

ANNEXATION AGREEMENT

THIS AGREEMENT dated this 25th day of November, 1991, by and between the Town of Cape Charles, Virginia, a municipal corporation of the Commonwealth of Virginia (hereinafter Town), and Northampton County, a political subdivision of the Commonwealth of Virginia, (hereinafter County).

WHEREAS, the Town has initiated an Annexation Petition to the Commission on Local Government (hereinafter Commission), for the annexation of property currently under the jurisdiction of Northampton County; and

WHEREAS, the County has filed its Response to the annexation Petition with the Commission; and

WHEREAS, the Commission has conducted public hearings and a hearing, after due consideration of which it has recommended approval of the Petition; and

WHEREAS, the Town has adopted an Ordinance and Petition pursuant to Section 15.1-1033 of the Code of Virginia, 1950 as amended, petitioning the Special Annexation Court (hereinafter the Court) to grant the annexation of land in Northampton County; and

WHEREAS, the County has filed its responsive pleadings thereto and the matter has been docketed for hearing; and

WHEREAS, the Town and County have reached an Agreement, the terms of which are acceptable to both parties and which are intended to settle the annexation action initiated by the Town and other related issues of concern to the parties.

NOW THEREFORE FOR AND IN CONSIDERATION of the following mutual covenants, the adequacy of which are hereby acknowledged, the parties agree as follows:

1. The Town agrees to advise the Commission and/or Court, via a Resolution or Ordinance, as appropriate, that it has agreed to a settlement of the pending annexation suit with the County subject to the approval of this Agreement by the Court convened pursuant to Chapter 26.2 of Title 15.1 of the Code of Virginia, 1950 as amended. The Town believes the annexation of the property described in the Town's Ordinance and Petition to the Court and of the property owned by Bayshore Concrete Products, Inc., and Vernon M. and Betty Jean Martin, both properties being contiguous to the property described in the Town's Petition, to be in the best interests of the Town, the County, and the Commonwealth of Virginia.

2. The County agrees to advise the Commission and/or Court, via a Resolution or Ordinance, as appropriate, that it has agreed to a settlement of the pending annexation suit and therefore withdraws its objections to the proposed annexation by the Town of the area and properties generally described in Paragraph 1 above, and the subject to the approval of this Agreement by the Court, the County believes the annexation of the property described above to be in the best interests of the Town, the County and the Commonwealth of Virginia.

3. The Town and County agree that following the review and approval of this Agreement by the Commission and/or the Court, the

annexation of the property described above shall be effective at midnight on December 31, 1991, or at midnight of the last day of the month during which the Order validating the annexation is entered by the Court, whichever occurs last.

4. The Town and County agree to form a committee consisting of two elected representatives from the Town's Council and two elected representatives from the County's Board of Supervisors (hereinafter Committee). The Committee shall study, review, discuss and report back to their respective bodies, on current and future issues of mutual concern between the Town and County. The Committee shall be utilized by the Town and County as a forum to exchange information and views of the two political bodies in an effort to encourage cooperation between the Town and County.

5. The Town and County agree to seek to resolve issues of concern to either or both by the exchange of information, open discussion, negotiation, and cooperation.

6. Following the effective date of annexation, the Town shall promptly initiate and expeditiously take all action necessary and proper to authorize and permit Northampton County to impose a transient occupancy tax within the corporate limits of the Town of Cape Charles. The tax rate shall be the lesser of two percent (2%) or the rate imposed upon the unincorporated areas of Northampton County. Such tax may be imposed upon all classes of facilities permitted by Article 6, Chapter 38, Title 58.1 of the Code of Virginia, 1950, as amended. Such tax shall not apply to the rental of condominiums, apartments, townhouses or single family houses

which are rented for occupancy.

7. For the first ten (10) years following the imposition of such tax by the County, the County shall cause such revenue as is derived from collections within the corporate limits of the Town of Cape Charles to be forwarded annually to the Town to be used by the Town for purposes of beach replenishment, harbor improvements, recreation or beautification within the corporate limits of the Town of Cape Charles or along the corridor between the Town of Cape Charles and U.S. Route 13. Thereafter the County shall retain such revenue and may use same for any purposes permitted by law.

8. The County acknowledges that the Town and the Commission have concerns about the potential impact to the existing business districts within the towns of Cape Charles and Cheriton caused by commercial development along the Virginia State Route 184 corridor and at the traffic light on U.S. Route 13. The Town and County also acknowledge that land use and development decisions within the post-annexation boundaries of Cape Charles, the corridor between Cape Charles and U.S. Route 13 and the area adjacent to U.S. Route 13 at the intersection with Old Stone Road (Virginia State Route 184) are important matters both to the Town and County. Each party agrees to receive comments from the other relative to these matters and to give due consideration to the comments and other input made by the other. In addition, the County agrees that if the Town submits within twelve months of the effective date of annexation a proposal for amendment to the land use section of the Northampton County Comprehensive Plan regarding land use in such

area or submits within twelve months of the effective date of annexation a proposal for additional or modified land use controls along such corridor, then the County shall refer such proposals to the Northampton County Joint Local Planning Commission for its review, public hearings and recommendations thereon. Upon receipt of such recommendations, the County shall hold a public hearing and take such action as it deems appropriate. In the event that the County receives a rezoning application for proposed commercial or industrial use or a preliminary subdivision plat or any preliminary site plan submitted for the development of any commercial or industrial property located in that area at the intersection of Highway 13 and Route 184, which is recommended for commercial development in the County's current Comprehensive Plan, then the County shall promptly forward to the Town a copy of such submittal. Comments made to the County by the Town will be considered by the County in its decision-making process.

9. The parties acknowledge receipt of the "Report on the Town of Cape Charles-County of Northampton County Annexation Action" dated February 19, 1991, prepared by the Commission on Local Government and believe that the parties have adequately addressed the Commission's concerns and therefore urge the Commission to recommend and/or the Court to approve this Annexation Agreement.

10. All the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and to the extent permitted by law shall be enforceable by and upon the respective successors and assigns of the parties.

11. The laws of the Commonwealth of Virginia shall apply to this Agreement which has been executed in Northampton County, Virginia.

12. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall be an original and all of which counterparts taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF and intending to be legally bound hereby, the parties have signed this Agreement the day and year first above written.

TOWN OF CAPE CHARLES

By: Edward G. Parry

Its Mayor

COUNTY OF NORTHAMPTON

By: Charles S. Bell

Its Chairman

State of Virginia

County of Northampton

The foregoing instrument was acknowledged before me this 25th day of November, 1991, by E. A. Parry, III, Mayor, for and in behalf of the Town of Cape Charles.

My Commission expires: 1-20-95.

Ella D. Stratton
Notary Public

State of Virginia

County of Northampton

The foregoing instrument was acknowledged before me this 25th day of November, 1991, by Charles R. Bell, Chairman, for and in behalf of Northampton County.

My Commission expires: 6/30/93

Elizabeth L. Thomas
Notary Public