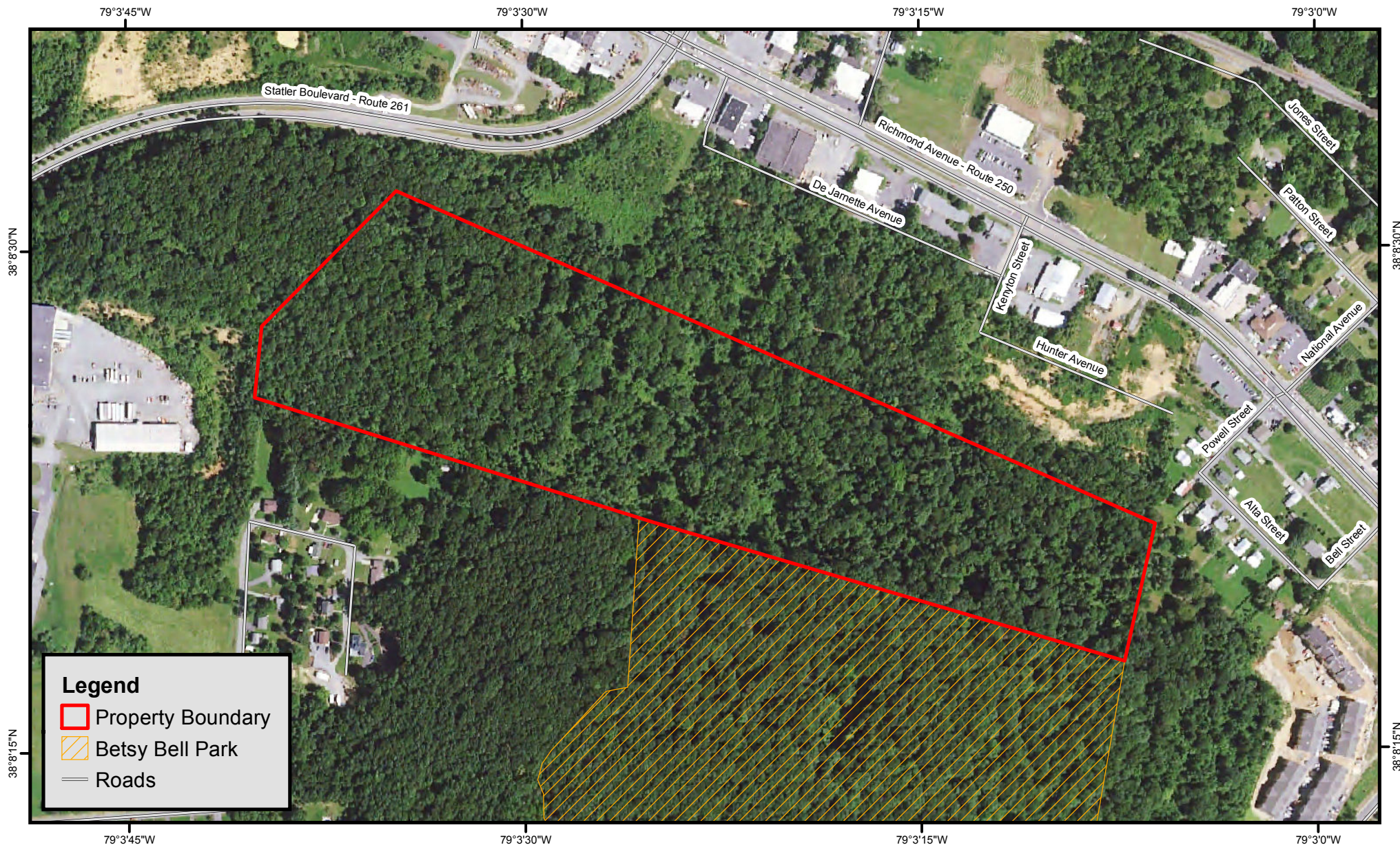
Projection: Lambert Conformal Conic
GCS North America 1983
Datum: D North America 1983

Map created 4/9/2018 by Conservation Partners, LLC (CP). Property boundary plotted by CP using ArcGIS 10.3.1 from the Plat Showing 36.041 Acres to be Dedicated to the City of Staunton by Balzer and Associates, Inc. dated 9/15/2014. Source data provided by VGIN (roads and streams). USGS Quadrangle: Staunton. This map is for general reference and display purposes only.

Topographic Map
Allen P. Dahl and Carolyn M. Dahl,
Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
36.014 +/- acres in City of Staunton
Site Visit Date: April 5, 2018

0 200 400
Feet
1:4,800





Projection: Lambert Conformal Conic
GCS North America 1983
Datum: D North America 1983

Map created 4/9/2018 by Conservation Partners, LLC (CP).
Property boundary plotted by CP using ArcGIS 10.3.1 from
the Plat Showing 36.041 Acres to be Dedicated to the City of
Staunton by Balzer and Associates, Inc. dated 9/15/2014.
Source data provided by VGIN (roads and streams). Aerial
imagery acquired August 15, 2016 by USDA NAIP.

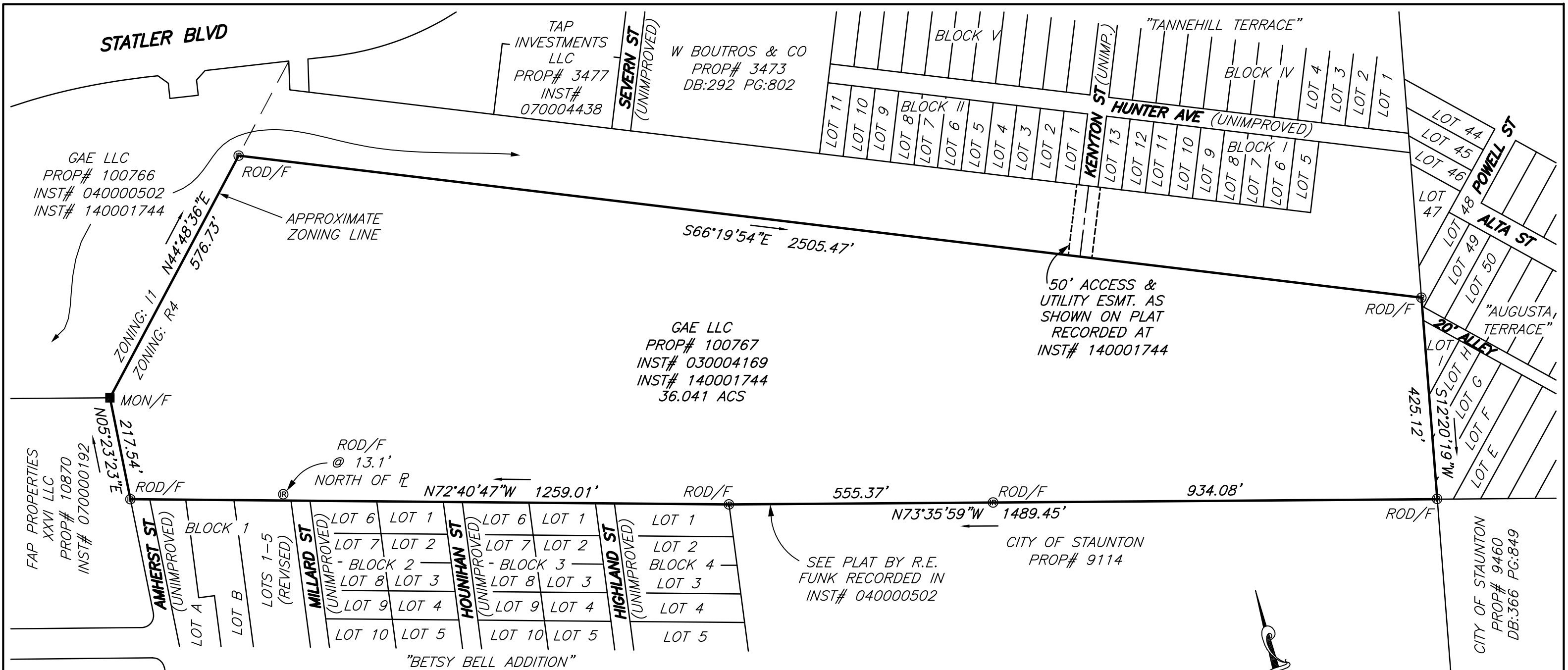
This map is for general reference and display purposes only.

Aerial Map
Allen P. Dahl and Carolyn M. Dahl,
Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
36.014 +/- acres in City of Staunton
Site Visit Date: April 5, 2018

0 Feet
200 400

1:4,800





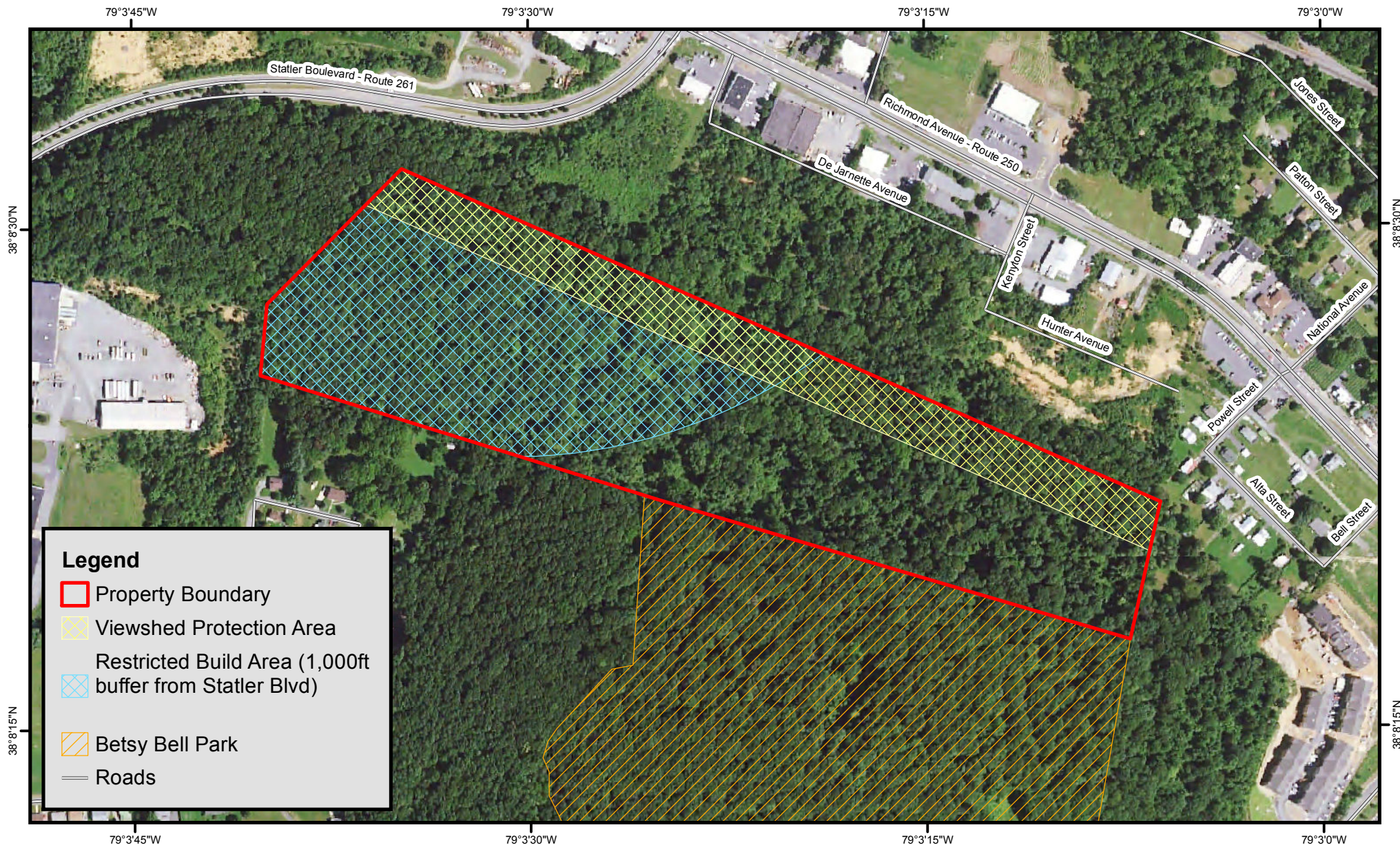
- NOTES:**
- 1) NO IMPROVEMENTS SHOWN HEREON.
 - 2) THIS PLAT REPRESENTS A CURRENT FIELD SURVEY.
 - 3) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND IS SUBJECT TO INFORMATION DISCLOSED BY SUCH.
 - 4) PROPERTY IS LOCATED IN FEMA DEFINED ZONE "X"
COMMUNITY PANEL NO.: 51015C0339E
EFFECTIVE DATE: JANUARY 6, 2010
COMMUNITY PANEL NO.: 51015C0343D
EFFECTIVE DATE: SEPTEMBER 28, 2007

REV: 02-05-2015
DATE: 09-15-2014
SCALE: 1" = 200'
JOB NO: S1300058
DRAWN BY: ATE

**PLAT SHOWING
36.041 ACRES TO BE DEDICATED
TO THE CITY OF STAUNTON**

CITY OF STAUNTON, VIRGINIA
PLANNERS • ARCHITECTS • ENGINEERS • SURVEYORS
ROANOKE • RICHMOND • NEW RIVER VALLEY • STAUNTON • HARRISONBURG
1561 Commerce Road • Suite 401 • Verona, Virginia 24482 • Phone (540) 248-3220 • Fax (540) 248-3221





Legend

- Property Boundary
- Viewshed Protection Area
- Restricted Build Area (1,000ft buffer from Statler Blvd)
- Betsy Bell Park
- Roads

Projection: Lambert Conformal Conic
GCS North America 1983
Datum: D North America 1983

Map created 4/9/2018 by Conservation Partners, LLC (CP).
Property boundary plotted by CP using ArcGIS 10.3.1 from the Plat Showing 36.041 Acres to be Dedicated to the City of Staunton by Balzer and Associates, Inc. dated 9/15/2014. Source data provided by CP(viewshed protection area and Statler Blvd buffer) and VGIN (roads and streams). Aerial imagery acquired August 15, 2016 by USDA NAIP. This map is for general reference and display purposes only.

Special Conditions Map
Allen P. Dahl and Carolyn M. Dahl,
Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
36.014 +/- acres in City of Staunton
Site Visit Date: April 5, 2018

0 Feet
200 400

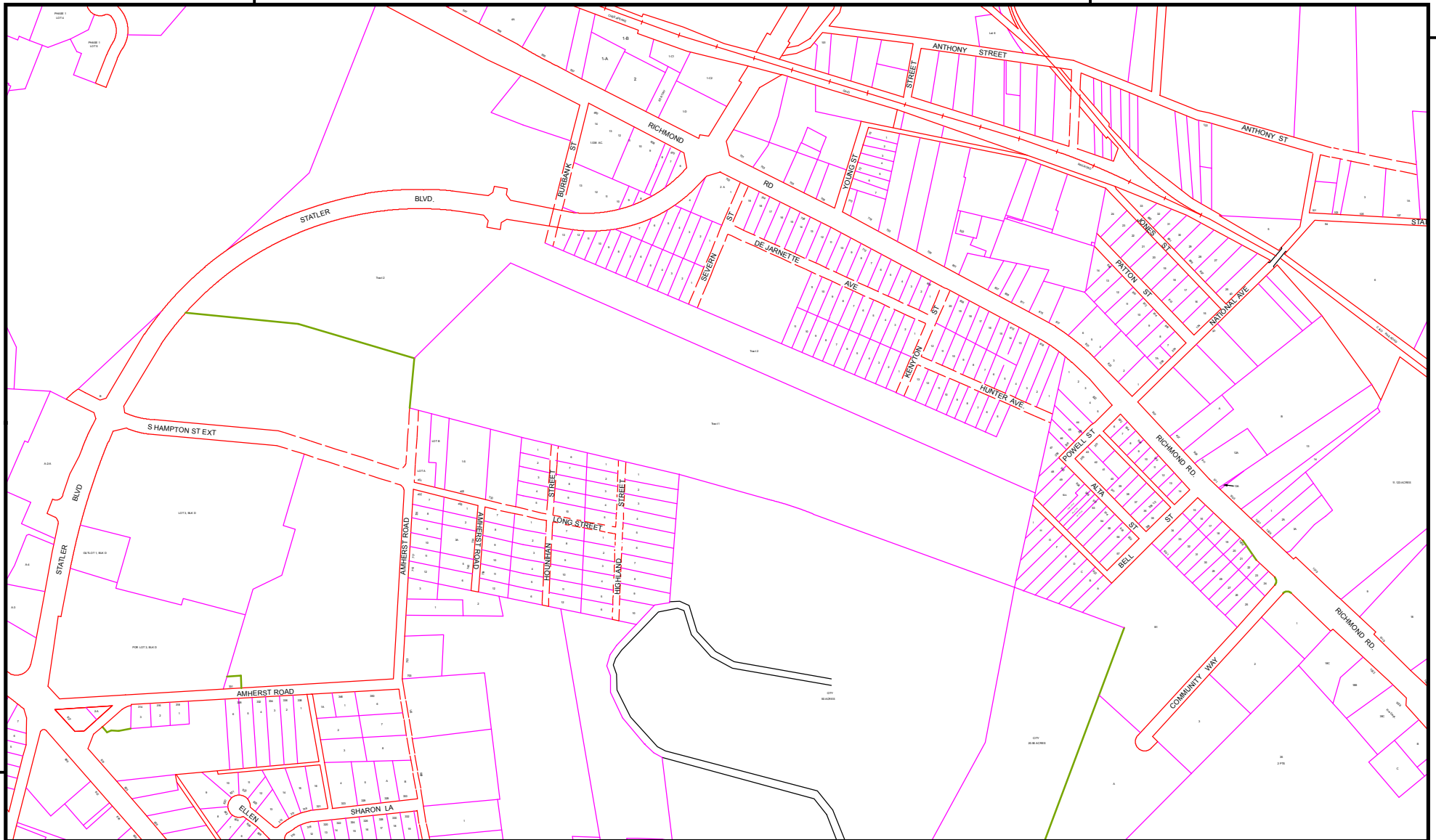
1:4,800



52°46'30"E

52°46'45"E

9°16'15"N



52°44'45"E

52°45'0"E

Projection: Lambert Conformal Conic
 GCS North America 1983
 Datum: D North America 1983

Map created 4/10/2018 by Conservation Partners, LLC
 (CP). Tax map data from the City of Staunton's Data
 Download Page:
<https://www.ci.staunton.va.us/departments/engineering-division/downloadable-maps-photos>.

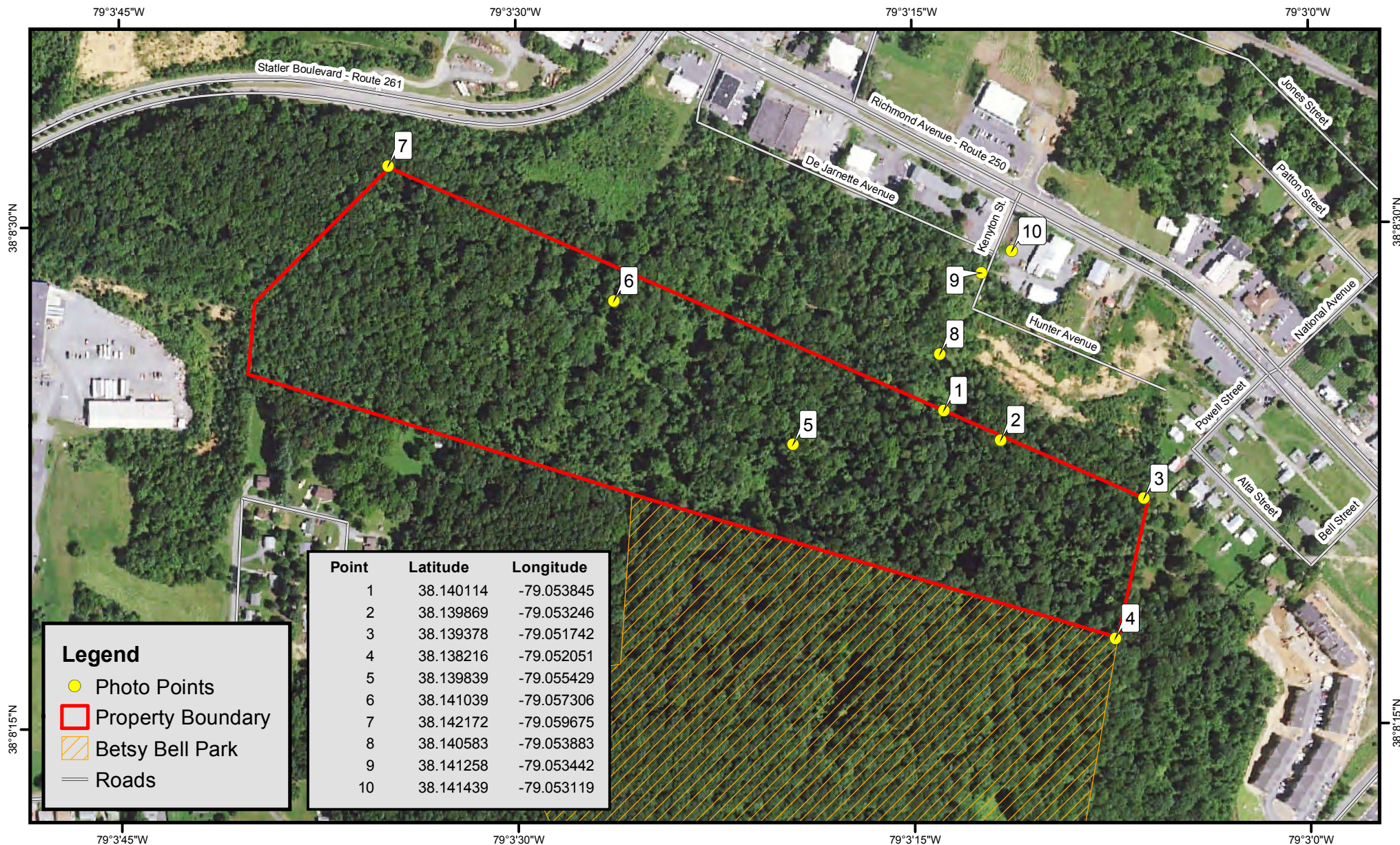
This map is for general reference and display purposes
 only.

Tax Map
 Allen P. Dahl and Carolyn M. Dahl,
 Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
 36.014 +/- acres in City of Staunton
 Site Visit Date: April 5, 2018

0 Feet 1000 2000

1:24,000





Projection: Lambert Conformal Conic
GCS North America 1983
Datum: D North America 1983

Map created 4/9/2018 by Conservation Partners, LLC (CP). Property boundary plotted by CP using ArcGIS 10.3.1 from the Plat Showing 36.041 Acres to be Dedicated to the City of Staunton by Balzer and Associates, Inc. dated 9/15/2014. Source data provided by CP (photo points) and VGIN (roads and streams). Photo points collected with a Trimble R1 GNSS receiver. Aerial imagery acquired August 15, 2016 by USDA NAIP.

This map is for general reference and display purposes only.

Photo Points Map
Allen P. Dahl and Carolyn M. Dahl,
Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
36.014 +/- acres in City of Staunton
Site Visit Date: April 5, 2018

0 Feet 200 400

1:4,800



Allen P. Dahl and Carolyn M. Dahl,
Thomas P. Dahl and Kristen F. Dahl, and Debra D. Caldwell
Photographs
City of Staunton, Virginia



Photographs and GPS data taken by Sherri Tombarge
of Conservation Partners, LLC, on April 5, 2018



1.1-7 – View from edge of property looking toward Betsy Bell Mountain
 Bearing: 127-289
 20180405_DahlCaldwell_001-007_pano.jpg

2.8 – View toward Richmond Road
 from edge of property
 Bearing: 32
 20180405_DahlCaldwell_008.jpg



3.9-12 – View into property
from northeast corner
Bearing: 205-276
20180405_DahlCaldwell_009-012_pano.jpg



4.13-18 – View into property from
southeast corner
Bearing: 315-21
20180405_DahlCaldwell_
013-018_pano.jpg





5.19-25 – View toward Richmond Road from interior of property
Bearing: 330-110
20180405_DahlCaldwell_019-025_pano.jpg



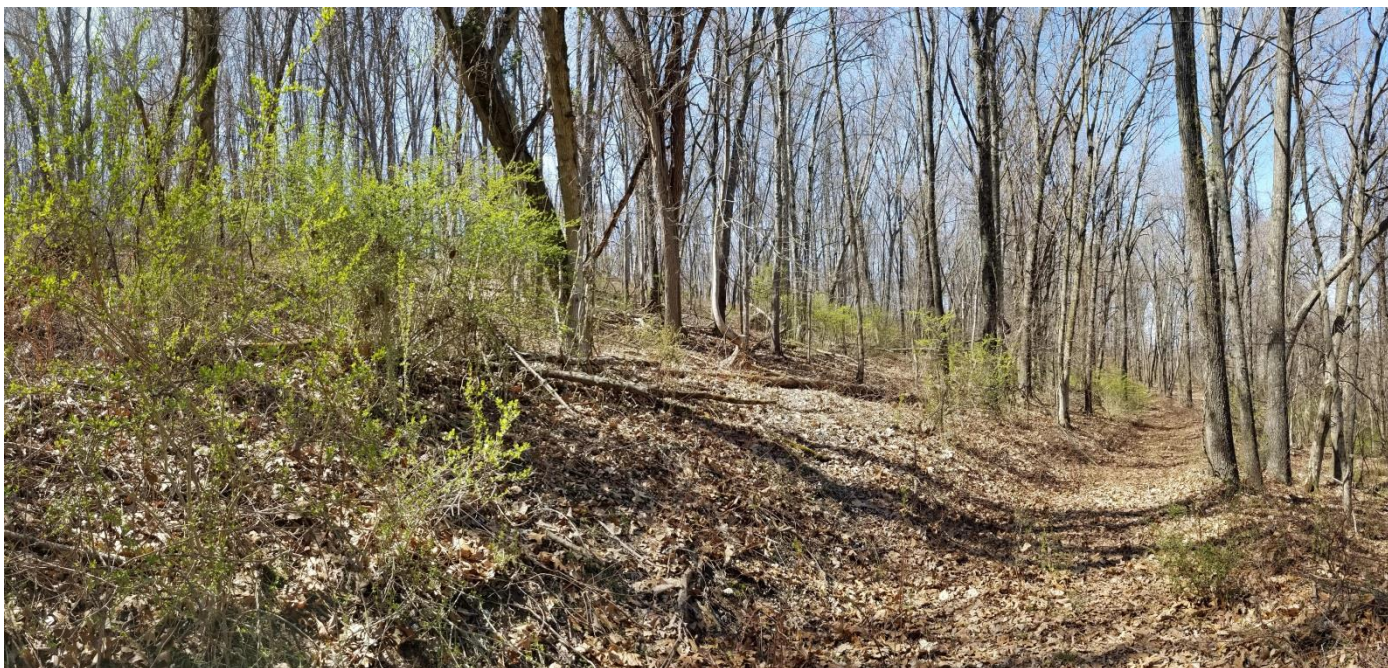
5.26-32 – View toward Betsy Bell Mountain from interior of property
Bearing: 125-300
20180405_DahlCaldwell_026-032_pano.jpg



6.33-40 – View of property showing AutoZone and other businesses in the distance at left

Bearing: 330-136

20180405_DahlCaldwell_033-040_pano.jpg



7.41-46 – View into property from northwest corner

Bearing: 170-280

20180405_DahlCaldwell_041-046_pano.jpg



8.47 – View west down rough road leading
to property from Kenyton Street
Bearing: 277
20180405_DahlCaldwell_047.jpg

8.48 – View north down rough road
leading to property from Kenyton Street
Bearing: 16
20180405_DahlCaldwell_048.jpg





9.49 – Another view of rough road leading
to property from Kenyton Street
Bearing: 225
20180405_DahlCaldwell_049.jpg

10.50 – Another view of rough road
leading to property from Kenyton Street
Bearing: 213
20180405_DahlCaldwell_050.jpg



VIRGINIA LAND CONSERVATION FOUNDATION
Land Preservation Tax Credits – Conservation Value Review Criteria
Adopted November 21, 2006 and amended August 7, 2008 and March 27, 2009

As of January 1, 2007, the Department of Conservation and Recreation (DCR) became responsible for conducting reviews of the conservation value of applications requesting \$1 million or more in state Land Preservation Tax Credits (LPC). This responsibility was given to DCR by the Governor and the Virginia General Assembly pursuant to the 2006 amendments to the Virginia Land Conservation Incentives Act of 1999 (Virginia Code § 58.1-512).

This document sets out the Land Preservation Tax Credit Criteria (criteria) adopted by the Virginia Land Conservation Foundation (VLCF) in November of 2006 and amended in August of 2008 and March of 2009, pursuant to Virginia Code § 58.1-512(D)(3), that the Director of the Department of Conservation and Recreation (DCR) will use to verify to the Department of Taxation in advance of Taxation issuing a LPC, the conservation value of donated land or conservation easements or other less-than-fee interests in land that result in tax credit applications that claim \$1 million or more in credits from a donation equal to or greater than \$2.5 million. Any land transaction claiming less than the \$1 million tax credit does not require a DCR review.

Donors whose applications for tax credits are verified for conservation value by DCR should be aware that they remain responsible for full compliance with applicable federal and state requirements. Donations certified as compliant with the criteria will remain subject to later audit by the Virginia Department of Taxation. In addition, donors claiming federal tax incentives will remain subject to audit by the Internal Revenue Service.

Donations of land in fee simple

To qualify for a tax credit, any donation of a fee simple interest in real property to a public or private conservation agency (including a bargain sale) that involves a tax credit application for \$1 million or more must be documented with adequate information demonstrating that the agency's ownership of the land provides conservation value to the Commonwealth in accordance with the requirements of Va. Code § 58.1-512.

The donee or holder must provide documentation that subsequent conveyances of the fee interest in the property shall protect the conservation values of the property in perpetuity.

Donations of less-than-fee interests in land

To qualify for a tax credit under Virginia Code § 58.1-512, any donation of a less-than-fee interest in real property (known more commonly as a "conservation easement") that involves a tax credit application for \$1 million or more must meet the conservation values criteria set out in Sections A, B, and C below:

- Conservation purpose [The primary purpose(s) for which the conservation easement is being donated];
- Public benefit; and
- General water quality and forest management.

52 A. **Conservation Purpose:** The donated land or conservation easement must be conveyed for
53 at least one of the following eight Conservation Purposes, pursuant to Virginia Code § 58.1-
54 512(A) and in part to Federal Code [26 U.S.C. § 170(h)(4)] and attendant Internal Revenue
55 Regulations § 1.170A-14. The applicant can select as many Conservation Purposes as they
56 wish to have evaluated, but is only required to have one verifiable Conservation Purpose to
57 meet the DCR review. Each category within this section includes “safe harbors” that are
58 characteristics of the land or uses of the land that will automatically meet the conservation
59 purpose for that category.

60
61 Donations of land or conservation easements expressly given for one or more conservation
62 purposes outlined in this section of the Criteria (as listed below in A.1 through A.8) that are
63 accepted or approved by the Virginia Outdoors Foundation, the Department of Historic
64 Resources, the Department of Forestry, the Department of Conservation and Recreation, or
65 the Department of Game and Inland Fisheries will be presumed to meet the conservation
66 purpose contained in this section.

67
68 Easements must protect the conservation purpose indicated in perpetuity. Lands indicated
69 to have a conservation purpose of either agricultural or forestal use are not required to
70 remain in agricultural or forestal production, however the easement must ensure that
71 agricultural or forestal use remains a viable option in perpetuity.

72
73 1. Agricultural Use. A land area of five contiguous acres or more devoted to production for
74 sale of plants or animals under standards prescribed by the Commissioner of Agriculture
75 and Consumer Services, or land devoted to a soil conservation program under an
76 agreement with an agency of the federal government.¹

77
78 a. The following lands will meet the safe harbors for conservation purpose for the
79 agricultural use category.

80
81 (1) Land that a county, city or town has designated as real estate devoted to
82 agricultural or horticultural use for purposes of use value assessment and
83 taxation pursuant to Virginia Code § 58.1-3230.

84
85 (2) Land that is part of an agricultural or agricultural and forestal district pursuant to
86 Virginia Code § 15.2-4300 or § 15.2-4400.

87
88 (3) Land that the governing body of any county, city or town, with the cooperation of
89 the United States Department of Agriculture, has designated as important
90 farmland within its jurisdiction pursuant to Virginia Code § 3.1-18.5(B).

91
92 b. Other lands will meet the criteria for this category, if the taxpayer demonstrates the
93 conservation purpose of the land for agricultural uses by, for example, demonstrating
94 significant income derived from agricultural activities conducted on property as set
95 forth on Schedule F of the taxpayer’s federal income tax return.

96
97 2. Forestal Use. Land used for tree growth and maintained as a forest area.

98
99 a. For the purposes of this category, “land used for tree growth” means an area that
100 meets one of the following conditions:²

¹ 2 VAC 5-20

² 4VAC10-20

- 101
102 (1) The land contains existing, well distributed, and commercially valuable trees.
103 Land used for tree growth that has been recently harvested of merchantable
104 timber, is regenerating into a new forest, and has not been developed for non-
105 forest use will qualify.
106
107 (2) The land has trees but is not capable of growing a commercial timber crop
108 because of inaccessibility or adverse site conditions such as steep outcrops of
109 rock, shallow soil on steep mountainsides, excessive steepness, heavily eroded
110 areas, coastal beach sand, tidal marsh and other site or environmental
111 conditions.
112
113 b. The following lands, if used for tree growth, will meet the safe harbors for
114 conservation purpose for the forestal use category.
115
116 (1) Land that contains 20 acres or more and that a county, city or town has
117 designated as real estate devoted to forestal use for purposes of use value
118 assessment and taxation pursuant to Virginia Code § 58.1-3230 et seq.
119
120 (2) Land that is part of a forestal or agricultural and forestal district pursuant to
121 Virginia Code § 15.2-4301 or §15.2-4401.
122
123 (3) Land that contains 20 acres or more of forest area and that is adjacent to lands
124 owned or managed by the United States Forest Service or the Virginia
125 Department of Forestry.
126
127 (4) Land that contains less than 20 acres of forest area, provided that the land has
128 greater than 50% canopy coverage and has been certified by the State Forester
129 in consultation with the local city or county arborist, if such a position exists within
130 the locality, as important to the establishment and preservation of urban forests,
131 pursuant to Va. Code § 10.1-1105.
132
133 c. Other lands will meet the criteria for this category, if the applicant demonstrates the
134 conservation purpose of the land for forestal use.
135
136 3. Natural Habitat and Biological Diversity. Land that contains significant natural habitats
137 and/or ecosystems that support native plant and animal species and protect a relatively
138 natural habitat of fish, wildlife, plants, or similar ecosystems, including natural areas and
139 natural heritage resources as defined below.
140
141 a. For the purposes of this category, the following definitions apply.
142
143 (1) Natural area – any area of land, water, or a combination thereof, that retains or
144 has reestablished its natural character, though it need not be completely natural
145 and undisturbed; or which is important in preserving rare or vanishing flora,
146 fauna, native ecological systems, geological, natural historical, scenic or similar
147 features of scientific or educational value benefiting the citizens of the
148 Commonwealth.³
149

³ Virginia Code § 10.1-209

- (2) Natural heritage resource – The habitat of rare, threatened, or endangered plant and animal species, rare or state significant natural communities or geologic sites (including karst), and similar features of scientific interest, as identified by the Department of Conservation and Recreation's Virginia Natural Heritage Program.⁴
- (3) Significant natural habitat– Areas that represent high quality examples of a terrestrial community or aquatic community; caves, or areas which are included in, adjacent to, or which contribute to the ecological viability of a local, regional, state, or national park, nature preserve, wildlife refuge, wilderness area or other similar conservation area.
- b. The following lands will meet the safe harbors for conservation purpose for the natural habitat and biological diversity conservation category.
- (1) Lands identified in writing by the Department of Conservation and Recreation's Virginia Natural Heritage Program as either containing or necessary to protect natural heritage resources.
- (2) Lands identified in writing by the Department of Game and Inland Fisheries as significant wildlife habitat, the protection of which would further implementation of the Comprehensive Wildlife Conservation Strategy (also known as Virginia's Wildlife Action Plan).
- (3) Undeveloped lands located within or adjacent to local, regional, state or federal lands managed primarily for their natural habitat and biological diversity.
- c. Other lands will meet the criteria for this category, if the applicant demonstrates the conservation purpose of the land for natural habitat and biological diversity.
4. Historic Preservation. Land that contains historic landmarks, including buildings, structures, objects, sites, and landscapes, that constitute historic, archaeological, and cultural resources of significance as determined by the Virginia Department of Historic Resources. Visual or other access by the general public on a periodic basis is required to qualify under this category.⁵
- a. The following properties will meet the safe harbors for conservation purpose for the historic preservation category.
- (1) Properties individually listed in the Virginia Landmarks Register or the National Register of Historic Places.
- (2) Properties that have been determined by the Virginia Department of Historic Resources to be eligible for listing in the Virginia Landmarks Register and/or recommended for listing in the National Register of Historic Places.
- (3) Properties that are contributing resources within historic districts that are listed in the Virginia Landmarks Register and/or National Register of Historic Places.

⁴ Virginia Code §10.1-209

⁵ 26 CFR §1.170A-14(d)(5)

- 199 (4) Any battlefield that meets the above standards and/or is listed by the Civil War
200 Sites Advisory Commission Report of 1993, as amended.
201
- 202 b. Other properties will meet the criteria for this category if the applicant demonstrates
203 the conservation purpose of the resource for historic preservation and provides
204 documentation from the Virginia Department of Historic Resources to support such a
205 claim.
206
- 207 5. Natural-Resource Based Outdoor Recreation or Education. Lands primarily devoted to
208 and used for natural-resource based outdoor recreation by, or education of, the general
209 public. Access for substantial and regular use by the general public is required to qualify
210 under this category.⁶
211
- 212 a. For the purposes of this category, land primarily devoted to and used for natural-
213 resource based outdoor recreation or education means parks, trails, greenways or
214 similar recreational areas, open for public use, except any use operated primarily as
215 a business with intent for profit.⁷ Examples include a water area for the use of the
216 public for boating or fishing, or a nature or hiking trail for the use of the public.⁸
217
- 218 b. Lands will meet the criteria for this category if the applicant demonstrates the
219 conservation purpose of the land for natural-resource based outdoor recreation or
220 education, such as lands identified in the Virginia Outdoors Plan.
221
- 222 c. The following lands will not meet the conservation purpose for natural-resource
223 based outdoor recreation or education:
224
- 225 (1) Lands where development (for example, buildings, roads, or parking lots) covers
226 more than 15% of the land protected by the conservation easement (paved trails
227 and boardwalks are excluded from this calculation).
228
- 229 (2) Lands used for commercial recreational or amusement places, such as athletic
230 fields or stadiums, driving ranges, golf courses, private beaches or pools,
231 marinas, motor speedways, drag strips, or amusement parks.
232
- 233 (3) Private membership clubs, including golf or country clubs, private beaches or
234 pools, or lands available for use only for residents of an associated development
235 or subdivision (that is, not the general public).⁹
236
- 237 6. Watershed Preservation. Substantially undeveloped land that, by virtue of its size or by
238 virtue of its location adjacent to rivers, streams, or other waterways, serves to protect
239 water quality and/or quantity, hydrological integrity, riparian and/or aquatic habitat, or
240 public drinking-water supplies. Examples, defined below, include floodplains, wetlands,
241 vegetated buffers, sinking streams, and groundwater recharge areas.
242
- 243 a. For the purposes of this category, the following definitions apply.
244

⁶ 26 CFR §1.170A-14(d)(2)

⁷ 4VAC5-20-20(A)

⁸ 26 CFR §1.170A-14(d)(2)

⁹ 4VAC5-20-20(A)

- (1) Floodplains – Lands that are used for the passage or containment of waters, including the floodplains or valleys/side slopes of streams that are or may be subject to periodic or occasional overflow, such as floodplains identified by engineering surveys by the U.S. Corps of Engineers, the Federal Emergency Management Agency, or others. Floodplains also include coastal lowlands, such as bays, estuaries or ocean shores, subject to inundation by storms or high tides.¹⁰
- (2) Wetlands – Lands with characteristic hydric soils that are inundated or saturated by surface or ground water at a frequency or duration sufficient to support, and that under normal conditions does support, a prevalence of vegetation typically adapted for life in saturated soil conditions.¹¹
- (3) Vegetated buffers – An area of land along a river, perennial stream, wetland, or other waterway where natural vegetation is maintained and degradation by livestock is prevented.
- (4) Groundwater recharge areas – Lands that, by virtue of a combination of topography, soils, and underlying geology are important to the recharge of local or regional groundwater supply and have been identified as such by local, state, or federal agencies.
- (5) Sinking streams – Perennial or intermittent streams that sink into the underlying karst features.
- b. The following lands will meet the safe harbors for conservation purpose for the watershed preservation category.
- (1) Lands containing significant wetland acreage mapped on the U.S. Fish and Wildlife Service's National Wetland Inventory or other wetlands with delineations approved by the U.S. Army Corps of Engineers and/or the Virginia Department of Environmental Quality.
- (2) Lands containing vegetated buffers of at least 100 feet in width with substantial frontage on all perennial streams or rivers, wetlands, lakes, or tidal waters.
- (3) Lands adjacent to reservoirs used for public drinking water supplies with a vegetated buffer of at least 100 feet in width.
- (4) Lands within 1,000 feet of a public drinking water well.
- c. Other lands will meet the criteria for this category if the applicant demonstrates the conservation purpose of the land for watershed preservation. For example, lands identified by a local, state, or federal agency as important groundwater recharge areas, sinkholes receiving channelized surface flow, sinking streams and springs, each with vegetated buffers of at least 35 feet, or lands located within an identified Special Flood Hazard Area mapped by the Federal Emergency Management Agency¹² may meet the conservation purpose for this category.

¹⁰ 4VAC5-20-20(C)

¹¹ Virginia Code § 58.1-3666

¹² 12 CFR § 339.2

- 293
294 d. Properties where livestock are allowed to graze within the buffer pursuant to a waiver
295 granted in accordance with C.1.c will not meet the conservation purpose for
296 watershed preservation.
297

298 NOTE: Lands containing wetlands created, restored, or protected for the purposes of
299 providing compensation pursuant to a regulatory requirement may not be eligible for a
300 tax credit. When noted, DCR will refer this matter to the Department of Taxation.
301

- 302 7. Preservation of Scenic Open Space. Lands that contain views, vistas, or characteristics
303 that provide scenic enjoyment to the general public or that contribute to, and are
304 compatible with, the scenic character or enjoyment by the general public of the
305 surrounding landscape. Visual access to or across the property from public lands or
306 publicly accessible water bodies or lands, including roads or trails, is required to qualify
307 under this category.
308

- 309 a. The following lands will meet the safe harbors for conservation purpose for the
310 scenic preservation category.
311

312 (1) Lands visible from a State Scenic Highway, pursuant to Virginia Code § 33.1-64,
313 or a Virginia Byway, pursuant to Virginia Code § 33.1-63.
314

315 (2) Lands visible from a federally designated Wild and Scenic River or American
316 Heritage River in or adjacent to Virginia, or a State Scenic River pursuant to
317 Virginia Code § 10.1-400.
318

319 (3) Lands visible from public parks or public hiking, biking, or riding trails.
320

321 (4) Lands officially designated as scenic by a local, state or federal agency, provided
322 that in each case the designating agency supplies a specific description of the
323 lands or area so designated or recommended.¹³
324

- 325 b. Other lands will meet the criteria for this category if the applicant demonstrates the
326 conservation purpose of the land for preservation of scenic open space. For
327 example, lands visible from public lands, publicly accessible water bodies, public
328 roads, or permanently protected lands provided that there is visual access for the
329 public may meet the conservation purpose for this category. Where there is no
330 visual access to the property, physical access may be used to demonstrate the value
331 of the land for preservation of scenic open space.
332

- 333 8. Conservation and Open Space Lands Designated by Federal, State, or Local
334 Governments. Lands that contain features, resources, values, or other attributes that a
335 federal, state, or local government has officially designated as important to protect from
336 inappropriate development so as to help shape the character, direction and timing of
337 development in the area.
338

- 339 a. To qualify under this category, a federal, state, or local government must have
340 adopted, by statute, regulation, in an official public ordinance, or in a comprehensive
341 or other officially designated plan, one of the following as worthy of protection:
342

¹³ 4VAC5-20-20(F)(3)

- (1) the specific property in question;
- (2) a specific land area that contains the property in question;
- (3) a designated class of land with specific, identified conservation value, defined by use, location, and attributes; or
- (4) land that is used as a public garden such as a shared green space for the use of the entire community for raising flowers, vegetables, fruit, or other produce.
- b. A general statement of conservation goals may support verification of this conservation purpose, but is not sufficient on its own to qualify under this category.¹⁴

B. Public Benefit

1. The terms of every deed of conservation easement submitted for DCR review must contain terms and restrictions that protect the conservation values of the land in perpetuity.
2. The terms of every deed of conservation easement submitted for DCR review must prohibit intentional destruction or significant alteration of the conservation values of the protected property other than for general maintenance or restoration, or for activities deemed necessary for safety considerations.
3. The terms of every deed of conservation easement submitted for DCR review must ensure that the conservation value of the property will not be adversely affected by future division or development of the property. To ensure the protection of conservation value, the easement must include the following provisions:
 - a. limitations on the number of permitted divisions of the property;
 - b. limitations on the amount of permitted new buildings and structures, either by placing a limit on the number of new buildings or structures and placing individual limits on the size of those buildings or structures, or by placing a limit on the collective footprint of all buildings and structures; or by some combination of those approaches [limitations above approximately 1% imperviousness (excluding roads) must be explained in the application package];
 - c. restrictions on the location of permitted new buildings and structures, either through the use of building envelopes, no-build zones, or through required review and approval by the easement holder of the location of new buildings and structures prior to construction;
 - d. restrictions on the location of permitted new roads or access ways, either through use of pre-approved routes, no-road zones, or through required review and approval by the easement holder of new roads or access ways prior to construction [however, paved residential driveways or graveled or pervious-surface roads or access ways may be constructed and maintained without review and approval, provided that such roads or access ways are (1) to serve permitted buildings or structures, (2) for public safety needs, or (3) for permitted uses such as farming or forestry];

¹⁴ 26 CFR §1.170A-14(d)(4)

- 393
394 e. limitations on alterations, demolition, and ground-disturbing activity that may impact
395 historic, cultural, or natural heritage resources; and
396
397 f. limitations on utilities placement to ensure that such placement does not have
398 significant impacts on the conservation value. Utilities that serve permitted
399 structures on the subject property are allowed. Utilities that do not serve permitted
400 structures on the subject property require the grantee's review and prior written
401 determination that the construction and maintenance of such utilities will not impair
402 the conservation value of the property.
403

404 NOTE: Under § 58.1-512(C)(3) of the Code of Virginia, properties dedicated as open
405 space in association with certain types of development are not eligible for tax credits.
406 When noted, DCR will refer this matter to the Department of Taxation.
407

408 **C. General Water Quality and Forest Management** 409

410 For tax-credit applications submitted to DCR, the deed of conservation easement must
411 ensure the protection of water quality and forest resources through the inclusion of the
412 following terms and restrictions, where applicable.
413

414 1. Rivers, Streams, Wetlands, Springs, or Shorelines: 415

416 Maintaining proper vegetated buffers is important for water quality protection. Scientific
417 evidence indicates the wider the buffer, the greater the value for nutrient reduction and
418 sediment removal, as well as for wildlife diversity and habitat. Donors are encouraged to
419 work with the easement holders to maximize the water-quality benefits provided by the
420 donated property. A mixture of trees, shrubs, and grasses has been shown to be most
421 effective at protecting water quality, but the criteria do not require the buffer to include all
422 three.
423

424 If the property contains or includes wetlands or frontage on a perennial stream or river
425 (as depicted by a solid blue line on the USGS 7.5' topographic map), sinking streams (as
426 defined above in section A.6.a.(5)), tidal waters, or lakes, ponds, or other waterbodies
427 with perennial outflow, the following minimum protections for those resources apply.
428

- 429 a. Conservation easement terms must require a vegetated buffer (as defined above in
430 section A.6.a.(3)) that is at least 35 feet wide. (NOTE: Beyond the requirements of
431 these criteria and the associated protections set out in the deed, a wider buffer may
432 be required by local, state, or federal law or regulations.) A vegetated buffer is
433 required for a pond or lake only if the pond or lake has a perennial stream flowing
434 from it.
435

- 436 b. To qualify as a buffer under these criteria, the deed of conservation easement must:
437

- 438 (1) prohibit within the buffer construction of new buildings, structures, roads, and
439 other impervious surfaces. However, existing buildings, structures, roads, or
440 other impervious structures located within the buffer (in whole or in part) prior to
441 the recordation of the conservation easement may be maintained (but not
442 enlarged within the buffer.) Reconstruction and maintenance of documented
443 historic buildings and structures within the buffer on historic properties is also
444 permitted. Additionally, and where it does not impair the conservation value of

the property, the following are also permissible (provided they are all appropriately limited in size and number): (i) certain water-dependent structures such as docks; (ii) stream crossings for livestock, pedestrians, and/or vehicles; and (iii) access points. [NOTE: Natural Resources Conservation Service design standards are recommended for stream crossings; see [ftp://ftp-fc.sc.egov.usda.gov/NHQ/practice-standards/standards/578.pdf](http://ftp-fc.sc.egov.usda.gov/NHQ/practice-standards/standards/578.pdf)]

- (2) prohibit dumping and restrict other soil disturbance within the buffer, including plowing (however, tree planting; streambank restoration; forest management in accordance with Virginia's Forestry Best Management Practices for Water Quality Guide; archaeological investigations; and restoration, reconstruction, and maintenance of documented historic landscapes on historic properties are permissible);
- (3) require a buffer of vegetative cover that includes, but is not limited to, forest, shrubs, or warm-season grasses. Lawns or grazed pastures shall not constitute vegetative cover for the purposes of this provision. However, the buffer area may be mowed or hayed up to three times in one calendar year. Historic landscapes involving mowed lawns or pastures as verified by the Department of Historic Resources may be restored or reconstructed and maintained. In addition, control of non-native vegetation or removal of diseased trees within the buffer is permissible. Additionally, lawns not exceeding 50 feet of frontage along a waterbody, associated with the primary residence on that property, and which exist on the date of easement within the buffer area, may be maintained provided the site is not subject to severe erosion and the buffer reduction is offset by a substantial increase in buffer width in areas near the site.
- (4) prohibit livestock grazing within the buffer (however, limited designated points for crossing are permissible in accordance with a written conservation plan that addresses buffer protection pursuant to C2). Methods for excluding livestock by fencing must be effective; however, they do not need to conform to NRCS standards. If fencing is utilized, the deed of easement must require that it shall be established within a period of no more than two years from the date of the recordation of the conservation easement and thereafter maintained.

- c. The Director of DCR may allow consideration of a request for a partial reduction in the buffer requirements set out in section C 1. The applicant, with the holder's concurrence, must provide evidence in writing to demonstrate why the applicant and holder believe that the special topography or other pre-existing characteristics of the property are such that full compliance with the buffer requirements set out in section C1 may be waived. Such a request must provide the specific areas of the property where a waiver is requested along with proposed mitigation in lieu of full compliance. If the DCR Director finds that the request merits consideration, the Director shall present the request to the Virginia Land Conservation Foundation Board for its review and action at its next scheduled meeting.

- 2. Land Used for Agricultural Production: If the property contains lands in agricultural use as defined above in section A.1, then the deed of conservation easement shall require that a written conservation plan be developed or in place that stipulates the use of best management practices for water quality protection (such as proper nutrient management, utilization of cover crops, and stabilization of highly erodible lands). This plan shall be developed in consultation with the local Soil and Water Conservation

District or the Natural Resources Conservation Service representative and shall be periodically updated, and implemented, by the landowner as long as at least five acres of the property remains in agricultural production. [More information on conservation plans may be found at the Natural Resources Conservation Service's website <http://www.nrcs.usda.gov/> including a brochure at <http://www.ri.nrcs.usda.gov/conservation.html>, and contact information for the Soil and Water Conservation Districts is available on DCR's website at http://www.dcr.virginia.gov/soil_&_water/swcds.shtml.]

3. Management Plans for Forestlands: If the property contains 20 acres or more of forest lands, as defined above in section A.2.a, then the deed of conservation easement shall require that the landowner has a current written forest management plan or Virginia Forest Stewardship Plan in place prior to the commencement of timber harvesting or other significant forest management activities. The deed of conservation easement shall require the forest management plan to include a provision that all forest management and harvesting activities be developed by, or in consultation with, the Virginia Department of Forestry, or be consistent with Virginia's Forestry Best Management Practices for Water Quality Guide.

Prepared by: David S. Lionberger, Esquire
Hirschler Fleischer
2100 East Cary Street
Richmond Virginia, 23223

Jan 14, 2019 draft

PARCEL ID NO. 100767

Exempted from recordation tax
under the Code of Virginia (1950), as amended,
Sections 58.1-811 (A) (3), 58.1-811 (D) and 10.1-1803
and from Circuit Court Clerk's fee under Section 17.1-266

THIS DEED OF GIFT OF EASEMENT (this "Easement"), made this ____ day of _____, 2019, between Allen P. DAHL and Carolyn M. DAHL, husband and wife, Thomas P. DAHL and Kristen F. DAHL, husband and wife, and Debra D. CALDWELL, each a resident of Virginia, whose address is 2903 N. Augusta Street, Staunton, Virginia 24401 (collectively, "Grantor"), and CITY OF STAUNTON, VIRGINIA, a Virginia municipal corporation, whose address is P.O. Box 58, Staunton, Virginia 24402 ("Grantee") (the designations "Grantor" and "Grantee" refer to the Grantor and Grantee and their respective successors and assigns), and CITY NATIONAL BANK OF WEST VIRGINIA (f/k/a Community Bank), herein called the "Lender," and Victor M. SANTOS as trustee, hereinafter called the "Trustee".

WITNESSETH:

R-1 Grantor is the fee simple owner of a parcel of land containing approximately 36.041 ± acres, more or less, situated in the City of Staunton, Virginia, which parcel is identified as GPIN 100767 among the land records of the City of Staunton, Virginia, and being more particularly described below (the "Property"), and desires to give and convey to Grantee a perpetual conservation and open-space easement over the Property as herein set forth; and

R-2 Grantee is a municipal corporation and political subdivision of the Commonwealth of Virginia and a "qualified organization" and "eligible donee" under Section 170(h)(3) of the Internal Revenue Code (references to the Internal Revenue Code in this Easement shall be to the United States Internal Revenue Code of 1986, as amended, and the applicable regulations and rulings issued thereunder, or the corresponding provision of any subsequent federal tax laws and regulations) (the "IRC") and Treasury Regulation Section 1.170A-14(c)(1), and is willing to accept a perpetual conservation and open-space easement over the Property as herein set forth; and

R-3 Chapter 461 of the Acts of 1966 provides in part "that the provision and preservation of permanent open-space land are necessary to help curb urban sprawl, to prevent the spread of urban blight and deterioration, to encourage and assist more economic and desirable urban development, to help provide or preserve necessary park, recreational, historic and scenic areas, and to conserve land and other natural resources" and authorizes the acquisition of interests in real property, including easements in gross, as a means of preserving open-space land. The balance of the Chapter is codified in Chapter 17, Title 10.1, Sections 10.1-1700 through 10.1-1705 of the Code of Virginia, as amended (the "Open-Space Land Act"); and

R-4 The purposes of this Easement (as defined below in Section I) include retaining and protecting scenic and open-space values of the Property, as well as to protect the Property's agricultural and forestal values, and the limitation on division, residential construction and commercial and industrial uses contained in Section II ensures that the Property will remain perpetually available for agricultural, forestal, scenic open-space, protecting natural resources, and maintaining and enhancing air and water quality, all as more particularly set forth below; and

R-5 As required under Section 10.1-1701 of the Open-Space Land Act, the use of the Property for open-space land conforms to the City of Staunton 2010 - 2030 Staunton Comprehensive Plan (the "Plan"), adopted February 23, 2012, and the Property is located within an area designated as an Entrance Corridor Overlay District pursuant to the City's Comprehensive Plan; and

R-6 This Easement is intended to constitute (i) a "qualified conservation contribution" as defined in IRC Section 170(h)(1) as more particularly explained below, and (ii) a qualifying "interest in land" under the Virginia Land Conservation Incentives Act of 1999 (Section 58.1-510 et seq. of the Code of Virginia (1950), as amended); and

R-7 This Easement is intended to constitute "a restriction (granted in perpetuity) on the use which may be made of real property," which is "a qualified real property interest" under § 170(h)(2)(C) of the IRC; and

R-8 This Easement is granted "exclusively for conservation purposes" under IRC §170(h)(1)(C) because it effects "the preservation of open-space (including farmland and forest land)" under IRC 170(h)(4)(A)(iii); specifically the preservation of open-space on the Property is pursuant to clearly delineated state and local governmental conservation policies and will yield a significant public benefit; and

R-9 This open-space easement in gross constitutes a restriction granted in perpetuity on the use that may be made of the Property, and is in furtherance of and pursuant to the clearly delineated governmental conservation policies set forth below:

(i) Land conservation policies of the Commonwealth of Virginia as set forth in:

a. Section 1 of Article XI of the Constitution of Virginia, which states that it is the Commonwealth's policy to protect its atmosphere, lands and waters from pollution, impairment, or destruction, for the benefit, enjoyment, and general welfare of the people of the Commonwealth;

b. The Open-Space Land Act cited above;

c. The Virginia Land Conservation Incentives Act, Chapter 3 of Title 58.1, Sections 58.1-510 through 58.1-513 of the Code of Virginia, cited above, which supplements existing land conservation programs to further encourage the preservation and sustainability of the Commonwealth's unique natural resources, wildlife habitats, open spaces and forested resources;

d. Grantee's practices in reviewing and accepting this Easement. Grantee has

engaged in a thorough review, considered and evaluated the benefits provided by this Easement to the general public as set forth in these recitals, and concluded that the protection afforded the open-space character of the Property by this Easement will yield a significant public benefit and further the open-space conservation objectives of Grantee and the Commonwealth of Virginia. Treasury Regulation Section § 1.170A-14(d)(4)(iii)(B) states that such review and acceptance of a conservation easement by a governmental entity tends to establish a clearly delineated governmental conservation policy as required under IRC Section 170(h)(4)(A)(iii);

e. The Chesapeake 2000 Agreement, in which the Governor of the Commonwealth of Virginia and the Administrator of the United States Environmental Protection Agency acknowledged “that future development will be sustainable only if we protect our natural and rural resource land, limit impervious surfaces and concentrate new growth in existing population centers.” A goal of the Chesapeake 2000 Agreement is to “expand the use of voluntary and market-based mechanisms such as easements... to protect and preserve natural resource lands”;

f. The 2013 Virginia Outdoors Plan (“VOP”), discussing the Central Shenandoah Region (Region 6), which includes all of the City of Staunton, notes for the district that:

- “The U.S. Census Bureau estimates that Central Shenandoah’s recreation region had a population of 286,781 in 2010, comprising 3.58 percent of Virginia’s population. Continuing with a growth rate of 9.76 percent, the population will be 314,733 by 2020.” See VOP, Ch. 10, page 10.64.

- “Land conservation: Regional and local organizations and agencies should support land protection efforts on priority lands, as identified by conservation partners in the region. Lands for protection may include those located adjacent to rivers and tributaries, national and state park and forest lands, other parks and natural areas, important viewsheds, core battlefield areas, properties on the state and national historic registers, and state scenic byways.” See VOP, Ch. 10, page 10.64-10.65.

- “Regional Trails: Develop the Staunton Frontier Trail system linking the Frontier Culture Museum of Virginia to Betsy Bell and Gypsy Hill parks, as well as other public facilities in the area.” See VOP, Ch. 10, page 10.69.

(ii) The land use and conservation vision, goals and policies of City of Staunton, as set forth in the Plan, which provides, in part, as follows:

- Chapter B: Land Use and Development Guide, page 1: “Over the years, an overriding concern voiced by many citizens at the public planning area meetings has been a desire to protect the “quality of life” in Staunton. Residents consistently discuss the importance of maintaining or improving their lifestyles through a variety of methods including increased business opportunities downtown, constructing additional recreational facilities, and protecting the scenic beauty and historic character of the City. Therefore, the Committee maintained the following guidelines as they conducted the update process for the Comprehensive Plan:

- a desire to conserve and/or protect the City's natural resources, historic

character, and scenic qualities;” and

- Chapter B: Land Use and Development Guide, page 7: “In addition to growth, this plan addresses the strong desire of Staunton’s citizens to conserve and protect the City’s natural resources, historic character, and scenic qualities. This is accomplished by means of overlay zones. These zones, which experience a greater impact from growth, provide additional emphasis to protect the character, and scenic qualities of the area.”

- Chapter B: Land Use and Development Guide, page 13: “CORRIDOR, HISTORIC, AND SCENIC OVERLAY ZONES - These zones, which will impose additional constraints, can be applied to any land areas. However, emphasis should be placed on developed and undeveloped areas along major thoroughfares and entrance corridors, the Central Business District, Historic Districts, and other historic or scenic areas that could experience a negative impact from the adjacent development of land areas.”

- Chapter C: Priority Initiatives and Recommendations, page 3: Open Space/Environment -

“Conserve open space and protect the remaining environmentally sensitive areas in the Staunton-Augusta-Waynesboro region before they are faced with development pressures. ...

d. Support efforts to preserve Betsy Bell and Mary Gray mountains. Enhance use of the public area at Betsy Bell and look into the feasibility of conservation easements for both Betsy Bell and Mary Gray. ...

f. Support development of greenways in the City (especially along streams and creeks)”

- Chapter C: Priority Initiatives and Recommendations, page 4: Community Character –

Enhance the physical attractiveness of the City through a broad program addressing lighting, signage, and litter control; tree plantings and landscaping; and architecturally appropriate design standards for buildings or structures fronting corridors and thoroughfares.

a. Support enhancement and priority implementation of the City’s Master Landscaping Plan - especially along entrance corridors and the pedestrian network.

(iii) Land use policies of the City of Staunton as evidenced by correspondence from the City of Staunton dated , acknowledging that contribution of the Easement over the Property to the Grantee and restriction of the Property as provided in this Easement is consistent with the Plan; and

R-10 (i) The Property is a sizeable tract of land in a City that continues to develop, and is currently zoned R-4. The Property is currently comprised of timberland, and protection of the Property by this Easement preserves the local rural landscape and open space values (collectively, “conservation values”) of great importance to the Grantor, the citizens of the City of Staunton and the citizens of the Commonwealth of Virginia;

(ii) The Property is an important green infrastructure and recreational structure because the Property lies adjacent to Betsy Bell and Mary Gray Wilderness Parks, owned and operated by the City of Staunton, which contain and feature Betsy Bell and Mary Gray Mountains, and which the public enjoys using on a regular, year-round basis for walking, climbing, hiking, biking, picnicking and other outdoor activities, and protection of the Property will help further public benefit and use of such facilities by the general public. Various hardwood, pine and other tree varieties are located within the parks and they provide the public with access to a variety of wildlife. The protection of the Property will further the conservation purposes set forth herein and will protect the scenic qualities of Betsy Bell and Mary Gray Wilderness Parks, will help protect the views and viewsheds viewed by users of Betsy Bell and Mary Gray Wilderness Parks, as well as protect the continuity of natural habitats in the area of the Property and Betsy Bell and Mary Gray Wilderness Parks;

(iii) The Property lies south of Richmond Avenue (U.S. Route 250) near the Staunton National Cemetery, administered by Culpeper National Cemetery, which was designated a national cemetery in September 1868 and listed on the National Register of Historic Places in 1996, and protection of the Property and the landscape of the area will help further public benefit and use of such cemetery by the general public;

(iv) The Property in its undeveloped state contributes to the scenic views enjoyed by the public from Betsy Bell and Mary Gray Wilderness Parks, from which members of the public can view portions of the Property, and to the scenic views enjoyed by the public from Statler Boulevard (Route 261), as well as the local landscape in general;

(v) The public has views of substantially all of the Property from Betsy Bell Park, Mary Gray Wilderness Parks and Statler Boulevard (Route 261), and members of the general public regularly view a substantial portion of the Property therefrom, therefore the Property satisfies the requirements for “visual public access” as defined in IRS regulations §§ 170A-14(d)(4)(ii)(B). The protection of this viewshed provided by the no-build provisions provided herein contributes to the scenic views enjoyed by the public therefrom;

(vi) The Property does not include any perennial streams, creeks, rivers or other waterbodies with perennial outflow;

(vii) The Virginia Department of Conservation and Recreation has developed the Virginia Natural Heritage Data Explorer (the “NHDE”) and Virginia Conservation Lands Database (“VCLD”) as part of the Virginia Conservation Visions to identify, prioritize and link natural lands as targets for protection activities such as conservation easements and habitat restoration. The NHDE/VCLD identifies Betsy Bell Park and Mary Gray Wilderness Parks adjacent to the Property as a land conservation treasure pursuant to the VDCR Virginia Treasures initiative, and identifies part of the Property as being within an ecological core of moderate to high value, within a watershed integrity area of general value, and within an area of highest vulnerability for development and growth based on predicted growth patterns in Virginia; and

R-11 The conservation values of the Property are its agricultural, forestal and scenic open space

values, and the preservation of the conservation values of the Property as provided in this Easement will yield the following significant public benefits, taking into consideration factors suggested in Treas. Reg. §1.170A-14(d)(4)(iv)(A):

(i) furthers and is pursuant to clearly delineated state and local governmental conservation policies, and the Grantee, a municipal corporation of the Commonwealth of Virginia, requires a thorough review of the properties, terms of proposed easements and conservation purposes being served before agreeing to accept donations of conservation or open-space easements over real property. Grantor notes that Treasury Regulation Section 1.170A-14(d)(4)(iii)(B) states that such review and acceptance of this Easement by a governmental entity tends to establish a clearly delineated governmental conservation policy as required under IRC Section 170(h)(4)(A)(iii);

(ii) prevents significant development of the Property, which existing and foreseeable trends in the vicinity of the Property indicate is increasing and which would lead to or contribute to the degradation of the natural, forested, scenic open space and outdoor public recreational and educational character of the Property;

(iii) protects the visible viewshed of the Property from Betsy Bell and Mary Gray Wilderness Parks and Statler Boulevard (Route 261), which provide opportunities for the walking, hiking and driving public to appreciate the Property's scenic values, as well as the local landscape in general; and

(iv) prevents excessive development, soil disturbance, and pollution on the Property, thus enhancing water quality as well as aquatic and riparian habitat in the downstream Lewis Creek, Potomac River and Chesapeake Bay; and

R-12 The Property has not been dedicated as open space within, or as part of, a residential subdivision or any other type of residential or commercial development, or dedicated as open space in, or as part of, any real estate development plan, or dedicated for the purpose of fulfilling density requirements to obtain approvals for zoning, subdivision, site plan, or building permits, and this Easement is not being granted as part of or in connection with any residential or commercial development of the Property or any other real property; and

R-13 This Easement will yield significant public benefit to the citizens of the City of Staunton and the Commonwealth as set forth in these recitals and in Section I below; and

R-14 Grantor and Grantee desire to protect in perpetuity the conservation values of the Property as specified in Section I by restricting the use of the Property as set forth in Section II; and

R-15 Grantee has determined that the restrictions set forth in Section II (the Restrictions) will preserve and protect in perpetuity the conservation values of the Property documented in the Baseline Documentation Report described in Section IV, and will limit use of the Property to those uses consistent with, and not adversely affecting, such conservation values of the Property and the governmental conservation policies furthered by the Easement, and the rights, uses or improvements permitted or retained by the Grantor hereunder do not materially impair or destroy

such conservation values; and

R-16 Grantee, by acceptance of this Easement, designates the Property as property to be retained and used in perpetuity for the preservation and provision of open-space land pursuant to the Open-Space Land Act.

NOW, THEREFORE, in consideration of the foregoing recitals incorporated herein and made a part hereof and in consideration of the mutual covenants herein and their acceptance by Grantee, Grantor does hereby give, grant and convey to Grantee for the public purposes set forth in Section I below a conservation and open-space easement in gross (Easement) over, and the right in perpetuity to restrict the use of, the Property, which is described below, and consists of approximately 36.041± acres, more or less, located in the City of Staunton, Virginia (Parcel No: 10767), to-wit:

ALL that certain lot or parcel of land, together with any and all improvements thereon and all rights, privileges, appurtenances, easements and rights of way thereunto belonging or in anywise appertaining, lying and being in the City of Staunton, Virginia, more fully described as Tract 1 containing 36.041 acres on plat entitled "Plat Showing a Boundary Line Adjustment Between Properties #8324 and #11579, City of Staunton, Virginia" dated November 14, 2013, made by Howard L. Vance, Land Surveyor with Balzer and Associates, Inc., of record with Boundary Line Adjustment dated August 14, 2014 as Instrument No. 140001744 (the "Plat").

[TOGETHER WITH a non-exclusive, perpetual 50' access easement appurtenant to the Property over the adjacent property identified by PIN #100766 as shown on the aforesaid Plat attached hereto as Exhibit "A" (the "Access Easement") for use by Grantee in the exercise of its right of inspection as provided in Section III.]

BEING the same real property conveyed to Grantor by Deed from GAE, LLC dated October 11, 2018, and recorded December 3, 2018, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 180002817.

The Property is shown as Tax Map No. 100767 among the land records of the City of Staunton, Virginia. Even if the Property consists of more than one parcel for real estate tax or any other purpose or if it may have been acquired previously as separate parcels, it shall be considered one parcel for purposes of this Easement, and the restrictions and covenants of this Easement shall apply to the Property as a whole.

SECTION I -PURPOSE

The conservation purpose of this Easement is to preserve and protect the conservation values of the Property in perpetuity by imposing the restrictions on the use of the Property set forth in Section II and providing for their enforcement in Section III. The conservation values of the Property are described in the above recitals, are documented in the Baseline Documentation Report described in Section IV below and include the Property's scenic open-space values, its

value as land preserved for rural uses such as forestry and/or agriculture (including livestock production) and its value as open space designated by state or local government. Pursuant to the Virginia Land Conservation Foundation's (VLCF's) Conservation Value Review Criteria the further purpose of this Easement is preservation of land for agricultural use, forestal use, preservation of scenic open space and its value as open space designated by state or local government.

Grantor covenants that no acts or uses are currently being conducted or will be conducted on the Property which are: (i) inconsistent with the conservation values as provided in Treasury Regulation Section 1.170A-14(g)(1); or (ii) consistent with the conservation values, but are destructive of other significant conservation interests as provided in Treasury Regulation Section 1.170A-14(e)(2) unless such acts or uses are necessary for the protection of the conservation values that are protected hereunder as provided in Treasury Regulation Section 1.170A-14(e)(3).

SECTION II – RESTRICTIONS

Restrictions are hereby imposed on the use of the Property pursuant to the public policies set forth above. The acts that Grantor covenants to do and not to do upon the Property, and the restrictions that Grantee is hereby entitled to enforce, are and shall be as follows:

1. DIVISION.

(i) Separate conveyance of a portion of the Property or division of the Property is prohibited. For purposes of this Easement, division of the Property includes, but is not limited to, creating a subdivision plat, judicial partitioning of the Property, or testamentary partitioning of the Property.

2. BUILDINGS, STRUCTURES, ROADS AND UTILITIES.

(i) No buildings, structures, roads or utilities, other than the following, are permitted on the Property; such buildings and structures are subject to subparagraph 2(ii) **Siting of buildings and structures** below:

(a) **Dwellings and non-residential outbuildings and structures.** No dwellings shall be permitted on the Property.

(b) **Farm buildings or structures.** No farm buildings or structures shall be permitted on the Property.

(c) **Buildings for the processing and sale of farm or forest products or certain animal-related uses.** No buildings for the processing and sale of farm or forest products or animal-related uses shall be permitted on the Property.

(d) **Roads and trails.**

(1) Private roads, trails and paths, access easements and parking lots with permeable surfaces to serve permitted park facilities as well as the Betsy Bell and Mary Gray Wilderness

Parks, and for other permitted uses and activities, such as recreation or forestry, or for public safety needs. New roads or access ways may only be constructed on the Property after minimizing the impact of the siting of the proposed roads and access ways on the conservation values of the Property and with prior written approval of Grantee, which approval shall take into consideration the impact of the roads on the conservation values of the Property.

(e) **Utilities.** Public or private utilities including but not limited to septic or sewer and electric and water supply systems to serve permitted buildings, structures, facilities, and/or equipment on the Property or the Betsy Bell and Mary Gray Wilderness Parks only may be constructed and maintained. Public or private utilities, including easements for communication facilities, storm water drainage, and sewer, septic and water supply systems that do not serve the Property or the Betsy Bell and Mary Gray Wilderness Parks shall not cross the Property unless the construction and maintenance of such utilities will not significantly impair the conservation values of the Property protected hereby and the impact of the height and siting of the proposed utilities on the conservation values of the Property is minimized. Grantee reserves its separate rights to approve such public or private utilities and to grant necessary easements for such purposes; and

(f) **Alternative energy structures.** Alternative energy structures used to harness natural renewable energy sources, such as sunlight, wind, water, or biomass, and scaled to provide electrical energy or pump water for permitted buildings, structures, and activities on the Property, which limitation shall not be deemed to prohibit the sale of excess power generated incidentally in the operation of such structures and associated equipment, including, but not limited to, solar panels, wind turbines, and micro-hydro installations so long as such placement does not have significant impacts on the conservation values of the property; and

(g) **Small-scale miscellaneous buildings and structures.** Small-scale miscellaneous buildings and structures, the existence of which is consistent with the conservation purposes of this Easement and which will not impair the conservation values protected herein, such as wildlife observation structures, fences, boardwalks, structures for crossing streams or wetlands, and signs (but not billboards or other signs larger than 32 square feet in area).

(h) **Park Facilities.** Facilities normally associated with public recreational and outdoor activities on the Property and consistent with the conservation purposes of this Easement, including but not limited to a visitor center, pavilions, boardwalks, hiking and walking trails and paths, biking trails and paths, picnic facilities, bathrooms, maintenance and storage structures, support structures and facilities, unroofed parking facilities with permeable surfaces. In accordance with 4 V.A.C. 50-85-130 and 50-85-140 (formerly 4 Va. Admin. Code 5-15-150), the Grantor shall have and fully implement a current nutrient management plan approved by Grantee on the Property according to the Virginia Nutrient Management Standards and Criteria revised 2005, which nutrient management plan shall be approved by the Virginia Department of Conservation and Recreation and shall be in place prior to the first application of fertilizer to any permitted facilities constructed on the Property.

(ii) Grantor shall have the right to construct and use any permitted buildings, structures, roads, trails and utilities permitted in Section II, Paragraph 2(i) above and to repair, maintain, renovate, expand, and replace any permitted park facilities, roads, trails and utilities on the Property within

the limitations set forth in this Easement. Grantor shall give Grantee 30 days' written notice before beginning ground clearing for construction or enlargement of any structure permitted under Section II Paragraph 2(i) on the Property.

(iii) **Siting of buildings and structures.** To protect the scenic and conservation values of the Property, no building or other above-ground structure with a footprint larger than 500 square feet shall be constructed on the Property within 1,000 feet of Statler Boulevard (Route 261) (in its current alignment), as measured from the centerline of such road, or within the viewshed protection area as shown on the Plat to protect the viewshed of the Property from Betsy Bell Mountain.

(iv) **Collective footprint limitation.** The collective footprint of all buildings and structures and parking lots on the Property, excluding linear surfaces, such as roads, sidewalks, trails, walls, fences, and boardwalks, shall not exceed 1% of the total area of the Property, provided that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the conservation values of the Property, Grantee may approve such increase. For the purpose of this paragraph the collective footprint is the ground area measured in square feet of the buildings and structures set forth in Section II Paragraph 2(i)(a) through (c), (f), (g) and (h) above and all other impervious surfaces, excluding linear surfaces, such as roads, sidewalks, trails, walls, fences, and boardwalks.

3. INDUSTRIAL OR COMMERCIAL ACTIVITIES.

(i) Industrial or commercial activities on the Property are limited to the following:

(a) agriculture (including livestock production), equine activities, or forestry;

(b) small-scale incidental commercial or industrial operations compatible with activities set forth in (a) above that Grantee approves in writing as being consistent with the conservation purposes of this Easement;

(c) activities, other than those already permitted in (a) above, that can be, and in fact are, conducted within permitted buildings without material alteration to their external appearance, provided that such activities to be conducted in buildings exceeding 4,500 square feet in ground area are subject to the written approval of Grantee, which approval shall take into consideration the impact of the activities and any proposed associated infrastructure improvements on the conservation values of the Property;

(d) the sale of excess power generated incidentally in the operation of approved alternative energy structures and associated equipment as provided in Section II Paragraph 2(i)(f) above;

(e) activities to restore or enhance wetlands or streams or restore, enhance, or develop other ecosystem functions on the Property including, but not limited to, stream bank restoration, wetland and stream mitigation, nutrient offset, biological carbon sequestration and biodiversity mitigation, provided that such activities are not in conflict or inconsistent with the conservation purposes of or the restrictions set forth in this Easement and that prior written approval for same

shall have been obtained from Grantee. Grantee is not responsible for monitoring any such activities and has no obligation to enforce the provisions of any permit(s), restriction(s), or easement(s) therefor. Subject to Grantee's approval, Grantor is free to participate in same in Grantor's discretion and to retain any remuneration derived therefrom;

(f) outdoor activities that do not permanently alter the physical appearance of the Property and that do not impair the conservation values of the Property herein protected;

(g) outdoor public recreation (including, but not limited to, visitor center, restrooms, outdoor education facilities, fishing, hunting, horseback riding, camping, hiking and cycling, and facilities and trails, paths, signs, equipment and kiosks for the same). In accordance with 4 V.A.C. 50-85-130 and 50-85-140 (formerly 4 Va. Admin. Code 5-15-150), the Grantor shall have and fully implement a current nutrient management plan approved by Grantee on the Property according to the Virginia Nutrient Management Standards and Criteria revised 2005, which nutrient management plan shall be approved by the Virginia Department of Conservation and Recreation and shall be in place prior to the first application of fertilizer to any permitted facilities constructed on the Property;

(h) natural resource-based educational, scientific, or recreational activities, provided that they are consistent with the conservation purposes of this Easement and do not impair the conservation values protected herein.

(ii) As to any portion of the Property in agricultural use, a written conservation plan stipulating the use of Best Management Practices (such as proper nutrient management, utilization of cover crops, and stabilization of highly erodible lands) shall be developed in consultation with the Headwaters Soil and Water Conservation District or Natural Resources Conservation Service representative and shall be implemented as long as such portions of the Property remain in agricultural production.

4. MANAGEMENT OF FOREST. Best Management Practices (BMPs), as defined by the Virginia Department of Forestry, shall be used to control erosion and protect water quality when any timber harvest (whether of healthy or diseased trees) or land-clearing activity is undertaken. A pre-harvest plan shall be submitted to Grantee for approval no later than 30 days before the proposed date of any timber harvest, which approval shall take into consideration whether or not the pre-harvest plan is consistent with the terms of this Easement. The pre-harvest plan shall describe the BMPs to be used in sufficient detail to ensure that water quality will be protected.

To protect the scenic and conservation values of the Property and subject to the other provisions of this Easement, no clear cutting of forest or cover is permitted on the Property within 1,000 feet of Statler Boulevard (Route 261) (in its current alignment), as measured from the centerline of such road, or within the viewshed protection area as shown on the Plat to protect the viewshed of the Property from Betsy Bell Mountain; provided that cutting of forest or timber on the Property within such buffer may occur within such areas, such as cutting of trees for the construction of permitted playgrounds, roads, utilities, buildings, structures, facilities, parking lots and hiking, biking and walking paths and trails with the prior written approval of Grantee that such cutting of forest or timber will not adversely affect the conservation values of the Property.

The following activities do not constitute timber harvesting or land clearing and do not require the submission of a pre-harvest plan but do require BMPs to be used to control erosion and protect water quality: the cutting, clearing, or removal of trees on less than 10 acres of the Property at any one time (i) for the construction or maintenance of permitted playgrounds, roads, utilities, buildings, structures, facilities, parking lots and hiking, biking and walking paths and trails, (ii) which are invasive species, (iii) which pose a threat to the health or safety of persons, property, or livestock, (iv) which are dead, diseased, or dying, or (v) for other permitted activities on the Property, except timber harvesting or land clearing.

5. GRADING, BLASTING, FILLING AND MINING.

(i) Grading, blasting, filling, or earth removal shall not materially alter the topography of the Property except (a) for clearing, grading, and dam construction to create and maintain ponds (but not storm water retention or detention ponds to serve properties other than Betsy Bell and Mary Gray Wilderness Parks), (b) for restoration, enhancement, or development of ecosystem functions on the Property as permitted and limited under Section II, Paragraph 3(i)(e) above, (c) for erosion and sediment control pursuant to an erosion and sediment control plan, or (d) as required in connection with construction as permitted by this Easement or as necessary to run utilities to adjoining properties and additional properties connecting to such adjoining properties. Grantee may require appropriate sediment and erosion control practices to be undertaken for buildings, structures, roads, or utilities that require Grantee's approval in Section II Paragraph 2(i) above, as a condition of such approval.

(ii) Grading, blasting, filling, or earth removal in excess of one acre for the purposes set forth in subparagraphs (a) through (d) above require 30 days' prior notice to Grantee. Generally accepted agricultural activities, including the conversion of forest land into farmland, shall not constitute a material alteration of the topography. Surface mining on the Property and subsurface mining from the surface of the Property and drilling for oil or gas or other minerals on the Property are prohibited. Dredging on or from the Property is prohibited, except for maintenance of any ponds on the Property.

6. ACCUMULATION OF TRASH. Accumulation or dumping of trash, refuse, junk or toxic materials is not permitted on the Property. This restriction shall not prevent generally accepted agricultural or wildlife management practices, such as creation of brush piles, composting, or the storage of farm machinery, organic matter, agricultural products or agricultural byproducts on the Property.

7. SIGNS. Display of billboards, signs, or other advertisements is not permitted on or over the Property except to: (i) state the name and/or address of the owners of the Property, (ii) advertise the sale or lease of the Property, (iii) advertise the sale of goods or services produced incidentally to a permitted use of the Property, (iv) provide notice necessary for the protection of the Property, (v) give directions to visitors, (vi) recognize historic status or participation in a conservation program, (vii) as a result of carbon sinks, carbon sequestration and biodiversity mitigation on the Property as permitted under Section II, Paragraph 3, or (viii) as needed in connection with permitted playgrounds, roads, utilities, buildings, structures, facilities, parking

lots and hiking, biking and walking paths and trails. Temporary political signs are allowed. No sign visible from outside the Property shall exceed nine square feet in size.

SECTION III – ENFORCEMENT

1. RIGHT OF INSPECTION. Representatives of Grantee may enter the Property from time to time for purposes of inspection (including photographic documentation of the condition of the Property) and enforcement of the terms of this Easement after reasonable notice to Grantor or Grantor's representative, provided, however, that in the event of an emergency, entrance may be made to prevent, terminate or mitigate a potential violation of these restrictions with notice to Grantor or Grantor's representative being given at the earliest practicable time.

2. ENFORCEMENT. Grantee, in accepting this Easement, commits to protecting the conservation purposes of this Easement and has the resources necessary to enforce the restrictions set forth herein. Grantee has the right to bring a judicial proceeding to enforce the restrictions, which right specifically includes the right (i) to require restoration of the Property to its condition at the time of the conveyance or to require restoration of the Property to its condition prior to a violation hereof, provided that such prior condition was in compliance with the provisions of this Easement; (ii) to recover any damages arising from non-compliance; (iii) to compel Grantor to disgorge to Grantee any proceeds received in activities undertaken in violation of the restrictions set forth herein; (iv) to require Grantor to replant or pay for the replanting of trees on the Property in the event that Grantor harvests timber in violation of any restrictions set forth in Section II above; (v) to enjoin non-compliance by temporary or permanent injunction, and (vi) to pursue any other appropriate remedy in equity or law. If the court determines that Grantor failed to comply with this Easement, Grantor shall reimburse Grantee for any reasonable costs of enforcement, including costs of restoration, court costs, expert-witness costs, and attorney's fees, in addition to any other payments ordered by the court. Grantee's delay shall not waive or forfeit its right to take such action as may be necessary to ensure compliance with this Easement, and Grantor hereby waives any defense of waiver, estoppel or laches with respect to any failure to act by Grantee. Notwithstanding any other provision of this Easement, Grantor shall not be responsible or liable for any damage to the Property or change in the condition of the Property (i) caused by fire, flood, storm, Act of God, governmental act, or other cause solely outside of Grantor's control or (ii) resulting from prudent action taken by Grantor to avoid, abate, prevent, or mitigate such damage to or changes in the condition of the Property from such causes. Nothing in this Easement shall create any right in the public or any third party to maintain any judicial proceeding against Grantor or Grantee.

SECTION IV – DOCUMENTATION

Grantor has made available to Grantee, prior to conveyance of this Easement, documentation sufficient to establish the condition of the Property at the time of the conveyance, and documentation retained in the office of Grantee, including, but not limited to, the Baseline Documentation Report describes the condition and character of the Property at the time of the conveyance. The Baseline Documentation Report may be used to determine compliance with and enforcement of the terms of this Easement. However, the parties are not precluded from using other relevant evidence or information to assist in that determination. The parties hereby

acknowledge that the Baseline Documentation Report contained in the files of Grantee is an accurate representation of the Property and contains a statement signed by Grantor and a representative of Grantee as required by Treasury Regulation 1.170A-14(g)(5)(i).

SECTION V – GENERAL PROVISIONS

1. DURATION. This Easement shall be perpetual. It is an easement in gross that runs with the land as an incorporeal interest in the Property. The covenants, terms, conditions and restrictions contained in this Easement are binding upon, and inure to the benefit of, the parties hereto and their successors in title to the Property, or any portion thereof or interest therein, and Grantee and its successors or assigns, and shall continue as a servitude running in perpetuity with the Property. The rights and obligations of an owner of the Property under this Easement terminate upon proper transfer of such owner's interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

2. NO PUBLIC ACCESS AND GRANTOR'S RETENTION OF USE. Although this Easement will benefit the public as described above, nothing herein shall be construed to convey to the public a right of access to, or use of the Property, [and specifically no rights of any kind are granted to the public with respect to the Access Easement]. Subject to the terms hereof, Grantor retains the exclusive right to such access and use, including, but not limited to, the right to hunt, fish or trap on the Property. The Grantor retains all rights not expressly conveyed herein including the right to contribute the Property outright to the Grantee or other qualified holders for conservation purposes subject to and consistent with this Easement.

3. GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor represents, covenants, and warrants that (a) Grantor has good fee simple title to the Property (including the mineral rights located under the surface of the Property), (b) Grantor has all right and authority to give, grant and convey this Easement, (c) the Property is free and clear of all encumbrances (other than restrictions, covenants, conditions, and utility and access easements of record), including, but not limited to, any leases, option contracts, mortgage liens, deeds of trust liens, or other liens not subordinated to this Easement, (d) no consent of any third party is required for Grantor to enter into this Easement, (e) each person and/or entity signing on behalf of Grantor is authorized to do so, and (f) to the best of Grantor's knowledge: (I) no asbestos or materials made from asbestos, urea formaldehyde foam insulation or hazardous waste or substances presently exist on the Property, (II) no underground storage tanks are located on the Property, (III) the Property has not been designated, listed or identified in any manner by the United States Environmental Protection Agency ("EPA") or under and pursuant to CERCLA or RCRA, or any other state or federal law, statute, or regulations enacted in connection with or relating to the protection or regulation of the environment ("Environmental Protection Statute") as a hazardous substance disposal or removal site, superfund or clean-up site or candidate for removal or closure pursuant to CERCLA, RCRA or any other Environmental Protection Statute or as being in violation of any Environmental Protection Statute, (IV) no lien arising under or in connection with any Environmental Protection Statute has attached to the Property, (V) Grantor has not received a summons, citation, notice, directive, letter or other communication, written or oral, from the EPA or any other federal or state governmental agency or instrumentality authorized pursuant to the Environmental Protection Statute or any other statute or law dealing with the environment concerning any intentional or

unintentional action or omissions by any party resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying, dumping or otherwise disposing of hazardous waste or hazardous substance, including petroleum products, into the environment resulting in damage thereto, and (VI) there is no contract to which Grantor is a party or that is binding on Grantor which is in conflict with this Easement.

4. ACCEPTANCE. Grantee accepts this conveyance, which acceptance is evidenced by the signature of the City Manager by authority granted by Grantee's City Council.

5. INTERACTION WITH OTHER LAWS. This Easement does not permit any use of the Property that is otherwise prohibited by federal, state, or local law or regulation. Neither the Property, nor any portion of it, has been or shall be proffered or dedicated as open space within, or as part of, a residential subdivision or any other type of residential or commercial development; proffered or dedicated as open space in, or as part of, any real estate development plan; or proffered or dedicated for the purpose of fulfilling density requirements to obtain approvals for zoning, subdivision, site plan, or building permits. No development rights that have been encumbered or extinguished by this Easement shall be transferred to any other property pursuant to a transferable development rights scheme, cluster development arrangement or otherwise.

6. CONSTRUCTION. Pursuant to the public policy of the Commonwealth of Virginia favoring land conservation, any general rule of construction to the contrary notwithstanding (including the common law rule that covenants restricting the free use of land are disfavored and must be strictly construed), it is the intent of the parties hereto that this Easement and all language contained herein shall be liberally construed in favor of the grant to effect the purposes of the Easement and the policies and purposes of Grantee. If any provision of this Easement is found to be ambiguous, an interpretation that is consistent with the purposes of this Easement (to protect the conservation values of the Property and prevent the exercise of reserved rights in a way that would impair such values) and that would render the provision valid shall be favored over any interpretation that would render it invalid. Notwithstanding the foregoing, lawful acts or uses consistent with the purposes of and not expressly prohibited by this Easement are permitted on the Property. Grantor and Grantee intend that the grant of this Easement qualify as a "qualified conservation contribution" as that term is defined in IRC Section 170(h)(1) and Treasury Regulation Section 1.170A-14, and the restrictions and other provisions of this Easement shall be construed and applied in a manner that will not prevent this Easement from being a qualified conservation contribution.

7. REFERENCE TO EASEMENT IN SUBSEQUENT DEEDS. This Easement shall be referenced by deed book and page number, instrument number or other appropriate reference in any deed or other instrument conveying any interest in the Property. Failure of Grantor to comply with this requirement shall not impair the validity of the Easement or the conveyance or limit the Easement's enforceability in any way.

8. NOTICE TO GRANTOR AND GRANTEE. For the purpose of giving notices hereunder the current address of Grantee is P.O. Box 58, Staunton, Virginia 24402, and any notice to Grantor shall be given to the recipient at the address at which the real estate tax bill is mailed for the Property or portion thereof that is the subject of the notice and which is currently 2903 N.

Augusta Street, Staunton, Virginia 24401.

Grantor shall notify Grantee in writing at or prior to closing on any *inter vivos* transfer, other than a deed of trust or mortgage, of all or any part of the Property.

In addition, Grantor agrees to notify Grantee in writing before exercising any reserved right that may have an adverse effect on the conservation interests associated with the Property as encumbered by this Easement. (The purpose of requiring such notice is to afford Grantee an adequate opportunity to monitor such activities to ensure that they are carried out in a manner consistent with the purposes of this Easement; such notice shall describe the proposed activity in sufficient detail to allow Grantee to judge the consistency of the proposed activity with the purposes of this Easement.)

Failure of Grantor to comply with these requirements shall not impair the validity of this Easement or limit its enforceability in any way

9. TAX MATTERS. The parties hereto agree and understand that any value of this Easement claimed for tax purposes as a charitable gift must be fully and accurately substantiated by an appraisal from a qualified appraiser as defined in Treasury Regulation Section 1.170A-13(c)(5), and that the appraisal is subject to review and audit by all appropriate tax authorities. Grantee makes no express or implied warranties that any tax benefits will be available to Grantor from conveyance of this Easement, that any such tax benefits might be transferable, or that there will be any market for any tax benefits that might be transferable. By its execution hereof, Grantee acknowledges and confirms receipt of this Easement and further acknowledges that Grantee has not provided any goods or services to Grantor in consideration of the grant of the Easement.

10. NO MERGER. Grantor and Grantee agree that in the event that Grantee acquires a fee interest in the Property, this Easement shall not merge into the fee interest, but shall survive the deed and continue to encumber the Property.

11. ASSIGNMENT BY GRANTEE. Assignment of this Easement is permitted by Virginia Code Section 10.1-1801, but Grantee may not transfer or convey this Easement unless Grantee conditions such transfer or conveyance on the requirement that (i) all restrictions and conservation purposes set forth in this Easement are to be continued in perpetuity, (ii) the transferee then qualifies as an eligible donee as defined in IRC Section 170(h)(3) and the applicable Treasury Regulations, and (iii) the transferee is a public body as defined in Section 10.1-1700 of the Open-Space Land Act.

12. GRANTEE'S PROPERTY RIGHT. Grantor agrees that the conveyance of this Easement gives rise to a property right, immediately vested in Grantee, with a fair market value that is equal to the proportionate value on the date hereof that this Easement bears to the value of the Property as a whole at that time.

13. CONVERSION OR DIVERSION. Grantor and Grantee intend that this Easement be perpetual and acknowledge that no part of the Property may be converted or diverted from its open-space use except in compliance with the provisions of Section 10.1-1704 of the Open-Space

Land Act, which does not permit loss of open space. In the event that the Property or a portion thereof is converted or diverted for an additional use pursuant to Section 10-1-1704, such use and the fee simple conveyance of such parcel to a third party shall be permitted, such parcel shall remain subject to this Easement, and Grantee shall be made a party to the fee simple conveyance of such parcel to the third party to ensure that the parcel remains subject to this Easement. Fee simple conveyance of such parcel does not constitute a division of the Property under Section II Paragraph 1 above.

14. EXTINGUISHMENT. If any unexpected change in the conditions surrounding the Property can make impossible or impractical the continued use of the Property for the conservation purposes of this Easement, the provisions of this Easement can be extinguished through a judicial proceeding. In such case, on a sale or exchange of the Property subsequent to and resulting from such an extinguishment, Grantee shall be entitled to a portion of the proceeds at least equal to the proportionate value of this Easement computed as set forth in Section V Paragraph 12 above. Grantee shall use all its share of the proceeds from the sale of the Property in a manner consistent with the conservation purposes of this Easement and the Open-Space Land Act.

15. AMENDMENT. Grantee and Grantor may amend this Easement to enhance the Property's conservation values or add to the restricted property by an amended deed of easement, provided that no amendment shall (i) affect this Easement's perpetual duration, (ii) conflict with or be contrary to or inconsistent with the conservation purposes of this Easement, (iii) reduce the protection of the conservation values, (iv) affect the qualification of this Easement as a "qualified conservation contribution" or "interest in land," (v) affect the status of Grantee as a "qualified organization" or "eligible donee," or (vi) create an impermissible private benefit or private inurement in violation of federal tax law. No amendment shall be effective unless documented in a notarized writing executed by Grantee and Grantor and recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia.

16. JOINT OWNERSHIP. If Grantor at any time owns the Property or any portion of or interest therein in joint tenancy, tenancy by the entirety, or tenancy in common, all such tenants shall be jointly and severally liable for all obligations of Grantor set forth herein.

17. SEVERABILITY. It is the express intent of the parties hereto that all provisions of this Easement be considered and construed as part of the whole and that no provision shall be applied in isolation without consideration of the overall purposes of this Easement. Nevertheless, if any provision of this Easement or its application to any person or circumstance is determined by a court of competent jurisdiction to be invalid, the remaining provisions of this Easement shall not be affected thereby.

18. ENTIRE AGREEMENT. This instrument sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement.

19. CONTROLLING LAW. The interpretation and performance of this Easement shall be governed by the laws of the Commonwealth of Virginia and the United States, resolving any

ambiguities or questions of the validity of specific provisions in a manner consistent with the provisions of Section V, Paragraph 6 above in order to give maximum effect to its conservation purpose.

20. RECODIFICATION AND AMENDMENT OF STATUTES AND REGULATIONS.

This Easement cites various federal and state statutes and regulations applicable to open-space easements. In the event that such statutes or regulations are re-codified or amended, this Easement will be interpreted and enforced according to the re-codified or amended statutes and regulations most closely corresponding to those cited herein and carrying out the purposes recited herein.

22. RECORDING. This Easement shall be recorded in the land records in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia, and Grantee may re-record it any time as may be required to preserve its rights under this Easement.

23. COUNTERPARTS. This Easement may be executed in one or more counterpart copies, each of which, when executed and delivered shall be an original, but all of which shall constitute one and the same Easement. Execution of this Easement at different times and in different places by the parties hereto shall not affect the validity of this Easement.

24. INDEMNIFICATION. The parties acknowledge and agree that Grantee has neither possessory rights in the Property, nor any right or responsibility to control the use of the Property (except to enforce the restrictions on use of the Property provided for in this Easement), nor to maintain, or keep up the Property, and the parties agree that Grantor retains all such rights and control exclusively.

Grantor shall indemnify Grantee, and its directors, officers, agents, volunteers, and employees (collectively, the "Indemnified Parties"), from any court awarded damages, together with reasonable attorney's fees and expenses incurred by Grantee and/or the Indemnified Parties, and all attorneys' fees and expenses assessed against Grantee and/or the Indemnified Parties, resulting from any and all of the following:

(i) Personal injury or property damage that occurs on the Property not due to the negligent or intentional act or failure to act of Grantee and/or its agents; and

(ii) Liability, including, but not limited to, liability under CERCLA, and/or similar local, state or federal laws, relating to cleanup of hazardous materials or substances that were released or in any way deposited on or migrated to the Property, other than by Grantee and/or its agents.

A party's rights and obligations pursuant to this Easement shall terminate upon transfer of that party's interest in the Easement, or in all of the Property, as the case may be, except that liability for the acts or omissions of such party during the time that such party held an interest in the Property shall survive transfer of any interest in the Property with respect to such party.

25. COST RECOVERY CHARGES. Grantee reserves the right to recover from Grantor, its successors and assigns, its costs incurred in responding to requests initiated by Grantor involving matters such as boundary line adjustments, easement amendments, project reviews for ecosystem

services, preparation of reports to facilitate sales, access or utility easements over the Property, and review of gas or oil plans.

26. SUBORDINATION. CITY NATIONAL BANK OF WEST VIRGINIA (f/k/a Community Bank), herein the Lender, is the note holder under a certain deed of trust dated February 12, 2009 and recorded February 12, 2009, in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia ("Clerk's Office") as Instrument No. 090000366, which subjects the Property to the Lender's lien. The Lender hereby consents to the terms, conditions, and restrictions of this Easement, [including without limitation the grant of the Access Easement], agrees that the lien represented by said deed of trust shall be subordinated to and be held subject to this Easement [including without limitation the Access Easement], and joins in this Easement to reflect its direction to the Trustee to execute this Easement to give effect to the subordination of such deed of trust to this Easement [including without limitation the Access Easement]. The Trustee joins in the execution of this Easement to confirm that in the event of foreclosure under the deed of trust or other sale of the property described in the deed of trust under judicial or non-judicial proceedings, the property will be sold subject to this Easement.

[Counterpart signature pages follow]

GRANTOR:

ALLEN P. DAHL

CAROLYN M. DAHL

THOMAS P. DAHL

KRISTEN F. DAHL

DEBRA D. CALDWELL

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Allen P. Dahl and Carolyn M. Dahl.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Thomas P. Dahl and Kristen F. Dahl.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Debra D. Caldwell.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

[Counterpart signature page 2 of 4]

Accepted:

GRANTEE:

CITY OF STAUNTON, VIRGINIA

By: _____

Its: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of
_____ 2019, by _____, a _____ of the City of Staunton, Virginia.

Notary Public

(SEAL)

My commission expires: _____

Registration No. _____

[Counterpart signature page 3 of 4]

LENDER:

CITY NATIONAL BANK OF WEST VIRGINIA

By: _____

Its: _____

Dated: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me, the undersigned Notary Public, for and in the jurisdiction aforesaid, this _____ day of _____, 2019, by _____ [*name of officer*], as _____ [*title of officer*] of CITY NATIONAL BANK OF WEST VIRGINIA, on behalf of the corporation.

Notary Public

My commission expires: _____

Registration No. _____

(SEAL)

[Counterpart signature page 4 of 4]

_____, Trustee
Victor M. Santos
Dated: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Victor M. Santos,
Trustee.

Notary Public

(SEAL)

My commission expires: _____
Registration No. _____

7704455.23 040218.00001

EXHIBIT A
Easement Plat

7704455.23 040218.00001

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Nancy Bowman Special Advisor	
Item #	6		Doug Guynn City Attorney
Ordinance #			Steve Owen City Manager
Department:	City Council (as to part (a) of motion) City Attorney (as to part (b) of motion) City Manager (as to part (c) of motion)		
Subject:	Closed Meeting for: (a) Consultation with the Special Advisor to City Council Related to Consideration of Information on Candidates Applying and Potentially Interviewing for the Position of City Manager; (b) Consultation with Legal Counsel Regarding Aspects of the Process Related to the Recruitment and Consideration of Candidates for the Position of City Manager; and (c) Discussion Concerning the Expansion of an Existing Business Where No Previous Announcement Has Been Made, as to Plans and Timetable That Would Involve the City’s Public Rights of Way and Public Places		

Suggested Motion:

Before the closed meeting: I move to enter a closed meeting for (a) consultation with the special advisor to City Council related to consideration of information about candidates applying and potentially interviewing for the position of city manager, pursuant to Virginia Code Section 2.2-3711(A)(1); (b) consultation with legal counsel regarding aspects of the process related to the recruitment and consideration of candidates for the position of city manager, pursuant to Virginia Code Section 2.2-3711(A)(8); and (c) discussion concerning the expansion of an existing business

where no previous announcement has been made, pursuant to Virginia Code Section 2.2-3711(A)(5), as to plans and timetable that would involve the City's public rights of way and public places.

Second. Discussion. Vote – Clerk of Council to poll members of Council.

After the closed meeting: I move that Council reconvene in an open meeting and certify to the best of each member's knowledge that only lawfully exempted public business matters were discussed and that only public business matters as identified in the closed meeting motion were heard, discussed or considered in the meeting.

Second. Discussion. Vote –Clerk of Council to poll members of Council.



CITY OF STAUNTON, VIRGINIA

Proclamation

Arbor Day April 26, 2019

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal;

NOW, THEREFORE, BE IT PROCLAIMED, by Staunton City Council, that April 26, 2019, is hereby designated as

Arbor Day

in the City of Staunton, and Council urges the residents of Staunton, the region and communities across the country to celebrate Arbor Day, to support efforts to protect our trees and woodlands and to plant trees to gladden the heart and promote the well-being of this and future generations.

Adopted this 25th day of April, 2019.

CAROLYN W. DULL, MAYOR

ATTEST: _____
CLERK OF COUNCIL

STAUNTON CITY COUNCIL PUBLIC FORUM**Wednesday, March 27, 2019****7:00 p.m.****Council Chambers**

PRESENT: **Mayor Carolyn W. Dull**
 Ophie A. Kier, Vice Mayor
 James L. Harrington
 R. Terry Holmes
 Erik D. Curren
 Brenda O. Mead

ABSENT: **Andrea Oakes**

ALSO PRESENT: **Douglas L. Guynn, City Attorney**
 Suzanne F. Simmons, Clerk of Council

Mayor Dull called the public forum to order. The Pledge of Allegiance was recited in unison.

Mayor Dull stated Council wanted to hear from the public regarding the qualifications for the City Manager. She then introduced Nancy Bowman, former director of human resources for the City, who will be working with City Council as a consultant through the recruitment and selection process.

Mayor Dull stated the City Manager position will be posted on the International City/County Management Association, Virginia Local Government Management Association, and the Virginia Municipal League.

Mayor Dull invited the public to speak on the City Manager position.

The first to speak was Baldwin Jennings of 332 Sharon Lane. Mr. Jennings encouraged Council to consider the current Deputy City Manager, Steve Rosenberg, for the position. He stated he is well qualified and has the experience for the position.

Darlene Schneck, 1410 N. Coalter Street, stated she hoped to see the new City Manager build on what is already great in Staunton. She noted she would like to see a Green team established, work to protect open spaces, and keep the city an inclusive community. Qualities she would like to see are trustworthiness, willing to work together, a good listener, and a passion for caring for the environment. Ms. Schneck asked that Council widen the pool of applicants as much as possible.

Frank Strassler, 16 N. Washington Street, Executive Director of the Historic Staunton Foundation, stated he would like to see the next City Manager embrace, improve, and celebrate the City's evolving culture. For qualities, he would like to see an open, listening person that engages in discussion and seeks advice from local leaders and organizations, a positive role model for City staff. Mr. Strassler feels the next City Manager should help shape the City's future through strong urban planning, support historic preservation efforts through the entire city, building rehabilitation and transportation initiatives, and move toward creating a carbon neutral community.

Rebecca Kohler, 410 Audubon Street, stated she felt this Council is reasonable and makes very good and thoughtful decisions. She stated she felt the top 10 salary earners for the City don't reflect the diversity of the City. She encouraged Council to seek diverse candidates.

John Rorrer, 1838 Springhill Road, stated the City needed a change and wanted a professional, all inclusive search for a City Manager. He noted taking time for the best screening process and the best candidates to choose from would be important. Mr. Rorrer stated he felt a professional firm should be involved in the hiring process. He noted a City Manager should be the best person qualified whether they're hired from within or outside.

Mary Dull, 2017 W. Beverley Street, stated a disadvantage of a professional hiring firm is loyalty. She noted loyalty was a qualification she felt was important. Ms. Dull stated she would like to see the new City Manager work on economic development within the city.

Josh Howard, co-owner of Passel Historical Consultants, stated he would like to see focus on the most vulnerable people in the community, supporting the library, the arts, historic preservation, and public history. He noted he would like to see open and public interviews and felt a hiring firm was not needed.

Pamela Mason Wagner, 164 N. Coalter Street, stated her expectations for the City Manager would be to build on what is great about Staunton. She noted she hoped the person chosen would reflect the diverse population, be a good listener and communicator. She felt their role should focus on leading the city into the future.

Sara Hollberg, 24 Church Street, stated she felt it was possible not to hire a professional firm, but to be broad in searching for applicants and not be rushed in doing so. She noted character is an important qualification along with being a leader, having a vision, and working together as a team. Ms. Hollberg stated having applicants publicly speak might be a good idea.

Adjournment

Mayor Dull thanked the audience for attending and stated Council will try to keep the citizens informed throughout the process.

There being no additional speakers or business to come before Council, the meeting adjourned at 7:33 p.m.

Suzanne F. Simmons
Clerk of Council

City Council
WORK SESSION
March 28, 2019
6:15 p.m.

Council Members Present: Mayor Dull, Vice Mayor Kier, Council Members Curren, Harrington, Holmes, and Mead.

Council Members Absent: Council Member Oakes.

The Mayor called the meeting to order at 6:15 p.m. and the invocation/moment of silence was given by Dr. Curren.

1. Consideration of Work Session and Regular Meeting Agendas

Consistent with Procedural Memorandum No. 3, the agendas were presented for Council consideration.

Dr. Harrington moved to approve the Work Session agenda and the Regular Meeting agenda as presented.

The motion was seconded by Mr. Holmes and carried unanimously as follows:

Mr. Holmes	aye	Mayor Dull	aye
Dr. Curren	aye	Vice Mayor Kier	aye
Dr. Harrington	aye	Ms. Mead	aye

2. Presentation of FY2020 Budget by the City Manager

Steve Owen, City Manager, presented the proposed FY 2020 Budget to City Council. He stated the proposed budget is \$120,466,740 for all funds, which is an increase of \$6.8 million more than the current adopted budget. Mr. Owen stated approximately half of the total budget is the General Fund, proposed at \$59,675,000, a \$3 million increase over FY2019.

Mr. Owen stated the budget is balanced and reflects a stabilized economy and utilizes increased revenues to improve service delivery capabilities in several key areas on which he elaborated. He stated there are no tax increases proposed; however, the real estate reassessment of 2019 has resulted in an effective tax rate increase of \$0.06.

Mr. Owen stated the proposed budget includes recommended fee increases for the water fund, the environmental fund, and the parking fund. He stated there are no increases proposed to the wastewater and stormwater funds.

Mr. Owen then presented proposed budget increases in Expenditures for the City. He also noted budget cuts of over \$2.2 million, not including the school budget.

Mr. Owen stated the City's total outstanding debt for governmental and proprietary funds is \$44,115,950 which is well within the guidelines of the City's Debt Policy.

Mr. Owen stated budget work sessions are scheduled for April 4, 11, 18, and 25, 2019, if needed. Public hearings are scheduled for April 11, and budget adoption is scheduled for April 25, 2019.

Dr. Curren asked, with the real property reassessment resulting in an effective real property tax rate increase of \$0.06, whether this could be adjusted in the future. Mr. Owen stated it could and explained how that might occur.

Dr. Curren asked if the current budget imagined any readjustment of the tax rate at this point. Mr. Owen stated it is not proposed, but it could be discussed at Council's work sessions.

Mayor Dull stated Council would be introducing the ordinance at the Regular meeting.

This will be Item B on the Regular meeting agenda.

3. Discussion of Effective Tax Rate Increase

Mr. Owen noted, because the reassessment would result in an increase of 1% or more in the total real property tax levied, the Code of Virginia requires that City Council conduct a public hearing at which it receives public comment concerning the "effective tax rate increase."

The total assessed value of all real property in the City equals \$2,461,090,017, an increase of 7.43% over 2018. The taxable assessed value, \$2,036,621,148, increased 8.31% over 2018. Total property values, excluding assessments due to new construction or improvements, increased 7.1% over 2018.

The same state code provision specifically dictates the contents of the notice of public hearing to be published and requires that, among other details, the notice state the lowered tax rate necessary to offset the effect of the increased assessment (i.e., \$0.91 per \$100 assessed value) (whether or not the governing body intends to consider the adoption of such a lowered tax rate). The current real property tax rate is \$0.97 per \$100 assessed value.

Jeanne Colvin, Budget Manager, stated there is a public hearing scheduled during tonight's regular meeting, which state law requires to be conducted at a different time than the public hearing on the proposed budget. She noted the public hearing was advertised in *The News Leader* on February 26, 2019.

Ms. Colvin stated the calculation is based on the new assessment minus the building permits and ongoing construction projects, in order to achieve an effective tax rate. She noted it would be a \$0.91 rate to equalize revenue at the current tax rate of \$0.97.

Ms. Colvin stated no action is required of Council after the public hearing. Council will finally determine the real property tax rate on April 25, when the FY2020 budget ordinance is scheduled for consideration.

Mr. Owen stated with the \$0.06 increase and an average home value of \$178,000, this would amount to a \$107.00 increase in real estate taxes.

This will be Item A on the Regular meeting agenda.

4. Discussion of an Ordinance to Increase Water User Fee

Ms. Colvin stated the FY2020 budget proposal includes a 5% water rate increase, effective July 1, 2019, for water consumption. Residential bi-monthly customers will be billed at the new rate beginning with utility bills issued on September 10, 2019. Monthly customers will be impacted with the new rate beginning with the July utility bills. Ms. Colvin stated the rate is proposed to increase to \$3.68/100 cubic feet from \$3.50/100 cubic feet. She noted this increase amounts to approximately \$15.12 a year for a family of four, based on an average bi-monthly consumption of 14/100 cubic feet.

Ms. Colvin stated the Water Fund does have cash reserves of \$2.7 million for the Facility Fee Reserves as required by the City Code. This reserve will be used to partially fund the major capital expenditure of \$6.4 million for improvements to Gardner Spring water supply system over the next several years. She noted this project is currently under study.

Tom Sliwoski, Director of Public Works, stated this the project will improve survivability and redundancy of the pump station, which is in a flood zone. He referred to recent weather conditions and the desire to improve reliability.

Ms. Colvin stated the water deposit required under the City Code of rental customers is proposed to increase \$50, to \$150, to cover the balance on the final bill for customers. The current deposit is \$100 for rental customers. The new deposit amount will also be effective July 1, 2019. Based on an average family's water consumption of 14/100 cubic feet, a final bi-monthly bill would equal \$161.80.

Mayor Dull asked Ms. Colvin with what outstanding balance customers were leaving the City. Ms. Colvin stated this could amount to several hundred dollars. Ms. Colvin noted City Code states the deposit should cover the average final bill.

Introduction of the proposed ordinance is scheduled for Council's regular meeting on March 28, 2019. The ordinance will be scheduled for public hearing during Council's regular meeting on April 11, 2019, with consideration of the ordinance scheduled for the meeting on April 25, 2019.

This will be Item C on the Regular meeting agenda.

5. Discussion of an Ordinance to Increase Refuse and Recycling Rates

Ms. Colvin stated the FY2020 budget proposal includes an increase in refuse and recycling rates by 15%, effective July 1, 2019, to provide sufficient revenue for operating and capital expenses for the Environmental Fund. She noted the increase resulted from discussion at recent meetings and changes to recycling operations. She further noted if Council ceased recycling service, including curbside, the amount of the increase could be reduced to 10%. Ms. Colvin stated this rate is being driven by the capital plan at the landfill in the next few years.

Ms. Colvin stated the budget proposes to use \$350,000 from fund balance to cover the remaining deficit in revenues and to reduce the amount of the rate increase from the actual 20% needed to fund the operation. She noted this will need to be evaluated on a yearly basis.

Bi-monthly customers will be billed at the new rates beginning with utility bills issued on September 10. The proposed increase for residential customers is \$2.48 per month, or \$4.96 per bi-monthly billing cycle.

Vice Mayor Kier asked where other localities were in their percentages or increases to their budgets for this. Ms. Colvin stated there are proposed increases in Augusta County and Waynesboro. She noted \$173,000 of this budget is for capital equipment and development at the landfill for next year, and this is the City's 20% share.

Introduction of the proposed ordinance is scheduled for Council's regular meeting on March 28, 2019. The ordinance will be scheduled for public hearing during Council's regular meeting on April 11, 2019, with consideration of the ordinance scheduled for the meeting on April 25, 2019.

This will be Item D on the Regular meeting agenda.

6. Discussion of Proposed Changes to Parking Rates

Ms. Colvin stated the FY2020 budget proposal includes an increase in the parking rates by 25% for all of the parking garages and lots. She noted this would include the RMA, Augusta Street, and Hardy parking lots as well as the Wharf parking lot and the New Street and Johnson Street parking garages.

Ms. Colvin stated the proposed increase was driven by the need to replace capital equipment and to build a reserve to reseal the garages every 4-5 years. She noted there was \$200,000 to establish the reserve. Ms. Colvin stated the FY2020 budget also appropriates \$177,900 from fund balance and requires an interfund loan from the General Fund of \$289,500 to purchase capital equipment for the New Street parking garage and pay stations for the RMA, Hardy and Augusta Street parking lots. She stated the parking fund is still not self-funding.

Ms. Colvin stated the total Parking Fund FY2020 budget is \$980,475; only \$513,075 in revenues is generated from parking fees. She noted equipment will be purchased first for the New Street parking garage.

Mayor Dull asked if the parking lots and the New Street parking garage will be done in FY2020. Ms. Colvin stated that was correct. She noted the \$289,000 loan can be repaid over 4-5 years and the amount of revenue generated will need to be reviewed once the lots and garages are operational 24/7.

Mayor Dull commented on parking rates in other localities. Ms. Colvin stated the City's rates are very low. Mayor Dull stated citizens would be happy that the pay stations will be accepting credit cards.

Mr. Owen stated this was an adjustment from the original parking plan where the consultants had suggested the City buy the same equipment for both garages and the Wharf parking lot at the same time. He noted that would be ideal, but that the City cannot purchase all of that equipment in the same year.

Ms. Colvin stated all of the ordinances are introductions for tonight's meeting.

With the adoption of the budget, the City Manager will establish formally the increased rates, which requires the approval of Council. Below are the current rates and the proposed rates, to be effective as of July 1, 2019:

CURRENT RATES

Parking Type	Hourly	Daily	Monthly
Garages	\$1.00	\$6.00	\$30.00
Wharf Lot	\$1.00	\$6.00	\$24.00
RMA/Hardy Metered Lot	\$.50	N/A	N/A
10 Hour Meter Pass	N/A	N/A	\$20.00
10 Hour Meter	\$.50	\$5.00	N/A
Augusta Street Lot	\$1.00	\$6.00	\$60.00

PROPOSED RATES

Parking Type	Hourly	Daily	Monthly
Garages	\$1.25	\$7.50	\$37.50
Wharf Lot	\$1.25	\$7.50	\$30.00
RMA/Hardy Metered Lot	\$.75	N/A	N/A
10 Hour Meter Pass	N/A	N/A	\$25.00
10 Hour Meter	\$.75	\$6.25	N/A
Augusta Street Lot	\$1.25	\$7.50	\$75.00

7. Annual Update on Utility Connection Fees and Facility Fees

Tom Sliwoski, Director of Public Works, stated he is required by City Code to brief Council annually on utility connection fees and facility fees, and recommend any rate changes. Mr. Sliwoski shared the following detail concerning current fees:

Concerning connection costs, Mr. Sliwoski shared that the City has a flat fee system for all water and sewer connections. The current water connection fee is \$2,100, and the current sewer connection fee is also \$2,100 in Staunton City Code § 13.40.030. Water connection fees were last adjusted in 2008, and sewer connection fees were last adjusted in 2007.

As shown in the water service connection log shared with Council, seven water connections were made in 2018. The average water connection cost was \$1,702. The running average for the last three years has been \$1,937.

As shown in the sewer service connection log shared with Council, 11 sewer connections were made in 2018. The average sewer connection cost was \$3,855. The running average for the last three years has been \$3,115. Mr. Sliwoski stated for the last 25 connections for sewer, it was running about \$3,013.

Mr. Sliwoski stated staff recommends that connection fees for sewer be increased ultimately to \$3,100, but that the fee be increased incrementally over a two-year period. For FY2020, sewer connection fees would increase by \$500 to \$2,600; in FY2021, sewer connection fees would increase by another \$500 and ultimately reach \$3,100. He noted he would address Council next

year and if the \$500 increase suffices, then the rate could be kept at \$2,600, but if the increase is not sufficient, then he would readdress it next year. No increase in water connection fees is recommended.

Concerning facility fees, Mr. Sliwoski shared that facility fees were last reviewed in April 2016, and were increased in May 2016, based on that review. Currently, facility fees for water (based on a standard 5/8" residential connection) are \$3,500. Facility fees for sewer (based on a standard 5/8" residential connection) are currently \$6,850. Facility fees increase based on the size of the meter.

Mr. Sliwoski noted that staff does not recommend any adjustments to water and sewer facility fees.

Introduction of the proposed ordinance is scheduled for Council's regular meeting on March 28, 2019. The ordinance will be scheduled for public hearing during Council's regular meeting on April 11, 2019, with consideration of the ordinance scheduled for the meeting on April 25, 2019.

Mr. Holmes asked how fees compared to Waynesboro. Mr. Sliwoski stated he did not have that information.

Vice Mayor Kier asked about only having seven water connections made in 2018, and whether that was hurting the City in that more properties are not being built. Mr. Sliwoski stated one of the connections was for irrigation and some were for replacements, and he explained some were not necessarily for new development. Mr. Sliwoski stated he didn't feel this was hurting the City in any way.

Mr. Owen stated these connections were only for residential connections and not commercial use.

Vice Mayor Kier asked about the variances in the sewer connection fees. Mr. Sliwoski explained sewer is typically deeper and involves more labor and construction costs.

This will be Item E on the Regular meeting agenda.

8. Discussion of Authorized Individuals for U.S. Bank and Local Government Investment Pool Program Accounts

Cindy Fitzgerald, Interim Director of Finance, stated the City currently has investment accounts at U.S. Bank National Association (U.S. Bank) for the City's investment accounts as well as Local Government Investment Pool (LGIP), administered by the Commonwealth of Virginia Department of the Treasury. She noted due to recent changes in personnel in the City's Finance Department, the City will need to change the authorized individuals on these accounts, so the appropriate City employees may conduct business on behalf of the City with U.S. Bank and LGIP.

Ms. Fitzgerald is an authorized individual on the U.S. Bank accounts in her former name, Cindy Snead. Accordingly, the proposed action reflects her name change from Cindy Snead to Cindy Fitzgerald. Additionally, the authorization reflects the removal of Jeanne Colvin as an authorized individual. Finally, it continues City Treasurer Rick Johnson as an authorized individual.

Mayor Dull stated this was a housekeeping issue.

278 This will be Item F on the Regular meeting agenda.

279

280 The work session adjourned at 6:56 p.m.

281

282

283

284

285

286

287

288

Suzanne F. Simmons
Clerk of Council

REGULAR MEETING OF STAUNTON CITY COUNCIL**Thursday, March 28, 2019****7:30 p.m.****Council Chambers**

PRESENT: **Mayor Carolyn W. Dull**
 Ophie A. Kier, Vice Mayor
 James L. Harrington
 R. Terry Holmes
 Erik D. Curren
 Brenda O. Mead

ABSENT: **Andrea Oakes**

ALSO PRESENT: **Stephen F. Owen, City Manager**
 Steven Rosenberg, Deputy City Manager
 Douglas L. Guynn, City Attorney
 Suzanne F. Simmons, Clerk of Council

Mayor Dull called the meeting to order. The Pledge of Allegiance was recited in unison.

MAYOR'S REPORT

Mayor Dull read the following Proclamation:

PROCLAMATION

WHEREAS, since the colonial period, the Commonwealth of Virginia has closely held the institutions of local government; and

WHEREAS, local governments throughout the Commonwealth provide valuable services to the citizens of the communities they serve; and

WHEREAS, citizen services, such as law enforcement, public health and safety, recreational opportunities, and educating local children, are most often delivered at the local level; and

WHEREAS, in recognition of the work performed by local governments, the Virginia General Assembly, on February 29, 2012, designated the first week in April as Local Government Education Week in Virginia; and

WHEREAS, April 2, 1908 was the date of establishment of the Council-Manager form of government in the City of Staunton, thereby making the first week in April appropriate for this designation; and

NOW, THEREFORE, BE IT PROCLAIMED by Staunton City Council that April 1–7, 2019, is hereby designated as

Local Government Education Week

in the City of Staunton, and that Staunton City Council and the Staunton City School Board will partner to promote civic education and engagement in an effort to educate citizens about their local government, strengthen the sense of community, and engage the next general of local government managers.

Adopted this 28th day of March, 2019.

/s/ Carolyn W. Dull

CAROLYN W. DULL, MAYOR

ATTEST: /s/ Suzanne F. Simmons

CLERK OF COUNCIL

Mayor Dull presented the proclamation to Laura Van Assendelft. Ms. Van Assendelft stated the Model City Council would be held on April 3, 2019, honoring local government week and involving local high school students.

Mayor Dull stated she'd attended the ribbon cutting of the Woodrow Wilson Presidential Library new exhibit entitled "Sons of Staunton." She noted this exhibit honors the Statler Brothers and encouraged everyone to visit.

Mayor Dull stated several Council members had delivered Meals on Wheels earlier in the week.

ADDITIONAL ITEMS BY MEMBERS OF COUNCIL

Dr. Curren stated Local Government Week reminded him that for 111 years Staunton has enjoyed the service of city managers who have helped the City have a very efficient form of government. He noted the City has been honored by the service of excellent city managers and acknowledged Mr. Owen, who recently announced his retirement.

APPROVAL OF MINUTES

Mr. Holmes moved to approve the work session and regular meeting minutes of February 28, 2019.

The motion was seconded by Dr. Harrington and carried as follows:

Dr. Curren	aye	Vice Mayor Kier	aye
Ms. Mead	aye	Mayor Dull	aye
Mr. Holmes	aye	Dr. Harrington	aye

Dr. Harrington moved to approve the work session and regular meeting minutes of March 14, 2019.

The motion was seconded by Vice Mayor Kier and carried as follows:

Ms. Mead	aye	Mayor Dull	aye
Mr. Holmes	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Dr. Curren	aye

REGULAR MEETING

A. Public Hearing of Effective Real Property Tax Rate Increase

Steve Owen, City Manager, stated Jeanne Colvin is the City's current Budget Manager and would be handling the next four items.

Ms. Colvin stated a public hearing would be held for the reassessment, effective January 1, 2019. She noted the Code of Virginia requires this to be held when the reassessment exceeds 1% of current revenue values based on the \$0.97 real estate tax rate. She stated, based on the reassessment, this is an effective tax rate increase of \$0.06 and otherwise the rate would need to be lowered to \$0.91 to equalize the revenue.

Ms. Colvin stated this public hearing is required to be held separately from the budget public hearing that is scheduled for April 11, 2019. She noted Charles Haney, City Assessor, was also present to answer questions from Council members.

The Public Hearing was opened.

John Rorrer, 1838 I Springhill Road, stated he was opposed to the way Council presents this as an effective tax rate as not being an increase in taxes. He asked if Council could offer better explanations for citizens' understanding.

A woman wishing to speak asked to remain anonymous. Doug Guynn, City Attorney, recommended that Mayor Dull accommodate her request and allow her speak. The woman voiced concern, as a citizen, about increases all happening at one time. Mayor Dull explained this is the time of year for the budget to be addressed and balanced. She also noted increases occur throughout the year and would not happen at the same time. The woman then asked how the increases were generated. Ms. Colvin explained enterprise fund operations.

Mayor Dull pointed out to Mr. Rorrer that the advertisement in *The News Leader* regarding the reassessment, requires legal components on how it has to be written. Mr. Rorrer asked to make a rebuttal to her statement. He stated not everyone could understand legal language and asked that a simpler explanation be given to citizens on social media or in the newspaper.

There being no one else wishing to speak, the Public Hearing was closed.

B. Introduction of the FY2020 Budget Ordinance

Ms. Colvin, stated this item was an introduction of an ordinance to propose a budget for Fiscal Year 2020, beginning July 1, 2019. She stated the total budget is \$120,466,740, with \$82 million being for City funds and \$38.4 million for School funds. Ms. Colvin stated this included all of the enterprise funds, all debt payments and the City's Capital Improvement Program, and provides a 3% pay increase for employees on July 1, 2019.

Ms. Colvin stated there are several budget work sessions scheduled starting on April 4, 2019. She noted each Thursday in April will have a budget work session for Council's consideration and to make adjustments. Ms. Colvin stated the public hearing on the FY2020 budget is scheduled for April 11, 2019.

Dr. Harrington moved to introduce the Fiscal Year 2020 Budget Ordinance for the City of Staunton and to schedule a public hearing on the proposed ordinance during Council's regular meeting on April 11, 2019.

The motion was seconded by Mr. Holmes and carried as follows:

Vice Mayor Kier	aye	Dr. Curren	aye
Mayor Dull	aye	Ms. Mead	aye
Dr. Harrington	aye	Mr. Holmes	aye

C. Introduction of an Ordinance to Increase Water User Fee

Ms. Colvin stated the FY2020 budget proposal includes a 5% water user fee increase, effective July 1, 2019, for water consumption. She noted the rate is proposed to increase to \$3.68/100 cubic feet from \$3.50/100 cubic feet. Ms. Colvin stated residential bi-monthly customers will be billed at the new rate beginning with utility bills issued on September 10, 2019.

Ms. Colvin stated the water deposit, required under the City Code of rental customers, is proposed to increase \$50, to \$150, to cover the balance on the final bill for customers. The current deposit is \$100 for rental customers. The new deposit amount will also be effective July 1, 2019. Based on an average family's water consumption of 14/100 cubic feet, a final bi-monthly bill would equal \$161.80.

Ms. Colvin stated the proposed rate increase would cost a family of four an additional \$2.52 per bi-monthly billing cycle, based on an average bi-monthly consumption of 14/100 cubic feet, or \$15.12 annually.

Ms. Colvin stated this item was an introduction of the proposed ordinance, and a public hearing would be held on April 11, 2019.

Ms. Colvin stated the increase is necessary to cover the increasing operating costs and capital costs to replace/repair major water system infrastructure assets. She noted there is a \$6 million project scheduled for FY2023, to upgrade the Gardner Spring pump station that will improve the reliability of water sources for the City. Ms. Colvin stated this also covers other capital equipment for water

line replacements in FY 2020, and \$250,000 to paint the exterior and interior of the Shutterlee Mill water tank. She noted this is for ongoing maintenance.

Dr. Curren moved to introduce an ordinance to increase water user fees by 5% and to increase the water deposit by \$50, effective July 1, 2019, and to schedule a public hearing on the proposed ordinance during Council's regular meeting on April 11, 2019.

The motion was seconded by Ms. Mead and carried as follows:

Mayor Dull	aye	Ms. Mead	aye
Dr. Harrington	aye	Mr. Holmes	aye
Dr. Curren	aye	Vice Mayor Kier	aye

D. Introduction of an Ordinance to Increase Refuse and Recycling Rates

Ms. Colvin stated the FY2020 budget proposal includes a 15% refuse and recycling rate increase, effective July 1, 2019. She noted this is also driven by capital expenses at the regional landfill that includes members from Staunton, Waynesboro and Augusta County

Ms. Colvin stated this is projected out over several years and will require several rate increases. She noted this year includes \$173,000 in costs for landfill equipment and development. In FY2022, she noted those costs increase to \$600,000, and the presently proposed increase will help buffer a larger increase later. She noted this also concerns the recent trend in the recycling market, and that the City will be required to purchase a new truck at a cost of \$160,000 in order to continue the curbside recycling program.

Ms. Colvin stated this would be discussed at a future budget work session with a public hearing scheduled for April 11, 2019.

Ms. Mead moved to introduce an ordinance to increase refuse and recycling fees by 15%, effective July 1, 2019, and to schedule a public hearing on the proposed ordinance during Council's regular meeting on April 11, 2019.

The motion was seconded by Mr. Holmes and carried as follows:

Mayor Dull	aye	Ms. Mead	aye
Dr. Harrington	aye	Mr. Holmes	aye
Dr. Curren	aye	Vice Mayor Kier	aye

E. Introduction of an Ordinance to Increase Sewer Connection Fees

Tom Sliwoski, Director of Public Works, stated sewer connection fees were last adjusted in 2007. He noted there is currently a \$2,100 flat fee. Mr. Sliwoski stated last year the actual costs of sewer connections averaged approximately \$3,855. The running average for the last three years has been \$3,115.

Mr. Sliwoski stated staff is recommending that connection fees for sewer be increased ultimately to \$3,100, but that the fee be increased incrementally over a two-year period. He stated the City typically averages no more than a dozen connections per year. He noted staff is proposing that Council introduce an ordinance to increase the sewer connection fees from \$2,100 to \$2,600 for FY2020, effective July 1, 2019, with an additional incremental increase from \$2,600 to \$3,100 to be implemented in Fiscal Year 2021, effective July 1, 2020.

Mr. Sliwoski stated the proposed ordinance will be scheduled for public hearing during Council's regular meeting on April 11, 2019, with consideration of the ordinance scheduled for the meeting on April 25, 2019.

Mr. Holmes moved to introduce an ordinance (1) to increase sewer connection fees, from \$2,100 to \$2,600 for Fiscal Year 2020, effective July 1, 2019, with an additional incremental increase from \$2,600 to \$3,100 to be implemented for Fiscal Year 2021, effective July 1, 2020, and (2) to schedule a public hearing on the proposed ordinance during Council's regular meeting on April 11, 2019.

The motion was seconded by Vice Mayor Kier and carried as follows:

Dr. Harrington	aye	Mr. Holmes	aye
Dr. Curren	aye	Vice Mayor Kier	aye
Ms. Mead	aye	Mayor Dull	aye

F. Consideration of Authorized Individuals for U.S. Bank and Local Government Investment Pool Program Accounts

Mr. Owen stated the City currently has a custodial banking arrangement with U.S. Bank National Association (U.S. Bank) for the City's investment accounts as well as Local Government Investment Pool (LGIP), administered by the Commonwealth of Virginia Department of the Treasury. He noted this item is for a housekeeping matter to change authorization signatures on these accounts.

Mr. Owen stated Interim Director of Finance Cindy Fitzgerald is an authorized individual on the U.S. Bank accounts in her former name, Cindy Snead. Accordingly, the proposed action reflects her name change from Cindy Snead to Cindy Fitzgerald. Additionally, the authorization reflects the removal of Jeanne Colvin as an authorized individual. Finally, it continues City Treasurer Rick Johnson as an authorized individual.

Dr. Harrington moved that the Form of Direction – Authorized Signers for U.S. Bank National Association and the Application Form for the Local Government Investment Pool Program be approved, and the Interim Director of Finance be authorized to execute and deliver such documents and such other documents as may be required in connection with the designation of authorized individuals for such accounts.

The motion was seconded by Ms. Mead and carried as follows:

268	Dr. Curren	aye	Vice Mayor Kier	aye
269	Ms. Mead	aye	Mayor Dull	aye
270	Mr. Holmes	aye	Dr. Harrington	aye

271

Matters from the City Manager

273

274 Mr. Owen stated he wanted to offer a point of clarification when he was speaking during the work
275 session. He noted he should have stated it was a sewer connection increase and not a water
276 connection increase.

277

Matters from the Public

279

280 Baldwin Jennings, 332 Sharon Lane, asked if the sewer rates would be increasing on his bill.
281 Mayor Dull stated they would not.

282

283 John Rorrer, 1838 I Springhill Road, asked for the dollar amount of bad debt that the City writes
284 off for customers not paying the water bill during FY2019 or any period of time. Ms. Colvin stated
285 she could obtain those figures for Mr. Rorrer. She noted the amount varies from year to year. Vice
286 Mayor Kier noted a citizen would receive their water deposit back if they did not have an
287 outstanding balance. Mr. Rorrer expressed concern for citizens who rent.

288

289 The earlier anonymous speaker stated she had concerns about the tax increase on recycling. She
290 asked why her bill would increase since recycling services were being reduced. Mayor Dull and
291 Mr. Owen each offered explanations for the reasons of the increase. The woman stated she would
292 suggest the City find a way to generate money other than tax increases. Dr. Curren stated he
293 appreciated her comments. He noted the City does obtain money through economic development
294 and tourism. Dr. Curren stated he would be glad to hear any ideas.

295

296 There was no one else wishing to speak.

297

Adjournment

299

300 There being no further business to come before Council, the meeting adjourned at 8:12 p.m.

301

302

303

304

305

Suzanne F. Simmons
Clerk of Council

City Council
BUDGET WORK SESSION
April 4, 2019
5:30 p.m.

Council Members Present: Mayor Dull, Vice Mayor Kier, Council Members Curren, Harrington, Holmes, Oakes, and Mead.

The Mayor called the meeting of City Council to order.

Steve Owen, City Manager, called on Jeanne Colvin, Budget, Manager to review matters related to the proposed budget for FY2020, including ordinances, general fund revenues, expenditures, capital projects, general fund debt service and proprietary funds.

Ms. Colvin updated Council on the status of the high school project. She stated the initial bid received had been reduced today down to \$48,715,000. She noted construction materials and labor costs had increased since the project began. Ms. Colvin and Dr. Smith reviewed areas where costs were reduced, but Dr. Smith stated this would not impact teaching or learning.

Discussion ensued regarding the bond issue to be considered during the special called meeting later in the evening.

Ms. Colvin stated the FY2020 Budget is \$120,466,740 which is an increase of \$6,780,548 or 6% over the FY2019 Budget. She noted \$82,059,190 is the City Budget or a 7.5% increase, and \$38,707,550 belongs to the School Budget with a 2.8% increase.

Ms. Colvin reviewed with Council the details of the City Manager's proposed budget, using the summary attached as Attachment 1.

Council Members posed questions and engaged in discussion concerning the proposed budget.

The work session adjourned at 6:58 p.m.

Suzanne F. Simmons, Clerk of Council

City of Staunton, VA

FY2020 Budget Work Session

April 4, 2019 5:30 p.m.

1. FY2020 Budget

- a) \$120,466,740, increase of \$6,780,548, or 6.0% over FY2019 Budget
- b) \$82,059,190 City Budget, \$5,727,290 increase, 7.5%
- c) \$38,407,550 School Budget, \$1,053,258 increase, 2.8%

2. Review of Proposed Ordinances

- a) Effective real estate tax rate increase of \$.06 based on reassessment of 8.31%
 - i. One cent = \$203,662
 - ii. \$107 increase to average homeowner

3. General Fund Budget

- a) \$59,675,000, \$3,080,000 increase, 5.4%

4. General Fund Revenues

- a) General Property Taxes - \$1,705,865 increase
 - i. Real Estate - \$1,465,000
 - a. \$1,325,000 increase due to 8.31% re-assessment January 1, 2019
 - b. \$ 100,000 public service corporation's real property value increase
 - c. \$ 35,000 interest and penalty increase
 - d. \$ 5,000 increase in Downtown Service District tax collections
 - ii. Personal Property- \$240,865 increase
 - a. \$260,000 increase in taxable value
 - b. \$133,635 increase in machinery and tools taxable value
 - c. \$ 10,000 increase in penalty and interest
 - d. \$(29,135) decrease due to depreciation
- b) Other Local Taxes – \$782,500 increase
 - i. Meals Tax - \$487,500 increase
 - ii. Sales Tax - \$285,000 increase
 - iii. Bank Stock Tax - \$50,000 increase

- iv. Recordation Tax – \$20,000 increase
- v. Utility Taxes – \$15,000 increase, based on usage
- vi. Lodging Tax – \$0 increase
- vii. BPOL Tax – \$0 increase
- viii. Local Communications Tax – (\$70,000) decrease- state control
- ix. Cigarette Tax – (\$5,000) decrease

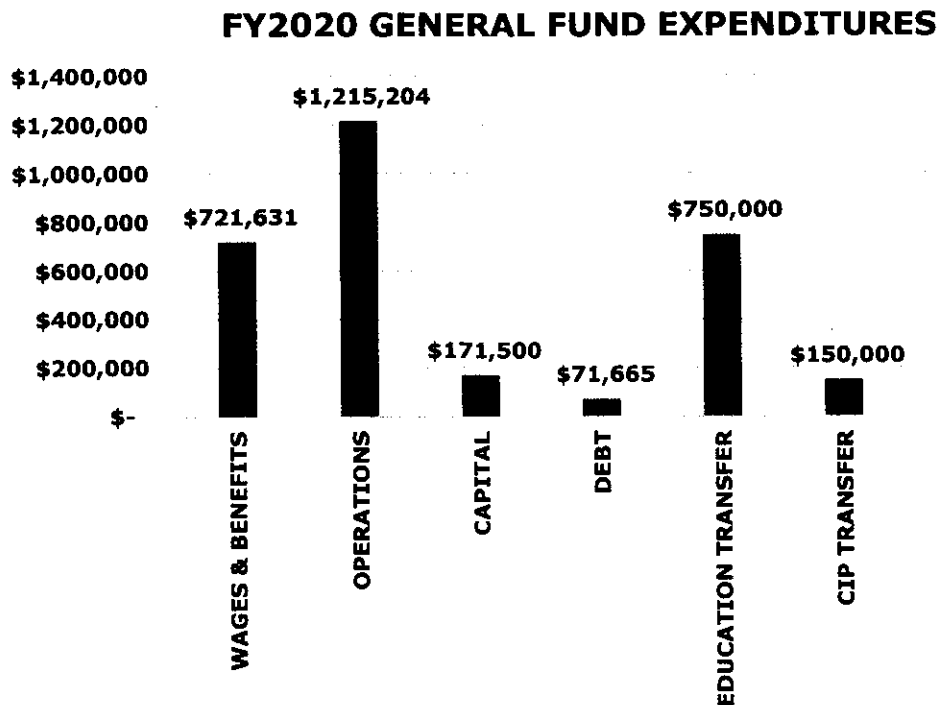
c) Licenses & Permits – \$13,600 increase

- i. Building/mechanical permits – \$10,000 increase
- ii. Police fees – \$3,500 increase
- iii. Circuit Court fee - \$100 increase

d) State and Federal Revenues – \$423,416 increase

- i. Health and Welfare – (\$224,453) decrease, based on service levels/programs
- ii. Children's Services Act (CSA) – \$318,253 increase in caseload
- iii. Street Maintenance – \$165,868 increase
- iv. Constitutional Offices – \$34,913 compensation increases
- v. HB599 Law Enforcement – \$32,794 increase
- vi. Federal – Fire SAFER Grant – \$177,786, \$45,110 increase

5. Expenditures - What's in the Budget? - \$3,080,000 Increase



a) Transfers to Other Funds – \$971,665 increase

- i. Transfer to Education – \$13,950,000 – \$750,000 increase
- ii. Transfer to Debt Service – \$4,894,415 – \$71,665 increase
- iii. Transfer to City CIP – \$841,050 – \$150,000 increase

b) Wages & Benefits- \$721,631

- i. Employees and Constitutional Offices Pay Increase:
 - a. \$476,720 - 3% salary increase effective July 1
 - b. \$ 45,110 increased City share of FEMA Fire Grant Employees
- ii. New Positions:
 - a. \$58,874 - Public Works- Traffic Engineering Crew Leader
 - b. \$22,526 – Library part-time reference position
 - c. \$43,050 – Overtime/on-call pay cost increase
- iii. Fringe Benefits:
 - a. (\$96,312) Health insurance premiums decrease
 - b. \$17,625 - Line of Duty Act increase
 - c. \$154,038 – increase in FICA, VRS, Life benefits

c) Operational Expenditures – General Fund

- i. Middle River Regional Jail – \$2,142,246 – \$567,015 increase
 - a. \$391,929 funded from General Fund
 - b. \$175,086 funded from CIP reserve
 - c. \$670,965 payment from Harrisonburg/Rockingham buy-in supports
General Fund Jail payment, expires FY2025
- ii. Public Works:
 - a. Paving – \$1,150,000 – \$150,000 increase
 - b. Snow Removal Equipment/ Brine Machine- \$88,000
 - c. Professional services-testing of all signal mast arms & bolts -\$20,000
 - d. Traffic Signal Maintenance- \$119,000 increase
 - a. \$54,000- 18 new signal controllers
 - b. \$75,000- paint all historic poles at underpass
 - e. Building Maintenance – \$150,400 service contracts/contracted building
maintenance improvements:
 - 1. \$98,400 annual service contracts for fire extinguishers, alarm
systems, generator, HVAC systems, mercury lamp disposal
 - 2. \$38,000 carpet replacement – City Hall and Cochran Judicial
Center
 - 3. \$8,000 Sears Hill Bridge pressure wash/ weather seal
 - 4. \$6,000 Garden Center at Gypsy Hill Park gutter replacement
 - 5. \$50,000 Fire Station #1 roof repairs funded from CIP
 - 6. \$50,000 Library replace fire alarm system funded from CIP
 - f. Equipment Maintenance-\$8,500 replace lift in garage
- iii. Health and Welfare
 - a. CSA – \$3,100,000 -- \$430,000 increase based on caseload
 - b. ADC Foster Care – \$750,000 – (\$150,000) decrease
 - c. Special Needs Adoption subsidy – \$170,000 --(\$80,000) decrease
 - d. Adoption Subsidy Program – \$1,150,000 --\$0 increase/decrease
 - e. Administrative Expenses - \$ 733,805 -- \$53,429 increase

iv. Parks, Recreation, Cultural, Library

- a. Recreation- Youth Sports Programs - \$18,000 -- \$6,000 increase
- b. Park Maintenance - \$188,500 Maintenance of Park facilities
 - a. \$188,500 repairs to fencing, ballfields, piping/water fountains, pond fountains, stadium seating/bleachers, park restrooms, parking lots, drainage/storm damage
 - b. \$3,000 increase – install aeration pump for Lake Tams
 - c. \$10,000 increase – repair roof at Park Maintenance Shop
 - d. \$13,000 increase- toilets/ services/rentals for events
 - e. \$6,000 increase in chemicals/pools/fertilizers
 - f. \$70,000 increase- replace TOT playground equipment to allow for ADA accommodations-replaces 1994 equipment
- c. Library – \$9,050 increase for books/media/materials

v. Community Development

- a. \$50,500 Professional services-zoning ordinance revisions

6. Capital Projects – \$841,050

- a) \$200,000 Fire Truck Reserve, Reserve balance = \$817,410 July 1, 2019
- b) \$150,000 VDOT Street/Sidewalk Construction Match Funds
- c) \$150,000 Ineligible Streets/Parking Lots paving/repairs
- d) \$100,000 Brick Sidewalk replacements – replace concrete with brick
- e) \$100,000 Public Works Building Maintenance Reserve
- f) \$100,000 Public Works Equipment Maintenance Reserve
- g) \$ 41,050 Blue Ridge Community College CIP

7. General Fund Debt Service – \$4,894,415

- a) Total Debt Service payments FY2020 = \$3,553,080
 - i. \$4,894,415 transferred from General Fund
 - ii. \$1,423,700 added to high school debt reserve account for \$46 million; VPSA General Obligation Bonds to be issued May 2019

8. Proprietary Funds

- a) Water Fund – \$4,979,000, \$574,000 increase, 13.0% increase
 - i. 5% water rate increase, \$148,985 additional revenue
 - a. \$15.12 increase for average family usage
 - ii. Current rate not adequate to fund depreciation costs – \$995,000, only \$427,272 funded in FY2020
 - iii. \$400,000 Water line replacement projects- funded from reserves
 - iv. \$160,000 Preliminary engineering for Gardner Spring Pump Station
 - v. New positions- 1.5 positions - \$75,848 increase
 - a. Upgrade part-time collections position to full-time
 - b. New/ additional utility billing position due to workload from water adjustments/transfers/ stormwater transactions
- b) Sewer Fund – \$4,812,390, \$382,390 increase, 8.6% increase
 - i. No sewer rate increase
 - ii. \$700,000 Old WWTP open channel project to close channel
- c) Stormwater Fund – \$1,586,250, \$371,250, 30.6% increase
 - i. No stormwater rate increase
 - ii. Annual fee revenue = \$785,000
 - iii. Current rate not adequate to fund future capital projects required
 - iv. Fund Balance to pay for capital project \$800,850
 - v. Capital Projects:
 - a. \$1,200,000 Gypsy Hill Park stream restoration project
- d) Parking Fund – \$980,475, \$519,875 increase, 112.9% increase
 - a. 25% Rate increases for lots and garages
 - b. \$289,500 General Fund interfund loan
 - c. \$177,900 Fund Balance for debt service expense
 - d. \$190,400 New Street Garage access control equipment
 - e. \$60,000 Paystations for RMA, Hardy, Augusta Street lots

- e) Environmental Fund – \$3,33,950, \$555,950 increase*, 20.8%
 - i. 15% refuse/recycling rate increase
 - a. \$317,950 additional revenue from increase
 - b. \$29.76 annual increase to resident
 - ii. \$350,000 from fund balance to cover revenue deficit
 - iii. \$820,215 City share of landfill costs
 - iv. \$476,410 cost of recycling collection
 - a. \$160,000 recycling truck replacement

9. General Assembly Changes?

- a) Commonwealth Attorney new position -\$84,628

10. Council questions?

SPECIAL CALLED MEETING OF STAUNTON CITY COUNCIL**Thursday, April 4, 2019****7:00 p.m.****Caucus Room**

PRESENT: **Mayor Carolyn W. Dull**
 Ophie A. Kier, Vice Mayor
 James L. Harrington
 R. Terry Holmes
 Erik D. Curren
 Andrea Oakes
 Brenda O. Mead

ALSO PRESENT: **Stephen F. Owen, City Manager**
 Steven Rosenberg, Deputy City Manager
 Douglas L. Guynn, City Attorney
 Suzanne F. Simmons, Clerk of Council

Mayor Dull called the meeting to order. The Pledge of Allegiance was recited in unison.

1. Consideration of Resolution Authorizing the Issuance of General Obligation School Bonds through Virginia Public School Authority

Jeanne Colvin, Budget Manager, addressed the issuance of general obligation bonds to finance capital improvements to Staunton High School. She stated the bond resolution is scheduled for Council's adoption at tonight's meeting. She noted the bond is in an amount not to exceed \$46 million. The debt will be issued through the Virginia Public School Authority (VPSA). Ms. Colvin stated the bond proceeds, combined with other school funds and an additional \$400,000 from the City, makes the high school project possible.

Ms. Colvin stated the proposed bond resolution provides for the terms of the financing, including the use of proceeds; authorizes the bond sale agreement between the City and VPSA and its execution by the City Manager; addresses bond details, disclosure requirements and tax compliance and private activity use of the proceeds; and authorizes the City to utilize the State Non-Arbitrage Program of the Commonwealth of Virginia (SNAP) in connection with the investment of the proceeds of the bonds.

Ms. Colvin stated the preliminary debt financing schedule provided by VPSA provides for a 3.38% true interest rate cost. The bond sale and final interest rate will be determined after April 29, 2019. The annual debt service will be approximately \$2,433,300 for 30 years. The City used an annual appropriation of \$300,000 and, in 2017, increased the real estate, personal property and meals tax rates to generate \$1,423,700 each year for the debt service, beginning in FY2018. Combined with annual debt service savings, and financial planning prior to this date, the Debt Service Fund will have sufficient funds to pay the debt service on the school bonds with only \$1,423,700 budgeted each year for the debt.

Ms. Colvin stated bids were received for the project on March 28, 2019, with the apparent lowest bid received from Nielsen Construction Company, in the amount of \$45,595,000. City and school

staff are currently negotiating with the company to reduce the bid price. The School Board is scheduled to accept the bid, as finally negotiated, at its April 8, 2019 meeting.

Staff expects to provide and review with Council the final project budget, reflective of the outcome of negotiations, during the budget work session on April 4, 2019.

Council Members posed questions and engaged in discussion concerning the high school project.

Dr. Harrington moved that Council adopt the proposed Resolution Providing for the Issuance of General Obligation School Bonds of the City of Staunton, Virginia, in an Aggregate Principal Amount Not to Exceed \$46,000,000, for the City's public school system, including but not limited to renovation of the high school.

The motion was seconded by Mr. Holmes and carried as follows:

Mayor Dull	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Mead	aye
Ms. Oakes	aye	Dr. Curren	aye
Mr. Holmes	aye		

**RESOLUTION PROVIDING FOR THE ISSUANCE OF
GENERAL OBLIGATION SCHOOL BONDS OF THE CITY
OF STAUNTON, VIRGINIA, IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$46,000,000, TO BE
SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY
AND PROVIDING FOR THE FORM AND DETAILS
THEREOF**

WHEREAS, the School Board (the "School Board") of the City of Staunton, Virginia (the "City"), has, by resolution adopted on February 11, 2019, requested the Council of the City (the "Council") to authorize the issuance of general obligation school bonds and consented to the issuance of such bonds;

WHEREAS, the City held a public hearing, duly noticed, on February 14, 2019, on the issuance of its general obligation school bonds in the estimated maximum principal amount of \$46,000,000 in accordance with the requirements of Section 15.2-2606 of the Code of Virginia of 1950, as amended (the "Virginia Code");

WHEREAS, on February 14, 2019, the Council adopted an ordinance (the "Ordinance") authorizing the issuance of its general obligation school bonds in an aggregate principal amount not to exceed \$46,000,000;

WHEREAS, the Council has determined that it is necessary and expedient to issue a series of general obligation school bonds in an aggregate principal amount not to exceed \$46,000,000 (as further described herein, the "Local Bond") and use the proceeds thereof to finance various capital improvements for the City's public school system, including but not limited to renovation of the high school (collectively, the "Project");

WHEREAS, the Virginia Public School Authority ("VPSA") has offered to purchase the Local Bond along with local bonds of certain other localities using a portion of the proceeds of

certain bonds issued by VPSA in the spring of 2019 (the “VPSA Bonds”), in accordance with the terms of a Bond Sale Agreement (the “Bond Sale Agreement”), between VPSA and the City, the form of which has been presented to this meeting of the Council;

WHEREAS, the Bond Sale Agreement shall indicate that \$46,000,000 is the amount of proceeds requested (the “Proceeds Requested”) from VPSA in connection with the sale of the Local Bond;

WHEREAS, VPSA’s objective is to pay the City a purchase price for the Local Bond that, in VPSA’s judgment, reflects the market value of the Local Bond (the “VPSA Purchase Price Objective”), taking into consideration such factors as the amortization schedule the City has requested for the Local Bond relative to the amortization schedules requested by other localities, the purchase price to be received by VPSA for the VPSA Bonds and other market conditions relating to the sale of the VPSA Bonds; and

WHEREAS, such factors may result in the Local Bond having a purchase price other than par and consequently (i) the City may have to issue the Local Bond in a principal amount that is greater or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) if the maximum authorized principal amount of the Local Bond set forth in Section 1 below does not exceed the Proceeds Requested by at least the amount of any discount attributable to the VPSA Bonds, the purchase price to be paid to the City, given the VPSA Purchase Price Objective and market conditions, will be less than the Proceeds Requested.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA:

Issuance and Sale of the Local Bond and Use of Proceeds. The Council hereby determines to issue and sell the Local Bond in an aggregate principal amount not to exceed \$46,000,000 for the purpose of financing the Project and paying the issuance and financing costs of the Local Bond. The Local Bond shall be issued in the form and upon the terms established pursuant to this Resolution.

Sale of the Local Bond. It is determined to be in the best interests of the City to accept the offer of VPSA and to sell the Local Bond to VPSA at a price, determined by VPSA to be fair and accepted by the City Manager (such term as used herein is hereby defined to include any Deputy City Manager), that is substantially equal to the Proceeds Requested; provided, however, the purchase price for the Local Bond shall not be less than 95% of the aggregate principal amount authorized by Section 1 of this Resolution. The City Manager and such other officer or officers of the City as he may designate, any of whom may act, are hereby authorized and directed to enter into the Bond Sale Agreement with VPSA, providing for the sale of the Local Bond to VPSA. The Bond Sale Agreement shall be in substantially the form submitted to the Council at this meeting, which form is hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing the Bond Sale Agreement, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

Details of the Local Bond. The Local Bond shall (a) be issued in fully registered form, dated 16 days prior to the date of its issuance and delivery or such other date designated by VPSA, (b) be designated “General Obligation School Bond, Series 2019,” or such other designation as the

City Manager shall determine, (c) bear interest from its dated date, payable semi-annually on each January 15 and July 15, beginning January 15, 2020 (each an “Interest Payment Date”), at the rates established in accordance with Section 4 of this Resolution, and (d) shall mature in installments (the “Principal Installments”) payable on each July 15 in the years (each a “Principal Payment Date”) and the amounts to be approved by the City Manager and attached to the form of the Local Bond, subject to the provisions of Section 4 of this Resolution.

Interest Rates and Principal Installments. The City Manager is hereby authorized and directed to accept the interest rates on the Local Bond established by VPSA, provided that each interest rate shall be five one-hundredths of one percent (0.05%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the VPSA Bonds, a portion of the proceeds of which will be used to purchase the Local Bond, and provided further that the true interest cost of the Local Bond shall not exceed five and fifty one-hundredths percent (5.50%) per annum. The Interest Payment Dates and the Principal Installments are subject to change at the request of VPSA. The City Manager is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the Local Bond shall not exceed the maximum principal amount authorized by this Resolution and provided further that the final maturity of the Local Bond occurs no later than December 31, 2049. The execution and delivery of the Local Bond as described in Section 8 hereof shall conclusively evidence the approval and acceptance of all of the details of the Local Bond by the City Manager, as authorized by this Resolution.

Form of the Local Bond. The Local Bond shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

Payment; Paying Agent and Bond Registrar. The following provisions shall apply to the Local Bond:

For as long as VPSA is the registered owner of the Local Bond, all payments of principal, premium, if any, and interest on the Local Bond shall be made in immediately available funds to VPSA at or before 11:00 a.m. on the applicable Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption, or if such date is not a business day for banks in the Commonwealth of Virginia or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next succeeding such Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption.

All overdue payments of principal and, to the extent permitted by law, interest shall bear interest at the applicable interest rate or rates on the Local Bond.

U.S. Bank National Association, is designated as bond registrar and paying agent for the Local Bond (the “Bond Registrar”). The City may, in its sole discretion, replace at any time the Bond Registrar with another qualified bank or trust company as successor Bond Registrar. The City shall give prompt written notice to VPSA of the appointment of any successor Bond Registrar.

Prepayment or Redemption. Unless otherwise directed by VPSA, the Principal Installments of the Local Bond held by VPSA coming due on or before July 15, 2029, and the definitive bond(s) for which the Local Bond held by VPSA may be exchanged that mature on or before July 15, 2029, are not subject to prepayment or redemption prior to their stated maturities. The Principal Installments of the Local Bond held by VPSA coming due on or after July 15, 2030,

and the definitive bond(s) for which the Local Bond held by VPSA may be exchanged that mature on or after July 15, 2030, are subject to prepayment or redemption at the option of the City prior to their stated maturities in whole or in part, on any date on or after July 15, 2029, upon payment of the prepayment or redemption prices (expressed as percentages of Principal Installments to be prepaid or the principal amount of the Local Bond to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

<u>Dates</u>	<u>Prices</u>
July 15, 2029, through July 14, 2030	101%
July 15, 2030, through July 14, 2031	100½
July 15, 2031, and thereafter	100

provided, however, that the Principal Installments of the Local Bond shall not be subject to prepayment or redemption prior to their stated maturities as described above without first obtaining the written consent of VPSA or any other registered owner of the Local Bond. Notice of any such prepayment or redemption shall be given by the Bond Registrar to VPSA or any other registered owner by registered mail not more than ninety (90) days and not less than sixty (60) days before the date fixed for prepayment or redemption.

If VPSA refunds the VPSA Bonds in the future and such refunding causes the Local Bond to be deemed refunded, the prepayment or redemption of the Local Bond by the City will be subject to VPSA approval and subject to similar prepayment or redemption provisions as set forth above as modified to correspond to the call period of the VPSA bonds issued in part to refund the Local Bond.

Execution of the Local Bond. The Mayor and Vice Mayor, either of whom may act, and the Clerk of Council and any Deputy Clerk of Council, either of whom may act, are hereby authorized and directed to execute and deliver the Local Bond and to affix the seal of the City thereto.

Pledge of Full Faith and Credit. For the prompt payment of the principal of and premium, if any, and interest on the Local Bond as the same shall become due, the full faith and credit of the City are hereby irrevocably pledged, and in each year while any portion of the Local Bond shall be outstanding there shall be levied and collected in accordance with law, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, an annual ad valorem tax on all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any, and interest on the Local Bond as such principal, premium, if any, and interest shall become due to the extent other funds of the City are not lawfully available and appropriated for such purpose.

Use of Proceeds Certificate and Certificate as to Arbitrage. The Mayor, the City Manager and such other officer or officers of the City as either may designate, any of whom may act, are hereby authorized and directed to execute and deliver a Use of Proceeds Certificate and Tax Compliance Agreement (the “Tax Compliance Agreement”) setting forth the expected use and investment of the proceeds of the Local Bond and containing such covenants as may be necessary in order to show compliance with the provisions of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and applicable regulations relating to the exclusion from gross income of interest on the VPSA Bonds. The Council covenants on behalf of the City that (a) the proceeds from the

issuance and sale of the Local Bond will be invested and expended as set forth in the Tax Compliance Agreement and that the City shall comply with the other covenants and representations contained therein and (b) the City shall comply with the provisions of the Tax Code so that interest on the VPSA Bonds will remain excludable from gross income for federal income tax purposes.

State Non-Arbitrage Program; Proceeds Agreement. The Council hereby determines that it is in the best interests of the City to participate in the State Non-Arbitrage Program in connection with the investment of the proceeds of the Local Bond. The Mayor, the City Manager and such officer or officers of the City as either may designate, any of whom may act, are hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Local Bond by and among the City, the other participants benefitting from the sale of the VPSA Bonds, VPSA, the investment manager and the depository, in such form as may be approved by the officer executing such Proceeds Agreement, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

Continuing Disclosure Agreement. The Mayor, the City Manager and such other officer or officers of the City as either may designate, any of whom may act, are hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement, substantially in the form attached as Appendix D to the Bond Sale Agreement, setting forth the reports and notices to be filed by the City and containing such covenants as may be necessary in order to show compliance with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, and are hereby directed to make all filings required by the Bond Sale Agreement should the City be determined by VPSA to be a “materially obligated person” for purposes of the VPSA Bonds.

Refunding. The Council hereby acknowledges that VPSA may issue refunding bonds to refund any bonds previously issued by VPSA, including the VPSA Bonds issued to purchase the Local Bond, and that the purpose of such refunding bonds would be to enable VPSA to pass on annual debt service savings to the local issuers, including the City. The Mayor and the Vice Mayor, either of whom may act, are hereby authorized to execute and deliver to VPSA, from time to time, such allonges to the Local Bond, revised debt service schedules, IRS Forms 8038-G or such other documents reasonably deemed by VPSA and VPSA’s bond counsel to be necessary to reflect and facilitate the refunding of the Local Bond and the allocation of annual debt service savings to the City by VPSA. The Clerk of Council and any Deputy Clerk of Council, either of whom may act, are hereby authorized to execute and deliver such documents and to affix the seal of the City thereto.

Election to Proceed under Public Finance Act. In accordance with Section 15.2-2601 of the Virginia Code, the Council elects to issue the Local Bond pursuant to the provisions of the Public Finance Act of 1991, Chapter 26, Title 15.2 of the Virginia Code.

Further Actions. The members of the Council and all officers, employees and agents of the City are hereby authorized to take such actions as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Local Bond, and any such actions previously taken are hereby ratified and confirmed.

Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict with the provisions of this Resolution are repealed.

267 **Effective Date.** This Resolution shall take effect immediately.

268 ADOPTED by the Council of the City of Staunton, Virginia, this 4th day of April, 2019.

269 APPROVED:

270 /s/ Carolyn W. Dull
271 Mayor

272
273 ATTEST:

274
275 /s/ Suzanne F. Simmons
276 Clerk of Council

277
278
279 The work session adjourned at 7:15 p.m.

280
281
282
283
284
285
286
287
288
289

Suzanne F. Simmons
Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Steve Owen
Item #	A	
Ordinance #		
Department:	City Manager	
Council Vision:	Responsive, Efficient Government	
Subject:	Staff Recognition	

Background: Retired Director of Blue Ridge Court Services Dave Pastors will attend Council's regular meeting to receive recognition on the occasion of his recent retirement from City service.

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Stephen F. Owen

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Members: Rodney Rhodes Tim Hartless
Item #	C	
Ordinance #		
Department:	Community Development—Planning and Zoning	
Council Vision:	Resilience	
Subject:	Public Hearing and Consideration of a Request by GAE, LLC, to Amend the <i>City of Staunton, Virginia, Comprehensive Plan 2010–2030</i> , Recommended Land Use Map, by Changing the Recommended Land Use Designation for 806 Hunter Avenue, Parcel #100767, from Medium Density Planned Residential to Recreation/Conservation/Open Space	

Procedural History: At its meeting on December 13, 2018, Council deferred the proposed amendment to the Recommended Land Use Map, of the *City of Staunton, Virginia, Comprehensive Plan 2010 – 2030* “to the date on which the [related] proposed conservation easement is scheduled for consideration by Council, with such further notice as is required to fulfill requirements of state law.” Consideration of the conservation easement is also included on Council’s regular meeting agenda for April 25, 2019. The rescheduled public hearing on amendment of the comprehensive plan was published in *The News Leader* on April 11 and 18, 2019.

Background: GAE, LLC has requested an amendment to the Recommended Land Use Map, of the *City of Staunton, Virginia, Comprehensive Plan 2010 – 2030*, to change the recommended land use designation of 806 Hunter Avenue, a 36-acre parcel of land, from Medium Density Planned Residential to Conservation/Recreation/Open Space. (After submitting the application to amend the Recommended Land Use Map, GAE, LLC distributed title to the property to individual owners of the company and their family members.) The request is made in conjunction with plans to subject the property to a conservation and open space easement, to be held by the City of Staunton. The Virginia Open-Space Land Act,

pursuant to which the easement will be granted, requires that use of the property as open-space land conform with the City's comprehensive plan. Because the current land use designation of the property on the Recommended Land Use Map is Medium Density Planned Residential (i.e., not an open space use), an amendment to the comprehensive plan is required to reflect the use of the property after it is subjected to the easement. The current zoning of the property is R-3, Medium Density Residential District.

Attached to this briefing are maps showing the current and proposed land use designations. The 36-acre parcel runs parallel to Richmond Avenue and adjoins the northern border of Betsy Bell Mountain Park. An appropriate draft resolution approving the proposed amendment will be prepared by staff and provided to Council prior to its regular meeting.

Review: Staff has conducted a review of the request, during which it did not identify any issues. Approval of the request would help to protect the viewshed of Betsy Bell Mountain.

The *Comprehensive Plan* describes the Conservation/Recreation/Open Space designation as:

Conservation/Recreation/Open Space – These areas include lands with aesthetic and visual qualities, lands in the floodplain or those that pose significant limitations to development. Also included are lands owned by the City of Staunton and used for recreation.

Policies for this land use designation include:

- Provide additional greenspace and recreation for future residents.
- Encourage appropriate viewshed protection.
- Green Infrastructure.

Additionally, within the *Comprehensive Plan*, Priority Initiatives and Recommendations, the following recommendation supports the concept of conservation easements on Betsy Bell Mountain:

Initiative

Conserve open space and protect the remaining environmentally sensitive areas in the Staunton-Augusta-Waynesboro region before they are faced with development pressures.

Recommendation

Support efforts to preserve Betsy Bell and Mary Grey [sic] mountains. Enhance use of the public area at Betsy Bell and look into the feasibility of conservation easements for both Betsy Bell and Mary Grey [sic].

Staff recommended approval of the requested amendment to the *City of Staunton, Virginia, Comprehensive Plan 2010-2030*, Recommended Land Use Map. If adopted, the new land use designation will also be incorporated into the *City of Staunton, Virginia, Draft Comprehensive Plan 2018-2040*, currently under review by the Planning Commission.

Planning Commission Recommendation: At its meeting on November 15, 2018, the Planning Commission held a public hearing on the matter. No one spoke in opposition to the request. On a 5-0 vote, the Commission voted unanimously to recommend approval of the amendment, concurring with staff's recommendation.

Attachments:

Attachment 1— Application for Amendment to the Comprehensive Plan, Future Land Use Map and supporting documents provided by applicant

Attachment 2— Current Land Use of 806 Hunter Ave

Attachment 3— Proposed Land Use of 806 Hunter Ave

Suggested Motion (to be made after the public hearing is conducted): I move that Council adopt the proposed resolution amending the *Staunton, Virginia, Comprehensive Plan 2010 – 2030*, Recommended Land Use Map to change the Recommended Land Use Designation of 806 Hunter Avenue from Medium Density Planned Residential to Conservation/Recreation/Open Space.



**APPLICATION FOR AMENDMENT
TO THE COMPREHENSIVE PLAN, FUTURE LAND USE MAP**

Date: October 12 2018

Applicant: GAE, LLC

Address: 2903 N AUGUSTA ST., STAUNTON, VA 24401

Telephone: Primary: 540-849-0358 Secondary: _____

Email address: allenpdahl@gmail.com

If the applicant is NOT the owner of the property in question, explain. A copy of a pending contract or option agreement shall be attached hereto and made a part of this application. Indicate below the name of person to be notified in addition to the applicant:

Name: _____

Address: _____

Phone #: _____

Email address: _____

Location of property: House # and Street 806 HUNTER AVE.
Parcel ID# 100767

Legal description of property: ALL that certain piece, parcel or tract of land with all improvements thereon and appurtenances thereto belonging, lying and being in the City of Staunton, Virginia, containing 36.041± acres in the aggregate, and being more particularly shown and designated as "GAE, LLC Prop# 11579 Inst# 030004169 Inst# 140001744 36.041 acs" on that certain plat prepared by Balzer and Associates, Inc., dated September 15, 2014, entitled "Plat Showing 36.041 Acres to be Dedicated to the City of Staunton" (the "Plat").

BEING part of the same real property conveyed to GAE, LLC by Deed from WS Properties, recorded February 10, 2004, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 040000502, and conveyed to GAE, LLC by Deed from WS Properties, recorded September 26, 2003, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 030004169.

A map must be provided with all applications indicating the specific parcel(s) for which the change of designation is requested. Map Provided: YES ☒ NO ☐

Purpose of request: (please give detailed description, use separate sheet of paper if necessary) _The current Medium Density Planned Residential comprehensive plan designation for the parcel is requested to be amended to Conservation/Recreation designation to conform with the designation of the adjacent Betsy Bell Mountain Park and in furtherance of an anticipated conservation easement to be donated to the City on the parcel. Please note that GAE, LLC plans to distribute the property to individual owners of the parcel.

Present land use designation of property: Medium Density Planned Residential

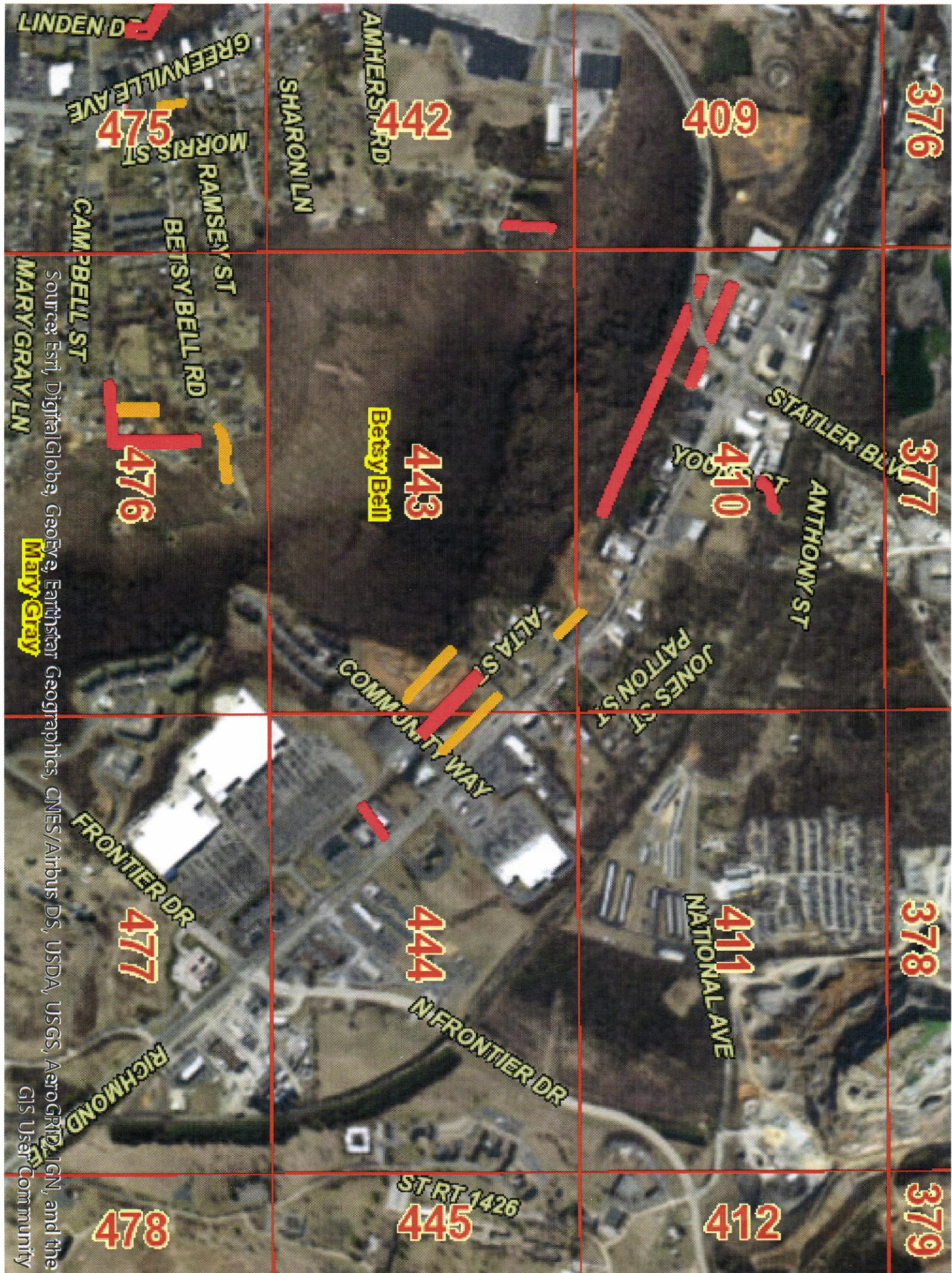
Requested land use designation: Conservation/Recreation

Fee Paid (\$250) YES NO _____ *check or cash only

Signature of applicant: _____

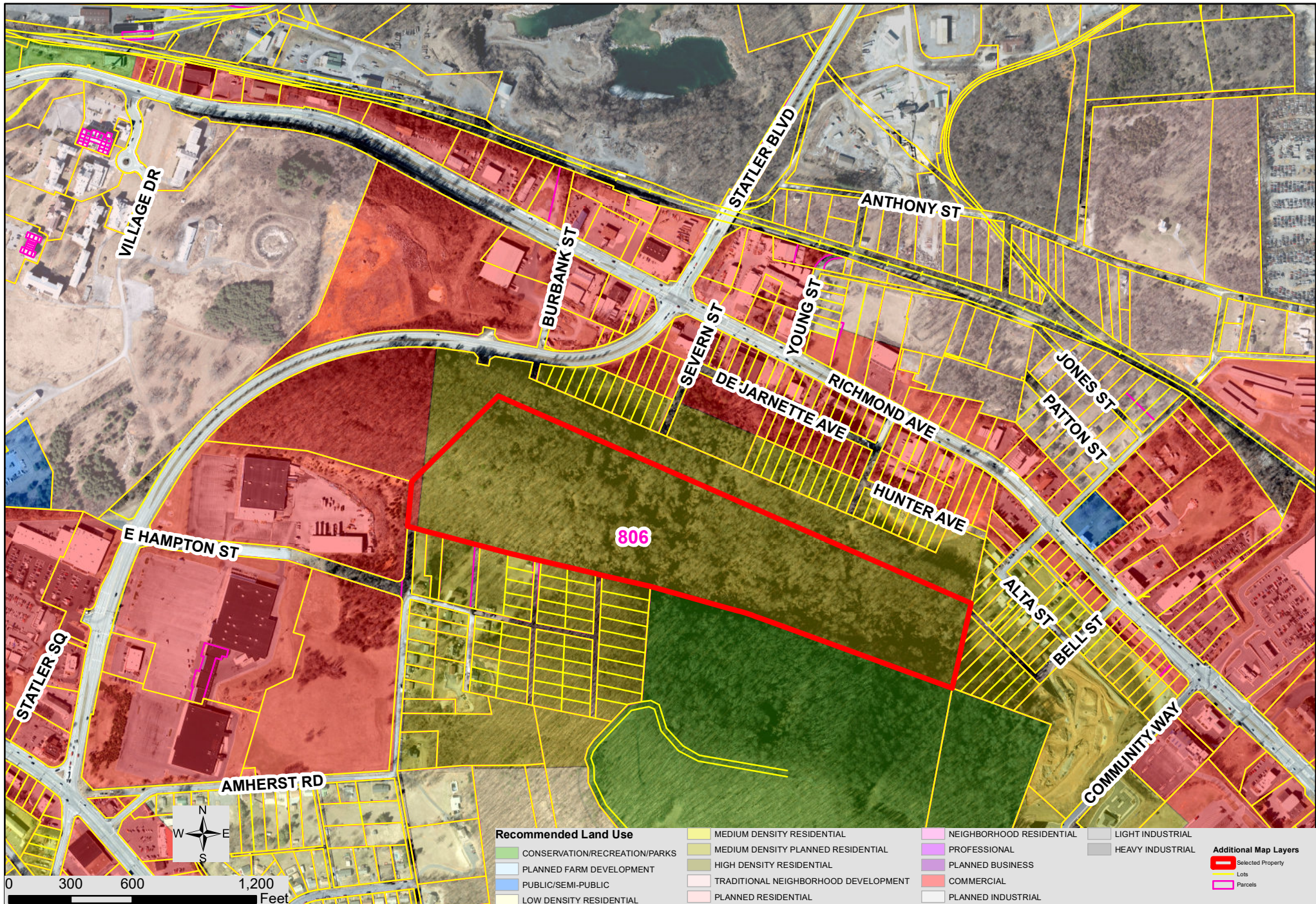
(Owner / Agent)

10583966.3 040218.00001



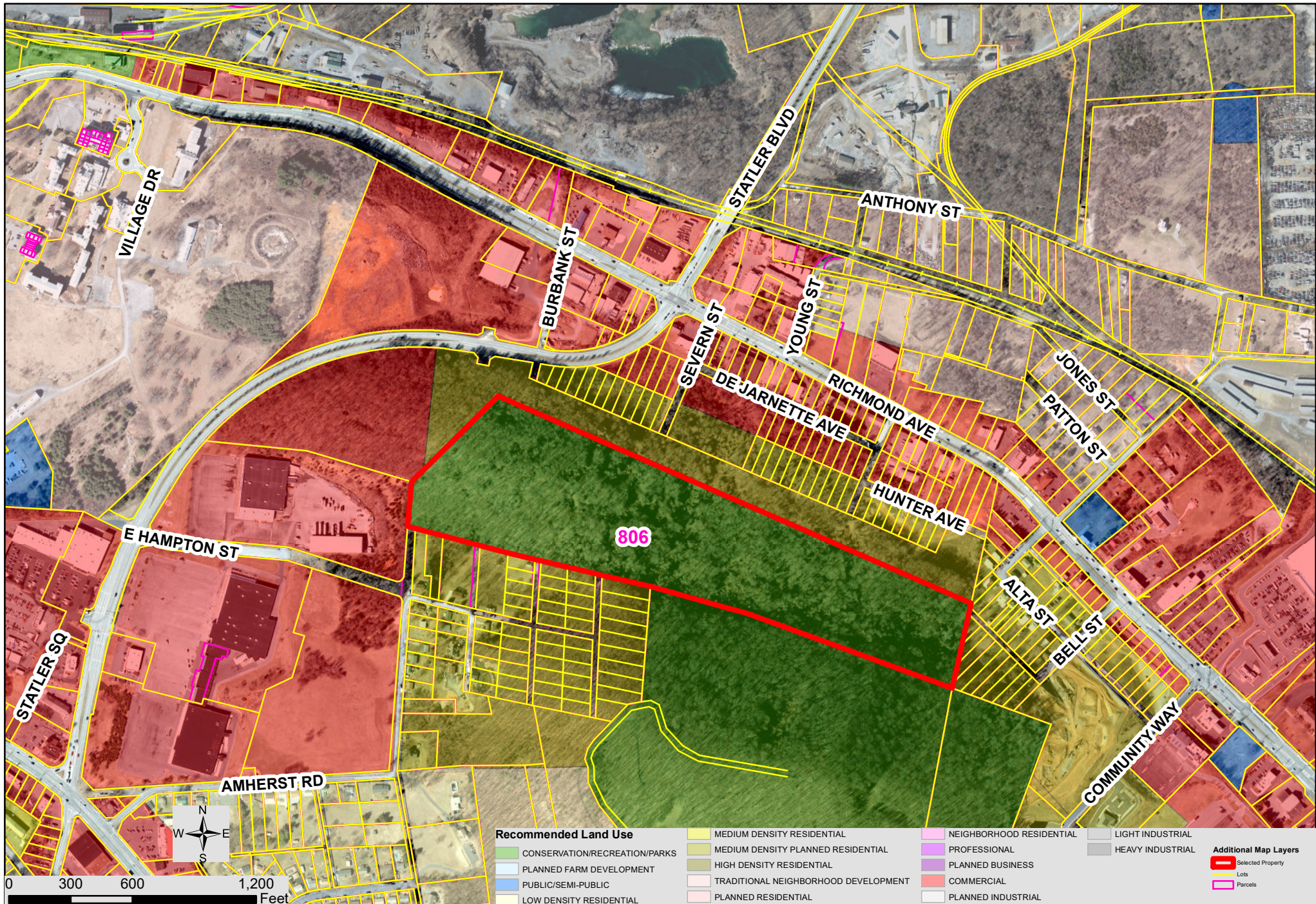
Current Land Use for 806 Hunter Ave

Attachment 2



Proposed Land Use for 806 Hunter Ave

Attachment 3



CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Members: Rodney Rhodes Tim Hartless
Item #	D	
Ordinance #		
Department:	Community Development—Planning and Zoning	
Council Vision:	Built Environment	
Subject:	Public Hearing and Consideration of a Request by the City of Staunton to Amended Chapter 18.125, Minimum Off-Street Parking Requirements, of Title 18, Zoning, of the Staunton City Code	

Background: Staff has prepared proposed amendments to Chapter 18.125, Minimum Of-Street Parking Requirements, of the Zoning Code. The amendments encourage the continued use and reuse of commercial buildings in older developed parts of the City by providing flexibility in the parking requirements. The amendments would be of greatest benefit to commercial buildings that were constructed on smaller lots, where it is difficult and often impossible to provide all of the off-street parking presently required by the Zoning Code. Examples of such areas include: parts of West Beverley Street from Lewis Street west to the City limits, Churchville Avenue west of Gypsy Hill Park to Grubert Avenue, parts of the first block of Springhill Road at its intersection with Churchville Avenue, and parts of North Augusta Street between Churchville Avenue and Edgewood Road.

When a change of use is proposed for a commercial building, staff conducts a parking analysis to determine whether the number of parking spaces provided on-site meets the minimum parking requirement. If the minimum requirement is not met, the business is not permitted at that location. A commercial building vacant for a period in excess of two years loses its legal nonconforming status, and any proposed business must comply with all current parking

requirements. This places a burden on property owners and business owners, especially small business owners, as their businesses are those most likely to be located in these areas.

Review: Currently, Section 18.125.010(1) requires that parking for commercial uses be located on the same lot as the use or within 200 feet of the building that the parking will serve. The proposed amendment would increase that distance to 400 feet, encouraging shared parking arrangements.

Section 18.125.011(4) includes several exceptions to the off-street parking requirements. Staff proposes to eliminate the existing subsection (b), which is redundant, and replace it with proposed subsection (c), providing for an exception to off-street parking requirements for new or continuing businesses in existing buildings, provided they do not expand into additions or into areas of the building that were previously unfinished space.

Neither amendment would impact parking for residential uses. All residential parking must be located on the same lot as the use that it serves and would not be eligible for any of the existing or proposed exceptions.

The following Priority Initiatives and Recommendations of the *City of Staunton, Virginia, Comprehensive Plan 2010-2030* support modifications to the existing parking regulations:

Initiative

Promote the conservation and reuse of existing infrastructure and buildings.

Recommendation

Provide tools and incentives for private rehabilitation of all older structures, not just those in historical or blighted neighborhoods.

Initiative

Reduce the emphasis of parking quantity and increase the importance of parking design and use.

Recommendations

Scale commercial parking requirements to typical use, rather than capacity use, by lowering the minimum level of parking required and limiting the total amount of hard surface parking permitted.

Reduce parking requirements by allowing and promoting shared parking and dual use – especially for redevelopment, transitional areas, and planned mixed-use development.

Initiative

Continue development of a vibrant and active downtown area with enhanced business and residential opportunities.

Recommendation

Encourage development and redevelopment that stimulates increased pedestrian activity in the downtown and adjoining transitional areas.

The amendments provide accommodations for commercial buildings in areas where, without exceptions, the parking nonconformity could eventually render the buildings unusable.

Staff has conducted a review of the proposed amendments, during which it did not identify any issues. Economic Development staff has noted support for these innovative efforts that encourage the use and reuse of commercial buildings.

Planning Commission Recommendation: At its meeting on February 21, 2019, the Planning Commission held a public hearing on the matter. Two individuals spoke in opposition to the amendments. Both expressed concerns with the potential on-street parking impacts of redevelopment of various buildings on West Beverley Street, Church Street and North Washington Street. It was determined that most of the properties in question were already exempt from the parking requirements. After discussion, Planning Commission tabled the item until the March meeting and requested that staff evaluate specific properties as examples to determine potential impacts.

At its meeting on March 21, 2019, after reviewing seven properties that were chosen by staff and Commission members, on a 3-2 vote, the Commission voted to recommend approval of the amendments, concurring with staff's recommendation.

Attachments:

Attachment 1—Proposed Text Change

Attachment 2—Map showing Off-street Parking Exempt Area (this is an area downtown that is already exempt from all off-street parking regulations)

Attachment 3—Examples of Existing Nonconforming Commercial Buildings

Attachment 4—Ordinance

Suggested Motion (to be made after the public hearing is conducted): I move that Council approve the amendments and adopt the ordinance, as presented, amending Chapter 18.125, Minimum Off-Street Parking Requirements, of Title 18, Zoning, as recommended by the Planning Commission.

City Manager: Stephen F. Owen

1 Chapter 18.125
2 MINIMUM OFF-STREET PARKING REQUIREMENTS

3 Sections:

4 **18.125.010 Off-street parking requirements – General.**

5 **18.125.011 Exceptions to off-street parking requirements.**

6 **18.125.020 Off-street parking lot layout, construction, and maintenance.**

7 **18.125.010 Off-street parking requirements – General.**

8 In all districts there shall be provided, at any time any building or structure is erected or enlarged or
9 increased in capacity, off-street parking spaces for automobiles in accordance with the following
10 requirements:

11 (1) Off-street parking for other than residential use shall be either on the same lot, or within ~~200~~400 feet of
12 the building it is intended to serve, measured from the nearest point of the building to the nearest point of
13 the off-street parking lot, along a public sidewalk and without crossing any major thoroughfares. Churches
14 may establish joint parking facilities not to exceed 50 percent of the required spaces, with institutions and
15 agencies that do not have a time conflict in parking demand. ~~The joint parking facilities shall be located no~~
16 ~~further than 400 feet from the church sanctuary.~~

17 (2) Residential off-street parking spaces shall consist of a parking lot, driveway, garage, or combination
18 thereof, and shall be located on the lot they are intended to serve.

19 (3) For uses not specifically mentioned herein, off-street parking requirements shall be interpreted by the
20 planning commission.

21 (4) Any area once designed as required off-street parking shall not be changed to any other use unless
22 and until equal facilities are provided elsewhere.

23 (5) Off-street parking existing at effective date of these regulations in connection with the operation of an
24 existing building or use, shall not be reduced to an amount less than hereinafter required for a similar new
25 building or use.

26 (6) Two or more buildings or uses may collectively provide the required off-street parking, in which case
27 the required number of parking spaces shall be not less than the sum of the requirements for the several
28 individual uses computed separately.

(7) The required off-street parking shall be for occupants, employees, visitors, patrons, and shall be limited in use to motor vehicles. The storage of merchandise, motor vehicles for sale, or the repair of vehicles on such parking area is prohibited.

(8) Every company car, truck, tractor, and trailer normally stored at the plant site shall be provided with off-street parking space in an area reserved for the use as determined by the planning commission.

(9) In cases of dual functioning of off-street parking where operating hours do not overlap, the planning commission may grant an exception.

(10) The minimum number of off-street parking spaces shall be determined in accordance with the following:

Table of Parking Spaces Required

USES	PARKING SPACES REQUIRED
Automobile wrecking, junk, or salvage yard which offers for sale to the public any new or used merchandise	One space for each two employees, plus one space for each 10,000 square feet of lot area, or two spaces for each 100 square feet of floor area, whichever is the greater.
Banks, business, or professional offices	One per 300 square feet of usable floor area, plus one per each three employees.
Barbershop or beauty parlor	Two per barber or beauty shop chair.
Boarding or rooming house	One space for the resident family. One space for each two guests.
Bowling alleys	Five per alley.
Churches	One per four seats, or one per 30 square feet of usable floor area of auditorium, whichever is greater.
Commercial recreation uses	One per three patrons, based on the design capacity of the facility.
Commercial or trade schools	One per three students plus two per three employees.
Country club	One per five members.
Dormitories, fraternity, or sorority	One per each three permanent residents.

Table of Parking Spaces Required

USES	PARKING SPACES REQUIRED
Dwellings (single- and two-family)	One per dwelling unit.
Dwellings (multifamily and attached)	Two spaces per dwelling unit.
Establishments for sale and consumption on the premises of beverages, food, or refreshments	One per three employees, plus one per 100 square feet of usable floor space, or one per three fixed seats, whichever is the greater.
Gasoline service station	One parking space for each employee, plus two spaces for each service bay.
Governmental office building	One per 300 square feet of usable floor area, plus one per each three employees. Every governmental vehicle shall be provided with a reserved off-street parking space.
Group house	One space for each three individuals, plus one space for each supervisor, plus one space for each two employees.
Housing for elderly and/or physically handicapped	One for each two dwelling units per each unit actually housing elderly and/or physically handicapped and two spaces per dwelling unit housing individuals not elderly or handicapped.
Hospitals	One per three patient beds, exclusive of bassinets, plus one space for each two employees including nurses on the maximum working shift, plus adequate area for parking emergency vehicles.
Hotel, motel, etc.	One per each room or suite. When a restaurant is included that may serve the outside public, parking shall be calculated at the same rate as "Establishments for sale and consumption on the premises of beverages, food, or refreshments." For conference or meeting facilities, add one additional space for every four persons based on the design capacity of the conference or meeting area.
Industrial establishments	One per two employees on the combined two largest successive shifts, plus adequate parking space for customer and visitor vehicles as determined by the planning commission.

Table of Parking Spaces Required

USES	PARKING SPACES REQUIRED
Library	One for each 400 square feet of floor space.
Manufactured home	Two spaces per stand or lot.
Medical clinics	Three patient parking spaces per staff doctor, plus one per staff doctor, plus two per three other employees.
Mortuaries or funeral parlors	Five spaces per parlor or chapel unit, or one per four seats, whichever is greater.
Private clubs, lodge, or union headquarters	One per three members based on the design capacity of the facility.
Retail stores, supermarkets, department stores, and personal service establishments except as otherwise specified herein	One per 100 square feet of retail floor space.
Schools shall be provided with parking spaces per the following schedule:	
Elementary, junior high, and the equivalent private or parochial schools	Two spaces per three teachers and employees normally engaged in or about the building or grounds, plus one space for each 150 square feet of seating area, including aisles, in any auditorium.
Senior high schools and the equivalent private or parochial schools	Two spaces per three teachers and employees normally engaged in or about the building or grounds, plus one space per five students or one space for each 150 square feet of seating area, including aisles, in any auditorium, gymnasium, or cafeteria intended to be used as an auditorium, whichever is the greater.
Kindergartens, day schools, and the equivalent private or parochial schools	Two parking spaces per three teachers and employees normally engaged in or about the building or grounds plus one off-street loading space per eight pupils.
Shopping centers	Five and one-half parking spaces per 1,000 square feet of gross leasable area; provided, however, that if more than two-thirds of the gross retail and customer service area for all business establishments is devoted to or occupied by retail food stores and department stores, the parking

Table of Parking Spaces Required

USES	PARKING SPACES REQUIRED
	requirements shall be as provided for supermarkets and department stores. Hardware and furniture stores and all other retail and personal service establishments except as otherwise provided: one space for each 200 square feet of retail space.
Special care facility	One space for each four patient beds plus one space for each staff doctor plus one space for each two employees including nurses.
Stadiums and sports arenas	One per eight seats or 12 feet of benches.
Supermarkets and department stores	One parking space for each 100 square feet of floor area used for retail sales for the first 5,000 square feet and one space for each 200 square feet of retail area above 5,000 square feet.
Swimming pools	One per 30 square feet of water area.
Theaters, auditoriums, and places of assembly without fixed seats	One per three people based on the design capacity of the structure.
Wholesale establishments and business services	One for every 50 square feet of customer service area, plus two per three employees based on the design capacity of the largest shift.

39

40 **18.125.011 Exceptions to off-street parking requirements.**41 The requirements of SCC [18.125.010](#) shall not be applicable to the following:

42 (1) Any lot or parcel in the core business district, beginning at the intersection of Baldwin Street and Lewis
43 Street, thence with Baldwin Street to Central Avenue, thence with the line (center line) of existing Baldwin
44 Street to New Street, thence with New Street to Frederick Street, thence with Frederick Street to Coalter
45 Street, thence with Coalter Street to its intersection with the C&O Railroad, thence with the C&O Railroad
46 to its intersection with Middlebrook Avenue, thence with Middlebrook Avenue to its intersection with Lewis
47 Street, thence with Lewis Street to Baldwin Street to the point of beginning.

48 (2) All that certain lot of parcel of land, with all improvements thereon and appurtenances thereto
49 belonging, situate in the city of Staunton, Virginia, known by present house numbering as 300 Church
50 Street and described as containing 1.435 acres and being in all respects the same property shown on plat

entitled "Plat Showing Smith Fuel Company Lands, Church Street, Staunton, Virginia," dated January 20, 1970, made by Higgs and Shumate, Engineers – Surveyors, said plat being recorded in the clerk's office of the circuit court of the city of Staunton, Virginia, in Deed Book 173, page 225, less however, that portion containing 0.002 acre, more or less, which was conveyed to the commonwealth of Virginia by deed dated October 13, 1988, recorded in Deed Book 290, page 512.

(3) All those two certain lots or parcels of land, together with all improvements thereon, and all rights, privileges and appurtenances thereunto belonging, situate in the city of Staunton, Virginia, more particularly described as Lot 6 (PIN 1611) and Lot 7 (PIN 1612), Block ZZ and designated by present street numbering as 220 and 222 S. Washington Street, Staunton, Virginia.

(4) Any lot or parcel, in addition to that permitted in subsections (1), (2), (3) of this section, with existing commercial buildings and zoned B-1, B-2, B-3, or P-1, with new or continuing business uses, where any of the following conditions already exist exclusive of adjacent unaccepted alleyways and/or streets:

(a) Slopes greater than 15 percent;

~~(b) Front yard(s) less than 25 feet, all side yards less than 15 feet and a rear yard less than 40 feet; or~~

~~(c)~~ Front yard less than 25 feet, side yard(s) less than 40 feet and a rear yard less than 40 feet.

(c) The new or continuing business use occupies only the existing structure(s) without any additions or conversion of unfinished space for business use. Existing parking lots shall be maintained and not be reduced except in conformance with this chapter.

Off Street Parking Exempt Area



 Off Street Parking Exempt Area



0 200 400 800 Feet

Attachment 3

EXAMPLES OF EXISTING NONCONFORMING COMMERCIAL BUILDINGS					
	LOCATION	USE	# AND TYPE OF PARKING SPACES PROVIDED	# OF SPACES REQUIRED BASED ON MOST RECENT USE	CHANGE OF USE - # OF SPACES REQUIRED
1	2216 W Beverley St Fisher Auto Parts	Retail - 1925 SF	None - Asphalt lot with faded striped spaces. Designed to back into the street	Retail - 20 spaces Based on estimated area of building used for retail	Business Office - 7 spaces Restaurant - 25 spaces
2	1518 N Augusta St, Maurice's Seafood	Retail - 1748 SF	None - Asphalt lot without stripes, designed to back into the street	Retail - 18 spaces Residential - 2 spaces	Business Office - 6 spaces Restaurant - 20 spaces
3	812 Richmond Ave, Vess Equipment	Contractor Equipment Rental - 812 SF	None - Gravel lot	17 spaces	Business Office - 6 spaces Restaurant - 12 spaces
4	909 Greenville Ave, Harry's Lunch	Restaurant 970 SF	None - Gravel lot	Restaurant - 11 spaces Residential - 1 spaces	Business Office - 5 spaces Retail - 10 spaces
5	1705 W Beverley St, Mechanic Shop	Auto Service - 3 bays, 1505 SF	No striped spaces	8 spaces	Business Office - 7 spaces Retail - 16 spaces
6	217 W Beverley St, Stonewall Jackson Schoolhouse	Business Office - 12,900 SF Restaurant - 750 SF	Parking lot on side and rear - 14 spaces	Business Office - 48 spaces Restaurant - 10 spaces	Retail - 129 spaces
7	420 Richmond Ave, Steam Plant	Industrial Establishment, 4806 SF	Some parking surface but no striped spaces	1 space, Based on # Employees	Business Office - 20 spaces Restaurant - 52 spaces

SCC 18.125.020(1) Except for parcels of land devoted to one- and two-family uses, all areas devoted to off-street parking shall be so designed, constructed, and be of such size that no vehicle is required to back into a public street to obtain egress.

Minimum size required for a parking space is 9 x 18.

When a change in use occurs, gravel lots must be sealed and parking stalls must be striped.

DISCUSSION DRAFT 4.16.19

Ordinance No. 2019-____

**AN ORDINANCE AMENDING, RESTATING AND REORDAINING
CHAPTER 18.125, MINIMUM OFF-STREET PARKING REQUIREMENTS
OF TITLE 18 ZONING,
OF THE STAUNTON CITY CODE**

Recitals

A. The current off-street parking regulations reflected in SCC § 18.125, Off-Street Parking Requirements, require that any new use must provide at least a minimum number of off-street parking spaces;

B. The minimum number of off-street parking spaces required for each use are determined using the table in SCC § 18.125.010(10), Table of Parking Spaces Required;

C. City staff have determined that in some instances business uses desiring to locate in existing commercial properties zoned B-1, B-2, B-3, or P-1 are unable to provide the required minimum number of off-street parking spaces, resulting in these properties becoming unusable or difficult for business purposes;

D. City staff have proposed an amendment to SCC § 18.125 to allow for such properties to be exempt from providing additional off-street parking spaces;

E. The Staunton Planning Commission, after study and review, determined to recommend approval of the proposed amendment to SCC § 18.125.011 to provide an exception to off-street parking requirements of SCC § 18.125.010 for existing commercial properties; and

F. This matter has been properly advertised, heard, and considered.

G. These recitals are an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Chapter 18.125, Minimum Off-Street Parking Requirements, of Title 18 Zoning, of the Staunton City Code be, and hereby is amended as follows:

18.125.010 Off-street parking requirements – General.

In all districts there shall be provided, at any time any building or structure is erected or enlarged or increased in capacity, off-street parking spaces for automobiles in accordance with the following requirements:

(1) Off-street parking for other than residential use shall be either on the same lot, or within ~~200~~400 feet of the building it is intended to serve, measured from the nearest point of the building to the nearest point of the off-street parking lot, along a public sidewalk and without

crossing any major thoroughfares. Churches may establish joint parking facilities not to exceed 50 percent of the required spaces, with institutions and agencies that do not have a time conflict in parking demand. ~~The joint parking facilities shall be located no further than 400 feet from the church sanctuary.~~

...

18.125.011 Exceptions to off-street parking requirements.

The requirements of SCC [18.125.010](#) shall not be applicable to the following:

(1) Any lot or parcel in the core business district, beginning at the intersection of Baldwin Street and Lewis Street, thence with Baldwin Street to Central Avenue, thence with the line (center line) of existing Baldwin Street to New Street, thence with New Street to Frederick Street, thence with Frederick Street to Coalter Street, thence with Coalter Street to its intersection with the C&O Railroad, thence with the C&O Railroad to its intersection with Middlebrook Avenue, thence with Middlebrook Avenue to its intersection with Lewis Street, thence with Lewis Street to Baldwin Street to the point of beginning.

(2) All that certain lot of parcel of land, with all improvements thereon and appurtenances thereto belonging, situate in the city of Staunton, Virginia, known by present house numbering as 300 Church Street and described as containing 1.435 acres and being in all respects the same property shown on plat entitled "Plat Showing Smith Fuel Company Lands, Church Street, Staunton, Virginia," dated January 20, 1970, made by Higgs and Shumate, Engineers – Surveyors, said plat being recorded in the clerk's office of the circuit court of the city of Staunton, Virginia, in Deed Book 173, page 225, less however, that portion containing 0.002 acre, more or less, which was conveyed to the commonwealth of Virginia by deed dated October 13, 1988, recorded in Deed Book 290, page 512.

(3) All those two certain lots or parcels of land, together with all improvements thereon, and all rights, privileges and appurtenances thereunto belonging, situate in the city of Staunton, Virginia, more particularly described as Lot 6 (PIN 1611) and Lot 7 (PIN 1612), Block ZZ and designated by present street numbering as 220 and 222 S. Washington Street, Staunton, Virginia.

(4) Any lot or parcel, in addition to that permitted in subsections (1), (2), (3) of this section, with existing commercial buildings and zoned B-1, B-2, B-3, or P-1, with new or continuing business uses, where any of the following conditions already exist exclusive of adjacent unaccepted alleyways and/or streets:

DISCUSSION DRAFT 4.16.19

(a) Slopes greater than 15 percent;

~~(b) Front yard(s) less than 25 feet, all side yards less than 15 feet and a rear yard less than 40 feet; or~~

(eb) Front yard less than 25 feet, side yard(s) less than 40 feet and a rear yard less than 40 feet; or

(c) The new or continuing business use occupies only the existing structure(s) without any additions or conversion of unfinished space for business use. Existing parking lots shall be maintained and not be reduced except in conformance with this chapter.

In all other respects, the provisions of chapter 18.125 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:

Adopted:

Effective Date:

Carolyn W. Dull, Mayor

ATTEST: _____

Suzanne F. Simmons
Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Jeanne Colvin
Item #	G	
Ordinance #		
Department:	Budget Office	
Council Vision:	Responsive, Efficient Government Resilience	
Subject:	Ordinance to Increase Water User Fee Attachment: Ordinance	

Background: The FY2020 budget proposal includes a 5% water rate increase, effective July 1, 2019, for water consumption. Residential bi-monthly customers will be billed at the new rate beginning with utility bills issued on September 10. Monthly customers will be impacted with the new rate beginning with the July utility bills. The increase will generate \$148,985 in additional water user fee revenue over the current revenue level of \$2,985,515. The rate is proposed to increase to \$3.68/100 cubic feet from \$3.50/100 cubic feet. The minimum charge per two months by each regular user of City water is proposed to increase from \$17.50 to \$18.40. The bulk water rate is also proposed to increase from \$8.75 to \$9.20 per 750 gallons of water purchased in bulk quantities from the treatment plant. The minimum charge for bulk water purchases of less than 1,500 gallons during a month is proposed to increase from \$17.50 to \$18.40. Rates were last increased effective July 1, 2017, for fiscal year 2018.

The proposed increase would cost a family of four an additional \$2.52 per bi-monthly billing cycle, based on an average bi-monthly consumption of 14/100 cubic feet, or \$15.12 annually.

The increase is necessary to cover the increasing operating costs and capital costs to replace/repair major water system infrastructure assets. Even the 5% rate increase does not generate sufficient revenue to cover the total expense of depreciation of \$995,000 for the Water Fund. The

FY2020 Water Fund budget only funds \$427,272 of depreciation expenses. Funding depreciation, a non-cash expenditure, allows cash reserves to build in a fund for capital projects and annual debt expenditures.

The Water Fund does have cash reserves of \$2.7 million for the Facility Fee Reserves as required by the City Code. This reserve will be used to partially fund the major capital expenditure of \$6.4 million for improvements to Gardner Spring water supply system over the next several years.

The total FY2020 Water Fund budget is \$4,979,000, an increase of \$574,000 over the FY2019 adopted budget. The budget includes capital expenditures of \$762,000 for water line replacements, \$250,000 to paint the Shutterlee Mill water storage tank and funding for one dump truck.

Additionally, the water deposit required under the City Code of rental customers is proposed to increase \$50, to \$150, to cover the balance on the final bill for customers. The current deposit is \$100 for rental customers. The new deposit amount will also be effective July 1, 2019. Based on an average family's water consumption of 14/100 cubic feet, a final bi-monthly bill would equal \$161.80.

The attached draft ordinance to increase the water user fee, effective July 1, 2019, was introduced at Council's regular meeting on March 28, 2019, and a properly noticed public hearing was conducted at Council's regular meeting on April 11, 2019. The ordinance is now before Council for consideration.

City Manager's Recommendation: Recommend that City Council adopt the ordinance.

Suggested Motion: I move that Council adopt an ordinance amending, restating, and reordaining (1) Section 13.20.010, Deposit to ensure payment, of Staunton City Code to increase the deposit amount from \$100.00 to \$150.00 for any occupant not owning the premises to be served by the city water system; and (2) section 13.20.020, Rates generally, of Staunton City Code to increase the water user fee from \$3.50 to \$3.68 per 100 cubic feet, increase the minimum charge each two months by each regular user of city water from \$17.50 to \$18.40, increase the bulk water rate from \$8.75 to \$9.20 per 750 gallons, and increase the minimum charge for bulk water purchases during a month of less than 1,500 gallons from \$17.50 to 18.40, effective July 1, 2019, as presented.

City Manager: Stephen F. Owen

Ordinance No. 2019 - _____

**AN ORDINANCE
AMENDING, RESTATING AND REORDAINING
SECTION 13.20.010, DEPOSIT TO ENSURE PAYMENT,
AND
SECTION 13.20.020, RATES GENERALLY,
OF CHAPTER 13.20, USE CHARGES, OF TITLE 13, ENVIRONMENT
OF THE STAUNTON CITY CODE**

BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Sections 13.20.010 and 13.20.020 of the Staunton City Code are hereby amended to read as follows:

13.20.010 Deposit to ensure payment.

(1) Any occupant not owning the premises to be served by the city water system shall, at the time of applying for service, pay to the chief finance officer the sum of ~~\$100.00~~ \$150.00, to be held as a deposit to ensure the final settlement of his account for water furnished. Such deposit will be refunded, without interest, when the account is closed and the final bill paid.

(2) Notwithstanding the provisions of subsection (1) of this section, the director of finance for the city may waive the requirement of a deposit if the applicant has been a city water customer within the 12 months preceding the application and has established a record of timely payments for such service.

13.20.020 Rates generally.

(1) Except as hereinafter set forth, for the use of water through a connection with meter attachment, the rate and method of assessment shall be according to meter measurement, as follows:

The user fee shall be ~~\$3.50~~ \$3.68 per 100 cubic feet of metered water entering the premises.

(2) There shall be paid each two months, as prescribed, by each regular user of city water a minimum charge per two months of ~~\$17.50~~ \$18.40.

(3) For a fractional part of a two-month period, a bill will be rendered for the actual consumption of water, as indicated by the meter. Where deemed necessary by the chief finance officer, rates may be computed on a monthly basis equal to one-half of the above rates.

(4) The rate at which water will be sold outside the corporate limits of the city shall be one and one-half times the rate at which water is sold inside the corporate limits, with the exception of any contracts in effect specifying a different rate.

(5) The bulk water rate to miscellaneous water customers will be ~~\$8.75~~9.20 per 750 gallons of water purchased.

(6) There shall be paid a minimum charge of ~~\$17.50~~18.40 for bulk water purchases during the month of less than 1,500 gallons for the month.

In all other respects, the provisions of Chapter 13.20 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

This ordinance shall be effective _____, 2019.

Introduced:

Adopted:

Effective:

Carolyn W. Dull, Mayor

ATTEST: _____
Suzanne F. Simmons
Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Jeanne Colvin
Item #	H	
Ordinance #		
Department:	Budget Office	
Council Vision:	Responsive, Efficient Government Resilience	
Subject:	Ordinance to Increase Refuse and Recycling Rates Attachment: Refuse Ordinance	

Background: The FY2020 budget proposal includes a 15% increase in refuse and recycling rates, effective July 1, 2019, to provide sufficient revenue for operating and capital expenses for the Environmental Fund. With the increase, the refuse rate will generate \$2,337,950 in revenues for FY2020. The budget proposes to use \$350,000 from fund balance to cover the remaining deficit in revenues and to reduce the amount of the rate increase from the actual 20% needed to fund the operation. The total expenditure budget for FY2020 equals \$3,233,950. The 15% rate increase will generate an additional \$317,950 for FY2020. Rates were last increased effective July 1, 2017, for fiscal year 2018.

Bi-monthly customers will be billed at the new rates beginning with utility bills issued on September 10. The proposed increase for residential customers is \$2.48 per month, or \$4.96 per bi-monthly billing cycle.

The attached draft ordinance to increase refuse and recycling fees, effective July 1, 2019, was introduced at Council's regular meeting on March 28, 2019, and a properly noticed public hearing was conducted at Council's regular meeting on April 11, 2019. The ordinance is now before Council for consideration.

The FY2020 Environmental Fund budget includes the following expenditures:

Environmental Office	\$97,380	Handling citizen complaints due to sanitary conditions and health hazards; enforcement of City Code requirements
Street Cleaning	\$214,822	Cleaning of all City streets
Refuse Collection	\$820,175	Residential and commercial trash collection
Recycling Collection	\$476,410	Collection of recyclables and capital equipment
Landfill	\$820,215	20.03% City share of landfill operations and capital
Billing and Collections	\$13,600	Bad debt expense and annual software fees for billing
Risk Management	\$75,500	Property and liability insurance; workers' compensation insurance
Transfers to Other Funds	\$709,848	Payment to General Fund and Water Fund for administrative support functions
Litter Control Grant	\$6,000	Commonwealth of Virginia grant for litter control programs
Total FY2020 Budget	\$3,233,950	Increase of \$555,950 over FY2019

Refuse and Recycling Proposed Rate Increases:

	Current Rate	Proposed Rate	Schedule
Residential Refuse Fee	\$16.50	\$18.98	Once/week
Recycling Fee	\$16.50	\$18.98	Once/week
Light Commercial Fee	\$37.47	\$43.09	Once/week
Heavy Commercial—Outside CBD	\$79.27	\$91.16	Once/week
Heavy Commercial—Inside CBD	\$100.72	\$115.83	5 days/Week
Special Unscheduled Pickup	\$82.50	\$95.00	As requested

City Manager's Recommendation: Recommend that Council adopt the ordinance.

Suggested Motion: I move that Council adopt an ordinance, amending, restating and reordaining Section 8.30.110, Fees—Prescribed, of Staunton City Code to increase the refuse and recycling fees 15%, effective July 1, 2019, as presented.

City Manager: Stephen F. Owen

Ordinance No. 2019-_____

**AN ORDINANCE AMENDING, RESTATING AND REORDAINING
SECTION 8.30.110, FEES – PRESCRIBED,
OF ARTICLE II, COLLECTION OF REFUSE BY CITY,
OF CHAPTER 8.30, SOLID WASTE,
OF TITLE 8, HEALTH AND SAFETY,
OF THE STAUNTON CITY CODE**

BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 8.30.110 of the Staunton City Code is hereby amended to read as follows:

8.30.110 Fees – Prescribed.

(1) Residential. For a mandatory fee of ~~\$16.50~~18.98 per month for each single-family unit (to include each unit in a multifamily structure), the city shall provide one weekly pickup of refuse from each residential unit in the city, whether inside or outside the central business district, the basis of computation of the fee being a single-family unit. The fee for refuse collection service for all other than single-family units shall be in an amount adequate to cover all costs to the city for such service, such amount to be established by the director of public works as part of the city's solid waste policy, with the approval of the city manager, but such fee shall not be less than ~~\$16.50~~18.98 per month per unit.

(2) Light Commercial. The mandatory fee for refuse collection service to light commercial customers, whether inside or outside the central business district, shall be ~~\$37.47~~43.09 per month. The light commercial designation shall apply to those customers which place the equivalent of four or fewer bags/containers of refuse at the curb for collection.

(3) Heavy Commercial. The mandatory fee for refuse collection service to heavy commercial customers within the central business district shall be ~~\$100.72~~115.83 and ~~\$79.27~~91.16 for those outside the central business district. The heavy commercial designation shall apply to those customers which place the equivalent of five or more bags/containers at the curb for collection. All full-time restaurants shall be deemed heavy commercial customers.

(4) Special Unscheduled Pickup. When refuse is stored or placed curbside in a manner not otherwise in accordance with the city's solid waste policy, it shall be deemed a request for a

special unscheduled pickup and a crew may be dispatched to collect the refuse. The fee for pickup shall be in an amount adequate to cover all costs to the city for such service, such amount to be established by the director of public works as part of the city's solid waste policy, with approval of the city manager, but such fee shall not be less than ~~\$82.50~~ \$95.00 and shall be charged to the property owner or tenant.

(5) Recyclables and Recycling Bins.

(a) The mandatory fee for the collection of recyclable materials from customers not otherwise charged a refuse collection service fee shall be ~~\$16.50~~ \$18.98 per month.

(b) Each customer shall pay a service fee of \$25.00 for the use of three recycling bins issued by the city. Upon return to the city of the three bins in reasonable condition, ordinary wear and tear excepted, the fee of \$25.00 shall be credited or refunded to the customer.

(6) Collection Outside City Limits. The fee for refuse collection service rendered outside of the city limits shall be in an amount equal to 200 percent of the fee charged for such service in the city limits.

(7) Exemption, Deferral, Modification or Waiver of Fee.

(a) By ordinance, persons may be exempted, deferred, or charged a lesser amount from paying any charges and fees authorized for the collection and disposal of garbage and refuse only if based on the income criteria, as provided by Section 58.1-3211 of the Virginia Code.

(b) The director of public works may waive all or part of the fees for any multifamily structure or commercial customer if contractual arrangements are made and maintained by that customer for adequate containerized service as determined satisfactory by the director of public works.

In all other respects, the provisions of Chapter 8.30 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

This ordinance shall be effective _____, 2019

61

62 Introduced:

63 Adopted:

64 Effective Date:

65

66

67

68

69

Carolyn W. Dull, Mayor

70

ATTEST: _____

71

Suzanne F. Simmons

72

Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Member: Tom Sliwoski
Item #	I	
Ordinance #		
Department:	Public Works	
Council Vision:	Resilience Responsive, Efficient Government	
Subject:	Ordinance to Increase Sewer Connection Fees	

Background: During its work session on March 28, 2019, the Director of Public Works, as required by City Code, briefed Council on utility connection fees and facility fees, and recommended an increase in sewer connection fees.

(a) Connection Fees. The City has a flat fee system for all water and sewer connections. The current water connection fee is \$2,100, and the current sewer connection fee is \$2,100, as referenced in Staunton City Code § 13.40.030. Water connection fees were last adjusted in 2008, and sewer connection fees were last adjusted in 2007.

As shown in the attached water service connection log, seven (7) water connections were made in 2018. The average water connection cost was \$1,702. The running average for the last three years has been \$1,937.

As shown in the attached sewer service connection log, eleven (11) sewer connections were made in 2018. The average sewer connection cost was \$3,855. The running average for the last three years has been \$3,115.

Staff recommends that connection fees for sewer be increased ultimately to \$3,100 but that the fee be increased incrementally over a two-year period. For FY2020, sewer connection fees would increase by \$500 to \$2,600; in FY2021, sewer connection fees would increase

by another \$500 and ultimately reach \$3,100. No increase in water connection fees is recommended.

(b) Facility Fees. Facility fees were last reviewed by the City's engineering consultant in April 2016, and increased in May 2016. Current facility fees for water (based on a standard 5/8" residential connection) are \$3,500. Facility fees for sewer (based on a standard 5/8" residential connection) are \$6,850. Facility fees increase based on the size of the meter. Staff is not recommending any adjustments to water and sewer facility fees.

The attached draft ordinance to increase sewer connection fees was introduced at Council's regular meeting on March 28, 2019, and a properly noticed public hearing was conducted at Council's regular meeting on April 11, 2019. The ordinance is now before Council for consideration.

City Manager's Recommendation: Recommend that City Council adopt the ordinance.

Suggested Motion: I move that Council adopt an ordinance amending, restating and reordaining Section 13.40.030, Sewer Connection and Facility Fees, of Staunton City Code to increase sewer connection fees from \$2,100 to \$2,600, effective July 1, 2019, with an additional incremental increase from \$2,600 to \$3,100, effective July 1, 2020, as presented.

City Manager: Stephen F. Owen

WATER SERVICE CONNECTION LOG

**CITY OF STAUNTON
DEPARTMENT OF PUBLIC WORKS**

CY	Service		Location	Fee	Connection Cost		Running Averages		
	No.	Sum			Total	Avg	All Since Year 2008	Last 25 Connects	Last 3 Years
2018	1	110	126 Stafford St (Habitat for Humanity)	n/a	\$2,357		\$1,860	\$2,126	
2018	2	111	310 Collinswood Dr	\$2,100	\$1,397		\$1,856	\$1,966	
2018	3	112	312 Collinswood Dr	\$2,100	\$1,322		\$1,851	\$1,961	
2018	4	113	314 Collinswood Dr	\$2,100	\$1,103		\$1,844	\$1,941	
2018	5	114	1773 Englewood Dr	\$2,100	\$1,557		\$1,842	\$1,966	
2018	6	115	128 Tams St (MBU Irrigation for athletic field)	\$2,100	\$2,829		\$1,850	\$1,990	
2018	7	116	102 W Liberty St	\$2,100	\$1,352	\$1,702	\$1,846	\$1,935	\$1,937

Totals: \$12,600 \$11,915

SEWER SERVICE CONNECTION LOG

CITY OF STAUNTON
DEPARTMENT OF PUBLIC WORKS

CY	Service		Location		Connection Cost		Running Averages		
	No.	Sum		Fee	Total	Avg	All Since Year 2007	Last 25 Connects	Last 3 Years
2018	1	105	308 Gray Ave	\$2,100	\$2,403		\$1,998	\$2,358	
2018	2	106	511 B St	\$2,100	\$4,756		\$2,024	\$2,445	
2018	3	107	1773 Englewood Dr	\$2,100	\$1,320		\$2,018	\$2,398	
2018	4	108	102 W Liberty St	\$2,100	\$1,456		\$2,013	\$2,342	
2018	5	109	813 Adams St	\$2,100	\$2,973		\$2,022	\$2,404	
2018	6	110	317 Berkley Pl	\$2,100	\$3,693		\$2,037	\$2,457	
2018	7	111	314 Vine St	\$2,100	\$3,726		\$2,052	\$2,530	
2018	8	112	1100 Greenville Ave	\$2,100	\$2,086		\$2,052	\$2,585	
2018	9	113	116 Baldwin St	\$2,100	\$5,669		\$2,084	\$2,724	
2018	10	114	211 W Frederick St	\$2,100	\$5,912		\$2,118	\$2,817	
2018	11	115	220 W Frederick St	\$2,100	\$8,407	\$3,855	\$2,173	\$3,013	\$3,115

Totals: \$23,100 \$42,400

Ordinance No. 2019-_____

**AN ORDINANCE AMENDING, RESTATING AND REORDAINING
SECTION 13.40.030, SEWER CONNECTION AND FACILITY FEES, OF CHAPTER
13.40, CONNECTIONS TO CITY SEWER SYSTEMS, OF TITLE 13, ENVIRONMENT,
OF THE
STAUNTON CITY CODE**

Recitals

- A. In accordance with Staunton City Code Section 13.40.090, the Director of Public Works reviews the water and sewer facility and connection fees during the first quarter of each calendar year and presents to Council for updating;
- B. The Director of Public Works has completed the review and recommends that sewer connection fees be increased ultimately to \$3100, incrementally over a two-year period, from \$2,100 to \$2,600 for the Fiscal Year 2020, effective July 1, 2019, with a subsequent increase recommended from \$2,600 to \$3,100 for the Fiscal Year 2021, effective July 1, 2020;
- C. With no changes recommended for sewer facility fees, water connection fees, and water facility fees, those fees would not change at this time;
- D. These recitals are an integral part of this ordinance.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 13.40.030 of the Staunton City Code is hereby amended to read as follows:

13.40.030 (Effective July 1, 2019) Sewer connection and facilities fees.

(1) Connection Fees.

(a) The charge for all connections shall be ~~\$2,100~~\$2,600. This cost includes the service connection from the main to the right-of-way line, to be paid in advance of such connection. The foregoing notwithstanding, the director of public works may require that a higher deposit be made, prior to connection, if, in his opinion, the cost of such particular connection is likely to exceed ~~\$2,100~~\$2,600. Such deposit may be made in cash, by bond with corporate surety, or by a letter of credit payable to the city approved by the director of public works. If such higher deposit is made and the actual cost exceeds the deposit, the individual requesting the deposit shall owe the difference to the city which shall be due and

payable within 30 days of billing; or, if the actual cost is less than the deposit, the city shall refund the difference to such individual within 30 days of completion of work.

...

13.40.030 (Effective July 1, 2020) Sewer connection and facilities fees.

(1) Connection Fees.

(a) The charge for all connections shall be ~~\$2,600~~\$3,100. This cost includes the service connection from the main to the right-of-way line, to be paid in advance of such connection. The foregoing notwithstanding, the director of public works may require that a higher deposit be made, prior to connection, if, in his opinion, the cost of such particular connection is likely to exceed ~~\$2,600~~\$3,100. Such deposit may be made in cash, by bond with corporate surety, or by a letter of credit payable to the city approved by the director of public works. If such higher deposit is made and the actual cost exceeds the deposit, the individual requesting the deposit shall owe the difference to the city which shall be due and payable within 30 days of billing; or, if the actual cost is less than the deposit, the city shall refund the difference to such individual within 30 days of completion of work.

...

In all other respects, the provisions of Chapter 13.40.030 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:

Adopted:

Effective Date:

Carolyn W. Dull, Mayor

ATTEST: _____
Suzanne F. Simmons
Clerk of Council

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Members: Steve Rosenberg Jeanne Colvin
Item #	J	
Ordinance #		
Departments:	City Manager Finance	
Council Vision:	Responsive, Efficient Government	
Subject:	Proposed Changes to Parking Rates	

Background: The FY2020 budget proposal includes a 25% increase in parking rates to fund operational and capital expenses for the Parking Fund. The increased rates will result in an additional \$110,175 in revenue for the Parking Fund. Increased hourly, daily and monthly rates for the garages, lots and metered spaces are proposed to be effective July 1, 2019.

The total Parking Fund FY2020 budget is \$980,475; only \$513,075 in revenues is generated from parking fees. The proposed rate increase is necessary to fund operations, debt service for the 2018 bonds, and the purchase of capital equipment for the New Street parking garage and pay stations for the RMA, Hardy and Augusta Street parking lots. The rate increase will also allow for a depreciation reserve of \$202,000 annually, required for future capital maintenance of the parking garages structures. The FY2020 budget also appropriates \$177,900 from fund balance and requires an interfund loan from the General Fund of \$289,500 to balance the budget. Annual loan payments can be established in the FY2021 Budget to repay the loan to the General Fund over the next three to five years.

With the adoption of the budget, the City Manager will establish formally the increased rates, which requires the approval of Council. Below are the current rates and the proposed rates, to be effective as of July 1, 2019, as previously presented to Council at its regular meeting on March 28, 2018:

CURRENT RATES

Parking Type	Hourly	Daily	Monthly
Garages	\$1.00	\$6.00	\$30.00
Wharf Lot	\$1.00	\$6.00	\$24.00
RMA/Hardy Metered Lot	\$.50	N/A	N/A
10 Hour Meter Pass	N/A	N/A	\$20.00
10 Hour Meter	\$.50	\$5.00	N/A
Augusta Street Lot	\$1.00	\$6.00	\$60.00

PROPOSED RATES

Parking Type	Hourly	Daily	Monthly
Garages	\$1.25	\$7.50	\$37.50
Wharf Lot	\$1.25	\$7.50	\$30.00
RMA/Hardy Metered Lot	\$.75	N/A	N/A
10 Hour Meter Pass	N/A	N/A	\$25.00
10 Hour Meter	\$.75	\$6.25	N/A
Augusta Street Lot	\$1.25	\$7.50	\$75.00

City Manager's Recommendation: Recommend City Council approve the proposed rates.

Suggested Motion: I move that City Council approve the proposed parking rates, to be effective as of July 1, 2019, as presented and recommended by the City Manager.

City Manager: Stephen F. Owen

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 25, 2019	Staff Members: Steve Owen Jeanne Colvin
Item #	K	
Ordinance #		
Department:	Budget Office	
Council Vision:	Responsive, Efficient Government	
Subject:	Consideration of an Ordinance to Establish a Budget for Fiscal Year 2020, July 1, 2019—June 30, 2020, totaling \$120,066,740 Attachment: Budget Ordinance	

Background: The City Manager presented the FY2020 budget at the March 28 Council meeting. The FY2020 Budget Ordinance was also introduced at this meeting. The public hearing was advertised on April 2 in *The News Leader* and conducted at the April 11 Council meeting.

Council held budget discussions on the proposed budget on April 4, April 11, and April 18 for the City and School Proposed Budgets.

The attached FY2020 Budget Ordinance is presented for consideration at the April 25 meeting. Revisions to the proposed FY2020 budget include:

General Fund revenue decrease—\$400,000:

- (\$400,000) decrease in real estate tax revenue by reducing the real estate tax rate by two cents. The real estate tax rate will be \$0.95/ \$100 of assessed value, effective January 1, 2019.

General Fund expenditure decreases—\$400,000:

- (\$100,000) decrease in the transfer to the Education Fund.
- (\$ 88,100) decrease in the Assessor's office software. The project will be funded from the finance software reserve in the City Capital Improvement Plan.

- (\$88,000) decrease in capital equipment for Public Works.
- (\$50,000) decrease in capital equipment for Parks and Recreation.
- (\$50,000) decrease in the transfer to the Debt Service Fund.
- (\$10,000) decrease in compensation for the city manager's position due to retirement/turnover of the position.
- (\$10,000) decrease in City Council special expenses.
- (\$3,900) decrease in compensation for the finance department due to turnover savings.

The FY2020 Budget Ordinance:

- Totals \$119,916,740 (City Budget = \$81,609,190 and School Budget = \$38,307,550).
- Provides \$13,850,000 in local funding to Staunton City Schools, a \$650,000 increase.
- Provides \$7,384,826 for all annual debt service payments for all funds.
- Provides \$841,050 as a transfer to the City Capital Improvement Fund.
- Reduces the real estate tax rate 2 cents, to \$0.95/\$100, effective January 1, 2019.
- Maintains the current personal property tax rate at \$2.90, effective January 1, 2019.
- Maintains the current machinery and tools tax rate at \$1.24.
- Adds 2.5 full-time employee positions, including 1 for Public Works, and 1.5 for the Water Fund.
- Provides funds for a 3% salary increase for City employees, effective on the July 5, 2019 pay date.
- Provides for a 3% salary increase for Staunton City Schools employees, effective on the July 31, 2019 pay date for 12-month employees, and the August 31, 2019 pay date for 10 and 11-month employees.
- Provides \$873,333 in funding to outside agencies, an increase of \$57,486.
- Provides \$3,862,361 in funding for capital equipment for all funds.
- Provides for a 5% water rate increase.
- Provides no sewer rate increase.
- Provides no storm water rate increase.
- Provides for a 15% refuse/recycling rate increase.
- Provides for a 25% parking rate increase.

City Manager: Recommend Council adopt the FY2020 Budget Ordinance establishing a budget totaling \$119,916,740

Suggested Motion: I move to adopt an ordinance establishing and approving a budget for the City of Staunton and appropriating for fiscal year 2020, funds totaling \$119,916,740 and making an appropriation of a General Fund Transfer to the Education Fund totaling \$13,850,000, and fixing other tax rates and fees as proposed, advertised and considered for public hearing.

City Manager: Stephen F. Owen

Ordinance No. 2019-

**AN ORDINANCE ESTABLISHING A BUDGET FOR THE
CITY OF STAUNTON, VIRGINIA, FOR THE FISCAL YEAR
BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020,
APPROPRIATING FUNDS FOR PUBLIC PURPOSES FOR SUCH FISCAL YEAR;
ESTABLISHING A TAX RATE ON TAXABLE PERSONAL PROPERTY,
REAL ESTATE AND PROPERTY OF PUBLIC SERVICE CORPORATIONS;
ESTABLISHING AND IMPOSING A SERVICE CHARGE ON
CERTAIN REAL PROPERTY EXEMPT FROM TAXATION;
AND CONTINUING IN EFFECT ALL ORDINANCES OF THE
CITY OF STAUNTON, VIRGINIA, RELATING TO TAXES, LICENSES,
FEES, SERVICE CHARGES, COSTS AND OTHER CHARGES AND
ALL ORDINANCES RELATING TO THE TIME OF
PAYMENT THEREOF AND COLLECTION THEREOF, EXCEPT AS HEREIN
SPECIFICALLY MODIFIED**

BE IT ORDAINED by the Council of the City of Staunton, Virginia, as follows:

SECTION 1. The following budget, annexed and incorporated by reference, totaling **\$119,916,740** for the City of Staunton, Virginia for the fiscal year beginning July 1, 2019 and ending June 30, 2020 is hereby proposed, approved and adopted:

(SEE ATTACHED BUDGET, incorporated by reference)

SECTION 2. Public revenues of the City of Staunton, Virginia are hereby appropriated for public purposes for the fiscal year beginning July 1, 2019, and ending June 30, 2020, as set forth in the appropriate Section of such budget.

SECTION 3.

3.1. The tax rate for all real estate, including real estate owned by public service corporations, subject to tax for the calendar year beginning January 1, 2019, shall be and is fixed at \$0.95 per \$100.00 of assessed value of such property per year, with assessed values being established through biennial reassessments pursuant to Section 58.1-3253 of the Code of Virginia, as amended, as of January of every odd numbered year.

3.2. The tax rate for all real property and improvements located in the Downtown Service District is subject to an additional tax for the calendar year beginning January 1, 2019, which shall be and is fixed at \$0.15 (fifteen cents) per \$100.00 of assessed value of such property for calendar year 2019. Assessed values for the Downtown Service District shall be established through biennial reassessments pursuant to Section 58.1-3253 of the Code of Virginia, as amended, as of January 1 of every odd numbered year. These rates shall continue until modified by action of the Council of the City of Staunton, Virginia.

SECTION 4.

4.1. The tax rate for all personal property, including vehicles owned by public service corporations (but excluding machinery and tools, referenced and defined in Section 58.1-3507 of the Code of Virginia, as amended), subject to tax for the calendar year beginning January 1, 2019, shall be fixed at \$2.90 per \$100.00 of assessed value per year.

4.2. The tax rate for machinery and tools as defined in Section 58.1-3507 of the Code of Virginia, as amended, subject to tax for the calendar year beginning January 1, 2019 shall be and is fixed at \$1.24 per \$100.00 of assessed value per year.

SECTION 5. For the period of July 1, 2019, through June 30, 2020, certain categories of property exempted from taxation under Section 58.1-3600 et seq. of the Code of Virginia, as amended, shall be assessed and have imposed a fee or service charge based on the assessed value of the real estate and the amount which the City of Staunton expended in the year preceding for police and fire protection and, in the case of faculty and staff housing of an educational institution, the cost of public school education. The categories of property eligible for such assessment, and the method for calculating the assessment, are prescribed in Section 58.1-3400 et seq. of the Code of Virginia, as amended.

SECTION 6. The rate of service charge or fee imposed for property subject to such charge or fee under Section 5 of this ordinance shall be and is fixed and imposed at \$0.19 per annum per \$100.00 of assessed value and \$0.48 per annum per \$100.00 of assessed value for faculty and staff housing of an educational institution for the 2019 calendar year. The service charge shall be and is payable in one installment on December 15, 2019. Any service charge not paid when due shall bear interest computed at the rate of 10% per annum from the due date until paid.

SECTION 7. The real estate lawfully owned by the County of Augusta lying wholly or partly in the corporate limits of the City of Staunton, Virginia, shall be exempt from the service charge imposed by Section 5 of this ordinance.

SECTION 8. It is the intention of Section 5, 6 and 7 of this ordinance to conform to and meet all the requirements of Section 58.1-3400 et seq. of the Code of Virginia, as amended, and shall be read and construed accordingly.

SECTION 9. The annual salary for each member of the Council of the City of Staunton, Virginia, is hereby established as follows and shall remain in effect until formal action is taken to amend this ordinance:

Mayor	\$11,000
Vice-Mayor	\$10,000
Council Member	\$10,000

SECTION 10.

10.1. The City Manager is hereby authorized to transfer funds from one line item to another line item within each Fund of such budget, with the exception of the general contingency account.

10.2. Authorization is hereby given to the City Manager to withhold or postpone the expenditure of any funds appropriated by and in this ordinance when it appears to the City Manager that it would be in the best interests of the City for such expenditure to be withheld; but, this provision shall not in any way limit or restrict the right of the Council of the City of Staunton, Virginia, in its sole discretion to the fullest extent permitted by law, to direct immediate disbursement of any appropriated funds when the Council of the City of Staunton, Virginia, is of the opinion that the funds should be expended regardless of the position or action or inaction of the City Manager.

SECTION 11. Any ordinance in conflict with this ordinance is hereby repealed to the extent and only to the extent that such conflict exists. However, all ordinances not in conflict with this ordinance shall continue in effect, including specifically all ordinances of the City of Staunton, Virginia relating to taxes, licenses, fees, service charges, costs and payment and collection thereof continuing in effect except as herein specifically modified.

SECTION 12. If any part of this ordinance is found to be invalid by competent authority, the remaining portions of this ordinance shall continue in effect to the fullest extent permitted by law.

INTRODUCED: March 28, 2019

PUBLIC HEARING ADVERTISE DATE: April 2, 2019

PUBLIC HEARING DATE: April 11, 2019

ADOPTED: April 25, 2019

EFFECTIVE DATE: July 1, 2019

Carolyn W. Dull, Mayor

ATTEST:

Suzanne F. Simmons
Clerk of Council

**CITY OF STAUNTON, VIRGINIA
FY 2020 PROPOSED BUDGET**

GENERAL FUND

ANTICIPATED REVENUE

General Property Taxes	\$	26,390,500
Other Local Taxes		15,507,000
Commonwealth of Virginia		12,404,363
Current Service Charges		1,822,366
Federal Revenue		1,283,507
Recovered Costs		1,146,264
Licenses and Permits		280,900
Use of Money and Property		246,100
Fines and Forfeitures		165,500
Miscellaneous		28,500
Total Revenue	\$	59,275,000

APPROPRIATIONS

Transfer to Education Fund	\$	13,850,000
Public Safety		12,087,308
Health and Welfare		7,088,026
Public Works		6,288,654
General Government Administration		6,381,791
Transfer to Debt Service Sinking Fund		4,844,415
Parks, Recreation, Library, and Cultural		3,897,262
Judicial Administration		2,050,032
Community Development		1,938,462
Transfer to the City CIP Fund		841,050
Educational Agency Contributions		8,000
Total Appropriations	\$	59,275,000

DEBT SERVICE SINKING FUND

ANTICIPATED REVENUE

Transfer from the General Fund	\$	4,844,415
Total Revenue	\$	4,844,415

APPROPRIATIONS

Debt	\$	4,844,415
Total Appropriations	\$	4,844,415

CAPITAL IMPROVEMENTS PROJECT FUND

ANTICIPATED REVENUE

Transfer from the General Fund	\$	841,050
Total Revenue	\$	841,050

APPROPRIATIONS

Capital Improvements	\$	841,050
Total Appropriations	\$	841,050

BLUE RIDGE COURT SERVICES FUND

ANTICIPATED REVENUE

Non Capital Grants/ Contributions	\$	772,391
Miscellaneous		100,869
Charges for Services		183,400
Total Revenue	\$	1,056,660

APPROPRIATIONS

Operations	\$	1,056,660
Total Appropriations	\$	1,056,660

WATER FUND**ANTICIPATED REVENUE**

Charges for Service	\$	4,424,000
General Revenues		555,000
Total Revenue	\$	4,979,000

APPROPRIATIONS

Operations	\$	3,361,893
Debt		855,107
Capital		762,000
Total Appropriations	\$	4,979,000

SEWER FUND**ANTICIPATED REVENUE**

Charges for Services	\$	3,870,000
General Revenues		942,390
Total Revenue	\$	4,812,390

APPROPRIATIONS

Operations	\$	2,402,004
Debt		1,412,397
Capital		997,989
Total Appropriations	\$	4,812,390

PARKING FUND**ANTICIPATED REVENUE**

Charges for Services	\$	442,875
Interfund Loan	\$	289,500
General Revenues		248,100
Total Revenue	\$	980,475

APPROPRIATIONS

Operations	\$	262,675
Debt		467,400
Capital		250,400
Total Appropriations	\$	980,475

STORMWATER FUND**ANTICIPATED REVENUE**

Charges for Services	\$	755,000
General Revenues		831,250
Total Revenue	\$	1,586,250

APPROPRIATIONS

Operations	\$	386,250
Capital		1,200,000
Total Appropriations	\$	1,586,250

ENVIRONMENTAL FUND**ANTICIPATED REVENUE**

Charges for Services	\$	2,857,950
General Revenues		370,000
Non Capital Grants/ Contributions		6,000
Total Revenue	\$	3,233,950

APPROPRIATIONS

Operations	\$	2,841,978
Capital		391,972
Total Appropriations	\$	3,233,950

EDUCATION FUND**ANTICIPATED REVENUE**

Commonwealth of Virginia	\$	16,736,477
Transfer from the General Fund		13,850,000
Federal Government		1,761,834
Charges for Services		1,014,781
General Revenues		274,558
Total Revenue	\$	33,637,650

APPROPRIATIONS

Administration and Operation of Schools	\$	33,637,650
Total Appropriations	\$	33,637,650

CAFETERIA FUND**ANTICIPATED REVENUE**

Operating Grants	\$	1,007,100
Charges for Service		318,400
General Revenues		114,500
Total Revenue	\$	1,440,000

APPROPRIATIONS

Operations	\$	1,440,000
Total Appropriations	\$	1,440,000

SCHOOL TEXTBOOK FUND**ANTICIPATED REVENUE**

Commonwealth of Virginia	\$	159,000
General Revenues		141,000
Total Revenue	\$	300,000

APPROPRIATIONS

Operations	\$	300,000
Total Appropriations	\$	300,000

SCHOOL CAPITAL IMPROVEMENTS PROJECT FUND**ANTICIPATED REVENUE**

General Revenues	\$	100,000
Total Revenue	\$	100,000

APPROPRIATIONS

Capital Improvements	\$	100,000
Total Appropriations	\$	100,000

STATE OPERATED PROGRAMS**ANTICIPATED REVENUE**

Operating Grants	\$	2,370,148
General Revenues		459,752
Total Revenue	\$	2,829,900

APPROPRIATIONS

Operations	\$	2,829,900
Total Appropriations	\$	2,829,900

Grand Total Revenues	\$	119,916,740
Grand Total Expenditures	\$	119,916,740
Balance	\$	-