City of Manassas, Virginia
City Council Meeting

AGENDA

City Council Regular Meeting
Jennie Dean Elementary School Auditorium
9601 Prince William Street
Manassas, VA 20110
Monday, July 10, 2023

Call to Order - 5:30 p.m.

Roll Call

Invocation and Pledge of Allegiance

Community and Staff Presentations

Commendation: African-American Heritage Foundation of Manassas City
Commendation - African American Heritage Foundation

Council Time

Mayor Time

Staff Reports

1. Consent Agenda

All matters listed under the consent agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

SUGGESTED MOTION: "I move that the Consent Agenda be approved and the readings of the ordinances be dispensed."

SUGGESTED MOTION #2: "I move that Items # and # be removed from the Consent Agenda and be added as Items # and #, respectively, and that the remaining Consent Agenda items be approved as it now appears and the readings of the ordinances be dispensed."

1.1 Commendation: African-American Heritage Foundation of Manassas City
Commendation - African American Heritage Foundation

1.2 Approval of Minutes: June 10, 2023, City Council Retreat and June 26, 2023 City Council Regular Meeting.
(Staff: Lee Ann Henderson, City Clerk)
06-10-2023 Minutes (Retreat)
06-26-2023 Minutes

1.3 Ordinance #O-2023-24: An Ordinance to Amend the Franchise between the City of Manassas and HEF JPC Hangar, LLC (2nd Amendment) by Adding Additional Aeronautical and Non-Aeronautical Activities to the Approved Uses Found in Article 3 of the Franchise Agreement (Second Reading)
(Staff: Juan Rivera, Manassas Regional Airport Director)
Agenda Statement - Ordinance -Amendment 2 for Franchise Lot N-4
O-2023-24 - Airport Lot N-4 Amendment No 2

2. Public Hearing(s)

2.1 Public Hearing: ZTA #2022-0001, Housing Technical Amendments
(Staff: Christian Samples, AICP, Planning Manager)
Agenda Statement - ZTA 2022-0001 - Housing Technical Amendments
Memorandum
Attachment 1. Ordinance #O-2024-23
Attachment 2. Housing Draft Technical Amendments - Redline
Attachment 3. Public Comments
Attachment 4. Power Point Presentation

2.2 Public Hearing: Terminal Building Development and Ground Lease for the Provision of Passenger Airline Service at the Manassas Regional Airport
(Staff: Juan Rivera, Manassas Regional Airport Director)
Agenda Statement - Franchise Public Hearing Avports Franchise
Ordinance #O-2024-02
Public Hearing Presentation for Commercial Air Service

3. Ordinances and Resolutions

3.1 Resolution #R-2023-83: Resolution Recommending Approval of a Facade Grant for 8951 Center Street
(Staff: Patrick Small, Economic Development Director)
Agenda Statement - 8951 Center
8951 Center2
R-2024-01 - Facade Grant 8951 Center Street

3.2 Resolution #R-2024-02: Resolution Amending the Council Rules of Procedure
(Staff: Craig Brown, City Attorney)
Agenda Statement - Rules of Procedure
R-2024-02 - Rules of Procedure
CouncilRulesofProcedure
CodeofConductRevision

3.3 Resolution #R-2024-03: Micron Amended City Customer Transfer Agreement with Dominion Virginia Power
(Staff: Tony Dawood, Utilities Director)
Agenda Statement - Resolution R-2024-03 - Micron Amended City Customer Transfer Agreement with DVP.
R-2024-03 - Micron Amended Agreement
Micron Agreement
Third Amendatory Agreement (Transfer Agmt City and Dev) (DEV 5-22-23-draft final

4. Public Comment

The Public Comment portion of the agenda is set aside for those residents who wish to address the Council for less than three minutes each. Residents need not give prior notice to the City to speak during the Public Comment portion of the agenda. Residents may address the Council for longer than three minutes if they ask the City Manager for a place on the agenda at least four working days before the meeting.

Adjournment

COMMENDATION

WHEREAS, the African American Foundation of Manassas City held its inaugural African American Heritage Festival in August, 1990 *"To Spotlight, Celebrate, and Commemorate the rich diversity in our Culture."*; and

WHEREAS, the African American Heritage Foundation of Manassas City is proud to present a family friendly celebration of African American arts and culture at Metz Middle School; and

WHEREAS, the festival program plan was developed under the auspices of the African American Foundation. For the past 32 years, the first Saturday in August has marked the African American Heritage Festival in Manassas City; and

WHEREAS, over the years the festival has grown to include more than 150 exhibitors, including arts and crafts dealers, retailers of African Wares, youth groups, local bands and church choirs, colleges and school exhibits, Health Fair, Business and Job Expos, Classic Car Show and great food vendors.

NOW THEREFORE, I, Michelle Davis-Younger, Mayor of the City of Manassas, Virginia, on behalf of the Manassas City Council, do hereby commend the

African-American Heritage Foundation of Manassas City

On its unwavering commitment to the betterment of Manassas City and the lives of its residents and encourages everyone to enjoy the African American Heritage Festival at Metz Middle School.

ATTEST:

Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

Lee Ann Henderson City Clerk

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ATTEST:

Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

Lee Ann Henderson City Clerk

A Special Meeting of the Council of the City of Manassas, Virginia was held on the above date at Airlie (6809 Airlie Road, Warrenton, Virginia), with the following present on roll call: Mayor Michelle Davis-Younger, Vice Mayor Pamela J. Sebesky, Tom Osina, Ralph J. Smith, Sonia Vasquez Luna and Mark D. Wolfe; City Manager W. Patrick Pate, City Attorney Craig Brown, City Clerk Lee Ann Henderson, Police Chief/Assistant City Manager Doug Keen, Community Development Director/Assistant City Manager Matt Arcieri, and Finance Director/Assistant City Manager Diane Bergeron.

Mayor Davis-Younger called the meeting to order at 8:37 a.m.

Council Member Theresa Coates Ellis joined the meeting at 8:48 a.m.

1. The Amazing Future of Manassas

City Manager Pat Pate welcomed everyone and reviewed the agenda for the retreat. Andy Duke from SGR gave a brief history and overview of SGR and his background. He facilitated discussion with the Council Members on their vision for Manassas.

2. Principles of Good Governance

Mr. Duke lead a discussion with Council on the Pyramid of Leadership and Strategic Visioning.

BREAK

3. What Does Good Governance of our City Look Like?

Mr. Duke lead Council in a discussion of the five responsibilities of the Council and the Council's role in governance.

LUNCH

4. Team Dynamics

Council discussed the dynamics of a team and the challenges every team faces.

BREAK

5. Next Steps

Council discussed what goals can be attained in the next 90 days and the next steps for Council and the City.

ADJOURNMENT

Mayor Davis-Younger declared the meeting adjourned at 3:47 p.m.

Mayor

City Clerk

Date Approved

A Regular Meeting of the Council of the City of Manassas, Virginia was held in the Jennie Dean Elementary School Auditorium on the above date with the following present on roll call: Mayor Michelle Davis-Younger, Vice Mayor Pamela J. Sebesky, Council Members Tom Osina, Ralph J. Smith, Sonia Vasquez Luna; City Manager W. Patrick Pate, City Attorney Craig Brown, City Clerk Lee Ann Henderson, Police Chief Doug Keen, Assistant City Manager/Planning and Community Development Director Matt Arcieri, Airport Director Juan Rivera, Utilities Director Tony Dawood, Communications Director Patty Prince, Senior Communication Coordinator Lisa Sievel-Otten, and Communications Coordinator/Translator Kelly Koch. Council Member Wolfe was absent from meeting.

Mayor Davis-Younger called the meeting to order at 5:30 p.m.

Approval of a Councilor's Participation in the City Council Meeting by Remote Electronic Communications

Mayor Davis-Younger explained that Council Member Theresa Coates Ellis has requested to attend the meeting by remote electronic communication due to her being out of town on vacation.

Motion:	Vice Mayor Sebesky moved Approval of a Councilor's Participation in the City Council Meeting by Remote Electronic Communications
Second:	Council Member Smith
Vote:	Motion Carried Unanimously Absent from Meeting: Wolfe

Council Member Theresa Coates Ellis joined the meeting via telephone at 5:35 p.m.

Mayor Davis-Younger delivered the invocation and led those present in the Pledge of Allegiance.

COMMUNITY AND STAFF PRESENTATION

Proclamation: Parks and Recreation Month

Council Member Tom Osina presented the Parks and Recreation Month Proclamation to the City's Parks, Culture and Recreation Manager Kisha Wilson-Sogunro, Parks and Recreation Committee Chair Andrew Morris, and the Boys and Girls Club Athletic Director Robert Cummings

Manassas City Police Department Recognitions – 2023 Police Camp Cadets and New Hires

Police Chief Doug Keen presented the following 2023 Police Camp Cadets and the City's newly sworn Police Officers.

Newly Sworn Police Officers

Officer G
Officer Labrada
Officer Vasquez

COUNCIL TIME

Council Member Ellis had no comments.

Council Member Smith had no comments.

Council Member Vasquez Luna stated that she attended the Bee Festival and the Puerto Rican Festival. She stated that she is looking forward to Park Day on July 15 and that she enjoys the City's Parks. She wished everyone a happy Independence Day.

Council Member Osina congratulated Council Member Ellis on organizing the Bee Festival and stated that it was a great event. He stated that the Parks and Recreation Committee will be hosting a Park Day Event on July 15. Council Member Osina wished everyone a happy Fourth of July.

Vice Mayor Sebesky stated that she attended the Bee Festival and mentioned that it was a great event. She congratulated the City's new police officers and the 2023 Police Camp Cadets. The Vice Mayor mentioned that she, along with Council Member Osina, attended the Virginia Municipal League's Elected Officials Conference. She also wished everyone a happy Fourth of July.

Council Member Wolfe was absent from meeting.

MAYOR'S TIME

Mayor Davis-Younger stated that she was unable to attend the Bee Festival but heard that it was a great event. She thanked Council Member Ellis for putting this event together.

Mayor Davis-Younger stated that she was the keynote speaker for Strayer University' graduation ceremony this past Saturday.

Mayor Davis-Younger stated that she had visited the Senior Center and enjoyed spending the day with the City's seniors.

Mayor Davis-Younger thanked those who attended the Olde Towne Inn Community Conversations that were held to provide input on development options for the site.

Mayor Davis-Younger stated that beginning on July 7 and on Friday's through the months of July and August she will begin her "Mid-day with the Mayor" events.

Mayor Davis-Younger mentioned the upcoming Route 28 Ribbon Cutting.

Mayor Davis-Younger mentioned the upcoming Joint School Board meeting.

Mayor Davis-Younger wished everyone a happy Fourth of July.

Mayor Davis- Younger mentioned that the J.E. Rice store will have new owners beginning in July. She commended and thanked the J.E. Rice owners for all of their years of service provided to the City of Manassas residents.

STAFF REPORTS

City Manager Pat Pate introduced the Communications Director Patty Prince who provided a brief presentation on the Trains off the Track project in the historic downtown.

The City Manager had Utilities Director Tony Dawood provide an update on the city's electric service and explained the reason for electric outages that have been occurring and the actions that are being taken to update the distribution center and substations to increase reliability.

Mr. Pate stated that Stonewall Park pool is open everyday except for those days that it will be closed for swim meets.

The City Manager mentioned the continuing work with Annaburg Manor.

Mr. Pate mentioned that the Museum will be open to the public on July 29.

Mr. Pate mentioned that City residents will be receiving notice on how to check if their pipes are lead pipes.

Mr. Pate stated that the city's water plant was awarded the 2022 Gold Performance Excellence Award.

The City Manager mentioned the upcoming Route 28 Ribbon Cutting ceremony.

Vice Mayor Sebesky asked that a notice be sent out by social media of the current outages along with a number to report outages.

1. CONSENT AGENDA

Motion: Council Member Smith moved to approve Consent Agenda Items 1.1 - 1.2 and that the reading of the ordinances be dispensed.

1.1 Proclamation: Parks and Recreation Month
1.2 Approval of Minutes: Regular City Council Meeting of June 12, 2023

Second: Vice Mayor Sebesky
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

2. ORDINANCES AND RESOLUTIONS

2.1 Resolution #R-2023-73: SUP #2023-0005, 8750 Weems Road, Weems Elementary School

Assistant City Manager/Planning and Community Development Director Matt Arcieri stated that staff recommends approval.

Motion: Council Member Vasquez Luna moved to approve Resolution #R-2023-73: SUP #2023-0005, 8750 Weems Road, Weems Elementary School
Second: Vice Mayor Sebesky
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

2.2 Resolution #R-2023-74: SUP #2023-0006, 9075A Park Avenue, Haydon Elementary School

Assistant City Manager/Planning and Community Development Director Matt Arcieri stated that staff recommends approval.

Motion: Council Member Vasquez Luna moved to approve Resolution #R-2023-74: SUP #2023-0006, 9075A Park Avenue, Haydon Elementary School
Second: Vice Mayor Sebesky
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

2.3 Resolution #R-2023-79: A Resolution Making Appointments to Boards, Committees, and Commissions

Motion: Council Member Osina moved to approve Ordinance #O-2023-15: REZ #2022-0004, 8812 Wesley Avenue, Manassas Square (First Reading)
Second: Vice Mayor Sebesky
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

2.4 Resolution #R-2023-82: A Resolution Approving a Consent and Estoppel Agreement Between the City of Manassas and HEF JPC Hangar, LLC, that Consents to the Assignment of the Franchise of Chantilly Air, Inc.

Airport Director Juan Rivera provided a brief explanation to this agreement and stated that the Airport Commission and staff recommends approval.

Motion: Vice Mayor Sebesky moved to approve Resolution #R-2023-82: A Resolution Approving a Consent and Estoppel Agreement Between the City of Manassas and HEF JPC Hangar, LLC, that Consents to the Assignment of the Franchise of Chantilly Air, Inc.
Second: Council Member Vasquez Luna
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

2.5 Ordinance #O-2023-24: An Ordinance to Amend the Franchise between the City of Manassas and HEF JPC Hangar, LLC (2nd Amendment) by Adding Additional Aeronautical and Non-Aeronautical Activities to the Approved Uses Found in Article 3 of the Franchise Agreement (First Reading)

Airport Director Juan Rivera explained the upcoming changes that HEF JPC Hangar, LLC would like to accomplish. He stated that the Airport Commission and staff recommend approval.

Motion: Vice Mayor Sebesky moved to approve Ordinance #O-2023-24: An Ordinance to Amend the Franchise between the City of Manassas and HEF JPC Hangar, LLC (2nd Amendment) by Adding Additional Aeronautical and Non-Aeronautical Activities to the Approved Uses Found in Article 3 of the Franchise Agreement (First Reading)
Second: Council Member Smith
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

3. NEW BUSINESS

3.1 Bid Opening: City-wide Nonexclusive Franchise for the Installation, Operation, and Maintenance of Underground Telecommunication Conduits in Public Right-of-Way within the City of Manassas

Mayor Davis-Younger opened and marked the received bid and provided the bid to the City Attorney Craig Brown.

City Attorney Craig Brown recommended that City Council hold a public hearing and first reading during their July 10 meeting.

Motion: Council Member Osina moved to Schedule the Public Hearing and First Reading for the City-wide Nonexclusive Franchise for the Installation, Operation, and Maintenance of Underground Telecommunication Conduits in Public Right-of-Way within the City of Manassas
Second: Council Member Vasquez Luna
Vote: Motion Carried Unanimously
Absent from Meeting: Wolfe

3.2 Presentation by AVPORTS Manassas, LLC

Airport Director Juan Rivera introduced AVPORTS representatives who provided a presentation to the Mayor and City Council members on the advances they would like to provide at the airport.

4. PUBLIC COMMENT

Lynn Forkell Greene stated that she appreciated the conversation that took place with the substation.

ADJOURNMENT

Mayor Davis-Younger declared the meeting adjourned at 7:32 p.m.

_____ _____
Mayor City Clerk

_____
Date Approved

City of Manassas

Manassas City Council
9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	5 minutes
Agenda Title:	Ordinance #O-2023-24: An Ordinance to Amend the Franchise Between the City of Manassas and HEF JPC Hangar LLC (2nd Amendment) by adding additional aeronautical & non-aeronautical activities to the approved uses found in Article 3 of the Franchise Agreement.
Recommendation:	Approve Ordinance #O-2023-24.
Motion:	I move to approve Ordinance #O-2023-24 on Second Reading
Date Last Considered by City Council:	N/A
Summary and/or Comments:	HEF JPC Hangar LLC is requesting the ability to conduct additional aeronautical and non-aeronautical activities on the premises of their franchise leasehold. The new aeronautical activities would include research and development, design and testing, engineering, manufacture and assembly of hybrid-electric, ultra-short takeoff and landing (eSTOL) aircraft. All other terms and conditions of the Franchise between HEF JPC Hangar LLC. and the City of Manassas remain in full force and effect.
Board – Committee – or Commission Reviewed:	The Airport Commission approved the request for additional uses and recommended that the City Council do the same at their meeting on June 15, 2023. First reading approved June 26, 2023, by a vote of 5-0-1.
Fiscal Impact:	N/A
Staff Contact:	Juan E. Rivera, Airport Director jrivera@manassasva.gov (703) 361-1882

O-2024-24

AN ORDINANCE TO AMEND THE FRANCHISE AGREEMENT FOR

THE LEASE OF PROPERTIES BETWEEN THE CITY OF MANASSAS AND

HEF JPC HANGAR LLC

FOR LOT N-4

ORDINANCE

First Reading: June 26, 2023
Second Reading:
Enacted:
Effective:

1. BE IT ORDAINED by the Council of the City of Manassas meeting in regular session this 26th day of June, 2023, the following described Ordinance, the same being effective the ____ day of _____ 2023, by and between the City of Manassas and HEF JPC Hangar LLC, shall be granted in the mode prescribed by laws for Franchise grants and leaseholds and being subject to the conditions, rights and privileges embodied in the following ordinance set forth below.

* * * * * *

SECOND AMENDMENT TO THE FRANCHISE BETWEEN THE CITY OF MANASSAS AND HEF JPC Hangar LLC. FOR THE LEASE OF LOT N-4

WHEREAS, the City of Manassas leased to Chantilly Air, Inc. a parcel of land on the east side of the Manassas Regional Airport, being designated and referenced as Lot N-4 defined in Exhibit A of the franchise, hereinafter referred to as "Leased Premises"; and

WHERES, Chantilly Air, Inc. was the original Franchise Agreement holder dated November 1, 2005 (Ordinance O-2006-07), as amended by the First Amendment of Franchise dated October 12, 2009 (Ordinance O-2010-03), with the City; and

WHEREAS, Chantilly Air requested that the City of Manassas approve the assignment of the Franchise Agreement to HEF JPC Hangar LLC; and

WHEREAS, the City of Manassas approved the request to assign the Franchise to HEF JPC Hangar LLC on June 26, 2023; and

WHEREAS, Lot N-4 that currently consists of approximately 2.1 acres (91,476 s.f.) known as the Leased Premises; and

WHEREAS, the Franchise grants to HEF JPC Hangar LLC the non-exclusive privilege to operate, conduct and perform the following services on the Leased Premises:

3.1.1 For administration and operations offices, maintenance shops and lounges used in connection with the purposes authorized hereunder.

3.1.2 Parking, storage, servicing, repair and maintenance of aircraft owned or leased by the Lessee or permitted sublessee (under §12.4) stored in the hangar.

3.1.3 Corporate flight operations.

3.1.4 Aircraft charter operations (Part 135), including provision of goods and services customarily related to corporate flight or aircraft charter operations.

3.1.5 Office rental

3.1.6 Aircraft Management

3.1.7 For the purpose of this Agreement, Aircraft Management is defined as the oversight, personnel administration, reporting, maintenance administration, scheduling and dispatching of an aircraft not owned or leased by the Franchise holder.

3.1.8 Any other goods and services related to any of the foregoing purposes; and

3.1.9 Sale and/or Brokerage of new and used aircraft.

WHEREAS, the Lessee has requested by letter to amend the Franchise to include research and development, design, testing, engineering, manufacture and assembly of hybrid-electric, ultra-short takeoff and landing (eSTOL) aircraft to the list of uses allowed under the Article 3 of the Franchise to its approved uses; and

WHEREAS, Article 3, section 3.2 of the Franchise states the Lessee shall notify the Airport Director in writing its desire to offer such additional services; and

WHEREAS, the Manassas Regional Airport Commission has thirty (30) days to consent to or to deny the Lessee the nonexclusive privilege to do so; and

WHEREAS, the City and the Lessee are mutually desirous of entering into an Agreement to add research and development, design, testing, engineering, manufacture and assembly of hybrid-electric, ultra-short takeoff and landing (eSTOL) aircraft to the list of uses allowed under the Article 3 of the Franchisee; and

WHEREAS, the Airport Director and Airport Commission have recommended that the Franchise for Lot N-4 be so amended; and

WHEREAS, the City Council has determined that it is in the best interest of the Citizens of the City of Manassas to amend the Franchise for Lot N-4 between the City of Manassas and HEF JPC Hangars LLC.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Manassas meeting in regular session on this __ day of _____, 2023, that there be granted to HEF JPC Hangar LLC, in the mode prescribed by law, this Second Amendment to the Franchise Agreement for Lot N-4 for HEF JPC Hangar LLC, Franchise Ordinance, as hereinafter set forth:

The City of Manassas and the Lessee hereby agree to amend **ARTICLE 3 USE OF LEASED PREMISES** of said franchise/lease as herein referenced in accordance with the following:

ARTICLE 3 USE OF LEASED PREMISES

3.1.10 Research and development, design, testing, engineering, manufacture and assembly of hybrid-electric, ultra-short takeoff and landing (eSTOL) aircraft.

3.1.11 Any other goods and services related to any of the foregoing purposes.

All other terms and conditions of the Franchise between HEF JPC Hangar LLC. and the City of Manassas remain in full force and effect except as herein amended.

2. This Ordinance shall take effect upon its passage on second reading.

CITY OF MANASSAS, VIRGINIA

_____
Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

ATTEST:

_____ _____
Lee Ann Henderson City Clerk Date

HEF JPC Hangar LLC

ATTEST:

_____ By: _____
President

City of Manassas

Manassas City Council
9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	30 Minutes
Agenda Title:	Public Hearing: ZTA #2022-0001, Housing Technical Amendments
Recommendation:	Close the Public Hearing and approve Ordinance #O-2024-23
Motion:	***I move the public hearing be closed and that Ordinance #O-2024-23 be approved.*** ***Or*** ***I move that the public hearing be closed and action on Ordinance #O-2024-23 be scheduled for the next Regular City Council Meeting.***
Date Last Considered by City Council:	November 8, 2021 (Initiated ZTA #2022-0001)
Summary and/or Comments:	Consideration of technical amendments to the City's zoning ordinance designed to help address shortfalls in affordable home ownership and rental housing.
Board – Committee – or Commission Reviewed:	Planning Commission – June 7, 2023 (Recommended Approval 5/0)
Fiscal Impact:	See staff memorandum dated July 10, 2023
Staff Contact:	Christian Samples, AICP, Planning Manager csamples@manassasva.gov (703) 257-8225

MEMORANDUM

CITY OF MANASSAS

Department of Community Development

Phone: 703-257-8223 Fax: 703-257-5117

TO: Mayor and Council

FROM: Christian Samples, AICP, Senior Planner

DATE: July 10, 2023

RE: ZTA #2022-0001 – Housing Ordinance Technical Amendments

The City Council initiated the Housing Ordinance Amendment process in November 2021 to address shortfalls in affordable home ownership and rental housing. The Council directed the Planning Commission to explore zoning text amendments that would create new affordable home ownership and rental unit opportunities. The Commission's Zoning Ordinance Review Committee met nine times in 2022 and 2023 to give Staff policy direction and provide feedback on proposed ordinance changes. A survey was conducted in September – October 2022 to gauge public opinion about potential housing types and configurations. The Planning Commission reviewed the proposed ordinance and unanimously recommended approval at the June 7, 2023 hearing. Staff recommends approval of the proposed ordinance changes as drafted.

The proposed Housing Ordinance Technical Amendments create new terms and definitions for new housing uses, clarify housing and open space placement in existing zones, and organize the zoning ordinance to be more user friendly. Highlights of these proposed changes include:

- Creating and defining the term "Affordable Housing" to help facilitate future affordable home ownership and rental opportunities.
- Adding the new housing types "Cottage Court" and "Live/Work Unit" to the code, which helps create new housing opportunities.
- New standards for cottage courts are proposed in Sec. 130-66 (Cottage Court). These standards facilitate the design of this housing type and enable their organized development.
- Parking standards found in Sec. 130-204 (Off Street Parking Space Requirements) are amended to include Cottage Courts (set at 1.5 spaces per unit). Multifamily parking has also been modified from 1.75 spaces per unit to 1.5 spaces per unit.
- The Use Table (Sec. 130-241) has been proposed to be amended to allow Cottage Courts in the R-5, R-6, R-7, B-3, B-3.5, and PMD zoning districts. Live/Work Units have been proposed to be

allowed in the R-5, R-7, B-3, B-3.5, and PMD. Duplexes has been proposed to be allowed in the B-3 and R-5 districts in addition to their current authorized zoning districts.

- Adjustments to setbacks, density and open space have been proposed in the R-3 and R-5 zones to clearly define building footprint and facilitate new housing units.
- Technical adjustments have been proposed to consolidate accessory structure and building projection standards into two sections. Other minor adjustments are proposed to help clean up repetitive language.

Attachments:

Attachment 1. Ordinance #O-2024-23
Attachment 2. Housing Draft Technical Amendments - Redline
Attachment 3. Public Comments
Attachment 4. Power Point Presentation

ORDINANCE #O-2024-23

First Reading July 10, 2023
Second Reading
Enacted
Effective

AN ORDINANCE TO AMEND AND REENACT THE CODE OF ORDINANCES, CITY OF MANASSAS, VIRGINIA (2002), AS AMENDED, BY AMENDING CHAPTER 130 ZONING, ARTICLE II DEFINITIONS, ARTICLE III GENERAL REGULATIONS, ARTICLE VI OFF-STREET PARKING AND LOADING REQUIREMENTS, ARTICLE VIII ZONING DISTRICTS AND ARTICLE IX LAND USE APPLICATIONS

WHEREAS, pursuant to the Code of Virginia §15.2-2283, zoning ordinances shall be for the general purpose of promoting the health, safety, or general welfare of the public and of further accomplishing the objectives of planning to facilitate the creation of a convenient, attractive, and harmonious community and to promote the creation and preservation of affordable housing suitable for meeting the current and future needs of the locality; and

WHEREAS, to effectuate the aforesaid general purposes of zoning and such other purposes as set forth in the Code of Virginia §15.2-2283, the Zoning Ordinance is to be considered a "living" document that is subject to amendment for the purposes of updating the ordinance for public necessity, convenience, general welfare, or good economic development and zoning practices; and

WHEREAS, the City of Manassas recognizes that the zoning ordinance can be used to help improve housing affordability for the public necessity, convenience, general welfare, and good economic development and zoning practices; and

WHEREAS, on November 8, 2021 the City Council initiated Zoning Text Amendment #2022-0001 – Housing Updates, which were reviewed by the Zoning Ordinance Review Committee on March 24, 2022, March 24, 2022, April 6, 2022, April 28, 2022, May 18, 2022, June 30, 2022, July 27, 2022, April 6, 2023, April 20, 2023 and May 2, 2023; and

WHEREAS, the Planning Commission held a public hearing on June 7, 2023 after full compliance with all State Code public hearing notice requirements and RECOMMENDED the ADOPTION of this ordinance; and

WHEREAS, the City Council held a public hearing on July 10, 2023, after full compliance with all State Code public hearing notice requirements; and

WHEREAS, the City Council upon careful consideration finds that approval of ZTA #2022-0001 is justified by public necessity, convenience, and general welfare and is consistent with reasonable economic development and zoning practices, and the State Code; and

WHEREAS, the City Council finds that approval of ZTA #2022-0001 is consistent with the goals, objectives, and strategies of the adopted Comprehensive Plan including emphasis on the quality and character of new growth and development in the City's land use regulations, and review process.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Manassas, Virginia, meeting in regular session this 10th day of July, 2023.

1. That ZTA #2022-0001 is hereby adopted as follows:

ARTICLE II. DEFINITIONS

Sec. 130-42. Definitions.

Affordable Housing means housing that is affordable to households with incomes at or below the area median income, and with gross housing expenses not to exceed 30 percent of a household's gross income.

Cottage Court means a group of smaller single-family detached dwelling units, not to exceed 1,200 gross square feet, with their front facades oriented toward a common open space such as a courtyard. Any such use shall only be permitted in accordance with the requirements of §130-66.

Live/Work Unit means a dwelling unit that contains a commercial use and residential dwelling unit within the same structure. In the R-5 and R-7 zoning districts, the non-residential uses in a Live/Work Unit is limited to the uses "Office, General" and "Personal Improvement Service".

Parks and Open Space means the use of land for the exclusive purpose of providing public parks and open space.

Public Facility means the use of land, exclusively for public purposes, by any department or branch of the federal government, Commonwealth or any political subdivision, public authority, school board or any combination thereof, but excluding Educational Facilities, Cultural Facility or Parks and Open Space as defined by this chapter.

ARTICLE III. GENERAL REGULATIONS

DIVISION 1. DEVELOPMENT STANDARDS

Sec. 130-57. Requirements for accessory structures.

(a) In all zoning districts, the following standards shall apply:

(1) No accessory structure, unless otherwise permitted by this Chapter, shall be used for a residential dwelling unit.

(2) The lot coverage of an accessory structure or cumulative total of all accessory structures shall not exceed 40 percent of the lot coverage of the principal building on the lot.

(3) Amateur radio towers shall not exceed a height of 75 feet without approval of a special use permit under the requirements of Article IX of this chapter and shall comply with all other requirements of the zoning district where they are permitted as an accessory use, including setbacks and screening. Within ninety days of the discontinuance of the use of the tower for amateur radio purposes, said amateur radio tower shall be disassembled, removed, and the site restored as closely as possible to the condition before the tower was constructed. Discontinuance includes when the amateur radio operator is no longer licensed by the Federal Communications Commission or no longer owns or resides on the property where the amateur radio tower was permitted.

(4) Residential structures including, but not limited to, flag poles, basketball hoops, clotheslines, arbors, playsets, mechanical equipment and structures less than six square feet in area, or

residential yard ornaments are not accessory structures and shall be exempt from the minimum setback, lot area, and certification requirements as specified in this chapter.

(b) In the A-1, R-1, R-2, and R-2-S zoning districts, the following additional standards shall apply:

(1) No second-floor storage/attic area of an accessory structure, unless otherwise permitted by this Chapter, shall be designed, constructed, or modified in such a manner that it would qualify as habitable space under ceiling height and/or area requirements specified in the Uniform Statewide Building Code.

(2) No accessory structure, excluding amateur radio towers, shall exceed the height of 22 feet to roof ridge, in the case of a flat roof 16 feet, or the height of the principal structure, whichever is less. Broadcasting or telecommunication towers that are collocated in accordance with §130-92 as part of the principal use of a parcel shall conform to the principal structure requirements.

(4) The placement of accessory structures in a front yard shall be prohibited.

(5) Accessory structures located in a side yard shall meet the side yard requirements for principal structures.

(6) Accessory structures located in a rear yard shall be a minimum of five feet from any side or rear lot line.

(c) In the R-3, R-5, R-6, R-7, B-3.5 and PMD zoning district, the following additional standards shall apply:

(1) Detached private garages and private community recreational uses shall be permitted only if shown on the approved site plan.

(2) (On lots with a dwelling unit other than a multifamily building, accessory structures are not permitted except:

(i) Accessory structures not exceeding 80 square feet and no more than eight and one-half feet in height are permitted in the rear yard, provided they are setback a minimum of five feet from all lot lines, except in the R-3 and R-5 districts no minimum rear yard setback in required; and

(ii) Detached private garages and private community recreational uses are permitted in side and rear yards, provided they are five feet from the side and rear yards.

(3) Accessory structures shall not exceed 50 percent of the height of the principal structure.

Sec. 130-58. Building projections.

(a) Bay windows, chimneys, eaves, and similar architectural features may project no more than two feet beyond any required setback line. Discharge pipes for roof and surface drains and for sump pump discharge that do not connect into an underground drainage system shall be setback from property lines in accordance with the requirements of the DCSM. Setback lines shall not apply to terraces, patios, and unroofed decks on ground level.

(b) Any unroofed deck attached to a dwelling unit with no part of its floor higher than four feet above finished ground level may extend into minimum required setbacks as follows:

(1) Front setback, no extension.

(2) Side setback, no extension.

(3) Rear setback, single-family detached dwelling units, ten feet, but not closer than 15 feet to any rear lot line.

(4) Rear setback, all other dwelling units, ten feet, but no closer than eight feet to any rear lot line.

(c) Any unroofed deck attached to a dwelling unit with any part of its floor higher than four feet above finished ground level may extend into minimum required setbacks as follows:

(1) Front setback, no extension.

(2) Side setback, no extension.

(3) Rear setback, single-family detached dwelling units, five feet, but no closer than 20 feet to any rear lot line.

(4) Rear setback, all other dwelling units, five feet, but no close than eight feet to any rear lot line.

(d) Any unroofed stairs or ramps attached to a dwelling unit may extend into minimum required setbacks as follows:

(1) Front setback, three feet, but not closer than 5 feet to any front lot line.

(2) Side setback, three feet, but not closer than 5 feet to any side lot line.

(3) Rear setback, ten feet, but not closer than 15 feet to any rear lot line.

(e) Any unroofed stairs or ramps attached to a non-residential structure may extend into the minimum required setbacks up to three feet.

Sec. 130-66. Cottage court.

(a) The standards of this section shall apply to cottage court developments. If the requirements of other sections of this chapter are in conflict with this section, this section shall control.

(b) Cottage court developments shall meet the following standards:

(1) Each dwelling unit shall be a minimum of 600 gross sq. ft. and shall not exceed 1,200 gross sq. ft. The maximum density shall not exceed 15 dwelling units per acre.

(2) Dimensional Standards: Each dwelling unit shall meet the following minimum dimensional standards:

a. Dwelling units shall have their front facades oriented toward a common open space such as a courtyard.

b. Side setback: 5 feet

c. Rear setback: 10 feet

d. Setback from a public street right-of-way line: 25 feet

e. Maximum height: 25 feet

(3) Side facades directly adjacent to a public street shall have additional architectural treatment to break up its view from the public street.

(4) The courtyard shall meet the following minimum standards:

a. The courtyard shall have a minimum of 500 sq. ft. of area plus 50 sq. ft. per dwelling unit.

b. The courtyard shall have a minimum width of 22 feet.

c. The courtyard shall have a minimum tree canopy of 20% of the total area of the courtyard at the maturity requirements found in the DCSM.

d. The courtyard shall count as a private community recreation area.

(5) Each dwelling unit shall have a private open space that is not a part of the main courtyard. The private open space shall be a minimum of 100 sq. ft.

(6) Off-street parking shall meet the standards of Article VI of this chapter and the following additional standards:

a. Garages may be detached from the dwelling unit and may be located on a separate property.

(7) Dwelling units within a cottage court development may be divided into individual properties. If the units are individually owned, the courtyard shall be held in common ownership through a property owner association.

ARTICLE VI. PARKING AND LOADING REQUIREMENTS

Sec. 130-204. Off-street parking space requirements.

§130-204, TABLE 1: MINIMUM OFF-STREET PARKING REQUIREMENTS				
LAND USES DU = Dwelling Unit SF = Building's Gross Square Feet	REQUIRED OFF-STREET PARKING	SPECIAL DISTRICTS		EXCEPTIONS/ COMMENTS/ ADDITIONAL REQUIREMENTS
		DOWNTOWN* *For B-3 Zoning See §130-204(b)	GODWIN TECHNOLOGY, MATHIS, SUDLEY MEDICAL	
RESIDENTIAL USES				No maximum parking required
Duplex or Single-Family Attached	2.5 per DU	2.5 per DU	2.5 per DU	
Multi-Family	1.5 per DU	1.5 per DU	1.5 per DU	
Single-Family Detached	2 per DU	2 per DU	2 per DU	
Cottage Court	1.5 per DU	1.5 per DU	1.5 per DU	See Sec. 130-66
Group Home	1 per 2 residents	1 per 2 residents	1 per 2 residents	

Editor's Note: No other changes to §130-204 Table 1.

ARTICLE VIII. ZONING DISTRICTS

DIVISION 1. PERMITTED USES

Sec. 130-241. Use tables.

(a) Tables 1 and 2 list all use types and all zoning districts where the use type is permitted ("P") or permitted with approval of a special use permit ("S") in accordance with the requirements of Article IX of this chapter.

(b) All uses defined in Sec. 130-42 and/or listed in Tables 1 and 2 that are not specifically permitted ("P") or permitted with approval of a special use permit ("S") are prohibited.

(c) Overlay Districts: Regardless of whether the use table lists a use type as permitted or permitted with approval of a special use permit, the use type shall be restricted or prohibited by the requirements of any overlay district.

(d) The "Additional Requirements" column in Tables 1 and 2 is for reference only and is not intended as an all-inclusive listing of all local, state, or federal requirements and regulations applicable to a use type.

§ 130-241 TABLE 1

"P"= Permitted By-Right "S"= Special Use Permit is Required

CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
RESIDENTIAL	Age-Restricted Housing								P	P	Sec. 130-268 Sec. 130-269
	Cottage Court							P	P	P	Sec. 130-66
	Duplex					P		P	P	P	
	Dwelling, Multifamily							P	P	P	
	Dwelling, Single-Family Attached					P			P	P	
	Dwelling, Single-Family Detached	P	P	P	P				P	P	
	Group Home	P	P	P	P	P	P	P	P	P	
	Live/Work Unit							P		P	
	Manufactured Home	P					P				Sec. 130-98
	Manufactured Home Park						P				Sec. 130-98

§ 130-241 TABLE 1

"P"= Permitted By-Right "S"= Special Use Permit is Required

CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
	Private Community Recreational Use	P	P	P	P	P	P	P	P	P	
	Assembly, Place of (less than 50 persons)	S	S	S	S	S		S	S	S	
	Assembly, Place of (50 or more persons)	S	S	S	S	S		S	S	S	
	Broadcasting or Telecommunication Tower	S	S	S	S	S	S	S	S	S	
	Broadcasting or Telecommunication Tower, Administrative Review	P	P	P	P	P	P	P	P	P	Sec. 130-92
	Business or Trade School (less than 50 persons)										
	Business or Trade School (50 or more persons)										
	Cemetery	S	S	S	S	S		S	S	S	
	Child Care Center	S	S	S	S					S	
ASSEMBLY & INSTITUTIONAL	Children's Residential Facility									S	
	Congregate/Continuing Care, Assisted Living Facility								P	S	
	Cultural Facility	P	S	S	S	S	S	S	S	S	
	Day Care Center, Adult								P	S	
	Educational Facility, College or University										
	Educational Facility, Primary or Secondary	S	S	S	S	S	S	S		S	
	Hospital										
	Medical Care Facility										
	Nursing Home								P		
	Parks and Open Space	P	P	P	P	P	P	P	P	P	

§ 130-241 TABLE 1											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
	Public Dancehall										Ch. 14
	Public Facility	P	S	S	S	S	S	S	S	S	
	Public Utility	P	P	P	P	P	P	P	P	P	
	Sexually Oriented Business (Adult Cabaret/Adult Motion Picture Theater)										Sec. 130-103
	Shelter, Residential										

Editor's Note: No changes to commercial, industrial or accessory categories.

§ 130-241 TABLE 2											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS NON-RESIDENTIAL & MIXED USE DISTRICTS									ADDITIONAL REQUIREMENTS
		B-2[1]	B-3	B-3.5	PMD	B-1[2]	B-4	I-1	I-2	I-A	
RESIDENTIAL	Age-Restricted Housing			P	P						Sec. 130-308
	Cottage Court		P	P	P						Sec. 130-66
	Duplex		P	P	P						
	Dwelling, Multifamily		P	P	P						Sec. 130-303
	Dwelling, Single-Family Attached			P	P						
	Dwelling, Single-Family Detached		P	P	P						
	Group Home		P	P	P						
	Live/Work Unit		P	P	P						
	Manufactured Home										Sec. 130-98
	Manufactured Home Park										Sec. 130-98
	Private Community Recreational Use		P	P	P						
ASSEMBLY & INSTITUTIONAL	Assembly, Place of (less than 50 persons)	P	P	P	P	P	P	S		S	
	Assembly, Place of (50 or more persons)	S	S	S	S	S	S	S		S	
	Broadcasting or Telecommunication Tower	S			S	S	S	S	S	S	
	Broadcasting or Telecommunication Tower, Administrative Review	P	P	P	P	P	P	P	P	P	Sec. 130-92
	Business or Trade School (less than 50 persons)	P	P	P	P	P	P	P		P	
	Business or Trade School (50 or more persons)	S	S	S	S	P	P	S		S	

[1] All uses subject to floor area limit of 10,000 square feet
[2] Refer to § 130-301 for list of uses subject to 25% gross floor area limit

§ 130-241 TABLE 2											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS NON-RESIDENTIAL & MIXED USE DISTRICTS									ADDITIONAL REQUIREMENTS
		B-2[1]	B-3	B-3.5	PMD	B-1[2]	B-4	I-1	I-2	I-A	
	Cemetery	S	S	S	S	S	S	S			
ASSEMBLY & INSTITUTIONAL (CONT)	Child Care Center	P	S	S	P	S	P	S		S	
	Children's Residential Facility			S	S						
	Congregate/Continuing Care, Assisted Living Facility			S	S						
	Cultural Facility	P	P	P	P		P			S	
	Day Care Center, Adult	P	S	S	P	S	P	S			
	Educational Facility, College or University		S	S	S	S	S	S		S	
	Educational Facility, Primary or Secondary		S	S	S	S	S	S		S	
	Hospital				S	S	S				
	Medical Care Facility	S	S	S	S	S	S				
	Nursing Home			S	S						
	Public Dancehall						S	S			Ch. 14
	Parks and Open Space	P	P	P	P	P	P	P	P	P	
	Public Facility	P	P	P	P	P	P	P	P	P	
	Public Utility	P	P	P	P	P	P	P	P	P	
	Sexually Oriented Business (Adult Cabaret/Adult Motion Picture Theater)							P			Sec. 130-103
	Shelter, Residential						S	S			

Editor's Note: No changes to commercial, industrial or accessory categories.

DIVISION 2. RESIDENTIAL DISTRICTS

Sec. 130-261. A-1 agricultural.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (4) – No changes proposed]

(5) Accessory structures: See §130-57.

(6) Building projections, including unroofed decks: See §130-58.

Sec. 130-262. R-1 low density, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

Sec. 130-263. R-2 moderate density, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

Sec. 130-264. R-2-S small lots, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

Sec. 130-265. R-3 townhouses.

(a) *Purpose and intent.* The R-3 townhouses district is intended to encourage diversity in housing opportunities at higher suburban densities. The zone is designed to provide flexibility and encourage high-quality design in areas well served by public utilities and infrastructure.

(b) *Uses permitted.* See section 130-241.

(c) *Minimum lot dimensions:*

(1) Area: None.

(2) Width:

a. Interior lot, 20 feet.

b. Corner or end unit lots, 30 feet.

(d) *Maximum density:*

(1) Six dwelling units per acre.

(2) Three to eight attached dwelling units per building.

(e) *Minimum setbacks requirements:*

(1) Attached single-family dwelling and duplex setbacks:

a. Adjacent to a common wall, none.

b. Front setback, 20 feet.

c. Rear setback, 10 feet.

d. Side setback: 5 feet

e. Corner setback, 20 feet.

f. Setback between principal structures: 10 feet.

(2) Accessory structures: See §130-57.

(3) Building projections, including unroofed decks: See §130-58.

(f) *Maximum structure height:*

(1) No principal structure or private community recreational use shall be greater than 35 feet in height. Uses permitted by a special use permit and public utility uses may exceed this height subject to approval of a special use permit in accordance with Article IX of this chapter.

(2) Accessory structures: See §130-57.

(g) *Off-street parking requirements.* See Article VI of this chapter.

(h) *Minimum tree canopy requirements.* See Article VII of this chapter.

(i) *Open Space.* A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

(j) *Sign requirements*: See Article IV of this chapter.

Sec. 130-267. R-5 multifamily.

(a) *Purpose and intent.* The R-5 multifamily district is intended to encourage diversity in housing opportunities at higher suburban densities. The district regulations are designed to encourage innovative and creative high-quality design in areas well served by public utilities and infrastructure.

(b) *Uses permitted.* See §130-241.

(c) *Minimum lot dimensions:*

(1) Area:

a. Multifamily: one acre.

b. Live/work units: 0.5 acres.

c. Cottage Court: See §130-66.

d. Duplex: 5,000 sq. ft.

(2) Width:

a. Interior lot, 75 feet.

b. Corner lot, 100 feet.

c. Cottage Court: See §130-66.

(3) Open Space:

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

b. Cottage Court: See §130-66

(d) *Maximum density:*

(1) Multifamily: Fifteen dwelling units per acre.

(2) Live/work units: Twelve units per acre

(3) Cottage Court: See §130-66.

(e) *Minimum setbacks requirements:*

(1) All structures shall be located 30 feet from any street right-of-way line.

(2) Rear setback: 25 feet

(3) Side setback: 25 feet

(4) Setback between principal structures: 10 feet.

(5) Cottage court: See §130-66.

(6) Building projections, including unroofed decks: See §130-58

(7) Accessory structures: See §130-57.

(f) *Maximum structure height:*

(1) No principal structure or private community recreation use shall be greater than 45 feet in height. Uses permitted by a special use permit and public utility uses may exceed this height subject to approval of a special use permit in accordance with Article IX of this chapter.

(2) Cottage Court: See §130-66.

(g) *Off-street parking requirements.* See Article VI of this chapter.

(h) *Required on-site private community recreational uses.*

(1) Minimum of 500 sq. ft. plus 50 square feet per dwelling unit.

(2) Cottage court, see §130-66.

(i) *Minimum tree canopy and landscaping requirements:*

(1) See Article VII of this chapter.

(2) Cottage court, see §130-66.

(j) Accessory Structures. See §130-57.

(j) *Sign requirements.* See Article IV of this chapter.

(k) *Special provisions.* A proposed development shall not vary from the guidelines outlined in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter. However, such application must specifically outline the waiver, define the need, and provide assurances that the intent of this section is met by the proposed rezoning. Any variation from these guidelines requested by the applicant shall be specifically acknowledged by means of a proffer. Uses cannot be varied or modified under the provisions of this section.

Sec. 130-268. R-6 age-restricted residential.

(a) *Purpose and intent.* The R-6 age-restricted residential district is intended to encourage and accommodate development of housing and appropriate supporting institutional uses and services for the demographic population in the City that is 55 years of age or over, including those with specific health care needs. The R-6 district is intended to be located within or on the boundaries of those residential areas designated on the Comprehensive Plan for similar densities or other areas deemed appropriate by virtue of their size, shape, and compatibility with surrounding land uses, including properties planned for commercial and industrial uses.

(b) *Uses permitted.* See §130-241. All dwelling units shall be age-restricted housing.

(c) *Minimum zoning district size.* One acre.

(d) *Development guidelines:*

(1) Density shall not exceed the maximum dwelling units per acre as identified in the following table:

§130-268 TABLE 1: Maximum Dwelling Units Per Acre	
Type of Housing	Maximum Dwelling Units
Age-restricted housing:	
Single-family detached	8
Duplex	10
Cottage Court	See § 130-66
Single-family attached (maximum of eight dwelling units per building)	12
Multifamily	25
Congregate care/assisted living	25
Nursing homes	30

(2) Open space:

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

b. Cottage court: see § 130-66.

(3) The maximum height of all structures shall not exceed the height identified in the following table. Roof mounted towers and antennae serving the structure on which they are collocated are exempted from the height restriction if approved by proffer at the time of rezoning, to be compatible with development in the immediate area and reflective of site constraints.

§130-268 TABLE 2: Maximum Structure Height	
Type of Housing	Height (feet)
Age-restricted housing:	
Single-family detached	35
Duplex	35
Single-family attached (maximum of four dwelling units per building)	35
Cottage Court	25
Multifamily	45
Congregate care/assisted living housing	45
Nursing homes	45

(4) No structure shall be located less than:

a. Thirty feet from any street right-of-way line.

b. No principal structure or private community recreational use shall be located less than 25 feet from any side or rear lot line.

c. Cottage court: See §130-66

(5) Off-street parking requirements, see Article VI of this chapter.

(6) Private community recreational uses:

a. Shall be a minimum 2,500 square feet plus 50 square feet per dwelling unit. Up to half of this space may be within the facility's interior space provided such space is solely reserved for recreational or meeting areas.

b. Cottage court: See §130-66.

(7) Landscaping and tree canopy requirements, see Article VII of this chapter.

(8) Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(9) Sign requirements, see Article IV of this chapter.

(10)There shall be no more than two persons occupying any single bedroom.

(11)Accessory structures: See §130-57.

(12)Building projections, including unroofed decks: See §130-58.

(e) *Operational guidelines:*

(1) Except for emergency needs, deliveries shall be prohibited between the hours of 8PM to 7AM, where such deliveries could be disruptive to the peace and quiet of adjacent residential communities.

(2) Except for emergency maintenance, exterior building and grounds work or maintenance shall be prohibited between the hours of 8PM to 7AM.

(3) In order to reasonably ensure the safety of the occupants/residents, physical security of the property should be considered both in the design stage and in operational plans.

(4) Accessory uses, such as limited retail, personal improvement services, or professional personal services, shall be permitted in congregate care/assisted living housing and nursing homes. Such activities shall only be for the use of the on-site residents and shall be located within the principal structure.

(f) *Special provisions.* A proposed development shall not vary from the guidelines outlined in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter. However, such application must specifically outline the variation, define the need, and provide assurances that the intent of this chapter is met by means of proffers. Uses cannot be varied or modified under the provisions of this section.

Sec. 130-269. R-7 planned residential.

(a) *Purpose and intent.* The R-7 planned residential district is intended to encourage and accommodate housing of various types, sizes, densities, and affordability. It provides for development of high quality housing in a planned setting that can include a wide variation in lot and house sizes with supporting institutional uses and services.

(b) *Uses permitted.* See §130-241.

(c) *Minimum zoning district size.* No minimum lot size.

(d) *Development guidelines:*

(1) The overall development shall be consistent with the Comprehensive Plan.

(2) The maximum height of all structures shall be as follows:

a. Principal multifamily structures shall not exceed 45 feet in height.

b. All other principal structures shall not exceed 35 feet in height.

c. Cottage Court: See §130-66.

(3) Off-street parking requirements: See Article VI of this chapter.

(4) A landscaped area of 10 feet for any residential use shall be provided when any R-7 project abuts any “R” district line.

(5) Tree canopy and landscaping requirements: See Article VII of this chapter.

(6) Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(7) Accessory structures: See §130-57.

(8) Building projections, including unroofed decks: See §130-58.

(9) Open space:

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

b. Cottage court: Sec. §130-66

(10) Private community recreational uses:

a. Shall be a minimum 2,500 square feet plus 50 square feet per dwelling unit.

b. Cottage Court: See §130-66.

(e) *Special provisions.* A proposed development shall not vary from the guidelines outlined in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter. However, such application must specifically outline the waiver, define the need, and provide assurances that the intent of this section is met by the proposed rezoning. Any variation from these guidelines requested by the applicant shall be specifically acknowledged by means of a proffer. Uses cannot be varied or modified under the provisions of this section.

DIVISION 3. NON-RESIDENTIAL & MIXED USE DISTRICTS

Sec. 130-303. B-3 city center commercial (Old Town district).

(a) *Purpose and intent.* The B-3 city center commercial district is intended to implement the Comprehensive Plan's Downtown Character Area and to provide an attractive and successful mixed-use historic downtown with pedestrian-oriented retail, commercial, and institutional uses along with residential uses at urban densities that attract and serve both local and visitor populations. Recognizing the economic value of the existing historic downtown, it shall further be the intention of this district to encourage the retention and rehabilitation of structures and uses in the district that have historic and/or architectural significance.

(b) *Uses permitted.* See §130-241.

(c) *Maximum structure height.*

(1) No structure shall exceed 55 feet in height, excluding mechanical equipment, which shall be adequately screened. No other architectural features such as false facades and towers, antennas used by broadcasting and telecommunications towers, public facilities, public utility uses, spires, and steeples shall exceed 60 feet in height.

(2) Cottage Court: See §130-66.

(d) *Minimum and maximum setback requirements:*

(1) Front:

a. Minimum setback: From any street right-of-way or alley: None.

b. Maximum setback: No building wall shall be located more than 22 feet from the back of curb of any street.

(2) Side and rear:

a. None adjacent to a "B" or "I" district lot line.

b. 10 feet from any "R" district lot line for any residential use.

c. 25 feet from any "R" district lot line for any non-residential or mixed use. However, when the structure exceeds 25 feet in height, an additional setback of one foot shall be required for each foot in height above 25 feet.

(3) Cottage Court: See §130-66.

(e) *Off-street parking requirements.* None required, unless specified as a condition of a special use permit or as required by §130-303(i)(2).

(f) *Open space and tree canopy requirements:* See Article VII of this chapter.

(g) *Drive-through windows*. Drive-through windows are only permitted for financial institutions in conformance with the DCSM.

(h) *Outdoor display and outdoor storage*.

(1) All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

a. Outdoor dining may be conducted.

b. Outdoor display. See §130-61.

c. No exterior runs or exercise areas are permitted for veterinary hospitals.

(i) *Residential uses:*

(1) Single-family detached or duplex dwelling units.

a. Minimum lot area: 5,000 square feet.

b. Minimum lot width, interior lots: 70 feet at the front setback line.

c. Minimum lot width, corner lots: 100 feet at the front setback line.

(2) Cottage court: See §130-66.

(3) Multifamily residential dwelling units are permitted in existing buildings with a final certificate of occupancy issued prior to May 11, 2015, with non-residential B-3 uses in the same building, and which meet the following requirements:

a. The minimum size of each residential dwelling unit shall be 600 gross square feet.

b. A minimum of 80 percent of the gross floor area of the building's first floor shall be used for non-residential uses.

c. A minimum of 1.5 parking spaces per residential dwelling unit shall be provided on-site unless a public or private parking facility is located within 650 feet of the building and the parking spaces within that facility are reserved to meet the minimum parking requirements.

d. All off-street parking shall be located either within an enclosed courtyard or behind the principal structure and not readily visible from the street right-of-way.

Sec. 130-304. B-3.5 city center planned.

(a) *Purpose and intent.* The B-3.5 city center planned district is intended to implement the Comprehensive Plan's Downtown Character Area to encourage the mixing of compatible land uses, and to permit flexibility in building design and use. The goals of this district include extending the architecture and feel of historic downtown outside its core areas to create a sense of continuity, permitting increased residential development at urban densities in proximity to the Virginia Railway Express train station, and encouraging high-quality innovative design, infill, and redevelopment projects that are compatible with existing residential and commercial uses.

(b) *Uses permitted.* See §130-241.

(c) *Maximum and minimum structure height and setbacks:*

(1) *Maximum heights:* Except as otherwise provided, no structure shall exceed 65 feet in height, excluding mechanical equipment, which shall be adequately screened, and decorative architectural detail or other rooftop amenity unfit for habitation.

a. Structures constructed with a zero lot line setback shall not exceed 55 feet, excluding mechanical equipment, which shall be adequately screened.

b. Structures or portions of structures exceeding 55 feet shall be set back a minimum of two feet from the lot line for each five feet in additional structure height.

c. Architectural features, such as false facades, equipment towers, antennas used by broadcasting and telecommunications towers, public facilities, public utility uses, spires, and steeples shall not exceed ten feet in height from the finished building height and shall be adequately screened unless a modification is approved as provided for in §130-304(l).

d. Cottage Court: See §130-66.

(2) *Minimum height requirements:*

a. No non-residential/residential mixed-use structure shall be constructed with a height of less than 45 feet or three stories, whichever is less.

b. No single purpose non-residential use structure shall be constructed with a height of less than 45 feet or three stories, whichever is less.

c. No single purpose residential use structure shall be constructed with a height of less than 35 feet or two stories, whichever is less.

d. Cottage Court: See §130-66.

(d) *Minimum and maximum setbacks:*

(1) Abutting any street right-of-way, other than an alley:

a. Minimum setback: No building wall shall be located closer than 12 feet from the back of curb of any street.

b. Maximum setback: No building wall shall be located more than 22 feet from the back of curb of any street, unless a courtyard designed to provide for a park, landscaping, or preservation of existing trees, or other significant view shed or unique element is agreed upon and accepted at the time of rezoning or special use permit approval.

c. When the project design requires utilities to be located along a street right-of-way and a conduit bank cannot be designed to meet the required separation for specific utilities, then the minimum setback of the structure shall be increased to accommodate the area necessary for utility installation.

(2) When a building abuts any alley, the building wall may be located at a zero lot line.

(3) No side or rear setbacks are required when abutting any "B" or "I" district occupied by a commercial, office, or industrial use.

(4) A landscaped area of 25 feet for any non-residential or mixed use shall be provided when any B-3.5 project abuts any "R" district line. However, such area may be reduced, if the residential property owner agrees to such a reduction, either by means of providing an enhanced opaque screening or the acquisition of an offsite easement as evidenced by the recording of an agreement between the B-3.5 owner and the adjoining "R" district property owner(s).

(5) A landscaped area of 10 feet for any residential use shall be provided when any B-3.5 project abuts any "R" district line.

(6) Cottage Court: See §130-66.

(e) *Off-street parking requirements:*

(1) Off-street parking shall be provided in accordance with Article VI of this chapter, unless a modification is approved as provided for in §130-304(l) and except as otherwise provided in this section.

(2) A multi-level parking structure may be used to provide the off-street parking spaces required by Article VI of this chapter.

(3) The total number of parking spaces for any use may be reduced on-site, if a public or private parking facility is located, or is funded for construction within 650 feet of the proposed use and the parking spaces within that facility are reserved to meet the minimum parking requirements.

(4) All off-street parking shall be located either within an enclosed courtyard or behind the principal structure and not readily visible from the street right-of-way.

(5) All off-street parking shall meet the setback requirements of §130-304(d).

(f) *Open space requirements.*

(1) Open space shall be provided that is equal to, but not less than seven percent of the total site area by means of one or more of the following techniques: traditional surface gardens,

landscaped areas, or other gardens or landscaped areas incorporated into the proffered building design by means of planters or other permanently affixed units.

(2) Cottage Court: See §130-66.

(g) *Tree canopy.* See Article VII of this chapter.

(h) *Street trees*: Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(i) *Accessory Structures and Building Projections*:

(1) Accessory structures: See §130-57.

(2) Building projections, including unroofed decks: See §130-58.

(j) *Drive-through windows*. Drive-through windows are only permitted for financial institutions in conformance with the DCSM.

(k) *Outdoor display and outdoor storage*.

(1) All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

a. Outdoor dining may be conducted.

b. Outdoor display. See §130-61.

c. No exterior runs or exercise areas are permitted for veterinary hospitals.

(l) *Special provisions.* A proposed development shall not vary from the regulations and guidelines stated in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. However, such application must specifically outline the variation, define the need, and provide assurances that the intent of this chapter is met by the proposed rezoning. Any variation from this section requested by the applicant shall be specifically acknowledged by means of a proffer or condition. Uses cannot be varied or modified under the provisions of this section

(m) *Density.* Residential density shall be established as part of the zoning of a parcel taking into consideration the uses proposed, the size of the parcel being rezoned, the impact on public services, available parking, maximum height of the structure permitted, and an analysis of the Comprehensive Plan standards as they impact the economic health of the City's tax base on a residential to non-residential mix.

(n) *Refuse storage.* All refuse storage shall be internal unless a modification is approved as provided for in §130-304(l).

Sec. 130-308. PMD planned mixed use development.

(a) *Purpose and intent.* The PMD planned mixed use development district is intended to encourage and accommodate a balance of high quality and attractive housing types, sizes, affordability levels, of housing combined with supporting commercial and institutional uses that provide increased residential services within the PMD and to the City as whole. This zone is encouraged for appropriate locations in the Comprehensive Plan's Mathis and Sudley Medical Character Areas. It provides for development of high-quality residential dwelling units at higher suburban densities in a variety of housing types including single-family detached and attached, apartments, condominiums, and age-restricted housing, and allows mixing of uses in a manner and scale that promotes the City's historic character and encourages a live work environment not specifically dependent on the motor vehicle. This district can include a wide variation in lot and house sizes and can accommodate mixed residential and commercial uses within the same or adjacent structures.

(b) *Uses permitted.* See §130-241.

(c) *Minimum zoning district size.* None.

(d) *Proposed residential land area ratio.* The development ratio of non-residential to residential shall be based on a residential land area ratio (RLAR) of the site. No less than 30 percent but not more than 60 percent of the land area shall be developed for non-residential uses. In determining the RLAR, the calculation shall be made as follows:

(1) The generalized development plan (GDP) shall delineate and designate specific areas as either residential uses or non-residential uses. Streets, common interior travelways, and walkways that are designed for both uses shall be excluded from the total site area.

(e) *Development standards and guidelines:*

(1) The overall development shall be consistent with the Comprehensive Plan designation for the subject property.

(2) Maximum structure height and setbacks. No structure shall be erected, altered, or maintained to a height in excess of the applicable height limitations as established in this section unless a modification is approved as provided for in §130-308(f).

a. Structures shall not exceed a maximum height of 75 feet except under the following circumstances:

i. Structures or portions of structures constructed adjacent to 75 feet of an "R" district line, except R-5, shall not exceed 45 feet in height, excluding mechanical equipment, which shall be adequately screened.

ii. Structures or portions of structures constructed adjacent to an R-5, any "B", or any "I" zoning district shall be set back a minimum of two feet from the lot line for each five feet of additional height above the maximum height requirements of the adjoining district for the first 75 feet from the zoning district line.

b. Architectural features such as false facades, equipment towers, antennas used by broadcasting and telecommunications towers, public utility, public facility uses, spires, and steeples shall not exceed ten feet in height from the finished building height and shall be adequately screened, unless a modification is approved as provided for in §130-308(f).

(3) Accessory structures and Building Projections:

a. Accessory structures: See §130-57

b. Building projections: See §130-58

(4) All off-street parking requirements shall conform to Article VI of this chapter.

(5) Landscaping and tree canopy requirements shall meet the requirements of Article VII of this chapter.

(6) A minimum ten percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

(7) Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(8) Required on-site private community recreational uses:

a. Minimum of 500 sq. ft. plus 50 square feet per dwelling unit.

b. Cottage Court: See §130-66.

(9) Minimum setbacks:

a. Abutting any street right-of-way other than an alley:

1. Minimum setback. No building wall shall be located closer than eight feet from the back of curb of any street.

2. When the project design requires utilities to be located along a public street or right-of-way and a conduit bank cannot be designed to meet the required separation for specific utilities, then the minimum setback of the structure shall be increased to accommodate the area necessary for utility installation.

b. When a building abuts any alley, the building wall may be located at a zero lot line.

c. No side or rear setbacks are required when abutting any “B” or “I” district occupied by a commercial, office or industrial use.

d. A landscaped area of 25 feet shall be provided when any PMD project for any non-residential or mixed use abuts any “R” district line. However, such area may be reduced if the residential property owner agrees to such a reduction, either by means of providing an enhanced opaque screening or the acquisition of an offsite easement as evidenced by the recording of an agreement between the PMD owner and the adjoining residential district property owner(s).

e. A landscaped area of 10 feet for any residential use shall be provided when any PMD project abuts any "R" district line.

f. Cottage Court: See §130-66.

(10) Drive-through windows are permitted for all nonresidential uses in conformance with the DCSM.

(11) Outdoor storage and outdoor display shall meet the following requirements:

a. All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

1. Outdoor dining may be conducted.

2. Outdoor display. See §130-61.

(f) No exterior runs or exercise areas are permitted for veterinary hospitals.

(g) *Special provisions.* A proposed development shall not vary from the guidelines outlined in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. Any waiver from the standards and guidelines shall be specifically acknowledged by means of a proffer or conditions. Uses cannot be varied or modified under the provisions of this section.

ARTICLE IX. LAND USE APPLICATIONS

DIVISION 1. REZONINGS AND TEXT AMENDMENDMENTS

Sec. 130-543 Application requirements.

[(a) through (d) and (f) through (k) – No changes proposed; strike (l) in its entirety]

(e) Design guidelines. Design guidelines shall be submitted with any request for a rezoning. The following elements shall be contained in the design guidelines in both narrative and graphic form unless waived by the City. The following elements shall be contained in a rezoning application in both narrative and graphic form unless waived or modified during pre-application. If adopted through approved proffers, development shall proceed only in accordance with the design guidelines:

(1) Physical and functional integration. Significant physical and functional integration of project components, including but not limited to, vertical mixing of uses, careful positioning of key components, and both internal and external connections that emphasize pedestrian ease, comfort, and access to adjacent uses.

(2) Architecture. The following exterior features are to be shown in the rezoning application and shall be integrated into the design of the proposed development:

a. Renderings or other graphic exhibits demonstrating height and materials for buildings and structures, including walls, hedges, and fences.

b. Details identifying any cornice lines, rooflines, eave projections, and treatments designed to modulate long building walls and roof planes.

c. Dimensions and adjoining owner agreements for site maintenance easements for any zero-lot line property containing detached buildings.

d. Rooftop mechanical equipment screening materials dimensions and line of sight profiles at not less than 150 feet from any building wall.

e. External freestanding and facade lighting.

f. Screening for ground-level HVAC units.

(3) Transportation. Transportation improvements and enhancements are to be identified and included in the design of streets, alleys, bicycle paths, trails, pedestrian paths, and sidewalks integrating the project into the existing streetscape.

(4) Parking. When off-street parking is provided, parking lot enhancements are to be included in the design of parking lots and structures including a description of the following:

a. Surface off-street parking interior and exterior landscaping and screening with a focus on design, pedestrian access, safety, and minimizing vehicular light and noise pollution impacts.

b. Appearance of above grade off-street parking decks and lots including the design and materials used in construction, lighting, and public safety.

c. Screening for service, maintenance, and loading areas.

d. Facilities for bicycles such as racks and lockers.

(5) Landscaping:

a. Landscaping within building and structure setback areas and internal gardens used to meet the requirements of this Chapter are to be included.

b. On-site specimen trees are to be identified and their preservation incorporated into the overall design of the project. Any specimen tree thus preserved shall have an easement placed on it in accordance with §122-52 of the City Code for tree preservation purposes. Maintenance by the property owner shall be properly identified within the design guidelines.

c. Open space improvements that are included in the proposed project shall be integrated in the design guidelines, including the size of parks, plazas, or squares and amenities within parks, plazas, or squares such as bicycle facilities, walkways, paths, trails, benches, ponds, sculptured elements and art, or fountains. Elements designed to accommodate this requirement shall be by specific proffer or condition with associated maintenance agreements and, if possible, public access.

2. This ordinance shall take effect upon second reading.

_____

Michelle Davis-Younger MAYOR
On behalf of the City Council of
Manassas, Virginia

ATTEST:

_____

Lee Ann Henderson City Clerk

MOTION:

SECOND:

RE:

ACTION:

Votes:
Ayes:
Nays:
Absent from Vote:
Absent from Meeting:

ARTICLE II. DEFINITIONS

Sec. 130-42. Definitions.

Affordable Housing means housing that is affordable to households with incomes at or below the area median income, and with gross housing expenses not to exceed 30 percent of a household's gross income.

Cottage Court means a group of smaller single-family detached dwelling units, not to exceed 1,200 gross square feet, with their front facades oriented toward a common open space such as a courtyard. Any such use shall only be permitted in accordance with the requirements of ~~Sec.~~ §130-66.

Live/Work Unit means a dwelling unit that contains a commercial use and residential dwelling unit within the same structure. In the R-5 and R-7 zoning districts, the non-residential uses in a Live/Work Unit is limited to the uses "Office, General" and "Personal Improvement Service".

Parks and Open Space means the use of land for the exclusive purpose of providing public parks and open space.

Public Facility means the use of land, exclusively for public purposes, by any department or branch of the federal government, Commonwealth or any political subdivision, public authority, school board or any combination thereof, but excluding Educational Facilities, ~~or a~~ Cultural Facility or Parks and Open Space as defined by this chapter.

ARTICLE III. GENERAL REGULATIONS

DIVISION 1. DEVELOPMENT STANDARDS

Sec. 130-57. Requirements for accessory structures. ~~(a)No accessory structure shall be used for dwelling or housekeeping purposes.~~

~~(b) In the R-1, R-2, or R-2-S districts, no second floor storage/attic area of an accessory structure shall be designed, constructed, or modified in such a manner that it would qualify as habitable space under ceiling height and/or area requirements specified in the Uniform Statewide Building Code.~~

~~(c) The lot coverage of an accessory structure or cumulative total of all accessory structures shall not exceed 40 percent of the lot coverage of the principal building on the lot.~~

~~(d) In the R-1, R-2, or R-2-S districts, no accessory structure, excluding amateur radio towers, shall exceed the height of 22 feet to roof ridge, in the case of a flat roof 16 feet, or the height of the principal structure, whichever is less. Broadcasting or telecommunication towers that are co-located in accordance with section 130-92 as part of the principal use of a parcel shall conform to the principal structure requirements.~~

~~(e) In the R-1, R-2, and R-2-S districts, residential accessory structures including, but not limited to, flag poles, basketball hoops, clotheslines, arbors, swings, structures less than six square feet in area, or residential yard ornaments shall be exempt from the minimum setback, lot area, and certification requirements as specified in this chapter.~~

~~(f) Amateur radio towers shall not exceed a height of 75 feet without approval of a special use permit under the requirements of Article IX of this chapter and shall comply with all other requirements of the zoning district where they are permitted as an accessory use, including setbacks and screening. Within ninety days of the discontinuance of the use of the tower for amateur radio purposes, said amateur radio tower shall be disassembled, removed, and the site restored as closely as possible to the condition~~

~~before the tower was constructed. Discontinuance includes when the amateur radio operator is no longer licensed by the Federal Communications Commission or no longer owns or resides on the property where the amateur radio tower was permitted.~~

(a) In all zoning districts, the following standards shall apply:

(1) No accessory structure, unless otherwise permitted by this Chapter, shall be used for a residential dwelling unit.

(2) The lot coverage of an accessory structure or cumulative total of all accessory structures shall not exceed 40 percent of the lot coverage of the principal building on the lot.

(3) Amateur radio towers shall not exceed a height of 75 feet without approval of a special use permit under the requirements of Article IX of this chapter and shall comply with all other requirements of the zoning district where they are permitted as an accessory use, including setbacks and screening. Within ninety days of the discontinuance of the use of the tower for amateur radio purposes, said amateur radio tower shall be disassembled, removed, and the site restored as closely as possible to the condition before the tower was constructed. Discontinuance includes when the amateur radio operator is no longer licensed by the Federal Communications Commission or no longer owns or resides on the property where the amateur radio tower was permitted.

(4) Residential structures including, but not limited to, flag poles, basketball hoops, clotheslines, arbors, playsets, mechanical equipment and structures less than six square feet in area, or residential yard ornaments are not accessory structures and shall be exempt from the minimum setback, lot area, and certification requirements as specified in this chapter.

(b) In the A-1, R-1, R-2, and R-2-S zoning districts, the following additional standards shall apply:

(1) No second-floor storage/attic area of an accessory structure, unless otherwise permitted by this Chapter, shall be designed, constructed, or modified in such a manner that it would qualify as habitable space under ceiling height and/or area requirements specified in the Uniform Statewide Building Code.

(2) No accessory structure, excluding amateur radio towers, shall exceed the height of 22 feet to roof ridge, in the case of a flat roof 16 feet, or the height of the principal structure, whichever is less. Broadcasting or telecommunication towers that are collocated in accordance with §130-92 as part of the principal use of a parcel shall conform to the principal structure requirements.

(4) The placement of accessory structures in a front yard shall be prohibited.

(5) Accessory structures located in a side yard shall meet the side yard requirements for principal structures.

(6) Accessory structures located in a rear yard shall be a minimum of five feet from any side or rear lot line.

(c) In the R-3, R-5, R-6, R-7, B-3.5 and PMD zoning district, the following additional standards shall apply:

(1) Detached private garages and private community recreational uses shall be permitted only if shown on the approved site plan.

(2) (On lots with a dwelling unit other than a multifamily building, accessory structures are not permitted except:

(i) Accessory structures not exceeding 80 square feet and no more than eight and one-half feet in height are permitted in the rear yard, provided they are setback a minimum of five feet from all lot lines, except in the R-3 and R-5 districts no minimum rear yard setback in required; and

(ii) Detached private garages and private community recreational uses are permitted in side and rear yards, provided they are five feet from the side and rear yards.

(3) Accessory structures shall not exceed 50 percent of the height of the principal structure.

Sec. 130-58. Building projections.

(a) Bay windows, chimneys, eaves, and similar architectural features may project no more than two feet beyond any required setback line. Discharge pipes for roof and surface drains and for sump pump discharge that do not connect into an underground drainage system shall be setback from property lines in accordance with the requirements of the DCSM. Setback lines shall not apply to terraces, patios, and unroofed decks on ground level.

(b) Any unroofed deck attached to a ~~single-family detached~~ dwelling unit with no part of its floor higher than four feet above finished ground level may extend into minimum required setbacks as follows:

(1) Front setback, no extension.

(2) Side setback, no extension.

(3) Rear setback, single-family detached dwelling units, ten feet, but not closer than 15 feet to any rear lot line.

~~(3)~~(4) Rear setback, all other dwelling units, ten feet, but no closer than eight feet to any ~~property line~~rear lot line.

(c) Any unroofed deck attached to a ~~single-family detached~~ dwelling unit with any part of its floor higher than four feet above finished ground level may extend into minimum required setbacks as follows:

(1) Front setback, no extension.

(2) Side setback, no extension.

(3) Rear setback, single-family detached dwelling units, five feet, but no closer than 20 feet to any rear lot line.

(4) Rear setback, all other dwelling units, five feet, but no close than eight feet to any ~~property~~ rear lot line.

(d) Any unroofed stairs or ramps attached to a ~~single-family detached~~ dwelling unit may extend into minimum required setbacks as follows:

(1) Front setback, three feet, but not closer than 5 feet to any front lot line.

(2) Side setback, three feet, but not closer than 5 feet to any side lot line.

(3) Rear setback, ten feet, but not closer than 15 feet to any rear lot line.

(e) Any unroofed stairs or ramps attached to a non-residential structure may extend into the minimum required setbacks up to three feet.

Sec. 130-66. Cottage court.

(a) The standards of this section shall apply to cottage court developments. If the requirements of other sections of this chapter are in conflict with this section, this section shall control.

(b) Cottage court developments shall meet the following standards:

(1) Each dwelling unit shall be a minimum of 600 gross sq. ft. and shall not exceed 1,200 gross sq. ft. The maximum density shall not exceed 15 dwelling units per acre.

(2) Dimensional Standards: Each dwelling unit shall meet the following minimum dimensional standards:

a. Dwelling units shall have their front facades oriented toward a common open space such as a courtyard.

b. Side setback: 5 feet

c. Rear setback: 10 feet

d. Setback from a public street right-of-way line: 25 feet

e. Maximum height: 25 feet

(3) Side facades directly adjacent to a public street shall have additional architectural treatment to break up its view from the public street. ~~Materials used on the side façade shall be consistent with the materials used on the front façade.~~

(4) The courtyard shall meet the following minimum standards:

a. The courtyard shall have a minimum of 500 sq. ft. of area plus 50 sq. ft. per dwelling unit.

b. The courtyard shall have a minimum width of 22 feet.

c. The courtyard shall have a minimum tree canopy of 20% of the total area of the courtyard at the maturity requirements found in the DCSM.

d. The courtyard shall count as a private community recreation area.

(5) Each dwelling unit shall have a private open space that is not a part of the main courtyard. The private open space shall be a minimum of 100 sq. ft.

(6) Off-street parking shall meet the standards of Article VI of this chapter and the following additional standards:

a. Garages may be detached from the dwelling unit and may be located on a separate property.

~~(1)~~(7) Dwelling units within a cottage court development may be divided into individual properties. If the units are individually owned, the courtyard shall be held in common ownership through a property owner association.

ARTICLE VI. PARKING AND LOADING REQUIREMENTS

Sec. 130-204. Off-street parking space requirements.

§130-204, TABLE 1: MINIMUM OFF-STREET PARKING REQUIREMENTS				
LAND USES DU = Dwelling Unit SF = Building's Gross Square Feet	**REQUIRED OFF-STREET PARKING**	**SPECIAL DISTRICTS**		**EXCEPTIONS/ COMMENTS/ ADDITIONAL REQUIREMENTS**
		DOWNTOWN* ***For B-3 Zoning See §130-204(b)**	**GODWIN TECHNOLOGY, MATHIS, SUDLEY MEDICAL**	
RESIDENTIAL USES				No maximum parking required
Duplex or Single-Family Attached	2.5 per DU	2.5 per DU	2.5 per DU	
Multi-Family	1.~~75~~ 5 per DU	1.5 per DU	1.~~6~~ 5 per DU	
Single-Family Detached	2 per DU	2 per DU	2 per DU	
Cottage Court	1.5 per DU	1.5 per DU	1.5 per DU	See Sec. 130-66
Group Home	1 per 2 residents	1 per 2 residents	1 per 2 residents	

Editor's Note: No other changes to §130-204 Table 1.

ARTICLE VIII. ZONING DISTRICTS

DIVISION 1. PERMITTED USES

Sec. 130-241. Use tables.

(a) Tables 1 and 2 list all use types and all zoning districts where the use type is permitted ("P") or permitted with approval of a special use permit ("S") in accordance with the requirements of Article IX of this chapter.

(b) All uses defined in Sec. 130-42 and/or listed in Tables 1 and 2 that are not specifically permitted ("P") or permitted with approval of a special use permit ("S") are prohibited.

(c) Overlay Districts: Regardless of whether the use table lists a use type as permitted or permitted with approval of a special use permit, the use type shall be restricted or prohibited by the requirements of any overlay district.

(d) The "Additional Requirements" column in Tables 1 and 2 is for reference only and is not intended as an all-inclusive listing of all local, state, or federal requirements and regulations applicable to a use type.

§ 130-241 TABLE 1

"P"= Permitted By-Right "S"= Special Use Permit is Required

CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
RESIDENTIAL	Age-Restricted Housing								P	P	Sec. 130-268 Sec. 130-269
	Cottage Court							P	P	P	Sec. 130-66
	Duplex					P		P	P	P	
	Dwelling, Multifamily							P	P	P	
	Dwelling, Single-Family Attached					P			P	P	
	Dwelling, Single-Family Detached	P	P	P	P				P	P	
	Group Home	P	P	P	P	P	P	P	P	P	
	Live/Work Unit							P		P	
	Manufactured Home	P					P				Sec. 130-98
	Manufactured Home Park						P				Sec. 130-98

§ 130-241 TABLE 1											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
	Private Community Recreational Use	P	P	P	P	P	P	P	P	P	
	Assembly, Place of (less than 50 persons)	S	S	S	S	S		S	S	S	
	Assembly, Place of (50 or more persons)	S	S	S	S	S		S	S	S	
	Broadcasting or Telecommunication Tower	S	S	S	S	S	S	S	S	S	
	Broadcasting or Telecommunication Tower, Administrative Review	P	P	P	P	P	P	P	P	P	Sec. 130-92
	Business or Trade School (less than 50 persons)										
	Business or Trade School (50 or more persons)										
	Cemetery	S	S	S	S	S		S	S	S	
	Child Care Center	S	S	S	S					S	
ASSEMBLY & INSTITUTIONAL	Children's Residential Facility									S	
	Congregate/Continuing Care, Assisted Living Facility								P	S	
	Cultural Facility	P	S	S	S	S	S	S	S	S	
	Day Care Center, Adult								P	S	
	Educational Facility, College or University										
	Educational Facility, Primary or Secondary	S	S	S	S	S	S	S		S	
	Hospital										
	Medical Care Facility										
	Nursing Home								P		
	Parks and Open Space	P	P	P	P	P	P	P	P	P	

§ 130-241 TABLE 1											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		RESIDENTIAL DISTRICTS									
		A-1	R-1	R-2	R-2-S	R-3	R-4	R-5	R-6	R-7	
	Public Dancehall										Ch. 14
	Public Facility	P	S	S	S	S	S	S	S	S	
	Public Utility	P	P	P	P	P	P	P	P	P	
	Sexually Oriented Business (Adult Cabaret/Adult Motion Picture Theater)										Sec. 130-103
	Shelter, Residential										

Editor's Note: No changes to commercial, industrial or accessory categories.

§ 130-241 TABLE 2												
"P"= Permitted By-Right "S"= Special Use Permit is Required												
CATEGORY	USE TYPE	ZONING DISTRICTS									ADDITIONAL REQUIREMENTS
		NON-RESIDENTIAL & MIXED USE DISTRICTS									
		B-2[1]	B-3	B-3.5	PMD	B-1[2]	B-4	I-1	I-2	I-A	
RESIDENTIAL	Age-Restricted Housing			P	P						Sec. 130-308
	Cottage Court		P	P	P						Sec. 130-66
	Duplex		P	P	P						
	Dwelling, Multifamily		P	P	P						Sec. 130-303
	Dwelling, Single-Family Attached			P	P						
	Dwelling, Single-Family Detached		P	P	P						
	Group Home		P	P	P						
	Live/Work Unit		P	P	P						
	Manufactured Home										Sec. 130-98
	Manufactured Home Park										Sec. 130-98
	Private Community Recreational Use		P	P	P						
ASSEMBLY & INSTITUTIONAL	Assembly, Place of (less than 50 persons)	P	P	P	P	P	P	S		S	
	Assembly, Place of (50 or more persons)	S	S	S	S	S	S	S		S	
	Broadcasting or Telecommunication Tower	S			S	S	S	S	S	S	
	Broadcasting or Telecommunication Tower, Administrative Review	P	P	P	P	P	P	P	P	P	Sec. 130-92
	Business or Trade School (less than 50 persons)	P	P	P	P	P	P	P		P	
	Business or Trade School (50 or more persons)	S	S	S	S	P	P	S		S	

[1] All uses subject to floor area limit of 10,000 square feet
[2] Refer to § 130-301 for list of uses subject to 25% gross floor area limit

§ 130-241 TABLE 2											
"P"= Permitted By-Right "S"= Special Use Permit is Required											
CATEGORY	USE TYPE	ZONING DISTRICTS NON-RESIDENTIAL & MIXED USE DISTRICTS									ADDITIONAL REQUIREMENTS
		B-2[1]	B-3	B-3.5	PMD	B-1[2]	B-4	I-1	I-2	I-A	
	Cemetery	S	S	S	S	S	S	S			
ASSEMBLY & INSTITUTIONAL (CONT)	Child Care Center	P	S	S	P	S	P	S		S	
	Children's Residential Facility			S	S						
	Congregate/Continuing Care, Assisted Living Facility			S	S						
	Cultural Facility	P	P	P	P		P			S	
	Day Care Center, Adult	P	S	S	P	S	P	S			
	Educational Facility, College or University		S	S	S	S	S	S		S	
	Educational Facility, Primary or Secondary		S	S	S	S	S	S		S	
	Hospital				S	S	S				
	Medical Care Facility	S	S	S	S	S	S				
	Nursing Home			S	S						
	Public Dancehall						S	S			Ch. 14
	Parks and Open Space	P	P	P	P	P	P	P	P	P	
	Public Facility	P	P	P	P	P	P	P	P	P	
	Public Utility	P	P	P	P	P	P	P	P	P	
	Sexually Oriented Business (Adult Cabaret/Adult Motion Picture Theater)							P			Sec. 130-103
	Shelter, Residential						S	S			

Editor's Note: No changes to commercial, industrial or accessory categories.

DIVISION 2. RESIDENTIAL DISTRICTS

Sec. 130-261. A-1 agricultural.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (4) – No changes proposed]

(5) Accessory structures: See §130-57.

(6) Building projections, including unroofed decks: See §130-58.

~~a. When located in a rear yard shall be a minimum of 15 feet from any side or rear lot line.~~

~~b. When located in a side yard shall meet the setback requirements for principal structures.~~

~~c. The placement of accessory structures in a front yard shall be prohibited.~~

Sec. 130-262. R-1 low density, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

~~a. When located in a rear yard shall be a minimum of five feet from any side or rear lot line.~~

~~b. When located in a side yard shall meet the setback requirements for principal structures.~~

~~c. The placement of accessory structures in a front yard shall be prohibited.~~

Sec. 130-263. R-2 moderate density, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

~~a. When located in a rear yard shall be a minimum of five feet from any side or rear lot line~~

~~b. When located in a side yard shall meet the setback requirements for principal structures.~~

~~c. The placement of accessory structures in a front yard shall be prohibited.~~

Sec. 130-264. R-2-S small lots, single-family residential.

(d) *Minimum setbacks and structure location requirements:*

[(1) through (5) – No changes proposed]

(6) Accessory structures: See §130-57.

(7) Building projections, including unroofed decks: See §130-58.

~~a. When located in a rear yard shall be a minimum of five feet from any side or rear lot line.~~

~~b. When located in a side yard shall meet the setback requirements for principal structures.~~

~~c. The placement of accessory structures in a front yard shall be prohibited.~~

Sec. 130-265. R-3 townhouses.

(a) *Purpose and intent.* The R-3 townhouses district is intended to encourage diversity in housing opportunities at higher suburban densities ~~of approximately six dwelling units per acre~~. The zone is designed to provide flexibility and encourage high-quality design in areas well served by public utilities and infrastructure.

(b) *Uses permitted.* See section 130-241.

(c) *Minimum lot dimensions:*

(1) Area: None.

(2) Width:

a. Interior lot, 20 feet.

b. Corner or end unit lots, 30 feet.

(d) *Maximum density:*

(1) Six dwelling units per acre.

(2) ~~Ten Four~~Three to eight attached dwelling units per building.~~(e) *Required lot frontage and street access:*~~

~~(1) Lot frontage, none.~~

~~(2) Each lot shall front on a public access easement or shall have access to such a public access easeme~~

~~(3) A minimum of one street connection shall be provided for every 60 dwelling units that front on or have access to a public access easement.~~

~~(4) For the purpose of this district, a public access easement shall include a paved travelway and a five-foot wide sidewalk on both sides of the travelway in accordance with the DCSM. Eight-foot minimum width sidewalks shall be provided when off-street parking has not been provided on an individual lot.~~

(~~f~~e) *Minimum setbacks ~~and structure location~~ requirements:*

(1) Attached single-family dwelling and duplex setbacks:

a. Adjacent to a common wall, none.

b. ~~Adjacent to a street, minimum of 35 feet from the right-of-way line.~~Front setback, 20 feet.

c. ~~Adjacent to a public access easement, minimum of 20 feet from the easement line.~~Rear setback, 10 feet.

d ~~Adjacent to a dedicated open space ten feet or more in depth, minimum of ten feet from the lot line~~. Side setback: 5 feet ~~none.~~

e. ~~Adjacent to a dedicated open space less than ten feet in depth, minimum of 20 feet from the lot line.~~ Corner setback, 20 feet.

f. Setback between principal structures: 10 feet.

(2) Accessory structures: See ~~Section~~ §130-57.

~~a. Private residential:~~

~~1. One structure per dwelling unit and shall only be located in the rear yard.~~

~~2. Gross floor area, maximum 80 square feet.~~

~~3. Setback from side and rear lot lines, none.~~

~~b. Homeowner association private community recreational uses shall have the same setback and structure location requirements as for a principal attached single-family dwelling unit.~~

(3) ~~Unroofed decks shall only be located in the rear yard and shall be setback a minimum of eight feet from the rear lot line.~~Building projections, including unroofed decks: See §130-58.

(~~g~~f) *Maximum structure height:*

(1) No principal structure or private community recreational use shall be greater than 35 feet in height. ~~However, u~~Uses permitted by a special use permit and public utility uses may exceed this height subject to approval of a special use permit in accordance with Article IX of this chapter.

(2) ~~No accessory structure shall be greater than eight and one-half feet in height.~~

~~(3) No homeowner's association private community recreational use shall be greater than 35 feet in height.~~

~~(4)~~ Accessory structures~~:, shall not exceed 50 percent of the height of the principal structure.~~ See §130-57.

(~~h~~g) *Off-street parking requirements~~:~~.

~~(1)~~ See Article VI of this chapter.

~~(2) Required off-street parking location and screening:~~

~~a. A maximum of 100 feet from the dwelling unit.~~

~~b. If off-street parking is provided on an individual lot, each space shall be designed in accordance with the DCSM, and located in such manner that no part of any parked vehicle will extend over a right-of-way line or lot line.~~

~~c. Where contiguous off-street parking spaces for more than six vehicles are located adjacent to another "R" district, as established by this chapter, screening to a minimum height of four feet shall be provided in accordance with the DCSM and permanently maintained between the off-street parking and the district boundary.~~

~~(i) *Required rear yard screening:*~~

~~(1) When the rear yard of any attached single-family dwelling unit is 40 feet or less from a street right-of-way or public access easement, each dwelling unit shall have a fully enclosed rear yard, screened in accordance with the DCSM.~~

~~(2) When the rear yard of any attached single-family dwelling unit is greater than 40 feet from a street right-of-way or public access easement, fully enclosed screening as identified in section 130-265(i)(1) is permitted but not required; however, each unit that has direct access to any open space shall have a minimum six-foot high by ten-foot long opaque fence located along the side lot line between each interior dwelling unit.~~

(~~j~~h) *Minimum tree canopy requirements.*~~:~~

~~(1)~~ See Article VII of this chapter.

~~(2) The required tree canopy shall be provided based on the total area of the original parcel prior to subdivision or construction of any dwelling units.~~(i) *Open Space.* A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

(~~k~~j) *Sign requirements*: ~~.~~ See Article IV of this chapter.~~(l) *Nonprofit corporate ownership.* In cases where lots front on public access easements or sidewalks, or where undedicated open space is provided in the development, a nonprofit corporate ownership authorized under the law of the Commonwealth shall be established. The owner or developer shall present a plan, proper agreements, bonds, and covenants acceptable to the city for maintenance of all travelways, sidewalks, parking, or open space. The members of such nonprofit corporate ownership shall be the owners of the lots in the development.~~

Sec. 130-267. R-5 multifamily.

(a) *Purpose and intent.* The R-5 multifamily district is intended to encourage diversity in housing opportunities at higher suburban densities~~ of approximately fifteen dwelling units per acre.~~ The district regulations are designed to encourage innovative and creative high-quality design in areas well served by public utilities and infrastructure.

(b) *Uses permitted.* ~~See section 130-241~~See §130-241.

(c) *Minimum lot dimensions:*

(1) Area~~:~~~~,~~

a. Multifamily: one acre.

b. Live/work units: 0.5 acres.

c. Cottage Court: See §130-66.

d. Duplex: 5,000 sq. ft.

(2) Width:

a. Interior lot, 75 feet.

b. Corner lot, 100 feet.

c. Cottage Court: See §130-66.

(3) ~~Lot coverage: The lot area covered by principal structures shall not exceed 25 percent of the total lot area, exclusive of off-street parking and driveways.~~ Open Space:

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

b. Cottage Court: See §130-66

(d) *Maximum density:*

(1) Multifamily: Fifteen dwelling units per acre.

(2) ~~Thirty dwelling units per building.~~ Live/work units: Twelve units per acre

(3) Cottage Court: See §130-66.

(e) *Minimum setbacks ~~and structure location~~ requirements:*

~~(1)~~ ~~(1)~~ All structures shall be located 30 feet from any street right-of-way line.

(1)

~~(2)~~ ~~b.~~ Rear setback: 25 feet

(2)

(3) ~~c.~~ Side setback: 25 feet

(4) Setback between principal structures: 10 feet.

~~(e) (1) All structures shall be located 50 feet from the right-of-way line of a street.~~

(5) ~~(2)~~ Cottage court: See §130-66.

~~(f) .) All structures shall be located 30 feet from the right-of-way line of any vehicle travelway or driveway within the development.~~

~~(3)~~(6) ~~(3)~~ Building projections, including unroofed decks: See §130-58~~No structure containing dwelling units shall be located less than 50 feet from any side or rear lot line.~~

~~(g) (4) The minimum distance between structures containing dwelling units shall be:~~

~~(h) a. 60 feet.~~

~~(i) b. 20 feet when neither structure wall has windows.~~

~~(j) c. When two structures are located in a manner that no portion of either structure lies between the imaginary lines formed by extending any two opposite exterior walls of the other structure,~~

~~a distance of not less than 20 feet shall separate such structures. Otherwise, 60 feet shall apply.~~(5) ~~Unroofed deck:~~ Building projections, including unroofed decks: See §130-58.

~~(k) a. One per dwelling unit and shall only be located in the rear yard.~~

~~(l) b. Maximum encroachment into a setback, ten feet.~~

~~(m) c. Maximum encroachment into a required front or side setback, no encroachment.~~

(7) ~~(6~~4~~)~~ Accessory structures: See §130-57~~shall be located a minimum of 25 feet from any lot line~~.

~~(4)~~

(f) *Maximum structure height:*

(1) ~~(1)~~ No principal structure or private community recreation use shall be greater than 45 feet in height. ~~However, u~~Uses permitted by a special use permit and public utility uses may exceed this height subject to approval of a special use permit in accordance with Article IX of this chapter.~~(2) No homeowner's association private community recreational use shall be greater than 45 feet in height.~~

(2) Cottage Court: See §130-66.

~~(3) Accessory structures shall not exceed 50 percent of the height of the principal structure.~~

(g) *Off-street parking requirements.* See Article VI of this chapter.

(h) *Required on-site private community recreational uses.*

(1) ~~-~~Minimum of 500 sq. ft. plus 50 square feet per dwelling unit~~, but not less than 5,000 square feet for any one development~~.

(2) Cottage court, see §130-66.

(i) *Minimum ~~tree canopy~~tree canopy and landscaping requirements:*

(1) See Article VII of this chapter.

(2) Cottage court, see §130-66.

~~(2) The required tree canopy shall be provided based on the total area of the original parcel prior to subdivision or construction of any dwelling units.~~(j) Accessory Structures. See §130-57.

(j) *Sign requirements.* See Article IV of this chapter.

(k) *Special provisions.* A proposed development shall not vary from the guidelines outlined in this section, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter. However, such application must specifically outline the waiver, define the need, and provide assurances that the intent of this section is met by the proposed rezoning. Any variation from these guidelines requested by the applicant shall be specifically acknowledged by means of a proffer. Uses cannot be varied or modified under the provisions of this section.

Sec. 130-268. R-6 age-restricted residential.

(a) *Purpose and intent.* The R-6 age-restricted residential district is intended to encourage and accommodate development of housing and appropriate supporting institutional uses and services for the demographic population in the City that is 55 years of age or over, including those with specific health care needs. The R-6 district is intended to be located within or on the boundaries of those residential areas designated on the Comprehensive Plan for similar densities or other areas deemed appropriate by virtue of their size, shape, and compatibility with surrounding land uses, including properties planned for commercial and industrial uses.

(b) *Uses permitted.* See §130-241. All dwelling units shall be age-restricted housing.

(c) *Minimum zoning district size.* ~~Three~~ One acre~~s~~.

(d) *Development guidelines:*

(1) Density shall not exceed the maximum dwelling units per acre as identified in the following table:

§130-268 TABLE 1: Maximum Dwelling Units Per Acre	
Type of Housing	**Maximum Dwelling Units**
Age-restricted housing:	
Single-family detached	8
Duplex	10
Cottage Court	See §~~Sec.~~ 130-66
Single-family attached (maximum of ~~four~~ eight dwelling units per building)	12
Multifamily	25
Congregate care/assisted living	25
Nursing homes	30

~~A lot on which multifamily dwelling units are built shall have a minimum width of 130 feet for an interior lot or 150 feet for a corner lot.~~

~~(2)~~ Open space:

(2)

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

b. Cottage court: see §~~Sec.~~ 130-66.

~~(3) The amount of the lot area covered by structures shall not exceed 30 percent of the total lot area exclusive of off-street parking and driveways.~~

~~(4)~~(3) The maximum height of all structures shall not exceed the height identified in the following table. Roof mounted towers and antennae serving the structure on which they are collocated are exempted from the height restriction if approved by proffer at the time of

rezoning, to be compatible with development in the immediate area and reflective of site constraints.

§130-268 TABLE 2: Maximum Structure Height	
Type of Housing	**Height (feet)**
Age-restricted housing:	
Single-family detached	35
Duplex	35
Single-family attached (maximum of four dwelling units per building)	35
Cottage Court	25
Multifamily	45
Congregate care/assisted living housing	45
Nursing homes	45

~~(5)~~(4) No structure shall be located less than:

a. ~~Fifty~~ Thirty feet from any street right-of-way line.

~~b. Thirty feet from the nearest curbline of any driveway situated alongside any street bounding the development.~~

b. No principal structure or private community recreational use shall be located less than ~~50~~ 25 feet from any side or rear lot line ~~except one unroofed deck per dwelling unit shall only be located in the rear yard and extend in the rear setback by no more than ten feet. Encroachments into required front or side setbacks are prohibited~~.

c. Cottage court: See §130-66

~~(6) All principal structures shall be separated by a minimum of 20 feet.~~

~~(7)~~(5) ~~For o~~Off-street parking requirements, see Article VI of this chapter.

(6) Private community recreational uses:

a. ~~s~~Shall be a minimum 2,500 square feet plus 50 square feet per dwelling unit. Up to half of this space may be within the facility's interior space provided such space is solely reserved for recreational or meeting areas.

~~.~~b. Cottage court: See §130-66.

(7) ~~For l~~Landscaping and tree canopy requirements, see Article VII of this chapter.

~~(9)~~(8) Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

~~(10)~~(9) ~~For s~~Sign requirements, see Article IV of this chapter.

~~(11)~~(10) There shall be no more than two persons occupying any single bedroom.

(11)Accessory structures: See §130-57~~, excluding private community recreational uses or detached private garages, shall not exceed 80 square feet in area and eight and one-half feet in height~~.

(12)Building projections, including unroofed decks: See §130-58.

~~(12) A single-family detached dwelling unit on a lot larger than one acre may be converted to a maximum of four multifamily dwelling units subject to approval of a special use permit in accordance with the requirements of Article IX of this chapter.~~

(e) *Operational guidelines:*

(1) Except for emergency needs, deliveries shall be prohibited between the hours of 8PM to 7AM, where such deliveries could be disruptive to the peace and quiet of adjacent residential communities.

(2) Except for emergency maintenance, exterior building and grounds work or maintenance shall be prohibited between the hours of 8PM to 7AM.

(3) In order to reasonably ensure the safety of the occupants/residents, physical security of the property should be considered both in the design stage and in operational plans.

(4) Accessory uses, such as limited retail, personal improvement services, or professional personal services, shall be permitted in congregate care/assisted living housing and nursing homes. Such activities shall only be for the use of the on-site residents and shall be located within the principal structure.

(f) *Special provisions.* A proposed development ~~may~~ shall not vary from the guidelines outlined in this section, except under unusual circumstances ~~with the exception of uses and the maximum density~~, subject to approval of a rezoning in accordance with Article IX of this chapter ~~or approval of a special use permit in accordance with Article IX of this chapter~~. However, such application must specifically outline the variation, define the need, and provide assurances that the intent of this chapter is met by means of proffers ~~or conditions~~. Uses cannot be varied or modified under the provisions of this section.

~~A request for waiver must specifically:~~

~~Clearly outline the requested waiver(s).~~

~~Justify the need or benefit to the public and community should the waiver be granted.~~

~~(f) *Implementation procedures.* Due to of the unique nature of this zoning district, the following implementation procedures are required. The rezoning or special use permit application must include a generalized development plan (GDP), vicinity map, profiles, elevations, and other documents which clearly depict the size, shape, and elevations of proposed structures on the selected property. In addition, an applicant shall conduct a market study to determine the need for the type of facility being proposed. The findings or results of the survey shall be provided with the application and shared with interested citizens. Prior to any public hearings, the applicant shall meet with the surrounding and/or affected citizens and present the proposal to the citizens. These meetings will include discussions relative to the GDP, and the use and operations of the proposed facility. In this manner, the citizens will be afforded the opportunity to provide input to the application before the public hearing.~~

~~(g) *Location restrictions.* An R-6 district shall be permitted only where it does not create an undue burden on off-site transportation or community facilities and services or unreasonably disrupt~~

~~neighborhoods. Such a district shall be consistent with the Comprehensive Plan designation for the subject property.~~

Sec. 130-269. R-7 planned residential.

(a) *Purpose and intent.* The R-7 planned residential district is intended to encourage and accommodate housing of various types, sizes, ~~and~~ densities, and affordability ~~of housing~~. It provides for development of high quality ~~traditional family homes and age-restricted~~ housing in a planned setting that can include a wide variation in lot and house sizes with supporting institutional uses and services.

(b) *Uses permitted.* See §130-241.

(c) *Minimum zoning district size.* ~~50 acres.~~ No minimum lot size.

(d) *Development guidelines:*

~~(1) A generalized development plan (GDP) for the proposed development shall be submitted with the application. It shall include the following either in map or narrative format:~~

~~a. Total site area.~~

~~b. Proposed land uses and location in each category.~~

~~c. Proposed lot arrangements, building locations, setbacks, building heights, gross density, and number of dwelling units.~~

~~d. Proposed schedule of development.~~

~~e. Proposed landscaping and screening.~~

~~f. Existing significant natural features and how they will be protected and accommodated in the plan, or provide written justification for removal.~~

~~g. Proposed methods of internal circulation, ingress and egress, vehicle trip generation estimates, and traffic splits.~~

~~h. Existing topography at two-foot minimum contour intervals.~~

~~i. Proposed public improvements within adjacent and nearby public rights-of-way.~~

~~j. Proposed locations and dimensions of pedestrian walkways and bicycle trails.~~

~~k. Proposed utilities, including sewer, water, and stormwater.~~

~~l. Proposed location and area of common and public open spaces.~~

~~m. A statement on the guarantees and assurances to be provided for the maintenance of open space, recreation areas, sidewalks, parking, streets, alleys, and other privately-owned but common facilities serving the project.~~

~~(a) A community impact statement (CIS) shall be submitted with the application, which describes the probable effects of the proposed development upon the community. At a minimum, it shall address the following:~~

~~a. Adequacy of existing public facilities and services to meet the demands of the development. Analysis shall be made of sewer, water, schools, parks, fire and rescue, and other major public facilities and utilities.~~

~~b. Additional on-site and off-site public facilities or services that would be required as a result of the development.~~

~~c. A traffic impact analysis shall be prepared by a qualified individual or firm in a manner and form acceptable to the City.~~

~~d. Fiscal impact of the proposed development with regard to tax revenues projected to be generated versus the cost of public improvements to be financed by the City or the state. Such a study shall be prepared by an individual or firm in a manner and form acceptable to the City.~~

~~e. Impact of construction activities and occupied development on surrounding property, such as aesthetics, vegetation, stormwater drainage, and noise, air, or water pollution.~~

~~(b)~~ The overall development shall be consistent with the Comprehensive Plan. ~~designation for the subject property; however, the housing density for the overall development shall not exceed 3.5 dwelling units per acre.~~

~~(c) The minimum lot size for a single-family detached dwelling unit shall be 4,000 square feet.~~

~~(2)~~(1) ~~The minimum distance between single-family detached dwelling units shall be ten feet.~~

~~(d) The lot coverage for a single-family detached dwelling unit shall not exceed 60 percent.~~

~~(e) Single-family attached dwelling units shall not exceed a maximum of eight dwelling units per building.~~

~~(f) A minimum of 15 percent of the dwelling units shall be age-restricted dwelling units.~~

(2) The maximum height of all structures shall be as follows:

a. Principal multifamily structures shall not exceed 45 feet in height.

b. All other principal structures shall not ~~exceed 35~~exceed 35 feet in height.

~~a.~~c. Cottage Court: See §~~Sec.~~ 130-66.

~~(g) Accessory structures shall not exceed 50 percent of the height of the principal structure.~~

~~(h) Accessory structures, excluding detached private garages and private community recreational uses, shall not exceed 80 square feet in area and eight and one-half feet in height. They shall only be located in a rear yard and shall be setback a minimum of five feet from all lot lines.~~

(3) ~~For o~~Off-street parking requirements~~:~~; ~~S~~see Article VI of this chapter.

(4) A landscaped area of 10 feet for any residential use shall be provided when any R-7 project abuts any "R" district line.

(5) Tree canopy and landscaping requirements: See Article VII of this chapter.

(6) Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(7) Accessory structures: See §130-57.

(8) Building projections, including unroofed decks: See §130-58.

(9) Open space:

a. A minimum fifteen percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the residents of the development.

. Cottage court: Sec. §130-66

b.

(j) A tree canopy or cover shall be planted over a minimum of 20 percent of the total area of the original parcel prior to subdivision or construction of any dwelling units. The area of any permanent pond or lake may be subtracted from the total land area for tree canopy purposes.

Public utilities shall be provided with transmission capacities sufficient to serve the development as well as adjacent undeveloped land as determined by the City.

All streets shall be built to DCSM standards and designed to accommodate projected traffic generation of the development. Off-site road improvements shall be provided to accommodate the projected traffic generated by the development.

(10) Private community recreational uses:

a. sShall be a minimum 2,500 square feet plus 50 square feet per dwelling unit. Appropriate private community recreational uses shall be provided.

.b. Cottage Court: See §130-66.

(e) *Special provisions.* A proposed development may shall not vary from the guidelines outlined in this section, except under unusual circumstances with the exception of uses and the maximum density, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. However, such application must specifically outline the waiver, define the need, and provide assurances that the intent of this section is met by means of proffersthe proposed rezoning or conditions. Any variation from these guidelines requested by the applicant shall be specifically acknowledged by means of a proffer or conditions. Uses cannot be varied or modified under the provisions of this section.

(e) *Implementation procedures.* The rezoning or special use permit application shall include a GDP and a CIS as defined under §130-269(d). Prior to any public hearings, the applicant is encouraged to meet with the surrounding and/or affected citizens. These meetings should include discussions relative to the GDP and the CIS. In this manner, the citizens will be afforded the opportunity to provide input to the application before the public hearing.

(f) *Location restrictions.* A R-7 district shall be permitted only where it does not create an undue burden on off-site transportation or community facilities and services or unreasonably disrupt neighborhoods. Such a district shall be consistent with the Comprehensive Plan designation for the subject property.

DIVISION 3. NON-RESIDENTIAL & MIXED USE DISTRICTS

Sec. 130-303. B-3 city center commercial (Old Town district).

(a) *Purpose and intent.* The B-3 city center commercial district is intended to implement the Comprehensive Plan's Downtown Character Area and to provide an attractive and successful mixed-use historic downtown with pedestrian-oriented retail, commercial, and institutional uses along with residential uses at urban densities that attract and serve both local and visitor populations.

Recognizing the economic value of the existing historic downtown, it shall further be the intention of this district to encourage the retention and rehabilitation of structures and uses in the district that have historic and/or architectural significance.

(b) *Uses permitted.* See §130-241.

(c) *Maximum structure height.*

(1) No structure shall exceed 55 feet in height, excluding mechanical equipment, which shall be adequately screened. No other architectural features such as false facades and towers, antennas used by broadcasting and telecommunications towers, public facilities, public utility uses, spires, and steeples shall exceed 60 feet in height.

~~(0)~~(2) Cottage Court: See §130-66.

(d) *Minimum and maximum setback~~s and structure location~~ requirements:*

(1) Front:

a. Minimum setback: From any street right-of-way or alley: None.

b. Maximum setback: No building wall shall be located more than 22 feet from the back of curb of any street.

(2) Side and rear:

a. None adjacent to a "B" or "I" district lot line.

b. 10 feet from any "R" district lot line for any residential use.

c. 25 feet from any "R" district lot line for any non-residential or mixed use. However, when the structure exceeds 25 feet in height, an additional setback of one foot shall be required for each foot in height above 25 feet.

~~(1)~~(3) Cottage Court: See §130-66.

(e) *Off-street parking requirements.* None required, unless specified as a condition of a special use permit or as required by §130-303(i)(2).

(f) *Open space and tree canopy requirements~~.~~:* See Article VII of this chapter.

(g) *Drive-through windows*. Drive-through windows are only permitted for financial institutions in conformance with the DCSM.

(h) *Outdoor display and outdoor storage*.

(1) All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

a. Outdoor dining may be conducted.

b. Outdoor display. See §130-61.

c. No exterior runs or exercise areas are permitted for veterinary hospitals.

(i) *Residential uses:*

(1) Single-family detached or duplex dwelling units.

a. Minimum lot area: ~~10~~5,000 square feet.

b. Minimum lot width, interior lots: 70 feet at the front setback line.

c. Minimum lot width, corner lots: 100 feet at the front setback line.

(2) Cottage courts: See §130-66.

~~(2)~~(3) Multifamily residential dwelling units are permitted in existing buildings with a final certificate of occupancy issued ~~as of~~prior to May 11, 2015, with non-residential B-3 uses in the same building, and which meet the following requirements:

a. The minimum size of each residential dwelling unit shall be 600 gross square feet.

b. A minimum of 80 percent of the gross floor area of the building's first floor shall be used for non-residential uses.

c. A minimum of 1.5 parking spaces per residential dwelling unit shall be provided on-site unless a public or private parking facility is located within 650 feet of the building and the parking spaces within that facility are reserved to meet the minimum parking requirements.

d. All off-street parking shall be located either within an enclosed courtyard or behind the principal structure and not readily visible from the street right-of-way.

Sec. 130-304. B-3.5 city center planned.

(a) *Purpose and intent.* The B-3.5 city center planned district is intended to implement the Comprehensive Plan's Downtown Character Area to encourage the mixing of compatible land uses, and to permit flexibility in building design and use. The goals of this district include extending the architecture and feel of historic downtown outside its core areas to create a sense of continuity, permitting increased residential development at urban densities in proximity to the Virginia Railway Express train station, and encouraging high-quality innovative design, infill, and redevelopment projects that are compatible with existing residential and commercial uses.

(b) *Uses permitted.* See §130-241.

(c) *Maximum and minimum structure height and setbacks:*

(1) *Maximum heights:* Except as otherwise provided, no structure shall exceed 65 feet in height, excluding mechanical equipment, which shall be adequately screened, and decorative architectural detail or other rooftop amenity unfit for habitation.

a. Structures constructed with a zero lot line setback shall not exceed 55 feet, excluding mechanical equipment, which shall be adequately screened.

b. Structures or portions of structures exceeding 55 feet shall be set back a minimum of two feet from the lot line for each five feet in additional structure height.

c. Architectural features, such as false facades, equipment towers, antennas used by broadcasting and telecommunications towers, public facilities, public utility uses, spires, and steeples shall not exceed ten feet in height from the finished building height and shall be adequately screened unless a modification is approved as provided for in §130-304(l).

~~c.~~d. Cottage Court: See §130-66.

(2) *Minimum height requirements:*

a. No non-residential/residential mixed-use structure shall be constructed with a height of less than 45 feet or three stories, whichever is less.

b. No single purpose non-residential use structure shall be constructed with a height of less than 45 feet or three stories, whichever is less.

c. No single purpose residential use structure shall be constructed with a height of less than 35 feet or two stories, whichever is less.

~~c.~~d. Cottage Court: See §130-66.

(d) *Minimum and maximum setbacks:*

(1) Abutting any street right-of-way, other than an alley:

a. Minimum setback: No building wall shall be located closer than 12 feet from the back of curb of any street.

b. Maximum setback: No building wall shall be located more than 22 feet from the back of curb of any street, unless a courtyard designed to provide for a park, landscaping, or preservation of existing trees, or other significant view shed or unique element is agreed upon and accepted at the time of rezoning or special use permit approval.

c. When the project design requires utilities to be located along a street right-of-way and a conduit bank cannot be designed to meet the required separation for specific utilities, then the minimum setback of the structure shall be increased to accommodate the area necessary for utility installation.

(2) When a building abuts any alley, the building wall may be located at a zero lot line.

(3) No side or rear setbacks are required when abutting any "B" or "I" district occupied by a commercial, office, or industrial use.

(4) A landscaped area of 25 feet for any non-residential or mixed use shall be provided when any B-3.5 project abuts any "R" district line. However, such area may be reduced, if the residential property owner agrees to such a reduction, either by means of providing an enhanced opaque screening or the acquisition of an offsite easement as evidenced by the recording of an agreement between the B-3.5 owner and the adjoining "R" district property owner(s).

(5) A landscaped area of 10 feet for any residential use shall be provided when any B-3.5 project abuts any "R" district line.

~~(4)~~(6) Cottage Court: See §130-66.

(e) *Off-street parking requirements:*

(1) Off-street parking shall be provided in accordance with Article VI of this chapter, unless a modification is approved as provided for in §130-304(l) and except as otherwise provided in this section.

(2) A multi-level parking structure may be used to provide the off-street parking spaces required by Article VI of this chapter.

(3) The total number of parking spaces for any use may be reduced on-site, if a public or private parking facility is located, or is funded for construction within 650 feet of the proposed use and the parking spaces within that facility are reserved to meet the minimum parking requirements.

(4) All off-street parking shall be located either within an enclosed courtyard or behind the principal structure and not readily visible from the street right-of-way.

(5) All off-street parking shall meet the setback requirements of §130-304(d).

(f) *Open space requirements.*

(1) Open space shall be provided that is equal to, but not less than seven percent of the total site area by means of one or more of the following techniques: traditional surface gardens, landscaped areas, or other gardens or landscaped areas incorporated into the proffered building design by means of planters or other permanently affixed units.

~~(4)~~(2) Cottage Court: See §130-66.

(g) *Tree canopy.* See Article VII of this chapter.

~~(b)~~(h) *Street ~~and parking lot~~ trees*: Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

~~(i) When surface off-street parking is proposed, a minimum of one tree for every 20 parking spaces shall be provided to reduce the visual impact and heat generated by the increased impervious surface area.~~

~~(h)~~(i) ~~*On-site lighting*~~*Accessory Structures and Building Projections*:

(1) ~~All common area and exterior lighting, including the common elements of a parking structure, pedestrian access ways, and walkways, shall be of an incandescent hue such as that generated by a high pressure sodium vapor laminar. Any illumination that generates a white light, such as a metal halide or halogen laminar, is not permitted.~~Accessory structures: See §130-57.

(2) ~~No exterior wall mounted light or freestanding parking lot lamp pole shall exceed 18 feet from base to top of fixture.~~ Building projections, including unroofed decks: See §130-58.

~~(2)~~

~~(3) All freestanding parking lot lamps shall be of the same style as used in the historic overlay district.~~

~~(i)~~(j) *Drive-through windows*. Drive-through windows are only permitted for financial institutions in conformance with the DCSM.

~~(j)~~(k) *Outdoor display and outdoor storage*.

(1) All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

a. Outdoor dining may be conducted.

b. Outdoor display. See §130-61.

c. No exterior runs or exercise areas are permitted for veterinary hospitals.

~~(k)~~(l) *Special provisions.* A proposed development ~~may~~shall not vary from the regulations and guidelines stated in this section~~, with the exception of uses~~, except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. However, such application must specifically outline the variation, define the need, and provide assurances that the intent of this chapter is met by ~~means of proffers or conditions~~the proposed rezoning. Any variation from this section requested by the applicant shall be specifically acknowledged by means of a proffer or condition. Uses cannot be varied or modified under the provisions of this section

~~(l)~~(m) *Density.* Residential density shall be established as part of the zoning of a parcel taking into consideration the uses proposed, the size of the parcel being rezoned, the impact on public services, available parking, maximum height of the structure permitted, and an analysis of the Comprehensive Plan standards as they impact the economic health of the City's tax base on a residential to non-residential mix.

~~(m) *Pre-Application conference.* Prior to submitting a request for a rezoning to the B-3.5 zoning district, the applicant shall conduct a pre-application meeting with the City.~~

(n) *Refuse storage.* All refuse storage shall be internal unless a modification is approved as provided for in §130-304(l).

~~(o) *Design guidelines.* Design guidelines shall be submitted with any request for a rezoning or special use permit. The following elements shall be contained in the design guidelines in both narrative and graphic form unless waived by the City. Once adopted through approved proffers or conditions, development shall proceed only in accordance with the design guidelines:~~

~~(1) *Physical and functional integration.* Significant physical and functional integration of project components, including but not limited to, vertical mixing of uses, careful positioning of key components, and both internal and external connections that emphasize pedestrian ease, comfort, and access to adjacent uses and the City center.~~

~~(2) *Architecture.* Architectural features are to be included in the design of all structures and shall be integrated within the design guidelines as follows:~~

~~a. Renderings or other graphic exhibits demonstrating height and materials for buildings and structures, including walls, hedges, and fences.~~

~~b. Details identifying any architecturally appropriate or coordinated cornice lines, rooflines, eave projections, and treatments designed to modulate long building walls and roof planes.~~

~~c. Dimensions and adjoining owner agreements for site maintenance easements for any zero-lot line property containing detached buildings.~~

d. Rooftop mechanical equipment screening materials dimensions and line of sight profiles at not less than 150 feet from any building wall.

e. External freestanding and facade lighting.

f. Screening for ground-level HVAC units.

(3) *Transportation.* Transportation improvements and enhancements are to be identified and included in the design of streets, alleys, bicycle paths, trails, pedestrian paths, and sidewalks integrating the project into the existing streetscape.

(4) *Parking.* When off-street parking is provided, parking lot enhancements are to be included in the design of parking lots and structures including a description of the following:

a. Surface off-street parking interior and exterior landscaping and screening with a focus on design, pedestrian access, safety, and minimizing vehicular light and noise pollution impacts.

b. Appearance of above grade off-street parking decks and lots including the design and materials used in construction, lighting, and public safety.

c. Screening for service, maintenance, and loading areas.

d. Facilities for bicycles such as racks and lockers.

(5) *Landscaping:*

a. Landscaping within building and structure setback areas and internal gardens used to meet the requirements of §130-304(f) and Article VII of this chapter §130-304(h) are to be included.

b. On-site specimen trees are to be identified and their preservation incorporated into the overall design of the project. Any specimen tree thus preserved shall have an easement placed on it in accordance with §122-52 of the City Code for tree preservation purposes. Maintenance by the property owner shall be properly identified within the design guidelines.

c. Open space improvements that are included in the proposed project shall be integrated in the design guidelines, including the size of parks, plazas, or squares and amenities within parks, plazas, or squares such as bicycle facilities, walkways, paths, trails, benches, ponds, sculptured elements and art, or fountains. Elements designed to accommodate this requirement shall be by specific proffer or condition with associated maintenance agreements and, if possible, public access.

(1) *Utilities.* Applicants are encouraged to work with the City to co-locate utilities in locations that have the potential to serve multiple projects, such as along the rear or common boundary of most developments.

(g) *Additional information that may be required.* Based upon the size, intensity, scope, and impact of a proposed development, the City, following the pre-application meeting required by §130-

~~304(n), may require all or any combination of the following information to be provided by the applicant in addition to the information required by §130-692 through 130-694:~~

~~(1) Traffic impact analysis including a parking plan.~~

~~(2) Market analysis and any data required permitting a fiscal impact analysis to be performed by the City.~~

~~(3) Infrastructure plan sufficient to prove all necessary utilities are available to serve the density proposed or projected service upgrades are included in the adopted City of Manassas Five Year Capital Improvements Program.~~

~~(4) Citizen participation plan providing an overview of community meetings and other methods that the applicant proposes to identify issues of concern from adjacent land owners and others who may be impacted by the proposal.~~

Sec. 130-308. PMD planned mixed use development.

(a) *Purpose and intent.* The PMD planned mixed use development district is intended to encourage and accommodate a balance of high quality and attractive housing types, sizes, affordability levels, of housing combined with supporting commercial and institutional uses that provide increased residential services within the PMD and to the City as whole. This zone is encouraged for appropriate locations in the Comprehensive Plan's Mathis and Sudley Medical Character Areas. It provides for development of high-quality residential dwelling units at higher suburban densities in a variety of housing types including single-family detached and attached, apartments, condominiums, and age-restricted housing, and allows mixing of uses in a manner and scale that promotes the City's historic character and encourages a live work environment not specifically dependent on the motor vehicle. This district can include a wide variation in lot and house sizes and can accommodate mixed residential and commercial uses within the same or adjacent structures.

(b) *Uses permitted.* See §130-241.

(c) *Minimum zoning district size.* None.

(d) *Proposed residential land area ratio.* The development ratio of non-residential to residential shall be based on a residential land area ratio (RLAR) of the site. No less than 30 percent but not more than 60 percent of the land area shall be developed for non-residential uses. In determining the RLAR, the calculation shall be made as follows:

(1) The generalized development plan (GDP) shall delineate and designate specific areas as either residential uses or non-residential uses. Streets, common interior travelways, and walkways that are designed for both uses shall be excluded from the total site area.

~~(2) Structures containing mixed non-residential and residential uses within the same structures shall be calculated as residential if the residential element exceeds 75 percent of the gross floor area. In this event, the structure and all areas for required parking shall also be considered as part of the residential use.~~

(e) *Development standards and guidelines:*

~~(1) A GDP for the proposed development shall be submitted with the application. It shall include the following either in map or narrative format:~~

~~a. Total site area.~~

~~b. Proposed land uses and location in each category.~~

~~c. Proposed lot or condominium arrangements, building locations, setbacks, building heights, gross density, building square footage of non-residential structures, and number of dwelling units.~~

~~d. Proposed schedule of development.~~

~~e. Proposed landscaping and screening.~~

~~f. Existing significant natural features and how they will be protected and accommodated in the plan, or provide written justification for removal.~~

~~g. Proposed methods of internal circulation, ingress and egress, vehicle trip generation estimates, and traffic splits.~~

~~h. Existing topography at two-foot minimum contour intervals.~~

~~i. Proposed public improvements within adjacent and nearby public rights-of-way.~~

~~j. Proposed locations and dimensions of pedestrian walkways and bicycle trails.~~

~~k. Proposed utilities, including sewer, water, and stormwater.~~

~~l. Proposed location and area of common and public open spaces.~~

~~m. A statement on the guarantees and assurances to be provided for the maintenance of open space, recreation areas, sidewalks, parking, streets and alleys, and other privately-owned but common facilities serving the project.~~

~~(2) A community impact statement (CIS) shall be submitted with the application, which describes the probable effects of the proposed development upon the community. At a minimum, it shall address the following:~~

~~a. Adequacy of existing public facilities and services to meet the demands of the development. Analysis shall be made of sewer, water, schools, parks, fire and rescue, and other major public facilities and utilities.~~

~~b. Additional on-site and off-site public facilities or services that would be required as a result of the development.~~

~~c. A traffic impact analysis shall be prepared by a qualified individual or firm in a manner and form acceptable to the City.~~

~~d. Fiscal impact of the proposed development with regard to tax revenues projected to be generated versus the cost of public improvements to be financed by the City~~

~~or the state. Such a study shall be prepared by an individual or firm in a manner and form acceptable to the City.~~

~~e. Impact of construction activities and occupied development on surrounding property, such as aesthetics, vegetation, storm water drainage, and noise, air or water pollution.~~

~~(3)~~(1) The overall development shall be consistent with the Comprehensive Plan designation for the subject property.

~~(4)~~(2) Maximum structure height and setbacks. No structure shall be erected, altered, or maintained to a height in excess of the applicable height limitations as established in this section unless a modification is approved as provided for in §130-308(f).

a. Structures shall not exceed a maximum height of 75 feet except under the following circumstances:

i. Structures or portions of structures constructed adjacent to ~~or within~~ 75 feet of an "R" district line, except R-5, shall not exceed 45 feet in height, excluding mechanical equipment, which shall be adequately screened.

ii. Structures or portions of structures constructed adjacent to an R-5, any "B", or any "I" zoning district shall be set back a minimum of two feet from the lot line for each five feet of additional height above the maximum height requirements of the adjoining district for the first 75 feet from the zoning district line.

~~b. At no time shall any structure exceed a maximum height of 70 feet.~~

~~c.~~b. Architectural features such as false facades, equipment towers, antennas used by broadcasting and telecommunications towers, public utility, public facility uses, spires, and steeples shall not exceed ten feet in height from the finished building height and shall be adequately screened, unless a modification is approved as provided for in §130-308(f).

~~a. Accessory structures shall not exceed 50 percent of the height of the principal structure.~~

~~b. Accessory structures, excluding detached garages and private community recreational uses, shall not exceed eight and one-half feet in height.~~

(3) Accessory structures and Building Projections:

a. Accessory structures: See §130-57

~~a.~~b. Building projections: See §130-58

~~d. Detached private garages and community recreational uses shall be permitted only if shown on the approved site plan.~~

~~e. On independent lots supporting a detached single-family dwelling unit, accessory structures, excluding private community recreational uses or detached private garages, not to exceed 80 square feet shall only be permitted in the rear yard, provided they are setback a minimum of five feet from all lot lines.~~

~~(5)~~(4) All off-street parking requirements shall conform to Article VI of this chapter.

~~(6) The minimum lot size for a single-family detached dwelling unit shall be 4,000 square feet.~~

~~(7) The minimum distance between single-family detached dwelling units shall be ten feet.~~

~~(8)~~(5) Landscaping and tree canopy requirements shall meet the requirements of Article VII of this chapter. ~~A tree canopy or cover shall be planted over a minimum of 15 percent of the total area of the original parcel. The area of any permanent pond or lake may be subtracted from the total land area for tree canopy purposes.~~

~~(9)~~(6) A minimum ten percent open space shall be provided, excluding utility strips, parking lot islands, and other planting strips. Open space shall provide active or passive areas of such a size to benefit the ~~community~~residents of the development.

~~(10)Public utilities shall be provided with transmission capacities sufficient to serve the development as well as adjacent undeveloped land as determined by City.~~

~~(11)All streets shall be built to DCSM standards and designed to accommodate projected traffic generation of the development. Off-site road improvements shall be provided to accommodate the projected traffic generated by the development.~~

~~(12)~~Street trees shall be provided on all streets with a minimum of one tree for every 35 feet.

(7)

(8) Required on-site private community recreational uses:

~~a.~~ Minimum of 500 sq. ft. plus 50 square feet per dwelling unit.

a.

b. Cottage Court: See §130-66.

~~(13)Appropriate private community recreational uses shall be provided.~~

~~(14)~~(9) Minimum setbacks:

~~c.~~a. Abutting any street right-of-way other than an alley:

1. Minimum setback. No building wall shall be located closer than eight feet from the back of curb of any street.
2. When the project design requires utilities to be located along a public street or right-of-way and a conduit bank cannot be designed to meet the required separation for specific utilities, then the minimum setback of the structure shall be increased to accommodate the area necessary for utility installation.

~~c.~~b. When a building abuts any alley, the building wall may be located at a zero lot line.

c. No side or rear setbacks are required when abutting any “B” or “I” district occupied by a commercial, office or industrial use.

~~c.~~d. A landscaped area of 25 feet shall be provided when any PMD project for any non-residential or mixed use abuts any "R" district line. However, such area may be reduced if the residential property owner agrees to such a reduction, either by means of providing an enhanced opaque screening or the acquisition of an offsite easement as evidenced by the recording of an agreement between the PMD owner and the adjoining residential district property owner(s).

e. A landscaped area of 10 feet for any residential use shall be provided when any PMD project abuts any "R" district line.

~~c.~~f. Cottage Court: See §130-66.

~~(0)~~(10) Drive-through windows are permitted for all nonresidential uses in conformance with the DCSM.

(11) Outdoor storage and outdoor display shall meet the following requirements:~~.~~

a. All uses shall be conducted entirely within an enclosed building with no outdoor storage with the following exceptions:

1. Outdoor dining may be conducted.

2. Outdoor display. See §130-61.

(f) No exterior runs or exercise areas are permitted for veterinary hospitals.

~~(f)~~(g) *Special provisions.* A proposed development ~~may~~ shall not vary from the guidelines outlined in this section, ~~with the exception of uses~~except under unusual circumstances, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. Any waiver from the standards and guidelines shall be specifically acknowledged by means of a proffer or conditions. Uses cannot be varied or modified under the provisions of this section.

~~*Special provisions.* A proposed development may vary from the guidelines outlined in this section, with the exception of uses, subject to approval of a rezoning in accordance with Article IX of this chapter or approval of a special use permit in accordance with Article IX of this chapter. Any waiver from the standards and guidelines shall be specifically acknowledged by means of a proffer or conditions. A request for waiver must specifically:~~

~~(g) Clearly outline the requested waiver(s).~~

~~Justify the need or benefit to the public and community should the waiver be granted.~~

~~*Implementation procedures.* The rezoning application shall include a detailed GDP and a CIS as defined under §130-308(e):~~

~~The City, upon accepting the application, will prepare a fact sheet outlining the proposal and present an informal report at the next available regular Planning Commission meeting.~~

~~The Chairperson of the Planning Commission, upon review of the application and hearing the report, shall determine if an ad hoc committee is warranted.~~

~~If an ad hoc committee is appointed by the Chairperson, it shall consist of no more than two members and the scope of review shall be established by the Chairperson at time of appointment. The committee shall be active until final recommendation of the Planning Commission.~~

~~Prior to any public hearings, the applicant shall meet with the surrounding and/or affected citizens. These meetings should include discussions relative to the GDP and the CIS. In this manner, the citizens will be afforded the opportunity to provide input to the application before the public hearing.~~

~~*Location restrictions.* A PMD district shall be permitted only where it does not create an undue burden on off-site transportation or community facilities and services, or unreasonably disrupt neighborhoods. Such a district shall be consistent with the Comprehensive Plan designation for the subject property.~~

~~**Sec. 130-543 Application Requirements**~~

~~(k) A digital copy of all documents required by this section.~~

ARTICLE IX. LAND USE APPLICATIONS

DIVISION 1. REZONINGS AND TEXT AMENDMENDMENTS

Sec. 130-543 Application r~~R~~equirements.

[(a) through (d) – No changes proposed]

~~(c) When construction or alteration of a structure, including signage and screening, is proposed, the applicant shall submit architectural renderings in color of all structures and a list of the color and type of exterior finishes proposed.~~

(e) Design guidelines. Design guidelines shall be submitted with any request for a rezoning. The following elements shall be contained in the design guidelines in both narrative and graphic form unless waived by the City. The following elements shall be contained in a rezoning application in both narrative and graphic form unless waived ~~by the Zoning Administrator~~or modified during pre-application. If adopted through approved proffers, development shall proceed only in accordance with the design guidelines:

(1) Physical and functional integration. Significant physical and functional integration of project components, including but not limited to, vertical mixing of uses, careful positioning of key components, and both internal and external connections that emphasize pedestrian ease, comfort, and access to adjacent uses.

(2) Architecture. The following exterior features are to be shown in the rezoning application and shall be integrated into the design of the proposed development:

a. Renderings or other graphic exhibits demonstrating height and materials for buildings and structures, including walls, hedges, and fences.

b. Details identifying any cornice lines, rooflines, eave projections, and treatments designed to modulate long building walls and roof planes.

c. Dimensions and adjoining owner agreements for site maintenance easements for any zero-lot line property containing detached buildings.

d. Rooftop mechanical equipment screening materials dimensions and line of sight profiles at not less than 150 feet from any building wall.

e. External freestanding and facade lighting.

f. Screening for ground-level HVAC units.

(3) Transportation. Transportation improvements and enhancements are to be identified and included in the design of streets, alleys, bicycle paths, trails, pedestrian paths, and sidewalks integrating the project into the existing streetscape.

(4) Parking. When off-street parking is provided, parking lot enhancements are to be included in the design of parking lots and structures including a description of the following:

a. Surface off-street parking interior and exterior landscaping and screening with a focus on design, pedestrian access, safety, and minimizing vehicular light and noise pollution impacts.

b. Appearance of above grade off-street parking decks and lots including the design and materials used in construction, lighting, and public safety.

c. Screening for service, maintenance, and loading areas.

d. Facilities for bicycles such as racks and lockers.

(5) Landscaping:

a. Landscaping within building and structure setback areas and internal gardens used to meet the requirements of this Chapter are to be included.

b. On-site specimen trees are to be identified and their preservation incorporated into the overall design of the project. Any specimen tree thus preserved shall have an easement placed on it in accordance with §122-52 of the City Code for tree preservation purposes. Maintenance by the property owner shall be properly identified within the design guidelines.

c. Open space improvements that are included in the proposed project shall be integrated in the design guidelines, including the size of parks, plazas, or squares and amenities within parks, plazas, or squares such as bicycle facilities, walkways, paths, trails, benches, ponds, sculptured elements and art, or fountains. Elements designed to accommodate this requirement shall be by specific proffer or condition with associated maintenance agreements and, if possible, public access.

~~(l) A digital copy of all documents required by this section.~~

From: Willis, Kevin
To: Christian Samples
Subject: [EXT]RE: City of Manassas - Requested Information
Date: Tuesday, June 20, 2023 2:41:38 PM
Attachments: R-6 Proposed Changes.pdf

[EXTERNAL]

Following up with some thoughts on the proposed changes:

- Development Guidelines
  - (2) adding 15% open space requirement – this could be particularly burdensome for an existing site such as Caton Merchant House, especially the way it is defined (items/areas excluded) – also worth discussing the practical application differences between AL/MC and IL/senior apartments
  - (4) adding that the side/rear setbacks apply to the "private community recreation use" is also burdensome, particularly for existing sites, and especially when viewed in combination with (2) above
  - (6) private community recreational use requirement – no changes, but worth noting that adding (2) above feels "layered on," and (4) could make this difficult for existing sites
  - (8) street tree requirement probably makes sense (how does it compare to landscape requirements?), but also further reduces flexibility with regard to use of green space, particularly for existing sites
- Operational Guidelines
  - (4) regarding accessory uses – suggest changing to read, "… shall only be for the use of the on-site residents **and their families and/or guests**, and shall be located within …"
- Design Guidelines
  - (5) Landscaping – Added item (c) requiring open space improvements to be proffered and "if possible" provide "public access" feels a little strange. Would like to discuss purpose/intent.

Most of the comments above relate to open space or recreation use and are flavored by the fact that we are thinking in terms of our specific project, which is really just a modest expansion to an existing use. They probably make perfect sense for new development, but the wrinkle here is resultant of the fact that we are trying to take an already developed site, with a legally non-confirming use, and fit it into a more modern interpretation of "what should be." I wonder if the answer is to write in some additional language that provides for a level of discretion on the part of the commission and/or council. The existing "Special provisions" language had more flexibility in that regard ("may vary"), but the newly proposed language ("shall not vary") appears to reel this back.

Lastly, as a potential "creative" solution for our project in specific, I wonder if there is some way that we could lean on some "use agreement" with the park next door that was previously a part of the property.

I would welcome the opportunity to discuss in more detail. Just let me know if/when you would like

to do so.

Thanks.

Kevin W. Willis
Senior Vice President, Construction & Development
MCAP Advisers LLC

534 E. Main Street, Suite B
Charlottesville, VA 22902-5395
T 434-963-4917
kwillis@mcapfunds.com | www.mcapfunds.com

From: Willis, Kevin
Sent: Wednesday, June 7, 2023 6:55 PM
To: Christian Samples <csamples@ci.manassas.va.us>
Cc: Gregory Bokan <gbokan@ci.manassas.va.us>
Subject: RE: City of Manassas - Requested Information

Christian –

Thanks again for taking the time to meet with us and for providing this information. I will get back to you with questions/comments on the proposed amendments in the next week or so.

In the meantime, I wanted to run my thoughts on the rezoning timeline by you and ask you to comment on how realistic these appear. Here is what we were targeting:

- Pre-app Mtg – July
- Public Meeting (sponsored by MCAP) – August
- Formal Submission by August 18
- Public Hearing at Planning Commission – September 6
    - How far in advance does submission need to occur to meet this, or any given, meeting date?
    - Is a single meeting/single action by the PC a realistic expectation?
- Public Hearing at City Council – October 16
- Final Approval by City Council – November 13 or 27

Does this look achievable? Or, asked a different way, can we get to "yes" by the end of November? end of December? What key dates do we need to hit in order to have a chance?

I know this is nuanced, but I need to set some internal targets/goals, so any help you can provide would be appreciated. Happy to jump on the phone to discuss, rather than email. I am relatively flexible tomorrow as well as most of Friday afternoon, if you have any availability.

Thanks.

Kevin W. Willis
Senior Vice President, Construction & Development
MCAP Advisers LLC

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Charlottesville, VA 22902-5395
T 434-963-4917
kwillis@mcapfunds.com | www.mcapfunds.com

From: Christian Samples <csamples@ci.manassas.va.us>
Sent: Tuesday, May 23, 2023 1:53 PM
To: Willis, Kevin <kwillis@mcapfunds.com>
Cc: Gregory Bokan <gbokan@ci.manassas.va.us>
Subject: City of Manassas - Requested Information

Hi Kevin, it was great to meet with you today. Attached are the current draft proposed changes to the R-6 zoning district. The Planning Commission is in the process of reviewing them and they will be going to Council in July. The final version will be determined by the Council.

The Rezoning application can be found here: LINK

Please let me know if you need anything else.

Thank you,

Christian Samples, AICP
Senior Planner
Community Development
Address: 9027 Center Street, Room 202, Manassas, VA 20110
E-Mail: csamples@ci.manassas.va.us
Phone: 703-257-8225

Manassas
HISTORIC HEART. MODERN BEAT.

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From: John Scancella
To: PlanningCommission
Subject: [EXTERNAL]May 24th Work Session public input
Date: Saturday, May 20, 2023 1:58:26 PM

[EXTERNAL]

Dear Planning Commission,

Looking at "housing draft technical amendments" I would like to voice my disagreement with the changes in regard to " Sec. 130-265. R-3 townhouses".

Part E - Changing these setbacks goes against the design guidelines the city published back in 2016/2017. I Strongly urge you to think about why we need these setbacks to be changed to a lesser amount. What has changed in less than 10 years in the city? The same goes for "Sec. 130-267. R-5 multifamily". Why are we changing the setbacks?

--
~John Scancella
1029 Cedar Ridge Dr
Manassas, VA 20110

Bungalow Court – Alameda, CA

Parcel size: ~0.4 acres

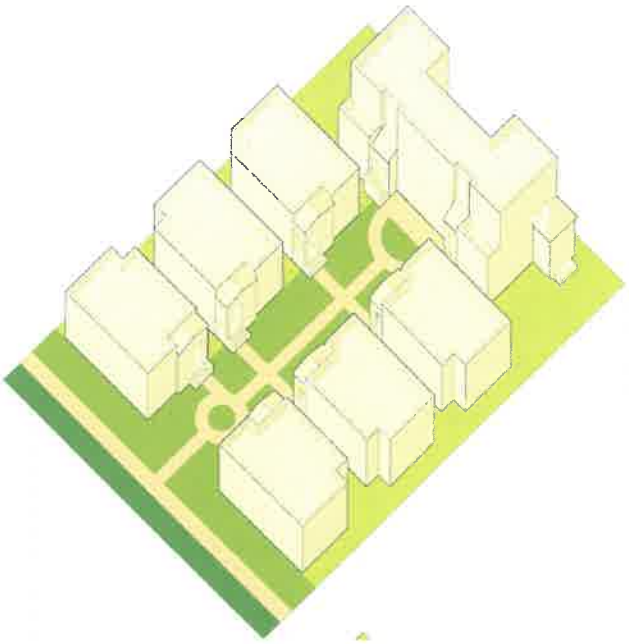
Units: 8

Density: 18.6 DU/acre gross

Unit size: average 840 sq ft

Parking: 8 off street parking/ 5 on street – 1.62 parking spots/unit









Carlton Landing project in Oklahoma

Parcel size: ~0.35 acre

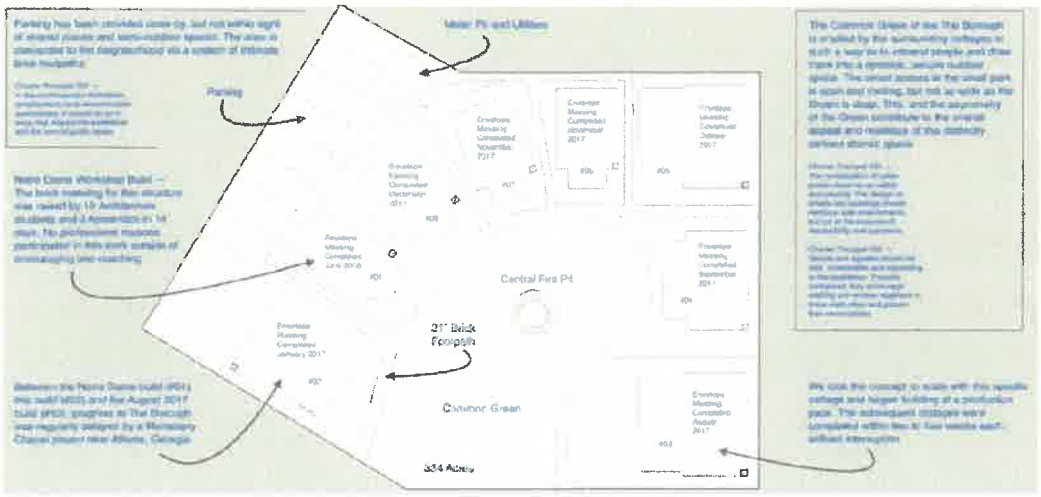
Units: 8

22.8 DU/acre gross

Unit size: 800- 1400 Sq feet

Parking: 8 off street parking + on street – 1 off street parking spots/unit



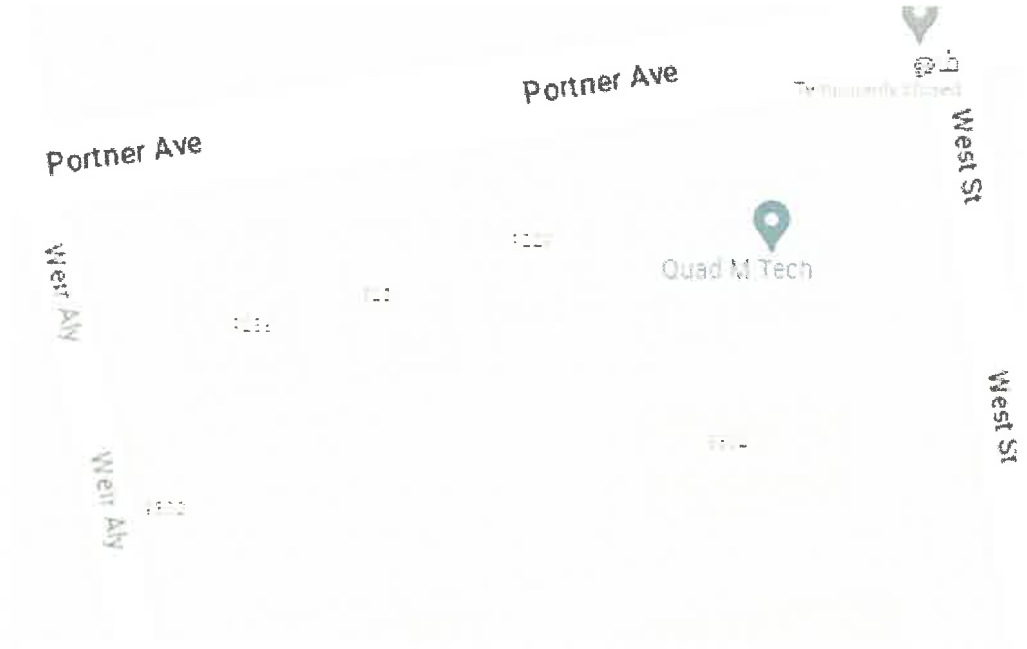


A Manassas Example – not a courtyard, but tight SF

~16 DU per acre

5 units

Unit Size: 1600 sf – 2200 sf





Greenwood Avenue Cottages – Shoreline Washington

Parcel Size: ~0.9 acre

Units: 8 + common community center

Density: ~9 DU/acre gross ~11 including common building

Unit size: 768-998 sq ft

Parking: 8-12 (wasn't clear)



The Third Street Cottages– Langley Washington

Parcel Size: ~0.7 acre (was put together by combining standard SF lots)

Units: 8

Density: ~11.4 DU/acre gross

Unit Size: Baseline 650 sq ft – some have lofts of up to additional 200 sf

Parking: Not clear but looks to be around 2





Cottage Court



- **Building type:** One lot with a group of 3 to about 10 detached buildings, each with one single-story dwelling. Each cottage fronts the shared court and has a dooryard, stoop, or porch providing entry to the unit. Cottages share side yards and usually do not have a rear yard. Each cottage has open or covered parking in an attached or detached garage accessed by a side drive or an alley.
- **Lot size range (feet):** About 100 wide x 120 deep up to about 200 wide x 250 deep.
- **Shared court:** The court is usually a garden and typically about 20-feet clear in any direction to give the garden an open feeling.
- **Height:** 1.5 stories*.
- **Resultant density range:** About 15 to 35 dwelling units per acre (variations are higher).

Variations

- **Mixed-use:** One or more of the cottages have office, service, retail, or food uses. This variation is effective near and adjacent to neighborhood Main Streets.
- **Mixed-types:** A few of the cottages are expanded to duplexes or triplexes, keeping the small building footprint and scale while increasing the total units on the lot.
- **Pocket neighborhood:** The lot is the size of most of a block or up to an entire block (typically about 3 acres), and the shared court is much larger, or there are several shared courts. The individual cottages are expanded to include a mix of duplexes, four- to sixplexes, and courtyard buildings.

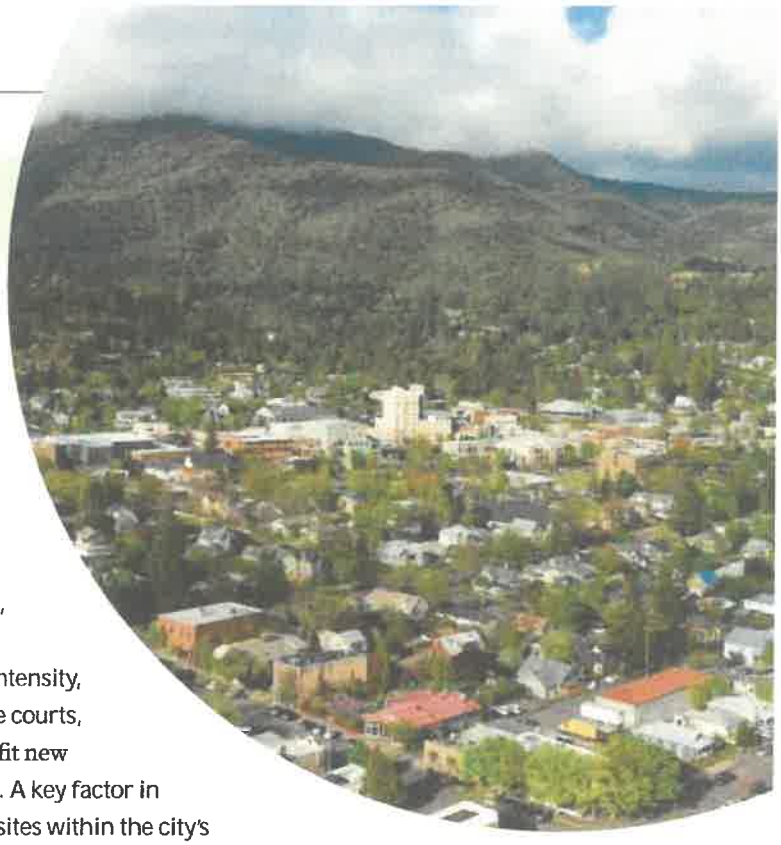
Design Considerations and Best Practices

- The basic type is mainly defined by the combination of small cottages within a large lot facing a shared court, thus the name 'cottage court'. It is tempting to allow larger houses, but this can result in the court being overshadowed and greatly reducing the separation between buildings. For this reason, the footprint of each cottage should be small, about 30 feet by 30 feet. In addition, the height should be under two stories (i.e. 1.5 stories). If a second story is necessary, it should be set back enough to keep the 1.5-story scale as viewed from within the shared court.
- Each facade facing the shared court should have a dooryard or porch for enjoying the shared court.
- Side separation between cottages should be about 10 feet to emphasize their individual footprints. Consider not including fences/walls between cottages so that visual separation between cottages is more obvious.
- A setback between the rear of each cottage and the side or rear property line of the large lot is helpful for utilities and trash location. It is recommended to not require a rear yard for any of the cottages.
- Dooryards, stoops, and porches are effective when they are up to the edge of the shared court to provide identity and private space for each cottage, while keeping the shared court feeling visually open and inviting.
- *When the rear lot line is adjacent to an alley or with a medium to large rear setback, consider allowing the rear-most cottage to be two stories to give visual emphasis to the shared court and to provide variety.
- The driveway from the street can be small and does not need to be two-way for this low intensity, especially when the driveway loops around the back and sides of the lot.
- Attached garages should be integrated into the design of each cottage to maintain the small scale and appearance.
- Allow but do not require that each cottage be on its own legal lot. The new standards can provide for a minimum lot size for each cottage, if desired by the applicant.

Implementation Options

Adopt ADU Code	Modify Current Zoning to Allow ADUs	Adopt Small Lot Code	Modify Current Max. Zoning Density	Adopt Cottage Court Code	Modify Current Zone District Standard(s)	Adopt Overlay Zone(s) or Standard(s)	Replace Zone(s) with Form-Based Code
N/A	N/A	✓	✓	✓	✓	✓	✓

Ashland, Ore.—18.2.3.090 Cottage Housing Code



Code Preparer: City of Ashland
Contact: Bill Molnar, Community Development Director, City of Ashland, OR; Mark Knox, KDA Homes, LLC

Background and the reason the code was prepared

The cottage housing code was initiated by the city to address high housing costs and demand for market-rate, non-deed-restricted housing. In its review of potential housing to types to consider, the city focused on lower-intensity, shared format housing types such as co-housing, cottage courts, and pocket neighborhoods. This approach was taken to fit new housing into the established pattern of detached houses. A key factor in preparing the code was to make effective use of limited sites within the city's urban growth boundary, while recognizing that most available sites are within single-family neighborhoods. In addition, the state of Oregon requires that cities have clear and objective standards for housing development.

The code's initial focus was on how to allow more housing—three to five units—on larger single-family lots, while keeping the additional units small, in physical balance with the neighborhoods. As the code continued to be developed, the possibility of larger sites within neighborhoods raised the need to be clearer about the total number of units to keep good physical balance with adjacent houses. This led to the requirement that the units be small and be organized around a large, shared open space.

The time to prepare, consider and adopt the code took 18 months, with the ordinance adopted in 2017.

What does the code allow?

- **Units:** Minimum 3, maximum 12 (up to half the units may be attached).
- **Density:** 11.6 to 17.4 dwelling units per acre.
- **FAR:** Maximum 0.35.
- **Unit size**: Maximum 1,000 square feet. In projects of only three units, two must be less than 800 square feet; in projects of four or more units, 75 percent must be less than 800 square feet.
- **Height**: Maximum 18 feet to the eave, with the ridge of a pitched roof allowed up to 26 feet.
- **Lot coverage**: Maximum 50 percent in zone (house, porch, driveways, sidewalks, 'not natural'); this code increases it to 55 percent if there is porous concrete, grass-crete, etc., but still it is not enough.
- **Building separation**: Minimum 6 feet (typically 12).
- **Fences**: Allowed between units but not taller than 4 feet.
- **Public street(s)**: May be waived if project meets block length standards by providing public access for pedestrians and bicyclists through an alley, shared street, or multi-use path.
- **Parking**: One space per unit (two required in zone); parking spaces are required to be consolidated to minimize the number of parking areas. Guest parking is not required.
- **Open space**: Minimum 20 percent of total site area, with a minimum dimension of 20 feet, and required to consist of a central open space or series of interconnected open spaces. Parking areas, driveways, wetlands, and steep slopes do not count toward this requirement.

- **Requirement to abut open space**: Minimum 50 percent of units required to abut the site's open space.
- **Private outdoor area**: Minimum 200 square feet per unit (e.g., patio, porch, garden) with a minimum dimension of 8 feet.
- **Common buildings**: Maximum 25 percent of the required open space but not more than 1,500 square feet may be utilized for a community building.
- **ADUs**: New ADUs are not allowed. If one exists on the site, it can continue.

How was the code adopted?

The ordinance was adopted as a cottage court code that only applies in single-family zones. Using this tool does not require a zone change. When this tool is applied, it is as a separate set of standards that specifically change certain standards while relying on the rest of the existing ordinances and standards.

Oregon state law requires clear and objective standards and enables by-right approval. However, because of these sites being subdivided into individual cottage lots, that becomes a discretionary action and requires Planning Commission approval. There is interest in someday delegating these approvals to the Community Development Director, but this will depend on the built results being acceptable and not resulting in the need for more review to address issues.

Built results

The first project to be built under the new ordinance is in the review and approval process and scheduled for a mid-February approval. The project is on a 0.75-acre site in an established single-family neighborhood and consists of 12 cottages. The project and surrounding neighborhood are about a half-mile (10-minute walk) from downtown Ashland and transit. There is an elementary school within a block of the site.

The project features a shared garden that is shaped by the 12 cottages. The cottages are all single-story and have porch frontages on the adjacent street or to the shared garden. The project's marketing is aiming at buyers interested in small lot development cottage courts and Missing Middle Housing.

This first project was submitted and approved for construction within a 4.5 month time frame, with construction expected to start in April and sales ready by November.

Incentives for building cottage courts

- Off-street parking was reduced from 1.75 to 1 per unit. This was made possible by much staff research and by looking at the actual neighborhoods to understand actual parking habits and needs.
- Minimum separation between units was reduced to 6 feet from 12 feet.
- Duplexes are allowed (during code preparation, up to three attached units were considered).
- Additional density up to 17 beyond the existing 11.6 dwelling units per acre.
- Clear and objective standards have limited frivolous appeals.

Challenges in building cottage courts

- Developers have identified that impervious surface limits are too restrictive and lot coverage is too low. Staff acknowledges these issues but wants to review built results before considering changes to the standards.
- The community is very concerned about landscaping and wants as much as possible. The required shared courtyard helps to address this issue.
- Market acceptance is slow because new projects like this do not exist.
- Until the built results convince people otherwise, there is still neighborhood opposition to any increase in density.
- There is strong concern about the ability for residents in the neighborhood to easily evacuate in a fire emergency.

From: Gregory Bokan
To: Christian Samples; Matthew Arcieri
Subject: FW: [EXTERNAL]R-1 Zoning
Date: Monday, September 19, 2022 11:30:25 AM
Attachments: image001.png

Do either of you want to respond to the email on the City's long-range planning goals and current housing efforts?

I don't see any specific question being asked or any specific request being made.

Greg

Gregory J. Bokan, AICP
Land Development Manager
Zoning Administrator
703-257-8204 (O)
gbokan@manassasva.gov

From: Teja <teja.vayu@gmail.com>
Sent: Saturday, September 17, 2022 2:12 PM
To: Gregory Bokan <gbokan@ci.manassas.va.us>
Subject: [EXTERNAL]R-1 Zoning

[EXTERNAL]

Hi Greg Bokan,

I want to let you know of my support for higher density zoning. The required R-1 zoning in America contributes to suburban sprawl, subsidizing the suburbs, car dependency, and environmental issues. Changing to mixed use zoning, an example is Merrifield in Fairfax, and medium density residential, like duplexes, would better most of these issues.

The lowered suburban sprawl would make it so more housing can be built in high demand areas, which will increase supply, making housing more affordable. Many people have their wealth tied up in housing, however, I do not believe that the older generation has the right to deny housing to the younger generation. The median house price to median income ratio is worse than the 2008 financial crisis, which means that anyone who does not already own a home will find it nearly impossible to own. We are condemning our children to a life of living with their parents, unaffordable renting, and homelessness.

I believe that mixed use zoning will also benefit the local economy. When people are within walking or biking distance of job opportunities and local businesses, this will decrease commute time, increasing productivity, as well as increasing profits for those businesses. Anyone can figure out that if the local store is a 15-30 minute drive away, as opposed to walking right down the street, they will get less customers.

The suburban sprawl also means that there are higher car infrastructure costs, as maintaining these roads costs taxpayers more money. Nationally, every American citizen pays an average of almost $6,000 a year subsidizing car infrastructure. Increasing public transit and biking/walking infrastructure would ease the tax burden, and this is only possible if sprawl is reduced.

There is also the environmental impact of R-1 zoning. The amount of energy needed to heat and cool a single family house is significantly more than any mixed use or medium density residential area. There are also the lawns, which cause a loss of biodiversity (especially flying insects and pollinators); decreases soil quality; damages the Chesapeake Bay due to fertilizer, pesticide, and herbicides; as well as wasting an unnecessary amount of water. The sprawl also means car dependency, which increases the number of miles travelled; decreasing this is the most efficient way of combating climate change, as the transportation sector is the largest polluter in the US, with personal cars contributing the majority of that pollution.

Thank you for your time, I hope to hear from you soon,
Teja Vayuvegula

ZTA #2022-0001
Housing Ordinance Updates

City Council Public Hearing

July 10, 2023

Manassas
HISTORIC HEART. MODERN BEAT.

Introduction

- City Council initiated review in Nov. 2021and requested Commission make recommendations on zoning ordinance changes to encourage affordable home ownership and affordable rental opportunities
- ZORC met during 2022 and 2023 to consider potential ordinance direction and to draft a proposed ordinance
- A public opinion survey was conducted in September – October 2022 to gain direction on potential changes
- A Planning Commission worksession was held in May 2023 requesting the Commission's feedback
- The Commission unanimously recommended approval of proposal on June 7, 2023

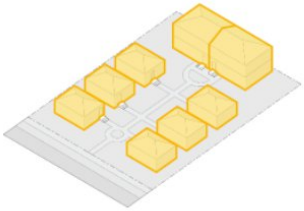
Missing Middle Housing



Cottage Court



Alley Loaded



Ideal Specifications

Lot	
Width	110 feet
Depth	150 feet
Area	16,500 sq. ft.
	0.4 acres
Units	
Number of Units	8 units
Typical Unit Size	840 sq. ft.
Density	
Net Density	21 du/acre
Gross Density	16 du/acre
Parking	
Parking Ratio	1.625 per unit
On-street Spaces	5
Off-street Spaces	1 per unit max.
Setbacks	
Front	15 feet
Side	5 feet
Building	
Building Size	
Width	24 feet
Depth	35 feet
Height (to eave)	15 feet
Floors	1 story

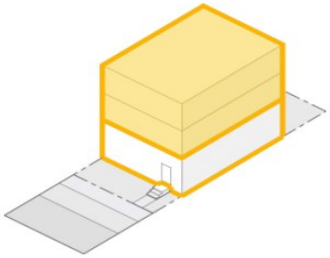




Courtesy of Missingmiddlehousing.com

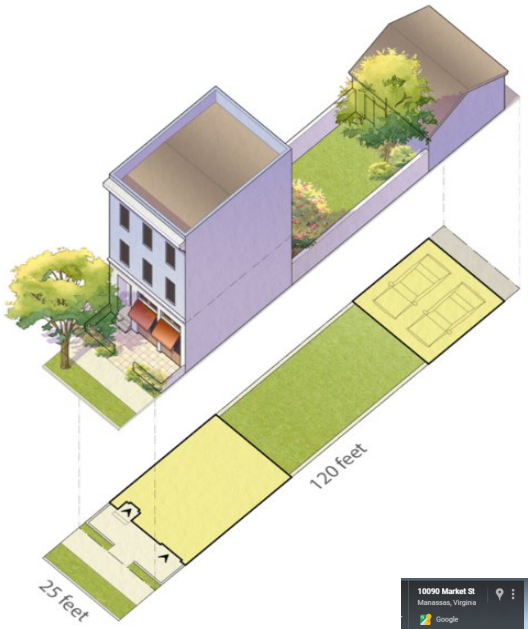
Live / Work

Alley Loaded



Ideal Specifications

Lot	
Width	25 feet
Depth	120 feet
Area	3,000 sq. ft.
	0.069 acres
Units	
Number of Units	1 unit
Typical Unit Size	1,750 sq. ft
Density	
Net Density	15 du/acre
Gross Density	11 du/acre
Parking	
Parking Ratio	3.0 per unit
On-street Spaces	1
Off-street Spaces	2
Setbacks	
Front	10 feet
Side	0 feet
Building	
Width	25 feet
Depth	35 feet
Height (to eave)	38 feet
Floors	3 stories



Courtesy of Missingmiddlehousing.com





Proposed Code Changes

- Amendments to address new affordable home ownership and affordable rental opportunities:
  - Create and define the term “Affordable Housing”
  - Add and define two new housing types: “Cottage Court” and “Live/Work Unit”
  - Create new Cottage Court development standards section
  - Amend the Use Table to expand permitted housing types:
    - Cottage Court: R-5, R-6, R-7, B-3, B-3.5, and PMD
    - Live/Work Unit: R-5, R-7, B-3, B-3.5, and PMD
    - Duplex: Add duplexes to B-3 and R-5 in addition to R-3, R-6, R-7, B-3.5 and PMD

Proposed Code Changes

- Amendments to encourage better site design and usable open space within new residential developments:
  - Changes consistent with recommendations of the Comprehensive Plan
  - Adjustments to setbacks, density, and open space in the R-3 and R-5 zones
  - Adjustments to buffering requirements in the R-7, B-3.5, and PMD

Proposed Code Changes

- Technical amendments to address minor changes, such as definitions and development standards
  - Moving accessory structure and building projection standards from zoning district standards to development standards
  - Moving design guidelines standards into application requirements and applied consistently across all types of rezones
  - Other minor adjustments to clean up repetitive language

Recommendation

- Planning Commission recommended approval unanimously
- Staff recommends approval of ZTA #2022-0001

ZTA #2022-0001
Housing Ordinance Updates

City Council Public Hearing

July 10, 2023

City of Manassas

Manassas City Council
9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	5 Minutes
Agenda Title:	Public Hearing -- FRANCHISE AGREEMENT (#O-2024-02) FOR TERMINAL BUILDING DEVELOPMENT AND GROUND LEASE, FOR THE PROVISION OF PASSENGER AIRLINE SERVICE AT THE MANASSAS REGIONAL AIRPORT
Recommendation:	Continue the public hearing to a date certain of July 24, 2023.
Motion:	*I move that the public hearing be continued to a date certain of July 24, 2023.*
Date Last Considered by City Council:	June 12, 2023 – Bid opening
Summary and/or Comments:	The City solicited proposals from all interested and qualified parties for the purpose of granting a franchise for the lease of ±17.8 acres of land and ±18,343 square feet of terminal space at the Manassas Regional Airport to expand and renovate the existing Airport Terminal Building and parking lots in order to provide suitable facilities for Passenger Airline services that do not currently exist at the Airport. The City received one proposal from Avports Manassas LLC when the bids/proposals were due on June 12, 2023. This franchise ordinance sets the requirements that the successful bidder must follow.
Board – Committee – or Commission Reviewed:	The Airport Commission reviewed the proposal received from Avports Manassas, LLC and recommends Council approval (June 15, 2023).
Fiscal Impact:	Payments to the Airport Fund are set forth in the franchise agreement.
Staff Contact:	Juan E. Rivera, Airport Director, jrivera@manassasva.gov, (703) 361-1882

ORDINANCE NO: O-2024-02

FRANCHISE AGREEMENT

FOR PARCELS A, B, C, D, E, F, and G

TERMINAL BUILDING DEVELOPMENT AND GROUND LEASE,
FOR THE PROVISION OF PASSENGER AIRLINE SERVICE
AT THE
MANASSAS REGIONAL AIRPORT

O R D I N A N C E

-

First Reading:
Second Reading:
Enacted:
Effective:

AN ORDINANCE TO DEVELOP AND LEASE PROPERTY
BETWEEN THE CITY OF MANASSAS AND AVPORTS MANASSAS, LLC
FOR THE DEVELOPMENT OF A COMMERCIAL USE
PASSENGER TERMINAL AND APRON

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The Parties agree to work together in good faith to make any amendments or adjustments to this Agreement that are necessary or desirable to reflect the finally determined tax treatment and financing plan of the Lessee, with the understanding that no such adjustments or amendments shall require the City to incur additional

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT together with all Exhibits and appendices thereto (together, "***Agreement***") is made and entered into as of the Effective Date (hereinafter defined) in accordance with Chapter 21 of Title 15.2 of the Virginia Code, as amended, by and between:

A. **THE CITY OF MANASSAS**, a corporate body politic, by and through its authorized and duly designated agent, the Airport Director (hereinafter referred to as the "***City***"); and

B. Avports Manassas, LLC hereinafter referred to as the "***Lessee***").

RECITALS:

WHEREAS, the City is the owner of that certain facility known as the Manassas Regional Airport located within the limits of the City of Manassas, Virginia at 10600 Harry J. Parrish Boulevard, and presently comprising approximately 889 acres of land together with various roadway, landing ways, facilities and improvements thereon (as the same may hereinafter be expanded, contracted or modified, being hereinafter collectively in this Agreement referred to as the "***Airport***"); and

WHEREAS, the ***"Demised Premises"*** that are subject to this Franchise Agreement includes both developed and undeveloped land owned by the City at the Airport, and is generally identified as:

Parcel A, for the northern expansion of the terminal building (.78 acres);
Parcel B, for the southern expansion of the terminal building (.28 acres);
Parcel C, Equipment storage facility adjacent to the southern expansion parcel (.44 acres);
Parcel D, the Airport ramp, which will be jointly used by Lessee and other Airport users (3.7 acres);
Parcel E, the existing parking / parking expansion area (6 acres);
Parcel F, located in Prince William County, for future parking (6.6. acres); and
Parcel G, which includes the existing 18,343 square foot Airport terminal building.

WHEREAS, the City does not currently have a terminal suitable for Passenger Airlines and is not currently served by Passenger Airlines, but the City has the opportunity to enter into an arrangement by which services for Passenger Airlines are provided by a contractor or tenant under the supervision of the City.

WHEREAS, as used herein, "**Passenger Airline(s)**" shall mean persons, operating or intending to operate civil aircraft as an air carrier or commercial operator, or both, in air commerce as defined in 14 CFR Part 119.1 and whose operations are conducted under 14 CFR Parts 121, 125, 129, or 135; and

WHEREAS, the City has determined that it is in the best interests of the City and the travelling public and consistent with the City and Airport's Strategic Objectives to accommodate

Passenger Airlines and facilities at the Airport and to do so in a manner that minimizes operational and financial risk to the City and to the Airport; and

WHEREAS, the Lessee is in the business of and has experience in leasing, financing, developing, managing and operating both general aviation and commercial service airports; and

WHEREAS, the City and Lessee desire to enter into this Agreement for the design, construction, maintenance and operation of a commercial air carrier terminal and related facilities to serve Passenger Airlines at the Airport; and

WHEREAS, the Lessee desires to lease the existing airport terminal building located at 10600 Harry J. Parrish Boulevard and other Parcels that comprise the Demised Premises for the purpose of operating: (i) a commercial use passenger terminal, (ii) commercial automobile parking and (iii) parking and servicing air carrier aircraft; and

WHEREAS, subject to the terms and conditions contained herein, the City and the Lessee are mutually desirous of entering into this Agreement for lease of the Demised Premises for the Permitted Uses (hereinafter defined).

WITNESSETH:

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained in this Agreement and the foregoing recitals being incorporated herein, the City hereby leases to the Lessee the Demised Premises, subject to existing encumbrances, as the same is more fully described by metes and bounds description contained on **Exhibit A** attached hereto and incorporated herein by reference.

ARTICLE – I
TERM

1.1 Term.

The Term of this Agreement shall be for a period of forty (40) years commencing on _____,____ 2023 (the "***Commencement Date***"), and expiring at midnight on ____, _____(the "***Expiration Date***") (the time period starting on the Commencement Date and ending on the Expiration Date of this Agreement shall hereinafter be referred to as the "***Term***").

1.2 Early Termination of Term.

Notwithstanding the foregoing and with the exception of any of Lessee's obligations which in accordance with its terms survive termination or expiration of this Agreement, and further provided that Lessee shall not then be in Default of this Agreement, the Lessee shall have the option, upon ninety (90) days advance notice (the "***Early Termination Notice***"), to terminate this Agreement: (i) at any time before the Rent Commencement Date, (ii) if the Airport is not certified pursuant to 14 C.F.R. Part 139 within one (1) year of the

Effective Date, except that as long as the City is making progress toward getting certified and approval has been delayed by no fault of the City, then the Lessee agrees to extend the time for an additional six (6) months beginning one year after the Effective Date for the City to receive an Airport Operating Certificate under 14 C.F.R. Part 139, and (iii) at any time after ten (10) years from the Effective Date of this Agreement (each of clauses (i), (ii) and (iii), being an "***Early Termination***").

Upon Early Termination, this Agreement shall terminate and come to an end as if it had naturally terminated at the end of the Term, provided however, matters that survive termination in accordance with the terms of this Agreement, shall survive Early Termination of this Agreement.

1.3 Encumbrance / Mortgage by Lessee.

Subject to the Airport Director's prior review and approval, or at his or her discretion the prior review and approval of the Manassas City Council, in either event not to be unreasonably withheld, conditioned or delayed, the Lessee shall have the right to encumber its interest in this Agreement and / or its leasehold interest in the Demised Premises (including by granting one or more Mortgages (as defined in Annex A)) in order to finance or refinance any Upgrades to the Demised Premises made or to be made by Lessee and or other capital investments directly related to Lessee's business permitted to be conducted from the Demised Premises; provided that any Mortgage shall be subject to the provisions of, and the Secured Parties and the City shall have the rights and obligations set forth in, Annex A.

ARTICLE – II
DESCRIPTION OF DEMISED PREMISES

2.1 Improvements.

The Demised Premises, as described by **Exhibit A**, shall consist of, include and mean all buildings, structures and improvements now existing or which may hereafter be constructed on, under or upon the Demised Premises by Lessee (together, the "***Improvements***").

2.2 Title to Improvements.

The Improvements shall at all times be deemed to be part of the Demised Premises and title to the Improvements shall vest in the City throughout this Agreement.

ARTICLE – III
USE OF DEMISED PREMISES

3.1 Permitted Uses.

Subject to the terms of this Agreement, the City grants to Lessee the sole right to operate, conduct and perform the following services on or from the Demised Premises and for no other purpose whatsoever (together, the "***Permitted Use***"); provided, however, that Lessee shall not have the sole right to use the Airport ramp portion of the Demised Premises:

3.1.1 For administration and operations offices, and lounges used in connection with the purposes authorized hereunder.

3.1.2 Operate and maintain a commercial use passenger terminal building including passenger screening checkpoint, check-in and ticketing, baggage claims and handling, gates, and passenger secure holdrooms and other terminal support facilities.

3.1.3 Parking, ground handling, deicing, and servicing of air carrier aircraft.

3.1.4 Terminal building concessions to include but not limited to food and beverage, retail and rental car services.

3.1.5 Commercial Automobile Parking, Transportation Network Company (TNC), and Shuttle Service.

3.2 Fuel Sales.

Unless expressly indicated by this Agreement, nothing contained in this Agreement shall give, or be construed to give, the Lessee any right to sell or store aviation fuel of any kind from the Demised Premises or at the Airport.

3.3 Additional Uses of Demised Premises.

Should the Lessee desire to offer any such additional services not listed above and included and made part of Lessee's Permitted Uses, the Lessee shall notify the Manassas Regional Airport Commission ("***Airport Commission***") in writing of its desire to offer such additional services, and the Airport Commission shall have thirty (30) days from the date of receipt of such request to consent to or to deny the Lessee's request, unless the Airport Commission, by and through the City's Airport Director (the "***Airport Director***"), notifies Lessee within such thirty (30) day period that the Airport Commission will require additional information or time in order to respond to Lessee's request, in which event, the time for the Airport Commission to respond shall be extended as per the request of the Airport Director, but in no event to exceed ninety (90) days. In the event the Airport Commission fails to respond within the foregoing thirty (30) day or longer time period, if extended, such lack of response shall be deemed that Lessee's request has been denied.

If approved, such approval for additional permitted services must be in writing, and may include terms and conditions deemed necessary by the Airport Commission for the provision of the additional services. The terms of such additional services shall be attached and be made part of this Agreement by separate addenda.

The Lessee may appeal decisions of the Commission regarding additional uses to City Council pursuant to Section 29.9.9.

ARTICLE – IV
RENT

4.1 Rent Payable.

For use and occupancy of the Demised Premises and privileges herein granted, the Lessee agrees to pay to the City, as rent, those amounts set forth and reserved in the Payment Schedules attached hereto and made part of this Agreement as **Appendix B** (as outlined in the Payment Schedules, the "***Rent***").

4.2 Revenue Sharing.

The Lessee also shall pay to the City an annual share of Lessee's Gross Revenues calculated in accordance with **Exhibit D**.

4.3 Rent Commencement Date.

The Lessee shall commence paying Rent in accordance with the Payment Schedules on the date that is the earliest to occur of: (a) the date upon which the airport receives an Airport Operating Certificate (AOC) from the FAA under 14 C.F.R. Part 139, (b) the date Lessee occupies any portion of the Demised Premises; and (c) the date Lessee commences construction of improvements thereon (as applicable, the "***Rent Commencement Date***").

4.4 Payment.

The Rent shall be in payable in equal monthly installments due on the first (1st) day of each month and paid in advance at the office of the City's Treasurer or at such other office as may be directed from time to time by the City.

4.5 Late payment.

If any installment of Rent is not paid to the City within a period of ten (10) calendar days after the day when such payment is due, the Lessee shall pay to the City a late charge equal to ten percent (10%) of each such late payment (each, a "***Late Charge***"). Additionally, any Rent which is thirty (30) days delinquent shall bear interest at the rate of eighteen percent (18%) per annum from the date the payment is due until paid (the "***Default Interest Rate***"). If any installment of Rent is late three (3) or more times in any consecutive twelve (12) month period, the Lessee shall be deemed to be chronically delinquent and the City shall have the right, in addition to the Late Charge, the Default Interest Rate and all other rights and remedies reserved under this Agreement, to increase the Rent for the next twelve (12) months by twenty percent (20%) in order to compensate the City for its additional administrative expenses incurred in collecting the Rent.

4.6 **Reimbursements to City.**

In addition to the payment of Rent, Revenue Sharing, Late Charges and Interest payable pursuant to Sections 4.1 – 4.5, the Lessee agrees to pay to the City the following reimbursements:

4.6.1 Aircraft Rescue Fire Fighting (ARFF) Facilities, Equipment and Personnel

The Lessee shall reimburse the City the cost of providing ARFF services and the operating cost of any equipment owned by the City or provided by a provider of such services at the Airport to meet the federal regulations requirements of Part 139 for costs directly related to supporting Passenger Airlines servicing the Terminal. Lessee's obligation includes overtime costs that are associated with ARFF personnel for hours worked over and above 40 hours per week. The City reserves the exclusive right to determine how and by whom the ARFF requirements will be met. The Lessee will reimburse the City for these costs within thirty (30) days of the City providing the Lessee with a monthly invoice and appropriate documentation of such cost. The costs to be reimbursed by Lessee under the foregoing will be limited to no more than $650,000 per fiscal year (pro-rated for any partial year), where that amount will increase each year by 3% or the CPI-U whichever amount is greater. In the event costs under this section exceed that amount, the Parties agree to meet and work in good faith on a mutually agreeable solution, including any modifications to this Section 4.6.1 that will allow for services to be provided by the Lessee.

The Lessee shall also reimburse the City for the cost of renovating the existing hangar currently planned for the future ARFF equipment storage facility as required to meet the acceptable federal and state standards. These costs include, but are not limited to an electric bay door(s), shower, kitchen, administrative office, bunkroom, and training/conference room. The Lessee will reimburse the City for these costs within thirty (30) days of the City providing the Lessee with a final invoice and appropriate documentation of such cost. The costs to be reimbursed by Lessee under the foregoing will be limited to $600,000. The City agrees to apply for any FAA or other federal/state/local grants or other monies that may be available to cover the foregoing costs, with any proceeds used to first reduce the City's costs beyond what Lessee would otherwise be responsible for under the foregoing, and then to reducing Lessee's obligation under this section.

The City and the Lessee agree to coordinate and consult on the foregoing, including with a view to managing the costs thereof for future ARFF equipment and facilities.

4.6.2 Airport Security Plan and Related Implementation Cost

The Lessee shall reimburse the City for costs of developing and implementing an Airport Security Plan that will comply with applicable federal regulatory

requirements and approved by the FAA and Transportation Security Administration (TSA) associated with providing passenger airline service. The following costs have been identified but are not intended to be an exhaustive list since such costs will be the result of regulatory requirements imposed on the City by TSA, FAA or other regulatory agencies:

a) Costs related to badging and background checks related to passenger service in the Terminal that are needed to meet the Airport's Security Plan approved by the TSA and FAA.

b) Cost of Law Enforcement Officer (LEOs), Airport Security Manager, Credentialing Program Coordinator, and associated personnel cost required to meet the Airport's Security Plan approved by the TSA and FAA. The City reserves the right to determine how and by whom the LEO requirements will be met.

c) Overtime cost associated with LEO personnel for hours worked over and above 40 hours per week.

d) Cost of new security cameras and maintenance costs required to meet the Airport Security Plan.

The costs to be reimbursed by Lessee under the foregoing will be limited to $650,000 per fiscal year (pro-rated for any partial year), where that amount will increase each year by 3% or the CPI-U, whatever amount is greater. The Lessee will reimburse the City for these costs within thirty (30) days of the City providing the Lessee with an invoice(s) and appropriate documentation of such cost.

The City agrees to apply for any TSA or other federal/state/local grants that may be available to cover the costs of such LEO positions, with any grant proceeds used to first reduce the City's costs beyond what Lessee is responsible for under the foregoing, and then to reducing Lessee's obligation under this section.

The City and Lessee agree to coordinate and consult on the foregoing, including with a view to managing the costs thereof. For the avoidance of doubt, it is Lessee's intent to minimize any incremental City cost exposure for security or LEOs directly related to providing commercial airline passenger services.

4.6.3 Part 139 Certification Related Implementation Cost

The Lessee shall reimburse the City for costs of developing an Airport Certification Manual (ACM), and those operating cost expenditures necessary for the City to receive an Airport Operating Certificate (AOC) for a Class I airport operator.

In each of the first five (5) fiscal years of passenger service operation following receipt of the AOC, to the extent the landing fees collected by the City are

insufficient to cover the cost of maintaining the AOC (including any additional airport employees required to provide sufficient and qualified personnel necessary to comply with the requirements of the Airport's ACM and in direct support of Passenger Airline services) (a "**Shortfall**"), the Lessee shall reimburse the City for such Shortfall. In such event, as a condition to such reimbursement, the City shall be required to adjust its landing fees to sufficiently address such Shortfall for the following fiscal year. At a minimum, the City shall increase the landing fees for the following fiscal year to a level that would have eliminated the Shortfall had such landing fees been charged during the fiscal year in which a Shortfall occurred.

The City agrees to apply for any FAA or other federal/state/local grants or other funds that may be available to cover the costs of the foregoing, with any grant proceeds used to cover the Lessee's obligation under this Section 4.6.3. The City shall determine the project priorities, timing and funding sources of its Airport Capital Improvement Plan (ACIP) in coordination with the FAA and Virginia Department of Aviation (VDOA). The City agrees to provide airport budget cost and justification for the items that it is seeking reimbursement from the Lessee regarding the cost of supporting Passenger Airline services. The City anticipates providing airport operations personnel on site during the times the airlines are operational and passengers are present.

The City and the Lessee agree to coordinate and consult on the foregoing, including with a view to managing the costs thereof, and working within an agreed budget.

4.6.4 Reimbursement from Passenger Facility Charges

Unless directly specified, costs under this Section 4.6 should be limited to operating costs and excluding costs for capital improvements. However, to the extent there are capital expenditures or other costs incurred under this Section 4.6 that are otherwise eligible to be funded using Passenger Facility Charges (PFCs) under 14 CFR Part 158, City agrees that it will consider PFCs for reimbursement of any eligible expenditures. The City shall determine the project priorities, timing and funding sources (AIP, PFCs, Entitlements, Bonds) of its Airport Capital Improvement Plan (ACIP) in coordination with the FAA and VDOA.

4.6.5 Calculation of CPI-U

For the purposes of this Section 4.6, the referenced adjustment for CPI-U will be based on the product of (i) the applicable value and (ii) the net change in the CPI for All Urban Consumers (CPI-U) All items in U.S. city average, all urban consumers, not seasonally adjusted, Base Period: 1982-84=100, published by the U.S. Department of Labor, Bureau of Labor Statistics (presently available here: https://www.bls.gov/news.release/cpi.t01.htm) for the last month of the fiscal year before the Effective Date and the last month before the fiscal year in which the adjusted value will apply, but not less than zero. If the index specified in the foregoing or that is subsequently substituted for hereunder ceases to be published,

the City and the Lessee will agree on a substitute therefor, which may be based on more than one index, that reasonably replicates the discontinued index.

ARTICLE – V
CONSTRUCTION, RENOVATION & EXPANSION REQUIRED BY THE LESSEE

5.1 Terminal Building Expansion.

The Lessee, solely at its cost, shall design and construct or cause to be constructed an expansion of the existing Terminal Building. The new Terminal Building expansion shall have no less than 25,000 gross square feet (sf). After the Terminal Building expansion, the total building square footage shall be no less than 43,343 gross square feet. It is the desire of the City that the Lessee use the Premises effectively and plan for future operational needs, so nothing precludes the Lessee from expanding the Terminal Building beyond 25,000 sf if the space is available. The final plans, specifications, details, and location of construction within the Demised Premises shall be subject to the approval of the Airport Director prior to submission to the City for formal approval, which approval by the Airport Director will not be unreasonably denied or delayed. A duly licensed architect selected by the Lessee will prepare necessary construction plans and specifications for the project using FAA AC 150/5360-13A as a guide, at the expense of the Lessee. The final design shall at a minimum include space for ticketing/check-in, passenger screening, holdrooms, concessions, baggage claim, circulation, airline offices and operations areas, baggage handling, baggage screening system, airport operations, bathrooms, federal inspection services (FIS), and building systems.

Both Parties understand that the Lessee or its tenants will need the Airport's existing Equipment Storage Building to start Airline Service, and that the facility will eventually be torn down to make room for the expansion of the terminal building. The existing Equipment Storage Facility is ±8,000 square feet and located on Lot B (±0.44 acres) which is part of the Demised Premises. Prior to the Lessee or its tenants occupying the Equipment Storage Building, the Lessee shall provide the City a replacement building located on Airport property to be provided by the City with airside access that is acceptable to the Airport Director. The Lessee shall be responsible for all cost to provide the replacement building, and for moving the Airport's equipment and supplies to the new Equipment Storage Building. The square footage of the replacement building, number of parking spaces, bathrooms, and ramp square footage shall be no less than what exists at the time. If the City decides that it is in its best interest to build a larger Equipment Storage Building facility, it shall be responsible for all cost associated with the larger building facility.

The Lessee recognizes that the City's Airport Administration & Operation Department and U.S. Customs & Border Protection (FIS) and a flight training school called Aviation Adventures ("Flight School") have office space in the existing terminal building and that the Lessee agrees to allow both the City and FIS to continue to operate in its existing office space, until suitable space is designed and constructed by the Lessee for the City and FIS, which will be within the Terminal Building, or with the City's prior consent may be outside

of the terminal building. The space provided to the City and FIS will be no less than the existing square footage and at no cost to either the City or FIS. Lessee and the City agree to work together in the project design process to ensure adequate space is provided for airport operations and FIS. If the City and or the FIS desire to have additional space in the expanded terminal building, then the Lessee and City will determine a pro rata share cost for the additional space. The City will reimburse the Lessee for any costs associated with the construction of the additional space within ninety (90) days from the date City and FIS take occupancy of the space. The Lessee shall not receive rent for the space occupied by the City and FIS.

Upon the execution of this Agreement or at the end of the current term of the lease the Flight School has with the City, whatever occurs first, unless the Lessee requires the Flight School's current office space for operational or security reasons, the Lessee agrees to offer a new lease agreement to the Flight School for its current office space; provided that such lease agreement will permit the Lessee to relocate the Flight School to suitable modular office space elsewhere on the Airport property, to be provided by the City, until the Flight School is able to secure a permanent replacement space. The Lessee agrees to provide the Flight School with the same amount of space and at the same rental rate for the first twelve months that it currently has in the terminal building adjusted by 3% or the CPI whichever is greater. The Lessee shall allow the Flight School to renew its lease for one additional twelve-month period at a rate it negotiates with the Flight School. The Lessee agrees that, when necessary, it shall pay the cost to temporarily relocate the Flight School to the suitable modular office space described above. In no case shall the temporary modular office space be in place for more than thirty-six (36) months.

5.2 Existing Terminal Building Maintenance and Renovations.

The Lessee shall be responsible for the repair, maintenance and janitorial services of the entire Terminal Building, including expansion areas, throughout the Term of the Agreement at its sole cost. The Lessee shall also renovate the existing terminal building that is part of the Demised Premises in order to create the necessary terminal facilities, flow sequences, and passenger movements.

The Lessee shall, at its sole cost and expense, repair and maintain the Demised Premises, and provide janitorial services throughout the Term of the Agreement. No less than on the tenth (10^{th}), twentieth (20^{th}) and thirtieth (30^{th}) years of the Agreement, the Lessee shall perform preventative maintenance and any other required upgrades to the terminal space that will bring the facility to like-new conditions, ordinary wear and tear excepted. These upgrades may include, but not limited to new carpet or other floor coverings, bathroom upgrades, and interior and exterior painting of walls, doors and ceilings.

5.3 Automobile Parking Lot(s) Expansion.

The Lessee shall design, construct, operate and/or maintain as required, at its sole cost, automobile parking lots and driveways associated with terminal building and passenger services, including the main terminal driveway, and access thereto on the Demised

Premises as shown on Exhibit C. The Lessee shall be responsible for the management and any costs related to access controls or other maintenance, including snow removal, landscaping, and debris removal.

The Lessee will have the right to provide personnel to manage and support the parking program and to require any third party offering remote parking with shuttle service to the Airport to coordinate with Lessee and to sign a license or similar agreement with Lessee that provides, *inter alia*, insurance, indemnification, and agreement to follow City and Lessee's rules while operating on the premises.

In connection with the foregoing, the Lessee will provide up to twenty-five (25) parking spaces at a location designated by the Airport Director, for use by specified employees of the City.

Nothing in this section precludes the Lessee from making other renovations and upgrades to the existing terminal building and new improvements on the Demised Premises, or from submitting plans to the City for the future expansion of the terminal building or automobile parking facilities. Prior to any expansion or major renovation of existing building or facilities, the Lessee shall submit a site plan and meet all other engineering and development requirements as required by the City's zoning ordinance and Design and Construction Standards Manual and the Airport's Construction & Standards found in Appendix A of this Agreement.

5.4 Timing and Requirements of Upgrades and Renovations.

Lessee shall diligently pursue all upgrades, expansions and other improvements as contemplated herein and as identified on Exhibit C (the "**Upgrades**"). The Upgrades will be completed in phases, the approximate durations for which are also included on Exhibit C. Unless otherwise agreed to in writing by the Parties, the construction of the Upgrades shall commence within 90 days from City's receipt of (i) an Airport Operator Certificate (AOC) under Part 139, (ii) an environmental clearance by the FAA under the National Environmental Policy Act (NEPA), and (iii) all permits and approvals required for commencement of construction from the applicable governmental entities[1] and shall be completed not more than eighteen (18) months following commencement. Any dates or time periods specified above shall be extended due to delays caused by force majeure and any recovery therefrom.

Prior to starting the Upgrades, the Lessee shall provide the Airport Director with copies of the estimated cost, name of licensed Class A[2] contractor and known subcontractors, and the scope of work for each of the upgrades. As each Upgrade is completed, the Lessee shall provide the Airport Director with a copy of the final invoice, warranties, and a written notice of completion (NOC). Prior to commencement of any work, Lessee shall make

certain all necessary applicable construction permits have been issued by the City or Prince William County, as appropriate.

In the interest of time, Lessee may request the City's consent to begin work on certain Upgrades to the terminal building at a date which is after the Effective Date but before City's receipt of AOC. The City's consent may be granted or denied in the Airport Director's sole discretion. If consent is granted and Lessee begins the Upgrades and City does not receive Part 139 certification through no fault of its own, Lessee agrees that it will not seek reimbursement from the City of any costs or expenses related to said Upgrades. Notwithstanding the foregoing, if Part 139 certification is not obtained due to acts or omissions of the City, the City will reimburse Lessee for such reasonable costs and expenses.

5.5 Extensions to Complete Upgrades.

Lessee shall be entitled to a day for day extension of the completion date for each day of delay as a result of force majeure events and the recovery therefrom as provided in Section 29.3 of this Agreement. In addition, the Airport Director may, in his or her discretion, approve an extension of the completion date upon Lessee's request, which approval is not to be unreasonably withheld if good cause is shown for the extension, but any such extension shall not exceed ninety (90) days.

5.6 Failure to Complete Upgrades.

In the event the Lessee fails to substantially complete the required Upgrades in accordance with Article V in the time designated by this Agreement, including any extensions approved by the Airport Director, this Agreement shall, upon ninety (90) days' notice from the City, unless completed within that time, terminate. This failure to complete the Upgrades as required shall be deemed to be a Non-Monetary Default under Section 20.3.8 of this Agreement (i.e., a material default) and, at the option of the City, shall entitle the City to forthwith cancel this Agreement and to exercise any and all of the remedies as provided in this Agreement in the event of Lessee's Default.

Notwithstanding the foregoing, in the event Lessee substantially completes the Upgrades prior to the expiration of the foregoing thirty (90) day notice period, this Agreement shall not be deemed to have terminated and shall remain in full force and effect.

5.7 Intended Tax Treatment

The Parties agree to work together in good faith to make any amendments or adjustments to this Agreement that are necessary or desirable to reflect the finally determined tax treatment and financing plan of the Lessee, with the understanding that no such adjustments or amendments shall require the City to incur additional obligations or liabilities (unless the City will have received indemnification with respect thereto). The City, as a federally tax-exempt entity, does not intend to take a federal income tax position contrary to Lessee's intended treatment for federal income tax purposes.

ARTICLE – VI
OPERATION AND MAINTENANCE OF TERMINAL BUILDING

6.1 Concession for Non-Aeronautical Facilities.

The parties understand that the Lessee is constructing the project in order to operate a terminal complex for Passenger Airlines and related facilities serving the general public. The City does not contemplate the need for additional terminal facilities at the Airport and therefore hereby provides the Lessee the concession to provide those non-aeronautical facilities which are necessary or desirable for passengers, customers and employees of Passenger Airlines at the Airport including, without limitation, paid automobile parking facilities, terminal passenger facilities and inside and outside terminal concessions, including access for rental cars, taxis and ground transportation (collectively, "***Non-Aeronautical Facilities***").

The Lessee shall have the right to set, collect and retain all terminal building and concession rentals, airline or other airport terminal user usage fees, automobile and/or bus parking fees, Transportation Network Companies (TNCs) access fees and any Rent-A-Car Customer Facility Charges (CFCs) for use or access to the Demised Premises.

The grant of the concession herein recognizes that the existing fixed base operator has a concession to provide car rental services for its customers. The Lessee acknowledges that, notwithstanding the concession granted herein, the existing fixed base operator can continue to provide car rental services for customers utilizing fixed base operator services.

6.2 Operating Standards.

The Lessee shall be responsible for all operations and maintenance of the Terminal building, and City shall have no obligations related to such operation and maintenance. The Lessee shall manage and operate the Terminal building in accordance with the Operating Standards attached as Exhibit E. The parties understand the Operating Standards are intended to address such items, without limitation, as general facilities cleaning; maintenance of the Terminal building including structure and roof; HVAC, water, electric, computer, signage and other systems; equipment outage frequency and preventative maintenance. The City shall have the right to make reasonable revisions in the Operating Standards if such revisions are required by federal, state, or local law or regulations, or by order of a court of competent jurisdiction, (provided that the City shall provide written notice to the Lessee of any and all such revisions) or by mutual agreement of the parties.

6.3 Maintenance Reserve Fund.

In addition to any requirements set forth in the Operating Standards, within one year of City's receipt of AOC, the Lessee shall establish, and at all times maintain, a maintenance reserve fund equal to the budgeted operations and maintenance costs for the operating the

Terminal building for one year as shall be established by the Lessee based upon actual or projected annual operations and maintenance expenditures.

The Lessee, at its sole expense, shall make or cause to be made any and all structural repairs and replacements necessary to keep the Premises in a commercially reasonable first-class condition. Lessee shall provide maintenance at its sole expense to keep the interior and exterior of the Premises in a clean, attractive, and sanitary condition at all times.

6.4 Accommodations.

Subject to the capacity of the available facilities, the Lessee shall attempt to reasonably accommodate and, in all cases, negotiate in good faith with any Passenger Airline that formally expresses written interest to serve the Airport except as provided in this Agreement. The Lessee shall inform the Airport Director of any requests that are received from Passenger Airlines that have an interest in serving the Airport and, upon Director's request, allow the Airport Director to participate in any negotiations to the extent necessary. The Lessee shall inform the Airport Director of any Passengers Airlines that have been denied access and use of the terminal building and the reason for the denial. The Parties recognize the Airport must grant access to the Airport and any accommodations consistent with FAA regulations.

6.5 Insufficient Space.

This section shall apply only in the instance in which a Passenger Airline desires to provide service at the Airport but the Lessee determines that there is insufficient space to accommodate all Passenger Airlines who wish to provide such service within the Terminal or on the Premises.

If either the Lessee or the City receives an expression of interest from a Passenger Airline who is not presently accommodated at the Terminal building or from an incumbent Passenger Airline who desires to offer service or frequency for which there is insufficient space, then Lessee and the City will negotiate in good faith to find the necessary space in close proximity to the Terminal building to accommodate such request.

The City shall not construct or allow a third party to construct additional non-aeronautical facilities to serve Passenger Airlines, their passengers, users, customers or employees unless it first gives other interested parties, including the Lessee, an opportunity to bid on additional land to build the facility. Similarly, if sufficient space is available at the Terminal and Premises, City shall require any Passenger Airline operating with more than 9 seats to use the Terminal building.

6.6 Subtenants, Passenger Airlines and Concessionaires.

The City acknowledges that the Lessee will be entering into subleases, licenses and concession agreements with Passenger Airlines and concessionaires in connection with the operation of the Terminal building. All such agreements will be subject to approval by the

Airport Director which cannot be unreasonably withheld, conditioned or delayed. All agreements must contain at least the following provisions: (a) the agreement will be subordinate to City's Grant Assurance obligations to the federal government; (b) the agreement will contain such nondiscrimination provisions as are required by the City and the applicable Grant Assurances; (c) the agreement will provide that the subtenant's, licensee's or concessionaire's rights to leased property will be forfeited if it remains unused for a defined period of time; (d) the agreement will provide a procedure for sharing or release of space if needed for other Passenger Airlines or concessionaires; and (e) the agreement will contain a provision requiring the sublessee, licensee or concessionaire to attorn to the City in the event that the City elects to terminate this Agreement if the Lessee defaults hereunder after the expiration of all applicable notice and cure periods. The Airport Director or his or her designee shall have the right to review any and all such subleases, licenses and concession agreements at reasonable times upon reasonable advance notice. However, Lessee hereby expressly reserve the right to redact any otherwise non-public information deemed proprietary by any party to an agreement for which approval is sought under this Section 6.6, but to the extent City provides a reasonable explanation for requesting the redacted data, Lessee shall provide an unredacted version.

6.7 Foreign Object Debris (FOD)

The Lessee shall make reasonable efforts to inspect and keep the Premises clean of any object, material or matter that poses a threat of foreign object debris (FOD) damage to aircraft.

ARTICLE – VII
ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR

7.1 Delivery of Demised Premises.

Lessee warrants it has inspected the Demised Premises and accepts possession of the Demised Premises, to include any existing Improvements thereon, in its "as-is" and "where-is" present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, Virginia Department of Aviation, by statutes and regulations of the Commonwealth of Virginia and by ordinances of the City, and admits its suitableness and sufficiency for the Permitted Use hereunder. Except as may otherwise be provided for herein, the City shall not be required to maintain nor to make improvements, repairs or restoration upon or to the Demised Premises or to any of the Improvements presently located thereon. The City shall never have any obligation to repair, maintain or restore, during the Term of this Agreement, any of the Improvements currently upon or Upgrades hereafter placed upon the Demised Premises by the Lessee, its successors and assigns, unless such damage was caused by the negligent or willful misconduct of the City, its employees or agents.

7.2 Maintenance Costs and Requirements.

The Lessee shall throughout the Term of this Agreement assume the entire responsibility, cost and expense for all repair and maintenance whatsoever on the Demised Premises and all Improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, during the Term of this Agreement and without limiting the generality hereof, Lessee shall:

7.2.1 Clean and Orderly Condition.

Keep at all times, in a clean and orderly condition and appearance, the Demised Premises, all Improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Demised Premises.

7.2.2 Quality of Maintenance.

Maintain the quality of the Upgrades at a level which is at all times equal to or greater than at the time of its original construction, with normal wear and tear excepted. The Airport Director may at any time and from time to time during regular working hours enter upon the Demised Premises to inspect the same and to determine if maintenance satisfactory to the City is being performed. If in the Airport Director's reasonable judgment, the Lessee is not undertaking, or has not undertaken the necessary repairs and improvements, the Airport Director shall notify the Lessee, giving specifics of its findings.

7.2.3 Lights and Security System.

Provide and maintain on the Demised Premises all building lights, ramp lights, parking lot lights, obstruction lights, security lights and similar devices, and safety equipment required by law.

7.2.4 Damage and Repair.

Repair any damage caused by Lessee or its customers to paving or other surface of the Demised Premises or the Airport caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.

7.2.5 Erosion and Plantings.

Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Demised Premises not paved or built upon, and in particular shall plant, maintain and replant as necessary any landscaped areas within the Demised Premises.

7.2.6 Utility Lines.

Be responsible for the maintenance and repair of all utility service lines placed on or below the Demised Premises and used by the Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and sanitary sewers and storm sewers.

7.2.7 Repair and Rehabilitation of Parking lots, Ramps and Pavement.

Mill and repave all ramps and parking lots within the Demised Premises no less than every eighteen (18) years through the end of the Term of this Agreement. The Lessee shall develop a pavement maintenance plan to maintain the ramps and parking lots by all means necessary, to include, but not limited to slurry sealing, crack sealing, and pothole repair as necessary over the Term of this Agreement. All materials used for restoring pavement shall meet FAA or VDOT specifications as applicable.

7.3 Failure to Repair.

In the event the Lessee fails within a period of thirty (30) days after notice from the City: (a) to commence to maintain, clean, repair, replace, rebuild or repaint or to do any of the maintenance or repair work required to be done by Lessee under the provisions of this Agreement or to undertake any preventative maintenance required in order to reasonably maintain the Demised Premises in good repair and working condition (together, the "***Required Repairs***"); and (b) to diligently continue to complete the Required Repairs as required under the terms of this Agreement; then, the City may, at its option, and in addition to any other remedies which may be available to it under this Agreement or applicable law, enter the Demised Premises, without such entry by the City being deemed or constituting a cancellation of this Agreement or an interference with the possession of the Demised Premises, and proceed to make the Required Repairs, and do all things reasonably necessary in order to make the Required Repairs. Provided, however, if in the sole opinion of the City, the Lessee's failure to perform any such Required Repairs creates an emergency or an event which in the City's sole opinion may result in an emergency, endangers or could endanger the safety of the public or that of the employees of the City, or endangers or could endanger the safety of the property of the City or that of the other tenants at the Airport, and the City so states the same in its notice to the Lessee, the City may at its sole option, in addition to all other remedies which may be available to it under this Agreement or applicable law, elect to immediately perform all or any of the Required Repairs at any time after the giving of such notice (together, the "***Emergency Repairs***"). The cost and expense incurred by the City in order to make the Required Repairs, to include any of the Emergency Repairs made by the City, shall be deemed as additional Rent under this Agreement and shall be due and payable by Lessee to the City upon demand together with interest thereon at the Default Interest Rate. The City's costs and expenses shall include, but not be limited to, all legal, expert and consulting fees, all direct and indirect costs and expenses of the City, its agents, outside contractors, consultants and employees, all financing charges, if any, and all allocations of fringe benefits and overhead incurred in making such repairs and incurred by the City in enforcing Lessee's obligation to make the Required Repairs or Emergency Repairs. Furthermore, should the City, its officers,

employees or agents undertake any work in order to make the Required Repairs, the Lessee hereby waives any claim for damages, consequential or otherwise, as a result therefrom except for claims for damages arising from the intentional misconduct or gross negligence of the City, its agents and contractors. The foregoing shall in no way affect or alter the primary obligations of Lessee as set forth in this Agreement, shall not impose or be construed to impose upon the City any obligation to maintain the Demised Premises or to make any of the Required Repairs or the Emergency Repairs.

7.4 Major Alterations.

Plans and specifications for all repairs, construction, alterations, modifications, additions or replacements which are structural in nature or cost in excess of Fifty Thousand and 00/100 Dollars ($50,000) per item or in aggregate, but excluding painting, decorating and nonstructural routine maintenance (together, the "***Major Alterations***"), shall be submitted to the City for its approval, and no work on such Major Alterations shall be commenced until such approvals are obtained from the City which approval shall not be unreasonably withheld or delayed. The City shall advise the Lessee within thirty (30) days after receipt of Lessee's request, together with copies of all required plans and specifications for the Major Alterations proposed, all in sufficient detail to permit the City to make proper review thereof. In the event of disapproval, the City shall state the reasons therefore. The criteria for the City's review shall be consistent with City ordinances, Federal Aviation Administration Advisory Circulars, Aviation Code of Virginia and the Statewide Building Code, compatibility with the Airport's architecture, City's future proposed plans with the Airport and functionality for present and future uses appropriate to the Airport. City's failure to respond within the foregoing thirty (30) day period shall not be deemed as City's approval of Lessee's request for making the Major Alterations.

If the Lessee makes any of the Major Alterations without City approval or any portion thereof which are disapproved of by the City, then, upon notice from the City, the Lessee shall remove the Major Alterations or at the option of the City cause the same to be changed or modified to the reasonable satisfaction of the City. If the Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, the City may, in addition to all other rights and remedies reserved under this Agreement to the City, effect the removal of the Major Alteration or otherwise change or modify the same and the Lessee shall pay the cost thereof to the City together with interest at the Default Interest Rate.

7.5 Title.

Throughout the Term of this Agreement, title to all the Improvements located on the Demised Premises (whether existing prior to the Effective Date of this Agreement or hereafter constructed by Lessee) shall vest in the City. Without limiting the generality of the foregoing, title to all the Upgrades shall pass to the City as the same or any part thereof is erected, constructed or installed and the portion thereof representing the Improvements shall be and become a part of the Demised Premises hereunder. This vesting of title in the City at the time specified is part of the consideration for this Agreement. The City shall not

be liable to the Lessee or the Lessee's contractors, sublessee, lender or third-party interest holder for the value of any Improvements constructed or located on the Demised Premises.

7.6 Bonding.

Lessee shall, as Principal and prior to constructing any Upgrades, furnish the City with a performance bond and labor and materials payments bond, each in the sum of the construction contract amount and conditioned, respectively, on: (a) the faithful performance of the construction contract in strict conformity with the plans, specifications previously approved by the City and contract provisions; and (b) the prompt payment for all labor, materials and costs of said construction. The bonds shall be in a form reasonably acceptable to the City Attorney.

ARTICLE – VIII
ADDITIONAL OBLIGATIONS OF LESSEE

8.1 Quiet Operations.

The Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.

8.2 Interference with Communications.

Further, in operating its machinery and equipment at or from the Demised Premises or elsewhere at the Airport, the Lessee shall take all reasonable measures necessary to insure that it will not produce at the Demised Premises or anywhere else at the Airport, electronic or other disturbance that interferes with the operation by the City or the Federal Aviation Administration of navigational, communication or flight equipment at the Airport, on aircraft using the Airport, or with ground transportation communications.

8.3 Air Service Development (ASD).

The City and the Lessee both have a mutual interest in attracting and retaining commercial air service to the Airport, and understand the economic importance of airline service to the local community and to the discharge of this Agreement. The Lessee shall generate and implement an ASD program with the goal of keeping and enhancing air service. The Lessee shall include the Airport Director or his or her designee in the process of developing the ASD program. The Airport Director will work with the Lessee, local community leaders, businesses, chamber of commerce, tourism and economic development departments in the City and the County to assist the Lessee in meeting the agreed upon goals outlined in the ASD program.

8.4 Conduct of Lessee's Personnel.

The Lessee shall control the conduct and demeanor of its officers, agents, and employees ("***Personnel***") and, upon objection from the Airport Director or his or her designee concerning the conduct or demeanor of any such person, the Lessee shall immediately take all lawful steps necessary to remove the cause of the objection. Lessee shall be responsible for any damage caused by its Personnel. The Lessee shall seek to control the conduct and demeanor of its invitees, guests and, upon objection concerning the conduct or demeanor of any such person, the Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

8.5 Proper Attire.

The Lessee agrees to require its employees to wear attire that is appropriate for their job description, to include safety equipment if necessary or required.

8.6 Badges.

The Lessee agrees to require its employees and tenants to meet the badging requirements set forth in the Airport's Security Plan and required by the TSA and FAA. The Lessee shall be responsible for the cost of badging and rebadging its employees and require that its tenants do the same.

8.7 Health and Safety Requirements.

The Lessee shall comply with all health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Demised Premises and/or the Improvements thereon and its operations at the Airport hereunder.

8.8 Waste/Trash Storage, Handling and Removal.

Lessee shall be responsible for removal from the Airport, or otherwise disposing of in a manner approved by the City, all garbage, debris, recyclables, yard waste and other waste materials (whether solid or liquid) arising out of its occupancy of the Demised Premises or out of its operations, including construction of any Upgrades. The Lessee shall provide and use suitable covered metal or other rigidly and sturdily constructed receptacles, suitably screened from public view, for all garbage, debris, recyclables, yard waste and other waste materials created on or arising in connection with the activities conducted on the Demised Premises. Piling of boxes, cartons, barrels or other similar items, in an unsightly or unsafe manner, on or about the Demised Premises is forbidden. The manner of handling and disposing of garbage, debris, recyclables, yard waste and other waste material and the frequency of removal thereof from the Airport shall at all times be subject to the rules, regulations and approval of the City. Lessee shall use extreme care when effecting removal of all such waste to prevent littering the Airport. In order to prevent animals and birds from spreading trash and debris, the Lessee shall at all times keep sliding or hinged doors closed on all trash containers. The Lessee shall dispose of its sanitary sewage through the City's sanitary sewer system. If the Lessee's trash receptacles or dumpsters are approved by the

Airport Director to be located within the perimeter security fence of the Airport, then the Lessee shall be responsible for escorting any trash vendor to and from its dumpster when it needs to be dumped. The Lessee is solely responsible for the actions of its vendors while inside the fence.

8.9 Nuisance.

The Lessee shall commit no nuisance, waste or injury on or about the Demised Premises, and shall not do, or permit to be done, anything that may result in the creation, commission or maintenance of such nuisance, waste or injury on or about the Demised Premises.

8.10 Systems Access.

The Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm or security system and fire hydrants and hoses, if any, installed or located on or about the Demised Premises.

8.11 Floor Loads.

The Lessee shall not overload any floor, structure, structural member or paved area on the Demised Premises, or paved area elsewhere on the Airport, and shall repair at the Lessee's sole cost and expense any floor, structure, structural member, or any paved area damaged by overloading.

8.12 Insurance Rates and Risks.

The Lessee shall not do, nor permit to be done, any act or thing upon the Demised Premises which: (a) will invalidate or conflict with any fire insurance policies as applicable to the Demised Premises or any part thereof; or other contiguous premises at the Airport; nor, (b) may constitute a hazardous condition that increases the risks attendant upon the operations permitted by this Agreement. Notwithstanding the foregoing, the foregoing will in no event prohibit the Permitted Uses.

8.13 Flammable Liquids.

If Lessee uses flammable liquids, then Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Demised Premises. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories and all applicable federal, state and City regulations. The term "working supply" as used herein shall mean the amount consumed by the Lessee and other parties using the Demised Premises during any normal work day.

8.14 Fire Extinguisher.

The Lessee shall maintain all required fire extinguishing apparatus in accordance with appropriate standard of the National Fire Protection Association (NFPA) subject to inspections by the City's Fire Marshal.

8.15 Restaurant and Kitchen Operations.

The Lessee may install, maintain, operate or permit the installation, maintenance or operation of one or more restaurant concessions, stands or other establishments for the sale of food and beverage services or merchandise to the general public in the terminal building.

8.16 Notice of Non-Permitted Uses.

Except for services that are expressly permitted under Article III hereof to be performed from the Demised Premises, Lessee shall not perform or permit any of its agents, employees, customers subcontractors, tenants, assigns or any other party under its supervision or control to perform any services which are not expressly permitted under Article III (together, the "***Non-Permitted Uses***"). Lessee shall provide prompt notice to the City of any person, firm or corporate entity performing any Non-Permitted Uses. Further, the Lessee shall provide prompt notice to the City of any person, firm or corporate entity performing any aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Demised Premises for commercial purposes without a valid permit for such operations from the City (a "***Commercial Operating Permit***").

8.17 Interference with Aircraft Operations.

While operating in the Demised Premises, the Lessee shall take reasonable care, caution and precaution and shall use its commercially reasonable best efforts to cause its tenants or subtenants to minimize prop or jet blast interference to other aircraft operating on adjacent taxiways or to buildings, structures and roadways, now or hereafter located on areas adjacent to the Demised Premises.

8.18 Outside Storage.

The Lessee understands that no outside storage is permitted unless this Agreement specifically designates an area for that purpose. In this regard, it is specifically understood and agreed that no vehicles, trailers or equipment such as, by way of example, campers, boats, recreational vehicles or tractor-trailers are to be stored at the Airport. Vehicles, trailers, mobile stairs, belt loaders, lavatory-service vehicles, tugs, auxiliary power units, de-icing units and any other equipment that is owned or leased by Lessee or any one or more of its subtenants and which are normally required for conduct of the Permitted Use from the Demised Premises are excluded from this provision (the "***Excluded Equipment***"), provided however, the Excluded Equipment must at all times be stored, kept or parked, as the case may be, in designated areas on the Demised Premises or such other areas as may from time to time be designated by the Airport Director in order to keep them out of sight and to minimize interference with operations at the Airport. At no time will the Lessee or

any of its subtenants be permitted to park any vehicle, aircraft or equipment in any area of the Airport designated as a "safety area" or a "obstacle free area", any taxilane or taxiway at the Airport or any other area of the Airport which may obstruct the use of any such taxilane or taxiway at the Airport.

8.19 Height of Structures.

The Lessee expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Demised Premises to such a height so as to comply with all applicable Federal Aviation Regulations, Part 77 (as amended), Terminal Instrument Procedures (TERPS) and/or any other regulations promulgated by proper authority. The Lessee agrees to contact the Airport Director 48 hours in advance of using a crane on the Demised Premises and shall complete a FAA 7460 form prior to the use of a crane when required by the FAA.

8.20 Rodent and Insect Control.

The Lessee agrees to provide adequate control of rodents and insects and other pests in its Demised Premises.

8.21 Snow and ice Removal.

The Lessee, at its own expense, agrees to remove all snow and ice from the sidewalks, parking lots, and ramps located on the Demised Premises. The Lessee or its contractors will not interfere with any snow or ice removal operations being conducted by the Airport staff or its contractors.

8.22 Animals.

The Lessee shall be prohibited from keeping any animals, domestic or otherwise, within the Demised Premises, except for animals traveling with passengers utilizing the Demised Premises, service animals such as seeing eye-dogs and others protected by federal accessibility standards.

ARTICLE – IX
INGRESS AND EGRESS

9.1 Common Right of Ingress/Egress.

The Lessee shall have the right of ingress and egress between the Demised Premises and public landing areas at the Airport by means of connecting taxiways and taxilanes, and between the Demised Premises and the entrance(s) to the Airport by means of connecting paved roads. The Lessee's right to ingress and egress shall be in common with others having rights of passage thereon, and may be used except when the Airport is closed to the public. All such ingress and egress shall be in strict compliance with all applicable Rules and Regulations (hereinafter defined) adopted and modified from time to time by the City.

9.2 Closure of Access to or from the Demised Premises.

The City may, at any time, temporarily or permanently close or consent to or request the closing of any such roadway or access gate and any other way at, in or near the Demised Premises presently or hereafter used as such, so long as, except in cases of an emergency, a reasonable means of ingress and egress to the Demised Premises remains available to the Lessee. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Demised Premises or in any streets or roadways or access gates near the Demised Premises or elsewhere at the Airport.

ARTICLE – X
AIRPORT SECURITY

10.1 Disclaimer of Security Warranty.

It is understood and agreed that while the City will make reasonable efforts to provide a safe and secure environment at the Airport, the City cannot and does not make any warranty, expressed or implied, that the any security or law enforcement services it may contract or provide will avert or prevent occurrences, or the consequences therefrom, which may result in loss or damage to the Lessee, its property, guests or invitees, and all such warranties presumed to have been made, whether they be express or implied, are hereby waived by Lessee.

10.2 No Liability.

Lessee agrees that the City shall not be liable for any loss or damage of a security related nature, irrespective of origin, to person or to property, whether directly or indirectly caused by the performance or nonperformance of the City's contract security service personnel.

10.3 Lessee's Security Obligation.

In coordination with City and any relevant provisions of the ASP, the Lessee shall use reasonable efforts to secure the Demised Premises and equipment and will make reasonable efforts to prevent unauthorized personnel or vehicles from entering on any aircraft movement areas, Airport Operations Area (AOA) or Security Identification Display Area (SIDA). The Lessee shall abide by the Airport's Security Plan, as the same may be amended or supplemented from time to time.

The Lessee shall install gate operators and or gate card readers at all its terminal doors, vehicle and pedestrian gates that are located on its premises and under the control of the Lessee. The cards for the card readers shall be compatible with the Airport's gate cards. If the gate(s) is not frequently used, the Lessee may chain the gate closed with written permission from the Airport Director. The Lessee shall provide the Airport staff with gate cards and or keys if requested.

ARTICLE – XI
LIABILITIES AND INDEMNITIES

11.1 No Liability.

The City shall not in any way be liable for any cost, damage or injury occurring on or about the Demised Premises or the Airport, including the cost of any suit and expense incurred for legal services, claimed or recovered by Lessee or any other person whomsoever claiming through Lessee, resulting from any operation, work, act or omission performed on or about the Demised Premises or the Airport by the Lessee or its officers, agents, servants, employees, contractors, and subtenants.

11.2 Indemnity.

The Lessee expressly agrees to indemnify, save and hold harmless, the City and its officers, agents, servants and employees from any and all costs, liability, damage and expense (including costs of suit and attorney fees), claims, fines, penalties and settlements claimed or recovered by any person, firm, corporation or governmental entity including, without limitation, injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property (including all injury to City personnel or damage to City property), to the extent directly or indirectly arising or resulting from, any operation, work, act or omission of Lessee, its officers, agents, servants, employees, contractors, or subtenants.

The foregoing shall not be construed to indemnify the City, its officers, employees or agents for damage arising out of bodily injury to persons or damage to property to the extent caused by or resulting from the negligence of the City, its officers, employees or agents.

11.3 Legal Defense.

Upon the filing with the City by anyone of a claim for damages arising out of incidents for which the Lessee herein is obligated to indemnify and hold the City harmless, the City shall notify the Lessee of such claim and in the event that the Lessee does not settle or compromise such claim, then the Lessee shall undertake, at its own expense, the legal defense on behalf of the City with counsel reasonably satisfactory to the City. It is agreed that the City at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the City for any cause for which the Lessee is liable hereunder shall be conclusive against the Lessee as to liability and amount upon the expiration of the time for appeal.

11.4 Intellectual Property Rights.

The Lessee represents that it is the owner of or is fully authorized to use any and all patents, trademarks, copyrights or other similar intellectual properties, services, processes, machines, articles, service marks, names or logos (collectively, the "***Intellectual Property***

Rights") used by it in the operation of its business from the Demised Premises. The Lessee agrees to save and hold the City, its officers, employees, agents and representatives free and harmless from any and all loss, liability, expense, suit, fine, penalty, settlement or claim for damages, including attorney fees, in connection with any actual or alleged infringement by Lessee upon the foregoing Intellectual Property Rights, or arising from any alleged or actual unfair competition or other similar claim arising out of Lessee's business operations from the Demised Premises or in any way connected with this Agreement.

ARTICLE – XII
RULES AND REGULATIONS AND MINIMUM STANDARDS

12.1 From time to time, the City may adopt, amend and enforce rules and regulations and minimum standards with respect to the occupancy and use of the Airport (as adopted and amended from time to time, the "***Rules and Regulations***"). The Lessee agrees to observe and obey any and all such Rules and Regulations and all other applicable Federal, state and municipal rules, regulations and laws, as the same may be amended, and to require its officers, agents, invitees, guests, employees, contractors, subtenants and suppliers, to observe and obey the same. The City reserves the right to deny access to the Airport and its facilities to any person, firm or corporate entity that fails or refuses to obey and comply with the Rules and Regulations. Notwithstanding the foregoing, except as required by law, the City may not, via a change to the Rules and Regulations, impose material burdens on the Lessee, financial or otherwise, that unlawfully impair vested contractual rights or obligations of this Franchise Agreement [3]

Within one hundred and eighty (180) days of the Effective Date of this Agreement, the minimum standards will be amended to include the requirements for building a passenger terminal facility at the Airport. The requirements for any new passenger terminal facilities will be no less than what is required in this Agreement.

The minimum standards will require that upon the completion of the new terminal building, Car Rental companies offering cars for rent at the Airport, including offering transportation off the Airport to collect rental vehicles, use space in the passenger terminal and enter an agreement with the Lessee. This provision does not pertain to Fixed Base Operators (FBO) that have rental car companies that serve their customers exclusively.

ARTICLE –XIII
SIGNS

13.1 The Lessee shall have the right to install and maintain one or more signs on the exterior of the Demised Premises identifying Lessee's business and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the approval of the City, which, subject to the next sentence, will not be unreasonably withheld or delayed. All exterior signs must comply with the City's sign ordinance and all applicable Rules and

Regulation. No exterior sign will be approved that may be deemed by the City in its sole discretion to be confusing or which fails to conform to the architectural scheme of the Airport or meet the City's sign ordinance. Lessee shall provide information regarding plans or other information related to Lessee's interior wayfinding, but for the avoidance of doubt, signage on the interior buildings will not be subject to the City's approval.

ARTICLE – XIV
ASSIGNMENT AND SUBLEASE

14.1 Further Encumbrances.

The Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the express prior consent of the City.

14.2 Assignments and Transfers Void.

Any assignment or transfer of this Agreement, or any rights of the Lessee hereunder, including but not limited to subleases, without the consent of the City, shall be void and of no force or effect, shall be deemed to be a Non-Monetary Default under Section 20.3.8 of this Agreement (i.e., a material default) and, at the option of the City, shall entitle the City to forthwith cancel this Agreement and to exercise any and all of the remedies as provided in this Agreement in the event of Lessee's Default.

14.3 City's Consent to Assignment.

Any assignment of this Agreement approved and ratified by the City shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of the Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof. Subject to the foregoing, City's consent to any such assignment shall not be unreasonably withheld or delayed.

14.4 No Release.

No consent by the City to subleasing by the Lessee of portions of the Demised Premises shall in any way relieve the Lessee of any of its obligations to the City set forth or arising from this Agreement. All subleases shall be subordinate to this Agreement and the expiration of this Agreement or the earlier termination of the Lessee's rights hereunder shall ipso facto terminate all subleases.

14.5 Operating Permits.

No consent to subleasing by the Lessee to a person, partnership or other corporate entity shall be granted by the City without a duly executed Commercial Operating Permit between the City and the sublessee.

ARTICLE –XV
CONDEMNATION

15.1 Condemnation and Distribution of Award.

1. In the event that the Demised Premises or any part thereof shall be condemned and taken by any authority with power of eminent domain for any purpose during the Term of this Agreement or sold to such authority in lieu of a taking (collectively, a "***Condemnation***"), any award which shall be made as a result of such Condemnation shall be paid in accordance with this Article. The City or the Lessee, consistent with its rights under applicable law, may appear in any such Condemnation proceeding and present its claims for damages, if any, arising from such Condemnation.

15.2 Total Condemnation.

If all of the Demised Premises is Condemned, this Agreement shall terminate and come to an end effective as of the date the Lessee is dispossessed from the Demised Premises, except for such obligations which survive termination in accordance with the terms of this Agreement.

15.3 Partial Condemnation.

If the Demised Premises is partially Condemned, Rent for that portion of the Demised Premises Condemned shall be abated from the date that the Lessee is dispossessed therefrom; provided, however, if in the Lessee's reasonable judgment, the remaining portion of the Demised Premises is commercially insufficient for the Lessee's operations authorized hereunder, the Lessee may, within ninety (90) days of the date of such Condemnation, terminate this Agreement by providing the City with thirty (30) days' notice of termination, and upon expiration of such thirty (30) day period and the complete surrender of possession of the Demised Premises by Lessee to the City, this Agreement shall terminate and with the exception of the obligations which by their terms survive termination, neither party shall have any further obligation to the other under this Agreement.

15.4 Temporary Taking.

Provided that Lessee shall continue to pay Rent and shall not otherwise be in Default of this Agreement, the Lessee shall be entitled to the award made for a temporary taking of possession of all or part of the Demised Premises for any period of time within the Term of this Agreement. Such award shall be full compensation to the Lessee for such temporary taking and no claims for damages arising out of the temporary taking shall be made against the City.

ARTICLE – XVI
FEDERAL, STATE AND CITY REQUIREMENTS

16.1 Federal Requirements.

The City, as a recipient of Federal Airport Improvement Program grant funds, is required to include certain statements in all of its lease Agreements. The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Demised Premises, for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the City - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

16.2 Covenant Not to Discriminate.

The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (a) no person on the ground of race, creed, color, national origin, or sex shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Demised Premises; (b) that in the construction of any Improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (c) that the Lessee shall use the Demised Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

16.3 Breach and Enforcement.

In this connection, the City reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by the City to cease and desist and after a determination that a violation exists made in accordance with the procedures and appeals provided by law, will constitute a material breach of this Agreement and will entitle the City, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

16.4 Application of Non-Discrimination to Third Parties.

The Lessee shall include the foregoing non-discrimination provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Demised Premises providing service to the public and shall include thereon

a provision granting the City a right to take such action as the United States may direct to enforce such covenant.

16.5 Affirmative Action.

The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

16.6 American with Disabilities Act.

The Lessee shall not discriminate against any qualified person with a disability in violation of the Air Carrier Access Act.

16.7 Fair and Reasonable Aeronautical Services

The Lessee shall provide all aeronautical services that it provides on a fair, equal and not unjustly discriminatory basis to all users and shall charge fair reasonable and not unjustly discriminatory prices for each unit of service, provided, that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other seminal types of prices reduction to volume purchasers.

16.8 Indemnity.

The Lessee shall indemnify and hold harmless the City from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of the Section and the Lessee shall reimburse the City for any loss or expense incurred (including legal fees) by reason of such noncompliance.

ARTICLE XVII
GOVERNMENTAL REQUIREMENTS

17.1 Required Governmental Permits.

The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Demised Premises which may be necessary for the Lessee's operations thereat. This includes but is not limited to all required licenses, certificates and permits from the Department of Transportation, Federal Aviation Administration, TSA, U.S. Customs and

Boarder Protection, Virginia Department of Aviation, and City of Manassas, and with regard to the parking expansion area located within Prince William County, all required licenses, certificates and permits required by that jurisdiction.

17.2 Permit Fees.

The Lessee shall pay all taxes, licenses, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Demised Premises or operation hereunder or on the gross receipts or gross income to the Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

17.3 Compliance with Laws, Rules and Regulations.

In addition to compliance by the Lessee with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the Term hereunder which as a matter of law are applicable to the operation, use or maintenance by the Lessee of the Demised Premises or the operations of the Lessee under this Agreement, the Lessee agrees that it shall conduct all its operations under the Agreement and shall operate, use and maintain the Demised Premises in such manner that there will be at all times a practicable minimum of air and noise pollution.

17.4 Subordination to Federal Obligations.

This Agreement shall be subordinate to the provisions of any existing or future agreement between the City and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

Should any provision of this Agreement be determined by the FAA to conflict with the City's obligations to the federal or state government (including, without limitation, Grant Assurance obligations), the objectionable provision will be deemed removed and parties will endeavor to reform the affected provision to accord as closely as legally possible to the parties' original intent in light of the specific FAA or State objections.

The Lessee's right to use the Premises for the purposes as set forth in this Agreement shall be secondary to and subordinate to the operation of the Airport. The City specifically reserves for itself, and for the public, a right of flight for the passenger of aircraft in the air space above the surface of the described property together with the right to cause in said air space such noise as any be inherent in the operation of aircraft.

ARTICLE XVIII
RIGHTS OF ENTRY RESERVED

18.1 Entry by City.

As coordinated with the Lessee, the City, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Demised Premises for any and all purposes not inconsistent with this Agreement, provided, such action by the City, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Demised Premises. Notwithstanding the foregoing, airport staff that are employed by the City shall not be required to coordinate with the Lessee and shall be able to enter into the Demised Premises at any time to conduct their job functions.

18.2 Obstructions to Entry.

In the event that any personal property of the Lessee shall obstruct the access of the City, its officers, employees, agents or contractors, the Lessee shall move such property, as directed by the City, its officers, employees, agents or contractors, in order that access within the Demised Premises may be had to the system or part thereof for inspection, maintenance or repair. If the Lessee shall fail to so move such personal property after direction from the City, its officers, employees, agents or contractors to do so, the City may move it, and the Lessee hereby agrees to pay the cost of such relocation upon demand, and further the Lessee hereby waives any claim against the City for damages as a result therefrom, except for claims for damages arising from the City's gross negligence.

18.3 Inspection Right.

At any reasonable time, and from time to time during the ordinary business hours, the City, by its officers, agents and employees, shall have the right to enter the Demised Premises for the purpose of inspecting, exhibiting and viewing all parts of the same, subject to the Lessee's reasonable security requirements.

18.4 No Eviction or Abatement.

Exercise of any or all of the foregoing rights in this Article, by the City, or others under right of the City, shall not be, nor be construed to be, an eviction of the Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages against the City, consequential or otherwise, except claims for damage to person or property caused solely by the gross negligence of the City.

ARTICLE – XIV
ADDITIONAL RENTS AND CHARGES

19.1 Expenses, Costs and Interest.

If the City elects to pay any sum or sums or incurs any obligation or expense by reason of the failure, neglect or refusal of the Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of the Lessee contrary to said conditions, covenants or agreements, the Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the City as the result of such failure, neglect or refusal of the Lessee, all of which shall be deemed to be additional Rent, together with interest at the Default Interest Rate and all costs, damages and penalties including reasonable attorney fees.

19.2 Additional Rent.

In such event, the total of such amounts may be added to any installment of Rent thereafter due hereunder, and each and every part of the same shall be and become additional Rent recoverable by the City in the same manner and with like remedies as if it were originally a part of the Rent provided for in this Agreement.

19.3 Increase in Public Safety.

In the event it is necessary for the Airport to increase security because of special threats or Federal mandates beyond the control of the Airport, then the City may establish fees or charges that are shared by all the Airport users, above and beyond the existing security surcharge on all fuel dispensed at the Airport.

19.4 Taxes.

Lessee shall be responsible for paying all real property taxes assessed upon the Demised Premises and the Improvements or Upgrades currently or hereinafter located upon the Demised Premises, including real property taxes levied by Prince William County, if any. In addition, Lessee shall be responsible for all personal property taxes, gross receipt taxes, etc., levied with respect to Lessee's business operations conducted from the Demised Premises.

19.5 Plan Review Fee.

Lessee shall be responsible for paying the cost of having all site plans and building plans for the Improvements to be constructed by the Lessee reviewed by the Airport's engineer consultant(s), not to exceed the sum of $4,000.00 per review.

19.6 Reimbursement for Advertising

Lessee shall be responsible for reimbursing the City for the entire cost of advertising the bid of this Agreement in a publication as required Section 15.2-2101 of the Code of Virginia, as amended.

19.7 Attorney Fees.

Upon Default by Lessee in the performance of any covenant or condition required to be performed by Lessee, other than the payment of rents and other fees or charges, the Lessee shall be responsible for payment of the City's reasonable attorney's fees in connection with such Default. Upon the Default by the Lessee in the performance of any covenant or condition requiring the payment of rents and other fees or charges, the Lessee shall be responsible for payment of the City's attorney's fees in the amount no greater than of 33% of the amount due when referred to an attorney for collection. Lessee shall further reimburse the City for attorney fees actually incurred when it is necessary for the City or the City is requested by Lessee to review documents pertaining to this Agreement, refinancing on the part of the Lessee, or any other legal documents that are for the benefit of the Lessee. Notwithstanding the foregoing, Lessee's obligation to reimburse attorney's fees pursuant to this Section 19.7 shall not apply to the extent City's review of documents are those requested by City to be reviewed by City under this agreement (e.g. contracts with subtenants, service providers, etc.).

19.8 Storm Water Fee.

The Lessee is responsible for paying Storm Water fees assessed by the City for Surface Water Management.

ARTICLE – XX
TERMINATION & DEFAULT

20.1 Monetary Default.

Failure to pay reserved Rent or other sums when due under this Agreement shall be a default of this Agreement (Lessee's failure to pay Rent and all other sums reserved under this Agreement, all arrears or any other charges required by this Agreement to be paid to the City, shall in each event be a "***Monetary Default***").

20.2 Notice of Remedy (Monetary Default).

In each event of a Monetary Default, the City shall give notice to the Lessee of such Monetary Default, and demand full payment of amounts due thereunder, including all arrears and interest thereon. If, within five (5) days after the date the City gives such notice of non-payment (a "***Monetary Default Notice***"), the Lessee has not corrected its Monetary Default and paid all delinquent amounts in full, the City may, by notice to the Lessee, subject to the rights of the Secured Parties to cure the default pursuant to Annex A, terminate this Agreement and all rights and privileges granted hereby in and to the Demised Premises.

20.3 Non-Monetary Default.

Any one or more of the following events (each, a "***Non-Monetary Default***") constitutes a Non-Monetary Default under this Agreement:

20.3.1 **Voluntary Petition.**

The filing by the Lessee of a voluntary petition in bankruptcy under the United States Code or any assignment for benefit of creditors of all or any part of the Lessee's assets;

20.3.2 **Involuntary Petition.**

An institution of an involuntary proceeding in bankruptcy against the Lessee, which bankruptcy proceeding is not dismissed within ninety (90) days of its filing;

20.3.3 **Non Federal Bankruptcy Reorganization.**

The filing of a petition requesting a court to take jurisdiction of the Lessee or its assets under the provision of any state or other reorganization act which, if it is an involuntary petition is not dismissed within ninety (90) days of its filing;

20.3.4 **Receiver.**

The filing of a request for the appointment of a receiver or trustee of the Lessee's assets by a court of competent jurisdiction, which if the request is not made by the Lessee, is not rejected within six (6) months after being made, or the request for the appointment of a receiver or trustee of the Lessee's assets by a voluntary agreement with the Lessee's creditors;

20.3.5 **Suspension of Operations.**

Suspension of Lessee's operations for a period of (60) days without the City's prior consent;

20.3.6 **Abandonment.**

The abandonment by Lessee of the Demised Premises or the failure of the Lessee to conduct business from the Demised Premises pursuant to the Permitted Use;

20.3.7 **Failure to Maintain Insurance.**

Failure of Lessee to maintain at all times during the Term of this Agreement insurance as required by this Agreement;

20.3.8 **Covenants and Conditions.**

The failure of the Lessee to observe any other material covenants, conditions or other terms of this Agreement required to be performed, kept and observed by the Lessee. For purposes of this section, the failure to observe a material covenant, condition or other term includes a substantial failure to perform a covenant, condition or term (i) that is an essential element of this Franchise Agreement, or (ii) that causes or is likely to cause substantial harm to the City, or (iii) that substantially deprives or is likely to substantially deprive the City of a significant benefit it reasonably expected under this Franchise Agreement; or

20.3.9 **Persistent Breach.**

The failure of the Lessee to comply with any covenant, condition or other term in the Operating Standards on a persistent basis, and such persistent failure continues unremedied for a period of thirty (30) days following notice thereof.[4]

20.4 Notice and Remedy (Non-Monetary Default).

Upon a Non-Monetary Default by the Lessee in the performance of any covenant or conditions required to be performed by the Lessee (other than the payment of rent and other fees or charges which is governed by Section 20.1 above and other than filing of a bankruptcy petition by Lessee as provided in Section 20.3.1 above and other than filing of a bankruptcy petition by Lessee as provided in Section 20.3.1 above, for which no notice or cure period is applicable), the City shall provide the Lessee with notice allowing the Lessee sixty (60) days to remedy such Non-Monetary Default ("***Notice of Non-Monetary Default***"). Upon the failure of the Lessee to remedy such Non-Monetary Default for a period of sixty (60) days after receipt from the City of the foregoing Notice of Non-Monetary Default, subject to the rights of the Secured Parties to cure the Non-Monetary Default pursuant to Annex A, the City shall have the right to cancel this Agreement. Such cancellation shall be achieved through the delivery by the City to the Lessee of a notice of cancellation (the "***Notice of Cancellation***"). The Notice of Cancellation shall be effective immediately upon delivery to Lessee in accordance with the notice provisions of the Agreement.

20.5 Abeyance of Notice of Cancellation.

Notwithstanding the foregoing, should the City after giving the Notice of Cancellation determine in its reasonable discretion that the Lessee is diligently remedying such Non-Monetary Default to completion, the City will determine by subsequent notice to Lessee, to hold its prior Notice of Cancellation in abeyance for such period of time as determined by City in its sole, absolute and unappealable discretion. If, however, the City at any time thereafter determines that such Non-Monetary Default is no longer being diligently remedied to conclusion, the City shall so advise the Lessee of the same and upon delivery

of such notice, the Notice of Cancellation shall no longer be deemed to be held in abeyance, and without further notice to the Lessee or action by the City, the Notice of Cancellation shall become final. The determination of the City in this regard shall in all events be conclusive and binding upon the Lessee.

20.6 Termination of Rights After Default.

Upon the cancellation or termination of this Agreement after a Monetary Default in accordance with Section 20.2 or a Non-Monetary Default in accordance with Section 20.4, all rights of the Lessee, its subtenants and any other person in possession and, except for non-monetary obligations which expressly survive termination, all non-monetary obligations of the Lessee shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Demised Premises other than the City and any entity to whom Lessee has encumbered its interest in the Agreement pursuant to Section 1.3. Upon said cancellation or termination of this Agreement for any reason, the Demised Premises, except for such personal property which may be removed from said Demised Premises as provided elsewhere herein, shall be free and clear of all encumbrances and all claims of the Lessee, its tenants, creditors, trustees, assigns and all others and the City shall have immediate right of possession to the Demised Premises.

20.7 Waiver.

Failure by the City to take any action upon the occurrence of a Monetary Default, a Non-Monetary Default or any other default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by the Lessee (in each case, a "***Default***") shall not be construed to be, nor act as, a waiver of said Default nor of any subsequent Default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of Rent by the City from the Lessee, or performance by the City under the terms hereof, for any period or periods after a Default by the Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by the Lessee shall not be deemed a waiver or estoppel of any right on the part of the City to cancel this Agreement or to seek judicial remedy for any subsequent failure by the Lessee to so perform, keep or observe any said terms, covenants or conditions.

ARTICLE – XXI
TERMINATION BY LESSEE

21.1 Termination by Lessee.

The Lessee may, in addition to the early termination right provided Lessee in accordance with Section 1.2 of this Agreement, cancel this Agreement, and thereby terminate all of its rights and unaccrued obligation hereunder, by giving the City thirty (30) days advance notice upon or after the happening of any one of the following events:

21.1.1 **Breach of Quiet Enjoyment**

The City fails to provide or defend Lessee's right to quiet enjoyment of the Demised Premises pursuant to this Agreement such that Lessee is unable to construct the Upgrades or operate the Non-Aeronautical Facilities, in either case for a period of not less than ninety (90) consecutive days after receipt of notice from the Lessee.

21.1.2 **Failure to Operate Airport**

The City shall take any action or fail to take any action which results in a breach by the City of its obligation under Section 23.1 of this Agreement to operate the Airport for the use and benefit of the public, and the City has failed to remedy such breach within thirty (30) days after the receipt of the notice from the Lessee described above.

21.1.3 **Injunction Preventing Use of Demised Premises.**

Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Demised Premises, or any material part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee;

21.1.4 **U.S. Government Control of Airport.**

The assumption by the United States Government or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

ARTICLE – XXII
SURRENDER AND RIGHT OF REENTRY

22.1 Upon the expiration, cancellation or termination of this Agreement pursuant to any terms hereof, the Lessee agrees peaceably to surrender up the Demised Premises to the City in the same condition as they may hereafter be repaired and improved by the Lessee; save and except: (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance; (b) obsolescence in spite of repair; and (c) damage to or destruction of the Improvements for which insurance proceeds are received by the City. Upon such cancellation or termination, the City may re-enter and repossess the Demised Premises together with all Improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at the City's election. Provided that Lessee is not otherwise in Default of this Agreement, and further provided, that Lessee shall continue to pay to the City the then current Rent reserved under this Agreement, upon such cancellation or termination, and for a reasonable time

thereafter (not exceeding thirty (30) days), the Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Demised Premises, provided the removal thereof does not impair, limit or destroy the utility of the Demised Premises or that of the Improvements thereon, and provided, further, that the Lessee repairs all damages that might be occasioned by such removal, and restore the Improvements and site to the condition above required.

ARTICLE – XXIII
SERVICES TO LESSEE & MUTUAL ASSISTANCE

23.1 The City covenants and agrees that during the Term of this Agreement it will operate the Airport as such for the use and benefit of the public; provided however, that the City may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The City further agrees to maintain the runways and taxiways in good repair including the removal of snow. The City agrees to keep in good repair hard-surfaced public roads for access to the Demised Premises and remove snow therefrom in order to make such roads reasonably passable. The City also agrees to provide and maintain water and sanitary sewer services in areas designated for utilities or easements adjacent to the Demised Premises for access thereto by the Lessee in accordance with the City policies governing same.

23.2 The City agrees to collaborate with the Lessee in establishing a Customer Facility Charge (CFCs) for on-airport rental car companies.

23.3 The City agrees to apply for, impose and use Passenger Facility Charges (PFCs), at its sole discretion, to fund eligible airport capital projects, including those that support commercial airline operations. The City agrees to reasonably consider for the foregoing such projects as Lessee may propose and may choose to fund all or part of an otherwise eligible project.

ARTICLE XXIV
SURVIVAL OF THE OBLIGATIONS OF THE LESSEE AND CITY'S REMEDIES

24.1 In the event that the Agreement shall have been terminated in accordance with the requirements of Article XX hereof, all the monetary obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full and remaining Term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the City to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Any damages and/or loss of and/or deficiency in Rent sustained by the City may be recovered by the City, at City's option: (i) in one (1) or more separate actions, at any time and from time to time, as and to the extent that said damages and/or Rent shall have accrued; or (ii) in a single action deferred until on or after the Expiration Date (in which event Lessee hereby agrees that the cause of action shall not be deemed to have accrued until the Expiration Date), or (iii) in a single proceeding prior to either the time of reletting or the Expiration

Date, in which event Lessee agrees to pay the City the difference, if any, between (a) the present value of the Rent reserved under this Lease on the date of breach, and (b) the fair market value of the Lease from the date of the breach discounted at eight percent (8%) per annum, the latter remedy hereby acknowledged to be a fair estimation of City's damages and not an unenforceable penalty. If the City retakes possession of the Demised Premises, Lessee's monetary obligations shall be reduced by any rental proceeds received from the re-letting of the Demised Premises or any portion thereof; provided that the Parties agree that the City shall be under no obligation to re-let the Demised Premises or any portion thereof, or to otherwise mitigate damages caused by the termination of the Lease.

ARTICLE XXV
LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

25.1 Except for the exclusive right of the Lessee to possession of the Demised Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Demised Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

ARTICLE – XXVI
NOTICES

26.1 Notice.

All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed given when received at the recipient's notice address except that notice that must be given by a certain time to be effective and is sent registered or certified mail, postage prepaid, return receipt requested, addressed to the recipient's address shall be deemed given when posted. Notice that starts the running of a time period and is delivered on a non-business day shall be deemed delivered on the next business day, if left at the notice address, or the next business day on which it is redelivered if it is not left at the notice address.

26.2 Notice Address.

The notice addresses of the parties are as follows:

To the City: City Manager of the City of Manassas
9027 Center Street
Manassas, Virginia 20110

With a copy to: Manassas Regional Airport ATT: Airport Director's Office
Manassas Regional Airport
10600 Harry J. Parrish Blvd., 2nd Floor
Manassas, Virginia 20110

The Lessee: Avports Manassas LLC
Jorge S. Roberts, CEO
45025 Aviation Drive, Suite 100
Dulles, VA 20166

With a copy to: Brian E. Foont
The Foont Law Firm, LLC
11727 Gainsborough Road
Potomac, MD 20854-3247

Such addresses shall be subject to change from time to time to such other addresses as may have been specified in notice given by the intended recipient to the sender.

ARTICLE – XXVII
HOLDING OVER

27.1 No Extension of Term.

No holding over by the Lessee after the termination of this Agreement shall operate to extend or renew this Agreement for any further term whatsoever; but the Lessee will by such holding over become the tenant at sufferance of the City and after notice by the City to vacate the Demised Premises, continued occupancy of the Demised Premises by the Lessee shall constitute trespass.

27.2 Holdover Rent.

Any holding over by the Lessee beyond the thirty (30) day period permitted for removal of fixtures without the consent of the City shall make the Lessee liable to the City for damages equal to double the Rent provided for herein and which may be in effect at the termination of this Agreement (the "***Holdover Rent***"). The parties agree that the Holdover Rent shall not be deemed as a penalty but rather as bargained for liquidated damages in order to compensate the City for Lessee's unlawful holdover of the Demised Premises.

ARTICLE – XXVIII
INVALID PROVISIONS

28.1 Any provisions, articles, paragraphs, portions, or clauses of this Agreement that are found by a court of competent jurisdiction to be invalid or unenforceable shall have no effect upon any other part or portion of this Agreement.

ARTICLE – XXIX
MISCELLANEOUS PROVISIONS

29.1 Remedies to be Nonexclusive.

All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to the City at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

29.2 Non-Waiver of Rights.

The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall such other party be relieved thereby from its obligations under the terms hereof.

29.3 Force Majeure.

Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, Pandemics, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control and the recovery therefrom; provided, however, that this section shall not excuse Lessee from paying the Rent herein reserved.

29.4 Non-liability of Individuals.

No director, officer, member, agent or employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of the Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of this or their execution or attempted execution of the same, except as may be expressly authorized by law.

29.5 Quiet Enjoyment.

The City covenants that, as long as the Lessee is not in Default of any provision of this Agreement, the Lessee shall and may peaceably and quietly have, hold and enjoy the Demised Premises exclusively to it and the rights appurtenant to the Demised Premises granted in this Agreement during the Term hereof unless sooner canceled or terminated as provided in this Agreement. Lessee's rights of exclusive use shall not apply to the Airport ramp portion of the Demised Premises.

29.6 Estoppel Certificate.

At the request of either party, the non-requesting party shall promptly execute and deliver a written statement identifying the City and Lessee under this Agreement and certifying: (a) the documents that then comprise this Agreement; (b) that this Agreement is in full force and effect; (c) the then current annual amount of Rent and the date through which it has been paid; (d) the expiration date of this Agreement; (e) if made by the City, that no

amounts are then owed by the Lessee to the City (or, if amounts are owed, specifying the same); and (f) to the knowledge of said party, there are not Defaults by the other under this Agreement or any facts which but for the passage of time, the giving of notice or both would constitute such a Default. The City shall also promptly execute and deliver a consent to the financing permitted under Section 1.3.

29.7 Short Form of Lease.

At the request of either party, the other shall execute a memorandum or short form of lease in proper form for recording (the "***Lease Memorandum***"). The cost of preparing and recording the Lease Memorandum shall be paid by the requesting party.

29.8 List of Aircraft and Ground Service Vehicles.

Upon request, the Lessee shall provide a current listing of all airside ground service vehicles, aircraft and aircraft owners and addresses utilized or housed at its based operations to the Airport Director on an annual basis.

29.9 General Provisions.

29.9.1 **Unauthorized Use.**

Lessee shall not use, or permit the use of, the Demised Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.

29.9.2 **Venue and Jurisdiction.**

This Agreement shall be performable and enforceable in Manassas, Virginia, shall be construed in accordance with the laws of the Commonwealth of Virginia, and exclusive jurisdiction under this Agreement shall in all cases lie with the courts of Prince William County, Virginia.

29.9.3 **No Third Party Beneficiary.**

This Agreement is made for the sole and exclusive benefit of the City and the Lessee, their successors and assigns, and is not made for the benefit of any third party.

29.9.4 **Ambiguity.**

In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

29.9.5 **Binding Effect.**

All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

29.9.6 **Titles and Headings.**

The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

29.9.7 **No Partnership.**

Nothing herein contained shall create or be construed to creating a partnership or a joint venture between the City and the Lessee or to constitute the Lessee an agent of the City.

29.9.8 **Effective Date.**

This Agreement shall not become effective until it has been approved by the City Council and fully and properly executed by both parties hereto (the last to occur of which shall be the "***Effective Date***"). Once the Agreement is approved by the City Council, the Lessee shall sign the Agreement within ten (10) calendar days. If the Agreement is not executed by the Lessee within ten (10) calendar days, the Airport Director may, at his or her sole discretion, terminate the City's approval of this Agreement prior to the execution and delivery of this Agreement by Lessee to the Airport Director.

29.9.9 **Administrative Appeal Process.**

Decisions or actions taken by the Airport Director regarding this Agreement can be appealed to the Airport Commission by the Lessee. All appeals shall be made in writing to the Chairman of the Airport Commission. Decisions of the Airport Commission may thereafter be appealed to the City Council (together, the "***Administrative Process***"). Lessee shall not have the right to seek judicial redress with respect to this Agreement until and after it has fully exhausted the Administrative Process.

29.9.10 **Request for Action.**

All request by the Lessee for action by the City regarding this Agreement and terminal building operations shall be in writing and submitted to the Airport Director. All complaints by the Lessee concerning the conduct of City employees shall be in writing and submitted to the Airport Director.

29.9.11 **Mineral Rights.**

The City expressly reserves all water, gas, oil, and mineral rights in and under the soils beneath the Premises, but testing for and/or removal of any such gas, oil, or minerals shall be done in a manner so as not to disturb the Premises or disrupt the operation of the businesses being conducted thereon.

ARTICLE – XXX
SUBORDINATION CLAUSES

30.1 This Agreement is subject and subordinate to the following:

30.1.1 **Further Development of Airport.**

The City reserves the right, at its sole and absolute discretion, to further develop and improve the Airport, all without regard to the desires or views of the Lessee and without interference or hindrance by or on behalf of the Lessee, provided, that the Lessee is not deprived of the use or access to the Demised Premises. Accordingly, nothing contained in this Agreement shall be construed to obligate the City to relocate the Lessee.

30.1.2 **Aerial Obstruction.**

The City specifically reserves for itself, and for the public, a right of flight for the passenger of aircraft in the air space above the surface of the described property together with the right to cause in said air space such noise as any be inherent in the operation of aircraft. The City reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Demised Premises which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

30.1.3 **Agreements with US Government.**

This Agreement is and shall at all times be subordinate to the provision of existing and future agreements between the City and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of Federal and State funds for the benefit of the Airport. Should any provision of this Agreement be determined by the FAA or State to conflict with the City's obligations to the federal or state government (including, without limitation, Grant Assurance obligations), the objectionable provision will be deemed removed and parties will endeavor to reform the affected provision to accord as closely as legally possible to the parties' original intent in light of the specific FAA or State objections.

30.1.4 **Time of War and Emergency.**

During the time of war or national emergency, the City shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the United States, shall be suspended, but such suspension shall not extend the Term of this Agreement. In such event, abatement of rentals shall be reasonably determined by the City in proportion to the degree of interference with the Lessee's use of the Demised Premises.

30.1.5 **No Air Rights.**

Except to the extent required for the performance of any obligations of the Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Demised Premises other than those rights in common with the public to use the airspace for air travel, but at all times subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

30.1.6 **Radio Antenna.**

Subject to the City's prior written approval as to height and location, which will not be unreasonably withheld, conditioned, or delayed, Lessee or any sublessee (the latter with Lessee's approval), as the case may be, may furnish and install at its own expense, a radio antenna either adjacent to the improvements or on the roof of the improvements on the Premises subject to: (a) any and all federal, state and local laws, ordinances, statutes, rules, regulations, and orders applicable thereto; (b) Lessee, as the case may be, obtaining any and all building and other permits, licenses and other approvals with respect thereto; (c) the antenna and building both must be structurally sound and not adversely affect the soundness of, or the condition of, the roof and/or other parts of the building; and (d) any and all costs of maintaining and operating the same must be paid entirely by Lessee. Upon the expiration or earlier termination of this Lease as identified herein, Lessee shall cause the removal of the antenna(s) and the restoration of any damage to the improvements and Premises caused by the installation and/or removal thereof. Lessee shall be responsible for all costs for the repair and maintenance of said installation of the antenna.

ARTICLE – XXXI
INSURANCE REQUIREMENTS AND DAMAGE OR DESTRUCTION

31.1 **Property Insurance.**

To safeguard the interest and property of the City, the Lessee at its sole cost and expense, shall procure and maintain throughout the Term of this Agreement insurance protection for all risk coverage on the Improvements of which the Demised Premises is a part, to the extent of one hundred percent (100%) of the actual replacement cost thereof ("***Property***

Insurance"). The Lessee's Property Insurance coverage shall include business interruption coverage, inclusive of rental insurance for a minimum period of one (1) year (inclusive of all Rent and other charges reserved under this Agreement), terrorism, and increased cost of construction, on all alterations and all contents of the Demised Premises, including leasehold improvements as will protect Lessee and City from damage to real and personal property of City while in the care, custody or control of Lessee. The Property Insurance shall name the City as Loss Payee and provide thirty (30) days' notice of cancellation or material change, by registered mail, to the City, Attention: Airport Director.

31.2 General Liability Insurance.

During the term of this Agreement, Lessee shall maintain in full force general liability insurance in the name of the Lessee, and naming the City as an additional insured, with a minimum combined single limit of $10,000,000 per occurrence, in the primary policy (the "**CGL Insurance Coverage**") or through use of Umbrella or Excess Limits. If the General Aggregate limit applies, the aggregate limit shall apply separately and the policy must be scheduled to include the location indicated above. The policy contract must state the insurance provided in the Additional Insured endorsement is primary without contribution (Primary and Non-Contributory) from other insurance available to the Additional Insured. The CGL Insurance Coverage shall provide minimum coverage for: (a) premises and operations coverage; (b) independent contractor and subcontractors; (c) products liability and completed operations; (d) (e) contractual liability; and (f) death and personal injury. CGL Insurance Coverage cannot have a self-insured retention. In the event Lessee is permitted by this Agreement to sell any alcoholic beverages from the Demised Premises, Lessee shall maintain the appropriate liquor liability insurance coverage either as part of Tenant's CGL Insurance Coverage or as separate coverage, covering any claim for damages due to bodily injury (including death), personal injury, or property damage arising out of or in any way connected with the selling, serving, or distribution of alcohol. Such insurance shall provide coverage in an amount equal to the full amount maintained from time to time by the Lessee in the normal course of its business, but in no event, shall such coverage be in an amount of less than $5,000,000 per occurrence/$5,000,000 in aggregate. If separate coverage is obtained, the City shall be named as an additional insured.

31.3 Environmental Impairment Liability Coverage.

Lessee shall maintain Environmental Impairment Liability Coverage with a minimum limit of liability of at least $5,000,000 each occurrence/aggregate. The policy shall include coverage for first and third-party bodily injury and property damage, as well as cleanup and defense costs. Any and all deductible payments for this coverage will be solely the responsibility of the Lessee.

31.4 Automobile.

During the term of this Agreement, Lessee shall maintain in full force automobile liability insurance in the name of the Lessee, with minimum combined single limit of at least $5,000,000.00 airside and $1,000,000 landside combined single limit per accident in the

primary policy (the "***Auto Coverage***") or through the use of Umbrella or excess Limits. The Auto Coverage shall include coverage for bodily injury and property damage and shall additionally extend the same coverage to: (a) owned automobiles; (b) hired automobiles; and (c) non-owned automobiles. The Lessee shall add the City of Manassas, its officers, boards, commissions, commissioners, agents, elected and appointed officials, employees and volunteers as an Additional Insured.

31.5 Workers' Compensation.

Lessee must at all times carry Workers' Compensation Insurance in such minimum statutory amounts as to be in compliance with the Workers Compensation Laws of the Commonwealth of Virginia. The coverage shall be endorsed with a Waiver of Subrogation in favor of the City of Manassas, its officers, officials, employees and volunteers for all work performed by the Lessee, its employees, agents and subcontractors.

31.6 Employers Liability.

Lessee shall maintain Employers' Liability insurance under the Commonwealth of Virginia statutory requirements, to protect the Lessee from any liability or damages for any injuries (including death and disability) to any and all of its compensated employees, including any and all liability or damage which may arise by virtue of any statute or law in force within the Commonwealth of Virginia. Lessee shall carry insurance with a limit of liability at least $1,000,000 bodily injury by accident/$1,000,000 bodily injury by disease policy limit/$1,000,000 bodily injury by disease each employee.

Umbrella or Excess Liability insurance shall protect the Lessee against losses resulting in bodily injury, personal injury or property damage in excess of any limits required for General Liability and Automobile Liability. The policy should "follow form" and provide excess coverage under the same terms and conditions as the underlying policies.

31.7 Proof of Insurance.

As a condition precedent to this Agreement and Lessee's right of entry upon the Demised Premises, the Lessee shall provide proof of insurance evidencing existence of all insurance required to be maintained prior to the inception of the Term of this Agreement. The City shall also be provided with a Certificate of Insurance at renewal or such time as the insurance company or Lessee changes coverage, and upon request by the City. The failure of Lessee to maintain such insurance or to provide proof of insurance upon request shall be deemed a Default of this Agreement. Lessee shall provide the Airport Director with copies of certificates of insurance in form acceptable to the City. Each certificate shall have endorsed thereon indicating that "no cancellation or change in the policy shall become effective until after thirty (30) days' notice by registered mail to the Airport Director, Manassas Regional Airport, 10600 Harry Parrish Boulevard, Manassas, Virginia 20110".

31.8 Disbursement of Insurance Proceeds.

To the extent that any loss is recouped by actual payment to the City of the proceeds of the insurance, the amount of such proceeds will be paid to the Lessee as necessary to cover its costs of repair, reconstruction or rebuilding that portion or all the Demised Premises which has been damaged or destroyed by the casualty. Such payment will be made by the City to the Lessee in installments as work progresses provided that as to each request for payment the Lessee shall certify by a responsible officer or authorized representative of the Lessee that the amounts requested are due and payable to its contractor for work completed. Upon completion of all the work, the Lessee shall again certify by a responsible officer or authorized representative of the Lessee that such repair, reconstruction or rebuilding has been completed, that all costs in connection therewith have been paid by the Lessee and said costs are fair and reasonable and said certification shall also include an itemization of the total costs incurred by the Lessee for such repairs, reconstruction or rebuilding. If the insurance proceeds are not sufficient, the Lessee agrees that it shall immediately bear and pay the deficiency in order to promptly complete the repairs, reconstruction of rebuilding. If the insurance proceeds are not sufficient, the Lessee agrees that it shall immediately bear and pay the deficiency in order to promptly complete the repairs, reconstruction or rebuilding. If any improvements covered by Property Insurance are not fully rebuilt within 24 months of the date of loss, any proceeds remaining after expenditures under this paragraph 30.6 shall be allocated between Lessee and the City pro rata, with the Lessee receiving a sum equal to the proceeds to be distributed under this provision times the number of days remaining before expiration of the Agreement divided by the original duration (in days) of the Agreement, and the City receiving the remainder. The number of days remaining before expiration of the Agreement shall be calculated as of the date of loss. The Lessee may alienate its proceeds or right to receive proceeds under this provision.

31.9 Review of Coverage Limits.

The City may review the minimum insurance coverage required herein to be maintained by Lessee every three (3) years during the Term of this Agreement. The City may review the amounts of any insurance policies under this Agreement and shall have the right to require reasonable adjustments to such insurance policies consistent with the public interest. All required insurance must be in effect and so continue during the life of this Agreement in not less than the minimum requirements discussed in Article XXXI herein and the Airport Minimum Standards.

31.10 Coverage Locations.

Location of operation shall be “the Manassas Regional Airport Terminal Building and Associated Automobile Parking Lots in the City of Manassas, Virginia”.

31.11 Additional Policies.

Nothing herein contained shall prevent the Lessee from taking out any other insurance for protection of its interest which it deems advisable or necessary.

The purchase of insurance by the Lessee shall in no event be construed as a fulfillment or discharge of the obligations set forth in this Agreement. All insurance coverages maintained by Lessee shall be primary and non-contributory insurance as respect to the City. Any insurance or self-insurance maintained by the City shall be in excess to Lessees insurance.

31.12 Insurer Minimum Requirements.

Insurance Carrier Status: Each policy of insurance required under this Agreement shall be issued by an "A"-rated Class VI or better (according to the A.M. Best's Rating Organization) insurance company authorized by the Commonwealth of Virginia to issue such policy in this State, and shall be in a form and content satisfactory to the City. The City may at times choose to accept lower rated carriers at its discretion and only with prior approval. If at any time during the Term the rating of any of Lessee's insurance carriers is reduced below the rating required pursuant to the terms hereof, Lessee shall use commercially reasonable efforts to promptly replace the insurance coverage(s) with coverage(s) from a carrier whose rating complies with the foregoing requirements. (e)In the event that Lessee fails to maintain in full force and effect any of the insurance coverages described in this Article XXXI, City shall have the right (but not the obligation) to either declare a Default in accordance with the provisions of Article XX, or to procure and maintain such insurance or any part thereof at Lessee's expense, and the cost of such insurance shall be payable by Lessee to City as additional Rent. The procurement of such insurance or any part thereof by City shall not discharge or excuse Lessee's obligation to comply with the provisions of this Article XXXI.

31.13 Obligation to Repair.

In the event any Improvements on the Demised Premises are damaged or destroyed, Lessee shall promptly repair, reconstruct or rebuild the Improvements substantially as they were immediately prior to such casualty or in a new or modified design as approved by the City, but subject to all applicable building codes existing at the time of such repair, reconstruction or rebuilding. In the event of damage or destruction to any of the Improvements upon the Demised Premises, the City shall have no obligation to repair or rebuild the Improvements or any fixtures, equipment or other personal property on the Demised Premises.

31.14 Replacement of Fixtures and Equipment.

Immediately after the completion of the repairs, reconstruction or rebuilding, as the case may be, Lessee shall, at its sole cost and expense, replace and repair any and all fixtures, equipment and other personal property necessary to properly and adequately continue its business from the Demised Premises, provided however, Lessee shall not be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction except as the same may be required by applicable codes and regulations existing at the time of such repairs are being made.

Lessee covenants and agrees that its work to repair, restore, reconstruct or to rebuild the damage to the Demised Premises will be promptly commenced and prosecuted to completion with due diligence, subject to delays beyond the Lessee's control. During such periods of repair, reconstruction or rebuilding Rent shall not abate.

ARTICLE – XXXII
HAZARDOUS MATERIALS

32.1 Covenant with Respect to Hazardous Materials.

Lessee shall comply, and shall require any sublessee to comply, with all environmental laws, rules, regulations, orders, and permits applicable to the use of the Demised Premises, including but not limited to, required National Pollutant Discharge Elimination System Permits and all applicable laws relating to the use, storage, generation, treatment, transportation, or disposal of hazardous or regulated substances. Lessee warrants that no Hazardous Materials (hereinafter defined) will be disposed in the sewer system, dumpster, on the ramp/apron or any other location on the Airport. Disposal of all Hazardous Material shall be in accordance with all appropriate City, county, state and federal regulations. Lessee shall all times maintain insurance coverage for clean-up of Hazardous Material in the event of a spill. The City may require a bond or insurance sufficient to guarantee clean up in the event of a spill. For the Purposes of this Agreement the Terms "***Hazardous Materials***" shall mean and refer to any and all "pollutants", "hazardous substances", "hazardous wastes", "hazardous materials", "solid wastes" or "toxic substances" as such terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq., as amended, the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 et seq., as amended, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., as amended, the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., as amended or other similar federal, state and local environmental laws and ordinances or the rules or regulations promulgated pursuant thereto, including, without limitation, polychlorinated biphenyls (PCBs) and commercially processed asbestos, petroleum products or radioactive materials, except for immaterial quantities of Hazardous Materials resulting from the normal use of cleaning materials, pesticides and herbicides on the Demised Premises in conformance with applicable Legal Requirements.

If Lessee determines that a threat to the environment, including but not limited to a release, discharge, spill, or deposit of a hazardous or regulated substance has occurred or is occurring which affects or threatens to affect the Premises, or the persons, structures, equipment, or other property thereon, Lessee must notify immediately by oral report, in person, or by telephone, to be promptly confirmed in writing within 24 hours to the Airport Director or his designee as required by law or regulation.

32.2 Transportation, Storage, Labeling and Disposal of Hazardous Material.

Lessee further warrants that, all Hazardous Material on or upon the Demised Premises will be transported, stored, labeled, used and disposed of in accordance with applicable law.

Lessee shall keep all required Safety Data Sheets (SDS) on site open for inspection by the City and shall post and update all NFPA 701 diamond placards as required by law.

32.3 Cleanup and Indemnity.

Should Lessee's activities on or upon the Demised Premises result in contamination as a result of the spill or release of Hazardous Materials in the Demised Premises or any part of the Airport, Lessee agrees to take full responsibility for the cost of the clean-up of the same, further agrees to indemnify and hold harmless the City for the same (including legal and attorney's fees), and to defend the City at the Lessee's expense in any proceeding arising from, or resulting from such contamination.

Lessee further agrees to compensate the City for any loss or diminution in value of the Demised Premises or the Airport resulting from or arising out of such contamination.

32.4 Aircraft Painting.

No painting of aircraft or aircraft parts will be allowed on the Demised Premises without the Lessee first obtaining all permits and licenses required by the respective local, state and federal governmental agencies and permission from the Airport Director.

32.5 Fuel Disposal.

The disposal of aviation gas or any other hazardous substance by pouring on the ground (or any other surface) or by dispersal in the air is prohibited. The Lessee agrees to provide or make arrangements for an area for the proper disposal of sump fuel for Lessee and its subtenants.

32.6 **Aircraft Deicing.**

If the Lessee provides deicing services or contracts with a third party to conduct deicing services for an airline, the Lessee shall be responsible for the cost, if any, of meeting Federal and State regulations pertaining to the use, recovery, collection and or disposal of aircraft deicing fluids such as Propylene Glycol Type I and IV. The Airport Director may develop minimum standards for aircraft deicing, require permits for deicing, and or designate areas on the Airport for aircraft deicing (deicing pad).

ARTICLE – XXXIII
REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT

33.1 **Representations and Warranties of the Lessee**

1. **Organization.** Lessee is duly organized, validly existing and in good standing under the laws of the State of Delaware. Lessee is authorized to transact business, and is registered with the Secretary of State of the State of Virginia.

2. **Power and Authority.** Lessee has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof.

2. **Authorization, Due Execution and Enforceability.**

    a. Lessee has duly authorized and approved the execution and delivery of this Agreement and the performance by Lessee of its obligations contained in this Agreement.
    b. The Person executing this Agreement on behalf of Lessee has been duly authorized to execute and deliver such document on behalf of Lessee.
    c. This Agreement constitutes a valid and legally binding obligation of Lessee, enforceable against it in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and applicable Laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

3. **No Conflicts.** The execution and delivery of this Agreement by Lessee, the consummation of the transactions contemplated hereby and the performance by Lessee of the terms, conditions and provisions hereof have not and will not contravene or violate or result in a material breach (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of Lessee under:
    a. any applicable Law;
    b. any material agreement, instrument or document to which Lessee is a party or by which it is bound; or
    c. the articles, bylaws or other governing documents of Lessee.

4. **Consents.** No consent is required to be obtained by Lessee from, and no notice or filing is required to be given or made by Lessee to or with any Person (including any governmental authority) in connection with the execution, delivery and performance by Lessee of this Agreement or the consummation of the transactions contemplated hereby, except for such consents which have been obtained and notices or filings which have been given or made as of the Effective Date or such other consents, notices or filings that are not required to be obtained as of the Effective Date and are expected to be obtainable following the Effective Date.

5. **Compliance with Law; Litigation.**

    a. Lessee is not in breach of any applicable Law such that such breach could have a material adverse effect on the ability of Lessee to comply with its obligations under this Agreement.

b. There is no action, suit or proceeding pending (or, to the best of Lessee's knowledge, threatened) by or against or affecting Lessee before any governmental authority or arbitrator.

33.2 Representations and Warranties of the City

1. **Organization.** The City is a political subdivision of the Commonwealth of Virginia, duly organized and validly existing under the laws of the Commonwealth of Virginia.

2. **Power and Authority.** The City has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof.

3. **Authorization, Due Execution and Enforceability**

   a. The City has duly authorized and approved the execution and delivery of this Agreement and the performance by the City of its obligations contained in this Agreement.
   b. The Person executing this Agreement on behalf of the City has been duly authorized to execute and deliver such document on behalf of the City.
   c. This Agreement constitutes a valid and legally binding obligation of the City, enforceable against the City in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

4. No Conflicts. The execution and delivery of this Agreement by the City, the consummation of the transactions contemplated hereby and the performance by the City of the terms, conditions and provisions hereof have not and will not contravene or violate or result in a material breach (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the City under:
   a. any applicable Law; or
   b. any material agreement, instrument or document to which the City is a party or by which it is bound; or
   c. the articles, bylaws or other governing documents of the City.

5. **Consents.** No consent is required to be obtained by the City from, and no notice or filing is required to be given or made by the City to or with any Person (including any governmental authority) in connection with the execution, delivery and performance by the City of this Agreement or the consummation of the transactions contemplated, except for such consents which have been obtained and notices or filings which have been given or made as of the Effective Date.

6. Compliance with Law; Litigation.

a. The City is not in breach of any applicable Law such that such breach could have a material adverse effect on the ability of the City to comply with its obligations under this Agreement.
b. There is no action, suit or proceeding pending (or, to the best of the City's knowledge, threatened) by or against or affecting the City before any governmental authority or arbitrator.

33.3 **Entire Agreement.** This Agreement consists of Articles I to XXXIII, inclusive, Exhibits A, B, C, D, E and F, Appendices A and B and Annex A, constitutes the entire agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the City and the Lessee. The parties agree that no representations or warranties shall be binding upon the City or the Lessee unless expressed in writing in this Agreement.

[The remainder of this page left intentionally blank. Signatures contained on separate pages immediately following]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal.

THE CITY:
THE CITY OF MANASSAS

By: _____ [SEAL]
Michelle Davis-Younger, Mayor
On behalf of the City Council of Manassas, Virginia

ATTEST:

_____
Lee Ann Henderson, City Clerk

ATTEST:

_____
Name: _____
Title: _____

THE LESSEE:

Avports Manassas, LLC,

By: _____[SEAL]
Name: Jorge S. Roberts
Title: CEO
Date: _____

EXHIBIT A
METES AND BOUNDS DESCRIPTION

(To be provided by City)

EXHIBIT B
PLAT OF SURVEY

(To be provided by the City)

EXHIBIT C
UPGRADES & DEVELOPMENT LAYOUT PLANS

(To be provided by the Lessee)

EXHIBIT D
REVENUE SHARING CALCULATION

REVENUE SHARING CALCULATION

Definition: "Gross Revenues" as used in Section 4.2 means the total aggregate undiscounted, untaxed revenue, income, and consideration received by the Lessee in respect of, in exchange for, on account of, or in consideration for its operations, concessions, licenses, subleases, parking fees and other revenue in any form and from whatever source derived

Amount Due: For each fiscal year during the term, the amount due under Section 4.2 will be, (i) one and a half percent (1½%) of Gross Revenues from the commencement of operations until the end of that fiscal year and then in the following two fiscal years, (ii) three and one-half percent (3½%) of Gross Revenues in the next three fiscal years, and five and a half percent (5½%) of Gross Revenues in each fiscal year thereafter.

Gross Revenue Reports. On or before the thirtieth (30th) calendar day of each fiscal year during the Term of the Agreement, Lessee shall deliver to the City a written report, signed by an authorized representative of the Lessee, showing the amount of any Gross Revenues, including income, and consideration received by the Lessee, directly or indirectly, in respect of, in exchange for, in consideration of, or on account of its operations at the Manassas Regional Airport, in any form and from whatever source derived, at any time during the preceding fiscal year. The report shall compute the total dollar amount due to the City which shall be the mathematical product of the Lessee's Gross Revenues received in the preceding fiscal year, multiplied by the percentage share then in effect specified above, as applicable. With each such report, the Lessee shall remit to the City the total amount of the Revenue Sharing payment indicated thereby to be due, in accordance with the provisions of this Agreement.

Audited Financial Reports. The Lessee shall submit to the City complete audited annual financial statements of the Lessee's operations prepared by an independent certified public accountant satisfactory to the City, within one hundred and twenty (120) calendar days after the end of each calendar year, showing the results of operations at the Manassas Regional Airport during said year. Such statements shall include, at a minimum, a balance sheet, profit and loss statement and statement of sources and uses of funds.

EXHIBIT E
OPERATING STANDARDS

DRAFT

EXHIBIT F
AS BUILD DRAWINGS

(To be provided by the Lessee)

DRAFT

APPENDIX A
CONSTRUCTION & STANDARDS REQUIRED BY LESSEE

DRAFT

APPENDIX B
PAYMENT SCHEDULES

ANNEX A
LENDERS AND FINANCING

LENDERS AND FINANCING

"**Lessee Default**" means a Monetary Default or a Non-Monetary Default.

"**Lessee Interest**" means Lessee's rights and obligations under this Agreement.

"**Mortgage**" means any mortgage, lease, indenture, deed of trust, pledge or other security agreement or arrangement, including a securitization transaction with respect to revenues generated at the Demised Premises (other than that portion of revenues to which the City is entitled pursuant to this Agreement), encumbering any or all of the Lessee Interest or the shares or equity interests in the capital of Lessee and any of its affiliates and any cash reserves or deposits held in the name of Lessee, in each case that satisfies all of the conditions in Section 1.1 of this Annex A.

"**Secured Party**" means the holder or beneficiary of a Mortgage.

"**Secured Party Notice Requirements**" means the delivery by a Secured Party to the City of a true and complete copy of the executed original of such Mortgage, together with a notice containing the name and post office address of the Secured Party.

1.1. Mortgages

Lessee will have the right at its sole cost and expense to grant one or more Mortgages if, at the time any such Mortgage is executed and delivered to the Secured Party, the following terms and conditions are satisfied:

(a) Lessee shall have provided the form of Mortgage to the City and the City shall have confirmed that such Mortgage complies with this Annex A (such confirmation not to be unreasonably withheld, conditioned or delayed);

(b) the Mortgage does not cover any property of, or secure any debt issued or guaranteed by, any person other than Lessee; provided that it may cover shares or equity interests in the capital of Lessee and any cash reserves or deposits held in the name of Lessee;

(c) the Mortgage shall not extend past the originally scheduled expiration of the Term;

(d) the City will have no liability whatsoever for payment of the principal sum secured by any Mortgage, or any interest accrued thereon or any other sum secured thereby or accruing thereunder;

(e) the City will have no obligation to any Secured Party in the enforcement of the rights and remedies of the City under this Agreement or by law, except as expressly set forth in this Agreement or in any agreement with the Secured Party and unless such Secured Party has provided the City with notice of its Mortgage in accordance with the Secured Party Notice Requirements;
f) each Mortgage will provide that if Lessee is in default under the Mortgage and the default is continuing and the Secured Party gives notice of such default to Lessee, then the Secured Party will give notice of such default to the City;

(g) a Secured Party will not, by virtue of its Mortgage, acquire any greater rights or interest in the Demised Premises than Lessee has at any applicable time under this Agreement, other than such rights or interest as may be granted or acquired in accordance with this Annex A;

(h) at Lessee's request, the Parties shall use good faith efforts to negotiate and enter into with the Secured Parties, or an agent acting on their behalf, a customary direct or consent agreement with respect to the Mortgage conforming to the applicable terms set out in this Annex A in form and substance reasonably acceptable to the Parties; and

1.2. Notices and Payments to Lenders

(a) Whenever a Mortgage exists as to which the City has been provided notice by the holder thereof in accordance with the Secured Party Notice Requirements, the City will, simultaneously with providing Lessee any required notice under this Agreement, provide a copy of such notice to such Secured Party

1.3. Lenders' Right to Cure

(a) The Secured Party will have a period of:

(i) 10 days with respect to any Monetary Default;

(ii) 180 days, with respect to any Non-Monetary Default as a result of a failure by the Lessee to complete the Upgrades within the time frame for such completion set forth in this Agreement, as the same may be adjusted from time to time as expressly provided in this Agreement; and

(iii) 120 days, with respect to any other Non-Monetary Default;

in each case, beyond any cure period expressly provided to Lessee herein, in which to cure or cause to be cured such Lessee Default, provided that:

(iv) in the case of clauses (ii) and (iii) above, such time periods will be extended, but in no event more than one year, if (a) the Lessee Default may be cured but cannot reasonably be cured within such period, and (b) the Secured Party begins to cure such Lessee Default within such period (or if possession is necessary in order to effect such cure, the Secured Party files the appropriate legal action to commence foreclosure on the liens of the Mortgage (or takes other appropriate action to effect a transfer of title to the property subject to such liens) and take possession of the Demised Premises within such period) and (c) the Secured Party gives notice to the City of its intent to cure, and (d) the Secured Party, thereafter, proceeds with all due diligence to cure such Lessee Default (including by proceeding with all due diligence to effect such foreclosure and during such foreclosure action (to the extent practicable) and thereafter to effect such a cure), provided, further, that if any Secured Party is prohibited from curing any Lessee Default by any stay or injunction issued by any governmental authority, then the time periods specified in this

Section 1.3(a) for curing such Lessee Default shall be extended for the period of such prohibition; and

(v) if a Secured Party's right to cure a Lessee Default has not expired, and the Secured Party is acting to cure such Lessee Default in accordance with this Section 1.3(a), then the City will not exercise its right to terminate this Agreement by reason of such Lessee Default.

(b) In furtherance of the foregoing right to cure:

(i) the City will permit the Secured Party and its representatives the same access to the Demised Premises as is permitted to Lessee hereunder and permit the Secured Party or its representatives to take all actions and exercise all rights of Lessee under this Agreement; provided that any actions taken by a Secured Party or its representatives pursuant to this Section 1.3 shall be undertaken in accordance with the provisions of this Agreement that would be applicable to Lessee were it taking such actions;

(ii) the City will accept or reject any performance by a Secured Party as though the same had been done or performed by Lessee;

(iii) any payment to be made or action to be taken by a Secured Party hereunder as a prerequisite to keeping this Agreement in effect will be deemed properly to have been made or taken by the Secured Party if such payment is made or action is taken by a nominee, agent or assignee of the rights of such Secured Party; and

(iv) any exercise of the Secured Party's rights to cure hereunder will not result in the assumption by such Secured Party of Lessee's obligations hereunder.

1.4. Other Lender Rights

1.4.1. *Secured Parties' Enforcement Rights*

(a) Subject to the provisions of this Agreement, a Secured Party may: (i) enforce its Mortgage in any lawful way; (ii)acquire the Lessee Interest in any lawful way; or (iii) take possession of and manage the Demised Premises subject to the terms of this Agreement, provided that such rights of possession shall not exceed those previously granted to Lessee pursuant to this Agreement.

(b) Upon foreclosure of (or without foreclosure upon exercise of any contractual or applicable statutory power of sale under such Mortgage or a deed in lieu), a Secured Party may transfer the Lessee Interest to any person so long as such person (i) has been first found by the Airport Director to be fully qualified to perform the obligations of the Lessee under this Franchise Agreement; and (ii) takes such Lessee Interest subject to all of Lessee's obligations under this Agreement. In making the determination set forth in 1.4.1(b)(i), the Airport Director will only consider whether (i) such person has sufficient experience, or personnel with sufficient experience, or has contracted on a long term basis with a person who has sufficient experience or personnel to provide the operations and maintenance services under this Agreement, in operating and maintaining an airline

passenger terminal on a basis consistent with the Lessee as of the Effective Date; and (ii) such person has sufficient financial resources available to perform the obligations of the Lessee under the Franchise Agreement.

(c) Except as provided in Section 1.4, unless and until a Secured Party (a) forecloses or has otherwise taken ownership of the Lessee Interest or (b) has taken possession or control of the Lessee Interest, whether directly or by an agent as a mortgagee in possession or a receiver or receiver and manager has taken possession or control of the Lessee Interest by reference to the Mortgage, the Secured Party will not be liable for any of Lessee's obligations under this Agreement or be entitled to any of Lessee's rights and benefits contained in this Agreement, except by way of security.

(d) If the Secured Party itself or by an agent or a receiver or a receiver and manager is the owner or is in control or possession of the Lessee Interest, it will be bound by all liabilities and obligations of Lessee under this Agreement.

(e) Once the Secured Party goes out of possession or control of the Lessee Interest or transfers the Lessee Interest to another person, the Secured Party will cease to be liable for any of Lessee's obligations under this Agreement accruing thereafter and will cease to be entitled to any of Lessee's rights and benefits contained in this Agreement, except, if the Mortgage remains outstanding, by way of security.

1.4.2. Termination and New Agreement

(a) If this Agreement is terminated prior to the expiration of the Term due to a Lessee Default or if this Agreement is rejected or disaffirmed pursuant to any bankruptcy law or proceeding or other similar law or proceedings affecting creditors' rights generally with respect to a bankruptcy proceeding relating to Lessee or otherwise, the City agrees to enter into a new agreement with the Secured Party (or its designee or nominee) for the remainder of the original stated Term upon all of the covenants, agreements, terms, provisions and limitations of this Agreement (the "**New Agreement**"), effective as of the date of such termination, but only on and subject to the satisfaction of all of the following requirements and conditions:

(i) such Secured Party commits in writing to the City, in a notice delivered to the City, prior to the expiration of the Secured Party's cure period or prior to the effective date of such rejection or disaffirmance, as the case may be, that the Secured Party (or its designee or nominee) will enter into the New Agreement. A copy of such New Agreement, duly executed and acknowledged by the Secured Party (or its designee or nominee) must be delivered to the City within 14 days after the Secured Party gives notice of its intent to enter into the New Agreement pursuant to this section;

(ii) the Secured Party (or its designee or nominee) pays or causes to be paid to the City, at the time of the execution and delivery of the New Agreement, all amounts (including interest thereon) which, at the time of the execution and delivery thereof, would have been past-due or due and payable in accordance with the provisions of this Agreement but for such termination;

(iii) provided the City furnishes a statement or invoice for such costs, the Secured Party pays or causes to be paid to the City all reasonable costs and expenses (including legal fees), Taxes, fees, charges and disbursements paid or incurred by the City in connection with such defaults and termination, the recovery of possession from Lessee, and in connection with the preparation, execution and delivery of the New Agreement and related agreements and documents specified in such statement or invoice; and

(iv) such Secured Party (or its designee or nominee), at the time of such written request, cures all defaults under this Agreement curable by the payment of money of which the Secured Party has been notified by the City in writing that are existing immediately prior to the termination of this Agreement, or, if such defaults cannot be cured by the payment of money, such Secured Party (or its designee or nominee) commits to the City in the New Agreement to proceed both promptly and diligently, upon the execution of the New Agreement, to cure all such other defaults to the extent such defaults are capable of cure by a Person other than the original Lessee and, if possession is necessary in order to cure such other defaults, to proceed both promptly and diligently to obtain the possession required to cure any such other defaults to the extent curable (and such cure will be a covenant in the New Agreement).

(b) Nothing contained in this Section 1.4.2 will be deemed to limit or affect the City's interests in and to the Demised Premises upon the expiration of the Term of the New Agreement.

1.5. Assignment and Assumption Agreement

(a) The City agrees to cooperate with a Secured Party in order to effectuate such Secured Party's rights under the Mortgage to step-in, assume or assign this Agreement, in accordance with the procedures, terms and conditions of this Section 1.6 if either (1) the City has given a notice of termination of this Agreement due to an Lessee Default or (2) this Agreement is rejected or disaffirmed pursuant to any bankruptcy law or proceeding or other similar law or proceedings affecting creditors' right generally with respect to a bankruptcy proceeding relating to Lessee or otherwise.

(b) Upon notification and satisfaction of all of the conditions and requirements in Section 1.6(d), the City agrees that this Agreement will not be deemed terminated, but may be assumed by a Secured Party (or by a designee or nominee of such Secured Party) for the remainder of the original stated Term of this Agreement, and as evidence of such assignment and assumption the City agrees to execute an amended and restated agreement upon all of the covenants, agreements, terms, provisions and limitations of this Agreement (the "**Assignment and Assumption Agreement**").

(c) This Agreement may be so assigned and assumed pursuant to an Assignment and Assumption Agreement upon and subject to satisfaction of all of the following requirements and conditions:

(i) such Secured Party commits in writing to the City, in a notice delivered to the City, prior to the expiration of the Secured Party's cure period or prior to the effective date of such rejection or disaffirmance, as the case may be, that such Secured Party (or its designee or nominee) will assume this Agreement and enter into the Assignment and Assumption Agreement A copy of such Assignment and Assumption Agreement duly executed and acknowledged by such Secured Party (or its designee or nominee) must be delivered to the City within 14 days after the Secured Party gives notice of its intent to enter into the Assignment and Assumption Agreement pursuant to this section.

(ii) Such Secured Party (or its designee or nominee) will pay or cause to be paid to the City, at the time that the Assignment and Assumption Agreement is fully executed, all amounts which, at the time of the execution and delivery thereof, would have been past-due or due and payable in accordance with the provisions of this Agreement.

(iii) Such Secured Party (or its designee or nominate) will pay or cause to be paid to the City all reasonable costs and expenses (including legal fees), Taxes, fees, charges and disbursements paid or incurred by the City in connection with such defaults and notice of termination, the recovery of possession from Lessee, and in connection with the preparation, execution and delivery of the Assignment and Assumption Agreement and related agreements and documents. The City will provide an invoice to such Secured Party of such costs, and the Secured Party or its designee or nominee will pay such invoiced costs within 5 days of the receipt of such invoice.

(iv) Such Secured Party (or its designee or nominee), at the time of the notice provided under Section 1.6(d)(i), will cure all defaults under this Agreement (including all such defaults curable by the payment of money) existing immediately prior to the notice of termination, or, if such defaults cannot be cured by the payment of money, such Secured Party (or its designee or nominee) will commit to the City in the Assignment and Assumption Agreement to proceed both promptly and diligently, upon the execution of the Assignment and Assumption Agreement, to cure all such other defaults to the extent such defaults are capable of cure by a Person other than the original Lessee and, if possession is necessary in order to cure such other defaults, to proceed both promptly and diligently to obtain the possession required to cure any such other defaults (and such obligation to cure will be a covenant in the Assignment and Assumption Agreement).

(d) If a Secured Party gives the City a notice as provided in Section 1.6(d)(i), the City and Secured Party agree to cooperate with respect to taking any appropriate actions required to regain and transfer possession of the Demised Premises, including (i) seeking surrender of possession in any bankruptcy proceedings; and (ii) seeking relief from any automatic stay in bankruptcy provisions and pursuit of state law remedies to obtain possession and to foreclose on the Mortgage interest and assume Lessee's position as provided in Section 1.4 of this Agreement; provided that any costs incurred by the City under this provision will be reimbursed by the Secured Party (or its designee or nominee) as provided in Section 1.6(d)(iii).



PUBLIC HEARING
TERMINAL BUILDING DEVELOPMENT AND GROUND LEASE FOR THE PROVISION OF PASSENGER AIRLINE SERVICE AT THE MANASSAS REGIONAL AIRPORT

JULY 10, 2023

BACKGROUND

- In September of 2022, the Airport Director received an unsolicited proposal from Avports LLC that pledged its own capital to develop the necessary facilities at the Manassas Regional Airport to attract commercial service
- A draft Franchise Agreement was prepared by the City with input from Avports, LLC.
- A Request for Franchise Proposal (RFFP) was prepared for the Terminal Building And Ground Lease, that would allow for the Provision of Passenger Airline Service at the Manassas Regional Airport
- The RFFP was posted on May 19, 2023 on the City/Airport website soliciting all interested parties to submit a proposal

BACKGROUND

- The RFFP was advertised in a newspaper with general circulation in the City as required by the State Code
- All proposals were due on June 12, 2023
- One (1) bid/proposal was received by the Mayor at the appropriate time and place and was opened in public as required by the Virginia Code
- Avports Manassas, LLC was the company that submitted a proposal
- The City Council referred the proposal to the Airport Commission and Airport staff for review and a recommendation
- The Airport Commission Chairman appointed a Review Committee that met on June 14, 2023 to review the proposal and make a recommendation to the full Commission

BACKGROUND

- The Airport Commission voted unanimously on June 15, 2023 to recommend to City Council that Avports Manassas, LLC be granted the Franchise for Terminal Building Development and Ground Lease, for the Provision of Passenger Airline Service at the Manassas Regional Airport

- On June 26, 2023, Avports Manassas, LLC gave a voluntary public presentation regarding their proposal

KEY PROVISIONS OF FRANCHISE

- Franchise Agreement Key Provisions
  - Term: 40 Years
  - Services: To operate a commercial use passenger terminal building (screening, check-in, ticketing, baggage claim, gates, secure holding room & support facilities)
  - Premises: Current Terminal Building, Ramp and Parking Areas
  - Finances: They bid $672,143.36 for the first year of ground and building rent which meet the minimum requirements
  - Terminal Building Expansion: Minimum of 25,000 sf (lessee option for additional 10,000 sf)
  - Exceptions: Avports Manassas, LLC agreed to all provisions in the RFFP

KEY PROVISIONS OF FRANCHISE

- Franchise Agreement Key Provisions:
  - Franchise Agreement requires multi-phase approach to establish local market
  - Phase 1: Use current terminal with minor modifications to begin service and prove market with a few flights
  - Phase 2: Expand terminal to accommodate market stability
  - Estimated timeframe is 24-48 months
  - Expected total additional air traffic at Manassas Regional Airport HEF: ~11%



Area A: 0.78 acres
Area B: 0.28 acres
Area C: 0.44 acres
Area D: 3.70 acres
Area E: 6.0 acres
Area F: 6.6 acres
Terminal: 18,343 sf

- Area A-C & Terminal – Main terminal operations
- Area D – Airside/aircraft operations area (AOA), aircraft parking (non-exclusive)

- Area E – Short term vehicle parking; Taxi/TNC Drop Off; ADA parking
- Area F– Long term parking; rental cars

Next Steps

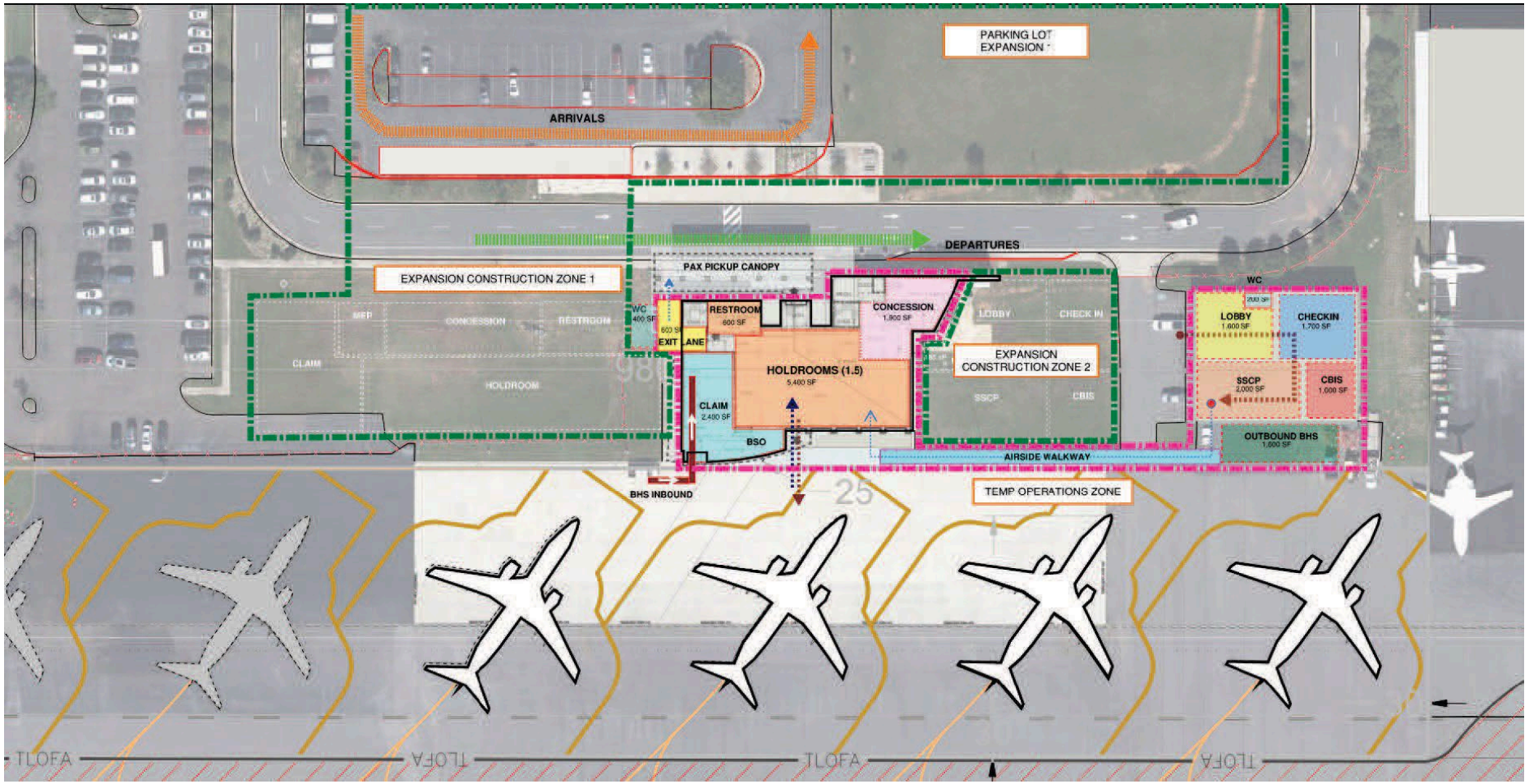
- If City Council approves a Franchise Ordinance

- Budget and Appropriate Funds for:
  - Additional Airport Operations Personnel
  - ARFF Services

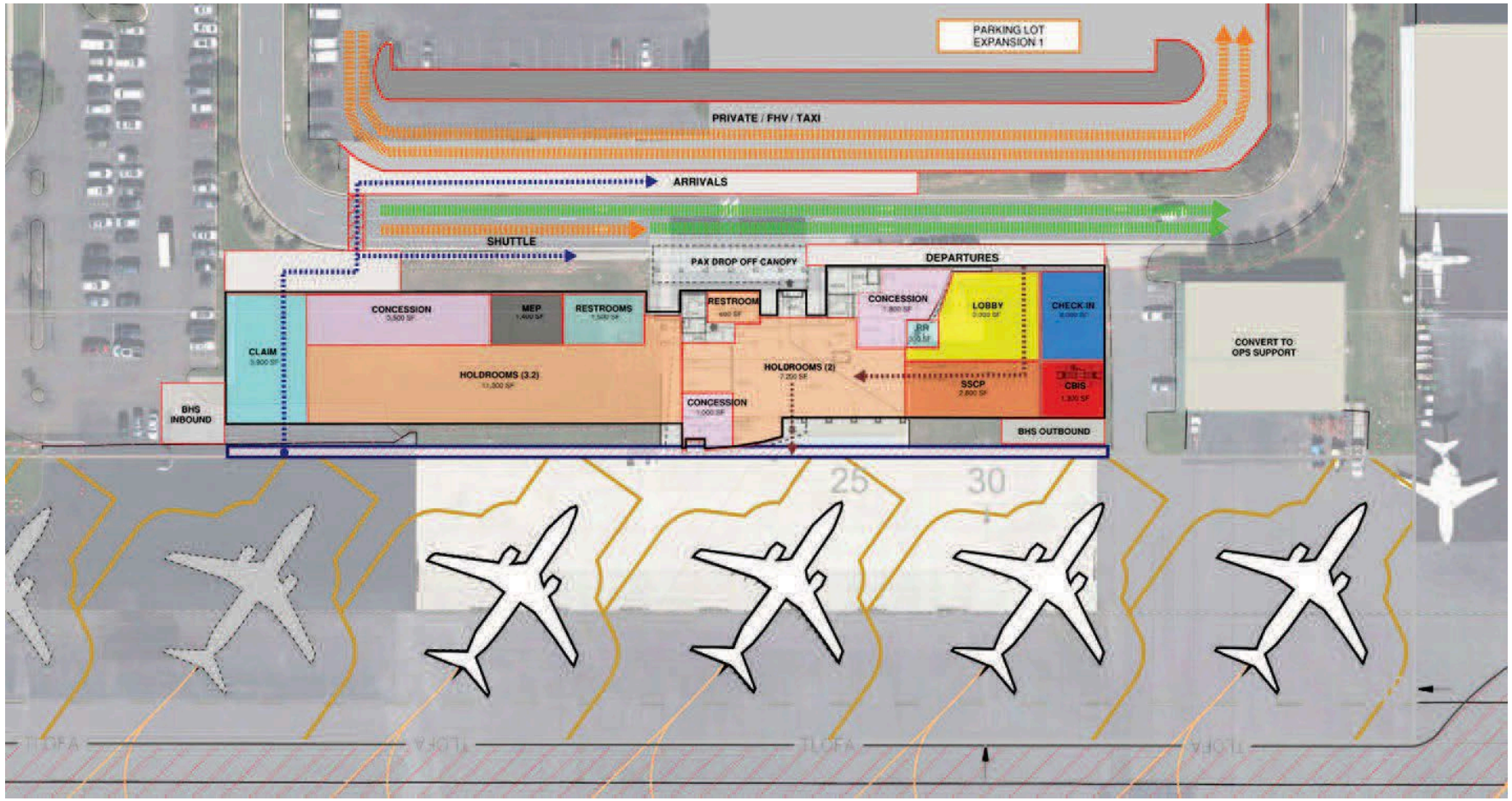
- Prior to Phase I – Limited Service
  - Airport must received an Airport Operating Certificate (AOC) from the FAA
  - Airport must develop a Security Plan that must be approved by the TSA
  - Airport must complete a CATEX

- Prior Phase II (full build-out of terminal building)
  - NEPA Requirements – Environmental Assessment (EA)
  - Building Design
  - Building Construction

Next Steps
Phase I



Next Steps
Phase II



What are the Unknowns?

- When airline service will actually begin
- Who the airline(s) will be
- Types of Aircraft that will be used
- Routes, destinations and or frequency

City of Manassas

Manassas City Council

9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	5 Minutes
Agenda Title:	Façade Grant – 8951 Center Street
Recommendation:	Approve the Grant
Motion:	*I move that the Façade Grant for 8951 Center Street be approved in the amount of $11,445.00.*
Date Last Considered by City Council:	N/A
Summary and/or Comments:	The owners of the shopping center in Historic Downtown were approved in 2021 for a FIG in the amount of $6,710.00. The project was never undertaken. They are now proposing to proceed with those exterior renovations and the estimated cost has increased to $34,336.00. The property is in the Historic Downtown District. It is highly visible and contains several popular City businesses including Old Town Sports Pub and Creative Brush Studios.
Board – Committee – or Commission Reviewed:	N/A
Fiscal Impact:	$11,445.00. This amount is appropriately budgeted in the Economic Development Department line item for façade and Landscape Grants.
Staff Contact:	Patrick Small, Economic Development Director psmall@manassasva.gov (703) 257-8881

City of Manassas
Economic Incentive Application
Façade Improvement Grant

This information is considered confidential and privileged information. It is exempt from the Virginia Public Records Act pursuant to the exemptions for individual tax returns of persons or entities subject to income, estate, personal property, or business license taxes.

Applicant/Company Information

1. Company Name VELTS 3 LLC

   Contact/Title TIM VELTSISTAS OWNER MANAGER

   Address 8737 QUARRY ROAD # 202 MANASSAS VA 20110

   Phone 703 296 8357 Fax _____

   E-Mail TIMMY VELT@OUTLOOK.COM

2. Project location

   Address (if different from above) 8951 (8971) CENTER STREET

   MANASSAS VA 20110 BEAUREGARD SQUARE

3. Is the project located in one of the following areas of interest? (Check if applicable)

   X Downtown/Old Town Manassas ____ Sudley Road/Hospital

   ___ Mathis Ave/Rt. 28 ____ Manassas Gateway

4. What is your project start date? ASAP

5. Project Description

REPAIR ALL ROTTEN TRIM + FACIA BOARD.
PAINT BUILDING
REPAIR/REPLACE COLUMNS
INTALL ROOF FLASHING
POWERWASH
INSTALL GUTTERS + DOWNSPOUTS.

6. Eligible Improvements, check all that apply:

- ☐ Accessibility ADA compliant upgrade
- ☐ Canopy or awning
- ☐ Certified green/sustainable exterior improvement
- ☐ Decorative fencing, railings, Juliet balconies
- ☐ Exterior ighting
- ☒ Exterior painting
- ☐ Signage
- ☐ Hardscape improvements
- ☐ Windows and doors
- ☐ Restoration
- ☐ Roofing (in conjunction with other improvements)
- ☐ Screening
- ☐ Window and cornice flashing and/or repair
- ☐ Other

_____

7. Required attachments:

- ☒ Photographs of the current landscape indicating the area(s) to be improved
- ☒ Drawings or renderings (or detailed description) of proposed improvements - SEE PROJECT DESCRIPTION
- ☒ Schedule of completion WITHIN 45 DAYS OF ACCEPTANCE (CONTRACT)
- ☒ Cost estimates or quotes from selected contractor(s)

MENDEZ PROFESSIONAL CONSTRUCTION

9422 ELK RUN ROAD

Catlett, VA 20119

Proposal provided by Mendez Professional Construction to Velts 3, LLC for exterior improvement on Beauregard Square Center located at 8951-8971 Center Street, Manassas, VA 20110.

- All areas to be prepped and painted: exterior trim; rear concrete block; carpentry; yellow curbside parking lot front and rear of building; all caution posts and railing(yellow); all light posts; stucco surface
- repair and paint all trim and facia wood that is rotten all around the building
- power wash the entire center to include the brick retaining wall
- replace 550 feet (6 inch) of gutters and downspouts
- fill and caulk open gaps between lower brick and sidewalk
- prep and paint all doors and windows (front and rear)
- paint all electrical and cable panels
- install flashing under gutters on roof to prevent water form seeping between roof and gutters
- repair all front columns and replace missing column mounts where applicable
- paint clock tower and railing around it
- apply two coats of premium exterior paint on all areas to be painted (Sherwin Williams - premium grade quality will be used for the project)
-

Communication will be established with tenants on property regarding convenient time for their entryway to be painted.

All labor and materials included in price

Total price: $34,336.00

Terms of payment: $8,000.00 deposit upon contract signature
$5,376.00 upon installation of gutters and downspouts
$8,000.00 to be agreed between contractor and client
$12,960.0 upon completion of work

Signed _____ Date 5/24/23
Mendez Professional Construction

Signed _____ Date 05/24/23
Velts 3,LLC, Owner






TOWNE SPORTS PUB


OLD TOWNE SPORTS PUB


CENTRO
EUNIK
interiors
EUNIK
interiors


THE OMELETTE CAFE
CENTRO
EUNIK
interiors
EUNIK
interiors


HOMUNITY HEALTH SERVICES
PWC Employees
Credit Union


Creative Brush
THE GATES OF BEAUTIFUL
HOMUNITY HEALTH SERVICES


Creative Brush


Creative Brush


FIRE
EXIT
DO NOT
BLOCK






FIRE
EXIT
DO NOT
BLOCK




VALLEY PROTEINS
800-871-3406


OLD TOWNE SPORTS PUB
Restaurant • Sports Bar • Meeting Room • Patio

MOTION: July 10, 2023
Regular Meeting
SECOND: Res. No. R-2024-01

RE: RESOLUTION RECOMMENDING APPROVAL OF A FAÇADE GRANT FOR 8951 CENTER STREET

WHEREAS, the City Council has established a Façade and Landscape Grant program to support property owners in making improvements to real property; and

WHEREAS, the owners of 8951 Center Street are making qualified improvements to their real property; and

WHEREAS, funds have been appropriately budgeted and this project meets the program eligibility criteria.

NOW, THEREFORE, BE IT RESOLVED that the Manassas City Council does hereby recommend approval of a facade grant for 8951 Center Street in the amount of $11,445.00.

_____
Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

ATTEST:

_____
Cheryl Santos Deputy City Clerk

Votes:
Ayes:
Nays:
Absent from Vote:
Absent from Meeting:

City of Manassas

Manassas City Council
9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	10 Minutes
Agenda Title:	Resolution #R-2023-84: A Resolution Approving the Manassas City Council Rules of Procedure and Code of Conduct
Recommendation:	Approve Resolution #R-2024-02
Motion:	*I move that Resolution #R-2024-02 be approved.*
Date Last Considered by City Council:	Discussed at the City Council retreat on February 2, 2023
Summary and/or Comments:	Several changes are proposed in the Council's Code of Conduct and Rules of Procedure. The City's "Core Values" are incorporated into the Code of Conduct's Introduction, and the Mayor and City Council are no longer referred to collectively as "City Council". Among the proposed amendments to the Rules of Procedure are revisions to section 2-3 (Pre-Organizational Meeting), section 4-3 (B) (Distribution of the Agenda), section 7-1 (Appointments – liaison) and section 8-3 (Broadcasting, Streaming and Recording Council Meetings). Revisions are also proposed in Section 6-11 (Participation by Remote Electronic Communication) for consistency with state enabling legislation.
Board – Committee – Commission Reviewed:	N/A
Fiscal Impact:	There is no fiscal impact from adoption of the amended City Council Rules of Procedure and Code of Conduct.
Staff Contact:	S. Craig Brown, City Attorney cbrown@manassasva.gov (703) 257-8208

MOTION: July 10, 2023
Regular Meeting
SECOND: Res. No. R-2024-01

RE: A RESOLUTION APPROVING THE MANASSAS CITY COUNCIL RULES OF PROCEDURE AND CODE OF CONDUCT

WHEREAS, the City Council has adopted operational Rules of Procedure to help the Council conduct its affairs in a timely and efficient manner, and a Code of Conduct to encourage fair, ethical, and accountable local government in the City; and,

WHEREAS, the current Rules of Procedure and Code of Conduct were adopted by the Council on January 4, 2021; and,

WHEREAS, the Council finds that it is necessary to amend and update the Rules of Procedure and Code of Conduct to provide for greater efficiency, public transparency and consistency with state law.

NOW, THEREFORE, BE IT RESOLVED by the Council for the City of Manassas, Virginia that the attached Manassas City Council Rules of Procedure and Manassas City Council Code of Conduct are hereby approved, and made effective immediately.

_____
Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

ATTEST:

_____
Lee Ann Henderson City Clerk

Votes:

Ayes:
Nays:
Absent from Vote:
Absent from Meeting:

MANASSAS CITY COUNCIL
RULES OF PROCEDURE

Adopted ~~January~~ _____ __~~4~~, 202~~3~~1

Introduction

The rules of procedure were designed and adopted for the benefit and convenience of the Manassas City Council and are intended to describe the rules and guidelines by which the City Council operates. Additionally, the rules of procedure will help City Council conduct its affairs in a timely and efficient manner and serve as a quick reference for resolving policy and procedural questions during meetings and work sessions. The rules of procedure do not supersede the provisions of the City Charter or Code of Ordinances and do not create substantive rights for third parties or participants in proceedings before the City Council. Further, the City Council reserves the right to suspend or amend the rules of procedure whenever a majority of City Council decides to do so. The failure of the City Council to strictly comply with the rules of procedure shall not invalidate any action of the City Council.

The rules of procedure may be reviewed and adopted biennially, following an election year, at the organizational meeting of City Council in January.

SECTION 1 – PURPOSE AND BASIC PRINCIPLES

Section 1-1. Purpose of Rules of Procedure

A. To enable the Manassas City Council to transact business fully, expeditiously, and efficiently while affording every opportunity to residents~~citizens~~ to witness the operations of government;

B. To protect the rights of~~or~~ each individual Council Member;

C. To preserve a spirit of cooperation among Council Members; and

D. To determine the will of the City Council on any matter.

Section 1-2. Basic Principles Underlying Rules of Procedure

A. The business of the City Council should proceed in the most efficient manner possible;

B. City Council's rules of procedure must be followed consistently;

C. City Council's actions should be the result of a decision on the merits and not a manipulation of the procedural rules;

D. Only one subject may claim the attention of City Council at one time;

E. Each item presented for consideration is entitled to full and free discussion;

F. Every Council Member has equal rights to participate and vote on the issues;

G. Every Council Member must have equal opportunity to participate in decision making;

H. The will of the majority must be carried out; and the rights of the minority must be preserved; and

I. The City Council must act as a body.

SECTION 2 – MEETINGS

Section 2-1. Adoption of an Annual Calendar and Meeting Schedule

The time and place of the meetings of the Manassas City Council shall be established annually with the adoption of a resolution and calendar that sets forth the regular meetings (which may include scheduled and advertised public hearings), work sessions, Town Hall meetings, ~~and~~ Committee of the Whole meetings and standing committee meetings (~~Finance, Land Use, and Personnel~~).

Regular meetings and public hearings. In general, regular meetings of the City Council, which may include scheduled and advertised public hearings, will be held on the second and fourth Monday of each month beginning at 5:30 p.m. at the advertised location ~~in City Council Chambers, located on the first floor at City Hall. Regular meetings and public hearings are broadcast on Comcast channel 23, Verizon channel 38, and live streamed on the City's website.~~

Work sessions. Work sessions, including Committee of the Whole meetings, are typically held on the third Monday of each month at 5:30 p.m. and may be combined with a ~~scheduled on the second Wednesday and fourth Thursday of the month following the respective~~ Standing Committee meeting. Typically, work sessions are held ~~in the second floor conference room~~ at City Hall or at the City's Public Safety Facility. ~~and are broadcast on Comcast channel 23, Verizon channel 38, and live streamed on the City's website. Work sessions may not be televised or streamed.~~

Town Hall meetings. The Manassas City Council will host Town Hall meetings each year with the location and topic of discussion (if applicable) announced prior to the event. The location and topic will be influenced by current City events, projects, and priorities.

Section 2-2. **Special Meetings**

The City Council may schedule special meetings as it deems necessary with the dates and time adopted as part of the annual calendar or announced in accordance with all legal requirements. Special meetings shall be called by the Clerk of the City Council upon the written request of the Mayor or any three (3) members of the City Council; no business shall be transacted at a special meeting but that for which it shall be called, unless the City Council agrees unanimously to consider such action.

The City Clerk shall immediately notify the members of the City Council of the time and place designated and the purpose of the special meeting. Additionally, the meeting shall be added to the City calendar and the City Clerk shall notify the local press and any citizen requesting notification of special meetings of the City Council.

Section 2-3. **Pre-Organizational Meeting**

In those years in which City Council elections are held, the City Council, including members-elect of the body, shall meet in a work session prior to the organizational meeting to discuss appointments as members of or liaisons to committees, boards and multi-jurisdictional agencies. This work session shall immediately follow the first regular meeting of the Council in December. All necessary background information shall be provided by the Clerk of City Council to all Council members and members-elect no later than the second regular City Council meeting in November. The Council members and members-elect should then submit in writing their interests and their priorities to the Mayor and the entire Council at least one week prior to the Pre-Organizational meeting. During the discussion of the full City Council, consideration will be given to a Council Member's level of interest, experience, ~~his or her~~ specific schedule, and the location, time, and frequency of the meeting(s).

Section 2-4. **Organizational Meeting**

In those years in which City Council elections are held, an organizational meeting of the Council shall be held the following January, prior to the first regular meeting of the month, at a time to be set by the City Council upon adoption of its annual calendar. The purpose of the Organizational meeting shall be the election of a vice mayor, the appointment of Council Members as members of or liaisons to committees, boards and multi-jurisdictional agencies, the designation of a city manager, city attorney, city clerk and their assistants, and the conduct of such organizational business as may come before the Council.

Appointments of Council Members shall be announced by the Mayor at the organizational meeting and shall become effective when approved by a vote of City Council. If desired, the City Council may review appointments on an annual basis.

The City Council will acknowledge and adopt the Code of Conduct (Attachment A) and the Rules of Procedure at its organizational meeting.

Section 2-5. Legal Holidays

When a regular meeting of the City Council falls on a legal holiday, the City Council ~~will~~may schedule the meeting for the following Monday, unless otherwise indicated on the adopted annual calendar.

SECTION 3 – OFFICERS AND EMPLOYEES

Section 3-1. Mayor and Vice Mayor

The Mayor shall preside over all meetings of the City Council and perform such other duties as may be prescribed by the Charter and general law, and such as may be imposed by Council, consistent with ~~his~~ the office of the Mayor.

The Mayor shall have no right to vote on matters before the City Council except that in every case of a tie vote of the Council, the Mayor shall vote to break the tie not later than the next regular Council meeting.

The Vice Mayor serves in the absence of the Mayor; the Vice Mayor retains the right to vote when presiding over the meeting. In the case of the absence from any meeting of the Mayor and Vice Mayor, the members of the City Council present shall choose one of their number as temporary presiding officer.

Section 3-2. City Manager

The City Council shall employ a City Manager who shall be chosen in conformity with the provisions of the Charter and who shall exercise the powers and discharge the duties required of ~~him~~the position, subject to the approval of the City Council. The City Manager shall exercise administrative supervision and control over all departments of the City government and have general supervision over all improvements, works, and services.

The City Manager shall attend all meetings of the City Council and shall recommend to the Council, for adoption, such measures as ~~he may~~ deemed expedient or necessary.

The City Council shall conduct an annual written performance evaluation of the City Manager, which includes a current appraisal and further goals. The evaluation will be provided to the City Manager by the Mayor and Council no later than the end of each October.

The City Council shall also meet with the City Manager in a closed session of City Council prior to the annual reviews of the Clerk of City Council and the City Attorney, and provide feedback on their respective performance and future goals.

Section 3-3. City Clerk

The City Council shall appoint a City Clerk to serve at the will of the City Council. The City Clerk will maintain a minute book in which the proceedings of the City Council, including all motions and subsequent votes, shall be recorded in compliance with legal requirements.

Statements to be Included in the Minutes. Any member of the City Council who wishes to have a statement or comment included in the minutes shall make that known prior to making the statement and shall provide the City Clerk with a written copy of ~~his or her~~the statement.

Section 3-4. Department Heads

The head of any department, or any officer or employee of the City when requested by the City Council or the City Manager, shall attend any regular, adjourned or special meeting and confer with the City Council on matters relating to the City.

Section 3-5. Preservation of Order

A. At meetings of the City Council, the presiding officer shall preserve order and decorum and decide ~~on~~ questions of order, subject to appeal to the City Council. If a member of City Council transgresses the rules of the Council, the presiding officer shall call ~~him or her~~the member to order.

B. No member of the City Council shall leave the Council Chamber while the City Council is in regular meeting without the permission of the presiding officer.

C. The presiding officer has the authority to call a brief recess at any time.

D. The presiding officer may adjourn the meeting without the Council's vote or appeal in an emergency.

E. The right of a member of the City Council to address the Council on a question of personal privilege shall be limited to cases in which ~~his~~the integrity, character or motives of the Council member are assailed, questioned or impugned. A member addressing the City Council on a question of personal privilege shall first address the presiding officer and be recognized. A second is not required.

F. Whenever a question arises as to the proper interpretation of a rule of procedure, or in the absence of a rule to govern a point of procedure, the presiding officer of the Council shall resolve the question.

G. Any member of the City Council may appeal to the Council from the ruling of the presiding officer. If the appeal is seconded, the member making the appeal may briefly state ~~his~~the reason for the appeal and the presiding officer may briefly explain ~~his~~the ruling, but there shall be no debate on the appeal and no other member shall participate in the discussion. The presiding officer shall then put the question: "Shall the decision of the presiding officer be sustained?" If the majority of the members present vote "no," the ruling of the presiding officer is overruled; otherwise, it is sustained.

Section 3-6. Council Members Addressing Council

A. A member of the City Council shall seek recognition to speak from the presiding officer, shall address only the question before the City Council and shall refrain from impugning the motives of any other Council Member's argument or vote. No discussion of a sectarian or political nature shall be allowed. No member shall interrupt another while speaking, except to make a point of order, the point to be briefly stated to the presiding officer.

B. No member of the City Council shall speak more than once on the same question until every member choosing to speak shall have done so, or for a longer time than ten minutes on any question, without the express permission of the City Council.

SECTION 4 – THE AGENDA

Section 4-1. Preparation of the Agenda

At the direction of the City Manager, the City Clerk shall be responsible for the publication of agendas for all noticed and scheduled meetings of the City Council.

Section 4-2. Council Members Adding Items to the Agenda

The City Manager shall prepare a proposed agenda to review with the Mayor prior to the scheduled City Council meeting. Any Council Member that would like to add items to the proposed agenda should submit such items to the City Manager and the Mayor five (5) business days before the meeting. Last minute submissions are discouraged but may be added to a regular meeting agenda, subject to a vote of the City Council at the meeting approving a change [addition] to the published agenda. This will allow Council consideration of a matter that requires action expeditiously but was not known in time to be presented during the normal agenda development process.

Items added to the agenda by an individual Council Member shall be listed separately on the agenda under "Other Business." Materials accompanying the agenda item shall be provided to the City Clerk for distribution to the Mayor and Council, and for posting with other meeting agenda materials. Council action on a Council Member-initiated agenda item may include, but is not limited to, discussion only; referral to a Council committee; referral to the City Manager for development by City staff; scheduled for a future Council work session; or placement on a future Council regular agenda for further action.

Section 4-3. Distribution of the Agenda

A. The City Clerk shall publish agendas and related materials (the agenda packet) to the City's website and electronic devices used by City Council in a timely manner to allow the public and elected officials time to review.

B. The agenda packet for regular City Council meetings ~~held on a Monday~~ will normally be published before noon local time, six calendar days prior to the meeting date ~~on the Tuesday prior to the meeting date~~. All items that are to be included in any presentation or report on the agenda, i.e., written reports, videos, power points, etc., will be in an attachment on the agenda. If the information is not included for review, the item will be removed from the agenda and rescheduled for a later Council meeting, or the item may remain on the agenda with the Council discussion of the item scheduled for a subsequent meeting. ~~If key information is outstanding, the City Manager may delay the publication of the packet to noon on the Wednesday prior to the meeting date.~~

C. The agenda packet for meetings held on a Wednesday or Thursday will be published before noon on the Thursday prior to the meeting date.

D. Copies of the agenda and one complete packet will be available at City Hall for inspection and review by any member of the public.

SECTION 5 – ORDER OF BUSINESS FOR COUNCIL MEETINGS

Section 5-1. Order of Business

A. The order of business for the regular City Council meeting held on the second and fourth Mondays of the month will be established in a written agenda and may include the following: Community and Staff Presentations; Reports of the Mayor and Council; Staff Reports; a Consent Agenda; Ordinances and Resolutions; Unfinished and New Business; Awards and Acknowledgements; Public Comment; a Closed Meeting; Public Hearings; and other pertinent business of the City Council.

B. If it is necessary to consider an agenda item designated for a "time certain," the presiding officer may move forward in the agenda to that item or skip over the item and return to it at the designated time.

C. The order of business for any special City Council meeting or work session will be established in a written agenda and may include the following: Work Session Topics, Action Items, a Closed Meeting, and other pertinent business of the City Council.

Section 5-2. **Consent Agenda**

A. The consent agenda shall include, by way of illustration but not limitation, the following:

1. Approval of Council minutes.
2. Receipt and filing of staff and board reports.
3. Ordinances or resolutions that are routine in nature or have been approved unanimously ~~be~~by a Standing Committee or the Committee of the Whole.
4. Ordinances which received unanimous approval on first reading.
5. Purchasing resolutions or resolutions to release funds previously appropriated.
6. Any item believed to be routine and non-controversial in nature.

B. The consent agenda shall be approved with a single motion and shall be considered by the City Council as a single item.

C. There may be a short discussion of consent agenda items to answer questions, clarify a matter, highlight an accomplishment, or draw attention to a specific item that may be important to the public. However, there shall be no lengthy debate or discussion of a consent agenda item.

D. Upon the request of the Mayor or any Council Member, an item may be removed from the Consent Agenda. The item will be placed on the regular agenda and considered separately after adoption of the remaining consent agenda items.

E. If a Council Member wishes to remove an item from the Consent Agenda, they are encouraged to notify the City Clerk or City Manager no later than 9:00 a.m. the morning of the meeting to allow staff time to either answer the question or prepare a presentation for the meeting.

Section 5-3. **Public Comment Participation**

A. No person, other than a member of the City Council, shall have the right to discuss any matter in a meeting of the City Council, unless by consent of a majority of the Council, or when that person is scheduled to appear before the Council on an agenda item.

B. The public comment participation portion of the agenda is set aside for those ~~citizens~~individuals who wish to address the City Council for less than three (3) minutes each. ~~Citizens~~Individuals need not give prior notice to the City to speak during the public comment participation portion of the agenda.

C. Public comment participation shall be for the purpose of allowing members of the public to address any City business; however, public comment participation is not intended to serve as a forum for debate with the Council.

D. Individuals may address the council for longer than three minutes if they ask the ~~c~~City ~~m~~Manager for a place on the agenda at least four working days before the meeting.

Section 5-4. Public Hearings

A. Public hearings before the City Council may be scheduled for any meeting of Council.

B. The procedure for public hearings is as follows:

1. The newspaper advertisement certification shall be read by the presiding officer, confirming the advertisements were published in conformance with the requirements of general law and City ordinances.
2. The presiding officer will ask staff to present the issue for consideration and offer City Council the opportunity to ask questions.
3. The presiding officer will ask the applicant and/or applicant's representative to speak on the issue and answer questions of the City Council.
4. Following presentation by staff and the applicant/representative, the presiding officer will open the public hearing and ask speakers to limit their comments to three (3) minutes or less.
5. The public hearing will either be closed or continued (remain open) and action can be taken at the meeting or scheduled for the next regularly scheduled Council meeting.

Section 5-5. Closed Meetings

A. Generally, all meetings of public bodies must be open to the public. If a public body wants to hold a closed meeting, it must follow an established process to convene in a closed meeting. If City Council wishes to convene in a closed session, the presiding officer will recognize the City Attorney, who shall identify the matters proposed for discussion in a closed session, and affirm to City Council that the matters so identified can be discussed in a closed session pursuant to the Virginia Freedom of Information Act. The City Council must then affirmatively pass a ~~motion~~resolution in open session that does the following:

1. Identifies the subject matter of the closed meeting;
2. States the purpose of the closed meeting; and
3. Makes specific reference to the statutory exemptions relied on to close the meeting.

B. Once in a closed meeting, only the matters stated in the motion are allowed to be discussed.

C. The City Council may invite members of the staff or public to attend a closed meeting if their presence reasonably aids the Council in its consideration of an issue.

D. Following a closed meeting the City Council must reconvene in open session and certify that only the matters identified in the motion were discussed.

E. Decisions made during a closed meeting do not become official until the public body reconvenes in an open session following the proper procedure, reasonably identifies the substance of the decision, and takes a recorded vote on the decision agreed to in the closed meeting. Any and all votes taken to conduct the public's business must be taken and recorded in an open meeting.

F. Public bodies are not required to record minutes for closed meetings.

G. Individuals attending a closed meeting should respect the Council's decision that the subject matter is too sensitive for public discussion and should treat the closed meeting discussion as confidential.

SECTION 6 – RULES OF PROCEDURE FOR COUNCIL MEETINGS

Section 6-1. Quorum

A. Three members of the City Council shall constitute a quorum for the transaction of business. No ordinance shall be passed or resolution adopted having for its object the appropriation of money exceeding the sum of five hundred dollars, or the levy of taxes and licenses, except by the concurrence of at least four

members. No vote or question decided at a stated meeting shall be reconsidered at a special meeting unless all members are present, and three of them concur.

B. Quorum refers to the number of members present at a meeting, not the number of members voting on an issue. If no quorum is present or if a quorum is lost, the City Council can only (i) adjourn, (ii) recess, or (iii) take steps to obtain a quorum.

D. If a quorum fails to attend any meeting, those attending may adjourn to such other time prior to the next regular meeting as they may determine and the City Clerk shall enter such adjournment in the minute book of the Council and shall notify absent members thereof in the same manner as required for special meetings.

E. If the Virginia Conflict of Interests Act prevents some of the members of the City Council from participating in an item of business, Sections 2.2-3112 and 15.2-1415 of the Code of Virginia provide that a majority of the remaining members of the Council shall constitute a quorum.

Section 6-2. **Priority in Speaking on the Council**

When two or more members of the City Council wish to speak at the same time, the presiding officer shall name the member to speak.

Section 6-3. **Comments, Queries of Council Members**

Council Members are to observe the following rules during the discussion of agenda items:

A. The presiding officer shall keep discussion germane to the subject. Point of clarification shall be limited to questions only. The presiding officer shall rule other comments out of order.

B. Council Members may address questions to the City Manager or staff present at the meeting. Staff members should be at the podium and speaking into the microphone when answering Council Members' questions. All legal questions should be addressed to the City Attorney.

Section 6-4. **Action by the City Council**

A. Items of business will be considered and dealt with one at a time, and a new proposal may not be put forth until action on the preceding one has been concluded.

B. When a proposal is perfectly clear to all present, and the proposal will not obligate the Council in any manner nor finally decide an issue before the Council, action can be taken upon the unanimous consent of the Council Members present, without a motion having been introduced. However, unless agreed to by unanimous consent, all proposed action of the Council must be approved by vote under these rules. Silence, or the lack of spoken dissent, is taken as consent.

C. If an agenda item requires a public hearing, action by City Council may be taken at the same meeting as the public hearing, or may be deferred to a later meeting.

Section 6-5. Motions

A. Informal discussion of a subject is permitted while no motion is pending.

B. Any member of the City Council, even if ~~he or she~~that member is serving as the presiding officer, may make a motion.

C. A member may make only one motion at a time.

D. Except for matters recommended by a Standing Committee, or as otherwise stipulated in these rules of procedure, all motions require a second and a motion dies for lack of a second.

Section 6-6. Substantive Motions

A. A substantive motion is any motion that deals with the merits of an item of business and is within the City Council's legal powers, duties, and responsibilities.

B. A substantive motion is out of order while another substantive motion is pending.

Section 6-7. Receipt of Motions When Question is Under Consideration

A. When a motion is under consideration, no motion shall be received, except as follows: to postpone indefinitely, to amend, to refer to a committee, to postpone to a certain time, to limit or extend debate, to move the previous question or to lay on the table. These motions are listed from lowest priority to highest; no

motion with a lower priority may be received while a motion with a higher priority is under consideration, but a motion with a higher priority is in order while a motion with a lower priority is under consideration.

B. The following motions are debatable: to postpone indefinitely, to refer to a committee or to postpone to a certain time. A motion to amend is debatable only if the main question is. The other motions named in subsection (A) of this section are not debatable. The following motions are amendable: to amend, to refer to a committee, to postpone to a certain time, and to limit or extend debate. The other motions named in subsection (A) of this section are not amendable. All motions require a simple majority, except for the motions to limit or extend debate or move the previous question, which requires a two-thirds majority.

Section 6-8. Debate

A. The presiding officer shall state the motion and then open the floor to debate. The presiding officer shall preside over the debate according to the following general principles:

1. The maker of the motion is entitled to speak first;

2. A member who has not spoken on the issue shall be recognized before someone who has already spoken;

3. A member of the Council may vote against their own~~his or her~~ motion, but may not speak against their own~~his or her~~ motion.

4. The presiding officer may participate in the debate prior to declaring the matter ready for a vote.

5. Council Members shall not engage in electronic communication amongst themselves regarding a motion that is on the floor for debate.

Section 6-9. Duty to Vote

If there is an abstention, it shall be the responsibility of the City Clerk to note the abstention and the reason for abstaining for the record.

Section 6-10. Method of Voting

A. After debate, the presiding officer shall ensure that the motion is clear and call for the vote.

B. All questions submitted to the Council shall be determined by a majority vote of the members voting on any such question, unless otherwise required by special or general law. A majority is more than half.

C. An "affirmative vote" by a majority of the Council present being necessary to adopt a motion, a tie vote means that the motion, resolution or issue has been rejected. When a motion fails on a tie vote, the "noes" prevail.

D. In order for a motion in a zoning matter to be adopted, it must be approved by a majority of those voting.

E. Members can request that the City Clerk call for the individual votes of Council Members on any matter before the City Council.

Section 6-11. **Participation by Remote Electronic Communication**

The following policy is established pursuant to Virginia Code §2.2-3708.~~2~~3 to allow members of City Council to participate in a City Council meeting through electronic communication means from a remote location that is not open to the public, subject to the conditions and requirements of this Section. The following provisions shall be applied strictly and uniformly, without exception, to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

A. On or before the day of a meeting, the member who wishes to participate through electronic means must notify the Mayor, or in the Mayor's absence the member who will chair the meeting, that the member is unable to attend the meeting due to (1) a temporary or permanent disability or other medical condition that prevents the member's physical attendance; ~~or~~ (2) a medical condition of a member of the member's family requires the member to provide care that prevents the member's physical attendance; (3) the member's principal residence is more than 60 miles from the meeting location identified in the required notice for such meeting; or (4) a personal matter, and identifies with specificity the nature of the personal matter. Remote electronic participation by a member because of a personal matter is limited each calendar year to two meetings or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater.

B. Following receipt of notification as required by subsection (A), remote participation by electronic communication is authorized if (1) a quorum of City Council is physically assembled at one primary or central meeting location; and (2) the City Council makes arrangements for the voice of the remote participant to be heard by all persons at the primary or central meeting location.

C. At the start of the meeting the Mayor, or other presiding officer, shall advise the Council of the member's request for participation by remote electronic communication. If the conditions and requirements of this Policy have been met, the Council shall approve the member's request by majority vote. If participation by a member through electronic communication means is approved, the Clerk of Council shall record in the minutes of the meeting a general description of the remote location from which the member participated. If participation is approved pursuant to paragraph (A) (1) or (2), ~~because of the member's temporary or permanent disability or other medical condition,~~ the Clerk of Council shall also include in the minutes of the meeting the fact that the member participated through electronic communication means due to a (i) temporary or permanent disability or other medical condition that prevented the member's physical attendance or (ii) family member's medical condition that required the member to provide care for such family member, thereby preventing the member's physical attendance. If participation is approved pursuant to paragraph (A) (3), the Clerk of Council shall include in the minutes the fact that the member participated through electronic communication means due to the distance between the member's principal residence and the meeting location. If participation is approved pursuant to paragraph (A) (4), ~~due to a member's personal matter,~~ the Clerk of Council shall also include in the minutes of the meeting the specific nature of the personal matter cited by the member.

D. If a member's participation from a remote location is disapproved because such participation would violate this Policy, such disapproval shall be recorded in the minutes with specificity.

SECTION 7 – BOARDS, COMMITTEES, COMMISSIONS, AND AUTHORITIES

Section 7-1. Appointments to Boards, Committees, Commissions, and Authorities

A. The appointments of Council Members to Boards, Committees, Commissions, and Authorities shall be approved by an affirmative vote of a majority of the members of the Council at the organizational meeting.

B. In the event of a vacancy, the Council may consider and approve a replacement at any regular meeting of the Council.

C. The Council may appoint individual members of City Council as liaisons with City staff for land use, finance or legislative matters, or for other discreet subject matter areas, in order to facilitate the presentation of items to the entire Council.

~~C~~D. If the Council wishes, it may review appointments on an annual basis.

Section 7-2. **Standing Committees of the Council**

A. The City Council may~~shall~~ have ~~three (3)~~ Standing Committees of Council to consider financial and budgetary matters, land use and economic development matters, ~~and~~ the appointments of citizens to the City's various Boards, Committees, and Commissions, and legislative matters that may affect the City. The City Council may also hold work sessions as a Committee of the Whole.

Section 7-3. **The Creation of Standing Committees and New Committees**

A. Any new Standing Committee of the City Council shall be established by an ordinance.

B. Any new temporary committee shall be established by ordinance or resolution and shall specify the term during which the committee will remain in existence. No temporary committee shall be established for a term of more than 365 days, the period to run from the date the committee holds its initial meeting. The term of the temporary committee may be extended by Council through an ordinance or resolution for additional periods of up to 365 days each. A temporary committee shall cease to exist upon (i) the completion of its designated task or assignment, (ii) the date it submits its final oral or written report to Council, (iii) the expiration of the term specified in the ordinance or resolution creating the committee or of any extension of its original term, or (iv) three years from the date of its initial meeting, whichever occurs first.

C. No new committee shall be established until the City Manager has issued a report with comments and recommendations regarding the creation of the committee. The City Manager may delegate responsibility for preparing this report to any department head. The report required by this section shall include the comments and recommendations regarding:

1. The need for the committee and possible duplications or conflicts with other committees;

2. The appropriateness of a committee format to deal with the issues involved; and

3. The impact that creation of the committee will have on City staff and resources, including: (a) the estimated total amount of City staff time that will be required on an annual or other basis to staff the committee; (b) whether the committee can accomplish its assigned work with existing staff; and (c) if new staff will be required, the total amount of additional staffing that will be required and the projected annual cost of such additional staff.

SECTION 8 – GENERAL OPERATING POLICY

Section 8-1. Staff Attendance at Meetings Organized by Council Members

Members of City staff, in their official capacity, shall not be invited by the Mayor or Council Members to attend meetings which are political in nature. Additionally, any requests for a member of City staff to attend a community meeting or event that has been organized by or is being hosted by a member of the City Council shall be made directly to the City Manager.

Section 8-2. Meetings with the Public, Staff, and the Mayor or Council Members

When possible, the balance of Council will be given reasonable advance notice of any meetings scheduled for and attended by the public, a member or members of City staff, and the Mayor or Council Members. A report by the Mayor or Council Member(s) in attendance should be given at the next Council meeting with a summary of the discussion and details of any follow-up action resulting from the meeting.

Section 8-3. Broadcasting, Streaming and Recording Council Meetings

(A) All meetings of the City Council will be recorded and made available for viewing on the City's website the day following the meeting. Regular meetings of the City Council that are held in Council Chambers and work session and special meetings that are held in a room designated for these meetings ~~the second floor conference room~~ shall be broadcast live on the City Government Channel (Comcast channel 23 and Verizon channel 38) and streamed on the City's website (Manassas Council Meeting Media Center). ~~The video of recorded meetings will be available on demand the day after the Council meeting.~~ Other meetings of City Council may also be broadcast or streamed where practicable, but Council reserves the right to schedule a meeting at a time or location where facilities for broadcasting or streaming are not available.

(B) The failure to record, broadcast or stream any Council meeting or part thereof shall not be grounds for invalidating any action taken by the Council at the meeting.

(C) Nothing in this Section shall be interpreted to require the postponement or adjournment of a meeting of the City Council where the necessary facilities for recording, broadcasting or streaming are not available due to causes beyond the reasonable control of the City.

Section 8-4. Minutes of the Council Meeting

The minutes of the City Council meetings shall reflect the official actions of the Council. The minutes shall provide a summary of the discussion and record how Council voted on motions. The minutes will be considered for approval within a reasonable time following the meeting they record, typically, at the next regularly scheduled meeting.

Statements to be Included in the Minutes. Any member of the City Council who wishes to have a statement or comment included in the minutes shall make that known prior to making the statement and shall provide the City Clerk with a written copy of ~~his or her~~the statement.

Section 8-5. Amending the Rules of Procedure

The rules of procedure may be amended at any regular meeting, or at any properly called special meeting that includes amendment of the rules as one of the stated purposes of the meeting.

Section 8-6. Special Rules of Procedure

The Council may adopt its own special rules of procedure to cover situations that are not adequately addressed in these Rules of Procedure. Adoption of a special rule of procedure shall require an affirmative vote of a majority of a quorum of the Council.

Attachments: Oath of Office
Code of Conduct
Organizational Chart

Amendments (after 5/1/2019)
-Resolution #R-2020-31 – Added Section 6-11 to Authorize Remote Participation
-Amendments adopted 1/4/21

MANASSAS CITY COUNCIL

CODE OF CONDUCT

INTRODUCTION

The intent of the Code of Conduct is to encourage fair, ethical, and accountable local government in the City of Manassas. The community expects its elected officials, specifically the Mayor and City Council, to be objective and thoughtful in their judgment and actions and to conduct City business openly and in an atmosphere of respect and civility. Additionally, officials are expected to comply with both the letter and the spirit of the laws of the United States of America, the Commonwealth of Virginia, the Manassas City Code of Ordinances, and adopted City policies.

The attitudes, words and actions of the Mayor and City Council should demonstrate, support, and reflect the principles identified in the Code of Conduct and in the City's core values: Stewardship, Honesty, Integrity, Respect, Teamwork and Customer Service. While it is not possible to anticipate and provide a Code of Conduct that addresses all the situations public officials may face, this Code of Conduct is designed to provide a framework that guides officials as they perform their duties.

1. The Mayor and members of the Manassas City Council ~~(hereafter denoted as "City Council")~~ will be truthful and forthright with colleagues, City staff, and all others as they make decisions that are in the best interest of the City and its residents.
2. The Mayor and ~~M~~members of the City Council have no individual authority and will refrain from making promises, decisions, or commitments that the elected body has not authorized. When presenting their individual opinions and positions, individual members shall explicitly state they do not represent the entire Manassas City Council. In their capacity as appointed members of other boards, (e.g. NVTA or PRTC), the Mayor and members of the City Council ~~members~~ are permitted to vote on routine matters which impact that specific board. However, prior approval from the City Council is necessary if a member will vote on significant items directly involving or impacting the City.
3. The Mayor and ~~M~~members of the City Council shall comply fully with the Commonwealth of Virginia Conflict of Interests Act (§ 2.2-3100) and will not take any special advantage of services or opportunities for personal gain, by virtue of their public office, which are not available to the public in general. The Mayor and members of the City Council ~~members~~ shall refrain from accepting any gifts, favors, or promises of future benefits which might compromise their ability to make fair decisions or give the appearance of being compromised.

4. The Mayor and members of the City Council shall respect the confidentiality of information specified as such and acknowledge that information shared in a closed session shall remain confidential, unless otherwise authorized by the full City Council.
5. The professional and personal conduct of the Mayor and members of the City Council must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, personal charges, or verbal attacks upon the character or motives of the Mayor, ~~other~~ members of the City Council, City staff, or the public.
6. As established in the Charter, Article III, Section 11, members of the City Council shall regularly attend and prepare for each Council and committee meeting and review the information provided by City staff.
7. Public resources, including City staff time, equipment, and supplies or facilities, that are not available to the public in general shall not be used by the Mayor or members of the City Council for private gain or personal purposes.
8. It is expected that the Mayor and members of the City Council will listen courteously and attentively to all public discussions before the body and focus on the business at hand. The Mayor and ~~M~~members of the City Council agree to treat all persons, statements, and transactions in a fair and equitable manner, giving due consideration to the merits of the issue before making a decision.
9. The Mayor and members of the City Council will, through its actions and performance, contribute to a strong organization that exemplifies transparency and open communication.
10. The Mayor and members of the City Council ~~and its individual members~~ will practice the governance role and focus on developing a vision and establishing policies. The daily management of the City's departments is delegated to the City Manager, as prescribed by the City Council.

The Code of Conduct is intended to be self-enforcing and is most effective when members are familiar with and agree upon its provisions.

As Mayor or ~~A~~as a member of the Manassas City Council, I agree to uphold the Code of Conduct and carry out my duties and responsibilities in accordance with the expectations outlined above.

_____

Mayor Date

_____	_____
Vice Mayor Date	Council Member Date
_____	_____
Council Member Date	Council Member Date
_____	_____
Council Member Date	Council Member Date

City of Manassas

Manassas City Council
9027 Center Street
Manassas, VA 20110

Meeting Date:	July 10, 2023
Time Estimate:	10 Minutes
Agenda Title:	Resolution #R-2024-03: A Resolution Approving the Micron Amended City Customer Transfer Agreement with Dominion Power
Recommendation:	Approve Resolution #R-2024-03
Motion:	*I move that Resolution #R-2024-03 be approved.*
Date Last Considered by City Council:	The Agreement was previously amended in 2018 and 2019.
Summary and/or Comments:	The Customer Transfer agreement has been in place since 2014 and allows Micron to be a direct customer of Dominion Virginia Power (DVP). The agreement has been previously amended in 2018 and 2019. Micron is currently working on an amendment to the Service Agreement with DVP that extends the term until August 26, 2035. It is important to all parties that the term of Micron's Service Agreement with DVP match the term of the City – DVP Customer Transfer Agreement. Please note that the language regarding the Franchise Agreement renewal in 2028 remains unchanged from the prior agreement
Board – Committee – Commission Reviewed:	Utilities Commission reviewed on June 8, 2023 and recommends approval.
Fiscal Impact:	N/A
Staff Contact:	Tony Dawood, Utilities Director 703-257-8382 tdawood@manassasva.gov

MOTION: _____ July 10, 2023
Regular Meeting
SECOND: _____ Res. No. R-2024-03

A RESOLUTION APPROVING THE THIRD AMENDATORY AGREEMENT BETWEEN THE CITY OF MANASSAS AND VIRGINIA ELECTRIC AND POWER COMPANY FOR THE PROVISION OF ELECTRIC UTILITY SERVICE TO MICRON TECHNOLOGY

WHEREAS, on September 25, 2014 the City of Manassas ("City") and Virginia Electric and Power Company ("Company") entered into the *Agreement for the Conditional and Time-Limited Transfer of Customer Between the City of Manassas and Virginia Electric and Power Company d/b/a/ Dominion Virginia Power*, which enabled the Company to provide electric utility service directly to Micron Technology, Inc. ("Micron") for an initial term of five years; and,

WHEREAS, in January 2018 the City and the Company amended the Agreement to provide for an initial term of ten years; and,

WHEREAS, on January 14, 2019 the City approved a Second Amendatory Agreement that extended the term of the Agreement to provide electric service to Micron to February 29, 2028, when the Company's franchise to operate in the City expires, or to February 29, 2032 if the Company is granted a new franchise by the City; and,

WHEREAS, Micron and the Company are currently negotiating an amendment to their Service Agreement that would extend the term of that agreement to August 26, 2035; and,

WHEREAS, all parties would like the term of the City – Company Agreement to match the term of the Micron – Company Service Agreement, which would be accomplished by a Third Amendatory Agreement that would extend the term of the City – Company Agreement to August 26, 2035 if the Company is awarded a new franchise by the City in 2028.

WHEREAS, it appears that the Third Amendatory Agreement is in the best interests of Micron, the Company and the City of Manassas and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Council for the City of Manassas, Virginia that the attached Third Amendatory Agreement is hereby approved, and the City Manager or his designee is authorized to execute the Agreement on behalf of the City, in form approved by the City Attorney.

_____

Michelle Davis-Younger Mayor
On behalf of the City Council
of Manassas, Virginia

ATTEST:

_____

Lee Ann Henderson City Clerk

Votes:

Ayes:
Nays:
Absent from Vote:
Absent from Meeting:

AGREEMENT FOR THE CONDITIONAL AND TIME-LIMITED TRANSFER OF CUSTOMER BETWEEN THE CITY OF MANASSAS AND VIRGINIA ELECTRIC AND POWER COMPANY d/b/a DOMINION VIRGINIA POWER

This Agreement is entered into as of the 25th day of September, 2014, between the City of Manassas, Virginia ("Manassas" or "City") and Virginia Electric and Power Company d/b/a Dominion Virginia Power ("the Company") (Manassas and the Company may be referred to as a "Party" or collectively as the "Parties").

RECITALS

Whereas, the Company is a Public Service Corporation engaged in furnishing electric utility service in portions of Virginia, and as such owns and operates facilities for the generation, transmission and distribution of electricity within Virginia; and

Whereas, Manassas is a municipal corporation and a member of Virginia Municipal Electric Association No. 1 ("VMEA") and Manassas has agreed to purchase its Supplemental Requirements as that term is defined in the "Amended and Restated Power Sales Contract Between Virginia Municipal Electric Association # 1 and the City of Manassas, Virginia" dated August 13, 2009, from VMEA ; and

Whereas, Micron Technology, Inc. ("Micron") is a corporation that owns a manufacturing plant located at 9600 Godwin Drive, Manassas, Virginia 20110 ("the Site"); and

Whereas, Manassas currently provides retail electric service to Micron's load totaling approximately 45 MW; and

Whereas, Manassas acquired from the Company the exclusive right to provide retail electric service to the Site pursuant to the Agreement and Bill of Sale dated August 20, 1996 and the Assignment of Easement dated May 23, 1996; and

Whereas, Micron wishes to receive, and the Company wishes to make available to Micron, retail electric service in accordance with an Agreement for Electric Service between the Company and Micron, executed the 25th day of September, 2014; and

Whereas, the Company's electric retail service tariff on file with the Virginia State Corporation Commission ("Tariff") contains Schedule GS-4, Rates for Large General Service Primary Voltage; and

Whereas, Manassas consents to the temporary provision of retail electric service by the Company to Micron; and

Whereas, Manassas granted the Company the right for the term and upon certain conditions to use the streets, alleys and public places of Manassas to construct, maintain and use, poles, wires, cables, conduits, ductways, manholes, handholes and appliances in, over, along, on and under the streets, alleys and public places of Manassas, by ordinance passed by the Council of the City of Manassas on the 29th day of February, 1988 ("the Franchise"); and

Whereas, the Parties consent to the Company serving Micron as a customer in the manner contemplated by Va. Code § 56-265.4:1;

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Agreement, the Parties agree as follows:

TERMS AND CONDITIONS

ARTICLE I
TRANSFER OF CUSTOMER

1.1. The Company will provide electric utility service to Micron as of the effective date of this Agreement provided that all other necessary and separate agreements, as listed in Section 2.5, have been executed and are effective as of September 1, 2014. The effective date of this Agreement shall be September 1, 2014.

1.2. The Company will be responsible for all account management and billing for the provision of electric utility service to Micron while Micron is a customer of the Company at the Site.

1.3. The City consents to this transfer, and this transfer shall be effective, only so long as Micron remains a customer of the Company and is receiving Electricity Supply Service from the Company pursuant to the Company's Schedule GS-4 (or pursuant to such other Company rate schedule for which Micron may be eligible) as Schedule GS-4 (or such other schedule) may, from time to time, be updated, amended, or replaced; however, this transfer shall not terminate and shall remain effective if Micron first obtains the City's approval to purchase Electricity Supply Service from a Competitive Service Provider. For removal of doubt, the Parties recognize that Micron may have the right to purchase Electricity Supply Service from a Competitive Service Provider pursuant to Rate Schedule GS-4 (or pursuant to another Company rate schedule for which Micron may be eligible); however, the City's approval is needed prior to Micron obtaining Electricity Supply Service from such a provider. Terms used in this Section 1.3 shall have the same meaning as such terms used in the Tariff.

ARTICLE II
TERM OF CONTRACT

2.1. The initial term of this Agreement shall be five years. At the conclusion of such five year term, the City, in its sole discretion, may review and modify this Agreement, renew this Agreement, or terminate this Agreement. The City shall provide the Company with notice at least 180 days prior to the end of the initial five-year term or any subsequent five-year renewal term that the City intends to modify or terminate this Agreement. If the City does not timely provide such notice, then this Agreement shall be deemed renewed for an additional five-year term. (The Parties recognize that this Agreement may be extended prior to the expiration of the initial or any subsequent renewal term in order to allow Micron to enter into a contract with a Competitive Service Provider.) If not terminated earlier, this Agreement shall terminate with the

expiration of the Franchise on February 29, 2028. If the Franchise is extended, the Parties may agree to extend this Agreement beyond February 29, 2028.

2.2. Notwithstanding any provision to the contrary and in addition to all other rights to terminate this Agreement, the City may, in its sole discretion, terminate this Agreement if Micron ceases operations at the Site and the City gives notice to the Company that (i) Micron has ceased operations, and (ii) the City intends to resume providing electric service to the Site. The date of a termination pursuant to this provision shall be on the date specified in such notice and shall be not less than 90 days after the date of the notice. For purposes of this section, the term "ceases operations" shall mean any of the following: (1) the sale of the Micron facility at the Site to another party; (2) the closing, including the cessation of all production at the Site for a period of at least 180 consecutive days, of the Micron facility at the Site (other than a temporary closing for retooling by Micron); (3) the removal without replacement of manufacturing tools constituting at least 80% of the value of manufacturing tools set forth in the most recent assessment of personal property taxes for the Site; or (4) a name change on identifying signs at the Site (other than a company rebranding). The term "ceasing operations" shall not include the merger or joint venture of Micron with another entity that results in a name change or rebranding of the facility doing substantially the same manufacturing business at the Site.

2.3. After December 31, 2017, and in addition to all other termination rights set forth in this Agreement, this Agreement will terminate upon the request of Micron to have the City resume providing retail electric service to the Site. Micron must provide written notice to the City and the Company not less than 180 days in advance of the desired date of such a transfer. To remove all doubt, pursuant to this Section 2.3, the City and the Company shall use reasonable efforts to transition the provision of retail electric service from the Company back to the City as of the date requested by Micron, provided that nothing in this Section or this Agreement obligates the City or the Company by any specific date or after the expiration of any specific time period to effect this transition.

2.4. Should the Virginia State Legislature, Virginia State Corporation Commission (SCC) or other regulatory or other legal body having jurisdiction (such as the Federal Energy Regulatory Commission) at any time (1) pass legislation or issue an order which prohibits a municipality from allowing a public utility to serve one of its customers, (2) prohibit the Company from recovering from its customers sums related to serving customers of a municipality's service territory at retail rates in accordance with agreement with such municipalities, (3) change the treatment of a municipality with respect to retail choice in the Commonwealth of Virginia as a result of a public utility serving a retail customer in a municipality's service territory at retail rates in accordance with agreement with such municipality, or (4) pass legislation or issue an order whereby the City's and/or the Company's other retail customers are negatively impacted by such legislation or order if the City and the Company continues this arrangement (hereinafter the statements referred to in (1), (2), (3), and (4) above shall be referred to individually and collectively as the "Disallowed Provisions"), then either Party shall have the right to terminate this Agreement with not less than 90 days' notice to the other Party with such notice including a detailed explanation of the Disallowed Provision requiring such termination. If the Virginia State Legislature, the SCC, or other regulatory or legal body having jurisdiction passes or approves legislation or an action constituting a Disallowed Provision, and if either Party

exercises its rights to terminate this Agreement, then this Agreement will terminate on the day prior to the effective date of such legislation or action.

2.5. This Agreement is conditioned on the execution of all other necessary agreements. Such necessary agreements are the Lease Agreement between the City and Micron, the Agreement between the Company and VMEA, and the Agreement for Electric Service between the Company and Micron. If any necessary agreements are subsequently modified, the Parties will work together to endeavor to modify this Agreement if necessary to continue and/or restore this Agreement to its original intent and effect. This Agreement shall not become effective and shall be null and void if any of the foregoing necessary agreements is not executed by September 25, 2014, or does not have an effective date of September 1, 2014. In the event any of the foregoing necessary agreements is terminated or found to be invalid by a court or agency of competent jurisdiction, and such agreement is not replaced within a reasonable time not to exceed six months, either Party may elect to terminate this Agreement and each Party shall cooperate with the other Party to transfer retail electric service to the Site back to the City as soon as practicable.

ARTICLE III
INDEMNIFICATION

3.1. The Company shall indemnify, defend and hold harmless the City and its agents and employees from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from any event, circumstance, act, or incident occurring in connection with the provision of retail electric service by the Company to Micron. Nothing herein contained shall be construed to render the Company liable for the negligent acts or omissions of the City, its agents or employees or any other person or corporation.

ARTICLE IV
COOPERATION

4.1. From time to time after the execution of this Agreement, the Parties hereto shall within their legal authority execute other documents as may be necessary, helpful, or appropriate to carry out the terms of this Agreement.

ARTICLE V
AMENDMENT

5.1 This Agreement may be amended only by the agreement in writing of both Parties.

ARTICLE VI
ASSIGNMENT

6.1 This Agreement shall inure to the benefit of and shall be binding upon the respective successors and assigns of the Parties; provided, however, that neither this Agreement nor any interest herein shall be transferred or assigned by either Party except with the consent in writing of the other Party, which consent shall not be unreasonably withheld. No assignment or transfer of this Agreement shall relieve the Parties of any obligation hereunder.

ARTICLE VII
NOTICE

7.1 Any notice, demand, or request required or authorized by this Agreement to be given by one Party to the other Party shall be in writing. Such notice shall be sent by facsimile, courier, personally delivered or mailed, postage prepaid, to the representative of the other Party designated herein. Any such notice, demand, or request shall be deemed to be given and shall be effective: (i) when received by facsimile; (ii) when actually received if delivered by courier, overnight mail or personal delivery; or (iii) three (3) days after deposit in the United States mail, if sent by first class mail.

7.2 Notices and other communications shall be addressed to each Party at the following addresses:

City of Manassas
Attn: Director of Public Works and Utilities
8500 Public Works Drive
Manassas, Virginia 20110

Martin R. Crim, Esquire
City Attorney, City of Manassas
9200 Church Street, Suite 400
Manassas, Virginia 20110

Dominion Virginia Power
Attention: Director of Regulation
One James River Plaza
701 W. Cary Street
Richmond, Virginia 23219

Horace P. Payne, Jr., Esquire
Dominion Resources Services, Inc.
120 Tredegar Street
Richmond, Virginia 23219

7.3 The designations of the name and address to which any such notice, demand or request is directed may be changed from time to time by either Party giving written notice as provided above.

ARTICLE VIII
SEVERABILITY

8.1. In the event that any of the terms, covenants or conditions of this Agreement, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court or agency having jurisdiction under the circumstances, the remainder of this Agreement and the application of its terms, covenants or conditions to such persons or circumstances shall continue in full force and effect. In the event of such invalidity, the Parties shall promptly renegotiate in good faith valid new provisions to restore the Agreement to its original intent and effect.

ARTICLE IX
APPLICABLE LAW

9.1. This Agreement shall be deemed to be executed in the City of Manassas, Commonwealth of Virginia, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the Commonwealth of Virginia, as applicable to contracts entered into and to be performed entirely within the Commonwealth.

ARTICLE X
CONSTRUCTION

10.1. Headings have been inserted into this Agreement as a matter of convenience of reference only, and it is agreed that such headings are not a part of this Agreement and will not be used in the interpretation of any of the provisions of this Agreement.

10.2. Except as may be carried out under Article IV, this Agreement constitutes the entire agreement between the Parties with reference to the subject matter hereof and supersedes all prior and contemporaneous communications, understanding or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement.

10.3. In computing any period of time prescribed or allowed under this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, a Sunday, or a legal holiday in Virginia, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday in Virginia.

10.4. This Agreement is not intended to, and does not, create an agency, partnership, or joint venture between the City and the Company.

10.5. Except as provided in Section 2.3, this Agreement is intended solely for the benefit of the City and the Company, and nothing herein will be construed to create any duty to, or standard of care with reference to, or any liability to, any other person.

10.6. Any undertakings or commitments by one Party to the other under this Agreement shall not constitute the dedication of generation facilities, the transmission systems, or the distribution of facilities, or any portion thereof of either Party to the other Party.

ARTICLE XI
ENFORCEMENT

11.1 In the event of any default by either Party under any covenant, agreement or obligation of this Agreement, the other Party may, upon 15 days' prior written notice, bring any suit, action, or proceeding in law or in equity, injunction, and action for specific performance as may be necessary or appropriate to enforce any covenant, agreement, or obligation of this Agreement against the defaulting Party.

11.2 The failure of a Party to enforce at any time any of the provisions of this Agreement or to require at any time performance by the other Party of any of the provisions of this Agreement shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this Agreement or any part thereof, or the right of such Party thereafter to enforce each and every provision.

ARTICLE XII
AGREEMENT BINDING

12.1 Each Party represents that the person signing this Agreement on its behalf has the authority to sign and, by signing, to bind the Party to the terms and conditions of this Agreement.

IN WITNESS HEREOF, the Parties have caused this Agreement to be signed as of the day and year written first above.

THE CITY OF MANASSAS, VIRGINIA	VIRGINIA ELECTRIC AND POWER COMPANY
By:	By:
Name: Harry J. Parrish II	Name: BRANDON E. STITES
Title: Mayor	Title: DIR - ELECTRIC DISTRIBUTION DESIGN

Third Amendatory Agreement

This Third Amendatory Agreement is entered into on this 1st day of July, 2023, by and between the City of Manassas ("City") and the Virginia Electric and Power Company (d/b/a Dominion Energy Virginia, formerly d/b/a Dominion Virginia Power), a public service corporation ("Company") (the City and the Company, together, the "Parties").

WHEREAS, the Parties entered into that certain Agreement for the Conditional and Limited-Time Transfer of Customer Between the City of Manassas and Virginia Electric and Power Company d/b/a Dominion Virginia Power dated September 25, 2014 ("Agreement");

WHEREAS, the Parties entered into that certain Amendatory Agreement on January 4, 2018 ("First Amendatory Agreement");

WHEREAS, the Parties entered into that certain Second Amendatory Agreement on January 14, 2019 ("Second Amendatory Agreement");

WHEREAS, on February 29, 1988, the City approved an ordinance granting the Company the right to construct, maintain, and operate electric facilities, among other things, in, under, over, and along the streets, alleys, and public places in the City ("Franchise");

WHEREAS, the term of the Franchise is forty years and will expire on February 29, 2028, and the construction, maintenance, operation of electric facilities by the Company may continue thereafter in accordance with the Franchise terms in accordance with Virginia law; and,

WHEREAS, the Parties now desire to further amend the Agreement as set forth herein.

NOW THEREFORE, for sufficient consideration, the receipt of which is acknowledged, the Parties hereby agree:

1. Section 2.1 of the Agreement, as provided for in the Second Amendatory Agreement, is hereby rescinded and replaced with the following:

"2.1 The initial term of this Agreement shall be the period starting with the date the Agreement was executed and end with the date that the Franchise is terminated or February 29, 2028, whichever is later. If the Company is awarded a new franchise by the City, the term of this Agreement shall also include the additional period referenced in Section 2.7 *infra*. If this Agreement is not terminated earlier or extended under a new franchise, this Agreement shall terminate with the expiration of the 1988 Franchise the City granted to the Company, but in no event shall this Agreement terminate prior to the end of the initial term, except as provided in Section 2.2 or Section 2.4."

2. Section 2.7 of the Agreement, as provided for in the Second Amendatory Agreement, is hereby rescinded and replaced with the following:

“2.7 If the Company is the successful bidder for, and is awarded, the New Franchise, the initial term of this Agreement set forth in Section 2.1 shall be extended to August 26, 2035”

3. In all other respects, the rest of the terms of the Agreement shall remain unchanged, are hereby restated, and shall continue in full force and effect.

[Remainder of the Page Intentionally Blank – Signatures on Following Page]

IN WITNESS HEREOF, the Parties hereby cause this Third Amendatory Agreement to be signed as of the first month, day, and year written above.

CITY OF MANASSAS

By:_____

Name:_____

Title:_____

VIRGINIA ELECTRIC AND POWER COMPANY

By:_____

Name:_____

Title:_____

[Signature Page of Third Amendatory Agreement]

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