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January 14, 2015

Michael L. Shull
Chairman, Augusta County Board of Supervisors

Larry J. Wills
Member, Augusta County Board of Supervisors

Patrick J. Coffield
Augusta County Administrator

18 Government Center Lane
Verona, Virginia 24482

Re: Augusta County Circuit Courthouse

Dear Chairman Shull, Supervisor Wills and Mr. Coffield:

Councilman Walt Obenschain and Chief Financial Officer Jeanne Colvin have joined me in meeting with you today to represent the interests of the City of Staunton, concerning the possible renovation of the Augusta County Circuit Courthouse, located in the City. We are providing this letter to you at the conclusion of our meeting to provide a summary and further explanation of the positions we have presented on behalf of the City, and with the hope that you will provide the letter to your colleagues on the Board of Supervisors.

Recently, Mr. Coffield shared with City Manager Steve Owen a preliminary proposal for the City's participation in such a project. Mr. Owen, in turn, has shared that proposal with City Council. Council has had an opportunity to consider and discuss the proposal, although Council has not taken any formal action on it.

In essence, from what we understand from Mr. Coffield, there is some suggestion from a County perspective that the City's taxpayers should shoulder as much as several millions of dollars of expenditures in support of the County's renovation of its courthouse. While we are open to considering our mutually shared interests, that kind of expectation could be seen by our citizens as a bit like asking the City to subsidize the complete renovation of a building that the City does not own and cannot use. Still, we want to be open to considering all perspectives and want to be a good neighbor, as we balance various considerations.

There seems to be a desire on the part of every member of City Council to see not only the County's circuit courthouse, but other of the County's judicial facilities, remain in the City, believing that it would be of mutual benefit. The City's status as the county seat of Augusta County and the location of all courts—in one venue convenient for citizens, judges, attorneys and law enforcement—are both historically significant and economically beneficial to all of the citizens of the region. On these points, we are sure we can all agree. We expect that we all can agree, too, that the serious economic downturn that started in 2007, and still affects us all today, has been a strain on our citizens and on the County and the City, leading to a new reality about what can be done, and when, in terms of both operational and capital plans and expenditures.

According to *Virginia's Historic Courthouses*, by John O. and Margaret T. Peters, published in 1995, the Augusta County courthouse was designed by Staunton architect T. J. Collins in 1901, and is the fifth courthouse on the same site. Collins also designed the Rockingham County courthouse, that County's fifth as well, around the same time. We probably don't need to tell you what a jewel the courthouse could once again become, not to mention a point of pride for the County, if restored and maintained after years of deferred maintenance well catalogued in the study completed by Frazier & Associates. And it is fortunate that it seems the circuit court judges—over at least several decades—have been patient in waiting for the County to make the commitment to undertake the significant restorative maintenance and basic updates to the building that seem to be reflected at least implicitly in the study, even aside from expansion.

As we are sure the County will also appreciate, the City has major projects that are planned in its Capital Investment Plan, totaling over \$225 million (with over \$130 million in projects scheduled for completion over the next five years). To be very candid, it is only through prudent financial planning for the retirement of existing debt, and some optimistic economic assumptions that inform its projections, that the City can plan adequately and realistically for funding of its own schools, public safety facilities and library, among other needs. We note that, like the City and its consideration of new facilities, the County anticipates significant capital expenditures in the years ahead, including several major school projects identified in the County's School Capital Improvement Fund projected to cost in excess of \$60 million. We understand the demands you face and recognize and respect the expectations of the County's citizens. And we cannot help but wonder whether those citizens would feel better served by renovation of the existing courthouse in the City, estimated by the County's architect to cost less than \$10 million, when construction of a new judicial facility in Verona would likely cost more than \$35 million.

Beyond the realistic issue of the cost to the City for its participation in the renovation of the County's circuit courthouse, legally owned exclusively by the County (unlike in Rockingham County, where we understand the circuit courthouse to be owned jointly by the City of Harrisonburg and the county), City Council has also struggled with the question of what is fair to the City's citizen taxpayers. Some of our citizens surely would scratch their heads and reason—with some justifiable logic—that deterioration of the existing courthouse to the point

that it needs such a sudden, significant makeover is neither the City's fault, nor its responsibility. Nevertheless, as demonstrated by our participation in today's meeting, the City is prepared to proceed in good faith.

To support the continued presence of the County courts in the City, there seems to be support among members of City Council for the following accommodations in connection with the County's renovation of its circuit courthouse:

1. Using its contacts, the City would explore (a) the availability of federal and state rehabilitation tax credits, federal New Markets tax credits, and federal and state grants, and (b) the use of the Virginia Public-Private Educational Facilities Infrastructure Act (PPEA), to provide sources of funding for, or reduce costs of, the renovation of the Courthouse, and would report its findings to the County. City staff with appropriate expertise would be made available to advise and support County staff responsible for the County's participation in any tax credit or grant program or transaction to be structured under the PPEA.
2. The City would waive any fees otherwise chargeable by the City for such a project (e.g., permit fees, inspection fees, fees for land use applications, etc.).
3. During the project, the City would permit the County's use of the parking lot at the intersection of Johnson and Augusta streets, diagonally across the intersection from the circuit courthouse, as a construction staging area. Individuals who park in the lot would be permitted to park in the Wharf parking lot, at no cost to those individuals or the County, until project completion.
4. The City would also close Barristers Row to vehicular traffic during the project, affording the County and its contractor additional space in which to work.
5. Subject to availability and schedule coordination, the City would share courtrooms in the Cochran Judicial Center and permit the County's use of City Council Chambers in City Hall for judicial proceedings.
6. Subject to some understanding about mutually beneficial shared space arrangements on an occasional, as needed basis (as coordinated by the circuit court judges), the City would make a financial contribution toward the additional expenses attributable to a brick exterior or other architecturally, historically distinctive features on the proposed additions to the courthouse.

Any undertaking on the part of the City, as detailed above, would be conditioned upon the County's amendment of its comprehensive plan to provide expressly for the County's maintenance of its courts in the City of Staunton and to eliminate any reference to a County judicial facility in Verona. With such a commitment, and the knowledge that the County's overall judicial presence in the City would be maintained, the City would proceed with efforts

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to address the needs of the juvenile and domestic relations district court—certain to involve significant financial commitments on the part of the City—consistent with the prior understanding between representatives of the City and the County.

We are prepared to meet with you and other representatives of the County again, to ensure we have, together, fully explored the continued presence of the County's judicial facilities in the City. While the suggested approach outlined above is earnest, we realize it is not the millions of dollars that had been suggested informally for participation by the City's taxpayers in a County project. Our proposal, however, does reflect a balance and a good faith expression of our genuine interest in finding common ground with a valued neighbor with whom we wish to cooperate and continue our collective interests.

Sincerely,

A handwritten signature in cursive script that reads "Carolyn W. Dull".

Carolyn W. Dull
Mayor

cc: Staunton City Council
Stephen F. Owen, City Manager