

REPORT
ON THE
CITY OF WILLIAMSBURG—COUNTY OF JAMES CITY
ANNEXATION AGREEMENT



COMMISSION ON LOCAL GOVERNMENT
COMMONWEALTH OF VIRGINIA

June 1983

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REPORT
OF THE
COMMISSION ON LOCAL GOVERNMENT

CITY OF WILLIAMSBURG--COUNTY OF JAMES CITY
ANNEXATION AGREEMENT

PROCEEDINGS OF THE COMMISSION

On November 12, 1982 the City of Williamsburg filed notice with the Commission on Local Government, pursuant to the provisions of Section 15.1-945.7(A) of the Code of Virginia, of its intention to petition the court for the annexation of approximately 3.88 square miles of territory in James City County. Consistent with the Commission's Rules of Procedure, the City's notice was accompanied by data and materials supporting the annexation action. 1/ Further, in accordance with statutory requirements, the City concurrently gave notice of its annexation action to eight other local governments with which it was contiguous or with which it shared functions, revenues, or tax sources. 2/

This proposed annexation is part of a comprehensive settlement between the City of Williamsburg and James City County which culminated on April 8, 1982 negotiations which had been initiated two years previously. In addition to this proposed boundary expansion by the City of Williamsburg, the interlocal settlement included a number of major utility provisions and an agreement by the City not to initiate other annexation proceedings against the County during the 15-year period following

1/ City of Williamsburg, City of Williamsburg vs. James City County Annexation Proceedings, Annexation Notice, Commission on Local Government (hereinafter cited as Annexation Notice), November 1982.

2/ Sec. 15.1-945.7(A), Code of Virginia.

the effective date of the agreed annexation. 3/

Following its receipt and review of materials submitted by the City in support of the proposed annexation, on February 23, 1983 members of the Commission toured the area proposed for annexation and relevant sites and facilities in

the City and the County and received oral presentations from the parties in support of the interlocal settlement. 4/ In addition to its receipt and consideration of materials and testimony from the City and the County, the Commission solic-

ited comment from other potentially affected political subdivisions and the public. Each political subdivision receiving

notice of the proposed annexation from the City under the provisions of Section 15.1-945.7(A) of the Code of Virginia was

invited by the Commission to submit testimony on the proposed action for its consideration. Further, the Commission held a public hearing, advertised in accordance with statutory

requirements, on the evening of February 23, 1983 in Williamsburg. 5/ The public hearing was attended by approximately 40 persons and produced testimony from 7 individuals. In order

to receive additional public comment, the Commission agreed to keep open its record for the receipt of written submissions through March 22, 1983.

3/ See Appendix A for the complete text of the interlocal agreement.

4/ By authority of Sec. 15.1-945.4 of the Code of Virginia the Chairman appointed a panel of Wendell D. Hensley, Edward A. Beck and Benjamin L. Susman, III to tour the area proposed for annexation, to receive the oral testimony, and to conduct the public hearing. Commissioner Harold S. Atkinson was also present for the entire proceedings.

5/ Sec. 15.1-945.7(B), Code of Virginia. By request of the Commission, copies of all material submitted by the City of Williamsburg and James City County relative to the interlocal agreement were made available for public review in the offices of the City Manager and County Administrator.

SCOPE OF REVIEW

The Commission on Local Government is directed by law to review proposed annexations initiated by local governing bodies, as well as various other interlocal issues, prior to their being submitted to the courts for ultimate disposition. Upon receipt of notice of a proposed action, the Commission is directed "to hold hearings, make investigations, analyze local needs" and to submit a report containing findings of fact and recommendations relative to the proposed action to the affected local governments and to any court which may subsequently be asked to consider that action. 6/ The Commission's report on each proposed action must be based upon "the criteria and standards established by law" for the disposition of that issue. 7/

In this instance the Commission is presented with an annexation which has been approved by the governing bodies of the City of Williamsburg and James City County as part of a comprehensive agreement produced through interlocal negotiations. While the Commission is required to review this proposed annexation, as all others, on the basis of statutorily prescribed criteria and factors set forth principally in Section 15.1-1041 of the Code of Virginia, it is evident that the General Assembly encourages the interlocal negotiation and settlement of annexation issues. Indeed, one of the primary legislatively prescribed responsibilities of this Commission is the provision of mediation assistance for the promotion of interlocal settlements. 8/ In view of this legislatively

6/ Sec. 15.1-945.7(A), Code of Virginia.

7/ Sec. 15.1-945.7(B), Code of Virginia.

8/ Secs. 15.1-945.3(C), and 15.1-945.7(A), (E), Code of Virginia.

established and sanctioned process, the Commission concludes that its review of this and other interlocal annexation settlements should be guided by a presumption of their compatibility with the statutorily established criteria and standards. The Commission observes, however, that the General Assembly has elected not to exclude interlocal settlements from its review and holds, therefore, that no such presumption should render the Commission inattentive to relevant concerns expressed by other affected parties, nor reduce its review to a pro forma endorsement of any action.

The analysis and recommendations which follow in the succeeding sections of this report are founded upon the Commission's collective experience in local government administration and operations. It is our intention to leave questions of law for appropriate resolution in other forums. The Commission trusts that this report will be of assistance to local governments and citizens of affected jurisdictions and to the Commonwealth generally.

GENERAL CHARACTERISTICS OF THE CITY, THE COUNTY, AND THE AREA PROPOSED FOR ANNEXATION

CITY OF WILLIAMSBURG

The City of Williamsburg, which can trace its roots to the early years of the seventeenth century, is one of this nation's most historic communities. Williamsburg--the capital of Virginia from 1699 until 1779--was the focal point in Virginia's social, intellectual, educational, and political life throughout most of the eighteenth century. ⁹ While the growth of the

9 Williamsburg was granted city status by royal charter on July 28, 1722 (Chester W. Bain, "A Body Incorporated," The Evolution of City--County Separation in Virginia (Charlottesville: University of Virginia Press, 1967), pp. 124-27.

Commonwealth and the movement of the State capital to Richmond in 1779 inevitably diminished Williamsburg's preeminence in Virginia, the City remains not only a vibrant community and a major component of the State's economy but a living memorial to our colonial past and democratic heritage.

The present-day City of Williamsburg had a 1980 population of 9,870 persons residing on the 5.17 square miles of territory located within its corporate boundaries. 10/ These population and area figures gave the City a 1980 population density of 1,909 persons per square mile. Unlike a number of Virginia's cities, Williamsburg did experience population growth during the previous decade, increasing its populace between 1970 and 1980 by 8.8%. 11/ The City's population growth during the decade was, however, considerably less than the 14.9% increase for the State as a whole. 12/

In terms of land use, 1980 data indicate that 39.2% of the City's total area was devoted to public or semi-public usage, 18.6% to residential development, 10.4% to commercial enterprise, 1.4% to industrial activity, with

10/ Annexation Notice, p. 1-2. See Appendix B for a statistical profile of the City, County, and area proposed for annexation. See Appendix C for a map of the area proposed for annexation.

11/ Julia H. Martin and Michael A. Spar, Growth in Virginia, 1970--1980 (Charlottesville: Tayloe Murphy Institute, University of Virginia, 1981), Table 1. The City's 1981 population has been estimated at 10,200 (Julia H. Martin and Michael A. Spar, Estimates of the Population of Virginia Counties and Cities: July 1, 1981 (Provisional) (Charlottesville: Tayloe Murphy Institute, University of Virginia, August 1982), Table 2. Williamsburg's population figure for 1980 included 3,748 students residing in college dormitories (U.S. Department of Commerce, Bureau of the Census, 1980 Census of Population and Housing, Advance Estimates of Social, Economic and Housing Characteristics, Virginia, Number PHC80-S2-48, Table P-1, p. 20).

12/ Growth in Virginia, 1970-1980, Table 1.

20.8% of the City's total area remaining vacant. 13/ The 20.8% of the City's area remaining vacant represented 689 acres, of which approximately 210 acres were located in marshes, wetlands, or floodplains or were situated on steep slopes. Exclusive of this land which is restricted in its development potential, the City retained 479 acres, constituting 14.5% of its total area, vacant and suitable for development. 14/

The City of Williamsburg is the site of employment for a significant percentage of the residents of the general area. In 1980 the City's entire civilian labor force numbered only 4,783 persons, while the City had within its corporate limits 9,799 positions in nonagricultural wage and salary employment. 15/ Between 1970 and 1980 the total number of such employment opportunities in the City increased by 8.1%, or slightly less than the percentage increase in the City's population during the same period. 16/ While the previous decade did witness an actual reduction in the number of manufacturing positions in the City, those employment losses were more than offset by the growth in nonmanufacturing positions. 17/ It is significant to observe that by far the largest concentration of employment opportunity in the City was in service-related activity, with such positions (4,689) constituting 47.9% of

13/ Annexation Notice, p. 5-3. The public and semi-public land use category does not include the 8.4% of the City's area devoted to public thoroughfares. The remaining acreage within the City (1.2% of the total) was "water areas."

14/ Ibid., p. 5-4.

15/ Virginia Employment Commission, Population and Labor Force Data, 1980.

16/ The City's nonagricultural wage and salary employment in 1970 totaled 9,061 positions (Virginia Division of State Planning and Community Affairs, Data Summary, James City County and City of Williamsburg, September 1974, p. 16).

17/ Ibid.; and Population and Labor Force Data, 1980. The City lost 33 positions in manufacturing employment but gained 1,064 positions in the nonmanufacturing sector.

the City's total nonagricultural wage and salary employment in 1980. 18/

Finally, in terms of the salient characteristics of the City, it should be noted that Williamsburg is one of the nation's primary tourist centers providing both the City and its surrounding area generally with a significant economic stimulus. Data indicate that during 1981 approximately 1,078,931 tourists were estimated to have visited the City's historic attractions. 19/

Such an influx of tourists clearly contributed to the \$1.66 million in tax revenues generated by the City's meals and lodging tax during fiscal year 1981-82 and to the additional \$1.79 million raised that year by the local option sales tax. 20/ Revenues from these two sources constituted 22.5% and 24.2%, respectively, of the City's total revenues (\$7.4 million) for that fiscal year. The significance of these two revenue sources permits the City to be less dependent on property taxes than most other localities in the Commonwealth. 21/

18/ Ibid. State government employment provided 1,376 jobs in 1980, or 14% of the City's total nonagricultural wage and salary employment.

19/ Harland Bartholomew and Associates, The Comprehensive Plan, Williamsburg, Virginia (hereinafter cited as Comprehensive Plan), 1981, p. 18.

20/ Frazier B. Hoover, Certified Public Accountant, City of Williamsburg, Report on Examination for the Fiscal Year Ended June 30, 1982, Schedule 1, pp. 26, 29. As of 1981 there were reported to be 3,700 hotel or motel rooms in the City (Comprehensive Plan, p. 19).

21/ State fiscal reports indicate that for the year 1980-81 (the latest statewide compilation available) local option sales tax receipts constituted 10.9% of all local revenues collected by Virginia's cities and 8.4% of the total local revenues of Virginia's counties. The City's sales tax receipts for the same fiscal year constituted 28.8% of the City's total local revenues (Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1981, 1982, Exhibit B).

JAMES CITY COUNTY

As with the City of Williamsburg, James City County has occupied a prominent place in the history of this State and nation. Indeed, the settlement at Jamestown in 1607 made the County the site of the first permanent English settlement in America. James City County has had a history which makes that political subdivision far more than an administrative division of the Commonwealth.

James City County has experienced significant development in recent decades, doubling in population since 1960. Between 1970 and 1980 the County's population grew from 17,853 to 22,763, an increase of 27.5%, or nearly twice the 14.9% rate of growth of the State as a whole. 22/ The County's 1980 population and its area of 181.1 square miles gave it a population density at that time of 125.7 persons per square mile. 23/ During the previous decade development in the County brought with it a growth and diversification of the County's economic base. Between 1970 and 1980 the total number of non-agricultural wage and salary employment in James City County increased from 3,641 positions to 9,883. By the latter date the number of such positions in the County exceeded its civilian work force of 9,683. 24/

While this development brought the County an increase during the decade of 1,127 positions in manufacturing employment, the greatest growth in employment opportunity occurred in the non-manufacturing sector where 5,878 new positions were created. 25/

22/ Growth in Virginia. The County's 1980 population included 1,211 patients at Eastern State Hospital (1980 Census of Population and Housing, Advance Estimates of Social, Economic and Housing Characteristics, Table P-1, p. 10).

23/ Annexation Notice, p. 1-2.

24/ Population and Labor Force Data, 1980.

25/ Ibid.

The evidence reveals that the County's nonmanufacturing employment is primarily tourist-related or State employment associated with Eastern State Hospital. 26/ It is significant that, despite the growth of employment opportunities in James City County during the 1970's, as of 1980, 40% of the County's work force was reported to work within the City of Williamsburg. 27/ These data, collectively considered, suggest a large amount of cross-commuting for employment purposes in that general area of the State.

In terms of current land use patterns, as of 1981 approximately 8.9% of the County's total area was devoted to public or semi-public use, 5.6% to residential development, 2% to commercial enterprise, 0.4% to industrial activity, with the remaining 83.1% of the County's area being principally water areas, agricultural properties, or vacant. 28/ The data reveal that, as of 1977, the County contained 62,651 acres of land then producing or capable of producing wood for industrial purposes and, as of 1978, still had approximately 17,043 acres of land engaged in agricultural production. 29/ In sum, James City County is a relatively rapidly growing locality which has experienced an expansion and diversification of its economic basis while still containing notable forestal and agricultural operations.

26/ James City County, 1980 Comprehensive Plan Update, Economic Base Study, November 1980, p. 35.

27/ Ibid., p. 3.

28/ James City County 1981 Comprehensive Plan, Land Use Element, February 23, 1982, p. 1. The Busch Gardens complex encompassing 1,826 acres accounts for approximately 80% of the County's commercial acreage.

29/ Virginia Division of Forestry, Forestry Resource Data, Peninsula Planning District, 1977, Table 2; and U.S. Department of Commerce, Bureau of the Census, 1978 Census of Agriculture, County of James City, Number AC78-8-46, May 1981, Table 1.

AREA PROPOSED FOR ANNEXATION

The area proposed for annexation under the terms of the agreement approved by the governing bodies of the City and the County in April 1982 contains five tracts of land containing 3.88 square miles, 428 persons, and \$36.8 million in total assessed property values subject to local taxation. 30/ Thus, the area includes 2.1% of the County's total land area, 1.9% of its 1980 population, and 4.1% of its total assessed property values subject to local taxation. 31/

In terms of development, the area contains two County schools, one private academy, commercial development north of the City adjacent to U.S. Highway 60, one multi-family complex north of the City, and scattered residential development. According to 1982 land use data 31.6% of the total area is devoted to public or semi-public use, 2.1% to residential development, 1.1% to commercial enterprise, with 48.3% (1,200.5 acres) remaining vacant or engaged in agricultural production. 32/ No land in the area proposed for annexation is used for industrial purposes. 33/ By general description, the area is primarily vacant with commercial and residential development concentrated adjacent to existing City boundaries and along the major thoroughfares. The area has an overall population density of only 110 persons per square mile. It is significant to note that approximately 66% of the area proposed for annexation is owned by the College of William

30/ Annexation Notice, pp. 1-2--1-4.

31/ Ibid. The percentage of County property values in the area proposed for annexation based on total County values has been adjusted downward to reflect use value taxation.

32/ Ibid., p. 5-5.

33/ Streets and rights-of-way (12.4%) and water areas (4.5%) constitute the remaining acreage in the area proposed for annexation (Ibid.).

and Mary, Colonial Williamsburg/Rockefeller Foundation, or the Eastern State Hospital. A considerable amount of the 1,200.5 acres of undeveloped land in the area is owned by those institutions, giving them control over the ultimate utilization of such property. The City has estimated, however, that at least 188 acres of vacant land in the area proposed for annexation have significant potential for commercial development based on location and development trends. 34/

STANDARDS AND FACTORS FOR CONSIDERATION

In this report the Commission is required to review, as stated previously, a proposed annexation which constitutes one element of a comprehensive interlocal agreement approved by the governing bodies of the City of Williamsburg and James City County. The proposed annexation and the agreement generally are the products of a statutorily sanctioned mediation process and represent a reconciliation of the needs and interests of the City and the County endorsed by the elected leadership of both jurisdictions. With such circumstances in mind, the Commission has not endeavored to analyze critically the relative merits of the agreement for each locality, but rather, it has sought to focus its review on the general compatibility of the annexation provisions with statutory requirements and on the ramifications of the proposed annexation for other parties and the State. The Commission is cognizant, moreover, of the fact that the proposed annexation is

34/ Data provided by Carter Glass IV, Special Counsel, City of Williamsburg, letter to staff of Commission on Local Government, March 16, 1983.

inextricably a part of a broader agreement and cannot be prop-
erly considered in isolation from other provisions in that
agreement which condition and qualify it.

INTERESTS OF THE PEOPLE OF THE CITY

Land for Development

The City of Williamsburg has, based on recent data, within its
boundaries 689 acres of vacant land. Of this vacant property, how-
ever, 210 acres are severely limited in their development potential
by significant environmental restrictions such as marshes, flood-
plain, or steep slopes. Exclusive of such environmentally

restricted property, the City retains 479 acres of vacant land,
or 14.5% of its total area, which is suitable for development. 35/

The proposed annexation will bring into the City approxi-
mately 1,200 acres of land which are vacant or engaged in agri-

cultural production. Assuming that similar topographical
features exist in the area proposed for annexation as found in

the City, it may be estimated that approximately 96 acres of
this undeveloped land are limited in their development potential

by significant environmental constraints. Thus, the proposed
annexation can be expected to increase the City's vacant land

suitable for development by approximately 1,104 acres. 36/ The
City has estimated that at least 188 acres of this property have

considerable potential for commercial development. 37/

With respect to the nature of the property proposed for
annexation, it should be repeated that nearly 66% of that area

is currently owned by the College of William and Mary, Eastern
State Hospital or Colonial Williamsburg/Rockefeller Foundation,

with the latter institution owning 73.2% of the undeveloped

35/ Annexation Notice, pp. 5-3--5-4.

36/ Ibid., p. 5-5.

37/ Data provided by Glass, letter to staff of Commission
on Local Government, March 16, 1983.

land in the area proposed for annexation. 38/ Such institutional ownership does raise, in our judgment, a question regarding the development potential of the property.

Given the paucity of vacant developable land in Williamsburg, it is unlikely that the City will continue to share proportionately in the economic growth of the area without an appropriate boundary adjustment. As noted previously, manufacturing activity, while never constituting a major component of the City's economic base, actually diminished in Williamsburg during the 1970's. 39/ While the City has experienced growth in recent years in commercial activity, the evidence indicates that new commercial development in the area will increasingly be located beyond the City's present corporate limits. The data disclose that between 1978 and 1980 the amount of property in the City engaged in commercial activity increased by 163.3 acres, while during the same period of time 444.3 acres of property located in the County within two miles of the City's corporate limits were converted to commercial use. 40/ If the City is to continue to share in the commercial growth of the area, an expansion of the City's boundaries would appear to be required.

Finally, an additional observation should be made with respect to the City's need for land for development. While the Commission notes that between 1970 and 1980 the City's total population increased by 8.8%, excluding from consideration persons residing in group quarters (e.g.,

38/ Ibid.; and data provided by Tom E. Crush, Consulting Engineer, City of Williamsburg, letter to Glass, May 4, 1983. The Commission notes that the properties owned by the College of William and Mary (575 acres) and Eastern State Hospital (97 acres) are vacant but are considered to be for public and semi-public uses and are not subject to local taxation.

39/ Population and Labor Force Data, 1980; and Data Summary.

40/ Comprehensive Plan, Table 17, p. 40.

nant. 41/ Given the scarcity of developable land in the City, it is unlikely that Williamsburg can continue to grow and to offer housing opportunities sufficient to retain a heterogeneous population which this Commission considers to be an important element in any community's general viability. 42/

The absence of suitable housing opportunities in Williamsburg can be expected to result in a gradual reduction in the number of younger families living in the City. In support of this concern are data indicating that between 1970 and 1980 the percentage of the City's total population age 65 or over increased from 7% to 10.5%. Even considering the growth of the number of college students in the City, the percentage of Williamsburg's population in 1980 age 65 or over exceeded such percentage for the State as a whole (9.4%). 43/

41/ U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, Characteristics of the Population, Virginia, Part 48, March 1973, Table 120, p. 423; and 1980 Census of Population and Housing, Advance Estimates of Social, Economic and Housing Characteristics, Table F-1, p. 20. The number of students residing in the College of William and Mary dormitories increased by 859 between 1970 and 1980, while the City's total population increased by only 801 persons.

42/ Data indicate that between 1976 and the third quarter of calendar year 1982 building permits were issued by the City for only 118 residential units (single family), while demolition permits were issued for 66 residential units. Thus, during that nearly seven-year period permitted construction in the City would have resulted in a net increase of only 52 units of residential housing (Tayloe Murphy Institute, Housing Units Authorized in Virginia's Planning Districts, Counties and Cities, period covering January 1976--September 1982).

43/ 1970 Census of Population, Characteristics of the Population, Virginia, Table 20, p. 49 and Table 35, p. 154; and 1980 Census of Population and Housing, Advance Estimates of Social, Economic, and Housing Characteristics, Table F-1, pp. 3, 20. In 1970 the percentage of persons age 65 or over in the State was 7%.

Tax Resources

State fiscal data reveal that between 1970 and 1980 the true value of all real and public service corporation property in the City of Williamsburg increased from \$105.2 million to \$317.2 million, or by 201.5%. During the same span of years the total of such true values in the County grew from \$107 million to \$646 million, or by 503.8%. As of 1980 the per capita true value of real and public service corporation property in the City was \$32,040, while that in the County was \$28,334, or approximately 88% of the statistic for the City. 44/ It must be observed, however, that the fiscal significance of the City real property values is diminished by the fact that a considerable portion of those values is not subject to City taxation. As of 1982 the assessed value of tax-exempt property in Williamsburg (\$160.9 million) represented in excess of 36% of the total assessed value of all real property in the City. 45/ In sum, while the City has experienced significant growth in its real and public service corporation values during recent years, the City's growth is substantially less than that which has occurred in James City County measured in either absolute terms or on a per capita basis. Further, the fiscal significance of Williamsburg's total property values is considerably reduced by the large percentage of such property which is exempt from City taxation. 46/

44/ Virginia Department of Taxation, Estimated True (Full) Value of Locally Taxed Property in the Several Counties and Cities of Virginia--1970, June 1971; and Virginia Assessment/Sales Ratio Study 1980, March 1982, Table 6. As of 1970 the per capita true value of real and public service corporation property in the County (\$5,993) was only 51.6% of the comparable figure for the City (\$11,601).

45/ Annexation Notice, p. 5-1.

46/ It should be noted that the City does not depend as heavily on property taxes generally as James City County and

With respect to taxable retail sales, the data indicate

that the total value of such sales in the City increased from \$73.4 million in 1972 to \$164.1 million in 1982, or by 123.6%. During the same period the total value of such sales in James City County rose from \$22.9 million to \$150.9 million, or by 559%. When retail sales data for 1970 and 1980 are standardized by population, they reveal that the per capita value of such sales in the City rose by 143.7%, while that in the County grew by 511.6%, or 3.5 times more rapidly than that of its adjoining municipality. 47/ As of 1980 the per capita value of retail sales in the County (\$5,223) remained less than 34% of the comparable statistic for the City (\$15,504), but the disparity in growth rates should rapidly diminish this per capita differential.

Two other indices should be considered in an effort to measure the City's fiscal status and revenue needs. First, it should be noted that, as of 1980, per capita personal income in the City of Williamsburg was \$13,020, a measure of wealth 197.6% of the comparable statistic for James City County (\$6,590), and 138.4% of that for the State as a whole (\$9,406). 48/ The per capita personal income statistic is considered to be, and

46 continued/ most other Virginia localities. In fiscal year 1981-82, 31.5% of Williamsburg's total local revenue was derived from property taxes, while such taxes were the source of 71.5% of James City County's total local revenue for that year (City of Williamsburg, Report on Examination for the Fiscal Year Ended June 30, 1982, Schedule I, pp. 26, 29; and James City County, Financial Statements for the Year Ended June 30, 1982, Exhibit B-2, pp. 32-33).

47/ Virginia Department of Taxation, Taxable Sales, Annual Report, 1970, 1972, 1980 and 1982.

48/ John L. Knapp, Personal Income Estimates for Virginia Counties and Cities, 1980 (Charlottesville: Tayloe Murphy Institute, University of Virginia, 1982), Table 1.

is used by the Commonwealth, as a proxy for the measurement of other local revenue sources. 49/ Second, as of 1981 the City's net per capita debt was \$70, a level of indebtedness less than 36.3% of that of James City County (\$191) and less than that in all but 1 of Virginia's 41 cities. 50/ These data reflect the current fiscal health of the City of Williamsburg.

The proposed annexation will bring into the City approximately \$36.8 million in assessed property values subject to local taxation. Thus, the annexation will increase the City's total assessed property values by approximately 11.6% based on 1982 assessment figures. 51/ In terms of revenue, the proposed annexation is expected to generate initially \$636,000 annually, principally from property and other local tax sources. These additional receipts would represent 8.2% of the City's anticipated general fund revenue for fiscal year 1982-83. 52/

While the City of Williamsburg is clearly a fiscally strong locality, there are data which suggest that without an extension of its boundaries, the City will cease to share proportionately in the economic growth of its area in the years ahead. These data can be cited in support of the proposed annexation.

49/ The State's distribution of basic school aid to localities is based upon their relative real property true values, taxable retail sales, and personal income. The latter statistic is used as a surrogate for the measurement of other local revenue sources (Item 173, Chapter 684, Acts of the Assembly, 1982 Session).

50/ Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1981, Exhibit G.

51/ Annexation Notice, p. 1-3.

52/ Ibid., p. 7-10.

Other Considerations

In addition to the traditional benefits of annexation cited above, the Commission considers the interest of the City of Williamsburg to be served by other provisions of the agreement. First, the agreement contains a number of utility-related provisions which both promote cooperative between the jurisdictions and remove apparent ambiguities over authority to serve the annexed area. Among such utility-related sections are those which (a) restrict the right of the County or the James City Service Authority to extend service to additional connections in the area proposed for annexation following the effective date of the agreement, 53/ (b) authorize the City to serve all new connections established in the area proposed for annexation subsequent to the effective date of the agreement, 54/ (c) provide for the City's acquisition of the right to serve all former County or Authority connections in the annexed area five years after the effective date of the annexation, 55/ and (d) call for the County's purchase of up to 315,000 gallons per day of City water to serve specified areas in the County. 56/ Similarly, the agreement contains provisions which, while permitting the Authority to continue to add connections to its existing sewerage lines in the area to be annexed, preclude the Authority from extending such lines or constructing new ones. 57/ From the Commission's perspective, these provisions remove bases of potential conflict and promote a cooperative approach to the utility needs of the general area.

53/ Annexation Settlement Agreement, April 8, 1982, Sec. 2.2.

54/ Ibid. The City shall serve all connections resulting from building permits issued after the effective date of the agreement.

55/ Ibid.

56/ Ibid., Secs. 3.1 and 3.2.

57/ Ibid., Sec. 2.3.

Second, the agreement expressly waives the County's prerogative to seek the City's assumption of a portion of its outstanding long-term debt as is authorized by annexation law. Courts have generally directed a city's assumption of a portion of a county's outstanding long-term debt based upon the percentage of the county's tax assessables annexed by the city. 58/ While in this instance the waiver of debt does not involve substantial funds, this provision does constitute another aspect of the annexation agreement which is in the interest of the City. 59/

INTERESTS OF THE PEOPLE IN THE AREA PROPOSED FOR ANNEXATION

The 3.88 square miles in James City County proposed for annexation by the City of Williamsburg are estimated to have, as stated previously, a current population of only 428 persons, giving that area a population density of 110 persons per square mile. Thus, the area proposed for annexation in this instance, contrary to the usual pattern, has a population density less than that for the County as a whole (125.7 persons per square mile). This lower density of population in the area proposed for annexation reflects the fact that a large percentage of the area (48.3%) is vacant or engaged in agricultural production while another significant portion (31.6%) is devoted to public or semi-public usage with little or no resident population. Indeed, data indicate that the combined current usage of land for residential (51.1 acres), commercial (21.6 acres), and industrial (0.0 acres) purposes in the area

58/ Sec. 15.1-1042, Code of Virginia.

59/ Based on 1982 assessments, the area proposed for annexation contained only 4.1% of the County's total assessed values, and at the end of calendar year 1982 the County's outstanding long-term debt stood at less than \$2.9 million (Annexation Notice, p. 1-4).

61/ The City treats all water entering the system including that from the well and that purchased from Newport News.

60/ Annexation Notice, p. 2-4. Williamsburg can increase its purchases from Newport News if the latter city determines that excess water is available. Newport News' raw water transmission lines are in close proximity to Williamsburg's water treatment plant.

The City of Williamsburg treats its raw water at a plant constructed in 1945 and last expanded in 1981, having a rated capacity of 6.5 MGD. Since City customers, both within and beyond the City's present corporate limits, currently consume 3.6 MGD, the treatment plant retains an unused capacity of 2.9 MGD, or 44.6% of its rated treatment capability. 61/

The City of Williamsburg has as raw water sources the Walter Mills Reservoir, a 308-acre lake having a storage capacity of approximately 1.42 billion gallons, and a well with a rated yield of 500 gallons per minute (GPM). The City's raw water sources are augmented by water available by contract from the City of Newport News. Under the terms of its water contract with Newport News, Williamsburg can obtain up to 2 million gallons per day (MGD) at the present time, with the guaranteed daily commitment increasing gradually to 5 MGD by the year 2000. 60/

Water

City of Williamsburg.

In the area will benefit from urban services provided by the to some question. Nevertheless, current and future development and nature of the future development of that area is subject Rockefeller Foundation, or Eastern State Hospital, the degree by the College of William and Mary, the Colonial Williamsburg/ the predominant portion of that area's vacant property) owned than two-thirds of the area proposed for annexation (including total acreage. Further, it should be observed that with more proposed for annexation constitutes only 3.2% of that area's

Since the City has estimated that by the year 2000 the total water needs of the enlarged City will be 6.1 MGD, the current treatment capacity of the Williamsburg plant can be expected to meet the municipality's needs for at least several decades. 62/

While the Commission has been advised that there are no portions of the area proposed for annexation which currently require an extension of public water service, the City has the capability to extend such service as the need arises. Under the terms of the intergovernmental agreement, the City will commence service to all current County water customers in the area proposed for annexation five years after the effective date of the boundary expansion. Therefore, the City does propose to proceed with the installation of a water main north of Williamsburg along U.S. Highway 60 in order to begin service to the concentration of County customers in that area in a timely manner. 63/ In terms of the interest of the people in the area to be annexed, it should also be noted that persons in the annexed area now served by City lines will experience a one-third reduction in their water rates following their incorporation into the City. 64/

62/ Annexation Notice, p. 2-5. The City presently serves approximately 16,000 customers, including virtually all the City's population of nearly 10,000. The City currently serves significant portions of both James City and York Counties, including such major facilities as Eastern State Hospital and Camp Peary [Ibid., p. 2-6; and testimony by Frank Force, City Manager, City of Williamsburg, Annexation Hearings of City of Williamsburg vs. County of James City (hereinafter cited as Hearings), February 22, 1983, p. 34].

63/ Ibid., p. 7-2.

64/ Testimony by Force, Hearings, p. 34. Annexed citizens connected to James City Service Authority (JCSA) lines will continue to pay County rates until the City assumes responsibility for service. JCSA rates for single-

The City of Williamsburg operates a sewage collection

system which presently serves 98% of all developed areas within its corporate limits. 65/ As part of that system the City owns and operates 12 small pump stations which have been designed and located to accommodate the future development of the

City. 66/ The City of Williamsburg does not treat the sewage collected by its system but has contracted with the Hampton Roads Sanitation District (HRSD) since 1972 for the treatment of municipal wastes. 67/ The HRSD's treatment facility south of Williamsburg has the capacity to serve the enlarged municipality. Indeed, the anticipated sewage flow from the proposed annexation area has previously been factored into the facility's planning. 68/

Under the terms of the intergovernmental agreement the James City Service Authority will continue to serve current connections to its sewerage lines in the area to be annexed and is authorized to make additional connections to its existing lines. The Authority is precluded, however, from extending its existing lines and from constructing new ones in the area to be annexed without written permission of the City. 69/

64 continued/ family residences are now \$1.60 per 1,000 gallons for the groundwater system, or \$13.00 per quarter, in addition to the equivalent unit rate of approximately \$1.55 per 1,000 gallons for areas connected to the City of Newport News water system (Data provided by Wayland N. Bass, Director of Public Works, James City County, communication with staff of Commission on Local Government, May 16, 1983).

65/ Annexation Notice, p. 2-7.

66/ Testimony by Force, Hearings, pp. 41-42.

67/ Annexation Notice, pp. 2-7--2-8.

68/ Ibid., p. 2-8.

69/ Annexation Settlement Agreement, Sec. 2.3.

While the agreement grants the City the authority to extend municipal lines into the annexed area to serve new connections, or even connections formerly served by the County's Authority, City officials have indicated that they are unaware of any currently unmet sewerage needs in the area and that there are no immediate plans to extend municipal lines into the area. 70/ While the City does charge new customers for the extension of sewerage lines to serve their premises, and also levies a separate connection fee, it does not impose a municipal charge for service to those connected to the system. Charges for sewerage services, while collected by the City, are imposed exclusively by the HRSD and paid totally to that entity. 71/ Since the County currently charges a higher connection (i.e., availability) fee than does the City, and since it also imposes a surcharge on its customers for the use of its collection system above and beyond the HRSA treatment charges, the proposed annexation can be expected to result in cost savings to those residents in the area who subsequently connect to the City's collection system. 72/

Solid Waste Collection and Disposal

The City of Williamsburg provides solid waste collection services to its residents on a twice-weekly basis by contract with a private collector. 73/ In addition to this collection of domestic wastes, the City provides a curbside

70/ Testimony by Force, Hearings, p. 43.

71/ Ibid., p. 45.

72/ Data provided by Bass, communication with staff of Commission on Local Government, May 18, 1983.

73/ Data provided by Glass, letter to staff of Commission on Local Government, March 16, 1983. This service also includes separate weekly brush and trash collection upon request by residents.

leaf collection service throughout the municipality four times a year with city equipment and personnel. The City does not make a separate charge for any of these services but finance these activities with general fund revenue. 74/ Commercial establishments in Williamsburg contract directly with private haulers for the particular services which they require. 75/

In terms of solid waste disposal, the City owns and operates a landfill located within the area proposed for annexation, but it has recently signed a contract with the City of Newport News for the disposal of wastes at that City's landfill located 16 miles east of Williamsburg. 76/ The City of Williamsburg does not charge City residents or firms for the disposal of wastes at its landfill, but it does require commercial haulers to purchase a license for their vehicles for identification purposes. 77/

At the present time James City County does not provide solid waste collection services within the area proposed for annexation. The County does provide receptacles throughout its jurisdiction for the disposal of solid waste. While none of these receptacles is located within the area proposed for annexation, three are situated in convenient proximity to that area. In addition to these County-owned facilities, residents and firms in the area do have available private contractors for solid waste collection services. The Commission has been advised that these contractors charge between \$6.00 and \$9.50 per month for twice-weekly residential collections. 78/

74/ Testimony by Force, Hearings, pp. 46-47.

75/ The City's contract permits commercial establishments to arrange, within specified limits, the nature and frequency of collections by the contractor (Data provided by Glass, letter to staff of Commission on Local Government, March 16, 1983).

76/ Testimony by Force, Hearings, pp. 46, 57.

77/ Ibid., p. 47.

78/ Data provided by Frank M. Morton, III, County Attorney,

The City of Williamsburg proposes to extend solid waste collection and disposal services to the area to be annexed at the same level and in the same manner as those services are provided within the current City. In our judgment, the extension of these services to the area annexed will be of distinct benefit to that area and its residents. Our experience has been that the general availability of publicly financed solid waste collection services promotes use of the services, reduces the incidence of disposal on premises, and has a salutary effect generally on a community.

Crime Prevention and Detection

Law enforcement services in the City of Williamsburg are provided principally by the City's Police Department. This department is housed in a 7,500-square-foot facility which was built in 1978 and which contains a training room, a line-up area premitting the private viewing of suspects, a forensic laboratory, and additional space designed to meet the department's needs for the next quarter century. The City's Police Department is served by a complement of 25 sworn personnel, of whom 15 are assigned patrol responsibility. 79/ This staffing level is sufficient to provide 1 sworn officer for each 0.21 square miles of the City and for each 395 City residents as well as being sufficient to permit an average response time of 3 minutes for emergency calls. 80/ During fiscal year 1981-82 the City expended, from both

78 continued/ James City County, letter to staff of Commission on Local Government, March 9, 1983. James City County operates a modern 430-acre landfill in the northern part of the County on State Route 611. This facility has a life expectancy of 53 years (James City County, Commission on Local Government Tour, February 22, 1983, p. 2).

79/ Annexation Notice, p. 2-19.

80/ Testimony by Force, Hearings, p. 49. Law enforcement activities in the City and County are supported by the work of the security staffs of the Colonial Williamsburg Foundation, College of William and Mary, and the National Park Service.

its own sources and State aid, a total of \$717,085 for the law enforcement services of its Police Department, or \$72.65 per capita. 81/

Law enforcement services in the area proposed for annexation and in the County generally are currently provided by both the County Sheriff's Department and its Police Department. As of July 1, 1983, all the County's law enforcement activities will be consolidated and made the responsibility of the Police Department. As of that date, the County will have available a staff of 28 sworn law enforcement personnel, of whom 15 will be assigned patrol responsibility. This staffing level will afford the County an intensity of service of 1 sworn officer for each 6.5 square miles of County territory and for each 813 County residents. 82/

In terms of financial support for law enforcement services, the data indicate that for fiscal year 1981-82 the County expended, from its own revenue sources and State aid, \$717,120 for the law enforcement efforts of both the Sheriff's Department and the Police Department, or \$31.50 per capita. 83/

Since the City does not propose to add initially any additional personnel for purposes of extending law enforcement services to the area proposed for annexation, the incorporation of that area into the City will result in an intensity of service in the enlarged City of 1 sworn officer for each 0.36 square miles of municipal area and for each 412 City residents. While staffing levels based on area and population are not the ultimate in the measurement of adequacy or quality of law

81/ City of Williamsburg, Report on Examination for the Fiscal Year Ended June 30, 1982, Schedule 2, p. 32.

82/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

83/ Financial Statements for James City County for the Year Ended June 30, 1982, Exh. B-2, pp. 39-40. The figure for the County excludes jail-related expenditures.

enforcement services, they are, in our view, meaningful indices which merit consideration. The Commission believes that the extension of the City's law enforcement services to the area proposed for annexation will be of benefit to that area, and with its future development this benefit will grow in significance.

Fire Prevention

While the City of Williamsburg owns two fully operational fire stations, the older and smaller facility is not currently in use. All of the City's equipment and personnel currently operate from the City's newest facility, built in 1978, which is located in the central part of Williamsburg. The City employs 17 full-time firefighters whose efforts are aided by the assistance of 25 volunteers. These firefighters have available four pumpers, a mini-pumper, a 100-foot aerial ladder truck, and a brush truck. 84/ The combination of personnel, equipment, water supply, and related fire suppression factors have been sufficient to give Williamsburg an Insurance Services Organization (ISO) rating of "5." 85/

With respect to other aspects of the City's fire prevention and protection services, two additional points merit comment. First, the City has adopted a fire prevention code and has employed three fire inspectors to

84/ Annexation Notice, p. 2-23; and testimony by Force, Hearings, p. 65.

85/ Testimony by Force, Hearings, p. 65. The Insurance Services Office (ISO) has developed a classification system to review public fire suppression facilities for fire insurance rating purposes. It is an engineering evaluation of the major elements of a fire suppression system which produces a "public protection classification number" on a relative scale from "1" to "10," with "1" representing the best protection and "10" representing less than the minimum recognized protection. This ISO rating is a generally recognized standard for judging the overall quality of fire protection in an area.

enforce its provisions. 86/ In our view, an active fire prevention effort is a vital component of a community's overall fire services program. Second, the City is currently working with James City County and York County for the development of a fire training facility at Cheatham Annex. This effort attests to recognition by the City, and by its neighboring counties, that proper training is an indispensable element of a locality's fire protection efforts. 87/

The area proposed for annexation is currently served by the personnel and equipment of three County fire stations. While none of these facilities is located within the boundaries of the area proposed for annexation, two are within one-half mile of the area. 88/ These stations, all of which have service areas extending well beyond the area proposed for annexation, collectively maintain for each duty shift 10 full-time paid fire-fighters whose efforts are augmented by the work of 49 volunteer firefighters. These stations have available in the aggregate four pumps (two of which are reserve units), a mini-pumper, a 100-foot aerial ladder, and a brush truck. By virtue of this personnel and equipment, as well as related fire suppression factors, the area proposed for annexation currently has an ISO rating of "7." 89/

It is significant to note that the fire suppression needs of the County and City are met in part by mutual aid agreements between the jurisdictions. As a result of its mutual aid agreement with the County, the City currently provides automatic

86/ Annexation Notice, p. 2-24.
 87/ Ibid.; and testimony by Force, Hearings, p. 62.
 88/ Commission on Local Government Tour, pp. 6-10.
 89/ Data provided by John E. McDonald, Assistant to the County Administrator, James City County, communication with staff of Commission on Local Government, April 8, 1983.

response to all apartment, commercial, industrial, and institutional fires along U.S. Highway north to the proposed new corporate limits, eastward along the same thoroughfare to the Newport News municipal line, and to Eastern State Hospital. 90/ Such collaborative efforts redound to the benefit of residents of both jurisdictions and require recognition in this report.

In order to assume primary fire service responsibility for the area proposed for annexation, the City has stated its intention to add immediately four firefighters to its staff but proposes no equipment acquisition. The City has asserted that with present equipment and its enlarged staff its average response time to calls for service from the area proposed for annexation will be in the 5-7 minute range. 91/ With the greater development of that area and determination of such need, the City has advised that it will reopen its second station in the northern section of the City. 92/

From the perspective of this Commission, the area proposed for annexation will benefit from the City's fire prevention and protection services. As that area develops, the application of the City's fire prevention code will grow in significance. Further, the extension of the City's fire service to the area will result in lower fire insurance premiums for residents as a consequence of Williamsburg's lower ISO rating.

90/ Annexation Notice, p. 2-26. The County also responds to fires within the City under the terms of the mutual aid agreement.

91/ Ibid., p. 7-6.

92/ Testimony by Force, Hearings, p. 64.

Public Works

The proposed annexation will result in some changes in the policies which guide the development of the area to be annexed as well as changes in the management and administration of the area's public thoroughfares. Since the City's development policies and programs are more specifically designed for urban areas, their extension to the area proposed for annexation should be increasingly beneficial to that area as it experiences urbanization.

First, the Commission notes that the City's subdivision ordinance requires all new developments to have curbs, gutters, and storm drains and mandates the provision of sidewalks where such are deemed "necessary to protect the safety of pedestrians." 93/ In terms of its policy applicable to existing development, the City will install these facilities on a shared-cost basis upon petition of property owners and upon a determination of need. 94/ City officials have estimated that approximately 70% of City streets have curbs and gutters, while approximately 60% have sidewalks. 95/

While the County's subdivision ordinance does require the installation of storm drainage facilities in new developments, it does not mandate the provision of curbs and gutters. As a result of its review of the drainage plans proposed for a new development, however, the County may conclude that curbs and gutters are required and may direct their installation. With respect to sidewalks, the Commission notes that the County's

93/ Sec. 25-20, Williamsburg City Code.

94/ Annexation Notice, p. 2-12. The City will bear 50% of the cost of curbs, gutters and sidewalks installed at the request of property owners. Further, the City will bear the full cost of storm drain extension other than driveway culverts.

95/ Testimony by Force, Hearings, pp. 73-74.

subdivision ordinance does not require their provision but that the County's zoning ordinance does mandate that either such facilities or pedestrian paths be provided in multi-family districts. 96/ In terms of older developments, the County does not have an active program for publicly sharing in the extension of curbs and gutters, but it has initiated a program for the installation of sidewalks in existing areas. Under the program recently instituted, the County has budgeted \$5,000 for sidewalk extension during fiscal year 1982-83, and its capital improvement plans call for expenditures of \$15,000 per year during each of the ensuing four fiscal years for the further extension of these facilities. These proposed improvements, which will be planned in conjunction with the School Board, will extend sidewalks in residential areas, adjacent to public facilities, and in commercial areas subject to high traffic volume. 97/ It is significant to this review that the County has identified the U.S. Highway 60 segment north of the City and Ironbound Road, both in the area proposed for annexation, as thoroughfares in need of sidewalks. 98/

Second, the City of Williamsburg adheres to a policy of providing street lights along all arterial thoroughfares and in other areas where traffic conditions and safety factors indicate a need for such. Further, the City accepts citizen requests for additional street lights and, where such are deemed appropriate, will have such lights installed and maintained at municipal expense. For aesthetic purposes the City has also undertaken at its

96/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

97/ James City County, 1982-1983 Adopted Annual Budget, March 22, 1983, p. D-14.

98/ James City County, 1981 Update to the Comprehensive Plan, Housing Element, February 23, 1983, p. 26.

expense a policy of providing underground wiring for these lights in certain areas. 99/

The County has also recognized the need for street lights and by various regulatory provisions directs their installation. James City County's subdivision ordinance requires the installation of street lights in all subdivisions and, in addition, its zoning ordinance mandates their provision in commercial and multi-family districts, with the specific lighting requirement being determined during the County's development review process. Beyond these developer-installed facilities, the County also accepts citizen requests for other lights and, upon a determination of need, pays for the installation and operation of such lights. 100/ Data submitted to the Commission indicate that at least 23 street lights presently exist in the area proposed for annexation. 101/

As part of its plan to serve the area proposed for annexation, the City has stated its intention to install 15 street lights in the area during the first five years following the annexation. It estimates that the provision of these facilities will cost approximately \$10,000 for installation and \$1,800 annually for operation. All but one of these lights is planned for installation along U.S. Highway 60 north of the city. 102/ Third, the City of Williamsburg is responsible, as all

99/ Virginia Electric and Power Company pays the installation cost of lights connected to overhead wires, while the City pays for underground wiring.

100/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

101/ Data provided by Bass, letter to staff of Commission on Local Government, April 25, 1983.

102/ Annexation Notice, p. 7-4. The other street light will be located at the intersection of State Route 321 and Compton Road.

other Virginia municipalities with a population of 3,500 or more, for the construction and maintenance of all public roads and streets within its corporate limits. In order to assist Williamsburg and municipalities with this expensive public responsibility, the State provides considerable financial aid for both construction and maintenance purposes. Notwithstanding this State financial assistance, the City of Williamsburg has invested significant local funds in recent years in the maintenance of the 33.5 lane-miles of primary roads and the 48 lane-miles of other thoroughfares within its corporate limits. The data disclose that between fiscal year 1979-80 and 1981-82 the City spent approximately \$606,000 of its own funds for road maintenance, or more than 44% of the total amount expended for that purpose (\$1.371 million) during that three-year period. 103/ These data attest to the City's commitment to meeting the public thoroughfare needs of its residents.

Roads in the area proposed for annexation and in the County generally are owned and maintained by the State. While the County is authorized to contribute its own resources to the construction and maintenance of the State roads within its boundaries, it is the State which bears ultimate responsibility for the quality and condition of those thoroughfares. It is significant to the Commission that during the four-year period ending in June 1982, the County contributed \$105,000 in local revenues for road improvements and has budgeted \$140,000 for such purposes during fiscal year 1982-83. In addition, it should be observed that since July 1979 the County has obtained and expended approximately \$1.3 million in Community Development Block Grant funds from the U.S. Department of Housing

103/ Ibid., p. 2-15.

and Urban Development for road construction and improvement purposes. Such efforts by the County require acknowledgment in this report. 104/

As a result of the proposed annexation, the City will

acquire ownership and responsibility of 5.3 lane-miles of primary roads and 2.7 lane-miles of secondary or other roadway. 105/ In order to serve these additional public thoroughfares the City is proposing to employ one additional equipment operator and to expend an additional \$22,500 annually for road maintenance work. 106/ Further, in order to maintain properly these roads in periods of snow, the City has indicated its intention to acquire an additional snow plow and truck-mounted spreader. 107/

The City does not propose, nor is the Commission aware of any immediate need for such, any capital expenditure for road improvements in the area to be annexed. 108/

While the evidence indicates that the County has established an impressive array of development controls and has

104/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

105/ Data provided by Force, communication with staff of Commission on Local Government, March 31, 1983. This figure includes 1.8 miles of unpaved roads. The inclusion of the roads in the area proposed for annexation into the City will increase the primary road mileage by 15.8% and the secondary or other road mileage by 5.6%.

106/ Annexation Notice, p. 7-5.

107/ Ibid. The City presently has four snowplows and two material spreaders.

108/ Neither the Commission on Local Government's discussion with Virginia Department of Highways and Transportation officials nor a review of traffic accident data for the area proposed for annexation disclose conditions requiring immediate action (Data provided by Frank N. Hall, Resident Engineer, Williamsburg Residency, Virginia Department of Highways and Transportation, communication with staff of Commission on Local Government, May 16, 1983; and Virginia Department of Highways and Transportation, Summary of Accident Data, 1981).

been responsive to the public works needs of its residents, there are facets of the City's development policies and programs which will benefit the area proposed for annexation. 109/ In particular, the City's authority for the local administration and management of its public thoroughfares will be of increasing benefit to that area as it confronts development.

Public Recreational Facilities

The City of Williamsburg, which established its present Parks and Recreation Department in 1979, now employs 6 full-time personnel and approximately 100 seasonal employees for the extension of recreational services to its residents. 110/ This department presently operates 60 acres of parkland within the corporate boundaries of the City and the 1,800-acre Waller Mill Park, which encompasses the City's water impoundment in York County. 111/ In the aggregate, the City offers recreational facilities or programs at nine separate sites, two of which are on school property. Collectively, these sites offer a broad array of recreational facilities including a swimming pool, softball fields, tennis and basketball courts, playground areas, hiking trails, and a 308-acre lake for fishing and boating at Waller Mill Park. 112/ Since 1970 James City County has financially supported Williamsburg's recreational efforts, contributing \$67,500 to the City in fiscal year 1981-82 in order that its residents

109/ One facet of the City's subdivision ordinance which will, in the Commission's judgment, benefit the area proposed for annexation is its minimum requirement for road width. The City's ordinance requires 30 feet while the County's ordinance permits a minimum width of 22 feet.

110/ Comprehensive Plan, p. 110; and Annexation Notice, p. 2-27.

111/ Comprehensive Plan, p. 112. The total does not include 31 acres of school property used by the City for recreational purposes.

112/ Annexation Notice, pp. 2-27--2-29.

might participate in the City's recreational programs. 113/

The data suggest that County residents do use extensively the City's recreational offerings, with City records indicating that since the establishment of Williamsburg's public recreational program, approximately 50% of all participants have been residents of James City County. 114/

In addition to its financial support of the City's recreational activities, James City County conducts its own recreational program for the benefit of its residents. The County's recreational program is directed by a department, formed in 1977, which currently employs a full-time coordinator, 2 part-time personnel, and approximately 30 seasonal employees. 115/ James City County's recreational activities are provided at 2 County-owned parks having a total of 7 acres, and 4 County-leased parks with an aggregate area of 10 acres, and at various school sites. 116/ Further, the County is negotiating the transfer of a 22-acre site from Eastern State Hospital which it proposes to develop, in conjunction with the City, as a community center. 117/ The evidence supports the contention that James City County is committed to meeting the public recreational needs of its residents.

113/ Financial Statement for James City County for the Year Ended June 30, 1982, Exhibit B-2, p. 38. The County's contributions constituted 22.3% of the City's total expenditure of \$302,000 for its recreational program during fiscal year 1981-82.

114/ Annexation Notice, pp. 2-29, 3-1.

115/ Data provided by McDonald, communication with staff of Commission on Local Government, April 8, 1983; and data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

116/ Ibid.

117/ Commission on Local Government Tour, p. 12. An architect employed by the City and County has submitted a \$5 million proposal for the center, and the County has included the project in its capital improvements budget.

Since the City of Williamsburg does not propose to construct added facilities nor to employ additional personnel to serve the area to be annexed, and since the area's residents currently are afforded full access to the City's recreational facilities and programs, the proposed annexation will not increase the public recreational opportunities of those residents. The facilities and programs currently available to those residents, however, appear to be varied and extensive.

Library Services and Education

The laws of Virginia direct by various provisions a consideration in annexation proceedings of the library and educational services offered by the affected jurisdictions. In this instance the library and educational services offered by the two jurisdictions are jointly funded and administered. While the proposed annexation will alter each locality's financial contribution for the support of the two services, it will not affect the quality or nature of the services provided the residents of the area proposed for annexation.

With respect to library services, the City of Williamsburg, James City County, and York County are members of a regional system which has its main facility in the City of Williamsburg. 118/ According to State statistics covering fiscal year 1980-81, this regional system held 56,300 volumes, had a circulation of 233,000 books, and served 12,600 registered borrowers. 119/ The regional system

118/ James City County, 1981 Update to the Comprehensive Plan, Public Facilities, February 23, 1982, p. 13.

119/ Virginia State Library, Library Development Branch, Statistics of Virginia Public Libraries and Institutional Libraries, 1980-81, Tables II, III. Approximately 32% of the reported borrowers were residents of the City, while 48% of the total were residents of James City County (1981 Update to the Comprehensive Plan, Public Facilities, p. 14).

represents a significant investment in library services by the three member jurisdictions for the benefit of their residents. In terms of public education, the City of Williamsburg

and James City County have operated a joint school system since 1955. 120/ This system, which is administered by a ten-member school board comprised of five appointees from each jurisdic-

tion, is funded by the two localities based upon the relative size of their tax bases and the number of students each has in the system. As of December 11, 1983 the joint system had an enrollment of 4,813 students, of whom 538 (11% of the

total) were residents of the City. 121/ The proposed annexation is expected to increase the number of City students in the joint system by 40. 122/ The joint system is in full compliance with the State's legislatively established "standards of quality" for public education. 123/ All schools in the system are accredited by the Southern Association of Colleges and

Schools. 124/

Summary of Service Benefits

While the area proposed for annexation is sparsely populated with less than 4% of the property therein devoted to residential, commercial, or industrial use, and while there is no pronounced need for additional services in the area, annexation will have beneficial consequences for the area's residents.

120/ Testimony by Jack D. Edwards, Member, James City County Board of Supervisors, Hearings, p. 201.

121/ Annexation Notice, p. 2-37.

122/ Testimony by Force, Hearings, p. 85. Application of the funding formula during the 1982-83 budget year resulted in the City's support for the system's operating cost equivalent to approximately \$4,500 for each of its students while the County contributed approximately \$1,736 per County student (Ibid., pp. 85, 91).

123/ Data provided by S. Barry Morris, Director of Administrative Review Service, Department of Education, communication with staff of Commission on Local Government, May 19, 1983. 124/ Annexation Notice, p. 2-35.

In terms of utility charges, solid waste collection, law enforcement services, fire insurance cost, certain development controls, and the local administration and management of public thoroughfares, the proposed annexation will be, in our judgment, of benefit to the residents of the area.

INTERESTS OF THE PEOPLE IN THE REMAINING PORTION OF THE COUNTY

The proposed annexation set forth in the interlocal agreement approved by the governing bodies of the County and City in April 1982 will have a modest impact on James City County. The proposed annexation will result in the County's loss of 2.1% of its land area, 1.9% of its population, and 4.1% of its total assessed property values subject to local taxation. ^{125/} According to 1982 assessment figures the total assessed value of the properties proposed for annexation by the City (\$36.8 million) constitutes only 42.7% of the growth of such values in the County between 1981 and 1982 (\$86.2 million). ^{126/} Further, the Commission notes that the proposed annexation does not appear to affect in any significant way the County's growth potential, since its primary development sectors would be only marginally affected by the City's boundary expansion. ^{127/} Furthermore,

^{125/} Ibid., pp. 1-2--1-4. The values include real estate, tangible personal property, machinery and tools, and public service corporation real and personal property.

^{126/} Ibid., p. 1-7.

^{127/} Tract D extends north of the City along U.S. Highway 60 for approximately one mile and constitutes the most significant concession to the City in terms of current development potential. The total area of Tract D is 223 acres.

sewerage operations (Ibid., Secs., 2.2, 2.3).
agreement resolves this issue with respect to both its water and
annexed areas following their incorporation into the City. The
of the James City Service Authority to serve connections in
of Sec. 15.1-1250(n), Code of Virginia, relative to the authority
ment also resolves possible contention over the interpretation
130/ Ibid., Sec. 2.1. The Commission notes that the agree-

129/ Ibid., Secs. 8.1, 8.2.

128/ Annexation Settlement Agreement, Sec. 5.1.

As noted throughout the preceding sections of this report,

INTERESTS OF THE STATE

remaining portion of the County.
are, in our judgment, in the interest of the people of the
of the proposed annexation, are features of the settlement which
interlocal agreement, coupled with the relatively modest impact
trol its future development. These various provisions in the
enhance its ability to serve directly its residents and to con-
tion. 130/ The County's acquisition of these facilities will
in James City County following the currently proposed annexa-
for the City to sell to the County all its water lines remaining
time. 129/ Second, provisions in the interlocal agreement call
"oppose" citizen-initiated annexations for the same period of
tive date of the currently proposed boundary extension and to
subsequent annexation for a 15-year period following the effec-
contains provisions by which the City agrees not to initiate any
several additional points require comment. First, the agreement
In terms of future relations between the two jurisdictions,

revenue. 128/

ing the annexation as compensation for its loss of net tax
to pay the County \$625,000 during the five-year period follow-
to help offset any adverse fiscal impact, the City has agreed

the proposed annexation is part of an interlocal accord resulting from negotiations between the City of Williamsburg and James City County. Interlocal negotiations with respect to annexation and similar boundary change issues are encouraged by the State, which has statutorily endorsed the process and has, indeed, assigned this Commission a role in the promotion and facilitation of interlocal negotiations. This agreement, which constitutes a locally effected reconciliation of the needs and interests of the City and the County, is consistent with the interest of the Commonwealth in the promotion of negotiated settlements.

The paramount interest of the State, in our judgment, in the resolution of this and all other local boundary change and governmental transition issues is the preservation and promotion of the viability of the local governments affected. As previous sections of this report have indicated, the annexation proposed in this instance will add to the City's current tax base and will afford the City vacant land for future development while not impairing in any significant way the current viability and growth potential of the County. In sum, the interlocal agreement, fashioned and sanctioned by the governing bodies of the City and the County, can be found consistent with the interest of the State in the promotion and preservation of the viability of Virginia's local governments.

ANNEXATION PROVISIONS

BASIS FOR ANNEXATION

Land and Tax Base

As previously indicated, the City of Williamsburg has only 479 acres of vacant land free of environmental

constraints and suitable for development. 131/ The evidence

suggests that without some modification of the City's bound-

aries Williamsburg is unlikely to continue to share signifi-

cantly in the population and economic growth of its general

area. The proposed annexation will provide the City with

approximately 1,104 acres of vacant land for develop-

ment. 132/ Assuming that major portions of this acre-

age will be available for development (73.2% of the undeveloped

land in the area proposed for annexation is owned by the

Colonial Williamsburg/Rockefeller Foundation), the annexation

will afford the City land needed to support its future

growth. 133/

While the City remains a strong and vibrant locality, fis-

cal data reveal trends which point to the need of the City to

expand its tax base. Between 1970 and 1980 the per capita true

value of real and public service corporation property in the

City rose by 176.2%, while that in the County increased by 427.8%,

more than twice the City's growth rate. 134/ Although by

the latter date the City's per capita true value of such prop-

erty (\$32,000) remained greater than that of the County (\$28,300),

the City's lack of land for development suggests a continuing,

and probably an increasing, disparity in growth rates with the

City's becoming only a modest beneficiary of the growth in the

region which it has clearly helped to stimulate.

Sales tax data also indicate that the City's commercial

base may be due augmentation to permit it to continue to share

appropriately in the economic activity of the area. Between

1970 and 1980 the total value of taxable retail sales in the

131/ Annexation Notice, p. 5-4.

132/ Ibid., p. 5-5.

133/ Data provided by Crush, letter to Glass, May 4, 1983.

134/ Estimated True (Full) Value of Locally Taxed Property

in Several Counties and Cities of Virginia--1970; and Virginia

Assessment/Sales Ratio Study, 1980.

City increased by 143.7%, while that in the County grew by 511.6%. 135/ Although a disparity in growth rates is to be expected given the difference in bases from which such rates are calculated, the scarcity of vacant land for commercial development in the City may point to an enduring condition. Indeed, between 1980 and 1982 the growth of taxable retail sales in Williamsburg increased by 7.3%, less than one-third of the 26.9% increase in the value of such sales in the County. 136/ These data may be cited to support the City's need for land for development.

Provision of Services

Previous sections of this report have reviewed in detail the services and development policies which will be extended to the area proposed for annexation following its incorporation into the City of Williamsburg. While the area proposed for annexation is not extensively developed nor currently in marked need of additional urban services, annexation by the City will extend service benefits to the area and will subject that area to urban management and development controls which will grow in significance with its urbanization. The City's capacity to serve the area proposed for annexation and the benefits which will accrue to that area and its residents from the extension of City services and development controls may be cited in support of the proposed boundary expansion.

Community of Interest

Another of the statutorily prescribed considerations in annexation issues is the community of interest between the annexing municipality and the area it seeks to annex. In this instance the evidence reveals a strong community of interest between the City of Williamsburg and the residents of the areas adjacent to that municipality.

135/ Taxable Sales, Annual Report, 1970 and 1980.

136/ Ibid., 1980 and 1982.

The evidence suggests the existence of significant economic

ties between the City and its surrounding areas. A survey conducted in June 1980 disclosed that approximately 3,300 County

residents, one-third of its entire work force, commuted to jobs in the City, with their two principal employers being Colonial Williamsburg/Rockefeller Foundation and the College of William and Mary. 137/ Further, while the County's general commercial

base has grown dramatically during the past 12 years, the City remains the major retail trade center in the area. In terms of general merchandise, apparel, furniture, and appliances, 1980 data revealed that the total value of such sales in the City

(\$29.1 million) was more than triple that in the whole of James City County (\$8.3 million). 138/ Moreover, the unique tourist attractions in the City of Williamsburg constitute a major stimulus supporting the restaurants, shops, and motels adjacent to the municipality.

The evidence also suggests that community facilities and services in Williamsburg create significant ties which link the City and the residents of surrounding areas. The Commission notes that the site of the Williamsburg Community

Hospital, other medical facilities, and the offices of 40 physicians. These facilities provide medical care to residents of the City and its adjacent areas. In addition, the facilities and activities of Colonial Williamsburg and the College of William and Mary provide cultural, educational, and recreational

opportunities to residents of both the City and the surrounding areas. From our perspective, the economic and social ties between the City and residents of its adjacent areas constitute, in the aggregate, a significant community of interest which can

be cited in support of the proposed annexation.

137/ 1981 Update to the Comprehensive Plan, Economic Base Study, p. 3.

138/ Eleanor G. May, Retail Sales in Virginia, 1980 (Charlottesville: Tayloe Murphy Institute, University of Virginia, 1981) p. 51.

Compliance with State Policies

Another factor which is statutorily prescribed for consideration in annexation issues is the extent to which the affected jurisdictions have made efforts to comply "with applicable State policies with respect to environmental protection, public planning, education, public transportation, housing, or other State service policies promulgated by the General Assembly." 139/ The evidence available to this Commission indicates that both the City of Williamsburg and James City County have made efforts to comply with State policies applicable to their jurisdictions. Indeed, the efforts by the two jurisdictions in several service areas require positive recognition in this report.

Housing. The General Assembly has stated that the provision of safe and sanitary housing to all residents of the State is a fundamental concern of the Commonwealth. 140/ The record discloses that both the City and the County have made significant efforts to address this fundamental State concern. The Commission notes that the City of Williamsburg established a redevelopment and housing authority in 1970 which has been active since that date in clearance of blighted areas for new owner-occupied housing and in the construction of public housing units. In terms of public housing, the authority is responsible for the availability of 104 units situated on four separate sites in the City. It is significant that, based on an element in its comprehensive plan, the City has established as its goal the removal of all substandard dwellings within its corporate limits. 141/

139/ Sec. 15.1-1041(b)(1)(iii), Code of Virginia.

140/ Secs. 36-2 and 36-120, Code of Virginia.

141/ Annexation Notice, pp. 2-32--2-34. Thirty-eight

James City County has also been responsive to the housing needs of its residents. While not establishing a housing

authority, the County has actively pursued and obtained assistance under the Farmers' Home Loan, Urban Homesteading, and

Community Development Block Grant programs for the improvement of housing and neighborhood conditions for its residents. Such grant assistance supplemented by County funds has been instrumental in the extension of water and sewerage systems, drainage and road improvements, and the provision of recreation facilities to serve low- and moderate-income neighborhoods. Further, the County has actively worked with public and private lending institutions for the provision of loans and grants to homeowners for housing rehabilitation. The County has made direct and concerted efforts in support of low- and moderate-income housing in the Forest Glen, Carriage Road, and Grove Community developments; but, in addition, it has assisted private developers in provision of 863 other multi-family units or mobile home spaces for low-

and moderate-income families. 142/

The Commission also notes that the County administrators

directly 19 units of housing under the Section 8 existing housing rental assistance program operated by the U.S. Department of Housing and Urban Development (HUD). In this endeavor the County is responsible for determining client eligibility for participation in the program and for contracting with property owners for the use of their rental units. The Commission has been advised that the County is currently seeking to expand significantly its participation in the Section 8 rental assistance programs. Finally, James City County was the first locality in Virginia to participate in HUD's New Horizons Fair Housing Strategy designed to establish methods of promoting

141 continued/ units are designed for occupancy by the elderly and handicapped.

142/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983; and Commission on Local Government Tour, pp. 3, 15, and 20.

fair housing opportunities in the County. 143/ The evidence is strong that James City County is fully committed to addressing the housing needs of all its residents.

Education. By both constitutional and statutory provision the State has expressed a concern with the quality of education provided through local public school divisions. 144/ The data disclose that the City of Williamsburg and James City County have made vigorous efforts to respond to this State concern through the support given their jointly operated school system. Several statistics from statewide compilations support this contention. Statistics for school year 1981-82, the latest year for which statewide data are available, indicate that (a) the City of Williamsburg--James City County joint school system provided 65.4 instructional personnel per 1,000 students in average daily membership, significantly in excess of the statewide average of 63.8; (b) the joint school system received from local sources for operational purposes \$1,533 per student, whereas the comparable measure of local support statewide was \$1,127 per student; and (c) 71.1% of the system's graduates elected to continue their education, while the figure for the State as a whole was 60.0%. 145/ The joint City--County system is deemed to be in full compliance with the State's "standards of quality" for local divisions, and each of the division's schools is accredited by the Southern Association of Colleges and Schools. 146/ The evidence supports the conclusion

143/ Ibid.

144/ Article VII, Section 1, Constitution of Virginia; and Chapter 578, Acts of the Assembly, 1982 Session.

145/ Virginia Department of Education, Facing-Up 17, Statistical Data on Virginia's Public Schools, March 1983, Tables 3, 7, and 11.

146/ Annexation Notice, p. 2-35.

that both jurisdictions have endeavored to comply, through the support given the joint school division, with the State's concern for public education.

Public Transportation. By various enactments the General

Assembly of Virginia has expressed a concern for the provision

of public transportation to residents of the State. 147/ James

City County has made efforts to comply with this State concern.

With the assistance of a grant provided under the Rural

Public Transportation Demonstration Program, the County first

established its public transportation system in 1977. This

system, which has been continued with the assistance of other

federal and State funds, now serves not only James City County,

but the City of Williamsburg and portions of York County as well.

The County's public transit system has two components, a fixed

route system and door-to-door service for the elderly and

handicapped. The fixed route system, which operates nine hours

per day and five days per week, served a total ridership of

62,800 persons in fiscal year 1981-82. Most of this ridership

was work-related transportation. 148/

Fares, which are set at \$.75 per trip, offset only 30%

of the system's total cost. While federal and State aid have

been available to subsidize the system, County funds have been

required to help meet the system's operating and administrative

costs. Data reveal that during fiscal year 1981-82 the County

expended \$35,600 from its general fund to support its public

transit system. 149/

147/ Secs. 33.1-12(9) and 33.1-391, Code of Virginia.

148/ James City County, 1981 Update to the Comprehensive

Plan, Transportation, March 1982, p. 14; and 1982-1983 Adopted

Annual Budget, p. F-4.

149/ Ibid.; and Financial Statement for James City County

for the Fiscal Year Ended June 30, 1982, Exhibit C-10, p. 51.

Due to the termination of federal subsidies to support the operat-

ing expenses for transit systems, the County will increase its

Public transportation is a vital public service to certain segments of our population. For some population groups such service is not an amenity but a prerequisite for employment and self-sustenance. James City County efforts in support of public transportation constitute a commitment to an important public service and a notable effort to comply with a significant State concern.

Public Planning. Both the City and the County have established a broad array of public planning instruments, including a planning commission, comprehensive plan, and subdivision ordinance which are mandated by law. 150/ In addition, both jurisdictions have adopted a zoning ordinance and utilize capital improvement planning to guide their future development. 151/ On the basis of such activity, the Commission concludes that both the City and the County have made significant efforts which respond to the State's concern for local public planning.

Agricultural Land Preservation. The General Assembly has also declared it to be a policy of the Commonwealth to protect the State's agricultural properties. 152/ One method authorized by State law in furtherance of this goal is use value assessment. Such a system permits property to be assessed for taxation at its "use" value rather than at its "fair market" value. In 1975 the County adopted a program of use value assessment with the intent of reducing the tax burden on such property and, thereby, lessening the economic pressure for their conversion. Data indicate

149 continued/ subsidy to the James City County Transit Company to approximately \$42,000 for fiscal year 1982-83.

150/ Secs. 15.1-427.1, 15.1-446.1, and 15.1-465, Code of Virginia.

151/ Annexation Notice, pp. 2-17--2-18; James City County, Zoning Ordinance; and Adopted Annual Budget, pp. D-5--D-19.

152/ Sec. 15.1-1507, Code of Virginia.

that as of 1981 approximately 31,300 acres of agricultural, horticultural, and forestal properties (37% of the County's total taxable acreage) were being assessed at their use value. 153/ Such method of assessment served to reduce, in the aggregate, the taxable value of such property that year by \$39.3 million. 154/ The County's adoption and continued utilization of use value assessment constitutes an effort which is in compliance with the State's concern for the preservation of agricultural lands.

Capacity of the City to Finance the Annexation

Whatever the ultimate benefits of annexation to a city in Virginia, the initial cost of compensating the affected county and extending services to the annexed area can be considerable. Under Virginia law a city is generally required to pay a county for value of county-owned and financed public improvements which become the property of the city, to assume a portion of the county's outstanding debt, and to reimburse the county for its loss of prospective net tax revenue for as much as a five-year period. 155/ In this instance the City of Williamsburg will acquire no County-owned property for which payment will be required, and, by terms of the agreement, the City's responsibility for the assumption of County debt will be waived. 156/ The agreement does, however, call for the City to compensate the County \$125,000 annually for a five-year period for its prospective loss of net tax revenue. 157/ In terms of extending services to the area proposed for annexation, the City contemplates

153/ Data provided by Morton, letter to staff of Commission on Local Government, March 9, 1983.

154/ Virginia Department of Taxation, Annual Report, 1981-1982, Table 5.4.

155/ Sec. 15.1-1042, Code of Virginia.

156/ Annexation Settlement Agreement, Sec. 5.2.

157/ Ibid., Sec. 5.1.

that it initially will be required to expend an additional \$294,000 annually for general governmental services, and it has identified capital needs in the annexed area which are currently estimated to cost \$240,000. 158/

Various fiscal indices indicate that the City of Williamsburg should experience little difficulty in financing the proposed annexation. First, the data reveal that the City currently imposes upon its residents a relatively modest tax burden. In 1982 the City's nominal real property tax rate was \$.63 per \$100 of assessed valuation, with no other city in Virginia having a lower nominal rate. 159/ In terms of general local tax burden, statistics disclose that total local property tax collections in the City of Williamsburg in 1980 constituted 1.6% of the City's estimated total personal income, while the comparable statistic for all Virginia cities considered collectively was 2.4%. 160/ Second, the Commission notes that as of June 30, 1981 the City had a net outstanding long-term debt of \$689,697, or \$70 per capita. As of that date, the net outstanding long-term debt per capita of all Virginia cities considered collectively was \$647. 161/ With respect to debt statistics, it is significant to note that the City's current legal debt limit is approximately \$29.7 million and that the limit

158/ Annexation Notice, p. 7-9 (revised). The City proposes only \$50,000 of capital expenditures during the first year after annexation for acquisition of snow removal equipment and installation of street lights.

159/ Virginia Department of Taxation, Local Tax Rates, Tax Year--1982, Table 2.

160/ Auditor of Public Accounts, Report of Auditor of Public Accounts of the Commonwealth of Virginia on Comparative Cost of City Government, Year Ended June 30, 1980, Exhibit B; and Personal Income Estimates for Virginia Counties and Cities, 1980, Table 1.

161/ Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1981, Exhibit G. The

would be increased to approximately \$33.3 million following the proposed annexation. 162/

Further, the City's ability to finance the proposed annexation will be enhanced by the extension of its boundaries and by other provisions in the interlocal agreement. The City anticipates that revenues from the area proposed for annexation will initially be approximately \$500,000 annually. In addition, Williamsburg will receive an estimated \$770,000 from the sale of water lines to the County and will obtain other revenue from James City County's annual purchase of City water. 163/ On the basis of its current tax burden, level of indebtedness, proceeds from the proposed annexation, and other provisions in the interlocal agreement, the Commission concludes that the City of Williamsburg should have no difficulty in financing the proposed annexation.

RECOMMENDATIONS

Boundary Line

Citizen-Proposed Modification.

During the Commission's public hearing on February 22, 1983, seven persons residing in subdivisions located outside the proposed annexation area requested that the boundary line be extended to include their residential developments. Subsequent to the public hearing the Commission received petitions bearing the signatures of over 500 persons similarly requesting that the City's proposed new boundary line be expanded to include the Birchwood--Marlboro, Druid Hills, Hollybrook, Kingswood, and Winston Terrace subdivisions. 164/ These various residential developments are

161 continued/ City's outstanding long-term debt was reduced to \$465,155 by the end of calendar year 1982 (Annexation Notice, p. 7-12).

162/ Annexation Notice, p. 7-12.

163/ Ibid., p. 7-9 (revised).

164/ Five separate petitions bearing the dates of

concentrated along State Route 31 (Jamestown Road) south-east of the City and form a reasonably compact body of land abutting the existing City boundary.

In seeking the extension of the proposed boundary line to include their subdivisions, the petitioners contended that they had a stronger community of interest with the City than with the County and cited the differential in real property tax rates, the City's provision of solid waste collection services from general fund revenues, and the difference in utility rates. With respect to the economic considerations, annexation by the City would result, at the present time, in savings to these residents. 165/ Persons from the developments in question who testified before the Commission at its public hearing also expressed concern about the provision in the City--County agreement which committed both jurisdictions to opposing all citizen-initiated annexations during the 15-year period following the effective date of the agreed annexation. Failure to obtain their annexation by the City in this instance, they contended, essentially foreclosed such option for the ensuing 15-year period. 166/

In considering the boundary adjustment proposed by the petitioners, the Commission has noted that the residential developments in question are served by the basic utilities,

164 continued/ February 22, March 14 and 18, 1983 were received by the Commission. These petitions are on file in the offices of the Commission on Local Government in Richmond.

165/ The nominal real property tax rate in the City in 1982 was \$.63 per \$100 of assessed value while that in the County was \$.73. Further, these County residents are required to contract privately for solid waste collection and pay a 50% surcharge on their receipt of City water.

166/ Annexation Settlement Agreement, Sec. 8.2. The agreement does not appear to require the City to decline to accept an annexation award resulting from citizen petitions as it is empowered to do by Sec. 15.1-1034, Code of Virginia.

that they are situated closer to the County's public safety services than to those of the City, and that the areas have no conspicuous unmet service need which would be addressed by annexation. While the Commission recognizes the economic benefits which would currently accrue to residents of the area as a result of their annexation by the City, in our judgment annexations and other boundary change issues in Virginia must turn upon a larger, more comprehensive set of considerations. The Commission is unable to find a basis sufficient to recommend that the proposed boundary line approved by the local elected leadership in both jurisdictions be amended in accordance with the request of the petitioners. It might also be noted that modification of the proposed boundary line as recommended by the petitioners, which would have the effect of more than doubling the number of residents added to the City, may well have service and fiscal ramifications which would properly require other modifications of the proposed line in order to provide the City with offsetting fiscal assets.

Other Considerations. In accordance with its statutory mandate to review proposed annexations, the Commission has examined in considerable detail the annexation line proposed by the City and the County. As a result of this examination, the Commission has noted several segments of the proposed boundary which merit comment. First, and most significantly, the Commission has observed that the proposed boundary line south of Williamsburg adjacent to U.S. Highway 60 is drawn in a manner which leaves the County with a small sector of land wedged between the City and York County. This land embraces a thin strip of property west of U.S. Highway 60 and James Terrace east of that route. With respect to James Terrace, the Commission has been advised that this property is in need of an improved water supply.

Further, the Commission has noted (1) the indentation in the proposed boundary line between Tracts B and C, (2) the

exclusion from Tract C of Eastern State Hospital, (3) the failure to use Long Hill Road as the southern boundary of Tract D, and (4) the divergence of the eastern boundary of Tract D from the railroad right-of-way at the northern extremity of that tract as irregularities likely to prompt comment. While considered in the abstract, these irregularities might dictate modification of the proposed line, the Commission cannot conclude that any of these line segments presents a concern of such a nature as to require our recommendation of a modification of the boundary line approved by the governing bodies of the City and the County. 167/

Services and Policies

As previously stated, the area proposed for annexation is now sparsely populated with no pronounced need for additional public services. Indeed, neither the public hearing held in Williamsburg on February 23, 1983 nor the Commission's independent research revealed any pronounced need for additional urban services in the area proposed for annexation at this time. While the Commission is satisfied that the City can and will meet the public service needs of that area as it develops, there is one consideration which should be raised at this point. The County has determined that there exists a need for sidewalks along U.S. Highway 60 north of the City in the area proposed for annexation. In view of such determination, the Commission recommends that the City evaluate the immediate need for such facilities and address this issue in its plans to serve the annexation area which it will ultimately present to the court.

With respect to policies which shall be applicable to

167/ The Commission notes that the exclusion of property between Tracts B and C may have been based upon the County's considerable efforts in that area for the improvement of the Carriage Hill community.

Based upon the data cited previously in this report, the Commission has found the City of Williamsburg to be a strong and vibrant municipality which has been a source of employment and a stimulant to economic growth in its region generally. While the City indisputably remains one of the Commonwealth's most fiscally strong localities, the scarcity of developable land within its corporate limits will diminish Williamsburg's ability to continue to share in the growth of the region which it has clearly helped to promote. The Commission concludes that the City of Williamsburg does need land for development. Further, while the Commission notes that the proposed annexation will bring into the City only limited acreage currently engaged in commercial activity, and while it recognizes that the preponderance of the vacant land in that area has questionable development potential as a result of its ownership by three non-profit institutions, the annexation will, nevertheless, provide Williamsburg with 3.88 square miles of land and \$36.8 million of property values subject to local

SUMMARY OF FINDINGS AND RECOMMENDATIONS

the annexed area, the Commission recommends that the City adopt a program of land use assessment for qualifying properties. Evidence presented to the Commission indicates that there is a relatively small amount of property in the area proposed for annexation which currently qualifies and receives the benefit of land use assessment. While recognizing that land use assessment is an imperfect tool for the protection of agricultural, forestal, and related properties, it is one of the few instruments available to assist property owners who are seriously intent upon the continued use of their property for such purposes.

taxation. Based upon the relative fiscal strength of the City and the County and the relative public service needs of the two jurisdictions, the Commission finds the proposed annexation to be a reasonable reconciliation of the needs and interests of the two communities and consistent with the annexation criteria and standards established by law.

The City of Williamsburg and James City County have roots which long antedate the founding of this nation. While relatively small in area and population, both jurisdictions are important to this Commonwealth in terms of their historic significance and contemporary economic value. The continued viability of both jurisdictions is a concern of the Commonwealth. The interlocal agreement and the boundary adjustment which it encompasses can, we believe, contribute to their continued viability. While the Commission would not contend that the proposed annexation is the optimum reconciliation of the area's economic and governmental concerns, it does assert that the proposed boundary adjustment is a reasonable and positive response to contemporary circumstances.

Benjamin L. Susman, III

Benjamin L. Susman

Edward A. Beck

Edward A. Beck

Harold S. Atkinson

Harold S. Atkinson

Wendell D. Hensley, Vice-Chairman

Wendell D. Hensley

William S. Hubbard, Chairman

William S. Hubbard


Respectfully submitted,

Concurring Statement

Edward A. Beck

It appears that the parties have balanced many issues with respect to the best interests of both City and County residents in the negotiation of their interlocal settlement. With recognition of this fact, and acknowledging the intimate familiarity of the local officials with the intricacies of the agreement, the boundary concerns expressed by the Commission in this report do not constitute recommendations for change. In my judgment, the County is progressive and responsive to the needs of its residents and is fully capable of providing needed services. The Commission has noted that residents outside the area proposed for annexation have requested their incorporation into the City, principally on the grounds of personal economic benefit. The laws of the State, however, require the Commission and the court to consider a broader set of concerns, giving primacy to the general interests and needs of an area. These broader concerns have guided the development of this report and the recommendations contained herein.

Respectfully submitted


Edward A. Beck

APPENDIX A

INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF WILLIAMSBURG AND JAMES CITY COUNTY

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EXECUTIONS

15

This agreement is made and entered into this 8th day of April, 1982 by and between the City of Williamsburg, a municipal corporation chartered and existing under the laws of the Commonwealth of Virginia, James City County ("County"), a political subdivision of the Commonwealth of Virginia, the James City Service Authority ("Authority"), a public body politic and corporate created and existing under Chapter 28 of Title 15.1 of the Code of Virginia, 1950, as amended, the School Board of the City of Williamsburg ("City School Board") and the School Board of James City County ("County School Board"), both being bodies corporate created and existing under the laws of the Commonwealth of Virginia.

PREAMBLE

WHEREAS, the City Council of the City of Williamsburg at a meeting held on June 7, 1979 declared its intention to study the feasibility of commencing annexation proceedings against James City County;

WHEREAS, the City and the County agreed to seek an amicable resolution of the desired annexation without a contested legal proceeding;

WHEREAS, in May of 1981 Robert C. Walker, Mayor of the City of Williamsburg, and Jack D. Edwards, Chairman of the James City County Board of Supervisors, held a press conference and read a memorandum of intent entitled "Annexation Agreement" outlining the general terms for an annexation compromise;

WHEREAS, this general basis for an agreement settling the issue of annexation was subsequently ratified by the Board of Supervisors of James City County and the City Council of the City of Williamsburg, with the understanding that the general terms thereof would be incorporated in a mutually satisfactory comprehensive written agreement to be approved and signed by both parties;

NOW, THEREFORE, the City and the County, the Authority, the City School Board and the County School Board agree as follows:

ARTICLE I

AREAS TO BE ANNEXED; INSTITUTION OF ANNEXATION PROCEEDINGS

Section 1.1. Areas to be Annexed. The City and County agree that it is both necessary and expedient for the City to annex into its corporate limits the following areas within the County, identified as Tracts A, B, C, D and E, and described as follows:

BEGINNING at a point, being the intersection of the northeasterly right-of-way line of State Highway Route 199 and the southerly property line of Lot 3 as shown on Plat entitled Governor Berkeley Professional Center, thence in a northwesterly direction along the east right-of-way line of State Route 199 900 feet more or less to a point, said point being in center of State Route 5 at intersection of east right of way lines of State Route 199 and State Route 616; thence in a northerly direction along the east right-of-way line of State Route 616 6,050 feet more or less to a corner, said corner being the intersection of the easterly right-of-way line of State Route 616 and the easterly right-of-way line of State Route 615; thence in a northerly direction along the east right-of-way line of State Route 615 2,240 feet more or less to a corner, said corner being at intersection of easterly right-of-way line of State Route 615 and northerly property line of the College of William and Mary Woodlands; thence in a easterly direction along the northerly property line of the College of William and

TRACT B

BEGINNING at a point on common corporate boundary line of James City County and City of Williamsburg, said point of beginning being southerly corner of Best Western Motel property and north right-of-way line of State Highway Route 199; thence westerly along northerly right-of-way line of State Route 199, 5,400 feet more or less to a corner, said corner being intersection of northerly right-of-way of State Route 199 with easterly right-of-way of State Route 637; thence in a westerly direction crossing State Route 637 430 feet more or less to a corner, said corner being intersection of northerly right-of-way line of State Route 199 with westerly right-of-way line of State Route 637; thence in a westerly direction along the northerly right-of-way line of Route 199 4,370 feet more or less to a corner, said corner being the intersection of the northerly right-of-way line of State Route 199 and the easterly right-of-way line of State Route 619; thence in a westerly direction crossing Route 619 and interchange 650 feet more or less to a point, said point being in center of Colonial National Historical Parkway; thence in line with northerly right-of-way line of State Route 199 in a westerly direction 700 feet more or less to a corner, said corner being northerly right-of-way line of State Route 199 and westerly right-of-way line of Henry Street; thence in a westerly direction along the northerly right-of-way line of State Route 199 7,700 feet more or less to a corner, said corner being intersection of northerly right-of-way line of State Route 199 and common corporate boundary of James City County and City of Williamsburg, said point being 300 feet more or less North of intersection of State Route 199 and Brookwood Drive; thence in a northeasterly direction following common corporate boundary of James City County and City of Williamsburg 24,400 feet more or less to point of beginning containing 1506 acres more or less.

TRACT A

Mary Woodlands, 3,760 feet more or less to a corner, said corner is at intersection of above property line with northerly right-of-way of State Route 321; thence in a northeasterly direction along the north right-of-way line of State Route 321 120 feet more or less to a corner, said corner being at intersection of north right-of-way line of State Route 321 with existing common corporate boundary of James City County and the City of Williamsburg; thence southerly along the existing common corporate boundary line of the City of Williamsburg and James City County 12,200 feet more or less to the point and place of beginning, containing 714 acres more or less.

TRACT C

BEGINNING at a point, being the intersection of the northerly right-of-way line of State Route 615 and the existing corporate boundary line of the City of Williamsburg and James City County as shown on Sheet Number 9 of the Virginia Department of Highways, Project Number 0615-047-108, C-501; thence in a southerly direction along the existing common corporate boundary line of the City of Williamsburg and James City County along Earnestine Avenue 1,120 feet more or less to a point of intersection with an existing stream known as College Creek; thence westerly along the centerline of College Creek and the southerly line of Lot 1 of the William H. Lewis Development 1,040 feet more or less to a corner, said corner is at intersection of property line and westerly right-of-way line of State Route 615; thence in a northeasterly direction along west right-of-way line of State Route 615 1,500 feet more or less to point of beginning, containing 20 acres more or less.

TRACT D

BEGINNING at a point, being the centerline intersection of State Route 60 and the corporate common boundary of the City of Williamsburg, James City County, and York County; thence following the common corporate boundary line of James City County and the City of Williamsburg in a northwesterly direction 5,655 feet more or less to a point, said point being the southeast corner of Lot 249 of Skipwith Farms, Section "E" as recorded in Plat Book 20, Page 32, et al; thence along the westerly and northwesterly line of Skipwith Farms 695 feet more or less to a corner, said corner being the westernmost corner of Lot 244 of Skipwith Farms, Section "E" as shown on said Plat Book 20, Page 32, et al; thence in a westerly direction along the centerline of Chisel Run Creek 1,545 feet more or less, the various courses thereof, said creek being the southerly line of John P. Yancey, Jr., et al, and as shown in Section 32-4 of the James City County Tax Maps, to a point of intersection with the westerly line of John P. Yancey, Jr., et al, as recorded in Deed Book 88, Page 498 and shown in Plat Book 20, Page 26, et al; thence northerly along the westerly line of John P. Yancey, Jr., et al, a distance of 1,480 feet more or less to a point, said point being the intersection with the southwesterly property corner of John G. Warburton, et al, as recorded in Plat Book 10, Page 33; thence easterly 1,590 feet more or less along the northerly line of John G. Warburton, et al, and the various courses thereof, to a point of intersection with the easterly line of an easement for the Virginia Electric and Power Company; thence in a northwesterly direction 430 feet more or less along said Virginia Electric and Power Company easement to a point of intersection with the southerly line of now or formerly I. B. Bloxom, Jr., et al, as recorded in Deed Book 146, Page 359; thence in a northeasterly direction 1400 feet more or less along the northerly property line of now or formerly Warburton and Mahone to a corner, said corner being the northwesterly corner of Lot 10 of a subdivision of now or formerly Warburton and Mahone as shown in Plat Book 10, Page 43; thence in a

Commission on Local Government and the Annexation Court a sketch of a final order
The City and the County, by their respective counsel, shall present to the

City's annexation petition.

of pleadings and exhibits; and (b) timely file responsive pleadings concurring in the
information as the City and its agents may request in connection with the preparation
annexation proceedings and shall: (a) provide without expense to the City such
The County shall cooperate with the City in every reasonable way to expedite the
Chapter 19.1 and Chapter 25 of Title 15.1 of the Code of Virginia, 1950, as amended.
have executed this agreement the City shall institute annexation proceedings under
Section 1.2. **Institution of Annexation Proceedings.** After all parties

3.88 square miles.

designated Exhibit A and contain a total of 2483 acres more or less or approximately
The above described areas are shown on a map attached hereto and

more or less.
210.8 feet to a point and place of beginning containing 20 acres
62° - 08' - east 158.32 feet; thence South -51° - - 42' - east
feet; thence South - 69° - 33' - east 446.8 feet; thence South -
distance of 80.51 feet; thence South - 68° - 16' - east 100.00
71.6 feet; thence along a curve whose radius is 172.6 feet, a
large bolt driven in the pavement; thence South - 36° - - 32' east
feet to an iron pipe; thence North - 38° - 56' east 937.5 feet to a
to a concrete monument; thence North - 76° - 54' - west 98.2
feet to an iron pipe; thence North - 67° - 34' - west 163.8 feet
pipe driven in the pavement; thence North - 66° - 34' west 761.5
100.00 feet; thence South - 52° - - 42' west 83.00 feet to an iron
South - 34° - 13' west 256.82 feet; thence South - 40° - 52' west
200.00 feet; thence South - 40° - - 30' - west 100.00 feet; thence
56° - 33' - west 100.00 feet; thence South - 46° - 25' - west
description of the James Blair School property; thence South -
direction the following courses and distances; being a
progressing along the centerline of the latter in a clockwise
Highway Route 612, also known as Longhill Road, and State
Highway Route 615, also known as Ironbound Road, and

TRACT E

acres more or less.
James City County to the point of beginning, containing 223
more or less along the common boundary of York County and
James City County; thence in a southerly direction 3,925 feet
Lee Morgan and the common boundary of York County and
now or formerly land of Bonnie Lee Morgan to a corner, said
corner being intersection of northerly line, said land of Bonnie
more or less along said extension and northerly property line of
Plat Book 22, Page 54; thence in an easterly direction 275 feet
Bonnie Lee Morgan as recorded in Deed Book 196, Page 401 and
northerly property line extended of now or formerly land of
Railroad right-of-way line to a point of intersection with the
direction 1730 feet more or less with Chesapeake and Ohio
of the Chesapeake and Ohio Railroad; thence in a southeasterly
point being an intersection with the westerly right-of-way line
northerly property line of said Lot 10 extended, to a point, said
northeasterly direction 560 feet more or less along the

of annexation to be entered by the said Annexation Court setting forth the terms conditions, and provisions of the annexation as agreed herein.

Section 1.3. **Opposition to Interveners.** The City and the County shall oppose the petition of any intervenor in the proceeding before the Annexation Court who seeks to alter the areas agreed to be annexed or the other terms and conditions of annexation set forth herein.

Section 1.4. **Costs of Annexation Proceedings.** The City and the County shall bear their respective legal, engineering, and other expenses incurred in all preparations and proceedings before the Commission on Local Government and the Annexation Court; City and County to equally share joint expenses, if any, arising from such proceedings.

ARTICLE II

TRANSFER OF WATER FACILITIES;

OWNERSHIP OF SEWER FACILITIES;

PROVISION OF SERVICES

Section 2.1. **Certain City-Owned Water Facilities in Remaining Area of County.** The City shall, within sixty (60) days after the effective date of annexation, deliver to the Authority a bill of sale transferring to the Authority ownership of all City-owned water transmission lines, meters, valves, fire hydrants and other equipment related thereto then lying in the remaining area of James City County, which facilities to be transferred are described on Exhibit B attached hereto; provided, however, the City shall not convey its water transmission lines serving Eastern State Hospital and its main transmission line connecting with its water storage tank behind James-York Plaza in York County. The City shall also convey to the Authority, by quitclaim deed, its interest in all easements pertaining to said water transmission lines at the same time as the said bill of sale is delivered to the Authority.

The City, in transferring ownership of such lines, shall not be required to make any warranty, either expressed or implied, as to the condition, capacity or functional suitability thereof, and the Authority shall accept the water facilities in such condition as they are upon the date of transfer of ownership. The Authority shall thereupon and for all times thereafter be solely responsible for maintenance of the water facilities so transferred.

Section 2.2. **Interim Provision of Water Services Within Portions of the Annexation Areas.** Following the effective date of annexation, the County or the Authority shall continue to provide water to customers then connected to County's or

Authority's water lines located within the areas agreed to be annexed. The County or the Authority shall continue to supply all necessary water to such existing connections for a period of sixty (60) consecutive months following the effective date of annexation at the same rate per gallon applicable to customers on the portion of such line remaining in the County.

When all parties have signed this agreement, the City shall thereupon have the right to extend its water lines into the areas agreed to be annexed, subject, however, to the provisions of Section 9.2 of this agreement. All new customers within such areas for whom building permits are issued subsequent to the date that this agreement is signed shall be connected to City's water line if such line has been so installed and service is available at the time of issuance of the occupancy permit. Connection fees for said new customers shall be charged by and paid to the City and such new customers shall receive water service at a rate equal to 1 1/2 times the then prevailing rate fixed by the City for residential customers inside the corporate limits of the City until the effective date of annexation, at which time said customers shall thereafter be served at the then prevailing rate applicable to such class of customers in the corporate limits of the City.

Upon the passage of sixty (60) months subsequent to the effective date of annexation, the County and the Authority shall terminate service to all water customers then connected to County's or Authority's water lines lying in the annexed area and such customers shall thereafter be served exclusively by the City. Neither the County nor the Authority shall be liable to bear any disconnection cost and they shall charge no disconnection fee.

Upon termination of water service to all City customers pursuant to the terms of this agreement, the County or the Authority may continue to maintain its water transmission line as then in place in the annexed area for purposes of transmitting water to other portions of the County, but shall not thereafter serve any City customers without the express written consent of the City.

Section 2.3. Authority-Owned Sewer Lines within the Annexation Areas.

Following the effective date of annexation, the Authority shall continue to own and maintain all sewer lines which it presently owns in the areas agreed to be annexed and shall continue to provide sewer service to all present customers. The Authority shall also allow further connections and shall provide service to such additional customers as capacity permits along existing sewer lines within the annexed areas. Such

additional customers shall be permitted to connect based on chronological priority of application and no additional preference shall be given to applications for connections to the portion of the line remaining in the County. Sewer service user fees and connection fees, as well as any other fees charged by the Authority within the annexed areas, shall not exceed like fees charged the same categories of customers within the County.

Notwithstanding the foregoing, the County and the Authority agree that they shall not at any time subsequent to the execution of this agreement extend any sewer line now located in the areas to be annexed and shall not construct any new sewer lines within such areas, except pursuant to the written permission to do so by the City. The City shall have the right to construct sewer lines in the areas agreed to be annexed and to provide sewer service to customers located therein, including those then connected to the Authority's lines.

ARTICLE III

SOURCE OF WATER FOR USE IN CERTAIN

AREAS OF THE COUNTY: SALE OF WATER BY CITY

Section 3.1. **Water Purchased from City to be Used Within Certain Areas of County.** In providing public water service after the effective date of annexation to customers located within four areas of the County, designated and shown as areas, I, II, III and IV on the maps attached hereto as Exhibits, C, D and E, the County and the Authority shall use solely and exclusively water purchased from the City under the terms set forth hereafter. Portions of these areas are presently provided with water by the City of Newport News. If the City of Newport News ceases to supply water to such customers, the County and the Authority shall have no obligation to use water purchased from the City to provide water service to such customers.

Section 3.2. **Maximum Gallonage to be Supplied by City.** The City shall supply for purchase by the County and the Authority 315,000 gallons per day as a maximum gallonage of water for use in areas, I, II, III and IV.

If during any calendar year the maximum gallonage specified shall prove insufficient, the City shall either (1) make such additional gallonage available as may reasonably be required to serve such areas, or (2) in consultation with the County redefine the boundary of one or more of such areas only to the extent necessary to

reduce the customers to a number that can be adequately served by the stated maximum gallonage. If the boundary of any such area is redefined, the County or the Authority may obtain water from another source to serve any customers who are excluded by the adjusted boundary. In no event, however, shall either the County or the Authority connect any line containing water from any other source to any water line containing water purchased from the City.

Section 3.3. Master Flow Meters; Billing. The Authority or the County shall, at their own expense, prior to the date of transfer of City-owned water lines under Section 2.1 above, install master flow meters to measure the quantities of water purchased by the County or the Authority for use in areas I, II, III and IV. A meter shall be installed for each water line transporting water into these areas, at the point where each line enters the County, the general location of which is shown more precisely on Exhibits C, D and E hereto. The type and location of the meter shall be approved by the City. The County shall own the meters.

The City shall have access to such meters during all reasonable hours in order to read their measurements. The Authority or the County shall at their own expense maintain said meters for accuracy. If a meter examination reveals an error in excess of plus or minus 2%, the Authority or the County shall promptly remedy the inaccuracy. The City shall read each master meter quarterly and shall, within sixty (60) days following the end of such quarter, send to the Authority or the County an invoice showing the date and amount of the previous reading and the date and amount of the current reading. The City shall bill the Authority or the County at the higher of (a) a rate equal to the then prevailing rate fixed by the City for residential consumers inside the corporate limits of the City, plus fifty cents (\$0.50) per thousand gallons, or (b) a rate equal to 1.3 times the then prevailing rate fixed by the City for residential consumers inside the corporate limits of the City.

Section 3.4. Water Quality. Water shall be delivered to the Authority's or County's transmission lines at the City's corporate limits with the same quality as generally prevails in the City's system.

Section 3.5. Water Use Regulations and Restrictions. After the effective date of annexation, the County and the Authority shall adopt and enforce, as to customers supplied with water purchased from the City, such water use regulations and restrictions as may be in force in the City from time to time.

Section 3.6. Termination By City of Water Service Under Certain Conditions and Reversion of Ownership to City. If the County or the Authority fails,

refuses, or neglects to pay all charges for water supplied hereunder, the City shall have the right to terminate the supplying of water to the County and the Authority if full payment has not been made within twenty (20) days after the City gives written notice of such nonpayment. Water service shall not be restored until such charges are paid, together with a penalty as provided by any City ordinance or policy, to cover the cost of disconnecting and reconnecting.

If full payment for water purchases has not been made within four (4) months after such amounts are due and payable, ownership of all water facilities and easements identified in Section 2.1 of this agreement shall revert to the City. To confirm such reversion, the County and the Authority shall thereupon immediately convey to the City, by bill of sale and quitclaim deed, their interest in said facilities and easements.

The City shall also have the right to terminate the supplying of water hereunder if the County or the Authority fails to perform any other act required under Article III of this agreement. Prior to exercising this right, the City shall give written notice to the County or the Authority specifying the nature of the default and the party so notified shall have thirty (30) days within which to fully and satisfactorily cure the default.

Section 3.7. Temporary Interruptions in Water Service. The City may at any time temporarily curtail or interrupt water service as may be reasonably necessary to carry out ordinary or emergency maintenance, repairs or modifications to the City's lines and facilities. In such event, the City shall, if such interruption or curtailment can be reasonably anticipated, notify the County at least 3 days in advance.

Section 3.8. Maintenance of Water Facilities. The County and the Authority shall be solely responsible for the maintenance of the water facilities used to provide water service within areas I, II, III and IV.

Section 3.9. Duration of Obligation to Purchase and Sell Water. The County and the Authority shall purchase, and the City shall sell, water pursuant to this agreement for use in areas, I, II, III and IV of the County for a period of 15 years from the effective date of annexation unless the City shall consent in writing to a full or partial termination of such water purchases. The City reserves the right to terminate all sales of water under this agreement after giving written notice to the County and the Authority (if then in existence) of its intent to cease sales 24 months in advance of the actual termination. Notwithstanding such right of termination, however, the City

shall sell water to the County or the Authority for a period of sixty (60) consecutive months of the effective date of annexation.

Section 3.10. Miscellaneous. The rights and obligations of this water sale and purchase agreement shall be binding upon the City, the County, the Authority and their respective successors and assigns.

ARTICLE IV

CONVEYANCE OF RICHARDSON-MEADOWS PROPERTY

Section 4.1. Property to be Conveyed. The City School Board and the County School Board hereby agree to convey to the County their undivided interests in the real property, known as the Richardson-Meadows tract, which consists of two parcels and is more particularly described as follows:

Parcel I

All that certain parcel or tract of land situate in Berkeley Magisterial District (formerly Jamestown Magisterial District), James City County, Virginia, containing 37.15 acres and shown and designated as Parcel "A" on a plat entitled "Plat Showing Two Parcels of Land, 'A' & 'B' to be Conveyed to The County School Board of James City County, Virginia and The School Board of The City of Williamsburg, Virginia, Berkeley District, James City County, Virginia", dated July 3, 1967 and made by McManus, Mrock & McManus, which plat is hereto attached and made a part of this deed, and on which plat said property is more particularly bounded and described as follows: BEGINNING at an iron pipe on the northeasterly side of Virginia State Highway Route No. 5 at the intersection of the northeasterly line of said right-of-way and the westerly line of the right-of-way of Virginia State Highway Route No. 616; thence running along said State Highway Route No. 5 N. 71° 32' 58" W. 520.00 feet to an iron pipe; thence along the line of the property of J. R. Slauson N. 29° 03' 21" W. 1,470.23 feet to an iron pipe; thence running along the line of the Canterbury Hills Subdivision N. 14° 08' 30" W. 521.98 feet to an iron pipe; thence continuing along the line of said subdivision N. 13° 04' 35" W. 800.04 feet to a marked beech tree; thence along the property line of C. C. Casey N. 81° 36' 06" E. 94.12 feet to an iron pipe; thence continuing along the line of Casey N. 87° 52' 25" E. 208.41 feet to an iron pipe; thence continuing along the line of Casey N. 70° 31' 50" E. 170.12 feet to an iron pipe; thence continuing along the line of Casey S. 77° 47' 40" E. 120.66 feet to an iron pipe; thence along the line of J. S. Terrell S. 18° 09' 52" W. 222.40 feet to an iron pipe; thence along the line of Terrell S. 71° 48' 57" E. 209.58 feet to an iron pipe on the westerly side of Virginia State Highway Route No. 616; thence continuing along the line of Virginia State Highway Route No. 616 on a curve to the left having a radius of 741.20 feet the arc distance of 394.99 feet to an iron pipe; thence S. 18° 41' 32" E. 855.81 feet to a point; thence diverging from said State Highway running along the line of Parcel "B" S. 72° 16' 42" W. 150.80 feet to a point; thence S. 19° 16' 38" E. 100.36 feet to a point; thence N. 72° 10' 52" E. 150.50 feet to a point on Virginia State Highway Route No. 616; thence continuing along said highway on a curve to the left having a radius of 1,924.86 feet the arc distance of 236.34 feet; thence S. 28° 09' 27" E. 737.57 feet to an iron pipe; thence S. 73° 16' 09" W. 5.00 feet to an iron pipe; thence on a curve to the right having a radius of

701.20 feet the arc distance of 139.84 feet to an iron pipe; thence S. 10° 44' 12" E. 145.50 feet to an iron pipe; thence S. 8° 59' 48" W. 49.10 feet to an iron pipe; thence S. 59° 10' 51" W. 59.29 feet to an iron pipe, the point of beginning.

PARCEL II

All that certain lot or parcel of land situate in Berkeley Magisterial District (formerly Jamestown Magisterial District), James City County, Virginia, shown and designated as Parcel "B" on a plat entitled "Plat Showing Two Parcels of Land, 'A' & 'B' to be Conveyed to The County School Board of James City County, Virginia and The School Board of The City of Williamsburg, Virginia, Berkeley District, James City County, Virginia", dated July 3, 1967 and made by McManus, Mrock & McManus, which plat is hereto attached and made a part of this deed, and on which plat said property is more particularly bounded and described as follows: BEGINNING at a point on the westerly side of Virginia State Highway Route No. 616 on the boundary between the property hereby conveyed and Parcel "A" as shown on said plat; thence S. 72° 10' 52" W. 150.50 feet to a point; thence N. 19° 16' 38" W. 100.36 feet to a point thence N. 72° 16' 42" E. 150.80 feet to a point on the westerly side of said State Highway; thence S. 18° 41' 32" E. 18.47 feet to an iron pipe; thence on a curve to the left having a radius of 1,924.86 feet the arc distance of 81.65 feet to a point the point of beginning.

Section 4.2. Time of Conveyance. The conveyance shall not occur until the court order granting the annexation agreed upon has become final, whereupon the City and the County shall notify the School Boards in writing to proceed with the conveyance at a mutually convenient time.

Section 4.3. Form of Deed. The School Boards shall convey their undivided interests by special warranty deed and neither the City nor either School Board shall be required to resolve any title defect or to do anything regarding the property other than deliver to the County the aforesaid deed properly signed and notarized.

Section 4.4. Certain Future Uses of Property. In the event the Richardson-Meadows tract of land, or any portion thereof, is used in the future in connection with a recreational program or any other activity jointly operated or funded by the City and the County or by the City, the County, and others, the City shall be deemed to have made a monetary contribution toward such activity in an amount equal to 23.1 percentum of the appraised value of the tract, or portion thereof used in connection with such activity, at the time the property is initially used for such activity.

ARTICLE V

FINANCIAL ADJUSTMENTS

Section 5.1. Payments for Loss of Net Tax Revenue. The City and the County agree that the prospective loss of net revenue to the County, resulting from

and the County School Board, copies of which are attached hereto as Exhibit F. It is Schools, dated October 9, 1980, among the City, the County, the City School Board, which amended the Amended and Restated Contract for the Joint Operation of forth in a Joint Resolution to Amend the Restated Contract, dated October 9, 1980, consolidated system of public schools shall continue to be based upon the formula set date of annexation, the annual contributions of the City and the County to the Section 7.1. Formula for Financial Contributions. Following the effective

ARTICLE VII
FINANCIAL CONTRIBUTIONS TO
JOINT SCHOOL SYSTEM

required from year to year. annexed except such improvements as the City in its discretion may determine are to cause any capital improvements to be installed within the areas agreed to be standard equal to that of the remainder of the City. The City shall not be required no capital improvements are required to bring the areas agreed to be annexed up to a Section 6.2. Capital Improvements. The City and the County agree that present City.

after the effective date of annexation, the City shall extend its municipal services to the areas agreed to be annexed at the same level as then being furnished within the Section 6.1. Provision of Services to Annexation Areas. Immediately

ARTICLE VI
EXTENSION OF MUNICIPAL SERVICES;
CAPITAL IMPROVEMENTS

required to assume any proportion of existing debt of the County. Section 5.2. No Assumption of County Debt. The City shall not be successive four years thereafter. with like installments being due and payable on the same date of each of the due and payable on the December 31 next following the effective date of annexation, interest in five equal annual installments of \$125,000 each. The first payment shall be amounts to \$625,000.00. The City agrees to pay to the County said sum with no the annexation of taxable values during the five years after the effective date thereof,

the intent of the parties to this agreement that the paragraph in said Joint Resolution on page 2 entitled "Annexation or Boundary Adjustment," is not to be followed and is to be considered null and void. It is also the intent of the parties to this agreement that the following amendments be added to the respective sections of the Joint Resolution:

1. Included as an addition to the definition of "percentage of students" shall be the following:

In budgeting for the first full fiscal year following the effective date of annexation, the "average daily enrollment", as previously determined, shall be adjusted by adding one and one-half times the number of students in the annexed area of the County enrolled in a Williamsburg-James City County public school to the "average daily enrollment" of the City and deleting the same number from the "average daily enrollment" of the County.

2. Included as an addition to the definition of "real property tax base" shall be the following:

In budgeting for the first full fiscal year following the effective date of annexation, \$39,579,000 which is one and one-half times the "real property tax base" of the annexed area will be added to the "real property tax base" of the City, as previously determined, and deducted from that of the County. For the next two fiscal years following the effective date of annexation, \$26,386,000 will be added to the "real property tax base" of the City, as previously determined, and deducted from that of the County.

3. Included as an addition to the definition of "sales tax base" shall be the following:

In budgeting for the first full fiscal year following the effective date of annexation, \$8,496,000, which is one and one-half times the "sales tax base" of the annexed area will be added to the "sales tax base" of the City, as previously determined, and deducted from that of the County.

Said contract, as amended by the Joint Resolution, may be terminated by unilateral election of the City or the County as set forth in that agreement.

ARTICLE VIII

ANNEXATION MORATORIUM

Section 8.1. **Future City Annexation Proceedings.** The City shall not institute any other annexation proceedings against James City County for a period of 15 years following the effective date of annexation.

Section 8.2. Annexation Petitions by Qualified Voters or Landowners. The City and County shall oppose any petition for annexation filed by qualified voters or landowners within James City County for a period of 15 years following the effective date of annexation.

ARTICLE IX

COURT MODIFICATIONS

Section 9.1. Court Modifications. If the Annexation Court should modify in any respect the areas agreed herein to be annexed or any other term and condition of this agreement, the City shall have the right either (1) to accept the order of annexation which shall be binding on all parties to this agreement, or (2) to decline to accept annexation on the terms and conditions imposed by the Court. If the City declines to accept annexation, its further obligations under this agreement, with the exception of the obligations set forth in Section 9.2 and 9.3 hereafter, shall be null and void, and it shall have no obligation to reimburse the County for court costs, attorneys' fees, engineering fees, witness fees or any other costs incurred by it as would otherwise be required to pay under Section 15.1-1044 of the Code of Virginia, 1950, as amended. The County expressly waives its right to claim or receive such reimbursement.

Section 9.2. Disconnection of Certain Water Line in the Event of Termination. If for any reason City shall exercise its right to refuse annexation as reserved in Section 9.1, then within 30 days of County's written request City shall, at its own expense, disconnect and cap off the water line constructed pursuant to Section 2.2 of this agreement at the point where City's now existing water line terminated prior to such extension. City shall deliver to County without charge its bill of sale transferring ownership of said line to County and County shall thereafter supply water to all customers connected thereto and County or Authority shall thereafter receive payments for water supplied; however, the City shall retain the right to receive payment from the customers for water supplied prior to disconnection.

Section 9.3. Institution of New Annexation Action. If the City declines to accept annexation because of modifications by the Annexation Court of the terms and conditions of this agreement, then after the passage of eighteen (18) months following the entry of the Final Order of the Annexation Court in this matter, the City may again institute annexation proceedings against the County. The County consents to being made a defendant in any such annexation action brought by the City and waives all rights under Section 15.1-1055 of the Code of Virginia (1950) as amended, to oppose institution of such action.

IN WITNESS WHEREOF, the governing bodies of the parties have each by ordinance or resolution caused this agreement to be duly executed in several counterparts, each of which shall constitute an original, by their respective mayors or chairmen and attested by their respective clerks.

Robert C. Welch
Mayor, City of Williamsburg

ATTEST:

Lewis S. Bodie
Clerk of Council

Thomas F. Kirk, Jr.
Chairman, Board of Supervisors
James City County

ATTEST:

J. B. [unclear]
Clerk to the Board

Ray M. DeLoe
Chairman, James City Service Authority

ATTEST:

J. B. [unclear]
Clerk to the Authority

Gary A. Smith
Chairman, School Board
City of Williamsburg, now the Williamsburg
James City County School Board

ATTEST:

Joseph V. Shubb
Clerk to the Board

JCC1/den

Clerk to the Board

Joseph V. Webb

ATTEST:

Chairman, School Board
James City County, now the Williamsburg-
James City County School Board

Raymond A. Smith

CITY-OWNED WATER FACILITIES CONVEYED TO THE AUTHORITY

LOCATION	DIAMETER	LENGTH	ACCORDANCE WITH ANNEXATION AGREEMENT			DATE INSTALLED
			GATE VALVES	FIRE HYDRANT & VALVE ASSEMBLY		
1) JAMESTOWN ROAD						
a) Corp. Limits to Oxford Rd.	10"	2318'	2	0	1959	
b) Oxford R. to Edgewood Lane	10"	742'	1	0	1973	
2) WINSTON TERRACE						
a) Winston Drive	6"	3650'	5	5	1959	
b) Kathryn Court	6"	470'	1	1	1959	
c) Hurst Street	6"	370'	2	0	1959	
3) KINGSWOOD						
a) Oxford Road	8"	1175'	2	0	1961	
b) Dover Road	6"	1580'	2	2	1961	
c) Kingswood Drive	6"	1700'	2	3	1961	
Kingswood Drive	8"	220'	0	0	1961	
4) DRUID HILLS						
a) Oxford Road	8"	1180'	1	1	1965	
b) Druid Court	3"	160'	1	0	1965	
c) Druid Drive	6"	1470'	1	2	1965	
Druid Drive	6"	270'	2	0	1968	
d) Oxford Circle	3"	420'	1	0	1965	
e) Braddock Road	6"	775'	1	1	1965	
Braddock Road	6"	700'	3	1	1968	
f) Braddock Court	3"	330'	1	0	1968	
g) Anthony Wayne Road	6"	780'	2	0	1965	
5) WEST KINGSWOOD						
a) Spring Road	8"	700'	0	0	1967	
b) West Kingswood Drive	6"	2210'	1	3	1967	
West Kingswood Drive	1-1/2"	230'	1	0	1967	
c) Royal Court	1-1/4"	250'	1	0	1967	

EXHIBIT
DIR

CITY-OWNED WATER FACILITIES CONVEYED TO THE AUTHORITY

LOCATION	DIAMETER	LENGTH	GATE VALVES	FIRE HYDRANT & VALVE ASSEMBLY	DATE INSTALLED
WEST KINGSWOOD					
d) Regency Court	1-1/4"	260'	1	0	1967
e) Exeter Court	1-1/4"	210'	1	0	1967
f) Perry Road	6"	220'	1	0	1967
g) Sulgrave Court	1-1/4"	330'	2	0	1967
6) BOUGH SPRINGS					
a) Edgewood Lane	6"	980'	2	2	1965
7) ROUTE 017					
a) From end of 12" main SE to Chestnut Drive	8"	35'	1	1	1975
	6"	40'	1	0	1975
	8"	2280'	2	2	1958
8) MARLBORO					
a) Brookwood Drive	6"	600'	1	1	1965
b) Laurel Lane	6"	825'	2	0	1965
c) Laurel Court	3"	250'	1	0	1965
d) Shore Drive	6"	965'	1	1	1958
e) Shore Drive	6"	730'	2	0	1960
e) Colony Point Road	6"	1000'	1	1	1965
9) BIRCHWOOD					
a) Laurel Lane	6"	340'	0	0	1958
b) Willow Drive	6"	750'	2	2	1958
c) Rogers Court	2"	250'	0	0	1959
d) Chestnut Drive	6"	1010'	2	2	1959
e) Dogwood Drive	6"	700'	1	1	1959
e) Dogwood Drive	2"	300'	0	0	1974
f) Redbud Lane	6"	600'	1	0	1959

CITY-OWNED WATER FACILITIES CONVEYED TO THE AUTHORITY

LOCATION	DIAMETER	LENGTH	GATE VALVES	FIRE HYDRANT & VALVE ASSEMBLY	DATE INSTALLED
10) Colonial Parkway from Corp. Limits S. to Kingspoint	8" 8"	377' 1140'	0 1	0 0	1964 1975
11) KINGSPOINT					
a) Kingspoint Drive	8"	1170'	0	2	1964
Kingspoint Drive	8"	220'	1	0	1965
Kingspoint Drive	6"	380'	0	0	1965
Kingspoint Drive	6"	1430'	2	2	1966
Kingspoint Drive	2"	350'	1	0	1966
b) Ivy Court	1-1/4"	140'	1	0	1964
c) Fern Court	1-1/4"	120'	1	0	1964
d) Woodbine Court	1-1/2"	280'	1	0	1964
e) Woodbine Drive	1-1/2"	560'	1	0	1964
f) Glenwood Drive	1-1/4"	480'	1	0	1964
g) Northpoint Road	6"	620'	2	1	1964
Northpoint Road	6"	1580'	2	3	1965
Northpoint Road	2"	120'	0	0	1966
h) Hakerobin Road	1-1/2"	460'	1	0	1966
i) Meadowvue Court	6"	60'	1	1	1965
Meadowvue Court	3"	180'	0	1	1966
j) Crestwood Drive	2"	310'	1	0	1966
k) Black Oak Drive	2"	280'	1	0	1966
l) Crownpoint Road	8"	470'	0	0	1966
Crownpoint Road	6"	1065'	2	0	1965
Crownpoint Road	2"	400'	1	0	1968
m) Aspen Court	1-1/2"	200'	1	0	1968
n) Southpoint Drive	6"	640'	2	0	1968
Southpoint Drive	8"	1820'	1	2	1968
Southpoint Drive	2"	270'	1	0	1968
Southpoint Drive	6"	330'	1	1	1968
Southpoint Drive	3"	130'	1	1	1968
Southpoint Drive	2"	270'	1	0	1968
Southpoint Drive	1-1/2"	50'	0	0	1968
Southpoint Drive	2"	240'	1	0	1968
o) Cedar Court	1-1/2"	90'	0	0	1968
Cedar Court	6"	1000'	1	0	1968
Cedar Court	2"	290'	1	1	1968
Cedar Court	1-1/2"	100'	0	0	1968
Cedar Court	6"	1010'	1	2	1968
Cedar Court	2"	140'	1	0	1968
Cedar Court	1-1/2"	80'	1	0	1968
Cedar Court	1-1/2"	100'	1	0	1968
Cedar Court	6"	1010'	1	2	1968
Cedar Court	2"	140'	1	0	1968
Cedar Court	1-1/2"	80'	1	0	1968

11) KINGSPOINT

a) Kingspoint Drive

b) Ivy Court

c) Fern Court

d) Woodbine Court

e) Woodbine Drive

f) Glenwood Drive

g) Northpoint Road

h) Hakerobin Road

i) Meadowvue Court

j) Crestwood Drive

k) Black Oak Drive

l) Crownpoint Road

m) Aspen Court

n) Southpoint Drive

o) Cedar Court

p) Cedar Court

q) Cedar Court

r) Cedar Court

CITY-OWNED WATER FACILITIES CONVEYED TO THE AUTHORITY

LOCATION	DIAMETER	LENGTH	GATE VALVES	FIREHYDRANT & VALVE ASSEMBLY	DATE INSTALLED
s) Archer's Court Archer's Court	2" 1-1/2"	140' 130'	1 0	0 0	1968 1968
f) Cove Road Cove Road	6" 2"	590' 350'	1 1	1 0	1966 1966
u) Acacia Court	1-1/2"	220'	1	0	1966
12) Wickre Street	6"	1250'	1	2	1971

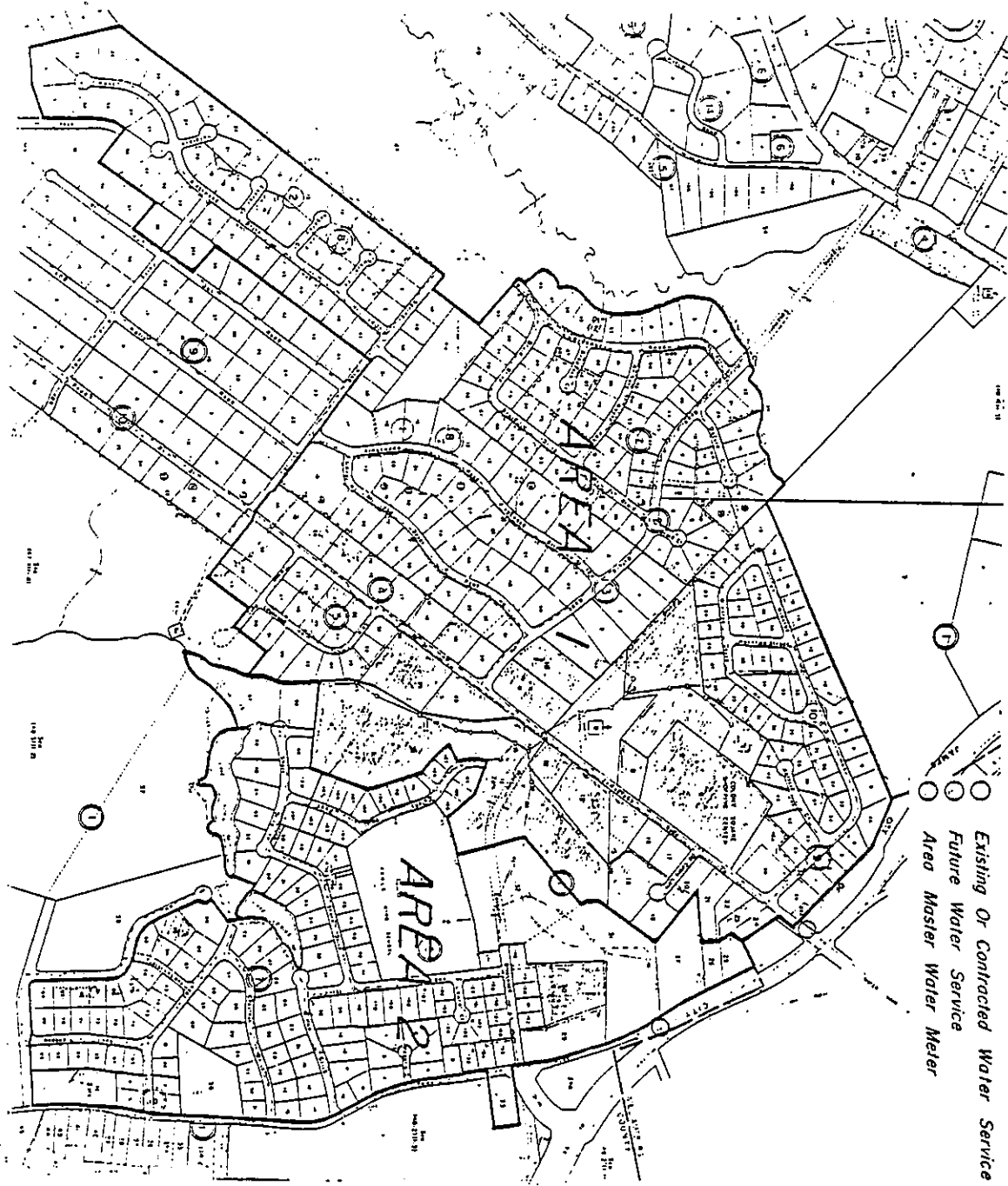
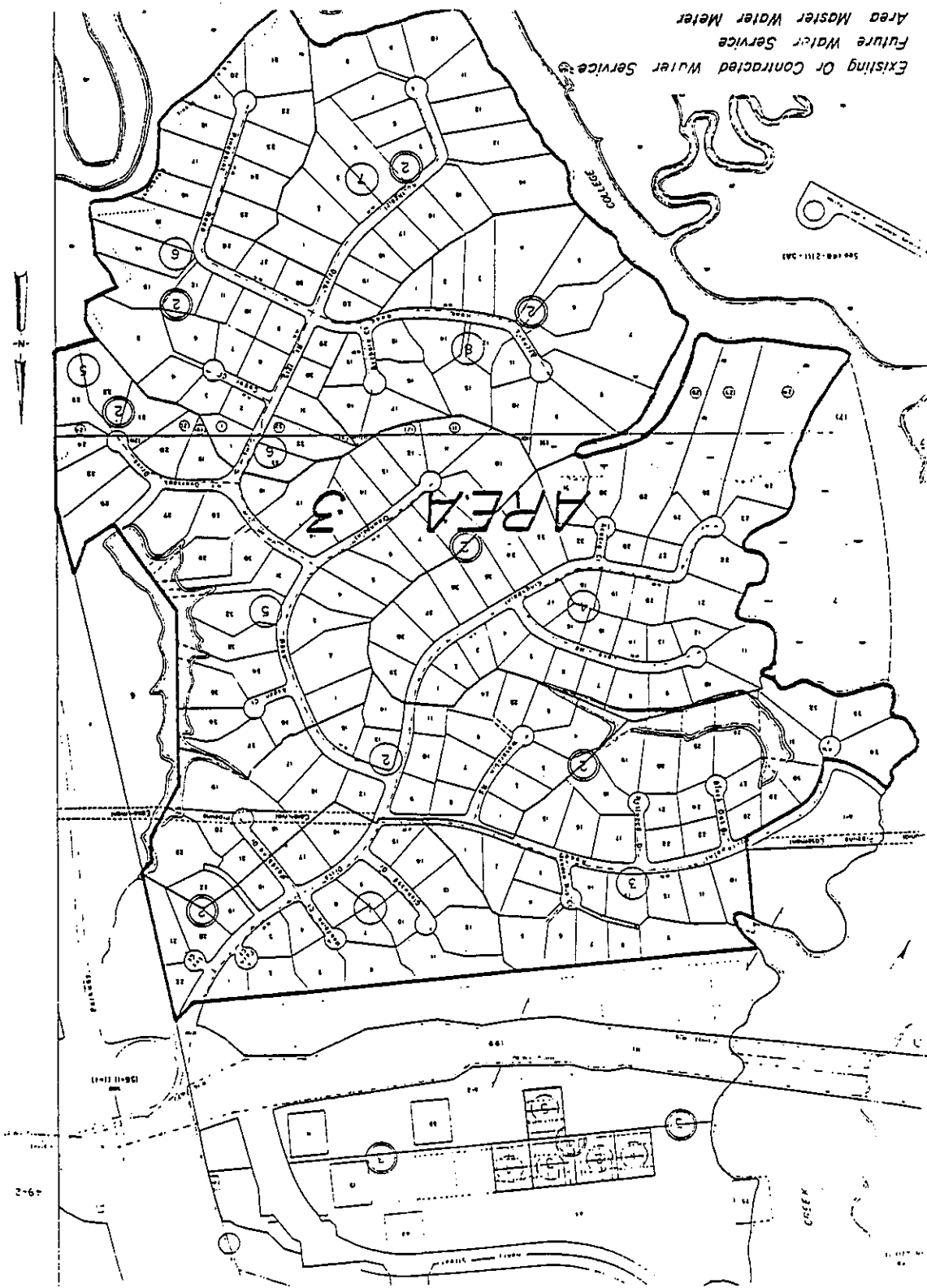


EXHIBIT C

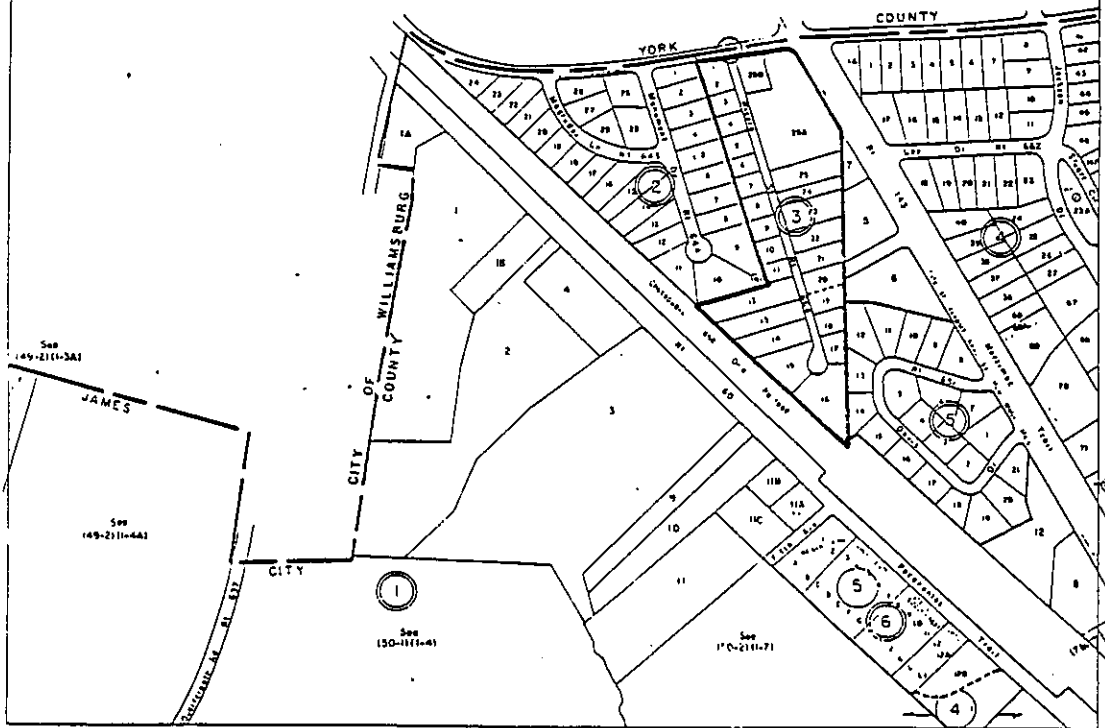


JAMES CITY COUNTY

41-1

- Existing Or Contracted Water Service
- Future Water Service
- Area Master Water Meter

AREA 4



50-1

SECTION 41-3

EXHIBIT E

EXHIBIT F

The "percentage of students" shall be the average daily enrollment as of December 1, "Average daily enrollment" shall mean the sum of the total number of students enrolled on each day for the months of September, October and November of the current fiscal year divided by the sum of the number of days contained in such months.

$$\frac{\text{percentage of students} + \text{percentage of tax base}}{2} = \text{percentage of school obligations}$$

Percentage of students plus percentage of tax base, divided by two, equals percentage of school obligations.

2. Local Contribution Formula. The annual contributions of the City and the County shall be determined on the basis of the following formula:

1. Revenue, Expenditures, Surplus. Notwithstanding any existing provision of the contract, any and all revenue/income shall be treated as revenue of the joint school system without regard to the local jurisdiction attributed to such revenues or contributing such revenues. Notwithstanding any existing provision of the Contract any and all expenditures, excluding debt service and compensation to School Board members, shall be made by the School Boards as they deem in the best interests of the school system; should a surplus of funds exist at the end of the fiscal year, such surplus shall be returned to the City and County in the same proportion to their local contributions for that fiscal year.

2. Local Contribution Formula. The annual contributions of the City and the County shall be determined on the basis of the following formula: July 1, 1981 to read as follows: school system dated January 14, 1954, as amended, shall be amended effective July 1, 1981 to read as follows:

NOW, THEREFORE, BE IT RESOLVED, that this amendment dated the 9 day of October, 1980 by the Council of the City of Williamsburg, the Board of Supervisors of James City County, and the respective School Boards of the City and the County that the Contract for operation of the consolidated school system dated January 14, 1954, as amended, shall be amended effective July 1, 1981; WHEREAS, it is the desire of all parties to amend said Contract effective July 1, 1981;

WHEREAS, the parties hereto have adopted an Amended and Restated Contract for the Joint Operation of Schools City of Williamsburg and County of James City hereinafter referred to as Contract, which contract embodies the 1954 contract and amendments thereto in a single document; and, WHEREAS, the City of Williamsburg and County of James City have operated a consolidated school system since July 1, 1955, pursuant to a certain contract, between the parties and their respective School Boards dated January 14, 1954, as amended; and,

Joint Resolution To Amend The Restated Contract,
For The Joint Operation Of Schools,
City of Williamsburg and County Of James City.

RESOLUTION

DEC 1 1980

The "percentage of tax base" for a jurisdiction shall be computed as follows:

Real property tax base plus sales tax base divided by the sum of the combined real property tax base for the City and County and the combined sales tax base in the City and County.

<u>Real property tax base</u>	+	<u>Sales tax base</u>
Real property tax base in City and County combined.		Sales tax base in City and County combined.

The "real property tax base" (real estate + public service corporations) shall be established on September 1 of each year and shall be based on the most recent publication prior to the budget year under consideration of the "Virginia Assessment/Sales Ratio Study" published by the Virginia Department of Taxation.

The "sales tax base" shall be based on the local share of the Virginia Retail Sales Tax revenue (1%) actually received in the last fiscal year for which results (collection) are available on September 1, multiplied by 100.

3. School Board Representatives. Upon adoption of this agreement by the parties hereto, the School Board shall sit as a single Board to be called the Williamsburg - James City County School Board, and decisions shall be made by majority of all members present and voting; provided however, that decisions relating to the hiring and/or retention of the superintendent shall require a majority of those present and voting of the City's representatives, and a majority of those present and voting of the County's representatives.

Beginning January 1, 1984, the City and County shall have the following representation on their School Boards:

<u>If Jurisdiction Pays:</u>	<u>Representation</u>
25% or more of local funds	5 members
At least 20% but less than 25%	4 members
At least 15% but less than 20%	3 members
Less than 15%	2 members

No incumbent member of a School Board shall lose his term or any portion thereof by virtue of the jurisdiction's representation falling below five; however, the representation shall be properly adjusted at the earliest expiration of an incumbent's term. If prior to the expiration of such incumbent's term, the jurisdiction's contribution percentage increases so as to justify its current or a higher level of representation as set forth above, the jurisdiction shall maintain its current level or increase its representation to reflect the current contribution.

Annexation or Boundary Adjustment. This Resolution of amendment shall become null and void as of the fiscal year following any year in which an annexation or boundary adjustment decree between the parties becomes final; for purposes of establishing the local funding for the years subsequent to such a decree, the operation of the school system shall be determined according to the Contract, as amended, for the Joint Operation of Schools in effect for the 1979-80 fiscal year; provided however that in the event such a decree is entered, the parties shall initiate negotiations within 30 days to make such amendments to this agreement as are necessary to reach an equitable formula.

All other provisions of the existing Contract with amendments thereto not in conflict with this agreement are hereby continued in full force and effect.

IN WITNESS WHEREOF, pursuant to resolution duly adopted, the City of Williamsburg, Virginia, on this 9 day of October, 1980; the County of James City on this 9 day of October, 1980; and the County School Board of Williamsburg on this 23rd day of October, 1980; do hereunto affix our hands and seals.

CITY OF WILLIAMSBURG

By Robert L. Orr
Mayor

COUNTY OF JAMES CITY
By [Signature]
Chairman

CITY SCHOOL BOARD OF WILLIAMSBURG

By [Signature]
Chairman

COUNTY SCHOOL BOARD OF JAMES CITY

By [Signature]
Chairman

ATTEST:

[Signature]
City Clerk

ATTEST:

[Signature]
Clerk

ATTEST:

[Signature]
Clerk

ATTEST:

[Signature]
Clerk

DEC 1980

AMENDED AND RESTATED CONTRACT FOR
THE JOINT OPERATION OF SCHOOLS
CITY OF WILLIAMSBURG AND COUNTY OF JAMES CITY

WHEREAS, the City of Williamsburg and the County of James City have since July 1, 1955, operated a consolidated school system pursuant to a certain Contract between the parties dated January 14, 1954, and amendments thereto dated June 16, 1955, August 8, 1963, June 6, 1965, October 11, 1965, July 10, 1969, and which Contract has been further amended by document entitled "School Board Voting Procedure Amendment" adopted by the James City County Board of Supervisors on September 25, 1978; by City Council of the City of Williamsburg on July 13, 1978; and by the School Boards of both jurisdictions; and which Contract has also been amended by resolution adopted by the James City County Board of Supervisors on May 12, 1980; by the City Council of the City of Williamsburg on May 8, 1980; and by the School Boards of both jurisdictions; which last mentioned amendment pertains to the method of funding school operations, and by its terms is effective only from July 1, 1980 until June 30, 1981; and

WHEREAS, the parties will soon adopt a further amendment to said Contract which amendment will significantly change the method of determining each jurisdiction's financial contribution to the joint school operation and the method of allocation of such contributions, as well as the method of fixing school board representation of each jurisdiction; and

WHEREAS, said amendment will provide for the continued application of all previous contract provisions now in force which are not inconsistent therewith, and will further provide for revision to all prior contract provisions effective in the 1979-1980 fiscal year in event of annexation; and

WHEREAS, the parties wish to restate the contract as it now exists so as to delete all material contained therein which is no longer relevant and to combine all presently effective provisions in one document so as to reduce the probability of future confusion;

NOW, THEREFORE, THIS AGREEMENT, made this 9 day of October, 1980, by and between the COUNTY SCHOOL BOARD OF JAMES CITY COUNTY, VIRGINIA, and the COUNTY OF JAMES CITY, VIRGINIA, parties of the first part, hereinafter known as "County" and the SCHOOL BOARD OF THE CITY OF WILLIAMSBURG, VIRGINIA, and the CITY OF WILLIAMSBURG, VIRGINIA, parties of the second part, hereinafter known as "CITY".

-1A-

A. The administration of the public schools operated under this Agreement in the City and County shall be vested in the School Board of the City and County, and all matters pertaining to the operation of schools under this Agreement shall be

111. ADMINISTRATION

2. Terminated by unilateral election to terminate either party, provided that both the School Board and the Governing Body of the jurisdiction desiring to terminate concur in such action. Such right of election may be exercised by said party at any time by filing a Petition in the Circuit Court for the City of Williamsburg and the County of James City, upon which the Court shall fix an appropriate time for the termination of said agreement, such termination to take place not less than one year nor more than three years after the filing of said Petition, and distribute the assets then jointly held by the parties as the equities may dictate. Such distribution shall be predicated upon the assumption that the contributions of the parties were equal at the inception of the joint school operation, and shall give credit to each party for funds thereafter provided for school construction, regardless of whether the funds provided by such party became available to it from local, state, federal or other sources. To the extent that distribution in kind of the assets then jointly held might not be practicable, the Court may require either the County or City to pay money, either immediately or over a period of time, as the equities may dictate.

1. It is terminated by mutual agreement of the parties,

or

A. This Agreement shall remain in full force and effect

until:

11. DURATION OF THIS AGREEMENT

B. Each of the said School Boards shall hold joint title to any other schools constructed under this Agreement regardless of the amount which may be expended by either party for additional construction or replacement as provided in Section IV and V of this Agreement.

A. The two School Boards hold joint title to the following schools: Matthew Whaley School, Bruton Heights School, Ramis Byrd School, Berkeley School, Norge Elementary School, James Blair School and Lafayette High School.

1. OWNERSHIP OF SCHOOLS

WITNESSETH: That in consideration of the mutual promises of each of the parties to the other, it is understood and agreed as follows:

determined at joint meetings of the School Boards. Decisions shall be made by majority of all members present and voting except that decisions relating to (a) hiring and retention of the superintendent, (b) location of new school facilities, and (c) appropriation of funds for or relating to the renovation of jointly owned capital facilities involving the hiring of an architect and/or the preparation of a feasibility report shall require a majority of those present and voting on the City Board and a majority of those present and voting on the County Board.

B. Each Board shall have the same number of members.

C. In the event that provision is made by law for the establishment of one School Board for both the City and County, there shall be equal representation of the City and County and the members present representing the City and County shall vote as above provided. Any provision herein which requires a majority of both Boards shall be construed to mean a majority of those representing the County and a majority of those representing the City.

D. A majority of the members of each Board must be present in order to constitute a quorum for any meeting.

IV. ADDITIONAL COMPENSATION

A. The costs of additional construction (including the cost of land, furniture, equipment, architects' fees, additions to existing buildings and City and County shall be borne by the City in that proportion that the number of pupils from the City bears to the total membership of the entire school system and by the County in that proportion that the number of pupils from the County bears to the total membership of the entire school system, both as determined by the actual membership as of December 1 of the year preceding that in which such construction is authorized and approved by the School Boards of the City and County. For the purposes of this paragraph "total membership" shall mean the total number of pupils attending from the City and County and shall not include pupils enrolled from other jurisdictions.

For example, if new school construction is authorized and approved by the School Boards on July 1, 1966, and the school membership of December 1, 1965, shows a total membership from City and County of 4,000 pupils, 1,000 of whom reside in the City and 3,000 of whom reside in the County, the City's share of construction costs will be 25 percent and the County's share will be 75 percent.

B. No construction shall be authorized other than at the sites of the James Blair, Matthew Whaley, Bruton Heights, Berkeley and Rawls Byrd Schools unless such additional construction be authorized by both School Boards approved by the governing bodies of the City and County.

V. COSTS SHARED EQUALLY

The following annual costs of the school system shall be borne equally by the City and County:

A. ADMINISTRATION. (Except compensation for the members of the School Boards which shall be borne by each of the respective jurisdictions.)

B. COORDINATE ACTIVITIES.

C. OPERATION OF SCHOOL PLANTS.

Any income derived from the use of schools or school property shall be divided equally.

IX. INCOME DERIVED FROM USE OF SCHOOL PROPERTY

The County agrees that it will provide at its own cost and expense an adequate transportation system to transport all County pupils to the several schools and, in addition, will transport such pupils of the City as shall be directed by the City School Board and the City School Board shall have the right to designate reasonable points within the City of Williamsburg where such pupils are to be loaded and unloaded. The City agrees to pay the reasonable cost incurred by the County in transporting pupils who are resident of the City, it being contemplated that the County is to be reimbursed for its reasonable costs taking into consideration the number of pupils transported and the number of miles traveled. The amount to be paid by the City shall be determined by vote of the Joint School Boards as provided in Section III and the decision of said School Boards shall be final.

X. TRANSPORTATION

A. The total costs of all of the schools shall be compared with the total membership of all the schools in allocating between City and County the sharing of costs set forth in Article IV and Article VI above.

B. The categories set forth in Article V, Paragraphs A through F, inclusive, and in Article VI, Paragraphs A through F, inclusive, are as set forth in Virginia State Board of Education, Form S-2, 6-1-64, entitled, DISBURSEMENTS, Sheet No. 2 and Sheet No. 3, copies of which are hereto attached as Exhibit "A" and incorporated herein and hereby made a part of this document.

XI. DEFINITIONS AND OTHER PROVISIONS

The following annual costs of the school system shall be borne on a per pupil basis with the share of each jurisdiction being determined in the manner herein provided for determining the share of costs of additional construction as set forth in Article IV above.

A. INSTRUCTION.

B. OTHER INSTRUCTIONAL COSTS.

C. OTHER AUXILIARY AGENCIES. (Cafeterias, except for the salary and transportation costs of the cafeteria supervisor which shall be shared equally.)

XII. COSTS SHARED ON PER PUPIL BASIS

The following annual costs of the school system shall be borne on a per pupil basis with the share of each jurisdiction being determined in the manner herein provided for determining the share of costs of additional construction as set forth in Article IV above.

A. CAPITAL OUTLAY. (Except for additional school buses and other costs in this category which are to be shared as set forth in Article IV above.)

B. FIXED CHARGES.

C. MAINTENANCE OF SCHOOL PLANTS.

X. SCHOOL OFFERINGS OR STANDARDS

A. The high schools shall provide a balanced type of program frequently referred to in Virginia as the "Comprehensive High School". This program shall be of such quality as to be accredited by the Southern Association of Colleges and Secondary Schools.

B. The elementary schools shall provide a modern type of program with qualified teachers, shall have classes of reasonable size, shall have instruction in the fields of music, fine arts and industrial arts, and physical and health education.

C. The offerings and quality of instruction are to be comparable to the offerings and instruction of other communities in the State similar in size which are recognized by the State Department of Education as providing a good educational program. Any changes in quality or standards of work from those previously existing in Williamsburg shall be toward an improved level rather than a lower standard of education.

XI. OTHER SCHOOLS

Each of the parties hereby agrees that all of the publicly educated pupils will attend consolidated schools operated under this Agreement unless a majority of both School Boards agree that other arrangements may be made for the education of said children.

XII. ENFORCEMENT OF THIS AGREEMENT

In the event that either the City or County shall fail to abide by any decision of the School Boards or fail in any way to comply with this Agreement, the other party may have, in addition to any other remedies at law or in Equity, the right to obtain an injunction against the use of the schools by the party in default upon such terms as the Court may prescribe.

XIII. CITY AND COUNTY CONTRIBUTIONS FOR FISCAL YEAR JULY 1, 1980 - JUNE 30, 1981

Notwithstanding the provisions of Articles IV, V, VI and VIII above, the following provisions shall govern City/County financial contributions for fiscal year commencing July 1, 1980 through June 30, 1981 at which time the provisions of Articles IV, V, VI and VIII shall again govern.

A. That for the year July 1, 1980 to June 30, 1981, the City of Williamsburg shall, on or before May 15, 1980, agree to contribute for the operation of the consolidated school system local funds in the amount of \$2,005,000. and the County of James City shall, on or before May 15, 1980, agree to contribute for the operation of the consolidated school system local funds in the amount of \$5,260,000.

B. Notwithstanding any other provision of the Contract dated January 14, 1954, as amended, for the year commencing July 1, 1980, and ending June 30, 1981, the School Board of the City and County shall determine in their sole judgment, without reference to said Contract, how the contributions set forth in paragraph A above shall be expended.

C. It is specifically agreed that the funding of the renovation of Matthew having previously been agreed upon is not a part of this amendment and shall be funded on a 50-50 basis.

IN WITNESS WHEREOF, and pursuant to resolutions adopted by the City School Board of Williamsburg, Virginia, on the 23rd day of October

19 80; the Council of the City of Williamsburg, Virginia, on the 9 day of October, 19 80; the County School Board of James City County, Virginia, on the 23rd day of October, 1980; and the Board of Supervisors of James City County, Virginia, in the day of _____, 19 _____, we hereunto affix our hands and seals.

Lynwood Johnson, Chairman
City School Board of Williamsburg

Joseph V. Grebb
Clerk to the Board

Vernon M. Caddy, Mayor
City of Williamsburg

Louis S. Dodie
Clerk of Council

Samuel Powell
Milt Garrett, Chairman
County School Board of James City

Joseph V. Grebb
Clerk to the Board

Jack M. Edwards, Chairman
Board of Supervisors
James City County

James B. Oliver, Jr.
Clerk to the Board

ATTEST:

0 0 0

0 0 0

APPENDIX B

Statistical Profile of the City of Williamsburg, James City County,
and the Area Proposed for Annexation

	<u>City of Williamsburg</u>	<u>James City County</u>	<u>Area Proposed for Annexation</u> ¹
Population (1980)	9,870	22,763	428
Land Area (Square Miles)	5.17	181.11	3.88
School Average Daily Membership (1981)	528	4,285	N/A
Total Taxable Values (1982)	\$318,490,734	\$894,078,315 ²	\$36,796,907
Real Estate Values (1982)	\$285,029,800	\$752,922,010 ²	\$36,111,700
Public Service Corporation Values (1982)	\$16,727,211	\$38,554,345	\$67,532
Personal Property Values (1982)	\$16,626,603	\$39,607,870	\$617,675
Machinery and Tools Values (1982)	\$7,090	\$53,968,680	-0-
Mobile Home Values (1982)	\$100,030	9,025,410	-0-
Taxable Sales (1982)	\$164,131,848	\$150,898,949	N/A
Existing Land Use (Acres) ³			
Residential	615	6,540	51
Commercial	344	2,270	27
Industrial	47	420	-0-
Public and Semi-public	1,296	10,300	786
Streets and Rights-of-way	278	N/A	309
Agricultural, Wooded, Vacant, or Other	717	75,200	1,311

NOTES

- N/A = Not Available
 1 - Estimated
 2 - Reflects use value assessment
 3 - Land use estimates were calculated in 1980 for the City, in 1981 for the County and in 1982 for the area proposed for annexation.

SOURCES

City of Williamsburg, City of Williamsburg vs. James City County Annexation Proceedings, Annexation Notice, Commission on Local Government, November 1982.

James City County, 1981 Update to the Comprehensive Plan, Land Use Element, February 23, 1982.


Virginia Department of Taxation, Taxable Sales Annual Report, 1982.

CITY OF WILLIAMSBURG, VIRGINIA AND ENVIRONS



BASE MAP PREPARED BY:
WILEY & WILSON, INC.
ENGINEERS-ARCHITECTS-PLANNERS

ADDITIONAL DATA OBTAINED FROM
CITY OF WILLIAMSBURG
JAMES CITY COUNTY

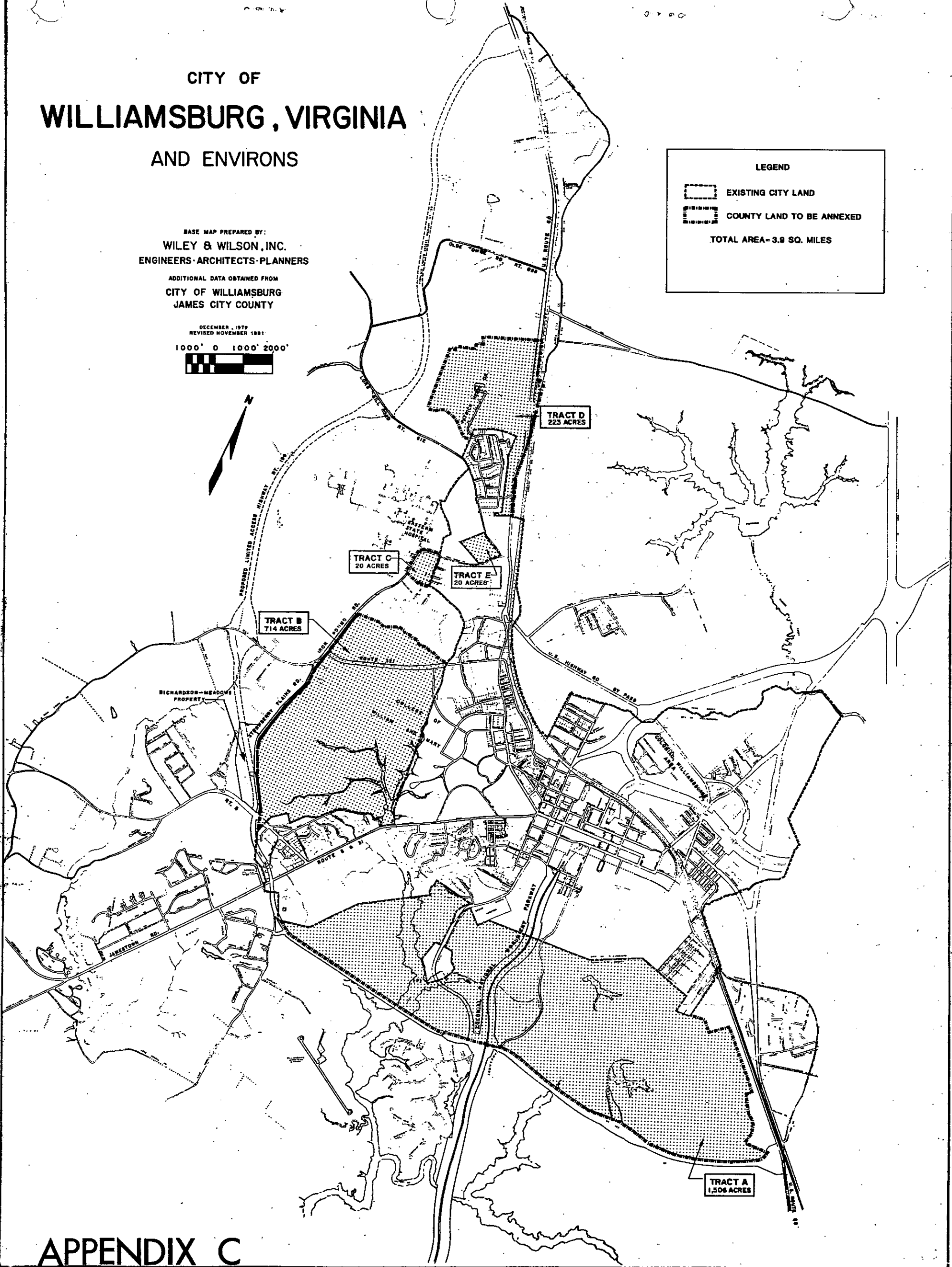
DECEMBER, 1979
REVISED NOVEMBER 1981
1000' 0 1000' 2000'




LEGEND

-  EXISTING CITY LAND
-  COUNTY LAND TO BE ANNEXED

TOTAL AREA-3.8 SQ. MILES



APPENDIX C