



TOWN COUNCIL REGULAR MEETING

July 22, 2024 @ 7:00pm

Warren County Government Center

View LIVE on Government Access Channel 16 or <https://www.frontroyalva.com/673/Town-Hall-Live>

1. MOMENT OF SILENCE

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVAL OF MINUTES – *I move that Council approve the 2024 Council Meeting minutes of the June 22nd Regular Meeting, the July 1st work session and the July 8th work session, as presented.*

5. ADDITION/DELETION OF ITEMS FROM THE AGENDA OR REVISION TO ORDER OF BUSINESS

[Unanimous vote is required to add/delete Items. Added will be placed as the last item under Business Items.]

6. RECOGNITIONS/AWARDS/REPORTS/PRESENTATIONS

- A. Recognition of Virginia Waterworks Operator Class I Chris Vaught – Director of Public Works Robbie Boyer
- B. Recognition of Class A Line Technician Certification Cody Lohmann – Director of Energy Services Carey Saffelle
- C. Recognition of Town for *Wastewater System of the Year* from the Virginia Rural Water Association

7. PUBLIC HEARINGS

- A. Special Use Permit to Allow a Short-Term Rental Located at 415 E. Main Street for Mark Poe.
- B. Receive Public Comment Pertaining to an Application from Michael D. and Jane M. McCool Requesting the Town to Vacate a Portion of a Public Alley (2,000 SF) located behind and abutting 125 W. 8th Street.
- C. Receive Public Comment and Consider Taking Action on the Resolution Approving the Proposed Public Use and Necessity of a Redundant Waterline for the Route 522 North Corridor and Directing the Acquisition of Property by Condemnation.

8. PUBLIC COMMENTS NOT RELATED TO PUBLIC HEARINGS

9. REPORTS

- A. Report of Town Manager
- B. Report of Councilmembers
- C. Report of the Mayor

10. CONSENT AGENDA ITEMS - *I move that Council approve the Consent Agenda as presented.*

- A. Cash Management Services
- B. Pressure Reducing Valve (PRV) Vault Purchase for Jamestown Road
- C. Appointments to the Local Board of Building Code Appeals (LBBCA)
- D. Appointment to the Board of Zoning Appeals (BZA)
- E. Appointment to the Planning Commission

11. Business Items

- A. Consider a Proposed Resolution Calling for the Dissolution of *The Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia* and the Appointment of a Receiver.

12. CLOSED MEETING

13. Adjourn



Moment of Silence

Pledge of Allegiance led by Aaliyah Koryn Porter

ROLL CALL BY CLERK OF COUNCIL

PRESENT: Mayor Lori A. Cockrell
Vice Mayor R. Wayne Sealock
Councilman Joshua L. Ingram
Councilwoman Amber F. Morris
Councilman H. Bruce Rappaport
Councilwoman Melissa DeDomenico-Payne
Councilman Glenn E. Wood

OTHERS PRESENT: Clerk of Council Tina L. Presley
Town Manager Joseph E. Waltz
Town Attorney George M. Sonnett, Jr.

APPROVAL OF MINUTES – Councilwoman Morris moved seconded by Vice Mayor Sealock that Council approve the 2024 Council Meeting minutes of May 28th Regular Meeting, June 3rd Work Session and June 10th Work Session, as presented.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

ADDITION/DELETION OF ITEMS FROM THE AGENDA OR REVISION TO ORDER OF BUSINESS – N/A

RECOGNITIONS/AWARDS/REPORTS

Proclamation for Marlow Motor Company - Mayor Cockrell read the proclamation and along with Council awarded it to Emily Marlow who was in attendance.

Proclamation for Drinking Water and Wastewater Professionals Day – Mayor Cockrell read the proclamation and along with Council thanked the employees who work hard to make our water safe.

Proclamation for Town Employee Appreciation Week – Mayor Cockrell read the proclamation and along with Council and those in attendance gave applause to the employees of the Town of Front Royal.

PUBLIC HEARINGS

A. Special Use Permit for Lodging House at 1324 Old Winchester Pike for Abode of Liberation - Mayor Cockrell asked staff to update Council on the request and gave Council the opportunity to ask them questions. John Ware, Deputy Zoning Administrator/Town Planner I showed them various pictures of the property along with a summary of the request. He explained that it was formerly a bed and breakfast, and if approved the owner would be bringing the property into compliance for a lodging house.

Mayor Cockrell allowed the applicant to speak and gave Council the opportunity to ask her questions. Jennelle Embrey, owner/applicant, advised that the lodging house welcomed at-risk and intellectually disabled people who had failed in group homes and needed an alternative living situation.



No one else spoke and the public hearing was closed.

Councilwoman DeDomenico-Payne moved seconded by Councilman Wood that Council grant a Special Use Permit for a lodging house to Abode of Liberation at 1324 Old Winchester Pike (tax map 20A12-4-6) as presented.

Councilmembers expressed their appreciation to the applicant for providing a service to those in need and voiced their support.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rapport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

B. Special Use Permit to Convert a Motel into a 39-Unit Apartment Building at 10 Commerce Avenue for CCC Enterprises of VA - Mayor Cockrell asked staff to update Council on the request and gave Council the opportunity to ask them questions. Mr. Ware showed them various pictures of the property noting that that the request was for a Special Use Permit (SUP) to convert a three-story motel into a 39-unit residential building with the requirement of off-street parking. He explained that the property currently had (102) parking spaces and residential requirements were two parking spaces per dwelling unit thus requiring (78) parking spaces, noting that off-street parking was available in the provided parking lot on the property. Per the application the intended use was to provide housing for young professionals and/or workforce housing, not affordable housing or Section 8 Housing. He reviewed the allowable size of dwelling units, number of dwelling units and areas of open space as defined in the Town Code. Mr. Ware showed renderings of the completed project along with three interior options for the units. He continued that renovating the structure would require plans to be submitted to appropriate agencies for review of current and applicable building codes, fire codes and ADA accessibility. He stated that the project was part of the approved Comprehensive Plan (Goals, Vision and Strategies) showing accessibility and walkability to area restaurants, stores, etc.

Councilman Rappaport confirmed that the units were not less than 600 square feet.

Councilman Wood confirmed that all minimum requirements would be reviewed. He asked whether the Planning/Zoning Department was aware of the development of a motel into apartments in Roanoke. Mr. Ware advised that they were aware and had spoken with them.

Councilwoman DeDomenico-Payne voiced concern over the SUP changing from workforce housing after approval. Town Attorney George Sonnett advised that workforce housing or Section 8 were not defined or addressed in the Town Code. Planning Director Lauren Kopishke explained that if the business model changed the owners would have to come in and reapply. Council was reminded that they had no dictation in the intended use only what was appropriate within the C-1 District.

Councilman Wood suggested the applicant submit a timeframe for their plan. Councilman Ingram suggested adding one year to the motion to reapply for a SUP. Ms. Morris suggested hearing from the public first. Ms. DeDomenico-Payne voiced concern that one year was not long enough.



The following minutes are a summary of items on the agenda. This meeting may be viewed in its entirety by accessing the video of the same date online via the Town's website at www.frontroyalva.com for a limited time.

Mayor Cockrell allowed the applicant/owner and his architect to speak and gave Council the opportunity to ask them questions. Sam Sharma owner/applicant and Kyle Hopkins, representative from Four Square Architects, LLC Winchester VA, gave Council a couple of handouts before the meeting (*Petition of Those in Support of the Conversion, Bullet Points of the Conversion and a PowerPoint named "The Baymont Special Use Permit 6.24.24"*). Mr. Hopkins reiterated that the project was a 39-unit apartment building that was not Section 8 housing. He expected his work to take approximately six months and voiced concern that one year was not enough time for completion of the entire project.

Sam Sharma advised that the project was being constructed with private funding and no bank loans. He advised that there would be background checks on applicants as well as a deposit collected with a yearly lease. He stressed that he would deny those that he was not comfortable with. His vision for the renters, he noted, was local law enforcement, teachers, traveling nurses, etc. and not Section 8 tenants. He advised that there was a lot of money being spent on the project and did not want to see his property destroyed. He voiced distress that the new hotels off I-66 made it difficult for him to stay afloat, putting him in a dire situation as a hotel with a decrease in occupancy. He understood and was sensitive to the fact that the hotel was a legacy in the community. Mr. Sharma advised that the electricity would be included in the rent, but the water would be separated. He explained how this would work in detail to Council. Councilman Wood confirmed that there would be a manager on site 24-7.

Mayor Cockrell opened the public hearing.

David Silek, 164 Hickerson Hollow Road, voiced shock at seeing how children lived in the hotels he had visited as a guardian ad litem. He voiced concern that there was nothing to prevent changes to the business model once the SUP was approved. He suggested the owner upgrade the existing hotel.

Sonny Meta, owner of Baymont Hotel, voiced his dissatisfaction with the previous speaker, noting over two million dollars had been spent to upgrade the hotel and the hotel was still not able to make it. He noted that when he bought the property 40 years ago his intent was to do everything possible to keep the old Quality Court, but he could only do so much.

Tom Eshelman, 1451 Lakeview Drive, opened with a statement from a 2023 study from the Department of Virginia Housing. He complimented the Planning Commission on their presentation noting the project was in line with the Comprehensive Plan and recommended by the Planning Commission. He advised that he researched the Town's loss of revenue from converting the hotel to apartments and it would be approximately \$20,000. He encouraged Council to move forward with the project.

Debra Siksay, 118 W. Stonewall Drive, voiced concern about what the project would become in 10 – 20 years, specifically the outside maintenance of the building comparing it to the Afton Inn's current condition.

Sam Sharma invited Council to tour the facility to see the upgrades to the rooms. He encouraged Council to allow him to move forward and make the property nice.

No one else spoke and the public hearing was closed.

Councilwoman Morris moved seconded by Vice Mayor Sealock that Council grant a Special Use Permit for CCC Enterprises LLC of VA for a Special Use Permit to convert a three-story motel into a three-story apartment building, with a maximum of (39) dwelling unit sized apartments, located at 10 S. Commerce



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Avenue (tax map 20A8-22-6) subject to the following condition(s): 1) the applicant must provide adequate off-street parking per Town Code Chapter 175-104 Off-Street Parking and Chapter 148-870 Parking and Loading Areas and 2) the Special Use Permit be renewed every three (3) years.

Councilwoman Morris explained that she had asked a lot of questions about this project and understood the need for housing. She reminded everyone that there were school children living in hotels that offered weekly rentals. She mentioned that the Afton Inn was not a good example for comparison since it was part of the EDA scandal and got caught in litigation.

Councilman Ingram stated that the owner was trying to improve his property but voiced concern over ciential. He noted that three years would be long enough for a review.

Vice Mayor Sealock voiced concern on how the hotel was currently operating based on the small number of cars in the parking lot. He suggested doing something now or the Town will have another Afton Inn.

Councilman Rappaport noted that times had changed with the completion of I-66. He advised that based upon his research, hotels needed an average of 35 – 40% occupancy to be successful and felt like Baymont was not at this capacity. He noted that while there would not be lodging tax collected as an apartment building the Town would benefit from off-site revenue.

Councilwoman DeDomenico-Payne stated that the property was a historical landmark and advised the owners/applicant that it was their time to shine by making a commitment to the community to build a nice and livable facility. She asked whether the owner/applicant could take into consideration the displacements of weekly renters that may be affected in the transition.

Councilman Wood stated that the project fulfilled the need in Front Royal. He read the following letter from Warren County Public Schools employee Jody Lee and asked that it be made part of the record. He spoke in favor of allowing the property owner to redevelop the property.



Warren County Public Schools
200 West Commerce Street
Front Royal, Virginia 22642
Phone (540) 631-1177
Fax (540) 636-6181
www.warrenschools.net

Dear Mr. Councilman

Mr. Front Royal Town Council
Direct: Jody Lee, Director of Human Resources
Date: 6/20/2024
Subject: New Teacher Hiring

As the Director of Human Resources for Warren County Public Schools, I would absolutely support the idea of converting the Afton Inn into hotel/apartment. This would be a tremendous opportunity for our school system to support our new employees. We also have amazing teachers that are forced to look elsewhere for housing, thus causing them to leave where they were born and raised. Providing them the opportunity to live in the community they were raised in would allow us to retain them longer and provide a continuity of qualified education for our students. Please consider this request.

Respectfully submitted

Jody Lee

"Learning through experiences, the experiences of our students - every student, every day."

At this point there was much discussion between councilmembers and the Town Attorney regarding when the three-year renewal mentioned in the original motion would begin and end and how many amendments could be made. After much discussion the following amendment was made to the original motion.



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Councilman Wood moved seconded by Councilman Rappaport to amend the original motion to remove the second condition the Special Use Permit be renewed every three (3) years.

Vote: Yes – Councilmembers Sealock, Rappaport, Wood

No – Councilmembers Ingram, Morris, DeDomenico-Payne

Absent – N/A

Abstain – N/A

ROLL CALL

Mayor Cockrell voted NO to break the tie.

The motion to amend original motion failed

The original motion was on the floor for action.

Original Motion: Councilwoman Morris moved seconded by Vice Mayor Sealock that Council grant a Special Use Permit for CCC Enterprises LLC of VA for a Special Use Permit to convert a three-story motel into a three-story apartment building, with a maximum of (39) dwelling unit sized apartments, located at 10 S. Commerce Avenue (tax map 20A8-22-6) subject to the following condition(s): 1) the applicant must provide adequate off-street parking per Town Code Chapter 175-104 Off-Street Parking and Chapter 148-870 Parking and Loading Areas and 2) the Special Use Permit be renewed every three (3) years.

Councilwoman Morris moved seconded by Councilwoman DeDomenico-Payne that Council amend the original motion to add to the second condition **“at time of occupancy”**.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

on Amended Original Motion to add “at time of occupancy” to the second condition

C. Special Exception to Parking Requirements at 10 S. Commerce Avenue for CCC Enterprises of VA - Mayor Cockrell asked staff to update Council on the request and gave Council the opportunity to ask them questions. Mr. Ware highlighted the parking area currently on the property, noting that parking should be (30) feet from the property line and required parking spaces should be 10' x 20'. He explained that the exception, if approved, would include keeping the remaining size of the parking spaces at 9' x 18' and reduce the setback of (30) feet from the property line.

Mayor Cockrell opened the public hearing. No one spoke and the public hearing was closed.

Councilwoman DeDomenico-Payne moved seconded by Councilwoman Morris that Council grant a Special Exception to the parking requirements of Town Code Chapter 175-104 Off-Street Parking and Chapter 148-870 Parking and Loading Areas for CCC Enterprises LLC of VA at 10 Commerce Avenue (tax map 20A8-22-6) specifically 1) an exception from the required parking space size from 10' x 20' to 9' x 18' and 2) an exception from the required parking area setback of thirty feet (30') from the property lines, with the granting of this Special Exception conditioned upon the granting and issuance of a Special Use Permit to convert the motel into a 39-unit apartment building at 10 Commerce Avenue.

Councilwoman Morris stated that the parking requirements needed to be revisited in the Town Code.



Councilman Wood called the question.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

D. An Ordinance to Amend Town Code Chapter 158-6 Adoption by Reference of the State Vehicular Laws -
Mayor Cockrell opened the public hearing. No one spoke and the public hearing was closed.

Councilman Ingram moved seconded by Councilman Rappaport that Council adopt an ordinance amendment to Town Code Chapter 158-6, effective July 1, 2024, pertaining to re-adoption by reference of the state vehicular laws, as presented.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

PUBLIC COMMENTS NOT RELATED TO PUBLIC HEARINGS

David Silek, 164 Hickerson Hollow Road, advised that he met with the Mayor and the Town's Community Development/Tourism Director voicing his concern that the Town of Front Royal was not mentioned in several magazines and asked whether a task force or blue-ribbon committee could be formed to assist with enhancing the tourism for the Town. He also suggested the possibility of acquiring various sites in Town for a big hotel(s) noting the need for a tax base.

REPORTS

A. Town Manager Report – None

B. Town Council Reports -

Vice Mayor Sealock gave a welcome speech at the Elks Convention held at Doubletree by Hilton Front Royal.

Councilman Ingram thanked Town Manager Joe Waltz and his staff for their hard work organizing and attending the Town's Open House.

Councilwoman DeDomenico-Payne attended the Annual Salvation Army Dinner and the Open House.

Councilman Wood attended a Webinar: *Crossing to Success: Navigating the Rail Crossing Elimination Program*, the *VML Small-Town Conference* in Abingdon, the Reaching Out Now Open House and the Juneteenth Celebration downtown. He invited everyone to the FREE shred day at the Fire Department on Thursday and gave a shout out to Starbucks for their donation of food to the Salvation Army.

Councilman Morris gave no report.

Councilman Rappaport attended the Town's Open House.



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C. Report of the Mayor – Mayor Cockrell attended the Ribbon Cutting for the 5th Anniversary of Battle Ground Fitness; an interview with Royal Examiner, Annual Salvation Army Dinner; meeting with David Silek on the Town's tourism efforts; Friends of Shenandoah Rail Trail Meeting, Juneteenth Celebration where she gave the welcome address, Town's Open House and a carnival at Commonwealth Senior Living Center. She gave a shout out to Town Staff for their efforts in making the Open House a successful event and invited everyone to enjoy the boys/girls all star games.

CONSENT AGENDA ITEMS

A. Bid for Tree Trimming Services

Council approved the award of a contract to Thompson's Tree Service LLC for tree trimming services requested by the Department of Energy Services in the firm, fixed, hourly rates of 1) normal working hours, \$107.00; 2) emergency outside of normal working hours, \$156.45; 3) stump removal, \$107.10; and 4) two-man flag crew with appropriate signs, \$60.90.

B. FY24 Budget Amendment and Transfer for Additional Revenue

Council approved a FY24 budget amendment and transfer for additional revenues totaling \$535,000 to be allocated toward the Town's 20% of the West Criser Sidewalk Project and direct staff to seek additional fund of \$94,782 in the FY25 Adopted Budget.

C. Blanket Resolution for Project Funding Commitment/Projects Under Agreement with VDOT

Council approved a "blanket resolution" for project funding commitment and projects under agreement with the Virginia Department of Transportation (VDOT) specifically Happy Creek Road Phase II VDOT SMART SCALE Program application.

Councilwoman Morris moved seconded by Councilman Ingram that Council approve the Consent Agenda as presented.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

BUSINESS ITEMS

A. Approve Offer from Property Connection LLC to Purchase 3,390 Square Feet of 7th Street at its Intersection with Kibler Street

In furtherance of the Ordinance Approving the Closure and Vacation of Public Rights-of-Way of Approximately 3,390 Square Feet of E. 7th Street Abutting 225 E. 7th Street, Councilman Rappaport moved seconded by Vice Mayor Sealock that Council approve the offer to purchase received by the Town Manager from the Applicant in the amount of \$ 6,800.00 conditioned upon satisfaction of all of the terms and conditions stated in the ordinance.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL



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CLOSED MEETING

Councilwoman Morris moved seconded by Councilman Ingram that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purpose: 1) pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, for consultation with legal counsel and briefings by staff members or consultants pertaining to actual litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, more specifically, the Town of Front Royal v. Jennifer McDonald, and, 2) pursuant to Section 2.2-3711(A)(8) of the Code of Virginia, for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, more specifically, the dissolution of the Industrial Development Authority of the Town of Front Royal and the County of Warren.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne
No – Councilman Wood
Absent – N/A
Abstain – N/A

ROLL CALL

Councilman Ingram moved seconded by Councilwoman DeDomenico-Payne that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood
No – N/A
Absent – N/A
Abstain – N/A

ROLL CALL

Meeting adjourned approximately 10:00 pm.

Approved by Town Council
Date: _____



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Roll Call by Clerk of Council

PRESENT: Mayor Lori A. Cockrell
Councilman Joshua L. Ingram
Councilman H. Bruce Rappaport
Councilwoman Melissa DeDomenico-Payne
Councilman Glenn E. Wood

ABSENT: Councilwoman Amber F. Morris

OTHERS PRESENT: Town Manager Joseph E. Waltz
Town Attorney George M. Sonnett, Jr.
Clerk of Council Tina L. Presley
Various members of the staff and public

CLOSED MEETING

Councilman Ingram moved seconded by Councilman Wood that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purposes: 1) pursuant to §2.2-3711(A)(1) of the Code of Virginia, for the discussion, consideration, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees, or employees of any public body, more specifically the Clerk of Council, Planning Commission, Board of Zoning Appeals (BZA) and Local Board of Building Code Appeals (LBBCA); and, 2) pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, for consultation with legal counsel and briefings by staff members or consultants pertaining to actual litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, more specifically, the Town of Front Royal v. Jennifer McDonald.

Vote: Yes – Councilmembers Sealock, Ingram, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – Councilwoman Morris

Abstain – N/A

ROLL CALL

Councilman Wood moved seconded by Vice Mayor Sealock that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Councilmembers Sealock, Ingram, Rappaport, DeDomenico-Payne

No – N/A

Absent – Councilwoman Morris

Abstain – N/A

ROLL CALL

New Business

A. Rezoning Application from Rappahannock HC LLC Requesting an Amendment to the Zoning Map to Reclassify 1321 Happy Creek Road from R-S Suburban Residential to R-1 – Director of Planning Lauren Kopishke advised that the property was located approximately 1,200 feet west of the intersection of Leach



Run Parkway and Happy Creek Road, showing various maps and sketches. She explained the definition of density and what the R-S Zoning District required showing depictions of different style houses slated for the property. Ms. Kopishke continued by stating what the Comprehensive Plan Action Strategies (Section 13) called for in this area. She gave a list of required documentation for the development that included: Wetland Delineation Report, Phase 1 Environmental Site Assessment, Fiscal Impact Analysis, and Traffic Impact Analysis. She showed comments and reviews from the Warren County Planning Staff, Building Department, Fire Marshall's Office, VDOT and Warren County Public Schools. Ms. Kopishke explained the various proffers including: public water and sewer installed by the owner and dedicated to the Town; installation of appropriate storm water management facilities including a storm water retention pond; reservation of open space maintained by the future HOA; installation of an entrance feature along Oden Street and maintained by the HOA; installation of a tot lot and maintained by the HOA; installation of a board-on-board fence along the common property boundary at Oden Ridge and Happy Creek Knolls subdivisions and maintained by the HOA; the roads within the subdivision shall be public and once dedicated maintained by the Town; dedication of right-of-way along Happy Creek Road for entrance improvements and dedication of a fee simple right-of-way for the future widening of Happy Creek Road at no cost to the Town; and the creation of an HOA. She continued with charts regarding the derivation of costs for a new elementary school and school proffer calculations showing direct educational capacity over enrollment.

There were questions and discussions pertaining to the by-right homes and how it was related to the student calculations and cash proffers.

Councilwoman DeDomenico-Payne advised that there were no pictures of the Corsica style houses as mentioned in the documents provided. She voiced concern over the confusion of the traffic level of service "C" and "D" as well as the price of the homes.

Councilman Wood questioned whether having the proposed right-of-way given to the Town would help the award of the Virginia SMART SCALE application recently submitted to VDOT. Town Manager Waltz agreed that it would help the scoring but cautioned that if awarded the road may not be completed until at least 8 – 10 years from now or longer.

Councilman Rappaport confirmed that the entrance off Happy Creek Road was a right in-right out entrance and there would be no left turns, confirming a second entrance off Oden Street. Ms. Kopishke advised that the Town's Subdivision Ordinance required inner parcel connections which the applicant had provided. She explained that there was a proposed connection to Vaught estates through Meadow Drive in the future.

Mayor Cockrell questioned whether there were any changes to the water capacity in this area. Mr. Waltz advised there appeared to be limitations at the Town's pumping station and a meeting was held today to discuss this issue as well as the water and sewer connection fees for the Town. He stated that the (104) homes projected would not be an issue.

Mayor Cockrell voiced concern over whether the developers would bear some of the costs of infrastructure in the future for their project. Mr. Waltz advised that costs would be incorporated into the Capital Improvement Plan (CIP) along with other needs ensuring there was enough to cover each home so as not to burden existing taxpayers. There was discussion on the many commuters that live in the Town.

Council agreed to bring this item back to the July 8th work session with their questions in advance for staff.



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B. A Request from Mark Poe for a Special Use Permit to Allow a Short-Term Rental Located at 415 E. Main Street – Ms. Kopishke showed various aerials of the property noting the applicant intended to rent three separate units on the second floor, which included a total of six bedrooms with no more than twelve occupants at a time. She stated that parking was not required for businesses located on Main Street.

Councilman Rappaport noted that C-2 was the perfect place for short-term rentals

Councilwoman DeDomenico-Payne voiced concern over not collecting any Airbnb taxes on short-term rentals. Councilman Wood agreed and suggested placing a moratorium on approving any more special use permits for short-term rentals until the tax situation on them got straightened out. He suggested placing this discussion on a future work session agenda.

Council agreed to advertise for a public hearing on July 22nd.

C. Liaison Committee Meeting Items for July 18, 2024. – Mayor Cockrell advised that July 18th would not work due to vacations previously scheduled and have discussed with the Chairman of the Board of Supervisors that July 23rd would be better. It was noted that the BZA had a meeting scheduled in the conference room on the 23rd and the Clerk of Council advised she would confirm this tomorrow and let Council know. The following items were discussed and agreed to place on the next Liaison Committee Meeting agenda:

Tipping Fees Increase

Cigarette Tax Ordinance

Processing Housing Violations & Tenant/Landlord Enforcement Policy since it was delayed from last the last Liaison Committee meeting

Vape shops

Transportation Subcommittee Report

Council agreed to revisit this item on the July 8th Work Session.

Adjourned approximately 9:59pm

Approved by Town Council

Date: -----



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Roll Call by Clerk of Council

PRESENT: Mayor Lori A. Cockrell
Councilman Joshua L. Ingram
Councilwoman Amber F. Morris
Councilman H. Bruce Rappaport
Councilwoman Melissa DeDomenico-Payne
Councilman Glenn E. Wood

OTHERS PRESENT: Town Manager Joseph E. Waltz
Town Attorney George M. Sonnett, Jr.
Clerk of Council Tina L. Presley
Various members of the staff and public

CLOSED MEETING

Councilman Rappaport moved seconded by Councilwoman Morris that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purpose: 1) pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, for consultation with legal counsel and briefings by staff members or consultants pertaining to actual litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, more specifically, HEPTAD, LLC v. Town Council.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

Councilwoman Morris moved seconded by Vice Mayor Sealock that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

New Business

A. Cash Management Services – Director of Finance BJ Wilson gave an overview of the bidding process and panel review with Atlantic Union Bank receiving the award of the 5-year contract for cash management services. Council agreed to add to the July 22nd consent agenda for approval.

B. Pressure Reducing Valve (PRV) Vault Purchase for Jamestown Road – Mr. Wilson stated that the price for a vault doubled from two years ago noting that the price did not include a hatch where two years ago it did. Council questioned whether the vault would relieve some infrastructure issues on Jamestown Road. Mr. Wilson explained that the actual [1979] pump station was in the preliminary engineering stage. Council agreed to add to the consent agenda on July 22nd.



The following minutes are a summary of items on the agenda. This meeting may be viewed in its entirety by accessing the video of the same date online via the Town's website at www.frontroyalva.com for a limited time.

Old Business was moved up to begin the discussion since time allowed

A. Rezoning Application from Rappahannock HC LLC Requesting an Amendment to the Zoning Map to Reclassify 1321 Happy Creek Road from R-2 Suburban Residential to R-1 – Deputy Zoning Director/Town Planner I John Ware advised Council of a letter that was received in the Planning/Zoning Office today from Rappahannock Development Group with a list of answers to various questions from the public at the Planning Commission public hearing and from Council at their last work session. The questions that were raised and answered in the letter included: 1) The width of Oden Street leading to the [Marshall's Glen] Project is insufficient for the additional traffic that will be using it with the development of the project; 2) The project will exacerbate existing drainage problems along the east side of the Oden Ridge Subdivision; 3) How much will current resident's property taxes increase because of the proposed Marshall's Glen Project? 4) The rezoning submission did not include an elevation for the Corsica product listed in the fiscal analysis; 5) The fiscal impact analysis overestimates local sales revenues. Most new residents will be commuters, and a large portion of their spending will be outside of Town and through online remote sellers such as Amazon; 6) Does the Town have the utility capacity to serve the project? and 7) Can the Marshall's Glen development assist the Town of Front Royal in obtaining a higher [Virginia] Smart Scale score for the proposed improvements to Happy Creek Road? The letter concluded by a By-right Development Comparison and Marshall's Glen Development Scenarios Projected Present Day Value to Front Royal with Graphs.

Council discussed with Mr. Ware the difference between by-right (61 lots), by-right (82 lots) and proposed rezoning (104 lots). There was much confusion between (61) and (104) and Council asked that it be further explained when the discussion picked back up after the next closed meeting.

CLOSED MEETING Began at 7:30pm

Councilwoman Morris moved seconded by Councilman Wood that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purpose: 1) pursuant to §2.2-3711(A)(1) of the Code of Virginia, for the discussion, consideration, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees, or employees of any public body, more specifically the Planning Commission, Board of Zoning Appeals (BZA) and Local Board of Building Code Appeals (LBBCA)

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne, Wood

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL

Councilwoman Morris moved seconded by Councilwoman DeDomenico-Payne that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Councilmembers Sealock, Ingram, Morris, Rappaport, DeDomenico-Payne

No – N/A

Absent – N/A

Abstain – N/A

ROLL CALL



Old Business Continued

A. Rezoning Application from Rappahannock HC LLC Requesting an Amendment to the Zoning Map to Reclassify 1321 Happy Creek Road from R-2 Suburban Residential to R-1 – Discussion continued on the difference between (61) lots and (104) lots. Councilwoman DeDomenico- Payne asked for an explanation of the table shown in the PowerPoint from the last work session [5. Cash Proffers]. Mr. Ware explained that there were (104) homes with each home responsible for their proffer contribution when Certificate of Occupancy (CO) was approved. He advised that the owner/applicant was proposing \$320,840 in non-school cash proffers which could be used by the Town at their discretion. Councilman Wood questioned whether this proffer would help with the Town's Virginia Smart Scale application. Town Manager Joe Waltz advised that it could help with the scoring, but he had no official recommendation since the letter was just received by staff today and had not been reviewed or discussed.

Mayor Cockrell questioned whether the Town would have to repay the money if (104) homes were not built. Town Attorney George Sonnett advised that the Mayor could defer to the applicant on this question since he was in the audience. Chris Hornung, Chief Development Officer with Rappahannock Development Group, advised Council that they had agreed on a one-time payment regardless of number of lots being built thinking it would help the Virginia Smart Scale application. Mr. Waltz reiterated that even with the cash proffer it would not expedite the road improvements, only the scoring.

Councilman Wood clarified that the amount of money received from the water/sewer taps would go toward deficiencies in the Town's infrastructure system. Mr. Waltz advised that a "guesstimate" was incorporated in the yearly budget cycle as part of the overall funding for water and sewer. Mr. Sonnet noted that the tap fees were not a proffer since they were included in Town Code.

Mr. Waltz advised that staff could have a recommendation on the proffer proposal by the first week in August. Council agreed to advertise for a public hearing August 26.

B. Liaison Committee Meeting Items – Clerk of Council Tina Presley went over the list of items suggested by Council at the last work session. It was agreed to remove "Processing Housing Violations & Tenant and Landlord Enforcement Policy" and "Cigarette Tax Ordinance". The following will be added: 1) Increase in Solid Waste Tipping Fees, Vape Shops and Transportation Subcommittee Update. Councilman Ingram agreed to attend the meeting with the Mayor.

C. Valley Health Pilot Fees – Mayor Cockrell explained that this subject had been discussed with past Councils and it was just recently asked to be discussed again. After a brief discussion Council agreed to explore this topic again and gave direction to the Town Attorney and Clerk of Council to gather information and bring back to a work session for further discussion in August.

Adjourned approximately 9:20pm

Approved by Town Council

Date: -----



Virginia Rural Water Association

WASTEWATER SYSTEM OF THE YEAR

Town of Front Royal

April 2024



Town of Front Royal Sanitary Sewer Rehabilitation Program

The Town of Front Royal is located in Warren County with a population of approximately 15,600. The Town is bounded by the Shenandoah National Park to the south and Interstate 66 to the north with the Shenandoah River running through the Town. The Town has 6,526 water connections and 6,207 sanitary sewer connections. The Town discharges to the Shenandoah River so it has an enhanced nutrient removal wastewater treatment plant with a design capacity of 5.3 MGD and a peak day treatment capacity of 12 MGD. The wastewater treatment plant was upgraded in 2018. The current average daily flow is approximately 4.0 MGD.

The Town's sanitary sewer collection system has approximately 2,450 manholes and 112 miles of sewer. The pipe materials consist of PVC, ductile Iron, cast iron, and vitrified clay. Due to the age of the collection system, during periods of wet weather, the Town's system experience excessive infiltration and inflow that included several locations of recurring sewer system overflows. Beginning in 2015 the Town embarked on an aggressive sanitary sewer rehabilitation program to address the high flows at the wastewater treatment plant and reduce the frequency of wet weather sanitary sewer overflows. During the study period, the Town installed flow meters, mapped the collections system, performed smoke testing and manhole inspections as well as completed significant closed-circuit television inspections in the priority basins. This information was utilized to develop comprehensive sewer rehabilitation to reduce infiltration and inflow in a cost effective manner.

After a study and design period, the Town began rehabilitating the system in 2018. The rehabilitation work has included cured in-place pipe rehabilitation, manhole rehabilitation, installation of water-resistant frame and covers, pipe bursting, lateral renewal, and open cut pipe replacement. The table below summarizes the work completed as of March 2024 with additional work on going.

The Town plans to install flow meters in 2025 to monitor the specific infiltration and inflow reduction in each meter shed; however, the peak flows to the wastewater treatment plant have reduced by approximately 35%. Prior to initiating the work, the Town had 5 recurring sanitary sewer overflow locations during wet weather events; however, there have been no sanitary sewer overflows in the last two years. The Town has invested approximately \$10 million in this program and will continue to invest going forward to extend the life of the recent wastewater treatment plant upgrade and provide additional capacity for future connections.

Front Royal Sewer Rehabilitation Work

Watertight F&C	393
Seal Frame	40
Install Grade Rings	15
Seal Chimney	53
Cementitious lining (LF)	1,230
Joint Seals	54
Bench Repair	22
New Bench	79
Seal Invert	45
Pipe Connection Seal	137
New Manhole	50
CIPP Lining (LF)	26,241
Bursting/Open-Cut (LF)	6,477
Point Repairs (LF)	653
Lateral Renewal	560



REGULAR COUNCIL MEETING AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 07A

Agenda Item: PUBLIC HEARING – Special Use Permit to Allow a Short-Term Rental located at 415 E. Main Street – Mark Poe

Summary: Council is requested to consider approval of a request from applicant Mark Poe for a Special Use Permit for a short-term rental located at 415 E. Main Street (tax map 20A8-8-6. The property is zoned C-2, Downtown Business District and is located in the Historic Overlay District. The applicant intends to rent three (3) separate units on the second floor, which includes a total of six (6) bedrooms with no more than twelve (12) occupants at a time. Parking is not required for businesses located on Main Street. The Planning Commission recommended approval of the Special Use Permit pending final approvals by the Warren County Building Officials Office.

Budget/Funding: N/A

Meetings: Work Session held July 1, 2024

Proposed Motion:

- 1) I move that Council approve a request from applicant Mark Poe for a Special Use Permit to allow a short-term rental located at 415 E. Main Street conditioned upon final approvals by the Warren County Building Code Officials Office.
- 2) I move that Council deny a request from applicant Mark Poe for a Special Use Permit to allow a short-term rental located at 415 E. Main Street.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____

PUBLIC HEARING

#2400294 – SPECIAL USE PERMIT

SHORT-TERM RENTAL

415 EAST MAIN STREET

Town of Front Royal, Virginia

Planning Commission Monthly Meeting Agenda

☐ Consent Action ☐ Administrative Action ☒ Public Hearing ☐ Discussion

Agenda Item: Special Use Permit – Short-Term Rental #2400294

MEETING DATE: June 26, 2024

SUMMARY: A Special Use Permit application has been submitted requesting a Short-Term Rental located at 415 E. Main Street. The applicant intends to rent three (3) separate units on the second floor, which includes a total of six (6) bedrooms with no more than twelve (12) occupants at a time. Parking is not required for businesses located on Main Street.

STAFF RECOMMENDATION: Staff recommends approval of Special Use Permit #2400294.

DRAFT MOTION:

"I move that the Planning Commission forward a recommendation of approval to the Front Royal Town Council for Special Use Permit #2400294 for a Short-Term Rental located at 415 E. Main Street."

NOTE: This is only a draft motion. Alternative motions are also welcome.

PLANNING COMMISSION ACTION:

Moved _____ Seconded _____

Marshner _____ Williams _____ Marrazzo _____ Gillispie _____

☐ Approved ☐ Approved w/ Conditions ☐ Denied ☐ Other



**TOWN OF FRONT ROYAL
DEPARTMENT OF PLANNING & ZONING**

**Planning Commission Regular Meeting
June 26, 2024**

APPLICATION #:

2400294

APPLICANT:

Mark Poe

APPLICATION SUMMARY:

A Special Use Permit application has been submitted requesting a Short-Term Rental located at 415 E. Main Street. The applicant intends to rent three (3) separate units on the second floor, which includes a total of six (6) bedrooms with no more than twelve (12) occupants at a time. Parking is not required for businesses located on Main Street.

GENERAL INFORMATION:

<i>Site Addresses</i>	415 E. Main Street
<i>Owner(s)</i>	ZP LLC
<i>Zoning District</i>	C-2, Community Business District
<i>Historic District</i>	Yes
<i>Tax Identification</i>	Tax Map #20A8-8-6
<i>Request</i>	The Applicant is requesting to rent three (3) separate units on the second floor, which includes a total of six (6) bedrooms with no more than twelve (12) occupants at a time.

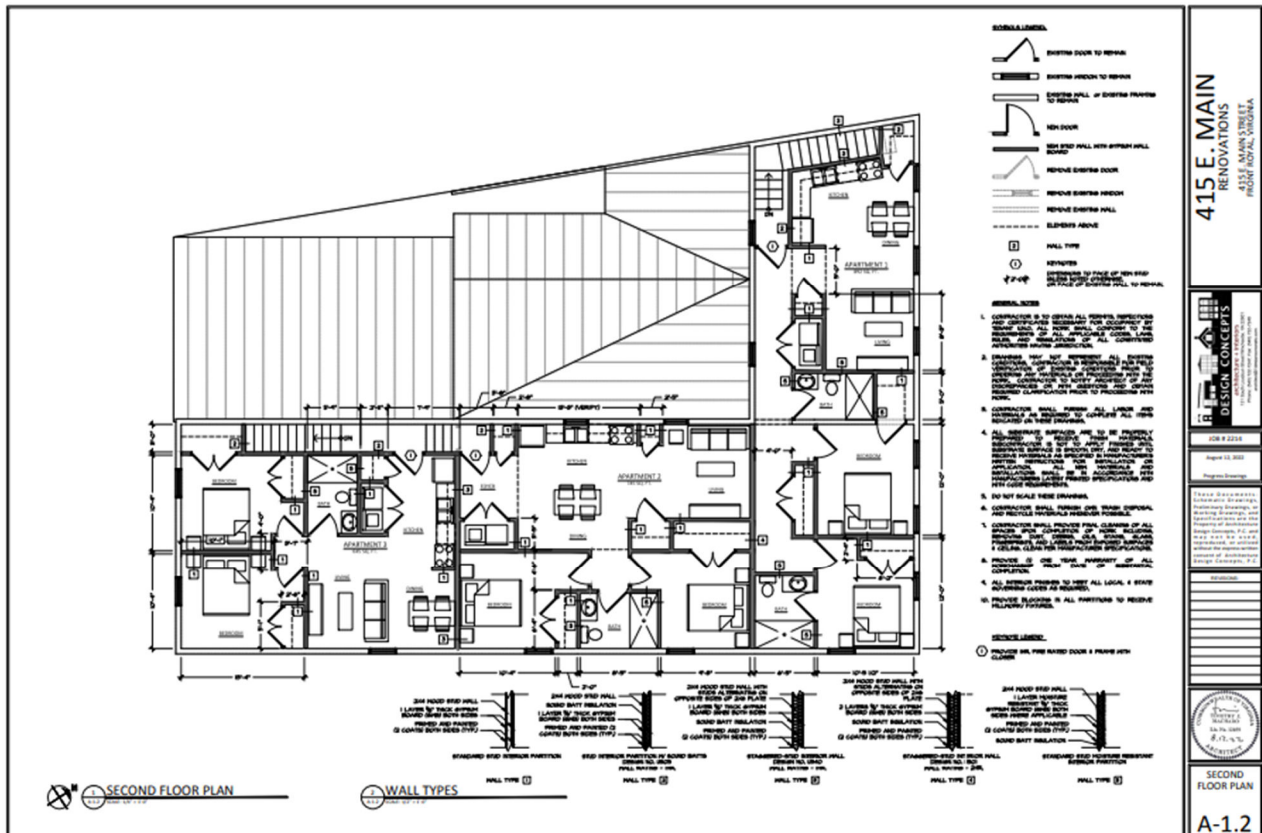
View of Front Left Elevation – 415 E. Main Street



View of Left Elevation – 331 Kerfoot Avenue



Floor Plan – 415 E Main Street



Vicinity Aerial Map (Warren County GIS) – 415 E Main Street



Aerial Zoning Map (Warren County GIS) – 415 E Main Street



STAFF RECOMMENDATION:

Town Code regulations requires Town Council approval for more than ten (10) occupants per dwelling unit. This application is requesting approval for three separate units, each unit will contain two (2) bedrooms for no more than four (4) occupants per unit.

Parking is exempt for this property due to its location on Main Street.

Staff recommends approval with no conditions.

ATTACHMENTS: Application and supporting documents.

2400294



Town of Front Royal
Department of Planning and Zoning
102 East Main Street
PO Box 1560
Front Royal, VA 22630

Main: 540-635-4236
Fax: 540-631-2727
www.frontroyalva.com
planning@frontroyalva.com



SPECIAL USE PERMIT REQUEST FOR SHORT TERM RENTAL

APPLICANT:

NAME: Mark Poe PHONE: 540-683-1736
ADDRESS 424 Poe Hill Road Front Royal VA 22630
E-MAIL mpoe08@gmail.com

PROPERTY OWNER:

NAME: SAME ZP LLC PHONE: _____
ADDRESS _____
E-MAIL _____

PROPERTY DESCRIPTION:

PROPERTY ADDRESS 415 E. Main St.
TAX MAP 20A886 SECTION _____ BLOCK _____ LOT _____
SUBDIVISION NAME _____
ZONING DISTRICT C-2 ACREAGE .2186
SPECIFIC SPECIAL USE PERMIT REQUEST Short Term Rental

- ☒ Whole house rental 3 units ☐ Partial rental, # of rooms rented _____
☐ Primary Residence ☐ Secondary Residence

ATTACHMENTS: The following must be submitted with the application. Additional information may be required depending on the nature of the request.

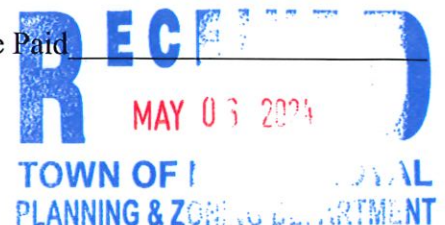
- ☐ Survey plat or sketch to scale of property showing all **existing** improvements, parking and refuse area and property boundaries.
☐ Provide a map of area attractions
☐ Provide proof that notification to operate was sent to the HOA, if applicable.
☐ Complete management plan.
☐ Written consent given to the Town to inspect for compliance.
☐ Emergency dwelling evacuation diagram (posted in each bedroom)

☒ Application fee of \$400.00 Receipt # 1298 Date Paid _____

IN CASE OF AN EMERGENCY

pd Check # 1092

Revised 12/21/2022



If there is an emergency, or there are questions in regard to the property, please contact (owner) _____
at (phone number) 540-683-1736 or (property manager) _____
at (phone number) _____.

If the emergency requires immediate assistance, please call the following or 911.

Front Royal Police Department: 540-635-2111 or 911, 900 Monroe Ave, Front Royal, VA 22630

Front Royal Volunteer Fire & Rescue: 540-635-2540 or 911, 221 N Commerce Ave, Front Royal, VA 22630

Warren Memorial Hospital: 540-636-0300 or 911, 351 Valley Health Way, Front Royal, VA 22630

Electrical Outage: 540-635-3027, 1101 Manassas Avenue, Front Royal, VA 22630. Outages may be reported online at <https://www.frontroyalva.com/FormCenter/Energy-Services-6/Report-Electric-Problem-46>.

Emergency/afterhours 540-635-2111

OCCUPANCY

The Special Use Permit limits the occupancy for this short-term rental at 4 People and 2 Bedrooms.

NOISE

It shall be a violation of Chapter 106 of the Front Royal Town Code for any person, without compelling reason, to make noise that by reason of its volume, pitch, duration, or repetition, considering the time of day, is likely to disturb the rest of any person of ordinary sensibilities or interfere with such person's lawful and peaceful enjoyment of property owned or rented by him.

PARKING

Minimum available parking is 6 vehicle(s) in the driveway.

TRASH AND RECYCLING

All trash and recycling shall be placed in containers provided by the owner.

- Trash receptacles are located (Clarify location of trash bags and receptacles)

At The Back of the Building Under The Stairs outdoor

- Trash is collected (State the day of the week trash is picked up by the Town and where the container is to be placed on trash day)

As of 5/7/24 - Monday's

CHECK-IN & CHECK-OUT

Provide details

Check out AT 10:00 AM
Check In At 4:00 P.M.

WIFI/PHONE/ETC

Provide details for special amenities if available

Full Kitchen, Washer + Dryer Wifi

SPECIFIC PROPERTY DETAILS

Provide details regarding acreage, landscape, property boundaries (no trespassing notice), unique characteristic, warnings, kitchen use, house amenities, HVAC, etc.

.2186 Acre Lot With Two Story Building. Three upstairs Apartments
With 14 Parking Spaces Back To Jackson St

AREA ATTRACTIONS

Provide a map of area attractions

- Attractions: i.e., Shenandoah National Park, Shenandoah River State Park, Skyline Caverns, Golf Courses, Canoe Companies
- Groceries & Convenience: i.e., Walmart, Target, Martins, CVS
- Restaurants
- Wineries & Breweries

SPECIFIC PROPERTY REGULATIONS

May be dictated by approved conditions or owner preference, examples below

- No shooting of firearms
- No outdoor fire burning
- No fireworks

NO Pets

As per 175-3

Revised 12/21/2022

Short-term rental- means the provision of a room or space that is suitable for, intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy. Any residential use that falls within the definition of short-term rental as defined in § 15.2-983, as amended, of Virginia State Code.

Short-term rental facility – A building or accessory structure, other than a hotel, motel, or bed-and-breakfast home, where lodging is provided for compensation on a short-term basis, and open to the public or transient guests. The maximum number of occupants shall not exceed ten (10) unless determined appropriate by Town Council.

Short-term rental:

§ 175.151 Short-term rentals.

Short-term rentals shall be permitted in all Zoning Districts by Special Use Permit and shall at a minimum meet the following requirements:

- A. The short-term rental owner of a dwelling unit to be used for a short-term rental shall apply for a Special Use Permit through the Department of Planning and Zoning and receive approval from Town Council prior to utilizing the dwelling unit as a short-term rental. Town Council may impose conditions necessary to mitigate adverse effects of the use on neighboring properties.
- B. The one-time application fee shall be \$400.00.
- C. Staff will conduct an inspection prior to the issuance of the Special Use Permit approval. Additional inspections will be conducted on a complaint basis to ensure compliance with the performance standards listed in this section, along with any additional conditions imposed by Town Council, if applicable.
- D. The maximum number of occupants in the dwelling unit shall be determined by the number of bedrooms; there shall be no more than two (2) adults per bedroom. However, the maximum number of occupants shall not exceed 10 people unless approved by Council.
- E. Parking for the use shall be located in driveways or other designated and approved parking areas.
- F. There shall be no visible evidence of the conduct of such short-term rentals on the outside appearance of the property.
- G. A fire extinguisher shall be provided and visible in all kitchen and cooking areas; smoke detectors shall be installed in all locations as identified in the 2015 or 2018 Uniform Statewide Building Code (2018 Version required usage beginning July 1, 2022); and a carbon monoxide detector must be installed on each floor in every dwelling.
- H. The owner of the dwelling used for short-term rentals shall give the Town written consent to inspect any dwelling used for short-term rental to ascertain compliance with all the above performance standards upon a twenty-four-hour notice.
- I. A property management plan demonstrating how the short-term rental will be managed and how the impact on neighboring properties will be minimized shall be submitted for review and approval as part of the permitting process to the Planning Department. The plan shall include local points of contact available to respond immediately to complaints, clean up garbage, manage unruly tenants and utility issues, etc. It shall also be posted in a visible location in the short-term rental. The contact numbers shall be provided to Town staff, public safety officials and, if applicable, the HOA of the subdivision. The plan must be provided as part of the rental contract.

- J. If the property is located within a subdivision governed by a homeowners' association, the Planning Department must receive proof that a notification to operate the short-term rental was sent to the HOA.
- K. The owners of the rental shall provide an emergency evacuation plan for the dwelling and the neighborhood.
- L. A copy of Chapter 106 of the Town of Front Royal Code relative to noise must be provided at the short-term dwelling.
- M. All outdoor burning shall be in compliance with Chapter 78 of the Town of Front Royal Code.
- N. Failure to comply with the approved conditions and/or supplemental regulations will subject the permit to revocation by the Zoning Administrator at any time.

Property Owner's Signature: 

CERTIFICATION:

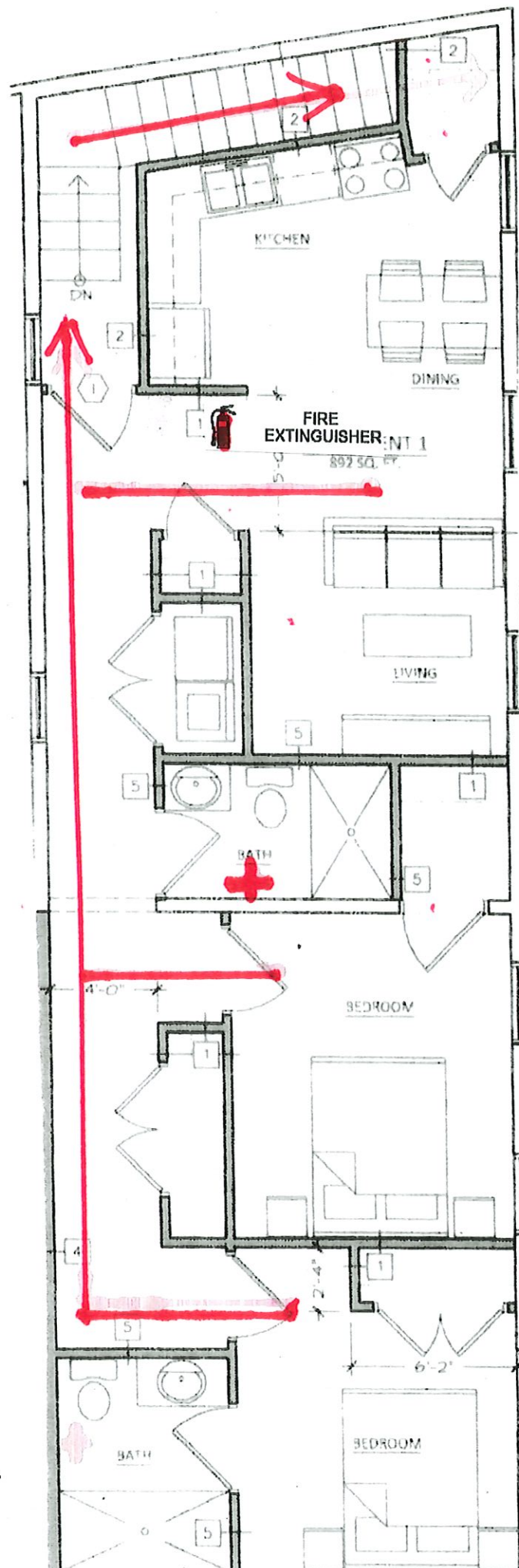
I certify that the information provided with this application is correct to the best of my knowledge and should the special use permit be granted, the project will comply with the conditions imposed upon it and will be implemented only as approved by Town Council.

Signature  Date 3/25/2024

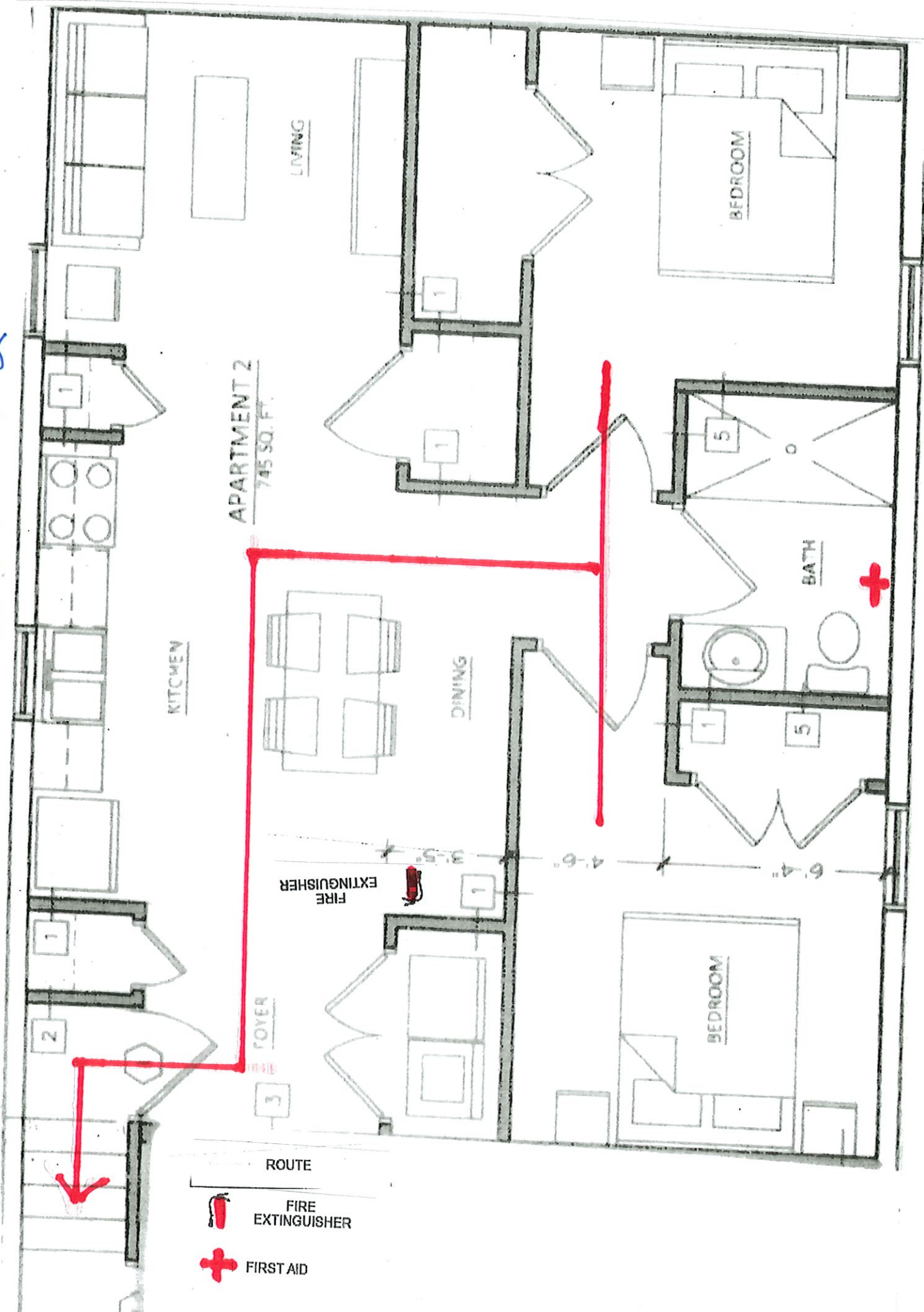
By submitting this application, the applicant grants permission to Town officials and employees to enter upon the property, which is the subject of this application, during reasonable hours and for purposes related to the application process.

**FIRE
EXTINGUISHER**

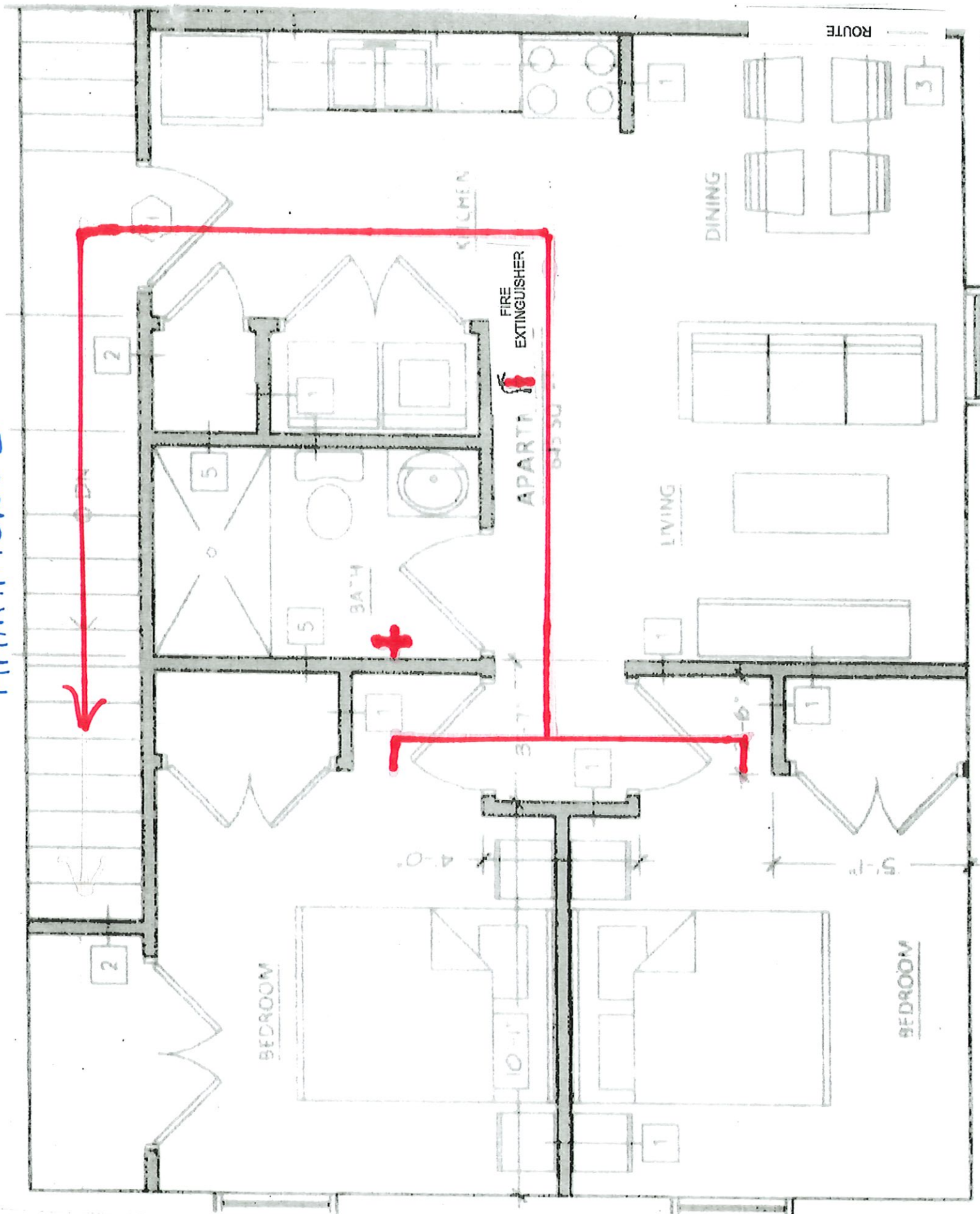
APARTMENT 1



APARTMENT 2



APARTMENT 3



FIRE EXTINGUISHER
FIRST AID

Airbnb Management Plan

1. Property Maintenance and Upkeep:

- Regular inspections: Schedule routine inspections to ensure the property is well-maintained and in good condition.
- Repairs and maintenance: Promptly address any issues or repairs reported by guests or identified during inspections.
- Cleaning services: Hire reliable cleaning services to thoroughly clean the property before and after each guest's stay.
- Groundskeeping: Maintain outdoor areas, including landscaping, gardens, and amenities such as pools or patios.

2. Guest Experience Management:

- Communication: Provide clear and timely communication with guests, including check-in instructions, house rules, and local recommendations.
- Guest support: Offer assistance and support to guests throughout their stay, addressing any questions, concerns, or issues promptly.
- Amenities: Ensure that the property is well-equipped with amenities to enhance the guest experience, such as toiletries, kitchen essentials, and entertainment options.
- Personalized touches: Consider adding personalized touches such as welcome baskets or local guides to make guests feel welcomed and valued.

3. Marketing and Booking Management:

- Listing optimization: Optimize Airbnb listings with high-quality photos, detailed descriptions, and competitive pricing to attract potential guests.
- Promotions and discounts: Offer promotions or discounts during off-peak seasons to attract more bookings.
- Availability management: Maintain an updated calendar to manage availability and prevent double bookings.
- Guest reviews: Encourage guests to leave positive reviews and respond promptly to any feedback to enhance the property's reputation and attract more bookings.

4. Financial Management:

- Pricing strategy: Implement a dynamic pricing strategy to adjust rates based on demand, seasonality, and local events.
- Expense tracking: Keep track of expenses related to property maintenance, cleaning services, utilities, and marketing to ensure profitability.
- Revenue optimization: Explore additional revenue streams such as offering extra services or partnering with local businesses for guest discounts.
- Tax compliance: Stay informed about local tax regulations and ensure compliance with tax requirements for short-term rentals.

5. Legal and Regulatory Compliance:

- Licensing and permits: Obtain any necessary licenses or permits required for operating short-term rentals in the area.
- Zoning regulations: Ensure compliance with local zoning regulations and homeowners' association rules.
- Safety standards: Adhere to safety standards by providing smoke detectors, fire extinguishers, and other necessary safety equipment.
- Liability insurance: Obtain liability insurance to protect against potential damages or accidents on the property.

6. Community and Neighbor Relations:

- Respectful behavior: Encourage guests to be respectful of neighbors and local community members by following house rules and being mindful of noise levels.
- Communication with neighbors: Maintain open communication with neighbors and address any concerns or complaints promptly.
- Community engagement: Contribute positively to the local community by supporting local businesses and participating in community events or initiatives.

7. Sustainability and Environmental Responsibility:

- Energy efficiency: Implement measures to reduce energy consumption, such as using energy-efficient appliances and lighting.
- Waste management: Encourage recycling and proper waste disposal practices among guests and provide recycling bins or composting options if available.
- Eco-friendly amenities: Consider offering eco-friendly amenities such as reusable water bottles or toiletry dispensers to minimize waste.

By following this comprehensive management plan, you can ensure the successful operation of your Airbnb properties while providing an exceptional experience for guests and maintaining positive relationships with the local community.

Property Maintenance and Upkeep for Airbnb

Effective property maintenance and upkeep are essential for the success of your Airbnb business. Ensuring that your property is well-maintained not only enhances the guest experience but also protects your investment in the long term. Here's a detailed plan for managing property maintenance and upkeep:

1. Regular Inspections:

- Conduct regular inspections of the property to identify any issues or maintenance needs. Inspections should be scheduled before and after each guest's stay, as well as periodically during longer stays.
- Create a checklist for inspections to ensure thoroughness, covering areas such as plumbing, electrical systems, appliances, HVAC, safety equipment, and general cleanliness.

2. Preventive Maintenance:

- Implement a preventive maintenance schedule to address common issues before they escalate into larger problems. This may include tasks such as:
 - HVAC system servicing and filter replacements.
 - Plumbing inspections for leaks or clogs.
 - Checking and replacing worn-out or damaged appliances.
 - Roof and gutter maintenance to prevent water damage.
 - Sealing cracks or gaps to maintain energy efficiency.
- Keep detailed records of maintenance activities, including dates, tasks performed, and any repairs made.

3. Repairs and Maintenance:

- Promptly address any maintenance issues or repairs reported by guests during their stay. Make it easy for guests to communicate maintenance needs through a designated contact method, such as a phone number or messaging platform.
- Establish relationships with reliable contractors, repair technicians, and service providers to quickly resolve maintenance issues as they arise.

- Have a contingency plan in place for emergencies, such as plumbing leaks or electrical problems, to minimize disruptions to guests and prevent further damage to the property.

4. Cleaning Services:

- Hire professional cleaning services to thoroughly clean the property before and after each guest's stay. Ensure that cleaning personnel are trained to maintain high standards of cleanliness and sanitation.
- Provide cleaning checklists and guidelines to cleaning staff to ensure consistency and thoroughness in their work.
- Conduct periodic inspections after cleaning to verify that the property meets cleanliness standards and address any areas that may require additional attention.

5. Groundskeeping:

- Maintain outdoor areas such as landscaping, gardens, and patios to enhance the overall appeal of the property.
- Schedule regular lawn care, trimming bushes, and removing weeds to keep the exterior of the property well-maintained.
- Inspect outdoor amenities such as swimming pools, hot tubs, or barbecue grills to ensure they are clean, safe, and in working condition.

6. Guest Feedback and Follow-Up:

- Encourage guests to provide feedback on the cleanliness and maintenance of the property during their stay.
- Follow up with guests after their stay to address any concerns or issues they may have encountered regarding property maintenance.
- Use guest feedback to identify areas for improvement and make necessary adjustments to your maintenance plan.

By implementing this comprehensive maintenance plan, you can ensure that your Airbnb property remains in excellent condition, providing a positive experience for guests and maximizing your returns on investment.

Guest Experience Management of an Airbnb

Guest Experience Management for Airbnb

Creating an exceptional guest experience is paramount to the success of your Airbnb business. By prioritizing guest satisfaction and providing personalized service, you can ensure positive reviews, repeat bookings, and referrals. Here's a comprehensive plan for managing the guest experience at your Airbnb property:

1. Clear Communication:

- Provide clear and detailed communication with guests from the initial inquiry to post-stay follow-up. Ensure that all communication channels, such as messaging platforms or email, are easily accessible and responsive.
- Clearly communicate check-in instructions, house rules, amenities, and local recommendations to guests before their arrival to set expectations and enhance their overall experience.

2. Responsive Guest Support:

- Offer prompt and attentive support to guests throughout their stay. Provide a designated contact person or phone number that guests can reach out to for assistance with any questions, concerns, or issues.
- Address guest inquiries or requests promptly, whether they relate to property amenities, local attractions, or maintenance issues. Make guests feel valued and well-cared for during their stay.

3. Personalized Touches:

- Add personalized touches to enhance the guest experience and make their stay memorable. Consider:
 - Welcome amenities such as a handwritten note, local snacks, or a bottle of wine.
 - Providing recommendations for local attractions, restaurants, and activities based on guests' preferences and interests.
 - Offering additional services such as grocery delivery, transportation assistance, or in-home chef services to cater to guests' needs and preferences.

4. Well-Equipped Amenities:

- Ensure that your property is well-equipped with amenities to meet guests' needs and enhance their comfort during their stay. This may include:
 - High-quality linens, towels, and toiletries.
 - Fully stocked kitchen with cooking essentials, utensils, and appliances.
 - Entertainment options such as smart TVs, board games, or streaming services.
 - Basic household items like cleaning supplies, laundry detergent, and ironing facilities.

5. Seamless Check-In and Check-Out Process:

- Streamline the check-in and check-out process to minimize hassle and inconvenience for guests. Provide self-check-in options with clear instructions and keyless entry systems whenever possible.
- Offer flexible check-in and check-out times when feasible, accommodating guests' travel schedules and preferences to the extent possible.

6. Proactive Guest Engagement:

- Proactively engage with guests throughout their stay to ensure their needs are met and to gather feedback on their experience. This may include:
 - Sending personalized messages or emails to check in on guests and offer assistance or recommendations.
 - Soliciting feedback through surveys or follow-up communication after guests' departure to identify areas for improvement and address any concerns.
 - Encouraging guests to leave reviews and ratings to share their positive experiences with other potential guests.

7. Continuous Improvement:

- Regularly review guest feedback and performance metrics to identify trends and areas for improvement in the guest experience.
- Use guest feedback to make data-driven decisions and implement changes to enhance the guest experience over time.
- Stay informed about industry best practices and emerging trends in hospitality to remain competitive and innovative in your guest experience offerings.

By implementing this comprehensive guest experience management plan, you can create memorable and enjoyable stays for your guests, fostering loyalty and positive word-of-mouth recommendations for your Airbnb property.

Marketing and Booking Management of an Airbnb

Marketing and Booking Management for Airbnb

An effective marketing and booking management strategy is essential for maximizing occupancy rates and revenue for your Airbnb property. By implementing targeted marketing tactics and optimizing your booking process, you can attract more guests and secure bookings year-round. Here's a detailed plan for marketing and booking management:

1. Listing Optimization:

- Create a compelling Airbnb listing that highlights the unique features and amenities of your property. Use high-quality photos, detailed descriptions, and engaging headlines to attract potential guests.
- Utilize keywords and search engine optimization (SEO) techniques to improve the visibility of your listing in Airbnb search results.
- Regularly update your listing with accurate availability, pricing, and any special promotions or discounts to keep it competitive and relevant.

2. Promotions and Discounts:

- Offer promotions or discounts during off-peak seasons or for longer stays to incentivize bookings and attract budget-conscious travelers.
- Utilize Airbnb's promotional tools such as special offers, last-minute discounts, or early bird discounts to drive bookings during slower periods.
- Collaborate with local businesses or attractions to offer exclusive discounts or packages for guests staying at your property.

3. Dynamic Pricing Strategy:

- Implement a dynamic pricing strategy to adjust your rates based on demand, seasonality, local events, and competitor pricing. Use data analytics and pricing optimization tools to set optimal rates for maximum profitability.
- Monitor market trends and adjust pricing strategies accordingly to capitalize on opportunities and maximize revenue potential.
- Offer flexible pricing options such as weekly or monthly discounts to attract longer-term bookings and increase occupancy rates.

4. Availability Management:

- Maintain an up-to-date calendar with accurate availability to prevent double bookings and ensure a smooth booking process.
- Utilize Airbnb's calendar synchronization features to sync your Airbnb calendar with other booking platforms to avoid conflicts and optimize your property's occupancy.
- Set minimum stay requirements and advance booking notice to manage availability and optimize booking patterns.

5. Guest Reviews and Ratings:

- Encourage guests to leave positive reviews and ratings after their stay by providing exceptional service and memorable experiences.
- Respond promptly and professionally to guest reviews, whether positive or negative, to demonstrate your commitment to guest satisfaction and address any concerns raised by previous guests.
- Showcase positive guest reviews and ratings on your Airbnb listing to build trust and credibility with potential guests.

6. Targeted Marketing and Advertising:

- Identify your target audience and tailor your marketing efforts to reach them effectively. Utilize targeted advertising on social media platforms, search engines, and travel websites to reach potential guests who match your ideal guest profile.
- Collaborate with influencers, travel bloggers, or local tourism boards to promote your property to their followers and attract a wider audience.
- Utilize email marketing campaigns to engage with past guests and encourage repeat bookings, as well as to share updates, promotions, and special offers.

7. Customer Relationship Management (CRM):

- Implement a CRM system to manage guest inquiries, bookings, and communication effectively. Use CRM data to personalize guest interactions, track guest preferences, and nurture relationships for repeat bookings.
- Leverage guest data and analytics to identify trends, preferences, and booking patterns, enabling you to optimize your marketing and booking strategies for better results.

By implementing this comprehensive marketing and booking management plan, you can attract more guests, increase bookings, and maximize revenue for your Airbnb property. Stay agile and

proactive in adapting your strategies to changing market conditions and guest preferences to maintain a competitive edge in the short-term rental market.

Financial Management of an Airbnb

Financial Management for Airbnb

Effective financial management is crucial for running a successful Airbnb business and maximizing profitability. By implementing sound financial practices and strategies, you can optimize revenue, minimize expenses, and ensure the long-term financial health of your Airbnb property. Here's a comprehensive plan for financial management:

1. Pricing Strategy:

- Implement a dynamic pricing strategy to adjust rates based on factors such as demand, seasonality, local events, and competitor pricing. Utilize pricing optimization tools and data analytics to set optimal rates for maximum revenue.
- Offer different pricing tiers or packages to cater to various guest preferences and budget ranges.
- Regularly monitor market trends and adjust pricing strategies accordingly to stay competitive and capitalize on revenue opportunities.

2. Expense Tracking and Budgeting:

- Maintain detailed records of all expenses related to your Airbnb property, including property maintenance, cleaning services, utilities, insurance, marketing, and booking platform fees.
- Create a comprehensive budget that outlines anticipated expenses and revenue projections for each month or quarter. Review and update the budget regularly to reflect changes in market conditions or operational needs.
- Identify areas where expenses can be optimized or reduced without compromising guest experience or property quality.

3. Revenue Optimization:

- Explore additional revenue streams to supplement income from guest bookings. This may include offering extra services or amenities such as airport transfers, guided tours, or in-house dining options for an additional fee.
- Partner with local businesses or service providers to offer exclusive discounts or packages for guests staying at your property.

- Utilize upselling techniques to encourage guests to purchase add-on services or upgrades during their stay, such as late check-out or premium amenities.

4. Tax Compliance:

- Stay informed about local tax regulations and ensure compliance with tax requirements for short-term rentals in your area. This may include occupancy taxes, sales taxes, or tourist taxes that may be applicable to your Airbnb property.
- Keep accurate records of rental income and expenses to facilitate tax preparation and reporting. Consider consulting with a tax professional or accountant to ensure compliance with tax laws and maximize tax deductions.

5. Financial Reporting and Analysis:

- Generate regular financial reports to track key performance metrics such as occupancy rates, average daily rates (ADR), revenue per available room (RevPAR), and net operating income (NOI).
- Analyze financial data to identify trends, patterns, and areas for improvement in revenue generation and expense management.
- Use financial insights to make informed decisions and adjustments to your pricing, marketing, and operational strategies to optimize financial performance.

6. Cash Flow Management:

- Maintain sufficient cash reserves to cover operating expenses, maintenance costs, and unforeseen emergencies.
- Implement cash flow forecasting to project future income and expenses and ensure adequate liquidity to meet financial obligations.
- Consider establishing a reserve fund or contingency plan to cover unexpected expenses or periods of low occupancy.

7. Risk Management and Insurance:

- Mitigate risk by obtaining appropriate insurance coverage for your Airbnb property, including property insurance, liability insurance, and coverage for short-term rentals.
- Review insurance policies regularly to ensure adequate coverage and protection against potential risks such as property damage, liability claims, or loss of rental income due to unforeseen circumstances.

By implementing this comprehensive financial management plan, you can optimize revenue, control expenses, and ensure the financial sustainability and success of your Airbnb property.

Stay proactive and vigilant in monitoring financial performance and adjusting strategies as needed to adapt to changing market conditions and business needs.

Legal and Regulatory Compliance of an Airbnb

Legal and Regulatory Compliance for Airbnb

Compliance with relevant laws, regulations, and local ordinances is essential for operating an Airbnb property lawfully and responsibly. Failure to adhere to legal requirements can result in fines, penalties, or even legal action. Here's a comprehensive plan for ensuring legal and regulatory compliance:

1. Licensing and Permits:

- Research and obtain any necessary licenses or permits required for operating short-term rentals in your area. This may include business licenses, rental permits, zoning permits, or tourist accommodation licenses.
- Familiarize yourself with the specific regulations and requirements governing short-term rentals in your jurisdiction, as they may vary by location.

2. Zoning Regulations:

- Understand local zoning ordinances and regulations governing short-term rentals in your area. Ensure that your property is zoned appropriately for short-term rental activity.
- Comply with any restrictions or limitations on the number of guests allowed, minimum stay requirements, parking regulations, or noise ordinances.

3. Safety Standards:

- Adhere to safety standards and regulations to ensure the safety and well-being of guests staying at your Airbnb property.
- Install and maintain essential safety equipment such as smoke detectors, carbon monoxide detectors, fire extinguishers, and emergency exit signage.
- Conduct regular safety inspections to identify and address potential hazards or safety risks on the property.

4. Tax Compliance:

- Understand and comply with tax obligations related to short-term rentals in your area. This may include occupancy taxes, sales taxes, tourist taxes, or transient occupancy taxes.
- Keep accurate records of rental income and expenses for tax reporting purposes. Consider consulting with a tax professional or accountant to ensure compliance with tax laws and maximize deductions.

5. Rental Agreements and Contracts:

- Draft comprehensive rental agreements or rental contracts outlining terms and conditions of the rental arrangement, including payment terms, cancellation policies, house rules, and liability disclaimers.
- Ensure that rental agreements comply with relevant laws and regulations governing rental agreements in your jurisdiction.

6. Data Protection and Privacy:

- Protect guest privacy and comply with data protection laws and regulations, such as the General Data Protection Regulation (GDPR) in Europe or the California Consumer Privacy Act (CCPA) in the United States.
- Implement measures to safeguard guest information and personal data collected during the booking process, such as encryption, secure storage, and data access controls.

7. Accessibility Compliance:

- Ensure compliance with accessibility laws and regulations to accommodate guests with disabilities or special needs.
- Make reasonable accommodations to ensure that your property is accessible to all guests, including providing accessible parking, entrances, and facilities as required by law.

8. Insurance Coverage:

- Obtain appropriate insurance coverage for your Airbnb property, including property insurance, liability insurance, and coverage for short-term rentals.
- Review insurance policies carefully to ensure that they provide adequate coverage for short-term rental activities and comply with any insurance requirements imposed by Airbnb or local regulations.

9. Stay Informed and Updated:

- Stay informed about changes in laws, regulations, and local ordinances that may impact the operation of your Airbnb property.
- Monitor updates and notifications from Airbnb regarding changes in their terms of service, policies, or regulations affecting hosts.

By implementing this comprehensive plan for legal and regulatory compliance, you can ensure that your Airbnb property operates lawfully, responsibly, and ethically, minimizing the risk of legal issues and protecting the interests of both hosts and guests.

Community and Neighbor Relations of an Airbnb

Community and Neighbor Relations for Airbnb

Building positive relationships with the local community and neighbors is crucial for the long-term success and sustainability of your Airbnb property. By being a responsible host and contributing positively to the neighborhood, you can foster goodwill, minimize disruptions, and enhance the overall reputation of your property. Here's a comprehensive plan for community and neighbor relations:

1. Establish Open Communication:

- Introduce yourself to neighbors and local community members to inform them about your Airbnb property and establish open lines of communication.
- Provide neighbors with contact information and encourage them to reach out if they have any concerns or issues related to your property.
- Be proactive in addressing any concerns or complaints raised by neighbors promptly and respectfully.

2. Set Clear Expectations:

- Communicate clear expectations with guests regarding house rules, noise levels, parking regulations, and respectful behavior towards neighbors.
- Include information about neighborhood amenities, local attractions, and cultural norms in your guest welcome materials to encourage guests to be considerate of the community.

3. Minimize Disruptions:

- Implement measures to minimize disruptions to neighbors, such as enforcing quiet hours, limiting the number of guests allowed, and discouraging loud parties or events.
- Provide guests with guidelines on parking arrangements, garbage disposal, and respecting property boundaries to avoid inconveniencing neighbors.

4. Address Concerns Promptly:

- Respond promptly and courteously to any concerns or complaints raised by neighbors regarding noise, parking, or other issues related to your Airbnb property.
- Take proactive steps to address and resolve concerns, such as contacting noisy guests, adjusting house rules, or implementing additional measures to mitigate disruptions.

5. Be a Good Neighbor:

- Be a considerate and respectful neighbor by adhering to local ordinances, zoning regulations, and neighborhood standards.
- Support local businesses, participate in community events, and contribute positively to the neighborhood to demonstrate your commitment to being a responsible member of the community.

6. Foster Positive Relationships:

- Build positive relationships with neighbors by being friendly, approachable, and responsive to their needs and concerns.
- Consider hosting neighborhood events or gatherings to foster goodwill and strengthen community ties.

7. Address Negative Incidents Proactively:

- Take proactive steps to address any negative incidents or conflicts that may arise with neighbors, such as noise complaints or property damage.
- Apologize sincerely, offer appropriate compensation or restitution if necessary, and take corrective action to prevent similar incidents from occurring in the future.

8. Seek Feedback and Collaboration:

- Seek feedback from neighbors on ways to improve community relations and address any ongoing concerns or issues.
- Collaborate with neighbors, local community groups, or neighborhood associations to identify opportunities for partnership and collaboration in improving neighborhood quality of life.

By implementing this comprehensive plan for community and neighbor relations, you can cultivate a positive and harmonious relationship with the local community, minimize conflicts, and enhance the overall experience for both guests and neighbors at your Airbnb property.

Sustainability and Environmental Responsibility of an Airbnb

Sustainability and Environmental Responsibility for Airbnb

Promoting sustainability and environmental responsibility at your Airbnb property not only helps reduce your environmental footprint but also enhances the guest experience and demonstrates your commitment to corporate social responsibility. Here's a comprehensive plan for integrating sustainability practices into your Airbnb business:

1. Energy Efficiency:

- Implement energy-efficient measures to reduce energy consumption and lower utility costs. This may include:
 - Installing energy-efficient appliances, lighting fixtures, and HVAC systems.
 - Using programmable thermostats to optimize heating and cooling settings based on occupancy.
 - Encouraging guests to conserve energy by turning off lights, electronics, and appliances when not in use.

2. Water Conservation:

- Promote water conservation by installing low-flow fixtures, such as faucets, showerheads, and toilets, to minimize water usage.
- Encourage guests to use water responsibly by providing information on water-saving practices, such as taking shorter showers and reusing towels.
- Regularly check for leaks and repair any plumbing issues promptly to prevent water waste.

3. Waste Reduction and Recycling:

- Implement waste reduction measures by providing recycling bins and composting facilities for guests to separate recyclable materials and organic waste.
- Minimize single-use plastics and disposable items by offering reusable alternatives such as glassware, utensils, and toiletry dispensers.
- Educate guests on proper waste disposal practices and the importance of recycling to reduce landfill waste.

4. Eco-Friendly Amenities:

- Offer eco-friendly amenities and products to guests, such as biodegradable toiletries, refillable soap dispensers, and organic bedding and linens.
- Source locally produced and sustainable goods to support local businesses and reduce carbon emissions associated with transportation.
- Provide guests with information on nearby eco-friendly attractions, activities, and transportation options to encourage sustainable tourism practices.

5. Green Cleaning Practices:

- Use environmentally friendly cleaning products that are non-toxic and biodegradable to minimize the impact on indoor air quality and the environment.
- Adopt green cleaning practices, such as using microfiber cloths and steam cleaning, to reduce water and chemical usage while maintaining cleanliness and hygiene standards.
- Educate cleaning staff on sustainable cleaning techniques and provide training on proper product usage and disposal.

6. Sustainable Landscaping and Outdoor Spaces:

- Maintain outdoor spaces with sustainable landscaping practices, such as native plantings, drought-resistant vegetation, and rainwater harvesting systems.
- Minimize the use of chemical pesticides and fertilizers that can harm local ecosystems and wildlife.
- Create outdoor recreational areas that promote sustainability, such as bicycle racks, walking trails, and community gardens.

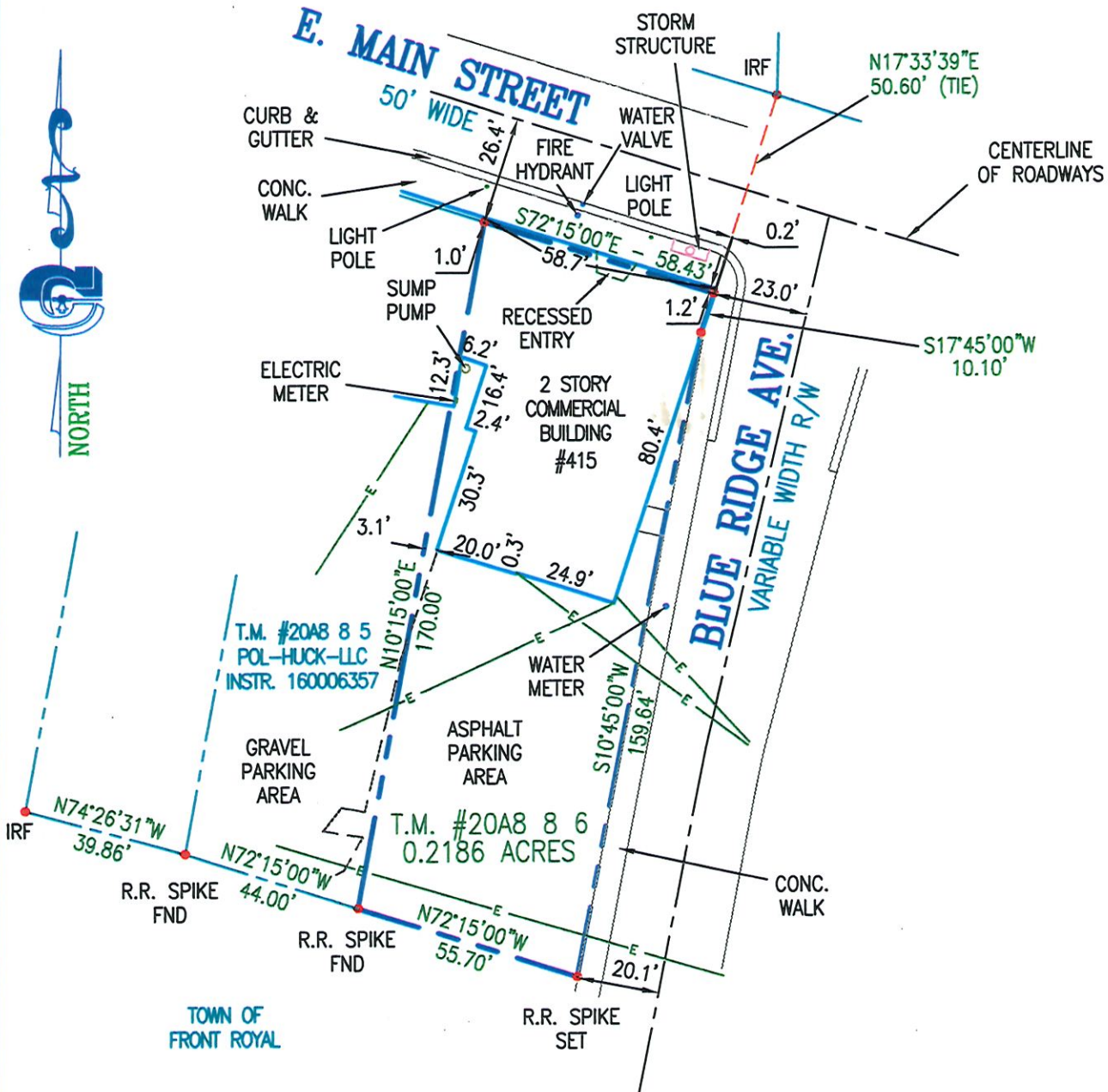
7. Environmental Education and Awareness:

- Educate guests about your property's sustainability initiatives and encourage them to participate in conservation efforts during their stay.
- Provide educational materials and resources on local environmental issues, conservation projects, and eco-friendly lifestyle tips.
- Engage guests in eco-friendly activities and experiences, such as nature walks, wildlife spotting, or volunteering opportunities with environmental organizations.

By implementing this comprehensive plan for sustainability and environmental responsibility, you can minimize the environmental impact of your Airbnb property, enhance the guest experience, and contribute to a more sustainable and responsible tourism industry.

NOTES

1. THE SUBJECT PARCEL IS NOW IN THE NAME OF CRAIG A. ZUNKA AS RECORDED IN D.B. 335 PG. 240.
2. THE SUBJECT PROPERTY IS IDENTIFIED AS T.M. #20A8 8 6, ADDRESSED AS #415 E. MAIN STREET.
3. THE ENTIRE PROPERTY SHOWN HEREON IS LOCATED IN A H.U.D. DEFINED 100 YEAR FLOOD ZONE PER F.I.R.M. COMMUNITY PANEL #51187C0112C, DATED 6-3-08.
4. NO TITLE REPORT FURNISHED. EASEMENTS AND/OR ENCUMBRANCES NOT SHOWN HEREON MAY EXIST.
5. SOURCE OF MERIDIAN, EASEMENTS, B.R.L.'S, IF SHOWN HEREON, WERE TAKEN FROM PLAT(S) RECORDED IN D.B. 116 PG. 428.



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT ON NOVEMBER 4, 2021 I MADE A FIELD SURVEY (WITH AN ACCURACY OF 1:10,000) OF THE PROPERTY SHOWN HEREON AND THAT ALL IMPROVEMENTS AND VISIBLE EASEMENTS KNOWN TO ME ARE SHOWN HEREON; THAT THERE ARE NO ENCROACHMENTS BY IMPROVEMENTS EITHER FROM ADJOINING PREMISES OR FROM SUBJECT PREMISES OTHER THAN AS SHOWN HEREON AND THAT THE HOUSE IS NOT LOCATED WITHIN A H.U.D. DEFINED FLOOD HAZARD AREA.

GIVEN UNDER MY HAND THIS 5TH DAY OF NOVEMBER, 2021.

BOUNDARY SURVEY BOUNDARY SURVEY OF THE PROPERTY OF CRAIG A. ZUNKA

DOWNTOWN BUSINESS MAGISTERIAL DISTRICT
WARREN COUNTY/TOWN OF FRONT ROYAL, VA
SCALE 1"=40'



1286 RIDGEWAY ROAD
FRONT ROYAL, VA 22630
540-622-6100

SHEET 1 OF 1

= Civil War Driving Tour

Pick up a free copy of the driving tour at the Front Royal Visitors Center.

MAP KEY

- Gas Stations
- Antique Shops
- Camping
- ATMs
- Power Stations
- Boat Landing



Front Royal Mural Tour

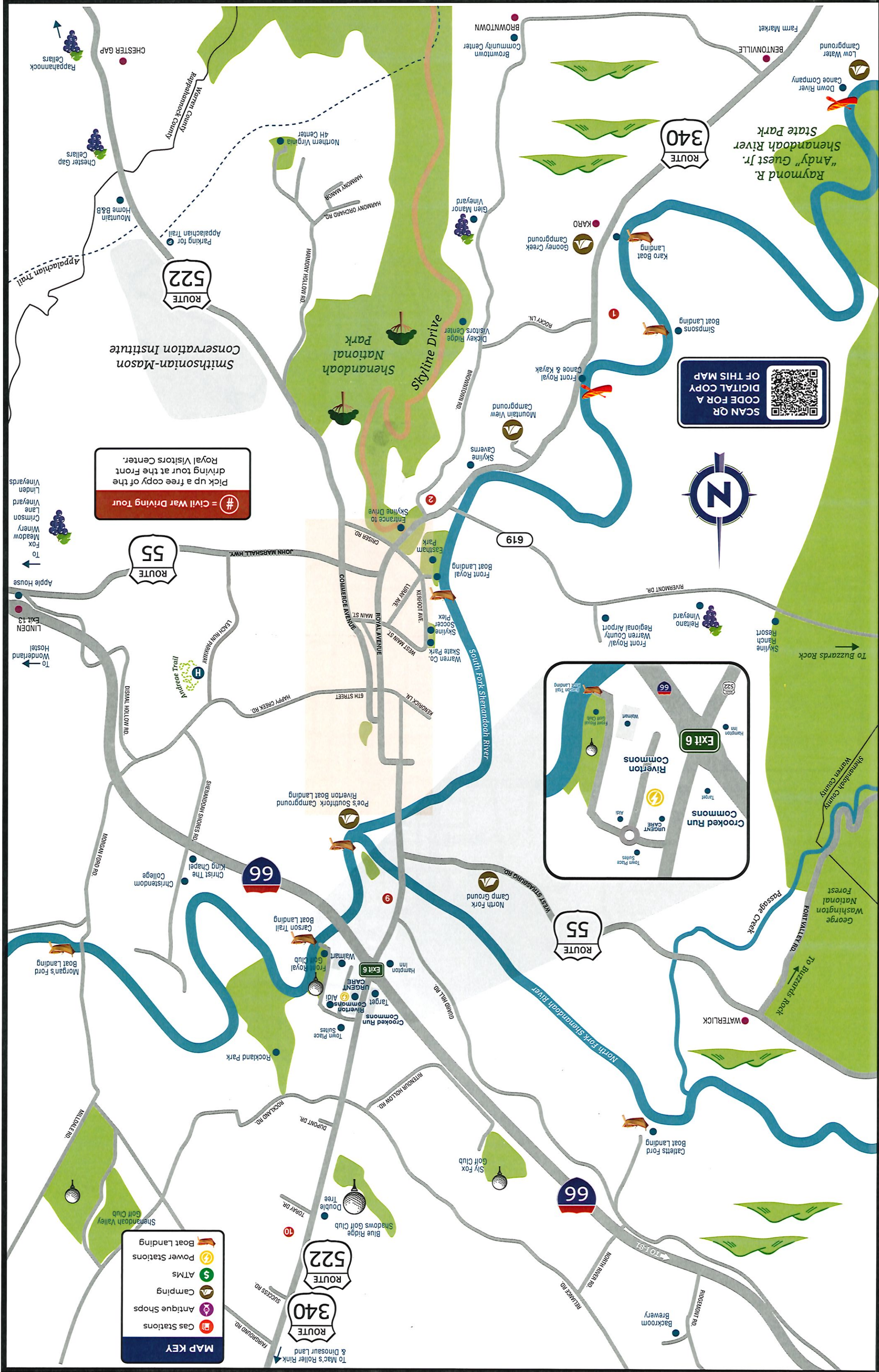
- River and Mountain**
Kidd Lane
- Vibrissa**
Kidd Lane
- Mountain Trails**
120 E Main St
- Front Royal Text**
131 E Main St
- Life in the Blue Ridge**
200 E Main St
- Clouds on Cloud**
Cloud St
- Wings Project**
High St
- C&C Frozen Treats**
409 E Main St
- Woodpeckers of the Valley**
501 E Main St



Inset Map: Downtown Front Royal

This inset map provides a detailed view of the downtown area, showing streets from E. Main Street to Stonewall Drive and from Church Street to Water Street. It highlights numerous businesses, museums, and landmarks, including the Warren Heritage Society, Belle Boyd Cottage, Warren Rifles, Balthis House, Beer Museum, On Cue Honey & Hops, Down Home Comfort Bakery, Mountain Trails, Town Hall, Court House, Royal Cinemas, Try Thai, Daily Grind, Royal Spice, Cloud St, Main St, Geek, Element, High St, Back 40, C&C Frozen Treats, Blue Ridge Ave, E Jackson St, L Dee's Pancake House, DMV, and Stokes General Store. It also shows the location of the Visitors Center and the DMV.

SCAN QR CODE FOR A DIGITAL COPY OF THIS MAP



MAP KEY

- Gas Stations
- Antique Shops
- Camping
- ATMs
- Power Stations
- Boat Landings

= Civil War Driving Tour
Pick up a free copy of the driving tour at the Front Royal Visitors Center.

SCAN QR CODE FOR A DIGITAL COPY OF THIS MAP

Exit 6

Commons
Crooked Run Commons
Riverfront Commons

Target
Aldi
Walmart
Hampton Inn
Urgent Care
Town Place
Suites



REGULAR COUNCIL MEETING AGENDA STATEMENT

Meeting Date: July 22, 2024

Item#07B

Agenda Item: PUBLIC HEARING – Receive Public Comment Pertaining to an Application from Michael D. and Jane M. McCool Requesting the Town to Vacate a Portion of a Public Alley (2,000 SF) located behind and abutting 125 W. 8th Street

Summary: Abutting property owner Michael D. and Jane M. McCool (“Applicant”) has applied for the vacation and sale of approximately 2,000 square feet of public rights-of-way, being that portion of the alley located behind and abutting 125 W. 8th Street as shown and described on plat of survey entitled “Boundary Line Adjustment Between Lot 10, Lot 11, and a Portion of an Unimproved 20’ Wide Alley” prepared by Brogan Land Surveying PLC dated October 11, 2023 (“Right-of-Way”). If approved, the Applicant will move forward with meeting the conditions of purchase and a lot consolidation. Several of the parcels adjoining the Town’s undeveloped alley are being redeveloped with townhomes. The townhouse construction project is by-right, no legislative approvals are required. The applicant would like the opportunity to purchase the Right-of-Way behind their property to have an additional buffer from the neighboring development.

Budget/Funding: N/A

Meetings: Work Session held June 10, 2024

Proposed Motions:

- 1) I move that Council appoint viewers to view the vacation request from the Applicant to vacate a portion (2,000 square feet) of the public alley located behind 125 W. 8th Street, and to report to Council in writing any inconvenience to the public that would result from discontinuance of the Right-of-Way.
- 2) I move that Council adopt the ordinance as presented conditionally approving the vacation and sale request from the Applicant.
- 3) I move that Council deny the vacation and sale request from the Applicant.

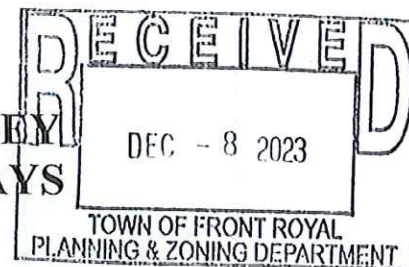
Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____

#2300787



VACATION OF STREETS AND ALLEYS
and OTHER TOWN RIGHTS-OF-WAYS
APPLICATION



APPLICANT INFORMATION

(please print)

Name MICHAEL MCCOOL

Mailing Address 125 W 8th St

FRONT ROYAL

Phone # 540-631-3968

E-mail MIKE@NATIONALMEDIA SERVICES.COM

VACATION INFORMATION

Description (please select all that apply)

☐ Street/Portion of Street

☒ Alley/Portion of Alley

☐ Other (please specify) _____

Location 125 W 8th St

Reason for request Additional buffer. Developer doesn't
want it (on 9th St) Building 5' town boxes

☒ Current Plat Attached Showing Property to be Vacated

Applicant's Signature [Signature]

Date 12/8/23

Completed application shall be returned by mail or delivery to: Department of Planning and Zoning, Town Hall, 102 E. Main Street, P.O. Box 1560, Front Royal, VA 22630 Additional Information: Planning and Zoning Office (540)635-4236, Monday-Friday, 8:00am - 4:30pm

Revised 10/24/2022

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE LAND SHOWN ON THIS PLAT IS THE LAND CONVEYED TO MICHAEL D. MCCOOL AND JANE M. MCCOOL PER INSTRUMENT # 980002180 AND A PORTION OF 20' WIDE ALLEY PER PLAT OF FRONT ROYAL AND RIVERTON IMPROVEMENT COMPANY BLOCK 29 IN D.B. S PAGE 300 RECORDED IN THE WARREN COUNTY CIRCUIT COURT CLERKS OFFICE AND THAT THERE ARE NO ENCROACHMENTS EITHER WAY ACROSS THE PROPERTY LINES EXCEPT AS SHOWN.

JOSEPH G. BROGAN, JR. LIC. # 3209

DATE

10/11/23

ALL TOWN REAL ESTATE TAXES HAVE BEEN PAID IN FULL.

FINANCE DIRECTOR

DATE

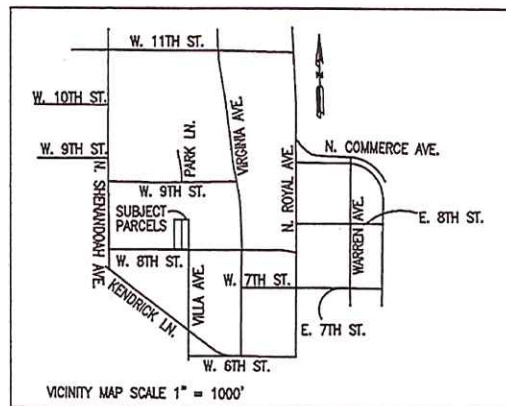
REVIEWED AND APPROVED BY THE TOWN OF FRONT ROYAL

DIRECTOR OF PLANNING AND ZONING

DATE

TOWN MANAGER

DATE



BOUNDARY LINES SHOWN HEREON ARE BASED OFF OF A CURRENT FIELD SURVEY MEETING THE REQUIREMENTS OF THE MINIMUM STANDARDS AND PROCEDURES FOR LAND BOUNDARY SURVEYING PRACTICE (18 VAC 10-20-370) OF THE CODE OF VIRGINIA.

NO TITLE REPORT FURNISHED TO THIS OFFICE. SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

SUBJECT PARCELS SITUATED OUTSIDE THE LIMITS OF THE FEMA FLOOD ZONE.

SHEET ONE OF TWO

THE BOUNDARY LINE ADJUSTMENT OF THE LAND SHOWN HEREON IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRE OF THE UNDERSIGNED OWNERS.

MICHAEL D. MCCOOL

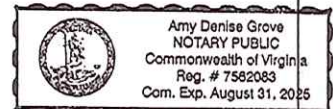
JANE M. MCCOOL

ACKNOWLEDGED BEFORE ME THIS

15th DAY OF NOV 2023.

MY COMMISSION EXPIRES 8/31/2025

NOTARY



AREA TABULATION

ORIG. AREA LOT 10	9,250 SQ. FT.
+ORIG. AREA LOT 11	9,250 SQ. FT.
+PORTION OF ALLEY	2,000 SQ. FT.
AREA NEW LOT 10A	20,500 SQ. FT.

BOUNDARY LINE ADJUSTMENT BETWEEN LOT 10, LOT 11, AND A PORTION OF AN UNIMPROVED 20' WIDE ALLEY, BLOCK 29, PER PLAT OF THE FRONT ROYAL AND RIVERTON IMPROVEMENT COMPANY

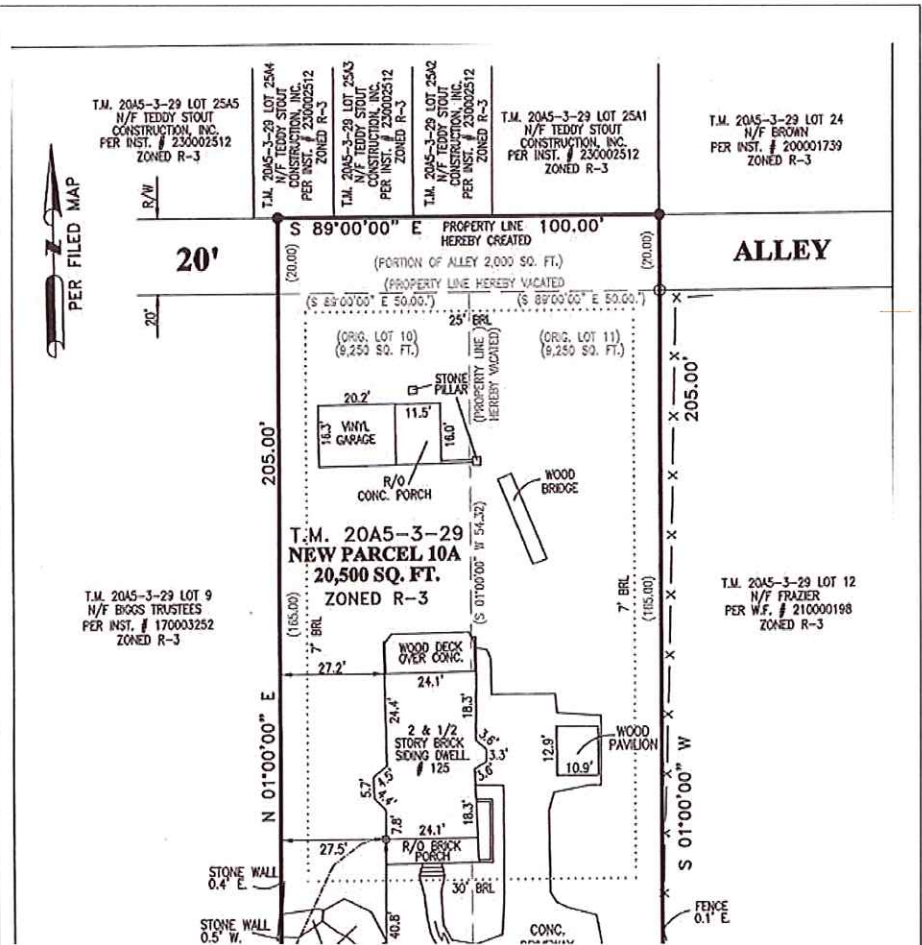
NORTH RIVER MAGISTERIAL DISTRICT
TOWN OF FRONT ROYAL
WARREN COUNTY, VA.



PREPARED BY:
BROGAN LAND SURVEYING, PLC
P.O. BOX 1578
FRONT ROYAL, VA. 22630-0034
TEL. & FAX (540) 635-5657
OCTOBER 11, 2023

Alley Vacation Request 2300787, 125 W. 8th Street

Request	The applicant is requesting to vacate a portion (2,000 SF) of the alley behind 125 W. 8 th Street to be used as an additional buffer from the construction of five (5) townhouses. If approved, the applicant will move forward with a lot consolidation.
Background Information	Several of the parcels adjoining the Town's undeveloped alley are being redeveloped with Townhomes. The Townhouse construction project is by-right, no legislative approvals are required. The applicant would like the opportunity to purchase the land behind their property to have an additional buffer from neighboring development.
Public Works Comments	Public Works has checked the requested area to be vacated, since there are no existing utilities in this area, Public Works has no comments or concerns regarding this request. 4/10/24
Energy Services Comments	No concerns from the Department of Energy Services. 12/21/23
Planning Comments	



The area requested for closure is located in the center of the Towns alley. This closure if granted would restrict access to parcels located to the west of the applicant's property.

Staff
Recommendation

There are no potential utility impacts beyond losing the use of the alley for future installation. The Town has no utilities in the alley currently. Planning staff recommends the closure of the entire alley if a vacation is considered not just the middle portion.

PER FILED MAP

T.M. 20A5-3-29 LOT 25A5
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

T.M. 20A5-3-29 LOT 25A4
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

T.M. 20A5-3-29 LOT 25A3
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

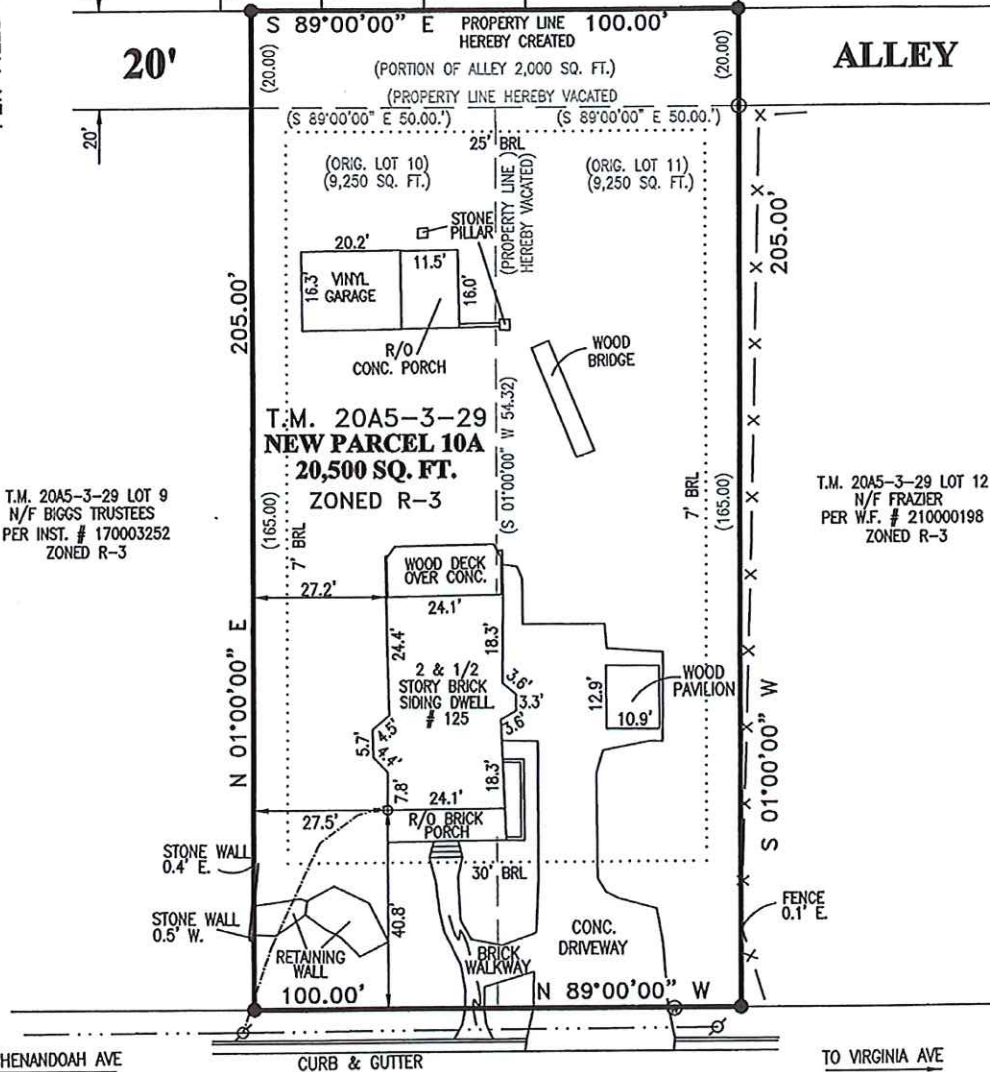
T.M. 20A5-3-29 LOT 25A2
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

T.M. 20A5-3-29 LOT 25A1
N/F TEDDY STOUT
CONSTRUCTION, INC.
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N/F BROWN
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T.M. 20A5-3-29 LOT 9
N/F BIGGS TRUSTEES
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T.M. 20A5-3-29 LOT 12
N/F FRAZIER
PER W.F. # 210000198
ZONED R-3



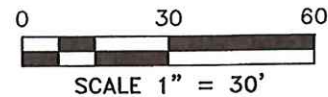
TO N. SHENANDOAH AVE

CURB & GUTTER

W. 8TH ST.
50' WIDE R/W

TO VIRGINIA AVE

- ⊗ DENOTES WATER METER.
- DENOTES PIN FOUND.
- DENOTES PIN SET.
- ⊕ DENOTES UTILITY POLE.
- · — · — DENOTES OVERHEAD WIRES.
- · — · — DENOTES APPROXIMATE UNDERGROUND WIRE.
- X — DENOTES CHAIN LINK FENCE.



NO TITLE REPORT WAS FURNISHED TO THIS OFFICE.
SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

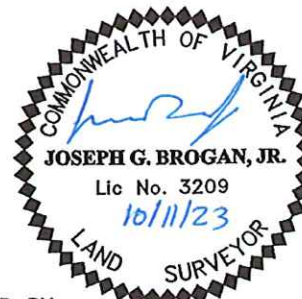
DERIVATION OF TITLE TO: MICHAEL D. AND JANE M. MCCOOL
PER INSTRUMENT # 980002180.
OWNER ADDRESS: 125 W. 8TH ST., FRONT ROYAL, VA. 22630.

PLAT REF: DEED BOOK S PAGE 300.
SUBJECT PARCEL SITUATED OUTSIDE
THE LIMITS OF THE FEMA FLOOD ZONE.

BOUNDARY LINE ADJUSTMENT BETWEEN LOT 10,
LOT 11, AND A PORTION OF AN UNIMPROVED 20'
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AND RIVERTON IMPROVEMENT COMPANY

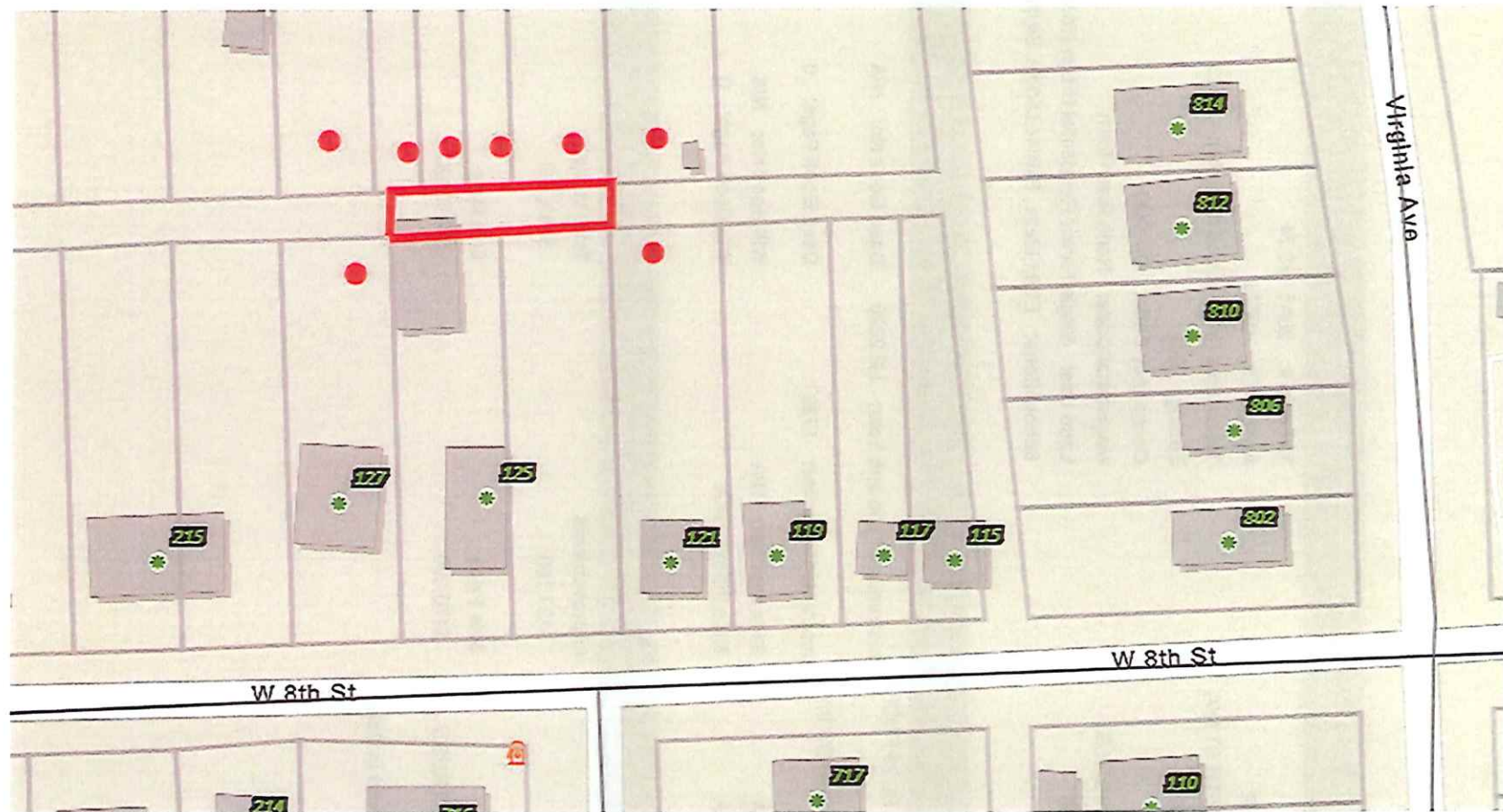
NORTH RIVER MAGISTERIAL DISTRICT

TOWN OF FRONT ROYAL
WARREN COUNTY, VA.



PREPARED BY:
BROGAN LAND SURVEYING, PLC
P.O. BOX 1578
FRONT ROYAL, VA. 22630-0034
TEL. & FAX (540) 635-5657
OCTOBER 11, 2023

2300787 – PORTION OF ALLEY VACATION – MIKE MC COOL – 124 W. 8TH STREET



TOWN COUNCIL OF THE TOWN OF FRONT ROYAL, VIRGINIA

**ORDINANCE APPROVING THE CLOSURE AND VACATION OF PUBLIC
RIGHTS-OF-WAY OF APPROXIMATELY 2,000 SQUARE FEET OF
ALLEY BEHIND AND ABUTTING 125 W. 8TH STREET**

WHEREAS, pursuant to Virginia Code §§15.2-2006 and 15.2-2008, abutting property owner Michael D. and Jane M. McCool (“Applicant”) have applied for the vacation and sale of approximately 2,000 square feet of public rights-of-way, being that portion of the alley located behind and abutting 125 W. 8th Street as shown and described on plat of survey entitled “Boundary Line Adjustment Between Lot 10, Lot 11, and a Portion of an Unimproved 20’ Wide Alley” prepared by Brogan Land Surveying PLC dated October 11, 2023 (“Rights-of-Way”), said plat of survey being attached hereto and incorporated herein by reference; and,

WHEREAS, following notice to affected landowners and a duly advertised public hearing held on July 22, 2024, upon the evidence (including the report of a duly appointed committee of viewers that no public inconvenience would result from the discontinuance of the rights-of-way), it being the judgment of Town Council that said Rights-of-Way be discontinued, closed and vacated subject to certain conditions being met within one hundred twenty (120) days of the adoption of this ordinance approving of the vacation; and,

WHEREAS, Virginia Code §§15.2-1800 and 15.2-2100 authorize towns to dispose of and sell its real property following a duly advertised public hearing.

NOW THEREFORE, BE IT HEREBY ORDAINED AND ENACTED by the Town Council of the Town of Front Royal, Virginia, that the public rights of ingress and egress in the Rights-of-Way are discontinued, closed and vacated subject to the following stated conditions being satisfied within one hundred eighty (180) days of the adoption of this Ordinance, and that if the conditions are not satisfied within that time that this Ordinance shall become null and void.

1. That the Rights-of-Way be sold and conveyed to the Applicant and/or other abutting property owner by quit claim deed with plat of survey attached, with the sale price to be that as negotiated by the Town Manager with the Applicant and/or other abutting property owner, along with payment of the statutorily prescribed costs and fees of publication (and appointment of viewers) and approved by Council.

2. The Town Manager and Town Attorney are authorized to approve and execute all documents to be prepared by Applicant and/or other abutting property

owner necessary to effectuate the sale and conveyance of Rights-of-Way by quit claim deed.

3. The Applicant and/or other abutting property owner shall re-subdivide, and/or consolidate, vacating internal boundary lines as necessary to incorporate abutting portions of vacated Rights-of-Way into approved lot(s).

The Clerk of Council, upon the satisfaction of all conditions to this Ordinance, shall cause a certified copy of this Ordinance to be delivered to the Clerk of the Circuit Court for filing and recording in the land records, indexed with "Town of Front Royal" as Grantor, and with Applicant, and/or other abutting property owner acquiring an interest in Rights-of-Way as Grantee, as necessary to further effectuate this Ordinance.

DRAFT

This ordinance shall be effective upon enactment.

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE LAND SHOWN ON THIS PLAT IS THE LAND CONVEYED TO MICHAEL D. MCCOOL AND JANE M. MCCOOL PER INSTRUMENT # 980002180 AND A PORTION OF 20' WIDE ALLEY PER PLAT OF FRONT ROYAL AND RIVERTON IMPROVEMENT COMPANY BLOCK 29 IN D.B. S PAGE 300 RECORDED IN THE WARREN COUNTY CIRCUIT COURT CLERKS OFFICE AND THAT THERE ARE NO ENCROACHMENTS EITHER WAY ACROSS THE PROPERTY LINES EXCEPT AS SHOWN.

Joseph G. Brogan, Jr.
JOSEPH G. BROGAN, JR. LIC. # 3209

10/11/23
DATE

ALL TOWN REAL ESTATE TAXES HAVE BEEN PAID IN FULL.

FINANCE DIRECTOR

DATE

REVIEWED AND APPROVED BY THE TOWN OF FRONT ROYAL

DIRECTOR OF PLANNING AND ZONING

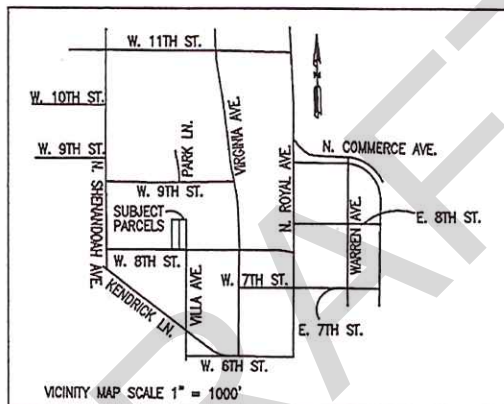
DATE

TOWN MANAGER

DATE

BOUNDARY LINE ADJUSTMENT BETWEEN LOT 10, LOT 11, AND A PORTION OF AN UNIMPROVED 20' WIDE ALLEY, BLOCK 29, PER PLAT OF THE FRONT ROYAL AND RIVERTON IMPROVEMENT COMPANY

NORTH RIVER MAGISTERIAL DISTRICT
TOWN OF FRONT ROYAL
WARREN COUNTY, VA.



BOUNDARY LINES SHOWN HEREON ARE BASED OFF OF A CURRENT FIELD SURVEY MEETING THE REQUIREMENTS OF THE MINIMUM STANDARDS AND PROCEDURES FOR LAND BOUNDARY SURVEYING PRACTICE (18 VAC 10-20-370) OF THE CODE OF VIRGINIA.

NO TITLE REPORT FURNISHED TO THIS OFFICE.
SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

SUBJECT PARCELS SITUATED OUTSIDE
THE LIMITS OF THE FEMA FLOOD ZONE.

SHEET ONE OF TWO

THE BOUNDARY LINE ADJUSTMENT OF THE LAND SHOWN HEREON IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRE OF THE UNDERSIGNED OWNERS.

Michael D. McCool
MICHAEL D. MCCOOL

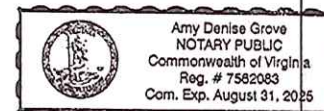
Jane M. McCool
JANE M. MCCOOL

ACKNOWLEDGED BEFORE ME THIS

15th DAY OF NOV 2023.

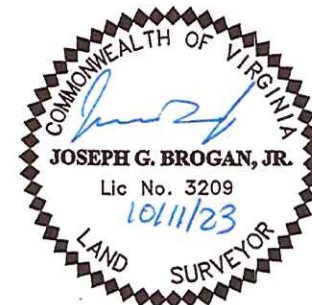
MY COMMISSION EXPIRES 8/31/2025

Joseph G. Brogan, Jr.
NOTARY



AREA TABULATION

ORIG. AREA LOT 10	9,250 SQ. FT.
+ORIG. AREA LOT 11	9,250 SQ. FT.
+PORTION OF ALLEY	2,000 SQ. FT.
AREA NEW LOT 10A	20,500 SQ. FT.



PREPARED BY:
BROGAN LAND SURVEYING, PLC
P.O. BOX 1578
FRONT ROYAL, VA. 22630-0034
TEL. & FAX (540) 635-5657
OCTOBER 11, 2023



T.M. 20A5-3-29 LOT 25A4
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

T.M. 20A5-3-29 LOT 25A4
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ZONED R-3

T.M. 20A5-3-29 LOT 25A3
N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
ZONED R-3

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N/F TEDDY STOUT
CONSTRUCTION, INC.
PER INST. # 230002512
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T.M. 20A5-3-29 LOT 12
N/F FRAZIER
PER W.F. # 210000198
ZONED R-3

**T.M. 20A5-3-29
NEW PARCEL 10A
20,500 SQ. FT.
ZONED R-3**

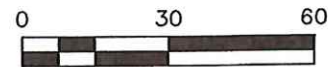
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- X — DENOTES CHAIN LINK FENCE.



SCALE 1" = 30'

NO TITLE REPORT WAS FURNISHED TO THIS OFFICE.
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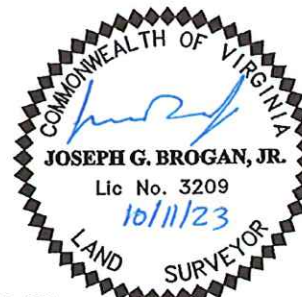
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AND RIVERTON IMPROVEMENT COMPANY

NORTH RIVER MAGISTERIAL DISTRICT
**TOWN OF FRONT ROYAL
WARREN COUNTY, VA.**

PREPARED BY:
BROGAN LAND SURVEYING, PLC
P.O. BOX 1578
FRONT ROYAL, VA. 22630-0034
TEL. & FAX (540) 635-5657
OCTOBER 11, 2023



APPROVED:

Lori A. Cockrell, Mayor

ATTEST:

Tina L. Presley, Clerk of Council

This Ordinance was approved at the Regular Meeting of the Town of Front Royal, Virginia Town Council conducted on _____, 2024 upon the following recorded vote:

R. Wayne Sealock	__Yes __No	H. Bruce Rappaport	__Yes __No
Joshua L. Ingram	__Yes __No	Melissa DeDomenico-Payne	__Yes __No
Amber F. Morris	__Yes __No	Glenn E. Wood	__Yes __No

A public hearing on the above was held on _____ having been advertised in the Northern Virginia Daily on July 8 and July 15, 2024.

APPROVED AS TO FORM AND LEGALITY:

George M. Sonnett, Jr.
Town Attorney

Date



REGULAR COUNCIL MEETING AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 07C

Agenda Item: PUBLIC HEARING – Receive Public Comment and Consider Taking Action on the Resolution Approving the Proposed Public Use and Necessity of a Redundant Waterline for the Route 522 North Corridor and Directing the Acquisition of Property by Condemnation.

Summary: The Town of Front Royal seeks to construct public facilities of approximately 26,000 linear feet of 12-inch water transmission line addition to the Route 522 Corridor system to improve water quality and system reliability. Any disruption in the quality or quantity of the water service could significantly impact the users of the system. Passage of the resolution, pursuant to Virginia Code §15.2-1903, would confirm the public use and necessity of the redundant waterline and would authorize the initiation of the condemnation process for the aforementioned project under the power of eminent domain pursuant to §18 of the Town Charter and Virginia Code §§1-219.1(A)(ii), §15.2-1901 through 15.2-1902, 15.2-1907. The proposed resolution details the necessity of the project and states the use to which the acquired property would be put.

Budget/Funding: N/A

Meetings: Ongoing

Proposed Motion: I move that council approve the **Resolution Approving the Proposed Public Use and Necessity of a Redundant Waterline for the Route 522 North Corridor and Directing the Acquisition of Property by Condemnation**, as presented.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____

RESOLUTION

Approving the Proposed Public Use and Necessity of a Redundant Waterline for the Route 522 North Corridor and Directing the Acquisition of Property by Condemnation

WHEREAS, the Town of Front Royal (the "Town") is an incorporated town within the County of Warren, Virginia ("County"), and construction of water supply systems being an inherently public use when undertaken by a Virginia locality; and,

WHEREAS, Town staff having previously informed the Town Council of the Town of the necessity of undertaking the installation of a 12-inch water transmission supply line, to be located within both the Town and County, to supply water to the Route 522 North Corridor, located outside of the Town and in the County, ("Corridor"), the existing water supply system having only one water transmission line for providing water service to the Corridor in the County and that a second water transmission line ("Redundant Waterline") is necessary for increased water quality and reliable service; and,

WHEREAS, Town staff has previously informed the Town Council of the most suitable location for the installation of a portion of the Redundant Waterline is over, under, in and across certain private properties located in the Town and County, requiring the acquisition of temporary and permanent easements; and,

WHEREAS, Town staff has informed the Town Council that: a) temporary and permanent easements are needed for the Redundant Waterline, b) the amount of property to be taken is not more than is necessary to achieve the stated public use, c) the appraisal methodology used in valuing the easements for purposes of making a good faith offer is attached to this resolution and is considered to be reasonable and proper, and, d) terms of easement purchase have not been reached with the owner of the properties listed herein; and,

WHEREAS, Town staff has determined that the Town will need to acquire the following temporary and permanent easements from the following owner of property located along the proposed route. The easement areas and appraised values are:

Tax Map ID: 20A221-11

Owner: Front Royal Limited Partnership (formerly F&R Limited Partnership)

Easement Area, Permanent: 89,567.69 square feet

Easement Area, Temporary: 89,583.44 square feet

Total Easement Value: \$4,075.00

Tax Map ID: 20A221-9

Owner: Front Royal Limited Partnership (formerly F&R Limited Partnership)

Easement Area, Permanent: 32,830.98 square feet

Easement Area, Temporary: 32,796.82 square feet

Total Easement Value: \$1,495.00

, and;

WHEREAS, to proceed with the Redundant Waterline, Town staff has recommended that the Town acquire such easements through the exercise of eminent domain and the condemnation process if negotiations with the property owner prove unsuccessful; and,

WHEREAS, the Town properly advertised a public hearing for the purpose of informing the public of the need to exercise eminent domain to acquire the permanent water system easements, and such public hearing was held at the Warren County Government Center Board Room at 7:00 p.m. on July 22, 2024 for the purpose of giving all citizens the opportunity to state their views; now,

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Front Royal that construction of water supply systems is an inherently public use when undertaken by a Virginia locality, and that the Redundant Waterline is necessary for increased water quality and reliability in the Corridor, and hereby approves same, and

IT BEING FURTHER RESOLVED that the acquisition of the temporary and permanent water system easements over, under, in and across the subject properties through the exercise of eminent domain and the condemnation process is hereby authorized, with the Town Attorney and the Town Manager directed to take all such steps necessary to acquire the temporary and permanent Redundant Waterline easements including through condemnation.

This resolution shall take effect immediately.

APPROVED:

Lori A. Cockrell, Mayor

ATTEST:

Tina L. Presley, Clerk of Council

This Resolution was approved at the Regular Meeting of the Town of Front Royal, Virginia Town Council conducted on _____, 2024 upon the following recorded vote:

R. Wayne Sealock	__ Yes __ No	H. Bruce Rappaport	__ Yes __ No
Joshua L. Ingram	__ Yes __ No	Melissa DeDomenico-Payne	__ Yes __ No
Amber F. Morris	__ Yes __ No	Glenn A. Wood	__ Yes __ No

Approved as to Form and Legality:

George M. Sonnett, Jr., Town Attorney

Dated: _____

APPRAISAL OF PROPERTY

LOCATION OF PROPERTY:

Near Mary's Shady Lane (20A221-11 & 20A221-9)
Front Royal, VA 22630

FOR:

Town of Front Royal
102 E. Main Street
Front Royal, VA 22630

SUBMITTED BY: Robert R. Elliott, Jr., MAI, SRA

DATE OF VALUATION: May 13, 2024

PROJECT IDENTIFICATION:

PARALLEL WATERLINE FOR THE ROUTE 522 NORTH CORRIDOR PROJECT

PROPERTY IDENTIFICATION:

Landowner(s) Name: F & R Limited Partnership
Address: P.O. Box 832, Middleburg, VA 20118
Phone Number: N/A

EXECUTIVE SUMMARY**RW-45B****SUBJECT INFORMATION**

Parcel Size Before Acquisition	371.328	AC
Fee Simple Acquisition Size	0	SF
Prescriptive Easement Acquired	0	AC
Parcel Size After Acquisition	371.328	AC

TOTAL ESTIMATED COMPENSATION**Value of Land in Fee Acquired**

Land in Fee	SF @ \$	= \$ 0
Limited Access	AC @ \$	= \$ 0

Value of Easements Acquired:

Permanent Waterline Easement (20A221-9)	32,831	SF @ \$ 0.13	X	25% = \$ 1,070 ®
Temp. Construction Easement (20A221-9)	32,797	SF @ \$ 0.13	X	10% = \$ 425 ®
Permanent Waterline Easement (20A221-11)	89,568	SF @ \$ 0.13	X	25% = \$ 2,910 ®
Temp. Construction Easement (20A221-11)	89,583	SF @ \$ 0.13	X	10% = \$ 1,165 ®

Total Estimated Value of Land Acquired **\$5,570****Value of Buildings Acquired:**

None Noted

Total Estimated Value of Buildings **\$0****Value of Other Improvements Acquired:**

	EA @ \$	X	0% = \$
	SF @ \$	X	0% = \$
	SF @ \$	X	0% = \$
	EA @ \$	X	0% = \$

Total Estimated Value of Other Improvements **\$0****Value of Cost to Cure Items** **\$0****Damages (less Enhancements)** **\$ 0****I ESTIMATE THE MARKET VALUE, AS DEFINED, of ACQUIRED LAND, IMPROVEMENTS, EASEMENTS and COST TO CURE ITEMS as of the EFFECTIVE APPRAISAL DATE TO BE: \$ 5,570****IMPORTANT DATES**

Effective Date of the Appraisal	May 13, 2024
Property Inspection Date	May 18, 2022 & May 13, 2024
Appraisal Report Date	June 17, 2024

LICENSED APPRAISER or

Signature

Name **Robert R. Elliott, Jr., MAI, SRA**Date **June 17, 2024**License/Certification Number **4001 015749**License Type **Certified General****LICENSED APPRAISER**

Signature

Name

Date

License/Certification Number

License Type

INTRODUCTION

APPRAISAL PROBLEM

The subject is located off of Mary's Shady Lane (northern side), Front Royal, VA 22630. The property is vacant land is comprised of two tax map parcels: 20A221-9 and 20A221-11. The total site size is reported as 371.328-acres or 16,175,048 SF based on public records. The subject does not have a proposed R/W acquisition. The subject is proposed with the following: a Permanent Waterline Easement of 2.810-acres or 122,399 SF and a Temporary Construction Easement of 2.810-acres or 122,380 SF. No personal property was included in this appraisal. The problem presented herein is to estimate the market value of the property to be used as a basis for compensation.

CONTACT

The landowner(s) or their representative were contacted by ERM & Associates and the Town of Front Royal. The owner granted me permission to inspect the property on May 18, 2022. I viewed the property at this time independently. The property owner was sent a certified letter on April 5, 2024 requesting permission to inspect the property again on May 13, 2024. A response was not received and I inspected the property independently on May 13, 2024.

LARGER PARCEL DISCUSSION

The appraiser deemed the combined parcels were appropriate to combine for valuation purposes based upon its size and utility, future development potential, and common ownership. The parcel is considered a larger parcel, which is defined as: “In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.”¹ This rationale is the basis for combining the two parcels into one, because of their congruence of ownership, contiguity, and similar highest and best use. It is likely that any future development or sale would include the two parcels.



Tax Map Number	Total Site Size	Permanent Waterline Easement Area	Temporary Construction Easement Area
20A221-9	92.79-Acres	0.754-Acre or 32,831 SF	0.753-Acre or 32,797 SF
20A221-11	278.538-Acres	2.056-Acres or 89,568 SF	2.057-Acres or 89,583 SF

¹ *The Dictionary of Real Estate Appraisal*, Sixth Edition; The Appraisal Institute

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple and/or easement interests acquired and their financial impact (if applicable) on the remaining property as of the effective date of the appraisal.

The conveyance represents a:

☐ Total Acquisition – The purpose of this appraisal is to estimate the market value of the whole property. The appraiser is to ignore the influences, both positive and negative, of the proposed project.

☒ Partial Acquisition – If the acquisition is vacant land or includes only minor improvements, then the purpose of this appraisal is to estimate the value of the land, easements, and minor improvements acquired. If any, “cost to cure” damage should be estimated and included. If damages (those not otherwise addressed by a “cost to cure” item) are present, a value is estimated for the remainder both “before acquisition” and “after acquisition” to determine the amount of the damages, less any enhancements. The appraiser has determined that:

☒ **No damages result to the Remainder after the proposed acquisition:** The appraiser(s) concludes that no apparent damage occurred to the remainder as a result of the partial acquisition above and beyond those items addressed by a “cost to cure”. This determination is based in part upon an “after acquisition scenario” review of the physical site characteristics, zoning compliance and the highest and best use of the property. Thus, the implication is that the report serves as a “before acquisition” and an “after acquisition” report. NOTE: If there are no damages, there is no need to quantify enhancement after the acquisition (except when preparing for trial) because this has no impact on compensation.

☐ **Yes, Damages, less any Enhancements, result to the remainder after the proposed acquisition.** If damages do result to the remainder from the partial acquisition, they can be offset by benefits that may accrue to the property.

DEFINITION OF MARKET VALUE

Market Value – The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress (The Appraisal of Real Estate 14th Edition).

and

The price which one, under no compulsion, is willing to take for property which he has for sale, and for which another, under no compulsion being desirous and able to buy, is willing to pay for the article. (*Talbot vs. Norfolk 158 Va. 387, 163 S.E. 100; 1932*)

CLIENT AND INTENDED USER

Town of Front Royal

INTENDED USE OF THE APPRAISAL

The intended use of this report is to provide the Town of Front Royal and ERM & Associates with a basis for compensation for the proposed easement area.

SCOPE OF THE APPRAISAL

Market research was conducted to gather pertinent data required to estimate the value of any land, easements, and improvements acquired. Also, if applicable, the “cost to cure” damage to the remainder property as a result of the proposed acquisition is estimated. If the proposed conveyance is a partial acquisition, then the appraiser examined the impact of the partial acquisition and the proposed project improvements on the value of the remaining property.

Land and any improvements located within the acquisition area were inspected. If the proposed conveyance is a partial acquisition and the “before value” of the improvements located within the remainder is different from the “after value”, then all of the improvements were inspected.

The applicable data collected to complete this appraisal includes, but is not limited to:

- Deeds, deed restrictions, easements, restrictive covenants, proffers, leases, sales history and listing agreements for the subject property
- The availability and capacity of public and private utilities
- Flood plain, topography
- Zoning and the master plan
- Market and land use trends
- Sales data for competing properties
- Other data that the appraiser(s) considers relevant to the valuation.

The most pertinent data collected is reported. Verification of the authenticity of this information was made from one or more of the following sources: public records, personal interviews, and any other sources with respect to sales of properties in the general area of the subject property. The research, analysis, and interpretation of information in the marketplace were completed in accordance with sound appraisal principles. The opinions and conclusions of value in this report are considered to be reasonable and reliable.

JURISDICTIONAL EXCEPTION

An assignment condition that voids the force of a part of or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment. There are no exceptions noted for this report.

HYPOTHETICAL CONDITIONS

(That which is contrary to what exists but is supposed for the purpose of analysis.)

If circumstances dictate that the appraiser disregard current market conditions in the before value for the sake of avoiding project influence, then the before value is based on the hypothetical condition.

The before estimate of market value for the subject property is based on the hypothetical condition that the proposed project does not exist.

Any “after” value assumptions are based on the premise that the project is completed as of the effective date of the appraisal according to the plans available to the appraiser.

EXTRAORDINARY ASSUMPTIONS

(An assumption, directly related to a specific assignment, that, if found to be false, could alter the appraiser's opinions or conclusions.)

The plat provided for the subject property is dated March 15, 2022. The report assumes this information is accurate and correct. If this is found to be untrue, it could alter the results stated in this report.

An extraordinary assumption has been made that there is no hazardous materials or soil contamination that would affect the value reported herein. If this is found to be untrue, it could alter the results stated in this report.

EXPOSURE TIME

Exposure time is defined by USPAP: 2024 – 2025, as follows:

(An opinion, based on supporting market data, of the length of time that the property interest being appraised would have offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

Based on vacant land sales in the area, the subject as an anticipated exposure time of 12-months.

PROPERTY INFORMATION

NEIGHBORHOOD ANALYSIS

A neighborhood is an area of influence that consists of complementary land uses, as opposed to a district which consists of homogeneous land uses. Various factors which influence the property values include environmental, social, economic and governmental forces. Each of these factors and their effect on the subject property value is examined in the following analysis. The subject project is located centrally within Warren County and in the town limits of Front Royal. The subject project is located where it borders I-66 and is located in close proximity to Interstate 66 access. The subject is immediately surrounded by vacant land and residential applications. Commercial uses are located along the major thoroughfares within the market area. The market study area will be Warren County as a whole.



I. ENVIRONMENTAL

The subject project is located in the central portion of Warren County and within the town limits of Front Royal. It is the ease of access combined with favorable climate conditions that make the subject area an ideal location for work, school, and home.

Complementary geographic/topographic features and a reasonable tax base are other contributing factors, which continue to attract commercial development. In addition to a secure regional market, area recreation further supplements the economy by attracting thousands of tourists each year.

The subject can also be accessed quickly from surrounding areas, making the area an ideal location.

II. SOCIAL

The subject is located in a suburban/rural type area containing a total of 15,690 households as of 2023 and expected to increase to 15,996 by 2028. The population is also expected to increase from 41,515 to 42,045 over the same time frame. The households possess a median household income of \$74,704, an average household income of \$103,531, and a per capita income of \$39,250 per 2023 data provided by ESRI. The charts below represents the past, present and anticipated growth in the subject area within Warren County.

Summary	Census 2010	Census 2020	2023	2028
Population	37,442	40,727	41,515	42,045
Households	14,032	15,322	15,690	15,996
Families	9,767	10,465	10,543	10,662
Average Household Size	2.62	2.58	2.57	2.56
Owner Occupied Housing Units	10,536	11,650	12,402	12,825
Renter Occupied Housing Units	3,496	3,672	3,288	3,171
Median Age	39.7	40.9	41.8	42.0
Trends: 2023-2028 Annual Rate	Area	State	National	
Population	0.25%	0.35%	0.30%	
Households	0.39%	0.49%	0.49%	
Families	0.22%	0.33%	0.44%	
Owner HHs	0.67%	0.66%	0.66%	
Median Household Income	2.27%	2.69%	2.57%	

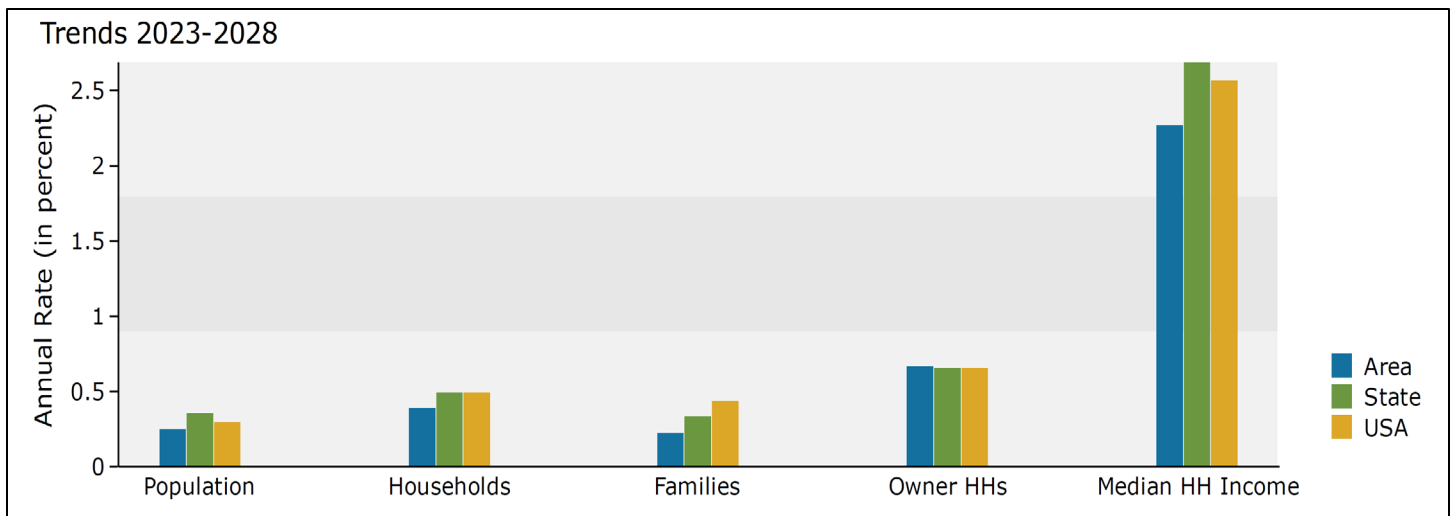
****Provided by ESRI****

Growth is expected to continue increasing over the next five years. The number of total households is predicted to rise and would indicate growth for jobs, expenditures and residential development. The chart below is an allocation of the population concerning household income.

Households by Income	2023		2028	
	Number	Percent	Number	Percent
<\$15,000	1,266	8.1%	1,161	7.3%
\$15,000 - \$24,999	987	6.3%	859	5.4%
\$25,000 - \$34,999	892	5.7%	787	4.9%
\$35,000 - \$49,999	1,832	11.7%	1,601	10.0%
\$50,000 - \$74,999	2,892	18.4%	2,740	17.1%
\$75,000 - \$99,999	2,122	13.5%	2,083	13.0%
\$100,000 - \$149,999	2,615	16.7%	2,905	18.2%
\$150,000 - \$199,999	1,726	11.0%	2,192	13.7%
\$200,000+	1,358	8.7%	1,668	10.4%
Median Household Income	\$74,704		\$83,574	
Average Household Income	\$103,531		\$118,099	
Per Capita Income	\$39,250		\$45,051	

****Provided by ESRI****

The next chart is an example of the current stability and predicted growth for the area. This bar graph correlates with the conclusions from the regional analysis about the area concerning employment opportunities and financial gain. The bar graph compares the subject area with the average state and national statistics in terms of population, households, families, owner-occupied homes and median household income.



****Provided by ESRI****

The bar graph displays a visual aid to anticipate the expected growth and stability of the area. As seen, the subject market area is expected to outperform the state and nation in four of the five categories analyzed from 2023 to 2028. As stated, the results are positive for continued growth in the area.

Warren County has been analyzed from a social standpoint. The area's population, household income and residential historical and future growth patterns have been reviewed. The area is expected to continue to grow in all of the above categories. The expected growth can be concluded that more jobs and residential units would be created in theory. The area has a positive outlook and should continue to make positive strides in the next five years.

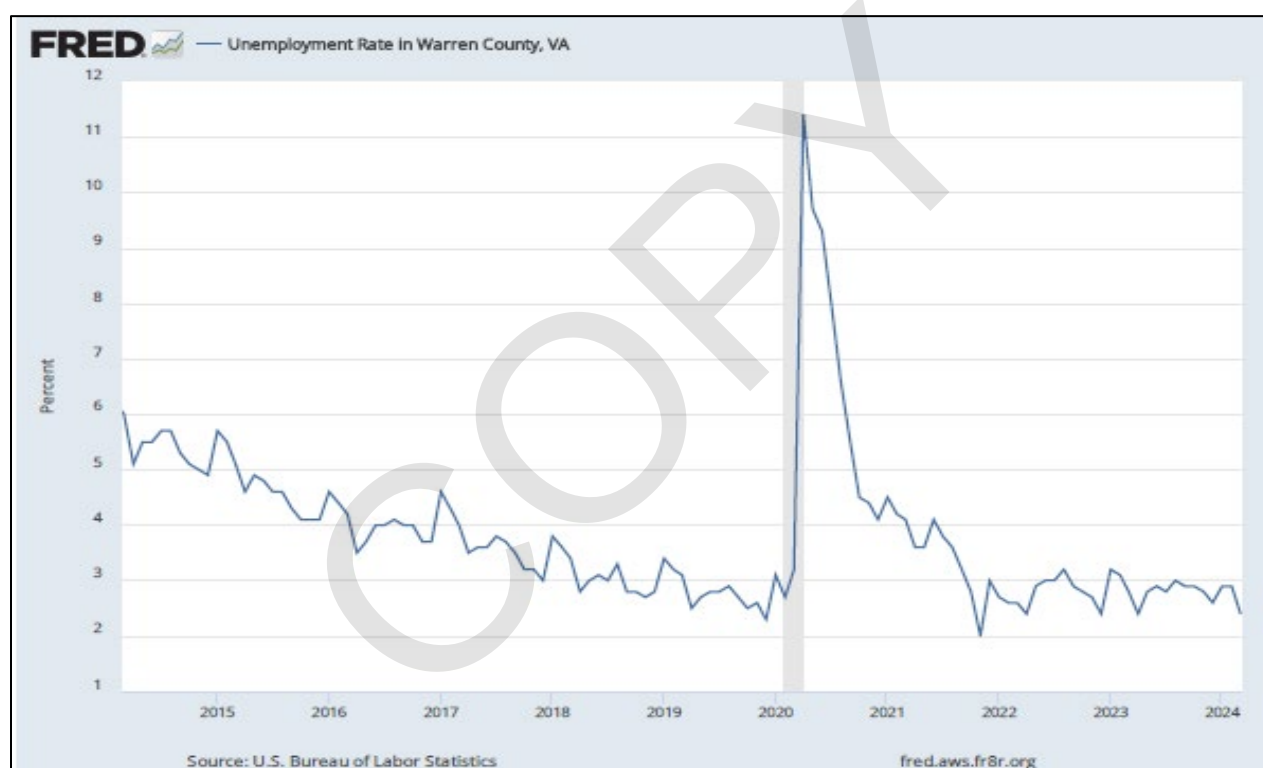
III. ECONOMIC

The following table illustrates the top employers within Warren County.

Employer	Estimated Number of Employees
E.I. DuPont de Nemours & Co., Inc.	300 – 599
Ferguson Enterprises, Inc.	300 – 599
Toray Plastics America, Inc.	100 – 299
Family Dollar Stores	300 – 599
Sysco Northeast Cooperative, Inc.	100 – 299
United Parcel Service	100 – 299
Warren Memorial Hospital	300 - 599

****Provided by Virginia Economic Development Partnership****

The employment market has now been identified and defined for the market area. The area is stable and is projected to expand in the next five years. The graph below illustrates the unemployment rate for the area in the last ten years.



The unemployment rate for the county prior to the impact of COVID was regularly under 3%. The area, similar to most places in the country did see a spike to over 11% at this time. Since that point, the rate has continued to decline and is most recently reported as 2.4% as of March 2024.

IV. GOVERNMENTAL

Warren County and the incorporated towns govern real estate through the planning department. The subject is located within the town limits of Front Royal. The subject's specific zoning district will be discussed later in the report.

DELINEATION OF TITLE

Title Report Furnished: ☒ Yes ☐ No. Has the property sold in the last 5 years: ☐ Yes ☒ No

Is the property currently listed: ☐ Yes ☒ No ; If Yes, explain:

Source of Title Reports: ERM & Associates

Sales History

Parcel 20A221-11 last transferred in January of 1991 per public records. The site sold for \$1,930,072. The details of this transaction are unknown and the deed was not viewed. The transaction is recorded in Deed Book 441 at Page 713.

Parcel 20A221-9 last transferred in July 2004 per public records. The public records do not list a selling price for this site. The details of this transaction are unknown. The transaction is recorded in Instrument LR2004 7340.

PROPERTY ASSESSMENT

<i>PARCEL ID#</i>	<i>Base Tax Amount</i>	<i>Land</i>	<i>Improvements</i>	<i>Total</i>
20A221-11	\$11,809.99 (estimated)	\$2,228,300	\$0	\$2,228,300
20A221-9	\$3,934.19 (estimated)	\$742,300	\$0	\$742,300

Please note that the taxes shown above do illustrate the larger property in total. Taxes are calculated based on the annual tax rate per \$100 of assessed value. Assessed value is equivalent to 100% of fair market value, as determined by the Warren County Assessor. The 2022 tax rate is reported as \$0.53 for every \$100 of assessed value.

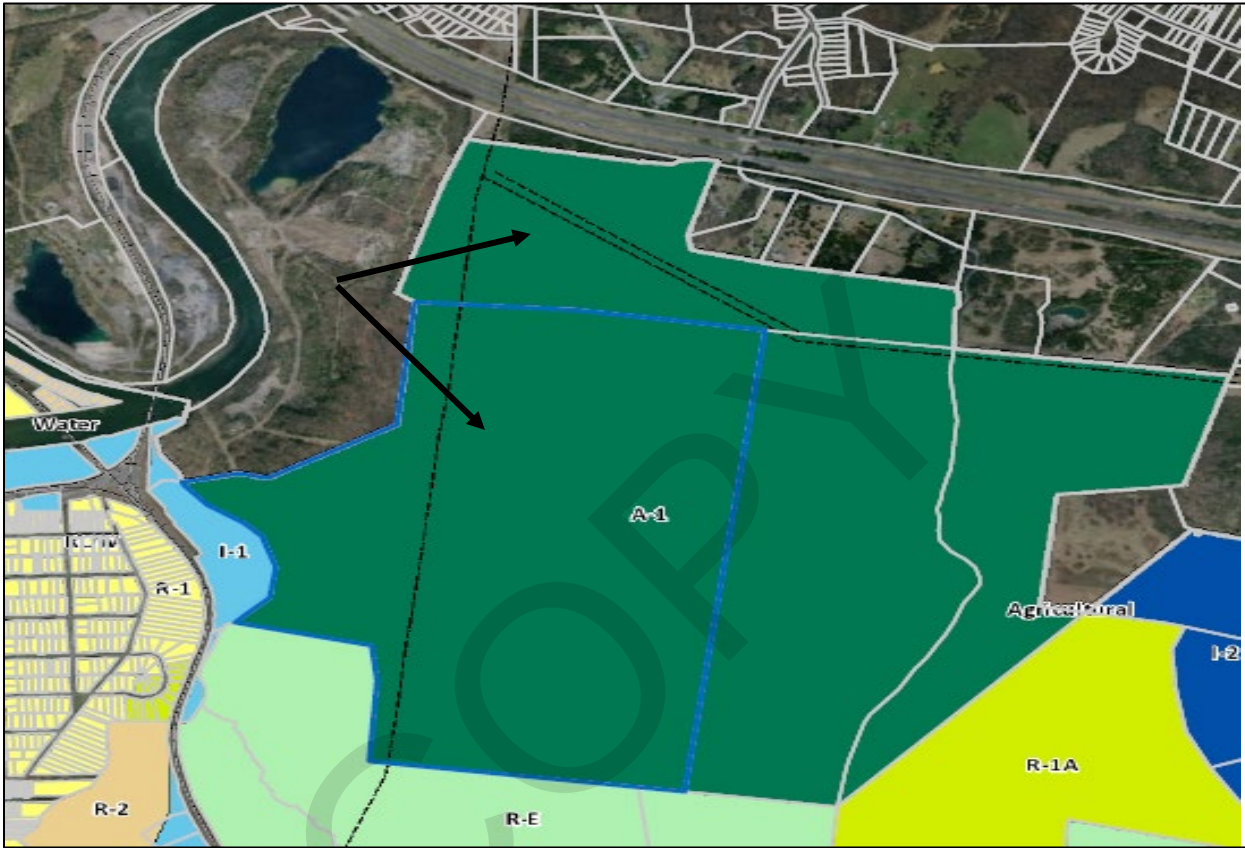
There have been no changes to the property to the knowledge of the report that would impact the taxable value from the above assessment.

Please note that value of the site is lower than the above stated assessment. The assessor utilizes a mass system of market data while this report has selected the most applicable sales within the market area. It is also important to note that some of the comparable data set also sold for less than their assessed value and this is considered typical.

ZONING AND PROPERTY RESTRICTIONS

<i>Current Zoning Designation (Base)</i>	A-1 (Agricultural and Open Space Preservation District)
<i>Current Use of Property</i>	Vacant Land
<i>Legal Conforming, Legal Non-Conforming, etc.</i>	Legal

Zoning Reference Map:



Existing Easements:

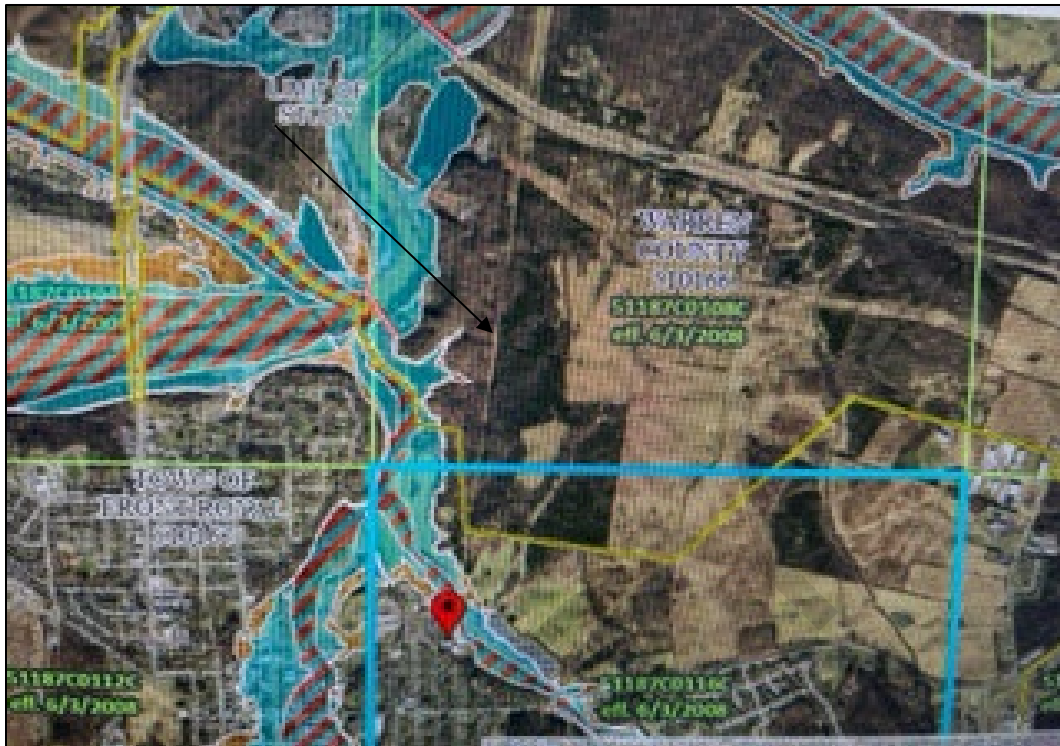
The subject has typical utility easements within the market area; however, also contains a transmission power line in two portions. These areas are identified as the black lines in the map above. The exact area of the existing power line easement was not provided, but it does extend from a north to south manner on parcel 20A221-11 and extends east to west on parcel 20A221-9.

TENANT INFORMATION

N/A

FLOOD PLAIN INFORMATION

Flood Plain:	☐ Yes ☒ No
Flood Plain Zone, Map # & Date of Map:	"X" 51187C0108C & 51187C0116C, 6/3/2008



An arrow has been placed to show the subject location. The subject is primarily without flood area, but does contain a smaller portion of the western side of the property. This flood area does not impact the utility or marketability of the subject property.

Hazardous Material: ☐ Yes ☐ No ☒ None observed. If yes, explain:
 Proffers: ☐ Yes ☒ No. If yes, explain:

“BEFORE ACQUISITION VALUE” OF THE PROPERTY

PROPERTY DESCRIPTION

GENERAL DESCRIPTION of LAND AND IMPROVEMENTS



GPIN #	20A221-9 & 20A221-11
Present Use	Vacant Land
Site Size (Per Warren County Records)	371.328-Acres or 16,175,048 SF
Topography	Level, Rolling, some low lying flood area
Configuration of Site	Irregular
Access (Full or Restricted)	Full – Mary’s Shady Lane
Zoning Designation	A-1
# of Buildings (including misc. structures)	None
Size of Primary Improvement (SF)	N/A
Age of Improvements	N/A
Building Comments: N/A	
Land Comments: The subject has a total site size of 371.328-acres and is zoned A-1 by the town of Front Royal. The site has primarily rolling and level topography. The site does have a small portion of FEMA designated flood area. The property is irregular in shape which is considered typical for the market area. The property has access from Mary’s Shady Lane. As stated, the subject does possess a transmission power line easement that south to north in portion and east to west in another. The transmission line does not impact the utility or marketability of the property given its agricultural use. Public utilities are available. The subject is considered a marketable and developable site within the market area.	

“BEFORE ACQUISITION VALUE” OF THE PROPERTY

DESCRIPTION OF BUILDING(S) –

N/A

DESCRIPTION OF ACCESSORY BUILDING(S)

N/A

DESCRIPTION OF OTHER SITE IMPROVEMENTS

N/A

COPY

“BEFORE ACQUISITION VALUE” OF THE PROPERTY

HIGHEST AND BEST USE

The Appraisal of Real Estate, 15th edition, defines highest and best use as:
The reasonably probable use of property that results in the highest value.

To be reasonably probable, a use must meet certain conditions:

- *The use must be physically possible (or it is reasonably probable to render it so).*
- *The use must be legally permissible (or it is reasonably probable to render it so).*
- *The use must be financially feasible.*

Uses that meet the three criteria of reasonably probable uses are tested for economic productivity, and the reasonably probable use with the highest value is the highest and best use.

AS IF VACANT

Physically Possible:

The subject is a total of 371.328-acres. The site is located off of Mary's Shady Lane within the town limits of Front Royal. The site has minimal frontage (from the two parcels that are subject of this report), but does have access. The site is irregular in shape but this would not preclude development potential as vacant. The site has varying topography of level and rolling, although some sloping areas are also present. According to the flood map, the subject property does have some designated flood area, but it is considered minimal and would not impact any future utility. The subject also contains two transmission powerlines that meet on the northern end of the property. While this specific encumbered area offers little utility, the overall utility of the site remains adequate. The subject site in terms of size and other physical features does represent a developable and marketable site. The highest and best use through the physically possible is for multiple uses.

Legally Permissible:

The subject property is zoned A-1, as discussed in the zoning section. This district allows for a multitude of uses, but is meant for residential, open space or agriculturally oriented applications.

The highest and best use through physically possible and legally permissible is for a recreational or agricultural application.

Financially Feasible:

The feasible uses of a site are determined not only by its physical and legal constraints but also by current market conditions. As previously noted, a number of uses are physically and legally permissible, but not all are practical. Any use, which is capable of generating a positive return, is considered feasible. In order for development of a building to be feasible whether it is residential, commercial retail, commercial office, industrial, or warehouse, the net rent generated from the project must be sufficient to support the cost for construction.

The subject through the physically possible and legally permissible represents a viable and marketable site in the market area. The surrounding development is primarily residential or agricultural in nature. There are some service or industrial type uses located on the southern end of the property. The subject's highest and best use continues to be for a agricultural or recreational application.

Maximally Productive:

The highest and best use of the land is that use from among the financially feasible uses that produces the highest rate of return or value, usually over the long term. The subject site is best suited for a recreational or agricultural use within the next 6-12-months. The most likely user would be an owner user.

AS IMPROVED

N/A

COPY

APPROACHES TO VALUE EXCLUDED

The appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. In addition, the scope of work is sufficient to produce credible assignment results.

The appraisal analysis has been completed in several distinct phases of data collection and analyses, including general, neighborhood and subject information. The scope of work further includes an analysis of highest and best use, market data collection and verification, a final value opinion and report preparation.

The appraiser applied the most applicable approach to value in order to conclude a credible result based on the intended use, property characteristics, and type of value sought. The scope of work for this assignment will include an analysis of the Sales Comparison Approach to value. The subject is vacant land. The subject has a small building and site improvements and for these reasons, the Cost Approach and Income Approach are not applicable.

APPROACHES TO VALUE EXPLAINED

THE SALES COMPARISON APPROACH

The sales comparison approach, also known as the market data approach, is based upon the principle of substitution. That is, a knowledgeable purchaser would pay no more for a property than they would for a substitute property of similar utility and desirability. In applying this approach the appraiser will:

- Research and verify sales data on properties similar to the subject.
- Select relevant units of comparison and develop a comparative analysis for each unit
- Compare the sales to the subject property and adjust the comparables for those items that influence value
- Reconcile the various value indications produced from analysis of the comparables into an estimate of value for the subject.

Sales of similar properties in the subjects' market area were researched for comparison to the subject. The following page contains a summary and analysis of those sales.

The unit of comparison utilized for valuation of the subject property *land* is \$/Acre.

“BEFORE ACQUISITION VALUE” OF THE PROPERTY

SALES COMPARISON APPROACH: Land Sales Analysis

Land Sales Grid					
Comp #	Subject	Land Sale 1	Land Sale 2	Land Sale 3	Land Sale 4
ID #	Multiple	39 2	Multiple	Multiple	10 78D
Sales Price		\$800,000	\$1,925,000	\$950,000	\$1,174,000
Date of Sale		7/17/2021	4/7/2021	9/30/2020	5/16/2023
Highest & Best Use	Agr./Recreational	Agr./Recreational	Agr./Recreational	Agr./Recreational	Agr./Recreational
Size - AC	371.328	204.0727	441.114	151.291	193.000
Unit Price Per Acre		\$3,920	\$4,364	\$6,279	\$6,083
Real Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing		Normal	Normal	Normal	Normal
Conditions of Sale		Normal	Normal	Normal	Normal
Expenditures After Sale		Normal	Normal	Normal	Normal
Adjusted Sales Price/Acre		\$3,920	\$4,364	\$6,279	\$6,083
Market Conditions Adjustment	Current	<u>8.50%</u>	<u>9.25%</u>	<u>11.00%</u>	<u>3.00%</u>
Time Adjusted Net Sales Price/Acre		\$4,253	\$4,768	\$6,970	\$6,265
PHYSICAL CHARACTERISTICS					
Location	Mary's Shady Lane	Joy Springs Road	Winchester Road	527 Panhandle Road	814 Bucks Mill Road
		25%	10%	0%	10%
Size (Acre)	371.328	204.0727	441.114	151.291	193.000
		0%	0%	-10%	-10%
Topography	Level/Rolling	Level/Rolling	Level/Rolling	Level/Rolling	Level/Rolling
		0%	0%	0%	0%
Utilities	Available	None	Available	Available	Available
		0%	0%	0%	0%
Shape	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
Depth	Varies	Varies	Varies	Varies	Varies
		0%	0%	0%	0%
Frontage	Minimal	None	None	1,670-LF	1,735-LF
		0%	0%	0%	0%
Zoning	Agricultural	Agricultural	Agricultural	Agricultural	Agricultural
		<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Total Adjustments %		25%	10%	-10%	0%
Final Value Indication/Acre:		\$5,317	\$5,244	\$6,273	\$6,265

EXPLANATION OF ADJUSTMENTS

Transactional Characteristics

Property Rights Conveyed

The subject is being valued in the Fee Simple interest. All of the vacant land comparables above were purchased Fee Simple. There were no adjustments warranted in this category.

Financing

Financing considers the terms in which a comparable property was purchased. All of the comparables utilized were purchased with cash or market financing. There were no adjustments warranted in this category.

Conditions of Sale

This category analyzes whether any atypical motivation may have been present during the transaction. There were no atypical or unusual circumstances disclosed for the sales and no adjustments were warranted in this category.

Expenditures After Sale

This is an item in which the buyer and seller are both aware that must occur after the transaction is closed. If this adjustment is applicable, it is always positive. An example of an expenditure would be deferred maintenance that needed immediate attention. During the verification process, the appraiser was not made aware of any expenditure items for the comparable sales.

Market Conditions

Market conditions is the study of time and sales price as it relates to real property transactions. The market analysis earlier in the report did illustrate that the area has continued to grow. The grid features four sales that occurred from September 2020 – May 2023. The market has remained stable with some increases still occurring. The report has applied a positive market conditions to all of the sales at 3% annually or 0.25% per month to the current date of value.

Physical Characteristics

Location/Access

Location is the first item considered for physical characteristics. The subject is located within the limits of Front Royal with good access to Interstate 66. Sales 1, 2 and 4 are located in more rural locations and were positively adjusted in this category. Sale 3 also has a more rural location but has frontage along the river and significantly more road frontage (superior access) compared to the subject. An adjustment was not applied as these features between Sale 3 and the subject offset each other.

Size

The typical relationship between **Size** and unit costs is inversely proportional. That is, as size increases, the sales price generally decreases. The subject totals at 371.328-acres. The sales range in acreage from 151.29-acres – 441.11-acres. The subject is bracketed by the data set. Sales 3 and 4 are less than 200-acres and were negatively adjusted based on economies of scale.

Topography

The subject and sales all have varying topography features. All are marketable sites and no adjustment for topography is applied.

Utilities

The subject and the sales have all necessary utilities available for development warranting no adjustment.

Shape

The subject is irregular in shape. All three sales are irregular in shape and offer similar utility warranting no adjustment.

Depth

The subject and sales have varying depth throughout. All are developable sites and no adjustments were warranted in this category.

Frontage

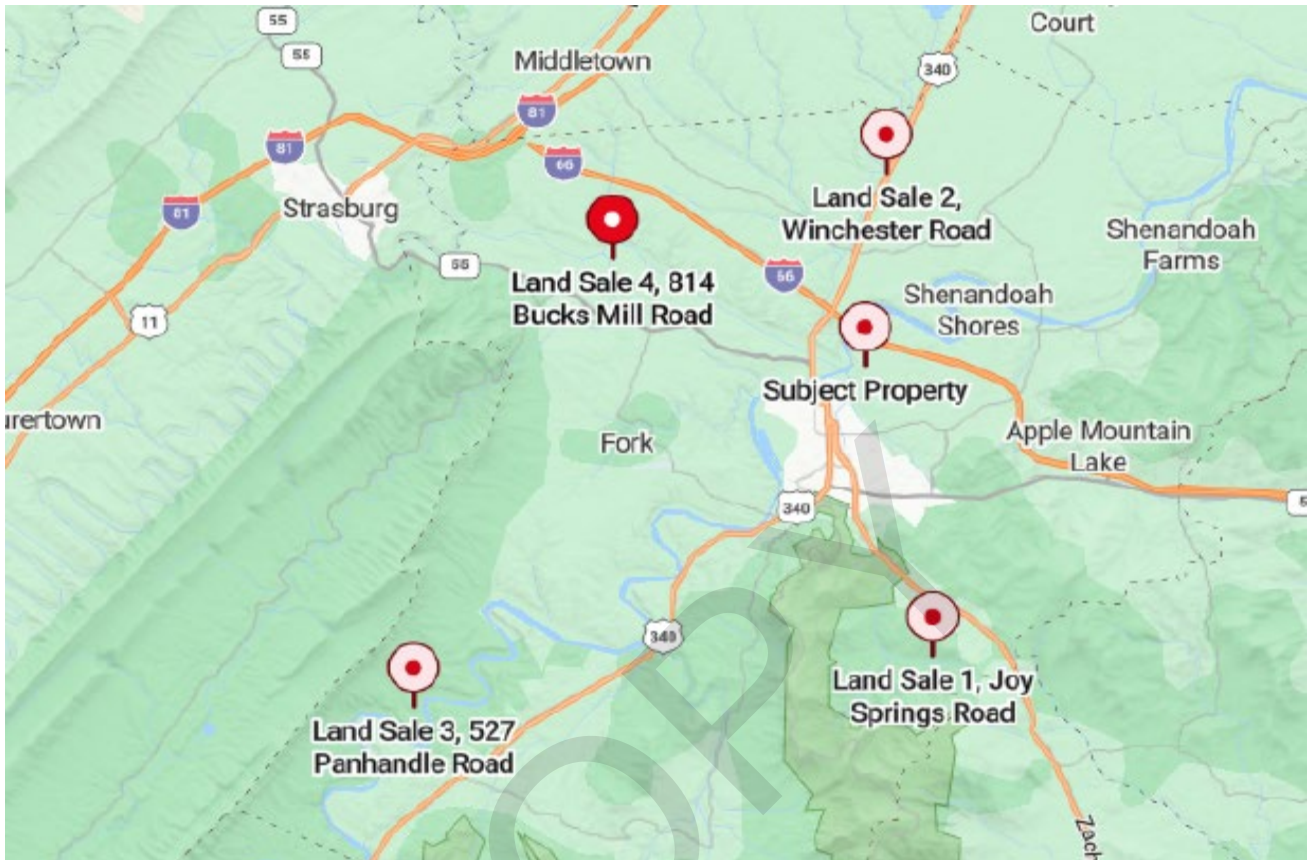
The subject has minimal frontage along Mary's Shady Lane. Sales 1 and 2 are similar to the subject with no direct frontage. Sale 3 has ample frontage along Panhandle Road. Sale 4 also has ample frontage along Bucks Mill Road. While these sales have superior frontage, this was accounted for within the overall location category.

Zoning

The subject and sales are all zoned agricultural either through the town or county. All have a similar highest and best use. There were no adjustments warranted in this category.

**LAND SALES MAP
(SUBJECT AND COMPARABLES)**

Vacant Land Sale Map



FINAL RECONCILIATION OF VALUE

A grid analysis summarizing the information for the sales and the required adjustments as previously shown indicates a value range for the adjusted comparable sales is \$5,244/Acre to \$6,265/Acre. All of the comparables are given consideration in the final reconciliation. Based upon the adjustments in the grid, the report has reconciled at \$5,750/acre for the subject site, as of May 13, 2024.

RECONCILED UNIT VALUE FOR SUBJECT LAND:

371.328-Acres		\$ 5,750/Acre		\$ 2,135,136
<i>Final Value Indication: Rounded</i>	<i>\$ 2,135,135</i>			

****The subject's proposed easement areas are reported in terms of SF. The subject's price per SF unit rate is reported as \$0.13/SF.**

ACQUISITION VALUE

TYPE OF ACQUISITION (Check all that apply)

- ☐ Total Acquisition
- ☐ Partial Acquisition
- ☒ Easement
- ☐ Other

ACQUISITION DESCRIPTION

Before Site Size	371.328-Acres or 16,175,048 SF
Acquisition Size	0 SF
After Site Size (Developable or Uneconomic)	371.328-Acres or 16,175,048
Permanent Waterline Easement	2.810-Acres or 122,399 SF
Temporary Construction Easement	2.810-Acres or 122,380 SF
Access to site in the After (Full Access or Restricted)	Same as before
Grade (At Grade, Above Grade, Below Grade)	Same as before
Topography of site in the After	Same as before
Improvements Impacted (D#)	None
Comments: The subject will function in the after as it did in the before.	

Waterline Easement:

The subject has a proposed waterline easement from the town of Front Royal that totals at 2.810-acres or 122,399 SF. The easement extends from the southern boundary to the northern boundary. The easement is primarily straight in its entire length and is within the existing transmission power line easement. The easement is reported as 20' feet in width and this is considered typical. The easement is located in an area of the site where minimal utility exists in the before due to the existing transmission line. This area is compensated at 25% of fee value.

Temporary Construction Easement:

The subject will have a TCE of 2.810-acres or 122,380 SF. The easement is located to the east of the proposed permanent easement and is reported as 20-feet in width per the plans. This area is a mixture of indigenous items such as grass and trees.

The temporary construction easement (TCE) is a temporary easement that is acquired so that the contractor can come onto the subject site during construction. The easement is temporary and use of the area will revert to the property owner once construction is complete. Due to the temporary nature and the location of the TCE, the appraiser has applied a percentage of 10% of fee value to the TCE. Based upon conversations and correspondence with the client, TCEs are for the life of the project and this was verbally communicated as 1-year.

Describe Improvement(s) Impacted:

Building(s) Impacted:

None.

Other Improvements (include site improvements, etc.)

SITE IMPROVEMENTS

Please note that a fence located near the northern property boundary may be impacted, but it is assumed that the contractor would replace the item, if impacted and provide temporary fencing, if applicable, for the purposes of livestock being present on the site.

DAMAGES and/or ENHANCEMENTS

APPRAISER'S DETERMINATION

☒ Incurable Damages and/or enhancements do not result to the remainder property as a result of the proposed roadway improvements

EXPLANATION OF COST TO CURE DAMAGES

N/A

PHOTOGRAPHS

Project # Parallel Waterline for the Route 522 Corridor

Date Photo Taken: 5/18/2022 Photo Taken By: Robert R. Elliott, Jr. MAI, SRA



Photo #: 1 Photo Shows a View of: Proposed Easement Areas



Photo #: 2 Photo Shows a View of: Proposed Easement Areas

PHOTOGRAPHS

Project # Parallel Waterline for the Route 522 Corridor

Date Photo Taken: 5/18/2022 Photo Taken By: Robert R. Elliott, Jr., MAI, SRA



Photo #: 3 Photo Shows a View of: Proposed Easement Areas



Photo #: 4 Photo Shows a View of: Proposed Easement Areas

PHOTOGRAPHS

Project # Parallel Waterline for the Route 522 Corridor

Date Photo Taken: 5/18/2022 Photo Taken By: Robert R. Elliott, Jr., MAI, SRA



Photo #: 5 Photo Shows a View of: Proposed Easement Areas



Photo #: 6 Photo Shows a View of: Existing Transmission Lines

PHOTOGRAPHS

Project # Parallel Waterline for the Route 522 Corridor

Date Photo Taken: 5/13/2024 Photo Taken By: Robert R. Elliott, Jr., MAI, SRA

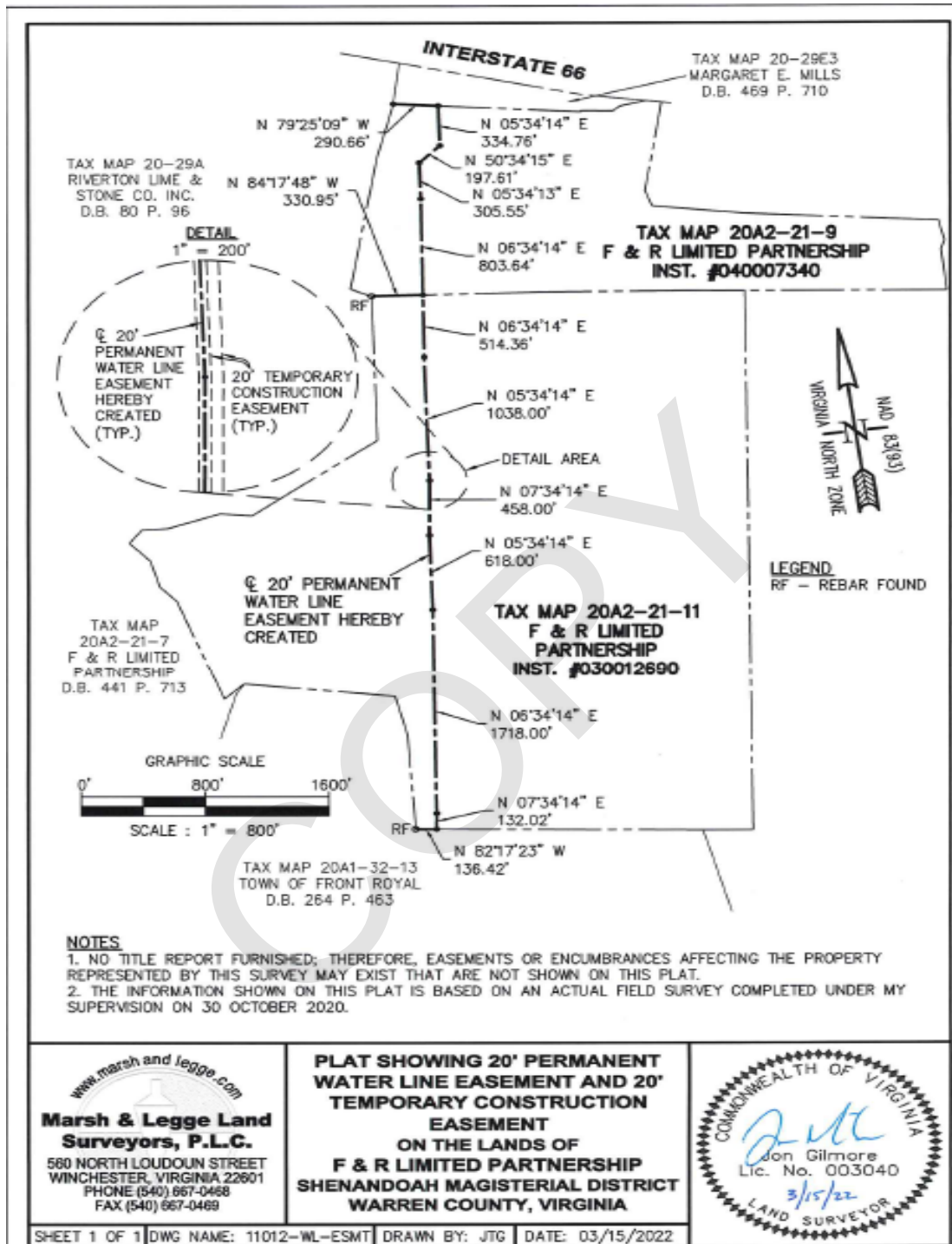


Photo #: 7 Photo Shows a View of: Proposed Easement Areas

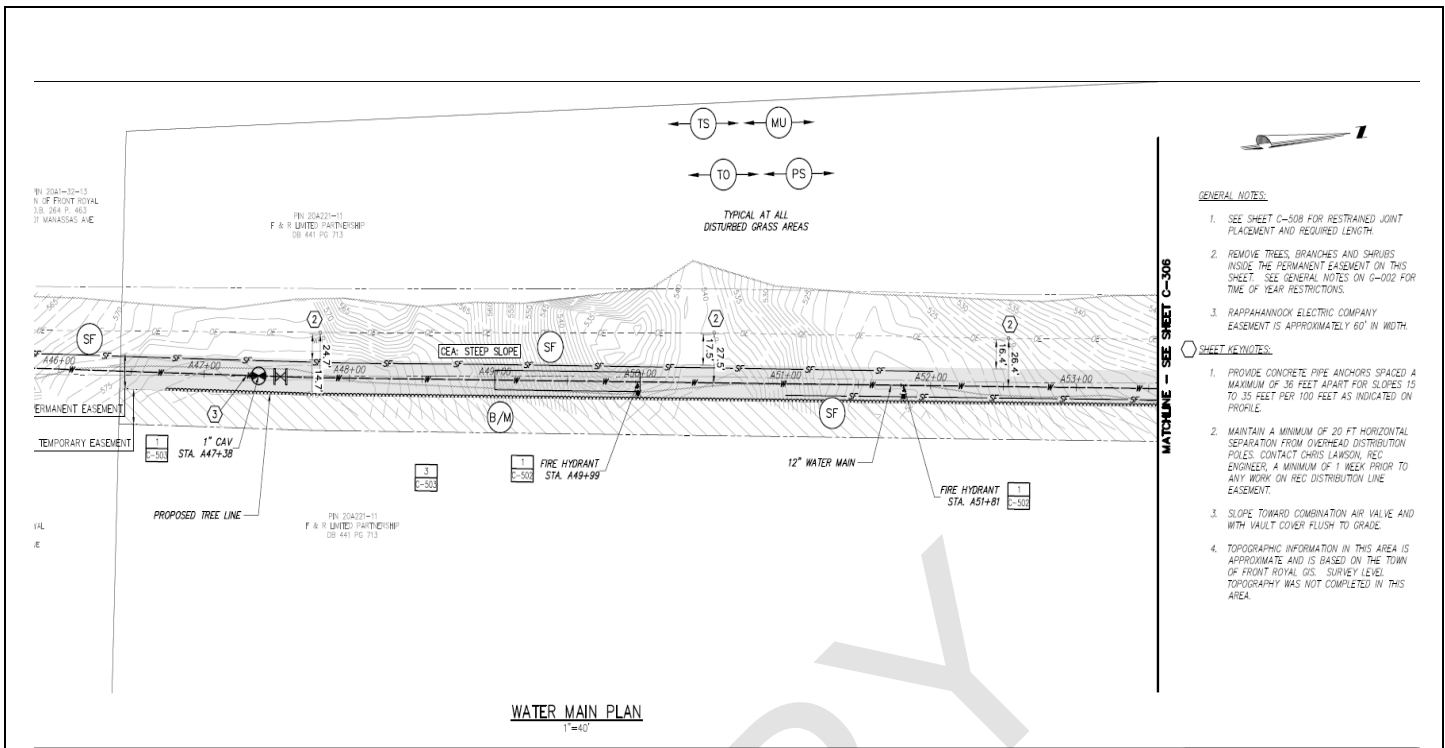


Photo #: 8 Photo Shows a View of: Proposed Easement Areas

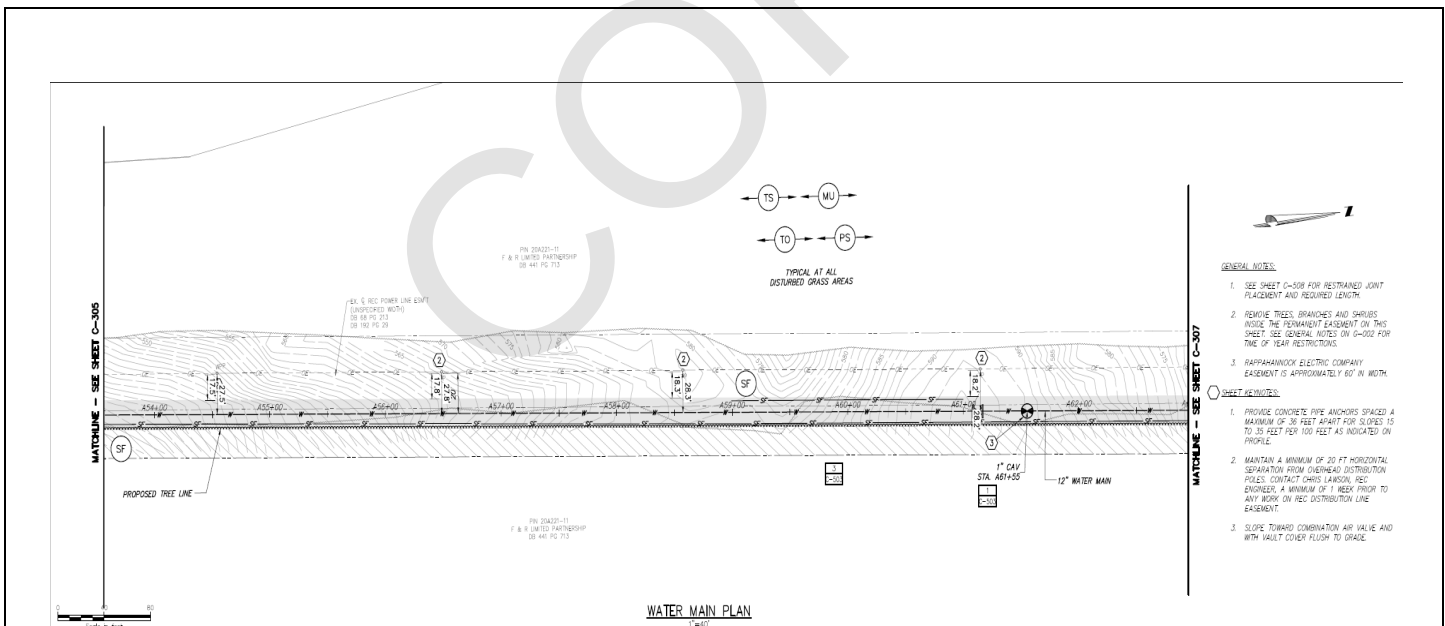
SUBJECT PLAT



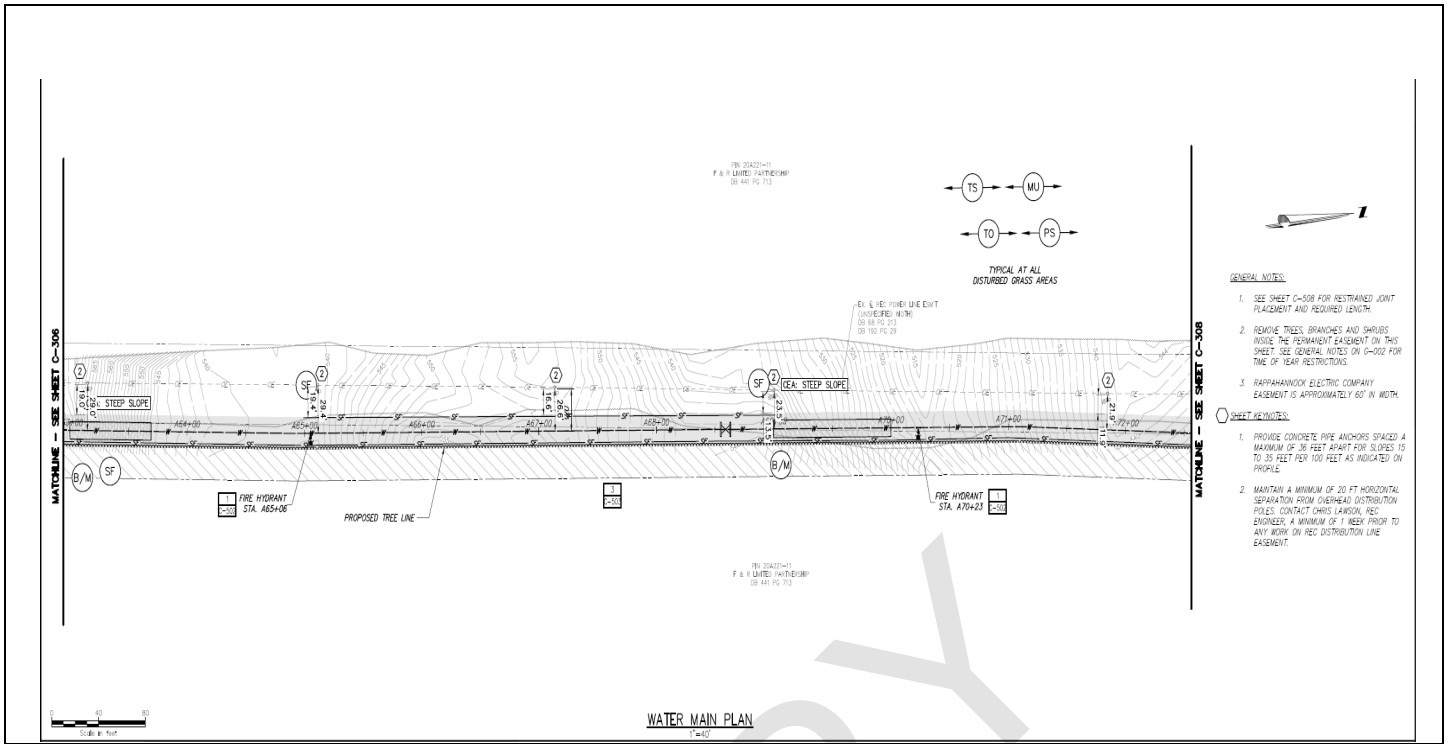
SUBJECT PLAN SHEET (C-503)



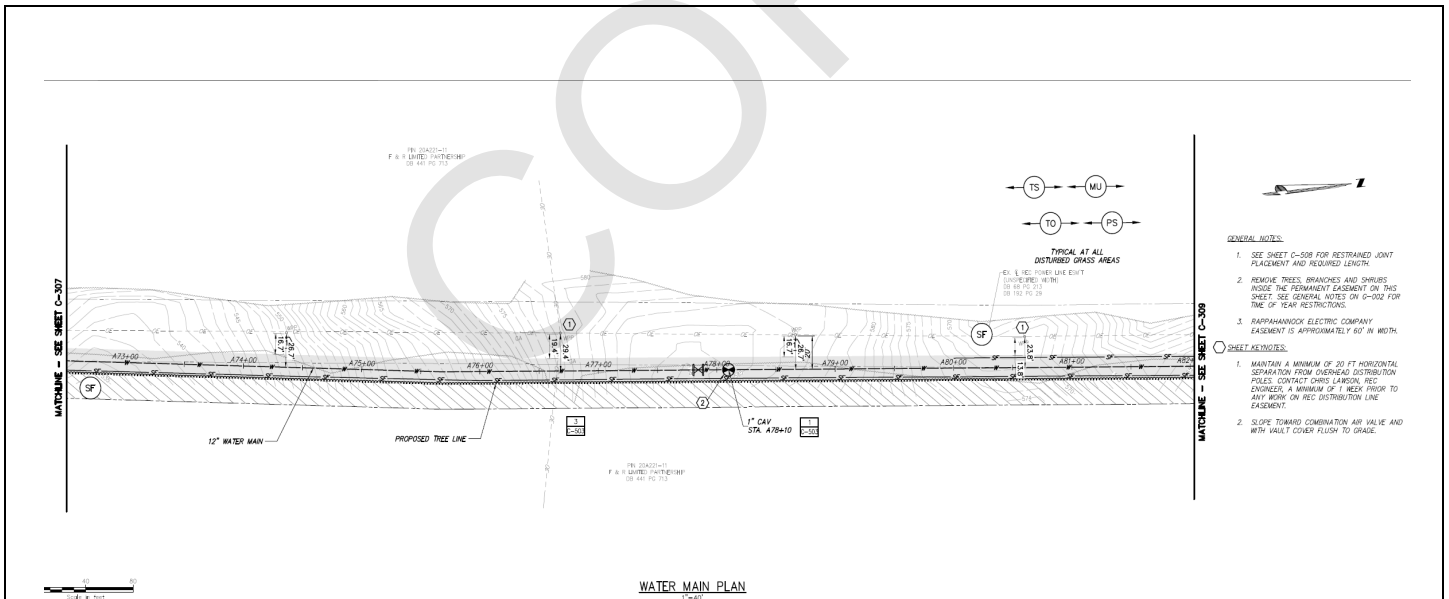
SUBJECT PLAN SHEET (C-306)



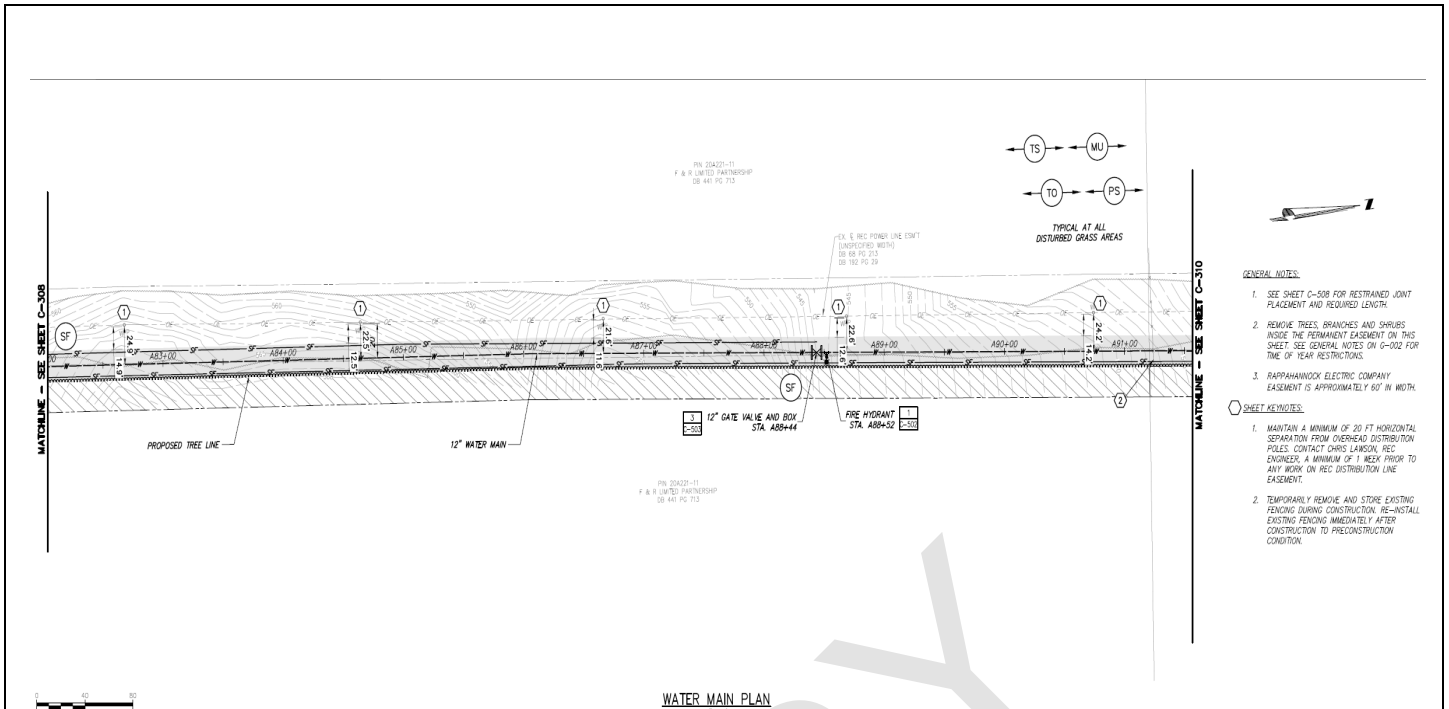
SUBJECT PLAN SHEET (C-307)



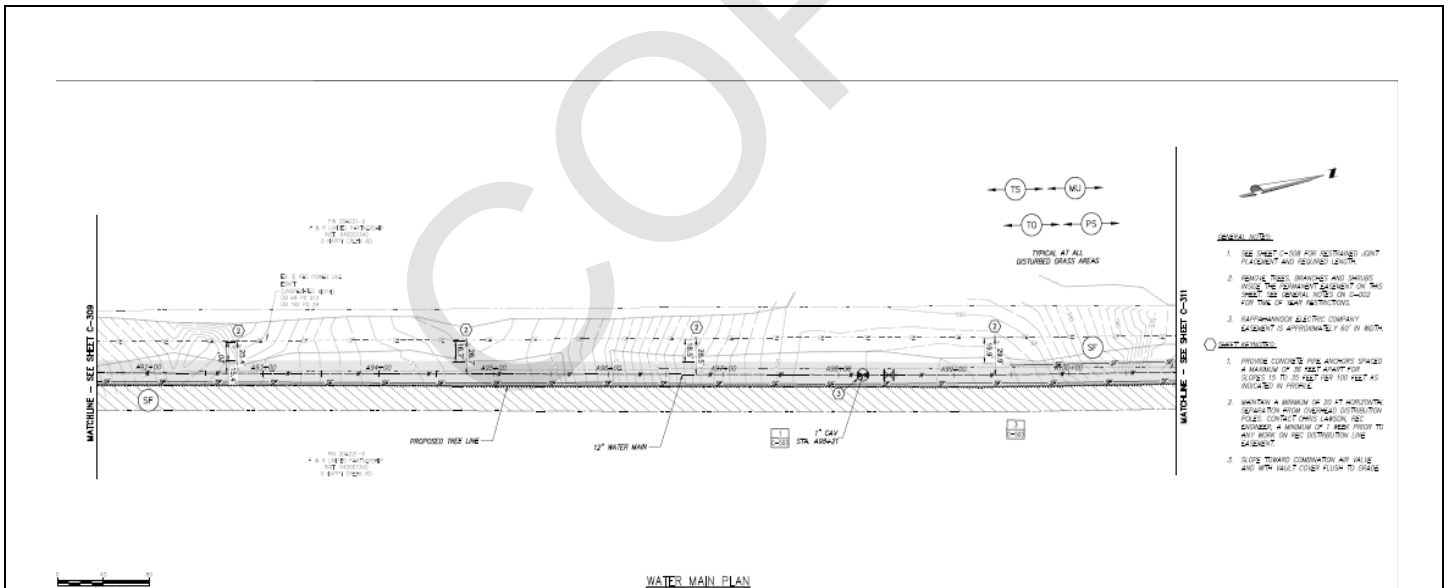
SUBJECT PLAN SHEET (C-308)



SUBJECT PLAN SHEET (C-309)



SUBJECT PLAN SHEET (C-310)



WATER MAIN PLAN

GENERAL NOTE:

- SEE SHEET C-508 FOR RESTRAINED JOINT PLACEMENT AND REQUIRED LENGTH.
- REMOVE TREES, BRANCHES AND SHRUBS INSIDE THE PERMANENT EASEMENT ON THE LEFT SIDE OF THIS SHEET BETWEEN A101+10 AND A104+42. SEE GENERAL NOTES C-502 C-503 FOR TIME OF YEAR RESTRICTIONS.
- RAFFAELAND ELECTRIC COMPANY EASEMENT IS APPROXIMATELY 60' IN WIDTH.

GENERAL NOTES:

- MAINTAIN A MINIMUM OF 20 FT HORIZONTAL SEPARATION FROM OVERHEAD DISTRIBUTION POLES. CONTACT CHRIS LAWSON, REC ENGINEER, A MINIMUM OF 1 WEEK PRIOR TO ANY WORK ON REC DISTRIBUTION LINE EASEMENT.
- OPEN CUT GRAVEL ROADWAY TO PLACE WATER MAIN. REPAIR ROADWAY TO PRECONSTRUCTION CONDITIONS.
- MAINTAIN A MINIMUM OF 50 FT HORIZONTAL SEPARATION FROM OVERHEAD TRANSMISSION TOWER. CONTACT GARY DORMAN, COMMON ENERGY RIGHT OF WAY REPRESENTATIVE, A MINIMUM OF 1 WEEK PRIOR TO ANY WORK ON COMMON ENERGY TRANSMISSION MAIN EASEMENT.
- PROVIDE UTILITY POLE SUPPORT AS NECESSARY.
- SLOPE TOWARD COMBINATION AIR VALVE AND WITH VAULT COVER FLUSH TO GRADE.
- IF FENCING DAMAGE OCCURS DURING CONSTRUCTION, REPAIR IMMEDIATELY TO PRECONSTRUCTION CONDITION.
- CONTACT USA MARSHALL REAL ESTATE SERVICES, A MINIMUM OF 1 WEEK PRIOR TO ANY WORK ON FIRST ENERGY TRANSMISSION MAIN EASEMENT.

WATER MAIN PLAN

GENERAL NOTE:

- SEE SHEET C-508 FOR RESTRAINED JOINT PLACEMENT AND REQUIRED LENGTH.
- REMOVE TREES, BRANCHES AND SHRUBS INSIDE THE PERMANENT EASEMENT ON THE LEFT SIDE OF THIS SHEET BETWEEN A101+10 AND A104+42. SEE GENERAL NOTES C-502 C-503 FOR TIME OF YEAR RESTRICTIONS.
- RAFFAELAND ELECTRIC COMPANY EASEMENT IS APPROXIMATELY 60' IN WIDTH.

GENERAL NOTES:

- MAINTAIN A MINIMUM OF 20 FT HORIZONTAL SEPARATION FROM OVERHEAD DISTRIBUTION POLES. CONTACT CHRIS LAWSON, REC ENGINEER, A MINIMUM OF 1 WEEK PRIOR TO ANY WORK ON REC DISTRIBUTION LINE EASEMENT.
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- PROVIDE UTILITY POLE SUPPORT AS NECESSARY.
- SLOPE TOWARD COMBINATION AIR VALVE AND WITH VAULT COVER FLUSH TO GRADE.
- IF FENCING DAMAGE OCCURS DURING CONSTRUCTION, REPAIR IMMEDIATELY TO PRECONSTRUCTION CONDITION.
- CONTACT USA MARSHALL REAL ESTATE SERVICES, A MINIMUM OF 1 WEEK PRIOR TO ANY WORK ON FIRST ENERGY TRANSMISSION MAIN EASEMENT.

CONTINGENT AND LIMITING CONDITIONS

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to the property. The appraiser assumes that the title is good and marketable and does not render any opinions about the title. Responsible ownership and competent property management are assumed unless otherwise stated.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made.
4. The appraiser has estimated the value of the land at its highest and best use. Improvements are estimated at their contributory value or their "cost to cure", whichever is less.
5. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) that were observed during the inspection of the subject property or that became apparent while conducting the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraiser is not qualified to detect hazardous waste and/or toxic materials.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers reliable and are believed to be true and correct. However, no warranty is given for its accuracy.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice or as required by professional appraisal peer review.
8. Unless otherwise noted, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property. Only the real property has been considered. Relocation assistance benefits were not given consideration in the appraisal.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since there is no detailed evidence relating to this issue, the possibility of non-compliance with the requirements of the ADA in estimating the value of the property was not considered.
10. Sketches or plans contained in the report may show approximate dimensions, and they are included for illustrative purposes only since the appraiser did not complete a survey of the property.
11. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the report.
12. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
13. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in this report.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. All engineering plans are assumed to be correct. All plans submitted in this report are intended to assist the reader with visualizing the project.

APPRAISER CERTIFICATION

Property Owner's Name: **F & R Limited Partnership**

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
7. My analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.
8. I have made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this report unless specifically stated within the reconciliation section of this report where such individuals are named and their specific tasks performed are disclosed.
10. I will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Town of Front Royal, professional appraisal organizations, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
11. I understand that such appraisal is to be used in connection with the acquisition of an easement related to a waterline project.
12. The owner or their designated representative was contacted and given the opportunity to accompany the appraiser during the property inspection.
13. I made a personal field inspection of the comparable sales relied upon in developing the appraisal.
14. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal.
15. Regardless of any stated or limiting condition or assumption, I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits and contents collected or prepared under this agreement shall become the property of the Town of Front Royal without restriction or limitation on their use.

16. I have ☒ have not ☐ previously appraised the subject property on May 18, 2022. This was disclosed to the client prior to the acceptance of this assignment.

Additional Certifications required for Appraisal Institute Members:

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I Robert R. Elliott, Jr., MAI, SRA have completed the continuing education program of the Appraisal Institute.

Certifications in Addition to Those Required by USPAP:

1. I did not base, either partially or completely, my analysis and/or the opinion of value (if any) in the appraisal review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of the owners or occupants of the subject property of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis that is prohibited by law.
2. I developed my analysis, opinions, and conclusions and prepared this review report in conformity with the Uniform Standards of Professional Appraisal Practice; the Code of Virginia; the Right of Way and Utilities Manual of the Virginia Department of Transportation; Title III of the Uniform Relocation Act; the Code of Federal Regulations, 49CFR 24.102, .103, .104, .105 and .108; and the Uniform Standards of Federal Land Acquisitions (as applicable).

SUPERVISORY APPRAISER CERTIFICATION for an APPRAISER TRAINEE or a LICENSED APPRAISER:

If I supervised an appraiser trainee, whether or not licensed, or if I supervised a licensed real estate appraiser, I certify that I have reviewed the appraisal report, I agree with the statements and conclusions of the appraiser, I agree to be bound by the appraiser's certifications, and I am taking full responsibility for the appraisal and the appraisal report.

I Certify the estimate of market value, as defined, of land acquired, easements, improvements, incurable damages and cost to cure items as of the effective appraisal date to be:	\$ 5,570
---	-----------------

LICENSED APPRAISER or

Signature

Name Robert R. Elliott, Jr., MAI, SRA

Date June 17, 2024

License/Certification Number 4001 015749

License Type Certified General

LICENSED APPRAISER

Signature

Name

Date

License/Certification Number

License Type

ADDENDUM
Comparable Land Sales Data Sheets

AF 15

LAND COMPARABLE DATA SHEET

RW-225
Rev. 10/11

INFORMATION:

Data Assembled By: Robert R. Elliott, Jr. MAI SRA

PROPERTY IDENTIFICATION:

Address: Joy Springs Road

County: Warren State: VA Zip: 22630

PIN/Tax Map Number: 39 2

Property Location Description: Located south of Joy Springs Road with no direct access.

TRANSACTION INFORMATION:

Sales Price: \$ 800,000 Adjusted Sales Price: \$800,000

Size: 204.0727 ☒ Acres 8.889,407 ☒ Sq. Ft. ☐ Other:

Price Per Acre: \$ 3.920/Acre

Instrument#: LR 2021 7345 Consideration: \$ 800,000

Instrument Type: Special Warranty Deed Instrument: LR 2021 7345 Sold Date: 7/17/2021

Grantor Name: Marc A. Olmstead & J. Scott Olmstead

Grantee Name: Robert Duff & Jennifer Duff

PROPERTY DESCRIPTION and USE:

Zoning: Agricultural

Front Feet: No Direct Frontage Dimensions: Irregular Shape: Irregular

Utilities: ☐ None ☐ Water ☐ Sewer ☐ Gas ☐ Electric ☐ Cable ☐ Telephone ☐ Other (*)

Topography: ☒ Flat ☒ Gently Rolling ☒ Steep ☐ Mountainous ☐ Other (*)

Vegetation: ☐ None ☒ Trees ☒ Grass ☐ Crops ☐ Other (*)

(*)Comments:

Present Use: ☒ Agricultural ☐ Residential ☐ Commercial ☐ Industrial ☒ Other (*)

Comments: This is a predominantly wooded site that was marketed as a recreational site in the market area. The site has easement access from federally owned lands to the west.

TRANSACTION CONFIRMATION:

The sale was confirmed with a party to the transaction (seller, buyer, etc.)? ☐ Yes ☒ No

If No, state why and provide data source(s): Public Records, MLS

Confirmed Name:

Financing at Market Terms? ☒ Yes ☐ No Financing Comments (type, term, rate, etc.): Cash equivalent

Other Comments (i.e.: prior sales, seller concessions, etc.):

Comparable Inspected? ☒ Yes ☐ No Date: 5/13/2024

Tax Map/Pin# 39 2Photo #: 1 Photo Shows a View of: Woods from access road that leads to Joy Springs Road sitePhoto #: 1 Photo Shows a View of: Aerial

INFORMATION:Data Assembled By: Robert R. Elliott, Jr. MAI, SRA**PROPERTY IDENTIFICATION:**Address: Winchester RoadCounty: Warren State: VA Zip: 22630PIN/Tax Map Number: 12 6 & 4 41Property Location Description: Located west of Winchester Road with no direct access.**TRANSACTION INFORMATION:**Sales Price: \$ 1,925,000 Adjusted Sales Price: \$1,925,000Size: 441.114 ☒ Acres 19,214,926 ☒ Sq. Ft. ☐ Other:Price Per Acre: \$ 4,364/AcreInstrument#: LR 2021 3053 Consideration: \$ 1,925,000Instrument Type: Special Warranty Deed Instrument: LR 2021 3053 Sold Date: 4/7/2021Grantor Name: Donna Jett-Sours as Trustee of the Donna L. Jett Revocable Trust & Etal.Grantee Name: Slate Run Farm, LLC**PROPERTY DESCRIPTION and USE:**Zoning: AgriculturalFront Feet: No Direct Frontage Dimensions: Irregular Shape: IrregularUtilities: ☐ None ☐ Water ☐ Sewer ☐ Gas ☐ Electric ☐ Cable ☐ Telephone ☐ Other (*)Topography: ☒ Flat ☒ Gently Rolling ☒ Steep ☐ Mountainous ☐ Other (*)Vegetation: ☐ None ☒ Trees ☒ Grass ☐ Crops ☐ Other (*)

(*)Comments:

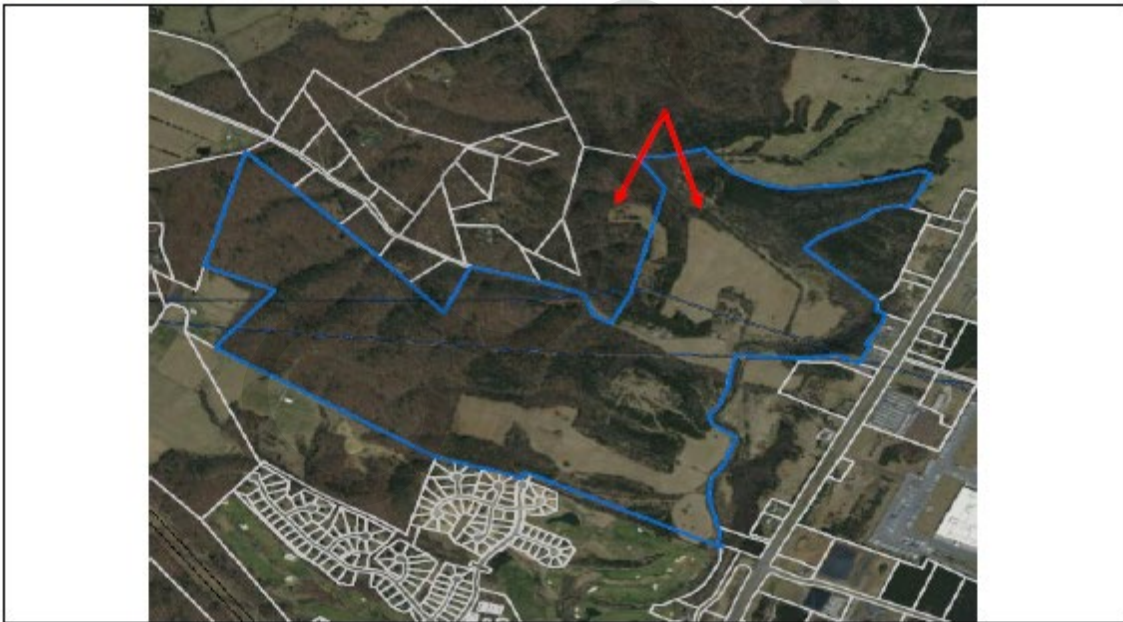
Present Use: ☒ Agricultural ☐ Residential ☐ Commercial ☐ Industrial ☒ Other (*)Comments: This tract is a mixture of pasture and wooded portions. The property does not have direct frontage along Winchester Road, but is only located "one" back from the road frontage. The property was marketed with having some industrial potential in the future.**TRANSACTION CONFIRMATION:**The sale was confirmed with a party to the transaction (seller, buyer, etc.)? ☐ Yes ☒ NoIf No, state why and provide data source(s): Public Records, MLS

Confirmed Name:

Financing at Market Terms? ☒ Yes ☐ No Financing Comments (type, term, rate, etc.): Cash equivalent

Other Comments (i.e.: prior sales, seller concessions, etc.):

Comparable Inspected? ☒ Yes ☐ No Date: 5/13/2024

Tax Map/Pin# 12 6 & 4 41Photo #: 1 Photo Shows a View of: Winchester Road SitePhoto #: 2 Photo Shows a View of: Aerial

INFORMATION:Data Assembled By: Robert R. Elliott, Jr. MAI SRA**PROPERTY IDENTIFICATION:**Address: 527 Panhandle RoadCounty: Warren State: VA Zip: 22610PIN/Tax Map Number: 34 1, 34 2 & 35 4Property Location Description: Located on the eastern and western side of Panhandle Road. The tract also contains frontage along the Shenandoah River.**TRANSACTION INFORMATION:**Sales Price: \$ 950,000 Adjusted Sales Price: \$950,000Size: 151.291 ☒ Acres 6,590.236 ☒ Sq. Ft. ☐ Other:Price Per Acre: \$ 6,279/AcreInstrument#: LR 2020 7100 Consideration: \$ 950,000Instrument Type: Special Warranty Deed Instrument: LR 2020 7100 Sold Date: September 30, 2020Grantor Name: Leslie J. Goldman, Successor Trustee of the James R. Schlesinger 2011 Revocable TrustGrantee Name: Bacardi River, LLC**PROPERTY DESCRIPTION and USE:**Zoning: AgriculturalFront Feet: 1,270-LF & 1,670-LF along Panhandle Road Dimensions: Irregular Shape: IrregularUtilities: ☐ None ☐ Water ☐ Sewer ☐ Gas ☐ Electric ☐ Cable ☐ Telephone ☐ Other (*)Topography: ☒ Flat ☒ Gently Rolling ☒ Steep ☐ Mountainous ☐ Other (*)Vegetation: ☐ None ☒ Trees ☒ Grass ☐ Crops ☐ Other (*)

(*)Comments:

Present Use: ☒ Agricultural ☐ Residential ☐ Commercial ☐ Industrial ☒ Other (*)Comments: This tract is located on both sides of Panhandle Road. The river side parcel is mostly cleared while the western side is primarily wooded. The property was reported to have sold with two older improvements that were given little to no value in the transaction.**TRANSACTION CONFIRMATION:**The sale was confirmed with a party to the transaction (seller, buyer, etc.)? ☐ Yes ☒ NoIf No, state why and provide data source(s): Public Records, MLS

Confirmed Name:

Financing at Market Terms? ☒ Yes ☐ No Financing Comments (type, term, rate, etc.): Cash equivalent

Other Comments (i.e.: prior sales, seller concessions, etc.):

Comparable Inspected? ☒ Yes ☐ No Date: 5/14/2024

Tax Map/Pin# 34 1, 34 2 & 35 4Photo #: 1 Photo Shows a View of: 527 Panhandle RoadPhoto #: 1 Photo Shows a View of: Aerial

INFORMATION:Data Assembled By: Robert R. Elliott, Jr. MAI SRA**PROPERTY IDENTIFICATION:**Address: 814 Bucks Mill RoadCounty: Warren State: VA Zip: 22657PIN/Tax Map Number: 10 78DProperty Location Description: Located on the southern side of Bucks Mill Road.**TRANSACTION INFORMATION:**Sales Price: \$ 1,174,000 Adjusted Sales Price: \$1,174,000Size: 193.00 ☒ Acres 8,407,080 ☒ Sq. Ft. ☐ Other:Price Per Acre: \$ 6.083/AcreInstrument#: LR 2023 2099 Consideration: \$ 1,174,000Instrument Type: Special Warranty Deed Instrument: LR 2023 2099 Sold Date: May 16, 2023Grantor Name: Pamela Lehw & Wendy LehwGrantee Name: Randall Burleson**PROPERTY DESCRIPTION and USE:**Zoning: AgriculturalFront Feet: 1,735-LF Dimensions: Irregular Shape: IrregularUtilities: ☐ None ☐ Water ☐ Sewer ☐ Gas ☐ Electric ☐ Cable ☐ Telephone ☐ Other (*)Topography: ☒ Flat ☒ Gently Rolling ☒ Steep ☐ Mountainous ☐ Other (*)Vegetation: ☐ None ☒ Trees ☒ Grass ☐ Crops ☐ Other (*)

(*)Comments:

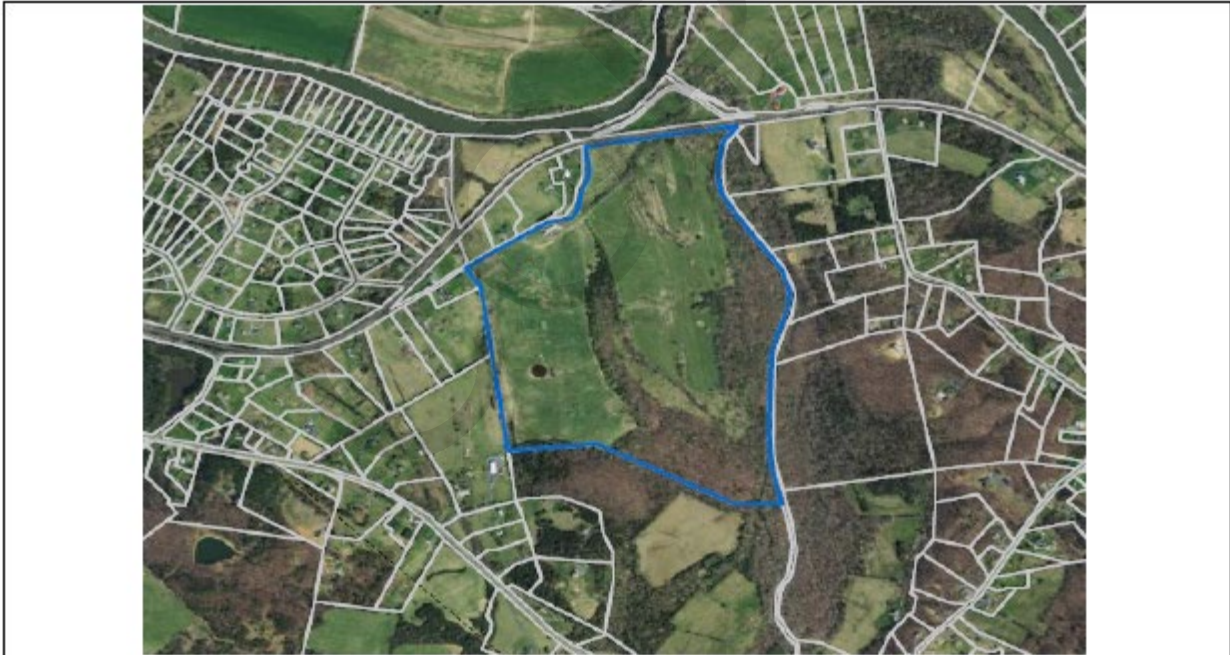
Present Use: ☒ Agricultural ☐ Residential ☐ Commercial ☐ Industrial ☒ Other (*)Comments: This tract is located along Bucks Mill Road and also has frontage along a Norfolk Southern Railway. The property is primarily pasture land and also contains site improvements such typical of an agricultural property.**TRANSACTION CONFIRMATION:**The sale was confirmed with a party to the transaction (seller, buyer, etc.)? ☐ Yes ☒ NoIf No, state why and provide data source(s): Public Records, MLS

Confirmed Name:

Financing at Market Terms? ☒ Yes ☐ No Financing Comments (type, term, rate, etc.): Cash equivalent

Other Comments (i.e.: prior sales, seller concessions, etc.):

Comparable Inspected? ☒ Yes ☐ No Date: 5/13/2024

Tax Map/Pin# 10 78 DPhoto #: 1 Photo Shows a View of: 814 Bucks Mill RoadPhoto #: 2 Photo Shows a View of: Aerial

APPRAISER QUALIFICATION

APPRAISER'S QUALIFICATIONS

ROBERT R. ELLIOTT, JR., MAI, SRA
Elliott Valuation and Consulting Services, LLC
South Carolina Certified General Real Estate Appraiser # 4745
Georgia Certified General Real Estate Appraiser #347035
North Carolina Certified General Real Estate Appraiser #A7536
Virginia Certified General Real Estate Appraiser #015749
West Virginia Certified General Real Estate Appraiser #515

Education

Formal:

- Graduate, the Citadel, the Military College of South Carolina, Charleston
Bachelor of Science Degree, May 2002

Appraisal Institute Courses/Seminars & Pertinent Coursework:

- Course 410, National Uniform Standards of Professional Appraisal Practice, 15 Hour, November 2006 (AI)
- Course 420, Business Practice and Ethics, December 2006 (AI)
- The FHA Appraisal Process, February 2007 (AI)
- Course 310, Basic Income Capitalization, March 2007 (AI)
- Worldwide ERC Online Seminar, June 2007 (AI)
- Course 330, Apartment Appraisal, August 2007 (AI)
- Course 520, General Market Analysis and Highest & Best Use, March 2008 (AI)
- Course 510, Advanced Income Capitalization, December 2008 (AI)
- Course 300, Real Estate Finance, Statistics & Valuation Modeling, February 2009 (AI)
- Course 401G, General Sales Comparison Approach, March 2009 (AI)
- Course 402G, General Site Valuation & Cost Approach, May 2009 (AI)
- Course 405G, General Appraiser Report Writing & Case Studies, October 2009 (AI)
- Course N404G – General Appraiser Income Approach, Part 2, March 2010 (AI)
- USPAP Update, CE1032, September 2010 (AI)
- Course 503GD – Advanced Concepts and Case Studies, December 2010 (AI)
- Residential Appraisal Update 2010: Staying Competent in a New Decade, CE-1137, January 2011 (AI)
- Eminent Domain: Appraisal of Partial Acquisitions, CE-1030, March 2011
- 7-Hour USPAP Update Course, March 2012
- Complex Litigation Appraisal Studies, CE-1273, April 2013 (AI)
- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets, CE-1202, May 2013 (AI)
- Business Practice & Ethics, May 2013 (AI)
- "Excel as an Appraisal Professional," Webinar, June 2013 (AI)
- Marina Valuation Overview, Webinar, July 2013 (AI)
- Spotlight on USPAP: Common Errors and Issues, July 2013 (AI)
- Right of Way – Three Case Studies with Two Approaches to Value, Webinar, October 2014 (AI)

- Drone Technology and Its Impact on the Appraisal Industry, November 2014 (AI)
- A Picture is Worth a Thousand Words: Data Visualization in Appraisal, November 2014 (AI)
- Special Use Properties: Hospitality and Senior Housing, January 2015 (AI)
- Supervisory Appraiser/Trainee Appraiser Course, April 2015 (AI)
- The Lender Client and the Appraiser: You are on the Same Team, July 2015 (AI)
- Technology Tips for Real Estate Appraisers, October 2015 (AI)
- Case Studies for Complex Valuation, January 2016 (AI)
- Contract or Effective Rent: Finding the Real Rent, April 2016 (AI)

Professional Affiliations/Service

- Member of the Appraisal Institute
- 2011 SC Chapter of the Appraisal Institute Chair of Associate Members
- 2010 SC Chapter of the Appraisal Institute Vice Chair of Associate Members
- 2012 LDAC Representative for South Carolina Chapter
- 2013 LDAC Representative for South Carolina Chapter
- 2013 SC Chapter Candidate Guidance Committee Chair
- Appraisal Institute – Demonstration Appraisal Grading Panel; General
- 2014 SC Chapter Education Committee Chair
- 2014 LDAC Discussion Leader
- 2014 – Presenter at AI Connect Concerning Benefits and Damages
- Appraisal Institute's Capstone Program Facilitator
- 2015 SC Chapter Officer – Secretary
- 2015 SC Chapter Education Committee Chair
- 2015 SC Chapter Alternate Regional Representative
- 2015 Member of Admissions, Designations & Qualifications Committee (National)
- 2016 SC Chapter Officer – Treasurer
- 2016 SC Chapter Education Committee Chair
- 2016 SC Chapter Finance Committee Chair
- 2016 SC Chapter Regional Representative
- 2016 Vice Chair of Admissions, Designations & Qualifications Committee (National)
- 2017 SC Chapter Officer – Vice President
- 2017 SC Chapter – Finance Committee Member
- 2017 SC Chapter – Regional Representative
- 2017-2018 Finance Committee Member (National)
- 2017-2020 Chair of Admissions, Designations & Qualifications Committee (National)
- 2018 SC Chapter Officer – President
- 2019 SC Chapter Immediate Past President
- 2019 Strategic Planning Committee Member (National)
- 2020 Strategic Planning Committee Vice Chair (National)
- 2020 Region IX 3rd Director
- 2021 - 2022 Region IX Vice Chair (Member of the National Board of Directors)
- 2021 - 2024 Strategic Planning Committee Chair (National)
- 2023 - 2024 Region IX Chair (Member of the National Board of Directors)
- 2024 Chair – Demonstration Knowledge Report Panel



REGULAR COUNCIL MEETING CONSENT AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 10A

Agenda Item: Cash Management Services

Summary: Council is requested to approve the proposal from Atlantic Union Bank for cash management services for the Town of Front Royal for a period of five (5) years.

Budget/Funding:

Meetings: Work Session held July 8, 2024

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve the proposal from Atlantic Union Bank for cash management services for the Town of Front Royal for a period of five (5) years.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____



**Response to Request for Proposal #08-2024 for Cash Management
Services (Updated Version - 7/1/2024)**

Prepared by:

Scott Arthur
Commercial Market Executive

Steve Hickman
CTP, Treasury Management Officer



April 24th, 2024

Dear Ms. Michelle Campbell and Mr. BJ Wilson:

Atlantic Union Bank is very pleased to provide the attached proposal for Depository and Cash Management Services to the Town of Front Royal. We are excited about the opportunity to continue our partnership with the Town to provide the best products and highest level of service to your office.

We believe people have the right to expect more from the companies they do business with. That's why we foster long-term relationships and offer access to local decision-makers. We're big enough to offer innovative products and services, but our hands-on style provides more than a banking relationship. It offers a personal relationship dedicated to your business' success.

We are aware that our branch service levels at the Front Royal branch have not been consistent. While we are not immune to staffing issues like all businesses in this current environment, we are excited about the addition of Cierra Partlow as Branch Manager. Cierra has been with the Bank for five years and prides herself on helping her customers meet their financial goals while at the same time providing a positive customer service experience.

We feel confident that we have put together a compelling proposal. We look forward to assisting in optimizing your cash management processes, consulting and presenting ideas to help you increase efficiency, reduce expenses, maximize interest income, and focus attention on security and fraud prevention.

Atlantic Union Bank will continually evaluate its services to the Town and proactively review, recommend, and implement improvements to these services.

We eagerly await your feedback on this proposal for Depository and Cash Management Services and look forward to the opportunity to continue to work with you and The Town of Front Royal. If you have any questions regarding the products, solutions, or responses detailed in the proposal, please do not hesitate to contact us.

Sincerely,

B. Scott Arthur

B. Scott Arthur
Senior Vice President
Commercial Market Executive
108 North Braddock Street
Winchester, VA 22601
T: 540.771.3842
Scott.Arthur@AtlanticUnionBank.com



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Table of Contents

Qualifications and Experience	5
Atlantic Union Bank's Profile	6
Executive Summary	7
Branch Locations	8
Personnel.....	9
Customer Service	10
Banking Services	11
Proposal Requirements	14
Demand Deposit Accounts	14
Automated Balance Reporting, Including Online Access	14
Online Statements and Reconciliation.....	15
Stop Payments.....	16
Wire Transfers, Repetitive & Non Repetitive.....	16
ACH Transactions	16
Controlled Disbursements.....	16
Sweep Accounts, or Other Investment Options	17
Zero Balance Accounts.....	17
Collateralized Departments	17
Direct Deposit of Payroll Checks	17
Lockbox Payments	17



Credit and Debit Card Transactions / Other Electronic Payment Forms	18
Pricing.....	22
References	24
Additional Services	25
Signature Pages	27

COPY



Confidentiality Statement

The pricing and rate information contained in this document is for the sole use of The Town and should not be released without prior written consent of your Relationship Manager, Scott Arthur.

We reserve the right to correct obvious or unintentional omissions or errors in this RFP response.

COPY



I. Qualifications and Experience

Headquartered in Richmond, Virginia, Atlantic Union Bank (AUB) holds assets of \$20.7 billion, and is Virginia's largest based bank domiciled in the state. With a presence spanning the footprint of our Commonwealth, plus locations in Maryland and North Carolina, (109 branches) we are proud to be "Virginia's Bank." With all of our resources in close proximity to The Town, we are uniquely prepared to provide a high level of service to you and your affiliates. Our recently JD Power ranking as first in customer satisfaction in the Mid-Atlantic region (JD Power 2021 Consumer Banking Satisfaction Study) is a testament to our dedication to service.

Atlantic Union Bank has also been recognized for banking expertise by recent accolades awarded by Forbes Magazine for Best Bank in Virginia in 2018 & 2019 and the best bank in the world in 2022 and 2023 coming in 46 out of 415 banks reviewed in 2023. With this proven experience, Atlantic Union Bank is confident to meet The Town's financial goals and objectives.

Atlantic Union Bank's proposal highlights treasury management solutions specific to The Town's banking requirements at competitive pricing. Atlantic Union Bank desires to continually support The Town with ongoing banking needs through our customer focused and highly flexible environment. Along with the local relationship management team, bank executive management will continue to oversee The Town's relationship and provide proactive advisory support.

By banking with Atlantic Union Bank, The Town will benefit from the following:

- **Investment in Technology** - With the significant expansion of our Digital Strategy team, we continue to drive innovation, design and customer experience.
- **Breadth of Product and Services** –In addition to traditional treasury management services, we have proven expertise with handling robust Lockbox services for organizations like yours.
- **Product Innovation** – By offering forward-thinking products such as *Integrated Payables*, The Town can benefit from reduced A/P costs, fraud mitigation and potential cash rebates.



Atlantic Union Bank's Profile

Headquartered in Richmond, Virginia, Atlantic Union Bankshares Corporation (NASDAQ: AUB; \$20.7 billion in assets as reported 10/31/2023) is the holding company for Atlantic Union Bank.



Since it was founded in 1902, Atlantic Union Bank has grown to become the largest regional bank headquartered in Virginia, with a presence across the Mid-Atlantic from Maryland to North Carolina. Through a customer-centric approach, we offer **financial strength, industry-specific expertise, and entrepreneurial innovation**. With our full suite of commercial banking, treasury and wealth management solutions we're here to create opportunities for business owners, nonprofit institutions and families.

Our footprint includes all major Virginia markets and parts of North Carolina and Maryland giving clients a **branch network unmatched by any other Virginia-based regional bank**. The Bank has 109 branches and approximately 123 ATMs.

Atlantic Union Bank is committed to enhancing and improving the communities where our clients live, work and play. Our sponsorship and giving strategies allow us to engage with our teammates and partners to enrich the lives of the people we serve.

In 2022, we invested almost \$124 million in the communities we serve through Community Development and Engagement, with a focus on maintaining and building affordable housing units, small business access to capital, healthy food initiatives, and financial education for all ages. Our teammates* dedicated 6,767 volunteer hours to 370 organizations last year towards financial literacy education, community service, environmental causes, and others, and helped with 211 various support activities.

Setting future generations up for financial success is at the heart of what we do. We partner with Banzai to bring financial education into high school classrooms, preparing students to manage their financial future. In 2022, the program reached over 14,350 students, 275 educators and 173 schools.

*Full-time teammates are granted 16 paid hours for volunteer work annually.



Our wealth management division, **Atlantic Union Bank Wealth Management****, is a full-service financial team in Virginia providing individuals, institutions and foundations a full spectrum of fiduciary and wealth management offerings. They have \$4.3 billion in assets under management as of December 31, 2022.

Atlantic Union Bank Wealth Management also serves the needs of Virginia's nonprofits across multiple sectors, including community, educational, health care, municipal and religious organizations as well as private grant-making foundations.

**Atlantic Union Bank Wealth Management is a division of Atlantic Union Bank that offers asset management, private banking, and trust and estate services. Securities are not insured by the FDIC or any other government agency, are not deposits or obligations of Atlantic Union Bank, are not guaranteed by Atlantic Union Bank or any of its affiliates, and are subject to risks, including the possible loss of principal. Deposit products are provided by Atlantic Union Bank, Member FDIC.



Atlantic Union Bank's Executive Leadership Team



John Asbury, Chief Executive Officer

- Joined October 2016
- 30+ years of experience in the banking industry, primarily at Bank of America and Regions Bank
- Former President and CEO of First National Bank of Santa Fe



Maria Tedesco, President

- Joined October 2018
- 30+ years of experience in the banking industry
- Former Chief Operating Officer for Retail at BMO Harris



Robert Gorman, Chief Financial Officer

- Joined July 2012
- 30+ years of experience in the banking industry
- Former Senior Vice President at SunTrust Banks, Inc.



David Ring, Commercial Banking Group Executive

- Joined September 2017
- 30+ years of experience in the banking industry
- Former Head of Commercial Banking – Atlantic Region at Wells Fargo



Shawn O'Brien, Consumer Banking Group Executive

- Joined February 2019
- 20+ years of experience in the banking industry
- Former Executive Director, Consumer Segment Group and Business Planning – BBVA Compass

Additional investor relations information, including a complete listing of the executive management team and financial statements, is available online at Investors.AtlanticUnionBank.com.

Atlantic Union Bank's risk-based capital classification is recognized as Well-Capitalized. Below you will find a breakdown of the capital structure and core deposit base:

Capital Position at December 31, 2022

Ratio	Regulatory Well Capitalized	Atlantic Union Bankshares	Atlantic Union Bank
Tier 1 Ratio (CET1)	7.0%	9.9%	12.8%
to	8.5%	10.9%	12.8%
Capital Ratio	15.5%	13.7%	13.1%
to Regulatory Capital Assets	9.0%	9.4%	11.0%

greater than well capitalized is better

Diversified Core Deposit Base

Deposit Base Characteristics Deposit Composition at December 31, 2022-1

98% core deposits¹

57% transaction accounts

¹ Core deposits defined as total deposits less brokered time deposits, junior time deposits and CDs < \$250,000

- Businesses: 50%
- Consumers: 44%
- Public Funds: 6%



As of 12/31/22, the average deposit balance for AUB was \$33,000 vs. 1.2 mill



All data from S&P Global except insured deposit concentrations, which is from Raymond James Financial

Atlantic Union Bank holds a CRA Rating of Satisfactory.



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Branch Location

Atlantic Union Bank's footprint includes all major Virginia markets and parts of North Carolina and Maryland, which provides clients a branch network unmatched by any other Virginia-based regional bank.

The Bank has one branch within the Town of Front Royal. This serves as the existing primary branch location for The Town, led by Branch Manager Cierra Partlow. Address and business address are provided below. It will continue to serve as The Town's branch for cash deposits, coin / currency orders. If there are large coin/change requests, we request that the Town notify the branch so that the specific order can be prepared in advance of pickup.

Large cash deposits are recommended through the Night Drop at this Branch location, which allows for more security of cash handling and vault dual-control processing through Branch personnel. Night deposit bags can be provided to the Town upon request, and deposits will receive next day credit if received prior to 9:00 AM on normal business days.

Additionally, this Branch team will be in direct contact through phone and email with authorized Town employees in the event that there is a cash adjustment on an in-branch deposit.

- **Front Royal Branch**
 - 473 South Street, Front Royal, VA 22630
 - 540.636.2500
 - Business Hours: Monday – Friday 9:00am – 5:00pm, Saturday 9:00am – 12:00pm.



We're honored to be awarded

**#1 in Customer Satisfaction
with Consumer Banking
in the Mid-Atlantic Region.**

For J.D. Power 2021 award information,
visit [jdpower.com/awards](https://www.jdpower.com/awards).



MEMBER FDIC | [ATLANTICUNIONBANK.COM](https://atlanticunionbank.com)

II. Personnel

At Atlantic Union Bank, we strive to support our clients as a team to provide the best customer experience. Your relationship management team was created to provide The Town a superior client service experience and ongoing service and support. Your primary point of contacts will be your Relationship Manager, Scott Arthur and Treasury Management Officer, Steve Hickman.

Below is an organization chart of key individuals that will be assigned to manage the commercial banking and treasury management for The Town.



Customer Service

In addition to your dedicated relationship team, our dedicated **Treasury Services Support Team** provides in-depth support for all Treasury products and services Monday through Friday, 8:00 a.m. to 5:00 p.m., at **1.877.920.6888**.

Additionally, Atlantic Union Bank offers a comprehensive **Customer Care Center** available Monday through Friday 7:00 a.m. – 8:00 p.m. and Saturday 7:00 a.m. – 5:00 p.m., at **1.800.990.4828**.

Scott Arthur, Senior Vice President, Commercial Market Executive

Scott currently serves as a Commercial Market Executive for Atlantic Union Bank in the Front Royal and Winchester markets. He will continue to serve as the Town's primary Relationship Manager.

Scott is a native of Winchester, VA and has enjoyed a 40+ year career as a Commercial Banker there, joining Atlantic Union Bank in 2015. He is currently responsible for managing and developing commercial client relationships in the Northern Shenandoah Valley. Scott graduated from the University of Richmond in 1981. He previously worked at BB&T and First Union as Market President. He is active in the community, as Area 1 Governor for Rotary District 7570, Vice President of Mt. Hebron Cemetery Board of Managers and a Sr. Board Member of the Judges Athletic Association. He is also Past President of the Rotary Club of Winchester, Past Chairman of the Top of Virginia Chamber of Commerce, Past President of Blue Ridge Hospice and Judges Athletic Association and Past Campaign Chair for the United Way of the Northern Shenandoah Valley. He also served on the board of Shenandoah Valley Westminster Canterbury and the Winchester Education Foundation. He and his wife Margaret have two grown children and one granddaughter.

Direct Line: 540-771-3842 | Scott.Arthur@AtlanticUnionBank.com

Steve Hickman, CTP, Vice President, Treasury Management Officer

Steve is the primary contact for treasury management services and collaborates with the Relationship Manager to deliver customized cash management solutions in a highly responsive manner. He specializes in commercial treasury solutions such as online payable solutions, remote deposit capture, A/R lockbox services, automated sweep services, automated file transmission services and fraud management tools.

Steve has been in banking for 11 years; 8 of which have been in a Treasury Management consulting role. He joined Atlantic Union Bank in February of 2017, serving as a Treasury Management Officer for numerous regions in the Western part of Virginia. Steve began his career in New Orleans at IBERIABANK, where he held positions in Retail Banking, Commercial Credit Analysis, and Treasury Management. Steve has worked extensively with public institutions, having on-boarded and managed several municipal treasury relationships throughout the Commonwealth. Steve is a graduate of Rhodes College with a BA degree in History, and has been a Certified Treasury Professional (CTP) since January of 2016.

Direct: 804-523-7231 | Steve.Hickman@AtlanticUnionBank.com

Tayler Miller, Treasury Management Associate, is your contact for treasury management support on a daily basis. Tayler provides support to commercial clients to assist with implementation, onboarding and ongoing servicing of treasury management services. She supports the Treasury Management Officer to deliver exceptional customer service in a highly responsive manner. Tayler joined Atlantic Union Bank in 2019 and has served the Virginia market during that time. She ensures that every client's needs are met and has been thriving as a support specialist for Atlantic Union Bank's Treasury service clients. Tayler is passionate about community involvement opportunities with Atlantic Union Bank and serves yearly as an active orchestrator of their involvement of her local communities Christmas Parade.

Direct: 757-278-7417 | Tayler.Miller@AtlanticUnionBank.com



Abigail Arthurs, Commercial Banking Assistant, has worked in banking for over nine years, both on the retail and commercial side, supporting individual and business clients. She joined Atlantic Union Bank in 2016 and enjoys serving clients in both the Western and Central VA markets as a Commercial Banking Assistant. She has extensive experience working with businesses of all shapes and sizes, both C&I (commercial and industrial) and CRE (commercial real estate), and has handled all types of deposit and loan accounts, including those for small businesses, large corporations, non-profits, municipalities, and government/public funds. Although raised in Florida, she has been in Virginia for over seven years, currently living with her family in a small community just outside of Albemarle County. In addition to banking, gymnastics is a passion, and she has worked in various capacities in the field, including coaching, and just recently as a volunteer for the public school system.

Direct: 434-970-1161 | Abigail.Arthurs@AtlanticUnionBank.com

Michael Snow, Senior Portfolio Manager, Asset Management:

Mike is the primary contact for custodial/trust services as it relates to the County of Warren's cash or securities held by a third-party custodian. Mike manages portfolios for our institutional non-profit clients which includes fixed income managed portfolios for governmental clients in Virginia. He brings over 25 years of experience in the industry having joined Atlantic Union in 2013 and is a member of the Institutional Advisory Group. He holds a Bachelor of Science in Finance/Accounting from Virginia Tech.

Direct: 540-381-6732 | Michael.Snow@AtlanticUnionBank.com

Cierra Partlow, Branch Manager, started her banking career with Atlantic Union Bank five years ago. As a teller, she quickly realized her passion to help clients reach their financial goals with a proven track record and client base. Cierra worked diligently to grow entering AUB as a teller, then banker and now in her role as a Branch Manager. Cierra was raised in Culpeper and has lived in the surrounding areas all her life. In her down time, her hobbies include gardening and spending time with her family.

Direct: 540-636-2500 | Cierra.Partlow@AtlanticUnionBank.com

III. Banking Services

- **Demand deposit account(s) as deemed necessary to meet the requirements of the Town of Front Royal. Maintain accurate records of activity in the accounts. The Town estimates the 360 payroll direct deposits, and 400 accounts payable checks will be disbursed monthly.**

The Bank can accommodate the account requirements as needed by the Town and maintain their existing structure with AUB. More details on this are provided in the "Demand Deposit Accounts" section of this RFP.

- **Automated balance reporting for all account(s) including closing ledger, closing collected, opening ledger, opening collected, float, etc....**

The Bank can accommodate this. Further details are provided in the "Automated Balance Reporting, Including Online-Access" section of this RFP.

- **Access to information on cleared check and stop payment orders.**



The Bank can accommodate this. Further details are provided in the "Stop Payments" section of this RFP.

- **Direct deposit file from the Town's payroll system to other banks.**

The Bank can accommodate this.

- **Disbursement of funds by wire transfer upon authorized request, and transfer of funds between Town accounts.**

The Bank can accommodate this. Further details are provided in the "Wire Transfers, Repetitive and Non-Repetitive" section of this RFP.

- **Accept and send ACH transactions and provide detailed notice of ACH deposits within 24 hours.**

The Bank can accommodate this. Further details are provided in the "ACH Transactions" section of this RFP.

- **Accept deposit of approximately 6,500 checks and various amounts of cash per month to be processed at branch office for an annual budget of approximately \$50 million**

The Town will continue to have full access to either make deposits at either the Front Royal branch locations or through their Remote Deposit Capture scanners. There is no maximum number of checks that can be run through a single deposit, and multiple deposits are allowed for a single day. Much of this deposit activity can also be outsourced through our Lockbox service if enrolled.

- **Collateralize all deposits per collateral requirements of the Commonwealth of Virginia.**

Atlantic Union Bank acknowledges and agrees to this.

- **Provide overnight investments services for all excess cash balances. All investments must also meet the requirements of the Commonwealth of Virginia.**

The Bank can accommodate this. Further details are provided in the "Sweep Accounts, or Other Investment Services" section of this RFP.

- **Provide monthly activity statements and reports as of the last day of the month, reports and statements to be provided by the tenth (10) day of the following month.**

The Bank can accommodate this. Further details are provided in the "Online Statements and Reconciliation" section of this RFP.

- **Secure Town deposits consistent with the Code of Virginia.**

Atlantic Union Bank acknowledges and agrees to this.

- **Positive Pay fraud detection**



Atlantic Union Bank offers full Positive Pay services, and, specifically, Payee Positive Pay is the most powerful tool available to combat check fraud. This service monitors each check presented and matches it to a list of known issued checks. If there is a question or discrepancy, we flag it and send an automated email notification to all designated online users.

The Town will continue to upload a check issue file each time a check run is created. Conveniently export and upload a file produced from your accounting platform directly into the Atlantic Union Bank Business eBanking online portal. There is no penalty of potential issue if duplicate files are accidentally imported. Alternatively, one-off checks may be entered manually, which simply requires logging into the online banking portal and typing out the relevant check information into the positive pay module. The Bank's software will compare the checks presented for payment with your issued record. The software compares payee name, issue date, check amount and check number. Exception items are presented online by 9:00 a.m. ET. each business day and decisions to pay or deny must be made by 3:00 PM each day. Users with the proper authorities will receive email notifications informing that there is an exception in positive pay, and you will also be able to see this on the Welcome screen. We can set the default decision to "do not pay" in the event that the decision window is missed. Stale dated checks can be presented as exception items.

Atlantic Union offers ACH Positive Pay as a fraud prevention feature that enables you and your business to detect unauthorized third party ACH debit requests presented to your account(s) for payment. There are also full ACH Block options for account, but for accounts with filtering needs, we recommend that ACH Positive Pay as the preferred option. ACH Positive Pay will provide you a list of all ACH debit requests received by Atlantic Union requesting debit to your account(s), exclusive of any not previously included in your list of authorized ACH items, for your business to decision pay or return. In the event that there is an unauthorized ACH item, it will be presented as an exception to you via online banking and email notification, where you will choose to have it paid or returned. The cutoff window for this decision is 3:00 PM, and we set the default decision to "do not pay" in the event that the decision window is missed.

Custodial / Trust Services

The Institutional Advisory Group is part of Atlantic Union Wealth Management ("Atlantic Union"), a division of the Bank that provides trust, asset management, private banking, investment advisory services, and brokerage services to individual and institutional clients. Atlantic Union currently employs 85 investment professionals and staff in 17 offices in Virginia and North Carolina.

While Atlantic Union has dedicated resources to institutional investment management for over 40 years, we have added to both staff and technology resources in support of the significant growth we have experienced in the past several years. The Institutional Advisory Group was formed in 2017 to enhance our client service focus and to highlight our commitment to serving the unique investment and fiduciary needs of institutional and governmental entities throughout our footprint. The Institutional Advisory Group works alongside Atlantic Union's Investment Strategy Committee ("ISC"), whose members collectively direct investment strategy for the firm. The ISC consists of the Chief Investment Officer, five portfolio managers, and two additional senior professionals from the Bank.

The Institutional Advisory Group specializes in serving the investment needs of institutions across multiple sectors, including local governments and other public entities, religious, community, educational, and health care organizations, and private grant-making foundations.

- **Maintain one or more custody accounts for cash and securities owned by the Town.**

Atlantic Union Bank provides third-party custody services through FIS ("custodian"), which is outside of the bank's corporate structure, as required.



- **All securities and cash held by the custodian shall be segregated from assets of others and shall remain property of the Town of Front Royal. Custodian shall have only the bare custody thereof.**

All securities and cash held by the third-party custodian will be in a separate account directly in the Town of Front Royal's name.

- **Calculate market value of all collateral securities pledged to the Town accounts and report this information to the Town each month.**

The Bank's third-party custodian provides this information monthly.

- **Provide monthly activity reports as of the end of each month by the tenth (10) day of the following month.**

Detailed monthly statements of activity are sent out as required above by the bank's custodian.

IV. Proposal Requirements

- **Describe the institution and the offices or branches that will service the account(s).**

Please reference the "Atlantic Union Bank's Profile" and "Branch Location" sections of this RFP.

- **Describe the experience the financial institution has in providing similar banking and custodial services for municipal clients.**

Please reference the "Qualifications and Experience" section of this RFP.

- **Provide biographical information on the bank officers that will be directly involved with management of the account.**

Please reference the "Personnel" and "Customer Service" sections of this RFP.

- **Describe the institution's ability to provide the following services and any others that would be appropriate for a municipal account:**

Demand Deposit Accounts

Atlantic Union offers a full suite of Demand Deposit Accounts, and the Relationship Team works with the Town to ensure proper account types & structures are established to maximize interest earning potential and easy access to liquid funds. The Bank is committed to providing the Town quick turnarounds for opening new accounts and adding them to existing cash management services. The Town can retain its existing accounts and structure currently with AUB as needed.

Automated Balance Reporting, Including On-Line Access

Atlantic Union Bank currently provides the Town online banking access with our Business eBanking Online



Banking platform. The robust and user-friendly platform provides online access to manage cash flow effortlessly in a secure environment. The online banking portal may be accessed from any PC including a desktop, tablet device or smart phone. The bank also offers online services through the convenience of the Atlantic Union Business Banking Mobile App on a smart device. The Administration tab allows for tailoring the profile of sub-users, including specific privilege assignments for viewing certain accounts and processing / approving transactions. There is no maximum number of users that can be created within the Business eBanking platform.

The following services are available currently to the Town on the Business eBanking information reporting platform:

- ✦ Summary Level Balance Reporting
- ✦ Previous and Current Day Detailed Transaction Reporting
- ✦ Reports can be downloaded into BAI2, CSV and PDF formats
- ✦ Same-Day Wire Reports to monitor outgoing and incoming wires
- ✦ Online immediate account transfers
- ✦ Alerts and Notifications – customize for each of your company's users
- ✦ Enhanced security features, including token authorization for payment initiation
- ✦ E-delivery of depository account statements
- ✦ E-delivery of account analysis statements
- ✦ Online Stop Payments
- ✦ Images of Paid Checks, Deposited Checks and Returned Deposited Checks
- ✦ Online ACH Initiation with single or dual control
- ✦ Online Wire Transfer Initiation and approval with single or dual control

Business eBanking offers both Previous and Current Day Reporting, and there are no differences in information available for both of those reports. The balances that are available through online banking for the Current Day reporting are Opening Ledger Balance, Closing Ledger Balance, Current Balance and Available Balance. Previous Day information is available by 7:00 AM each morning.

Electronic reports can be customized within Business eBanking at no additional cost. The custom reports can include or exclude certain transaction types based on the needs of the Town. The system houses historical reporting information for up to 18 months, and individual reports can be generated in increments of up to 90 days.

Online Statements and Reconciliation

Online Statements are convenient and environmentally friendly. You receive the same information in an electronic version of your statement as you would with a paper version. You will have online availability for up to 18 months. Online statements are available on the first business day of each month for the previous month. In addition to depository account statements, you will also have the ability to view and download online account analysis statements via our eBanking portal.

The Town will have the ability to access electronic itemized account analysis statements for all analyzed accounts on or about the 6th business day of each month through the Business eBanking online banking platform.

Atlantic Union Bank offers ARP services in the form of partial reconciliation (paid checks), full reconciliation (paid checks, deposits, ACH debits and credits, and incoming and outgoing wires) and deposit reconciliation. The reports are available in HTML, CSV and PDF formats. The following reports are available within the ARP module: reconciliation statements, reconciliation activity, paid checks, outstanding issues.

The reconciliation statements and reconciliation activity reports contain check, ACH and wire transfer activity



in one consolidated report. A sample copy of the reconciliation statement is provided in the attachments section of this RFP.

Reconciliation data will be available to the Town on Atlantic Union Bank's online banking website and are downloadable in CSV and PDF formats.

Stop Payments

The Town will have the capabilities to request stop payments via the online banking portal or request them directly through the Branch. Stop Payments requested online take effect immediately, and the system does not automatically verify if the check has been paid prior to the stop payment request. However, the Town can use the check image search function in online banking to look up the check in question to determine whether or not it has been paid. Stop payment requests expire after 6 months.

Wire Transfers, Repetitive and Non-Repetitive

Electronic Wire Transfer Service through our online banking platform allows you to initiate and verify foreign and domestic wire transfers in addition to the feature of future-dated transfers. Future dated transactions can be made within the system up to 90 days without warehousing charges. The deadline for submitting domestic and international wire transfer payments is 5:00 p.m. ET. Repetitive wires can be established for ongoing scheduled wire payments.

Similar to ACH Processing, our Wire Transfer Service offers dual control options and the ability to set multiple approvals for wire transactions. These dual control settings are highly customizable based on the Town's needs, and can be set to either require a separate approval from the user who initiates, add up to 4 additional approvals, and set dollar thresholds for approvals based on the size of the ACH / Wire. For users with approval accesses, a "soft" security token will be assigned. When an ACH / Wire is ready for to be approved, the user will use their mobile device to generate a 6-digit token number and then type their personalized 4-digit pin number before the payment can be released.

The online banking system will automatically generate reference numbers once wire transactions are approved and confirmed for the Town's review. Additionally, email notifications can be established for users to be prompted whenever a wire transfer has been completed via online banking.

ACH Transactions

ACH Origination can accommodate the Town's varying forms of domestic money movement: corporate – corporate for making vendor payments, collecting payments, and transferring funds between companies in addition to corporate – personal for use of direct deposit of payroll. This solution provides a cost-effective method for making disbursements, giving you significant savings in cost and time and secure control over cash flow. The deadline for submitting ACH payments for next day settlement is 5:00 p.m. ET.

ACH payments can either be made as free form manual payments, template based payments, or NACHA file uploads. NACHA file direct transfers via SFTP site connections can also be implemented upon request from the Town with additional fees.

In the event of an ACH Return, the town will receive a secured email outlining the item in question as soon as the return information is made available to the Bank.

Controlled Disbursements

Atlantic Union Bank does not offer Controlled Disbursement as a product.



Receivables360 Online or via Secure FTP. Receivables360 Online shows the daily lockbox advice information. Reports can be delivered via secure email, too, but most use Receivables360 Online for its convenience and search capabilities.

Atlantic Union Bank partners with Deluxe who has invested in the technology, human capital and resources necessary to become a leader in the payments industry, which includes 25 years of experience in lockbox processing. As one of the largest lockbox service providers, we manage more than 6,500 lockboxes, processing more than 570 million payments annually. As both the processor and developer of the software, Deluxe is uniquely able to provide increased straight through processing rates, reduce exceptions and overall cost improvement for the Town.

Deluxe has invested more than \$200 million dollars into their lockbox. Industry wide, more lockbox transactions process on Deluxe software than any other platform.

The Deluxe Lockbox platform is recognized in the financial payment processing industry for robust remittance processing and lockbox services. Originally designed as the first full-featured and image-based receivables processing system, the application has been in production since 1994 and has evolved into the most feature-rich and scalable platform in the marketplace. The Deluxe Receivables360 Online archive allows bank customers to view deposit totals, view transaction images, and search for payments by standard check fields and custom data entry fields. Deluxe Treasury Services hosts and manages Receivables360 Online in a world class data center.

Remote Remittance Capture,

Also known as "Local Lockbox", this service would allow the Town to utilize many of the benefits of a traditional Lockbox but keep a local Front Royal PO Box for clients to mail payments. With Local Lockbox's remote remittance feature, you have the ability to scan and capture data in-house from the remittance coupon that is needed for your client's check payments. During the scanning process, data is captured from the coupon's OCR scan line and the check payment can be exported to update the Town's records and system.

The bank-certified check-image scanner would be located right in your office, similar to Remote Deposit Capture, but would allow the scanning of both checks and payment coupons to capture detailed information. The Town will have access to reports of all payment coupons and checks for deposits, and the capability to export those details to update internal systems. Steve Hickman will work with the Town to discuss both Retail Lockbox and Remote Remittance Capture in more detail and implement the products if the Town decides to move forward.

***Pricing for lockbox services are not provided in this proposal, as they are highly specific to customer needs. However, if the Town chooses to enroll in Remote Remittance Capture during the 5-year contract term, the Bank agrees to reimburse the Town for the full cost of the scanning equipment and shipment to the Town's offices.

Credit and Debit Card Transactions / Other Electronic Forms of Payment

Atlantic Union Bank offers a full array of debit and credit cards for business transactions. These can be used for employee corporate cards or to make card payments to vendors. We've highlighted a couple solutions below that we feel offer the most efficiencies to the Town if you wish to process more payments electronically in a secure manner. The first is Purchasing Card, which is an enhanced credit card program focused on expense management for card-in-hand transactions and employee use. The second is our Integrated Payables program, which automates your Payables and removes manual processing of payments made to your vendors.

Purchasing Card

Atlantic Union Bank partners with Elan Financial Services to offer Purchasing Card programs, called "One Card", to our clients. One Card will provide the Town with all the tools to effectively manage the expenses of Corporate Credit Cards as needed. Through the program management and reporting tool, "Access



Online", the Town will be able to control and manage card accounts online in real time, which include, but not limited to, setup and maintenance activities, limit adjustments, expense reporting, merchant category code controls, and corporate billing. The Town can emboss cardholder or department names on the plastic cards, and, while the default logo reads Atlantic Union Bank, the Town of Front Royal logo can be used on the cards for a one-time fee of \$300 (unlimited cards).

Integrated Payables

Atlantic Union Bank offers an award-winning electronic payables solution that provides a simple and secure way for companies to pay their vendors. Simply upload an existing check file, fund your payments and mark the items as paid. We handle all else, from the payments (whether its Card, ACH or Check), remittance delivery, and check recon for outstanding payments. Atlantic Union Bank's solution -powered by PaymerangSM- provides optimum efficiency, cost savings and security into your payables process and they handle the entire enrollment process. There is also the opportunity to earn rebate on transactions made through Card, allowing the potential to turn payments into a passive revenue stream for the Town.

- ☐ By implementing our electronic payment solution, accounting departments gain transparency and can refocus efforts on more strategic priorities like operational efficiency and financial controls
- ☐ Our electronic payment solution offers efficiency that saves finance teams thousands of hours, security that protects all types of payments from fraud, and financial rewards that turn accounts payable into a profit center.
- ☐ Secure vendor enrollment, payment delivery, reconciliation and positive pay comes standard with service enrollment.
- ☐ We provide solutions for enterprises around the country in education, public sector, healthcare, finance, media, manufacturing, construction, hospitality, services, and beyond.
- ☐ Our solution can be implemented in in less than 30 days and is system agnostic with minimal technical integration.

- **Describe the method and formula for interest calculations.**

For interest calculations, the rate is applied towards the monthly Average Collected Balance and factors in the total number of days for the specific month.

EXAMPLE: $5.15\% \times \text{Collected Balance} / 365 \times 31$

For Atlantic Union's Earnings Credit Rate, it applies towards collected balances maintained and this credit is used to offset service fees. The Bank determines the 'value' of account balances by multiplying the Average Available balance times an Earnings Credit Rate (ECR), which results in the Gross Account Earnings.

EXAMPLE: $0.50\% \times \text{Collected Balance} / 365 \times 31$

The Average Available balance calculation is determined by taking the Average Daily Ledger Balance and adjusting for float, uncollected funds advanced, and our reserve requirement.

- **Provide return history for overnight repo's or sweep investments from July 1, 2023 to December 31, 2023.**

The January 2023 – December 2023 standard investment return history for the Maximum Investment Sweep account is provided below.

- July 2023 – December 2023 = 2.25%

***Please note, as detailed in the "Sweep Accounts, or Other Investment Options" section in this RFP, that



the Town's new proposed rate strategy will increase above standard upon renewing banking services with Atlantic Union, thus becoming non-applicable.

- **What is the ledger cut-off time for deposits?**

The cutoff times for same day availability on deposits either through the branch or Remote Deposit Capture scanner is 5:00 PM EST.

- **Provide information on availability schedule for deposits made into Town accounts.**

Atlantic Union Bank's policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit, and the Town can be notified of these electronic deposits via email notifications.

Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving our deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before the bank closes on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the bank closes or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

- **Provide a list of bank holidays and closing policy for Front Royal branches.**

A list of Bank holidays for the 2024 calendar year is provided below. In the event that the Front Royal branch has an unforeseen closure within normal operating hours, the Relationship Team agrees to proactively contact the Town to inform them of the closure and expected times for reopening.

- New Year's Day Observance: January 2
- MLK Day: January 16
- President's Day: February 20
- Memorial Day: May 29
- Juneteenth: June 19
- 4th of July: July 4
- Labor Day: September 4
- Columbus Day: October 9
- Veteran's Day: November 11
- Thanksgiving Day: November 23
- Christmas Day: December 25

- **Describe bank's procedures to insure compliance with collateralization and other requirements of the Commonwealth of Virginia.**

Atlantic Union Bank is compliant with the Virginia Public Depositors Act. All public deposits receive special coding on the bank's core system. The bank has built-in multiple redundancies into its process and procedures to ensure proper coding. Aggregate public deposit levels are routinely monitored to ensure adequate collateral coverage under the Treasury Board's pooled collateral program. Monthly reporting to the Treasury Board receives multiple levels of review to ensure compliance. In addition, the bank's public fund reporting process is audited at least annually.

- **Describe any recommended investments available to the Town on a sweep**



arrangement or equivalent system.

As a secondary option to the Maximum Investment Sweep Account, Atlantic Union partners with IntraFi to deliver sweep accounts geared towards gaining full FDIC insurance on deposit balances. With Insured Cash Sweep (ICS), The Town can place all funds into a Demand Deposit Account knowing that the ICS funds are eligible for multi-million-dollar FDIC insurance that's backed by the full faith and credit of the US Government. When Atlantic Union places your funds into ICS, your deposit is sent from the Atlantic Union transaction account into deposit accounts at other ICS network banks in amounts below \$250k, the standard FDIC Insurance maximum. As a result, The Town can access FDIC insurance coverage from many institutions while working directly with Atlantic Union.

The Town would receive a regular monthly statement showing your ICS balances and other key information. ICS balances and other important information is tracked online through a specially designed Depositor Control Panel, while maintaining protection on confidential information, as opposed to the being made available on the Business eBanking platform.

- **When does the institution credit interest and dividends?**

Interest payments are currently credited to the Town by the 15th day of each month for the Maximum Investment Sweep Account. This can be changed to either beginning or end of month upon request.

- **Describe a conversion plan, if necessary, to transfer the Town's cash management services to your institution, including time estimates from the date of award.**

One of the many advantages of retaining your relationship with Atlantic Union Bank for banking services is that your accounts, sweeps, online banking, templates, automated payment arrangements, and customer service contacts are already in place and will not require a large, multi-month project for conversion.

In the event that the Town wishes to enroll in one of the new services highlighted in this RFP not currently being used today, like Lockbox, Integrated Payables or Remote Deposit Capture, your Relationship Team will execute a project plan to make the product enrollments as hands on and seamless as possible. Below you will find our general outline for the Bank's strategy on how to implement services for the Town from your existing financial institution:

1. Schedule kickoff call between the AUB Relationship Team and The Town.
2. Identify the appropriate structure, needs, and specificities of the product after consultation with your Treasury Management Officer.
3. Coordinate the paperwork and agreements to implement the service.
4. Once service is implemented, schedule training sessions with our Corporate Training Specialists and the Town for relevant services.
5. Maintain weekly (or bi weekly) meetings to monitor the transition, check in on product setups, answer any outstanding questions, and address any issues. Your Relationship Team will then set the expectation of annual reviews with the Town to review existing services and keep you up to speed with our new product offerings and cash management solutions.

Retail Lockbox or Remote Remittance Capture implementation typically takes 60 days upon receipt of signed agreements, while Integrated Payables can take 21 days or less. Remote Deposit Capture is 7 days or less.

Atlantic Union Bank offers a dedicated Treasury Support Team for comprehensive training and review of all treasury management services. Our Treasury Management Training Specialist provides live training webinar sessions via Zoom on new products, processes or system upgrades to our online banking platforms. All users are welcome to attend and participate and may attend more than one session. We also provide our clients easy to follow user guides and product training videos for additional training resources.



- **Describe the frequency and formats of reports that will be provided to the Town including samples if desired. What are the bank's policies regarding customized reports?**

Online Bank Statements are provided to the Town on the 1st business day each month, and Online Account Analysis Statements are provided by the 6th day each month.

There is automated balance reporting for all accounts within Business eBanking reflecting collected and ledger balances, as well as viewing access of paid checks and deposited items. In addition to previous and same-day reporting, Deposit & Activity Reporting is retained on the new system for 18 months.

Custom Reporting is available through Business eBanking, much of which is available at no additional cost. The Town can establish specific report formats that can include only certain payment types, whether credit or debit only. Certain file formats, like BAI2, can be added by upgrading to Premium Reporting, which is quoted in the "Pricing" section of this RFP.

Also included in that section are quotes for Data Transmission services. Atlantic Union Bank's Data Transmission Service is designed to help improve back-office operations by reducing paper-based processes and errors, and enhancing data visibility through automated reporting. With secure file transmission (sFTP), the Town can conveniently transmit and receive files through secure file transfer protocol. AUB will work with your designated technical contacts to establish file transmission protocol connection, run testing and ensure successful live production transmission. This is commonly used for ACH Transaction uploads and BAI2 file transmissions to have reporting feed directly to and from your accounting system.

- **Provide pricing information for all services proposed on a per item basis and in terms of compensating balances. State the time period for which these rates are guaranteed.**

Below you will find the Bank's pricing proposal to the County based on the services outlined in this RFP. We agree to guarantee this pricing structure for the full 5 years of the contract term. This excludes the rates quoted in earlier sections of this RFP for the Maximum Investment Sweep product, as those are subject to change based on fluctuating market conditions.

The "Service Descriptions" that are used in the spreadsheet below are based on the Town's existing services with Atlantic Union through your general Operating Account. Additional services, like Lockbox or Integrated Payables, would be quoted to the Town separate from this proposal after more in depth conversation with your Treasury Management Officer.



4. County of Nelson

Contact: Angela Hicks, Treasurer
434-263-7060

ahicks@nelsoncounty.org

Services: Online Banking, ACH, Wire, Positive Pay

5. Madison County

Contact: Stephanie Murray, Treasurer
540-948-4409

smurray@madisonco.virginia.gov

Services: Online banking, ACH, Wire, Positive Pay, Sweeps

• **Describe bank's ability, if available, to provide armor transport courier service.**

Atlantic Union partners with Loomis to receive our clients' significant cash deposits. Loomis is an industry leader in Armor Transport and Cash Vault services, and they have extensive experience working with municipalities and understanding their specific needs. The Town would contract directly with Loomis for the Armored Transport portion of the service. Once cash deliveries are picked up from the Town's location, they are taken to a secured Loomis vault location in Baltimore, MD, where the deposits are then processed and credited to the Town's account next business day.

If the Town wishes to utilize Armor Transport and Cash Vault Services, Steve Hickman, in close partnership with Loomis, will guide the conversations around implementation. Pricing for this service is custom and not enclosed within this proposal, since it will require further discussion between Atlantic Union, Loomis and the Town after the contract is awarded. Armored Car deliveries cannot be made directly to the Branch.

Atlantic Union also partners with Superior Press provide our clients with Smart Safe solutions. This allows for the Town to keep a safe on location that is able to take in cash deposits and provide next day credit to your Atlantic Union Bank account. Superior Press handles the once per week armored car pick up of the safe's cash contents, and also works with the Town in the case of any discrepancies. The Town would contract directly with Superior Press for this service, and pricing (including purchase of the safe and monthly maintenances) would require further conversation with the Town before quotes can be made available.

• **Provide description of any other services or information that would be beneficial in the evaluation of the proposal.**

This proposal has covered several additional services that fall outside the scope of the County's existing setups with Atlantic Union. These included Retail Lockbox, Remote Remittance Capture, Purchasing Card, Integrated Payables, and Insured Cash Sweep. The final three (Remote Deposit Capture, Solutions Banking, Invoice Automation) are included in this section for your consideration.

Remote Deposit Capture

AUB recommends the Town utilizes Remote Deposit Capture as an enhancement for the collection of the Town's check payments. This product allows the Town to deposit checks electronically whenever they arrive or whenever convenient for the staff, all with the goal of improving cash flow by making funds available sooner and increasing efficiency by reducing trips to the Branch and photocopying checks. Using a small desktop scanning device, the Town can scan and transmit deposits by 5 PM ET and the account gets credited the same day.

The device will capture the front and back image of each check with one pass, correct individual check amounts to ensure a balanced deposit, and automatically prepare deposits and verify image quality before the transmission is sent. The Town will receive deposit confirmation via email, and images are stored locally for research purposes for up to 2 years. Steve Hickman will work with the Town to implement this service, which includes the shipment of the scanner(s), training for the staff, and remote installation of software.



***As additional incentive for the Town to utilize Remote Deposit Capture, the Bank agrees to provide the Town two multi-feed scanners at no cost. We also agree to not charge any monthly maintenance fees for the Remote Deposit Capture in order to provide this service at no cost to the Town during the full 5-year term of the contract.

Solutions Banking

Solutions Banking is a no cost, opt in program that will provide consumer checking accounts to your employees with added benefits from traditional consumer checking accounts. Members will receive account perks such as; no minimum balance requirement, no monthly maintenance fee, reimbursement of two monthly foreign ATM fees, free first order of specialty checks along with free cashier's checks, check images, and Identity Theft Resolution Services. Additionally, we are dedicated to helping members set their financial goals and reach them by providing access to a suite of online learning tools, onsite seminars, credit reports and scores, and other financial wellness programs to help them manage current money matters and set them up for long-term financial health. Participating and launching the program will be streamline and simple. The Town will have a dedicated Solutions Banking Manager, who will do the work for you. Your Solutions Banking Manager will also schedule and organize onsite meetings, activities, and workshops, assist with account enrollments, and distribute any necessary promotional materials. The Town will notify Atlantic Union of their intent to participate so a dedicated solutions banking manager can be assigned to assist.

Invoice Automation

Our award-winning electronic invoice automation solution provides a simple and secure way to help companies gain efficiency, improve accuracy, enhance visibility and eliminate paper in their accounting processes. Atlantic Union Bank's invoice automation processor, Paymerang, handles the entire process, from secure vendor enrollment to payment delivery to reconciliation and customer service.

Invoice Automation Solution utilizes artificial intelligence to read captured invoices and extract data points which minimizes the amount of manual data entry. The product increases workflow efficiency through the ability to electronically route and approve invoices. Invoices can be ingested in bulk and split appropriately after they are loaded thus cutting down on time spent inputting invoices into the system. All actions taken on a given invoice are captured and documented, providing an electronic audit trail.



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Town of Front Royal, Virginia

Purchasing, Department of Finance

July 1, 2024

RE: RFP #8-2028 CASH MANAGEMENT SERVICES

The evaluation committee for Cash Management Services for Proposals has reached a consensus after proposals were scored and the committee met with and interviewed three (3) of the six (6) offerors. After elaborating on the financial institutions experience in similar types of services, understandings the needs and requirements of a municipal government, financial strength of proposing institution, experience/resources/qualifications of individuals to be assigned to the account, and value of new products/services, the evaluation committee would like to request Town Council to award a contract to Atlantic Union Bank, to provide Cash Management Services.

B.J. Wilson, Director of Finance

Laura McIntosh, Director of Human Resources

Sharon Pendleton, Manager of Finance



**REGULAR COUNCIL MEETING
CONSENT AGENDA STATEMENT**

Meeting Date: July 22, 2024

Item# 10B

Agenda Item: Pressure Reducing Valve (PRV) Vault Purchase for Jamestown Road

Summary: Council is requested to approve the purchase of a pressure reducing valve (PRV) vault in the amount of \$54,941.91 from Fortline Waterworks for Jamestown Road.

Budget/Funding: 9602-R47009 Waterline Maintenance Building & Structures

Meetings: Work Session held July 8, 2024

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve the purchase of a pressure reducing valve (PRV) vault in the amount of \$54,941.91 from Fortline Waterworks for Jamestown Road.

Moved _____ *Seconded* _____

VM Sealock _____ *Ingram* _____ *Morris* _____ *Rappaport* _____ *DeDomenico-Payne* _____ *Wood* _____



a MORSCO brand

CUSTOMER NO	QUOTING BRANCH	QUOTE NO	QUOTE DATE	PAGE
217011	FORTILINE HAYMARKET	6498809	5/28/24	1

CUSTOMER	PROJECT INFORMATION
TOWN OF FRONT ROYAL P.O. BOX 1560 FRONT ROYAL, VA 22630	8" PRV JAMESTOWN ROAD

LINE	QTY	UOM	DESCRIPTION	UNIT PRICE	TOTAL PRICE
150	1	EA	***** ITEM 001 - ONE (1) - PRECAST CONCRETE 8" X 2" PRV VAULT SUPPLIED WITH THE FOLLOWING: - 8" FLANGED PRESSURE REDUCING VALVE BY CLA-VAL MODEL 90G-01 (30-300 PSI ADJ. RANGE) - TWO (2) 8" FLANGED NRS GATE VALVES WITH HAND WHEELS - 8" FLANGED DUCTILE IRON PIPE WITH CAST IRON FITTINGS WITHIN THE PRV VAULT WITH PLAIN END STUB OUTS EXTENDING 24" OUTSIDE THE STRUCTURE FOR YOUR CONNECTION TO THE FORCE MAIN. - 2" THREADED PRESSURE REDUCING VALVE BY CLA-VAL MODEL 90G-01 (30-95 PSI ADJ. RANGE) - TWO (2) 2" BRASS BALL VALVES WITH LEVER HANDLE. - 2" BRASS PIPE AND FITTINGS WITHIN THE PRV VAULT - PRESSURE GAUGES MOUNTED UNDER ACCESS HATCH FOR EASY VIEWING. - ADJUSTABLE STEEL PIPE SUPPORTS (CUSTOM MADE TO MATCH SLOPE) - 36" X 36" CAST IRON ACCESS HATCH SUPPLIED FOR TOWN OF FRONT ROYAL FOR OUR INSTALLATION PRIOR TO SHIPPING - ALUMINUM ACCESS LADDER SHIPPED LOOSE FOR INSTALLATION BY OTHERS - BLOCK OUT FOR 8" FLOOR DRAIN (PIPING TO DAY LIGHT BY OTHERS) - CUSTOM VAULT WITH INLET AND OUTLET SLOTS FOR ONSITE PIPE ADJUSTMENT TO MATCH GRADE. - VAULT POURED WITH 5000PSI STEEL REINFORCED CONCRETE. - VAULT DESIGNED FOR H-20 LOADING.	54,941.9100	54,941.91

ALL STOCK DELIVERIES ARE SUBJECT TO SHIPPING CHARGES

All PVC and HDPE material is quoted for shipment within 7 days of quote/bid date. All other material is quoted for shipment within 30 days of quote/bid date.
After 7 days for PVC and HDPE or 30 days for all other material, ALL quoted prices are subject to review based on current market conditions.



TOWN OF FRONT ROYAL QUOTE TABULATION

VENDOR	FORTLINE WATERWORKS, HAYMARKET, VA	CORE & MAIN, MARTINSBURG, WV	FERGUSON WATERWORKS, WINCHESTER, VA
8" PRECAST CONCRETE PRV VAULT PER TOWN SPECIFICATIONS	\$54,941.91	\$55,200.00	\$58,680.13
Total Base Bid	\$54,941.91	\$55,200.00	\$58,680.13

The VENDOR SPREAD SHEET is generated from the initial, raw information collected. No award decision has been made.

Apparent Lowest Quote: Fortline Waterworks

Prepared By: B.J. Wilson, Director of Finance



Town of Front Royal Public Works

MEMORANDUM

TO: Michelle Campbell, Purchasing Manager

CC: B.J. Wilson, Finance Director

FROM: Robert B Boyer, Public Works Director

DATE: July 1, 2024

SUBJECT: Recommendation to Award Pressure Reducing Vault Bid

The town obtained three price quotes for a pre-cast pressure reducing vault to replace the existing Jamestown Rd vault. This allows the high pressure from the Route 55 storage tank to be adjusted down to prevent issues. We recommend awarding the purchase to the lowest bidder, Fortiline Water Works, out of Haymarket Va for \$54,941.91. The town has purchased pre-cast Pressure reducing vaults from this vendor before and the quality and service was good. The funding for this purchase and the cost of installation is budgeted under 9602-R47009 ,PO# 31027 waterline maintenance building & structures.

If you have any questions or need any further information, please contact me at 540-692-4789.

Thank You.



REGULAR COUNCIL MEETING CONSENT AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 10C

Agenda Item: Appointments to the Local Board of Building Code Appeals (LBBCA)

Summary: Council is requested to appoint one member to the Local Board of Building Code Appeals (LBBCA) to an unexpired term ending November 1, 2027, and one alternate to a 4-year term ending July 22, 2028.

Budget/Funding: N/A

Meetings: Work Session held July 1, 2024

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council appoint Ann Shaffer to the Local Board of Building Code Appeals (LBBCA) for an unexpired term ending November 1, 2027, and Michael Spence as an alternate to the LBBCA to a 4-year term ending July 22, 2028.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____



REGULAR COUNCIL MEETING CONSENT AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 10D

Agenda Item: Appointment to the Board of Zoning Appeals (BZA)

Summary: Council is requested to appoint a member to the Board of Zoning Appeals (BZA) to an unexpired term beginning July 27, 2024 and ending May 1, 2025.

Budget/Funding: N/A

Meetings: Work Session held July 1, 2024

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council appoint Maria Dutton to the Board of Zoning Appeals (BZA) to an unexpired term beginning July 27, 2024 and ending May 1, 2025.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____



REGULAR COUNCIL MEETING CONSENT AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 10E

Agenda Item: Appointment to the Planning Commission

Summary: Council is requested to appoint a member to the Planning Commission for an unexpired term ending August 31, 2027.

Budget/Funding: N/A

Meetings: Work Session held July 8, 2024

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council appoint L. Allen Nee to the Planning Commission to an unexpired term ending August 31, 2027.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____



REGULAR COUNCIL MEETING AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 11A

Agenda Item: Consider a Proposed Resolution Calling for the Dissolution of *The Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia* and the Appointment of a Receiver.

Summary: The FRWCEDA, having failed to furnish audits for those years beyond 2019, being in default of its obligations and insolvent, and unable able to carry out its statutory obligations and purpose in pursuing economic development, the proposed resolution calls on the EDA Board of Directors to settle EDA debt and otherwise windup its affairs in an expedited manner and dissolve pursuant to Virginia Code §15.2-4914, or, the EDA failing to do so, for the Town and County to petition the Circuit Court for a court-appointed receiver in equity pursuant to Virginia Code §15.2-4910 for that purpose

Budget/Funding: N/A

Meetings: ongoing

Proposed Motion: I move that council approve the Resolution Calling for the Dissolution of *The Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia* and the Appointment of a Receiver as presented.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____

RESOLUTION CALLING FOR THE DISSOLUTION OF *THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF FRONT ROYAL AND THE COUNTY OF WARREN, VIRGINIA* AND THE APPOINTMENT OF A RECEIVER

WHEREAS, the Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia, a separate political subdivision of the Commonwealth of Virginia (“EDA”), was created jointly by the governing bodies of the Town of Front Royal (“Town”) and the County of Warren (“County”), effective December 21, 1967, pursuant to Virginia’s Industrial Development and Revenue Bond Act (“Act”); and,

WHEREAS, the legislative intent and statutory purpose of the Act is for industrial development authorities to “acquire, own, lease, and dispose of properties and make loans to the end that such authorities may be able to promote industry and develop trade by inducing manufacturing, industrial, governmental, nonprofit, and commercial enterprises, and institutions of higher education to locate in or remain in the Commonwealth...”; and,

WHEREAS, under the Act (Virginia Code §15.2-4904(F)) and Virginia Code §30-140, the EDA “...**shall keep suitable records of its financial transactions...**” and “...**shall arrange to have the records audited annually...**copies of each such audit shall be furnished to the governing body of the locality and shall be open to public inspection.”; and,

WHEREAS, under the Act, “[a]ll expenses incurred in carrying out the provisions of this chapter shall be payable solely from the funds of the authority and no liability or obligation shall be incurred by the authority hereunder beyond the extent to which moneys shall be available to the authority” (Virginia Code §15.2-4909 (C)); and,

WHEREAS, in 1991, the EDA, Town and County agreed that, 1) upon dissolution of the EDA, the Town and County shall receive an equal division of all EDA property, and 2) that if the EDA was in possession of property or profits in excess of that needed to carry on the EDA function then said excess property or profits shall be distributed to the Town and County in equal shares; and,

WHEREAS, in 1995, the Town and County agreed to an “Economic Development Partnership” which established a future funding framework for the funding of EDA operational budgets as well as capital funding for industry incentives. Representation on the EDA Board of Directors was changed to reflect the proportional funding framework, with two directors to be appointed by the Town and five directors to be appointed by the County; and,

WHEREAS, in 1999, the EDA, Town and County entered into a *Memorandum of Understanding* (“Avtex MOU”) regarding the future use and disposition of the Avtex Fibers, Inc. industrial site consisting of approximately 428.2 acres (“Avtex Property”). Pursuant to the Avtex MOU, the Town and County are to be given control of certain parcels of the Avtex Property and are to receive reimbursement of expenses from the proceeds of sales of other parcels; and,

WHEREAS, in 2012, the Town and County approved a *Memorandum of Understanding*

Regarding Funding the Operations Budget of the EDA, thereby amending the “fair funding formula” established by the Town and County in 1995, relieving the Town of any obligation to fund the EDA’s operational budget, and ending any Town operational oversight through the appointment of directors to the EDA board; and,

WHEREAS, in 2015, the EDA, despite having accepted a deed of dedication from HEPTAD, LLC conveying a 2.343 acre parcel (“HEPTAD Parcel”) “...as right-of-way for the construction and improvement of Leach Run Parkway...**created for future dedication to the Town of Front Royal for public street use**”, has failed or refused to convey the HEPTAD Parcel to the Town; and,

WHEREAS, in 2018, facts began coming to light establishing that during the years 2014-2018, the EDA’s executive director was engaged in an embezzlement scheme resulting in losses to the EDA in the millions of dollars; and,

WHEREAS, in 2019, the EDA confessed judgment in favor of First Bank and Trust Company (“FB&T”) in the amount of \$9,015,742.18 with interest at 6%. Said confessed judgment was paid and satisfied in full by the EDA March 8, 2022 using proceeds from a FB&T loan consolidation (see “Loan Agreement” below); and,

WHEREAS, in 2019, without reciting any statutory authority in support of taking such action, the EDA and County entered into a “Memorandum of Understanding for Fiscal Agency Services” (“Fiscal Agent MOU”) under the terms of which “[t]he County agrees to receive, account, segregate, and maintain all revenues of and all other money, grants, contributions and other financial assistance received by the Authority and to establish and maintain a separate interest bearing checking account to hold all unexpended funds of the Authority”, and to “...perform annual auditing services for the Authority as a separate component of the annual County audit...” Effective June 25, 2024, the EDA and County renewed the Fiscal Agent MOU for an additional five (5) years; and,

WHEREAS, the Fiscal Agent MOU notwithstanding, the EDA has failed to furnish the Town with annual audits, the Town having last received an annual audit of EDA financial records in October 2021 for fiscal years 2018 and 2019; and,

WHEREAS, on March 2, 2022 the EDA entered into a “Loan Agreement” with FB&T in the amount of \$12,350,000, secured by a mortgage on “Land and Improvements” and a “Support Agreement” between the EDA, FB&T and the County, for the stated purpose “to payoff and refinance certain existing indebtedness of Borrower to Lender and to First Bank Strasburg”, thereby incurring a new liability or obligation beyond the extent to which moneys were available to the EDA, in apparent violation of Virginia Code §15.2-4909 (C), with the terms of the Loan Agreement ceding control over its assets, debt, and its ability to dissolve, and establishing “Events of Default” including, but not limited to, default in payment or in the Support Agreement, the admission, in writing, of the inability to pay debts as they become due, and default on other indebtedness in excess of \$10,000, and,

WHEREAS, in December 2023, the EDA issued a debt status summary statement showing a total indebtedness of \$33,146,993.25, comprised of four (4) bank loans totaling \$24,062,196.70 owed to First Bank and Trust and United Bank (“the Banks”), and since that time, EDA officers have made numerous public written statements concerning the EDA’s dire financial condition, including, but not limited to, the lack of operating funds, a potential “fire sale” of real estate assets, and that the EDA is no longer able to pursue economic development; and,

WHEREAS, on July 2, 2024, United Bank issued notices of payment default to the EDA on two loans totaling \$4,236,325.22, with claimed past due amounts totaling \$38,968.86, with each corresponding promissory note containing a confessed judgment provision in the event of default; and,

WHEREAS, on information and belief, while insolvent, the EDA is currently negotiating one or more forbearance agreements with FB&T in an effort to avoid loan defaults, potentially in violation of Virginia Code §15.2-4909 (C); and,

WHEREAS, under the Act (Virginia Code §§15.2-4902 and 15.2-4910), “‘bonds’ or ‘revenue bonds’ embraces notes, bonds and other obligations authorized to be issued by the authority”, and that, “[e]ach pledge, agreement and trust indenture made for the benefit or security of any of the bonds of the authority shall continue effective until the principal of and interest on such bonds have been fully paid. **In the event of default in such payment or in any agreements of the authority made as a part of the contract under which the bonds were issued...such payment or agreements may be enforced...by the appointment of a receiver in equity...**”; and,

WHEREAS, the EDA is insolvent, having failed to meet its obligations as they become due, and with the Banks claims to EDA assets upon default, the County and the Banks have become *de facto* receivers of EDA assets, requiring a court-appointed receiver to ensure that the public trust is maintained and that publicly held assets are not wasted; and,

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town that, the EDA having failed to furnish audits since 2019, being in default of its obligations, being insolvent, and not being able to carry out its statutory obligations and purpose in pursuing economic development, the Town having a claim to EDA assets both now and upon dissolution, the Town hereby calls on the EDA Board of Directors to settle EDA debt and otherwise windup its affairs in an expedited manner, and to dissolve pursuant to Virginia Code §15.2-4914, or, the EDA failing to do so, the Town further resolves that the governing bodies immediately petition the Circuit Court for a court-appointed receiver in equity pursuant to Virginia Code §15.2-4910 for that purpose, and calls on the County to join the Town in support of this Resolution.

This Resolution is effective upon passage.

APPROVED:

Lori A. Cockrell, Mayor

ATTEST:

Tina L. Presley, Clerk of Council

This Resolution was approved at the Regular Meeting of the Town of Front Royal, Virginia Town Council conducted on _____, 2024 upon the following recorded vote:

Melissa DeDomenico-Payne	☐ Yes ☐ No	H. Bruce Rappaport	☐ Yes ☐ No
Joshua L. Ingram	☐ Yes ☐ No	Glenn Wood	☐ Yes ☐ No
Amber F. Morris	☐ Yes ☐ No	R. Wayne Sealock	☐ Yes ☐ No

Approved as to Form and Legality:

George M. Sonnett, Jr., Town Attorney

Dated: _____

DRAFT



CLOSED MEETING AGENDA STATEMENT

Meeting Date: July 22, 2024

Item# 12

MOTION ON TO GO INTO CLOSED MEETING

[to be approved by affirmative recorded vote, with motion set forth in detail in the minutes]

I move that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purpose:

- 1) consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, more specifically two loan default letters received from United Bank regarding FRWCEDA debt.

Motion to Certify Closed Meeting at its Conclusion

[At the conclusion of the Closed Meeting, immediately re-convene in open meeting and take a roll call vote on the following:]

I move that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Moved _____ Seconded _____

VM Sealock _____ Ingram _____ Morris _____ Rappaport _____ DeDomenico-Payne _____ Wood _____