Work Session Agenda
Staunton City Council
Caucus Room
September 26, 2019
5:00 p.m.

Invocation/Moment of Silence—Holmes

5:00 p.m.	**1.**	**Consideration of Work Session and Regular Meeting Agendas**
5:05 p.m.	**2.**	**Update Concerning Evaluation of Water Supply**
5:25 p.m.	**3. & B**	**Discussion of Staunton Crossing Economic Development Business Plan**
5:35 p.m.	**4. & C**	**Discussion of Resolution for the Benefit of Shenandoah Valley Regional Airport Commission**
5:45 p.m.	**5. & D**	**Discussion of Resolution Establishing the Percentage of Relief at 37% for Purposes of the Personal Property Tax Relief Act (PPTRA)**
5:55 p.m.	**6. & E**	**Discussion of an Ordinance to Vacate Utility and Sanitary Sewer Easements and to Accept the Dedication of New Sanitary Sewer and Stormwater Easements within Augusta Terrace Subdivision**
6:05 p.m.	**7.**	**Presentation and Discussion of Gypsy Hill Golf Course Survey**
6:20 p.m.		**Break**
6:30 p.m.	**8.**	**Closed Meeting for: (a) Discussion or Consideration of the Possible Disposition of Publicly Held Real Property(ies) or Interests in Real Property(ies), Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy; and (b) Consultation with**

Legal Counsel for Necessary Legal-Related Advice and Discussion Pertaining to (i) Specific Land Use and Zoning Matters; and (ii) a Claim Involving a Former Employee of One of the City's Departments or Agencies

7:15 p.m.	**Break**

Regular Meeting Agenda
Staunton City Council
Council Chambers
September 26, 2019
7:30 p.m.

Call to Order

Pledge of Allegiance

Mayor's Report

Proclamation—Staunton Music Festival

Additional Items by Members of Council

Approval of Minutes

Work Session and Regular Meeting of September 12, 2019

REGULAR MEETING

A. Presentation on Sister City Viseu du Sus, Romania

B. Consideration of Staunton Crossing Economic Development Business Plan

C. Consideration of Resolution for the Benefit of Shenandoah Valley Regional Airport Commission

D. Consideration of Resolution Establishing the Percentage of Relief at 37% for Purposes of the Personal Property Tax Relief Act (PPTRA)

E. Consideration of an Ordinance to Vacate Utility and Sanitary Sewer Easements and to Accept the Dedication of New Sanitary Sewer and Stormwater Easements within Augusta Terrace Subdivision

Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 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: Steven L. Rosenberg

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Staunton City Council
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September 26, 2019
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Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Staff Members:** **Tom Sliwoski** **Dave Irvin**
Item #	**2**	
Ordinance #		
Department:	**Public Works**	
Council Vision:	**Built Environment** **Resilience**	
Subject:	**Evaluation of Water Supply**	

Background: The Gardner Spring pump station was developed in 1949, and expanded in 1951. An intake from the Middle River was added in 1974, with other improvements later made in 1988. Very minor upgrades have been made to the station over the years. Gardner Spring itself has proven to be a very reliable, high-quality water source for the City.

The consulting firm of Wiley|Wilson was commissioned in 2002, to conduct an evaluation of the North River raw waterline, the reservoirs in the George Washington National Forest, the Gardner Spring pump station, and the spring itself. This resulted in the first major upgrade of the water treatment plant in 2004, followed by the first ever pigging (cleaning) of the North River raw water line in 2007, along with other minor improvements.

As the pump station and its associated systems have been in place for 70 years, reliability, survivability and redundancy need to be addressed. Wiley|Wilson was again commissioned in October 2016, to evaluate the water supply, focusing specifically on Gardner Spring, the pump station, the raw waterline, Middle River and other groundwater sources, with respect to reliability and future growth. That evaluation is completed, and Wiley|Wilson will brief Council on the firm's findings, recommendations and priorities.

The major recommendation is to upgrade the Gardner Spring pump station, including removing it from the flood plain, upgrading pumps, providing emergency back-up power, and constructing the first phase of a parallel line into the water treatment plant. The construction cost of this project, estimated at $6.0 million, is identified in the City's FY2022 Capital Improvement Plan (CIP) Water Fund. Wiley|Wilson also recommends that a groundwater water source evaluation study be conducted (FY2022 CIP), and exploratory groundwater source wells drilled (FY2023 CIP).

Based on the recommendations of Wiley|Wilson, Public Works will be issuing a request for proposals (RFP) for qualified engineering firms to perform a preliminary engineering report (PER), which will be submitted to the Virginia Department of Health (VDH) Office of Drinking Water for approval. The PER is currently funded in the FY2020 budget. This RFP will also include provisions for the successful bidder to take the PER to final design (after approval by VDH), and to provide engineering services during the pre- and final- bid process and during construction. Funding for these actions will be requested in the FY2021 budget.

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Staff Member:** **Billy Vaughn**
Item #	**3 & B**	
Ordinance #		
Department:	**Economic Development**	
Council Vision:	**Economic Development**	
Subject:	**Staunton Crossing Economic Development Business Plan**	

Background: As the City continues its efforts to make the remaining 275 acres of Staunton Crossing more marketable for economic development, the Timmons Group's Economic Development team was engaged to prepare a business plan to determine how to best capitalize on the City's recent momentum and recommend next steps for the development.

City leaders and staff participated in a dynamic stakeholders' meeting on November 8, 2018, to discuss business goals, alternative land use plans, infrastructure priorities and potential next steps. Timmons Group presented the consolidated results of that day at a second stakeholders' meeting on December 13, 2018. At this second meeting, which was expanded to include representatives of local colleges and universities, Staunton City Schools, local developers, and representatives of local utility companies, Buckingham Branch Railroad and the Virginia Department of Transportation, Timmons Group presented the consolidated results of the first meeting and invited comments from the participants. During January 2019, a survey was distributed to attendees of both meetings.

At Council's work session on February 28, 2019, Tim Davey of Timmons Group presented the results and conclusions from the stakeholders' meetings and the survey, and provided recommendations for next steps.

On March 14, 2019, Mr. Davey presented the final plan to the board of directors of the Staunton Economic Development Authority (EDA), and at City Council's work session later that same date, the final plan was presented to Council. At that time, staff recommended the plan be scheduled for consideration by both bodies on a future date.

During the EDA board meeting on April 25, 2019, staff recommended adoption of the final report. Following discussion, members voiced a number of concerns about the report and requested that Mr. Davey attend a future meeting. At the meeting of the EDA board on August 22, 2019, Mr. Davey addressed the board's questions and concerns, and following the discussion, the board voted to approve the plan without changes. The motion also included a recommendation that Council approve the plan.

A summary of the business plan is attached to this briefing. Hard copies of the complete document were previously distributed to Council at its work session on March 14, 2019; it can be viewed online at https://www.stauntonbusiness.com/home/showdocument?id=6320.

Attachment:

Attachment 1—Summary of the Staunton Crossing Business Plan

City Manager's Recommendation: Approve the Staunton Crossing Economic Development Business Plan.

Suggested Motion: I move to approve the Staunton Crossing Economic Development Business Plan, as presented.

City Manager: Steven L. Rosenberg

STAUNTON CROSSING

An Economic Development Business Plan

REPORT SUMMARY

MARCH 2019

PREPARED FOR:

City of Staunton
116 W Beverley St.
Staunton, VA 24401

PREPARED BY:

Timmons Group
1001 Boulders Parkway, Suite 300
Richmond, Virginia 23225

SUMMARY

Timmons Group has completed its report and findings for the Staunton Crossing Economic Development Business Plan. The full report describes a conceptual Master Plan for the City owned real estate and a Business Plan approach to ensuring that Staunton Crossing achieves its highest potential value to the City of Staunton.

Master Plan

Three important stakeholder sessions were conducted to solicit input for Staunton Crossing through a kickoff work session, an interim status/progress work session, and an on-line survey. The full Report shows the results of the input sessions and how Timmons Group combined that valuable input with land planning best practices to recommend a conceptual Master Plan. The full report describes the planning priorities important in crafting the final land use options to build the business plan around. The planning priorities included:

1. *Existing Projects already underway*
2. *Topography and Environmental Constraints*
3. *Land Use Alternatives to achieve highest potential value*
4. *Transportation/Traffic Constraints*
5. *Sewer, Water, Power, Natural Gas Infrastructure Efficiency*
6. *Extensive Stakeholder Feedback/Input*

The results of the Master Plan establish a vision that can potentially produce 1.9 million square feet of economic development and over 3,000 quality jobs in Staunton Crossing. More importantly, the Business Plan establishes targets of how much annual tax revenue and potential for jobs might result for the City.

Business Plan Recommendations

The report includes ten recommendations to make Staunton Crossing attractive to Economic Development prospects and improve the chances for landing target businesses within the development. The ten recommendations include important initiatives the City has already set in motion over the past few years. The full report builds on that momentum and recommends others that will capitalize on the City's investment and best position Staunton Crossing for success over the next 24 months. The ten recommendations are:

1. **Demolish Existing Buildings**

   The City's plan to demolish the old Western State buildings is critically imporant. The City should employ consultants and contractors that can complete the work quickly and cost-effectively and capitalize on a public relations opportunity that provides better visibility for Staunton Crossing.

2. **Build new VDOT Road**

   The City's efforts to secure grant funding for this road is exemplary, and staff should coordinate construction of central parkway through property in a way that opens every land bay to development. The City should be proactive in ensuring completion of project in reasonable timeframes as delays in this stage could delay marketing and dealmaking for Staunton Crossing.

3. **Brownfields Grant Funding**

The City has recently secured grant funding from the Virginia Brownfields Restoration and Economic Redevelopment Fund. Timmons Group recommends completing this process and providing the matching funds necessary to assist with demolition proposed in #1 above.

4. **Return On Investment Analysis** **$50,000-$70,000**

Timmons Group recommends completing an analysis that can be used to track the Return on Investment (ROI) through the life of this project. The report will help ensure that all investments proposed in securing economic development prospects provide an acceptable return to the City. The analysis can also take into consideration previous investments and timing expectations before any construction is commenced using City dollars.

5. **Tier 4 Site Readiness Certification** **(see below)**

Tier 4 Site Readiness will ensure that the City's property is fully embraced by the Virginia Economic Development Partnership (VEDP) and other economic development marketing arms to reach worldwide prospects. Improvements for Tier 4 readiness generally need to be completed within 12 months of commitment, so at a minimum, construction plan approvals need to be in place and ready to implement when the opportunities dictate. Tier 4 site readiness is further detailed below.

6. **Develop Marketing Plan** **$30,000-$40,000**

This Business Plan provides a roadmap for Staunton Crossing that ensures expansive and sustainable growth in the short term, with an eye to long-term opportunities. The City should develop a Marketing plan that identifies these value propositions and drives the message for the park to a wide and diverse audience.

7. **Draft Design Guidelines and Agreements** **$15,000-$20,000**

Developer agreements and design guidelines need to be in place to control and protect the interests of both the City and the businesses that locate in Staunton Crossing.

8. **Draft Covenants and Restrictions** **$25,000-$30,000**

The covenants and restrictions establish from an operational perspective what is and is not allowed in the development, and how future operational and maintenance responsibilities for open space, landscaping, stormwater ponds, etc. should be allocated.

9. **Real Estate Strategies (Control)**

The City should ensure they control the future use of any property needed to achieve the highest level of business plan success. This should be done in the early stages of the business plan.

10. Data Center Strategies $20,000-$25,000

The City should consider investments unique to attracting data centers to Staunton Crossing. The plan should consider working closely with Dominion Energy to discuss electrical infrastrure and revenue strategies, including special data center tax rates, that will maximize the value to the city of designating some of Staunton Crossing as a Data Center site. Consideration should be given to achieving certification as a preferred data center site.

Getting to Tier 4 Certification

Several active steps should be taken to help Staunton Crossing achieve the Tier 4 designation by Virginia Business Ready Sites Program Standards. The significant steps that Staunton Crossing should take include the following:

Diligence - $300,000 - $330,000

- Rezone the Property for Industrial Use
- Conduct a Preliminary Geotechnical Report
- Complete necessary Land survey (ALTA/boundary/topo)
- Complete a Phase 1 ESA
- Traffic Impact Study (if necessary)
- Floodplain and Stormwater Study
- Cultural Resources Study
- Threatened and Endangered Species Study
- Wetland Delineaiton and COE Confirmation
- Natural Gas PER
- Electrical PER

Ready to Construct - $600,000 - $700,000

Several steps should be taken to assure that Construction plans are complete and/or permits for Infrastructure Improvements are secured

- Construction Plans Approved - Water system improvements
- Construction Plans Approved - Wastewater system improvements
- Construction Plans Approved - Transportation Improvements
- Construction Plans Approved - NG system design (if applicable)
- Construction Plans Approved - Stormwater design (if applicable)
- ALL off-site Easements Acquired for Infrastructure Improvements
- Wetlands & environmental permitting complete w/ mitigation

Timeline

The City of Staunton is in a position with current projects and additional recommendations outlined in this report to have a fully marketable site for the world stage by the end of calendar year 2020.

BLDG TYPE	TOTAL SF	YEAR BUILDOUT (%)				
		YEAR 1	YEAR 2	YEAR 5	YEAR 10	YEAR 20
ADV. MFG.	13,125	0	5	20	50	100
DATA	831,250	0	0	100	100	100
OFFICE	375,000	0	0	10	40	100
RETAIL	162,300	0	0	0	100	100

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Steve Rosenberg** **City Manager**
Item #	**4 & C**	
Ordinance #		
Department:	**City Manager's Office**	
Council Vision:	**Responsive, Efficient Government** **Economic Development** **Built Environment**	
Subject:	**Resolution for the Benefit of Shenandoah Valley Regional Airport Commission**	

Background: The Shenandoah Valley Regional Airport Commission (Commission), of which the City of Staunton is a member locality, has determined to undertake a project to construct new aircraft hangar facilities and to upgrade the airport's fuel facilities. Resolutions of the Commission authorizing interim and permanent financing of the project are attached to this agenda briefing.

The Commission has requested that the governing body of each of its member localities approve the incurrence of indebtedness to finance the proposed project. A resolution to effect such approval is also attached to this agenda briefing. As set forth in the resolution, the Commission's incurrence of debt is not a financial obligation of the city.

Greg Campbell, Executive Director of the Commission, will attend Council's work session on September 26, 2019, to share further details about the project and the terms of the interim and permanent financing.

City Manager's Recommendation: Recommend the resolution be adopted, as presented.

Suggested Motion: I move to adopt the proposed resolution for the benefit of Shenandoah Valley Regional Airport Commission, approving and authorizing the Commission's incurrence of debt to finance its project, all as described in the resolution.

City Manager: Steven L. Rosenberg

RESOLUTION

AUTHORIZING AN UP TO $2,986,500 SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION TAXABLE AIRPORT REVENUE NOTE, SERIES 2019, AND PROVIDING THE FORM AND DETAILS THEREOF

WHEREAS, the Shenandoah Valley Regional Airport Commission (the "Commission") is empowered by Chapter 3, Article I, Title 5.1 of the Code of Virginia of 1950, as amended, among other things, and by resolution and agreement by the Counties of Augusta and Rockingham and the Cities of Harrisonburg, Staunton, and Waynesboro (collectively, the "Localities"), to have and exercise, on behalf of such localities, the power and authority to operate and maintain the Shenandoah Valley Regional Airport ("SVRA"); and

WHEREAS, the Commission has determined that it is necessary and desirable to issue its up to $2,986,500 Taxable Airport Revenue Note, Series 2019 (the "Note") and use the proceeds of the Note, together with other funds lawfully available to the Commission, to provide interim funds in anticipation of the Commission's receipt of permanent financing to pay or reimburse the Commission for capital costs to (a) acquire, construct, and equip aircraft hangar facilities at SVRA, (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance expenses (collectively, the "Project"); and

WHEREAS, as set forth in a letter to the Commission dated September 26, 2018 from the United States of America, acting through Rural Housing Service, an Agency of the United States Department of Agriculture ("RHS"), RHS has advised that the Project is eligible for permanent financial assistance which will consist of an up to $3,086,500 permanent loan represented by a bond of the Commission; and

WHEREAS, RHS requires interim financing for the Project and the Commission reasonably expects that long-term, permanent financing for the Project being financed by the Commission on an interim basis with the proceeds of the Note shall ultimately be provided to the Commission by RHS, together with any other lawfully available funds therefor; and

WHEREAS, the Commission has duly held a public hearing upon notice thereof regarding the undertakings contemplated in connection with the issuance of the Note, among other things, and further, the Commission will obtain the concurrence approvals of the Localities with respect to the Note in an original principal amount up to $2,986,500 for interim financing; and

WHEREAS, the Commission now desires to approve the issuance, sale, and award of the Note in order to provide interim financing for the Project as required by RHS; and

NOW, THEREFORE, BE IT RESOLVED BY THE SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION as follows:

1. **Authorization of Interim Financing by Issuance of Note**. The Commission hereby determines that it is necessary and expedient to issue the Note in order to provide interim financing for the Project in anticipation of the ultimate receipt by the Commission of long-term permanent funding for the Project, all as described above. After mature consideration, the Commission hereby accepts the terms and conditions for such financing of the Note as set forth in the letter from Blue Ridge Bank (the "Bank") to the Commission (the "Bank Term Sheet"), a copy of which is attached hereto as **Exhibit A**. Accordingly, the Commission hereby authorizes and approves the issuance by the Commission of its Taxable Airport Revenue Note, Series 2019, in an original principal amount up to $2,986,500 to the Bank, as purchaser thereof.

2. **Details of the Note**. The Note shall be issued in registered form and designated N-1, shall be dated the date of issuance and delivery thereof, and shall be designated as the up to $2,986,500 Shenandoah Valley Regional Airport Commission Taxable Revenue Note, Series 2019. The Commission hereby appoints the SVRA's Senior Director of Finance and Administration as its registrar and transfer agent to keep books for the registration and transfer of the Note and to make such registrations and transfers on such books under such reasonable regulations as the Commission may prescribe (the "Registrar").

The Note shall be structured as a "draw-down" loan and shall bear a fixed rate of interest of 3.39% per annum. The aggregate total principal advances thereunder shall occur within three (3) years of the date of issuance of the Note, and shall not exceed the aggregate $2,986,500 face amount thereof. All principal of and accrued interest on the Note, based upon the aggregate amount of principal advances as recorded on the Certificate of Advances attached to the Note shall mature and be due in a single payment three (3) years after the date of issuance of the Note, if not sooner paid. Payments of principal, premium, if any, and interest shall be payable in lawful money of the United States of America by check or wire transfer or other transfer as may be acceptable to the registered owner of the Note at its address as it appears on the registration books of the Registrar.

3. **Execution of Note**. The Commission hereby authorizes the issuance, sale, and award of the Note to the Bank, and such Note shall be substantially in the form attached hereto as **Exhibit B**, with such completions, omissions, insertions, and changes not inconsistent with this Authorizing Resolution as may be approved by the officers signing the Note, whose approval shall be evidenced conclusively by the execution and delivery of the Note. The Note shall be signed by the manual or facsimile signature of the Chair or Vice Chair of the Commission, shall be attested by the manual or facsimile signature of the Secretary/ Treasurer or an Assistant Secretary or designee of the Commission, and the Commission's seal shall be affixed thereto or a facsimile thereof printed thereon; provided, however, that if both of such signature are facsimiles, the Note shall not be valid until it has been authenticated by the manual signature of an authorized officer or employee of the Commission and the date of authentication noted thereon.

4. **Prepayment/ Redemption**. The Commission may prepay the Note, in whole or in part, at any time, upon proper notice of any such prepayment or redemption given by the Registrar or

designee to the holder of the Note before the date fixed for prepayment or redemption, which notice may be waived by the holder of the Note.

5. **Pledge of Revenues to the Payment of the Note; Parity Lien Matters.**

(a) Security for the Note. To secure the payment and performance of the Commission's obligations under the Note, the Commission will pledge all of SVRA's revenues and receipts, including rates, fees, rentals, charges, and income of the SVRA (the "Revenues") received by the Commission, including without limitation from the Project, subject to the Commission's right to use the Revenues for the payment of the operation and maintenance expenses of SVRA.

(b) Parity Lien Matters. The pledge of the Revenues by the Commission in connection with the Note shall also be on parity with the lien of the pledge by the Commission of the Revenues in connection with prior obligations and liabilities of the Commission secured by a pledge of the Revenues (collectively, the "Prior Obligations").

The parity pledge of Revenues with respect to the Note and the Prior Obligations shall be valid and binding from and after the dated date of the Note. The Revenues, as received by the Commission, shall be immediately subject to the lien of such parity pledge, as described herein, without any physical delivery of them or further act. Such parity pledge of the Revenues to secure the payment and performance of the Commission's obligations under the Note shall have priority over all obligations and liabilities of the Commission (except as otherwise described above in connection with one another and the Prior Obligations). The lien of this parity pledge of the Revenues with respect to the Note and the Prior Obligations shall be valid and binding against all parties having claims against the Commission regardless of whether such parties have notice thereof.

Neither the Commission, the Commonwealth of Virginia, nor any other political subdivision of the Commonwealth of Virginia, shall be obligated to pay the principal of or interest on the Note or any other costs incident thereto except from the Revenues and other security pledged therefor by the Commission, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Commission, shall be pledged to the payment of the principal of or interest on the Note or other costs incident thereto.

6. **Authorization as to Additional Documentation; Further Actions**. The Chair or Vice Chair, the Secretary/ Treasurer, or any Assistant Secretary or designee of the Commission, the Executive Director and such other officers, employees, and agents of the Commission and SVRA as may be requested (whether individually or collectively, the "SVRA Representative") are each hereby authorized and directed to take all proper steps to have the Note prepared and executed in accordance with its terms, and as may be advised by the Commission's general counsel and bond counsel, and to deliver the Note upon payment therefor. In addition, the SVRA Representative is authorized and directed to execute such additional instruments, agreements, documents, and certificates, including but not limited to any documentation as may be required by the Bank or the Commission's general counsel or bond counsel in connection with the purchase of the Note.

It is the express intent under this Authorizing Resolution to authorize and direct the SVRA Representative to determine the final form and details of the Note and related documentation in accordance with the Bank Term Sheet, this Authorizing Resolution, and any other Bank or legal requirements, and such final determinations shall be evidenced conclusively by the due execution and delivery of the Note by the Commission to the Bank, and no further action shall be necessary on the part of the Commission. The SVRA Representative is authorized to do and perform such things and acts as they deem necessary or convenient to carry out the transactions authorized by this Authorizing Resolution, or as may be requested by the Bank, the Commission's general counsel, or bond counsel, in furtherance of the purposes set forth herein. All such further actions shall be conclusively deemed as having been accepted and approved as authorized herein without any further acts or approvals. All such actions previously taken, if any, are hereby ratified and confirmed in their entirety.

7. **Concurrence Approvals**. The Executive Director is hereby authorized and directed to provide an executed copy of this Authority resolution to each of the Localities, and further, to coordinate with the appropriate representatives in order to obtain concurrence approvals of the Localities with respect to the interim financing and permanent financing for the Project.

8. **Financial Records**. The Commission hereby agrees and covenants that, during the term of the Note, the Commission shall provide to the Bank audited financial information, as well as copies of such other financial information relating to the Note, as may be reasonably requested by the Bank from time to time.

9. **Bank Term Sheet and this Authorizing Resolution Constitute Agreement with the Bank**. It is the intent of this Authorizing Resolution, together with the Bank Term Sheet, among other things, to create a contract and agreement between the Commission and the Bank in connection with the sale of the up to $2,086,500 Shenandoah Valley Regional Airport Commission Taxable Revenue Note, Series 2019 by the Commission and the purchase thereof by the Bank, including the terms and provisions of the loan from the Bank to the Commission represented thereby, and all provisions of the Bank Term Sheet and this Authorizing Resolution shall be construed accordingly.

10. **Effective Date**. This Authorizing Resolution shall take effect immediately.

Approved: August 21, 2019

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

Vice Chair

Exhibit A: Bank Term Sheet
Exhibit B: Form of Note

CERTIFICATE OF VOTES

The undersigned hereby certifies that the record of the roll-call vote by the Commission on the foregoing Authorizing Resolution, duly adopted by the Commission upon a roll-call vote at its regular public meeting duly held on August 21, 2019, is as follows:

Name	Aye	Nay	Abstain	Absent
Gerald W. Garber, Chair County of Augusta, Virginia				✓
Michael D. Heatwole, V~~ice Cha~~ir County of Rockingham, Virginia	✓			
Maggie Ragon City of Staunton, Virginia	✓			
Joseph B. Bowman, Secretary/Treasurer City of Harrisonburg, Virginia	✓			
Jeffrey A. Ward, Vice Chair City of Waynesboro, Virginia	✓			

Dated: August 21, 2019

[SEAL]

Secretary/Treasurer
Shenandoah Valley Regional Airport Commission

EXHIBIT A

Blue Ridge Bank
Since 1893

July 31, 2019

Shenandoah Valley Regional Airport Commission
PO Box 125
Weyers Cave, VA 24486-0125
Attn: Lisa Botkin

Dear Ms. Botkin:

Thank you for your request for financing. This term sheet is not a commitment and is only meant to set forth the basis upon which Blue Ridge Bank (the "Bank") will consider the financing (the "Loan(s)"). If after reviewing this proposal you would like the Bank to seek approval of the request, we will be pleased to do so on substantially the terms and conditions set forth below:

Borrower(s):	Shenandoah Valley Regional Airport Commission
Purpose:	Interim financing to acquire, construct, and equip aircraft hanger facilities at 77 Aviation Circle, Weyers Cave VA
Loan type:	Multiple advance draw note
Amount:	Up to aggregate $2,986,500
Maturity:	**36 months from closing**
Interest Rate:	**3.39%, fixed**
Loan Fees	no loan fees
Repayment:	**Single payment of all principal and accrued interest due at maturity**
Collateral:	Shenandoah Valley Regional Airport revenue pledge.

Other Requirements:(1)Such other terms, conditions and documentation as are standard and customary for this type of transaction or otherwise deemed necessary or appropriate by the Bank.

(2) Final approval of the subject transaction is subject to review of financial information on the Borrower. The financial condition must be acceptable to the Bank.

(3) Periodic submission of financial information, in form and content acceptable to the Bank for the Borrower.

(4) The transaction shall be at no costs to the Bank. All loan costs, including but not limited to, Borrower and Bank legal costs, shall be paid by the Borrower, whether or not the loan closes.

(5) Documentation must be acceptable in all respects to the Bank and its counsel and shall be governed by the laws of the Commonwealth of Virginia.

Closing: The loan is to be closed by no later than October 31, 2019, or a modified date subject to Borrower's request and Bank's approval.

We look forward to working with you on this financing request. If after reviewing this proposal you would like the Bank to seek approval of the request, we will be pleased to do so on substantially the terms and conditions set forth below. Please sign this letter and forward it to the undersigned.

If I do not receive your acknowledged letter by August 15, 2019 the terms contained in this proposal term sheet will expire.

Sincerely,

Jeremy Spilman
Vice President

<u>Disclaimer</u>

This term sheet is presented to the above-referenced Borrower in connection with a credit facility proposed by the Bank. This term sheet describes some of the basic terms proposed to be included in loan documents between the Bank and the Borrower. This term sheet is for discussion purposes only and is not a commitment, nor does it purport to summarize all of the conditions, covenants, representations, warranties, events of default or other provisions that may be contained in documents required to consummate this financing. The terms are subject to standard credit underwriting and approval, and to negotiation and execution of loan documents in form and substance satisfactory to the Bank and its counsel. This term sheet is confidential and may not be disclosed to third parties, other than to Borrower's counsel and potential loan participants designated by the Bank without prior consent of the Bank.

The proposal as outlined above (including, without limitation, the Disclaimer set forth above) is acknowledged this 21st day of August, 2019.

Shenandoah Valley Regional Airport Commission

[signature] Vice Chair — 8/21/2019

Authorized signer — Date

EXHIBIT B

N-1 **Up to $2,986,500**

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION
TAXABLE AIRPORT REVENUE NOTE, SERIES 2019

DATED DATE	**MATURITY DATE**
September ___, 2019	**September __, 2022**

The Shenandoah Valley Regional Airport Commission (the "Commission") for value received, hereby promises to pay, solely from the sources and in the manner as hereinafter provided, to the order of Blue Ridge Bank (the "Bank" or "Holder"), or its successors, registered assigns, or legal representatives as registered owner hereof, the principal sum equal to the amount of principal advances shown on the Certificate of Principal Advances attached hereto (the "Certificate of Advances"), but not to exceed the sum of **TWO MILLION NINE HUNDRED EIGHTY SIX THOUSAND FIVE HUNDRED DOLLARS ($2,986,500)**, and to pay the registered owner hereof interest on the unpaid principal hereof pursuant to terms and conditions set forth herein.

This Note is duly authorized and issued in compliance with and pursuant to the Virginia Constitution and laws of the Commonwealth of Virginia, and the terms and provisions of a Resolution duly adopted by the Commission on August 21, 2019 (the "Authorizing Resolution"), approving the issuance, sale, and delivery of this Note, all in accordance with law, and pursuant to a Note Purchase and Loan Agreement dated August __, 2019 (the "Agreement") between the Commission and the Bank.

Reference is hereby made to the Agreement for a description of the provisions, among others, with respect to the nature and extent of the security for this Note, additional amounts payable thereunder, and the rights, duties, and obligations of the Commission and the Holder. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The proceeds of this Note, together with other funds lawfully available to the Commission, will be used to provide interim funds in anticipation of the Commission's receipt of permanent financing to pay or reimburse the Commission for capital costs to (a) acquire, construct, and equip aircraft hangar facilities at SVRA, (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance expenses (collectively, the "Project"); and

From the Dated Date hereof and up to and including September [__], 2022, principal advances under this Note, made pursuant to and subject to the terms of Article V of the Agreement, shall be recorded on the Certificate of Advances. On and after September [__], 2022, the Commission shall not request any principal advances hereunder, and the Bank shall not make any advances of any remaining principal amount of this Note (if any). **ACCORDINGLY, IT IS THE EXPRESS INTENT UNDER THIS NOTE FOR THE AGGREGATE TOTAL PRINCIPAL ADVANCES HEREUNDER TO OCCUR ON OR BEFORE SEPTEMBER [__], 2022, AND NOT TO EXCEED THE $2,986,500 FACE AMOUNT HEREOF.** All such records of the principal advances under this Note shall be conclusive of the principal advanced hereunder unless there is a material error in such records.

The rate of interest to be borne on this Note shall be fixed at the rate of 3.39% per annum on the aggregate principal advances outstanding and shall be computed by the Bank on an accrual basis of a 360-day year applied to actual days elapsed. The entire principal of and accrued interest on this Note, based upon the aggregate amount of unpaid principal advances as recorded on the attached Certificate of Advances, shall be paid by the Commission, in arrears, on September [__], 2022, unless the Note has previously been paid in full.

If principal advances up to $2,986,500 are not made, the principal amount due on this Note shall not include the unadvanced amount.

Both principal of and interest on the Note are payable in lawful money of the United States of America by check or wire transfer (or any other credit transfer) to the Holder as registered owner of this Note at its address on the registration books of the Commission maintained by the Commission Secretary/Treasurer, as registrar of this Note. All payments hereon shall be applied first to interest and then to principal.

The Holder shall not be required to present or surrender this Note as a condition of receiving any payment due hereunder.

If any installment payment date hereunder shall not be a business day for the Bank or for the Commonwealth of Virginia, then such installment shall be due and payable at or before 11:00 a.m. on the business day next preceding such date fixed for payment, and if made on such date no additional interest shall accrue for the period after such date of payment.

This Note may be prepaid by the Commission prior to this Note's maturity on September [__], 2022, in whole or in part, on any date on or before its maturity, without premium or other penalty, upon fifteen (15) days prior notice thereof to the Holder, which notice may be waived by the Holder.

Any payment(s) of the principal hereof shall be recorded by the Holder hereof on the schedule attached hereto (or on a continuation of such schedule attached to and made a part hereof); <u>provided</u>, that any failure by the Holder hereof to make such a notation or any error therein shall not in any manner affect the obligation of the Commission to pay payments hereunder. The Holder of this Note, by its acceptance hereof, agrees that before any sale, assignment, or transfer of this Note, such sale, assignment, or transfer hereof shall be in compliance with the Agreement, and, further, the Holder shall note on the Certificate attached to this Note the aggregate amount of all principal installment payments, if any, which have been made on this Note and the last date to which interest has been paid hereon.

The principal of and interest on this Note are payable solely from the revenues and receipts, including rates, fees, rentals, charges, and income of the SVRA (the "Revenues") received by the Commission, which Revenues have been pledged and assigned to the registered owner hereof to secure payment of this Note, subject to the Commission's right to use the Revenues for the payment of the operation and maintenance expenses of the SVRA. Provided, however, as required under the Bank Term Sheet, and as set forth in that certain Certificate as to Parity Lien Matters by and between the Commission and the United States of America, acting through Rural Housing Service, an Agency of the United States Department of Agriculture ("RHS"), such pledge of the Revenues by the Commission in connection with this Note shall also be on parity with the lien of the pledge by the Commission of the Revenues in connection with certain prior obligations of the Commission (collectively, the "Prior Obligations"), namely:

(a) The Commission issued certain promissory notes to RHS on or around July 11, 2005 (such obligations being collectively referenced as the "2005 RHS Bonds"), which 2005 RHS Bonds were secured by the rents, profits and leases with respect to the project described specifically in the 2005 RHS Bonds, among other things, and being financed by RHS; *provided, however,* a Financing Statement was recorded in the Clerk's Office of the Circuit Court of Augusta County, Virginia (the "Clerk's Office") to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2005 RHS Security");

(b) The Commission issued a certain promissory note to RHS on February 17, 2010 (such obligation being referenced as the "2010 RHS Bond"), which 2010 RHS Bond was secured by a pledge and assignment of rents, profits and leases with respect to the project described specifically in the 2010 RHS Bond, among other things, and being financed by RHS; *provided, however,* the Commission conveyed that certain Assignment of Rents and Leases, dated as of February 1, 2010, and a Financing Statement to be recorded in the Clerk's Office to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2010 RHS Security");

(c) The Commission issued a certain promissory note to RHS on July 8, 2014 (such obligation being referenced as the "2014 RHS Bond"), which 2014 RHS Bond was secured by a pledge and assignment of rents, profits and leases with respect to the project described specifically in the 2014 RHS Bond, among other things, and being financed by RHS; *provided, however,* the Commission conveyed that certain Assignment of Rents and Leases, dated as of ______, 2014, and a Financing Statement to be recorded in the Clerk's Office to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2014 RHS Security");

For convenience, the 2005 RHS Bonds, the 2010 RHS Bond, and the 2014 RHS Bond are collectively referenced herein as the "RHS Bonds," and the 2005 RHS Security, the 2010 RHS Security, the 2014 RHS Security are collectively referenced herein as the "RHS Security."

The parity pledge of Revenues pursuant to this Note and the RHS Bonds as described above shall be valid and binding from and after the date hereof. The Revenues, as received by the Commission, shall be immediately subject to the lien of such parity pledge, as described herein, without any physical delivery of them or further act. Such parity pledge of the Revenues to secure the payment and performance of the Commission's obligations hereunder shall have priority over all obligations and liabilities of the Commission (except as otherwise described above in connection with the RHS Bonds). The lien of such parity pledge of the Revenues with respect to this Note and the RHS Bonds shall be valid and binding against all parties having claims against the Commission regardless of whether such parties have notice thereof. Reference is hereby made to the Certificate as to Parity Lien Matters (as described above), for a further description of the security of the lien of the parity pledge of the Revenues by the Commission in connection with this Note and the RHS Bonds.

The obligations of the Commission under this Note shall terminate when all amounts due and to become due pursuant to this Note and the Authorizing Resolution have been paid in full, or as otherwise may be required by law.

NEITHER THE COMMISSION, THE COMMONWEALTH OF VIRGINIA, NOR ANY OTHER POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE OR ANY OTHER COSTS INCIDENT HERETO, EXCEPT FROM THE REVENUES AND OTHER SECURITY PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF SHALL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENT HERETO. THIS NOTE AND THE OBLIGATIONS OF THE COMMISSION HEREUNDER AND UNDER THE AUTHORIZING RESOLUTION AND THE BANK TERM SHEET DO NOT AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY OTHER POLITICAL SUBDIVISION OF THEREOF. THE COMMISSION HAS NO TAXING POWERS.

This Note is registered in the name of the Bank hereof on the registration books kept by the SVRA's Senior Director of Finance and Administration, as Registrar hereof. No registration of transfer hereof shall be valid unless made on such records of the Commission at the written request of the Holder or its legal representative. The Commission shall not be required to effect any such transfer unless properly indemnified for its expenses related to such transfer (including reasonable attorneys' fees) by the prospective transferee.

All acts, conditions, and things required by the Constitution and laws of the Commonwealth of Virginia to happen, exist, or be performed precedent to and in the issuance of this Note have happened, exist, and have been performed in due time, form, and manner as so required, and this Note, together with all other indebtedness or obligations of the Commission, is within every debt and other limit prescribed by the Constitution and laws of the Commonwealth of Virginia.

[THIS SPACE LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the Commission has caused this Note to be executed in the name of the Commission, to be signed by the Chair of the Commission, its seal to be affixed hereto and attested by the signature of its Secretary/Treasurer of the Commission, and this Note to be dated September ___, 2019.

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

[SEAL]

By________________________________
Chair

Attest:

By: ________________________________
Secretary/Treasurer
Shenandoah Valley Regional Airport Commission

Shenandoah Valley Regional Airport Commission
Taxable Revenue Note, Series 2019

CERTIFICATE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount hereof, shall be entered hereon by an authorized officer of Blue Ridge Bank, when the proceeds of such principal advances are delivered to the Commission, upon due requisition therefor, from time to time.

Amount	Date	Authorized Signature

Shenandoah Valley Regional Airport Commission
Taxable Airport Revenue Note, Series 2019

CERTIFICATE OF PAYMENTS OF PRINCIPAL

Date	Amount of Principal Repaid	Unpaid Principal Balance	Notation Made By

NOTE REGISTER

This Note is hereby registered on September ___, 2019 in the name of Blue Ridge Bank, as purchaser thereof, with a primary business address of 17 West Main Street, Luray, Virginia 22835.

The further transfer of this Note (if any) shall be registered by the registered owner or his duly authorized attorney upon presentation hereof to the SVRA Senior Director as Finance and Administration (being the appointed as Registrar of this Note), who shall make note of such transfer in books kept by the Registrar for that purpose and in the registration blank below.

Date of Registration	**Name of Registered Owner**	**Signature of Registrar**
September ___, 2019	Blue Ridge Bank	____________________
____________________	____________________	____________________
____________________	____________________	____________________
____________________	____________________	____________________
____________________	____________________	____________________

RESOLUTION

AUTHORIZING THE ISSUANCE, SALE, AND AWARD OF AN UP TO $3,086,500 SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION TAXABLE AIRPORT REVENUE BOND, AND PROVIDING THE FORM AND DETAILS THEREOF

WHEREAS, the Shenandoah Valley Regional Airport Commission (the "Commission") is empowered by Chapter 3, Article I, Title 5.1 of the Code of Virginia of 1950, as amended, among other things, and by resolution and agreement by the Counties of Augusta and Rockingham and the Cities of Harrisonburg, Staunton, and Waynesboro (collectively, the "Localities"), to have and exercise, on behalf of such localities, the power and authority to operate and maintain the Shenandoah Valley Regional Airport ("SVRA"); and

WHEREAS, the Commission desires to provide for the long-term financing of all or any portion of the capital costs, including for the payment or reimbursement of principal and interest accrued for interim financing, to (a) acquire, construct, and equip aircraft hangar facilities at SVRA, (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance expenses (collectively, the "Project"); and

WHEREAS, the United States of America, acting through Rural Housing Service, an agency of the United States Department of Agriculture ("RHS"), has offered to purchase an up to $3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Bond, Series 2020 (or any other series designation as may be applicable, the "Bond") to provide the permanent financing needed by the Commission to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RHS Letter of Conditions, dated September 26, 2019 (the "Letter of Conditions"), a copy of which is attached as **Exhibit A** hereto; and

WHEREAS, the Commission, after due consideration, has determined to satisfy such terms and conditions set forth in the Letter of Conditions and to sell the Bond to RHS in an aggregate principal amount up to $3,086,500, all as further described herein; and

NOW, THEREFORE, BE IT RESOLVED BY THE SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION as follows:

1. **Authorization of the Bond and Use of Proceeds.** The Commission hereby determines that it is necessary and advisable to contract a debt and issue and sell the Bond to RHS for the purpose of providing long-term financing for the Project as described herein, including the payment or reimbursement of principal and interest accrued for interim financing. Accordingly, the Commission authorizes and approves the issuance, sale, and delivery of the Bond to RHS pursuant to Virginia law and in accordance with the governing documents of the Commission in

the form and upon the terms established in this Resolution (the "Authorizing Resolution") and the terms and conditions of the Letter of Conditions. The proceeds from the issuance and sale of the Bond shall be used, along with other lawfully available funds of the Commission, to provide long-term, permanent financing for the Project, including the payment or reimbursement of principal and interest accrued for interim financing.

2. **Approval of Letter of Conditions, RHS Resolution of Governing Body, and RHS Form 1942-47 Loan Resolution.** The Commission hereby approves and agrees to meet the terms and conditions of the Letter of Conditions. The Commission hereby approves the RHS Resolution of Governing Body and the RHS Form 1942-47 Loan Resolution in their entirety and in all respects (together, the "RHS Resolutions") copies of which are attached hereto as **Exhibit B** and **Exhibit C**, respectively.

The Chair or Vice Chair of the Commission, either of whom may act, and the Secretary/ Treasurer, or any Assistant Secretary or designee, are each authorized and directed to execute and deliver such RHS Resolutions, including the attached certificate thereto, all as may be necessary or convenient or otherwise required by RHS for its purchase of the Bond.

3. **Details of the Bond**. The Bond shall be a fully registered Bond without coupons and shall be dated as of the date of its delivery to RHS (the "Closing Date"), as Bond Purchaser and initial registered owner thereof, upon payment thereof. The Commission hereby appoints the SVRA's Senior Director of Finance and Administration as its registrar and transfer agent to keep books for the registration and transfer of the Bond and to make such registrations and transfers on such books under such reasonable regulations as the commission may prescribe (the "Registrar").

The Bond shall be in an original principal amount up to $3,086,500, and shall bear interest at a rate not to exceed three and seven-eighths percent (3.875%) per annum. *Provided, however*, in the event RHS shall offer a lower current rate of interest on the Bond, such lower rate shall be conclusively deemed accepted by the Commission pursuant to the terms of this Authorizing Resolution, including the applicable commensurately lower monthly installment amounts for payment thereof, it being the intent for the Commission to obtain the lowest cost of borrowed funds for the permanent financing of the Project.

The Bond to be delivered to RHS upon closing thereof shall be substantially in the form attached hereto as **Exhibit D**.

4. **Payment of the Bond**. The Bond shall provide the payments due the first twenty-four (24) months will consist of interest only to be paid annually on the first and second anniversary dates of the Closing Date of the Bond. Payments of principal and interest for the next ensuing 456 months will be amortized in equal monthly installments payable on the same day of each month as the Closing Date (such day of the month for payment of interest or payments of principal and interest, the "Payment Day"), beginning on the first Payment Day following the Closing Date and continuing on the Payment Day in each succeeding month thereafter for the remaining term thereof, unless sooner paid. If not sooner paid, the final installment, together with all other amounts payable under the Bond, shall be due and payable on the Payment Day that is forty (40) years after the Closing Date; *provided, however*, that if the Commission ceases to exist as a legal

entity pursuant to applicable Virginia law prior to such time, then the Bond shall be fully and finally payable on the effective date of such expiration or cessation of the legal existence of the Commission, unless RHS shall otherwise consent to an assumption of the obligations under the Bond. Further, if the Closing Date shall occur on the 29th, 30th, or 31st day of the month, the Payment Day shall be the 28th day of the month. The payment of every installment shall be applied first to interest accrued and then to principal. Installments shall be payable in lawful moneys of the United States of America in accordance with the Preauthorized Debit (PAD) payment process, as described in the Letter of Conditions, in order to provide for payments to be electronically debited from the Commission's account on the Payment Day.

5. **Prepayment or Redemption of the Bond**. Installments of principal of and interest due on the Bond may be prepaid at the option of the Commission at any time, in whole or in part, from time to time (but if in part, in inverse order of their maturities), without premium. Prepayment of installments of principal and interest shall not affect the obligation of the Commission to pay the remaining installments payable as provided in the preceding paragraph so long as any principal amount remains outstanding.

6. **Execution of the Bond**. The Bond shall be signed by the Chair or Vice Chair of the Commission, either of whom may act, shall be attested to by the Secretary/ Treasurer, or any Assistant Secretary or designee, and the Commission's seal shall be affixed thereto. The Chair or Vice Chair, either of whom may act, are each expressly authorized and directed hereunder to finally determine and approve all details of the Bond, including without limitation, the maximum principal amount authorized to be advanced thereunder, and the payment dates and amounts and the final maturity date thereof; *provided, however* that (a) the aggregate maximum principal amount authorized to be advanced under the Bond shall not exceed $3,086,500, (b) the maximum interest rate on the Bond authorized herein shall not exceed 3.875% per annum, as set forth in the Letter of Conditions, and (c) the final maturity of the Bond shall be a date no later than forty (40) years after the date of issuance thereof. Such final details of the Bond shall be approved by the Chair or Vice Chair, either of whom may act, and execution and due delivery thereof to RHS on the Closing Date thereof shall constitute conclusive evidence of the approval herein, and no further actions by the Commission shall be required therefor.

7. **Registration of the Bond**. Transfer of the Bond may be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer, the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner. The Bond shall initially be registered in the name of RHS with an address of Finance Office, of USDA Rural Development NFAOC, 4300 Goodfellow Boulevard, Bldg. 104, St. Louis, Missouri 63120-1703 or such other office as may be designated in writing and delivered to the Registrar.

8. **Pledge of Revenues to the Payment of the Bond; Parity Lien Matters**.

(a) Security for the Bond. To secure the payment and performance of the Commission's obligations under the Bond, the Commission will pledge all of SVRA's revenues and receipts, including rates, fees, rentals, charges, and income of the SVRA (the "Revenues") received by the Commission, including without limitation from the Project, subject to the

Commission's right to use the Revenues for the payment of the operation and maintenance expenses of SVRA. In addition, RHS has required a financing statement securing all accounts and general intangibles of the Commission and SVRA in favor of RHS, which is hereby approved.

(b) Parity Lien Matters. The pledge of the Revenues by the Commission in connection with the Bond shall also be on parity with the lien of the pledge by the Commission of the Revenues in connection with prior obligations and liabilities of the Commission secured by a pledge of the Revenues (collectively, the "Prior Obligations").

The parity pledge of Revenues with respect to the Bond and the Prior Obligations shall be valid and binding from and after the dated date of the Bond. The Revenues, as received by the Commission, shall be immediately subject to the lien of such parity pledge, as described herein, without any physical delivery of them or further act. Such parity pledge of the Revenues to secure the payment and performance of the Commission's obligations under the Bond shall have priority over all obligations and liabilities of the Commission (except as otherwise described above in connection with one another and the Prior Obligations). The lien of this parity pledge of the Revenues with respect to the Bond and the Prior Obligations shall be valid and binding against all parties having claims against the Commission regardless of whether such parties have notice thereof.

Neither the Commission, the Commonwealth of Virginia, nor any other political subdivision of the Commonwealth of Virginia, shall be obligated to pay the principal of or interest on the Bond or any other costs incident thereto except from the Revenues and other security pledged therefor by the Commission, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Commission, shall be pledged to the payment of the principal of or interest on the Bond or other costs incident thereto.

9. Debt Service Reserve Fund. In addition to the foregoing pledge of the Revenues, the Commission hereby agrees to establish and maintain a debt service reserve fund equal to the aggregate amount of one annual loan installment (the "Debt Service Reserve Fund") in accordance with applicable law, and as specifically described in the Letter of Conditions, which Debt Service Reserve Fund is hereby pledged as security for payment of principal of and interest on the Bond. The Debt Service Reserve Fund shall be funded by the Commission in monthly deposits equal to ten percent (10%) of the monthly payment of principal and interest due under the Bond to accumulate for a period of 10 years and equal to the maximum annual debt service on the Bond that shall be due and payable by the Commission. Such deposits shall be made at the same time as monthly payments of principal and interest are due and payable under the Bond, with the first such deposit due and payable at the same time as the first monthly payment of principal and interest is due.

10. Execution of Certificates and Any Additional Documents. The Chair, the Vice Chair, the Executive Director, the Secretary/ Treasurer, and all such other officers, employees, and agents of the Commission and SVRA as may be requested, any one or more of whom may act (whether individually or collectively, the "SVRA Representative"), are each authorized and directed to execute all such additional instruments, documents, and other writings, and to do and perform such things and acts as they deem necessary or convenient to carry out the transactions authorized by this Authorizing Resolution, all as may be requested by RHS, as Bond Purchaser, in connection with the Bond, or otherwise requested by RHS or by the general counsel or bond counsel for the Commission, all in furtherance of the purposes set forth herein.

11. Repeal of Any Conflicting Resolutions, If Any. All resolutions or parts thereof in conflict with this Authorizing Resolution, if any, are hereby repealed except such resolutions as may have been adopted by the Commission at the specific request of RHS, as a condition to the purchase of the Bond by RHS and acceptance of the terms thereof by the Commission, all as described herein.

12. Further Actions. The members of the Commission, the SVRA Representative, and any other officers, employees, and agents of the Commission are each hereby authorized to take all such further actions as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Bond, and any such actions previously taken in furtherance of the purpose and intent described herein and hereby ratified and confirmed, in all respects.

13. Effective Date. This Authorizing Resolution shall take effect immediately.

Approved: August 21, 2019

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

By: ______________________________

Vice Chair

Attachments:

Exhibit A: Letter of Conditions, dated September 26, 2018
Exhibit B: Resolution of Governing Body
Exhibit C: RHS Form 1942-47 Loan Resolution
Exhibit D: Form of Bond

CERTIFICATE OF VOTES

The undersigned hereby certifies that the record of the roll-call vote by the Commission on the foregoing Authorizing Resolution, duly adopted by the Commission upon a roll-call vote at its regular public meeting duly held on August 21, 2019, is as follows:

Name	Aye	Nay	Abstain	Absent
Gerald W. Garber, Chair County of Augusta, Virginia				✓
Michael D. Heatwole, ~~Vice Chair~~ County of Rockingham, Virginia	✓			
Maggie Ragon City of Staunton, Virginia	✓			
Joseph B. Bowman, Secretary/Treasurer City of Harrisonburg, Virginia	✓			
Jeffrey A. Ward, Vice chair City of Waynesboro, Virginia	✓			

Dated: August 21, 2019

[SEAL]

Secretary/ Treasurer
Shenandoah Valley Regional Airport Commission

EXHIBIT A

USDA

United States Department of Agriculture

Rural Development

RD Area Office

20311-A Timberlake Road
Lynchburg, VA 24502

Voice 434-239-3473
Fax 855-621-7142

September 26, 2018

Mr. Gerald W. Garber, Chairman
Shenandoah Valley Regional Airport Commission
P. O. Box 125
Weyers Cave, VA 24486

Dear Mr. Garber:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application for financial assistance from Rural Development for construction of a hangar and replacement of fuel farm tanks. Any changes in project cost, source of funds, scope of services, or any other significant changes (this includes significant changes in your financial conditions, operation, organizational structure, or executive leadership) in the project or applicant must be reported to and approved by Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

This letter is not to be considered as approval of financial assistance or as a representation as to the availability of funds. The financial package may be completed on the basis of a Rural Development loan not to exceed $3,086,500, and other funding in the amount of $1,760,000, for a total project cost of $4,846,500. The other funding is planned in the form of a grant from the Virginia Department of Aviation.

By accepting this loan, you agree to refinance (graduate) the unpaid loan balance, in whole or in part, upon Rural Development's request. If at any time Rural Development determines you are able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms, we will request that you refinance.

If Rural Development makes the loan, you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged at closing will be the rate in effect at the time of loan approval. The loan will be considered approved on the date a signed copy of Form RD 1940-1, Request for Obligation of Funds, is mailed to you. If you want the lower of the two rates, your written request should be submitted to Rural Development as soon as practical. In order to avoid possible delays in loan closing such a request should ordinarily be submitted at least 30 calendar days before loan closing.

Extra copies of this letter are being provided for use by your architect, attorney, bond counsel, and accountant. All parties may access information and regulations referenced in this letter at our website located at www.rd.usda.gov. **Any form, bulletin, or guide identified in this letter will be provided upon request.**

The conditions referred to in the first paragraph of this letter are as follows:

1. Project Description and Budget – Funds will be used to construct a hangar and replace fuel farm tanks. Funding from all sources has been budgeted for the estimated expenditures as follows:

Project Costs	Total Budgeted
Construction - Hangar	$2,990,000
Contingency - Hangar	299,000
Architectural – Hangar	285,000
Inspection & Admin. -Hangar	180,000
Interest - Hangar	70,000
Construction – Fuel Farm	775,000
Contingency – Fuel Farm	77,500
Equipment – Fuel Farm	15,000
Architectural – Fuel Farm	100,000
Interest – Fuel Farm	30,000
Legal Fees	25,000
TOTAL PROJECT COSTS	$4,846,500

2. Project Funds – Project funding is planned from the following sources and amounts:

Project Funding Source	Funding Amount
Rural Development Loan	$3,086,500
VA Dept. of Aviation Grant	1,760,000
TOTAL PROJECT FUNDING	$4,846,500

Any changes in funding sources following obligation of Rural Development funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs. You must assure that all project funds are expended only for the eligible items included in the project budget of this letter of conditions or as amended by Rural Development in writing at a later date.

After providing for all authorized costs, any remaining Rural Development project funds will be applied as an extra payment to your loan.

Prior to advertisement for construction bids, you must provide evidence showing the approval of funds from other sources. This evidence should include a copy of the commitment letter. Prior to the award of any contract to a contractor, you must provide written evidence that these funds are available for expenditure. Prior to the start of construction, an agreement should be reached with all funding sources on how funds are to be disbursed.

3. Interim Financing – For all loans exceeding $500,000, where loan funds can be borrowed at reasonable interest rates on an interim basis from commercial sources for the construction period, such interim financing will be used to preclude the necessity for multiple advances of Rural Development loan funds.

The approving official may make an exception when interim financing is cost prohibitive or unavailable. You must provide Rural Development with a copy of the tentative agreement reached in connection with interim financing for review and approval.

4. <u>Disbursement of Funds</u> – Rural Development or interim financing funds will be advanced as they are needed in the amount necessary, over thirty-day periods, to cover Rural Development's proportionate share of any disbursements required of your organization. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/ Automated Clearing House (EFT/ACH). You will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. You should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be submitted to Rural Development prior to advertising for bids.

   You must establish a construction account for all funds related to the project. Construction funds will be deposited with an acceptable financial institution or depository that meets the requirements of 31 Code of Federal Regulations (CFR), Part 202. A separate account will not be required for Federal funds and other funds; however, the recipient must be able to separately identify, report, and account for all Federal funds, including the receipt, obligation, and expenditure of funds. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral in accordance with 31 CFR, Part 202. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the construction account at any one time. Your financial institution can provide additional guidance on collateral pledge requirements.

5. <u>Loan Repayment</u> - The loan will be scheduled for repayment over a period of 40 years. The payment due the first and second anniversaries will be interest only. Payments for the remaining 456 months will be equal amortized <u>monthly</u> installments. For planning purposes use a 3.875% interest rate and a monthly amortization factor of .00420, which provides for a monthly payment of $12,964.

   Given & Emailed

   Payments will be made on the day your payment is due through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, Authorization Agreement for Preauthorized Payments, for all new **<u>AND</u>** existing indebtedness to Rural Development prior to closing, which will allow for your payment to be electronically debited from your account on the day your payment is due.

   A debt service coverage ratio (DSCR) of at least 1.10 will be maintained, with debt service to include the loan payments plus all required reserves. If the DSCR drops below 1.10 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged at the expense of the Applicant to prepare a fiscal strategy report that documents how the debt service requirement will be met. This must be provided to RD no later than 90 days after any quarter in which the DSCR drops below 1.10.

Debt service coverage is defined as net income plus depreciation and amortization expense plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments still due.

6. Security - The loan must be secured by a Revenue Bond which pledges the issuer's revenues, by a financing statement on all accounts and general intangibles of your organization, and other agreements between you and Rural Development as set forth in the Bond Resolution, which must be properly adopted and executed by the appropriate officials of your organization.

   Additional security requirements are contained in Form RD 1942-47, Loan Resolution.

   A draft of all security instruments, including the bond resolution, form of bond, and bond counsel opinion, must be reviewed and concurred in by Rural Development prior to advertising for bids. Both the Bond and Loan Resolutions must be fully executed prior to closing.

7. Bond Counsel - The services of a recognized bond counsel are required. The bond counsel will prepare the form of Bond Resolution to be used in accordance with RD Instruction 1942-A, Section 1942.19. You should immediately provide your bond counsel with a copy of this letter of conditions.

8. Debt Service Reserve – As a part of this loan proposal, you must establish a restricted debt service reserve fund equal to at least one annual loan installment. Deposits into the reserve fund will begin at the same time amortized loan installments begin. The reserve will be accumulated at the rate of 10% of each loan installment for a period of 10 years. Ten percent of the proposed loan installment would equal $1,296.40 per month and should be deposited monthly until a total of $155,568 has been accumulated. This reserve must be maintained throughout the life of the loan, and prior written concurrence from Rural Development must be obtained before funds may be withdrawn from the account. If funds are withdrawn, deposits will continue as outlined above until the reserve is fully replenished.

   The Applicant's debt service reserve account balance for the CF direct loan must be reported annually to the State Office. For any fiscal year end in which the debt service reserve account balance is less than the required account total, the applicant will provide the agency with a twelve-month budget and plan to correct the cash shortfall.

9. Legal Services Agreement – You will be required to execute a legal services agreement with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, as well as a "not to exceed" amount for the services, including reimbursable expenses. Guide 14 of RD Instruction 1942-A may be used as a guide in preparing the agreement. The agreement must be concurred in by Rural Development prior to advertising for bids. Any changes to the fees or services outlined in the original agreement must be reflected in an amendment to the agreement and have prior Rural Development concurrence.

10. Organizational Documents – The documents creating your entity have been reviewed and found to be acceptable.

11. Property Rights – Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have or can obtain adequate, continuous, and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over lands and rights will be evidenced by the following:

    a. Right-of-Way Map – Your [engineer] [architect] will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.

    b. Form RD 442-20, Right-of-Way Easement – This form may be used to obtain any necessary easements for the proposed project. If this form is not utilized, a copy of the easement to be used must be approved by Rural Development. Each executed easement need not be provided this office; however, each must be available for Rural Development review.

    c. Form RD 442-21, Right-of-Way Certificate – You will provide a certification on this form that all rights-of-way have been obtained for the proposed project. This form may contain a few exceptions, such as properties that must be condemned, and you must provide the estimated date for obtaining any rights-of-way listed as exceptions. Prior to start of construction or closing, whichever occurs first, a new Form 442-21, which does not provide for any exceptions, must be provided.

    d. Form RD 442-22, Opinion of Counsel Relative to Rights-of-Way – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way. This form may contain a few exceptions, such as properties that must be condemned, and your attorney must provide the estimated date for obtaining any rights-of-way listed as exceptions. Prior to start of construction or closing, whichever occurs first, a new Form 442-22, which does not provide for any exceptions, must be provided.

    If rights-of-way are not needed for the proposed project, a certification to that effect from your attorney will satisfy items a through d above.

    e. Preliminary Title Opinion – When applicable, your attorney will provide a preliminary title opinion for all property, both currently owned and to be acquired, related to the facility. Copies of deeds, contracts, or options must also be provided. Form RD 1927-9, Preliminary Title Opinion, may be used.

    f. Final Title Opinion – Prior to closing or start of construction, whichever, occurs first, your attorney must furnish a final title opinion for all property, both currently owned and newly acquired, related to the facility. Copies of recorded deeds for any newly acquired property must also be provided. Form RD 1927-10, Final Title Opinion, may be used.

    The Rural Development approval official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approval official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. Rural Development may require an appraisal by an independent appraiser or Rural Development employee in order to validate the price to be paid.

12. Annual Financial Reporting/Audit Requirements – You are required to submit an annual financial report at the end of each fiscal year. The annual report will be certified by the appropriate organization official and will consist of financial information. Financial statements must be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) and must include, at a minimum, a balance sheet and income and expense statement. All records, books, and supporting materials are to be retained for three years after the issuance of the annual report.

    The criteria for determining the type of financial report to be submitted are specified below:

    a. Audits – An annual audit under the Single Audit Act is required if you expend $750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

       All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from Rural Development. It is not intended that audits required by this part be separate and apart from audits performed in accordance with State and local laws. To the extent feasible, the audit work should be done in conjunction with those audits. The audit must be prepared by an independent licensed Certified Public Accountant and must be submitted within nine (9) months of your fiscal year-end.

       If an audit is required, you must enter into a written agreement with the auditor and submit a copy to Rural Development prior to the advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit or financial statements to be completed, the time frame in which the audit or financial statements will be completed, what type of reports will be generated from the services provided, and how irregularities will be reported.

    b. Financial Statements – If you expend less than $750,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit. These financial statements must include, at a minimum, a balance sheet and an income and expense statement. You may use Form RD 442-2, Statement of Budget, Income and Equity, and Form RD 442-3, Balance Sheet, or similar format to provide the financial information. The financial statements must be signed by the appropriate official and submitted within 60 days of your fiscal year-end.

c. Quarterly Reports – Quarterly income and expense statements will be required for the first three years. You may use Form RD 442-2 or similar format to provide this information. The reports are to be signed by the appropriate borrower official and submitted within 30 days of each quarter's end. Rural Development will notify you in writing when the quarterly reports are no longer required.

13. Annual Budget and Projected Cash Flow – Prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow to this office. The budget must be signed by the appropriate borrower official. Form RD 442-2 or similar format may be used. With the submission of the annual budget, you will be required to provide a current listing of the Board or Council members and their terms, annual insurance updates, and documentation of reserve account deposits.

14. Insurance and Bonding Requirements – Prior to the start of construction or closing, whichever occurs first, you must acquire and submit to Rural Development proof of the types of insurance and bond coverage. The use of deductibles may be allowed, provided you have the financial resources to cover potential claims requiring payment of the deductible. Rural Development strongly recommends that you have your [engineer] [architect], attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.

a. Liability and Property Damage Insurance – The project will be reviewed for liability and property damage needs, and amounts will be established accordingly. Public liability and property damage insurance will be obtained on all vehicles driven over public highways.

b. Workers' Compensation – In accordance with appropriate State laws.

c. Fidelity or Employee Dishonesty Bonds – Include coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons or through blanket coverage providing protection for all appropriate workers. During construction, each position should be bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The coverage may be increased during construction based on the anticipated monthly advances. After construction and throughout the life of the loan, the amount of coverage must be for at least the total annual debt service of all outstanding Rural Development loans. Rural Development will be identified in the fidelity bond for receipt of notices. Form RD 440-24, Position Fidelity Schedule Bond, or similar format may be used.

d. National Flood Insurance – If the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of closing. Applicants whose buildings, machinery, or equipment are to be located in an area which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

e. Property Insurance - Before closing, you must purchase property insurance in the amount of the initial contract sum, as well as subsequent modifications thereto, for the entire work at the site on a replacement cost basis without voluntary deductibles. Such property insurance shall be maintained until final acceptance of the work. This insurance shall include interests of the owner, the contractor, sub-contractors, and sub-subcontractors in the work. Property insurance shall be on an all-risk policy form and shall insure against the perils of fire, extended coverage, and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, and debris removal, including demolition occasioned by enforcement of any applicable legal requirements. The policy shall cover reasonable compensation for architect services and expenses required as a result of the loss.

f. Real Property Insurance - Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures to include machinery and equipment housed therein, in an amount equal to the insurable value thereof. Prior to closing, Form RD 426-2, Property Insurance Mortgage Clause (Without Contribution), must be executed.

15. Forms – You will be required to execute certain Agency forms in order to obtain financial assistance from Rural Development. A Resolution of Governing Body appointing an authorized representative to execute all forms must be provided. You must also provide minutes from the meeting at which the Resolution of Governing Body is adopted. Your signature on all required forms indicates your agreement to abide by all covenants outlined in the forms.

16. Code of Conduct – You must adopt and maintain a written code or standards of conduct which shall govern the performance of your officers, employees, or agents engaged in the award and administration of contracts supported by Rural Development funds. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Rural Development funds if a conflict of interest, real or apparent, would be involved.

17. Form AD-1048, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions – Your responsibilities as a recipient of Federal funding will include the clause entitled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," in all lower tier transactions and in all solicitations for lower tier transactions that are expected to exceed $25,000. Should the proposed transaction be entered into, you agree you shall not knowingly enter into any lower tier transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in the transaction, unless authorized by the Department or Agency entering into this transaction.

You may rely upon a certification of a prospective participant in a lower tier transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless you know the certification is erroneous.

Each participant must execute Form AD-1048, and the executed form must remain a part of your files. You may, but are not required to, check the Non-Procurement List. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

If you knowingly enter into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, we may terminate this transaction for cause or default.

For additional information regarding responsibilities and reporting requirements, refer to 2 CFR Part 170, Appendix A.

18. Public Meeting Requirement – You will be required to inform the general public about the proposed project by holding at least one public information meeting prior to the approval of your financial package. This meeting will give the citizenry an opportunity to become acquainted with the proposed project and voice any comments and/or concerns. Ten (10) days prior to the meeting, you will be required to publish a notice of the meeting in a newspaper of general circulation in the proposed service area. You will be required to provide Rural Development with a copy of the published notice, along with minutes from the meeting.

19. System for Award Management (SAM) – As the recipient, you must maintain the currency of your information in SAM.gov until (a) you submit the final financial report required under this award and (b) all grant funds under this award have been disbursed or cancelled, whichever is later. This requires that you review and update your information at least annually after the initial registration and more frequently if required by changes in your information or another award term. Recipients can register online at www.sam.gov.

Done

20. Environmental – At the conclusion of this proposal's environmental review process, specific actions were determined necessary to avoid or minimize adverse environmental impacts. As outlined in the Environmental Report, the following actions are required for successful completion of the project and must be adhered to during project design and construction:

    SEE ATTACHMENT

    The project as proposed has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations, and/or permits may apply or be required. If the project or any element thereof deviates or is modified from the originally approved project, additional environmental review may be required.

21. Permits – Prior to advertising for bids, the owner or responsible party is required to obtain all applicable permits for the project. Your attorney must provide a narrative opinion identifying and addressing the need and adequacy of all certificates, permits, licenses, etc., needed for the construction and operation of the facility. Written evidence must also be submitted that all applicable permits needed prior to construction have been obtained.

22. Agreement for Architectural Services - You must provide an agreement for architectural services for our review. The cost for this service has been included in the project budget.

23. Procurement - You are required to competitively bid the proposed project. Your architect must develop the contract documents in accordance with the guidance below.

24. Contract Documents - Prior to the approval of plans and specifications, you must submit the following items to Rural Development for review and approval: Construction contract documents prepared in accordance with RD Instruction 1942-A, Guide 27, as supplemented by Virginia Instruction 1942-A, Guide 1, as well as final plans, specifications, and all addenda.

25. Bid Authorization – Rural Development may authorize you to advertise the project for construction bids once all the conditions outlined in this letter have been met. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening, you must provide Rural Development with (a) a bid tabulation, (b) recommendations from you and your [engineer] [architect] as to the acceptability of the bids received, (c) your recommendations for contract awards, and (d) a revised project budget based upon current prices. The revised project budget will not include a construction contingency greater than five (5) percent of the construction items. If, after bidding, it is determined there are Rural Development funds in excess of that necessary to complete the project, you will work with Rural Development to cancel funds not needed for successful completion of the project.

    Once all parties agree the construction bids received are acceptable; adequate funds are available to cover the total facility costs; and all administrative conditions for approval of financial assistance have been satisfied, Rural Development will authorize you to issue the Notice of Award and closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met prior to closing.

26. Capital Asset Replacement Reserve - 7.Applicant is to fund a capital asset replacement reserve in an amount adequate to replace short term assets as recommended by the Applicant's architect and concurred with by the State Architect or Engineer. The amount will be based on the condition of the existing facility and the economic life of the proposed improvements. The Approval Official will ensure that the amount specified will still allow the Applicant to meet all financial covenants.

27. Compliance Reviews and Data Collection – Rural Development will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. The data you must provide depends on the type of project financed with Rural Development funds, and guidance will be provided to you by Rural Development.

The first compliance review will be conducted [concurrent with closing] [prior to the start of construction] [one year from the date of closing], with subsequent compliance reviews conducted every three years.

28. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

    a. Section 504 of the Rehabilitation Act of 1973 – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Rural Development financial assistance.

    b. Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.

    c. The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.

    d. Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

    e. Limited English Proficiency (LEP) under Executive Order 13166 – LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled "Improving Access to Services by Persons with Limited English Proficiency" and further affirmed in the USDA Departmental Regulation 4330-005, "Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA."

    Need to send info

    Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by Rural Development) informing users of these requirements, and Rural Development will monitor your compliance with these requirements during regular compliance reviews.

As a recipient of federal financial assistance, you must comply with all applicable federal, state, and local statutes, ordinances, regulations, and codes. The major portion of existing Rural Development rules and regulations which must be met are included in RD Instruction 1942-A. No modifications or waiver of any portion of these regulations is authorized. Such regulations shall govern regardless of any misinterpretation, omission, misunderstanding, or statements made by any Rural Development employee. The most critical requirements of the instructions have been highlighted or clarified in this letter.

We believe the information herein clearly sets forth the action which must be taken; however, if you have any questions, please do not hesitate to contact my office.

Done
Sent to SO

Please complete Form RD 1942-46, Letter of Intent to Meet Conditions, Form RD 1940-1, Request for Obligation of Funds, and AD-3031, Assurance Regarding Felony Conviction or Tax Delinquent Status, if you desire that further consideration be given to your application.

If the conditions set forth in this letter are not met within 12 months from the date hereof, Rural Development reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of closing within 12 months and it is determined the applicant still wishes to proceed, it may be necessary to review the conditions outlined in this letter. If during that review it is determined the conditions are no longer adequate, Rural Development reserves the right to require that the letter of conditions be revised or replaced.

Sincerely yours,

David Worley
Area Director
USDA, Rural Development

cc: Community Programs Director, Richmond, VA
Attorney
Bond Counsel
Accountant
Architect

EXHIBIT B

RESOLUTION OF GOVERNING BODY OF

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

The governing body of the Shenandoah Valley Regional Airport Commission ("SVRA"), consisting of five (5) members, in a duly called meeting held on the 21st day of August, 2019, at which a quorum was present, RESOLVED as follows:

BE IT HEREBY RESOLVED that, in order to facilitate obtaining financial assistance from the United States of America, acting by and through the Rural Housing Service, an agency of the United States Department of Agriculture, (the Government) the governing body does hereby adopt and abide by the covenants contained in the agreements, documents, and forms required by the Government to be executed.

BE IT FURTHER RESOLVED that the governing body be authorized to execute on behalf of the SVRA, the above-referenced agreements and to execute such other documents including, but not limited to, debt instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-referenced documents, is hereby entered into the permanent minutes of the meetings of this Board.

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

Attest:

____
(Signature)

By: ______________________
Vice (Signature)

CERTIFICATION

I hereby certify that the above resolution was duly adopted by the governing body of the Shenandoah Valley Regional Airport Commission in a duly assembled meeting on the 21st day of August, 2019.

____
Secretary/Clerk

Exhibit C

Position 5

USDA
Form RD 1942-47
(Rev. 12-97)

LOAN RESOLUTION
(Public Bodies)

FORM APPROVED
OMB NO. 0575-0015

A RESOLUTION OF THE Board of Directors

OF THE Shenandoah Valley Regional Airport Commission

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

aircraft hangar facilities and fuel farm

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Shenandoah Valley Reg. Airport Commiss.
(Public Body)
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

up to $3,086,500

pursuant to the provisions of the Code of Virginia of 1950, as amended ; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:

    (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
    (b) Repairing or replacing short-lived assets.
    (c) Making extensions or improvements to the facility.

    Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. To accept a grant in an amount not to exceed $ ______________________

    under the terms offered by the Government; that the ______________________

    and ______________________ of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

    The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

    The vote was: Yeas 4 Nays ______ Absent 1.

IN WITNESS WHEREOF, the Board of Directors of the Shenandoah Valley Reg. Airport Commiss. has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 21st day of August, 2019.

(SEAL)

By [signature]

Title Vice-Chair, SVRA

Attest: [signature]

Secretary/Treasurer, SVRA

Title

No. R-1 **$3,086,500**

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

$3,086,500 Taxable Airport Revenue Bond, Series 2020

Rate: 3.875% Closing Date: __________, 2020 Monthly Payment Date: __th Maturity Date: __________

The Shenandoah Valley Regional Airport Commission (the "Commission"), for value received, hereby acknowledges itself indebted and promises to pay to the United States of America, acting through Rural Housing Service, an agency of United States Department of Agriculture, ("RHS"), or registered assigns, the principal sum equal to the amount of principal advances shown on the Certificate of Principal Advances attached hereto (the "Certificate"), but not to exceed the sum of THREE MILLION EIGHTY SIX THOUSAND FIVE HUNDRED DOLLARS ($3,086,500) and to pay to the registered owner hereof interest on the unpaid principal from the date of each principal advance shown on the Certificate until payment of the entire principal sum at the rate of three and seven-eighths percent (3.875%) per annum.

This Bond shall be payable over a forty (40) year term as provided herein. The payments due the first twenty-four (24) months of the term hereof will consist of annual interest payments only, and shall be payable on ____________, 20__ and ____________, 20__. Commencing on ______________, 20__, and continuing on the ___ day of each month thereafter for a total ensuing 456 months hereunder, equal monthly payments of principal and interest in the amount of ________________ DOLLARS ($______) shall be payable (all in accordance with RHS requirements due to the Closing Date hereof being on the ___ day of the month). Such combined equal monthly payments of principal and interest shall be payable on the ___ day of each month (such day of each month being referenced as the "Payment Day"), for the remaining term hereof, unless sooner paid.

The final installment of principal of and interest on this Bond, together with all other amounts payable under this Bond, if any, if not sooner paid, shall be due and payable on

_____________, 2060 (for a total forty (40) year term hereunder), as set forth above; *provided however*, that if the Commission ceases to exist as a legal entity pursuant to applicable Virginia law prior to such time, then this Bond shall be fully and finally payable on the effective date of such expiration or cessation of the legal existence of the Commission unless this Bond or another entity as provided by Virginia law.

The payment of every installment on this Bond shall be applied first to interest accrued and then to principal. Installments hereunder shall be payable in accordance with the Preauthorized Debit (PAD) payment process, as described in the Letter of Conditions from RHS to the Commission, dated September 26, 2019 (the "Letter of Conditions"), in order to provide for payments to be electronically debited from the Commission's account on the Payment Day.

The initial address of the registered owner of this Bond as it appears on regular books kept for that purpose shall be Finance Office, USDA Rural Development NFAOC, 4300 Goodfellow Boulevard, Bldg. 104, St. Louis, Missouri 63120-1703.

This Bond has been authorized by a bond authorizing resolution and a RHS Form 1942-47 Loan Resolution (together, the "Resolutions") duly adopted by a roll call vote of the members of the Commission on August 21, 2019 among other things, and is issued pursuant to the Virginia Constitution and statutes of the Commonwealth of Virginia, and the governing documents of the Commission, in order to provide for the long-term financing of all or any portion of the capital costs, including for the payment or reimbursement of principal and interest accrued for interim financing, to (a) acquire, construct, and equip aircraft hangar facilities at the Shenandoah Valley Regional Airport ("SVRA"), (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance expenses (collectively, the "Project").

Specific reference is hereby made to the terms and provisions of the Resolutions and the Letter of Conditions regarding the requirements in connection with this Bond and the financing of the Project by the Commission, among other things.

The principal of and interest on this Bond are payable solely from the SVRA's revenues and receipts, including rates, fees, rentals, charges, and income of the SVRA received by the Commission, including without limitation from the Project (the "Revenues"), which Revenues have been pledged and assigned to the registered owner hereof to secure payment of this Bond, subject to the Commission's right to use the Revenues for the payment of the operation and maintenance expenses of the SVRA. Provided, however, such pledge of the Revenues by the Commission in connection with this Bond shall also be on parity, one with another, and with the lien of the pledge by the Commission of the Revenues in connection with certain prior obligations of the Commission (collectively, the "Prior Obligations"), namely:

(a) The Commission issued certain promissory notes to RHS on or around July 11, 2005 (such obligations being collectively referenced as the "2005 RHS Bonds"), which 2005 RHS Bonds were secured by the rents, profits and leases with respect to the project described specifically in the 2005 RHS Bonds, among other things, and being financed by RHS; *provided, however*, a Financing Statement was recorded in the Clerk's Office of the Circuit Court of Augusta County, Virginia (the "Clerk's Office") to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2005 RHS Security");

(b) The Commission issued a certain promissory note to RHS on February 17, 2010 (such obligation being referenced as the "2010 RHS Bond"), which 2010 RHS Bond was secured by a pledge and assignment of rents, profits and leases with respect to the project described specifically in the 2010 RHS Bond, among other things, and being financed by RHS; *provided, however*, the Commission conveyed that certain Assignment of Rents and Leases, dated as of February 1, 2010, and a Financing Statement to be recorded in the Clerk's Office to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2010 RHS Security");

(c) The Commission issued a certain promissory note to RHS on July 8, 2014 (such obligation being referenced as the "2014 RHS Bond"), which 2014 RHS Bond was secured by a pledge and assignment of rents, profits and leases with respect to the project described specifically in the 2014 RHS Bond, among other things, and being financed by RHS; *provided, however*, the Commission conveyed that certain Assignment of Rents and Leases, dated as of ______, 2014, and a Financing Statement to be recorded in the Clerk's Office to describe a security interest in favor of RHS in all accounts, equipment, fixtures and general intangibles of the Commission (collectively, the "2014 RHS Security");

For convenience, the 2005 RHS Bonds, the 2010 RHS Bond, and the 2014 RHS Bond are collectively referenced herein as the "RHS Bonds," and the 2005 RHS Security, the 2010 RHS Security, the 2014 RHS Security are collectively referenced herein as the "RHS Security."

The parity pledge of Revenues pursuant to this Bond and the Prior Obligations as described above shall be valid and binding from and after the date hereof. The Revenues, as received by the Commission, shall be immediately subject to the lien of such parity pledge, as described herein, without any physical delivery of them or further act. Such parity pledge of the Revenues to secure the payment and performance of the Commission's obligations hereunder shall have priority over all obligations and liabilities of the Commission (except as otherwise described above in connection with the Prior Obligations). The lien of such parity pledge of the Revenues with respect to this Bond and the Prior Obligations shall be valid and binding against all parties having claims against the Commission regardless of whether such parties have notice thereof.

RHS has also required a financing statement securing all accounts and general intangibles of the Commission and SVRA in favor of RHS. In addition, the Commission has also secured payment of this bond with a debt service reserve fund (the "Debt Service Reserve Fund") to be established and maintained, all as provided and further described in the Resolutions and the Letter of Conditions. Reference is hereby made to the terms of the Resolutions and the Letter of Conditions regarding such Debt Service Reserve Fund to be established and maintained by the Commission in connection with the payment and performance of the Commission's obligations under this Bond and the security therefor.

The obligations of the Commission under this Bond shall terminate when all amounts due and to become due pursuant to this Bond and the Resolutions have been paid in full, or as otherwise may be required by law.

NEITHER THE COMMISSION, THE COMMONWEALTH OF VIRGINIA, THE COUNTY NOR ANY OTHER POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND OR ANY OTHER COSTS INCIDENT HERETO OR TO FUND THE DEBT SERVICE RESERVE FUND OR OTHER REQUIRED RESERVES, EXCEPT FROM THE REVENUES AND OTHER SECURITY PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF SHALL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT HERETO OR TO THE ESTABLISHMENT AND MAINTENANCE OF THE DEBT SERVICE RESERVE FUND OR OTHER REQUIRED RESERVES. THIS BOND AND THE OBLIGATIONS OF THE COMMISSION HEREUNDER AND UNDER THE RESOLUTIONS AND THE LETTER OF CONDITIONS DO NOT AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY OTHER POLITICAL SUBDIVISION OF THEREOF. THE COMMISSION HAS NO TAXING POWERS.

This Bond is registered as to both principal and interest. Transfer of this Bond may be registered upon books maintained for that purpose at the office of the SVRA's Senior Director of Finance and Administration who has been appointed as Registrar of this Bond. Prior to due presentment for registration of transfer, the Registrar shall treat and registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

No notation is required to be made on this Bond of the payment of any principal or interest on normal monthly installment payment dates. HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.

Installments of principal due on this Bond may be prepaid at the option of the Commission at any time, in whole or in part, from time to time (but if in part, in inverse order of their maturities), without premium. Prepayment of installments of principal shall not affect the obligation of the Commission to pay the remaining installments payable as provided above so long as any principal amount remains outstanding. The Commission shall cause notice of such prepayment to be sent by registered or certified mail to the registered owner of the Bond at its address appearing on the registration books of the Registrar not less than thirty (30) days prior to any prepayment date, which notice may be waived by the owner hereof.

On the date designated for complete redemption of this Bond, notice having been given that monies for payment of the redemption price shall be paid for such purpose, this Bond shall become due and payable, interest on this Bond shall cease to accrue, and this Bond shall cease to be entitled to any lien or security under the Resolutions and the registered owner of this Bond shall have no rights in respect thereof except to receive payment of such redemption price. Payment of the redemption price upon any such redemption of this Bond shall be made only upon surrender of this Bond to the Registrar for cancellation.

All acts, conditions and things required by the Virginia Constitution and laws of the Commonwealth of Virginia, and the governing documents of the Commission, to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

[Signature page for Bond follows.]

IN WITNESS WHEREOF, the Commission has caused this Bond to be signed by the Chair of the Commission, to be attested by the Secretary/ Treasurer of the Commission, its seal to be affixed hereto, and this Bond to be dated _____________, 2020.

[SEAL]

SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

By: ______________________________
Chair

ATTEST:

____
Secretary/ Treasurer
Shenandoah Valley Regional Airport Commission

BOND REGISTER - TRANSFER OF BOND

This Bond is hereby registered on the date of issuance hereof, on __________, 2020 in the name of the United States of America, acting through Rural Housing Service, an agency of United States Department of Agriculture, having an address of Finance Office, USDA Rural Development NFAOC, 4300 Goodfellow Boulevard, Bldg. 104, St. Louis, Missouri 63120-1703.

The transfer of this Bond after the date of issuance hereof may be registered by the registered owner of his duly authorized attorney upon presentation hereof to the Registrar who shall make note of such transfer in books kept by the Registrar for that purpose and in the registration blank below.

Date of Registration	Name of Registered Owner	Signature of Registrar
__________, 2020	United States of America, acting through Rural Housing Service, an Agency of United States Department of Agriculture	__________
__________	__________	__________
__________	__________	__________
__________	__________	__________
__________	__________	__________
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__________	__________	__________
__________	__________	__________
__________	__________	__________

CERTIFICATE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount hereof, shall be entered hereon by an authorized officer of United States of America, acting through Rural Housing Service, an Agency of United States Department of Agriculture, when the proceeds of such principal advances are delivered to the Commission.

Amount	**Date**	**Authorized Signature**

SCHEDULE A

PRINCIPAL INSTALLMENTS PAID IN ADVANCE OF MATURITY DATE

Principal Due Date(s) Inclusive	Principal Payment Amount	Date	Balance	Date Paid	Signature of Registrar

<u>RESOLUTION</u>

FOR THE BENEFIT OF SHENANDOAH VALLEY REGIONAL AIRPORT COMMISSION

WHEREAS, the Shenandoah Valley Regional Airport Commission (the "Commission") was duly established pursuant to the Code of Virginia, 1950, as amended, and by resolution and agreement of the several political subdivisions of the Commonwealth of Virginia comprising the Commission, namely the Counties of Augusta and Rockingham and the Cities of Staunton, Staunton and Waynesboro (collectively, the "Member Localities"), to have and exercise, on behalf of such Member Localities, the power and authority to operate the Shenandoah Valley Regional Airport ("SVRA") located in Augusta County, Virginia; and

WHEREAS, the Commission has determined that it is necessary and desirable to (a) acquire, construct, and equip aircraft hangar facilities at SVRA, (b) install and/or replace all or any portion of the SVRA's fuel farm tanks, and (c) pay issuance costs in connection with the financings therefor (collectively, the "Project"); and

WHEREAS, the United States of America, acting through Rural Housing Service, an agency of the United States Department of Agriculture ("RHS"), has offered to purchase an up to $3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Bond, Series 2020 (or any other series designation as may be applicable, the "Bond") to provide the permanent financing needed by the Commission to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RHS Letter of Conditions, dated September 26, 2018; and

WHEREAS, RHS requires interim financing for the Project and the Commission reasonably expects that long-term, permanent financing for the Project being financed by the Commission on an interim basis with the proceeds of the Note shall ultimately be provided to the Commission by RHS, together with any other lawfully available funds therefor; and

WHEREAS, it is reasonably anticipated that the Commission shall obtain interim financing from Blue Ridge Bank, with the long-term permanent financing for the costs of the Project provided by RHS; and

WHEREAS, after the holding of related public hearings on August 21, 2019, the Commission adopted resolutions authorizing the issuance, execution, and delivery of (a) the $3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Note, Series 2019 to Blue Ridge Bank for interim financing of the Project, and (b) the $3,086,500 Shenandoah Valley Regional Airport Commission Taxable Airport Revenue Bond, Series 2020 (or other series designation) to RHS for permanent, long-term financing of the Project; and

WHEREAS, the Commission desires to obtain the approval of each of the governing bodies of its Member Localities with respect to the incurrence of indebtedness to pay the costs of the Project, subject to the Commission's final determination of the form and details thereof (all such undertakings by the Commission to finance the Project, on an interim or permanent basis, being collectively referenced herein as the "Loans"); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Staunton, Virginia (the "Council"), as follows:

1. The incurrence of the Loans by the Commission, as described herein, is hereby approved and authorized, to the fullest extent as may be required, if at all.

2. It is to be understood that nothing contained in this Resolution is or shall be deemed to be a debt of the City or a pledge of the faith and credit or the taxing power of the City, and nothing herein or therein shall legally bind or obligate the Council or any future Council to appropriate funds for such purposes. The long-term indebtedness of the Commission represented by the Note or the Bond (or otherwise in connection with the Project and the Loans) shall not be deemed to constitute a debt or pledge of the faith and credit of the taxing power of the City, and neither the faith and credit nor the taxing power of the City shall be pledged for the payment of the principal of, premium, if any or interest on the Note or the Bond or any other obligation of the Commission in connection with the Project or the Loans, or any other costs incident thereto.

3. The Mayor, Vice Mayor, and the City Manager, any one or more of whom may act, and such officers, employees, and agents of the City as any of them may designate, are each authorized and directed to take all such further actions and to execute and deliver any and all instruments, certificates, and other documents (if any), in order to carry out the purposes hereof and in furtherance otherwise, of the financing of the Project by the Commission, as described herein.

4. This Resolution shall be effective immediately.

Adopted: September 26, 2019

CITY OF STAUNTON, VIRGINIA

____
Mayor

CERTIFICATE OF VOTES

The undersigned hereby certifies that the foregoing Resolution constitutes a true and correct copy thereof, duly adopted by the City Council of the City of Staunton, Virginia, at its regular meeting duly held on the date hereof, and that the recorded roll-call vote of the Council is as follows:

	AYE	**NAY**	**ABSTAIN**	**ABSENT**
Carolyn W. Dull, Mayor				
Ophie Kier, Vice Mayor				
Erik D. Curren				
James J. Harrington				
R. Terry Holmes				
Brenda O. Mead				
Andrea Oakes				

Dated: September 26, 2019

[SEAL]

____
Clerk of City Council
City of Staunton, Virginia

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Staff Members:** **Maggie Ragon** **Phil Trayer** **Cindy Fitzgerald**
Item #	**5 & D**	
Ordinance #		
Department:	**Commissioner of Revenue** **Finance**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Resolution Establishing the Percentage of Relief at 37% for Purposes of the Personal Property Tax Relief Act (PPTRA)**	

Background: The Personal Property Tax Relief Act of 1998 (PPTRA) was modified by legislative action taken during the 2004 and 2005 General Assembly sessions. The legislative enactments required the City to take affirmative steps to implement changes and to provide for computation and allocation of relief. The legislative enactments also provided for an appropriation to the City, commencing in 2006, for a fixed sum to be used exclusively for the provision of tax relief to owners of vehicles subject to the City's personal property tax, and to provide the opportunity for the City to fashion a program of tax relief that best serves the citizens.

On April 13, 2006, Council adopted an ordinance that defined procedures and responsibilities for implementing the changes to the PPTRA, including the method of computing the tax relief and allocation of tax relief, plus transitional provisions. The ordinance requires that Council shall set the percentage of tax relief at such a level that is anticipated to fully exhaust PPTRA relief funds provided to the City by the Commonwealth. The Commissioner of Revenue recommends the rate of 37 percent for calendar year 2019. The Commissioner of Revenue, the City Treasurer, and the Chief Financial Officer have worked as a team to bring this matter to Council so as to implement Council's April 13, 2006 ordinance.

Attached is a copy of the April 13, 2006 ordinance, codified as Section 3.10.015 of the Staunton City Code, and a proposed resolution setting the PPTRA rate at 37 percent, as recommended by the Commissioner of Revenue.

Attachments:

Attachment 1—Personal Property Tax Relief Code
Attachment 2—Proposed Resolution

City Manager's Recommendation: I concur with the Commissioner of Revenue's recommendation and also recommend that the percentage be established at 37 percent.

Suggested Motion: I move that a resolution, as proposed, be adopted, establishing the Personal Property Tax Relief Act (PPTRA) percentage at 37 percent.

City Manager: Steven L. Rosenberg

3.10.015 Personal property tax relief.

(1) Purpose – Definitions – Relation to Other Ordinances.

(a) The purpose of this section is to provide for the implementation of the changes to the Personal Property Tax Relief Act of 1998 (PPTRA) effected by legislation adopted during the 2004 Special Session I and the 2005 Regular Session of the General Assembly of Virginia.

(b) Terms used in this section that have defined meanings set forth in PPTRA shall have the same meanings as set forth in the Code of Virginia Section 58.1-3523, as amended.

(c) To the extent that the provisions of this section conflict with any prior ordinance or provision of the city code, this section shall control.

(2) Method of Computing and Reflecting Tax Relief.

(a) For tax years commencing in 2006, the City adopts the provisions of Item 503.E of the 2005 Appropriations Act, providing for the computation of tax relief as a specific dollar amount to be offset against the total taxes that would otherwise be due but for PPTRA and the reporting of such specific dollar relief on the tax bill.

(b) The city council shall, by resolution, set the percentage of tax relief at such level that is anticipated to fully exhaust PPTRA relief funds provided to the city by the Commonwealth of Virginia.

(c) Personal property tax bills shall set forth on their face the specific dollar amount of relief credited with respect to each qualifying vehicle, together with an explanation of the general manner in which relief is allocated.

(3) Allocation of Relief Among Taxpayers.

(a) Allocation of PPTRA relief shall be provided in accordance with the general provisions of this section, as implemented by the specific provisions of a resolution adopted annually, after the personal property tax book is certified by the commissioner of revenue and delivered to the treasurer.

(b) Relief shall be allocated in such a manner as to eliminate personal property taxation of each qualifying vehicle with an assessed value of $1,000 or less.

(c) Relief with respect to qualifying vehicles with assessed values of more than $1,000 shall be provided at a percentage, annually fixed and applied to the first $20,000 in value of each such qualifying vehicle, that is estimated fully to use all available state PPTRA relief.

(4) Transitional Provisions.

(a) Pursuant to authority conferred in Item 503.D of the 2005 Appropriations Act, the city treasurer is authorized to issue a supplemental personal property tax bill, in the amount of 100 percent of tax due without regard to any former entitlement to state PPTRA relief, plus applicable penalties and interest, to any taxpayer whose taxes with respect to a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid on September 1, 2006, or such date as state funds for reimbursement of the state share of such bill have become unavailable, whichever earlier occurs.

(b) Penalty and interest with respect to bills issued pursuant to subsection (4)(a) of this section shall be computed on the entire amount of tax owed. Interest shall be computed at the rate provided in SCC 3.10.040. (Ord. 2006-05).

RESOLUTION
IMPLEMENTING ORDINANCE 2006-05, CODIFIED AS SECTION 3.10.015 OF THE STAUNTON CITY CODE,
TO FURTHER IMPLEMENT THE 2004-2005 CHANGES
TO THE PERSONAL PROPERTY TAX RELIEF ACT OF 1998

WHEREAS, by Ordinance 2006-05, adopted April 13, 2006, and codified as Section 3.10.015 of the Staunton City Code, the Council of the City of Staunton fashioned a local program of tax relief that serves the best interests of the citizenry regarding personal property tax on qualifying use vehicles, pursuant to modifications made by the General Assembly of Virginia to the Personal Property Tax Relief Act of 1998 (PPTRA);

WHEREAS, the City's program of tax relief contemplates the allocation of PPTRA relief provided by the Commonwealth of Virginia pursuant to the provisions of Ordinance 2006-05, codified as Section 3.10.015 of the Staunton City Code, as further implemented by resolution adopted annually after the personal property tax book is certified by the Commissioner of Revenue and delivered to the Treasurer;

WHEREAS, on September 1, 2019, the Commissioner of Revenue delivered to the Treasurer a certified personal property tax book; and

WHEREAS, the Commissioner of Revenue has recommended to the Council of the City of Staunton, Virginia, that with respect to qualifying vehicles with assessed values of more than $1,000 the percentage of relief to be applied to the first $20,000 in value of each such qualifying vehicle should be 37%, which the Commissioner of Revenue estimates will fully use all available state PPTRA relief.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Staunton, Virginia, that 37% shall be the percentage of relief to be applied to the first $20,000 in value of each qualifying vehicle with an assessed value of more than $1,000, pursuant to and in accordance with the provisions of Section 3.10.015 of the Staunton City Code.

Adopted this 26th day of September, 2019.

Approved: ____________________
Mayor

Attest: ___________________________
Suzanne F. Simmons
Clerk of Council

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Doug Guynn** **City Attorney** ——— **Nickie Mills** **City Engineer**
Item #	**6 & E**	
Ordinance #		
Department:	**City Attorney** **Community Development**	
Council Vision:	**Responsive, Efficient Government** **Built Environment**	
Subject:	**Ordinance to Vacate Utility and Sanitary Sewer Easements and to Accept the Dedication of New Sanitary Sewer and Stormwater Easements within Augusta Terrace Subdivision**	

Background: The City has been approached by the developer-owners of Lots 15 through 34 of Augusta Terrace Subdivision, located at or near the intersection of Richmond Avenue and Community Way. In effect, the owners want to eliminate easements within the interior of the lots and relocate them to the perimeter of the lots. The easements are situated within what were alleyways that have since been vacated by ordinances adopted by City Council in previous years. In basic description, the developer-owners want the City to eliminate three easements (two utility easements and one conditional sanitary sewer easement) and establish two new easements (a sanitary sewer easement and a stormwater easement). The attached draft ordinance recites the somewhat complex history of the vacation of the alleyways and the granting to or reservation by the City of Staunton of utility and sewer easements. Exhibit A to the draft ordinance is the current version of the proposed Deed of Dedication and Relocation that would implement the draft ordinance, if approved. Exhibit B to the draft ordinance is a plat showing the easements to be vacated and the newly proposed stormwater and sanitary sewer easements. Community Development staff, including the City Engineer, have reviewed the request and endorse approval of vacating and abandoning the existing utility easements and relocating and accepting the newly proposed easements.

No public hearing is required.

City Manager's Recommendation: Upon approval by the City Attorney, recommend adoption of the ordinance, approving the vacation and abandonment of the noted existing utility and sewer easements, and the relocation and acceptance of the proposed stormwater and sanitary sewer easements.

Suggested Motion: I move to adopt the proposed ordinance now before Council to vacate and abandon the utility easement lying between Lots 15 through 22 and Lots 27 through 34; to vacate and abandon the utility easement lying between Lots 23 and 26; to vacate and abandon the conditional sanitary sewer easement along the western boundary of Lot 23; to relocate and accept the sanitary sewer easement along the northern boundary of Lots 15 through 22 and a portion of Lot 23; and to accept the proposed stormwater easement along the northeastern corner of Lot 24, within Augusta Terrace Subdivision on the following conditions as reflected in the proposed ordinance: the Staunton City Manager is authorized to sign a Deed of Dedication and Easement Relocation on behalf of the City, substantially in the form of Exhibit A to the proposed ordinance, and is further authorized to agree to changes in the deed, upon approval of the City Attorney; and the proposed ordinance shall be effective only upon delivery and acceptance by the City Manager of the Deed of Dedication and Easement Relocation for the new, relocated sanitary sewer easement and new stormwater easement and further only upon recordation of such Deed of Dedication and Easement Relocation in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia.

City Manager: Steven L. Rosenberg

Ordinance No. 2019-___

AN ORDINANCE VACATING AND ABANDONING ALL THAT PORTION OF AN EXISTING UTILITY EASEMENT LYING IN AN AREA BETWEEN LOTS 15 THROUGH 22 AND LOTS 27 THROUGH 34;
AND
VACATING AND ABANDONING ALL THAT PORTION OF AN EXISTING UTILITY EASEMENT LYING IN AN AREA BETWEEN LOTS 23 AND 26;
AND
VACATING AND ABANDONING ALL THAT PORTION OF AN EXISTING CONDITIONAL SANITARY SEWER EASEMENT RUNNING ALONG THE WESTERN BOUNDARY OF LOT 23;
AND
ACCEPTING THE DEDICATION OF A RELOCATED SANITARY SEWER EASEMENT ALONG THE NORTHERN BOUNDARY OF LOTS 15 THROUGH 22 AND A PORTION OF LOT 23;
AND
ACCEPTING THE DEDICATION OF A NEW STORMWATER EASEMENT ON THE NORTHEASTERN CORNER OF LOT 24 WITHIN AUGUSTA TERRACE SUBDIVISION, STAUNTON, VA

<u>Recitals</u>

A. The Augusta Terrace Subdivision is located at or near the intersection of Richmond Avenue and Community Way in the City of Staunton. The Staunton City Council has previously taken several actions related to aspects of the subdivision.

B. Staunton City Council adopted Ordinance No. 2000-12, vacating and abandoning what is described as "all the undeveloped alley which lies between Community Way and the easternmost corners of Lots 22 and 27, of Augusta Terrace Subdivision," and accepted the dedication of a conditional sewer line easement "twenty (20) feet wide from the alley along the western boundary of Lot 23 where it abuts Lot 22, terminating at the right of way for Richmond Road," with the City retaining "only so much of a utility easement in the alleyway as may be necessary to lay and maintain a sewer pipe as it turns 90 degrees into the easement [located within the area between Lots 23 and 26]." The ordinance was recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia, as instrument number 010002033, and to implement the ordinance, a Deed of Easement was recorded as instrument number 010002034.

C. Staunton City Council adopted Ordinance No. 2006 – 21, vacating and abandoning what is described as "all that portion of a twenty foot alley lying between Lots 15 through 22 and Lots 27 through 34, of Augusta Terrace" subdivision, and the "City of Staunton reserv[ed] unto itself, its successors and assigns, an easement over the vacated portion of the aforementioned alley for the construction, installation, repair and maintenance of utility lines…" The ordinance was recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia, as instrument number 190002235.

D. By proposed Deed of Dedication and Easement Relocation, attached hereto and incorporated as Exhibit A, the owners of Lots 15 through 34 within the Augusta Terrace Subdivision have now requested further action by the Staunton City Council to: have vacated and abandoned all of that portion of the aforementioned utility easement granted by Ordinance 2000 - 12; have vacated and abandoned all of that portion of the aforementioned utility easement reserved by Ordinance 2006 – 21; to have vacated and abandoned the conditional sanitary sewer easement granted and conveyed to the City of Staunton by deed of easement recorded in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia, as instrument number 010002034, and in exchange, to relocate and grant a new variable width sanitary sewer easement to the City of Staunton; and to grant a new 20' stormwater easement to the City of Staunton.

E. A plat showing the aforementioned easements to be vacated, abandoned, relocated, and dedicated is attached hereto and incorporated as Exhibit B.

F. City staff, including the City Engineer, has recommended vacating, abandoning, relocating, and accepting the aforementioned easements.

G. This matter has been properly advertised, heard, and considered; and

H. These recitals are an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton**,** Virginia, that as shown on Exhibit B, the utility easement lying between Lots 15 through 22 and Lots 27 through 34 is hereby **VACATED and ABANDONED**; the utility easement lying between Lots 23 and 26 is hereby **VACATED and ABANDONED**; the conditional sanitary sewer easement along the western boundary of Lot 23 is hereby **VACATED and ABANDONED;** and subject to further action by the Staunton City Manager as contemplated by this ordinance, a new sanitary sewer easement is **CONDITIONALLY ACCEPTED** as **RELOCATED** along the northern boundary of Lots 15 through 22 and a portion of Lot 23; and subject to further action by the Staunton City Manager as contemplated by this ordinance, a new stormwater easement along the northeastern corner of Lot 24 is hereby **CONDITIONALLY ACCEPTED**; and it is

FURTHER ORDAINED that the Staunton City Manager is authorized to sign a Deed of Dedication and Easement Relocation on behalf of the City, and is further authorized to agree to changes in deed, upon approval of the City Attorney substantially in the form of Exhibit A; and it is

FURTHER ORDAINED that this ordinance shall be effective only upon delivery and acceptance by the City Manager of the Deed of Dedication and Easement Relocation for the new, relocated sanitary sewer easement and new stormwater easement and only upon recordation of such Deed of Dedication and Easement Relocation in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia.

Introduced:

Adopted:

Carolyn W. Dull, Mayor

ATTEST:

Suzanne F. Simmons
Clerk of Council

PIN: 10335, 10325, 10336, 10402, 10338, 10386, 10388, 10304, 10300, 9436, 9435, 9446, 10352, 10312, 10330, 9551, 9550, 9447, 9448, and 10354

THIS DEED OF DEDICATION AND EASEMENT RELOCATION is dated this ______ day of September 2019 by and between **DAHL INVESTMENTS LLC**, a Virginia limited liability company, **ATLANTIC UNION BANK & TRUST**, **as successor in interest to PLANTERS BANK AND TRUST COMPANY OF VIRGINIA, as TRUSTEE for the benefit of the ALLEN P. DAHL IRA TRUST** and as **TRUSTEE** of the **THOMAS P. DAHL IRA TRUST, S8 OF STAUNTON, LLC,** a Virginia limited liability company, **Peter H. WRAY, Allen P. DAHL, and Thomas P. DAHL,** Grantors and Grantees, and the **CITY OF STAUNTON, VIRGINIA**, Grantor and Grantee, and **CITY NATIONAL BANK OF WEST VIRGINIA**, as successor in interest to **COMMUNITY BANK**, party of the third part, Grantor for indexing purposes.

RECITALS:

WHERAS, Dahl Investments LLC, Atlantic Union Bank & Trust, as successor in interest to Planters Bank and Trust Company of Virginia, as Trustee for the benefit of the Allen P. Dahl IRA Trust and as Trustee of the Thomas P. Dahl IRA Trust, S8 of Staunton LLC, Peter H. Wray, Allen P. Dahl, and Thomas P. Dahl are respectively the owners of certain parcels of land consisting of Lots 15 (Rev) through 34 (Rev) Augusta Terrace located adjacent to Richmond Road in the City of Staunton, Virginia (the “Properties”) as set forth on the attached “PLAT SHOWING VACATION AND DEDICATION OF EASEMENTS ACROSS LOTS 15 (REV) THROUGH 34 (REV), AUGUSTA TERRACE, CITY OF STAUNTON, VIRGINIA” dated August 27, 2019, prepared by Daniel E. Hansen, Land Surveyor with Balzer & Associates, Inc., attached hereto and by this reference made a part hereof (the “Plat”), having acquired such parcels by Instrument Nos. 050004696, 040002589, 040002907, 010001361, and 060004045 and in Deed Book 327, Page 374, respectively, recorded in the Clerk’s Office of the Circuit Court of the City of Staunton;

Prepared by: Whitney Jackson Levin VSB # 68365
Miller Levin PC, 128 West Beverley Street, Staunton, VA 24401
540-885-8146 fax 540-886-8913

WHEREAS, at different times, the City of Staunton has reserved or obtained utility and sewer easements over the Properties by either deed or ordinance, specifically Ordinance 2000 – 12, recorded as Instrument Nos. 010002033 and 010002034 and Ordinance No. 2006-21, recorded as Instrument No. _______ in the Clerk's Office of the Circuit Court of the City of Staunton, Virginia; and

WHEREAS, it is the desire of the parties hereto to vacate and/or relocate certain utility and sewer easements all as depicted on Plat.

WHEREAS, some of the properties affected by the relocated easements are subject to a lien of a deed of trust for the benefit of City National Bank of West Virginia, successor in interest to Community Bank, dated September 25, 2009, of record in the Clerk's Office of the Circuit Court of City of Staunton, Virginia, as Instrument No. 090003053, securing a note in the amount of $1,200,000.00. City National Bank of West Virginia joins in this Deed of Dedication and Easement Relocation to subordinate its lien as to all easements and rights of way created herein.

NOW, THEREFORE, for and in consideration of the mutual conveyances herein made, S8 of Staunton LLC and Peter H. Wray, the owners of Lots 23(Rev) and24 (Rev**),** Atlantic Union Bank & Trust, as successor in interest to Planters Bank And Trust Company of Virginia, as Trustee for the benefit of the Allen P. Dahl IRA Trust and as Trustee of the Thomas P. Dahl IRA Trust, the owners of both Lots 22 (Rev), and Dahl Investments LLC, the owner of Lots 15 (Rev), 16(Rev), 17(Rev), 18(Rev), 19(Rev), 20(Rev), and 21(Rev), do hereby grant WITH GENERAL WARRANTY OF TITLE to the City of Staunton, Virginia, storm water and sanitary sewer easements as located and shown on the Plat and labeled thereon as ""PROP. 20' STORM EASEMENT," and "PROPOSED VARIABLE WIDTH SANITARY SEWER EASEMENT," respectively. Said easements are for the purpose of constructing, installing, and maintaining sewer distribution, collection or transmission lines and storm water transmission and detention facilities over and under the properties of the owner, as well as all equipment, accessories and appurtenances necessary in connection therewith, all of which are hereinafter called "Facilities". The easements granted and Facilities constructed shall be easements in gross which are appurtenant to the existing facilities and shall remain the property of the City of Staunton. The City of Staunton shall have the perpetual right to inspect, rebuild, remove, repair, improve, enlarge and make such changes, alterations, and additions to or extensions of its Facilities within the boundaries of said easements as are consistent with the purposes expressed herein.

The owners of the property over which the easements are located, their heirs and assigns, may use said easements for any purpose not inconsistent with the rights hereby granted, provided such use does not interfere with the safe and efficient access to and construction, operation, and maintenance of said Facilities and further provided that such use is not inconsistent with any laws, ordinances or codes pertaining to the construction, operation or maintenance of the Facilities.

After the installation of the sewer lines within the sanitary sewer easement, and after any maintenance or repair of said lines, the owner of the property over which the easements are located and subsequently the City of Staunton shall fill and level all ditches, ruts, and depressions caused by construction, maintenance, or removal operations; shall remove all debris resulting therefrom; shall remove all stakes and posts that may have been put into the ground; and shall generally restore the surface of the premises as near to its original condition as is reasonably possible, all within a reasonable time after the installation of or the repair or maintenance of the said transmission lines.

THIS AGREEMENT FURTHER WITNESSETH THAT for and in consideration of the conveyance hereinabove made, the City of Staunton, by action of its Council with the adoption of Ordinance 2019 - ______ does hereby vacate the utility and sewer easements located as shown on the Plat and labeled thereon as follows:
(1) “UTILITY EASEMENT PER INST# 010002034 & 010002033 (TO BE VACATED)”, (2) “UTILITY EASEMENT PER ORDINANCE NO. 2006-21 (TO BE VACATED)”, and

(3) “CONDITIONAL SEWER EASMENT PER INST# 010002034 & 010002033 (TO BE VACATED)”.

Witness the following signatures and seals.

(Signature Pages to follow)

(Signature Page for Deed of Dedication and Easement Relocation)

DAHL INVESTMENTS LLC
a Virginia limited liability company

By: ______________________________(Seal)

____
(print name and title)

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by ________________________, ______________ of Dahl Investments LLC, on behalf of said company.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

ALLEN P. DAHL IRA TRUST

By: ____________________________(Seal)

____

(print name and title)

Atlantic Union Bank & Trust, as successor in interest to Planters Bank and Trust Company of Virginia, as Trustee for the benefit of the Allen P. Dahl IRA Trust

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by ______________________, _____________ of Atlantic Union Bank & Trust, as successor in interest to Planters Bank and Trust Company of Virginia, as Trustee for the benefit of the Allen P. Dahl IRA Trust.

My Commission Expires: _______________________
Registration No. _______________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

THOMAS P. DAHL IRA TRUST

By: ___________________________(Seal)

____

(print name and title)

Atlantic Union Bank & Trust, as successor in interest to Planters Bank and Trust Company of Virginia, as Trustee for the benefit of the Thomas P. Dahl IRA Trust

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by _______________________, _____________ of Atlantic Union Bank & Trust, as successor in interest to Planters Bank and Trust Company of Virginia, as Trustee for the benefit of the Thomas P. Dahl IRA Trust.

My Commission Expires: _______________________
Registration No. _______________________

____

NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

S8 OF STAUNTON, LLC
a Virginia limited liability company

By: ____________________________(Seal)
____
(print name and title)

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by ________________________, _____________ of S8 of Staunton LLC, on behalf of said company.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

By: ____________________________(Seal)
Peter H. Wray

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by Peter H. Wray.

My Commission Expires: _______________________
Registration No. _______________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

By: ____________________________(Seal)
Allen P. Dahl

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of __________, 2019, by Allen P. Dahl.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

By: ____________________________(Seal)
Thomas P. Dahl

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of ___________, 2019, by Thomas P. Dahl.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

CITY NATIONAL BANK OF WEST VIRGINIA

By: ____________________________(Seal)

____

(print name and title)

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of ___________, 2019, by ________________________, ______________ of City National Bank of West Virginia, on behalf of said company.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

(Signature Page for Deed of Dedication and Easement Relocation)

CITY OF STAUNTON, VIRGINIA,
a municipal corporation and political subdivision of
the Commonwealth of Virginia

By: ____________________________(Seal)
City Manager

COMMONWEALTH OF VIRGINIA AT LARGE,
CITY OF STAUNTON, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this ____ day of August, 2019, by ________________________, City Manager of the City of Staunton, Virginia.

My Commission Expires: ________________________
Registration No. ________________________

____
NOTARY PUBLIC

OFFICE OF THE CITY ATTORNEY
Approved as to form:

By: _____________________________
Douglas L. Guynn, City Attorney

<u>**AFFIDAVIT**</u>

AFFIANT, first being duly sworn, states as follows:

1. I am a Manager of Dahl Investments L.L.C., a manager-managed Limited Liability Company (the "LLC"), registered in the Commonwealth of Virginia.

2. I make this affidavit in support of my execution of a Deed of Dedication and Easement Relocation dated September ________, 2019 among **DAHL INVESTMENTS LLC**, **ATLANTIC UNION BANK & TRUST**, **as successor in interest to PLANTERS BANK AND TRUST COMPANY OF VIRGINIA, as TRUSTEE for the benefit of the ALLEN P. DAHL IRA TRUST** and as **TRUSTEE** of the **THOMAS P. DAHL IRA TRUST, S8 OF STAUNTON, LLC, Peter H. WRAY, Allen P. DAHL, and Thomas P. DAHL,** Grantors and Grantees, and the **CITY OF STAUNTON, VIRGINIA**, Grantor and Grantee, and **CITY NATIONAL BANK OF WEST VIRGINIA**, as successor in interest to **COMMUNITY BANK**, party of the third part, Grantor for indexing purposes.

3. The Articles of Organization of the LLC that are in effect on the date of this affidavit are incorporated herein by reference and have not been amended.

4. There are no limitations on a Manager's authority in the current Operating Agreement or otherwise that would prohibit, nullify, void, or otherwise invalidate the execution, any provision or binding effect of the deed.

5. As of the date hereof, the LLC continues to exist and has not been dissolved for any reason, including but not limited to the bankruptcy of any Member of the LLC or the LLC itself, or the death, resignation, or expulsion of any LLC Member.

6. I acknowledge that this statement is under oath and subject to the full penalties of law.

____
Affiant

COMMONWEALTH OF VIRGINIA
City/County of ____________________, to-wit:

SWORN AND SUBSCRIBED TO before me in my jurisdiction aforesaid this ____ day of ___________________, 2019, by ____________________________, _________________________, LLC.

____
Notary Public

My Commission expires: _________________
Notary Registration No.: _________________

<u>**AFFIDAVIT**</u>

AFFIANT, first being duly sworn, states as follows:

1. I am a Manager of S8 of Staunton, L.L.C., a manager-managed Limited Liability Company (the "LLC"), registered in the Commonwealth of Virginia.

2. I make this affidavit in support of my execution of a Deed of Dedication and Easement Relocation dated September ________, 2019 among **DAHL INVESTMENTS LLC**, **ATLANTIC UNION BANK & TRUST**, **as successor in interest to PLANTERS BANK AND TRUST COMPANY OF VIRGINIA, as TRUSTEE for the benefit of the ALLEN P. DAHL IRA TRUST** and as **TRUSTEE** of the **THOMAS P. DAHL IRA TRUST, S8 OF STAUNTON, LLC, Peter H. WRAY, Allen P. DAHL, and Thomas P. DAHL,** Grantors and Grantees, and the **CITY OF STAUNTON, VIRGINIA**, Grantor and Grantee, and **CITY NATIONAL BANK OF WEST VIRGINIA**, as successor in interest to **COMMUNITY BANK**, party of the third part, Grantor for indexing purposes.

3. The Articles of Organization of the LLC that are in effect on the date of this affidavit are incorporated herein by reference and have not been amended.

4. There are no limitations on a Manager's authority in the current Operating Agreement or otherwise that would prohibit, nullify, void, or otherwise invalidate the execution, any provision or binding effect of the deed.

5. As of the date hereof, the LLC continues to exist and has not been dissolved for any reason, including but not limited to the bankruptcy of any Member of the LLC or the LLC itself, or the death, resignation, or expulsion of any LLC Member.

6. I acknowledge that this statement is under oath and subject to the full penalties of law.

____
Affiant

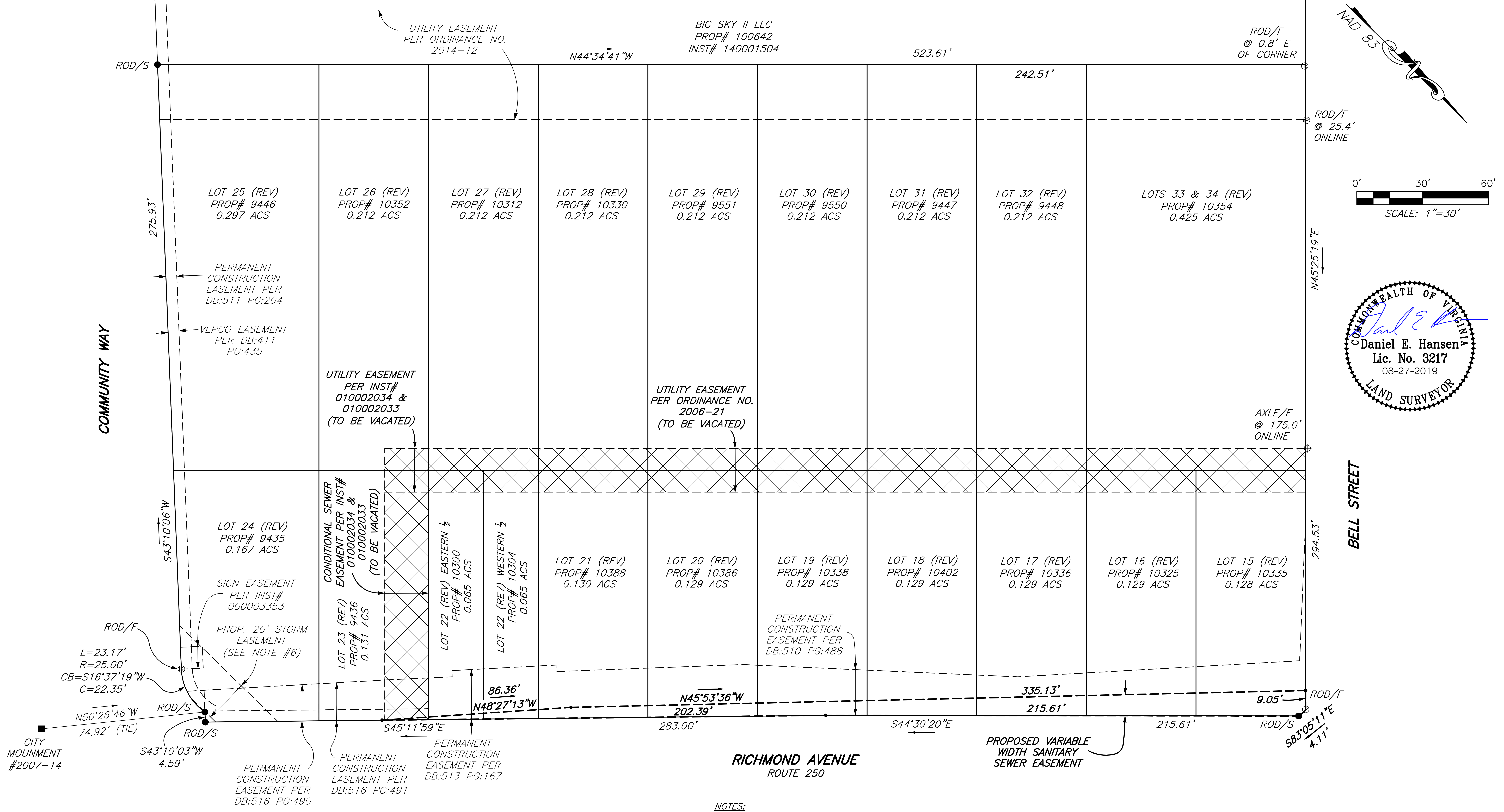
COMMONWEALTH OF VIRGINIA
City/County of ____________________, to-wit:

SWORN AND SUBSCRIBED TO before me in my jurisdiction aforesaid this ____ day of __________________, 2019, by ___________________________, ________________________, LLC.

____
Notary Public

My Commission expires: ________________
Notary Registration No.: ________________

EXHIBIT B



NOTES:
1) THIS PLAT COMPILED FROM PLATS OF RECORD AND PRIOR FIELD SURVEYING.
2) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND IS SUBJECT TO INFORMATION DISCLOSED BY SUCH.
3) PROPERTY IS LOCATED IN FEMA DEFINED ZONE "X" PER MAP #51015C0343D. EFFECTIVE 9/28/07.
4) LOTS 15 (REV) THROUGH 24 (REV) LIE WITHIN THE CORRIDOR OVERLAY DISTRICT.
5) SUBJECT PROPERTY BEING A PORTION OF LOTS 15-34 AUGUSTA TERRACE. DB:180 PG:304 (AUG. CO.).
6) PROPOSED STORM EASEMENT SHOWN HEREON BASED ON CURRENTLY UNRECORDED PLAT TITLED "PLAT SHOWING BOUNDARY LINE ADJUSTMENTS BETWEEN LOTS 21 (REV) THROUGH 23 (REV) & LOTS 25 (REV) THROUGH 28 (REV), AUGUSTA TERRACE TO BE KNOWN AS LOT 21 REVISED, LOT 23 REVISED, AND LOT 28 REVISED AND THE DEDICATION OF A STORM EASEMENT ACROSS LOT 24 (REV), AUGUSTA TERRACE" BY BALZER AND ASSOCIATES, INC. DATED 06-11-2019.
7) IT IS THE INTENTION OF THIS PLAT TO VACATE THE CONDITIONAL SEWER EASEMENT AND UTILITY EASEMENTS SHOWN HEREON. IT IS FURTHER THE INTENTION OF THIS PLAT TO DEDICATE THE SANITARY SEWER EASEMENT AS SHOWN HEREON.

OWNER INFORMATION

LOT(S)	OWNER NAME	INSTRUMENT/DEED BOOK REFERENCE
15 (REV), 16 (REV), 17 (REV), 18 (REV), 19 (REV), 20 (REV), & 21 (REV)	DAHL INVESTMENTS LLC	INST# 050004696
22 (REV) EASTERN ½, 22 (REV) WESTERN ½	ALLEN P DAHL IRA TRUST & THOMAS P DAHL IRA TRUST	DB:327 PG:374
23 (REV), 24 (REV), 25 (REV), 26 (REV), 27 (REV), 31 (REV), & 32 (REV)	S8 OF STAUNTON & PETER H WRAY	INST# 040002589
28 (REV)	ALLEN P DAHL & THOMAS P DAHL	INST# 040002907
29 (REV) & 30 (REV)	ALLEN P DAHL & THOMAS P DAHL	INST# 010001361
33 & 34 (REV)	ALLEN P DAHL ETAL	INST# 060004045

DATE: 08-27-2019
SCALE: 1"=30'
JOB: 34170021.00
DRAWN BY: DEH

PLAT SHOWING
VACATION AND DEDICATION OF EASEMENTS ACROSS LOTS 15 (REV) THROUGH 34 (REV), AUGUSTA TERRACE
CITY OF STAUNTON, VIRGINIA

BALZER AND ASSOCIATES INC.
PLANNERS • ARCHITECTS • ENGINEERS • SURVEYORS
ROANOKE • RICHMOND • NEW RIVER VALLEY • STAUNTON • HARRISONBURG
1561 Commerce Road • Suite 401 • Verona, Virginia 24482 • Phone (540) 248-3220 • dhansen@balzer.cc
REFLECTING TOMORROW

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Councilwoman Brenda Mead**
Item #	**7**	
Ordinance #		
Department:	**Parks and Recreation** **Finance**	
Council Vision:	**Culture** **Responsive, Efficient Government**	
Subject:	**Gypsy Hill Golf Course Survey**	

Background: At the request of Councilwoman Brenda Mead, this item has been added to Council's work session agenda for September 26, 2019. Ms. Mead will share with Council members the results of a survey she conducted concerning the Gypsy Hill Golf Course.

City Manager's Recommendation: Receive and discuss the survey results.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Doug Guynn** **City Attorney** __________ **Steve Rosenberg** **City Manager** __________ **City Council**
Item #	**8**	
Ordinance #		
Department:	**City Attorney**	
Subject:	**Closed Meeting for: (a) Discussion or Consideration of the Possible Disposition of Publicly Held Real Property(ies) or Interests in Real Property(ies), Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy; and (b) Consultation with Legal Counsel for Necessary Legal-Related Advice and Discussion Pertaining to (i) Specific Land Use and Zoning Matters; and (ii) a Claim Involving a Former Employee of One of the City's Departments or Agencies**	

Suggested Motion:

Before the closed meeting: I move to enter a closed meeting for: (a) discussion or consideration of the possible disposition of publicly held real property(ies) or interests in real property(ies), where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy, pursuant to Virginia Code § 2.2-3711(A)(3); and (b) consultation with legal counsel for necessary legal-related advice and discussion pertaining to (i) specific land use and zoning matters; and (ii) a claim involving a former employee of one of the City's departments or agencies, pursuant to Virginia Code § 2.2-3711(A)(8).

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

Staunton Music Festival

WHEREAS, in early 1998, Carsten Schmidt organized two chamber music concerts, pulling together several friends to make a weekend of music in Staunton, Virginia; and

WHEREAS, 50 people attended those first concerts at the Woodrow Wilson Presidential Library; and

WHEREAS, from those early days with just a handful of performers, 21 years later the Staunton Music Festival has grown to a series of events with 84 musicians who come to Staunton from places throughout the United States and the world; and

WHEREAS, in August, 2019, the festival welcomed almost 8,800 music lovers who attended 28 concerts and 10 preconcert talks offered over 10 days;

WHEREAS, the Staunton Music Festival has been awarded funding from private foundations and the National Endowment for the Arts, and has been recognized as a key arts event by *The Washington Post*, *Travel + Leisure Magazine*, *Virginia Living* and the Southeast Tourism Society; and

WHEREAS, the City of Staunton has benefitted tremendously from the economic and cultural spark of the festival, which has contributed significantly to the City's reputation as a special place to live, work and play.

NOW, THEREFORE, BE IT PROCLAIMED, by Staunton City Council that it does hereby celebrate the Staunton Music Festival and express its appreciation to its devoted volunteer board for bringing world-renowned artists and music-lovers to the City of Staunton and for adding to the quality of life of the City.

Dated this 26th day of September, 2019.

____

CAROLYN W. DULL, MAYOR

ATTEST: __________________________________

CLERK OF COUNCIL

City Council
WORK SESSION
September 12, 2019
5:15 p.m.

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

The Mayor called the meeting to order at 5:15 p.m., and the invocation/moment of silence was given by Dr. Harrington.

1. Consideration of Work Session and Regular Meeting Agendas

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

Ms. Mead stated she would like to have the opportunity to distribute the results of the Gypsy Hill Park survey that she conducted with time permitting.

Ms. Mead moved to approve the Work Session agenda and the Regular Meeting agenda with the addition to the Work Session, if time permits, of a discussion of the results of her informal survey of Staunton residents regarding Gypsy Hill Park golf course.

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

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

2. Presentation by Shenandoah Green

Steve Rosenberg, City Manager, stated representatives of Shenandoah Green would be sharing details concerning a grant received from the American Geophysical Union-Thriving Earth Exchange (AGU-TEX) and the grant funded project, Staunton Thriving Earth Plastics Project (STEPP). As reported by Shenandoah Green, the purpose of STEPP is to measure for micro-plastics in local waterways.

Fred Blanton, representative of Shenandoah Green, stated, as part of the grant, the AGU assigns a scientist to the project. He noted Win Cowger, a Ph.D. student and National Science Foundation graduate research fellow at the University of California, has been assigned to STEPP and has been conducting studies in Staunton for a week. Mr. Blanton stated their group toured the City's Water Treatment Plant, Augusta Regional Landfill, and the Middle River Regional Wastewater Treatment Plant and tested waters downstream from these facilities.

Mr. Blanton introduced Mr. Cowger, who explained the results of his studies that he conducted regarding trash in the city. Mr. Cowger also answered Council's questions regarding possible recommendations on how to reduce trash and plastic consumption especially related to glass and plastic bottles, plastic bags and cigarette butts.

3. Discussion of Virginia Department of Transportation of Greenville Avenue STARS Study

Mr. Rosenberg stated this item appeared on the August 22, 2019 Work Session agenda. He noted Adam Campbell, VDOT Assistant District Planner, provided a brief overview of the Strategically Targeted Affordable Roadway Solutions (STARS) program. Due to time constraints, Council and staff did not have an opportunity to engage in discussions regarding specific business locations that may be impacted by proposed improvements. As a result, Mr. Rosenberg stated staff would provide further information and answer questions from Council members.

The purpose of the VDOT study is to identify strategies to reduce crashes and enhance facilities serving non-motorized and transit users, while maintaining vehicular capacity through recommended improvements identified by the analysis of existing and forecast conditions. Additionally, the study serves as a primary planning vehicle to identify potential transportation improvements addressing safety and congestion for advancement through VDOT's SMART SCALE program and other state funding programs.

Billy Vaughn, Director of Economic Development, noted Mr. Campbell was also present to answer questions from Council. Mr. Vaughn gave a presentation which highlighted proposed improvements on Greenville Avenue, beginning at Barterbrook Road and ending at Commerce Road, and their impact on adjacent properties.

Mr. Vaughn and Mr. Campbell answered questions from Council members regarding the proposed recommendations. Mr. Vaughn stated the short-term project could possibly begin in three years. Mr. Campbell explained the time line involved regarding funding for the proposed projects.

Mr. Vaughn stated a public information meeting regarding the results of VDOT's study would be conducted at a future date. He noted all projects would be funded by VDOT.

Mr. Campbell stated City Council would decide whether to advance any or all of the proposed projects into various funding cycles offered through the state.

4. Closed Meeting for (a) Consultation with Legal Counsel for Necessary Legal-Related Advice and Discussion Pertaining to (i) Specific Land Use and Zoning Matters; (ii) a Claim Involving a Former Employee of One of the City's Departments or Agencies, (iii) the Permissible Functions of Local Law Enforcement Officers, and (iv) Transient Occupancy Tax; and (b) Discussion or Consideration of the Possible Acquisition of Real Property(ies) or Interests in Real Property(ies) for Public Purposes and/or Disposition of Publicly Held Real Property Interests, Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy

Ms. Oakes moved to enter a closed meeting for (a) consultation with legal counsel for necessary legal-related advice and discussion pertaining to (i) specific land use and zoning matters; (ii) a claim involving a former employee of one of the City's departments or agencies, (iii) the permissible functions of local law enforcement officers, and (iv) transient occupancy tax, pursuant to Virginia Code § 2.2-3711(A)(8); and (b) discussion or consideration of the possible acquisition of real property(ies) or interests in real property(ies) for public purposes and/or disposition of publicly held real property interests, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy pursuant to Virginia Code § 2.2-3711(A)(3).

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

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

Ms. Oakes moved 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.

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

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

The work session adjourned at 7:18 p.m.

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Suzanne F. Simmons
Clerk of Council

REGULAR MEETING OF STAUNTON CITY COUNCIL
Thursday, September 12, 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
Andrea Oakes
Brenda O. Mead

ALSO PRESENT: **Steven Rosenberg, 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.

<u>MAYOR'S REPORT</u>

Mayor Dull stated on August 31, 2019, Mary Baldwin University students were welcomed to the City and given a tour of City Hall.

On September 5, 2019, Mayor Dull and Councilwoman Oakes attended a mental health briefing given by Valley Community Services Board.

Mayor Dull gave a brief personal statement regarding the Gypsy Hill Park Golf Course. She wanted to clarify misinformation being issued on her belief that the golf course needs to make money. She stated she had never said that the golf course needed to have a profit. Mayor Dull stated the golf course is part of the quality of life in Staunton. She stated Council needs to examine how the City is spending the taxpayers' dollars on quality of life issues.

Mayor Dull welcomed Social Studies students from Riverheads High School.

Mayor Dull welcomed Daman Irby of the University of Virginia Center for Politics and a guest delegation of 30 Mongolians who are participating in the Leaders Advancing Democracy (LEAD)-Mongolia Exchange.

Mr. Irby stated this was the fourth delegation from Mongolia to attend a City Council meeting. The group's representative stated the members are from both private and public sectors. He presented Mayor Dull with a gift from Mongolia.

Mayor Dull read the following Proclamation and presented it to Betty Wade, Virginia District 6 Director, and Helen Willard, Cindy Phillips, and Jane Lobb ,representatives of the Colonel Thomas Hughart, Augusta Parish, and Beverly Manor chapters of the Daughters of the American

Revolution, who will be distributing copies of the proclamation to Staunton's schools for use in the schools' activities to recognize Constitution Week:

WHEREAS, September 17, 2019 marks the two hundred and thirty-second anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to officially recognize the patriotic celebrations which will commemorate the occasion; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW, THEREFORE, BE IT PROCLAIMED, by Staunton City Council that September 17-23, 2019, is hereby designated as

Constitution Week

in the City of Staunton and all the City's citizens are asked to reaffirm the ideals established by the Framers of the Constitution in 1787.

Adopted this 12th day of September, 2019.

/s/ Carolyn W. Dull

CAROLYN W. DULL, MAYOR

ATTEST: /s/ Suzanne F. Simmons

CLERK OF COUNCIL

Mayor Dull then read the following Proclamation and presented it to Lily Wilson Huffman, Ms. Virginia Senior America 2019:

WHEREAS, Lily Wilson Huffman is a 12th generation Virginian; and

WHEREAS, Ms. Huffman is an honored citizen of Staunton who finds nothing more beautiful and special than the Blue Ridge Mountains and her beloved Virginia; and

WHEREAS, as an educator and volunteer, Ms. Huffman has provided tremendous service to her community; and

WHEREAS, selected by Senior America as Ms. Virginia Senior America 2019, Ms. Huffman graciously exemplifies the dignity, maturity and inner beauty of all senior Americans; and

WHEREAS, Ms. Huffman represents the Commonwealth of Virginia and the City of Staunton with great passion.

NOW, THEREFORE, BE IT PROCLAIMED, by Staunton City Council that the City of Staunton, Virginia honors Lily Wilson Huffman on the occasion of her selection as Ms. Virginia Senior America and wishes her great success during her tenure.

Dated this 12th day of September, 2019.

/s/ Carolyn W. Dull
CAROLYN W. DULL, MAYOR

ATTEST: /s/ Suzanne F. Simmons
CLERK OF COUNCIL

Mayor Dull invited citizens to attend the Climate Strike event to be held at the Staunton Innovation Hub on September 20, 2019. She noted this event would address climate change.

ADDITIONAL ITEMS BY MEMBERS OF COUNCIL

Ms. Oakes gave mention to CAPSAW and then read comments received about how project funding has helped citizens in the community. She stated the West End Business Association will have a road rally and scavenger hunt on September 21, 2019, and invited the public to attend. Ms. Oakes noted Council will be holding further discussions concerning the golf course.

APPROVAL OF MINUTES

Ms. Oakes moved to approve the work session and regular meeting minutes of August 8, 2019.

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

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

Ms. Mead moved to approve the work session and regular meeting minutes of August 22, 2019.

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

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

<u>REGULAR MEETING</u>

A. Public Hearing and Consideration of a Request by Charles Clemmer for a Special Use Permit to Construct a Residential Garage at 511 North Coalter Street

Rodney Rhodes, Senior Planner, stated Charles Clemmer has requested a Special Use Permit to construct a garage at 511 North Coalter Street. The property is zoned B-1, Local Business District. Mr. Rhodes noted in the B-1 District, the ground floor of any building is reserved for business use only. However, through the Special Use Permit process, one can apply for residential use on a ground floor.

Mr. Rhodes stated the existing structures and uses at 511 North Coalter Street consist of a single-family dwelling with a commercial addition on the rear and several residential accessory structures. He noted Mr. Clemmer is asking to construct a residential garage in the back of the property for his personal use.

Mr. Rhodes stated zoning to the north is R-2, Low Density Residential District, to the east is R-4, High Density Residential District, to the west is B-3, Planned Business District, and to the south is B-1, Local Business District. This is a corner lot, and the proposed garage would be in close proximity to the adjacent R-2 and R-4 zoning. Given that residential use is permitted on the property on the second floor, that the garage is accessory to that use, and that the garage would be located on the rear of the lot near the residential uses to the north and east, the requested Special Use Permit is deemed appropriate. Mr. Rhodes stated notices were sent to all adjoining property owners, including those across all three streets from the property, and was also advertised in accordance to state requirements. He stated no comments were received. Mr. Rhodes stated due to its proximity to residential uses in the back, staff believes that it is compatible with those residential uses and would not have any detrimental impacts to the adjoining Walgreen's store.

Mr. Rhodes stated at its meeting of August 15, 2019, the Planning Commission conducted a public hearing and considered the request. No one spoke in opposition to the request. On a 5-0 vote, the Commission voted unanimously to recommend approval of the Special Use Permit, concurring with staff's recommendation.

The Public Hearing was opened.

Charles Clemmer, 511 N. Coalter Street, stated he is requesting a Special Use Permit to construct a garage for personal use.

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

Dr. Harrington moved that Council approve the Special Use Permit for 511 North Coalter Street, as recommended by the Planning Commission.

The motion was seconded by Ms. Oakes.

Ms. Mead stated she'd visited the property as Council liaison for Planning Commission and noted the property is one of the nicest maintained properties in that area. She noted she would be happy to support his request.

The motion carried as follows:

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

B. Public Hearing and Consideration of a Request by Blue Ridge Mass Appraisal Company to Amend Section 18.75.020 of Chapter 18.75, I-1, Light Industrial District, of Title 18, Zoning, of the Staunton City Code

Mr. Rhodes stated Blue Ridge Mass Appraisal Company has requested an amendment to the Uses Permitted section of the I-1, Light Industrial District. The applicant proposes to add "business and professional offices" to the list of uses that are permitted by right in I-1, Light Industrial District. As a permitted use in I-1, Light Industrial District, business and professional offices would also be permitted in the I-2, Heavy Industrial District. Blue Ridge Mass Appraisal is located at 104 Industry Way, in the Green Hills Industrial Park. Mr. Rhodes stated the building was constructed to look and function as a business. He noted the property has been for sale and several potential purchasers have all expressed interest in using the property as a business or professional office; however, such uses are not a permitted use in I-2 District.

Mr. Rhodes stated David Hickey, owner of Blue Ridge Mass Appraisal, has worked with staff on this amendment to allow office use in existing buildings in industrial districts. He noted this would not apply to new buildings constructed in industrial districts, only buildings already in existence.

Mr. Rhodes stated staff has conducted an analysis of the industrially zoned areas of the City. He noted there are several other properties with similar issues with office or business use in industrial districts. He noted this would benefit the applicant as well as other property owners in the industrial districts.

Mr. Rhodes stated at its meeting of August 15, 2019, the Planning Commission held a public hearing on the matter. No one spoke in opposition to the amendment. One individual, representing an entity interested in purchasing an adjacent property, spoke in support of the amendment. On a 5-0 vote, the Commission voted unanimously to recommend approval of the amendment, concurring with staff's recommendation. Mr. Rhodes stated Mr. Hickey submitted a letter with his application that explains some of the history of how his building was permitted and approved.

The Public Hearing was opened.

David Hickey, owner of Blue Ridge Mass Appraisal, stated he purchased the property in 2002, and noted the City approved his plans for the office building. Due to difficulty on selling the property, Mr. Hickey is requesting the amendment to the zoning code for industrial areas.

Amanda Hoke Martin, 319 S. Fayette St., Apt. 2, stated she has lived in Staunton for two years and has enjoyed living here.

Adam Shifflett, facility manager for Farm Credit, stated his business is looking to expand and has put a contract on the building next to Mr. Hickey’s at 102 Industry Way to use as a processing center. He noted due to current zoning restrictions, they would not be able to use the property to suit their needs. He asked that Council consider the zoning amendment.

Mr. Rhodes stated when Planning Commission voted unanimously to recommend approval of the amendment, they did state that they recommended changing the ordinance to what is being proposed at this time to address the current need of these properties; however, they requested staff to revisit the issue and to consider whether such uses should generally be permitted in industrial zones.

Dr. Harrington asked Mr. Rhodes, if Council were to vote in the affirmative on this proposal, does it just solve the problem of the one building or does it also address the issue with Farm Credit. Mr. Rhodes stated it would address both of those buildings and any other existing buildings in the industrial district.

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

Dr. Curren moved that Council adopt the ordinance, as presented, amending Chapter 18.75.020, Uses Permitted of the I-1, Light Industrial District, of Title 18, Zoning, of the Staunton City Code as recommended by the Planning Commission.

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

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

Ordinance No. 2019-32

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 18.75.020, USES PERMITTED OF CHAPTER 18.75, I-1 LIGHT INDUSTRIAL DISTRICT, OF TITLE 18 ZONING, OF THE STAUNTON CITY CODE

Recitals

A. As part of City staff's periodic review of the Staunton City Code (SCC), it has been ascertained that SCC Section 18.75.020 merits amendment to expand the uses permitted in the I-1, Light Industrial District;

B. Blue Ridge Mass Appraisal has initiated a proposed amendment, which City staff has supported, to SCC § 18.75.020 to add business office to the uses permitted within the I-1, Light Industrial District, and City staff has recommended to the Planning Commission that it endorse the proposed amendment;

C. The Staunton Planning Commission, after study and review, has now recommended approval of the proposed amendment to SCC § 18.75.020, to allow business and professional offices as permitted uses in the I-1, Light Industrial District;

D. This matter has been properly advertised, heard, and considered; and

E. 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 18.75, I-1 Light Industrial District, of Title 18 Zoning, of the Staunton City Code be, and hereby is amended as follows:

Chapter 18.75
I-1 LIGHT INDUSTRIAL DISTRICT

Sections:

18.75.080 Minimum distance for building construction from any residential or professional district.

18.75.090 Uses permitted on review.

18.75.010 General description.

These districts are composed of land and structures used for light manufacturing or wholesaling, or suitable for such uses, where the use and its operation do not directly adversely affect nearby residential and business uses. These districts are usually separated from residential areas by business areas or by natural barriers. The district regulations are designed to allow a wide range of industrial activities subject to limitations designed to protect nearby residential and business districts. (Zoning ordinance Art. 4, § 12).

18.75.020 Uses permitted.

Property and buildings in the I-1 light industrial district shall be used only for the following purposes:

….

(7) Business and professional offices not involving on-premises retail or wholesale trade nor the maintenance of a stock of goods for display or sale. This use shall be limited to only fully enclosed buildings constructed prior to September 1, 2019.

….

In all other respects, the provisions of Chapter 18.65 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: September 12, 2019
Adopted: September 12, 2019
Effective Date: September 12, 2019

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
Suzanne F. Simmons
Clerk of Council

MATTERS FROM THE CITY MANAGER

Mr. Rosenberg shared with Council members the rating from the Insurance Services Office for insurance purposes. He noted this was a process in which the City participates approximately every five years. He stated the City has maintained a favorable score of 2 which is good news for property owners that purchase hazard insurance. He thanked Scott Garber, Fire-Rescue Chief, and Tom Sliwoski, Director of Public Works, for their work during that process.

Mr. Rosenberg stated the Queen City Mischief and Magic event would be taking place on September 27-29, 2019. He noted there would be extensive street closures in the downtown area, but noted shuttle services would be offered. Mr. Rosenberg encouraged residents to obtain information online regarding services and closures.

MATTERS FROM THE PUBLIC

Eric Milnes, 30 Oak Lane, asked if the City had an ordinance regarding organizations, such as the Ku Klux Klan, distributing literature. He also asked if any progress had been made on recycling plastic.

Mayor Dull stated the City still does not have a vendor to pick up plastic recycling items. She noted there is a vendor, Brilliant Green, at the Farmer's Market which accepts different plastic items.

Mayor Dull referred to Doug Guynn, City Attorney, regarding Mr. Milnes' concerns about the distribution of literature. Mr. Guynn stated the City does have provisions that relate to the subject matter, but noted City officials are keenly mindful that the City is constrained in how any ordinances are enforced by the First Amendment of the Constitution regarding free speech.

There was no one else wishing to speak.

ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 8:23 p.m.

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Suzanne F. Simmons
Clerk of Council

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**September 26, 2019**	**Mayor** **Carolyn Dull**
Item #	**A**	
Ordinance #		
Department:	**City Council**	
Council Vision:	**Culture**	
Subject:	**Viseu de Sus**	

Background: At the invitation of Mayor Carolyn Dull, Bruce Dorries will make a presentation to City Council about his recent visit to Viseu de Sus, Romania, one of Staunton's sister cities.

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg