

**Report on the  
Town of Ashland - County of Hanover  
Voluntary Settlement Agreement**



**Commission on Local Government  
Commonwealth of Virginia**

**July 1995**

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of the  
Virginia Commission  
on  
Local Government**

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**REPORT ON THE  
TOWN OF ASHLAND - COUNTY OF HANOVER  
VOLUNTARY SETTLEMENT AGREEMENT**

**PROCEEDINGS OF THE COMMISSION**

On August 10, 1994 the Town of Ashland petitioned the Commission on Local Government, pursuant to the provisions of Section 15.1-1058.4 of the Code of Virginia, requesting that the Commission enter an order establishing the Town's right to annex by ordinance territory in Hanover County.<sup>1</sup> Consistent with the Commission's Rules of Procedure, the Town's petition was accompanied by data and materials supporting the request. The Town concurrently gave notice of its action to Hanover County and to three other political subdivisions with which it was contiguous or with which it shared functions, revenues, or tax sources. The Town's petition to the Commission advised that the municipality would continue to work toward an amicable resolution of this matter with the appropriate officials of Hanover County.<sup>2</sup>

Consistent with the express desire of the Town, negotiations between Ashland and Hanover County continued following the submission of the petition and ultimately resulted in a settlement agreement being negotiated

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<sup>1</sup>Town of Ashland, **Petition to Commission on Local Government for an Order Defining the Town's Future Annexation Rights** (hereinafter cited as **Town Annexation Petition**). Sec. 15.1-1058.4 of the Code of Virginia authorizes a town to petition the Commission for an order establishing its rights to annex territory by ordinance in the adjacent county when the governing bodies of two jurisdictions cannot negotiate an agreement to that effect pursuant to Sec. 15.1-1058.1 of the Code of Virginia. If, after a hearing on the petition and a review of the filings by the parties, and based upon the criteria set forth in Sec. 15.1-1041 of the Code of Virginia, the Commission finds the town's petition appropriate, it will enter an order granting the town the right to annex through the periodic adoption of ordinances. The entry of the Commission's order also permanently divests the town of its authority to seek independent city status.

<sup>2</sup>Ordinance, adopted by the Town Council, Town of Ashland, July 5, 1994. A copy of the ordinance accompanied the Town's petition to the Commission.

by the two jurisdictions. Pursuant to the provisions of Section 15.1-1167.1 of the Code of Virginia, the proposed interlocal agreement was submitted to the Commission on January 18, 1995, with the submission being accompanied by data and materials supporting the settlement.<sup>3</sup> The jurisdictions concurrently gave notice of the proposed agreement to eight other localities with which they were contiguous or with which they shared functions, revenues, or tax sources. The proposed agreement contains provisions which would (1) grant the Town an annexation of 3.1 square miles of territory in Hanover County; (2) establish a moratorium on further Town-initiated annexations for a period of 25 years subsequent to the effective date of the specified annexation; (3) require the Town's waiver of its authority to seek city status for a period of 25 years, or until the County seeks city status, whichever comes first; (4) transfer the Town's water and sewer systems to the County; (5) designate specific land use categories for all properties annexed by the Town; and (6) establish a special County overlay zoning district in a specified area outside of the expanded Town boundaries.<sup>4</sup>

In conjunction with the Commission's review of the proposed interlocal agreement, on March 20, 1995 the members toured the territory proposed for annexation and other relevant areas and facilities in the Town and County and received oral presentations from the parties. In addition to its receipt and consideration of materials and testimony from the Town and County, the Commission also solicited comment from other potentially affected local governments and from the public. Each locality qualifying for notice of the proposed agreement under the Commission's Rules of

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<sup>3</sup>Town of Ashland and County of Hanover, **Notice by the Town of Ashland and the County of Hanover of their Intent to Petition for Approval of a Voluntary Settlement Agreement** (hereinafter cited as **Joint Settlement Notice**).

<sup>4</sup>Voluntary Settlement Agreement between the Town of Ashland and the County of Hanover (hereinafter cited as Voluntary Settlement). See Appendix A for a complete text of the Voluntary Settlement.

Procedure was invited to submit testimony for consideration. Further, the Commission held a public hearing, which was advertised in accordance with its Rules of Procedure, on the evening of March 20, 1995 in Ashland. The public hearing was attended by approximately 55 persons and produced testimony from 7 individuals. In order to permit the receipt of additional comment, the Commission agreed to keep open its record for written submissions from the public through April 3, 1995.

### **SCOPE OF REVIEW**

The Commission on Local Government is directed by statute to review proposed annexations, petitions for partial county immunity, other local boundary change and transition issues, as well as negotiated agreements settling such matters prior to their presentation to the courts for ultimate disposition. Upon receipt of notice of such proposed action or agreement, the Commission is directed "to hold hearings, make investigations, analyze local needs" and to submit a report containing findings of fact and recommendations regarding the issue to the affected local governments.<sup>5</sup> With respect to a proposed agreement negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia, the Commission is required to determine in its review "whether the proposed settlement is in the best interest of the Commonwealth."

As we have noted in previous reports, it is evident that the General Assembly encourages local governments to attempt to negotiate settlements of their interlocal concerns. Indeed, one of the statutory responsibilities of this Commission is to assist local governments in such efforts. In view of this legislative intent, the Commission believes that proposed interlocal agreements, such as that negotiated by the Town of Ashland and Hanover

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<sup>5</sup>Sec. 15.1-945.7(A), Code of Va.

County, should be approached with respect and a presumption of their compatibility with applicable statutory standards.

The Commission notes, however, that the General Assembly has decreed that interlocal agreements negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia be reviewed by this body prior to their final adoption by the local governing bodies. We are obliged to conclude, therefore, that while interlocal agreements, such as that currently before this Commission, are due respect and should be approached with a presumption of their consistency with statutory standards, such respect and presumption cannot be permitted to render our review a **pro forma** endorsement of any proposed settlement. Our responsibility to the Commonwealth and to the affected localities requires more.

**GENERAL CHARACTERISTICS OF THE TOWN,  
THE COUNTY, AND THE AREA PROPOSED FOR ANNEXATION**

**TOWN OF ASHLAND**

The Town of Ashland was chartered by the General Assembly in 1858 as a village with the powers of an incorporated town.<sup>6</sup> The Town has been a center of commerce and education in Hanover County since its incorporation. Demographic data indicate that the Town of Ashland experienced significant growth during the prior decade, with its populace increasing between 1980 and 1990 by 26.4%<sup>7</sup> A population estimate for 1992 placed the Town's populace at 6,017, a further increase of 2.6% since

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<sup>6</sup>**Joint Settlement Notice**, Tab "General Data," p. 2.

<sup>7</sup>U. S. Department of Commerce, Bureau of the Census, **1980 Census of Population, General Population Characteristics, Virginia**, Table 14; and **1990 Census of Population and Housing, Summary Population and Housing Characteristics, Virginia**, Table 2. The Town's 1990 population represented 9.3% of Hanover County's total populace as of that date.

the preceding decennial census.<sup>8</sup> Based on its land area of 4.0 square miles and the 1992 population estimate, the Town has a population density of 1,504 persons per square mile.<sup>9</sup>

The evidence indicates that the Town's population contains an elderly component larger than that of the State as a whole and that its residents had a per capita income at the end of the prior decade substantially less than that of the Commonwealth generally. Data reveal that, as of 1990 (the most recent year for which data are available), 13.2% of the Town's population was age 65 years or older, while the comparable figure for the State collectively was 10.7%.<sup>10</sup> However, as a consequence of the concentration of college students in the municipality, the median age of Ashland residents in 1990 was only 27.9 years, a statistic substantially less than that for the Commonwealth generally (32.6 years).<sup>11</sup> The presence of college students in Ashland contributed to the fact that, as of 1990, one-quarter of the

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<sup>8</sup>Weldon Cooper Center for Public Service, University of Virginia, "Census County, City, and Town Estimates: April 1990, July 1992."

<sup>9</sup>**Joint Settlement Notice**, Tab "General Data," p. 5. The Town's last boundary expansion, which occurred in 1977, increased the size of Ashland by 3.0 square miles and added 1,645 persons to the Town's population. (*Ibid.*, Tab "Prior Annexation," p. 1.) See Appendix B for a statistical profile of the Town, the County, and the area proposed for annexation. See Appendix C for a map of the Town and the area proposed for annexation.

<sup>10</sup>**1990 Census of Population and Housing, Summary Population and Housing Characteristics, Virginia**, Table 2.

<sup>11</sup>*Ibid.* The median age of Ashland residents is significantly affected by the fact that Randolph-Macon College is located within the Town. In the fall of 1994 it was estimated that 915 Randolph-Macon College students lived in dormitories or other college-owned housing located within the Town. (Sarah Hopkins Finley, Special Counsel, Town of Ashland, letter to staff of Commission on Local Government, Mar. 17, 1995.)

Town's population was between the ages of 18 and 24.<sup>12</sup> With respect to income, the U. S. Bureau of the Census reported that as of 1989 the per capita income of Ashland residents was \$12,196, a statistic only 77.6% of that of Virginia generally (15,713).<sup>13</sup>

In terms of the Town's physical development, recent land use data indicate that 28.4% of the municipality's total area is devoted to residential development, 12.0% to commercial enterprise, 1.4% to industrial activity; 9.4% to public or semi-public uses, 8.0% to railroads and public rights-of-way, with 40.8% (1,064 acres) remaining undeveloped.<sup>14</sup> Of the undeveloped property, however, 458 acres are situated in areas where development is constrained by environmental factors such as restrictive soil conditions, wetlands, stream corridors, and flood plains. Exclusive of this land affected by environmental constraints, the Town retains approximately 606 acres, or 23.3% of its total land area, vacant and suitable for development.<sup>15</sup>

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<sup>12</sup>1990 Census of Population and Housing, Summary Population and Housing Characteristics, Virginia, Table 2.

<sup>13</sup>U. S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, Summary Social, Economic, and Housing Characteristics, Virginia, Table 10. See Appendix D for a statistical summary of the changes experienced by the Town of Ashland on various demographic, social, and economic variables during the decade of the 1980s.

<sup>14</sup>Joint Settlement Notice, Tab "Town's Need to Annex," Table 1.

<sup>15</sup>Ibid., Table 2; and Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.



## COUNTY OF HANOVER

The County of Hanover was created by the Virginia General Assembly in 1720 from territory formerly part of New Kent County.<sup>16</sup> As in the case of the Town, Hanover County experienced growth in its population base during the decade of the 1980s, with its populace increasing from 50,398 to 63,306 persons, or by 25.6%.<sup>17</sup> The official population estimate for 1992 placed the County's populace at 67,725, an increase of 7.0% since the preceding decennial census. Based on its land area of 471 square miles and the 1992 population estimate, the County has an overall population density of 144 persons per square mile.<sup>18</sup>

With respect to the nature of its population, statistical indices disclose that the age profile of the County's populace is comparable to that of the State generally but that the income level of its residents exceeds that of the Commonwealth overall. Data indicate that, as of 1990, approximately 10.6% of the County population was age 65 or over, a statistic that is somewhat less than that for the Town (13.2%) but virtually the same as that for the State as a whole (10.7%).<sup>19</sup> However, Bureau of the Census data reveal that the median age of County residents in 1990 was 34.5 years, a figure slightly in excess of that of the State overall (32.6 years) and considerably higher than

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<sup>16</sup>J. Devereux Weeks, Dates of Origin of Virginia Counties and Municipalities (Charlottesville: Institute of Government, University of Virginia, 1967).

<sup>17</sup>1980 Census of Population, General Population Characteristics, Virginia, Table 14; and 1990 Census of Population and Housing, Summary Population and Housing Characteristics, Virginia, Table 2.

<sup>18</sup>Joint Settlement Notice, Tab "General Data," p. 5.

<sup>19</sup>1990 Census of Population and Housing, Summary Population and Housing Characteristics, Virginia, Table 2. The data for Hanover County include that for the residents of the Town of Ashland.

that of the Town (27.9 years), where the dormitory population of Randolph-Macon College is concentrated.<sup>20</sup> In terms of income, according to U. S. Bureau of the Census data the per capita income of County residents in 1989 was \$16,463, a statistic 104.8% of that of the State generally, but 35.0% greater than that in Ashland (\$12,196).<sup>21</sup> Moreover, viewed from an alternate statistical perspective, and based upon more recent data, the median adjusted gross income on all State tax returns for 1992 from the County was \$28,911, a measure 24.3% in excess of that in the Commonwealth overall (\$23,261).<sup>22</sup>

In terms of the nature of its development, data indicate that although Hanover County has experienced significant demographic and commercial growth, it remains largely rural. Land use data for 1992 (the most recent year for which data are available) reveal that 9.2% of the County's total area was devoted to residential usage; 1.3% was engaged in commercial or industrial activity; 2.7% was committed to public, semi-public, or miscellaneous purposes; while 86.8% remained wooded, vacant, or engaged in agricultural production.<sup>23</sup> Further, data published by the U. S. Census reveal that Hanover County, as of 1992, contained 547 farms, which collectively occupied a total of 96,282 acres (approximately 150 square

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<sup>20</sup>Ibid.

<sup>21</sup>1990 Census of Population and Housing, Summary Social, Economic, and Housing Characteristics, Virginia, Table 10. See Appendix E for a statistical summary of the changes experienced by Hanover County on various demographic, social, and economic variables during the decade of the 1980s.

<sup>22</sup>Samuel R. Kaplan, 1992 Virginia AGI (Charlottesville: Weldon Cooper Center for Public Service, University of Virginia, 1994), Table A1.

<sup>23</sup>County of Hanover, Hanover County, Virginia, Comprehensive Plan, Vision 2012 (hereinafter cited as County Comprehensive Plan), June 1994, Sec. 3, p. 12.

miles).<sup>24</sup> Moreover, according to information published in 1991 by the U. S. Forest Service, there were 178,181 acres (approximately 278 square miles) in Hanover County then classified as "timberland."<sup>25</sup>

While the above data attest to the County's overall rural nature, employment statistics indicate that the County has experienced substantial growth and diversification in its economy. Between 1980 and 1990 the number of nonagricultural wage and salary employment positions in the County rose from 16,169 to 26,570, or by 64.3%.<sup>26</sup> Employment statistics for the quarter ending March 1994 placed the number of nonagricultural wage and salary positions in the County at 28,460, a further increase of 7.1% since the beginning of the decade.<sup>27</sup> Over 66% of those positions were either in wholesale and retail trade activity (9,493), the services sector

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<sup>24</sup>U. S. Department of Commerce, Bureau of the Census, **1992 Census of Agriculture, Virginia**, Table 1, p. 167. In 1992 the average market value of agricultural products sold by farms in Hanover County was \$38,255, while the comparable figure for the State collectively was \$48,694.

<sup>25</sup>U. S. Department of Agriculture, Forest Service, **Forest Statistics for the Coastal Plain of Virginia, 1991**, Table 1. The Forest Service defines "timberland" as property being at least 16.7% stocked by forest trees of any size, or formerly having had such tree cover and not currently developed for nonforest use, capable of producing 20 cubic feet of industrial wood per acre per year, and not withdrawn from timber utilization by legislative action. Such property may also be included in the Census Bureau's definition of "farm land."

<sup>26</sup>Virginia Employment Commission, "ES-202 Covered Employment and Wages File, Annual Average Employment," (unpublished data for 1980 and 1990), Apr. 1992.

<sup>27</sup>Virginia Employment Commission, "Covered Employment and Wages in Virginia by 2-Digit SIC Industry for Quarter Ending March 31, 1994 - Hanover County." The data for Hanover County included that for the residents of the Town of Ashland.

(4,689) or manufacturing (4,638).<sup>28</sup> In sum, while Hanover County experienced substantial population growth during the past decade and a diversifying economy, the County retains much of its rural character.

### **AREA PROPOSED FOR ANNEXATION**

The area proposed for annexation in the agreement between the Town of Ashland and Hanover County consists of two separate parcels, which collectively contain 3.1 square miles of territory, 243 persons, and, based on FY1993/94 data, \$50.3 million in assessed real property values subject to local taxation.<sup>29</sup> Thus, the area contains only approximately 0.7% of the County's total land area, 0.4% of its population, and 1.3% of its total FY1993/94 assessed real property values subject to local taxation.<sup>30</sup> Based on its area and the 1990 population estimate, the area proposed for annexation has a population density of 78 persons per square mile.

In terms of current development, the area contains three residential concentrations, commercial and industrial operations along U. S. Route 1, and several public facilities.<sup>31</sup> According to the most recent land use data, 8.7% of the area proposed for annexation is devoted to residential development, 9.0% to commercial enterprise, 10.1% to industrial activity,

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<sup>28</sup>**Ibid.**

<sup>29</sup>**Joint Settlement Notice**, Tab "General Data," pp. 5,6.

<sup>30</sup>**Ibid.**, p. 6.

<sup>31</sup>**Ibid.**, Tab "Community of Interest," Table 1. The major residential concentrations in the area proposed for annexation are located in the Jamestown Road, Woodside Drive, and State Route 612 areas. Public facilities include the Hanover Human Services Center, the offices of the Cooperative Extension Service and the Hanover and Caroline Soil and Water Conservation District Office. In addition, Hanover Academy, a private school, is located in that area to the east of Ashland.

0.8% to public and semi-public uses, 7.8% to railroads and public rights-of-way, with 63.6% of the area (1,254 acres) remaining vacant.<sup>32</sup> Exclusive of land restricted in its development potential due to environmental constraints, the area proposed for annexation contains 876 acres of vacant land generally suitable for development.<sup>33</sup> In sum, although the area proposed for annexation is predominantly vacant, it does contain several focal points of development.

### STANDARDS FOR REVIEW

As a previous section of this report has noted, the Commission on Local Government is charged with reviewing proposed interlocal settlements negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia to determine whether such settlements are "in the best interest of the Commonwealth." In our judgment, the State's interest in this and other proposed interlocal agreements is fundamentally the preservation and promotion of the general viability of the affected localities. In this instance the Commission is required to review an interlocal agreement which provides for (1) the annexation by the Town of Ashland of 3.1 square miles of territory in Hanover County; (2) the establishment of a moratorium on further Town-initiated annexations for a period of twenty-five years subsequent to the effective date of the specified annexation; (3) the waiver by the Town of its authority to seek city status for a period of twenty-five years, or until the County seeks city status, whichever comes first; (4) the transfer to the County of the Town's water and sewerage systems; (5) the designation of certain land use categories in areas annexed; and (6) the establishment of a special County overlay zoning district in specified areas outside of the expanded Town boundaries. A proper analysis of the

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<sup>32</sup>Ibid., Tab "Town's Need to Annex," Table 1.

<sup>33</sup>Ibid., Table 2.

proposed Town of Ashland - County of Hanover settlement agreement, as mandated by statute, requires consideration of these provisions with respect to the future viability of the two jurisdictions.

### **INTERESTS OF THE TOWN OF ASHLAND**

#### **Land for Development**

As noted previously, the Town of Ashland currently has within its boundaries approximately 1,064 acres of undeveloped land, constituting 40.8% of its total land area.<sup>34</sup> Of this vacant land, however, approximately 458 acres are located in areas where development is constrained by environmental factors such as adverse soil conditions, wetlands, stream corridors, and flood plains. While this Commission recognizes that restrictive soil conditions, wetlands, or vulnerability to flooding are not absolute barriers to development, those factors are impediments which render such property less attractive to potential developers. Exclusive of such property restricted in its development potential by those environmental constraints, Ashland contains 606 acres, or 23.3% of its total land area, vacant and amenable to development.<sup>35</sup>

The proposed annexation would bring within the Town of Ashland approximately 1,876 acres of vacant land generally suited for development, with significant portions of that property traversed by U. S. Route 1 and with another portion having direct access to Interstate Highway 95.<sup>36</sup> The development potential of the area proposed for annexation is suggested by the development which has occurred adjacent to the Town's present

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<sup>34</sup>**Ibid.**, Table 1.

<sup>35</sup>**Ibid.**, p. 4.

<sup>36</sup>**Ibid.**, Table 1.

corporate limits.<sup>37</sup> The proposed annexation, in our view, will provide the Town with a significant amount of vacant land with considerable development potential and would, thereby, substantially enhance Ashland's viability.

### **Fiscal Assets and Public Service Liabilities**

**Fiscal Assets.** The Town of Ashland, which is a focal point for development in a corridor crossing the central portion of the County from Mechanicsville to Doswell, has experienced growth in its property values comparable to that which has occurred in the unincorporated portion of the County. In terms of property assessments, the total assessed real estate and public service corporation values in Ashland increased from \$83.2 million in FY1983/84 to \$264.3 million in FY1993/94, or by 218%. During the same period, such values in the unincorporated portion of Hanover County rose from \$1,106.5 million to \$3,716.3 million, or by 236%.<sup>38</sup> Moreover, with respect to revenues derived from local sources, the data indicate that during the period in question the Town's total local-source revenue increased by 168%, while that of the County grew by 149%.<sup>39</sup> Thus, while the Town's real estate and public service corporation property values grew in recent years at a rate slightly less than those of the unincorporated portion of

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<sup>37</sup>The Commission observes that significant commercial development has already occurred in the southern portion of the area proposed for annexation adjacent to U. S. Route 1. In addition, Town officials have advised that Interstate Highway 95 - State Route 54 interchange in the area proposed for annexation has significant potential for immediate commercial development.

<sup>38</sup>Ibid., Tab "General Data," p. 8. The assessed values for Hanover County do not include those for properties located within the boundaries of the Town of Ashland.

<sup>39</sup>Ibid., p. 12.

Hanover County, Ashland exceeded the County in the rate of increase in total revenue extracted from its local revenue sources. The greater growth in Town revenues is due, in part, to an increase in Ashland's meals tax during the period.<sup>40</sup>

It might be observed here that the extent of commercial activity within the Town of Ashland has enabled that jurisdiction to reduce significantly the revenue demands placed on its property tax base. During FY 1993/94 Ashland derived less than 19% of its general fund local-source revenue from its various property taxes, and only 10.3% from its real estate tax base.<sup>41</sup> In contrast, the municipality generated nearly 50% of its general fund local-source revenue from the application of its meals (26.8%), lodgings (8.1%), and business license (14.5%) taxes. While the availability of the latter tax resources will enable a community to reduce its reliance on property taxes, they can constitute volatile and less predictable sources of revenue. Localities must be wary of an undue reliance on these sources of revenue.

The proposed agreement will permit the Town to annex an area containing in FY1993/94 an estimated assessed \$50.3 million in real property values, thereby increasing the Town's total of such values by approximately 20%.<sup>42</sup> Further, based on current assessment data, tax rates,

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<sup>40</sup>Ibid., p. 11. Between FY1983/84 and FY1993/94 the Town increased its meals tax rate from 1% to 4%. During that period, Ashland's receipts from the meals tax rose from \$101,899 to \$600,732, or by almost 490%.

<sup>41</sup>Town of Ashland, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 1994, Schedule 1. Of the 34 towns in Virginia with 1990 populations in excess of 3,000 persons, only three had lower real property tax rates in 1994 than the Town of Ashland (\$0.10 per \$100 of assessed value). (Virginia Department of Taxation, Virginia Local Tax Rates: Tax Year 1994, Table 3.)

<sup>42</sup>Ibid., pp. 5,6.



fee structures, and State aid formulae, the area proposed for annexation is expected to generate, in total, approximately \$281,500 in additional general fund revenue for the Town during the first year following the annexation.<sup>43</sup> The additional receipts would represent an amount equivalent to 7.4% of the Town's total general fund revenue collections for FY1994/95.

**Public Service Liabilities.** While the proposed annexation will provide the Town of Ashland with additional revenues and the potential for future economic growth, it will concurrently present the municipality with increased public service responsibilities in the areas of administration, planning, policing, and public works. Under the terms of the agreement negotiated by the two jurisdictions, the Town is committed to providing general governmental services to the residents of the annexed area at the same level as is provided within the municipality.<sup>44</sup> However, since the proposed agreement effects the transfer of the Town's water and sewer systems to Hanover County following the effective date of the agreement, Ashland would be relieved of the responsibility for providing those utility services in the annexed area.<sup>45</sup> Overall, Ashland estimates that it will be

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<sup>43</sup>**Ibid.**, Tab. "Town's Ability to Serve Annexed Area," Tables 3,4. Ashland estimates that the area proposed for annexation will generate approximately \$185,000 in additional categorical and noncategorical State aid for the Town, consisting primarily of funds for the maintenance of public thoroughfares. (**Ibid.**, Table 3.)

<sup>44</sup>Voluntary Settlement, Sec. 3.2.

<sup>45</sup>In addition, following the transfer of the Town's water and sewer facilities to the County, Hanover County will assume Ashland's bonded indebtedness associated with those municipal systems. During FY1993/94, the Town's water and sewer enterprise fund debt was \$7.9 million, which represented 85.2% of Ashland's total bonded indebtedness. (Virginia Auditor of Public Accounts, **Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1994**, 1995, Exh. G.)

required to expend an additional \$347,310 in general fund monies for operational purposes during the first year following the effective date of the annexation, a statistic \$66,000 in excess of the Town's anticipated increase in receipts.

With respect to the impact of the proposed annexation on the Town's general fund, several points merit note. First, although Ashland estimates that the proposed annexation will result initially in an annual deficit in its general fund of approximately \$66,000, Town officials have indicated that the projected shortfall in that account can be defrayed by utilizing existing general fund balances.<sup>46</sup> Further, the proposed agreement calls for Hanover County to reimburse Ashland approximately \$80,000 annually for five years following the effective date of the annexation for the cash assets remaining in the Town's water and sewer enterprise funds at the time the County assumes ownership of those systems.<sup>47</sup> Moreover, projections by the Town indicate that growth in the area proposed for annexation will result in general fund revenues exceeding expenditures during the second and succeeding years following the effective date of the annexation.<sup>48</sup> Based on data cited previously, the Commission finds that the proposed annexation will bring within Ashland's boundaries a reasonable balance of fiscal assets and public service liabilities.

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<sup>46</sup>At the end of FY1993/94 Ashland had a balance in its general fund of approximately \$1.1 million. (**Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 1994**, Exh. 2.)

<sup>47</sup>Voluntary Settlement, Sec. 5.2.

<sup>48</sup>**Joint Settlement Notice**, Tab "Town's Ability to Serve Annexed Area," Table 4. Ashland estimates that during the second year following the effective date of the annexation, general fund revenues will exceed expenditures by approximately \$94,000, and by the fourth year following the date of annexation the areas annexed will generate a surplus of approximately \$107,000.

### Other Provisions

In addition to the benefits of the annexation cited above, the proposed agreement between the Town of Ashland and Hanover County carries other beneficial consequences for the Town. First, the agreement calls for Hanover County to contribute to the Town \$100,000 annually for five years for the purpose of funding capital improvements to assist Ashland's revitalization and economic development.<sup>49</sup> While Ashland will be the immediate beneficiary of these funds, any enhancement to the Town's fiscal base will have positive ramifications for Hanover County. Second, under the terms of the proposed agreement, the County will amend its zoning ordinance to establish a special overlay district, know as the Ashland Area Overlay District, in specified areas adjacent to the boundaries of the expanded Town.<sup>50</sup> The new overlay district will establish enhanced development standards for commercial and industrial uses, as well as provisions allowing cluster development patterns in residential areas. In brief, the Ashland Area Overlay District will enhance the character of development in the County contiguous to Ashland, give added protection to

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<sup>49</sup>Voluntary Settlement, Sec. 6.1. Under the terms of the proposed agreement, funds from the special account are to be expended on capital improvements "concentrated" in the U. S. Route 1 and State Route 54 East corridors. The settlement agreement also specifies that projects constructed using the County funds should focus on highway and road improvements and extensions, the relocation or extension of utility lines, drainage improvements, construction of curbs, gutters, sidewalks and parking lots, and landscaping in business and industrial areas.

<sup>50</sup>Ibid., Secs. 4.2, 4.3. Overlay zoning districts impose requirements that are in addition to those of an underlying district. Developments within the overlay zone must conform to the requirements of both zoning districts or the more restrictive of the two. (Virginia Citizen Planning Association and Virginia Department of Housing and Community Development, The Language of Planning, Community Planning Series, Vol. V, June 1986, p. 24.) The Ashland Area Overlay District will apply to the unincorporated territory, identified in the agreement as Planning Areas "A" and "B," adjacent to the enlarged Town.

the entrances to the Town, and preserve open space in the affected areas.<sup>51</sup> In sum, these various provisions are features of the proposed agreement which are, in our judgment, in the best interest of the Town of Ashland.

## **INTERESTS OF THE AREA PROPOSED FOR ANNEXATION**

### **Community of Interest**

One of the factors appropriate for consideration in any annexation issue is the strength of the community of interest which joins the area proposed for annexation to the adjacent municipality. In this instance, the evidence suggests that there exists a significant degree of interdependence between the area proposed for annexation and the Town of Ashland. First, data reveal that the Town provides directly or supports the provision of several public services for that area and its residents. The Commission notes that the Town is presently providing water and sewer services to a number of commercial and industrial concerns located in that area.<sup>52</sup> Further, the Town's recreational facilities are presently accessible to residents of the general area and are utilized by persons in the area proposed for annexation.<sup>53</sup> Furthermore, located within the Town is the volunteer fire department and rescue squad which serves both Ashland and

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<sup>51</sup>Under the terms of the agreement, the Town must approve any reduction in the development standards of the zoning overlay district.

<sup>52</sup>The Commission notes that utility lines emanating from the Town presently provide water service to 20 industrial and 3 commercial connections and sewer service to 14 industrial and 2 commercial connections located in the area proposed for annexation. (Finley, letter to staff of Commission on Local Government, March 17, 1995.)

<sup>53</sup>According to Town records, 90 nonresidents purchased permits to utilize Ashland's municipal swimming pool in 1994. (Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.)

the proposed annexation area. Moreover, the Ashland police department routinely responds to emergency calls for service within that area.<sup>54</sup>

Second, the evidence reveals that Ashland is a major focal point of commercial activity serving the area proposed for annexation and the general environs. In this regard, we note that, as of 1992, sales by retail and wholesale establishments located in the Town comprised approximately 40% and 28%, respectively, of the total of such sales in Hanover County overall.<sup>55</sup> It is reasonable to infer that the Town's commercial establishments serve to a substantial extent the needs of residents and businesses in the areas adjacent to the municipality.

Third, the presence of approximately 35 public/semi-public and professional facilities in the Town increases the relationship between the municipality and its nearby residents. Those facilities include State and federal offices, a branch of the Pamunkey Regional Library, elementary schools, 13 churches, and three medical centers. This concentration of facilities in Ashland contributes to the community of interest which ties the Town to its adjacent areas.<sup>56</sup>

Finally, portions of the area proposed for annexation have an urban character and service needs which more closely parallel those of the Town

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<sup>54</sup>Town Annexation Petition, Tab "Urban Services," p. 59.

<sup>55</sup>U. S. Department of Commerce, Bureau of the Census, 1992 Census of Retail Trade, Virginia, Oct. 1994, Table 4; and U. S. Department of Commerce, Bureau of the Census, 1992 Census of Wholesale Trade, Virginia, Oct. 1994, Table 4. A 1992 study of the Town revealed that Ashland had within its corporate limits four main retail centers containing collectively 115 stores serving a primary and secondary market area comprised of approximately 13,000 persons. (Greenburg Development Services, Downtown Ashland: Market Analysis and Implementation Program, Mar. 1992.)

<sup>56</sup>Joint Settlement Notice, Tab "Community of Interest," p. 1, Tables 1-4.

than the outlying portions of Hanover County. With respect to the nature of those areas, a number of developments along U. S. Route 1 south of Town are, in our judgment, essentially extensions of development patterns originating within the Town.

For the reasons cited above, the Commission finds that the area proposed for annexation has a strong and pervasive community of interest with the Town of Ashland. Such a community of interest supports the proposed annexation.

### **Need for Urban Services**

The 3.1 square miles of territory proposed for annexation by the Town of Ashland are estimated to contain a population of 243 persons, giving the area a population density of only 78 persons per square mile. With respect to its prospective future conditions, the current Hanover County comprehensive plan, which is based upon an in-depth analysis of the County's needs and projected growth, calls for development to occur in the areas adjacent to Ashland where there is "existing urban infrastructure...in order that urban services can be most economically provided."<sup>57</sup> Thus, the County's long range planning contemplates that the area proposed for annexation will experience development and, accordingly, will increasingly need urban services.

**Water and Sewerage.** As noted in previous sections of this report, Hanover County will assume ownership and control of the Town of Ashland's sewer and water systems following the effective date of the proposed

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<sup>57</sup>**County Comprehensive Plan**, Sec. 2, p. 3. The County's comprehensive plan also designates the Town and its environs one of the best areas in the County to accommodate future growth. (*Ibid.*, Sec. 3, p. 20.)

agreement.<sup>58</sup> The merger of the two utility systems will place upon Hanover County the responsibility for addressing the water and sewer needs of the residents and businesses located in the area proposed for annexation. The Town's water and sewerage systems, which are currently the only ones available to serve the Ashland area, will be integrated into the County's utility operations, thereby facilitating a comprehensive approach to Hanover County's utility concerns.

With respect to addressing the need for water in the areas adjacent to the Town, Ashland's treatment plant which utilizes the South Anna River as its raw water source, can receive and treat 2.0 million gallons per day (MGD).<sup>59</sup> Since the connections served by the Town's system consumed in 1993 approximately 0.95 MGD, the municipal system retains an unused capacity of 1.05 MGD.<sup>60</sup> The Town's water distribution system currently serves approximately 2,000 connections, covering virtually all dwelling units in the municipality with 25 of the connections located in the area proposed for annexation.<sup>61</sup> A majority of the residents in that area, however, rely on

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<sup>58</sup>The agreement also provides that all Town utility employees will have the option to become County employees and be paid comparable salary and benefits, assuming satisfactory performance, for at least one year. (Voluntary Settlement, Sec. 5.8.) Subsequent to the negotiation of the proposed settlement, the Town and County concluded a separate agreement whereby Hanover County assumed operational control, but not ownership, of Ashland's utility systems on April 1, 1995, and existing Town utility personnel commenced employment with the County as of that date.

<sup>59</sup>**Joint Settlement Notice**, Tab "Urban Services," p. 3. The Town's water treatment plant, which was constructed in 1965 and upgraded in 1984, is located approximately four miles west of Town on State Route 54.

<sup>60</sup>**Ibid.**

<sup>61</sup>Finley, letter to staff of the Commission on Local Government, Mar. 17, 1995. Ashland's water system also serves 124 connections in the unincorporated portion of the County beyond the area proposed for annexation. As of 1990, approximately 94% of the dwelling units in Ashland were connected to the Town's water system. (**Ibid.**) Also located in the area proposed for annexation is the Town's interconnection with the County's

individual wells with no reported evidence of any significant sanitation problem.<sup>62</sup> These statistics indicate that the County should be able to meet the needs of Ashland and the adjoining areas utilizing the water treatment facilities currently belonging to the Town.<sup>63</sup>

In terms of sewerage, the Town's wastewater treatment plant, which was constructed in 1992, has a rated capacity of 2.0 MGD. In 1993 the plant received an average daily flow of 1.08 MGD, leaving an unused reserve of 0.92 MGD, or 46.0% of its rated capacity.<sup>64</sup> The Town's sewage collection system currently provides service to approximately 2,000 connections, covering virtually all dwelling units in the municipality and 17 connections in the area proposed for annexation.<sup>65</sup> Most of the residents of the area

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Mechanicsville - Chickahominy water system. Under the terms of a previous interlocal agreement, Ashland provides 0.5 MGD of treated water to the County to serve that area. (County Comprehensive Plan, Sec. 5, p. 91.) The Town's water distribution system is supported by three storage facilities with a collective capacity of 2.4 million gallons (MG). In addition, Ashland maintains two back-up storage tanks which have a combined capacity of 0.8 MG. (Joint Settlement Notice, Tab "Urban Services," p. 4.)

<sup>62</sup>Town officials have indicated that they are unaware of any notable well contamination problems in the area proposed for annexation. (Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.)

<sup>63</sup>J. K. Timmons and Associates, Ashland Water System Evaluation, (draft). In preparation for assuming ownership of the Town's water utility, Hanover County subjected the municipal water treatment plant and distribution system to an evaluation by a consulting firm. While the consultant's report noted that the municipal water lines and storage tanks were generally in good condition, several projects to correct minor deficiencies at the treatment plant or to upgrade that facility to meet current State regulations were proposed.

<sup>64</sup>Joint Settlement Notice, Tab "Urban Services," p. 9.

<sup>65</sup>Finley, letter to staff of the Commission on Local Government, Mar. 17, 1995. Data from the 1990 Census indicate that 93.1% of the dwelling units in Ashland were connected to Town sewer lines at that time. (Ibid.) In the area proposed for annexation, Town sewer lines serve 2 commercial, 14 industrial, and 1 institutional connections. In addition, pursuant to a



proposed for annexation, however, are currently dependent on individual septic tanks.<sup>66</sup>

While the data cited above indicate that the Town's sewage treatment capacity can accommodate the prospective needs of the areas on Ashland's periphery, a recent inspection of the municipal system by County representatives identified concerns regarding the structural integrity of some of the facilities located at the treatment plant, as well as problems with the infiltration of groundwater and the inflow of stormwater into municipal collection lines.<sup>67</sup> Although the structural problems at the municipal treatment plant do not affect its operation, the excess infiltration and inflow into the sewer lines will affect the County's ability to utilize fully the capacity in the wastewater treatment facility.<sup>68</sup>

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previous interlocal agreement with the County, the Town also treats wastewater collected from the Best Products distribution facility and residential subdivision located beyond the area proposed for annexation. (Ibid.; and Joint Settlement Notice, Tab "Urban Services," p. 11.)

<sup>66</sup>Information provided by the Town indicate that there are no reports of septic tank failures in the area proposed for annexation. (Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.)

<sup>67</sup>J. K. Timmons and Associates, Ashland Wastewater System Evaluation, (draft). The consultant's review of the Town's wastewater facility found cracks and leaks in several structures that are components of the treatment process. (Ibid., p. 11.) According to the consultant's report, those deficiencies have existed since the plant was placed in operation in 1992, and the Town has completed several studies to identify the source of the problem. In addition, the report noted that although Ashland has repaired or replaced a number of its sewage collection lines over the past 15 years, there have been periods when the wastewater flows through the municipal sewage treatment facility exceeded the amount of potable water produced by approximately 100% due to the infiltration and inflow. The consultant's evaluation found, however, that the infiltration and inflow through the Town's sewage treatment plant did not exceed that facility's rated capacity. (Ibid., p. 23.)

<sup>68</sup>The consultant's analysis of the Town's sewage treatment plant noted that the facility was in compliance with its State operating permit. (Ashland Wastewater System Evaluation, p. 3.)

In terms of the County's ability to assume responsibility for meeting the utility needs of the Town and the area proposed for annexation, the Commission notes that in 1975 the Hanover County Board of Supervisors established a public utilities department.<sup>69</sup> This department has a staff of more than 50 persons to administer and oversee the operations of the County's utility systems. With respect to facilities, the County owns major public water and sewer systems which serve the Doswell area north of Ashland and the Mechanicsville - Chickahominy "Urban Service Area" in the southern portion of the County.<sup>70</sup> Further, Hanover County operates several small water and wastewater treatment systems scattered throughout its jurisdiction.<sup>71</sup> Collectively, the County's water and sewer systems serve a customer base of approximately 9,200 households and businesses.<sup>72</sup> It is important to note that the County's public utility operations are enterprise

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<sup>69</sup>County Comprehensive Plan, Sec. 5, p. 89.

<sup>70</sup>Ibid., pp. 90-94. The County's utility systems in the Doswell area include a 3.5 MGD water treatment plant and distribution system and a 1.0 MGD wastewater treatment plant and collection system primarily serving two major industrial operations. The Mechanicsville - Chickahominy water system, which in 1993 served approximately 8,700 customers, is supported by a 3.2 MGD well system, as well as purchases of potable water from Henrico County and the Town of Ashland. The County also collects sewage emanating from the Mechanicsville - Chickahominy area which is treated at the Henrico County wastewater treatment plant pursuant to an intergovernmental agreement. The Mechanicsville - Chickahominy wastewater collection system was estimated to serve as of 1993 approximately 8,500 customers in 1993.

<sup>71</sup>Ibid. In addition to the water and wastewater treatment systems serving the Hanover County courthouse complex and adjacent area, the County's public utilities department also operates water systems serving 12 isolated subdivisions and 8 schools and sewage treatment systems located at three public schools.

<sup>72</sup>Ibid., p. 90.

fund activities which are supported solely by user charges and connection fees without financial assistance from the general fund.<sup>73</sup>

The proposed consolidation of water and sewer service under Hanover County's direction will have beneficial consequences for the residents and businesses located in the area proposed for annexation by providing additional capacity to address their utility needs, by facilitating the extension of water and sewer lines in a coordinated manner, by promoting economies of scale, and by avoiding inappropriate redundancies. In regard to servicing the annexed area, the proposed agreement contains a provision by which Hanover County is committed to furnishing water and sewer service to new connections within the enlarged Town, subject only to available capacity.<sup>74</sup> With respect to that commitment, the County recently connected its Mechanicsville - Chickahominy water system to that operated by the Town, with the consequence that additional capacity will be available to serve the area proposed for annexation as it develops.<sup>75</sup> In terms of

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<sup>73</sup>Ibid., p. 89; and County of Hanover, 1994-95 Operating and Capital Improvements Budget, p. 11.

<sup>74</sup>Voluntary Settlement, Sec. 5.3. The proposed agreement commits the County to serving the enlarged Town by utilizing the excess capacity in its water and sewer systems in other portions of its jurisdiction as "may be reasonably available." Further, Hanover County also guarantees the continued availability of water and sewer services to existing connections to Ashland's utility systems. The Commission notes, however, that Hanover County's commitment to supply water and sewer service within the enlarged Town does not obligate the County to extend any new utility lines nor to make other improvements other than those specified in the proposed agreement.

<sup>75</sup>The interconnection between the Town and County water system, which is located on U. S. Route 1 south of Ashland, was constructed in 1993. In addition to improving service between the existing Town water system and the Mechanicsville - Chickahominy area, the interconnection will enable Hanover County to utilize water purchased from the City of Richmond to serve the central portion of its jurisdiction. Under the terms of a multijurisdictional agreement negotiated in 1994, Hanover County will purchase 20 MGD of potable water from Richmond once the County's new interconnection with the City is completed in the near future. Further, the

economies resulting from the merger of the utility systems which will benefit the residents of the area proposed for annexation, Ashland officials have indicated that since the southern portions of that area are located in a different drainage basin than that of the Town, it would be more cost effective for Hanover County to extend its sewer lines to serve those areas.<sup>76</sup> Indeed, the County's current capital improvements plan calls for such extensions.<sup>77</sup>

There are two other components of the proposed agreement affecting utilities which will be of benefit to the residents of the area proposed for annexation. First, the agreement calls for utility rates and connection fees for current Town water and sewer customers to be equalized with those imposed by the County in its Mechanicsville - Chickahominy "Urban Service Area."<sup>78</sup> Since those County utility rates are less than those charged by

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acquisition of the Town's water system will greatly assist the County's long-term plans to connect its water lines with those serving the Doswell area north of Ashland. (John H. Hodges, Director of Planning, County of Hanover, communication with staff of Commission on Local Government, June 20, 1995.)

<sup>76</sup>Town Annexation Petition, Tab "Terms and Conditions," p. 3.

<sup>77</sup>1994-95 Operating and Capital Improvements Budget; and Voluntary Settlement, Exh. F. Current County plans call for the extension of sewer interceptor lines from the Mechanicsville - Chickahominy Urban Service Area to areas south of Ashland. Town officials have indicated that those County sewer lines have been designed to accommodate wastewater flows from the southern portion of the enlarged municipality. (Town Annexation Petition, Tab "Terms and Conditions," p. 3.)

<sup>78</sup>Voluntary Settlement, Sec. 5.6. A comparison of utility rates by the Town in FY1992/93 revealed that residents of Ashland were charged \$36.65 a month per 5,000 gallons of water used for municipal water and sewer service. During the same period, residents of the County's urban service area paid a monthly rate of \$32.65 for the same service. (David W. Reynal, Town Manager, Town of Ashland, letter the staff of Commission on Local Government, June 14, 1995.) Although both jurisdictions have increased their utility rates subsequent to the Town's analysis, the utility rates in Hanover County's urban service area remain less than those charged by Ashland. The Commission notes that the 50% surcharge currently paid by

Ashland, this provision will reduce the cost of utility service to all residents connected to the municipal water and sewer systems.<sup>79</sup> Second, the proposed agreement requires the County to incorporate into its capital improvements plan specific water and sewer line extensions in the area proposed for annexation during the 11-year period following the effective date of the agreement.<sup>80</sup> Those utility improvements are intended to ensure that the future water and sewer needs in the area proposed for annexation will be properly addressed by Hanover County.<sup>81</sup> In sum, the proposed

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nonresident customers of the Town's water and sewer system will also be eliminated following the effective date of the agreement. (**Joint Settlement Notice**, Tab "Urban Services," pp. 5,12.)

<sup>79</sup>The merger of the Town and County water and sewer systems, however, will result in an increase in the connection fees charged to new utility customers. In 1994, the connection fees in the County's urban service area for water service was 83.3% higher than that imposed by the Town. During the same period, the fee charged by Hanover County for a new sewer connection was 116.7% higher than the Town's fee for such service. (**Joint Settlement Notice**, Tab "Urban Services," pp. 6-7, 12-14.)

<sup>80</sup>Voluntary Settlement, Sec. 5.5. The schedule for water and sewer improvements which will be incorporated into the County's capital improvements plan to serve the area proposed for annexation calls for the construction of sewage collection lines and force mains to serve the State Route 54 area east of Ashland and for the extension of a County sewer interceptor line from its Mechanicsville - Chickahominy system to serve the Ashcake Village area south of Town within two years following the effective date of the annexation. With respect to water, the scheduled improvements include the extension of lines into the northern, southern, and eastern portions of the area proposed for annexation during the 1997-2002 period. (**Ibid.**, Exh. F.) In addition to the service plan incorporated into the agreement, the settlement also permits the construction of any water or sewer line within the enlarged Town, if the cost for the extensions is borne by Ashland or private sources. Such extensions, however, must be authorized by the Town and built to County specifications.

<sup>81</sup>Under the terms of the proposed agreement, Ashland is authorized to initiate proceedings to rescind the transfer of its water and sewer systems to Hanover County, if the County fails to construct the annexation area utility improvements within the specified time frames. (Voluntary Settlement, Sec. 5.5.)

agreement will result in lower utility rates and in the extension of water and sewer lines to serve the annexed area.

**Solid Waste Collection and Disposal.** The Town of Ashland provides solid waste collection services to its residents on a weekly basis through contract with a private collector. The cost of this service is borne by the Town's general fund and is not supported by user charges.<sup>82</sup> Seasonal collection of leave and brush, as well as weekly curbside collection of recyclables, is also provided in residential areas through general fund expenditures.<sup>83</sup> Ashland does not provide, however, refuse collection to commercial, industrial, or institutional concerns. Those nonresidential users must contract privately for service.<sup>84</sup> Refuse collected within the Town is disposed of in a private landfill located in Chesterfield County.<sup>85</sup>

Hanover County does not provide any door-to-door solid waste collection services to individual residences. County residents can dispose of their household wastes at the County landfill or at six bulk containers dispersed throughout the County.<sup>86</sup> In addition, County residents, including those in the area proposed for annexation, have the option of contracting

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<sup>82</sup>**Joint Settlement Notice**, Tab "Urban Services," pp. 27-29. Approximately 1,250 residences within the Town receive weekly household refuse collection services from the municipality.

<sup>83</sup>**Ibid.**, pp. 52-53.

<sup>84</sup>Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.

<sup>85</sup>**Joint Settlement Notice**, Tab "Urban Services," p. 28.

<sup>86</sup>**Town Annexation Petition**, Tab "Urban Services," p. 50. The closest County solid waste bulk container to the Town is located in the Elmont community approximately 2.5 miles south of Ashland.

directly with private entities for collection services, with the cost of such services determined by the frequency of collection.<sup>87</sup>

Upon annexation the Town will extend its solid waste collection and disposal services to the annexed area.<sup>88</sup> Residents of that area should benefit from the Town's solid waste collection service. The general availability of publicly financed solid waste collection services promotes the use of that service, reduces the incidence of illegal disposal, and has a salutary effect on a community.

**Planning, Zoning, and Subdivision Regulation.** The Town of Ashland conducts its public planning efforts with the assistance of a planning commission and a comprehensive plan which was last revised in 1992.<sup>89</sup> Further, the Town has adopted a five-year capital improvements plan, as well as other subsidiary planning documents as components of its comprehensive planning process.<sup>90</sup> Furthermore, the Town has zoning and subdivision ordinances to assist in the management of its physical development. The Town's current zoning ordinance, which was adopted in 1979 and periodically revised since that date, contains special provisions

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<sup>87</sup>**Ibid.** Private contractors providing solid waste collection services to the area proposed for annexation charge an average of \$18.00 per month for residential collection.

<sup>88</sup>**Joint Settlement Notice**, Tab "Town's Ability to Serve Annexed Area," p. 3. Ashland estimates that its expenditures for solid waste collection and recycling services will increase by approximately \$19,500 as a result of the proposed annexation.

<sup>89</sup>**Ibid.**, Tab "Urban Services," p. 21.

<sup>90</sup>**Ibid.** The Town's current five-year capital improvements plan was adopted in 1995. Subsidiary planning instruments adopted by Ashland include a transportation plan for areas east of U. S. Route 1 and a downtown development plan. (**Ibid.**, p. 22; and Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.)

which apply along the major arterial highways that transit the Town.<sup>91</sup> Ashland's current subdivision ordinance, which was adopted in 1978, requires developers to meet the standards established by the Virginia Department of Transportation with respect to the construction of new subdivision roads and in regard to the installation of curbs, gutters, and sidewalks in all developments except those in the Agricultural/Residential zoning district.<sup>92</sup> At the present time the Town has a staff of two persons to assist in the administration and management of its planning and land development control instruments.

Hanover County also utilizes a planning commission and a comprehensive plan in its efforts to guide its development. The County's current comprehensive plan is augmented by a five-year capital improvements plan, which was adopted in 1994, and a zoning ordinance, adopted initially in 1959 and substantially revised in 1979.<sup>93</sup> Similar to the Town's ordinance, the County's zoning ordinance contains provisions for the screening and buffering of commercial operations along thoroughfares in some of its business and industrial zoning districts, and it establishes a special zoning overlay district for the protection of the U. S. Route 1 corridor south of Ashland.<sup>94</sup> Hanover County also administers a subdivision

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<sup>91</sup>Town of Ashland, **Zoning Ordinance** (hereinafter cited as **Town Zoning Ordinance**), Art. XXIV. In addition, the Town's zoning ordinance contains provisions requiring landscaping for multi-family, business, and industrial uses; prohibiting billboards, flashing signs, and portable signs; and requiring buffers and screening between residential and nonresidential zoning districts. (**Joint Settlement Notice**, Tab "Urban Services," p. 19.)

<sup>92</sup>Town of Ashland, **Subdivision Ordinance** (hereinafter cited as **Town Subdivision Ordinance**), Sec. 17-26 and Sec. 17-49.

<sup>93</sup>**Town Annexation Petition**, Tab "Urban Services," p. 10.

<sup>94</sup>County of Hanover, **Zoning and Subdivision Ordinances** (hereinafter cited as **County Zoning and Subdivision Ordinances**), Art. 5, Sec. 13.2, Art. 5A, Sec. 6, and Art. 7, Sec. 2B. The Commission notes, however, that while flashing and roof signs are prohibited in the County, billboards may be permitted as special exceptions in the B-3, M-2, and M-3 zoning districts.



ordinance, which was originally adopted in 1979.<sup>95</sup> Although the Hanover County subdivision ordinance contains elements similar to those of the Town, the County's regulations permit, in certain instances, the establishment of private streets.<sup>96</sup> Hanover County currently maintains a staff of 15 persons for the management and implementation of its various planning and development control activities.

Following the effective date of the annexation, the Town will extend its planning and development control instruments to the annexed area.<sup>97</sup> However, consistent with the terms of the proposed agreement, the Town will amend its zoning ordinance to add a new office/business zoning district for use in certain portions of the annexed area.<sup>98</sup> Although both the Town

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[Ibid., Art. 7, Secs. 3 (d), 3 (g), and 3 (h).]

<sup>95</sup>**Town Annexation Petition**, Tab "Urban Services," p. 11. The County's subdivision ordinance has been amended periodically to reflect the changing nature of development in Hanover County.

<sup>96</sup>**County Zoning and Subdivision Ordinances**, Title II, Sec. 5-32, Title III, and Title IV. The Commission notes that the County's ordinance has separate provisions for subdivisions of less than 10 acres, for those between 10 and 25 acres, and for those of more than 25 acres. Private streets are permitted within certain subdivisions of less than 10 acres and within all developments located in the other two categories of subdivisions.

<sup>97</sup>**Joint Settlement Notice**, Tab "Town's Ability to Serve the Annexed Area," p. 1. To assist in the extension of the Town's planning and land development control instruments to the annexed area, Ashland has hired an additional professional planner. (Barbara S. Nelson, Planning Director, Town of Ashland, communication with staff of Commission on Local Government, June 12, 1995.) The initial land use categories for the area proposed for annexation are a component of the proposed agreement. Under the terms of the settlement, Ashland will amend its comprehensive plan to include the land use designations and will not change those categories for ten years following the effective date of the annexation without concurrence from Hanover County. (Voluntary Settlement, Sec. 3.)

<sup>98</sup>Voluntary Settlement, Sec. 3. The new office/business district is designed to foster a variety of office, retail, service, and industrial uses while protecting adjacent residential areas.

and County have made commitments for the planning and control of development within their respective borders, in our judgment, Ashland has a more effective set of instruments for guiding the future growth anticipated on its periphery. The area proposed for annexation will benefit from the application of the Town's development control policies.

**Crime Prevention and Detection.** Since the law enforcement activities of Virginia towns augment those provided by a county's Sheriff's department, the proposed annexation by the Town of Ashland will have the effect of providing additional and more intensive law enforcement services in the area annexed. The Town presently has 20 full-time, sworn law enforcement personnel, 11 of whom are assigned patrol responsibility.<sup>99</sup> This staffing level is sufficient to give the Town one patrol officer for each 533 municipal residents. In terms of patrol activity, the Town maintains officers on its streets 24-hours per day, with a minimum of two patrol officers on duty at all times.<sup>100</sup> This staffing arrangement provides Ashland with an average geographic intensity of patrol equivalent to one officer for each 2.0 square miles of territory. Another measure of the intensity and adequacy of patrol service in a locality is the number of "calls for service" being borne by each law enforcement position. The data indicate that in calendar year 1993 each patrol officer in the Town was responsible for an average of 1,354 calls for service.<sup>101</sup> The average patrol staffing level in Ashland and the incidence

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<sup>99</sup>**Joint Settlement Notice**, Tab "Urban Services," p. 30; and Finley, letter to staff of Commission on Local Government, Mar. 17, 1995. In addition to the patrol officers, the Town's police department has three auxiliary police officers, two dispatchers, an administrative assistant, and a part-time clerk. The Town's law enforcement efforts are also augmented by security officers employed by Randolph Macon College.

<sup>100</sup>**Ibid.** Also assigned to the patrol division of the Town's police department are a lieutenant and two sergeants. Three auxiliary police officers are also utilized by the Town for patrol activity.

<sup>101</sup>**Joint Settlement Notice**, Tab "Urban Services," p. 34. Town officials have indicated that many calls for service responded to by municipal patrol officers were for nonemergency purposes.

of activity requiring police response permitted the police department to respond to calls for service generally within a 2-3 minute period.<sup>102</sup>

With respect to other criminal justice activities, Town maintains an organized crime prevention program, although no officer is assigned that responsibility on a full-time basis.<sup>103</sup> The Town's criminal justice efforts are, as noted previously, assisted by Hanover County's provision of jail facilities and by the activities of the County Sheriff's Department with its total complement of 124 sworn officers, of whom 44 are available for patrol service.<sup>104</sup>

In order to extend its law enforcement services to the area proposed for annexation, the Town proposes to add one officer to its police department and to purchase one additional police vehicle.<sup>105</sup> Although the Commission is unaware of any major crime problems in the area proposed for annexation, the anticipated growth of that area can be expected to result in a need for intensified law enforcement services in the future. In our judgment, the extension of the Town's law enforcement services to the area proposed for annexation will benefit its residents and businesses.

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<sup>102</sup>Ibid.

<sup>103</sup>Ibid., pp. 37-38. The Town's crime prevention program includes the establishment of neighborhood and business watch associations and a crime prevention council comprised of citizen volunteers and law enforcement officers. The Commission notes that the Town's police department has won numerous awards for its crime prevention efforts in recent years, including the Governor's Drug Prevention Award in 1992.

<sup>104</sup>Virginia State Police, Crime in Virginia, 1994; and County Comprehensive Plan, Sec. 5, p. 81. The Town is also a member of the Pamunkey Regional Jail Authority, which is constructing a new facility approximately eight miles south of Ashland. (Joint Settlement Notice, Tab "Urban Services," pp. 54-55.)

<sup>105</sup>Joint Settlement Notice, Tab "Urban Services," p. 38.

**Public Works.** The proposed annexation will result in the application of the Town's policies and procedures for the construction and maintenance of various public works in the annexed area. Ashland's policies and procedures are, from our perspective, properly designed to meet the needs of urbanizing areas and should be increasingly beneficial to the residents and businesses incorporated into the Town. In terms of these policies and procedures, several merit note in this report.

First, the Town of Ashland will assume responsibility for the construction and maintenance of roads in the annexed area. The ability of the Town to schedule and administer the maintenance of its public thoroughfares, as well as its demonstrated willingness to appropriate and expend local funds for that purpose, will, in our judgment, benefit the annexed area. With respect to the latter point, the data indicate that between Fiscal Years 1988/89 and 1993/94, the Town of Ashland expended approximately \$1.8 million of local funds to improve and maintain approximately 70 lane-miles of public roadway within its corporate boundaries.<sup>106</sup> The proposed annexation will bring within the Town approximately 23.7 lane-miles of roadway which are eligible for State maintenance payments, but it will also bring within the municipality some

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<sup>106</sup>Ibid., p. 44, 47. The amounts expended by Ashland for street maintenance include expenditures for snow plowing; the repair and maintenance of sidewalks, curbs, and gutters; and street signs and signals.

unpaved private roads which are ineligible for State assistance.<sup>107</sup> Ashland has indicated that it is prepared to assume responsibility for the maintenance of the additional public thoroughfares in the areas annexed.<sup>108</sup>

Second, Ashland will assume full responsibility for snow removal from public thoroughfares in the annexed area. With respect to its snow removal services, the Town adheres to a policy that gives priority to major thoroughfares and the central business district, with other areas receiving deferred treatment.<sup>109</sup> Town officials have stated that upon annexation Ashland will extend appropriate snow removal services to the area annexed.<sup>110</sup>

Third, the Town of Ashland adheres to a policy by which it will in qualifying circumstances install, maintain, and operate streetlights at public

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<sup>107</sup>Finley, letter to staff of Commission on Local Government, Mar. 17, 1995. A representative for the Town has indicated that there are approximately 1.6 miles of private, unpaved roads in the area proposed for annexation which serve more than three dwelling units. Under current Town policies, Ashland will consider requests from citizens to accept private roads into its street maintenance system, if sufficient right-of-way and easements are dedicated by affected property owners. (Ibid.)

<sup>108</sup>Joint Settlement Notice, Tab "Town's Ability to Serve Annexed Areas," p. 3. During the first year of annexation the Town estimates that it will be required to employ three additional workers, purchase three dump trucks and other equipment and supplies, and expend \$143,000 for the maintenance of streets in the annexed area. The Commission notes, however, that the Town will receive an additional \$182,200 from the State for street maintenance purposes.

<sup>109</sup>Ibid., Tab "Urban Services," p. 52.

<sup>110</sup>Ibid., Tab "Town's Ability to Serve Annexed Area," p. 3. Ashland proposes to equip the new vehicles purchased for its public works department with snow plows and to increase its expenditures for snow removal chemicals in order to serve properly areas annexed.

expense.<sup>111</sup> At the present time there are 273 publicly funded streetlights within the Town's corporate limits.<sup>112</sup> Following the effective date of the annexation, the Town proposes to install and operate, at public expense, 12 streetlights primarily at major road intersections in the annexed area.<sup>113</sup> These facilities contribute to public safety and can be a factor in crime prevention. In our judgment, the area proposed for annexation will benefit from the application of the Town's policy regarding the installation and operation of these facilities.

Finally, various Town ordinances mandate the installation of curbs, gutters, sidewalks, and storm drains in all new residential and commercial development.<sup>114</sup> Further, the Town has a policy by which it will install in older areas of the municipality curbs, gutters, and sidewalks upon citizen request and their agreement to bear approximately 50% of the cost.<sup>115</sup> While the proposed agreement does not commit the Town to install curbs, gutters, sidewalks, or storm drains in any specified area following annexation, Ashland has indicated its intention to extend its existing policies regarding the construction of such facilities to that area. In our

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<sup>111</sup>The Town's policy is to install streetlights at the intersections of all streets and generally at 400 foot intervals in residential areas. (Finley, letter to staff of Commission on Local Government, Mar. 17, 1995.) The cost of installing streetlights in new residential subdivisions, however, is borne by the developer of the project. (Joint Settlement Notice, Tab "Urban Services," p. 51.)

<sup>112</sup>Joint Settlement Notice, Tab "Urban Services," p. 51.

<sup>113</sup>Ibid. The Town estimates that the cost of operating the additional streetlights will be approximately \$1,500 annually.

<sup>114</sup>Ibid., p. 48. Town Zoning Ordinance, Sec. 21-186; and Town Subdivision Ordinance, Secs. 17-30, 17-49, 17-49.1.

<sup>115</sup>Ibid., p. 49. The Town will assist property owners by having municipal forces perform all excavation and by paying one-half of the cost of installing concrete sidewalk improvements on private property.

judgment, Ashland's various policies regarding the construction and maintenance of these public facilities will be beneficial to the area proposed for annexation.

**Other Service Considerations.** With respect to two other principal public concerns – fire protection and recreation – residents of the area proposed for annexation will not experience any immediate change in service level as a result of their incorporation into the Town of Ashland. With regard to fire protection, the Town and Hanover County jointly support the Ashland Volunteer Fire Company (VFC).<sup>116</sup> That department serves the Town and adjacent territory, including the area proposed for annexation. The fire suppression capabilities of the Ashland VFC and the Town's water distribution system are such that properties within the municipality, as well as those in the area proposed for annexation located within 1,000 feet of a Town fire hydrant, are classified "6" by the Insurance Services Office (ISO) of Virginia in terms of their exposure to fire loss.<sup>117</sup> Other properties in the area proposed for annexation situated more distant from a fire hydrant have an ISO classification of "9."<sup>118</sup> The integration of the utility systems

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<sup>116</sup>**Ibid.**, p. 39. Between FY1989/90 and FY1993/94, the Town provided approximately \$52,000 in financial support to the Ashland VFC. The facility used by the VFC is owned by the Town. (Finley, letter to staff of Commission on Local Government, March 17, 1995.)

<sup>117</sup>Finley, letter to staff of Commission on Local Government, Mar. 17, 1995. The ISO classification is based on a scale of "1" to "10" for comparison with other municipal fire protection systems and represents an indication of a system's ability to defend against the major fire which may be expected in any given community. Where protection class "10" is assigned, there is no or minimal protection. Protection class "1" represents a fire protection system of extreme capability. The principal features used by ISO in grading a community's fire system are water supply, the nature of the fire department, fire communications, and fire safety control. [John L. Bryan and Raymond C. Picard, **Managing Fire Services** (Washington, DC: International City Management Association, 1979), p. 102.]

<sup>118</sup>**Ibid.**

accompanied by the County's future plans to extend water lines within the area proposed for annexation should result in an improved ISO classification for the affected properties.<sup>119</sup>

In terms of public recreational services, residents of the area proposed for annexation, being residents of Hanover County, are free to participate on an equal basis in the recreational programs sponsored by the County.<sup>120</sup> Similarly, residents of the area proposed for annexation and the County generally have been free to utilize the Town's parks and recreational facilities. The Town's Carter Park, which is a significant community asset, is located on a 12-acre tract and offers a swimming pool, basketball and volleyball courts, picnic areas, and jogging trails.<sup>121</sup> While the proposed annexation will not immediately affect the level of fire suppression and recreational programs in the areas annexed, the Town's increased fiscal potential resulting from the proposed extension of its boundaries and its commitment to such services and programs should benefit that area and its residents.

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<sup>119</sup>Under the terms of the proposed settlement, Hanover County agrees to incorporate into its capital improvements plan three water system improvement projects designed to serve the annexed area. Those improvements, which are scheduled to be undertaken during the 1997-2002 period, include the extension of water lines in the northern, southern, and eastern portions of the area proposed for annexation. (Voluntary Settlement, Exh. F.)

<sup>120</sup>**Town Annexation Petition**, Tab "Urban Services," p. 71. In addition to recreational programs offered at the two County elementary schools located in Ashland, Hanover County also provides a variety of activities at its 270-acre Poor Farm Park, which is located approximately four miles west of the Town. That facility includes soccer fields, a volleyball court, and picnic shelters.

<sup>121</sup>**Joint Settlement Notice**, Tab "Urban Services," p. 40. The Town also owns DeJarnette Park, an eight-acre passive recreational facility with picnic tables and a pond, as well as the one-half acre South Taylor Street Park which offers basketball and volleyball courts.



### Summary of Service Needs

In the preceding sections of this report the Commission has endeavored to examine the existing and prospective urban service needs of the area proposed for annexation and the ability of the Town of Ashland to meet those needs. On the basis of the data previously cited, the Commission finds that the area proposed for annexation will benefit from the extension of Town services and policies. Further, the Town is capable, in our judgment, of meeting the future need of that area as it develops.

### INTERESTS OF THE COUNTY OF HANOVER

While the annexation proposed in the agreement negotiated by the Town of Ashland and Hanover County will result initially in a modest constriction of County revenues, it will have, in our judgment, a long-term positive impact on both jurisdictions. Although the proposed annexation will not affect any of Hanover County's property taxes, it will modestly reduce the County's receipts from some of its secondary revenue sources. Estimates developed by the Town and presented to the Commission, with the concurrence of Hanover County, indicate that the proposed agreement will result in the County's loss during the first year after annexation of approximately \$51,300 in general fund revenues.<sup>122</sup> That estimated revenue loss constitutes an amount equal to 0.08% of the County's budgeted general fund revenue collections for FY1994/95.<sup>123</sup> Moreover, following annexation the Town will assume responsibility for providing certain municipal services to the annexed area, such as law enforcement, street maintenance,

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<sup>122</sup>John F. Berry, County Administrator, County of Hanover, testimony to Commission on Local Government, Mar. 20, 1995.

<sup>123</sup>Town Annexation Notice, Tab, "Impact on the County," Table 1.

planning, and development control which should reduce to some degree the demand on the County's staff and resources. In addition, the proposed annexation will permit the Town to increase its fiscal potential, will assure the municipality of land for future development, and will, accordingly, expand the Town's ability to serve the general area. In brief, the enhanced fiscal viability of the Town will be a positive factor in strengthening the economy of the general area, with economic benefits accruing to the citizens of Hanover County generally.

Aside from the proposed annexation, there are several elements of the settlement agreement which affect the interests of Hanover County. First, the agreement contains a provision by which the Town agrees not to initiate any subsequent annexation for a 25-year period following the effective date of the currently proposed boundary expansion.<sup>124</sup> Second, the agreement calls for the Town to waive its authority to seek city status for 25 years from the effective date of the settlement, or until Hanover County institutes proceedings to become a city. This provision assures the County that Ashland will remain a constituent element of that jurisdiction for an extended period of time and support with Town resources the needs of the County generally. Third, the proposed agreement provides, as noted repeatedly, for the transfer of the Town's water and sewer utility systems to Hanover County, thereby integrating the utility facilities and planning of the two jurisdictions.<sup>125</sup> The latter element of the agreement should result in increased operating efficiencies through economies of scale and

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<sup>124</sup>Voluntary Settlement, Sec. 2. The Town further agrees not to take an official position encouraging or supporting property owner initiated annexations for the same 25-year period.

<sup>125</sup>Ibid., Sec. 5.

comprehensive planning.<sup>126</sup> These various provisions in the proposed agreement, coupled with the long-term positive impact of the proposed annexation for the general area, are features of the settlement which are, in our judgment, in the best interests of Hanover County.

### **INTERESTS OF THE COMMONWEALTH**

The foremost interest of the State in the resolution of this and all other interlocal issues subject to the Commission's review is, in our view, the preservation and promotion of the viability of the affected local governments. As previous sections of this report have indicated, the annexation proposed in the settlement agreement will provide the Town of Ashland with an opportunity to extend its boundaries and to increase its demographic and economic resources, and, as a consequence, the proposed agreement will enhance the Town's opportunity to contribute to the social and economic viability of Hanover County. Moreover the provisions in the proposed agreement whereby the County assumes ownership and control of the Town's utility systems, as well as those that establish a framework for collaboration on planning and land use issues, are, in our judgment, promotive of interlocal comity and cooperation. Further, the settlement agreement commits the Town to remaining a part of Hanover County and supporting with its resources the needs of the County generally for at least a quarter-century. Unless variances in political values and service needs create irreconcilable differences, the general interest of the community is served by the Town remaining a part of its County. Accordingly, the Commission finds that the proposed agreement is consistent with the interest of the Commonwealth in the promotion and preservation of the viability of Virginia's local governments.

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<sup>126</sup>The Town has received in the past requests for sewer service from areas located beyond Ashland's current boundaries but has been unable to reach an agreement with the County concerning the extension of municipal collection lines into those areas. (Town Annexation Petition, Tab "Urban Services," p. 44.)

## FINDINGS AND RECOMMENDATIONS

Based upon our consideration of the evidence previously reviewed, the Commission finds the proposed agreement in the best interest of the Commonwealth. Accordingly, we recommend the court's approval of the proposed accord. While finding the agreement in the best interest of the Commonwealth, there are three related issues which we are obliged to address.

### MODIFICATION OF 25-YEAR BAN ON TOWN GROWTH

This Commission has approached the provision in the proposed agreement which would bar the Town of Ashland from instituting any succeeding annexation proceeding for a 25-year period, as it would any similar provision in any other agreement, with considerable reservation. However, in this case the Commission has found warrant for acceptance of the lengthy bar due to the particulars of this situation. Specifically, the Town currently retains a significance amount of vacant land for development, it will annex areas which will afford it substantial opportunity for additional commercial activity, it is rendered less vulnerable to poorly regulated growth on its periphery through the establishment of an overlay district, and it will be less exposed, in our judgement, to the migration of its commercial base to outlying areas during the next quarter century due to certain geographic and other considerations. As a consequence of the circumstances which apply in this case, we do not feel it essential to condition our endorsement of the proposed agreement on a major modification of the bar on a succeeding annexation. Nevertheless, this Commission strongly encourages the two jurisdictions to consider reducing that provision in the proposed agreement.

Between 1980 and 1990 Hanover County was one of the most rapidly growing localities in Virginia, with its population increasing during the

course of that decade by 25.6%.<sup>127</sup> Only 18 of the Commonwealth's counties and cities experienced a percentage increase in population during that decade greater than that of Hanover County. The County's population growth was accompanied by an even more spectacular increase in the number of nonagricultural wage and salary employment positions (+64.3%), with the result that as of the end of the prior decade only 20 localities in the Commonwealth had a larger number of such positions than Hanover County (26,570). Moreover, the nature of the growth in population and employment in Hanover County during the prior decade was such that as of the end of the 1980s, according to the U. S. Bureau of the Census, only 18 of Virginia's counties and cities had a higher per capita income than the County (\$16,463) or a higher median value of owner-occupied housing than that jurisdiction (\$91,300). Furthermore, projections indicate that the County's population will increase between 1990 and 2010 to 93,491, a growth of nearly 48% during that 20-year period.<sup>128</sup> That population growth is certain to be accompanied by a significant expansion in the County's commerce and industry. This pattern of extraordinary growth calls into question the wisdom of foreclosing an opportunity for the Town of Ashland to extend its boundaries for the next quarter-century. Accordingly, we recommend that the bar to a succeeding annexation initiative by the Town be reduced to a 15-year period or, alternatively, that the agreement be modified to preserve explicitly the right of Ashland to exercise the authority granted by Article 1.1, Chapter 25, of Title 15.1 for the permanent renunciation of the right to pursue city status and for the concomitant authority to annex by municipal ordinance. The adoption of the latter alternative would maintain in perpetuity the Town of Ashland and its residents as constituent elements of Hanover County, while permitting the growth and enhanced viability of the municipality. In recognition of the general pattern of comparative decline experienced by Virginia's towns during the past decade, the bar on Ashland's authority to pursue any

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<sup>127</sup> See Appendix E.

<sup>128</sup> Donald P. Lillywhite and Kirsten Niemann, **Virginia Population Projections 2010** (Richmond: Virginia Employment Commission, June 1993), Table 4.

territorial growth for the next quarter century, from our perspective, is ill-advised.<sup>129</sup>

### JAMESTOWN ROAD THOROUGHFARE

The most significant public service concern presented to this Commission during its review of the proposed agreement was the inadequacy of the public thoroughfares serving the Jamestown Road area. The testimony on this subject highlighted not merely an inconvenience to the residents of that area, but it disclosed an issue which could threaten the health, safety, and welfare of those residents in emergency situations. While our review of this issue indicates the intricacy of the problem, it also reveals the propriety, and indeed the essentiality, of addressing it. Recognizing the long-standing inadequacy of the thoroughfare serving the Jamestown Road area and its residents, we recommend that the Town and County jointly present to the reviewing court a detailed and time-certain plan for the construction and maintenance of an appropriate road network to serve that area.

### COMPREHENSIVE REZONING BY TOWN

The Commission's review of the proposed agreement revealed considerable uncertainty and concern by the owners of property in the area subject to annexation regarding the process and consequences of rezoning

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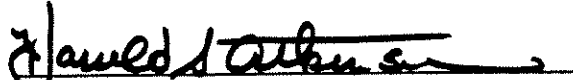
<sup>129</sup>This Commission's review of the trends and conditions affecting Virginia's towns indicates the breadth of problems confronting those jurisdictions. Over the course of the prior decade more than two-thirds of the 188 towns which existed in Virginia during the 1980s experienced zero or negative population growth, with 23 of those jurisdictions losing over 25% of their residents. Further, when the Commonwealth's towns are examined collectively in relation to their counties, as of the end of the prior decade the municipalities had (a) an elderly component (age 65 and over) 50% greater than that of their counties, (b) per capita resident income 21.8% less, and (c) a median value of owner-occupied housing only 64% of that of their counties. (See Commission on Local Government, Change in the Commonwealth: The Town Experience in Virginia During the 1980s, May 1994.)

the annexed area. Under the Town's current zoning ordinance, and consistent with State law, land brought into the municipality by annexation will be down zoned to the least intensive usage and subject to rezoning thereafter. Property owners have expressed concern regarding the potential procedural costs which they might confront during such a rezoning process and with respect to the period of time during which the ultimate zoning classification of their property would remain uncertain. These concerns would be obviated if the Town of Ashland completed its comprehensive rezoning of the properties to be annexed prior to the effective date of annexation. Accordingly, we recommend that the agreement be amended to defer the effective date of annexation until the comprehensive rezoning of the property subject to annexation has been completed.

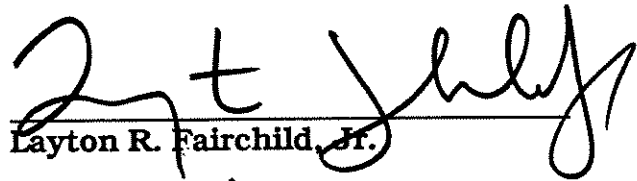
#### **CONCLUDING COMMENT**

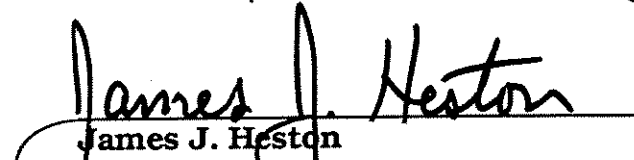
The Commission on Local Government acknowledges the considerable effort devoted by the officials of the Town of Ashland and Hanover County to the negotiation of the agreement before us. The agreement reflects a notable commitment by the leadership of both jurisdictions to address in a collaborative fashion the concerns of their localities and the needs of their residents. We commend the officials of the two jurisdictions for their public leadership and for the interlocal agreement which they have negotiated.

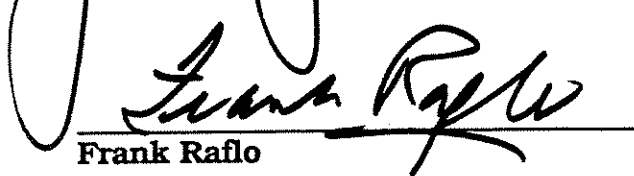
Respectfully submitted,

  
Harold S. Atkinson, Chairman

  
William S. Hubbard, Vice Chairman

  
Layton R. Fairchild, Jr.

  
James J. Heston

  
Frank Raflo



VOLUNTARY SETTLEMENT AGREEMENT BETWEEN THE  
TOWN OF ASHLAND AND THE COUNTY OF HANOVER

This Agreement is made and entered into this 11th day of January, 1995, by and between the TOWN OF ASHLAND, an incorporated town of the Commonwealth of Virginia ("Town"), and the COUNTY OF HANOVER, a political subdivision of the Commonwealth of Virginia ("County").

WHEREAS the Town has determined that it needs to expand its current boundaries to include additional territory located within the County for the purpose of obtaining additional tax resources and vacant land suitable for development and for the orderly planning of the urbanizing territory surrounding the Town; and

WHEREAS the Town Council and the County Board of Supervisors have determined that such a change of boundaries, subject to certain other terms and conditions, will benefit the citizens of the Town and the County; and

WHEREAS the Town and the County, pursuant to Chapter 26.1:1 of Title 15.1 of the Code of Virginia (1950), as amended, have reached a voluntary settlement which provides for the annexation of certain territory, for the waiver of certain annexation rights, for the merger of the Town and the County water and sewer utility systems, for the promotion of revitalization and economic development in the Ashland area, for the adoption of certain zoning and land use ordinances and for other terms and conditions;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

Section 1. Definitions

The parties agree that the following terms as used in this Agreement shall have the meanings set forth below.

"Agreement of Purchase and Sale" means the Agreement of Purchase and Sale between the Town of Ashland, Virginia and the County of Hanover, Virginia entered into January 11, 1995 and attached hereto as Exhibit E, as it may be amended.

"Annexation Date" means the date annexation becomes effective as provided in Section 2.2 of this Agreement.

"Code" means the Code of Virginia of 1950, as amended. A reference to a specific Code provision shall mean that Code provision as it existed on the date of execution of this Agreement, or any successor provision should the Code be amended after the execution of this Agreement.

"Commission" means the Commission on Local Government.

"County" means the County of Hanover.

"Court" means the special three-judge court appointed by the Supreme Court of Virginia pursuant to Chapter 26.2 of Title 15.1 of the Code.

"Section" refers to parts of this Agreement unless the context indicates that the reference is to sections of the Code.

"System" means all of the Town's water and sewer systems and all of the assets, properties and rights of the Town comprising

each of said systems, as more specifically defined in the Agreement of Purchase and Sale.

"Town" means the Town of Ashland.

Section 2. Annexation; Waiver of Annexation Rights, Right to Seek City Status and Right to Support Consolidation

Section 2.1. Annexation. The corporate boundaries of the Town shall be modified and adjusted by the annexation to the Town of certain County territory consisting of two tracts (the "Annexation Area" or "annexed area") which are described by metes and bounds on Exhibit A attached to this Agreement and which are depicted on the map attached as part of Exhibit A. The Annexation Area contains approximately 3.1 square miles of land.

Section 2.2. Annexation Date. The annexation provided for in Section 2.1 shall be effective at midnight on December 31, 1995. If the Court has not entered an order prior to December 31, 1995 approving and affirming this Agreement, then the annexation shall become effective at such time as the Town and the County shall agree and the Court shall order. The effective date of the annexation as provided in this Section is hereafter referred to as the Annexation Date.

Section 2.3. Extension of Municipal Services. The Town agrees that, upon the Annexation Date, it will extend its municipal services to the annexed area on the same basis as such services are now or hereafter provided within its current corporate limits where like conditions exist.

Section 2.4. Waiver of Annexation Rights. The Town agrees that it will not institute any proceedings to annex any portion of the County or take any official position encouraging or supporting any landowner initiated annexation for a period of twenty-five (25) years from the date of the Agreement.

Section 2.5. Waiver of City Status. The Town agrees that it will not petition for city status for a period of twenty-five (25) years from the date of the Agreement, or until the County seeks city status, whichever comes first.

Section 2.6. Consolidation. The County agrees that it will not take any official position encouraging or supporting consolidation of the Town with the County or the revocation of the Town's Charter.

Section 3. Land Use Designations in the Annexation Area  
With respect to the area annexed, the Town agrees to the land use designations as shown on the map attached as Exhibit B. As soon after the Annexation Date as possible, the Town will incorporate such designations for the Annexation Area into its comprehensive plan and will amend its zoning ordinance to include a zoning district for "office/business." The "office/business" zoning district will provide for a variety of office, limited retail, service, and enhanced industrial uses permitted by right which will be compatible in scale and community impact with the residential areas adjacent to the proposed land use classification. Unless agreed to by the County, the Town will

not change the general land use designations for the Annexation Area as provided herein for ten years from the Annexation Date.

Section 4. County Planning and Zoning

Section 4.1. County Comprehensive Plan. Prior to the Annexation Date, the County shall amend its 1994 Comprehensive Plan to recognize an Ashland Community Planning Area as set forth in Exhibit C. The County, in its discretion and with input from the Town, may amend the Ashland Community Planning Area to increase the area or otherwise address the planning needs of the area surrounding the Town.

Section 4.2. Ashland Area Overlay District Ordinance. The County shall amend its zoning ordinance to provide an Ashland Area Overlay District as set forth in Exhibit D attached hereto. Such Ashland Area Overlay District shall apply at least to the "overlay" area as described by metes and bounds and shown on the map in Exhibit A. The Ashland Area Overlay District and changes required to the County's official zoning map shall be adopted so that they are effective on, or prior to, the Annexation Date.

The County shall not reduce the commercial and industrial development standards stated in the Ashland Area Overlay District ordinance unless agreed to by the Town or unless the Town seeks any annexation of any land beyond the Annexation Area without the consent of the County. The County shall enforce the provisions of such ordinance consistently with its zoning enforcement policies.

Section 4.3. Rural Residential Cluster District Ordinance.  
Effective on or prior to the Annexation Date, the County shall amend its zoning ordinance to establish a zoning district category entitled "RRC Rural Residential Cluster District" in the form set forth in Exhibit D attached hereto. Unless agreed to by the Town, the County shall not substantively change the standards, requirements or the procedure provided for in this ordinance. The County shall enforce the provisions of such ordinance consistently with its zoning enforcement policies.

Section 4.4. Changes to Ordinances. In order for the Town to be aware of any changes which are being considered by the County which may impact the ordinances adopted pursuant to Sections 4.2 and 4.3, no later than the date of first publication of such notice as required by the Code, the County shall provide to the Town Manager a copy of the public notice of any amendment to the County's zoning ordinances which would directly or indirectly change the requirements or standards of the ordinances adopted pursuant to Sections 4.2 and 4.3.

Should the Town consent to the reduction of any of the standards in the ordinances adopted pursuant to Sections 4.2 and 4.3, the Town's approval will still be required for any further subsequent reduction.

Section 5. Merger of Town and County Water and Sewer Utility Systems

Section 5.1 Transfer of Water and Sewer Systems.

Effective on the Annexation Date, the Town shall merge its water

and sewer utility system with the County's system as provided for in the Agreement of Purchase and Sale attached hereto as Exhibit E and incorporated herein. With respect to the wastewater treatment plant, the Town agrees to maintain, on the portion of Town Farm property retained by it, a buffer area to the depth and subject to the restrictions currently required by the Virginia Department of Health.

At any time within five years of the date of the Agreement, the County shall have the option to purchase from the Town at \$12,500 per acre up to five acres of property adjacent to the existing wastewater treatment plant. After five years, but within ten years of the date of the Agreement, the County may purchase such property for an amount equal to the average of the appraised fair market value determined by two appraisers satisfactory to the County and the Town. The boundaries of such purchase shall be approved by both the Town and the County. The use of such property shall only be for the County's water and sewer systems. In the event of an expansion of the wastewater treatment plant, the Town shall adjust the buffer area maintained by it as required to satisfy the requirements of the Virginia Department of Health in effect at the time of the Agreement; provided, however, that the installation of any fencing or screening that may be necessary to ensure that the buffer satisfies the regulations or necessary to maintain the buffer shall be at the County's expense.

If the County should cease to use, for water or sewer purposes, any real estate which was conveyed pursuant to the Agreement of Purchase and Sale, the County shall notify the Town Manager of this fact and of the Town's right to have such property reconveyed if it so notifies the County within sixty (60) days of the receipt of the notice. If the Town desires to own such property, it shall expressly notify the County within sixty (60) days from the date the notice was received by the Town Manager. If so notified by the Town, and if the Town agrees to reimburse the County for all reasonable costs incurred by the County for any environmental remediation or the demolition and removal of structures or facilities undertaken by the County for health and safety reasons, the County shall promptly deliver a deed to the Town conveying the property to the Town with no further consideration to be paid by the Town. If the Town does not expressly indicate its desire to have the property returned to Town ownership within the time period provided above, the County may thereafter use the property in any manner allowed by law including but not limited to selling the property.

Except for the water treatment plant which may be "mothballed" indefinitely and the Quarles Road water tank which may be "mothballed" for ten years, if property conveyed pursuant to the Agreement of Purchase and Sale ceases to be used for water and sewer purposes for a period of five years and the County has not offered to reconvey the property to the Town as provided for above, the Town may notify the County of the Town's desire to own



such property. In such event and upon the reimbursement of such reasonable costs as described above, the County shall promptly deliver a deed conveying the property to the Town with no further consideration to be paid by the Town.

Section 5.2. Payments. The sum of \$398,550 from the liquid assets in the Town's water and sewer system to be conveyed to the County on the Annexation Date shall be repaid to the Town over a period of five years. The first installment of \$79,710 from the County shall be paid to the Town on April 1, 1996. Four additional installments of \$79,710 each shall be paid by the County to the Town on each April 1 thereafter, with the last payment occurring on April 1, 2000.

The County shall also pay to the Town or the Town's paying agent amounts equal to any principal and interest payment due on outstanding amounts borrowed and expended by the Town prior to the date of this Agreement for improvements to the System. In the event the County makes such payments to the Town rather than the Town's paying agent, the County shall make such payments to the Town in immediately available funds at least five business days before such payments are due to be paid by the Town. A schedule of the current debt service payments and the County's due dates is shown on Exhibit D attached to the Agreement of Purchase and Sale. To the extent such payments and any interest earned by the Town thereon is not sufficient to pay any paying agent fee associated with the outstanding bonds, or the cost of wire transfer charges, the County shall reimburse the Town for

such expenses, if requested by the Town. The Town hereby expressly covenants that the principal amounts reflected on Exhibit D of the Agreement of Purchase and Sale were borrowed and expended exclusively on capital assets or projects of the System and that all such assets that remain with the Town are being conveyed to the County as part of the System unless otherwise agreed to by the parties. The Town agrees that, subject to the terms and conditions of the existing bond documents, it will, upon the request of the County and at the County's sole expense, refinance or prepay the amounts described above with the County to pay for all transactional costs and to reimburse the Town for the new debt service payments or the prepayment amounts.

The payments provided for in the forgoing paragraphs shall be made exclusively from revenues received by the County from rates, fees and other charges paid by users of its water and sewer systems countywide and available to it for such purpose. The County agrees to fix, charge and collect rates, fees and other charges from users of its water and sewer systems countywide that will be sufficient to make such payments, and to pay all other expenses and charges against its water and sewer systems, and to revise the same from time to time as may be necessary. Such payments shall not be deemed to create or constitute an indebtedness or a pledge of the faith and credit of the County for purposes of any constitutional or statutory limitation. Anything herein to the contrary notwithstanding, the

County may make such payments from the proceeds of any bonds issued by it for such purpose.

If the County fails to make the payments described above, at the Town's option, the then-existing water and sewer system inside the Town shall revert to the Town as provided for in Section 8 or the Town may seek specific performance as provided in Section 7.

Section 5.3. Water and Sewer Services Provided by the County. On such date as the Town's water and sewer system is merged with the County's water and sewer system pursuant to the Purchase and Sale Agreement, the County shall thereafter exercise ownership and control of the combined water and sewer systems except as otherwise provided in this Agreement.

To the extent Town residences and businesses are receiving public water and/or sewer services at the time this Agreement becomes effective, the County guarantees the continued availability of treated drinking water and sewerage services. Throughout the existing Town area and the Annexation Area, the County shall make water and sewer services available, upon the payment of water and sewer connection fees, to the extent that capacity is available in the System or may be reasonably available from other portions of the entire County system. The obligation to make water and sewer services available shall not be deemed to mandate any line extensions or improvements by the County other than as specifically provided elsewhere in this Agreement. Extensions or improvements may be made by the Town or

See P.15  
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by property owners in accordance with County specifications and the provisions of the Hanover County Code which are generally applicable throughout the County's system.

Should the County fail to provide water and sewer services in accordance with this Agreement, the Town may, exercise any remedies as provided in Section 7.

The County shall respond promptly to customer service and emergency calls from residents and businesses inside the Town and handle such calls promptly and effectively.

Section 5.4. Town Permit; Use of the Public Rights-of-Way.  
The Town shall provide appropriate authority to the County to construct, operate, maintain, repair and extend water and sewer lines and related facilities on Town property and rights-of-way; provided, however, the County shall not authorize the extension of any water or sewer line inside the Town or, except in cases of emergency, maintenance on any existing lines on Town owned property or public rights-of-way unless it is performed pursuant to a permit obtained from the Town.

The maintenance, repair and replacement of existing lines and the installation of new connections on Town property or in Town rights-of-way shall be governed by the provisions of a blanket permit to be issued administratively by the Town on an annual basis. This permit may require and make provisions for the inspection of the restoration of any damage to the Town's streets, sidewalks or other Town property, the hours and days when work may be performed, appropriate traffic control and

adequate liability insurance or self-insurance, and the blanket permit may be subject to the payment by the County to the Town of reasonable administrative fee; provided, however, that the provisions and requirements of the permit and the administrative fee shall be generally consistent with the policies governing blanket permits issued by the Virginia Department of Transportation for similar purposes.

Individual permits shall be required for the construction of new water and sewer transmission lines or the extension of such lines into new service areas in the Town. Such individual permits shall be issued by the Town and may include provisions for all matters governed by the annual blanket permit. In addition, however, in connection with the issuance of these individual permits, the Town may consider whether the extension of water and sewer lines into new service areas is consistent with its comprehensive plan and zoning ordinances and may reasonably grant or deny such permits on that basis. Individual permits for the construction of transmission lines or the extension of such lines into new service areas may be subject to the payment by the County to the Town of a reasonable cost-based review and inspection fee.

All maintenance and construction work performed by the County or its employees or agents inside the Town in connection with the provision of water and sewer services shall be performed in a workmanlike manner, including adequate restoration of any damage to the Town's streets, sidewalks or public rights-of-way

in accordance with Town standards and specifications which shall be generally consistent with the standards adopted by the Virginia Department of Transportation.

The County shall remove, replace or modify the installation of any of its facilities, on, over or under Town property or rights-of-way as the Town may reasonably deem necessary to meet its proper responsibilities. If such removal, replacement or modification of the County's facilities is necessary for the construction and maintenance of streets, sidewalks, storm drainage and other related appurtenances, it shall be at the County's expense under similar terms and conditions as is required by the Virginia Department of Transportation. If such removal, replacement or modification of the County's facilities is for some other purpose, it shall be done at the Town's expense. If the County does not remove or relocate such facilities, using like construction, within a reasonable time after being requested in writing to do so, the Town may, after giving at least fifteen (15) days written notice to the County, take such actions as are necessary to effect such removal and relocation. Should there be any dispute between the Town and the County as to whether the County should bear the expenses of removal, replacement or modifications of the facilities, the parties agree that the matter shall be settled by arbitration in accordance with the Uniform Arbitration Act in the Code, or such other provisions as the Town and the County deem appropriate, and

judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

Section 5.5. Extension of Water and Sewer Lines. The County shall extend or cause to be extended any water or sewer line located inside the enlarged Town if such extension is paid for by the Town or a private source if constructed pursuant to a permit from the Town; provided, however, that such extensions shall be subject to the procedural requirements of the Hanover County Code and built to Hanover County specifications.

The County shall incorporate within its Capital Improvement Plan the plans for the extension of water and sewer service shown on Exhibit F attached hereto and within the time frames specified therein. The County shall be obligated to pay the cost of construction of such water and sewer lines only from revenues of the County's Water and Sewer Funds. The County agrees to fix, charge and collect rates, fees and other charges from users of its water and sewer systems that will be sufficient to make such payments and to pay all other expenses and charges against its water and sewer systems and to revise the same from time to time as may be necessary. Such obligation shall not be deemed to create or constitute an indebtedness or a pledge of the faith and credit of the County for purposes of any constitutional or statutory limitation. Anything herein to the contrary notwithstanding, the County, in its discretion, may make such payments from the proceeds of any bonds issued by it for such purpose. The County may, at its discretion, extend utility

services to the areas identified in Exhibit F prior to the time frames specified.

Section 5.6. Water and Sewer Rates and Connection Fees Inside the Town. Effective with the date the County obtains ownership and control of the System, water and sewer connection fees and service rates charged by the County shall be the same for customers inside the Town as they are for those in the County's urban service area which includes the Atlee and Mechanicsville service areas. Notwithstanding the foregoing, the service charges for all Town owned or operated property and facilities shall be phased in so that commencing on January 1, 1996, the service charges to the Town shall be twenty percent (20%) of those charges to other customers; and commencing on January 1 in each of the succeeding four years, the Town's rates shall increase an additional twenty percent (20%) of such charges so that the rates for Town owned and operated facilities are the same as other customers inside the Town beginning January 1, 2000.

Until at least December 31, 2000, the County shall maintain a place inside the corporate limits of the Town for collection of utility bills.

Section 5.7. Connection to Public Water System. Prior to the Annexation Date, the County shall amend its Code to provide that any residential or commercial property which is served by a well on the Annexation Date is not required to connect to the public water supply (1) unless the continued use or any expanded



use of the property requires that the existing well be replaced, modified or altered, or (2) unless the Town, or the County department of health, following notice to the property owner and an opportunity to be heard, declares that the existing water supply serving such real estate adversely affects the health, safety and welfare of persons residing on or occupying said real estate. If the well is declared to be a health hazard, the owner shall be required to connect to the public water main within ninety (90) days after receipt of notice to do so.

Section 5.8. Transfer of Town Employees. Individuals who were employees of the Town's water and sewer system on April 1, 1995 shall, at their option, be hired by the County for at least one year from their date of hire by the County with salary and benefits comparable to that which they had as Town employees assuming they demonstrate satisfactory performance during their tenure with the County.

Section 6. Capital Improvements Fund for Revitalization and Economic Development

Section 6.1. Payments for Revitalization and Economic Development. In recognition of the benefits accruing from the merger of the Town's and the County's utility systems and of the advantages to the County of revitalization and economic development in the Ashland area, the Town will establish a special projects capital account entitled Capital Improvements Fund for Revitalization and Economic Development. Subject to an annual appropriation by the County of \$100,000, the County will

transfer the sum of \$500,000 to the Town in five equal installments over a five-year period into this special projects capital account. The County shall pay the first \$100,000 on April 1, 1996, and thereafter each annual installment of \$100,000 to the Town shall be paid on April 1 with the final payment made on April 1, 2000.

Funds in this special projects capital account shall be used by the Town for capital improvements designed to enhance revitalization and economic development in the Town and will be expended by the Town on projects that are concentrated in the Route 1 Corridor or on Route 54 east of Route 1. This revitalization and economic development program will consist of the following types of projects:

- Highway improvements on Route 1 or on Route 54 east and other road improvements or extensions in business or industrial areas.
- The relocation or undergrounding of utilities; landscaping; sidewalks; curb and gutter; and parking lot development to serve retail businesses.
- Natural gas extensions in business or industrial areas.
- Drainage improvements in business or industrial areas.
- Water and sewer extensions or improvements in business or industrial areas.
- Any other project which is mutually agreed upon by the Town and the County.

Section 6.2. Payment of Funds Subject to Appropriation; Penalty for Non-appropriation. The County reasonably believes that sufficient funds can be obtained to transfer funds to the Capital Improvements Fund for Revitalization and Economic Development as provided in Section 6.1. While recognizing that it is not empowered to make any binding commitment beyond the current fiscal year, the County hereby states that it is its current intention to make sufficient annual appropriations to make the payments required by this Agreement. Notwithstanding anything in this Agreement to the contrary, the County's obligations to pay the cost of performing its obligations under this Agreement, including, without limitation, its obligations to pay the cost provided for in Section 6.1 shall be subject to and dependent upon annual appropriations being made from time to time by the County for such purpose. The County, however, hereby directs the County Administrator of the County to include in his proposed budget for each fiscal year the amount of the payment and all amounts required to be paid under this Agreement during such fiscal year.

In the event sufficient funds are not appropriated to make the payments provided for in Section 6.1 in a timely manner, the Town may rescind the transfer of its water and sewer utility system in accordance with Section 8.

Section 6.3. Prior Notice; Accounting. The Town shall provide the County with written notice at least sixty (60) days prior to the expenditure of any funds for any project to be

funded by the Capital Improvements Fund for Revitalization and Economic Development. The County shall notify the Town in writing within thirty (30) days thereafter if it disagrees that the project is eligible for funding from the Capital Improvement Fund. Failure of the Town to receive any notice is deemed consent by the County that such project is eligible for funding from this Fund. The Town shall provide the County with an accounting of funds expended upon the completion of each such project. The Town shall reimburse the Capital Improvement Fund for Revitalization and Economic Development from its general fund for any expenditure determined by a court of competent jurisdiction not to have been properly made in accordance with this Agreement.

Section 7. Remedies

In the event either the County or the Town fails to perform or observe any covenant under this Agreement and such failure is not cured within the time period specified elsewhere in this Agreement, or if not specified elsewhere, then within thirty (30) days after receipt of written notice from the other party, either the County or the Town may sue for specific performance and pursue other legal remedies or rights available to it under the laws of the Commonwealth of Virginia. The prevailing party in any such litigation shall be entitled to recover reasonable attorneys' fees and costs.

Section 8. Rescission of Transfer of Water and Sewer Utility Systems

Section 8.1 Right to Rescind. If the County fails to appropriate and pay the funds to the Town as provided in Sections 5.2, 5.5 and 6.1, the Town, at its option, may rescind its transfer of the Town water and sewer utility system.

Section 8.2 Notice of Rescission. If the Town elects to rescind the transfer of the Town's water and sewer utility system as provided in Section 8.1, the Town shall notify the County of its election to do so by written notice duly adopted by the Town Council. If the County fails to cure the alleged default within ninety (90) days from the receipt of the notice, the County shall transfer the systems back to the Town.

Section 8.3 Reconveyance of Water and Sewer Systems. Any reconveyance by the County of the water and sewer system shall include the systems then existing inside the then existing corporate limits of the Town. The system to be conveyed to the Town shall include adequate provisions for having a treated water supply and adequate capacity for the treatment of sewage each of which is at least equal to the capacity of the system on the date this Agreement is executed and adequate to serve existing customers within the Town at the time of the rescission. The system conveyed shall also include all of the assets, properties, rights and obligations, including any debt service pertaining to the system or capacity being conveyed, which pertain to the water and sewer services inside the Town including, without limitation, all well lots, fixtures, easements and rights-of-way, wells,

buildings and pumps, the entire distribution system of main valves, meters and related items, and all personal property, cash securities, intangible assets and accounts receivable relating to the customers inside the Town.

Section 8.4 Binding Arbitration. Should <sup>there</sup> ~~their~~ be any dispute between the Town and the County as to what comprises the water and sewer system to be conveyed to the Town and the manner in which it should be conveyed, the parties agree that the matter shall be settled by arbitration in accordance with the Uniform Arbitration Act in Article 2 of Chapter 21 of Title 8.01 of the Code, or such other process as the Town and the County deem appropriate, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

Section 9. Commission and Court Approval

Section 9.1 The Town and the County each agree to make a good faith effort to effectuate the intent of this Agreement and to execute and deliver to the other such documents or other instruments as may be necessary to carry out the provisions hereof.

Section 9.2. The Town and the County agree to initiate the steps necessary and required by Chapters 19.1 and 26.1:1 of Title 15.1 of the Code to obtain review of this Agreement by the Commission and affirmation of it by the Court.

Section 10. Miscellaneous Provisions

Section 10.1. Effective Date. This Agreement shall become effective when it has been affirmed and given full force and effect by a Court appointed pursuant to Chapter 26.2 of Title 15.1 of the Code. The Town and the County shall request the Court to enter an order establishing the effective date immediately.

Section 10.2. Binding on Assigns and Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their assigns, and any successors of the Town or the County.

Section 10.3. Notices. Unless otherwise provided, all notices and communications required or permitted to be sent pursuant to the provisions of this Agreement shall be in writing and shall be deemed to have been properly received if sent by first class mail; transmitted by telecopier; or personally delivered to the parties at the following addresses:

If to the Town:	Town Manager Town of Ashland 101 Thompson Street P.O. Box 1600 Ashland, VA 23005 Fax: (804) 798-4892
If to the County:	County Administrator County of Hanover P.O. Box 470 7497 County Complex Road Hanover Courthouse Hanover, VA 23069 Fax: (804) 537-6234

Either party may at any time change its address for the purpose of notices by notice given in the manner provided in this Section 10.3.

Section 10.4. Amendments. This Agreement may be amended, modified or supplemented in whole or in part by mutual agreement of the Town and the County by written document duly executed by authorized representatives of the Town and the County.

Section 10.5. Governing Law. This Agreement shall be governed by the applicable laws of Virginia.

Section 10.6. Severability. In the event any portion of this Agreement shall be determined to be invalid under any applicable law, such provision shall be deemed void and the remainder of this Agreement shall continue in full force and effect.

Section 10.7. Headings. The section headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provisions of this Agreement.

IN WITNESS WHEREOF, the governing bodies of the Town and the County have each by resolution or ordinance caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original, by their respective Mayor or Chairman, and attested by their Clerks.




TOWN OF ASHLAND

By   
Mayor

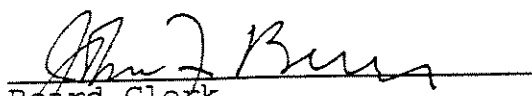
ATTEST:

  
Clerk of Council

COUNTY OF HANOVER

By   
Chairman, Board of Supervisors

ATTEST:

  
Board Clerk

EXHIBITS:

- Exhibit A Metes and Bounds and Map of Annexation Area and Overlay District
- Exhibit B Map - Land Use Designations
- Exhibit C Comprehensive Plan Amendment for Hanover County, Virginia
- Exhibit D Ashland Area Overlay District and RRC Rural Residential Cluster District Ordinance
- Exhibit E Agreement of Purchase and Sale between the Town of Ashland and County of Hanover Dated January 11, 1995
- Exhibit F Schedule for Water and Sewer Extensions by Hanover County

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1/10/95

**EXHIBITS TOO VOLUMINOUS TO BE INCLUDED WITH THIS COPY OF  
THE VOLUNTARY SETTLEMENT AGREEMENT**

STATISTICAL PROFILE OF THE TOWN OF ASHLAND,  
 COUNTY OF HANOVER, AND THE AREA PROPOSED FOR ANNEXATION

	<u>Town of Ashland</u>	<u>County of Hanover</u>	<u>Area Proposed for Annexation</u>
Population (1992)	6,017	67,725	243
Land Area (Square Miles)	4.00	471.00	3.10
Total Assessed Values (FY1994)	\$286,584,387	\$4,367,157,057	N/A
Real Estate Values	\$247,975,500	\$3,771,105,800	\$50,266,500
Public Service Corporation Values	\$16,335,259	\$209,467,894	N/A
Personal Property Values	\$22,236,353	\$308,073,175	N/A
Machinery and Tools Values	\$37,275	\$58,259,803	N/A
Merchants' Capital Values	N/A	\$20,250,385	N/A
Existing Land Use (Acres)			
Residential	739	27,441	171
Commercial	312	1,744	178
Industrial	36	2,395	200
Public and Semi-Public	245	8,042	15
Transportation	209	N/A	154
Agricultural, Wooded or Vacant	1,064	260,162	1,254

NOTES:

N/A=Not Available

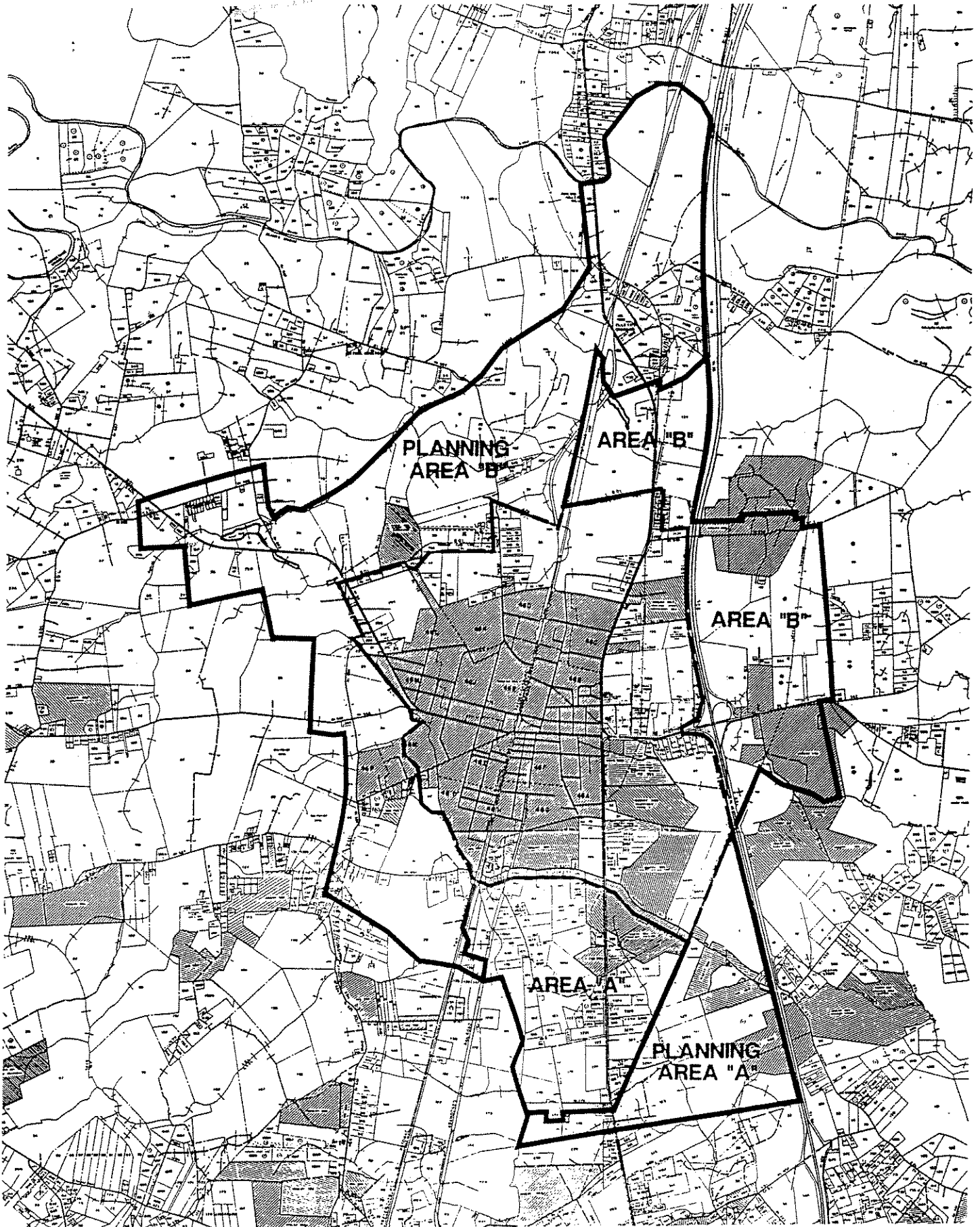
Statistics for the Town of Ashland are included in the data for Hanover County, with the exception of merchants' capital property values which are not applicable in the Town.

Transportation land uses in the County are included in the public and semi-public category.

SOURCES:

Town of Ashland and County of Hanover, Notice by the Town of Ashland and the County of Hanover of their Intent to Petition of Approval of a Voluntary Settlement Agreement.

County of Hanover, Hanover County, Virginia, Comprehensive Plan, Vision 2012.



Change in the Commonwealth: The Experience in Virginia's Towns During the Decade of the 1980s

Town of  
**Ashland**  
in  
Hanover County

Status on Selected  
Demographic, Social, and Economic Variables

<u>Characteristics of Population</u>	<u>STATUS</u>	<u>Education</u>	<u>STATUS</u>
Town Population ('90):	5,864	Town Percent Population with Minimum Education ('90):	71.6%
% Change ('80-90):	26.4%	% Change ('80-90):	18.6%
County Population ('90):	63,306	County Percent Population with Minimum Education ('90):	77.5%
% Change ('80-90):	25.6%	% Change ('80-90):	29.8%
<u>Town Status as Percent of County's ('90):</u>	<u>9.3%</u>	<u>Town Status as Percent of County's ('90):</u>	<u>92.3%</u>
Town Percent Population under 18 Years ('90):	19.8%	<u><b>Income and Poverty</b></u>	
% Change ('80-90):	-2.3%	Town Per Capita Income ('89):	\$12,196
County Percent Population under 18 Years ('90):	25.0%	% Change ('79-89):	87.2%
% Change ('80-90):	-13.3%	County Per Capita Income ('89):	\$16,463
<u>Town Status as Percent of County's ('90):</u>	<u>79.2%</u>	% Change ('79-89):	115.6%
Town Percent Population 65 Years and over ('90):	13.2%	<u>Town Status as Percent of County's ('89):</u>	<u>74.1%</u>
% Change ('80-90):	22.4%	Town Percent Families below Poverty Level ('89):	4.5%
County Percent Population 65 Years and over ('90):	10.6%	% Change ('79-89):	-26.7%
% Change ('80-90):	17.8%	County Percent Families below Poverty Level ('89):	2.9%
<u>Town Status as Percent of County's ('90):</u>	<u>124.7%</u>	% Change ('79-89):	-52.1%
Town Median Age ('90):	27.9	<u>Town Status as Percent of County's ('89):</u>	<u>156.8%</u>
% Change ('80-90):	11.2%	<u><b>Crime Rate</b></u>	
County Median Age ('90):	34.5	Town Crime Rate Per 100,000 in General Population ('90):	5,747
% Change ('80-90):	9.5%	% Change ('80-90):	-35.8%
<u>Town Status as Percent of County's ('90):</u>	<u>80.9%</u>	County Crime Rate Per 100,000 in General Population ('90):	2,651
		% Change ('80-90):	-8.4%
		<u>Town Status as Percent of County's ('90):</u>	<u>216.8%</u>

**Ashland**

	<u>STATUS</u>
<b><u>Characteristics of Households</u></b>	
Town Percent Family Households ('90):	67.2%
% Change ('80-90):	-1.9%
County Percent Family Households ('90):	79.9%
% Change ('80-90):	-5.5%
<u>Town Status as Percent of County's ('90):</u>	<u>84.1%</u>
Town Percent Non-Family Households ('90):	32.8%
% Change ('80-90):	4.2%
County Percent Non-Family Households ('90):	20.1%
% Change ('80-90):	30.5%
<u>Town Status as Percent of County's ('90):</u>	<u>163.4%</u>
Town Percent of Families with Children under 18 years Headed by Female ('90):	28.0%
% Change ('80-90):	86.3%
County Percent of Families with Children under 18 years Headed by Female ('90):	9.8%
% Change ('80-90):	19.8%
<u>Town Status as Percent of County's ('90):</u>	<u>284.7%</u>
<b><u>Characteristics of Housing</u></b>	
Town Percent Occupied Housing Units Owner Occupied ('90):	58.2%
% Change ('80-90):	10.5%
County Percent Occupied Housing Units Owner Occupied ('90):	83.5%
% Change ('80-90):	-0.3%
<u>Town Status as Percent of County's ('90):</u>	<u>69.7%</u>

	<u>STATUS</u>
<b><u>Characteristics of Housing (cont'd)</u></b>	
Town Median Value Owner-Occupied Housing Units ('90):	\$78,500
% Change ('80-90):	81.3%
County Median Value Owner-Occupied Housing Units ('90):	\$91,300
% Change ('80-90):	67.8%
<u>Town Status as Percent of County's ('90):</u>	<u>86.0%</u>
Town Median Contract Rent ('90):	\$352
% Change ('80-90):	96.6%
County Median Contract Rent ('90):	\$423
% Change ('80-90):	140.3%
<u>Town Status as Percent of County's ('90):</u>	<u>83.2%</u>
Town Percent Occupied Housing Units Substandard-Overcrowded ('90):	1.9%
% Change ('80-90):	-36.8%
County Percent Occupied Housing Units Substandard-Overcrowded ('90):	1.0%
% Change ('80-90):	-64.8%
<u>Town Status as Percent of County's ('90):</u>	<u>196.7%</u>
Town Percent Occupied Housing Units Substandard-Incomplete Plumbing ('90):	1.1%
% Change ('80-90):	-81.6%
County Percent Occupied Housing Units Substandard-Incomplete Plumbing ('90):	1.8%
% Change ('80-90):	-67.0%
<u>Town Status as Percent of County's ('90):</u>	<u>63.3%</u>

Change in the Commonwealth: The Experience in Virginia's Towns During the Decade of the 1980s

Ashland

	<u>STATUS</u>
<b><u>Composition of Local Revenue</u></b>	
Town Local-Source Revenue	
Contribution Per Capita (FY92):	\$346.70
% Change (FY83-92):	146.1%
County Local-Source Revenue	
Contribution Per Capita (FY92):	\$754.22
% Change (FY83-92):	120.4%
<u>Town Status as Percent of County's (FY92):</u>	<u>46.0%</u>
Town Local-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	77.0%
% Change (FY83-92):	27.5%
County Local-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	61.9%
% Change (FY83-92):	14.9%
<u>Town Status as Percent of County's (FY92):</u>	<u>124.5%</u>
Town State-Source Revenue	
Contribution Per Capita (FY92):	\$97.13
% Change (FY83-92):	53.3%
County State-Source Revenue	
Contribution Per Capita (FY92):	\$417.08
% Change (FY83-92):	61.3%
<u>Town Status as Percent of County's (FY92):</u>	<u>23.3%</u>
Town State-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	21.6%
% Change (FY83-92):	-20.6%
County State-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	34.2%
% Change (FY83-92):	-15.9%
<u>Town Status as Percent of County's (FY92):</u>	<u>63.1%</u>

	<u>STATUS</u>
<b><u>Composition of Local Revenue (cont'd)</u></b>	
Town Federal-Source Revenue	
Contribution Per Capita (FY92):	\$6.24
% Change (FY83-92):	-78.4%
County Federal-Source Revenue	
Contribution Per Capita (FY92):	\$47.37
% Change (FY83-92):	36.2%
<u>Town Status as Percent of County's (FY92):</u>	<u>13.2%</u>
Town Federal-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	1.4%
% Change (FY83-92):	-88.8%
County Federal-Source Revenue	
Contribution as Percent of Total	
Local Revenue (FY92):	3.9%
% Change (FY83-92):	-29.0%
<u>Town Status as Percent of County's (FY92):</u>	<u>35.7%</u>
<b><u>Real Estate Tax Rate</u></b>	
Town Nominal Real Estate Tax Rate	
Per \$100 of Assessed Value ('92):	\$0.10
% Change ('82-92):	-44.4%
County Average Nominal Real Estate Tax Rate	
Per \$100 of Assessed Value ('92):	\$0.67
% Change ('82-92):	-2.9%
<u>Town Status as Percent of County's ('92):</u>	<u>14.9%</u>
<b><u>Debt</u></b>	
Town Net Debt Per Capita (FY92):	\$1,469.88
% Change (FY83-92):	616.9%
County Net Debt Per Capita (FY92):	\$1,246.45
% Change (FY83-92):	107.9%
<u>Town Status as Percent of County's (FY92):</u>	<u>117.9%</u>

Change in the Commonwealth: The Experience in Virginia's Towns During the Decade of the 1980s

**Ashland**

	<u>STATUS</u>
<b><u>Expenditures</u></b>	
Town Total Maintenance and Operation	
Expenditure (in thousands) (FY92):	\$2,535
% Change (FY83-92):	145.2%
County Total Maintenance and Operation	
Expenditure (in thousands) (FY92):	\$72,478
% Change (FY83-92):	150.7%
<u>Town Status as Percent of County's (FY92):</u>	<u>3.5%</u>
Town Total Maintenance and Operation	
Expenditure Per Capita (FY92):	\$432.36
% Change (FY83-92):	94.0%
County Total Maintenance and Operation	
Expenditure Per Capita (FY92):	\$1,103.17
% Change (FY83-92):	95.4%
<u>Town Status as Percent of County's (FY92):</u>	<u>39.2%</u>
Town Community Development	
Expenditure Per Capita (FY92):	\$14.57
% Change (FY83-92):	47.1%
County Community Development	
Expenditure Per Capita (FY92):	\$23.06
% Change (FY83-92):	147.4%
<u>Town Status as Percent of County's (FY92):</u>	<u>63.2%</u>
Town Community Development Expenditure	
as Percent of Total (FY92):	3.4%
% Change (FY83-92):	-24.2%
County Community Development Expenditure	
as Percent of Total (FY92):	2.1%
% Change (FY83-92):	26.6%
<u>Town Status as Percent of County's (FY92):</u>	<u>161.2%</u>
Town Public Works Expenditure	
Per Capita (FY92):	\$211.97
% Change (FY83-92):	118.0%
County Public Works Expenditure	
Per Capita (FY92):	\$39.66
% Change (FY83-92):	120.4%
<u>Town Status as Percent of County's (FY92):</u>	<u>534.5%</u>

	<u>STATUS</u>
<b><u>Expenditures (cont'd)</u></b>	
Town Public Works Expenditure	
as Percent of Total (FY92):	49.0%
% Change (FY83-92):	12.4%
County Public Works Expenditure	
as Percent of Total (FY92):	3.6%
% Change (FY83-92):	12.8%
<u>Town Status as Percent of County's (FY92):</u>	<u>1363.8%</u>
Town Public Safety Expenditure	
Per Capita (FY92):	\$146.08
% Change (FY83-92):	103.6%
County Public Safety Expenditure	
Per Capita (FY92):	\$103.31
% Change (FY83-92):	107.5%
<u>Town Status as Percent of County's (FY92):</u>	<u>141.4%</u>
Town Public Safety Expenditure	
as Percent of Total (FY92):	33.8%
% Change (FY83-92):	4.9%
County Public Safety Expenditure	
as Percent of Total (FY92):	9.4%
% Change (FY83-92):	6.2%
<u>Town Status as Percent of County's (FY92):</u>	<u>360.8%</u>
Town Parks, Recreation, and Cultural	
Expenditure Per Capita (FY92):	\$6.27
% Change (FY83-92):	###
County Parks, Recreation, and Cultural	
Expenditure Per Capita (FY92):	\$21.18
% Change (FY83-92):	175.9%
<u>Town Status as Percent of County's (FY92):</u>	<u>29.6%</u>
Town Parks, Recreation, and Cultural	
Expend as Percent of Total (FY92):	1.5%
% Change (FY83-92):	###
County Parks, Recreation, and Cultural	
Expend as Percent of Total (FY92):	1.9%
% Change (FY83-92):	41.2%
<u>Town Status as Percent of County's (FY92):</u>	<u>75.5%</u>

## Locality Data Sheet

### NOTES:

#### General

(1) These notes are applicable to the entire set of Town Data Sheets (188). There are currently 190 active incorporated towns in Virginia (the Town of Draper in Pulaski County does not have elected officers and is not considered as active). However, two towns-- Castlewood in Russell County (incorporated March 20, 1991) and Clinchco in Dickenson County (incorporated April 18, 1990)--are not considered here since they were not incorporated as of the 1990 decennial census.

(2) When "\*\*\*" is displayed with the town's name, that town is located in two counties. To keep the analysis from becoming unwieldy, only the parent county containing the majority of the town's population is used for comparative analysis purposes. Listed below are the eleven affected towns, the counties involved, and the percent of 1990 population (in parentheses) in those counties:

Belle Haven: Accomack (83.7%); Northampton (16.3%)  
Brodnax: Brunswick (82.5%); Mecklenburg (17.5%)  
Farmville: Prince Edward (93.2%); Cumberland (6.8%)  
Grottoes: Rockingham (99.0%); Augusta (1.0%)  
Jarratt: Greensville (75.9%); Sussex (24.1%)  
Kilmarnock: Lancaster (95.0%); Northumberland (5.0%)  
Occoquan: Prince William (100.0%); Fairfax (0.0%)  
Pamplin City: Appomattox (87.5%); Prince Edward (12.5%)  
St. Paul: Wise (82.1%); Russell (17.9%)  
Saltville: Smyth (88.8%); Washington (11.2%)  
Scottsville: Albemarle (92.1%); Fluvanna (7.9%)

(3) The "% Change" statistic has been calculated, in each instance, on the basis of the decennial change in the variable under consideration. Thus, if the variable is reported as a percentage measure (e.g., "Percent Population under 18 Years"), then the statistic is a percent change in that percentage measure.

(4) When "N/A" is displayed as the value of the variable there was no reported value.

(5) When "###" is displayed the number could not be calculated due to division by zero.

#### Education

The "Percent of Population with Minimum Education" data are reported by place of residence and are based on that portion of the population 25 years of age and older. A "minimum education level" is considered, for the purpose of this report, to be a high school education or its equivalent.

#### Poverty

The federal government determines the poverty status of families by comparing family income in the year preceding the decennial census to an established matrix of family incomes based on family size and the presence and number of children in the family under 18 years of age.



## Crime Rate

"Crime rate," as reported by the Virginia Department of State Police, is the total number of actual offenses in seven categories of crime known to have occurred in a locality per 100,000 persons. The seven categories of crime included in the crime rate statistic are murder and non-negligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft. Crime rate data for towns, as used in this analysis, are limited to those towns which employ law enforcement personnel and participate in the Virginia State Police Uniform Crime Reporting System. In 1980 there were 81 towns which reported to the system; 97 towns reported in 1990, giving a total of 77 towns which were common to both reporting periods. However, aggregated data for each year were calculated using the available reported data for that year. Therefore, the aggregated data for towns can be viewed as follows: The crime rate in 1980 in the Commonwealth's towns taken as a jurisdictional class was represented (for purposes of this report) by a subset of 81 reporting towns; in 1990 this subset consisted of 97 reporting towns. The absolute and percent change in crime rate for towns over the period 1980 to 1990 were calculated using the data from these two subsets.

## Characteristics of Households

For the variable "Percent of Families with Children under 18 years Headed by Female" the universe under consideration is "families with children under 18 years of age." The subset of this universe analyzed here is that segment of families with children under 18 years of age which is headed by a female householder.

## Characteristics of Housing

(1) "Substandard housing-overcrowded" is defined as housing occupied by 1.01 or more persons per room. "Room" includes living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are bathrooms, open porches, balconies, halls, half-rooms, utility rooms, and unfinished attics, basements, and other storage spaces.

(2) "Substandard housing-incomplete plumbing" is defined as housing lacking complete plumbing for exclusive use. "Complete plumbing" is hot and cold piped water, a flush toilet, and a bathtub or shower inside the housing unit. "Exclusive use" means the occupants of the unit have exclusive use of the facilities.

## Fiscal

Section 15.1-166, Code of Virginia, states that "all towns having a population of 3,500 or over, and...all towns constituting a separate school division regardless of their population..." shall report to the Auditor of Public Accounts pursuant to the provisions of the section. This statutory requirement became effective with the Fiscal Year 1983 reporting period. At that time 30 towns were required to report; there were 32 towns reporting for the latest reporting period (Fiscal Year 1992). Due to the fact that some towns were removed from the roster of those reporting and some were added, there remains 28 towns common to the study period (Fiscal Year 1983 to Fiscal Year 1992) for purposes of this analysis.

**SOURCES:**

**Population, Age, Education, Income, Poverty, Households, and Housing:**

U. S. Department of Commerce, Bureau of the Census, Unpublished Data from Summary Tape Files 1A and 3A, Virginia, 1980; and 1990.

**Crime:**

Commonwealth of Virginia, Department of State Police, Crime in Virginia, 1980; and 1990.

**Revenue, Expenditures, and Net Debt:**

Commonwealth of Virginia, Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1983, September 1984; and Year Ended June 30, 1992, May 1993.

**Real Estate Tax Rate:**

Commonwealth of Virginia, Department of Taxation, Local Tax Rates, Tax Year 1982; Tax Year 1992. Virginia Assessment/Sales Ratio Study 1982, March 1984; Unpublished data (Table 5.4), Tax Year 1992.

Change in the Commonwealth: The City/County Experience in Virginia During the 1980s**Hanover County**

## Status and Ranking on Selected

## Demographic, Social, Economic, and Fiscal Variables

(1 = low; 136 = high)

	<u>STATUS</u>	<u>RANK</u>		<u>STATUS</u>	<u>RANK</u>
<u>Characteristics of Population</u>			<u>Characteristics of Housing (cont'd)</u>		
Population ('90):	63,306	117	Median Value Owner-Occupied Housing Units ('90):	\$91,300	115
% Change ('80-90):	25.6%	118	% Change ('80-90):	67.8%	64
Percent Population under 18 Years ('90):	25.0%	91	Median Contract Rent ('90):	\$423	115
% Change ('80-90):	-13.3%	74	% Change ('80-90):	140.3%	106
Percent Population 65 Years and Over ('90):	10.6%	29	Percent Occupied Housing Units Substandard-Overcrowded ('90):	1.0%	8
% Change ('80-90):	17.8%	69	% Change ('80-90):	-64.8%	11
Median Age ('90):	34.5	58	Percent Occupied Housing Units Substandard-Incomplete Plumbing ('90):	1.8%	52
% Change ('80-90):	9.5%	50	% Change ('80-90):	-67.0%	46
<u>Characteristics of Households</u>			<u>Crime &amp; Vital Statistics</u>		
Percent Family Households ('90):	79.9%	124	Crime Rate Per 100,000 in General Population ('90):	2,651	79
% Change ('80-90):	-5.5%	74	% Change ('80-90):	-8.4%	66
Percent Non-Family Households ('90):	20.1%	13	Teenage Pregnancies Per 1,000 Females Age 10 to 19 ('90):	34.8	24
% Change ('80-90):	30.5%	114	% Change ('80-90):	-16.9%	31
Percent of Families with Children under 18 years Headed By Female ('90):	9.8%	20	Live Births Per 1,000 in General Population ('90):	15.1	86
% Change ('80-90):	19.8%	70	% Change ('80-90):	17.1%	108
<u>Characteristics of Housing</u>			Infant Deaths Per 1,000 Live Births ('90):	12.6	99
Percent Occupied Housing Units Owner Occupied ('90):	83.5%	127	% Change ('80-90):	-18.5%	82
% Change ('80-90):	-0.3%	70			
Vacant Housing Units as a Percent of Total Units ('90):	4.6%	10			
% Change ('80-90):	-19.3%	17			

Change in the Commonwealth: The City/County Experience in Virginia During the 1980s

Hanover County

	<u>STATUS</u>	<u>RANK</u>		<u>STATUS</u>	<u>RANK</u>
<u>Income and Poverty</u>			<u>Employment Profile (cont'd)</u>		
Per Capita Income ('89):	\$16,463	118	Percent in Trade ('90):	31.6%	124
% Change ('79-89):	115.6%	106	% Change ('80-90):	4.2%	38
Percent Families below Poverty Level ('89):	2.9%	9	Percent in Finance, Insurance, and Real Estate ('90):	2.1%	39
% Change ('79-89):	-52.1%	9	% Change ('80-90):	25.7%	103
<u>Education</u>			Percent in Services ('90):	21.5%	97
Average Annual Salary All Classroom Teaching Positions ('89-90):	\$28,775	87	% Change ('80-90):	24.3%	58
% Change ('80-81 to '89-90):	118.7%	119	Percent in Government ('90):	10.7%	20
Pupil-Teacher Ratio ('89-90):	15.2	115	% Change ('80-90):	-25.7%	22
% Change ('80-81 to '89-90):	-0.5%	122	<u>Composition of Total Local Revenue</u>		
Percent Population with Minimum Education ('90):	77.5%	113	Local-Source Revenue Contribution		
% Change ('80-90):	29.8%	63	Per Capita (FY90):	\$708	87
<u>Employment Profile</u>			% Change (FY81-90):	168.9%	125
Average Annual Total Covered Positions ('90):	26,570	116	Local-Source Revenue Contribution as Percent of Total		
% Change ('80-90):	64.3%	119	Local Revenue (FY90):	60.7%	106
Percent in Agriculture, Forestry, and Fishing ('90):	1.2%	85	% Change (FY81-90):	24.7%	125
% Change ('80-90):	15.3%	44	State Revenue Contribution		
Percent in Mining ('90):	0.4%	106	Per Capita (FY90):	\$426	29
% Change ('80-90):	-45.4%	32	% Change (FY81-90):	104.7%	60
Percent in Construction ('90):	17.2%	132	State Revenue Contribution as Percent of Total		
% Change ('80-90):	18.4%	73	Local Revenue (FY90):	36.5%	36
Percent in Manufacturing ('90):	10.8%	38	% Change (FY81-90):	-5.0%	29
% Change ('80-90):	-38.8%	22	Federal Revenue Contribution		
Percent in Transportation, Communication, and Public Utilities ('90):	4.4%	95	Per Capita (FY90):	\$32	5
% Change ('80-90):	96.7%	124	% Change (FY81-90):	-53.8%	4
			Federal Revenue Contribution as Percent of Total		
			Local Revenue (FY90):	2.8%	10
			% Change (FY81-90):	-78.5%	3

Change in the Commonwealth: The City/County Experience in Virginia During the 1980s

Hanover County

	<u>STATUS</u>	<u>RANK</u>		<u>STATUS</u>	<u>RANK</u>
<u>Expenditures</u>			<u>Expenditures (cont'd)</u>		
General Government			Health & Welfare Expenditure		
Administration Expenditure			Per Capita (FY90):	\$68	41
Per Capita (FY90):	\$53	69	% Change (FY81-90):	132.8%	66
% Change (FY81-90):	135.6%	98			
General Government			Health & Welfare Expenditure		
Administration Expenditure			as Percent of Total (FY90):	6.7%	49
as Percent of Total (FY90):	5.2%	85	% Change (FY81-90):	16.4%	64
% Change (FY81-90):	17.8%	96			
Community Development			Parks, Recreation, and		
Expenditure Per Capita (FY90):	\$24	100	Cultural Expenditure		
% Change (FY81-90):	238.0%	97	Per Capita (FY90):	\$20	72
			% Change (FY81-90):	194.3%	100
Community Development			Parks, Recreation, and		
Expenditure as Percent			Cultural Expenditure		
of Total (FY90):	2.4%	111	as Percent of Total (FY90):	2.0%	74
% Change (FY81-90):	68.9%	99	% Change (FY81-90):	47.1%	99
Public Works Expenditure			<u>Debt &amp; Taxes</u>		
Per Capita (FY90):	\$32	47	Net Debt Per Capita (FY90):	\$992	112
% Change (FY81-90):	42.0%	17	% Change (FY81-90):	94.9%	74
Public Works Expenditure			Average Effective True		
as Percent of Total (FY90):	3.2%	46	Real Estate Tax Rate ('90):	\$0.61	76
% Change (FY81-90):	-29.1%	19	% Change ('80-90):	22.0%	83
Public Safety Expenditure			General Property Taxes		
Per Capita (FY90):	\$101	78	Per Capita (FY90):	\$466	101
% Change (FY81-90):	129.1%	72	% Change (FY81-90):	153.3%	113
Public Safety Expenditure			True Real Estate & Public		
as Percent of Total (FY90):	10.0%	82	Service Corporation Assessed		
% Change (FY81-90):	14.5%	67	Value Per Capita ('89):	\$49,327	99
Education Expenditure			% Change ('80-89):	77.8%	81
Per Capita (FY90):	\$704	60	Total Taxable Retail Sales		
% Change (FY81-90):	91.9%	63	Per Capita ('90):	\$7,959	106
Education Expenditure			% Change ('80-90):	107.6%	113
as Percent of Total (FY90):	69.5%	77			
% Change (FY81-90):	-4.1%	64			

## Locality Data Sheet

### NOTES:

- (1) These notes are applicable to the entire set of Locality Data Sheets (136), except where otherwise indicated.
- (2) Rankings are in relation to the Commonwealth's 136 cities and counties.
- (3) The "% Change" statistic has been calculated, in each instance, on the basis of the decennial change in the variable under consideration. Thus, if the variable is reported as a percentage measure (i. e., Percent Population under 18 Years), then the statistic is a percent change in that percentage measure.
- (4) When "###" is displayed as the value of the variable there was no reported value.
- (5) When "###" is displayed as the percent change over time for the variable no data were reported or the number could not be calculated due to division by zero.

### Housing

- (1) "Substandard housing-overcrowded" is defined as housing occupied by 1.01 or more persons per room.
- (2) "Substandard housing-incomplete plumbing" is defined as housing lacking complete plumbing for exclusive use. "Complete plumbing" is hot and cold piped water, a flush toilet, and a bathtub or shower inside the housing unit. "Exclusive use" means the occupants of the unit have exclusive use of the facilities.

### Poverty

The federal government determines the poverty status of families by comparing family income in the year preceding the decennial census to an established matrix of family incomes based on family size and the presence and number of children under 18 years.

### Education

- (1) For "Average Annual Salary" and "Total Pupil-Teacher Ratio" the data are for the 1980-81 and 1989-90 school years. The variations in the data for the following systems should be noted:

Clifton Forge City and Alleghany County school systems completed a merger in 1984 to form the Alleghany Highlands system.

Bedford County data include that for the City of Bedford.

Fairfax County data include that for the City of Fairfax.

Greensville County data include that for the City of Emporia.

Halifax County data for the secondary system include that for the City of South Boston.

Williamsburg City data include that for James City County.

Roanoke County data for 1980-81 include that for the City of Salem.

Grayson County data for 1989-90 include that for the Town of Fries which discontinued its separate system in 1987-88.

Northampton County data for 1989-90 include that for the Town of Cape Charles which discontinued its separate system in 1988-89.

Rockbridge County data for 1989-90 include that for the City of Lexington's secondary pupils.

(2) The "Percent of Population with Minimum Education" data are for 1980 and 1990. These data are by place of residence and are based on that portion of the population 25 years of age and older. A "minimum education level" is considered, for the purpose of this report, to be a high school education or its equivalent.

### Employment

The term "Covered Positions" includes those positions which are covered by the Virginia unemployment compensation laws.

### **SOURCES:**

#### **Population, Age, Minimum Education Level, Households, Housing, Income, and Poverty:**

U. S. Bureau of the Census, 1980 Census of Housing, General Characteristics, Virginia (HC80-1-A48), August 1982.

U. S. Bureau of the Census, 1980 Census of Population, General Population Characteristics, Virginia (PC80-1-B48), August 1982.

U. S. Bureau of the Census, 1980 Census of Population and Housing, Summary Characteristics for Government Units and Standard Metropolitan Statistical Areas, Virginia (PHC80-3-48), October 1982.

U. S. Bureau of the Census, 1980 Census of Population, General Social and Economic Characteristics, Virginia (PC80-1-C48), July 1983.

U. S. Bureau of the Census, 1990 Census of Population, unpublished data from Summary Tape File 1A, Virginia.

U. S. Bureau of the Census, 1990 Census of Population and Housing, unpublished data from Summary Tape File 3A, Virginia.

### **Crime:**

Commonwealth of Virginia, Department of State Police, Crime in Virginia, 1980; and 1990.

**Teenage Pregnancies, Live Births, and Infant Mortality:**

Commonwealth of Virginia, Department of Health, Virginia Vital Statistics 1980 Annual Report.

Commonwealth of Virginia, Department of Health, unpublished data from Virginia Vital Statistics 1990 Annual Report.

**Education (Average Annual Salary and Total Pupil-Teacher Ratio):**

Commonwealth of Virginia, Department of Education, Facing Up-16: Statistical Data on Virginia's Public Schools, 1980-81 School Year, March 1982.

Commonwealth of Virginia, Department of Education, A New Vision for Education: Superintendent's Annual Report for Virginia, 1989-90.

**Employment:**

Commonwealth of Virginia, Virginia Employment Commission, ES-202 Covered Employment and Wages File, Annual Average Employment (Unpublished data for 1980 and 1990), April 1992.

**Revenue, Expenditures, and Net Debt:**

Commonwealth of Virginia, Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1981, July 1982; and Year Ended June 30, 1990, May 1991.

**Locally Taxed Assessables:**

Commonwealth of Virginia, Department of Taxation, Virginia Assessment/Sales Ratio Study 1980, March 1982; and 1989, March 1991.

**Taxable Retail Sales:**

Commonwealth of Virginia, Department of Taxation, Taxable Sales Annual Report 1980; and 1990.